



MPSC

2025 Annual Report

March 2, 2026



Dan Scripps, Chair

Katherine Peretick, Commissioner

Shaquila Myers, Commissioner

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Executive Summary

The Michigan Public Service Commission continues to play a critical role as expert, impartial regulators committed to consumer protection, fairness, and transparency. The Commission works to ensure that Michigan's energy and telecommunications systems remain safe, reliable, and affordable for all residents.

Key Highlights:

- **Affordability and Customer Assistance.** We continued efforts to make energy more affordable for Michigan residents, including \$1.4 billion in lifetime savings through investments in energy waste reduction programs. We also took steps to enable the expansion of the Michigan Energy Assistance Program to serve over 20,000 additional households and to remove crisis requirements for income-qualified customers beginning in FY26.
- **Consumer Protection.** We maintained strong safeguards for customers, particularly in response to large load growth and data center development, ensuring that reliability and affordability remain central to Michigan's energy future.
- **Energy Costs:** Residential energy bills in Michigan are lower than the national and regional average, and Michigan's ranking for utility bills in 2024 was the best it has been in a decade. In addition, residential energy costs between 2020-2025 increased at a rate **5.3% lower than inflation**, which helped offset upward pressures from fuel price volatility, infrastructure investments, and regulatory compliance costs. As a result, the average Michigan family is paying less for energy today as a share of the overall household budget than they were in 2020.
- **Energy Transition:** Michigan continues to lead in cost-effectively managing the ongoing energy transition. By the end of 2025, Michigan had approximately 8,300 megawatts (MW) of renewable energy generation on the grid, more than 40% more than it had at the end of 2023. Michigan's energy waste reduction programs are also the best in the country, ranking No. 1 for natural gas and No. 2 for electricity. In addition, last year, the Commission approved the first interstate

electric transmission lines in more than 50 years, and the Palisades nuclear plant is set to be the first retired nuclear facility to be brought back online in U.S. history.

- **Public Engagement.** We connected with the public through statewide hearings, town halls, virtual meetings, and new social media platforms and strengthened community partnerships. We also hosted a national convention for pipeline safety regulators, reinforcing Michigan’s leadership in energy infrastructure.
- **Reliability and Resilience.** We made significant progress in improving system reliability and resilience, including major infrastructure upgrades and initiatives to reduce outages, resulting in Michigan leading the country in reducing the length of power outages. In addition, continued efforts to ensure fair and timely outage credits for customers impacted by service interruptions ensure the penalties paid by utilities for poor performance go directly to the customers most impacted.

This report provides further details on these and numerous other activities undertaken by the Commission during 2025 and is prepared in accordance with Section 5a of Public Act 3 of 1939, as amended, MCL 460.5a. The MPSC is required to file an annual report with the Governor and the Legislature on or before the first Monday of March each year.

1 | About the MPSC

Who We Are

The Michigan Public Service Commission serves the public by ensuring safe, reliable, and accessible energy and telecommunications services at reasonable rates. We fulfill this mission through the following areas of focus:

- Regulation of the rates and services of investor-owned natural gas and electric utilities.
- Review of energy infrastructure proposals.
- Implementation of state law governing competition and other aspects of the energy and telecommunications industries.
- Monitoring of the safety of inter- and intrastate natural gas pipelines.

We have a three-member body of commissioners appointed by the Governor, with the advice and consent of the Michigan Senate, to staggered six-year terms, as well as a professional staff of more than 200 individuals with expertise in engineering, accounting, finance, law, economics, and other fields.

The MPSC's vision, key goals, and key strategies can be found in the [Commission's strategic plan](#).



Commission Members



[Dan Scripps](#) was appointed by Governor Gretchen Whitmer on February 21, 2019, and was designated as Chair in July 2020. He was reappointed on June 30, 2023, for a term ending July 2, 2029.



[Katherine Peretick](#) was appointed by Governor Gretchen Whitmer on January 4, 2021, and reappointed on July 3, 2021. Her term ends July 2, 2027.

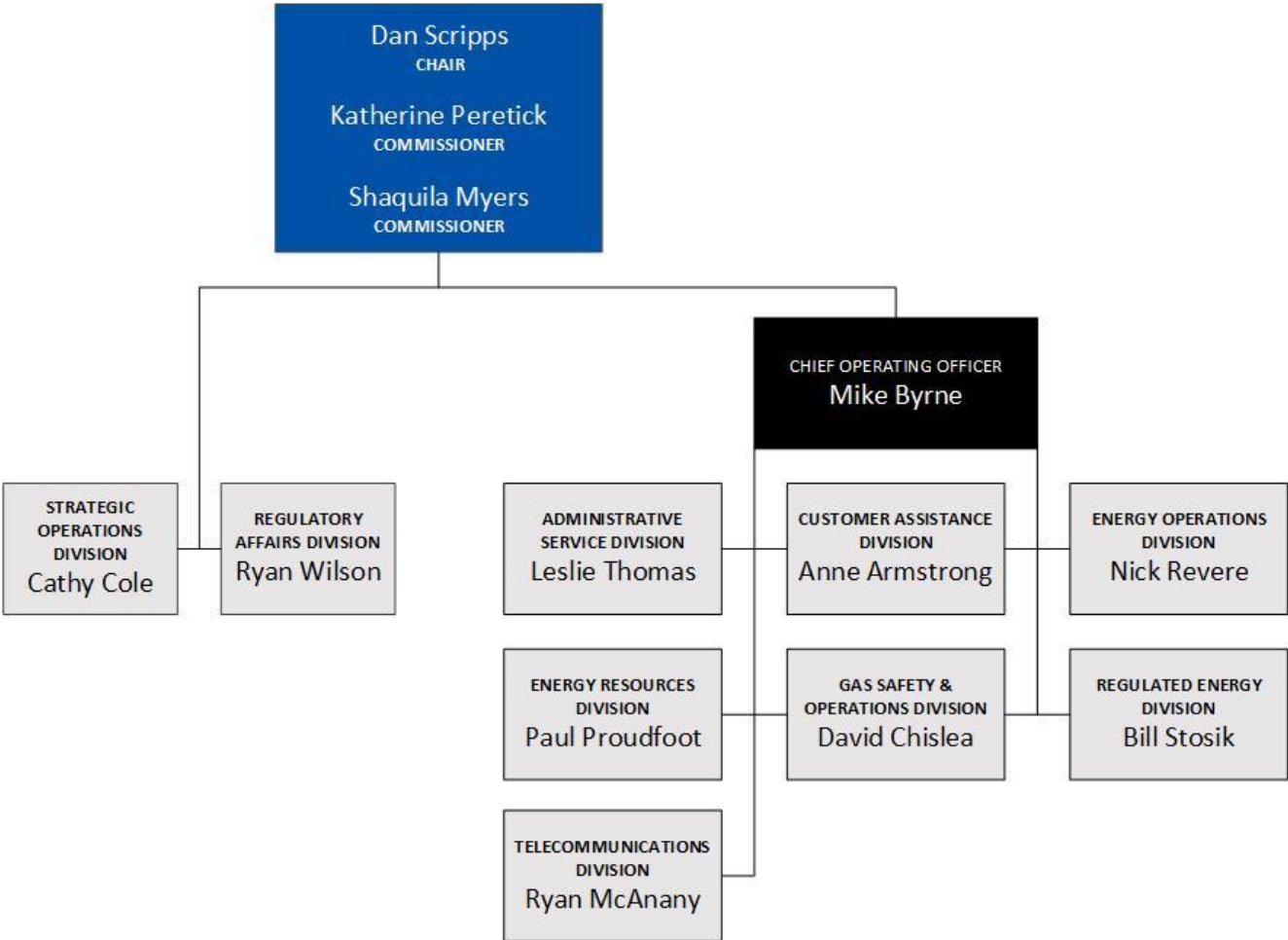


[Shaquila Myers](#) was appointed by Governor Gretchen Whitmer on July 21, 2025. Her term ends July 2, 2031.

Organizational Structure

It was a year of change for the MPSC. We said farewell to Commissioner Alessandra Carreon on July 18, 2025, and on July 21, 2025, we welcomed Commissioner Shaquila Myers.

Below is the organizational structure of the MPSC, including division directors, at the end of 2025:



MPSC Impact on Michiganders

- The Lifeline program provided phone and broadband service assistance to 305,242 Michigan households.
- The Michigan Energy Assistance Program awarded \$54 million in grants, which provided 56,018 energy assistance payments and self-sufficiency services to income-eligible households.
- The MPSC monitored at-risk natural gas infrastructure. 350 miles of gas distribution pipelines were replaced. 12,000 gas meters were moved outside homes.
- The MPSC assisted around 13,000 customers with energy and telecommunications issues.
- Michigan residents and businesses saved around \$1.4 billion benefiting from \$583 million spent by MI utilities on energy waste reduction programs.
- Michigan was first in the country in reducing energy waste for natural gas customers, and number two nationally in reducing energy waste for electric customers¹.
- The MPSC's focus on reliability and resilience is leading to measurable results. No state has seen a greater improvement in reducing the duration of outages, and DTE Electric ranked in the top quartile of electric utilities across the nation in 2025 for a measurement of electricity restoration time during all weather conditions.
- Authorized utility rate increases resulted in residential energy bills in Michigan that increased by 5.3% less than inflation.

¹ <https://www.aceee.org/state-policy/scorecard>

MPSC Partnerships

Table 1: State Departments

Organization Name	Partnership Description
Michigan Department of Environment, Great Lakes, and Energy	<ul style="list-style-type: none"> ▪ Integrated Resource Plan advisory opinions ▪ Interagency Environmental Justice Response Team ▪ Michigan Council on Climate Solutions ▪ Propane Resilience Enhancement Program ▪ Underground Natural Gas Storage Inspection Program
Michigan Department of Health and Human Services	<ul style="list-style-type: none"> ▪ Michigan Energy Assistance Program
Michigan Department of Labor and Economic Opportunity	<ul style="list-style-type: none"> ▪ Michigan Council on Future Mobility & Electrification ▪ Michigan High Speed Internet Office ▪ Michigan Poverty Task Force
Michigan Department of Technology, Management & Budget	<ul style="list-style-type: none"> ▪ Connecting Michigan Communities Grant Program ▪ Energy efficiency opportunities for State-owned and operated buildings
Michigan Department of Transportation	<ul style="list-style-type: none"> ▪ National Electric Vehicle Infrastructure Program
Michigan Department of Treasury	<ul style="list-style-type: none"> ▪ Michigan Infrastructure Council ▪ Energy Transition Impact Project
Michigan Economic Development Corporation	<ul style="list-style-type: none"> ▪ Connecting Michigan Task Force on broadband
Michigan State Housing Development Authority	<ul style="list-style-type: none"> ▪ Homeowner Assistance Program (utility portions)
Michigan State Police	<ul style="list-style-type: none"> ▪ Cyber and energy security ▪ Data access and privacy ▪ Energy emergency planning and response ▪ State Critical Infrastructure Stakeholder Group ▪ State 9-1-1 Committee

Table 2: State and National Organizations

Organization Name	Partnership Description
Coalition to Keep Michigan Warm	<ul style="list-style-type: none"> ▪ Energy assistance needs of income-eligible households
Connected Nation Michigan	<ul style="list-style-type: none"> ▪ Mapping the availability of broadband & other telecommunication services
MISS DIG 811	<ul style="list-style-type: none"> ▪ Michigan Damage Prevention Board
US Energy Information Administration	<ul style="list-style-type: none"> ▪ State Heating Oil and Propane Program (SHOPP)

2 | Public Engagement & Outreach

MPSC Communications

At the Commission, public trust is not built through regulation alone. It is earned through understanding, visibility, and meaningful engagement. The Commission's ongoing goal is to meet people where they are, ensuring Michigan residents not only know about the protections the Commission puts in place but also feel the impact on everyday life.

Podcasts

In 2025, the Commission introduced "[Behind the Meter](#)," a monthly podcast that goes behind the scenes of Michigan's energy, gas, and telecommunications landscape. Each episode featured candid conversations led by one or more of the Commissioners, as well as MPSC's COO, to offer insights into key regulatory decisions, emerging issues, and the evolving challenges in the public service sector. These thoughtful discussions are designed to connect policy to the real-world experiences that affect the daily life of Michigan residents.

Expansion of Social Media

Listening to the community is central to the Commission's mission. At a town hall last year, an attendee asked if the Commission would consider adding Instagram to its social media suite. In October 2025, the Commission joined the Instagram community. This decision was shaped by feedback from participants who stated that social media, especially Instagram, is one of the best ways to share relevant information and announce activities happening in their areas.

Meetings

In addition to its regular meetings, the Commission facilitated dozens of public hearings, meetings, and forums in which interested individuals and organizations participated in topics of interest throughout 2025.

In 2025, the Commission held 18 regular Commission meetings conducted using a hybrid meeting approach. This meant that individuals could attend and provide comment either in person or remotely using Microsoft Teams or a phone. On average, 290 people attended each regular Commission meeting throughout 2025.

The Commission continues to make recordings of all its regular meetings available on its [YouTube channel](#).

The Commission held four in-person opportunities for public engagement across the state in 2025. These events were held to further the Commission’s goal to expand community outreach and engagement opportunities, as well as to comply with the provisions of [MCL 460.6aa](#).

Table 3: 2025 Statutory Hearings

Date	Topic	Attendance	Location
May 21, 2025	Public forum regarding the response to the catastrophic Northern MI ice storm.	54	Gaylord, MI
May 29, 2025	Townhall meeting regarding opportunities to broaden public participation in matters before the Commission.	74	Detroit, MI
September 9, 2025	Public hearing on MI Integrated Resource Plan Planning Parameters, MPSC Case No, U-21867.	38	Grand Rapids, MI
October 27, 2025	Public hearing on MI Integrated Resource Plan Planning Parameters, MPSC Case No, U-21867.	59	Auburn Hills, MI

In addition to these in-person and hybrid meeting opportunities, the Commission held a virtual public hearing to take comment from interested individuals regarding the application of DTE Electric in Case No. [U-21990](#). This application requested approval of a primary supply agreement and an energy storage agreement (the special contracts) with Green Chile Ventures LLC, which plans to lease and operate a data center facility in DTE Electric’s service territory in Washtenaw County. More than 1,500 people attended the virtual public hearing. A

[transcript of the hearing](#) is available in the case docket and a [recording of the MPSC Staff presentation](#) is available on the event page.

Throughout 2025, the Commission held 34 virtual meetings for interested individuals, including several workshops and technical conferences. Topics of these meetings included issues around the creation of a benefit-cost analysis tool, transfer prices, distribution system interconnection, extreme weather policies, and undergrounding of distribution system infrastructure. Additional information can be found on the Commission's [All Events web page](#). In total, the Commission held 57 meetings, workgroups, technical conferences, and other public meetings in 2025, an average of more than one per week.

Customer Engagement and Outreach

The Commission continued to prioritize its customer outreach and engagement efforts in 2025 as detailed by the following:

- **Commission outreach efforts:** Participation in community-based events in which the Commission shared educational materials and answered customer questions.
- **Customer engagement efforts:** Building relationships with trusted community organizations to expand the Commission's understanding about the energy and telecommunication education needs of communities across the state.

MPSC Staff attended 32 separate outreach events and shared informational resources with event attendees, answered questions, built relationships, and took utility complaints.

Additionally, Commissioners and MPSC Staff engaged with community members across the state in small group meetings that corresponded with public hearings or other meetings that occurred virtually or outside of Lansing.

The Commission also launched a new [Public Engagement web page](#). This web page includes information about its outreach and engagement goals and

initiatives, contact information for the Commission's Community Liaison team, consumer resources, and other public engagement topics.

Tribal Outreach

In 2025, the Commission continued its efforts to engage with the 12 federally recognized Tribes located in Michigan. Throughout the year, the Commission offered consultation opportunities in eight cases pending before the Commission. Additionally, Commissioners and MPSC Staff met with leaders from the Saginaw Chippewa Indian Tribe and the Match-E-Be-Nash-She-Wish Band of Pottawatomie (Gun Lake Tribe). Chair Scripps and the Commission's Tribal Liaison also attended the Governor's Annual State – Tribes Summit in October, which provided opportunity for collaboration and relationship building with several Tribes.

3 | Activities & Accomplishments

During 2025, the MPSC continued its critical role in the regulation of electric, natural gas, and telecommunications industries. The Commission handled hundreds of cases involving rate and policy determinations, which included processing 7,222 filings and 11,907 public comments and approving and issuing 439 orders and other actions. The following section outlines major accomplishments and projects for the year.

Public safety

Natural Gas Pipeline Safety

The MPSC is responsible for the regulation, oversight, and inspections of Michigan's natural gas pipeline infrastructure and employs highly trained engineers to conduct safety inspections and incident investigations. During 2025, the MPSC team:

- Conducted 1,212 inspection days, focusing significantly on records and observations related to standard inspections, inspection of pipeline construction activity, and distribution integrity program inspections.
- Conducted 86 days of inspection activity of interstate operators under delegated authority from the Pipeline and Hazardous Materials Safety Administration (PHMSA), including ANR Pipeline Company, DTE Gas Company, DTM Michigan Gathering Holding Company; Great Lakes Gas Transmission; NEXUS Gas Transmission LLC, Northern Natural Gas Company, Panhandle Eastern Pipeline Company, Rover Pipeline LLC, and Vector Pipeline LP. This inspection activity included both scheduled inspections as well as investigations related to pipeline incidents.
- Authorized and monitored the replacement of over 350 miles of gas distribution pipelines made of cast iron, bare steel, or other at-risk materials and the move-out of approximately 12,000 meters inside homes through accelerated infrastructure replacement programs of Michigan gas utilities (DTE

Gas, Consumers Energy, SEMCO, Northern States Power of Wisconsin, and Michigan Gas Utilities).

- Identified 74 violations of the Michigan gas safety standards and levied \$210,000 in civil penalties.
- Investigated 11 natural gas incidents involving any of the following: fatality, injury, significant property damage, and/or large volumes of unintentional gas loss.

In 2021, the MPSC received authorization from PHMSA for the inspection and enforcement of pipeline safety regulations in 49 CFR Part 192 for intrastate underground natural gas storage facilities. The inspection program continued for the fifth year in 2025 and is conducted jointly with the Michigan Department of Environment, Great Lakes, and Energy's (EGLE) Geologic Resources Management Division through delegation of the MPSC's authority under Public Act 165 of 1969. Through this MPSC/EGLE partnership, 25 inspections were conducted in 2025 covering all six intrastate operators. This marked the first year that inspections were conducted under the program's revised four-year schedule.

These 25 inspections included:

- Procedures and records for all 30 storage fields.
- Construction-related activities for seven storage fields.
- Observation of one UNGS tabletop exercise.
- Multiple inspections covering a storage incident and associated restoration and return to service.
- An inspection for safety-related conditions.
- EGLE wellhead inspections for eight storage fields.

Energy Appraisals

The Commission issued its [Summer Outlook 2025](#) in May and its [Winter Energy Appraisal](#) in December. These energy appraisals provide short-term outlooks for select energy supply and demand dynamics, including market projections for

natural gas, propane, heating oil, electricity, diesel fuel, and gasoline. The assessments raise the situational awareness of the state's energy environment, including recent events that impact supply, prices, and expected conditions. They also provide the information necessary to enable a reliable assessment of the risks posed by an energy supply disruption.

Damage Prevention Oversight

The leading cause of damage to underground utility infrastructure is from third parties, such as excavators. Hitting natural gas or electrical infrastructure during excavation or digging poses significant safety risks. The MISS DIG Underground Facility Damage Prevention and Safety Act (Public Act 174 of 2013) was instituted to prevent such damage, and the MPSC is responsible for its statewide administration and enforcement.

The MPSC's responsibility under the act includes:

- Investigating facility damages and complaints involving potential violations of the act.
- Maintaining information on damaged facilities.
- Making damage data publicly available.

PA 174 provides civil and criminal penalties for violation, including a general civil enforcement process and a specific enforcement process for local governments, which the MPSC also administers. In 2025, there were 29 gas pipeline incidents involving excavation damage reported to the MPSC under PA 165. The investigation of these types of incidents resulted in 18 enforcement actions and \$38,000 in civil penalties assessed against excavators and pipeline facility operators. The MPSC also received 174 complaints under PA 174, which resulted in 39 enforcement actions and \$26,500 in civil penalties assessed against parties involved in excavation of underground facility operations. Additionally, the MPSC conducted proactive inspections of excavation activity and damage notifications, which resulted in 36 enforcement actions and \$81,000 in civil penalties assessed against parties involved in excavation.

Ensuring Michigan residents, businesses, and excavators understand their legal obligations and the importance of complying with safe digging practices is critical. In 2025, MPSC Staff worked with several large gas distribution operators on a letter campaign to be sent when there is damage while digging without a one-call notice. Letters and educational brochures have been developed targeting two separate audiences: the homeowners/residents and professional excavators. In 2025, 1,087 letters were sent emphasizing the importance of contacting MISS DIG before digging starts.

Providing deeper education and training for excavators is also important. Therefore, MPSC Staff also worked with several large gas distribution operators and MISS DIG 811 to develop excavator compliance training. The training is offered primarily as remedial training for excavators who have failed to comply with the requirements of the MISS DIG Act. In some cases, the training is offered to excavators in lieu of the civil fine while in other cases, the excavator is required both to take the training and to pay a civil fine. The first of these compliance trainings were held in November 2025. The training covers regulations, excavation damage incidents, one-call tickets, and safe excavation practices.

The MPSC also continued to support MISS DIG and other public education efforts, partnering with utilities, state agencies, and local partners to reinforce the important safety message to “call 8-1-1 before you dig.” While the MPSC enforces PA 174, MISS DIG is an independent organization that receives notifications of intent to excavate and communicates that information to the facility operators so they can respond.

Cyber and Physical Security

Regulated electric and natural gas utilities are required to report to MPSC Staff annually about their cybersecurity programs. These discussions cover key security topics such as training and exercises, incident response, risk assessment, and tools and technologies. MPSC Staff uses these discussions to identify and promote opportunities to improve the security posture of Michigan’s regulated electric and natural gas utilities.

In addition to the annual reporting requirements, regulated utilities must also make timely notification to the MPSC if they experience a cybersecurity incident that meets or exceeds certain thresholds. A security incident must be reported if it:

- Interrupts the production, transmission, or distribution of electricity or natural gas.
- Results in the extortion of money or another thing of value from the utility.
- Is a denial-of-service attack that lasts more than 12 hours.
- Is a security breach as that term is defined in Michigan law.
- Is deemed by the utility to be notable, unusual, or significant.

Beginning in 2019, the MPSC, leveraging leading security literature and the knowledge and insights obtained from its evolving security efforts, initiated a multiyear process to formalize, via rulemaking, foundational security requirements for regulated utilities. Beginning in September 2020, regulated natural gas utilities operating in Michigan must operate a cybersecurity program that complies with API Standard 1164 Ed. 2, "Pipeline SCADA Security." Commission-regulated electric utilities must comply with the Commission's [Technical Standards for Electric Service](#). As of 2025, 22 utilities are subject to the above-referenced security requirements.

Given today's complex and changing utility security landscape, MPSC Staff continues to evaluate the suitability of its security requirements and works to identify ways to improve them. Going forward, MPSC Staff may seek to update these requirements to address new security threats and emerging risks or, for example, to account for changes in state and federal laws and regulations, industry practices, or technical innovation.

In addition to its rulemaking-related activities, the MPSC works to enhance the security posture of the energy sector in many other ways. For instance, in 2025, MPSC Staff engaged with 13 of Michigan's electric and natural gas utilities to better understand their physical and cybersecurity plans and procedures. These discussions covered a range of security topics, including the risks and benefits of

using artificial intelligence in a utility environment, identifying opportunities to migrate toward zero trust architecture, enhancing the security of remote access methods into utility environments, and mitigating physical security risks to utility personnel.

Natural Gas Planning

Growing out of the Commission's 2019 [Statewide Energy Assessment](#), the Commission's Mutual Aid Agreements and Transmission Contingency Planning Workgroup has worked to facilitate the development of gas transmission contingency planning. In early 2025, the [Mutual Aid Agreements and Transmission Contingency Planning Workgroup status report](#) was filed in Case No. [U-20631](#) summarizing the workgroup meetings held since the filing of the 2023 status report. It provided updates regarding the completion and ongoing work related to several workgroup recommendations. In mid-2025, the [Natural Gas Curtailment Procedures Workgroup status report](#) was filed in Case No. [U-20632](#) summarizing the workgroup meetings held since the filing of the 2022 status report and providing updates regarding the completion and ongoing work related to several workgroup recommendations. In late 2025, MPSC Staff led the first workgroup meeting with interested parties regarding multi-utility emergency cooperability as directed by Commission's [August 21, 2025 Order](#) in Case No. [U-21940](#) and stemming from recommendations approved from the 2025 status report in U-20632.

Commission-approved projects that improve the reliability and resilience of Michigan's natural gas system continued to advance in 2025.

DTE Gas began construction of a new dehydration plant at Belle River Compressor Station in China Township in 2024. The Belle River Mills storage field has the capability to provide up to 40% of DTE's system requirements for peak winter condition demands. The dehydration plant project will improve resiliency and gas processing capabilities for DTE's natural gas system. The project was placed in-service in February 2025.

In 2024, DTE Gas and Consumers Energy jointly requested authority to construct and operate pipelines related to the Oakland Resilience Interconnect Facility in Case No. [U-21510](#). The purpose of the new interconnection between the companies' natural gas transmission systems is to provide the ability to assist each other with natural gas supply in the event of a pipeline failure. The request was approved by the Commission in October 2024, and the interconnection was placed into service in December 2025.

Propane Security

The MPSC Staff, under a cooperative agreement with the U.S. Department of Energy's Energy Information Administration (EIA), conducts the State Heating Oil and Propane Program (SHOPP) survey. This survey gathers information regarding the cost of home heating oil and propane. Results of the weekly survey are averaged and made available to the public on the Commission's [Propane and Petroleum web page](#).

In addition to conducting the SHOPP survey, the Commission was active in the administration of the Propane Resilience Enhancement Program (PREP) in coordination with EGLE. In Michigan, more than 320,000 households rely on propane for home heating. PREP, established by Public Act 119 of 2023, helped ensure the adequate supply and affordable pricing of propane for customers who rely on it for their energy needs and as part of preparedness and continuity plans. The MPSC and EGLE awarded the full \$8 million in grant funding by the end of 2024 and provided oversight of grantee reimbursement requests throughout 2025. Through 2025, approximately \$3 million in PREP funding has been dispersed and completed projects account for over 650,000 gallons in additional propane storage in Michigan thus far.

The Commission also has a statutory role under Public Act 191 of 1982 as the lead advisor to the Governor on energy emergencies. As such, it is critical that the Commission maintain situational awareness concerning propane supply and any potential supply disruptions. While the Commission formerly used survey data submitted to EIA by suppliers regarding sales and inventory levels to monitor

these supplies, in 2023, the EIA suspended collection and publication of this information. This information is critical to enable the Commission to monitor propane supplies for ensuring propane security and for taking actions that would prevent or alleviate a potential propane emergency. **Because this information is no longer available to the Commission through EIA, the Commission is requesting legislation that would require suppliers to provide the Commission with periodic reporting on propane supply levels.** The Commission looks forward to working with industry members and the Legislature to help ensure that the State of Michigan has the necessary information to know how to respond in the case of an energy emergency.

Distribution Reliability

Focus on Reliability & Resilience Improvement

The Commission has been making a broad effort to improve the reliability of the state's power grid and to make it more resilient against increasingly frequent and severe storms. While there is still work to do, the Commission's efforts are leading to measurable improvements, such as the following:

- **Power outages.** The length of power outages in Michigan has decreased by more than 52 minutes since 2019 under normal conditions². While additional improvements are needed, Michigan leads all states in its baseline reliability improvement during that time period. In addition, in 2025, DTE Electric ranked in the top quartile of electric utilities in the nation for SAIDI³, which is a metric for restoration time, for all-weather, which includes storms and major event days.
- **Tree trimming.** DTE Electric has trimmed an average of 51% more miles annually over the last five years compared to pre-2019. Consumers Energy has

² Source: US Energy Information Administration - https://www.eia.gov/electricity/annual/html/epa_11_04.html.

³ SAIDI (System Average Interruption Duration Index) represents the total number of minutes of interruption the average customer experiences. It is calculated by dividing the sum of all customer interruption minutes within the year by the number of customers served during the year.

trimmed an average of 50% more miles annually over the last five years compared to pre-2019. Line clearing, or tree trimming, is important because falling tree limbs are the leading cause of power outages in Michigan.

In 2025, the Commission took several actions aimed at improving the reliability and resilience of the electric system for Michigan customers. These actions, as listed below, are expected to yield even greater improvements in reliability and resilience over time:

- The Commission held a [public forum in northern Michigan](#) to hear directly from community members and utility customers experiencing prolonged outages during extreme winter weather.
- The Commission ordered electricity distribution reliability improvements of Consumers Energy and DTE Electric as a result of the independent third-party audit of their distribution systems (Case No. [U-21305](#)). The results of the audit will continue to inform the Commission's work to reduce power outages, shorten the time for restoration of power after storms, and keep residents safe. The work to implement reliability improvements will continue in future electric rate cases and electric distribution plan filings.
- The Commission approved performance-based financial incentive and penalty mechanisms for DTE Electric (Case No. [U-21909](#)) and for Consumers Energy (Case No. [U-21911](#)), tying the utility's financial performance to seven metrics focused on outage restoration time during varying types of weather conditions and the frequency of power outages.
- Customers who endure lengthy or frequent power outages automatically receive a bill credit that increased to \$42 per day on October 1, 2025. This is an annual increase aimed to incentivize utilities to improve reliability and shorten the length of outages (Case No. [U-20629](#)), with penalties for poor performance paid out directly to those directly impacted by the loss of electric service.
- The Commission took steps to improve electric service reliability for critical and priority community facilities such as schools, hospitals, nursing homes, police and fire stations, 911 call centers, and more. This was accomplished by

approving 13 recommendations from MPSC Staff to strengthen reliability requirements for important critical and priority facilities important to a community's health and safety and to better align the MPSC's service quality rules and technical standards with industry requirements for resilience of specific critical facilities (Case No. [U-21388](#)).

- Dangerous ice accumulation caused widespread power outages and had significant impacts on critical services throughout the region. The MPSC Staff then developed a proposal with recommendations to improve the reliability and resilience for critical facilities. The Commission also held a technical conference on the costs and benefits of undergrounding electric lines (Case No. U-21388)⁴.

The Commission remains focused on making continued improvements to electric reliability and resilience for utility customers in Michigan.

Transforming the Distribution Grid

The Commission has placed an elevated emphasis on reliability enhancements of the distribution system over the last several years. The Commission took several steps to improve service to customers in 2025:

- **Financial Incentives and Disincentives.** The Commission started the second phase of its Reliability-Plus initiative, publishing a framework document and seeking feedback on five proposed topic areas, including interconnection of DERs (distributed energy resources), customer data access and hosting capacity information, DER aggregation and non-wires alternatives, 4.8 kilovolt (kV) system conversions, and advanced meter infrastructure utilization/grid modernization (Case No. [U-21400](#)).
- **Benefit-cost analysis tool.** The Commission worked towards development of an open-source benefit-cost analysis tool aligned with the National Standard Practice Manual to model Michigan's jurisdiction-specific test (JST) for DERs via

⁴ The MPSC Undergrounding Technical Workshop was held on two days: [workshop day 1 on September 17](#) and [workshop day 2 on September 19](#).

an MPSC-Staff-led collaborative. Project partners E4TheFuture, ICF, Recurve, and the Lawrence Berkely National Laboratory are building the tool.

Distribution System Plans

Since 2018, large investor-owned utilities, and since 2024, smaller investor-owned utilities in Michigan, have filed electric distribution system plans (DSP). These plans outline a utility's longer-term investment strategy around the aging distribution system, including costs, benefits, and other impacts to customers, as well as identify opportunities to modernize the distribution system to make it more efficient and deliver more value to customers. They also provide transparency into utility decision-making. DSPs are meant to be fully vetted, executable plans that flow directly into a utility's rate case requests.

In 2025, the MPSC approved new distribution system planning guidelines and a new protective order, set schedules for utilities to file the next iterations of their DSPs, and directed Consumers Energy and DTE Electric to update their respective hosting capacity maps at least quarterly and monthly for any feeder that has more than 500 kW or more in generation added to that feeder since the last quarter.

- To address increasing impact on the grid from the growing demand from electric vehicles, the Commission approved guidelines for transportation electrification plan (TEP) filings in Case No. [U-21482](#). TEPs include planned investments, customer incentives, programs, and expenditures that are reasonably expected to address transportation electrification in a utility's footprint. The Commission directed TEPs to be filed at least every two years and that they be filed in Case No. [U-21538](#), a specific docket to consider such issues.
- In Case No. U-21538, the Commission granted requests for waivers from filing TEPs for UMEREC, NSP, and Alpena until July 1, 2027.

Consumer Protection and Assistance

Low Income Customer Initiatives

The Low-Income Energy Policy Board

The Commission issued an Order on February 18, 2021, in Case No. [U-20757](#) that included a directive for MPSC Staff to convene the [Energy Affordability and Accessibility Collaborative](#) (EAAC) in coordination with the [Energy Waste Reduction Low Income Workgroup](#) (EWR-LI). On February 10, 2022, the Commission issued a subsequent Order in that case directing the creation of an advisory committee that is composed of EAAC and EWR-LI Workgroup leadership. In response to this directive, the [Low-Income Energy Policy Board](#) (LIEP Board) was established and initially convened on April 29, 2022. The LIEP Board is composed of various leaders of the EWR-LI Workgroup steering subcommittee and EAAC subcommittees, inclusive of those with lived experience. It also involves policy leaders from state agencies and task forces and is supported by MPSC Staff resource experts.

Throughout 2025, the LIEP Board continued its focus on reducing the number of households with unsustainable energy burdens. The board met several times throughout 2025 to hear presentations on the Commission's critical care collaborative, the Department of Health and Human Services' social determinants of health, energy waste reduction updates, and more. EAAC subcommittees, including the data analysis and regulatory review and affordability, alignment, and assistance subcommittees, also shared updates regarding their work.

The Commission sought comments on the recommendations of the critical care customer collaborative contained in the [2024 Staff Report on the Activities of the EAAC](#). Additionally, the Commission sought comments on reports filed by DTE Electric and DTE Gas on the companies' pilot payment stability plan (Case No. [U-20929](#)) and Consumers Energy's pilot percent of income payment plan program (Case No. [U-21021](#)). Drawing on information from these reports, the extensive work of the EAAC, and independent review and analysis, the MPSC Staff submitted the [Energy Affordability Report](#) to the U-20757 docket in September. This report

provides recommendations regarding low-income customer program design that prioritizes home energy security and incorporates affordability metrics while streamlining and simplifying Michigan's energy assistance landscape. The Commission received comments on the report from interested parties, and the report recommendations were under review by the Commission at the close of 2025.

EWR Low-Income Workgroup

The Energy Waste Reduction Low Income Workgroup had its 8th anniversary in 2025 with regular monthly meetings and joint meetings with the Low-Income Energy Policy Board. The Health and Safety and Workforce Development sub-committees continued working on their topic-specific projects as well. EWR Staff continued to work closely with the utility participants to ensure the success of the programs.

Each meeting throughout the year continued to be well attended and had regular, active engagement with the numerous collaborator groups in attendance. Meetings averaged over 80 attendees every month. Issues of housing, weatherization, and affordability continue to drive participation in the workgroup from multiple state agencies, regulated and non-regulated utilities, and numerous collaborator groups with an interest in low-income programming.

The workgroup continued its pattern of growth and interactions with individuals and organizations from all over the state. By the end of 2025, the number of active participants in the workgroup is just under 500 individuals, representing nearly 200 organizations.

New partnerships in 2025 include the following groups:

- The Midwest Climate Collaborative, a multistate coalition addressing the impacts on energy, housing, weatherization, and health.
- The Environmental Protection Network, a collaboration for former EPA agents who lend their expertise to individuals and organizations to help understand and navigate state and federal environmental regulations.

The workgroup continued its engagement with, and assistance to, EGLE as the Michigan Home Energy Rebates (MiHER) program was rolled out. MiHER consists of two programs established under the Inflation Reduction Act: the Home Efficiency Rebates (HOMES, IRA Section 50121) and the Home Electrification and Appliance Rebates (HEAR, IRA Section 50122). These programs help households save money on energy bills, improve energy efficiency, and reduce indoor and outdoor air pollution. The workgroup also teamed with MSHDA as they initiated a whole homes improvement program.

Consistent with requirements of PA 229 of 2023, 2025 also saw the workgroup kick off a new program of workforce development initiatives for utility EWR programs, including training for returning citizens, in partnership with Michigan Department of Corrections and regulated utilities. Work also continued with the Detroit Citywide Home Repair Task Force, and a new energy efficiency partnership kicked off with the Michigan Department of Treasury's Michigan Infrastructure Council. A new initiative with job specific youth training in energy efficiency and electrification also began in September.

The workgroup was also active in identifying funding opportunities and resource availability with a focus on the development of resources and screening database toolkits. This focus is expected to continue into 2026. Pursuant to the [December 2023 Order](#) in Case No. U-20757, the workgroup also initiated discussions with Michigan 211 to pursue the development of a centralized platform for obtaining assistance in energy efficiency, housing stock, weatherization, and health and safety concerns. That project will continue throughout 2026 and beyond.

The Workforce Development committee also saw the further development of the statewide energy efficiency and electrification contractor survey, as refinements and projects from the initial survey were developed. The Health and Safety committee continues to work on non-energy benefit calculations, as well as community health impacts on low-income citizens resulting from continuing cycles of more extreme heat, cold, and severe weather events.

Customer Disconnection Data

At the beginning of the COVID-19 pandemic, the Commission directed investor-owned utilities to begin filing more regular reports regarding customer disconnections ([April 15, 2020 Order](#) in Case No. U-20757), which are now filed on a monthly basis, versus the quarterly updates that were provided prior to the pandemic. Utilities were directed to report the total number of customers disconnected for nonpayment as well as the total number of customers disconnected for reasons other than nonpayment. For customers disconnected for nonpayment, the utilities were directed to report using the following categories of customers:

- Seniors.
- Low-income households.
- Households that are not low-income or senior.

To make the data reported by the utilities more accessible and easily reviewed, the Commission developed its [Utility Customer Data web page](#). This web page provides useful information, including payment data, assistance plan enrollment data, and reports on customer disconnections and reconnections.

Throughout 2025, reporting updates continued to be filed while MPSC Staff worked to update the Utility Customer Data web page. Web page finalization was pending at the close of 2025.

Related to utility shut offs, the Commission began working in August to update its extreme weather conditions policies (Case No. [U-20140](#)) and shut off protections (Case No. [U-21939](#)).

In Case No. U-20140, the Commission explained that extreme weather utility policies are ripe for review and sought comment from interested parties regarding a few questions related to those policies. A technical conference reviewing the policies and exploring whether updates to these policies are needed was held on November 19. A report summarizing the technical conference, comments received

in the docket, and the recommendation of changes to the extreme weather policies will be filed in the docket in the first quarter of 2026.

In Case No. U-21939, the Commission directed MPSC Staff, under the auspices of the EAAC's Critical Care Collaborative, to continue to review and pursue potential changes to Commission rules governing shut-off protections for critical care customers (Mich Admin Code, R. 460.130a). An MPSC Staff report detailing the collaborative's activities, findings, and recommendations is due in the docket by March 27, 2026.

MEAP Grant Management

Michigan Energy Assistance Program (MEAP) grants provide energy assistance services that support household energy security and enable eligible low-income participants to become, or move toward becoming, self-sufficient in paying their utility bills. The Commission approves an annual assessment on utility customers, as authorized by Public Act 95 of 2013, to fund the MEAP grants. MEAP grants are awarded through a request for proposals process to various nonprofits that provide payment assistance to low-income customers. The MPSC administers MEAP grants through an interagency agreement with the Michigan Department of Health and Human Services (MDHHS).

Highlights of the 2025 program year include:

- An 87-cent monthly charge per meter approved in Case No. [U-17377](#) for all Michigan electric utilities opting to participate in the Low-Income Energy Assistance Program to fund the MEAP effective for the September 2024 through August 2025 billing months.
- Grant funding of \$54,270,178.20 (\$4,872,539.25 of which was from the federal Low Income Home Energy Assistance Program) helped 56,018 low-income households with their energy bills through affordable payment plans, self-sufficiency services, or other payment assistance.
- Continued facilitation of the MEAP workgroup with MPSC and DHHS Staff, MEAP grantees, and utilities to ensure effective administration and identify opportunities for improvement.

Additional information regarding the MEAP program can be found in the [2025 MEAP Report](#).

Table 4: MEAP Assistance by Type

Assistance Type	Households Served (may have received more than one type of assistance)	Direct Payments Issued
Self-Sufficiency Services (funded through Federal Assurance 16 dollars)	41,139	N/A
Affordable Payment Plan	29,139	\$23,724.106
As-needed/Other Payment Assistance	16,558	\$16,921.024
Any type	56,018	\$40,645.130

In addition to overseeing administration of the MEAP program, the Commission worked diligently to implement Public Acts 168, 169, 170, and 198 of 2024 in preparation for the updates to the MEAP program that were effective beginning with the October 1, 2025, start of the program year (FY 2026). The updated laws will do the following:

- Expand eligibility for MEAP to 60% of the state median income while prioritizing vulnerable households.
- Increase program funding over a 4-year period.
- Provide the opportunity to reorient the MEAP program from crisis assistance to home energy security.
- Improve information availability.
- Improve opportunities for programmatic coordination.

The Commission’s implementation work was done collaboratively with the MEAP workgroup and utilities beginning in December 2024. This work continued throughout 2025 to address questions related to opt-out utility requirements, to assist utilities opting-in to collecting the LIEAF surcharge for the first time, and to ensure a smooth transition to the updated program.

In preparation for the 2026 program year, the Commission adopted a funding factor of \$1.25 per meter per month for September 2025 through August 2026 in

accordance with the updated surcharge permitted pursuant to the 2024 updates. It is expected that this surcharge will generate approximately \$75 million (up from the \$50 million collected previously) for energy assistance for the 2026 fiscal year to support the expanded eligibility threshold. Additional information regarding the impacts of the legislative changes and program implementation will be available in the 2026 MEAP Annual Report in March 2027.

Lifeline

The Lifeline program provides a discount for phone and/or broadband service for qualifying low-income customers. The Universal Service Administrative Company reports that 305,242 Michigan households were served through a Lifeline program (broadband, voice, or bundled services) in 2025. As a result, Michigan was in the top 5 nationally both for the number and percentage of households participating in a Lifeline program.

Beginning August 30, 2022, providers of basic local exchange service operating in Michigan could opt out of the Michigan Lifeline program. Pursuant to Section 316(10) of the Michigan Telecommunications Act, these providers who are seeking to opt out must provide 90 days' written notice to the Commission and to all individuals who are receiving the Michigan Lifeline benefit. To date, 25 telecommunications providers have submitted notice to the Commission opting out of providing the Michigan Lifeline program. In 2025, no provider submitted notice to the Commission to opt out of the program.

Additional information about the Lifeline program can be found in the MPSC's [Lifeline issue brief](#) and on the MPSC's [Lifeline Service web page](#). A list of Lifeline providers is also available on the web page.

Customer Support & Complaint Resolution

The MPSC provides direct assistance to Michigan residents and businesses having problems with utility bills or services by operating a call center that handles general inquiries and customer complaints. In 2025, MPSC Staff helped 12,958 customers with utility services after they contacted the Commission's call center.

Common customer concerns included rates and surcharges, inaccurate billing, high bills, storm-related outages, damages, and cancellation of contracts.

Table 5: 2025 Customer Contacts by Industry

Industry	Total
Electric	4,210
Cable	1,751
Gas/Electric	1,232
Gas	1,317
Telecomm	1,474
Cable/Telecom	434
Other	2,540
Total	12,958

If the initial contact does not fully resolve the issue, customers may file a formal complaint for resolution with the MPSC. Formal complaints are coordinated by MPSC Staff and subject to various filing criteria that are available on our [Inquiries and Complaints web page](#). During 2025, MPSC Staff received 13 formal complaints related to energy, with three of those meeting the required criteria for adjudication. One formal complaint related to video/cable television was filed in 2025, but that complaint failed to meet the requirements for adjudication. The Commission did not receive any formal complaints related to telecommunications services.

Just and Reasonable Rates

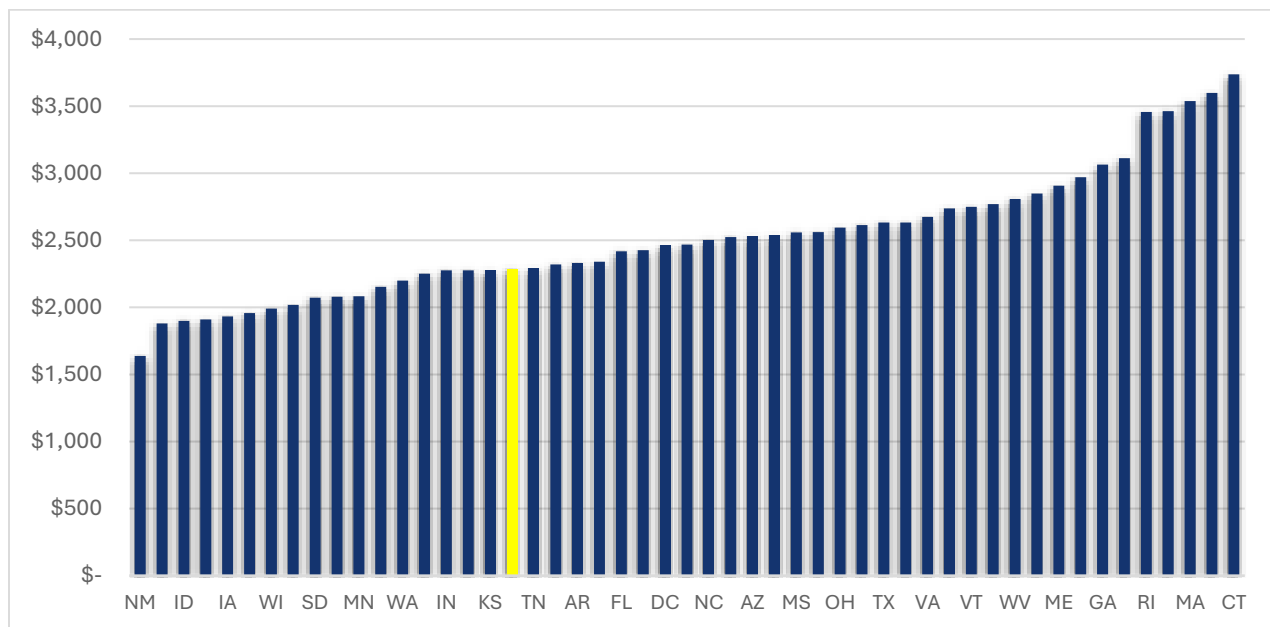
Energy Cost Trends

Energy costs across the nation have risen in recent years, due in part to inflationary pressures felt across the entire economy, volatile fuel prices, increasing damage resulting from storms and extreme weather, and increased investments in distribution infrastructure to improve electric reliability and resilience and the safety of the electric and natural gas systems for customers. Residential customers feel the cumulative impacts on their monthly bills. While Michigan is not immune to these broader cost pressures, the bills residential customers pay for electricity

and natural gas remain below the national average. In addition, since 2020, residential energy bills in Michigan have increased by 5.3% less than inflation.

The United States Energy Information Administration (EIA) publishes information on the energy costs paid by residential customers in each state and the District of Columbia. In 2024, Michigan ranked 18th nationally for annual combined electric and natural gas bills. This means residential customers in 33 states pay higher average annual home electric and heating costs than Michigan residents.

Figure 1: 2024 Annual Residential Bill (Electricity and Natural Gas)



Source: Prepared by MPSC Staff utilizing EIA data (<https://www.eia.gov>).

While average electric rates are often used to compare states, a comparison of rates alone, while ignoring overall energy costs, provides an incomplete picture of what Michigan customers are paying for their energy. A more accurate comparison of residential energy costs will examine both electric and home heating bills. Comparing Michigan to other states on the basis of combined electricity and natural gas bills, instead of a simple comparison of rates, provides a more accurate comparison of true residential energy costs. This is because the majority of customers in Michigan heat their homes with natural gas while many states to the south of Michigan have larger proportions of customers that heat their homes with electricity. That matters because higher proportions of electric

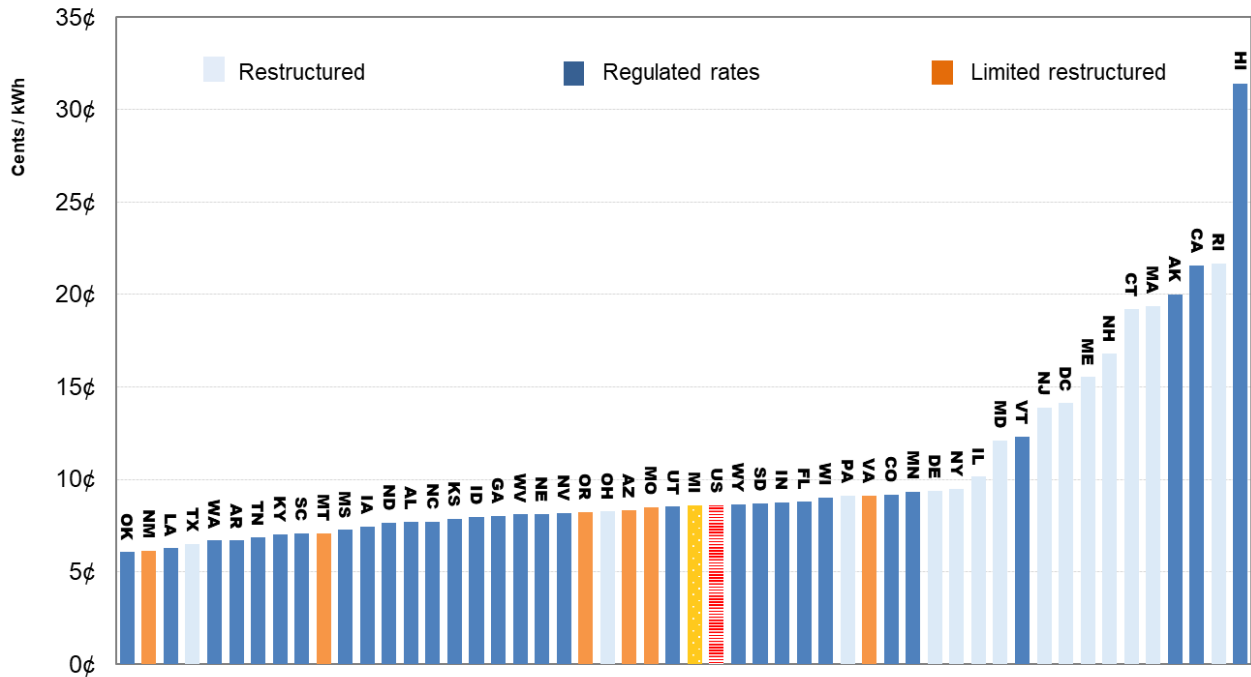
heating leads to both higher electricity bills **and** lower electricity rates because the fixed costs of the electricity system are divided by higher total usage. Additionally, Michigan has best-in-the-nation energy efficiency programs, which further reduce the total electric and gas use of customers, while delivering \$2.40 in customer savings for every dollar spent on these programs.

Further, residential electric bills in Michigan are also lower than both the national and regional average. According to EIA data, the average Michigan household pays \$119.31 per month for electricity, 16% lower than the national average of \$142.26 per month, and also lower than the \$121.66 per month average for the East North Central Region, which includes Michigan, Illinois, Indiana, Ohio, and Wisconsin. For 2024 (the most recent year available), Michigan had the 15th lowest residential electric bills in the country⁵.

However, a comparison of electricity rates does have its place, particularly in comparing rates for industrial users, which often factor energy costs into the total cost of business in a location, and are more sensitive to rates given their high levels of consumption. As noted in the Commission's recent report on the Status of Electric Competition in Michigan, EIA data shows that Michigan's industrial rates are below the national average and second lowest in the Midwest. This represents an improvement during 2025, with Michigan industrial customers now paying lower electric rates than do industrial customers in Indiana:

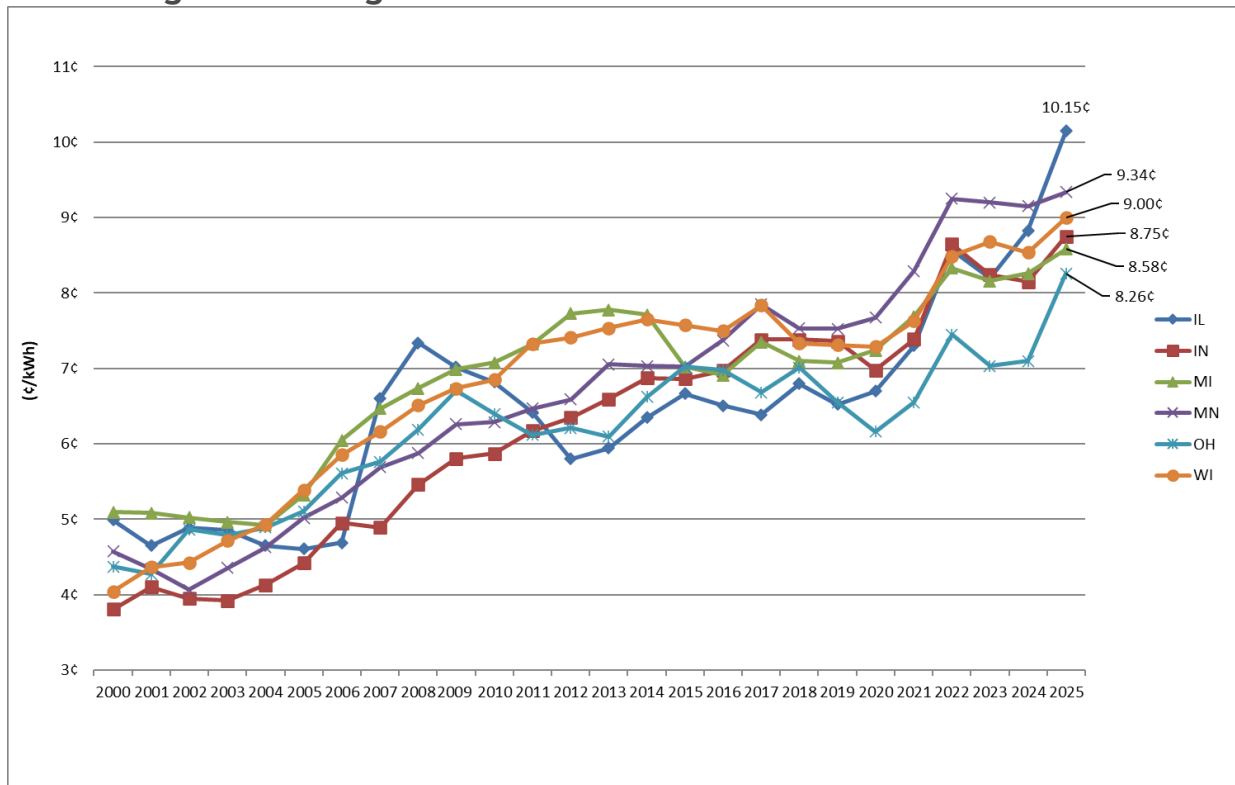
⁵ Citation: https://www.eia.gov/electricity/sales_revenue_price/ (with data from forms EIA-861 - schedules 4A-4, EIA-861S, and EIA-861U).

Figure 2: Average Industrial Retail Price, 2025



Source: Form EIA-861M (formerly EIA-826) detailed data (<https://www.eia.gov/electricity/data/eia861m/>). Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826) 2025.

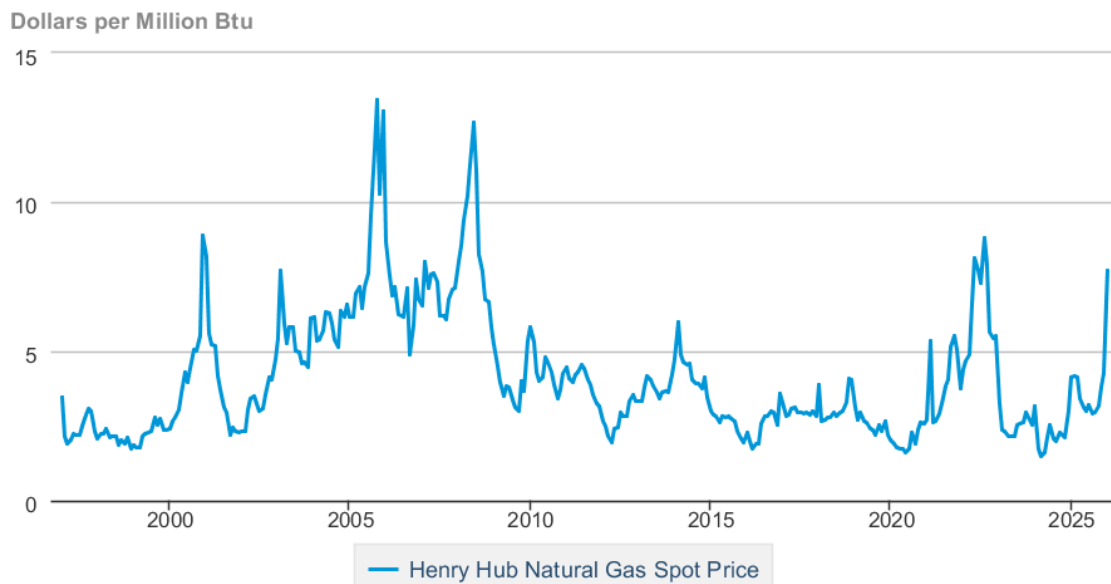
Figure 3: Average Industrial Retail Rates for Midwest 2000-2025



Source: Form EIA-861M (formerly EIA-826) detailed data (<https://www.eia.gov/electricity/data/eia861m/>). Current and Historical Monthly Retail Sales, Revenues, and Average Retail Price by State and By Sector (Form EIA-826) 2025.

Even given Michigan’s comparatively strong ranking for residential total energy bills, residential electricity bills, and industrial rates, cost pressures continue to be a priority area of focus for the Commission. In particular, as noted above, the Commission has in recent years approved significant investments in the utilities’ distribution systems, with positive results in terms of reliability improvements. Similarly, as reported earlier in this report, Michigan’s natural gas utilities have accelerated the replacement of underground mains identified as at higher-risk for leaks over the past decade. The increased spending for main replacements over the last decade was largely offset by reduced natural gas prices resulting from the increased availability and use of shale gas and evidenced by the relatively low natural gas commodity prices during the 2010s shown below:

Figure 4: Henry Hub Natural Gas Spot Price



Source: [Henry Hub Natural Gas Spot Price \(Dollars per Million Btu\)](#)

Natural gas prices influence the amount that Michigan customers pay on both natural gas and electricity bills. While Michigan produces some natural gas in state, a significant majority of the gas used in Michigan is imported; locally, very little is produced within the state today. Michigan imports natural gas primarily from the Marcellus and Utica shale regions, located to the south and east of the Lower Peninsula, as well as from the Gulf Coast region, by pipeline. In addition, while Michigan is home to more underground natural gas storage capacity than

any other state in the country, these geologic advantages do not protect Michigan customers from extended periods of high natural gas prices. Natural gas utilities in Michigan spent \$1.283 billion purchasing and transporting natural gas into Michigan for the period from April 2024 – March 2025. Electric utilities in Michigan are also purchasing and transporting natural gas into Michigan for electricity generation in increasing amounts. Increases in natural gas commodity costs, particularly for sustained periods, as experienced in 2021 and 2022 result in higher utility bills for Michigan customers.

Historically, natural gas price commodity costs have been volatile. Prior to the availability of inexpensive shale gas in the 2010s, the price spikes shown in 2001, 2005, and 2008 were all the result of hurricanes which significantly damaged infrastructure in the Gulf Coast region. More recently, the price spikes in the 2020s have been due to extreme weather causing increased demand, including winter storms Uri, Elliott, and most recently Fern, as well as a spike in global demand for liquified natural gas in 2022 as a result of the Russian invasion of Ukraine. Natural gas is also being used more widely across the nation as a fuel to generate electricity, increasing the demand for natural gas and, without corresponding increases in supply, the price of natural gas. Natural gas commodity costs, both for residential use and as a fuel to generate electricity, are directly passed on to residential customers. As a result, sustained high natural gas commodity prices are directly felt by Michigan customers on their bills. The more recent periods of sustained high natural gas prices in 2021 and 2022 coincide with Michigan's combined electricity and natural gas bill rankings of 32 and 27 respectively, compared to a rank of 18 in 2023 and 2024 which had lower sustained natural gas commodity costs. While this report is largely focused on 2025, it is worth noting that in January 2026, Michigan and much of the nation experienced an extended period of bitterly cold temperatures which led to unusually high demand on the natural gas system and high natural gas prices. As a result, Consumers Energy and

DTE Electric both issued notices to customers to expect significantly higher bills for January of this year⁶.

In addition to fuel cost volatility, the recent period of high inflation, particularly since 2020, has also put pressure on energy costs, as utilities are paying more for everything from labor costs to equipment. As noted in the table below, the United States experienced cumulative inflation of 22.5% since 2020, with an additional 2.7% projected for 2026.

Table 6: Inflation by year (CPI-U)

Year	Inflation Rate
2020	1.7%
2021	3.6%
2022	6.2%
2023	4.8%
2024	3.4%
2025	2.8%
2026 (projected)	2.7%
Total	25.2%

Source: U.S. Bureau of Labor Statistics for 2020-2025 and MPSC Staff projection for 2026.

Over that same time period, the MPSC has issued 32 orders to 11 utilities operating in Michigan, each increasing either electricity or natural gas rates. However, those increases have led to overall residential customer bill increases⁷ that were, on average, **5.3% less** than the cumulative inflation experienced during the same period. As a result, Michigan families are actually paying less for energy bills as a percentage of the overall household budget than they were prior to the COVID-19 pandemic.

⁶ [Consumers Energy Connecting with Customers After Brutal Cold Drives Up Energy Use and Bills;](https://www.dteenergy.com/consumers-energy-connecting-with-customers-after-brutal-cold-drives-up-energy-use-and-bills) and https://empoweringmichigan.com/understand-and-take-control-of-your-winter-energy-bills/?_gl=1*li0ehq*_gcl_au*MTI1NjI3NC4xNzcwMzEzNTMy*_ga*MTEwODU3MDU2OS4xNzU4Mjg3NTI2*_ga_J2R5W9DWE4*czE3NzAzMTM1MzQkbzYkZzEkdDE3NzAzMTM2MjQkajMwJGwwJGgw.

⁷ The projected customer bill impact for an average residential customer is included in the press release for every rate increase.

The results for individual utilities are tabulated below:

Table 7: Average Residential Bill Impact from Rate Increases Compared to Inflation (2020-present)

Utility	Residential Bill Increase Compared to Inflation
Alpena Power Company	-5.65%
Consumers Energy Electric	-3.47%
DTE Electric	-4.73%
Indiana Michigan Power Company	-2.77%
Northern States Power Company Electric	-6.10%
Upper Michigan Energy Resources Corp.	-9.90%
Upper Peninsula Power Company	-4.30%
Consumers Energy Gas	3.05%
DTE Gas	-9.73%
Michigan Gas Utilities	-12.60%
Northern States Power Company Gas	-2.51%
SEMCO Energy Gas Company	Last increased in 2020
Average	-5.3%

The impact of rate increases on utility bills for the average residential customer in Michigan, in all but one case, have been less than inflation since 2020. While average residential utility bill impacts have been lower than recent inflation rates, many customers in Michigan, and across the country, are facing affordability challenges driven by housing costs, health-care costs, and costs of everyday items like groceries, as well as their energy bills. However, there are a number of steps that customers can take to save money on their utility bills.

While there are fixed charges on residential utility bills, the bulk of a residential utility customer’s bill is a direct result of the amount of energy used. Investing in energy efficiency saves customers money. In 2024, aggregate energy waste reduction program expenditures of \$583 million by all natural gas and electric utilities in the state generated lifetime savings of \$1.4 billion for customers, with

every \$1 spent by utilities on energy waste reduction programs generating \$2.40 in customer savings.

Michigan's top-rated energy waste reduction, or energy efficiency programs, have resulted in real savings for Michigan customers and are key to combatting the affordability crisis. Public Act 229 of 2023 includes requirements for electric and natural gas providers to offer low-income energy waste reduction programs to assist low-income residential customers in both single-family and multi-family households. The recent updates to the statute also require that a minimum of 25% of total utility energy waste reduction spending be specifically for low-income energy waste reduction programs and directs providers to minimize barriers for low-income customers to participate in the programs, building on Michigan's best-in-the-nation approach to energy waste reduction for low-income customers.

Outside of participation in formal energy efficiency programs, there are several other ways that Michigan utility customers can save money on their utility bills. Customers looking to save energy can:

- Turn off lights when not in use.
- Unplug chargers and turn off surge protectors for electronics when not in use.
- Learn about their utility's off-peak or time of day rates. Running appliances such as washers, dryers, and dishwashers during off-peak periods will save money because rates are lower then.
- Learn about other rates available and calculate whether switching rates could save money, including a rate for electric vehicle charging.
- Close vents to rooms that are not in use (weather permitting).
- Open curtains to let the sunshine warm up spaces during the colder months and close curtains to help keep spaces cooler during the warmer months.
- Small adjustments to thermostats for furnaces and hot water heaters can result in savings with minimal impact to comfort.

While these actions can have a measurable impact on customer bills, they may not be enough for customers facing significant affordability challenges.

Customers in need of additional assistance are encouraged to visit the [MPSC Get Help web page](#) for information on energy assistance and utility shut-off protections.

Residential energy bills are impacted by several factors. Comparing states based on total residential energy bills allows for an apples-to-apples comparison of residential utility costs across the states. Analyses that consider only electricity rates as the basis to compare states are incomplete because of the varying amounts of electricity used between different states. Michigan’s residential energy bills, including electricity bills, remain below both the national and regional average, and since 2020, customer bill increases have been less than the rate of inflation. In fact, for both 2023 and 2024, Michigan’s residential energy bill ranking was better than it has been in more than a decade. A key element of Michigan’s success in this regard is our energy waste reduction programs, which consistently deliver savings to Michigan utility customers and is top two in the nation for both natural gas and electricity, cost effectively delivering real savings for Michigan utility customers. Yet even with this progress, affordability is a growing issue that is top of mind in everything that we do.

Rate Cases

In 2025, the Commission issued the following rate case decisions:

Table 8: MPSC Rate Case Decisions

Utility	Utility Type	Case No.	Company Request (Millions)	Commission Authorized (Millions)	% of Request Authorized	Order Date
DTE	Electric	U-21534	\$456.43	\$217.38	47.63%	1/23/25
Consumers Energy	Electric	U-21585	\$302.58	\$153.81	50.83%	3/21/25
Consumers Energy	Gas	U-21806	\$248	\$157.5	63.50%	9/30/25
NSP	Gas	U-21903	\$2.17	\$1.6	73.48%	12/18/25

To view case information, visit the Commission’s [E-dockets web page](#).

Also in 2025, the Commission adopted improvements to the rate case process. Newly adopted measures include directives requiring utilities to communicate with their customers during rate cases on the increase they are seeking and how that would impact customer bills, as well as a new streamlined process for considering investments in demand response, among other considerations. Details can be found in Case No. [U-21637](#).

Fuel Cost Recovery Plans and Reconciliations

Certain costs for supplying electricity, natural gas, and steam are recovered through the following fuel-specific surcharges that tend to fluctuate and may vary from month to month:

- Power Supply Cost Recovery (PSCR).
- Gas Cost Recovery (GCR).
- Steam Supply Cost Recovery (SSCR).

Expenses presented in the current-year plan are reviewed annually as well as a fuel forecast of up to five years for arranging fuel supplies to serve expected customer demand. Following a full review, electric and steam generation-related costs, purchased power costs, natural gas costs, and the cost of transmission service are reconciled on an annual basis with actual amounts incurred throughout the plan year. In the 2024 – 2025 heating season, the most recent year with finalized costs, Michigan natural gas utilities spent \$1.283 billion to have natural gas delivered to Michigan city gates for distribution to Michigan customers. Also in 2024, Michigan electric utilities spent \$3.669 billion dollars on fuel used to generate electricity, purchased power, and transmission. The magnitude of dollars flowing through these recovery mechanisms underscores the importance of the MPSC's review.

In 2025, the Commission issued orders in 11 PSCR cases, nine GCR cases, and two SSCR cases. The Commission also disallowed the recovery of certain costs related to agreements between I&M and its affiliates that resulted in proposed costs in excess of the market rate for power purchases and for purchases being above-market that the Commission said should not be paid for by customers in Case No. [U-21262](#).

New Rate Designs

Rates for Data Centers and Large Loads

The Commission approved Consumers Energy's application to amend its general primary demand rate (GPD) to add new terms for data centers and other very large customers in Case No. [U-21859](#). The Commission noted significant increases in load represented by data centers and other very large load customers pose several potential risks related to system reliability, cost impacts, and regulatory compliance. However, if managed well, they also offer a range of potential benefits to existing customers and to the state. The Commission sought to harness these potential benefits while ensuring that new large load customers pay for all costs needed to serve them and that there are adequate guardrails in place to avoid both cross-subsidization from other customers and the risk of stranded assets if the anticipated load failed to fully materialize. The Commission included several additional customer protections to ensure large load customers remain in service long enough to contribute significantly to new and embedded costs, including:

- A minimum contract term of 15 years.
- A minimum billing demand of 80% that must be paid regardless of use.
- A ramp-up period of up to five years to reach full-service levels.
- Automatic contract extensions of five years with a required four years' notice for contract termination.
- Administrative fees for studies and plans needed to develop a project.
- An exit fee that a large load customer must pay for ending service before the end of a contract.
- A default collateral requirement that is equal to half of a large load customer's exit fee.

No specific cost allocation or rate design was determined by the Commission, and this issue was left to be considered in future general rate cases. The Commission directed Consumers Energy to file for Commission approval for each new large load customer taking service to show that the costs caused by the new customer

are not being subsidized by any other residential, commercial, or industrial electric customers.

Also, on December 19, 2025, the Commission approved two special contracts for DTE Electric to serve a new data center customer in addition to taking service on DTE Electric's existing rate D11 (Case No. U-21990). The special contracts include provisions for DTE Electric to construct 1,383 MW of battery storage facilities, equal to the new customer's contracted load, to be funded solely by the new customer, as well as several provisions to ensure no harm or risk to other existing DTE Electric customers. The Commission's approval of the two special contracts included conditions that DTE Electric was required to acknowledge and accept in writing within 30 days of the Commission's order. The Commission also directed DTE Electric to file an application in a contested case for a data center or large load tariff that would outline the minimum provisions required for future similarly situated customers.

Telecommunications Highlights

Telecom Area Code Overlay

In November 2022, the North American Numbering Plan Administrator filed a petition with the Commission for relief in the 313 area code due to the declining supply of unassigned numbers. Rather than splitting the 313 area code geographically, NANPA requested that the Commission approve an area code overlay to create a second area code. This would ensure that individuals within the geographical area would not need to change phone numbers. The Commission approved the area code overlay in May 2023.

The Commission worked with NANPA to monitor the availability of numbers in the 313 area code. It also participated in meetings throughout 2024 and 2025 with NANPA and industry members regarding implementing the overlay. Prior to implementing permissive 10-digit dialing in April 2025, and again before implementing the mandatory 10-digit dialing in October 2025, the Commission engaged in public education efforts regarding necessary changes to customer

dialing patterns and programmed calling technologies, such as alarm systems or medical alert systems. The 679 area code overlay was completed on November 7, 2025, and new numbers from the area code will be assigned once all remaining telephone numbers in the 313 area code have been utilized.

Broadband Expansion

The Michigan High-Speed Internet (MIHI) Office continues to administer the broadband, equity, access, and deployment program for this state. The BEAD program is the largest single investment in high-speed internet infrastructure in our nation's history and is administered by the National Telecommunications and Information Administration. Michigan's BEAD allocation is \$1.559 billion, the fourth highest allocation in the country. While BEAD is a national program, each state and territory is responsible for implementing its own program. BEAD is designed to ensure that unserved and underserved locations can get connected to reliable high-speed internet. NTIA has final approval on which homes, businesses, and community-anchor institutions are included in Michigan's BEAD program. The final list of all eligible and ineligible locations can be found on [MIHI's BEAD Locations web page](#). Michigan's final proposal was approved by NTIA in December 2025. MPSC Staff continues to work and collaborate with MIHI, as well as help and participate in meetings, including those relating to the Realizing Opportunity with Broadband Infrastructure Networks grant program.

Licensing and Discontinuance of Service

The Telecommunications Division handled seven applications to provide basic local exchange service in Michigan for which the Commission issued orders in 2025. It also completed a proceeding on its own motion in Case No. [U-21868](#) to revoke the licenses of four providers that no longer met the technical, financial, and managerial qualifications to hold a license under the Michigan Telecommunications Act. In addition, after receiving customer complaints, the Commission took action against CMC Telecom and Internet, Inc. This telecommunications provider was providing service without a license or required registration. The Commission ordered the provider in Case No. [U-21904](#) to cease and desist providing service or holding itself out as a provider of voice

telecommunications service in Michigan; to refund the complainants for their services for the time period the company was found to be in violation; and to pay a fine of \$61,000.

The Commission also received five discontinuance of service applications that were filed pursuant to Section 313 of the Michigan Telecommunications Act. Among those discontinuance applications were two applications filed by AT&T Michigan. AT&T Michigan intends to discontinue landline telephone service in various parts of its service territory during 2026. The Telecommunications Division will continue to monitor the status and availability of landline telephone service in Michigan as providers look to discontinue this service and as the trend continues for customers to transition to alternative voice services, such as Voice over Internet Protocol (VoIP) and wireless, which are not regulated by the Commission.

Lastly, the Commission revoked the eligible telecommunications carrier designation of Q Link Wireless LLC. Q Link had been operating as an eligible telecommunications carrier in Michigan since 2011. The Commission received information that Q Link and its owner had pleaded guilty to conspiring to defraud and commit offenses against the United States. As a result of the years-long scheme to commit fraud, Q Link had amassed over \$100 million in fraudulent claims against the federal Lifeline program. MPSC Staff investigated the situation to ensure that all Q Link customers would have limited or no interruption of service. Because of the circumstances surrounding the illegal activity of Q Link and its owner, the Commission issued an Order in Case No. [U-16940](#) to revoke the ETC designation.

National and Regional Advocacy

The MPSC remained active before the Federal Energy Regulatory Commission (FERC) and Regional Transmission Organizations (RTOs) (grid operators regulated by FERC), as well as the Organization of MISO States (OMS) and the Organization of PJM States, Inc. (OPSI) to monitor federal proceedings and represent the interests of Michigan ratepayers. Engagement and advocacy focused on transmission planning, reforms to generator interconnection queues, and market

transformation. In 2025, the MPSC intervened in 20 matters before FERC and the Washington D.C. Court of Appeals.

Highlights of the MPSC's federal focus areas include the following:

- The MPSC filed supportive comments in Holtec Palisades' request to extend the plant's suspension period to allow Palisades more time to restart. The reopening of a closed nuclear facility would mark a historic first for the country.
- The MPSC successfully filed a limited protest of MISO's Expedited Resource Addition Study (ERAS), criticizing the violation of open access principles, the discriminatory nature of the proposal, and the lax operational timelines for ERAS projects.
 - Following FERC's rejection of ERAS 1.0 and MISO's subsequent filing of ERAS 2.0, the MPSC filed another limited protest and clarification criticizing similar elements as above. Despite the MPSC's concerns, ERAS 2.0 was ultimately accepted by FERC.
 - The Commission worked quickly to outline a process by which it would review requests received for inclusion in ERAS. The Commission adopted its ERAS review process in Case No. [U-21902](#) on August 7, 2025, and has since approved a 175 MW solar project and three battery storage projects totaling 650 MW for inclusion in ERAS, allowing for fast-tracked interconnection review by MISO.
- The MPSC analyzed the impacts of DOE's multiple 202(c) orders requiring the J.H. Campbell power plant (and other similar plants) to stay online past its approved retirement date.
 - Through the OMS, the Commission requested rehearing of DOE's order due to its lack of a demonstrated emergency, the violation of the Federal Power Act, and the violation of state jurisdiction over resource adequacy.
 - The Commission successfully supported Consumers Energy's filing for MISO to establish a cost recovery mechanism for the plant's continued operation, as directed by DOE. This included allocating the costs of continuing to run

the uneconomic plant not just to Consumers' customers but to the region as a whole ensuring Michigan customers are not saddled with all the costs to continue operations.

- Over several months, the MPSC tracked MISO's efforts to reform its demand response products across four separate FERC filings and primarily worked via the OMS to file supportive comments on these efforts.
- In coordination with several other state commissions, the MPSC filed comments opposing a FERC complaint, which argued that MISO's Tranche 2.1 process inaccurately calculated benefits, discriminated against states without renewable energy goals, and lacked regulatory oversight and cost control.
- The MPSC also was engaged in multiple interstate natural gas cases before FERC this year, including multiple rounds of comments and a protest on Vector Pipeline's rate case, a protest in ANR's rate case, and a protest in Great Lakes's rate case. Each of these protested components of the companies' rate increases, particularly their rate base and return on investment components.
- Chair Scripps served on the OMS Board of Directors, and Commissioner Peretick served on the OPSI Board of Directors.
- Chair Scripps served as the Cost Allocation Liaison for OMS, working with OMS leadership to cover relevant matters while also chairing MISO's Regional Expansion Criteria and Benefits Working Group (RECB) for the 2025 calendar year.
 - The RECB serves as MISO's forum for parties to discuss existing or proposed criteria and cost allocation policies for regional and interregional cost shared transmission projects. The group discussed and acted upon two transmission cost containment proposals this year, resulting in added transparency into transmission projects that incur cost overruns or construction delays.
- Chair Scripps served as a member of NARUC's gas electric alignment for reliability (GEAR) initiative, alongside six other state commissioners and seven members of industry from across the United States. GEAR aimed to develop solutions to better align the gas and electric industries to maintain and

improve the reliability of the gas and electric energy systems. GEAR issued its final report and recommendations in November 2025.

- Commissioner Peretick completed her term on the Federal and State Current Issues Collaborative, which is composed of ten state commissioners and all five FERC Commissioners, to address issues of mutual interest. In 2025, the collaborative addressed gas-electric coordination and RTO governance.
- Commissioner Peretick served as Michigan's voting member on the newly created PJM Area Regional State Entity Committee (PARSEC), which is the primary forum for state commissions to engage in PJM's Order 1920 Long Term Transmission Planning. Over the course of the year, PARSEC worked with PJM to communicate the states' expectations and to develop key components of PJM's 1920 compliance filing, which were filed in late December 2025. PARSEC's efforts will continue into 2026 as PJM prepares for a second 1920 compliance filing on cost allocation in June 2026.
- MPSC Staff participated in MISO working groups discussing topics on the resource availability and need (RAN) initiative; a reliability-based demand curve; non-thermal capacity accreditation reforms; and the seasonal construct and seasonal accreditation, all of which are related to ensuring sufficient resources are available to meet the electricity needs of customers, particularly as the generation fleet transitions toward reliance on more intermittent generation.
- The MPSC continued collaborating with regional transmission organization working groups on the development of market rules related to the implementation of FERC Order 2222, which removes barriers to distributed energy resources' participation in wholesale markets. This will affect wholesale market rules, wholesale and retail tariffs, and distribution interconnections going forward. MPSC Staff acted as the Chair of the OMS's DER Working Group and helped drive discussions surrounding Order 2222 compliance, readiness, and state level activity, including co-hosting an Order 2222 Coordination Conference in February 2025.

Infrastructure

Long-Term Resource Adequacy

Integrated Resource Plans

Public Act 341 of 2016 instituted an integrated resource planning (IRP) process to examine options to meet long-term electricity needs considering reliability, cost, performance, environmental impact, and other factors. Public Act 231 of 2023 updated several provisions and added an electrification potential study, environmental justice provisions, affordability provisions, greenhouse gas projections, and clean energy requirements. Utilities are required to file IRPs at least every five years, and the statute includes provisions for an expedited process to review amendments to approved IRPs.

In 2025, the Commission submitted its study of long-duration and multiday energy storage to the Legislature in compliance with Public Act 235 of 2023. The Commission completed its 2025 Energy Waste Reduction, Demand Response, and Efficient Electrification Potential Study in compliance with Public Act 231 of 2023. Following two public hearings and receipt of more than 160 written comments, the Commission also approved revised Michigan integrated resource planning parameters and revised integrated resource plan filing requirements in compliance with Public Act 231 of 2023 in Case No. [U-21867](#).

IRPs include utility plans for energy waste reduction and renewable energy. Going forward, it will also include plans to meet energy storage targets and clean energy requirements. A proportion of future energy needs continue to be met with renewable energy resources and energy waste reduction programs. Both continue to provide benefits to Michigan customers.

1. **Energy Waste Reduction Plans.** In 2024, aggregate EWR program expenditures of \$583 million by all natural gas and electric utilities in the state generated lifetime savings of \$1.4 billion for customers, with every \$1 spent by utilities on EWR programs generating \$2.40 in customer savings. All regulated utilities met or exceeded their respective EWR targets in 2024. EWR data and performance for 2025 will be reported in 2026.

Public Act 229 established new EWR targets, defined minimum expenditure requirements for low-income energy waste reduction, as well as provisions related to optional efficient electrification measures. All providers required to file revised EWR plans in compliance with Public Act 229 filed revised plans prior to the end of 2025. Four revised plans were approved by the Commission in 2025, and four revised plans were still in process at the close of 2025.

2. **Renewable Energy Plans.** Renewable energy is consistently selected as a low-cost resource in utility IRPs. Through December 31, 2025, Michigan's rate-regulated utilities combined totaled 7,580 MW of approved renewable energy projects, an increase of 1,698 MW, or 22%, of the approved renewable energy projects at the end of 2024.

Public Act 235 established a renewable energy standard of 50% by 2030 and 60% by 2035. The Commission directed work necessary to implement the revised renewable energy standards in Case No. [U-21568](#) in 2024. All rate-regulated utilities have since filed timely amended renewable energy plans in compliance with Public Act 235. The Commission approved five amended renewable energy plans for electric utilities and rejected UMERC's proposed amended renewable energy plan because its scope included clean energy provisions that went beyond the requirements for compliance with renewable energy portfolio standards. A single amended renewable energy plan remained pending at the close of 2025.

Also, in Case No. [U-15285](#) et al., the Commission found that all member-regulated cooperatives, municipally owned utilities, and alternative electric suppliers filed timely amended renewable energy plans with three exceptions. After working with MPSC Staff, Bayfield Electric Cooperative filed its renewable energy plan prior to the close of 2025. The Commission denied requests from Calpine Energy Solutions LLC and Direct Energy Business LLC for a two-year extension to comply with Public Act 235 of 2023 and directed steps be taken in 2026 to provide additional information prior to considering extensions for compliance.

3. **Statewide Storage Target.** Public Act 235 established a statewide energy storage target of 2,500 MW. Electricity providers are required to file plans to meet individual energy storage targets by December 31, 2029. However, some providers are already working to meet their targets. Through 2025, the Commission has approved 1,011 MW of new storage capacity in Michigan, which is 40.5% of the statewide storage target. The Commission also approved a special contract for DTE Electric to construct an additional 1,383 MW of new storage capacity by 2027 to be funded by a single large load customer (Case No. U-21990).
4. **Clean Energy Plans.** Public Act 235 established a clean energy standard for electric providers that requires 80% of electricity resources by 2035 to come from clean energy sources as defined in the law and 100% by 2040. In 2025, the Commission adopted clean energy plan filing requirements for plans to be submitted by 2028 (Case No. [U-21570](#)).

State Reliability Mechanism

In 2017, the Commission established state reliability mechanism (SRM) charges and capacity demonstration requirements pursuant to Public Act 341 of 2016. All electricity providers in Michigan, including investor-owned utilities, cooperatives, municipal utilities, and alternative electric suppliers, must annually demonstrate sufficient electric capacity resources to serve their respective customers four years in the future. This includes the ownership of electric generating facilities, capacity contracts, and EWR or DR programs.

Following MPSC Staff's review in 2025, it issued a report in Case No. [U-21775](#), which noted concerns regarding the tightening of forward capacity resources in the MISO region due to retirements, decreased accreditation of certain resources, and fewer available external resources. MPSC Staff also filed its calculations to allocate the statewide storage target to individual providers. The Commission accepted MPSC Staff's filings and determined in Case No. U-21775 that electricity providers demonstrated enough resources to meet the requirements for each of the four seasons of planning year 2028/29. The Commission also approved revised filing

dates for next year's demonstrations and storage targets to be filed in Case No. [U-21907](#) for planning year 2029/30.

In December 2022, in Case No. [U-21099](#), the Commission partially lifted the ban on demand response aggregation for larger commercial and industrial customers to remove a barrier allowing those resources to participate in the market. However, the Commission indicated that prior to lifting the ban on demand response aggregation for residential and other smaller commercial customers, “[authority] to implement licensing procedures [for aggregators] that include customer protections will be needed prior to the implementation of [FERC] Order 2222 for the aggregation of [distributed energy resources].” This would require additional action from the Legislature to give the Commission this authority, similar to the Commission’s existing authority to license alternative electric and gas suppliers and telecommunications providers, an important tool in ensuring appropriate consumer protections.

Gas Infrastructure Projects

Michigan's natural gas system has over 50,000 miles of distribution pipelines and over 3 million service lines. Natural gas is used as the primary heating fuel in more than 75% of Michigan households.

As part of natural gas rate case requests, utilities include natural gas delivery plans that outline infrastructure improvements to improve safety by replacing older, leak-prone pipes and reliability by enhancing the ability to handle peak demand, especially in winter.

In 2025, the Commission approved \$209 million for Consumers Energy's enhanced infrastructure replacement program (EIRP) in Case No. [U-21806](#) to continue replacing aging natural gas pipelines and prevent potentially dangerous leakage. The program originated in 2012 and anticipates the replacement of over 145 miles of pipeline and containment of 14 natural gas leaks in 2026. Throughout 2025, the Commission continued to prioritize its oversight of aging natural gas utility pipeline infrastructure and the deployment of enhanced leak detection technologies, underscoring its commitment to public safety.

Electric Transmission Line Siting

Public Act 30 of 1995 (Act 30) grants the MPSC siting authority for electric transmission lines and establishes a process through which a line owner may apply to receive a certificate of public convenience and necessity (CPCN) for a proposed transmission line. A CPCN grants permission for the applicant to provide a service or build in a certain area. Commission jurisdiction is limited to transmission lines greater than 5 miles in length and power at 345 kV or greater. There are several requirements for Act 30 applicants to perform prior to submitting an application with the MPSC regarding planning, impacted communities, and hosting public meetings. The Commission may grant an Act 30 application and issue a CPCN if it determines the following:

- There are quantifiable and non-quantifiable public benefits.
- The route or alternative route is feasible and reasonable.
- There is no unreasonable threat to public health.
- If the MPSC sets conditions, the applicant accepts them.

In combined Case Nos. [U-21471](#) and [U-21472](#), the MPSC approved applications for construction of two new major electric transmission lines in southern Michigan, granting Michigan Electric Transmission Co. (METC) CPCNs for projects meant to strengthen Michigan's power grid: the Nelson Road to Oneida project and the Helix to Hiple project. These were the first approvals for high-voltage electric transmission lines in more than a decade, and the first interstate electric transmission approvals in more than 50 years.

The Nelson Road to Oneida project is a 39-mile, 345 kV double circuit line between substations in Gratiot and Eaton counties. The Helix to Hiple project is a 55-mile, 345 kV double circuit line between substations in Calhoun and Branch counties at the Indiana border. Both projects are part of MISO's Long Range Transmission Planning initiative.

The Commission found that the alternate route for the Nelson to Oneida line was reasonable and preferable to the proposed route, noting it has fewer heavy angles

and road crossings, impacts fewer wetlands and hydric soils, and uses a long-standing existing utility right-of-way, displaying sounder routing principles. For the Helix to Hiple line, the Commission found the proposed route was reasonable and that the alternate route would have avoided impact to the R&R Ranch Airport but would result in more impacts on archeological sites, increase the number of residences within 500 feet of the line's right-of-way, and expand the number of parcels crossed by the line.

Both lines are needed to ensure increased energy reliability, capacity, and renewable energy integration, and the project will not present an unreasonable threat to public health and safety. The Commission found that, while the projects will include some environmental impairment, approval is permissible under the Michigan Environmental Protection Act because there is no feasible and prudent alternative.

The Commission's July order also pointed out instances in which METC's engagement with landowners was substandard. Thus, it conditioned approval on several actions METC must take around landowner requests for minor route modifications and monthly reporting for how it dealt with such requests, providing contact information for approved and adjacent landowners and monthly reporting on communications, and investigation of every noise complaint from landowners.

The Commission directed MPSC Staff to work with interested organizations and individuals to develop voluntary filing guidelines for use by applicants pursuant to Act 30, to promote clarity, efficiency, and transparency. The Commission opened a separate docket for this purpose in Case No. [U-21930](#), addressing MPSC Staff concerns about Act 30's lack of clarity on what constitutes an alternate route, to what degree private benefits need to be estimated in advance of a project, and whether the law provides for sufficient and clear interaction between an applicant and landowners. Additionally, the Commission directed the beginning of a formal rulemaking process to create binding filing requirements.

Renewable Energy and Energy Storage Siting

Public Act 233 of 2023 established provisions for the Commission to authorize the siting of utility-scale wind, solar, and energy storage facilities under certain circumstances. The Commission held several public meetings and approved application filing instructions and procedures related to renewable energy and energy storage siting in Case No. [U-21547](#) in 2024. The Commission created a Renewable Energy and Storage Siting Section within the Energy Operations Division to handle future siting cases. In 2025, the Commission launched [a Renewable Energy and Storage Facility Siting web page](#) to inform the public, landowners, local government officials, and project developers about the renewable energy and storage facility siting process at the MPSC. Also in 2025, the Commission received the first five applications for the siting of utility-scale solar facilities. The statute allows one year for decisions to be issued in these matters and the first decision on a solar siting case is not expected prior to the third quarter of 2026. The status of cases filed to date is shown on the [Commission's web page for current siting applications](#).

Federal Funding Opportunities

The Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) created significant opportunities to make vital investments into Michigan's energy infrastructure. The Commission worked with partners and experts across Michigan and beyond to successfully leverage these federal funds for infrastructure projects in Michigan. In 2025, the priorities of the federal administration changed and several of the opportunities available through the IIJA and IRA were cancelled, while some awards remained in place. Also in 2025, additional opportunities for federal funding were made available through the One Big Beautiful Bill Act.

On May 12, 2022, the Commission opened Case No. [U-21227](#) to receive comments regarding funding and assistance opportunities available to utilities pursuant to the federal IIJA. Since opening this docket in 2022, the Commission has directed the regulated utilities to file several reports, including biannual reports beginning in 2023 regarding their efforts to obtain funding or assistance through available

federal loan and/or grant programs. Throughout 2025, the utilities continued to file these reports. While a summary of successful applications supported by the Commission is provided below, details regarding their efforts can be found in the reports filed in the dockets.

Regulated utilities in Michigan have been awarded over \$230 million from these federal opportunities, which would enable significant investments in Michigan's electricity system providing benefits to Michigan's electricity customers.

Other notable federal awards for electricity infrastructure in Michigan include:

- \$1.5 billion loan guarantee from the U.S. Department of Energy (DOE) to Holtec International to restart the 800MW Palisades nuclear plant.
- \$1.3 billion in grants from the U.S. Department of Agriculture to rural co-ops to restart the retired plant to generate clean energy for customers in Michigan in early 2026.

These awards will help to defray costs that would otherwise be passed on to utility customers in the form of higher wholesale prices. In 2025, Holtec International was also awarded \$400 million from the U.S. DOE to support early deployments of advanced light-water small modular reactors (SMRs) to be built at the Palisades site.

Federal funding helps defray the costs that utility customers pay each month. The Commission remains committed to leveraging opportunities to obtain federal funding for utility infrastructure in Michigan to benefit Michigan utility customers.

Conclusion

The Michigan Public Service Commission had a productive 2025, advancing statutory and operational priorities while aligning with Michigan's energy and telecommunications goals. Our focus remains steadfast on affordability and customer assistance, consumer protection, public engagement, and system reliability and resilience—all with the goal of improving the lives of Michigan residents.

Over the past several years, the Commission has made significant progress on these priorities, including leading the country in improving electric reliability and reducing the duration of power outages, growing the amount of renewable energy on the grid, approving the first interstate electric transmission lines in more than 50 years, leading the country in efforts to reduce energy waste, and overseeing important improvements to natural gas infrastructure, all while keeping energy bill increases since 2020 to more than 5% below the overall rate of inflation.

On the telecommunications side, the Commission has been active in ensuring consumer protection, taking steps against deceptive practices in the industry, partnering with organizations both in and outside of government to expand broadband access, adding a new overlay dialing code on top of Michigan's iconic 313 area code, and ranking in the top 5 nationally for customers taking advantage of the federal Lifeline affordability programs.

As expert and knowledgeable regulators, the Commission is committed to fairness, transparency, and consumer protection, ensuring that Michigan's energy and telecommunications systems remain safe, reliable, and affordable for all residents.

This annual report includes two specific requests for legislative action:

- To protect Michigan’s energy security and to ensure timely, effective action in responding to energy emergencies, legislation is needed to require energy suppliers to provide regular updates to the MPSC on supply levels.
- To unlock the full potential of distributed energy resources and enhance energy affordability while ensuring appropriate consumers protections, legislation is needed to authorize the Commission to develop a licensing framework for aggregators of distributed energy resources.

We look forward to partnering with industry leaders and the Legislature in 2026, both on these requests and on broader efforts to make Michigan’s energy and telecommunications services more affordable, more accessible, and more reliable.



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