DTE Gas Company One Energy Plaza, 1635 WCB Detroit, MI 48226-1279



Carlton D. Watson (313) 235-6648 carlton.watson@dteenergy.com

January 8, 2024

Lisa Felice Executive Secretary Michigan Public Service Commission 7109 West Saginaw Highway Lansing, MI 48917

RE: In the matter of the application of **DTE GAS COMPANY** for authority to increase its rates, amend its rate schedules and rules governing the distribution and supply of natural gas, and for miscellaneous accounting authority MPSC Case No. U-21291

Dear Ms. Felice:

Attached for electronic filing in the above captioned matter is DTE Gas Company's Application, Proposed Notice of Hearing, Proposed Protective Order, Proposed Nondisclosure Certificate, Testimony, and Exhibits. Also attached is the Proof of Service.

In addition, Exhibit A-12, confidential Schedules B5.7, B5.9 and B9 will be filed under seal with the Commission. The confidential schedules will be sent to the persons who have signed the Non-Disclosure Certificate associated with the Protective Order issued in this proceeding.

Also provided to the MPSC by hand delivery for filing via two external storage drive are DTE Gas Company's Part II – Financial Information materials, Part III – Supplemental Data and electronic files in Excel and Word format. Concurrently with this filing, the parties to Case Nos. U-20642 and U-20940 are being provided all of these materials via the following secure portal link: Home - U-21291 2023 Gas Rate Case (sharepoint.com).

Very truly yours,

Carlton D. Watson

CDW/erb Attachments cc: Service List

#### STATE OF MICHIGAN

#### BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of	)	
DTE GAS COMPANY for authority	)	
to increase its rates, amend its rate	)	
schedules and rules governing the	)	Case No. U-21291
distribution and supply of natural gas,	)	
and for miscellaneous accounting authority	)	
	)	

## **APPLICATION**

DTE GAS COMPANY (DTE Gas, Company, or Applicant) files this Application requesting authority to increase rates, amend its rates schedules, obtain approval of certain accounting matters and modify certain terms and conditions of providing natural gas services. In support of this Application, DTE Gas represents to the Michigan Public Service Commission (MPSC or Commission) as follows:

- 1. DTE Gas is a subsidiary of DTE Energy Company, which is a Michigan corporation with its principal offices located at One Energy Plaza, Detroit, Michigan, 48226. DTE Gas is a public utility subject to the jurisdiction of the MPSC and is engaged in the acquisition, storage, transportation, distribution and sale of natural gas and other related services to approximately 1.3 million residential, commercial and industrial customers within the State of Michigan.
- 2. DTE Gas is currently providing service to its retail natural gas transportation, storage and distribution customers under rates, terms and conditions established in the Commission's order issued on December 9, 2021 in Case No. U-20940. These rates were implemented effective for service rendered on or after January 1, 2022.

- 3. This Application is being filed in accordance with the filing requirements contained in the Commission's Order in Case No. U-18238, dated May 18, 2023.
- 4. DTE Gas's business objectives continue to be the provision of safe, reliable, costeffective and environmentally responsible service to its customers. This includes quality customer
  service and efficient system operation that ensures the safety of the Company's customers and
  employees, and the delivery of this service at a reasonable cost. The Case No. U-20940 Order was
  intended to provide DTE Gas with a reasonable opportunity to earn its authorized return for the
  period of January 1, 2022 through December 31, 2022. However, DTE Gas's current authorized
  rates are not expected to continue providing such opportunity beginning on October 1, 2024. Thus,
  the proposed revenue increase described in this filing is necessary to allow the Company to
  continue providing safe and reliable gas service, to meet customers' service quality expectations,
  and to allow the Company a reasonable opportunity to recover its costs of operation including a
  reasonable rate of return beginning in October 2024.
- 5. Additional revenues are necessary to pay for the impacts of extensive infrastructure and IT investments, additional projected operation and maintenance expense required to ensure reliability of the system, the safety of customers, compliance with State and Federal requirements, collective bargaining and market-driven wage increases, and lower forecasted sales. DTE Gas's testimony and exhibits, filed contemporaneously with this Application, evince a need for additional annual revenue, effective October 1, 2024, in the amount of approximately \$266 million. Attachment 1 summarizes the Company's request.
- 6. DTE Gas requests that the Commission authorize the Company to adjust its retail natural gas distribution rates to reflect a \$266 million annual revenue deficiency, based on a projected 12-month test year ending September 30, 2025. Because \$106 million of the revenue

deficiency is already reflected in rates via the existing infrastructure surcharge, the net increase to current customer rates is \$160 million. DTE Gas proposes to allocate the required gas revenue increase among rate classes as set forth on Attachment 2 to this Application. A comparison of typical bills under current and proposed rates including IRM is shown on Attachment 3 to this Application.

- 7. In accordance with the Commission's filing requirements, the Company's historical year presentation reflects the 12-month period ended December 31, 2022. DTE Gas's rate relief request is based upon the 12-month period ended December 31, 2022, normalized historical test year adjusted for known and measurable changes, as supported by the Company's witnesses in this case, to arrive at the Company's October 1, 2024 through September 30, 2025 projected test year. The projected test year includes: (i) capital expenditures planned for the Gas Renewal Program (GRP), routine capital, and other non-routine capital; (ii) increases in operation and maintenance expenses that are projected to be incurred to provide safe and reliable service; and (iii) capital structure cost changes.
- 8. DTE Gas is proposing to continue the RDM approved in Case No. U-20940 as a "simple revenue tracker" that reconciles Case No. U-21291 distribution revenue, excluding gas cost recovery (GCR) revenues, surcharges and customer charges, with actual weather normalized distribution revenue, excluding GCR revenues, surcharges and the customer charges. DTE Gas's RDM proposal is described in the testimony of DTE Gas Witness Telang.
- 9. DTE Gas is proposing to continue the Infrastructure Recovery Mechanism (IRM) in this proceeding with adjustments: DTE Gas is proposing to (1) roll the Meter Assembly Check Meter Move Out (MAC MMO) expenditures into the Gas Renewal Program (GRP) with the elimination of overdue MACs, (2) include Cathodic Protection as part of the IRM, and (3) adjust meter move out targets to create efficiencies by moving these meters out in conjunction with main

renewal grids. Targets for the number of miles of main abandoned will remain the same as approved in Case No. U-20940. The proposed adjusted IRM Surcharge will begin on January 1, 2025 for IRM related capital expenditures and continue until the Commission orders new rates in the Company's next general rate proceeding. <sup>1</sup>

- 10. The Company is requesting a Return on Equity of 10.25%, capital structure of 48.5% debt and 51.5% equity, and application of annual inflation factors of 3.2% in 2023, 2.9% in 2024, and 2.2% in 2025.<sup>2</sup>
- 11. DTE Gas is requesting that the Commission grant the Company the authority to recover Manufactured Gas Plant (MGP) expenses, which is allowed under MCL 460.6a(1), in setting its projected MGP amortization for the projected year.<sup>3</sup>
- 12. DTE Gas is requesting that the Commission approve specific accounting authority including, but not limited to, adjusted regulatory asset and liability treatment for low-income assistance customer credits and a shared asset deferral mechanism. DTE Gas is also asking for an increase in the amount of the Low-Income Assistance (LIA) credit from \$30 per month to \$40 per month. DTE Gas is seeking the continuation of regulatory asset treatment for Pension and Other Post-Employment Benefit (OPEB) financing costs to mimic the current capitalization practice that includes all cost components plus the continued deferral of pension and OPEB costs.<sup>4</sup> Additionally, DTE Gas is asking for deferral accounting for the projected increase in leak detection and repair costs if the Commission does not allow for current recovery.

<sup>&</sup>lt;sup>1</sup> The details and support for this request is presented in the testimony of DTE Gas Witnesses Telang, Janness, Fedele, and Uzenski.

<sup>&</sup>lt;sup>2</sup> The details and support for these requests are presented in the testimony of DTE Gas Witnesses Telang, Villadsen, Lepczyk, Fedele and Vangilder.

<sup>&</sup>lt;sup>3</sup> The details and support for this request is presented in the testimony of DTE Gas Witness Brennan.

<sup>&</sup>lt;sup>4</sup> The details and support for this request is presented in the testimony of DTE Gas Witness Uzenski.

- 13. Pursuant to the directives of the Commission's December 9, 2021 Order in Case No. U-20940, DTE Gas has included the following in its filing in this case:
  - Data regarding End of Life Gas Device Program tracking<sup>5</sup>,
  - Documentation tracking information technology costs and associated savings<sup>6</sup>
  - Information pertaining to the benefits to all customers from the inclusion of merchant fees in rates<sup>7</sup>

A cost of service study consistent with "Staff's second alternate Cost of service study that splits out high-pressure and low-pressure distribution system costs<sup>8</sup>

- 14. Applicant is filing the direct testimony and exhibits of 19 witnesses concurrently with this Application. The contents, recommendations, revenue and expense items and proposed ratemaking set forth in these documents are incorporated in this Application by reference.
- 15. Applicant also submits concurrently with this Application a Proposed Protective Order, Attachment 4, and asks that the Administrative Law Judge address arguments on the Proposed Protective Order and enter it at the prehearing.
- 16. The fact that Applicant may not address an item or position addressed by Applicant in previous cases, or which is presently on appeal before the courts, does not constitute a waiver of such item or position by the Company, or of any rights or positions that the Company may wish to take on these matters in this or any other proceedings before the Commission (now or in the future), or in any other appropriate court or venue (now or in the future).
  - 17. Also included with this filing is Attachment 5, the Proposed Notice of Hearing. WHEREFORE, Applicant requests that the Commission:

<sup>&</sup>lt;sup>5</sup> This information is provided in the direct testimony of DTE Gas Witness Busby.

<sup>&</sup>lt;sup>6</sup> This information is provided in the direct testimony of DTE Gas Witness Busby.

<sup>&</sup>lt;sup>7</sup> This information is provided in the direct testimony of DTE Gas Witness Decker.

<sup>&</sup>lt;sup>8</sup> This information is provided in the direct testimony of DTE Gas Witness Krysinski

- A. Accept this Application for filing;
- B. Give such notice to interested parties as may be required by statute or the Commission's rules;
- C. Establish a date, place and time for a prehearing conference;
- D. Conduct a hearing on this Application to approve additional annual revenues of approximately \$266 million based upon an October 1, 2024 through September 30, 2025 test year with new rates effective as soon as possible on or after October 1, 2024;
- E. Enter an Order approving recovery of DTE Gas's proposed new rates effective no later than October 1, 2024, in the manner described in this Application (including Attachments 1, 2 and 3) and the Company's Direct Testimony and Exhibits;
- F. Enter its Order acknowledging that DTE Gas has satisfied all of the directives of the Commission Order in Case No. U-20940, which were required components of the Company's subsequent general rate cases;
- G. Enter an Order approving the Company's recovery of the requested infrastructure related capital and the associated infrastructure recovery mechanism;
- H. Enter an Order approving the Company's capital structure and return on investment;
- I. Enter an Order approving the recovery of DTE Gas's projected MGP expenses;
- J. Enter an Order approving the continuation of the Company's Shared Asset
   Deferral Mechanism;

- K. Enter an Order approving the Company's proposal to amend certain customer rate schedules and proposed tariff changes;
- L. Enter an Order authorizing implementation or continuation of the miscellaneous accounting changes as described in this Application, testimony and exhibits of the Company's witnesses in this case;
- M. Grant any other relief described in this Application as requested by the Company; and
- N. Grant DTE Gas such further additional relief as the Commission deems appropriate.

Respectfully submitted,

DTE GAS COMPANY Legal Department

By:			

ATTORNEYS FOR APPLICANT Carlton D. Watson (P77857) Paula Johnson-Bacon (P55862) Andrea E. Hayden (P71976) David S. Maquera (P66228) Mark W. Madden (P80604) Breanne K. Reitzel (P81107) One Energy Plaza, 1635 WCB Detroit, Michigan 48226 (313) 235-6648

DTE GAS COMPANY

By:

Marco A. Bruzzano
Senior Vice President – Regulatory Affairs

Dated: January 8, 2024

## **DTE Gas Company**

## **Revenue Deficiency by Major Component**

(Measured off Currently Effective Rates Per 2021 MPSC Order in U-20940)

(\$ in Millions)

Line	Description (Col. a)	Projected Deficiency (Col. b)
1	Rate Base Related Changes (Return On & Of Investments & Property Taxes)	\$ 179.4
2	Capitalization Related Changes (Capital Structure and Total Debt Costs)	51.2
3	Net Operating Income Related Changes	
4	Retail Sales and End User Transportation Decreases / (Increases)	(25.6)
5	Mid-Stream Revenue Decreases / (Increases)	(8.9)
6	Other Operating Revenue Decreases / (Increases)	(18.2)
7	Lost Gas & Company Use Increases / (Decreases)	15.8
8	O&M Increases / (Decreases)	76.1
9	AFUDC & Other Changes	(4.3)
10	Total Requested Rate Relief	<u>\$ 265.5</u>

## DTE Gas Company Summary of Projected Test Year Ending 12/31/2025 Proposed Gas Revenue Increase

	(a)	(b)	(c)	(d)	(e)	(f)
Line		Test Year	Annual Operating Test	• • •	Increase/De	ecrease
No.	Rate Class	MMcf	Current (1)	Proposed (2)	Revenues (\$000)	Percent
	Residential					
1	Rate A	112,464	1,154,404	1,258,696	104,292	9.03%
2	Rate 2A	4,027	36,366	39,164	2,798	7.69%
3	Total Residential Services	116,492	1,190,770	1,297,860	107,089	8.99%
4		-, -	, ,	, - ,	,,,,,,	
5	General Services					
6	GS-1/GS-2	40,985	364,227	393,713	29,486	8.10%
7						
8	School					
9	Rate S	1,600	10,898	11,150	252	2.31%
10						
11	Subtotal Gas Sales Revenues	159,077	1,565,896	1,702,723	136,827	8.74%
12		<del></del>	· · · · · ·		<del></del>	
13	Transportation					
14	Rate ST	17,061	46,063	51,403	5,341	11.59%
15	Rate LT	19,248	30,967	32,671	1,704	5.50%
16	Rate XLT	29,772	29,299	32,995	3,696	12.61%
17	Rate XXLT	84,653	31,324	35,937	4,613	14.73%
18	Exelon	12,036	13,145	20,870	7,725	58.77%
19	Total Transportation Services	162,770	150,798	173,876	23,078	15.30%
20						
21	Total	321,847	1,716,694	1,876,599	159,905	9.31%
22						
23	Less: GCR Revenues (included above)		618,473	618,473	-	
24						
	Less: Currently Approved IRM Surcharge					
25	Revenue (included above)		126,295	-	(126,295)	
26						
27	Less: 2022 IRM Surcharge Revenue			20,668	20,668	
28	(included above)		<del></del>	20,000	20,000	

971,926

1,237,458

265,532

27.32%

29

Base Revenues

<sup>(1)</sup> Projected test year billing determinants at the current base rates including IRM Revenue and GCR revenues (sales rate schedules only).

<sup>(2)</sup> Projected test year billing determinants at the proposed rates including IRM Revenue and GCR revenues (sales rate schedules only).

## DTE Gas Company Comparison of Typical Bills Under Current and Proposed Rates Including IRM

Rate Class: Residential

Rate	Sche	aule:	A

Average Monthly Usage: 75

(a) (b) (c) (d) (e)

Line No.	Monthly Volumes (Ccf)		Current onthly Bill		oposed	(De	crease/ ecrease) c - Col. b)	Percent Change (Col. d / Col. b)
4	0	•	40.00	•	40.40	•	(0.40)	0.400/
1	0	\$	18.86	\$	18.40	\$	(0.46)	-2.42%
2	25	\$	39.53	\$	41.71	\$	2.18	5.51%
3	50	\$	60.20	\$	65.01	\$	4.81	7.99%
4	75	\$	80.86	\$	88.31	\$	7.45	9.21%
5	100	\$	101.53	\$	111.61	\$	10.08	9.93%
6	150	\$	142.87	\$	158.21	\$	15.35	10.74%
7	200	\$	184.20	\$	204.82	\$	20.62	11.19%
8	250	\$	225.54	\$	251.42	\$	25.88	11.48%
9	300	\$	266.87	\$	298.02	\$	31.15	11.67%
10	Customer Charge (per Month)	\$	18.86	\$	18.40	٦		
11	Distribution Charge (per Mcf)	\$	3.8859	\$	4.9395			
12	GCR Factor (per Mcf)	\$	4.381	\$	4.381			

<sup>(1)</sup> Current Monthly Bill includes 2025 IRM charge approved in U-20940 and Proposed Monthly Bill includes 2025 IRM charge proposed in U-21291

#### STATE OF MICHIGAN

## BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of	)	
<b>DTE GAS COMPANY</b> for authority	)	
to increase its rates, amend its rate	)	
schedules and rules governing the	)	Case No. U-21291
distribution and supply of natural gas,	)	
and for miscellaneous accounting authority	)	
	)	

## PROPOSED PROTECTIVE ORDER

This Protective Order governs the use and disposition of Protected Material that DTE Gas Company (Applicant) or any other Party discloses to another Party during the course of this proceeding. The Applicant or other Party disclosing Protected Material is referred to as the "Disclosing Party"; the recipient is the "Receiving Party" (defined further below). The intent of this Protective Order is to protect non-public, confidential information and materials. This Protective Order defines "Protected Material" and describes the manner in which Protected Material is to be identified and treated. Accordingly, it is ordered:

### I. "Protected Material" and Other Definitions

A. For the purposes of this Protective Order, "Protected Material" consists of trade secrets or confidential, proprietary, or commercially sensitive information provided in Disclosing Party's submissions as required by the Michigan Public Service Commission's (MPSC or Commission) Order in Case No. U-18238, discovery, or audit responses and any witness's related exhibits and testimony describing the Protected Material, which has been redacted in Disclosing Party's filing. Subject to challenge under Paragraph IV.A, Protected Material also includes the following information disclosed during the course of this case if it is marked as required by this Protective Order:

- 1. Trade secrets or confidential, proprietary, or commercially sensitive information provided in response to discovery, in response to an order issued by the presiding officer or the Michigan Public Service Commission MPSC or Commission), in testimony or exhibits filed later in this case, or in arguments of counsel.
- 2. Information obtained under license from a third-party licensor, to which the Disclosing Party or witnesses engaged by the Disclosing Party is a licensee, that is subject to any confidentiality or non-transferability clause. This information includes reports; analyses; models (including related inputs and outputs); trade secrets; and confidential, proprietary, or commercially sensitive information that the Disclosing Party or one of its witnesses receives as a licensee and is authorized by the third-party licensor to disclose consistent with the terms and conditions of this Protective Order.
- 3. Information that could identify the bidders and bids, including the winning bid, in a competitively bid engineering, procurement, or construction contract at any stage of the selection process.
- B. The information subject to this Protective Order does not include:
- 1. Information that is or has become available to the public through no fault of the Receiving Party or Reviewing Representative and no breach of this Protective Order, or information that is otherwise lawfully known by the Receiving Party without any obligation to hold it in confidence;
- 2. Information received from a third party free to disclose the information without restriction;
- 3. Information that is approved for release by written authorization of the Disclosing Party, but only to the extent of the authorization;
- 4. information that is required by law or regulation to be disclosed, but only to the extent of the required disclosure; or
- 5. Information that is disclosed in response to a valid, non-appealable order of a court of competent jurisdiction or governmental body, but only to the extent the order requires.
- C. "Party" refers to the Applicant, MPSC Staff (Staff), or any other person, company, organization, or association that is granted intervention in this Case No. U-21291 under the Commission's Rules of Practice and Procedure. Mich Admin Code, R 792.10401 et al.
- D. "Receiving Party" means any Party to this proceeding who requests or receives access to Protected Material, subject to the requirement that each Reviewing Representative sign

a Nondisclosure Certificate attached to this Protective Order as Attachment 1.

- E. "Reviewing Representative" means a person who has signed a Nondisclosure Certificate and who is:
  - 1. an attorney who has entered an appearance in this proceeding for a Receiving Party;
  - 2. an attorney, paralegal, or other employee associated, for the purpose of this case, with an attorney described in Paragraph I.E.1;
  - 3. an expert or employee of an expert retained by a Receiving Party to advise, prepare for, or testify in this proceeding; or
  - 4. an employee or other representative of a Receiving Party with significant responsibility in this case.

A Reviewing Representative is responsible for assuring that persons under his or her supervision and control comply with this Protective Order.

F. "Nondisclosure Certificate" means the certificate attached to this Protective Order as Attachment 1, which is signed by a Reviewing Representative who has been granted access to Protected Material and agreed to be bound by the terms of this Protective Order.

#### II. Access to and Use of Protected Material

- A. This Protective Order governs the use of all Protected Material that is marked as required by Paragraph III.A and made available for review by the Disclosing Party to any Receiving Party or Reviewing Representative. This Protective Order protects: 1) the Protected Material; 2) any copy or reproduction of the Protected Material made by any person; and 3) any memorandum, handwritten notes, or any other form of information that copies, contains, or discloses Protected Material. All Protected Material in the possession of a Receiving Party shall be maintained in a secure place. Access to Protected Material shall be limited to persons authorized to have access subject to the provisions of this Protective Order.
- B. Protected Material shall be used and disclosed by the Receiving Party solely in accordance with the terms and conditions of this Protective Order. A Receiving Party may

authorize access to and use of Protected Material by a Reviewing Representative identified by the Receiving Party, subject to Paragraphs III and V below, only as necessary to analyze the Protected Material, make or respond to discovery; present evidence; prepare testimony, argument, briefs, or other filings; prepare for cross-examination; consider strategy; and evaluate settlement. These individuals shall not release or disclose the content of Protected Material to any other person or use the information for any other purpose.

- C. The Disclosing Party retains the right to object to any designated Reviewing Representative if the Disclosing Party has reason to believe that there is an unacceptable risk of misuse of confidential information. If a Disclosing Party objects to a Reviewing Representative, the Disclosing Party and the Receiving Party will attempt to reach an agreement to accommodate that Receiving Party's request to review Protected Material. If no agreement is reached, then either the Disclosing Party or the Receiving Party may submit the dispute to the presiding officer. If the Disclosing Party notifies a Receiving Party of an objection to a Reviewing Representative, then the Protected Material shall not be provided to that Reviewing Representative until the objection is resolved by agreement or by the presiding officer.
- D. Before reviewing any Protected Material, including copies, reproductions, and copies of notes of Protected Material, a Receiving Party and Reviewing Representative shall sign a copy of the Nondisclosure Certificate (Attachment 1 to this Protective Order) agreeing to be bound by the terms of this Protective Order. The Reviewing Representative shall also provide a copy of the executed Nondisclosure Certificate to the Disclosing Party.
- E. Even if no longer engaged in this proceeding, every person who has signed a Nondisclosure Certificate continues to be bound by the provisions of this Protective Order. The obligations under this Protective Order are not extinguished or nullified by entry of a final order in this case and are enforceable by the MPSC or a court of competent jurisdiction. To the extent Protected Material is not returned to a Disclosing Party, it remains subject to this Protective Order.

- F. Members of the Commission, Commission staff assigned to assist the Commission with its deliberations, and the presiding officer shall have access to all Protected Material that is submitted to the Commission under seal without the need to sign the Nondisclosure Certificate.
- G. A Party retains the right to seek further restrictions on the dissemination of Protected Material to persons who have or may subsequently seek to intervene in this MPSC proceeding.
- H. Nothing in this Protective Order precludes a Party from asserting a timely evidentiary objection to the proposed admission of Protected Material into the evidentiary record for this case.

#### III. Procedures

- A. The Disclosing Party shall mark any information that it considers confidential as "CONFIDENTIAL: SUBJECT TO THE PROTECTIVE ORDER ISSUED ON [INSERT DATE] IN CASE NO. U-21291." If the Receiving Party or a Reviewing Representative makes copies of any Protected Material, they shall conspicuously mark the copies as Protected Material. Notes of Protected Material shall also be conspicuously marked as Protected Material by the person making the notes.
- B. If a Receiving Party wants to quote, refer to, or otherwise use Protected Material in pleadings, pre-filed testimony, exhibits, cross-examination, briefs, oral argument, comments, or in some other form in this proceeding (including administrative or judicial appeals), the Receiving Party shall do so consistent with procedures that will maintain the confidentiality of the Protected Material. For purposes of this Protective Order, the following procedures apply:
  - 1. Written submissions using Protected Material shall be filed in a sealed record to be maintained by the MPSC's Docket Section, or by a court of competent jurisdiction, in envelopes clearly marked on the outside, "CONFIDENTIAL SUBJECT TO THE PROTECTIVE ORDER ISSUED IN CASE NO. U-21291". Simultaneously, identical documents and materials, with the Protected Material redacted, shall be filed and disclosed the same way that evidence or briefs are usually filed.

- 2. Oral testimony, examination of witnesses, or argument about Protected Material shall be conducted on a separate record to be maintained by the MPSC's Docket Section or by a court of competent jurisdiction. These separate record proceedings shall be closed to all persons except those furnishing the Protected Material and persons otherwise subject to this Protective Order. The Receiving Party presenting the Protected Material during the proceeding shall give the presiding officer or court sufficient notice to allow the presiding officer or court an opportunity to take measures to protect the confidentiality of the Protected Material.
- 3. Copies of the documents filed with the MPSC or a court of competent jurisdiction, which contain Protected Material, including the portions of the exhibits, transcripts, or briefs that refer to Protected Material, must be sealed and maintained in the MPSC's or court's files with a copy of the Protective Order attached.
- C. It is intended that the Protected Material subject to this Protective Order should be shielded from disclosure by a Receiving Party only to the extent permitted by law. If any person files a request under the Freedom of Information Act with the MPSC or the Michigan Attorney General seeking access to documents subject to this Protective Order, the MPSC's Executive Secretary, Staff, or the Attorney General shall immediately notify the Disclosing Party, and the Disclosing Party may take whatever legal actions it deems appropriate to protect the Protected Material from disclosure. In light of Section 5 of the Freedom of Information Act, MCL 15.235, the notice must be given at least five (5) business days before the MPSC, its Staff, and/or the Michigan Attorney General grant the request in full or in part.

#### IV. Termination of Protected Status

A. A Receiving Party reserves the right to challenge whether a document or information is Protected Material and whether this information can be withheld under this Protective Order. In response to a motion or on its own initiative, the Commission or the presiding officer in this case may revoke a document's protected status after notice and hearing. If the presiding officer revokes a document's protected status, then the document loses its protected status after 14 days unless a Party files an application for leave to appeal the ruling to the Commission within that time period. Any Party opposing the application for leave to appeal shall file an answer with the Commission no more than 14 days after the filing and service of the appeal. If an application is filed, then the information

will continue to be protected from disclosure until either the time for appeal of the Commission's final order resolving the issue has expired under MCL 462.26 or, if the order is appealed, until judicial review is completed and the time to take further appeals has expired.

B. If a document's protected status is challenged under Paragraph IV.A, then the Disclosing Party bears the burden of proving that the document should continue to be protected from disclosure.

#### V. Retention of Documents

Protected Material remains the property of the Disclosing Party and only remains available to the Receiving Party until the time expires for petitions for rehearing of a final MPSC order in this Case No. U-21291 or until the MPSC has ruled on all petitions for rehearing in this case (if any). However, an attorney for a Receiving Party who has signed a Nondisclosure Certificate and who is representing the Receiving Party in an appeal from an MPSC final order in this case may retain copies of Protected Material until either the time for appeal of the Commission's final order resolving the issue has expired under MCL 462.26 or, if the order is appealed, until judicial review is completed and the time to take further appeals has expired. On or before the time specified by the preceding sentences, the Receiving Party shall return to the Disclosing Party all Protected Material in its possession or in the possession of its Reviewing Representatives—including all copies and notes of Protected Material—or certify in writing to the Disclosing Party that the Protected Material has been destroyed.

#### VI. Limitations and Disclosures

The provisions of this Protective Order do not apply to a particular document, or portion of a document, described in Paragraph II.A if a Receiving Party can demonstrate that it has been previously disclosed by the Disclosing Party on a non-confidential basis or meets the criteria set forth in Paragraphs I.B.1 through I.B.5. A Receiving Party intending to disclose information taken directly from materials identified as Protected Material must before actually disclosing the information—do

one of the following: 1) contact the Disclosing Party's counsel of record and obtain written permission to disclose the information, or 2) challenge the confidential nature of the Protected Material and obtain a ruling under Paragraph IV that the information is not confidential and may be disclosed in or on the public record.

#### VII. Remedies

If a Receiving Party violates this Protective Order by improperly disclosing or using Protected Material, the Receiving Party shall take all necessary steps to remedy the improper disclosure or use. This includes immediately notifying the MPSC, the presiding officer, and the Disclosing Party, in writing, of the identity of the person known or reasonably suspected to have obtained the Protected Material. A Party or person that violates this Protective Order remains subject to this paragraph regardless of whether the Disclosing Party could have discovered the violation earlier than it was discovered. This paragraph applies to both inadvertent and intentional violations. Nothing in this Protective Order limits the Disclosing Party's rights and remedies, at law or in equity, against a Party or person using Protected Material in a manner not authorized by this Protective Order, including the right to obtain injunctive relief in a court of competent jurisdiction to prevent violations of this Protective Order.

Administrative Law Judge

## STATE OF MICHIGAN

## BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of <b>DTE GAS COMPANY</b> for authority	)
to increase its rates, amend its rate	)
schedules and rules governing the	) Case No. U-21291
distribution and supply of natural gas,	)
and for miscellaneous accounting authority	)
NONDISCLOS	URE CERTIFICATE
	rate, I acknowledge that access to Protected Material
is provided to me under the terms and restric	tions of the Protective Order issued in Case No. U-
21291, that I have been given a copy of and h	have read the Protective Order, and that I agree to be
bound by the terms of the Protective Order	. I understand that the substance of the Protected
Material (as defined in the Protective Order	), any notes from Protected Material, or any other
form of information that copies or discle	oses Protected Material, shall be maintained as
confidential and shall not be disclosed to an	yone other than in accordance with the Protective
Order.	eviewing Representative
Date:	
P	rinted Name:
Т	itle:
R	epresenting:

## STATE OF MICHIGAN BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION **NOTICE OF HEARING** FOR THE NATURAL GAS CUSTOMERS OF **DTE GAS COMPANY** CASE NO. U-21291

- DTE Gas Company (DTE Gas) requests Michigan Public Service Commission approval to increase its annual natural gas distribution revenues by a total of approximately \$266 million above base levels and several other expense recovery mechanisms.
- BASED UPON THE \$266 MILLION REQUEST, A TYPICAL RESIDENTIAL CUSTOMER'S AVERAGE NATURAL GAS DISTRIBUTION BILL MAY INCREASE BY ABOUT \$7 PER MONTH INCLUDEING INFRASTRUCTURE RECOVERY MECHANISM (IRM) CHARGES.
- The information below describes how a person may participate in this case.
- You may contact DTE Gas Company, One Energy Plaza, Detroit, Michigan 48226, (800) 477-4747, for a free copy of its application. Any person may review the application at the offices of DTE Gas Company.
- A public hearing in this matter will be held:

DATE/TIME:	at 9:00 a.m.	
	This will be a prehearing conference to determine future hearing dates and other procedural matters.	
BEFORE:	Administrative Law Judge	
LOCATION:	Michigan Public Service Commission	

7109 West Saginaw Highway Lansing, Michigan

**PARTICIPATION:** Any interested person may attend and participate. The

hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 284-8090 in advance to request mobility, visual, hearing

or other assistance.

The Michigan Public Service Commission (Commission) will hold a public hearing to consider DTE Gas's January 8, 2024 application, which requests Commission approval to increase its rates, amend its rate schedules and rules governing the distribution and supply of natural gas and for miscellaneous accounting authority. Therefore, DTE Gas seeks Commission approval for additional annual revenues of approximately \$266 million based upon a October 1, 2024 through September 30, 2025 test year with rates effective as soon as possible after October 1, 2025. DTE Gas requests Commission approval for additional revenues to pay for the impacts of infrastructure and IT investments, projected operation and maintenance expense required to ensure reliability of the system, the safety of customers, and compliance with State and Federal requirements, collective bargaining and market-driven wage increases, deferred tax acceleration and lower forecasted sales.

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at: michigan.gov/mpscedockets. Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to <a href="mailto:mpscedockets@michigan.gov">mpscedockets@michigan.gov</a>. If you require assistance prior to e-filing, contact Commission staff at (517) 284-8090 or by email at <a href="mailto:mpscedockets@michigan.gov">mpscedockets@michigan.gov</a>.

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by \_\_\_\_\_\_\_. (Interested persons may elect to file using the traditional paper format.) The proof of service shall indicate service upon DTE Gas's attorney, Carlton Watson, One Energy Plaza, Detroit, Michigan 48226.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Michigan Administrative Hearing System's Administrative Hearing Rules R 792.10422 and R 792.10432. Requests for further information on adjournment should be directed to (517) 284-8130.

A copy of DTE Gas's request may be reviewed on the Commission's website at michigan.gov/mpscedockets, and at the office of DTE Gas Company. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at (517) 284-8090.

Jurisdiction is pursuant to 1909 PA 300, as amended, MCL 462.2 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; 1982 PA 304, as amended, MCL 460.6h et seq.; and the Michigan Administrative Hearing System's Administrative Hearing Rules, 2015 AC, R 792.10401 et seq.

January 8, 2024



## GRETCHEN WHITMER GOVERNOR

**Enclosures** 

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS PUBLIC SERVICE COMMISSION

ORLEANE HAWKS DIRECTOR

ALESSANDRA CARREON COMMISSIONER

DAN SCRIPPS CHAIRMAN KATHERINE PERETICK COMMISSIONER

January \_\_\_\_\_, 2024 Case No. U-21291

Carlton Watson DTE Gas Company One Energy Plaza, #1635 WCB Detroit, MI 48226-1279

Dear Mr. Watson:
DTE Gas Company shall mail, by, 2024, a copy of the enclosed notice of hearing to all cities, incorporated villages, townships and counties in its natural gas service area, and to all intervenors in Case No. U-20940. Proof of service shall be filed by the prehearing conference on, 2024.
DTE Gas Company shall cause the enclosed notice of hearing to be published, by, 2024, in daily newspapers of general circulation in its natural gas service area. Affidavits of publication shall be filed by the prehearing conference on, 2024.
DTE Gas Company shall, by, 2024, serve upon each person who has petitioned to intervene a copy of the written direct testimony of its proposed witnesses and the proposed exhibits as filed with the Commission. Proofs of service shall be filed with the Commission by, 2024.
Sincerely,
Lisa Felice Executive Secretary

## **STATE OF MICHIGAN**

## BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the applicat	ion of )	
DTE GAS COMPANY for	authority )	
to increase its rates, amend	its rate )	
schedules and rules governing the		Case No. U-21291
distribution and supply of n	atural gas, )	
and for miscellaneous accor	inting authority )	
	)	
	PROOF OF SE	RVICE
		<del></del>
STATE OF MICHIGAN	)	
	) ss.	
COUNTY OF WAYNE	)	

ESTELLA R. BRANSON states that on the January 8, 2024, she served a copy of the she served a copy of DTE Gas Company's Application, Proposed Notice of Hearing, Proposed Protective Order, Proposed Nondisclosure Certificate, Testimony and Exhibits, DTE Gas Company's Part II – Financial Information materials and Part III –Supplemental Data materials (are being provided via a secure portal link) in the above captioned matter, via electronic mail upon the persons listed on the attached service list and Ms. Fedele's confidential Exhibit A-12, Schedules B5.7 and B5.9 and Mr. Busby's confidential Exhibit A-12, Schedule B9 was filed under seal with the Commission.

ESTELLA R. BRANSON

## MPSC Case No. U-21291 Service List (U-20642 and U-20940 combined)

## **ABATE**

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## ENERGY MICHIGAN, INC.; VERSO CORPORATION

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tlundgren@potomaclaw.com

## MICHIGAN POWER LIMITED PARTNERSHIP; RETAIL ENERGY SUPPLY ASSOCIATION

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## MPSC Case No. U-21291 Service List (U-20642 and U-20940 combined)

## **MPSC STAFF**

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