In the matter, on the Commission’s own motion, to open a docket for load serving entities in Michigan to file their capacity demonstrations as required by MCL 460.6w. Case No. U-21099

In the matter, on the Commission’s own motion, to address outstanding issues regarding demand response aggregation for alternative electric supplier load. Case No. U-20348

In the matter, on the Commission’s own motion, to request comment on the MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.’s implementation of Federal Energy Regulatory Commission Order No. 841 regarding energy storage resources. Case No. U-21032

In the matter, on the Commission’s own motion, to open a docket for load serving entities in Michigan to file their capacity demonstrations as required by MCL 460.6w. Case No. U-21225

At the July 7, 2022 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Tremaine L. Phillips, Commissioner
Hon. Katherine L. Peretick, Commissioner

ORDER
Public Act 3 of 1939, as amended by Public Act 341 of 2016 (Act 341), MCL 460.6w(8), requires each electric utility, alternative electric supplier (AES), cooperative electric utility, and municipally owned electric utility to demonstrate to the Commission, in a format determined by the Commission, that each load serving entity (LSE) owns or has contractual rights to sufficient capacity to meet its capacity obligations as set by the appropriate independent system operator (ISO), or the Commission, as applicable. \(^1\) This is known as a state reliability mechanism (SRM) capacity demonstration. Regulated electric utilities’ capacity demonstration filings are due by December 1 each year; filings by AESs, cooperatives, and municipally owned electric utilities are due by the seventh business day of February each year. MCL 460.6w(8)(a)-(b). In the July 2, 2021 order in Case Nos. U-21099 \(\text{et al.}\), the Commission opened the docket in Case No. U-21099 for the purpose of receiving the LSEs’ capacity demonstrations for the 2025/2026 planning year (PY) \(^2\) and directed the Commission Staff (Staff) to file its analysis no later than March 25, 2022. Accordingly, the Staff filed the Capacity Demonstration Results Report in Case No. U-21099 (Staff Report) on March 25, 2022, addressing the capacity demonstration for PY 2025/2026. See, Case No. U-21099, filing# U-21099-0060.

---

\(^1\) MCL 460.6w(12)(a) defines the appropriate ISO as the Midcontinent Independent System Operator, Inc. (MISO). MCL 460.6w(11) also states that “[n]othing in this act shall prevent the commission from determining a generation capacity charge under the reliability assurance agreement, rate schedule FERC [Federal Energy Regulatory Commission] No. 44 of the independent system operator known as PJM Interconnection, LLC [PJM].”

\(^2\) MCL 460.6w(8)(a) states that, if an SRM is to be established, the Commission shall require each electric utility to demonstrate by December 1 of each year that, “for the planning year beginning 4 years after the beginning of the current planning year” the utility owns or has contractual rights to sufficient capacity to meet its load obligations. Thus, the statute requires the capacity demonstrations for four years out from the year the capacity demonstrations are required to be filed. As such, the capacity filings in Case No. U-21099 cover the 2025/2026 PY.
On June 23, 2022, the Commission issued an order (June 23 order) in the instant docket adopting the findings of the Staff Report and adopting the recommendations therein, in part. In the June 23 order, the Commission also requested comments from interested persons on the following topics:

1. In the August 8, 2019 order in Case No. U-20348 (August 8 order), the Commission continued the ban on Michigan retail electric customers (either individually or through aggregators) of Commission-jurisdictional electric utilities from bidding DR [demand response] resources into RTO [regional transmission organizations] wholesale markets. August 8 order, p. 23. In the October 29, 2020 order in Case Nos. U-20628 et al., the Commission sought comments on whether to lift this ban on Michigan retail electric customers (either individually or through aggregators) of Commission-jurisdictional electric utilities from bidding DR resources into RTO wholesale markets, but thus far, the Commission has declined to take additional action. In light of the tightening capacity market within the MISO footprint and LRZ [local resource zone] 7 in particular, the Commission seeks comment on whether the ban on DR aggregation described in the August 8 order should now be lifted.

2. In the April 8, 2021 order in Case No. U-21032, the Commission sought comment regarding the effect of FERC Order 841, which requires each RTO and ISO to revise its tariff to establish a participation model consisting of market rules that facilitate the participation of energy storage resources (ESRs) in RTO/ISO markets. In the August 11, 2021 order in the same docket, the Commission encouraged investor-owned utilities to propose pilot programs involving well-designed retail tariffs that facilitate the integration of ESRs into the electric grid and account for the full value stack of ESRs. In the context of the resource adequacy concerns expressed in this order and in the Staff Report, the Commission seeks comment on whether the Commission should now allow the simultaneous participation of ESRs in the wholesale and retail markets.

3. The Commission seeks comment on whether it should consider setting a four-year forward capacity obligation under Section 6w of Act 341 that is higher than MISO’s prompt year PRMR [planning reserve margin requirement] to encourage the development of additional capacity resources with the aim of protecting the future resource adequacy and reliability of service for Michigan retail electric customers. The Commission seeks specific comment on how such a capacity obligation should be determined and calculated, and how the Commission should proceed in this manner.

---

4. As stated in the Staff Report, the Commission has not yet imposed an LCR [local clearing requirement] on individual LSEs pursuant to MCL 460.6w. Subsequent to the August 20 order, the Court of Appeals issued a decision in the remanded proceeding finding that the September 15 order (imposing an LCR on AESs individually in Case No. U-18197) did not equate to administrative rules in violation of the APA and did not exceed the Commission’s authority granted by the Legislature. In re Reliability Plans of Electric Utilities for 2017-2021, unpublished per curium opinion of the Court of Appeals, issued December 3, 2020 (Docket Nos. 340600 and 340607). While the Court of Appeals has upheld the Commission’s authority to impose an LCR individually, litigation regarding the individual LCR continues at the federal level, and the stay in Case No. U-18444 remains in effect. However, in light of the resource adequacy concerns expressed in this order and the Staff Report, the Commission seeks comment on whether it should lift the stay in Case No. U-18444 and take further action to set an LCR for Michigan LSEs pursuant to Section 6w for future PYs.

5. The Commission seeks additional comment on what actions or policies may be taken to maximize the benefits to reliability of the state’s transmission connections to not only the rest of MISO, but also to PJM and the Ontario Independent Electricity System Operator, including ways to boost those transmission connections.

6. The Commission seeks comment on what improvements should be pursued in RTO markets to better account for and to send better market signals to merchant and/or non-utility owned generators to inform both generation additions and retirements.

7. Considering that some incumbent utilities have tariff provisions that stipulate a waiting period before a choice customer can return to the electric service of the incumbent utility, the Commission seeks comment as to under what conditions or circumstances should a choice customer be automatically transferred back to the incumbent utility (as the provider of last resort) in the event the customer is without an electric service provider, and whether such a transfer provision should be included in utility tariffs.

8. The Commission seeks and encourages comment on any additional measures the Commission should consider to enhance the state’s reliability and resource adequacy position.

June 23 order, pp. 14-15. The Commission directed comments to be filed no later than 5:00 p.m. (Eastern time (ET)) on August 1, 2022.

On June 28, 2022, DTE Electric Company (DTE Electric) and Consumers Energy Company (Consumers) filed a joint petition to extend the deadline to file comments in response to the June 23 order from August 1, 2022 to September 1, 2022. Consumers and DTE Electric
contend that, “[t]his extension will ensure that Michigan’s utilities are able to provide more meaningful and comprehensive comments to assist the Commission for future capacity planning purposes.” DTE Electric and Consumers’ joint petition, p. 3. On June 30, 2022, the Association of Businesses Advocating Tariff Equity (ABATE) and Energy Michigan filed a joint motion in Case No. U-21225, to extend the comment period deadline set in the June 23 order to at least August 19, 2022. ABATE and Energy Michigan assert that they would be unduly burdened and prejudiced if they were to comment on the “magnitude of the four-year forward capacity obligation and on lifting the stay” in Case No. U-18444 while preparing for trial in the federal litigation regarding the LCR at issue in Case No. U-18444, which is scheduled to begin on August 8, 2022. Joint motion, p. 4.

Having reviewed the joint petition filed by DTE Electric and Consumers and the joint motion filed by ABATE and Energy Michigan, the Commission finds the joint petition should be granted and the new deadline for the comments solicited in the June 23 order should be September 1, 2022. The Commission finds the request to allow additional time to provide comments to be reasonable given the complexity of the issues at hand and that granting an extension will not adversely impact the Commission’s intended timeline for any further orders to be issued in these dockets. The Commission’s decision to grant the joint petition by DTE Electric and Consumers renders the joint motion filed by ABATE and Energy Michigan moot.

Therefore, the Commission will accept comments on the topics enumerated in the June 23 order and listed in this order until 5:00 p.m. (ET) on September 1, 2022. Written comments should be mailed to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, Michigan 48909. Comments submitted in electronic format may be filed via the Commission’s E-Dockets website, or for those persons without an E-Dockets account, via e-
mail to mpsedockets@michigan.gov. Any person requiring assistance prior to filing comments, may contact the Staff at (517) 241-6180. All comments should reference the above-captioned cases, Case Nos. U-21099 et al. All filed comments will become public information available on the Commission’s website and subject to disclosure.

THEREFORE, IT IS ORDERED that:

A. The joint petition filed by DTE Electric Company and Consumers Electric Company is granted.

B. The joint motion filed by the Association of Businesses Advocating Tariff Equity and Energy Michigan is dismissed as moot.

C. The deadline for interested persons to submit comments in response to the June 23, 2022 order in the instant dockets, as described in this order, shall be extended until 5:00 p.m. (Eastern time) on September 1, 2022.

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, under 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 mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@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

Tremaine L. Phillips, Commissioner

Katherine L. Peretick, Commissioner

By its action of July 7, 2022.

Lisa Felice, Executive Secretary
STATE OF MICHIGAN  

Case No. U-21099 et al.

County of Ingham  

Brianna Brown being duly sworn, deposes and says that on July 7, 2022 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 7th day of July 2022.

______________________________
Brianna Brown

Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2024
<table>
<thead>
<tr>
<th>Name</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benjamin J. Holwerda</td>
<td><a href="mailto:holwerdab@michigan.gov">holwerdab@michigan.gov</a></td>
</tr>
<tr>
<td>Name</td>
<td>Email Address</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Amit T. Singh</td>
<td><a href="mailto:singha9@michigan.gov">singha9@michigan.gov</a></td>
</tr>
<tr>
<td>Benjamin J. Holwerda</td>
<td><a href="mailto:holwerdab@michigan.gov">holwerdab@michigan.gov</a></td>
</tr>
</tbody>
</table>
GEMOTION DISTRIBUTION SERVICE LIST

kadarkwa@itctransco.com
sejackinchuk@varnumlaw.com
cwilson@cloverland.com
mheise@cloverland.com
vobmgr@UP.NET
braukerL@MICHIGAN.GOV
info@VILLAGEOFCLINTON.ORG
jraham@HOMEWORKS.ORG
mkapplrer@HOMEWORKS.ORG
psimmer@HOMEWORKS.ORG
frucheyb@DTEENERGY.COM
mpsc.filings@CMSENERGY.COM
jim.vansickle@SEMCOENERGY.COM
kay8643990@YAHOO.COM
vickie.nugent@wecenergygroup.com
jlarsen@uppco.com
estocking@uppco.com
dave.allen@TEAMMIDWEST.COM
bob.hance@teammidwest.com
tharrell@ALGERDELTA.COM
tanderson@cherrylandelectric.coop
bscott@GLENERGY.COM
sculver@glenergy.com
kmrklein@STEPHENSON-MI.COM
debbie@ONTOREA.COM
MVanschoten@pieg.com
dbraun@TECMI.COOP
rbishop@BISHOPENERGY.COM
mkuchera@AEPENERGY.COM
todd.mortimer@CMSENERGY.COM
jgoodman@commerceenergy.com
david.fein@CONSTELLATION.COM
kate.stanley@CONSTELLATION.COM
kate.fleche@CONSTELLATION.COM
mpscfilings@DTEENERGY.COM
bgorman@FIRSTENERGYCORP.COM
rarchiba@FOSTEROIL.COM
greg.bass@calpinesolutions.com
rabaey@SES4ENERGY.COM
cbrr@WPSCI.COM
gpirkola@escanaba.org
crystalfallsmgr@HOTMAIL.COM
felidel@MICHIGAN.GOV
mmann@USGANDE.COM
mpolega@GLADSTONEMI.COM

ITC
Energy Michigan
Cloverland
Cloverland
Village of Baraga
Linda Brauker
Village of Clinton
Tri-County Electric Co-Op
Tri-County Electric Co-Op
Tri-County Electric Co-Op
Citizens Gas Fuel Company
Consumers Energy Company
SEMCO Energy Gas Company
Superior Energy Company
Upper Michigan Energy Resources Corporation
Upper Peninsula Power Company
Upper Peninsula Power Company
Midwest Energy Coop
Midwest Energy Coop
Alger Delta Cooperative
Cherryland Electric Cooperative
Great Lakes Energy Cooperative
Great Lakes Energy Cooperative
Stephenson Utilities Department
Ontonagon County Rural Elec
Presque Isle Electric & Gas Cooperative, INC
Thumb Electric
Bishop Energy
AEP Energy
CMS Energy
Just Energy Solutions
Constellation Energy
Constellation Energy
Constellation New Energy
DTE Energy
First Energy
My Choice Energy
Calpine Energy Solutions
Santana Energy
Spartan Renewable Energy, Inc. (Wolverine Power Marketing Corp)
City of Escanaba
City of Crystal Falls
Lisa Felice
Michigan Gas & Electric
City of Gladstone
<table>
<thead>
<tr>
<th>Email</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="mailto:dan@megautilities.org">dan@megautilities.org</a></td>
<td>Integrys Group</td>
</tr>
<tr>
<td><a href="mailto:lrustafson@CMSENERGY.COM">lrustafson@CMSENERGY.COM</a></td>
<td>Lisa Gustafson</td>
</tr>
<tr>
<td><a href="mailto:daustin@IGSENERGY.COM">daustin@IGSENERGY.COM</a></td>
<td>Interstate Gas Supply Inc</td>
</tr>
<tr>
<td><a href="mailto:krichel@DLIB.INFO">krichel@DLIB.INFO</a></td>
<td>Thomas Krichel</td>
</tr>
<tr>
<td><a href="mailto:cityelectric@BAYCITYMI.ORG">cityelectric@BAYCITYMI.ORG</a></td>
<td>Bay City Electric Light &amp; Power</td>
</tr>
<tr>
<td><a href="mailto:jreyolds@MBLP.ORG">jreyolds@MBLP.ORG</a></td>
<td>Marquette Board of Light &amp; Power</td>
</tr>
<tr>
<td><a href="mailto:bschlansker@PREMIEREENERGYLLC.COM">bschlansker@PREMIEREENERGYLLC.COM</a></td>
<td>Premier Energy Marketing LLC</td>
</tr>
<tr>
<td><a href="mailto:ttarkiewicz@CITYOFMARSHALL.COM">ttarkiewicz@CITYOFMARSHALL.COM</a></td>
<td>City of Marshall</td>
</tr>
<tr>
<td><a href="mailto:d.motley@COMCAST.NET">d.motley@COMCAST.NET</a></td>
<td>Doug Motley</td>
</tr>
<tr>
<td><a href="mailto:mpauley@GRANGERNET.COM">mpauley@GRANGERNET.COM</a></td>
<td>Marc Pauley</td>
</tr>
<tr>
<td><a href="mailto:ElectricDept@PORTLAND-MICHIGAN.ORG">ElectricDept@PORTLAND-MICHIGAN.ORG</a></td>
<td>City of Portland</td>
</tr>
<tr>
<td><a href="mailto:kd@alpenapower.com">kd@alpenapower.com</a></td>
<td>Alpena Power</td>
</tr>
<tr>
<td><a href="mailto:dbodine@LIBERTYPOWERCORP.COM">dbodine@LIBERTYPOWERCORP.COM</a></td>
<td>Liberty Power</td>
</tr>
<tr>
<td><a href="mailto:leew@WVPA.COM">leew@WVPA.COM</a></td>
<td>Wabash Valley Power</td>
</tr>
<tr>
<td><a href="mailto:tking@WPSCI.COM">tking@WPSCI.COM</a></td>
<td>Wolverine Power</td>
</tr>
<tr>
<td><a href="mailto:ham557@GMAIL.COM">ham557@GMAIL.COM</a></td>
<td>Lowell S.</td>
</tr>
<tr>
<td><a href="mailto:BusinessOffice@REALGY.COM">BusinessOffice@REALGY.COM</a></td>
<td>Realgy Energy Services</td>
</tr>
<tr>
<td><a href="mailto:jeinstein@volunteerenergy.com">jeinstein@volunteerenergy.com</a></td>
<td>Volunteer Energy Services</td>
</tr>
<tr>
<td><a href="mailto:jhammel@hillsdalebpu.com">jhammel@hillsdalebpu.com</a></td>
<td>Hillsdale Board of Public Utilities</td>
</tr>
<tr>
<td><a href="mailto:mrzwiers@INTEGRYSGROUP.COM">mrzwiers@INTEGRYSGROUP.COM</a></td>
<td>Michigan Gas Utilities/Upper Penn Power/Wisconsin</td>
</tr>
<tr>
<td><a href="mailto:Teresa.ringenbach@directenergy.com">Teresa.ringenbach@directenergy.com</a></td>
<td>Direct Energy</td>
</tr>
<tr>
<td><a href="mailto:christina.crable@directenergy.com">christina.crable@directenergy.com</a></td>
<td>Direct Energy</td>
</tr>
<tr>
<td><a href="mailto:angela.schorr@directenergy.com">angela.schorr@directenergy.com</a></td>
<td>Direct Energy</td>
</tr>
<tr>
<td><a href="mailto:ryan.harwell@directenergy.com">ryan.harwell@directenergy.com</a></td>
<td>Realgy Corp.</td>
</tr>
<tr>
<td><a href="mailto:johnbistranin@realgy.com">johnbistranin@realgy.com</a></td>
<td>Katie Abraham, MMEA</td>
</tr>
<tr>
<td><a href="mailto:kabraham@mpower.org">kabraham@mpower.org</a></td>
<td>Indiana Michigan Power Company</td>
</tr>
<tr>
<td><a href="mailto:mgobrien@aep.com">mgobrien@aep.com</a></td>
<td>Santana Energy</td>
</tr>
<tr>
<td><a href="mailto:mvorabouth@ses4energy.com">mvorabouth@ses4energy.com</a></td>
<td>MEGA</td>
</tr>
<tr>
<td><a href="mailto:suzy@megautilities.org">suzy@megautilities.org</a></td>
<td>MEGA</td>
</tr>
<tr>
<td><a href="mailto:dan@megautilities.org">dan@megautilities.org</a></td>
<td>ITC Holdings</td>
</tr>
<tr>
<td><a href="mailto:general@itctransco.com">general@itctransco.com</a></td>
<td>Dickinson Wright</td>
</tr>
<tr>
<td><a href="mailto:lpage@dickinsonwright.com">lpage@dickinsonwright.com</a></td>
<td>Xcel Energy</td>
</tr>
<tr>
<td><a href="mailto:Deborah.e.erwin@xcelenergy.com">Deborah.e.erwin@xcelenergy.com</a></td>
<td>Matthew Peck</td>
</tr>
<tr>
<td><a href="mailto:mmpeck@fischerfranklin.com">mmpeck@fischerfranklin.com</a></td>
<td>Consumers Energy</td>
</tr>
<tr>
<td><a href="mailto:CANDACE.GONZALES@cmsenergy.com">CANDACE.GONZALES@cmsenergy.com</a></td>
<td>MidAmerican Energy Services, LLC</td>
</tr>
<tr>
<td><a href="mailto:JHDIllavou@midamericanenergyservices.com">JHDIllavou@midamericanenergyservices.com</a></td>
<td>MidAmerican Energy Services, LLC</td>
</tr>
<tr>
<td><a href="mailto:JCAltmayer@midamericanenergyservices.com">JCAltmayer@midamericanenergyservices.com</a></td>
<td>MidAmerican Energy Services, LLC</td>
</tr>
<tr>
<td><a href="mailto:LMLann@midamericanenergyservices.com">LMLann@midamericanenergyservices.com</a></td>
<td>Northern States Power</td>
</tr>
<tr>
<td><a href="mailto:karl.j.hoesly@xcelenergy.com">karl.j.hoesly@xcelenergy.com</a></td>
<td>Midwest Energy Coop</td>
</tr>
<tr>
<td><a href="mailto:kerri.wade@teammidwest.com">kerri.wade@teammidwest.com</a></td>
<td>Midwest Energy Coop</td>
</tr>
<tr>
<td><a href="mailto:dixie.teague@teammidwest.com">dixie.teague@teammidwest.com</a></td>
<td>Midwest Energy Coop</td>
</tr>
<tr>
<td><a href="mailto:meghan.tarver@teammidwest.com">meghan.tarver@teammidwest.com</a></td>
<td>Midwest Energy Coop</td>
</tr>
<tr>
<td><a href="mailto:sarah.jorgensen@cmsenergy.com">sarah.jorgensen@cmsenergy.com</a></td>
<td>Consumers Energy</td>
</tr>
<tr>
<td><a href="mailto:Michael.torrey@cmsenergy.com">Michael.torrey@cmsenergy.com</a></td>
<td>Consumers Energy</td>
</tr>
<tr>
<td><a href="mailto:adella.crozier@dteenergy.com">adella.crozier@dteenergy.com</a></td>
<td>DTE Energy</td>
</tr>
</tbody>
</table>
GEMOTION DISTRIBUTION SERVICE LIST

karen.vucinaj@dteenergy.com  
Michelle.Schioii@xcelenergy.com  
dburks@glenergy.com  
kabraham@mpower.org  
shannon.burzycki@wecenergygroup.com  
kerdmann@atcllc.com  
acotter@atcllc.com  
phil@allendaleheating.com  
tlundgren@potomaclaw.com  
lchappelle@potomaclaw.com  
Amanda@misostates.org  
customerservice@eligoenergy.com  
info@dillonpower.com  
Cherie.fuller@edfenergyservices.com  
customercare@plymouthenergy.com  
rfawaz@energyintl.com  
customerservice@nordicenergy-us.com  
regulatory@texasretailenergy.com  

DTE Energy  
Xcel Energy  
Great Lakes Energy  
Michigan Public Power Agency  
Michigan Gas Utilities Corporation  
American Transmission Company  
American Transmission Company  
Phil Forner  
Timothy Lundgren  
Laura Chappelle  
Amanda Wood  
Eligo Energy MI, LLC  
Dillon Power, LLC  
EDF Energy Services, LLC  
ENGIE Gas & Power f/k/a Plymouth Energy  
Energy International Power Marketing dba PowerOne  
Nordic Energy Services, LLC  
Texas Retail Energy, LLC