NEWS RELEASE



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MPSC directs collaborative on benefit cost analysis tool for innovative pilot projects

The MPSC provided additional guidance on the substance of proposed benefit cost analysis (BCA) that utilities would file in support of scaling innovative pilot programs and announced a collaborative to develop a related open-source tool, as part of the ongoing work of the MPSC's MI Power Grid New Technologies and Business Models workgroup (Case No. U-20898).

The Commission provided guidance on a BCA proposal jointly filed by Consumers Energy and DTE Electric jointly in February 2023, developed in cooperation with the Michigan Electric and Gas Association (MEGA) and the Association of Businesses Advocating Tariff Equity. Indiana Michigan Power Co. filed comments in support of the proposal, and MEGA filed comments is support of it on behalf of Alpena Power Co., Upper Michigan Energy Resources Corp., Upper Peninsula Power Co. and Northern States Power-Wisconsin

The Commission in August 2022 adjusted the scope and timing of the analyses it had requested as part of the New Technologies and Business Models workgroup in the MPSC's MI Power Grid initiative, the multi-year stakeholder initiative launched in 2019 by Governor Whitmer and the MPSC to maximize the benefits of the transition to clean, distributed energy resources for Michigan residents and businesses. The workgroup was established to prepare for opportunities and challenges associated with commercialization of new technologies such as electric vehicles, energy storage, microgrids, space and water heating using heat pumps, and other technologies still under development, at customer and utility scale.

The Commission, meanwhile, directed MPSC Staff to launch a collaborative to develop a spreadsheet-based or similar open-source tool to create a new platform as a model for the BCA that accompanies requests for pilots, with the goal to be ready for use in 2024. The new tool will assist in providing transparency of BCA inputs, outputs, and calculation methodology, including incorporating equity-based and environmental considerations and impacts. Details about the collaborative will be posted on the New Technologies and Business Models workgroup webpage and through the workgroup's email listserv.

MPSC APPROVES DTE GAS CO.'S GAS COST RECOVERY PLAN, WITH REVISIONS AND SECTION 7 WARNING ABOUT COSTS

The MPSC approved DTE Gas Co.'s gas cost recovery (GCR) plan for 2022-2023 with several revisions and a Section 7 warning about some costs (Case No. U-21064). The Commission authorized DTE Gas to implement a maximum GCR factor of \$5.07 per Mcf and a supplier of last resort charge of 45 cents per Mcf for GCR customers and 30 cents per Mcf for Gas Customer Choice customers. The Commission also issued a warning under Section 7 of Public Act 304, MCL 460.6j, that a premium of \$36,808 the company paid for third-party certified responsibly sourced gas may not be recoverable in future reconciliation cases without clearly demonstrating benefits to customers.

MPSC TO HOLD TECHNICAL CONFERENCE ON ELECTRIC VEHICLE ISSUES

The Commission today directed MPSC Staff to convene two half-day technical conference sessions on electric vehicles (EVs) Jan. 24 -25, 2024, to collaboratively explore new issues and concerns and provide a roadmap for the state to meet carbon-reduction and transportation electrification goals. Among the topics to be discussed will be transitioning utility pilot programs on EVs to permanent programs, managing EV charging to reduce impact to the electric grid, the appropriate role of utilities in scaling EV charging infrastructure, ensuring equity in deployment, interconnection barriers for vehicle-to-home and vehicle-to-grid, and evaluation of EV tariffs. More details about the sessions will be posted soon in the technical conference docket, Case No. U-21492, and on the MPSC's website.

To look up cases from today's meeting, access the <u>MPSC's E-Dockets filing system</u>. Watch recordings of the MPSC's meetings on the <u>MPSC's YouTube channel</u>.

For information about the MPSC, visit <u>www.michigan.gov/mpsc</u>, sign up for its <u>monthly newsletter</u> or other <u>listservs</u>. Follow the Commission on <u>Facebook</u>, <u>X/Twitter</u> or <u>LinkedIn</u>.

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