

## Small Business Energy Efficiency Program

### 2026 Market Engagement Incentive enhancements

Effective May 1, 2026

We are pleased to announce enhancements to the Market Engagement Incentive, designed to **expand opportunities, improve cash flow, and reward continued participation. In addition**, because of a Trade Ally Council recommendation, we will be **increasing the payout frequency to quarterly**.

#### What's New

Expanded eligibility: Facilities up to 750,000 kWh annual usage now qualify.

New Incentive tier: Additional market engagement incentive for mid-sized small business customers.

Quarterly payouts: Faster payments to support Trade Ally cash flow.

#### Incentive structure and payout

Incentive tiering is based on the facility's annual electric usage (kWh) as shown below.

	Facility annual usage (kWh)	Incentive Amount (per qualifying project)	Notes
	≤ 400,000 kWh	\$500	Incentive amount for qualifying facilities with annual usage at or below 400,000 kWh.
<b>NEW</b>	400,001–750,000 kWh	\$250	Expanded tier effective May 1, 2026, for qualifying facilities within this usage range.

## Eligibility Requirements

To qualify for the Market Engagement Incentive:

- The project incentive amount must be **\$500 or greater**.
- Trade Ally must submit a minimum of five paid projects annually.
- Projects must be completed and submitted by an **eligible participating Trade Ally** in good standing.
- Only projects paid on or after May 1, 2026, are eligible for the expanded usage tier. This change is not applied retroactively to projects above 400,000 kWh that were paid in April 2026.
- Limit: One market engagement incentive per facility.

## Program Cap

Total Market Engagement Incentive funding is capped at \$300,000 (~600 projects).

Incentives are available on a first-come, first-served basis.

## Payment Timing

Market Engagement Incentives will now be paid quarterly instead of annually. First quarter payouts will be issued May 4. Trade Ally EFT payments will arrive by May 8 while paper checks will arrive by May 15.

## What this means for you

Target a broader range of customers.

Increase project volume within your pipeline.

Receive Market Engagement incentive payments more frequently.

If you have questions about how these enhancements will affect your business or an upcoming project, please contact Matthew Butzen at 517-299-6970 or [matthew.butzen@cmsenergy.com](mailto:matthew.butzen@cmsenergy.com).