

MPSC Overview

MPSC Presentation to the House Appropriations Subcommittee



Dan Scripps

Chair

March 20, 2025

The MPSC: Who we are



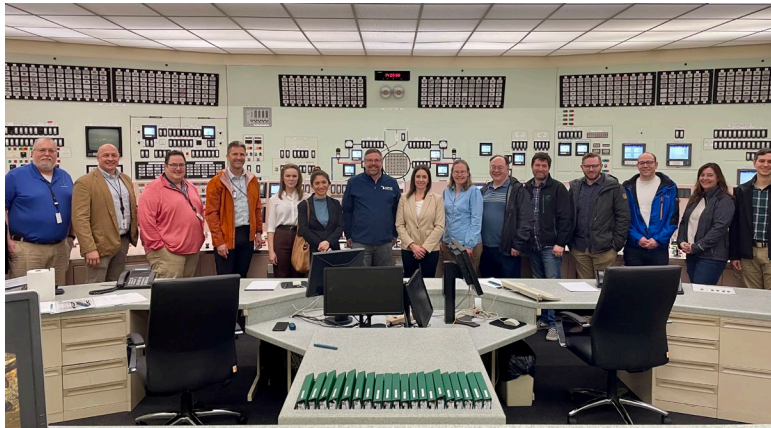
Commissioner
Katherine Peretick



Chair
Dan Scripps



Commissioner
Alessandra Carreon



The MPSC: Who we are

**Chair
Commissioners**

**Chief Operating
Officer**

- **Regulatory Affairs**
- **Strategic Operations**
- **Public Information Officer**
- **Equity and Inclusion Officer**

- **Administrative Services**
- **Telecommunications**
- **Customer Assistance**
- **Gas Safety & Operations**
- **Regulated Energy**
- **Energy Resources**
- **Energy Operations**



Our Mission

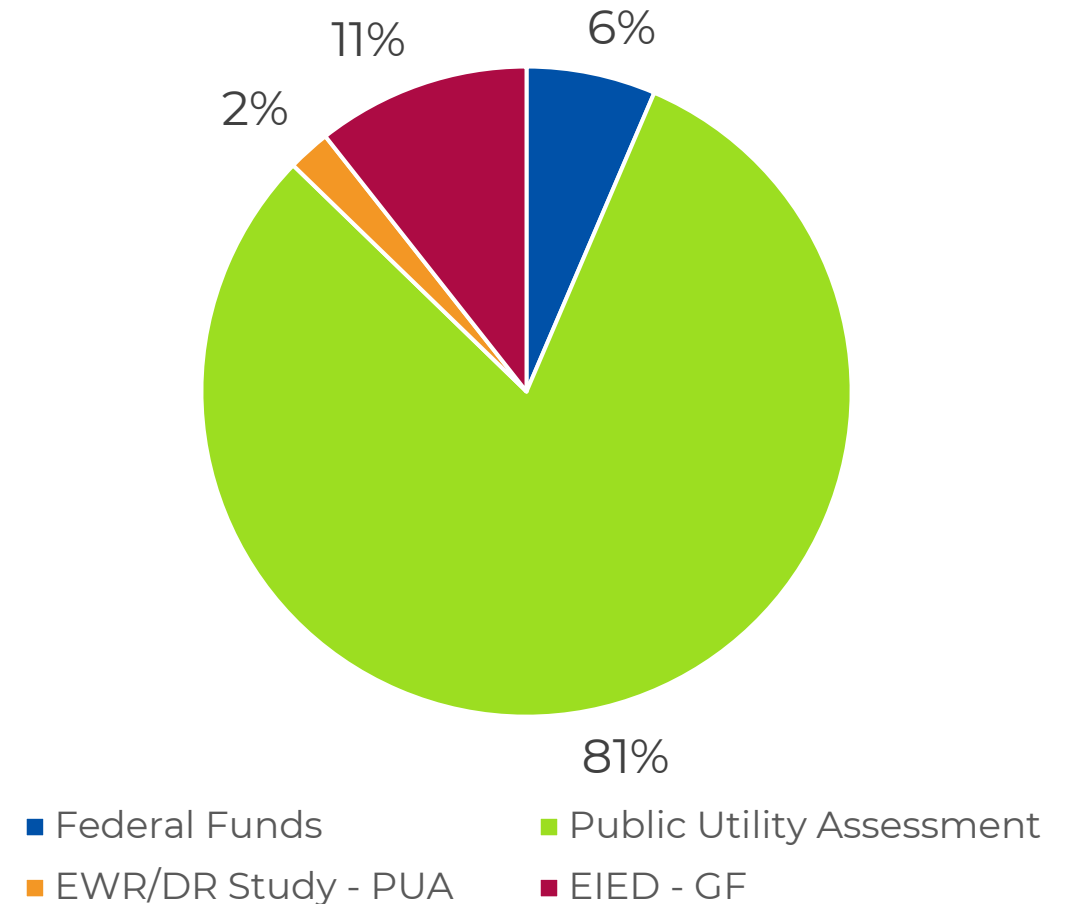
To serve the public by ensuring
safe, reliable, and accessible
energy and telecommunications
services ***at reasonable rates***

MPSC Funding Structure

□ Funding sources:

- Public Utility Assessment, Public Act 299 of 1972 (83% of total FY'25 funding)
- Federal Gas Safety Grants (6% of budgeted FY'25 funding)
- General fund only for special projects, typically for grant making
 - Michigan Saves
 - Low-Carbon Energy Infrastructure Enhancement & Development grants
 - Renewable Energy & Electrification Enhancement and Development grants

MPSC FY'25 Budget – Actual
\$47,070,400



Major Functions

Ensuring System Reliability

Setting Just & Reasonable Rates

Energy Assurance and Planning

Licensing & Fostering Competitive Markets

Facility Siting and Need Determination

Public Safety and Infrastructure Oversight

Customer Assistance & Protection

2024 Priorities Update

Priority	Update
Improving Reliability (Ongoing priority)	<ul style="list-style-type: none">• Received Comprehensive 3rd party audit regarding Consumers Energy and DTE Electric systems.• Comments received through January and are under review.• Launched a webpage to provide transparency re: utility reliability metrics.
Ensuring Resource Adequacy (Ongoing priority)	Annual capacity demonstration filings showed sufficient resources to meet MI customer demand.
Case work (Ongoing priority)	<ul style="list-style-type: none">• Processed 6,599 filings, processed 4,514 public comments, issued 389 orders including orders in 8 rate cases subject to 10-month statutory deadline.• Hit 100% of Case related Statutory deadlines.
Ensuring utilities took advantage of IIJA and IRA grant funds and supported Michigan based grant applications	<ul style="list-style-type: none">• MI utilities received \$292 million in federal awards that will lead to \$417 million in grid investments.• MI utilities awarded more than \$14 billion in federal loans, but commitments have not been finalized• Supported additional grant applications with direct benefit to Michigan residents with more funding coming into Michigan than any other state in the country.
EIED Grants	<ul style="list-style-type: none">• Awarded \$20.8 million in RE – EIED grants to 19 grantees (FY'24 appropriation).• Continued to manage LC – EIED grants of \$50 million to 15 grantees (FY'22 & 23).
Implementation of the 2023 Energy laws	See following slides
Community Outreach, Education, and Engagement	See following slides

2024 Priorities Update: Energy Legislation Implementation

Changes and additions – 5 Key areas

Changes: Integrated Resource Plans

- Developed draft filing requirements
- Held two public engagement sessions regarding the filing requirements
- Initiated required studies

Changes: Renewable Energy Plans

- Accepted and responded to multiple rounds of comments
- Developed and adopted filing requirements and templates; established filing schedules
- Held an engagement session focused on Alternative Energy Suppliers
- All REPs (except for 1 co-op and 2 AESs) have been filed with the Commission and are under review (300 day deadline)

Changes: Distributed Generation

- Accepted and reviewed two rounds of comments related to interconnection procedures
- Reviewed and approved updated interconnection procedures for all Investor Owned Utilities

Changes: Energy Waste Reduction Plans

- Opened several comment opportunities and hosted two collaborative sessions
- Set filing schedule for all regulated utilities
- Conducted a contested case proceeding to finalize and adopt the final framework for EWR programs

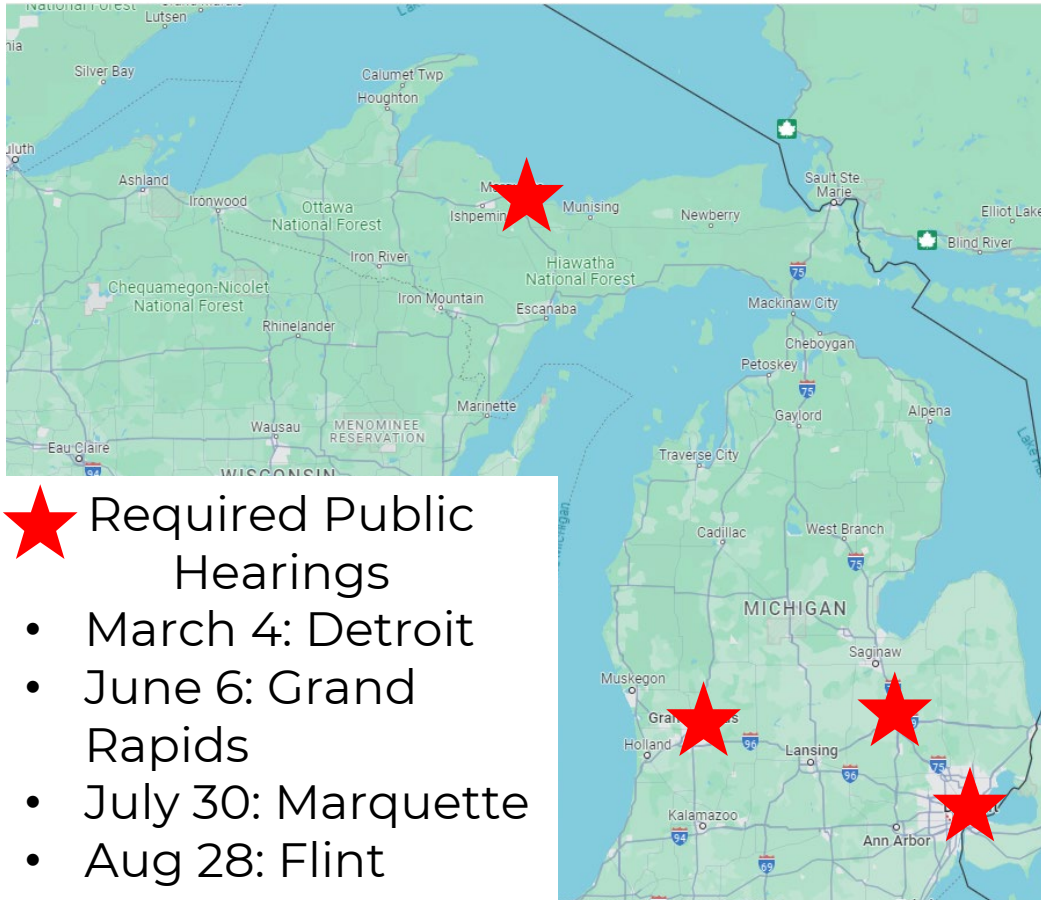
Addition: Renewable Energy Facility Siting

- Hosted 8 engagement sessions to develop and receive feedback on guidance and application instructions as well as to address several additional issues
- Adopted an order finalizing the application process
- Developed a new webpage dedicated to making information regarding the process these cases easily accessible to the public
- Established the new Renewable Energy Storage Siting Section

One Time Projects

- ❑ UP Energy Study
 - Accepted comments to the docket and held a public hearing regarding the study
 - Delivered the [UP Energy Report](#) on December 2, 2024
- ❑ Storage Study
 - Engaged with Sandia National Lab, Pacific Northwest National Lab, and Clean Energy States Alliance to conduct the study
 - Delivered the [Energy Storage Report](#) on February 27, 2025
- ❑ Initiate a proceeding to explore opportunities to improve the rate case process
 - Initiated proceeding on May 23, 2024 inviting comments from interested individuals
- ❑ Initiate a proceeding to explore opportunities to expand opportunities for engagement in the Commission's decision making processes
 - Initiated proceeding on May 23, 2024 inviting comments from interested individuals
 - Hosted a public hearing on August 28, 2024 to accept public comment

2024 Priorities Update: Community Outreach, Education, and Engagement



- ★ Required Public Hearings
- March 4: Detroit
- June 6: Grand Rapids
- July 30: Marquette
- Aug 28: Flint

Other Public hearings in CY 2024

- Sept. 18 hearing in Detroit
- Oct. 3 virtual hearing re: METC transmission line application
- Oct. 10 Commission meeting in Escanaba

Other Outreach, Education, and Engagement

- Met with multiple Community based organizations
- Expanded our reach through social media channels and the Commission's monthly e-newsletter
- Attended 31 outreach events
- Held **17** regular Commission meetings with an average attendance of 196 people
- Held **66** public meetings, workgroups, technical conferences, etc.



2025 Priorities

- ❑ Improving Reliability
 - Adopted Financial Incentives/Disincentives Framework at 3/13/25 meeting
 - Continued review and future action re: utility audit
- ❑ Ensuring resource adequacy
- ❑ Case work
 - Rate Cases
 - Renewable Energy Plans
 - EWR Plan Filings
- ❑ FY'25 EIED Grants
- ❑ MEAP Update Implementation
- ❑ Community Outreach Education and Engagement
 - Exploring new opportunities to connect with customers:
 - ❑ Behind the Meter: An MPSC Podcast launched in February
 - Planning for required hearings

Thank you!!

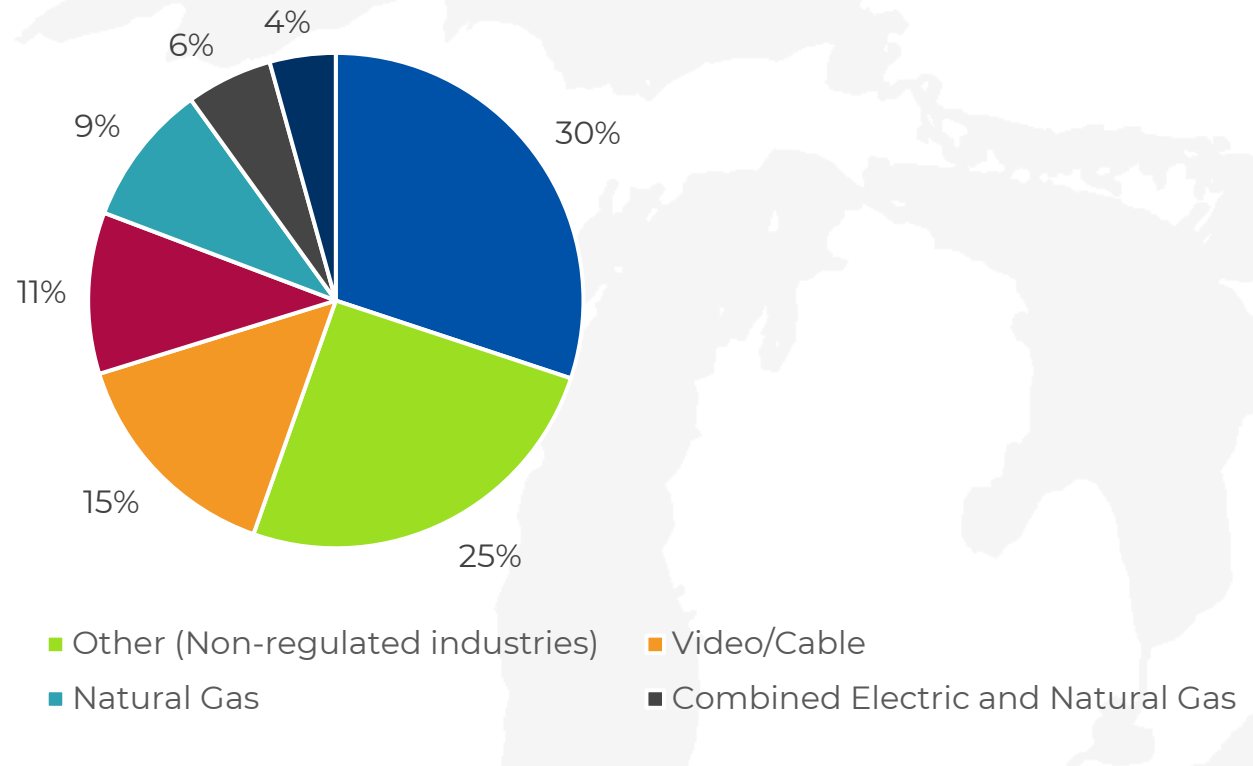


Reference Slides

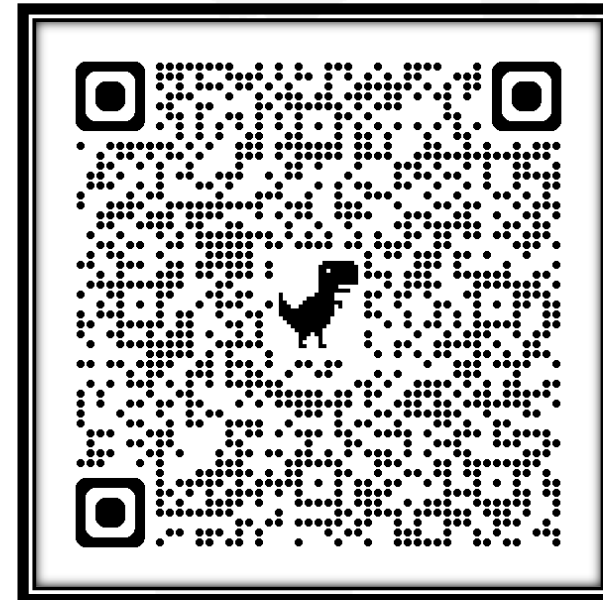
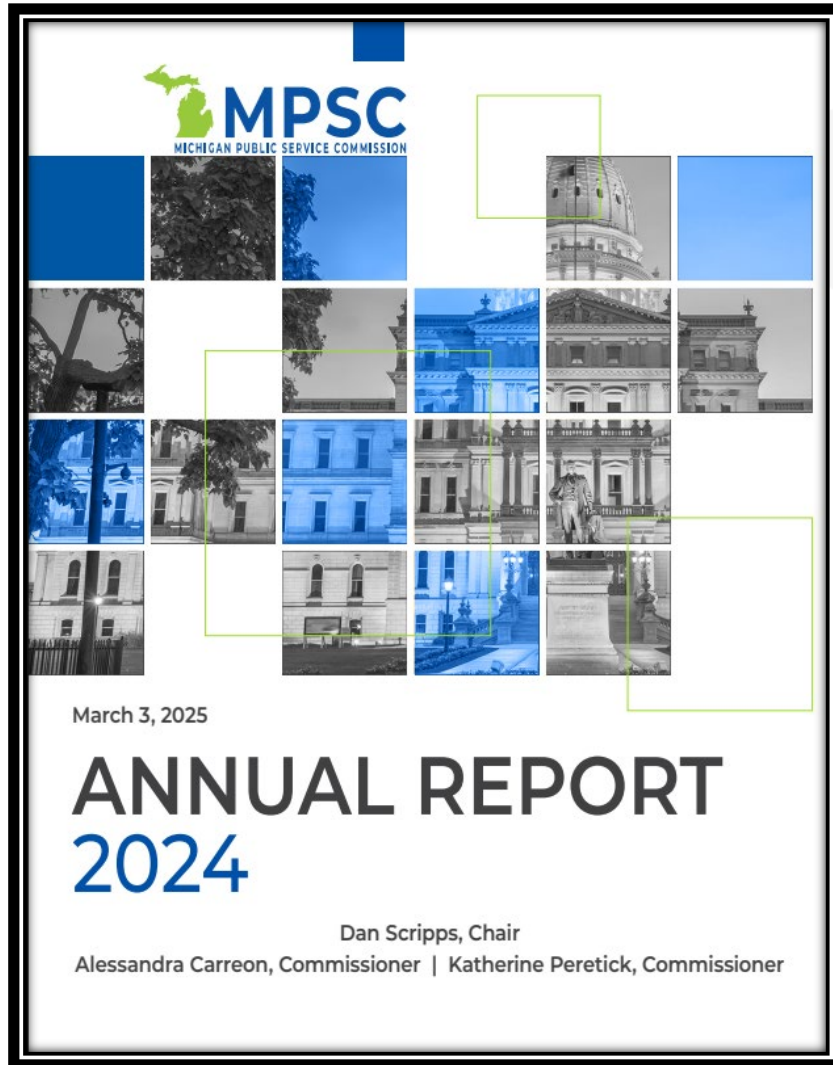
Customer Inquiries

In 2024, the Commission addressed 11,514 customer inquiries.

2024 Inquiries by Industry

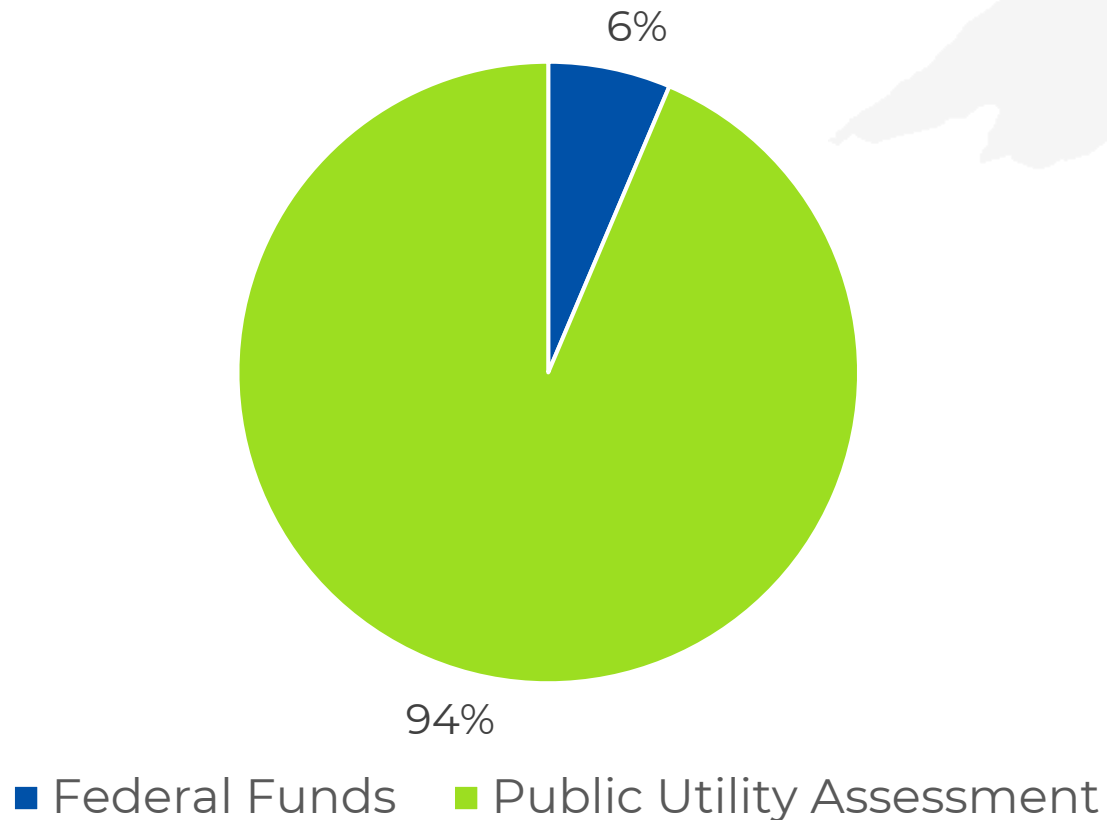


For more about the Commission's 2024 Activities, see the 2024 Annual Report.



MPSC FY 2026 Funding Request

FY 2026 Funding Sources



- ❑ Funded by restricted funds (State PUA and Federal gas safety grants)
- ❑ Total FTEs: 223 (No change)
- ❑ Changes over FY'25 Budget
 - Recommendation is ~ \$160,000 below FY'25 recommendation due to 1-time studies funded in the current year budget

Total FY 2025 Funding Request: \$41,910,830