S T A T E O F M I C H I G A N

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of **DTE ELECTRIC COMPANY** seeking approval of updates to its interruptible tariffs to clarify testing requirements.	)	Case No. U-22039
In the matter of the application of **CONSUMERS ENERGY COMPANY** for *ex parte* approval of revisions to demand response provisions.	)	Case No. U-22068

At the July 16, 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 March 20, 2026, Consumers Energy Company (Consumers) filed an application in Case No. U-22068 (March 20 application) requesting *ex parte* approval of changes to tariffs related to its commercial and industrial (C&I) demand response (DR) programs. Similarly, on March 26, 2026, DTE Electric Company (DTE Electric) filed an application in Case No. U-22039 (March 26 application) requesting *ex parte* approval of similar changes to tariffs related to its C&I DR offerings. Consumers' application includes an attachment showing the proposed changes to seven affected tariff sheets. March 20 application, Attachment 1. DTE Electric's application includes the affidavit of Keegan O. Farrell, Manager of Demand Response in DTE Electric's Business

Planning and Development Organization, in support of the application, and an exhibit detailing the proposed changes to five affected tariff sheets. March 26 application, Exhibits A and B. On April 15, 2026, DTE Electric filed a revised Exhibit B.

These applications are filed in response to changes in the Midcontinent Independent System Operator, Inc.'s (MISO's) Open Access Transmission, Energy and Operating Reserve Markets Tariff, issued on November 17, 2025, in Federal Energy Regulatory Commission (FERC) Docket No. ER25-2845-000. *See, Order Accepting Proposed Tariff Revisions*, 193 FERC 61,127 (November 17, 2025) (November 17 FERC Order). These MISO tariff updates changed, among other things, the language surrounding real power test standards for DR resources. Beginning with its 2026/2027 planning year (PY), MISO will require market participants to demonstrate demand reduction capability for each resource registered in MISO's planning resource auction in each applicable PY. These demonstrations must occur through annual performance of real power testing. *See*, November 17 FERC Order, pp. 22-27. Beginning with MISO PY 2028/2029, MISO plans to permit testing waivers only for participants that have achieved perfect performance for each event of the preceding three years. However, the MISO updates do allow for certain waivers of real power testing until the 2028/2029 PY, dependent upon the inclusion of language specific to these waivers in the retail tariffs as approved by the relevant regulatory entity. *Id*.

The Commission most recently addressed power testing requirements for DR resources in the October 29, 2020 order in Case No. U-20628 (October 29 order). That order directed utilities to update their retail tariffs to include real power testing requirements and (in accordance with the MISO guidelines in place prior to the updates referenced above) permitted the utilities to require either real power tests or simulated tests. October 29 order, pp. 11, 15. Thereafter, DTE Electric and Consumers each updated their respective tariffs with requirements for simulated power testing.

As discussed in the October 29 order, because real power tests often require a disruption of operations, they can be burdensome and costly to C&I customers. *Id*., pp. 3-4. However, the Commission recognizes a need to ensure grid reliability by verifying the availability and accountability of DR resources to perform at their registered levels. Because the status quo in Michigan has allowed simulated power tests to suffice for customers operating under these C&I DR tariffs to demonstrate their ability to reduce demand at registered levels, the transition to real power testing could result in disenrollment from the programs and potentially deter future enrollment. To address these concerns, the Commission urges DTE Electric and Consumers to develop strategies to retain or grow the demand reduction capabilities each utility currently possesses through its C&I DR portfolio while maintaining responsiveness and effectiveness when called. The Commission also directs both utilities to meet with the Commission Staff to discuss these issues.

In the March 26 application, DTE Electric proposes adding the following language to its interruptible rates D3.3, D8, R1.1, R1.2, and R10:

> Customers on this rate schedule are not required to perform a real power test administered by the utility unless required by MISO for initial participation and qualification as a Load Modifying Resource. Customers shall comply with any and all real power tests as required and administered by MISO in order to qualify as a Load Modifying Resource.

March 26 application, Revised Exhibit B. Similarly, in the March 20 application, Consumers proposes adding the following language to its Large General Service Primary Demand Rate GPD; General Service Primary Time-Of-Use Rate GPTU; Large Economic Development Rate LED; and Long Term Industrial Load Retention Rate – LTILRR:

> Customers on this [program or provision] are not required to provide a real power test for MISO Planning Years 2026/2027 and 2027/2028. Beginning with MISO Planning Year 2028/2029, and in addition to the Annual Power Test Requirements set forth above, customers shall comply with any real power testing requirements established and administered by MISO for Load Modifying Resources. At the Company's discretion, a testing waiver may be allowed for subsequent planning years, subject to approval by the Commission.

March 20 application, Attachment 1.

The Commission has reviewed the applications and supporting documents and finds that the applications are reasonable and should be approved. The Commission finds that the tariff revisions will allow DTE Electric and Consumers the ability to maintain or increase current DR levels while preparing for the transition to real power testing. Additionally, the Commission finds that approval of these tariff revisions will provide Consumers and DTE Electric additional time to communicate with impacted customers and devise methods to adapt their C&I DR programs to the coming changes in MISO's requirements.

Finally, the Commission finds that the proposed tariff revisions will not result in an increase in rates, rate schedules, or the cost of service to customers, and therefore both applications are appropriate for *ex parte* review and approval. MCL 460.6a(3).

THEREFORE, IT IS ORDERED that:

A. The applications filed in Case Nos. U-22039 and U-22068 are approved.

B. Within 30 days of the date of this order, Consumers Energy Company shall file with the Commission Staff tariff sheets substantially similar to Attachment 1 attached to the March 20, 2026 application filed in Case No. U-22068. After the tariff sheets have been reviewed and accepted by the Commission Staff for inclusion in the company's tariff book, Consumers Energy Company shall promptly file the final tariff sheets in Case No. U-22068 and serve all parties.

C. Within 30 days of the date of this order, DTE Electric Company shall file with the Commission Staff tariff sheets substantially similar to Revised Exhibit B attached to the March 26, 2026 application filed in Case No. U-22039. After the tariff sheets have been reviewed and accepted by the Commission Staff for inclusion in the company's tariff book, DTE Electric Company shall promptly file the final tariff sheets in Case No. U-22039 and serve all parties.

D. DTE Electric Company and Consumers Energy Company shall each meet with the Commission Staff within 60 days of the date of this order to: (1) present an assessment of the potential impacts of significant reductions in commercial and industrial customer demand response enrollment and (2) discuss the development of strategies to mitigate such impacts in preparation for the Midcontinent Independent System Operator, Inc.'s impending real power testing requirement.

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 July 16, 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-22039 *et al.*

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on July 16, 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 16th day of July 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-22039

Name	On Behalf Of	Email Address
Breanne K. Reitzel	DTE Electric Company	breanne.reitzel@dteenergy.com
DTE Electric Company	DTE Electric Company	mpscfilings_account@dteenergy.com

Service List for Case: U-22068

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
Evan B. Keimach	Consumers Energy Company	evan.keimach@cmsenergy.com