



Status of Electric Competition in Michigan

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Introduction

The Customer Choice and Electricity Reliability Act (Public Act 141 of 2000, referred to throughout as Act 141) requires the Michigan Public Service Commission (Commission or MPSC) to file a report with the Governor and the Legislature by February 1 each year. This report represents the 19th year of electric choice in Michigan and includes a discussion of the following topics, pursuant to MCL 460.10u:

- a. The status of competition for the supplying of electricity in Michigan.
- b. Recommendations for legislation, if any.
- c. Actions taken by the Commission to implement measures necessary to protect consumers from unfair or deceptive business practices by utilities, alternative electric suppliers, and other market participants.
- d. Information regarding consumer education programs approved by the Commission to inform consumers of all relevant information regarding the purchase of electricity and related services from alternative electric suppliers.

An important goal of Act 141 is to have competition within the electric industry by offering Michigan customers the opportunity to purchase electric generation services from their incumbent utility or an Alternative Electric Supplier (AES). The Commission does not regulate the prices charged by an AES for its services. Customers may choose between an unregulated AES rate or a regulated utility rate.

Public Act 286 of 2008 (Act 286) was enacted on October 6, 2008 and amended Act 141. Section 10a(1)(a) of Act 286, MCL 460.10a, provides that no more than 10 percent of an electric utility's average weather-adjusted retail sales for the preceding calendar year may take service from an alternative electric supplier at any time.¹ On December 21, 2016, Public Act 341 (Act 341) of 2016 was signed and became effective on April 20, 2017. Act 341 amended Act 286. The Commission outlined the specific procedures pertaining to the implementation of the 10 percent cap and established a cap tracking system that utilities are required to make available online.²

The electric choice programs for Consumers Energy Company, Upper Michigan Energy Resource Corporation, Indiana Michigan Power and were fully subscribed at the 10 percent cap throughout the year and there continues to be approximately 6,405 customers statewide in the queue to participate in the choice program if space becomes available.

¹ With the exception of Section 10a(1)(d) of Act 286 which excludes iron ore mining or processing facilities.

² Order dated April 28, 2018 in Case No. U-15801.

To date, Michigan remains one of 20 states that had full or limited restructuring of the competitive electric market. Benchmark information comparing Michigan’s electric retail rates to the 20 restructured states, Midwest states, and the national average can be found starting on page 9.

In 2020, the Commission issued multiple orders that adhere to the established framework for Michigan’s electric customer choice programs and implement the provisions of Public Act 141 of 2000, Public Acts 286 and 295 of 2008, and Public Act 341 of 2016.

Status of Competition for Electric Supply

Overview

Retail Open Access (referred to throughout as “ROA”, “electric customer choice” or “electric choice”) for all customers of Michigan investor-owned electric utilities took effect on January 1, 2002. AESs currently serve electric choice customers in the Consumers Energy Company (Consumers Energy), DTE Electric Company (DTE Electric), Upper Peninsula Power Company (UPPCo), Upper Michigan Energy Resources Corporation (UMERC), Cloverland Electric Cooperative (Cloverland), and Indiana Michigan Power Company (I&M) territories.

Michigan is one of 20 jurisdictions that had full or limited restructuring of retail electric markets in 2020.³ In Michigan, Act 286 caps electric choice participation at 10 percent of an electric utility’s average weather-adjusted retail sales for the preceding year. The 10 percent cap is reset annually to reflect the average weather-adjusted retail sales for the preceding year.

The impact of the COVID-19 pandemic on the energy industry was noteworthy. In March 2020, the operations and hours of many businesses were restricted to help slow the spread of the virus. Because of this, Michigan’s commercial and industrial electric load was significantly impacted. Since the majority of electric choice load is commercial/industrial, choice load in 2020 was quite different when compared to previous years. The calculations in this report with respect to choice load have been affected by these factors and reflect substantially different load patterns than usual, even after normalization. In part as a result of these pandemic-related changes in load, DTE Electric, UPPCO, and Cloverland all had choice participation below the 10% cap.

Specific information pertaining to the status of electric choice participation for each utility can be found at their respective websites.⁴

³ Figure 1 (Appendix 1).

⁴ https://www.michigan.gov/mpsc/0,9535,7-395-93308_93325_93423_93501_93509---,00.htm

Michigan's Electric Customer Choice Program

Electric customer choice is available to all customers of regulated electric utilities, excluding members of electric cooperatives with loads of less than one megawatt (MW).⁵ Michigan's current retail electric market maintains regulation of most utility generation and distribution while allowing for competitive energy supply.

As of December 2020, there were approximately 5,706 customers participating in the electric choice programs (compared to 5,817 in 2019). This represents approximately 1,958 MW of electric demand, which is a decrease of about 58 MW from 2019. As of December 2020, approximately 6,405 customers remain in the queue. There was a minimal decrease in the total electric choice load in 2020 and electric choice participation remained around 10 percent for each utility.

2016 Energy Laws

Public Acts 341 and 342 were passed on December 15, 2016 and signed by Governor Rick Snyder on December 21, 2016. Act 341 updates Michigan's energy laws relating to utility rate cases, electric customer choice, certificate of necessity, and electric capacity resource adequacy, and establishes an integrated resource planning process. Act 341 amended Public Act 3 of 1939 and Public Act 286 of 2008. On September 29, 2009, the Commission adopted procedures, regarding the allocation of the amount of load to be served by AESs. The Commission approved changes to these procedures pursuant to Act 341, which are attached as Appendix A to the April 28, 2017 order in Case No. U-15801.⁶

Pursuant to MCL 460.10a(1)(c), the Commission issued orders adjusting the choice caps to zero for any utility serving fewer than 200,000 Michigan customers and that did not have any load served by an AES during the four-year period of April 20, 2013, to April 20, 2017. These orders were issued on July 12, 2017 for 12 utilities⁷ and directed that the cap for each utility automatically be reset to 10 percent on February 1, 2019. On February 1, 2019, I&M's cap was reset to 10 percent and the utility began enrolling customers in its electric choice program.

⁵ MCL 460.10x and MCL 460.10y outline different requirements for implementation for customer choice for cooperatively owned and municipal electric utilities. MCL 460.10x allows any retail customer of a rural electric cooperative with a peak of 1 megawatt or above to select an alternative electric supplier. MCL 460.10y provides that the governing body of a municipally owned utility determines whether it will permit choice programs in its service territory.

⁶ [Order dated April 28, 2017](#) in [Case No.U-15801](#)

⁷ These utilities include: Alger Delta Cooperative Electric Association (U-18372), Alpena Power Company (U-16086), Bayfield Electric Cooperative (U-18373), Cherryland Electric Cooperative (U-18374), Great Lakes Energy Cooperative (U-18376), Indiana Michigan Power Company (U-16090), HomeWorks Tri-County Electric Cooperative (U-18377), Midwest Energy Cooperative (U-18378), Northern States Power Company (U-16091), Thumb Electric Cooperative (U-18379), Presque Isle Electric & Gas Co-Op (U-18388), Ontonagon County Rural Electrification Association (U-18389).

Additionally, every Michigan licensed AES is subject to the capacity demonstration and state reliability mechanism (SRM) provisions outlined in Section 6w of Act 341. Section 6w requires all electric providers, including AESs, to demonstrate to the MPSC that they have enough resources to serve the anticipated needs of their customers four years forward. If an AES cannot or chooses not to arrange generating capacity to meet the new requirement, all or a portion of its load would be subject to an SRM capacity charge. The SRM capacity charge is set by the MPSC and is paid to the utility in exchange for the utility serving as the provider of last resort for capacity service.

In 2020, the MPSC completed its third round of capacity demonstrations. Every Michigan licensed AES demonstrated to the MPSC that they had adequate electricity supplies to meet the needs of their customers for the 2023-24 planning year and no SRM capacity charge would need to be imposed.

Alternative Electric Suppliers

There were 24 licensed AESs with eight of those actively serving customers as of December 2020.⁸ The Commission issued one AES license for Sunwave USA Holdings, Inc. The Commission did not revoke any AES licenses during 2020.

Load Served through Electric Customer Choice Programs

Commercial and industrial customers accounted for almost all of the participation in the electric choice programs during 2020. Typical choice participants are large industrial manufacturers and mid-size commercial customers, including retailers, restaurants, healthcare facilities, school systems, and other service providers. The number of residential choice customers participating in the electric choice program is negligible.

Consumers Energy Electric Customer Choice Program

The number of customers and the electric demand served by each AES in the Consumers Energy service territory at the end of each year is shown in Figure 2 (Appendix 1). The electric choice load served in the Consumers Energy service territory at year-end 2020 totaled 697 MW. This compares to 739 MW in 2019. There were 976 customers served by AESs at year-end 2020 compared to 989 in 2019.⁹

Additional information depicting trends in the Consumers Energy electric customer choice program is included in Appendix 1. Figure 3) shows the number of customers participating and the load served on a monthly basis from July 2019 through December 2020.

Below is a summary of cap related data for Consumers Energy for 2018 – 2020. To date, Consumers Energy is fully subscribed at the 10 percent cap.

⁸ See Figure 2, Figure 4, Figure 6, Figure 8, Figure 10 (Appendix 1).

⁹ Figure 2 (Appendix 1).

Consumers Energy			
	2018	2019	2020
Weather-Adjusted Retail Sales	37,172,389 MWh	36,974,832 MWh	36,473,374 MWh
Participation Level	3,742,516 MWh	3,774,896 MWh	3,753,969 MWh
Participation Percent	10.07%	10.21%	10.29%
Customers in Service	992	989	976
Customers in Queue	3,703	3,562	3,481
Total Load in Queue	6,018,141 MWh	6,091,604 MWh	5,542,678 MWh
<i>Participation Percent w/o Cap</i>	<i>26.26%</i>	<i>26.68%</i>	<i>25.49%</i>

Consumers Energy experienced a decrease in the number of customers in the queue as well as the load from 2019 to 2020, though the participation percent of load served increased. Hypothetically, if the cap did not exist, choice participation would be approximately 25 percent in Consumers Energy's service territory.

DTE Electric Company Customer Choice Program

The number of customers and the electric demand served by each AES in the DTE Electric service territory at the end of the year is shown in Figure 4 (Appendix 1). The electric choice load served in the DTE Electric service territory at year-end 2020 totaled 1,114 MW compared to 1,130 MW in 2019. The number of customers served by AESs totaled 4,551 at year-end 2020 compared to 4,649 in 2019.¹⁰

Additional information depicting trends in the DTE Electric's electric customer choice program is included in Appendix 1. Figure 5 shows the number of customers participating and the load served on a monthly basis from July 2019 through December 2020.

Below is a summary of cap related data for DTE Electric for 2018 – 2020. To date, DTE Electric is fully subscribed at the 10 percent cap.

DTE Electric Company			
	2018	2019	2020
Weather-Adjusted Retail	47,205,934 MWh	47,071,785 MWh	46,222,336 MWh
Participation Level	4,786,870 MWh	4,730,903 MWh	4,521,578 MWh
Participation Percent	10.14%	10.05%	9.78%
Customers in Service	4,681	4,649	4,551
Customers in Queue	2,891	2,817	2,856
Total Load in Queue	3,426,119 MWh	3,437,448 MWh	3,623,334 MWh
<i>Participation Percent w/o</i>	<i>17.40%</i>	<i>17.35%</i>	<i>17.62%</i>

¹⁰ Figure 4 (Appendix 1).

DTE Electric experienced an increase in the number of customers and the load in the queue from 2019 to 2020, DTE Electric also experienced a decrease in the participation percent of its load served by AESs. Hypothetically, if the cap did not exist, choice participation would be approximately 18 percent in DTE Electric’s service territory.

Upper Peninsula Power Company (UPPCo) Electric Customer Choice Program

The number of customers and the electric demand served by each AES in the UPPCo service territory at the end of the year is shown in Figure 6 (Appendix 1). The electric choice load served in the UPPCo service territory at year-end 2020 totaled 12.1 MW compared to 13.3 MW in 2019. The number of customers served at year-end 2020 was the same as year-end 2019 at 53.¹¹

Additional information depicting trends in the UPPCo electric customer choice program is included in Appendix 1. Figure 7 shows the number of customers participating and the load served on a monthly basis from January 2020 through December 2020.

Below is a summary of cap related data for UPPCo for 2018 – 2020. The current level of choice participation is approximately 8.59 percent. Hypothetically, if the cap did not exist, choice participation would be approximately 14 percent in UPPCo’s service territory.

Upper Peninsula Power Company			
	2018	2019	2020
Weather-Adjusted Retail Sales	811,446 MWh	816,689 MWh	833,168 MWh
Participation Level	86,447 MWh	85,742 MWh	71,609 MWh
Participation Percent	10.65%	10.50%	8.59%
Customers in Service	58	53	53
Customers in Queue	63	63	63
Total Load in Queue	41,472 MWh	41,472 MWh	41,472 MWh
<i>Participation Percent w/o Cap</i>	<i>15.76%</i>	<i>15.57%</i>	<i>13.57%</i>

Upper Michigan Energy Resources Corporation (UMERC) Electric Customer Choice Program

On December 9, 2016, the Commission approved a settlement agreement in Case No. U-18061¹² that permitted the creation of a new Michigan-only jurisdictional utility in the Upper Peninsula. UMERC was established on January 1, 2017 as a new Michigan-only jurisdictional utility in the Upper Peninsula. Former WEPCo and WPSC customers are now being served by UMERC.

The number of customers and electric demand served by each AES in the UMERC service territory at the end of the year is shown in Figure 8 (Appendix 1). The electric choice load served in the

¹¹ Figure 6 (Appendix 1).

¹² See [Case No. U-18061](#).

UMERC service territory at year-end 2020 totaled 65.1 MW compared to 72.2 MW in 2019. The number of customers served decreased from 84 at 2019 year-end to 83 at 2020 year-end.¹³

Additional information depicting trends in the UMERC electric customer choice program is included in Appendix 1. Figure 9 shows the number of customers participating and the load served on a monthly basis from July 2019 through December 2020.

Below is a summary of cap related data for UMERC for 2018 – 2020. The Tilden Mining Company (Tilden) load was transferred from WEPCo to UMERC in the first quarter of 2019, which is reflected in the Weather-Adjusted Retail Sales.

Note: MCL 460.10a(1)(f) provides that any customer operating an iron ore mining facility, iron ore processing facility, or both, located in the Upper Peninsula of this state shall be permitted to purchase all or any portion of its electricity from an alternative electric supplier, regardless of whether the sales exceed 10% of the serving electric utility's average weather-adjusted retail sales. Because of this, the current level of choice participation is approximately 12.33 percent in UMERC's service territory.

Upper Michigan Energy Resources Corporation			
	2018	2019	2020
Weather-Adjusted Retail Sales	890,764 MWh	2,138,189 MWh	2,237,922 MWh
Participation Level	267,121 MWh	298,358 MWh	275,916 MWh
Participation Percent	29.99%	13.95%	12.33%
Customers in Service	87	84	83
Customers in Queue	1	1	1
Total Load in Queue	124,826 MWh	130,012 MWh	106,250 MWh
<i>Participation Percent w/o Cap</i>	<i>44.00%</i>	<i>20.03%</i>	<i>17.08%</i>

Cloverland Electric Cooperative Electric Customer Choice Program

Beginning in December 2016, Cloverland had one customer taking electric choice. The electric choice load served in the Cloverland service territory at year-end 2020 totaled 9.07 MW, as shown in Appendix 1, Figure 10.

Cloverland Electric Cooperative			
	2018	2019	2020
Weather-Adjusted Retail Sales	764,399 MWh	794,562 MWh	715,832 MWh
Participation Level	76,440 MWh	71,249 MWh	68,978 MWh
Participation Percent	10.0%	8.97%	9.63%
Customers in Service	1	1	1
Customers in Queue	0	0	0
Total Load in Queue	0 MWh	0 MWh	0 MWh
<i>Participation Percent w/o Cap</i>	<i>10.0%</i>	<i>8.97%</i>	<i>9.63%</i>

¹³ Figure 8 (Appendix 1).

Indiana Michigan Power Company Electric Customer Choice Program

In February 2012, Case No. U-17032 was initiated by the Commission to establish a state compensation mechanism for AES capacity in I&M's Michigan service territory. In May 2012, customers began taking choice service in I&M's service territory and by June 2012, I&M's choice program was fully subscribed at the 10 percent cap. In September 2012, the Commission approved the creation of a state compensation mechanism for AES capacity in I&M's Michigan service territory in Case No. U-17032. As of April 2013, there had been no choice participation in I&M's territory. In April 2018, the Commission issued an order updating the state reliability mechanism capacity charge in Case No. U-18370, at which time more than 10 percent of I&M's load has been placed in its queue.

I&M's cap amount had been set to zero by Commission order in Case No. U-16090, and was subsequently reset to 10 percent on February 1, 2019 pursuant to the Commission order and MCL 460.10a(1)c. On February 1, 2019, I&M began enrolling customers and is now fully subscribed at the 10 percent cap.¹⁴

The number of customers and the electric demand served by each AES in the I&M service territory at the end of the year is shown in Figure 12 (Appendix 1). The electric choice load served in the I&M service territory remained the same at 52.86 MW from year-end 2019 to year-end 2020. The number of customers served by AESs also stayed the same from year-end 2019 to year-end 2020 totaling 41.¹⁵

Additional information depicting trends in I&M's electric customer choice program is included in Appendix 1. Figure 13 shows the number of customers participating and the load served on a monthly basis from January 2020 through December 2020.

Below is a summary of cap related data for I&M for 2020. To date, I&M is fully subscribed at the 10 percent cap.

Indiana Michigan Power Company		
	2019	2020
Weather-Adjusted Retail Sales	2,808,896 MWh	2,737,437 MWh
Participation Level	280,519 MWh	279,602 MWh
Participation Percent	9.99%	10.21%
Customers in Service	41	41
Customers in Queue	4	4
Total Load in Queue	14,714 MWh	13,486 MWh
<i>Participation Percent w/o Cap</i>	<i>10.51%</i>	<i>10.71%</i>

¹⁴ <https://www.indianamichiganpower.com/account/service/choice/OtherResources.aspx>

¹⁵ Figure 12 (Appendix 1).

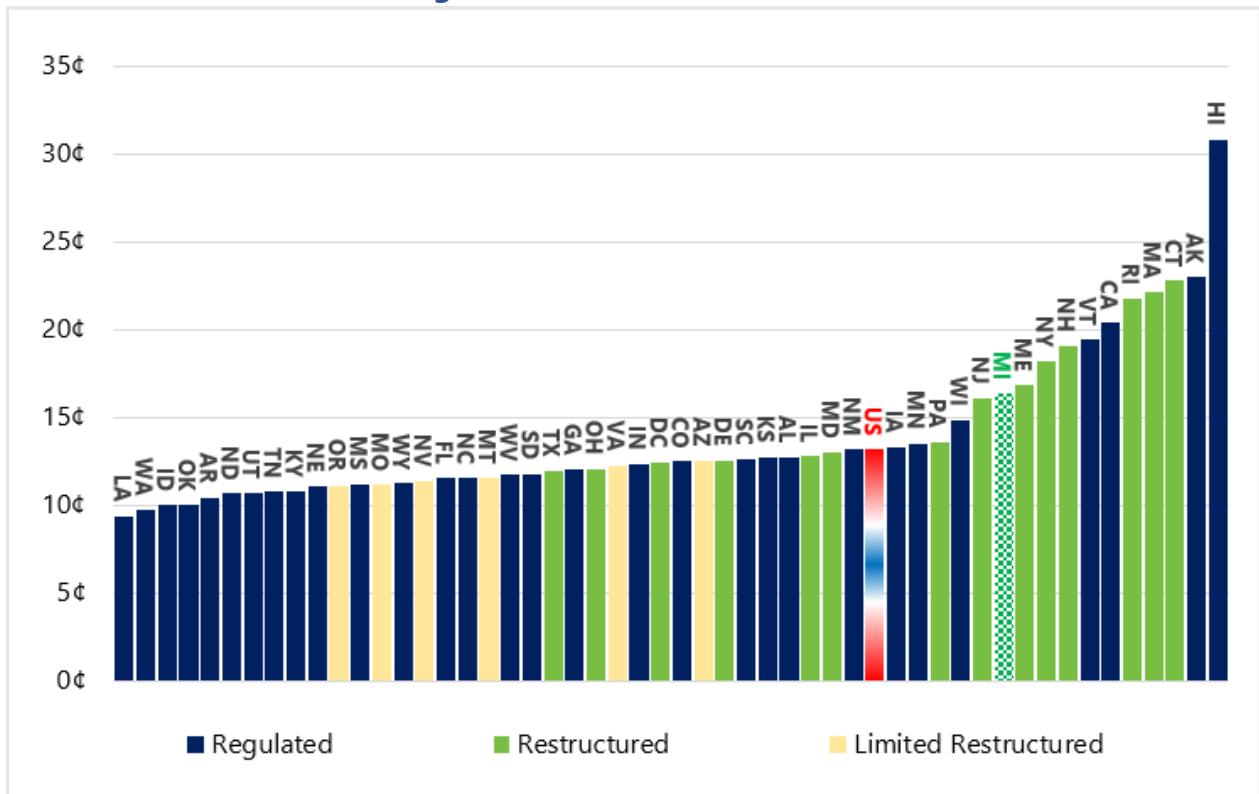
Benchmarking Michigan's Electric Prices¹⁶

This report provides benchmark data that compares Michigan's electric prices to those of other jurisdictions based on customer class. The data shown in the following figures for 2020 reflects January through August 2020.

Residential Rates

The figure below reflects the 2020 average residential retail rates. In 2020, Michigan's average residential retail rates ranked seventh highest among the 20 jurisdictions with some type of restructured market at \$0.1632/kWh.

Average Residential Retail Price, 2020



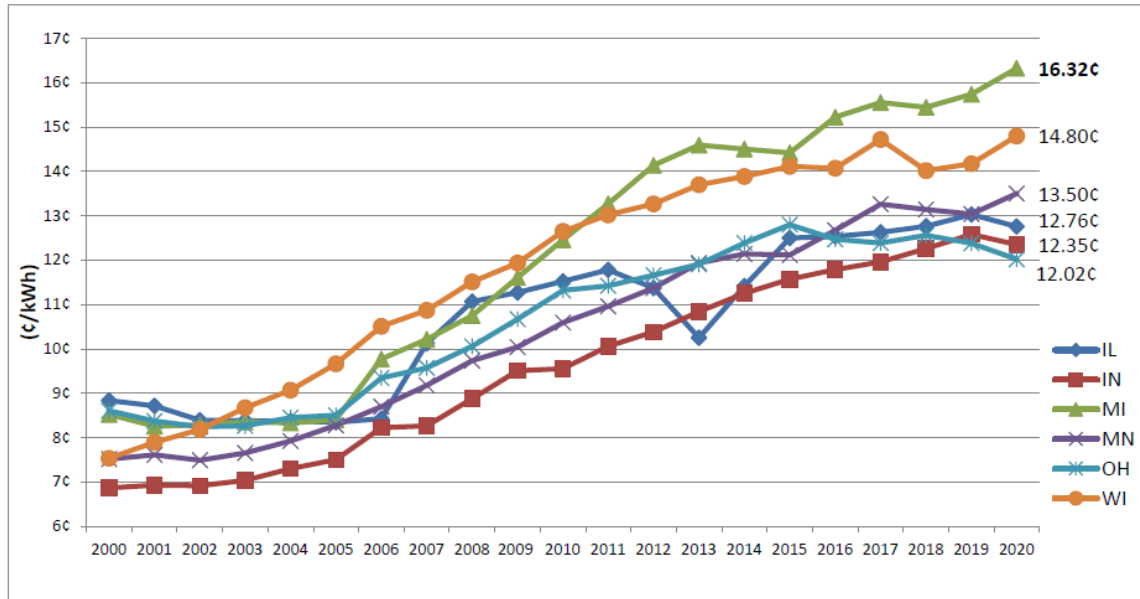
Source, https://www.eia.gov/electricity/data/eia861m/xls/retail_sales_2020.xlsx, Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826). 2020.* 2020 data is only through August and will change.

The figure below reflects the average residential retail rates for neighboring Midwest states from 2000 through 2020. In 2020, Michigan's average residential retail rates ranked the highest among

¹⁶ Benchmarking data is sourced from the [U.S. Energy Information Administration \(EIA\)](https://www.eia.gov/). EIA's data may include some minor inconsistencies and is subject to change retroactively.

six Midwest states at \$0.1632/kWh. Prices are based on actual reported statewide utility sales and revenues for each year and are not adjusted for inflation.

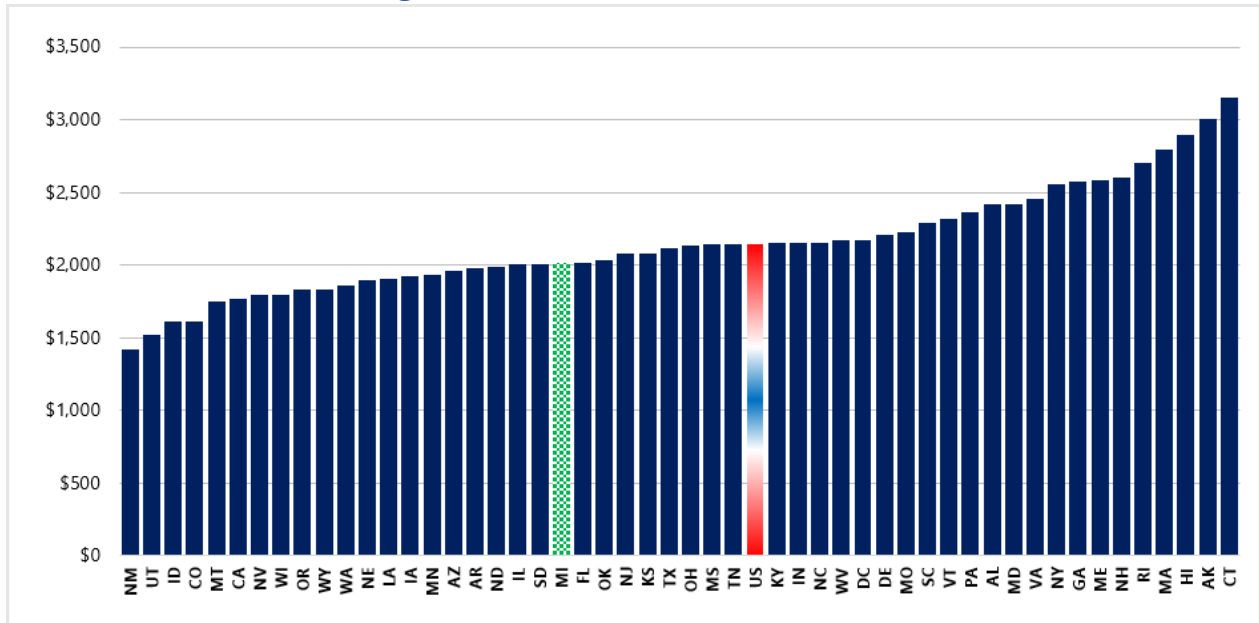
Average Residential Retail Rates for Midwest 2000-2020*



Source, https://www.eia.gov/electricity/data/eia861m/xls/retail_sales_2020.xlsx, Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826). 2020.* 2020 data is only through August and will change.

The figure below reflects combined average residential electric and natural gas bills. While average rates are important, the actual amount paid by residential customers in bills for electric and natural gas service provides a sense of the impact of energy costs on Michigan residents relative to customers in other states. Utility services are typically billed based on usage per unit (e.g., one kilowatt-hour of electricity), so states with higher energy usage have more unit sales over which to recover energy costs and may end up with lower average rates (total revenues divided by total sales) as a result. Michigan ranks below the national average in this regard.

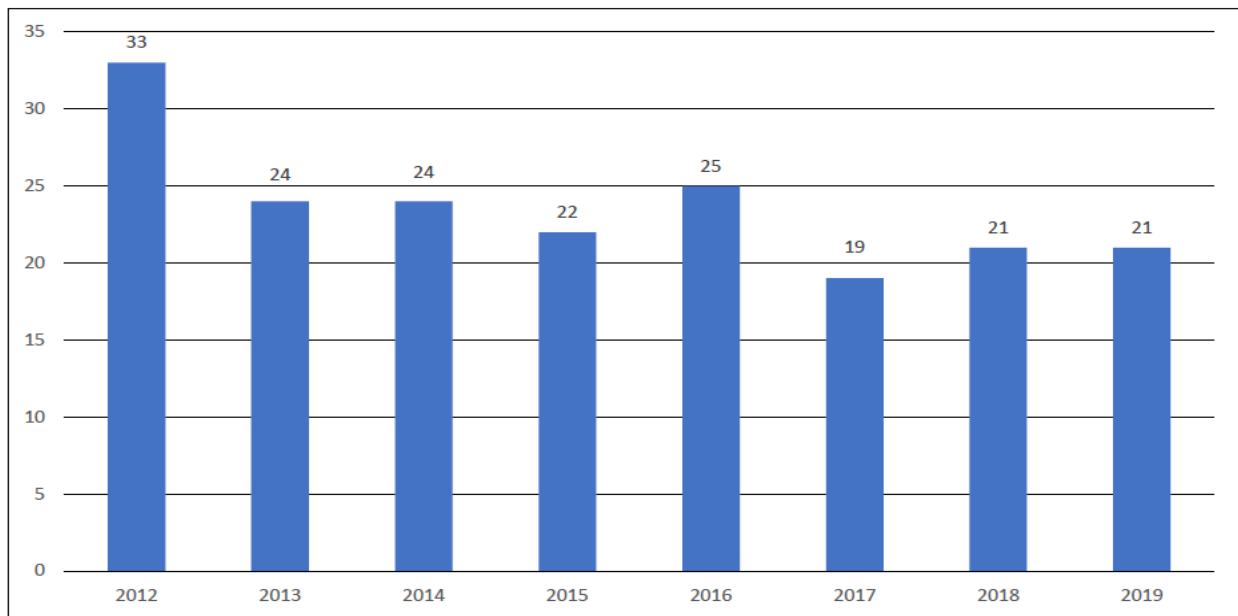
2019 Average Residential Electric and Natural Gas Bill



Source, <https://www.eia.gov> - Data through 2019

The figure below reflects Michigan's combined average residential electric and natural gas bill rankings (from lowest to highest) from 2012 through 2019 compared to all other states. Michigan's residential bills are 21st lowest among other states.

Michigan Total Bill Rank

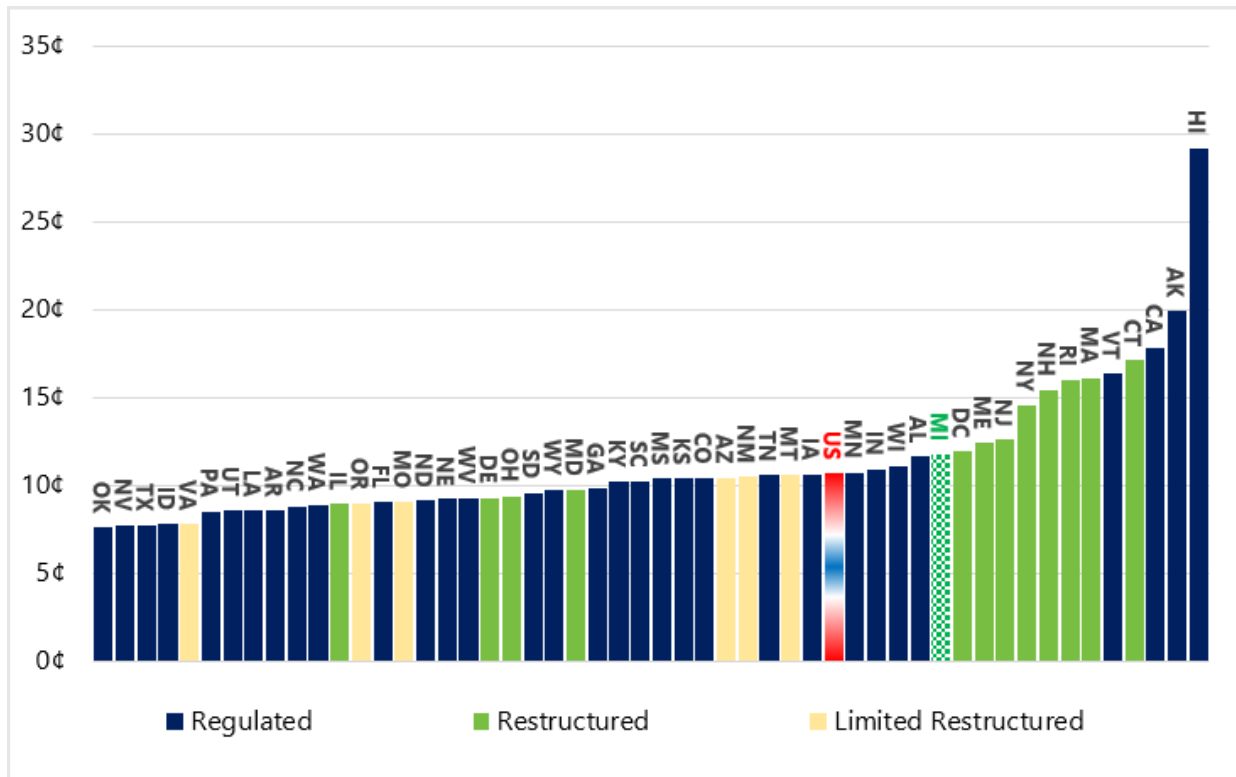


Source, <https://www.eia.gov> - Data through 2019

Commercial Rates

The figures below reflect the 2020 average commercial retail rates. In 2020, Michigan’s commercial average retail rates ranked ninth highest of the jurisdictions with some type of restructured market at \$0.1170/kWh.

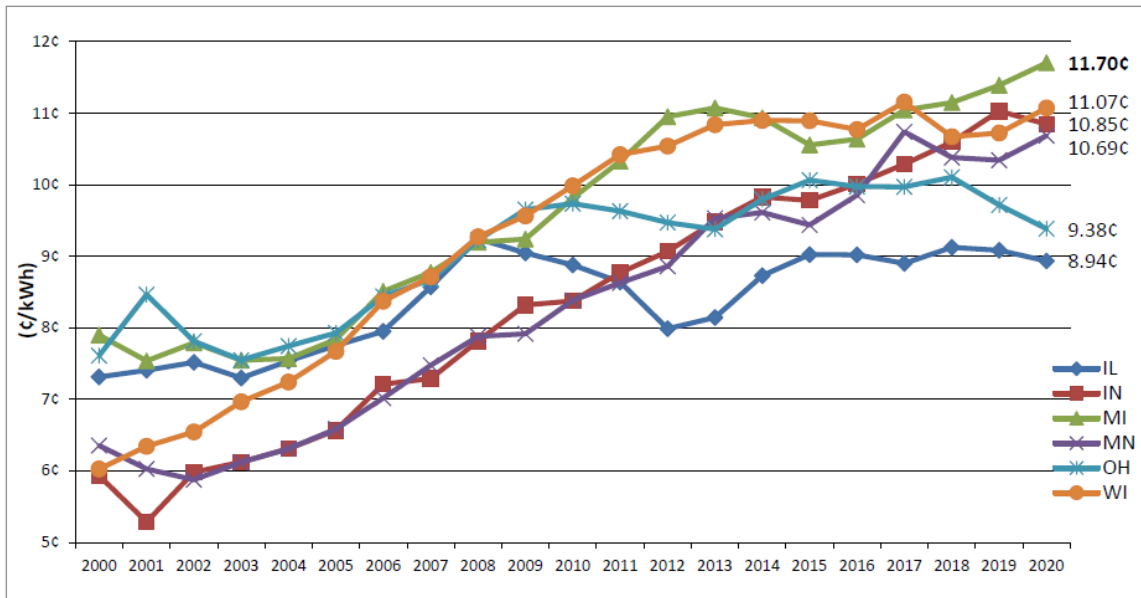
Average Commercial Retail Price, 2020



Source, https://www.eia.gov/electricity/data/eia861m/xls/retail_sales_2020.xlsx, Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826). 2020.* 2020 data is only through August and will change.

The figure below reflects the average commercial retail rates for neighboring Midwest states from 2000 through 2020. In 2020, Michigan’s average commercial retail rates ranked the highest among six Midwest states at \$0.1170/kWh. Prices are based on actual reported statewide utility sales and revenues for each year and are not adjusted for inflation.

Average Commercial Retail Rates for Midwest 2000-2020*

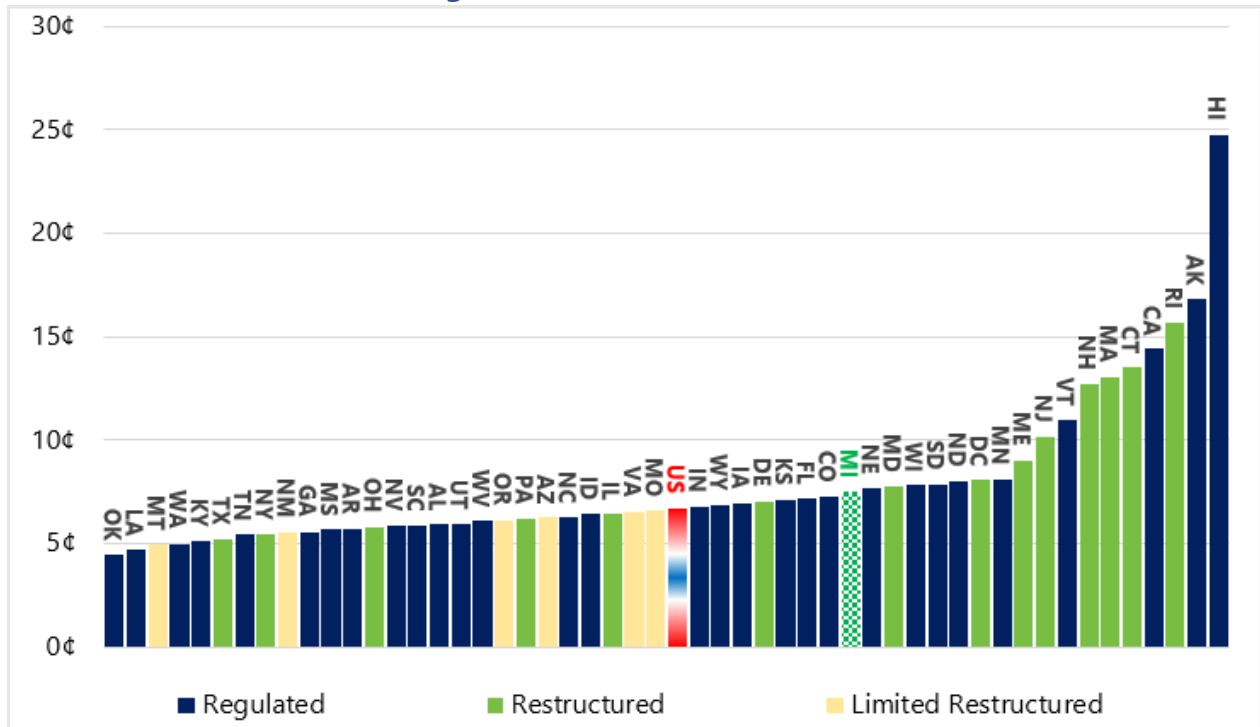


Source, https://www.eia.gov/electricity/data/eia861m/xls/retail_sales_2020.xlsx, Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826). 2020.* 2020 data is only through August and will change.

Industrial Rates

The figure below reflects the 2020 average industrial retail rates. In 2020, Michigan’s industrial retail rates ranked ninth highest amongst jurisdictions with some type of restructured market at \$0.0751 kWh.

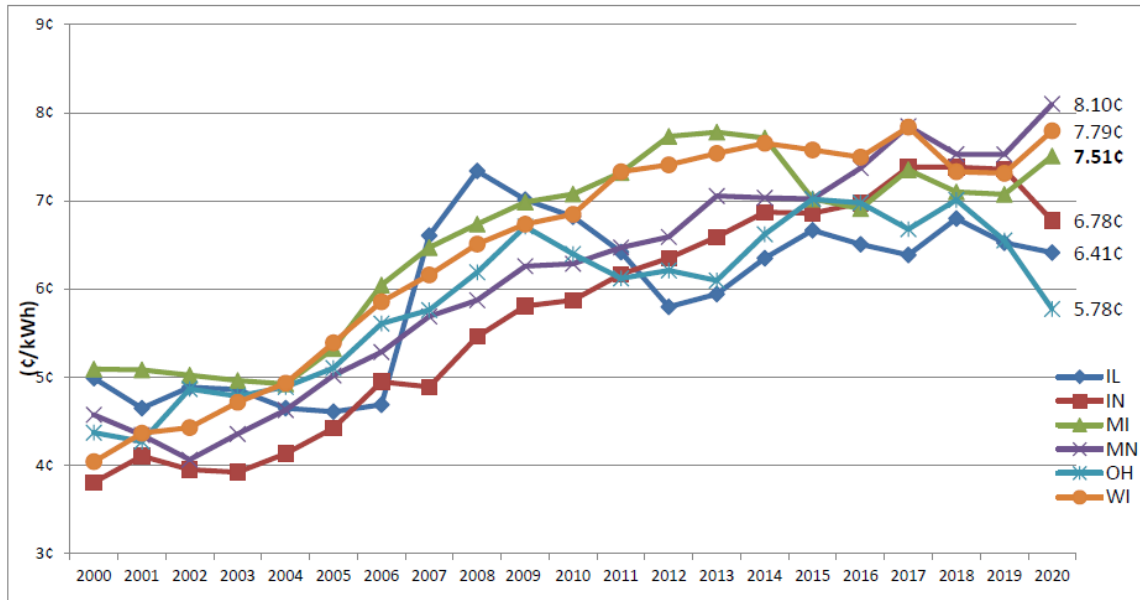
Average Industrial Retail Price, 2020



Source, https://www.eia.gov/electricity/data/eia861m/xls/retail_sales_2020.xlsx, Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826). 2020.* 2020 data is only through August and will change.

The figure below reflects the average industrial retail rates for the neighboring Midwest states from 2000 through 2020. In 2020, Michigan’s average industrial retail rates ranked the fourth lowest among the six Midwest states at \$0.0751/kWh. Prices are based on actual reported statewide utility sales and revenues for each year and are not adjusted for inflation.

Average Industrial Retail Rates for Midwest 2000-2020*



Source, https://www.eia.gov/electricity/data/eia861m/xls/retail_sales_2020.xlsx, Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826). 2020.* 2020 data is only through August and will change.

Commission Action Related to Electric Choice and Customer Protections

The following orders further supported and implemented the framework for Michigan’s electric customer choice programs, the provisions of Act 141, and the amendments of Act 286, Act 295 and Act 341.¹⁷ Throughout 2020, the Commission issued the following orders in relation to Electric Customer Choice:

- Two orders relating to capacity demonstration requirements provided for in Act 341;
- Four orders setting state reliability mechanism capacity rates that may be applicable to retail open access load if AES capacity demonstration requirements are not met by AESs serving in Michigan;
- One order relating to demand response aggregation of AES load;
- One order relating to Code of Conduct
- One order approving an AES license

See Appendix 2 for a complete list and further detail on these orders.

¹⁷ Commission orders are available on the Commission website at <https://mi-psc.force.com/s/>

Commission Action on Customer Education

Due to the limit on participation, no licensed AESs are currently marketing or enrolling residential customers. Because of this, there is no current customer education campaign by the MPSC. The MPSC does have a dedicated webpage¹⁸ for consumer information, which includes a Consumer Tip page regarding Michigan's Electric Choice program.

Recommendations for Legislation

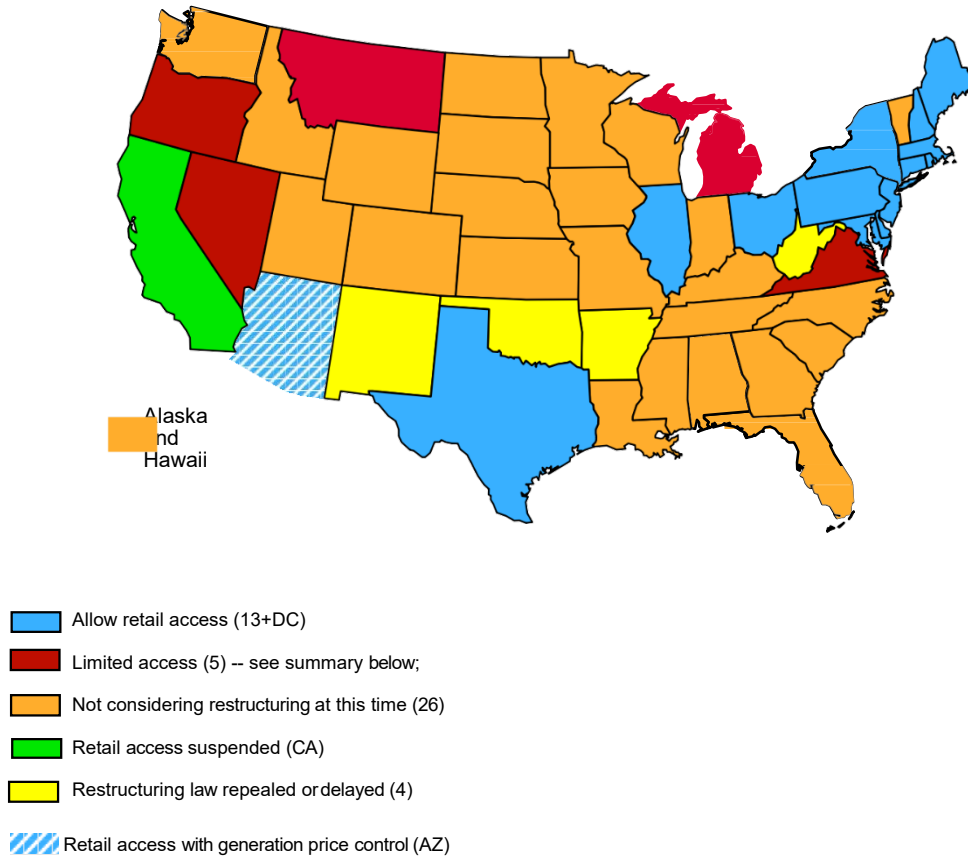
The Commission is continually implementing the provisions outlined in PA 341 and has no recommendations for legislation at this time. Throughout 2020, the Commission continued to engage with stakeholders regarding the resource adequacy and state reliability mechanism provisions within the 2016 energy law.¹⁹ The Commission will continue to closely monitor the impact of the implementation of the 2016 energy law on energy providers and customers in Michigan. Although the Commission does not recommend any legislative changes at this time, the Commission stands ready to assist the legislature in its future endeavors.

¹⁸ https://www.michigan.gov/mpsc/0,9535,7-395-93308_93325_93423_93501_93509---,00.html

¹⁹ See https://www.michigan.gov/mpsc/0,4639,7-159-80741_80743-411741--,00.html and http://www.michigan.gov/mpsc/0,4639,7-159-80741_80743-406252--,00.html

Appendix 1

Figure 1



MI: alternative suppliers limited to maximum of 10% of electric utility's retail sales
MT: Retail access repealed for customers < 5 MW and for all customers that choose utility service
NV: retail access limited to large customers > or = 1 MW, with permission of the PUC
OR: nonresidential consumers of PGE and Pacific Power have option to buy electricity from an alternative provider
VA: Retail access ended for most customers -- except those >5 MW (w/conditions for return)

Source: Ken Rose, August 2018 58th IPU Annual Regulatory Studies Program.

Figure 2

AES Customers in Consumers Energy Service Territory, Year End

AES Name	Number of Customers						MW Served					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Constellation NewEnergy Inc.	535	558	819	833	841	831	200	225	376	372	398	382
Direct Energy Business ¹	87	79	71	43	40	37	52	51	15	7	6	6
Energy Harbor fka FirstEnergy Solutions ²	27	12	15	22	12	12	98	119	127	149	101	94
Constellation Energy Services fka Integrys ³	277	263	0	0	0	0	172	131	0	0	0	0
Calpine Energy Solutions, LLC fka Noble ⁴	76	71	71	65	65	65	72	71	70	56	69	66
Spartan Renewable Energy	1	2	2	5	5	5	11	13	14	27	28	28
Wolverine Power Marketing	27	25	22	24	26	26	146	139	136	135	137	121
Totals	1030	1,010	1,000	992	989	976	751	749	738	746	739	697

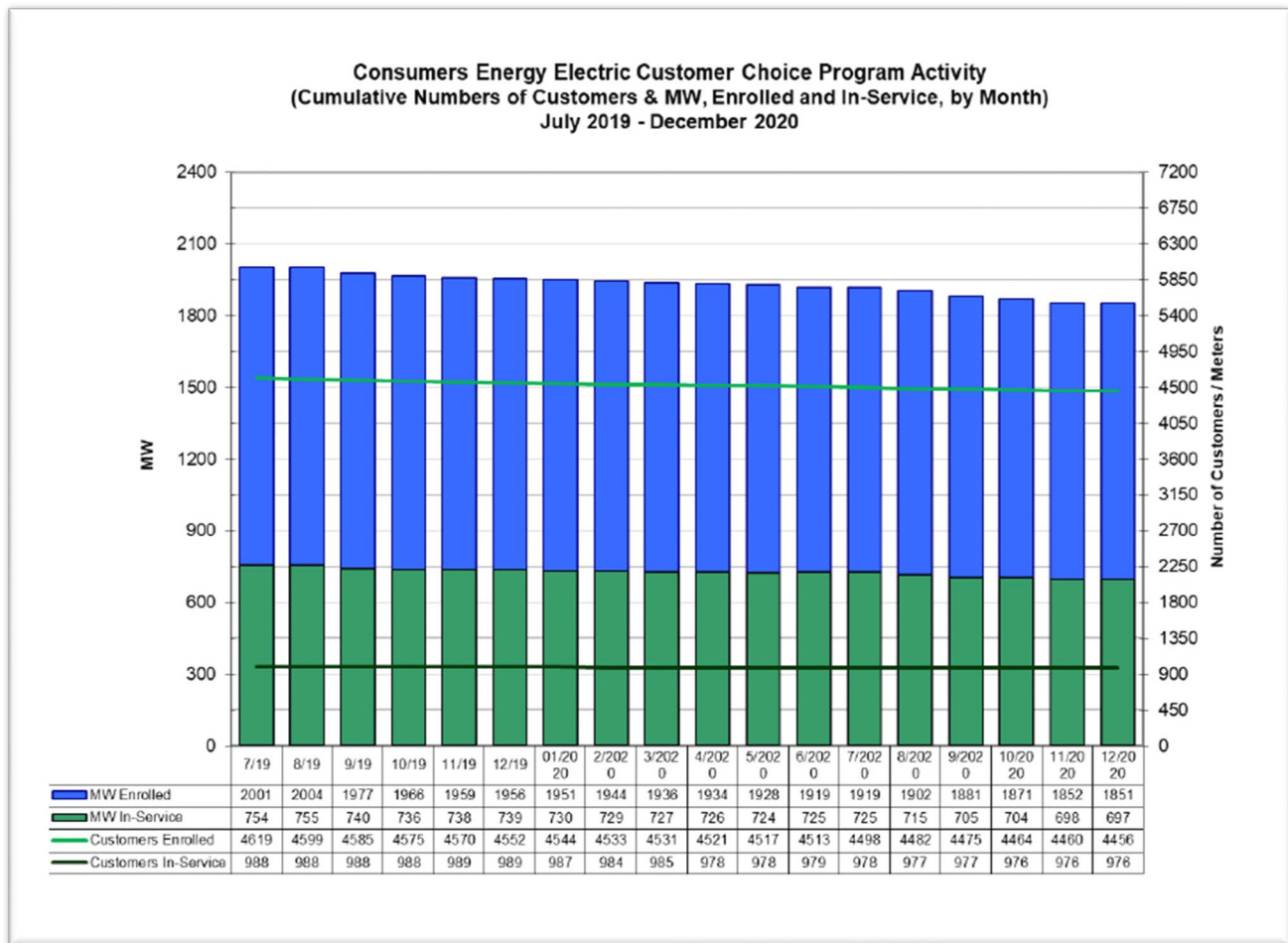
Note: ¹On September 1, 2008, Strategic Energy, LLC, changed its name to Direct Energy Business, LLC.

² On May 29, 2020, First Energy Solutions Corp., changed its name to Energy Harbor.

³ On November 3, 2014, Integrys Energy Services, Inc., merged with Constellation, a subsidiary of Exelon Corporation. A legal name change from Integrys Energy Services, Inc. to Constellation Energy Services, Inc. became effective on April 1, 2015. Customers enrolled with Constellation Energy Services fka Integrys were transferred to Constellation NewEnergy Inc. during 2017.

⁴ On November 1, 2010, Sempra Energy Solutions, LLC, changed its name to Noble Americas Energy Solutions, LLC. On December 1, 2016, Noble Americas Energy Solutions, LLC changed its name to Calpine Energy Solutions, LLC.

Figure 3



Source: Consumers Energy Company, December 2020.

Notes:

MW Enrolled – Total megawatts actively being served by an AES plus the total megawatts held by the queued customers.

MW In Service – Total megawatts actively being served by an AES.

Customers Enrolled – Total number of customers actively being served by an AES plus the total number of queued customers.

Customers In Service – Total customers actively being served by an AES.

Figure 4

AES Customers in DTE Electric Company Service Territory, Year End

AES Name	Number of Customers						MW Served					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
CMS ERM MI	6	12	12	12	12	12	54	35	35	35	35	35
Just Energy Solutions fka Commerce ¹	174	159	130	111	93	84	4	4	3	3	3	2
Constellation NewEnergy	1,325	1,305	2,014	2,161	2,227	2,191	282	280	470	503	515	505
Direct Energy Business ²	1,465	1,587	1,476	1,342	1,271	1,219	228	288	399	387	370	364
Eligo Energy, MI LLC	0	11	18	15	0	0	0	1	2	1	0	0
Energy Harbor fka FirstEnergy Solutions ³	283	115	55	20	19	19	221	193	30	8	7	7
Constellation Energy Services fka Integrys ⁴	792	661	16	0	0	0	217	152	6	0	0	0
MidAmerican ⁵	24	25	40	0	0	0	7	5	5	0	0	0
Calpine Energy Solutions, LLC fka Noble ⁶	915	912	899	905	907	905	111	110	105	116	123	122
Wolverine Power Marketing	2	119	119	115	120	121	13	80	79	79	79	79
Totals ⁷	4,986	4,906	4,779	4,681	4,649	4,551	1,137	1,148	1,134	1,132	1,132	1,116

Note: ¹ On April 5, 2017, Commerce Energy Inc. changed its name to Just Energy Solutions, Inc.

² On September 1, 2008, Strategic Energy, LLC, changed its name to Direct Energy Business, LLC.

³ On May 29, 2020, First Energy Solutions Corp., changed its name to Energy Harbor.

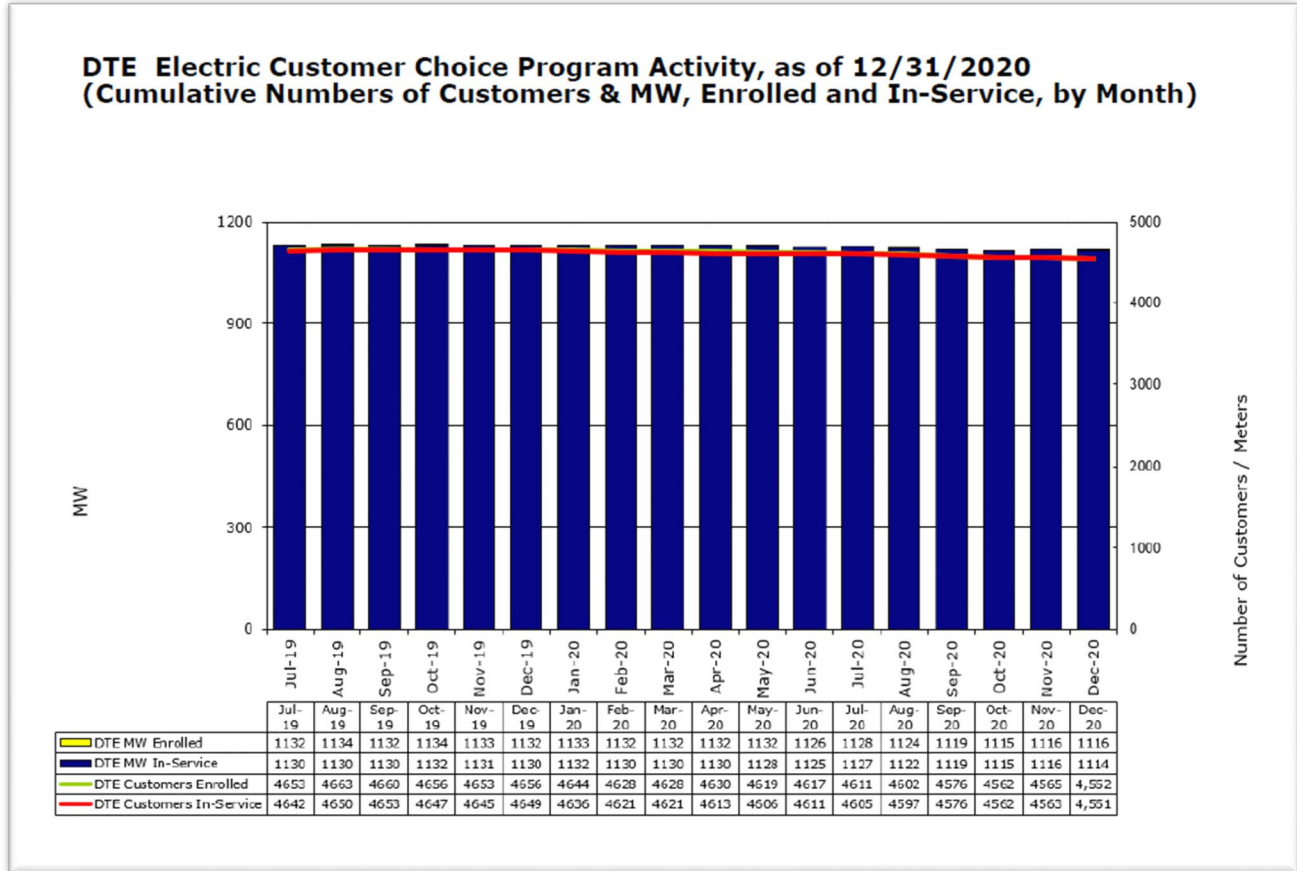
⁴ On November 3, 2014, Integrys Energy Services, Inc., merged with Constellation, a subsidiary of Exelon Corporation. A legal name change from Integrys Energy Services, Inc. to Constellation Energy Services, Inc. became effective on April 1, 2015. Constellation Energy Services, Inc. customers were moved to Constellation NewEnergy in 2018.

⁵ During 2016, MidAmerican Energy Company transferred their customers to MidAmerican Energy Services and voluntarily rescinded its AES license. MidAmerican now refers to MidAmerican Energy Services.

⁶ On November 1, 2010, Sempra Energy Solutions, LLC, changed its name to Noble Americas Energy Solutions, LLC. On December 1, 2016, Noble Americas Energy Solutions, LLC changed its name to Calpine Energy Solutions, LLC.

⁷ Total does not add correctly due to rounding

Figure 5



Source: DTE Electric Company, December 2020.

Notes:

MW Enrolled – Megawatts that have requested to switch to another AES.

MW In Service - Total megawatts actively being served by an AES.

Customers Enrolled – Customers who have requested to switch to another AES.

Customers In Service – Total customers actively being served by an AES.

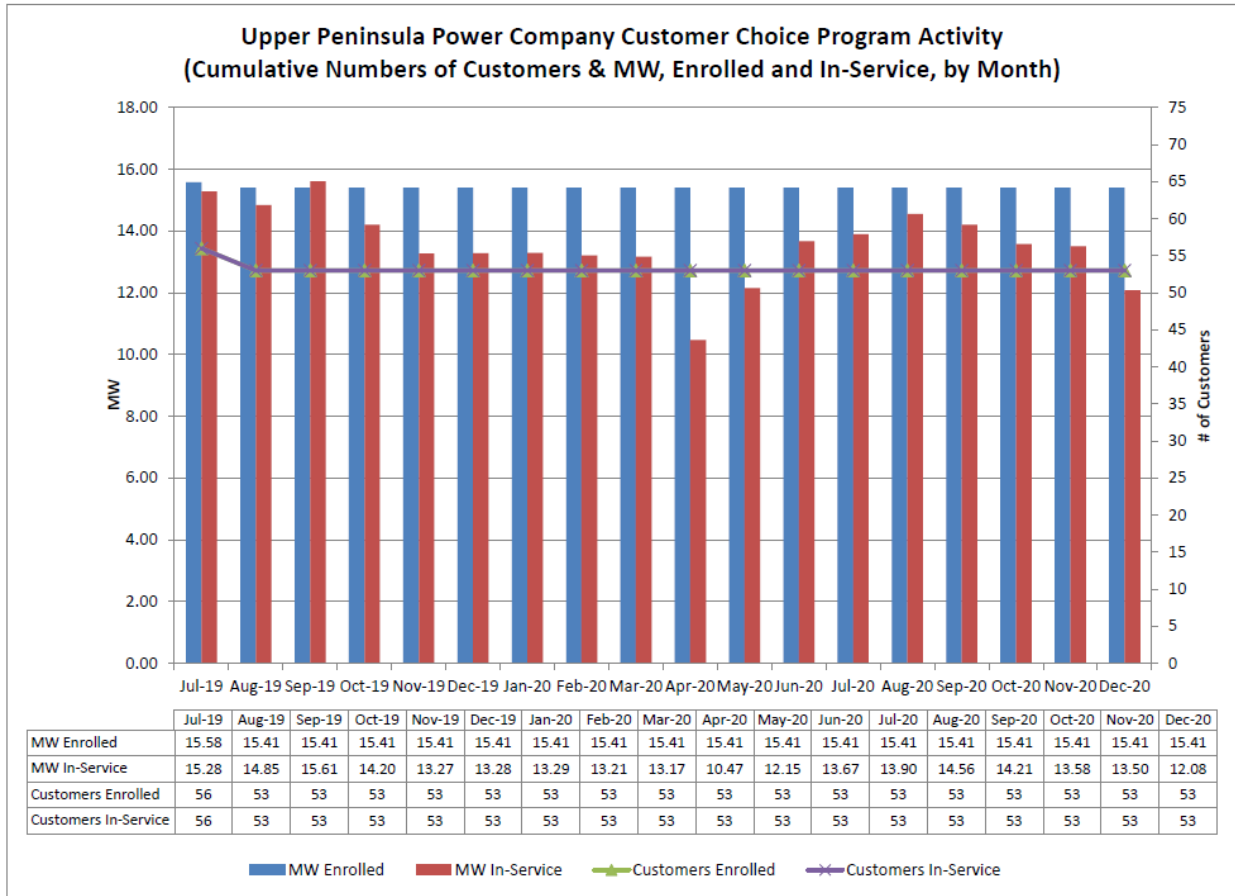
Figure 6

AES Customers in the UPPCo Service Territory, Year End

AES Name	Number of Customers						MW Served					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Constellation Energy Services fka Integrys ¹	30	32	31	0	0	0	4.74	4.75	4.54	0	0	0
Constellation NewEnergy	0	0	0	56	51	51	0	0	0	6.614	6.330	6.174
UP Power Marketing	29	29	30	0	0	0	3.74	3.83	4.17	0	0	0
Wolverine Power Marketing	1	1	1	2	2	2	5.62	5.65	5.48	6.877	6.950	5.908
Totals	60	62	62	58	53	53	14.10	14.23	14.19	13.491	13.280	12.082

Note: ¹On November 3, 2014, Integrys Energy Services, Inc., merged with Constellation, a subsidiary of Exelon Corporation. A legal name change from Integrys Energy Services, Inc. to Constellation Energy Services, Inc. became effective on April 1, 2015. Constellation Energy Services, Inc. customers were moved to Constellation NewEnergy in 2018.

Figure 7



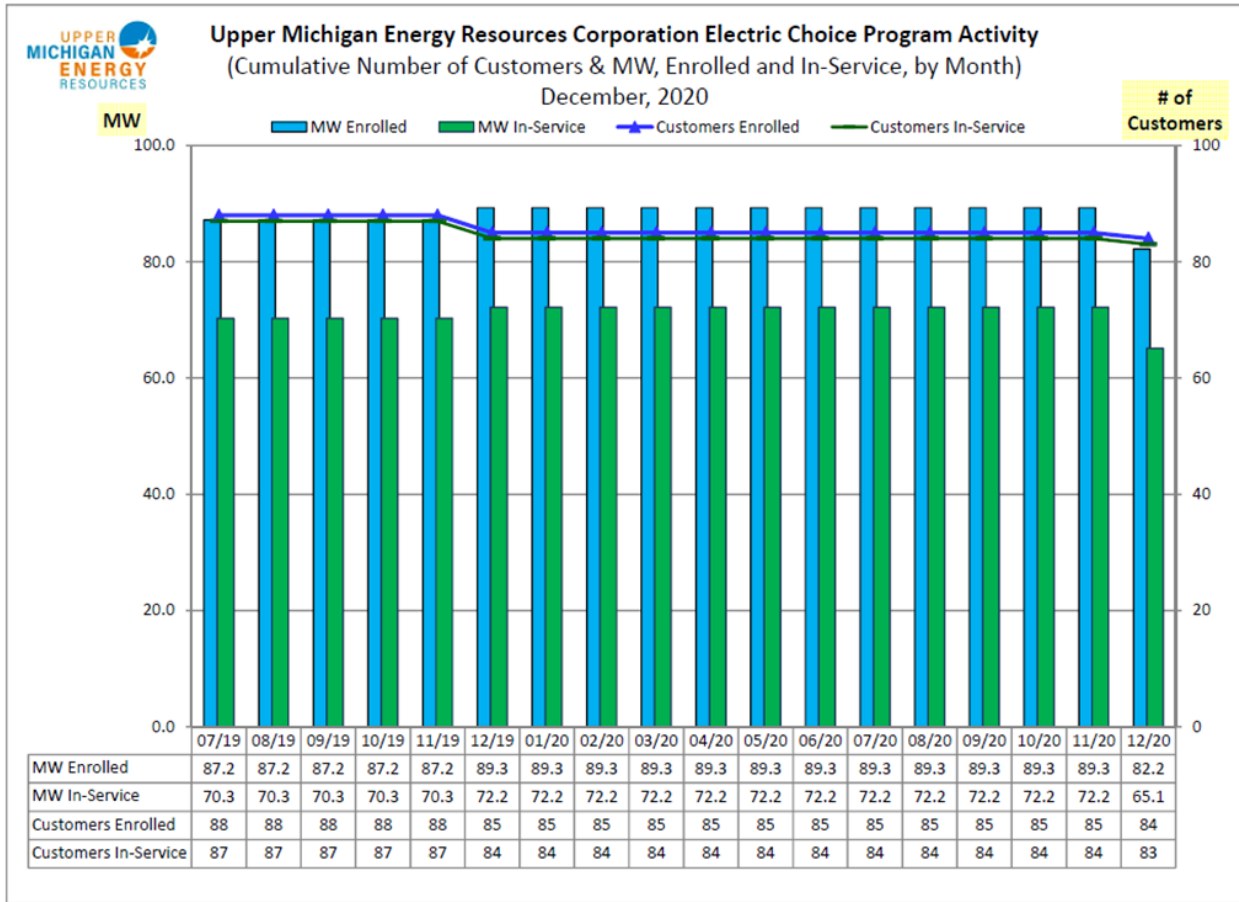
Source: Upper Peninsula Power Company, December 2020.

Figure 8
AES Customers in the UMERC Service Territory, Year End

AES Name	Number of Customers				MW Served			
	2017	2018	2019	2020	2017	2018	2019	2020
Constellation Energy Services fka Integrys ¹	87	0	0	0	67.7	0	0	0
Constellation NewEnergy, Inc.	0	87	84	84	0	68.9	72.2	72.2
Totals	87	87	84	84	67.7	68.9	72.2	72.2

Note: ¹On November 3, 2014, Integrys Energy Services, Inc., merged with Constellation, a subsidiary of Exelon Corporation. A legal name change from Integrys Energy Services, Inc. to Constellation Energy Services, Inc. became effective on April 1, 2015. Constellation Energy Services, Inc. customers were moved to Constellation NewEnergy in 2018.

Figure 9



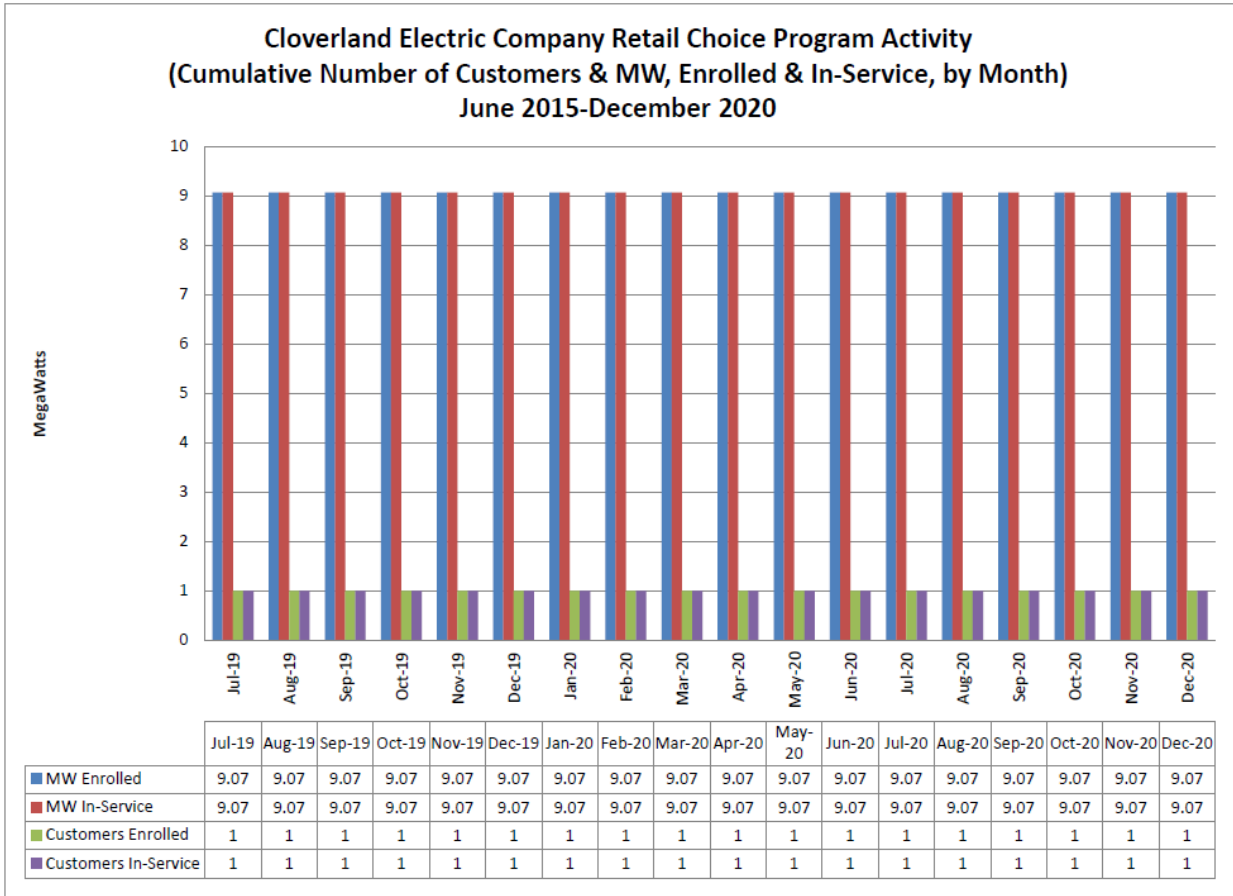
*Source: Upper Michigan Energy Resources Corporation, December 2020.

Figure 10

AES Customers in the Cloverland Service Territory, Year End

AES Name	Number of Customers						MW Served					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Duke Energy ¹	0	0	0	0	0	0	0	0	0	0	0	0
Spartan Renewable	0	0	1	1	1	1	0	0	8	8.7	9.07	9.07
Totals	0	0	1	1	1	1	0	0	8	8.7	9.07	9.07
Note: ¹ On May 3, 2016, Duke Energy voluntarily surrendered their AES license												

Figure 11



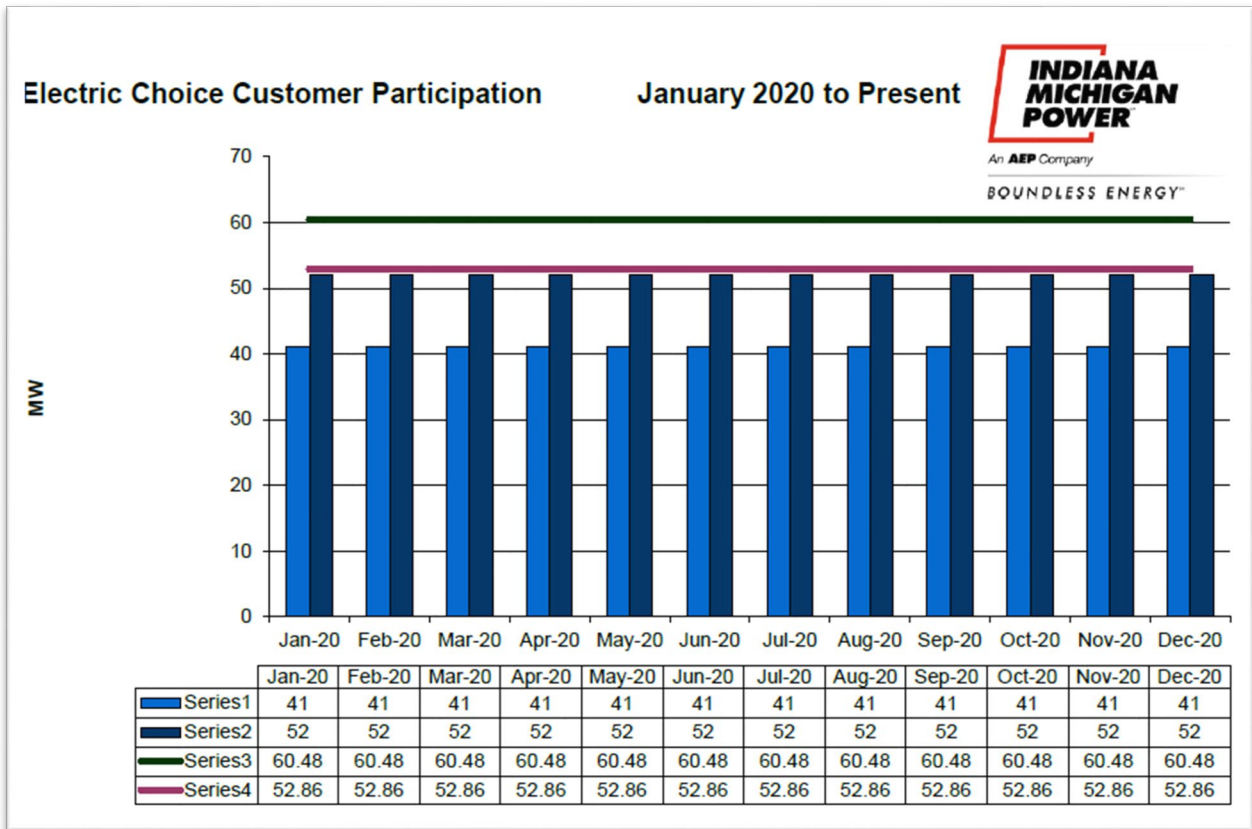
Source: Cloverland Electric Cooperative, December 2020.

Figure 12

AES Customers in the Indiana Michigan Power Service Territory, Year End

AES Name	Number of Customers		MW Served	
	2019	2020	2019	2020
Constellation NewEnergy, Inc.	41	41	52.86	52.86
Totals	41	41	52.86	52.86

Figure 13



Source: Indiana Michigan Power, December 2020.

Appendix 2

Michigan Public Service Commission Orders in 2020 Related to Implementation of Public Acts 141 of 2000, 286 of 2008, and 341 of 2016

- Provisions in 2016 Act 341 Sec. 6w require all electric providers, including AESs, to demonstrate to the MPSC that they have enough resources to serve the anticipated needs of their customers four years forward. If an AES cannot or chooses not to arrange generating capacity to meet the new requirement, they would be subject to the SRM Charge. The SRM Charge is set by the MPSC and would be paid to the utility. The following are SRM cases that impact AESs:
 - Consumers Energy Company – U-20202, order dated October 29, 2020
 - Upper Peninsula Power Company – U-20754, order dated October 29, 2020
 - Upper Michigan Energy Resources Corporation – U-20751, order dated October 29, 2020
 - Cloverland Electric Cooperative – U-20508, order dated July 2, 2019
 - DTE Electric Company – U-20162, order dated May 2, 2019
 - Indiana Michigan Power Company – U-18370, order dated April 12, 2018
- **U-20796 – Sunwave USA Holdings, Inc.: Application for Alternative Electric Supplier in Michigan.** On August 20, 2020, the Commission approved Sunwave USA Holdings, Inc.'s application to become a licensed Alternative Electric Supplier in Michigan.
- **U-20843 - In the matter, on the Commission's own motion, regarding the regulatory reviews, determinations, and/or approvals necessary for Sunwave USA Holdings, Inc. to fully comply with Public Act 295 of 2008, as amended by 2016 PA 342.** On November 19, 2020, the Commission approved Sunwave USA Holdings' Renewable Energy Plan.
- **U-20590 - 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.** On August 20, 2020, the Commission accepted Staff's Report and adopted the recommendations with respect to the 2023-2024 planning year capacity demonstration. The Commission found that no show cause proceedings were necessary and that no AES customers would be levied an SRM capacity charge for that period.
- **U-20886 - 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.** On August 20, 2020, the Commission opened this docket for all electric providers, including AESs, to file their capacity demonstrations.
- **U-18444 - In the matter on the Commission's own motion to open a contested case proceeding for determining the process and requirements for a forward locational requirement under MCL 460.6w.** On October 11, 2017, the Commission opened a contested case proceeding for determining the process and requirement for a forward locational

requirement for generation resources used to meet electric capacity obligations under Section 6w of Act 341. On September 13, 2018, the Commission delayed enforcement of the individual forward locational requirement for electric providers since the Michigan Court of Appeals, in July, ruled the MSPC did not have the authority to impose the requirement. The Commission has appealed the decision to the Michigan Supreme Court.

- **U-20348 – In the matter on the Commission’s own motion, to address outstanding issues regarding demand response aggregation for alternative electric supplier load.** During 2018 and 2019, the Commission sought to review the process for demand response (DR) aggregation for AES customers. DR aggregation typically involves a third-party aggregator that contracts with customers for DR curtailment services or load reduction where ultimately that combined DR is offered or sold into the wholesale market. The Commission Staff was directed to work with parties to examine issues related to who should be responsible for bidding DR resources into the wholesale market, how to adequately track DR, how aggregated DR might affect capacity requirement allocations to load serving entities and address any appropriate reporting requirements related to DR aggregation. After a Staff-led stakeholder process and technical conferences, in Case No. U- 20348,²⁰ the Commission rescinded its ban on third party aggregators being able to bid demand response into wholesale electric markets for retail choice customers, allowing aggregators to sign up AES customers to participate in demand response programs. However, it kept in place a ban on the direct participation in wholesale markets by retail customers of Commission-regulated electric utilities. Customers of regulated utilities can participate in a variety of demand response programs available through their utility. On October 29, 2020, the Commission reopened the docket for additional comment on the potential to allow third parties to offer demand response options to utility customers willing to shift their usage at peak consumption times with payment obtained by aggregating such savings and bidding them into wholesale electricity markets.
- **U-18361 - In the matter, on the Commission's own motion, to promulgate rules required by MCL 460.10ee(1): Code of Conduct** The Commission ordered MPSC Staff to create a website for information sharing among all utilities and alternative electric suppliers (AESs) under Code of Conduct rules so that competitors who wish to receive information shared by a utility make their request for information known to the utility.
- **U-20895 – In the matter of the application of DTE Electric Company for approval of changes to the Retail Access Service Rider.** On December 9, 2020, the Commission approved the changes to the Retail Access Service Rider.

²⁰ See Commission Order in [Case No. U-20348](#) for more information.

Appendix 3

Michigan Licensed Alternative Electric Suppliers

Company Name, Address, Contact Information	Case Number	Authorization Date
AEP Energy, Inc. 2723 South State Street, Suite 150, Ann Arbor, MI 48104 Phone: 866-258-3782 Fax: 734-794-4701 Email: care@AEPenergy.com URL: www.AEPenergy.com	U-14764	2/9/2006
Calpine Energy Solutions f/k/a Noble Americas Energy Solutions, LLC 2000 Town Center, Suite 1900, Southfield, MI 48075 Phone: 877-273-6772 Fax: 619-684-8355 Email: customerservice@CalpineSolutions.com URL: www.CalpineSolutions.com	U-13361	4/16/2002
CMS ERM Michigan LLC One Energy Plaza, Suite 1060, Jackson, MI 49201-2277 Phone: 517-788-0493 Fax: 517-787-4606	U-12567	8/17/2000
Constellation NewEnergy, Inc. 38779 6 Mile Rd., Livonia, MI 48152 Phone: 877-465-1244 Email: home@constellation.com URL: www.constellation.com	U-13660	12/20/2002
Dillon Power, LLC 23409 Jefferson Ave., Suite 110, St. Clair Shores, MI 48080 Phone: 866-919-2679 Email: info@dillonpower.com URL: www.dillonpower.com	U-17723	1/13/2015
Direct Energy Business, LLC 110 W Michigan Ave., Suite 500, Lansing, MI 48933 Phone: 866-348-4193 Email: DEBSales@directenergy.com URL: www.business.directenergy.com	U-13609	11/7/2002
Direct Energy Services, LLC 110 W Michigan Ave., Suite 500, Lansing, MI 48933 Phone: 866-326-8559 Email: csdirectenergy@directenergy.com URL: www.directenergy.com	U-14724	12/20/2005
EDF Energy Services, LLC 40600 Ann Arbor Rd. E, Suite 200 Plymouth, MI 48170 Phone: 877-432-4530 Fax: 281-653-1436 Email: Cherie.fuller@edfenergyservices.com URL: www.edfenergyservices.com	U-17937	2/23/2016
Eligo Energy MI, LLC 2000 Town Center, Suite 1900, Southfield, MI, 48075 Phone: 888-744-8125 Email: customerservice@eligoenergy.com URL: www.eligoenergy.com	U-17697	6/15/2015
ENGIE Gas & Power f/k/a Plymouth Energy 40600 Ann Arbor Rd. E, Ste. 201, Plymouth, MI 48170 Phone: 855-327-6937 Fax: 516-295-1417 Email: customercare@plymouthenergy.com URL: www.plymouthenergy.com	U-17492	1/23/2014
Energy Harbor LLC f/k/a FirstEnergy Solutions 30600 Telegraph Rd. #2345, Bingham Farms, MI 48025 Phone: 888-254-6359 Fax: 888-820-1416 Email: firstchoice@fes.com URL: www.energyharbor.com	U-13244	1/08/2002
Energy International Power Marketing dba PowerOne 6840 N. Haggerty Rd., Canton, MI 48187 Phone: 734-354-2000 Fax: 734-354-4225 Email: rfawaz@energymintl.com URL: https://energymintl.com/	U-13280	2/01/2002

Company Name, Address, Contact Information	Case Number	Authorization Date
Energy Services Providers, Inc. d/b/a Michigan Gas & Electric 930 State Street Suite 15B, Harbor Springs, MI 49740 Phone: 866-705-3610 Fax: 888-829-5797 Email: CustomerRelations@MIGandE.com URL: www.MIGandE.com	U-16912	4/6/2012
Interstate Gas Supply, Inc. d/b/a IGS Energy 306 East Main Street, Suite 230, Niles, MI 49120 Phone: 888-993-0997 Email: choice@igsenergy.com URL: www.igsenergy.com	U-17243	6/28/2013
Just Energy Solutions, Inc. f/k/a Commerce Energy Inc. 30300 Telegraph Rd. Suite 350, Bingham Farms, MI 48025 Phone: 866-587-8674 Fax: 888-548-7690 Email: cswest@justenergy.com URL: cswest@justenergy.com	U-13203	11/20/2001
Liberty Power Delaware, LLC. <i>Company has received a license. A Michigan office must be established before the company can begin marketing</i>	U-15140	4/24/2007
Liberty Power Holdings, LLC. <i>Company has received a license. A Michigan office must be established before the company can begin marketing</i>	U-15139	4/24/2007
MidAmerican Energy Services, LLC 39555 Orchard Hill Place, Suite 600, Novi, MI 48375 Phone: 800-432-8574 Fax: 563-333-8563 Email: support@midamericanenergyservices.com URL: www.midamericanenergyservices.com	U-17888	9/10/2015
Nordic Energy Services, LLC 2723 South State Street, Suite 150, Ann Arbor, MI 48104 Phone: 877-808-1022 Fax: 888-370-2027 Email: customerservice@nordicenergy-us.com URL: www.nordicenergy-us.com	U-17968	4/14/2016
Spartan Renewable Energy, LLC 10125 W. Watergate Rd., PO Box 189, Cadillac, MI 49601 Phone: 877-288-WIND Fax: 231-775-0172 Email: cgeiger@spartanrenewable.com URL: www.spartanrenewable.com	U-15309	9/18/2007
Sunwave USA Holdings, Inc. 3200 Greenfield Rd. Suite 300, Dearborn, MI 48120 Phone: 855-478-6928 Email: customer-care@gosunwave.com URL: www.gosunwave.com	U-20796	8/20/2020
Texas Retail Energy, LLC 208 N Capitol Ave., 3 rd Floor, Lansing, MI 48933 Phone: 866-532-0761 Fax: 479-204-0936	U-17076	12/6/2012
U.P. Power Marketing LLC 29639 Willow Rd., White Pine, MI 49971 Phone: 906-885-7100 Fax: 906-885-7400 Email: zach.halkola@traxys.com URL: www.traxys.com	U-14594	10/25/2007
Wolverine Power Marketing Cooperative, Inc. 10125 W. Watergate Road, P. O. Box 100, Cadillac, MI 49601 Phone: 877-907-WPMC Fax: 231-775-0172 Email: sfrederick@wpmc.coop URL: www.wpmc.coop	U-12723	11/20/2000

*This list is current as of December 2020. An up-to-date AES directory is kept on the [MPSC Website](#).