STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the *ex parte* application of **CONSUMERS ENERGY COMPANY** for accounting authority to defer expenses for the March 2026 extraordinary storm event.	)))))	Case No. U-22135

At the August 6, 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 June 2, 2026, Consumers Energy Company (Consumers) filed an application in this docket requesting *ex parte* approval for accounting authority to utilize a regulatory asset to defer the operations and maintenance (O&M) expenses associated with the March 2026 storm event in the company's service territory.

In its application, Consumers submits that on March 10 and 11, 2026, severe high-impact weather events led to large-scale customer outages in the company's service territory. Consumers states that, in southern Michigan, severe thunderstorms produced hail, wind gusts of 50 to 60 miles per hour (mph), and flash flooding. Further, the company indicates that, in northern Michigan, freezing rain and sleet developed, resulting in ice accumulations of 0.10 to 0.40 inches. Application, p. 2.

Consumers additionally contends that, on March 13 and 14, 2026, "a long-duration wind and snow event produced persistent statewide wind gusts of 45 to 65 mph, with isolated gusts exceeding 65 mph, and snowfall of 4 to 10 inches north of U.S. 10." *Id*. The company claims that the duration of the high winds caused more than 130,000 additional customer outages due to the widespread infrastructure damage. Consumers describes yet another storm that occurred from March 15 to 17, 2026, which brought severe thunderstorms and wind to southern Michigan, including ice accumulation of 0.50 to 0.75 inches, sleet, and heavy snow of up to 30 inches to northern Michigan. Consumers states that this third extreme weather event produced nearly 218,000 additional customer outages, with impacts continuing until temperatures rose above freezing on March 19 and 20, 2026. *Id*.

Consumers asserts that, as a result of the severe storm activity, Governor Gretchen Whitmer issued executive orders declaring a state of emergency for Roscommon, Delta, Alcona, Alpena, Missaukee, Ogemaw, Wexford, and Osceola counties, as well as for the entire state of Michigan. *Id*. (citing Executive Order Nos. 2026-2 and 2026-3).

Consumers states that "[t]his multi-wave storm event resulted in widespread and significant damage on Consumers Energy's system, including to transformers, poles, and conductors." Application, p. 2. Consumers estimates that the storm event resulted in approximately 6,700 downed wires, and that materials used during restoration "included 164 transformers, isolators, and regulators, 515 poles, 1,330 cross arms." *Id.*, p. 3. Consumers asserts that it utilized "837 electric line crews, 230 forestry crews, 175 wire guards, 32 wire evaluators, 69 damage assessment teams, 8 drone teams, and 2 helicopter teams" to support restoration efforts and that all of its customers were restored by March 21, 2026. *Id*. Consumers further indicates that it "coordinated crews and equipment to address the geographic spread of incidents and navigated dangerous conditions such as icy roads, falling trees and ice, and high winds." *Id*., pp. 3-4.

Consumers estimates that this storm event will result in approximately $57 million in O&M expense. *Id*., p. 4. Consumers states that including this estimated $57 million expense, the company has incurred approximately $111 million in service restoration O&M in the first four months of 2026, while the total amount approved for all of rates in 2026 is $154 million. *Id*.

In light of the above, Consumers requests that the Commission approve its request for accounting authority to defer O&M expenses associated with the March 2026 storm event as a regulatory asset to be reviewed for recovery in a future rate case or other proceeding. The company provides that approval of the use of a regulatory asset, as requested, will not increase rates or charges for any customer and, therefore, it may be approved without notice or hearing.

The Commission has reviewed Consumers' application and finds that it should be approved for accounting purposes only. The Commission notes that by granting approval of the accounting authority, it is not reducing the evidentiary burden the company must meet before it may recover these costs in a future proceeding. In addition, the Commission finds that approval of the application will not result in an increase in the cost of service to customers and, therefore, approval may be granted without notice or hearing pursuant to MCL 460.6a(3).

Further, and among other factors, in meeting its evidentiary burden Consumers is directed to provide comprehensive storm data and a thorough analysis related to this March 2026 event in its next general electric rate case. The analysis should identify internal and external resource employee numbers and associated costs along with a comparison to the February 2023 and March/April 2025 ice storm. In addition, Consumers is directed to demonstrate how its restoration efforts were conducted in a cost-effective manner and how its customers experienced optimal restoration. The Commission again emphasizes that it reserves judgment on the ultimate recovery of any deferred storm restoration costs until it has had the opportunity to evaluate the reasonableness and prudence of the costs incurred and the method by which the costs are to be recovered.

THEREFORE, IT IS ORDERED that:

A. Consumers Energy Company's application requesting *ex parte* approval for accounting authority to use a regulatory asset to defer operations and maintenance expense associated with the March 2026 storm event is approved for accounting purposes only, as set forth in this order.

B. Consumers Energy Company shall provide comprehensive storm data and a thorough analysis related to this March 2026 event in its next general electric rate case, as set forth in this order.

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 August 6, 2026.

Lisa Felice, Executive Secretary

P R O O F   O F   S E R V I C E

STATE OF MICHIGAN)

Case No. U-22135

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on August 6, 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 J. Brown

Brianna Brown

Subscribed and sworn to before me
this 6th day of August 2026.

Angela P. Sanderson

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

Service List for Case: U-22135

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
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