STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of **CONSUMERS ENERGY COMPANY** for a financing order approving the securitization of qualified costs.	)))))	Case No. U-17473

At the July 16, 2026 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER

In its December 6, 2013 order in this docket (December 6 order), the Commission authorized Consumers Energy Company (Consumers) to securitize up to $389.6 million of qualified costs pursuant to the issuance of securitization bonds related to the expected costs of early retirement and demolition of BC Cobb units 1-5, Weadock units 7-8, and Whiting units 1-3.[1] Among other issues addressed by the order, the Commission concluded that there must be periodic true-ups of the securitization charges to ensure that the amounts collected are sufficient to service the securitization bonds. The Commission stated:

[1] Consumers filed its application seeking a financing order on September 9, 2013 in this docket, pursuant to the Customer Choice and Electric Reliability Act, Public Act 141 of 2000; the Michigan Administrative Procedures Act, Public Act 306 of 1969; and Public Act 3 of 1939 that, among other things, permit certain utilities the option of reducing costs through the issuance of securitization bonds. *See*, MCL 460.10 *et seq*., 24.201 *et seq*., and 460.1 *et seq*.

> True-ups of the securitization charges shall be conducted periodically, in accordance with the schedule and the methodology approved in this order. Mid-year true-up results may be implemented immediately for any mid-year true-up that is uncontested.[2]

As stated in the December 6 order, the 4 coincident peak (4CP) 50/25/25 allocator, as calculated in that proceeding, shall determine each customer class's annual responsibility for the total revenue requirement of the securitization.[3] Accordingly, in the event that sales attributable to a particular customer class decrease to zero, this directive necessarily means that Consumers will recalculate the allocator using the 4CP 50/25/25 methodology for future true-ups to ensure that the company remains capable of collecting the required revenues sufficient to timely meet the special purpose entity's bond payment obligation.[4]

On June 1, 2026, Consumers filed its annual routine true-up adjustment report to reflect new securitization surcharges for the period of August 2026 through July 2027. The current and proposed surcharges are set forth on page 2 of Attachment A of Consumers' application (attached to this order as Exhibit A).

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[2] *See*, December 6 order, p. 64, ¶ H, approving Rule C9.2 of Consumers' electric rate tariff book. As of October 16, 2017, Rule C9.2 is referenced as Rule C9.1 in Consumers' electric rate tariff book.

[3] The December 6 order, pp. 42-43, refer to "allocation of securitization costs to each rate class based on the most recent Commission approved production allocation (currently 4CP 50/25/25), and then spread to customers within a class based on a uniform kWh [kilowatt-hour] surcharge." The most recently approved production allocation as of December 6, 2013, was contained in the June 7, 2012 order in Case No. U-16794, pp. 106-108. As discussed in that order, the 4CP 50/25/25 allocation method consists of a calculation using a formula of 50% weighting of coincident peaks occurring from June through September, 25% weighting of on-peak use, and 25% weighting of total energy use.

[4] *See*, December 6 order, p. 62, ¶ D.

The Commission Staff (Staff) reviewed the proposed adjustments contained within the application and concluded that the adjustments are routine, the calculations are accurate, and the proposed adjustments conform to the methodology approved by the Commission.

After considering Consumers' filing and the Staff's review, the Commission agrees that the proposed adjustments in the application are routine, the calculations are accurate, and the proposed adjustments conform to the approved methodology. Consumers is therefore authorized to implement the adjustments effective for bills rendered on and after the August 2026 billing month.

THEREFORE, IT IS ORDERED that:

A. For bills rendered on and after the August 2026 billing month, Consumers Energy Company shall implement the new securitization charges set forth in Attachment C of its application, attached to this order as Exhibit B.

B. Prior to the August 2026 billing month, Consumers Energy Company shall file with the Commission tariff sheets essentially the same as those set forth in Exhibit B. After the tariff sheets have been reviewed and accepted by the Commission Staff for inclusion in the company's tariff book, Consumers Energy Company shall promptly file the final tariff sheets in this docket and serve all parties.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheac1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Shaquila Myers, Commissioner

By its action of July 16, 2026.

Lisa Felice, Executive Secretary

MICHIGAN PUBLIC SERVICE COMMISSION
Consumers Energy Company
U-17473 Securitization True Up

Line No.	Description		Amount	Source
	Next Period Required Securitization Revenue			
1	Principal Due	$	32,184,808	Attachment B Page 2 Line 13
2	Interest Due		2,028,919	Attachment B Page 2 Line 12
3	Fees Due (Est)		417,376	Attachment B Page 2 Line 14
4	Capital Subaccount Replenishment		-	Attachment B Page 2 Line 5
5	Total	$	34,631,103	
	True Up Period Actual Securitization Revenue			
6	Cash Collected	$	33,120,952	Attachment B Page 1 Line 2
	True Up Period Actual Securitization Costs			
7	Principal Due	$	31,080,856	Attachment B Page 1 Line 13
8	Interest Due		3,132,870	Attachment B Page 1 Line 12
9	Fees Due (Est)		417,557	Attachment B Page 1 Line 14
10	Capital Subaccount Replenishment		-	Attachment B Page 1 Line 5
11	Required General Subaccount Funding		(1,483,726)	Footnote [1]
12	Total	$	33,147,558	
13	**Next Period Securitization Charge**	$	34,657,709	Line 5 less Line 6 plus Line 12

Footnotes:

1 Cash balances are impacted by fluctuations in sales and scheduled payments. The amount on line 11 represents the cash adjustment necessary to maintain cash balances at a reasonable level at all times in the forecast period

Line No.	Rate Class	Allocation	Allocated Securitization Charge Amount	Sales	Rate	Current Securitization Charge	Proposed Securitization Charge
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Residential	42.0%	$ 14,542,375	12,580,289,813	Rate RSP	$ 0.001131	$ 0.001156
2					Rate RSH	$ 0.001131	$ 0.001156
3					Rate RSM	$ 0.001131	$ 0.001156
4					Rate RPM	$ 0.001131	$ 0.001156
5	Secondary	25.3%	$ 8,761,469	7,118,136,352	Rate GS	$ 0.001222	$ 0.001231
6					Rate GSTU	$ 0.001222	$ 0.001231
7					Rate GSD	$ 0.001222	$ 0.001231
8	Primary	32.4%	$ 11,218,700	15,075,408,080	Rate GP		
9					CVL 1	$ 0.000762	$ 0.000744
10					CVL 2	$ 0.000762	$ 0.000744
11					CVL 3	$ 0.000762	$ 0.000744
12					Rates GPD, GPTU, EIP,LTILRR,LED, and GSG-2		
13					CVL 1	$ 0.000762	$ 0.000744
14					CVL 2	$ 0.000762	$ 0.000744
15					CVL 3	$ 0.000762	$ 0.000744
16	Lighting/Other	0.4%	$ 135,165	177,749,757	Rate GML	$ 0.000653	$ 0.000760
17					Rate GUL	$ 0.000653	$ 0.000760
18					Rate GU-LED	$ 0.000653	$ 0.000760
19					Rate GU	$ 0.000653	$ 0.000760
20					Rate PA	NA	NA
21					Rate ROA-R	NA	NA
22					Rate ROA-S	NA	NA
23					Rate ROA-P	NA	NA
24	Total	100.00%	$ 34,657,709	34,951,584,002			

POWER PLANT SECURITIZATION CHARGE

The actual Power Plant Securitization Charge is authorized pursuant to Rule C9.1, Power Plant Securitization Charges, Initial Implementation and True-up Methodology. The Power Plant Securitization Charge is billed to all full service customers, shown in the rate schedules identified below, based upon usage. This charge shall be shown separately on the customer's bill.

The actual Power Plant Securitization Charge applied to customers' bills is as follows:

Rate Schedule	**Power Plant Securitization Charge (Case No. U-17473) Effective beginning with the August *2026* Billing Month**
Rate RSP	$ *0.001156* /kWh
Rate RSH	*0.001156* /kWh
Rate RPM	*0.001156* /kWh
Rate RSM	*0.001156* /kWh
Rate GS	*0.001231* /kWh
Rate GSTU	*0.001231* /kWh
Rate GSD	*0.001231* /kWh
Rate GP	
CVL 1	*0.000744* /kWh
CVL 2	*0.000744* /kWh
CVL 3	*0.000744* /kWh
Rates GPD, GPTU, EIP and GSG-2	
CVL 1	*0.000744* /kWh
CVL 2	*0.000744* /kWh
CVL 3	*0.000744* /kWh
Rate LED	*0.000744* /kWh
Rate LTILRR	*0.000744* /kWh
Rate GML	*0.000760* /kWh
Rate GUL	*0.000760* /kWh
Rate GU-LED	*0.000760* /kWh
Rate GU	*0.000760* /kWh
Rate PA	NA
Rate ROA-R (1)	NA
Rate ROA-S (1)	NA
Rate ROA-P (1)	NA

(1) Customers taking ROA service on December 6, 2013 are excluded from the Power Plant Securitization Charge. This exclusion does not apply to customers first taking ROA service after December 6, 2013 or to customers taking service on December 6, 2013 who discontinue taking ROA service any time after December 6, 2013. Customers who discontinue taking ROA service any time after December 6, 2013 and who return to ROA service will pay the Power Plant Securitization Charge applicable to the customer's otherwise applicable Company Full Service Rate Schedule.

P R O O F O F S E R V I C E

STATE OF MICHIGAN)

Case No. U-17473

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on July 16, 2026 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).

Brianna F. Brown
Brianna Brown

Subscribed and sworn to before me
this 16th day of July 2026.

Angela P. Sanderson
Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-17473

Name	On Behalf Of	Email Address
Bret A. Totoraitis	Consumers Energy Company	bret.totoraitis@cmsenergy.com
Consumers Energy Company (1 of 2)	Consumers Energy Company	mpsc.filings@cmsenergy.com
Consumers Energy Company (2 of 2)	Consumers Energy Company	kelly.hall@cmsenergy.com