

STATE OF MICHIGAN

MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of	)	
DTE ELECTRIC COMPANY seeking	)	
Approval of Residential Battery Virtual	)	Case No. U-21653
Power Plant Pilot under the	)	
Expedited Pilot Process.	)	
_____	)	

Introduction

The Michigan Energy Innovation Business Council (“Michigan EIBC”) and Advanced Energy United (“United,” collectively “Michigan EIBC/United”) appreciate the opportunity to comment on DTE Electric’s (“DTE” or the “Company”) Residential Battery Virtual Power Plant (“VPP”) Pilot Proposal (“Pilot Proposal”). On June 18, 2026, DTE submitted an expedited pilot application to the Michigan Public Service Commission (“Commission or MPSC”) in Case No. U-21653 seeking approval for its VPP expedited pilot proposal (“VPP Pilot Proposal”). Michigan EIBC/United are largely supportive of the pilot, but believe the outcomes, learnings, and future applications of the VPP Pilot Proposal could be improved with some modifications. Furthermore, Michigan EIBC/United continue to emphasize the importance of pursuing all reasonable options, such as VPPs, to address energy affordability issues. To that end, Michigan EIBC/United are disappointed that the VPP Pilot Proposal is solely focused on a single community and does not include low-and middle-income (“LMI”) communities or participants such as those who would have been included had the Company pursued a partnership with the Ann Arbor Sustainable Energy Utility. Related to potential improvements that could be made to the VPP Pilot Proposal, Michigan EIBC/United offer the feedback outlined below.

Detailed Comments

Grid Services

Despite the Company initially indicating that it plans to test batteries' ability to provide grid value via advanced use cases like frequency regulation, the Company states in the VPP Pilot Proposal that permitting batteries to export energy back to the grid will not be allowed because of "... capacity constraints at the sites, rate structure for battery export, and inability for meters to differentiate between solar and battery export."¹ It is unclear whether it would be possible to test advanced use cases like frequency regulation without exporting electricity from the batteries. Furthermore, several of the VPPs from other utilities that DTE studied prior to submitting this VPP Pilot Proposal, such as Rocky Mountain Power's Wattsmart program which similarly utilizes Sonnen batteries, allow for and utilize the export of electricity from the batteries.² Dominion Energy's VPP proposal in Virginia, which DTE also studied, allows residential batteries to export back to the grid, and customers already on net metering with batteries and solar generation systems are not "...eligible to receive duplicate incentives for energy exported to the grid."³

Michigan EIBC/United recommend that the Commission consider this issue during the pilot approval process and condition approval of the VPP Pilot Proposal on the Company agreeing to investigate and allow for export of electricity from batteries in a future expansion or subsequent application of the pilot program. Furthermore, Michigan EIBC/United recommend that the Commission seek additional clarity from the Company as to the exact grid service use cases that

¹ Affidavit of Keegan O. Farrell on behalf of DTE Electric Company, Case No. U-21653, Attachment B.

² Wattsmart Batteries: Customer Program Information. Available at <https://www.rockymountainpower.net/savings-energy-choices/wattsmart-battery-program.html>.

³ DSM Direct Testimony of Michael T. Hubbard on behalf of Virginia Electric and Power Company, Case No. PUR-2025-00211, Schedule 3.

it plans to test through this VPP Pilot Proposal, and if those use cases require export of electricity from the batteries, the Commission should require the Company to adjust the pilot accordingly.

Ownership

Michigan EIBC/United appreciate that the Company plans to utilize customer-owned behind-the-meter batteries for this VPP Pilot Proposal. However, the Company responded to stakeholder feedback requesting that the Company “commit to limiting future expansions of the pilot to customer-owned resources only,” by stating that “...limiting ownership models for future programs could limit scalability and value proposition resources could provide to customers and the Company.”⁴ However, this is directly in conflict with the Company’s Commission-approved Revised Expedited Pilot Process Workplan, which states that “[there] has been increasing interest in microgrids and behind-the-meter (BTM) solar and storage resources (e.g., *customer-owned*) and their ability to improve system reliability and resiliency.”⁵ (emphasis added).

Michigan EIBC/United are concerned by the Company’s unwillingness to commit to no utility-ownership of behind-the-meter resources in future expansions of the pilot. It appears that programs across the country, including the Rocky Mountain Power Wattsmart program which the Company relied upon as an example, utilize customer-owned batteries.⁶ Michigan EIBC/United are not necessarily opposed to future pilot iterations which explore third-party ownership of behind-the-

⁴ Affidavit of Keegan O. Farrell on behalf of DTE Electric Company, Case No. U-21653, Attachment B.

⁵ Commission Order approving DTE Electric Company’s Revised Expedited Pilot Process Workplan, Case No. U-21653, April 10, 2025, Exhibit A, p. 5.

⁶ Wattsmart Battery Program: Customer Program Information. Available at https://www.rockymountainpower.net/content/dam/pcorp/documents/en/rockymountainpower/savings-energy-choices/wattsmart-batteries/RMP_BatteryStorageProgram_customer_FINAL.pdf.

meter resources but maintain that the utility should not own resources behind the meter. Michigan EIBC/United recommend that the Commission condition approval of the VPP Pilot Proposal upon the Company limiting any future expansions of the Pilot to only non-utility-owned resources.

Resources Utilized

In the VPP Pilot Proposal, in response to stakeholder feedback requesting that it, "...incorporate multiple [distributed energy resources] DERs (e.g., EVs, smart thermostats) and expand the scale of the pilot," the Company states that "...offerings for DERs such as EVs and smart thermostats are already available to customers. Battery only allows the Company to focus on evaluating this technology."⁷ Michigan EIBC/United note that the VPP definition the Company shared during the February stakeholder meeting included technologies such as batteries, solar, EVs, and thermostats. Michigan EIBC/United recommend that in future expansions of this VPP Pilot or in future VPPs, that the Company include multiple DERs, enabling access to a larger diversity of benefits.

⁷ Affidavit of Keegan O. Farrell on behalf of DTE Electric Company, Case No. U-21653, Attachment B.