

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the complaint of)	
GIOACCHINO CIRAULO against)	
CONSUMERS ENERGY COMPANY.)	Case No. U-21994
_____)	

At the May 14, 2026 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER

On November 6, 2025, Gioacchino Ciraulo (Mr. Ciraulo) filed a formal complaint in this case (complaint) against Consumers Energy Company (Consumers) alleging that Consumers had acted in violation of Mich Admin Code, R 460.117 (Rule 17), R 460.126 (Rule 26), R 460.126a (Rule 26a), R 460.126b (Rule 26b), R 460.127 (Rule 27), R 460.147 (Rule 47), R 460.150 (Rule 50), and R 460.154 (Rule 54).

A prehearing conference was held on January 7, 2026, before Administrative Law Judge Katherine E. Talbot (ALJ). Mr. Ciraulo appeared in *pro per*. Consumers and the Commission Staff (Staff) also appeared. On January 23, 2026, Consumers filed a Motion for Summary Disposition pursuant to Mich Admin Code, R 792.10426 (Rule 426) (motion). Mr. Ciraulo filed his response to the motion on January 26, 2026. Oral arguments on Consumers' motion were held on February 3, 2026. Mr. Ciraulo appeared in *pro per*. Consumers and the Staff also appeared.

On February 9, 2026, the ALJ issued a Proposal for Decision (PFD), which was filed under seal.¹ On that same day, Mr. Ciraulo filed exceptions to the PFD. On March 2, 2026, Consumers and the Staff filed letters stating that they would not be filing exceptions to the PFD. On March 16, 2026, Consumers and the Staff filed replies to exceptions in this matter.

Legal Framework

Relevant statutes and rules are set forth in the PFD and will therefore not be repeated here. *See*, PFD, pp. 8-17.

Position of the Parties

Mr. Ciraulo is a customer of Consumers for natural gas utility services. Mr. Ciraulo argued in his complaint that Consumers failed to timely cancel charges for non-energy services associated with an appliance service plan (ASP) that appeared on his natural gas service utility bill. Complaint, pp. 1-2. In the complaint, Mr. Ciraulo requested that the Commission: (1) order Consumers to remove all ASP fees billed to him after August 2, 2025, correct any delinquent status on his account, and provide him with written confirmation that the ASP was fully canceled effective August 2, 2025; (2) conduct a compliance review of Consumers' subcontracting and billing practices with the third-party provider of the ASP Oncourse Home Solutions, American Water Resources (Oncourse); (3) hold Consumers accountable for the company's failure to act on his cancellation request; and (4) require Consumers to implement procedures to ensure that all cancellation requests are promptly forwarded to Oncourse (or any other third-party provider) that include charges on Consumers' customer billing statements. *Id.*, pp. 2-3.

¹ The evidentiary hearing scheduled for February 10, 2026, was cancelled as a result of the issuance of the PFD on February 9, 2026. PFD, p. 20.

Consumers explained that it sold the ASP program to Oncourse on February 2, 2024, with Commission approval. Motion, p. 2 (citing the July 23, 2024 order in Case No. U-21490). Consumers further provided that Oncourse still operates the ASP and offers its services to Consumers' customers through a third-party contract. Motion, p. 2 (citing Mich Admin Code, R 460.10102(1)(e)). Consumers averred that MCL 460.10ee(9) permits the company to include charges for the appliance service program on its utility bill. Motion, p. 2.

Consumers also explained that Oncourse spoke with Mr. Ciraulo about his account on October 24, 2025, and canceled the ASP and issued Mr. Ciraulo a credit for \$119.98 to zero out the balance on his account. *Id.*, pp. 2-3. Consumers contended that a refund check for \$59.99 was sent to Mr. Ciraulo on November 25, 2025, for overpayment on his account along with a written confirmation of the service cancellation. *Id.*, p. 3. Consumers noted that “[t]here has not been any allegation of continued billing for the ASP Program since the account was canceled on October 24, 2025.” *Id.* Moreover, Consumers argued that “the Complaint d[id] not contain an explicit discussion as to how the Company violated [the Consumer Standards and Billing Practices for Electric and Natural Gas Services] rules,” and Mr. Ciraulo has failed to establish that the company violated any statute, regulation, Commission order, or tariff. *Id.*, pp. 4, 6.

Mr. Ciraulo acknowledged that the ASP was canceled effective October 24, 2025, and that he received the written confirmation of service cancellation. Mr. Ciraulo also acknowledged receiving a credit of \$119.98 to his account and a refund check in the amount of \$59.99. *See*, PFD, p. 4; Ciraulo's response to motion for summary disposition, p. 1. However, Mr. Ciraulo argued that:

genuine factual disputes remain, including but not limited to:

1. Whether Consumers Energy [Company]'s billing system adequately distinguishes regulated vs. unregulated charges in a manner meaningful to

- consumers;
2. Whether cancellation requests are reliably and promptly transmitted to third-party providers;
 3. Whether billing continued during the pendency of cancellation processing;
 4. Whether Consumers Energy [Company] maintains effective internal controls over third-party charges presented on regulated bills.

These issues require evidentiary development and are not appropriate for resolution on summary disposition.

Ciraulo's response to motion for summary disposition, p. 3. Mr. Ciraulo also argued that Consumers' denial of rule violations is not sufficient and compliance with the billing rules is a factual inquiry. *Id.*, pp. 3-4.

Proposal for Decision

The ALJ provided a thorough overview of the record on pages 2-10 of the PFD, which will not be repeated here.

Following Mr. Ciraulo's acknowledgment of receiving a full refund for the disputed charges in this case, the ALJ found "no issue of material fact regarding the monetary refund of alleged overcharges related to [Consumers'] failure to cancel [Mr. Ciraulo's appliance] service plan." PFD, p. 10. Noting no exceptions on this issue, the Commission finds the ALJ's analysis and recommendation related to this issue to be well-reasoned and supported in the record. Therefore, the Commission adopts the ALJ's recommendation on this uncontested issue.

Regarding Mr. Ciraulo's allegations against Consumers' billing practices, the ALJ identified the following contested issues: (1) violation of Rule 17, (2) violation of Rule 26, (3) violation of Rule 26a, (4) violation of Rule 26b, (5) violation of Rule 27, (6) violation of Rule 47, (7) violation of Rule 50, (8) violation of Rule 54, and (9) billing practices for services provided by third-party providers. PFD, pp. 10-19. The contested issues, objected to in exceptions, are discussed in detail below.

1. Mich Admin Code, R 460.117: Bill Information

Rule 17 lays out the information that must be included in a customer's utility bill.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 11.

Specifically, the ALJ found that Mr. Ciraulo "did not allege facts which established a violation of this rule[, and] . . . did not allege that the statements he received as billings for natural gas service [failed to] contain the required information." *Id.*

2. Mich Admin Code, R 460.126: Billing for Unregulated Non-Energy Services

Rule 26 covers billing for unregulated non-energy service charges.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 12.

Specifically, the ALJ found that:

[w]hile Mr. Ciraulo's complaint alleges that charges associated with the [appliance] service plan improperly remained on his bill after he cancelled the service, he did not articulate a violation of this rule. There is no evidence in the record to establish that Consumers did not provide the required information or improperly credited payments for either utility service or the service plan.

Id.

3. Mich Admin Code, R 460.126a: Billing Error

Rule 26a addresses a utility's responsibility to address billing errors. For purposes of Rule 26a, the term billing error is defined under Mich Admin Code, R 460.102(e) (Rule 2(e)).

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 13. The ALJ found that the definition of billing error under Rule 2(e) "clearly addresses billing for services provided by a utility, such as natural gas service, and does not address billing for third-party services." PFD, p. 13. As a result, the ALJ agreed with Consumers' argument that Mr. Ciraulo "did not make allegations related to the amount or manner which services for natural gas were billed." *Id.*

4. Mich Admin Code, R 460.126b: Responsibility for Unauthorized Use of Utility Service

Rule 26b addresses the unauthorized use of the utility services.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 14.

Specifically, the ALJ found that Mr. Ciraulo “did not allege facts which establish a violation of this rule and there is no allegation that the utility service was not authorized.” *Id.*

5. Mich Admin Code, R 460.127: Voluntary Termination

Rule 27 provides the process for a customer to cancel its utility service.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 15.

Specifically, the ALJ found that Mr. Ciraulo “did not allege facts which establish a violation of this rule[, and] . . . did not attempt to cancel natural gas services provided by Consumers[,],” noting that Rule 27 does not address services provided by third-party providers. PFD, p. 15.

6. Mich Admin Code, R 460.147: Personnel Procedures

Rule 47 sets out the requirements for personnel procedures.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 16.

Specifically, the ALJ found that Mr. Ciraulo “did not allege that Consumers does not have the required procedures in place and did not allege that personnel were not available when in [sic] called to inquire.” *Id.*

7. Mich Admin Code, R 460.150: Complaint Procedures

Rule 50 sets out the requirements for complaint procedures.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 16.

Specifically, the ALJ found that Mr. Ciraulo “did not allege facts which establish a violation of this rule. Mr. Ciraulo did not allege that Consumers fail[ed] to provide the required information [under Rule 50], and in fact Mr. Ciraulo filed a formal complaint with the Commission.” PFD, p.16.

8. Mich Admin Code, R 460.154: Disputed Matters

Rule 54 covers the procedures for addressing disputed utility billing issues prior to shutting off service.

The ALJ did not find that Mr. Ciraulo established a violation of this rule. PFD, p. 17. The ALJ found that Mr. Ciraulo “did not allege facts which establish a violation of this rule[,]” noting that Rule 54 “addresses procedures the utility must follow prior to shutting off service to a customer when there is a dispute concerning charges for that service[and] . . . does not include charges for services provided by a third-party such as an appliance service plan.” PFD, p. 17.

9. Billing Practices for Services Provided by Third-Party Providers

Mr. Ciraulo asserted that Consumers, “as the prime contractor and billing entity, remain[ed] responsible for the continuation of unauthorized charges, miscommunication with [the third-party provider for the ASP], and fail[ed] to act promptly on a valid service cancellation.” Complaint, p. 2. As a result, Mr. Ciraulo requested that the Commission: (1) conduct a “compliance review of Consumers Energy [Company]’s subcontracting and billing practices with Oncourse Home Solutions, American Water Resources to ensure accurate and transparent customer communications[,]” and (2) hold Consumers “accountable for its failure to act on a valid service cancellation and require the company to implement procedures ensuring that all cancellation requests are promptly forwarded to Oncourse or any other third-party provider whose charges appear on Consumers Energy [Company]’s bill.” *Id.*, p. 3.

The ALJ did not find that the record established a need for the Commission to review Consumers’ billing practices. PFD, p. 19. Specifically, the ALJ found that:

[w]hile Mr. Ciraulo alleges his request was not timely processed, he did not present evidence that this is an endemic problem, rather, than a possible error by Consumers[’] customer service representative. In this case[,] Staff inquired about this matter with discovery questions. Staff did not find evidence of a widespread

problem related to cancellation of non-energy services such as the appliance service plan. In answer to the ALJ's question, Consumers['] counsel stated she was aware of only one other formal complaint in 2025. And the evidence established that Consumers files annual reports with the Commission regarding the administration of non-energy services. There was no evidence in the record that these reports showed pervasive problems related to the billing or cancellation of these non-energy services.

And, based on the facts established in this matter, Commission Staff have reviewed the billing practices behind Mr. Ciraulo's complaint and further review by the Commission is unnecessary. Again, Staff inquired and did not find an endemic problem, and the Commission maintains oversight of Consumers' administration of non-energy services when reviewing the annual reports. This continued oversight, in effect, is what Mr. Ciraulo requests in his Complaint.

Id.

For the aforementioned reasons, the ALJ granted Consumers' request for summary disposition and recommended that the complaint be dismissed with prejudice. PFD, pp. 19-20.

Exceptions, Replies to Exceptions, and Discussion

In exceptions, Mr. Ciraulo argues that the ALJ “conflates **individual monetary remedy** with **regulatory oversight responsibility.**” Mr. Ciraulo's exceptions, p. 1 (emphasis in original).

Continuing, Mr. Ciraulo argues that:

[t]he Commission's authority under the Public Service Commission Act is not limited to resolving billing amounts after the fact. The Commission is also charged with ensuring that utility billing practices – including those involving unregulated services placed on regulated bills – operate in a manner that is clear, reliable, and not misleading [to] customers.

A post-complaint refund does not cure ambiguity in cancellation responsibility, nor does it foreclose the Commission's authority to clarify billing and cancellation obligations where regulated utilities delegate administration to third parties.

Id., pp. 1-2.

Mr. Ciraulo also excepts to the ALJ's recommendation on Rule 26, asserting that this rule is “**silent regarding cancellation authority, transmission of cancellation requests, and effective cancellation dates.**” *Id.*, pp. 2-3 (emphasis in original). Mr. Ciraulo claims that the ALJ treated this

silence as “preclusive of Commission involvement.” Mr. Ciraulo’s exceptions, p. 3. However, Mr. Ciraulo avows that “silence does not eliminate Commission authority – it signals a need for clarification[, and] . . . [w]here rules authorize billing integration but do not address cancellation responsibility, the Commission retains authority to interpret, clarify, or supplement those rules to protect consumers from confusion and inconsistent outcomes.” *Id.*

Mr. Ciraulo lastly argues in exceptions that the PFD “emphasizes the absence of evidence of widespread or endemic problems. However, Commission oversight is not contingent upon multiple harmed customers. Individual complaints may properly expose structural ambiguity that affects all customers, even if harm manifests intermittently.” *Id.* Moreover, Mr. Ciraulo asserts that “[w]aiting for endemic harm before clarifying responsibility undermines consumer protection and regulatory efficiency. [Mr. Ciraulo] does not allege misconduct, bad faith, or systemic abuse[, but rather, t]his case demonstrates a **policy gap**, not a pattern of violations.” *Id.*, p. 3 (emphasis in original).

In replies to exceptions, the Staff asserts that Mr. Ciraulo’s exceptions are incorrect and recommends that the Commission adopt the ALJ’s recommendations. Specifically, the Staff provides that:

[r]egarding Mr. Ciraulo’s first argument, the PFD acknowledged that the Commission has oversight of the ASP through the annual reports that CECO [Consumers] files with the Commission. Regarding his second argument, Staff again asserts that the Commission has, and conducts, oversight of the ASP as found in the PFD above. With respect to his third argument, Staff notes that the PFD found that Mr. Ciraulo was told he would receive a refund before he filed his formal complaint and did receive his refund. With respect to his fourth argument, Staff avers that while Commission oversight is not limited to cases of endemic harm, such cases may trigger a case on the Commission’s own Motion. A case where a customer has cancelled a service and not received a refund is covered by the Commission’s own rules and upon complaint the customer can be made whole – a situation which, Staff notes, happened in this case. ([Mich Admin Code,] R 460.101 *et. [.]seq. [.]*)

Staff's replies to exceptions, pp. 2-3 (internal citations omitted).

In replies, Consumers argues that Mr. Ciraulo's exceptions:

ignore[] three important points. First, there are no facts alleged [in Mr. Ciraulo's exceptions] establishing that there is a widespread problem that would warrant a general review of the Company's billing practices While Mr. Ciraulo disagrees [with the ALJ's findings], no evidence was offered to the contrary. Second, the Complaint was resolved before the formal complaint with the Commission was ever filed. . . . Lastly, [Mr. Ciraulo] never established that there was a violation of any statutes, case law, administrative rules, regulations, Commission orders, or tariffs. While [Mr. Ciraulo] took exception to the interpretation of Mich Admin Code R 460.126 arguing that the rule is silent on issues involving cancellations and this requires [the Commission's] clarification, this rule has nothing to do with cancellation of unregulated services. Mich Admin Code R 460.126 discusses the fact that a utility may include charges for unregulated non-energy services on the bill. . . . [Mr. Ciraulo's] Exceptions identify no error of law or fact and provide no basis for further Commission action. Consumers Energy [Company] respectfully requests that the Commission deny [Mr. Ciraulo's] Exceptions and adopt the Proposal for Decision in its entirety.

Consumers' exceptions, pp. 2-4.

The Commission finds that the ALJ's analysis and recommendations in this case are well-reasoned and supported by the record. The Commission agrees with the ALJ that there is no genuine issue of material fact in this case pursuant to Rule 426. Accordingly, the Commission agrees with the ALJ that the complaint filed by Gioacchino Ciraulo should be dismissed with prejudice.

THEREFORE, IT IS ORDERED that the complaint filed on November 6, 2025, by Gioacchino Ciraulo against Consumers Energy Company is dismissed with prejudice.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheac1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Shaquila Myers, Commissioner

By its action of May 14, 2026.

Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

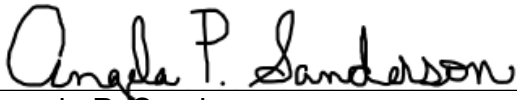
Case No. U-21994

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on May 14, 2026 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 14th day of May 2026.



Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case:**U-21994**

Name	On Behalf Of	Email Address
Consumers Energy Company (1 of 2)	Consumers Energy Company	mpsc.filings@cmsenergy.com
Consumers Energy Company (2 of 2)	Consumers Energy Company	kelly.hall@cmsenergy.com
Gioacchino Ciraulo	Gioacchino Ciraulo Household	[REDACTED]
Katherine E. Talbot	ALJs - MPSC	talbotk@michigan.gov
Michael J. Orris	MPSC Staff	orrism@michigan.gov