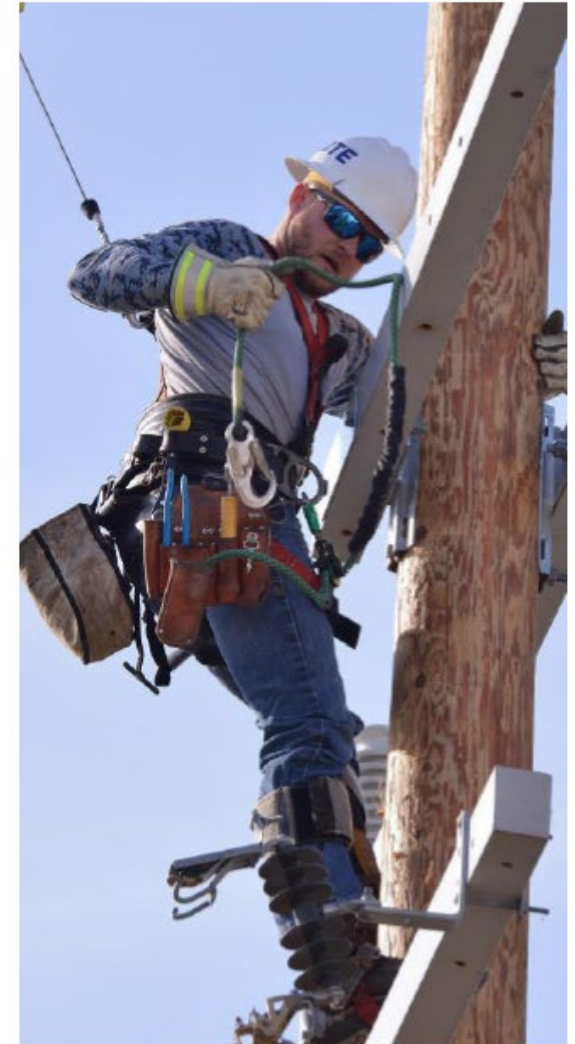


U-21291 Attorney General's Exhibits
(Coppola, Sebastian)

AG-1	DTE Energy Investor Presentation April 2024 U-21291
AG-2	CONF Blue Chip Report March 2024 U-21291
AG-3	Main Renewals DRs U-21291
AG-4	Actual Distribution Capex U-21291
AG-5	Public Improvements U-21291
AG-6	System Reliability Units and Costs U-21291
AG-7	Communications & Controls Meters U-21291
AG-8	Leak Detection & Repair LDAR Costs U-21291
AG-9	Fort Street Replacement U-21291
AG-10	Van Born Project Write-off U-21291
AG-11	PRA Risked Project List U-21291
AG-12	MRP MMO and IRM Spendig with Miles U-21291
AG-13	Cathodic Spending in or out of IRM U-21291
AG-14	Transmission Premature Projects U-21291
AG-15	ILI Premature Projects U-21291
AG-16	TCARP Overruns and Billings to DTMLC U-21291
AG-17	Storage & Compression Projects U-21291
AG-18	Transportation Vehicle and Equipment Purchases U-21291
AG-19	IT Capex Savings Gas Schedule Optimz. U-21291
AG-20	Capital Expenditures, Rate Base Reductions and Depr. U-21291
AG-21	Working Capital U-21291
AG-22	Overall Cost of Capital U-21291
AG-23	Equity Cost of Capital U-21291
AG-24	Equity Cost of Capital - DCF U-21291
AG-25	Equity Cost of Capital - CAPM U-21291
AG-26	Equity Cost of Capital -Risk Premium U-21291
AG-27	Peer Group Capitalization U-21291
AG-28	Market to Book U-21291
AG-29	ROE Decisions U-21291
AG-30	Cash Flow to Debt Coverage Ratio U-21291
AG-31	Value Line - Volatility vs. Risk U-21291
AG-32	Gas Sales Analysis U-21291
AG-33	Adjustments to DTE Forecasting Model and Usage Trend U-21291
AG-34	Gas Sales Revenue U-21292
AG-35	EUT Power Geenration Load U-21291
AG-36	Off-SystemTransportation , Storage and Park & Loan U-21291
AG-37	Midstream Revenue Adjustments U-21291
AG-38	HPP Appliance Service Progrm Revenue U-21291
AG-39	O&M Summary Adjustments U-21291
AG-40	Co. Use and LAUF U-21291
AG-41	Revised Cost of Gas Rate U-21291
AG-42	Uncoll Accts Expense U-21291
AG-43	O&M Inflation Adjustment U-21291
AG-44	O&M Cost Reductions 2023 U-21291
AG-45	2023 O&M Reductions Normalized U-21291
AG-46	O&M Cost Reductions Headcount Reduction U-21291
AG-47	Active Health Care O&M Expense U-21291
AG-48	Rents Adjustment U-21291
AG-49	Incentive Comp Performance Measures U-21291
AG-50	MAOP O&M Cost and TVC Records Review U-21291
AG-51	OPEB Regulatory Liability Amortization U-21291
AG-52	Customer Payment Transaction Cost Options U-21291
AG-53	Corporate Jet Travel U-21291
AG-54	DTE Gas Deferred Incentive Comp Calc U-21291
AG-55	Revenue Deficiency Calculation U-21291

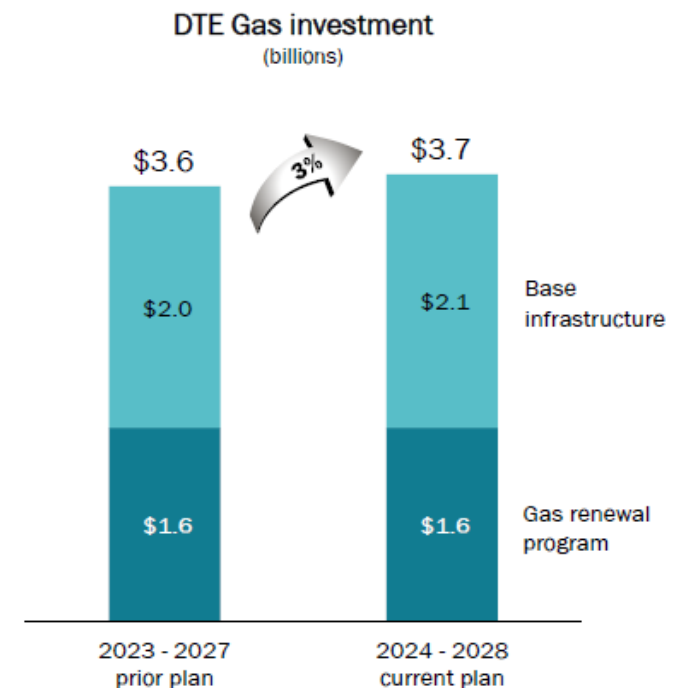
AG-56 | Abona DR AGDG-8.207 to 8.213
AG-57 | Abona DR AGDG-8.214a, 8.215, 8.216
AG-58 | Bence DR AGDG-8.117a-b, 8.218a
AG-59 | Chapel DR AGDG-8.218a, 8.218bi, 8.218bii w-Revised Exhibit AG-32, 8.218ci-ii, 8.219a-b, 8.220, 8.221
AG-60 | Cooper DR AGDG-8.223, 8.225, 8.226 with attachment, 8.227, 8.228a, 8.228d
AG-61 | CONF Cooper DR AGDG-8.229a-c with confidential attachment, 8.230
AG-62 | Decker DR AGDG-8.231a-d, 8.232a-c, 8.233a-c with DR AGDG-4.96c, 8.234a-d
AG-63 | Decker DR AGDG-8.235, 8.236
AG-64 | Decker DR AGDG-8.237a-b, 8.238a-b, 8.239, 8.240a
AG-65 | Decker DR AGDG-8.241, 8.242a-b, 8.243, 8.244
AG-66 | Fedele DR AGDG-8.246a, 8.247, 8.248
AG-67 | Hatsois DR AGDG-8.250a, 8.250b with attachment, 8.250c with attachment
AG-68 | Janness DR AGDG-8.251b-c, 8.252b
AG-69 | Kehoe DR AGDG-9.255, 9.256, 9.257a-c
AG-70 | Lepczyk DR AGDG-9.258a-b
AG-71 | Uzenski DR AGDG-9.259b, 9.262a, 9.264, 9.265, 9.269b
AG-72 | Villadsen DR AGDG-9.266a-b, 9.267, 9.268a-c
AG-73 | Villadsen DR AGDG-9.272c



DTE Gas: replacing aging infrastructure to ensure reliability and transition to net zero emissions

Capital investment focused on infrastructure improvements and decarbonization

- Significant investment recovered through Infrastructure Recovery Mechanism (IRM) to support main renewal
 - Renewed over 1,700 miles since program inception
 - Gas renewal investments minimize leaks and reduce costs
- Base infrastructure investments enhance transmission, compression, distribution and storage
- Targeting to reduce GHG emissions by 65% by 2030, 80% by 2040 and net zero by 2050
 - Natural Gas Balance program empowers customers to manage their carbon footprint using both carbon offsets and RNG



Cash flow and capital expenditures guidance

Cash flow	
(billions)	
	2024 guidance
Cash from operations ¹	\$3.3
Capital expenditures	(4.7)
Free cash flow	(\$1.4)
Dividends	(0.8)
Other	-
Net cash	(\$2.2)
Debt financing	
Issuances	\$4.3
Redemptions	(2.1)
Total debt financing	\$2.2

Capital expenditures	
(millions)	
	2024 guidance
DTE Electric	
Base infrastructure	\$630
New generation	1,200
Distribution infrastructure	1,550
	\$3,380
DTE Gas	
Base infrastructure	\$380
Gas renewal program	335
	\$715
Non-utility	\$550 - \$650
Total	\$4,645 - \$4,745

1. Includes equity issued for employee benefit programs

2024 operating EPS¹ guidance midpoint provides 7% growth over 2023 original guidance midpoint

(millions, except EPS)

	2024 guidance
DTE Electric	\$1,100 - \$1,120
DTE Gas	295 - 305
DTE Vantage	125 - 135
Energy Trading	30 - 40
Corporate & Other	(195) - (185)
DTE Energy	\$1,355 - \$1,415
Operating EPS	\$6.54 - \$6.83

1. Refer to the appendix for information regarding the reconciliation of operating earnings (non-GAAP) to reported earnings

Exhibit AG-2

CONFIDENTIAL

MPSC Case No: U-21291**Requester:** AG**Question No.:** AGDG-5.127**Respondent:** E. M. Abona**Page:** 1 of 1

Question: 127. Refer to lines 9-15 on page 8 of Mr. Abona's direct testimony on routine unplanned main renewals. Please provide the number of units, miles, or projects for each year 2018 to 2023 actual and forecasted for 2024, 2025, first 9 months of 2024, and the 12 months ending September 2025. Provide this information in Excel.

Answer:

Year	Unplanned Main Renewal (feet)
2018	11,711
2019	17,916
2020	8,129
2021	17,980
2022	13,455
2023	13,599

Unplanned main renewal budget is not forecasted based on unitization, rather budget forecasting is based on total budget expenditure historical average.

Attachment: None

MPSC Case No: U-21291**Requester:** Staff**Question No.:** STDG-1.1**Respondent:** E. M. Abona**Page:** 1 of 1

Question: Referring to page 3, lines 7-13 of the Witness' direct testimony, please revise the following Company exhibits to include actual costs for calendar years 2018, 2019, 2020, 2021, 2022, and 2023.

- Exhibit A-12, Schedule B5.1
- Exhibit A-12, Schedule B5.11
- Exhibit A-12, Schedule B8

Answer: Refer to Exhibit A-12, Schedule B5.1, Workpaper EA-001 for 2018-2022 actuals. See attached for 2023 actuals.
For Exhibit A-12, Schedule B5.11, Please see attachment for actual costs by project. Prior to 2021, only expenditures above a routine level of spend were broken out into project level costs.

For Exhibit A-12, Schedule B8, the cost of project started in 2022.

Exhibit A-12, Schedule B8	
2022 Actuals	2023 Actuals
\$5,818,000	\$3,811,000

Attachment: U-21291 STDG-1.1-01 A-12 B5.1 with 2023 Actuals
U-21291 STDG-1.01,1.17,1.18 Routine Capital Project Detail 2021-2023

Remainder of Exhibit consists of 12 pages of actual Distribution Capex
2021-2022

Michigan Public Service Commission
DTE Gas Company
DTE Gas Detailed Routine Capital Project List for 2023 - 2025
(\$000)

Case No.: U-21291
Exhibit Supported: A-12
Schedule: B5.11
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(a)					
Line No.	Sub Line No.	Description	12 mos. ending 12/31/2021	12 mos. ending 12/31/2022	12 mos. ending 12/31/2023
1		Routine Capital Requirements			
2		Distribution Plant			
3		Main Renewals 1/	\$ 9,503	\$ 6,618	\$ 5,818
4		Public Improvements 2/	16,268	28,686	29,483
4.1	Top 25	East Jefferson	421	5,002	8,067
4.2	Top 25	Conner and I94	-	60	1,281
4.3	SEMI	US-24 / 8 Mile: PI-21-018	3	3,910	2,197
4.4	SEMI	US-24 / 7 Mile: PI-21-017	3	4,601	156
4.5	SEMI	Public Improvement Blanket	2,925	1,351	435
4.6	SEMI	US-24 / Grand River: PI-21-016	-	21	1,685
4.7	SEMI	Cherry Hill west of Ridge Road, Canton: PI-21-005	109	1,212	5
4.8	SEMI	Grand River Main Renewal: PILN20001	1,226	(1)	-
4.9	SEMI	Southfield Bridge over Ecorse Creek: PI-21-020	-	35	941
4.10	SEMI	Meridian Road over Thorofare Canal: PI-21-023	-	909	64
4.11	SEMI	GLWA Clay, Morrow, Marston Main Relocation: PILY21001	120	731	-
4.12	SEMI	US-23 / Bemis: PI-21-011	54	728	31
4.13	SEMI	Warren Road at Rouge River: PIALR21001	226	313	3
4.14	SEMI	Allen Road / Van Horn, Woodhaven: PI-20-022	480	26	-
4.15	SEMI	PMP 10059 GLWA Bayside 24": PI-22-021	-	11	438
4.16	SEMI	North Parker Culvert Replacement: PI-22-014	-	57	383
4.17	SEMI	US-12 / Ecorse: PIM21002	417	7	-
4.18	SEMI	PMP 10067 Barrett / I-94: PI-22-017	-	29	379
4.19	SEMI	PMP 10065 5 mile over Bell Creek: PI-22-012	-	13	373
4.20	SEMI	Mill Lake Drain: PI-22-013	-	9	376
4.21	SEMI	State Street / Liberty: PI-22-008	-	157	193
4.22	SEMI	Campbell / West Jefferson: PI-22-007	-	48	273
4.23	SEMI	PMP 10073 Beard Road / I-75 16" ST	-	5	298
4.24	SEMI	Mount Elliot Street (Conant to Dodge): PI-22-009	-	277	-
4.25	SEMI	US-12 / US-23: PI-21-010	33	248	(8)
4.26	SEMI	Gordie Howe International Bridge	273	0	0
4.27	SEMI	Dixboro Main Relocation: PIMI21001	258	9	-
4.28	SEMI	Van Dyke / 7 Mile: PI-20-009	7	247	-
4.29	SEMI	West Commerce / Main Street: PI-22-010	-	248	-
4.30	SEMI	Kensington Ridge	-	-	237
4.31	SEMI	M-102 / Ryan: PI-22-011	-	9	182
4.32	SEMI	Wayne / Ecorse Road: PI-23-009	-	-	188
4.33	SEMI	Washtenaw / Geddes: PI-23-016	-	-	165
4.34	SEMI	PMP 10072 South Huron River / I-275: PI-23-019	-	-	159
4.35	SEMI	US-24 - Grand River to 8 Mile: PI-21-014	65	86	-
4.36	SEMI	PMP 10055: Springfield / I-94: PI-22-019	-	30	117
4.37	SEMI	PMP 10099 Elba Drive over Elba Canal: PI-23-003	-	-	146
4.38	SEMI	PMP 10070 North County Line Inter-County Drain: PI-23-001	-	-	125
4.39	SEMI	PMP 10064 McClellan / I-94: PI-22-020	-	35	88
4.40	SEMI	Mount Elliot Street from Harper to Miller 16"	-	95	28
4.41	SEMI	Wayne County Traffic Signal: PI-23-013	-	-	102
4.42	SEMI	US-12 / Amercan Road: PI-23-026	-	-	102
4.43	SEMI	Birch Hollow / Chelsea: PI-22-029	-	-	99
4.44	SEMI	Gratiot (M-3) / Russell: PI-21-019	-	98	-
4.45	SEMI	PMP 10068 Reeck Road / Midway, over Sexton-Kinfol Drain: PI-23-002	-	-	98
4.46	SEMI	PMP 10066 Ford Lake Dam: PI-23-021	-	-	93
4.47	SEMI	Hillcrest / South Harris: PI-22-005	-	73	-
4.48	SEMI	Stadium Boulevard: PI-21-013	4	62	-
4.49	SEMI	Kercheval PI / Cadieux: PI-23-032	-	-	65
4.50	SEMI	Liberty / Zeeb: PI-21-007	17	47	-
4.51	SEMI	Prospect / Cherry Hill: PI-23-017	-	-	61
4.52	SEMI	Pleasant Ridge / South Harris: PI-22-004	-	60	-
4.53	SEMI	Whittaker / Bemis Road Roundabout: PI-22-024	-	3	56
4.54	SEMI	US-12 / US-23: PI-23-020	-	-	59
4.55	SEMI	East Cross / Huron: PI-22-006	-	36	22
4.56	SEMI	West River at Grosse Ile Parkway	54	1	-
4.57	SEMI	Vista / Loiter Way, Belle Isle: PI-21-008	11	43	-
4.58	SEMI	Hitchingham / Talladay: PI-22-003	-	54	-
4.59	SEMI	SEMI Public Improvement Projects < \$50k	17	180	(35)
4.60	GRMI	Greater MI Master Order	1,929	2,325	2,216
4.61	GRMI	EAST CENTER WEST-MSK TOWNSHIP	-	24	1,349
4.62	GRMI	PET COUNTRY CLUB RD PI 2021	966	364	0
4.63	GRMI	COST MGT ORDER FOR SPECTRUM PI	9	1,131	-
4.64	GRMI	PET ALANSON PI 2022	-	88	863
4.65	GRMI	MARKET WEALTHY TO WILLIAMS 8" PI RELOCATE	746	(42)	-
4.66	GRMI	Clare - Little Tobacco River at Maple St	586	4	-
4.67	GRMI	TAWAS WB M55 PI 2023	-	-	589
4.68	GRMI	COST MGT ORDER FOR MEADOWLANE PI	-	543	0
4.69	GRMI	SSM ARLINGTON ST PI 2021	410	82	-
4.70	GRMI	COST MGT FOR EASTERN PI	42	423	-

Michigan Public Service Commission
DTE Gas Company
DTE Gas Detailed Routine Capital Project List for 2023 - 2025
(\$000)

Case No.: U-21291
Exhibit Supported: A-12
Schedule: B5.11
Witness: E. Abona
Page:

(a)				12 mos. ending	12 mos. ending	12 mos. ending
Line No.	Sub Line No.	Description		12/31/2021	12/31/2022	12/31/2023
4.71	GRMI	DENSMORE (PARENT ORDER)		-	32	423
4.72	GRMI	COST MGT FOR 10 MILE PINE ISLAND TO ALGOMA PI PROJECT		-	31	418
4.73	GRMI	COST MGT ORDER FOR FULLER PI		411	(0)	0
4.74	GRMI	SSM 6 MILE CULVERT PI 2021		313	63	0
4.75	GRMI	Grayling - Butman Rd - PI2021		348	0	-
4.76	GRMI	COST MGT ORDER BRISTOL AND PANNEL		-	38	305
4.77	GRMI	COST MGT ORDER 84TH HANNA TO EAST PARIS		-	-	321
4.78	GRMI	MEMORIAL/WEBER LAKETON TWP		315	-	(0)
4.79	GRMI	COST MGT ORDER FOR 32ND AVE BRETON TO SHAFFER		371	(59)	-
4.80	GRMI	SSM EASTERDAY PI 2023		-	-	299
4.81	GRMI	KING M95 PI 2023		-	-	294
4.82	GRMI	HOUSTON CITY OF MUSKEGON		118	176	-
4.83	GRMI	COST MGT ORER FOR RICHARDS		285	-	-
4.84	GRMI	PET CHEBOYGAN US23 PI 2021 PROJECT HEADER		281	-	-
4.85	GRMI	CALIFORNIA DREAMIN-NORTH MUSKEGON		-	251	0
4.86	GRMI	Manistee - Maple & Merkey St Reconstruction - PI2023		-	-	214
4.87	GRMI	COST MGT ORDR FOR MILTON CI REPLACEMENT		-	9	196
4.88	GRMI	Ludington - Hansen Rd - Stiles to Amber - PI2022		-	201	-
4.89	GRMI	PET MACKINAW CITY US 23 PI 2022		-	2	191
4.90	GRMI	Traverse City - Grandview Parkway - PI2023		-	-	178
4.91	GRMI	MEARS PROJECT		-	99	79
4.92	GRMI	Beulah - US31 Rebuilding - PI2022		-	174	1
4.93	GRMI	LAKE AND LAWRENCE- NORTH MUSKEGON		-	162	6
4.94	GRMI	ALP TAWAS AND FAIR ST PI 2021		149	8	-
4.95	GRMI	WAYNE CITY OF NORTON SHORES		143	-	-
4.96	GRMI	COST MGT ORDER PAGE PI RELOCATE		-	141	(0)
4.97	GRMI	PET CHX US31 PI 2021 PROJECT HEADER		134	-	-
4.98	GRMI	Cost MGT Order Rogue River 12" Bridge Crossing		-	-	133
4.99	GRMI	COST MGT ORDER FOR N MAIN CEDAR CREEK CROSSING		133	-	-
4.100	GRMI	COST MGT ORDER FOR NORTHVILLE PI PROJECT		131	-	-
4.101	GRMI	COST MGT ORDER FOR PI CEDAR AND MAIN ST OFFSETS		130	1	-
4.102	GRMI	N PETERSON 4" MAIN RENEWAL		-	-	129
4.103	GRMI	TAWAS PI 2022 GREEN ROAD		-	12	116
4.104	GRMI	Traverse City - Hammon Rd at 4 Mile - PI2021		126	-	-
4.105	GRMI	KING HARDING AVE PI 2023		-	-	124
4.106	GRMI	WHITEHALL LAKESHORE 4" MAIN RENEWAL		-	-	121
4.107	GRMI	MICHIGAN CITY OF MUSKEGON		121	-	-
4.108	GRMI	Mt Pleasant - Pickard St - PI2023		-	-	121
4.109	GRMI	COST MGT ORDER FOR BONNEVILLE DR SER RENEWALS		113	-	-
4.110	GRMI	PARENT WO 76TH E OF HAMMOND CREEK BORE		-	111	0
4.111	GRMI	PET N SHORE DR PI 2022 DTE DWG 01		-	9	102
4.112	GRMI	WILSHIRE DR CITY OF WHITEHALL		110	-	-
4.113	GRMI	EASTERN AND GEORGIA PI		-	109	-
4.114	GRMI	ALP HARRISVILLE PI 2021		105	-	-
4.115	GRMI	COST MGT MARKET 96" PHASE 2 PI		-	102	0
4.116	GRMI	COST MGT ORDER FOR PLYMOUTH OFFSET		100	-	-
4.117	GRMI	WEBER LAKETON TWP		98	-	-
4.118	GRMI	COST MGT ORDER FOR 84TH DIV TO EASTERN PI		97	-	-
4.119	GRMI	HARVEY-CATHERINE		1	95	0
4.120	GRMI	COST MGT ORDER FOR GODFREY PI		87	0	-
4.121	GRMI	PET CHX M66 CULVERT PI 2022		-	87	-
4.122	GRMI	Traverse City - Cass Rd Box Culvert		79	7	-
4.123	GRMI	WARNER WHITEHALL PI MAIN RENEWAL		-	-	82
4.124	GRMI	MARKET PI PROJECT		-	81	-
4.125	GRMI	PET BOYNE FALLS US131 PI 2021		72	-	-
4.126	GRMI	COST MGT FOR CALHOUN AND JOURDAN RENEWALS		-	-	67
4.127	GRMI	HANSON-CITY OF HART		11	56	-
4.128	GRMI	MCCONNELL-PRESCOTT-CITY OF NORTH MUSKEGON		7	57	-
4.129	GRMI	PET WING RD PI 2021		60	-	-
4.130	GRMI	Farwell - Roundabout at Surrey & Old State - PI2023		-	-	60
4.131	GRMI	ALP ROGERS CITY 1ST AVE PROJECT HEADER		-	59	-
4.132	GRMI	GRMI Public Improvement Projects less than \$50k		408	456	760
5		Service Abandonments 1/		5,688	6,707	6,909
6		Service Alterations 1/		21,525	29,047	30,873
7		Service Renewals 1/		11,142	11,822	11,546
8		System Reliability		25,764	29,332	36,900
8.1	SEMI	8 Mile / Kelly - Eastland Mall		-	1,387	1,027
8.2	SEMI	Textile / Stoney Creek		-	23	1,893
8.3	SEMI	Packard / Woodland Hills		5	1,210	626
8.4	SEMI	12" STL 150 PSIG Design - Chelsea		1,861	(32)	0
8.5	SEMI	Willow / Sherwood (Karr)		-	1,641	12
8.6	SEMI	Conant / Hamtramck		-	-	1,449
8.7	SEMI	East Huron / 4th Avenue 100 PSIG Inlet Install		1,428	-	-

Michigan Public Service Commission
DTE Gas Company
DTE Gas Detailed Routine Capital Project List for 2023 - 2025
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(a)				12 mos. ending	12 mos. ending	12 mos. ending
Line No.	Sub Line No.	Description		12/31/2021	12/31/2022	12/31/2023
8.8	SEMI	Fort / 21st MDOT #10776		1,290	-	-
8.9	SEMI	M-52 / Waterloo		-	1,388	(139)
8.10	SEMI	Main / Old US-12 #10568, Chelsea		1,215	-	-
8.11	SEMI	Waterloo from Stonehill to Lingane		-	-	1,115
8.12	SEMI	Barton Shore / Whitmore Lake Road		1	1,043	12
8.13	SEMI	PMP 10097: Carpenter / Packard, SROPPMICH23001		-	5	1,040
8.14	SEMI	SR Blanket		621	1,307	(45)
8.15	SEMI	Bunton / Willis vault install		929	3	-
8.16	SEMI	Textile / Deer Creek		-	1	931
8.17	SEMI	John Hawk / Merriman		-	0	877
8.18	SEMI	Holmes / Prospect - NEBelt Valve		-	0	876
8.19	SEMI	System Reliability Admin		1,067	144	43
8.20	SEMI	Baxter / Green, Ann Arbor		-	846	2
8.21	SEMI	2020 Synergi Model Update		563	277	-
8.22	SEMI	Chicago / Telegraph		1	414	423
8.23	SEMI	Ann Arbor Saline / Tower (Bennett)		2	160	666
8.24	SEMI	Michigan Avenue / Elm Road (Brady)		-	3	763
8.25	SEMI	Textile / Lake Road		-	4	757
8.26	SEMI	Mitchell / Commor		472	162	0
8.27	SEMI	Oakwood / Southfield		24	95	490
8.28	SEMI	Gulley / Wilson		-	1	555
8.29	SEMI	Ford / Outer Drive West		303	230	2
8.30	SEMI	Huron River Drive / Chalmers		-	3	497
8.31	SEMI	Carrie / McNichols		-	424	26
8.32	SEMI	5th / West		-	-	415
8.33	SEMI	Textile / Pineview		-	1	413
8.34	SEMI	Annapolis / Monroe		11	378	3
8.35	SEMI	West Outer Drive / Willow Cove		18	351	16
8.36	SEMI	Golfside / Packard		-	377	1
8.37	SEMI	Outer Drive / Enterprise		308	52	-
8.38	SEMI	8th / Outer Drive		32	310	3
8.39	SEMI	2022 System Reliability Tap & Stop / Corrosion Projects		-	297	8
8.40	SEMI	PMP 10016: Plymouth Road / Nixon, SROMICH23009		-	1	290
8.41	SEMI	Huron River and Westview valve replacement (2018 SE Carry-over)		275	-	-
8.42	SEMI	PMP 10015: 7 Mile / Telegraph, SROALN22011		-	116	158
8.43	SEMI	Russell / Frederick		-	11	224
8.44	SEMI	Dexter / Scio Township		-	222	0
8.45	SEMI	Hall / Van Horn		2	192	16
8.46	SEMI	Beverly / Inkster		-	1	203
8.47	SEMI	Mott Road – Milford Easement		-	0	189
8.48	SEMI	Southern / Pardee Station Upgrades		-	107	66
8.49	SEMI	Connor / Milbank		-	-	172
8.50	SEMI	Cheyenne / Hannan		-	-	160
8.51	SEMI	Pelham / Wick		-	3	134
8.52	SEMI	Core SS Design Team		41	87	4
8.53	SEMI	Core SS MEP Project Management		35	89	2
8.54	SEMI	Ferry / Russell		-	-	125
8.55	SEMI	Pressure Group		55	61	58
8.56	SEMI	Connecticut / Oakland		-	1	102
8.57	SEMI	PMP 10025: Kercheval / Algonguin, SROLYN23005		-	3	98
8.58	SEMI	Woodrow Wilson and Midland		85	-	2
8.59	SEMI	PMP 10096: Allen Road / Eureka, SROLYN22010		-	21	51
8.60	SEMI	Fort Street Bypass at River Rouge Station		-	72	-
8.61	SEMI	PMP 10021: 14255 Warren, SROALN23008		-	-	70
8.62	SEMI	2022 Core SS MEP Pressure Group (Material / Labor)		-	22	44
8.63	SEMI	PMP 10013: Geddes / Huron Parkway, SRGMICH23013		-	3	62
8.64	SEMI	2021 CORE SS MEP Materials		5	58	-
8.65	SEMI	Relief Valve Pilot		59	-	-
8.66	SEMI	Evergreen / Lyndon		-	45	7
8.67	SEMI	Grosse Ile Second Feed (costs moved to Large Capital Project)		(545)	-	-
8.68	SEMI	SEMI SR Projects less than \$50k		253	54	242
8.69	GRMI	Charlevoix Pine River Crossing		446	2,307	2,888
8.70	GRMI	Project Management & Support		2,370	1,016	1,712
8.71	GRMI	GRMI MAOP Support		-	829	1,043
8.72	GRMI	GRMI Blanket WO		-	789	912
8.73	GRMI	East Beltline & Burton		-	37	918
8.74	GRMI	Wing Ave & 60th		29	572	232
8.75	GRMI	M-72		-	77	680
8.76	GRMI	Whitehall & Bard		-	433	303
8.77	GRMI	Perkins & Knapp		-	172	494
8.78	GRMI	Monroe & Longbridge (Plastic)		-	-	498
8.79	GRMI	230th Ave & US-10		-	77	504
8.80	GRMI	River & Thompson		-	23	544
8.81	GRMI	44th & Patterson		-	322	229
8.82	GRMI	N Roscommon Rd		64	466	-

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8.83	GRMI	Lincoln & 5th	61	288	155
8.84	GRMI	Design	-	62	573
8.85	GRMI	Reed City & Roth	-	239	223
8.86	GRMI	Lincoln & Carmel	295	155	-
8.87	GRMI	M-55 & Lorenz	-	282	152
8.88	GRMI	Wood & Allen	-	21	411
8.89	GRMI	Maryland & Michigan	-	425	-
8.90	GRMI	Millbrook & Whiteville	-	10	411
8.91	GRMI	East Manistee Gate Station Tie In	-	-	421
8.92	GRMI	Rusche & 6 Mile	394	-	-
8.93	GRMI	4 Mile & 70th Ave	-	293	81
8.94	GRMI	Norton & Waalkes	220	134	-
8.95	GRMI	O'Brien Rd & Butterworth	278	73	-
8.96	GRMI	6" Coldwater	-	42	301
8.97	GRMI	US-31 Shore Line & Fruit SRT 20098	341	-	-
8.98	GRMI	5 Mile & Northville	-	-	338
8.99	GRMI	LSSU Replace Vault & Meter Manifold	-	41	298
8.100	GRMI	F-41	-	263	62
8.101	GRMI	Alanson Supply	0	318	-
8.102	GRMI	10 Mile & Childsdales	-	2	307
8.103	GRMI	Plainfield & 5 Mile	301	-	-
8.104	GRMI	Oscoda Farm Tap	-	-	300
8.105	GRMI	Boardman & 8th V-11002 Replacement	-	129	161
8.106	GRMI	W. County 388 Rd, Hermanville	-	-	281
8.107	GRMI	Section 22 Road	-	-	273
8.108	GRMI	Ball Creek & Muskegon	-	140	132
8.109	GRMI	Cass & 14th	267	-	-
8.110	GRMI	Cedar & Fairplains	-	-	267
8.111	GRMI	M-88	-	261	-
8.112	GRMI	Charlevoix Upgrading	257	-	-
8.113	GRMI	Millcreek & North Park	-	2	231
8.114	GRMI	Pine & Simons	86	65	73
8.115	GRMI	Camp Dagget	-	213	-
8.116	GRMI	Lake Antoine Rd	19	189	-
8.117	GRMI	44th & Shaffer	208	-	-
8.118	GRMI	11 Mile & Northland	206	-	-
8.119	GRMI	M-55 & Simmons Rd	203	-	-
8.120	GRMI	US-31 & Villa Low Pressures	-	-	199
8.121	GRMI	Lost Lake Woods to Harrisville	199	-	-
8.122	GRMI	M-69 (9156 to 9603)	-	196	-
8.123	GRMI	Lincoln & Baseline	-	101	94
8.124	GRMI	M-115 & Gregory	-	3	189
8.125	GRMI	4 Mile & Shunk	-	181	-
8.126	GRMI	Burgess Rd	-	140	36
8.127	GRMI	N Mt Pleasant Gate Station	21	154	-
8.128	GRMI	5th & Grant	48	125	-
8.129	GRMI	Replace SRT 20048(AKA M-119)	171	-	-
8.130	GRMI	US-2 & B-1 Rd. Hannahville	170	-	-
8.131	GRMI	Cathro Rd.	168	-	-
8.132	GRMI	Maple Island & Baseline	161	-	-
8.133	GRMI	Billman FTT 30126 & FTT30122	159	-	-
8.134	GRMI	US-41 Nadeau	-	143	14
8.135	GRMI	Lake Winyah Rd.	157	-	-
8.136	GRMI	Monroe & Longbridge (Steel) (2022 Design)	-	-	152
8.137	GRMI	Getty & Giles	151	-	-
8.138	GRMI	M-95	-	150	-
8.139	GRMI	Stolt Rd	-	106	42
8.140	GRMI	28th & Division	147	-	-
8.141	GRMI	Broadway & Richmond	-	19	122
8.142	GRMI	Oakcrest Drive	-	141	-
8.143	GRMI	14th Road	-	139	-
8.144	GRMI	Boyne City MAOP Record Resolution 4" Steel	134	-	-
8.145	GRMI	Beaver Island FTT 30111	-	-	130
8.146	GRMI	Edson & 18th (Georgetown Station)	-	-	127
8.147	GRMI	44th & Walma	127	-	-
8.148	GRMI	US-2 & Sturgeon Mill Rd	-	-	127
8.149	GRMI	Evert & Lester	33	94	-
8.150	GRMI	9th & Broadway	-	-	120
8.151	GRMI	US-31 & Brundage	-	119	-
8.152	GRMI	Old US-27 FTT's	-	115	3
8.153	GRMI	Reed City Hospital SRT Upgrade (Design Only)	-	110	-
8.154	GRMI	Roth & Reed City Vault	109	-	-
8.155	GRMI	279-FT053 (Lake Antoine Inlet Retirement)	-	-	104
8.156	GRMI	Boyne City MAOP Record Resolution 6" Steel	103	-	-
8.157	GRMI	St Martins Hill	-	-	102

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8.158	GRMI	Evanston & Ensley		90	10	-
8.159	GRMI	Dickerson & Milbocker		99	-	-
8.160	GRMI	E North Down River		96	2	-
8.161	GRMI	Bristol Rd. FTT 279-30039		97	-	-
8.162	GRMI	US-41 & County 360 Rd.		-	97	-
8.163	GRMI	2000 Ford		-	-	95
8.164	GRMI	19 Mile FTT 30073		-	-	97
8.165	GRMI	Marsh Road FTT 30079		-	-	93
8.166	GRMI	E. Higgins Lake Rd.		16	76	-
8.167	GRMI	4 Mile Rd MLV 50257 & 50258		-	92	-
8.168	GRMI	Stoney Corners		3	88	-
8.169	GRMI	Airport & Plymouth Vault		88	-	-
8.170	GRMI	FTT 30118 & 30133 Retiral (S. Straits HWY)		-	85	-
8.171	GRMI	Townsend Rd.		85	-	-
8.172	GRMI	Roberts Rd. FTT 30171		84	-	-
8.173	GRMI	M-18 & E Forest FTTs 30108 & 30125		-	40	44
8.174	GRMI	18657 US-31		-	-	82
8.175	GRMI	Mead Paper		-	43	36
8.176	GRMI	Tomkins		-	4	73
8.177	GRMI	Wheeler Lake Road		-	-	76
8.178	GRMI	20 Mile & 40th Ave.		55	3	13
8.179	GRMI	Sleights Rd		-	70	-
8.180	GRMI	Waucedah Rd FTT		-	68	-
8.181	GRMI	Jefferson & Laketon		-	67	-
8.182	GRMI	Leelanau Gate Station		32	-	35
8.183	GRMI	Old Mission Peninsula Supply		65	-	-
8.184	GRMI	Nason & Vorhies		64	-	-
8.185	GRMI	Monroe & Long Bridge (Phase 2)		-	63	-
8.186	GRMI	US-31 & Lamb Rd		-	-	62
8.187	GRMI	S Lake Antoine		62	-	-
8.188	GRMI	Monroe & Long Bridge		36	25	-
8.189	GRMI	Washington & Hudson		-	61	-
8.190	GRMI	945 M-88		60	-	-
8.191	GRMI	M-46 SRT Retirements		-	31	22
8.192	GRMI	Werth Road Vault		-	-	53
8.193	GRMI	US-2 & Hunter		-	15	36
8.194	GRMI	GRMI System Reliability Projects less than \$50k		536	384	395
8.195		Southfield Pipeline		5,693	1,506	-
8.196		Howard City		(11)	20	-
8.197	Top 25	Northeast Belt Assessment		-	-	481
9	Top 25	Transmission Fittings		677	908	3,221
10		Cathodic Protection 1/		6,286	7,366	10,751
11		Communications & Control - Meters 1/		12,505	14,401	23,498
12		Advanced Metering Infrastructure 1/		2,972	2,030	2,254
13		Revenue Protection 1/		3,568	2,448	1,129
14		New Market Attachments 3/		80,427	92,469	87,543
14.1	Top 25	Mesick-Buckley		-	-	348
14.2	Top 25	Peach Ridge		-	6	4,223
14.3		W COUNTY LINE BIG RAPIDS		-	5,296	4
14.4		ARTHUR ST		-	4,712	4
14.5		FERRY RD AEP		4,458	8	-
14.6		GRMI AEP Blanket		639	1,473	2,235
14.7		BLUE LAKE AEP		1	3,729	155
14.8		Kreuter AEP		-	3,512	4
14.9		Stonington 2023		-	-	3,502
14.10		DTE HQ Steam Conversion		3,231	135	-
14.11		M-72 AEP 2022		-	-	2,980
14.12		HOLTON DUCK LAKE 2021 AEP		2,807	17	-
14.13		HIGGINS LAKE AEP		2,321	351	1
14.14		PERRY & 24TH		2,518	37	-
14.15		RIVERVIEW 12 20000 GRANGE RD		-	999	1,533
14.16		BARNHART RD AEP		2,443	(1)	-
14.17		LAKE GEORGE AEP		-	598	1,813
14.18		VANTYLE AEP		2,182	2	-
14.19		19 ASSOCIATES 600 CIVIC CENTER DR (JLA)		-	1,252	613
14.20		STONE RD		-	-	1,853
14.21		HOXIE RD AEP		-	-	1,623
14.22		Crossroads Distribution Center North LLC (Ashley Capital)		393	1,120	81
14.23		KALAMAZOO AEP		-	-	1,577
14.24		15 MILE - INDIAN LAKES		1,532	1	-
14.25		SEMI GMA Blanket		371	562	596
14.26		Mayfield AEP 2023		-	-	1,471
14.27		STEPHAN - STECKERT BRIDGE AEP		1,390	23	-

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14.28		FORD ROUGE SEPERATION	1,175	227	-
14.29		17 Mile 2023	-	-	1,389
14.30		Negaunee Lake/Lake Miramichi AEP 2023	-	-	1,359
14.31		GRMI GMA Blanket	158	561	551
14.32		GSA IRS 477 MICHIGAN AVE	1,209	14	-
14.33		17 Mile - Woodlawn AEP 2023	-	1	1,181
14.34		Heintzelman - 2023 AEP	-	-	1,123
14.35		W JONES LAKE AEP	1,105	8	-
14.36		CEDAR VALLEY AEP	-	1,011	89
14.37		16 Mile 2023 AEP	-	1	1,068
14.38		PIONEER RD - 2023 AEP	-	-	1,050
14.39		TIFFANY AVE AEP	-	971	3
14.40		PINE LAKE AEP 2022	-	961	(1)
14.41		1208 Woodward LLC (Hudsons Tower)	(3,472)	4,308	120
14.42		Pine Lake 2023	-	1	835
14.43		U OF M CTG PLANT ADDN1120 E HURON	645	139	17
14.44		LAKE MANUKA AEP	776	0	-
14.45		S HIGGINS LAKE	-	766	-
14.46		Amazon NGV 30880 Smith Rd Romulus MI New Main and Service	26	349	358
14.47		FISHERMANS PARADISE	-	728	-
14.48		CENTER RD AEP	656	63	-
14.49		18 Mile AEP 2023	-	-	693
14.50		Norton Rd 2023	-	-	667
14.51		Milton Manufacturing 19679 John R	617	19	-
14.52		FONGER ST AEP 2022	-	623	(1)
14.53		APPLE LANE - EVELINE ORCHARDS AEP	590	11	-
14.54		Gaunt Rd	-	-	593
14.55		General Service Admin 985 Michigan Ave	70	503	-
14.56		Chestnut AEP 2023	-	-	543
14.57		SPRINGWATER BEACH AEP 2022	-	538	0
14.58		MISSION POINT ADDITION AEP	529	0	-
14.59		EXTRUDED ALUM CO 7200 INDUSTRIAL DR	-	497	4
14.60		INTERMEDIATE LAKE AEP 2022	-	498	0
14.61		THEODORE LEVIN US COURTHOUSE 231 W LAFAYETTE	489	4	-
14.62		M3 Commerce 9501 Conner St Detroit Main and Service	7	471	8
14.63		170TH - HERSEY	484	2	-
14.64		BROWN/SCRAM LAKE	-	485	-
14.65		J STAR MOTION 13617 WOODLAWN HILLS DR	154	321	4
14.66		N HIGGINS LAKE 2023	-	-	474
14.67		DTW SIERRA 30500 SUPERIOR RD	-	2	470
14.68		Redmond Rd 2023	-	-	466
14.69		NEW HAVEN 14 8068 BUCHANAN ROAD	-	116	331
14.70		GVSU DEVOS 401 W FULTON ST	-	421	1
14.71		MI POTASH FACILITY 510 120TH AVE	-	303	104
14.72		ELMER'S CRANE AND DOZER	393	4	-
14.73		11 MILE/GRANGE AVE AEP	-	377	2
14.74		M 76 AEP	376	0	-
14.75		Spectrum Health Cedar Street Long Term Care - new Facility	-	(84)	455
14.76		Speedtrack Products Walker 3060 South Industrial Dr	158	203	2
14.77		3 and 4 MILE RD ADA	343	9	-
14.78		Boss Plow New Powder Coat Line	309	29	11
14.79		Schreiber Foods-2023 Expansion	-	-	349
14.80		ALANSON AEP	1	333	3
14.81		ATKINS RD - 2023 AEP	-	-	337
14.82		PHELPS AEP	-	336	0
14.83		PARTRIDGE RD - BARNHART ADDITION AEP	332	-	-
14.84		MUNSON HOSPITAL 1201 6TH ST	210	109	-
14.85		FIAT/CHRYSLER 4000 St Jean	91	195	8
14.86		Spectrum Health - Cogen	-	286	3
14.87		Andy Mast Greenhouse District Reg 2875 Heights Ravenna Rd	(57)	332	10
14.88		OPAL FUELS SALEM 13 10611 W 5 MILE	-	(1,491)	1,775
14.89		8309 N OLD 27 Frederic Towing	96	179	-
14.90		Grand Rapids WWTP InterConnect Project; Biodigester	203	72	-
14.91		Verplank Port Facility Family Holding 151 N Causeway St.	-	128	117
14.92		ASPHALT PAVING 685 S ACCESS HWY	107	136	-
14.93		Andy Mast Greenhouse Expansion	256	(32)	-
14.94		1001 W Eight Mile - Construction heat	-	(61)	276
14.95		EVELINE ORCHARDS AEP	-	198	0
14.96		Central Michigan 1980 E Campus	198	-	-
14.97		CANTON RENEWABLES 4345 S LILLEY RD	-	31	163
14.98		FIAT/CHRYSLER 11851 Freud	164	30	-
14.99		BPV 511 75TH ST SW	-	-	176
14.100		Shoreline Fruits 10106 N US 31 Service Renewal	-	-	159
14.101		MERCY HEALTH HACKLEY 1700 CLINTON	47	82	26
14.102		Unifirst: 9951 Inkster Rd - Construction	-	111	45

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14.103		GRAM 524 BUTTERWORTH SW	52	87	15
14.104		Queen Lillian II 3439 Woodward Ave New Main and Service	140	2	-
14.105		STATE/BRICK RD AEP 2022	-	138	4
14.106		1150 W MEDICAL CENTER DR, ANN ARBOR, MI 48109	(108)	167	82
14.107		Amazon State Fair Grounds Project	132	4	-
14.108		OAKLEAF VILLAGE ADULT CARE 5435 SHEFFER FARM RD	-	131	2
14.109		GRAM Production Pharm Exp Ph 2&3 524 Butterworth St SW	-	127	4
14.110		111 LYON, GRAND RAPIDS, MI 49505	118	0	-
14.111		Gateway Industrial Center - Main Relocation	-	3	112
14.112		ORCHARD VIEW CARDINAL ELEM SCHOOL 2310 MARQUETTE	115	-	-
14.113		GREAT LAKES POTATO CHIPS 522 W COMMERCE, BLAIR	104	9	-
14.114		DAIFFUKU 300 S M75	42	66	-
14.115		CITY OF DETROIT 14044 SCHAEFER	-	-	106
14.116		Unknown SE	-	-	103
14.117		CASCADE HILLS 1221 SPAULDING AVE SE	98	3	1
14.118		Gerald R Ford Intl Airport Authority 5630 Gateway Dr. Main Renewal	-	-	101
14.119		NorthPoint Development Eastland Commerce Ctr. 3 Services and New Main	-	-	101
14.120		WHITEHALL INDUSTRIES 4960 W PROGRESS	99	0	-
14.121		MEIJER REROUTE 1031 E PICKARD ST	-	42	54
14.122		PROJECT FOR PROJECT GREYSTONE ABANDONMENTS, HP	18	0	77
14.123		LEWIS WELDING 3225 NORTHRIDGE DR SUITE A	72	21	-
14.124		MYERS LAKE/PETERSON FARMS AEP	93	(0)	-
14.125		McLaren Central Michigan 1221 South Dr. Mt Pleasant Service Renewal	-	-	89
14.126		LUME ATTITUDE WELLNESS 9741 S INDUSTRIAL PK EVART	81	6	-
14.127		3874 Research Park Drive - Vanguard/Sartorius Biotech	-	56	30
14.128		Project Header 5557 McAuley Dr	83	-	0
14.129		NBR OLTHOFF EXPANS 2725 OLTHOFF DR	-	-	79
14.130		Kalitta Air 3631 Skyway St. New Aircraft Hanger	-	63	15
14.131		Morningside Development 1100 Broadway Ave New Service	-	76	1
14.132		Clark Retirement Communities Keller Lk Project	76	-	-
14.133		SPECTRUM C&C 251 MICHIGAN ST	-	62	13
14.134		Chaison System Enhancement	-	75	(0)
14.135		Amazon New Sortation Facility Main and New Service	53	19	-
14.136		5801 NORTHLAND DR BLYTHEFIELD COUNTRY CLUB	-	67	5
14.137		1208 WOODWARD LLC 1208 WOODWARD	-	47	24
14.138		GVSU CUB BOILER EXPANSION 11136 SERVICE DRIVE	13	57	-
14.139		Boyne USA 21 Ramshead (2 Service Renewals 1 Main Renewal)	-	-	69
14.140		FORD HUB	-	35	34
14.141		West Rock Corregated Project 19661 BROWNSTOWN CTR DR.	67	1	-
14.142		CLARE PUBLIC SCHOOLS 688 ANN ARBOR TRL	-	(2)	68
14.143		21301 OAKWOOD BLVD DEARBORN	65	(3)	4
14.144		BOSSET RD AEP	-	1	65
14.145		COCA-COLA DIST FACILITY (LONE OAK KENT) 6909 RAPIDS DR GR	64	-	-
14.146		ASHLEY CAPITAL GREYSTONE 13571 HAMILTON HP	64	-	-
14.147		HARBOR FOAM BOILER ADD 2950 PRAIRIE ST SW	-	61	3
14.148		Delamar Hotel and Resort LLC	64	(0)	-
14.149		GR 36TH 4300 36TH ST	-	-	63
14.150		Tri County Area Schools Main Renewal Project 21502 Kendaville Rd	8	50	-
14.151		Bay Area Transportation Auth 1340 W Hammond Rd. New Service and meter	-	-	57
14.152		GRPS - Innovation High School - 421 Fountain St. New boiler plant and generator	-	-	56
14.153		KROGER 15675 Wahrman Rd	55	-	-
14.154		M-72 AEP	0	55	-
14.155		GRANDVILLE PS 4900 CANAL AVE SW	54	0	-
14.156		KENT CO BIOENERGY 10300 S KENT DR SW	-	2	51
14.157		STRUCTUAL CONCEPTS 5566 GRAND HAVEN RD	-	-	52
14.158		Commerce 275 LLC/Hillwood Developers Pinnacle Park Phase 2 Site A	(254)	304	-
14.159		CWD 4500 IVANREST	-	8	42
14.160		GATEWAY 12600 SOUTHFIELD RD	0	(21)	-
14.161		UNIVERSITY OF MICHIGAN 1315 E Ann St	73	6	(133)
14.162		Marathon 301 S Fort	-	-	(64)
14.163		FORD MOTOR 20100 OAKWOOD	-	-	(71)
14.164		UoM Temp CCRB Rec Bldg	-	0	(79)
14.165		LOUISIANA PACIFIC EXPANSION 8504 S M95	-	(648)	562
14.166		GLWA WWP 2022 HVAC Improvements	-	-	(88)
14.167		Cadillac Casting 1500 Fourth Ave New Service and meter	-	-	(116)
14.168		GLWA Springwells gas svc line reloc (2) (NO LOAD)	-	-	(426)
14.169		MGU Interconnect	-	-	(510)
14.170		AMC Site 14250 Plymouth Rd	-	(710)	42
14.171		Delray New High Pressure Line 911 W Jefferson	155	384	(1,697)
14.172		JOHNSON FARMS INT W4697 NUMBER 25 ROAD	-	(10)	(1,546)
14.173		New Market Attachment Projects less than \$50k	1,447	421	2,016
14.174		Routine New Market Attachments (unit based)	44,549	50,936	46,034
15		Permits and Other Adjustments	1,133	800	689
16		Sales and Use Tax Settlement	-	-	-
17		Leak Detection and Repair	-	-	-

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(a)					
Line No.	Sub Line No.	Description	12 mos. ending 12/31/2021	12 mos. ending 12/31/2022	12 mos. ending 12/31/2023
18		Total Distribution Plant	197,458	232,634	250,614
19		Transmission Plant			
20		Total Capital Expenditures - Transmission Plant	16,456	15,126	10,782
	20.1	Bradley Drain Line Lowering: A-Line / B-Line, Gratiot County	2,440	0	-
	20.2	MLV #8 Replacement	1,886	119	3
	20.3	16" Loreed-Ludington Pipeline: Replace Pipe at Baldwin River	1,942	18	-
	20.4	West Branch Drain (16" Alpena pipeline) Line Lowering	-	88	1,690
	20.5	Willow Gate Station: ANR Supply Control Valve	1,742	29	-
	20.6	Sault Sainte Marie Gate Station: Replace heater	1	1,330	175
	20.7	6" Mackinaw Pipeline: Exposed Pipe, Mackinaw Mill Creek Camping facility	13	1,428	0
	20.8	Rapid River Gate Station: Odorant Tank	4	1,100	280
	20.9	Escanaba Paper GS Add Additional Heater	982	326	11
	20.10	MLV #14 on A & B Lines: Replace the two mainline valves	4	1,201	1
	20.11	MLV #C4 Replacement	1,143	4	-
	20.12	2021 Milford - Replace MLV8C, CT, CD - Install Piping	1	993	24
	20.13	Scottville Gate Station: Install Filter Separator	6	252	627
	20.14	A-Line: Address exposed pipe at Pine Creek	13	819	12
	20.15	MLV5 Replacement	752	17	-
	20.16	2022 Milford GLWA Gas Line Support Build	-	662	(1)
	20.17	2022 Willow Gate: Valve 89 / new K/L bypass Valve	-	637	-
	20.18	2022 Milford Install K2 Bypass Control Valve	-	570	50
	20.19	MLV #C3 Replacement	566	9	-
	20.20	Sault Sainte Marie Purchase Meter Station: Replace odorizer building	-	4	520
	20.21	Northeast Gate Station: Overhaul west heater	-	408	5
	20.22	Willow Gate Station: remove meter #106-6	384	(0)	-
	20.23	Alpena Gate Station Heater Replacement	200	179	2
	20.24	North Muskegon Rebuild	-	167	212
	20.25	Milford: Install 24" Weld Cap MLV1 - 2022	-	270	81
	20.26	Brimley / Bay Mills Gate Station: Heater overhaul	-	2	347
	20.27	Loreed Combo Gate Replace 2 Relief and 1 Control Valve	0	2	328
	20.28	Gladstone Gate Station: Replace gate valve MLV2 with ball valve; MLV2 is RCV	-	-	324
	20.29	Milford Junction: Replace Valve B2	273	27	-
	20.30	Indian River Gate Station: Replace regulator building (RTN-22-001)	-	6	289
	20.31	Logan Churchill RMS: Demolish Station	-	253	1
	20.32	Kincheloe Building	20	163	66
	20.33	Vulcan Gate Station: Heater overhaul	-	285	(42)
	20.34	Big Rapids Construction Crew Equipment	169	60	-
	20.35	West Bloomfield Gate Station Filter Separator valve actuator install / replace	55	172	0
	20.36	2022 Milford Junction: 24" Manual Valve Upgrade	-	195	1
	20.37	Milford Junction: Concrete foundation upgrades	2	188	-
	20.38	Quinnesec Take-off valve Replacement	189	-	-
	20.39	Niagara Gate Station: Replace regulator building	3	164	21
	20.40	Six Lakes Belding Station: replace valves 4B, 9A, 13D	-	6	181
	20.41	Six Lakes Storage Field Wellpad #10 valve replacement	-	5	181
	20.42	Sault St Marie Gate Station: Filter Coalescer	133	39	2
	20.43	New Era Gate Station: Replace Regulator building	156	10	-
	20.44	Union River Meter Station: Replace 24" Mainline Valve #2	-	-	148
	20.45	Montague Gate Station: Replace emergency valves	2	134	10
	20.46	Carson City Gate Station: Replace NJEX unit	-	2	143
	20.47	Au Train Gate Station: replace the regulators with new Mooneys	129	14	-
	20.48	Tawas Gate Station: Replace MLV #5	-	-	142
	20.49	Wellpad 9: Install Pigging Jumper	-	3	139
	20.50	Edmore Tap/S. Mt. Pleasant Take-off: Upgrade the NJEX cabinet	3	135	1
	20.51	NW Station Design	12	9	117
	20.52	Manton Gate Station: Replace station inlet valve, replace blowoff valve	-	6	131
	20.53	Lyon 24 Tap Removal	-	137	-
	20.54	2020 Willow Gate By-Pass, VanBorn 30, Phase 2	104	17	-
	20.55	Willow Gate Station: replace regulators 97 / 98	5	112	0
	20.56	UP Kingsford Louisiana Pacific Gate Station: Heater - 2021	115	0	-
	20.57	Six Lakes Storage Field: replace the closure, 12" B Header trap, Wellpad #5	1	6	109
	20.58	Replace doors (closures) on pig traps on storage field pipelines.	114	1	-
	20.59	Stanwood Gate Station: Replace electrical feed into station	-	-	106
	20.60	Beal City Gate Station: Upgrade relief valves	98	3	-
	20.61	Ludington Gate Station: Remove 2 tanks	6	94	-
	20.62	Menominee Gate Station: MLV #1 Blow Off Ext 16" Powers	79	20	-
	20.63	Dagget Gate Station: Replace regulators	-	91	7
	20.64	Pentwater Gate Station: Replace electrical feed	2	78	17
	20.65	2023 TSIM North Heater Installations and Commissioning	-	-	97
	20.66	Baldwin Gate Station Heater Overhaul	-	94	-
	20.67	Canadian Lakes: Pipeline overburden, A & B Lines	1	74	18
	20.68	Six Lakes Storage Field Wellpad #10 closure replacement	-	2	90
	20.69	East Muskegon Gate Station: Replace electrical feed	3	90	(2)
	20.70	Kalkaska - TCARP 2023 Carryover - Platforms	-	-	87
	20.71	Weidman Gate Station Piping Modifications	85	1	-

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20.72		Brimley / Bay Mills Gate Station: Filter-Coalescer on outlet piping	78	2	4
20.73		New Era Gate Station: Replace emergency valves	2	79	3
20.74		Iron River Gate Station: Replace heater ignitor system	-	7	76
20.75		Goodwell 8C: Clean out and abandon	1	82	-
20.76		Rogers Heights Gate Station: new odorizer, regulator building, move Rosemount pressure	-	80	2
20.77		Aetna 8 Pipeline: disconnect it, clean it, abandon it	2	79	-
20.78		Window Glazing	78	-	-
20.79		2024 Taggart 12" Austin -Taggart: Install Odorization at Woolfolk	-	-	78
20.80		Six Lakes: Install OPP Protection, MLV 1.5 on A-B Lines - 2023	-	0	77
20.81		Whittemore Gate Station: Construct Proper Station Bypass	-	-	76
20.82		At MLV2 on the 24" Belle River to Detroit Pipeline: Replace blowoff closures	-	5	69
20.83		Crystal Falls Gate Station: Replace heater ignitor system	-	34	38
20.84		Gladstone Gate Station: replace ignitor system on heater	-	36	35
20.85		MLV #12 on ABC Lines: Repair / replace 3 foundations	2	68	-
20.86		Hersey Pipeline Abandonment	1	5	63
20.87		Big Rapids Vehicle Hoist Replacement	-	-	67
20.88		South Muskegon Gate Station: Replace regulator to MGU and actuator	-	-	66
20.89		Escamaba Gate Station: install indoor heatinf for instrumentation	-	-	64
20.90		North Muskegon Gate Station Replace Primary Regulators - 2021	64	(0)	-
20.91		At MLV C9 on ABC Lines: Design & install supports for 2 relief valves	-	4	57
20.92		MLV #A10 & #B10, Replace 1/2" body bleeds are tubing	55	-	-
20.93		2023 UP SSM SOO Purchase Station Paving	-	16	36
20.94		Six Lakes - Norwich 35 Pipeline Abandonment - 2021	2	49	-
20.95		Willow Gate Station: Odorant tank level alarm project	-	4	47
20.96		Transmission Projects less than \$50k	233	476	477
20.97		Union River Metering	1,531	80	10
20.98		Henry Street	35	-	-
20.99		Quality Assurance	532	688	431
20.100	Top 25	K-Line	0	0	2,255
21		Sales and Use Tax Settlement	-	-	-
22		Total Transmission Plant	16,456	15,126	10,782
Storage Plant					
23		Gas Storage Capital Expenditures	3,204	3,354	3,824
23.01		Well Plugging	1,258	1,368	1,259
23.02		Stimulation / Recompletion	724	815	796
23.03		Storage Field Integrity	833	661	267
23.04		Well Upgrade	270	348	1,087
23.05		Well Monitoring / EFM	119	162	415
24		Environmental Projects - Storage Capital Expenditures	28	-	8
25		Compression - Storage Capital Expenditures	10,433	14,934	18,328
25.01		2022 BRM Unit 6 Turbine Engine Replacement and Controls Retrofit	-	1,191	3,783
25.02		Actuator Replacement	2,287	573	544
25.03		Turbine 2200 Engine Exchange	-	-	3,061
25.04		GMVC Boiler replacement	176	1,125	599
25.05		Replace valves R31 ,R38, R39, R40, R41, and (1) Waterbath Heater 2" WE x FE isolation valve	1,552	150	5
25.06		Col Replace Valves & Actuators	28	1,514	156
25.07		Replace Unit Exhaust Silencers	1,087	95	1
25.08		Dehy Desiccant replacement	1	928	27
25.09		Valves and Actuators	31	615	226
25.10		P1& P2 Vibration Remediation	225	627	2
25.11		GMVC #2	-	705	(0)
25.12		Plant 1 turbine fuel gas piping insulation.	693	6	-
25.13		Milford unit 504 engine side overhaul	-	-	674
25.14		BRM Valve & Actuator Upgrades	-	7	664
25.15		Taggart A Header Scrubber Replace Vane &	271	394	0
25.16		Engine 208 Overhaul	-	549	93
25.17		3" FG ESD Valve replacement	12	278	329
25.18		Milford unit 501 compressor Overhaul	-	592	-
25.19		Unit 203 overhaul	589	2	-
25.20		Taggart U202 engine overhaul	-	-	578
25.21		Taggart Replace J2 & J3 Tanks-2021	523	11	-
25.22		BRM Z#5 starter	-	-	519
25.23		2024 Turbine 2100 Engine Exchange	-	-	516
25.24		Milford - Delaval Unit #501 Compressor	-	-	502
25.25		COL Valve & Actuator Upgrades	-	1	498
25.26		Actuators upgrade	1	463	20
25.27		2021 Propane Plant Upgrades	419	63	-
25.28		ESD & SSD System Manual Isolation Valve	-	-	477
25.29		Milford Turbine 3100 PT replacement (also listed below)	-	-	463
25.30		GMVH #2 engine OH	-	445	0
25.31		Heater Inspection and Upgrade	-	3	408
25.32		Kalkaska Comp EOH Unit 1	399	0	-
25.33		GMVC#1	-	-	390
25.34		Inspection/re-build the Union South inline Water Bath Heaters	1	386	(15)

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	25.35	Tank Upgrades	309	18	-
	25.36	60kW backup generator	4	132	186
	25.37	2022 West Columbus - FS-2 Valve Replacement	-	316	5
	25.38	Actuators replacement	-	105	206
	25.39	Air Dryer Upgrades	-	1	298
	25.40	T1 Tank upgrades	-	1	283
	25.41	Fire and Gas Detector Upgrades	-	22	258
	25.42	Proplant plant upgrade	1	244	-
	25.43	Panel and processor	2	213	16
	25.44	Upgrade processor for Dehy	1	224	0
	25.45	2017 Milford Storage Tank Upgrades	207	-	-
	25.46	Relocate pressure transmitters and install electric actuators	59	86	55
	25.47	Allen Bradley PC's	-	150	48
	25.48	Taggart Replace Station Platforms-2021	173	21	(2)
	25.49	V Valve Replacement	156	23	13
	25.50	BRM Still Column Replacement	-	187	(1)
	25.51	Filter Sep Dump Assemblies Upgrade	0	191	(9)
	25.52	Backup generator control panel upgrade	-	50	124
	25.53	FG HEX replacement	3	38	131
	25.54	TAG-21-013 Lead line valve replacement	1	150	19
	25.55	Unit 2 Exhaust Silencer Replacement	1	137	21
	25.56	COL Actuators	66	89	1
	25.57	Control Valve Upgrade	-	3	152
	25.58	Lead Line Valve Actuator Upgrade	-	3	151
	25.59	2021 Col Valve Replace V9 WE X WE	151	0	-
	25.60	FG HEX PSV Replacement	6	74	69
	25.61	Yard Electrical Terminations	-	36	102
	25.62	Unit jacket water cooler Replacement	-	0	132
	25.63	Backup generator control panel upgrade	34	92	-
	25.64	Fiber Optic Upgrade	-	11	111
	25.65	2020 BRM Rebuild 36" Regulators	118	5	-
	25.66	Compressor Unit 103 Overhaul	-	113	8
	25.67	Dehy isolation valves upgrade	1	119	0
	25.68	Taggart Unit 206 (2024 Material Pre-spend)	-	-	120
	25.69	Wireless transmitters installation	2	115	0
	25.70	Compressor Unit 105 Overhaul	-	110	5
	25.71	Taggart Comp Unit 204, 206 Overhaul	112	-	-
	25.72	Rockwell payment; also listed below	-	-	112
	25.73	COL Dehy train 1 hot glycol exchanger replacement	54	57	-
	25.74	Taggart U107 compressor overhaul	-	-	111
	25.75	2022 BRM Control Valve Upgrade	-	76	32
	25.76	Facility Upgrades	-	112	(6)
	25.77	2019 Emergency Materials	61	44	-
	25.78	2021 Milford - Seal Gas Filter Replacement	103	1	-
	25.79	Taggart Station Control System Upgrade	104	0	-
	25.80	Remove existing 24" Weld Cap and install 24" WN Flange- 12" Meter Runs	79	24	(2)
	25.81	Add light fixtures	5	92	-
	25.82	2022 BRM Septic Upgrade	-	96	-
	25.83	MCC- Redo wiring	12	84	-
	25.84	Taggart Calibration Building Control System Upgrade	92	-	-
	25.85	Windrock replacement	-	-	92
	25.86	Continue program of replacing 55 to 60 year old unit jacket water coolers.	91	-	-
	25.87	Upgrade FG ESD Valve Indication and Control	-	14	74
	25.88	Taggart U108 compressor overhaul	-	-	87
	25.89	TAG-00011-Lead line valve replacement	-	3	82
	25.90	Waste gate automation	-	29	53
	25.91	BRM Compressor Station Emergent	-	-	72
	25.92	502 Packing and Rod Repair	-	-	71
	25.93	DeLaval Fuel Gas Heat Exchanger Upgrade	-	3	66
	25.94	Taggart compressor station upgrades	-	-	68
	25.95	P1 Actuators	52	13	-
	25.96	Power Gas Supply Upgrades	-	1	61
	25.97	Upgrade ESD Valve Indication and Control	-	11	49
	25.98	2020 BRM Expand Union Regulators	56	-	-
	25.99	Z Fuel Gas Heat Exchanger Replacement	55	0	-
	25.100	Install rain caps for Unit Blowdown Silencers located at Plant 1	(9)	64	-
	25.101	ESD System Manual Isolation Valve	-	-	51
	25.102	Lead Line Valve Replacement	-	-	50
	25.103	Projects less than \$50k	(23)	414	185
26		Total Storage Plant - Capital Expenditures	13,665	18,289	22,160
27		Structures and Improvements	10,027	9,809	3,752
	27.01	Coolidge Roofing	-	926	104
	27.02	Allen Road Storehouse Roof	-	908	-
	27.03	Mt. Pleasant Roof Replacement	-	161	(5)

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	27.04	Lynch Road Parking Lot & Spoil Yard Paving	-	593	27
	27.05	Traverse City Station Paving	-	1,375	(8)
	27.06	ORC Replace BMS Tracer SC+	-	49	1
	27.07	Allen Rd Storehouse Replace BMS Tracer SC+	-	62	1
	27.08	Six Lakes Phase II Water Infiltration Correction	-	-	578
	27.09	Six Lakes Renovation	889	214	158
	27.10	Kalkaska Renovation	35	489	2
	27.11	Kingsford Renovation	10	1,673	13
	27.12	Wealthy Station Roof	782	12	-
	27.13	Lynch Road Paving	1,487	62	-
	27.14	Muskegon Phase II HVAC Replacement	657	1	-
	27.15	Mt. Pleasant Renovation	1,273	(128)	-
	27.16	Allen Road Roof	5	-	-
	27.17	Allen Road HVAC	(9)	-	-
	27.18	Muskegon Renovation	26	-	-
	27.19	Sault Ste. Marie Renovation	3	-	-
	27.20	Coolidge Renovation	(14)	-	-
	27.21	21-0105 NIL- Welch Ct-Renovation BU	754	589	0
	27.22	19-0141-COLSC- Bldg Fa#ade inspect & res	545	51	-
	27.23	21-0114 ARDCT-Garage Bay 2 lift rplc	176	367	-
	27.24	21-0140 RRORC-ORC Roof rplc	3	29	488
	27.25	22-0091 ARDCT-Fit Garage 2023 auto lift	-	3	506
	27.26	21-0151 LYNCS- Garage Auto Lift replc	6	473	-
	27.27	MSKSC-Garage Auto Lift Replace	367	68	-
	27.28	20-0021 ARDCT-Garage Auto Lift replace	404	-	-
	27.29	22-0008 MICSC-Fit Garage Auto Lift rplc	-	27	364
	27.30	21-0039 RRGST- site drainage reno 21	371	(32)	-
	27.31	21-0106 ESCSC- Cold Storage Bldg BU	168	142	0
	27.32	20-0034 COLSC-Garage Auto Lift Replace	292	0	-
	27.33	21-0072 NIL-Walkent CR move	284	6	-
	27.34	23-0078 TRCCT-Hastings drainage H2O proo	-	-	239
	27.35	21-0013 CADSC- Parking lot Pave	131	107	-
	27.36	20-0042 ARDCT-FFG LED Lighting Project	193	37	-
	27.37	22-0154 PETCT-Yard Storm H2O Runoff 22	-	1	228
	27.38	22-0006 COLSC-technical-Bldg A Crawl Spa	-	240	(36)
	27.39	22-0030 ARDCT-Fleet Garage OH Dr (3)	-	151	32
	27.40	22-0021 ARDCT-technical-Wrhse Racking Rp	-	169	-
	27.41	20-0074 - ARDCT-Add Compactor FFG waste	232	(91)	-
	27.42	23-0100 ARDCT-ICM/HPP Area Flooding Reme	-	-	129
	27.43	23-0022 PETCT-Garage roof rplc	-	-	128
	27.44	23-0068 TRCCT-Hastings rplc yard lightin	-	-	121
	27.45	21-0008 GRRWS-SE Office rooftop HVAC rep	12	107	0
	27.46	20-0122 COLSC-San & Storm lines to St	50	64	0
	27.47	21-0006 BRMLCS- Locker Rm Renovation	120	(15)	3
	27.48	22-0065 RRORC-ORC H2O Srvc line break/r	-	187	(79)
	27.49	21-0135 GRRWS-Fleet garage lights	1	21	77
	27.50	22-0021 ARDCT-Wrhse Racking Rplc TTGW	-	96	0
	27.51	21-0007 ARDCT- Fleet Garage Screen OH Dr	64	26	-
	27.52	20-0155 GRRWS-dispatch area HVAC unit re	86	-	-
	27.53	21-0015 CADSC-Siding replace	85	-	-
	27.54	23-0029 LYNCS-Fleet Garage heating syste	-	-	81
	27.55	21-0158 SSMSC- New prop bldg BU	3	78	(2)
	27.56	21-0131 WRCS-Gas Comp sites emergency ex	1	72	1
	27.57	23-0045 RRGST-ORC SW Gate Operator Rplc	-	-	74
	27.58	21-0121 ARDCT-Rplc HVAC_1249	5	67	-
	27.59	22-0022 LYNCS-Wrhse Racking Rplc TTGW	-	71	-
	27.60	23-0021 TRCCT-Welch Ct roof rplc	-	-	68
	27.61	22-0112 NIL-3 Mile Humidity Control Upgr	-	1	65
	27.62	22-0038 ARDCT-Fit CNG Bldg power feed	-	56	1
	27.63	23-0086 GLDSC-Fuel UST Removal	-	-	55
	27.64	17-0129 - Gas sites-replace pre UL325 OH	51	-	-
	27.65	21-0009 ARDCT-Mn Bldg Fire Alarm Replace	50	0	1
	27.66	Materials & Logistics	86	60	38
	27.67	Investment Recovery	(145)	(130)	(112)
	27.68	Other non-PMO Projects less than \$50k	488	307	408
28		Transportation Vehicles and Equipment	7,680	9,773	14,193
29		Tools and Equipment	1,493	4,463	1,104
	29.01	Tools & Equip - Grand Rapids	432	1,913	369
	29.02	Tools & Equip - Michigan Ave	51	1,618	22
	29.03	Tools & Equip - Allen Rd	484	211	104
	29.04	Tools & Equip - Traverse City	55	43	222
	29.05	Tools & Equip - Escanaba	87	124	80
	29.06	Tools & Equip - Mt. Pleasant	92	89	51
	29.07	Tools & Equip - ORC	61	131	17
	29.08	Tools & Equip - Coolidge	75	54	72

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	29.09	Tools & Equip - Muskegon	53	95	-
	29.10	Tools & Equip - Petoskey	56	68	10
	29.11	Tools & Equip - HPP	-	-	65
	29.12	Tools & Equip - Codes and Standards	-	56	-
	29.13	Tools & Equip - Kalkaska	13	11	19
	29.14	Tools & Equip - Taggart	14	16	10
	29.15	Tools & Equip - Lynch	1	24	13
	29.16	Tools & Equip - Milford Tran	19	-	18
	29.17	Tools & Equip - EPM	-	-	30
	29.18	Tools & Equip - Belle River	-	11	2
	29.19	Tools & Equip - Cadillac	0	-	(0)
30		Communications and Control Equipment	<u>1,223</u>	<u>1,671</u>	<u>2,242</u>
	30.01	Electronic Volume Correctors	3	242	218
	30.02	Gas Chromatographs	90	-	61
	30.03	Control Equipment	596	157	435
	30.04	Telemetering Equipment	177	178	187
	30.05	Gas Measurement Equipment	169	683	319
	30.06	ACE3600	-	-	205
	30.07	SCADA Equipment	188	303	82
	30.08	TSA	-	109	735
31		Total General Plant Capital Expenditures	<u>20,422</u>	<u>25,717</u>	<u>21,291</u>
32		Total Routine Capital Requirements	<u>\$ 248,001</u>	<u>\$ 291,765</u>	<u>\$ 304,847</u>

- 1/ Detailed project lists not available as this is routine unit based work
2/ Detailed Public Improvement project list for 2024 and 2025 is not available.
3/ The Area Expansions Project subset are broken out within the New Markets category

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.128

Respondent: E. M. Abona

Page: 1 of 1

Question: 128. Refer to lines 17-24 on page 8 and lines 1-7 on page 9 of Mr. Abona's direct testimony on public improvements. Please provide the number of units, miles, or projects for each year 2018 to 2023 actual and forecasted for 2024, 2025, first 9 months of 2024, and the 12 months ending September 2025 with the related dollar amounts and excluding the East Jefferson project. Provide this information in Excel.

Answer: Prior to 2021, only expenditures above a routine level of spend were broken out into project level costs. Please see response STDG-1.1 for 2021-2023 Public Improvement costs by project. A detailed Public Improvement project list for 2024 and 2025 is not available. Known projects are available in Exhibit A-12, Schedule B5.11.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.134

Respondent: E. M. Abona

Page: 1 of 1

Question: 134. Refer to Table 6 on page 22 of Mr. Abona's direct testimony on System Reliability. Please expand the table to include 2023 actual data and provide in Excel.

Answer: See attachment U-21291 AGDG 5.134 Updated System Reliability Cost Per Unit Table for an expanded table including the 2023 actual data.

Attachment: U-21291 AGDG 5.134 Updated System Reliability Cost Per Unit Table

Case No.: U-21291							
Audit Request: AGDG-5.134							
Respondent: E. M. Abona							
File Attachment: System Reliability Units and Costs							

Table 6. System Reliability Cost per Unit

	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2023 Actuals	2024 Projected	2025 Projected
Units	67	65	74	96	87	118	103
Capital Spend (\$000)	\$19,120	\$20,080	\$27,810	\$35,470	\$36,418	\$34,510	\$34,200
Cost / Unit	\$285,373	\$308,923	\$375,811	\$369,479	\$418,600	\$292,458	\$332,039

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.137b

Respondent: E. M. Abona

Page: 1 of 1

Question: 137. Refer to lines 12-24 on page 28 of Mr. Abona's direct testimony on Communication and Controls-Meters. Please:

- b. With regard to paragraph 2, please provide the number of meters of each type and related cost for each year 2018 to 2023 actual and forecasted for 2024 and 2025 in Excel.

Answer: See attachment.

Attachment: U-21291 AGDG-5.137b Communication and Controls-Meters 2018-2025

DTE Gas Response to data request AGDG-5.137b

Case No: U-21291
Exhibit: AG-7
May 7, 2024
Page 2 of 2

U-21291 AGDG-5.137b Communication and Controls-Meters 2018-2025																
	Actual												Projected			
	Purchase Year -2018		Purchase Year -2019		Purchase Year -2020		Purchase Year -2021		Purchase Year -2022		Purchase Year -2023		Purchase Year -2024		Purchase Year -2025	
Material Description	Qty	\$'s	Qty	\$'s	Qty	\$'s	Qty	\$'s	Qty	\$'s	Qty	\$'s	Qty	\$'s	Qty	\$'s
METER_FLOW,250 AMER, 402 TMS	49,776	\$2,910,350	33,449	\$1,703,507	71,262	\$4,865,411	20,045	\$1,631,906	24,880	\$2,802,836	50,020	\$5,139,125	28,662	3,362,321	42,094	\$4,773,586
METER_FLOW,250 AMER, 405 TMS											17,999	1,758,051	2,001	212,525		
METER_FLOW,425 AMER, 403 TMS	11,255	\$1,464,160	839	\$97,812			1,000	\$194,907	8,770	2,287,338	11,532	2,952,148	5,760	1,668,554	5,760	1,668,554
METER_FLOW,45 LIGHT,DRESSER, D800	1,920	\$1,144,492	1,840	\$917,734		\$370,800			450	370,800	240	231,874	818	916,160	818	916,160
METER_FLOW,800 AMER, 404 TMS					2,309	\$1,531,671	1,498	\$1,298,438	638	509,635	1,650	1,561,669	900	936,382	900	936,382
METER_FLOW, 2.4 GZ -45I			230	\$33,251	2,158	\$318,943	2,906	\$574,498								
METER_FLOW, 2.4 GZ -45S					150	\$23,343	432	\$79,386								
METER_FLOW,ROTARY 102 M, FM					2	\$43,466	3	\$90,475	4	93,190	3	73,050	3	97,087	3	97,087
METER_FLOW,ROTARY 11 MTC	56	\$90,094	150	\$261,105	43	\$77,995			1	3,019	17	37,643	56	145,103	56	145,103
METER_FLOW,ROTARY 16 M	35	\$75,185	50	\$115,128	25	\$61,980							39	130,035	39	130,035
METER_FLOW,ROTARY 2 MTC	757	\$710,136	350	\$374,740	1,112	\$1,359,260	190	\$206,464	559	841,831	639	\$835,525	173	275,333	173	275,333
METER_FLOW,ROTARY 23M LM	10	\$49,229	-	\$0	10	\$61,440			10	64,550	18	\$131,931	18	161,401	18	161,401
METER_FLOW,ROTARY 3 MTC	76	\$61,638	300	\$299,421	246	\$252,123	60	\$116,369	287	404,345	333	\$431,864	83	133,769	83	133,769
METER_FLOW,ROTARY 38 MID-175,LM	15	\$105,613	3	\$22,338	9	\$69,015			1	32,227	7	\$64,039	3	33,573	3	33,573
METER_FLOW,ROTARY 5 MTC	84	\$87,700	200	\$228,763	155	\$206,489	120	\$202,374	95	175,898	222	\$338,442	68	124,065	68	124,065
METER_FLOW,ROTARY 56 M, FM	4	\$37,352	4	\$39,045	5	\$49,569	4	\$41,274	2	53,143	1	\$12,069	3	44,292	3	44,292
METER_FLOW,ROTARY 7 MTC	74	\$103,187	143	\$215,780	25	\$40,016	10	\$15,749	64	238,350	140	\$262,588	40	83,642	40	83,642
METER_GAS,5000 CF/HR, 175 PSI MAOP, 3 IN P									1	1,823						
Total Meters	64,062	\$6,839,134	37,558	\$4,308,623	78,011	\$9,331,521	26,268	\$4,451,840	35,762	\$7,878,986	82,821	\$13,830,015	38,627	\$8,324,242	50,058	\$9,522,982
Unit Cost		\$ 106.76		\$ 114.72		\$ 119.62	22930	\$ 169.48		\$ 220.32		\$ 166.99		\$ 215.50		\$ 190.24
Modules																
MODULE_ELECT,AMI 2.4GZ W/WIRES/ROTARY HEAT	10	\$1,236			2,500	\$203,322					1,760	170,566	270	250,037	270	250,037
MODULE_ELECT,AMI, TMS 400											800	44,018			800	44,018
MODULE_ELECT,AMI,ACT/SPRAG 009P																\$0
METER_GAS,AMR GAS MOD AME COM							144	\$ 12,400								
METER_GAS,AMR GASMOD RKL 16T RES							50	\$ 2,731	528	52,039						
METER_GAS,AMR GASMOD SRG RES							400	\$ 21,218	20	1,092						
MODULE_ELECT,AMR 100G REMOTE			400	\$18,898	300	\$14,369	400	\$31,971			2,480	241,639				
MODULE_ELECT,AMR TMS 402 403	83,620	\$3,657,882	500	\$23,623	16,200	\$791,349			20,000	1,076,556	38,200	2,052,382	28,824	1,971,838	28,824	1,971,838
MODULE_ELECT,AMR TMS 404	2,740	\$197,554	3,000	\$233,604	1000	77868			220	11,538						
MODULE_ELECT,AMR TMS 423/424					100	\$7,993					1,092	62,559				
MODULE_ELECT,AMR TMS 441_445																
MODULE_ELECT,TMS 402			25,000	\$1,093,603	42,500	\$1,892,496	51,430	\$2,364,532			16,600	913,375	59,360	3,806,004	35,500	\$2,276,164
MODULE WIRES & KITS							950	\$77,858	200	18,099					2,320	268,778
Total Modules	86,370	\$3,856,672	28,900	\$1,369,728	62,600	\$2,987,397	53,374	\$2,510,709	20,968	\$1,159,324	60,932	\$3,484,539	88,454	\$6,027,879	67,714	\$4,810,835.2
Unit Cost		\$ 44.65		\$ 47.40		\$ 47.72		\$ 47.04		\$ 55.29		\$ 57.19		\$ 68.15		\$ 71.05
Total Meters & Modules	150,432	\$10,695,806	66,458	\$5,678,351	140,611	\$12,318,918	79,642	\$6,962,549	56,730	\$9,038,310	143,753	\$17,314,554	127,081	\$14,352,121	117,772	\$14,333,817
Unit Cost		\$ 71.10		\$ 85.44		\$ 87.61		\$ 87.42		\$ 159.32		\$ 120.45		\$ 112.94		\$ 121.71
Unit Costs calculated by AG																

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-2.30a

Respondent: S. N. Kehoe

Page: 1 of 1

Question: 30. On page 45 of his testimony, Mr. Kehoe discusses Leak Detection and the PHSMA's Notice of Proposed Rulemaking, which the Company believes will result in \$10.28 million of additional costs in the projected test year versus \$0 cost in the year 2022. Please:

a. Provide the required timeline for implementation of the new rule.

Answer: The required timeline for the implementation of the Leak Detection and Repair (LDAR) Notice of Proposed Rulemaking (NPRM) is proposed by PHMSA to be six months following the publication of the final rule in the Federal Register.

Attachment: None

MPSC Case No: U-21291**Requester:** AG**Question No.:** AGDG-2.30c**Respondent:** S. N. Kehoe**Page:** 1 of 1

- Question:** 30. On page 45 of his testimony, Mr. Kehoe discusses Leak Detection and the PHSMA's Notice of Proposed Rulemaking, which the Company believes will result in \$10.28 million of additional costs in the projected test year versus \$0 cost in the year 2022. Please:
- c. Provide a copy of PHSMA's Notice of Proposed Rulemaking and identify where in the notice it indicates the timing for finalization of the rulemaking.

Answer: The Leak Detection and Repair (LDAR) Notice of Proposed Rulemaking (NPRM) can be found in the Federal Register at <https://www.federalregister.gov/documents/2023/05/18/2023-09918/pipeline-safety-gas-pipeline-leak-detection-and-repair>. In Section B: Summary of the Regulatory Provisions, it states "PHMSA proposes an effective date for this rulemaking of 6 months following publication of a final rule in the Federal Register." The final rule is expected in the third quarter of 2024. Assuming a publication date of September 1, 2024, the rule would become effective on March 1, 2025, six months from the publication date.

Attachment: None

MPSC Case No: U-21291**Requester:** AG**Question No.:** AGDG-5.142a**Respondent:** E. M. Abona**Page:** 1 of 1

Question: 142. Refer to lines 12-22 on page 36 of Mr. Abona's direct testimony on the Leak Detection and Repair (LDAR) program.

- a. Does the Company consider LDAR a new program or a refinement of its existing leak detection and repair program? If a new program, explain why and show how it differs from its existing program. If a refinement, identify the changes.

Answer: The Leak Detection and Repair (LDAR) is a Notice of Proposed Rulemaking (NPRM) issued by PHMSA. This consists of amendments for the federal register for strengthened leak survey and patrolling requirements, performance standards for advanced leak detection programs, leak grading and repair criteria with mandatory repair timelines, requirements for mitigation of emissions from blowdowns, and pressure relief device design. These new rules will require additional activities by DTE Gas to meet. These new rules can be found in the federal register, and the key changes to DTE's existing program are detailed in Table 9 of my direct testimony on page 37-38.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143a

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- a. Explain why the Company does not show any capital expenditures on line 16 of Exhibit A-12, Schedule B5.1, for 2022 through 2024, given that the Company has repaired gas leaks in prior years.

Answer: The capital expenditures on line 16 of Exhibit A-12, Schedule B5 do not show any capital expenditures for 2022 – 2024 because these expenditures that are listed are only for the additional cost due to the rule, which is not effective until 6 months following the issue of the final rule, which would be March 1, 2025, based on the September 1, 2024, issue date.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143b

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- b. Provide the cost of detecting and repairing gas leaks each year 2018 to 2023 and forecasted for 2024 in Excel, identifying separately the amount charged to O&M expense and capital expenditures.

Answer:

Leak Detection Costs

Year	O&M Expense (\$MM)
2018 Actual	\$7.9 M
2019 Actual	\$9.2 M
2020 Actual	\$7.9 M
2021 Actual	\$9.6 M
2022 Actual	\$10.0 M
2023 Actual	\$9.9 M
2024 Forecast	\$10.8 M

Leak Repair Costs

Year	O&M Expense (\$MM)	Capital Leak Expenditures (\$MM)
2018 Actual	\$13.6	\$8.0
2019 Actual	\$14.6	\$4.8
2020 Actual	\$7.9	\$4.0
2021 Actual	\$15.6	\$4.2
2022 Actual	\$13.1	\$3.7
2023 Actual	\$9.6	\$3.9
2024 Forecast	\$11.2	\$5.4

Attachment: None

Co-Respondent(s): S. N. Kehoe

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143c

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- c. If the Company has included forecasted O&M expense for gas leak detection and repair in the projected test year, identify the amount, the exhibit, and line number, and how these costs differ from the costs on line 16 of Schedule B5.1 for the projected test year.

Answer: The O&M expenses for the Gas LDAR rule are located on lines 12-24 on page 45 of Mr. Kehoe's direct testimony and detailed in Table 23 on page 46 of Mr. Kehoe's direct testimony. Additionally, the detailed evaluation of the O&M cost of the rule as currently proposed is contained in Exhibit A-27 Schedule Q1.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143d

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- d. Explain what the \$2.5 million for Leak Grading and Repair will be spent on and why it is a capital item.

Answer: The \$2.5 million for Leak Grading and Repair is the portion of the increased leak repairs on Grade 3 leaks for both distribution and transmissions as required by the rule. This is the capital portion of the repairs – services and mains that are renewed as required by standards or field conditions dictate. The O&M portion of the repairs – services and mains that are repaired are included in Table 23 on page 46 of Mr. Kehoe's direct testimony. Main and services that are renewed and replaced are considered capital expenditures.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143e

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- e. Explain what the \$11.6 million for Advance Leak Detection Program will be spent on and why it is a capital item.

Answer: The \$11.6 million for the Advance Leak Detection Program is to purchase 5 new Picarro leak detection units (mobile gas survey – four for GRMI operations, one additional for SEMI operations) in order to meet the rule requirements. These units are estimated to be \$1.2 million each resulting in a total of 5 units at a cost of \$6 million. In addition, there are 415 leak survey handhelds that have been initially identified that do not meet the new 5ppm sensitivity requirements and will need to be replaced. At a cost of \$12,500 per unit, this cost totals \$5.6 million. This equipment would be a capital purchase and would total \$11.6 million to meet the requirements of the rule.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143f

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- f. Identify the current equipment leak survey equipment sensitivity to detect gas leaks.

Answer: DTE Gas currently has multiple different leak survey devices that detect gas leaks at different levels of sensitivity. Their sensitivity ranges from 1 ppm to 500ppm with varying sensor capabilities and vintages. The units to be upgraded are the ones that do not meet the requirements of the rule. DTE is working closely with manufacturers to assess the life and fit for purpose of the equipment and ensure alignment with the rule.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143g

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

g. Explain what the \$0.3 million for Transmission Blowdown will be spent on and why it is a capital item.

Answer: DTE Gas currently uses a variety of mitigation methods to reduce the intentional release of natural gas during projects. The \$0.3 million is to utilize temporary compression on four additional capital projects during the rate case test year.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.143h

Respondent: E. M. Abona

Page: 1 of 1

Question: 143. Refer to lines 6-11 and Table 9 on pages 37 and 38 of Mr. Abona's direct testimony on the LDAR program. Please:

- h. Explain what the \$0.6 million for Pressure Relief Devices will be spent on and why it is a capital item. Explain how the Company plans to remediate the existing devices and redesign them to minimize the release of gas.

Answer: The \$0.6 million for Pressure Relief Devices will be spent to reconfigure the gas relief set up on one gate station rebuild/year. The redesign will optimize the existing regulation and relief systems at each gate station to reduce potential gas loss without sacrificing reliable customer deliverability. Items that may be included in this optimization are regulation failure modes, existing relief valve sizing, relief valve functionality, and potential replacement of pneumatic equipment where feasible.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.106b

Respondent: K. M. Fedele

Page: 1 of 1

- Question:** 106. Refer to lines 9-11 on page 33 of Ms. Fedele's direct testimony on the Fort St. main replacement program. Please:
- b. Provide the timing of the I-375 Reconstruction and other municipal coordination projects based on the government agencies' schedules and how they will drive the timing of the Fort St. main replacement.

Answer: Sections of Phase 5 of the Fort St project were pulled ahead to be completed in 2023 in conjunction with City of Detroit sewer and water upgrades near the Michigan Central Train Station. Phase 7 is driven to be completed in early 2024 to meet the April 30, 2024, utility abandonment completion mandate from MDOT. The company will continue to coordinate on the I-375 Reconstruction project as more information regarding the schedule is made available from MDOT.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.129

Respondent: E. M. Abona

Page: 1 of 1

Question: 129. Refer to lines 9-25 on page 9 of Mr. Abona's direct testimony on the East Jefferson public improvement project. Please explain why the project cost increased to \$22.3 million in this case, as shown on page 10 of Exhibit A-12, Schedule B5.5, in comparison to the \$14.99 million in Case No. U-20940, as shown on page 25 of Schedule B5.5 in that case. Provide the related cost increase for each reason with supporting evidence.

Answer: The primary reason for the cost increase was due to delays with the City of Detroit's Jefferson Road Reconstruction project, and ultimately a change in scope when the City of Detroit cancelled their project. The budget submitted for the U-20940 rate case was based on all DTE Gas work being completed within the Jefferson Right of Way in parallel with the City of Detroit's reconstruction project, which was to be completed in 2023. The original discussions with the City of Detroit had all utilities removed and placed in a designated utility corridor to be identified by the City of Detroit. Therefore, the requested \$14.99 million budget in U-20940 assumed that the City of Detroit would perform all excavation, backfill and restoration associated with DTE Gas's Jefferson Gas Relocation project. The increase in the U-21291 budget is due to the following:

- \$300k of material cost increase
- \$5.4M of construction cost increase due to pavement removal, excavation and backfill in project scope
- \$2.9M of construction cost increase due to restoration in project scope
- The above cost is offset by \$1.3M of lower cost in labor, design, and overhead/burden

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.115a

Respondent: K. M. Fedele

Page: 1 of 1

Question: 115. Refer to page 55 of Ms. Fedele's direct testimony on the Van Born 36" pipeline. Please:

- a. Provide the approximate date when the Company decided to abandon the previous plan and proceed with Option D?

Answer: The decision to abandon the original plan and proceed with Option D was made in May 2022.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.115b

Respondent: K. M. Fedele

Page: 1 of 1

- Question:** 115. Refer to page 55 of Ms. Fedele's direct testimony on the Van Born 36" pipeline. Please:
- b. Explain in more detail how option D and the installation of the new valves and regulators would solve a supply interruption at various points along the pipeline from the Willow citygate to the River Rouge station. Provide a detailed map with your explanations. Explain also how you would use of the 30" parallel line.

Answer: The installation of new RCVs and interconnects with the parallel 30" Van Born main will allow the company to isolate affected segments of the 36" Van Born main during an incident while providing gas supply from the west from Willow Station and from the east from the new interconnect with the 30" Van Born at Rouge Station. Detailed maps are attached showing the location of new RCVs and interconnects along with an example showing how gas would be diverted during a potential incident as explained above.

Attachment: U-21291 AGDG-5.115b Van Born Project Detailed Map

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.115c

Respondent: K. M. Fedele

Page: 1 of 1

Question: 115. Refer to page 55 of Ms. Fedele's direct testimony on the Van Born 36" pipeline. Please:

- c. Are there still customers in the area that would not be protected from an outage on Van Born line after Option D is implemented? If yes, how many customers?

Answer: With Option D, in the event of an incident on the 36-in Van Born pipeline during a peak winter day, it has been estimated that there may be 1,400 customers that could potentially be impacted.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.117a

Respondent: K. M. Fedele

Page: 1 of 1

Question: 117. Refer to lines 6-17 on page 57 of Ms. Fedele's direct testimony on the Van Born 36" pipeline.

- a. If the Company withdrew the ex parte application in May 2022, why are there \$6.1 million of costs in 2021 that the Company still seeks to recover in rate base? What do these costs relate to?

Answer: The original scope of the Van Born Project included a meter station at Willow Gate Station, a 7-mile pipeline, new main line valve installations with remote control capabilities, retrofitting existing mainline valves to accommodate remote control capabilities and regulation at River Rouge Station. While the meter station and pipeline were removed from the scope, the balance of the plan remained intact. The \$6.1 million in 2021 that is represented in this filing is related to that portion of the project that remained in scope.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.117b

Respondent: K. M. Fedele

Page: 1 of 1

Question: 117. Refer to lines 6-17 on page 57 of Ms. Fedele's direct testimony on the Van Bom 36" pipeline.

b. Provide a list of costs incurred in 2020, 2021, and through May 2022 in Excel, and identify which costs the Company has included in the \$1.9 million it does not seek to recover.

Answer: Refer to attachment.

Attachment: U-21291 AGDG-5.117b-01 Van Bom Write Off

U-21291						
AGDG 5.117b						
Van Born Project (\$ millions)	2020 Actuals	2021 Actuals	YTD May 2022 Actuals	Total Project Spend Through May 2022	Write-Off	Write-Off Comments
Labor (Internal)	\$0.3	\$0.8	\$0.4	\$1.5	(\$0.3)	Labor associated with the pipeline and willow workorders, excluding project management oversight group for March 2021 - May 2022. March 2021 marks the end of the scoping period and the beginning of the design phase of the project
Material	\$0.1	\$0.1	(\$0.1)	\$0.1	\$0.0	
Contract Services	\$0.4	\$4.4	\$1.0	\$5.8	(\$1.5)	(\$0.6) - outside contractor support for office activities (\$0.5) - Engineering Contractor performing conceptual and detailed design for Willow Gate Meter Station and Pipeline (\$0.4) - Pipeline permit fees
Overheads	\$0.2	\$0.7	\$0.3	\$1.1	(\$0.2)	Percentage consistent with labor associated with the pipeline and willow workorders
AFUDC	\$0.0	\$0.1	\$0.1	\$0.3	(\$0.1)	Percentage consistent with Pipeline and Willow portion of project
Total Project Capital Expenditures	\$0.9	\$6.1	\$1.8	\$8.7	(\$2.0)	(\$1.985) normalization adjustment can be found in Exhibit A-12, Schedule C5.2

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.167a

Respondent: E. D. Janness

Page: 1 of 1

- Question:** 167. Refer to Table 6 and the other information provided on page 26 of Mr. Janness's direct testimony on the GRP and the PRA model. Please:
- a. Provide the full list of all GRP projects risk-ranked under the PRA from which the 2024 and 2025 projects were selected in Excel showing the projects in risk rank order from highest to lowest with the project number and description, the total risk score, the number of miles to be retired, the number of miles to be installed, the year that the project is targeted for completion, and other relevant information used by the Company to rank and select the projects for the applicable years.

Answer: See attached.

Attachment: U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1

The remainder of the exhibit consists of a 14-page listing
of Risk Ranked Projects from the Company's
Probabilistic Risk Model (PRA)

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
3	2073	SWDET3	Detroit-High	1	0.961	1.4	1.6	2024	
4	204	Milwaukee Junction 2	Detroit-High	2	0.521	1.6	1.8	2024	
5	2012	Elmwood Park 1	Detroit-High	3	0.229	3.1	3.6	2024	
6	5082	SWDET3	Detroit-High	4	0.164	6.4	7.4	2024	
7	5042		Detroit-High	5	0.155				High Complexity Target Met
8	2051	Midtown MMO	Detroit-High	6	0.153			2022	Prior GRP Grid
9	5012	CDET4	Detroit-Low	7	0.122			2023	Prior GRP Grid
10	4011	Islandview	Detroit-Low	8	0.122			2023	Prior GRP Grid
11	5081	SWDET3	Detroit-High	9	0.103	2.1	2.4	2024	5081 needs to be hydraulically com
12	2071	Woodbridge 1	Detroit-Low	10	0.099	2.9	3.3	2024	
13	5011	CDET5	Detroit-Low	11	0.094	14.2	16.3	2024	
14	5053		Detroit-High	12	0.081				High Complexity Target Met
15	102		Detroit-High	13	0.077				High Complexity Target Met
16	2013		Detroit-High	14	0.073				High Complexity Target Met
17	2072	Woodbridge 1	Detroit-Low	15	0.070	1.1	1.3	2024	
18	5092	SWDET1	Detroit-High	16	0.069			2022	Prior GRP Grid
19	4012	East Village 1	Detroit-Low	17	0.069	9.9	11.4	2024	
20	5111	SWDET2	Detroit-Low	18	0.059			2021	Prior GRP Grid
21	3072	WDET4	Detroit-Low	19	0.058	4.7	5.4	2024	
22	4023	East Village 1	Detroit-Low	20	0.056	6.7	7.7	2024	
23	4042	Hamtramck 1/2	Detroit-Low	21	0.045			2019	Prior GRP Grid
24	6252	Taylor MMO 2	Detroit-Low	22	0.042	0.0	0.0	2024	Less than 500' Legacy Main, Added to meet inside meter target. combine 6285. 6286. 6251.
25	6384	Redford MMO #6351	Detroit-Low	23	0.041			2019	Prior GRP Grid
26	5022	Highland Park 1	Detroit-Low	24	0.039	13.6	15.5	2024	
27	2062		Detroit-High	25	0.039				High Complexity Target Met
28	3063	WDET2	Detroit-Low	26	0.038			2019	Prior GRP Grid
29	7212		Washtenaw-Low	27	0.038				Less than 500' Legacy Main
30	5142	NCDT3	Detroit-Low	28	0.036			2021	Prior GRP Grid
31	6152	Trenton 1	Detroit-Low	29	0.036	4.3	5.0	2024	
32	5152	NCDT2	Detroit-Low	30	0.033			2022	Prior GRP Grid
33	3061	WDET1	Detroit-Low	31	0.033			2019	Prior GRP Grid
34	101		Detroit-High	32	0.032				High Complexity Target Met
35	408	East Village 1	Detroit-Low	33	0.031	8.5	9.8	2024	
36	5091	SWDET1	Detroit-Low	34	0.031			2022	Prior GRP Grid

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37	5041	WDET4	Detroit-Low	35	0.029	8.4	9.7	2024	
38	6012	Dearborn 1/2/3	Detroit-Low	36	0.028			2017	Prior GRP Grid
39	2061		Detroit-High	37	0.026				High Complexity Target Met
40	303	CDET5	Detroit-Low	38	0.026	1.8	2.1	2024	
41	5062	CDET2	Detroit-Low	39	0.024			2021	Prior GRP Grid
42	2011		Detroit-High	40	0.024				High Complexity Target Met
43	2022		Detroit-High	41	0.023				High Complexity Target Met
44	6153	Trenton 1	Detroit-Low	42	0.023	2.2	2.5	2024	
45	4021	East Village 1	Detroit-Low	43	0.022	9.1	10.4	2024	
46	6142	Riverview MMO #6142 (2023	Detroit-Low	44	0.022	0.3	0.4	2024	2023 Carryover MMO
47	6041		Detroit-High	45	0.020				High Complexity Target Met
48	5073	CDET1	Detroit-Low	46	0.018			2020	Prior GRP Grid
49	7221		Washtenaw-Low	47	0.018				Less than 500' Legacy Main
50	6203		Detroit-Low	48	0.017				Less than 500' Legacy Main
51	5289	NWDET2	Detroit-Low	49	0.017			2022	Prior GRP Grid
52	4024	East Village 1	Detroit-Low	50	0.017	6.6	7.6	2024	
53	5153	NCDDET2	Detroit-Low	51	0.017			2020	Prior GRP Grid
54	6023	Dearborn 1/2/3	Detroit-Low	52	0.017			2017	Prior GRP Grid
55	3041	Hamtramck 1/2	Detroit-Low	53	0.017			2019	Prior GRP Grid
56	203		Detroit-High	54	0.016				High Complexity Target Met
57	3042	Hamtramck 1/2	Detroit-Low	55	0.016			2019	Prior GRP Grid
58	3091	RRE1	Detroit-Low	56	0.015			2021	Prior GRP Grid
59	3064	WDET2	Detroit-Low	57	0.015			2019	Prior GRP Grid
60	5021	Highland Park 1	Detroit-Low	58	0.015	17.1	20.4	2024	
61	5178		Detroit-Low	59	0.015				Less than 500' Legacy Main
62	5154	NCDDET2	Detroit-Low	60	0.014			2020	Prior GRP Grid
63	5164	NCDDET1	Detroit-Low	61	0.014			2019	Prior GRP Grid
64	6131	Southgate MMO #6131	Detroit-Low	62	0.013	0.0	0.0	2024	Less than 500' Legacy Main, Added
65	5104		Detroit-Low	63	0.013				
66	6324		Detroit-Low	64	0.013				
67	4022		Detroit-Low	65	0.012				
68	6302	Dearborn Heights MMO #6302	Detroit-Low	66	0.012	1.0	1.2	2024	Added to meet inside meter target
69	3073	WDET2	Detroit-Low	67	0.011			2019	Prior GRP Grid
70	4053		Detroit-Low	68	0.011				
71	5063	CDET2	Detroit-Low	69	0.011			2021	Prior GRP Grid
72	6015	WDET2	Detroit-Low	70	0.011			2019	Prior GRP Grid

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2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
73	6262		Detroit-Low	71	0.011				Less than 500' Legacy Main
74	5141	NCDET4	Detroit-Low	72	0.011			2022	Prior GRP Grid
75	5101		Detroit-Low	73	0.011				
76	5112	SWDET 1/2	Detroit-Low	74	0.011			2021	Prior GRP Grid
77	6274	Taylor MMO 1	Detroit-Low	75	0.011	0.0	0.0	2024	Added to meet inside meter target
78	5224	NCDET3	Detroit-Low	76	0.011			2021	Prior GRP Grid
79	6408	Inkster 2	Washtenaw-Low	77	0.010	0.1	0.2	2024	
80	2021		Detroit-High	78	0.010				High Complexity Target Met
81	6283	Taylor MMO	Detroit-Low	79	0.010			2020	Prior GRP Grid
82	5074		Detroit-Low	80	0.010				
83	5134		Detroit-Low	81	0.009				
84	5155		Detroit-Low	82	0.009				
85	6253	Taylor MMO 2	Detroit-Low	83	0.009	0.0	0.1	2024	Less than 500' Legacy Main, Added
86	5177		Detroit-Low	84	0.009				
87	3071		Detroit-Low	85	0.009				
88	5303	NWDET1	Detroit-Low	86	0.008			2020	Prior GRP Grid
89	7061		Washtenaw-Low	87	0.008				Less than 500' Legacy Main
90	4092		Detroit-Low	88	0.008				
91	6032		Detroit-High	89	0.008				High Complexity Target Met
92	5143		Detroit-Low	90	0.008				
93	6141	Riverview 1	Detroit-Low	91	0.008	0.8	0.9	2024	Needs to be hydraulically complete
94	3062	WDET1	Detroit-Low	92	0.008			2019	Prior GRP Grid
95	6461	Belleville 1	Washtenaw-Low	93	0.008	1.6	1.9	2024	
96	4162	EDET1	Detroit-Low	94	0.008			2021	Prior GRP Grid
97	5123		Detroit-Low	95	0.008				
98	5225		Detroit-Low	96	0.007				
99	5113		Detroit-Low	97	0.007				
100	410		Detroit-Low	98	0.007				
101	6121	Southgate MMO #6121	Detroit-Low	99	0.007	0.0	0.0	2024	Added to meet inside meter target
102	4031		Detroit-Low	100	0.007				
103	6082	LPMMO 6082	Detroit-Low	101	0.007			2023	Prior GRP Grid
104	4041	Hamtramck 1/2	Detroit-Low	102	0.007			2019	Prior GRP Grid
105	4091		Detroit-Low	103	0.007				
106	7011		Washtenaw-High	104	0.007				High Complexity Target Met
107	5071	WCDET1	Detroit-Low	105	0.007			2021	Prior GRP Grid
108	5051		Detroit-Low	106	0.007				

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109	4063	ECDET1	Detroit-Low	107	0.007			2022	Prior GRP Grid
110	5052		Detroit-High	108	0.007				
111	5332	NWDET3	Detroit-Low	109	0.007			2023	Prior GRP Grid
112	5102		Detroit-Low	110	0.007				
113	6222	Flat Rock MMO	Detroit-Low	111	0.007	0.1	0.1	2024	Added to meet inside meter target
114	5133	CDET1	Detroit-Low	112	0.007			2020	Prior GRP Grid
115	7022	Ann Arbor 7	Washtenaw-Low	113	0.006	0.7	0.8	2024	
116	5343		Detroit-Low	114	0.006				
117	6083	Lincoln Park MMO #6083	Detroit-Low	115	0.006	1.2	1.3	2024	Added to meet inside meter target
118	6485		Washtenaw-Low	116	0.006				Less than 500' Legacy Main
119	4061		Detroit-Low	117	0.006				
120	4261	NDET2-3	Detroit-Low	118	0.006			2020	Prior GRP Grid
121	421	Grosse Pointe 3	Detroit-Low	119	0.006			2019	Prior GRP Grid
122	5061	CDET3	Detroit-Low	120	0.006			2023	Prior GRP Grid
123	6351	Redford MMO #6351	Detroit-Low	121	0.006	0.2	0.2	2024	Added to meet inside meter target
124	6313		Detroit-Low	122	0.006				
125	5145		Detroit-Low	123	0.005				
126	6072	Allen Park MMO	Detroit-Low	124	0.005			2023	Prior GRP Grid
127	404		Detroit-Low	125	0.005				
128	5364		Detroit-Low	126	0.005				
129	4271		Detroit-High	127	0.005				
130	5246		Detroit-Low	128	0.005				
131	6206		Detroit-Low	129	0.005				
132	6221	Flat Rock MMO	Detroit-Low	130	0.005	0.2	0.2	2024	Added to meet inside meter target
133	4222	Grosse Pointe 3	Detroit-Low	131	0.005			2019	Prior GRP Grid
134	6151		Detroit-Low	132	0.005				
135	4151		Detroit-Low	133	0.005				
136	6482		Washtenaw-Low	134	0.005				Less than 500' Legacy Main
137	5103		Detroit-Low	135	0.005				
138	4062		Detroit-Low	136	0.005				
139	519		Detroit-Low	137	0.005				
140	5072		Detroit-Low	138	0.004				
141	6276		Detroit-Low	139	0.004				
142	6086	Lincoln Park MMO #6086 (20	Detroit-Low	140	0.004	0.9	1.0	2024	2023 Carryover MMO
143	5321		Detroit-Low	141	0.004				
144	5213		Detroit-Low	142	0.004				

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145	4262		Detroit-Low	143	0.004				
146	5227		Detroit-Low	144	0.004				
147	5285		Detroit-Low	145	0.004				
148	6081	Lincoln Park MMO #6081	Detroit-Low	146	0.004	0.2	0.2	2024	Added to meet inside meter target
149	6403	INKSTER MMO 6403	Washtenaw-Low	147	0.004			2023	Prior GRP Grid
150	6412	Garden City MMO #6412	Washtenaw-Low	148	0.004	0.0	0.0	2024	Less than 500' Legacy Main, Added
151	5253		Detroit-Low	149	0.004				
152	305		Detroit-Low	150	0.004				
153	5181		Detroit-Low	151	0.004				
154	6455		Washtenaw-Low	152	0.004				Less than 500' Legacy Main
155	4202		Detroit-Low	153	0.004				
156	5125		Detroit-Low	154	0.004				
157	4043	Hamtramck 1/2	Detroit-Low	155	0.004			2019	Prior GRP Grid
158	6212		Detroit-Low	156	0.004				
159	5245		Detroit-Low	157	0.004				
160	6231		Detroit-Low	158	0.004				
161	6022		Detroit-Low	159	0.004				
162	2052		Detroit-High	160	0.004				
163	6311		Detroit-Low	161	0.004				
164	5165		Detroit-Low	162	0.004				
165	5211		Detroit-Low	163	0.004				
166	5222		Detroit-Low	164	0.004				
167	4054	Hamtramck 1/2	Detroit-Low	165	0.004			2019	Prior GRP Grid
168	4132		Detroit-Low	166	0.004				
169	6209		Detroit-Low	167	0.004				
170	4032		Detroit-Low	168	0.004				
171	5166		Detroit-Low	169	0.004				
172	5032		Detroit-Low	170	0.004				
173	6401	Inkster 1	Washtenaw-Low	171	0.004	0.3	0.3	2024	
174	5175		Detroit-Low	172	0.004				
175	6223	Flat Rock MMO	Detroit-Low	173	0.004	0.1	0.1	2024	Added to meet inside meter target
176	5355		Detroit-Low	174	0.004				
177	6325		Detroit-Low	175	0.003				
178	6323		Detroit-Low	176	0.003				
179	4065		Detroit-Low	177	0.003				
180	4052		Detroit-Low	178	0.003				

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181	6014	Dearborn 1/2/3	Detroit-Low	179	0.003			2017	Prior GRP Grid
182	6134	Southgate MMO #6134	Detroit-Low	180	0.003	0.1	0.1	2024	Added to meet inside meter target
183	610		Detroit-Low	181	0.003				
184	5031		Detroit-Low	182	0.003				
185	5284		Detroit-Low	183	0.003				
186	6113		Detroit-Low	184	0.003				
187	4201		Detroit-Low	185	0.003				
188	4194		Detroit-Low	186	0.003				
189	6286	Taylor MMO 2	Detroit-Low	187	0.003	0.3	0.4	2024	Added to meet inside meter target
190	5174		Detroit-Low	188	0.003				
191	617		Detroit-Low	189	0.003				
192	5167		Detroit-Low	190	0.003				
193	7111		Washtenaw-High	191	0.003				High Complexity Target Met
194	5286		Detroit-High	192	0.003				
195	6411	Garden City MMO 6411	Washtenaw-Low	193	0.003			2022	Prior GRP Grid
196	5354		Detroit-Low	194	0.003				
197	6232		Detroit-Low	195	0.003				
198	5182		Detroit-Low	196	0.003				
199	6404	Inkster MMO #6404	Washtenaw-Low	197	0.003	0.0	0.0	2024	Added to meet inside meter target
200	4161		Detroit-Low	198	0.003				
201	5144		Detroit-Low	199	0.003				
202	5131		Detroit-Low	200	0.003				
203	6273	Taylor MMO 1	Detroit-Low	201	0.003	0.6	0.7	2024	Added to meet inside meter target
204	5064		Detroit-Low	202	0.003				
205	6312	DRB MMO 6312	Detroit-Low	203	0.003			2019	Prior GRP Grid
206	6275		Detroit-Low	204	0.003				
207	5121		Detroit-Low	205	0.003				
208	412		Detroit-Low	206	0.003				
209	411		Detroit-Low	207	0.003				
210	5314		Detroit-Low	208	0.003				
211	5322		Detroit-Low	209	0.003				
212	3092	RRE1	Detroit-Low	210	0.003			2021	Prior GRP Grid
213	5176		Detroit-Low	211	0.003				
214	308	RRE1	Detroit-Low	212	0.003			2021	Prior GRP Grid
215	5173		Detroit-Low	213	0.003				
216	6091	Lincoln Park MMO #6091	Detroit-Low	214	0.003	0.1	0.1	2024	Added to meet inside meter target

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217	4131	LP MMO 6071	Detroit-Low	215	0.003				
218	6071		Detroit-Low	216	0.003			2023	Prior GRP Grid
219	5344		Detroit-Low	217	0.003				
220	5261		Detroit-Low	218	0.003				
221	5161		Detroit-Low	219	0.003				
222	5132		Detroit-Low	220	0.003				
223	6208		Detroit-Low	221	0.003				
224	4182		Detroit-Low	222	0.003				
225	6042		Detroit-High	223	0.003				
226	4184		Detroit-Low	224	0.003				
227	6383		Detroit-Low	225	0.003				
228	5212		Detroit-Low	226	0.003				
229	4152		Detroit-Low	227	0.003				
230	4051		Detroit-Low	228	0.003				
231	5122		Detroit-Low	229	0.003				
232	6405	Inkster 2	Washtenaw-Low	230	0.003	0.2	0.2	2024	
233	5342	Taylor MMO 1	Detroit-Low	231	0.003				
234	6271		Detroit-Low	232	0.003	0.5	0.6	2024	Added to meet inside meter target
235	6084		Detroit-Low	233	0.002	0.6	0.7	2024	Added to meet inside meter target
236	6111		Detroit-Low	234	0.002			2023	Prior GRP Grid
237	5214		Detroit-Low	235	0.002				
238	6285		Detroit-Low	236	0.002	0.4	0.5	2024	Added to meet inside meter target
239	709		Washtenaw-Low	237	0.002	5.8	6.6	2024	
240	6031		Detroit-Low	238	0.002				
241	6321		Detroit-Low	239	0.002				
242	4072		Detroit-Low	240	0.002				
243	5202		Detroit-Low	241	0.002				
244	5226		Detroit-Low	242	0.002				
245	5242		Detroit-Low	243	0.002				
246	7292		Washtenaw-Low	244	0.002				Less than 500' Legacy Main
247	5334	Taylor MMO 3	Detroit-Low	245	0.002				
248	6282		Detroit-Low	246	0.002	0.2	0.2	2024	Added to meet inside meter target
249	5301		Detroit-Low	247	0.002				
250	6372		Detroit-Low	248	0.002				
251	5281		Detroit-Low	249	0.002				
252	5228		Detroit-Low	250	0.002				

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253	6251	Taylor MMO 2	Detroit-Low	251	0.002	0.0	0.0	2024	Added to meet inside meter target
254	5172		Detroit-Low	252	0.002				
255	6114	Wyandotte MMO #6114	Detroit-Low	253	0.002	0.0	0.0	2024	Added to meet inside meter target
256	5275		Detroit-Low	254	0.002				
257	5294		Detroit-Low	255	0.002				
258	6381		Detroit-Low	256	0.002				
259	7112		Washtenaw-High	257	0.002				High Complexity Target Met
260	5292		Detroit-Low	258	0.002				
261	707	Dexter 1	Washtenaw-Low	259	0.002	0.7	0.8	2024	
262	5283		Detroit-Low	260	0.002				
263	5287		Detroit-Low	261	0.002				
264	302		Detroit-Low	262	0.002				
265	6407	INKSTER MMO 6407	Washtenaw-Low	263	0.002			2022	Prior GRP Grid
266	6385		Detroit-Low	264	0.002				
267	4253	Harper Woods 1	Detroit-Low	265	0.002			2018	Prior GRP Grid
268	4242	Grosse Pointe 1-4	Detroit-Low	266	0.002			2019	Prior GRP Grid
269	6406	Inkster 2	Washtenaw-Low	267	0.002	0.2	0.2	2024	
270	5331		Detroit-Low	268	0.002				
271	7203	Superior 1	Washtenaw-Low	269	0.002	0.5	0.6	2024	
272	5235		Detroit-Low	270	0.002				
273	5363		Detroit-Low	271	0.002				
274	6092	Lincoln Park MMO 6092	Detroit-Low	272	0.002	0.0	0.0	2024	Added to meet inside meter target
275	4191		Detroit-Low	273	0.002				
276	6423	Garden Ciry MMO #6423 (20	Washtenaw-Low	274	0.002	0.0	0.0	2024	2023 Carryover MMO
277	6332	Dearborn Heights MMO #6332	Detroit-Low	275	0.002	0.1	0.1	2024	Added to meet inside meter target
278	414		Detroit-Low	276	0.002				
279	6442	Romulus 1	Washtenaw-Low	277	0.002	10.2	11.6	2024	
280	5163		Detroit-Low	278	0.002				
281	6322		Detroit-Low	279	0.002				
282	5351		Detroit-Low	280	0.002				
283	634		Detroit-Low	281	0.002				
284	5241		Detroit-Low	282	0.002				
285	5271		Detroit-Low	283	0.002				
286	6053	ALLEN PARK MMO	Detroit-Low	284	0.002			2022	Prior GRP Grid
287	6011		Detroit-Low	285	0.002				
288	7013	Ann Arbor 8	Washtenaw-Low	286	0.002				

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
289	6202		Detroit-Low	287	0.002				
290	6422	Garden City 6422	Washtenaw-Low	288	0.002	0.0	0.0	2024	Added to meet inside meter target
291	5252		Detroit-Low	289	0.002				
292	7032		Washtenaw-High	290	0.002				High Complexity Target Met
293	6314		Detroit-Low	291	0.002				
294	7041		Washtenaw-High	292	0.002				High Complexity Target Met
295	4183		Detroit-Low	293	0.002				
296	7232		Washtenaw-Low	294	0.002				Less than 500' Legacy Main
297	7235		Washtenaw-Low	295	0.002				Less than 500' Legacy Main
298	6013	Dearborn 1/2/3	Detroit-Low	296	0.002			2017	Prior GRP Grid
299	7132	Milan 1	Washtenaw-Low	297	0.002				
300	4064		Detroit-Low	298	0.002				
301	6386		Detroit-Low	299	0.002				
302	5352		Detroit-Low	300	0.002				
303	5221		Detroit-Low	301	0.002				
304	6051	Allen Park MMO 6051	Detroit-Low	302	0.002	0.0	0.0	2024	Added to meet inside meter target
305	5151		Detroit-Low	303	0.002				
306	6402	Inkster MMO 6402	Washtenaw-Low	304	0.002	0.0	0.0	2024	Added to meet inside meter target
307	649		Detroit-Low	305	0.002				
308	5124	Southcentral Detroit 2 (2023	Detroit-Low	306	0.002	6.4	7.4	2024	2023 Carryover MMO
309	7042		Washtenaw-High	307	0.002				High Complexity Target Met
310	6112	WYD2	Detroit-Low	308	0.002			2023	Prior GRP Grid
311	6052	Allen Park MMO 6052	Detroit-Low	309	0.002	0.0	0.0	2024	Added to meet inside meter target
312	6123	Southgate MMO 6123	Detroit-Low	310	0.002	0.0	0.0	2024	Added to meet inside meter target
313	301		Detroit-Low	311	0.002				
314	7311	Sylvan 1	Washtenaw-Low	312	0.002				
315	5323		Detroit-Low	313	0.002				
316	5282		Detroit-Low	314	0.002				
317	6284	Taylor MMO Only 6284	Detroit-Low	315	0.002	0.0	0.0	2024	Added to meet inside meter target
318	7233	Pittsfield 1	Washtenaw-Low	316	0.002				
319	6272	Taylor MMO Only 6272	Detroit-Low	317	0.002	0.0	0.0	2024	Added to meet inside meter target
320	6261		Detroit-Low	318	0.002				
321	6291	Dearborn MMO 6291	Detroit-Low	319	0.002	0.0	0.0	2024	Added to meet inside meter target
322	6444	Romulus 2	Washtenaw-Low	320	0.002				
323	6088		Detroit-Low	321	0.002				
324	5162		Detroit-Low	322	0.002				

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
325	6162		Detroit-Low	323	0.002				
326	5233		Detroit-Low	324	0.002				
327	5201		Detroit-High	325	0.002				
328	6293	Dearborn Heights MMO 6293	Detroit-Low	326	0.002	0.0	0.0	2024	Added to meet inside meter target
329	6413	Garden City MMO 6413	Washtenaw-Low	327	0.001	0.0	0.0	2024	Added to meet inside meter target
330	7031		Washtenaw-High	328	0.001				High Complexity Target Met
331	5288		Detroit-Low	329	0.001				
332	636		Detroit-Low	330	0.001				
333	5168	NCDDET2	Detroit-Low	331	0.001			2019	Prior GRP Grid
334	5171		Detroit-Low	332	0.001				
335	6301	Dearborn MMO 6301	Detroit-Low	333	0.001	0.0	0.0	2024	Added to meet inside meter target
336	5229		Detroit-Low	334	0.001				
337	5361		Detroit-Low	335	0.001				
338	6373		Detroit-Low	336	0.001				
339	5232		Detroit-Low	337	0.001				
340	5262		Detroit-Low	338	0.001				
341	5362		Detroit-Low	339	0.001				
342	7113	YPT 6	Washtenaw-Low	340	0.001				
343	6371		Detroit-Low	341	0.001				
344	5302		Detroit-Low	342	0.001				
345	5313		Detroit-Low	343	0.001				
346	6435		Washtenaw-Low	344	0.001				Less than 500' Legacy Main
347	4251		Detroit-Low	345	0.001				
348	6021		Detroit-Low	346	0.001				
349	7216		Washtenaw-Low	347	0.001				Less than 500' Legacy Main
350	5272		Detroit-Low	348	0.001				
351	5333		Detroit-Low	349	0.001				
352	7082	Milford 1	Washtenaw-Low	350	0.001				
353	5293		Detroit-Low	351	0.001				
354	5234		Detroit-Low	352	0.001				
355	6087	Lincoln Park 6087	Detroit-Low	353	0.001	0.0	0.0	2024	Added to meet inside meter target
356	5273		Detroit-Low	354	0.001				
357	606		Detroit-Low	355	0.001				
358	6352		Detroit-Low	356	0.001				
359	6281		Detroit-Low	357	0.001				
360	6085	Lincoln Park MMO #6085 (20	Detroit-Low	358	0.001	1.3	1.5	2024	2023 Carryover MMO

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
361	4071	Canton 1	Detroit-Low	359	0.001				High Complexity Target Met
362	6093		Detroit-Low	360	0.001				
363	6484		Washtenaw-Low	361	0.001				
364	4172		Detroit-Low	362	0.001				
365	4181		Detroit-Low	363	0.001				
366	5244		Detroit-Low	364	0.001				
367	705		Washtenaw-High	365	0.001				
368	6122		Detroit-Low	366	0.001				
369	6331		Detroit-Low	367	0.001				
370	5251		Detroit-Low	368	0.001				
371	4192	Romulus 2	Detroit-Low	369	0.001				
372	5223		Detroit-Low	370	0.001				
373	5291		Detroit-Low	371	0.001				
374	6132		Detroit-Low	372	0.001				
375	6382		Detroit-Low	373	0.001				
376	6441		Washtenaw-Low	374	0.001				
377	5312		Detroit-Low	375	0.001				
378	5231		Detroit-Low	376	0.001				
379	6292		Detroit-Low	377	0.001				
380	7131	Milan 2	Washtenaw-Low	378	0.001				
381	7201		Washtenaw-Low	379	0.001				
382	6133		Detroit-Low	380	0.001				
383	6294		Detroit-Low	381	0.001				
384	6486		Washtenaw-Low	382	0.001				
385	4193		Detroit-Low	383	0.001				
386	6481		Washtenaw-Low	384	0.001				
387	5311		Detroit-Low	385	0.001				
388	5274		Detroit-Low	386	0.001				
389	7033		Washtenaw-High	387	0.001				
390	4171		Detroit-Low	388	0.001				
391	5243		Detroit-Low	389	0.001				
392	6473		Washtenaw-Low	390	0.001				
393	7062		Washtenaw-Low	391	0.001				
394	6474		Washtenaw-Low	392	0.001				
395	618		Detroit-Low	393	0.001				
396	6205		Detroit-Low	394	0.001				

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
397	7123		Washtenaw-High	395	0.001				
398	5353		Detroit-Low	396	0.001				
399	6263		Detroit-Low	397	0.001				
400	6431		Washtenaw-Low	398	0.001				
401	726		Washtenaw-Low	399	0.001				
402	7012		Washtenaw-Low	400	0.001				
403	7202		Washtenaw-Low	401	0.001				
404	7021		Washtenaw-High	402	0.001				
405	5341		Detroit-Low	403	0.001				
406	6443		Washtenaw-Low	404	0.001				
407	7231		Washtenaw-Low	405	0.001				
408	7081		Washtenaw-Low	406	0.001				
409	4252		Detroit-Low	407	0.001				
410	7102		Washtenaw-Low	408	0.001				
411	7101		Washtenaw-Low	409	0.001				
412	424		Detroit-Low	410	0.001				
413	6462		Washtenaw-Low	411	0.001				
414	6161		Detroit-Low	412	0.001				
415	6472		Washtenaw-Low	413	0.001				
416	7014		Washtenaw-Low	414	0.001				
417	4241		Detroit-Low	415	0.001				
418	7242		Washtenaw-Low	416	0.001				
419	639		Washtenaw-Low	417	0.001				
420	6207		Detroit-Low	418	0.000				
421	6211	Rockwood MMO #6221 (202	Detroit-Low	419	0.000	0.3	0.3	2024	2023 Carryover MMO
422	7213		Washtenaw-Low	420	0.000				
423	7234		Washtenaw-Low	421	0.000				
424	7122		Washtenaw-High	422	0.000				
425	6471		Washtenaw-High	423	0.000				
426	7241		Washtenaw-Low	424	0.000				
427	6421		Washtenaw-Low	425	0.000				
428	7281		Washtenaw-Low	426	0.000				
429	4221		Detroit-Low	427	0.000				
430	7321		Washtenaw-Low	428	0.000				
431	6475		Washtenaw-Low	429	0.000				
432	7284		Washtenaw-Low	430	0.000				

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construcion Year	Notes
433	7291		Washtenaw-Low	431	0.000				
434	7218		Washtenaw-Low	432	0.000				
435	7215		Washtenaw-Low	433	0.000				
436	7271		Washtenaw-Low	434	0.000				
437	7121		Washtenaw-Low	435	0.000				
438	7302		Washtenaw-Low	436	0.000				
439	6204		Detroit-Low	437	0.000				
440	619		Detroit-Low	438	0.000				
441	7214		Washtenaw-Low	439	0.000				
442	7236		Washtenaw-Low	440	0.000				
443	7043		Washtenaw-Low	441	0.000				
444	4231		Detroit-Low	442	0.000				
445	733		Washtenaw-Low	443	0.000				
446	6434		Washtenaw-Low	444	0.000				
447	6432		Washtenaw-Low	445	0.000				
448	6453		Washtenaw-Low	446	0.000				
449	7283		Washtenaw-Low	447	0.000				
450	4232		Detroit-Low	448	0.000				
451	734		Washtenaw-Low	449	0.000				
452	6483		Washtenaw-Low	450	0.000				
453	6452		Washtenaw-Low	451	0.000				
454	7322		Washtenaw-Low	452	0.000				
455	7243		Washtenaw-Low	453	0.000				
456	715		Washtenaw-Low	454	0.000				
457	725		Washtenaw-Low	455	0.000				
458	7224		Washtenaw-Low	456	0.000				
459	6454		Washtenaw-Low	457	0.000				
460	6456		Washtenaw-Low	458	0.000				
461	7222		Washtenaw-High	459	0.000				
462	7272		Washtenaw-Low	460	0.000				
463	7312		Washtenaw-Low	461	0.000				
464	6201		Detroit-Low	462	0.000				
465	7282		Washtenaw-Low	463	0.000				
466	7223		Washtenaw-Low	464	0.000				
467	6433		Washtenaw-Low	465	0.000				
468	6451		Washtenaw-Low	466	0.000				

	A	B	C	D	E	F	G	H	I
1	2024 SEMI Risk Results and GRP Projects					U-21291 AGDG-6.167a - 2024 & 2025 Risk Results and GRP Projects 1			
2	LSID	Project Name	Region - Complexity	SEMI Rank	Risk Score	Estimated Legacy Miles to be abandoned	Estimated Install Miles	Planned Construciton Year	Notes
469	7211		Washtenaw-Low	467	0.000				
470	7301		Washtenaw-High	468	0.000				

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.177

Respondent: E. D. Janness

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Question: 177. Refer to Exhibit A-12, Schedule B6.1. Please add actual amounts for 2023 and provide in Excel.

Answer: See attachment.

Attachment: U-21291 AGDG-6.177 Exhibit A-12 6.1 2023 Actuals

DTE Gas Response to data request AGDG-6.177

Michigan Public Service Commission
DTE Gas Company
Actual Capital Cost of IRM
Compared to Targeted Levels 2016-2023
(\$000s)

Case No.: U-21291
Exhibit: A-12
Schedule: B6.1
Witness: E. D. Janness
Page: 1 of 1

	(a)	(b)	(c)	(d)	Calculated
Line					Excess
No.	Description	Planned	Actual	Variance	Spending
	2016				
1	Main Renewal Program	\$ 62,500	\$ 86,322	\$ 23,822	
2	Meter Move Out	22,700	26,688	3,988	
3	Pipeline Integrity	7,818	11,111	3,293	
4	Total IRM	\$ 93,018	\$ 124,121	\$ 31,103	33%
	2017				
5	Main Renewal Program	\$ 93,800	\$ 124,325	\$ 30,525	
6	Meter Move Out	22,700	23,172	472	
7	Pipeline Integrity	11,110	13,379	2,269	
8	Total IRM	\$ 127,610	\$ 160,876	\$ 33,266	26%
	2018				
9	Main Renewal Program	\$ 105,650	\$ 142,554	\$ 36,904	
10	Meter Move Out	22,900	24,151	1,251	
11	Pipeline Integrity	12,040	13,750	1,710	
12	MAC MMO	2,625	5,106	2,481	
13	Total IRM	\$ 143,215	\$ 185,561	\$ 42,346	30%
	2019				
14	Main Renewal Program	\$ 169,700	\$ 199,646	\$ 29,946	
15	Meter Move Out	22,700	29,308	6,608	
16	Pipeline Integrity	11,120	17,139	6,019	
17	MAC MMO	20,300	16,092	(4,208)	
18	Total IRM	\$ 223,820	\$ 262,185	\$ 38,365	17%
	2020				
19	Main Renewal Program	\$ 193,000	\$ 227,977	\$ 34,977	
20	Meter Move Out	22,700	35,294	12,594	
21	Pipeline Integrity	11,120	11,659	539	
22	MAC MMO	20,300	17,559	(2,741)	
23	Total IRM	\$ 247,120	\$ 292,488	\$ 45,368	18%
	2021				
24	Main Renewal Program	\$ 232,400	\$ 240,072	\$ 7,671	
25	Meter Move Out	22,700	26,194	3,494	
26	Pipeline Integrity	11,120	11,726	606	
27	MAC MMO	16,500	22,037	5,537	
28	Total IRM	\$ 282,720	\$ 300,028	\$ 17,307	6%
	2022				
29	Gas Renewal Program	\$ 255,100	\$ 293,994	\$ 38,894	
30	Pipeline Integrity	11,120	20,437	9,317	
31	MAC MMO	21,040	23,195	2,155	
32	Total IRM	\$ 287,260	\$ 337,626	\$ 50,366	18%
	2023				
33	Gas Renewal Program	\$ 255,100	\$ 294,144	\$ 39,044	
34	Pipeline Integrity	11,120	25,730	14,610	
35	MAC MMO	21,040	27,068	6,028	
36	Total IRM	\$ 287,260	\$ 346,943	\$ 59,683	21%

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.179

Respondent: E. D. Janness

Page: 1 of 1

Question: 179. Refer to Exhibit A-12, Schedule B6.5. Please expand this schedule to include actual amounts for each year 2018-2023 and provide both miles retired and miles installed, also services replaced, for each year 2018 to 2029 in Excel.

Answer: See attachment.

Attachment: U-21291 AGDG 6.179 Exhibit A-12 B6.5 with 2018 - 2023 actuals

DTE Gas Company

Exhibit: AG-12

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DTE Gas Response to data request AGDG-6.179

Michigan Public Service Commission								Case No.: U-21291					
DTE Gas Company								Exhibit: A-12					
Investment Recovery Mechanism Expenditures History and Projections								Schedule: B6.5					
For 2020-2029								Witness: E. D. Janness					
								Page: 1 of 1					
Line	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)		
No.	Description	Actual						Projected Calendar Year (1)					
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
MAIN RENEWAL													
1	Legacy Main Renewal - SEMI (Miles)	125	145	151	158	164	167	150	150	150	150	150	150
2	Legacy Main Renewal - GRMI (Miles)	33	39	55	56	57	57	56	56	56	56	56	56
3	Legacy Main Renewal - Total (Miles)	157	183	206	214	222	224	206	206	206	206	206	206
4	Main Renewal Costs - SEMI (\$K)	\$ 122,132	\$ 173,677	\$ 179,870	\$ 191,223	\$ 212,328	\$ 204,213	\$ 213,545	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000
5	Main Renewal Costs GRMI (\$K)	\$ 20,422	\$ 25,969	\$ 48,106	\$ 48,849	\$ 50,777	\$ 55,588	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000	\$ 64,000
6	Main Renewal Costs - Total (\$K)	\$ 142,554	\$ 199,646	\$ 227,977	\$ 240,072	\$ 263,105	\$ 259,801	\$ 277,545	\$ 274,000	\$ 274,000	\$ 274,000	\$ 274,000	\$ 274,000
7	\$/Legacy Mile Retired - SEMI (\$K)	\$ 980	\$ 1,200	\$ 1,191	\$ 1,211	\$ 1,293	\$ 1,226	\$ 1,423	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
8	\$/Legacy Mile Retired - GRMI (\$K)	\$ 622	\$ 672	\$ 879	\$ 878	\$ 885	\$ 976	\$ 1,143	\$ 1,143	\$ 1,143	\$ 1,143	\$ 1,143	\$ 1,143
9	\$/Legacy Mile Retired - Total (\$K)	\$ 905	\$ 1,088	\$ 1,108	\$ 1,124	\$ 1,187	\$ 1,162	\$ 1,347	\$ 1,330	\$ 1,330	\$ 1,330	\$ 1,330	\$ 1,330
METER MOVE OUT													
10	Inside Meter Move Outs - MMO (1)	12,126	12,753	11,980	12,671	11,973	11,843	20,790	18,500	18,500	18,500	6,500	6,500
11	Inside Meter Move Outs - MAC MMO	2,543	8,042	8,016	8,138	8,353	8,621	-	-	-	-	-	-
12	Inside Meter Move Outs - Total	14,669	20,795	19,996	20,809	20,326	20,464	20,790	18,500	18,500	18,500	6,500	6,500
13	MMO Costs (\$K)	\$ 24,151	\$ 29,308	\$ 35,294	\$ 26,194	\$ 30,889	\$ 34,343	\$ 51,600	\$ 47,545	\$ 47,545	\$ 47,545	\$ 16,705	\$ 16,705
14	MAC MMO Costs (\$K)	\$ 5,106	\$ 16,092	\$ 17,559	\$ 22,037	\$ 23,195	\$ 27,488						
15	Meter Move Out Costs (\$K)	\$ 29,257	\$ 45,401	\$ 52,853	\$ 48,230	\$ 54,085	\$ 61,831	\$ 51,600	\$ 47,545	\$ 47,545	\$ 47,545	\$ 16,705	\$ 16,705
16	\$/GRP MMO (\$K)	\$ 1.99	\$ 2.30	\$ 2.95	\$ 2.07	\$ 2.58	\$ 2.90	\$ 2.48	\$ 2.57	\$ 2.57	\$ 2.57	\$ 2.57	\$ 2.57
17	\$/MAC MMO (\$K)	\$ 2.01	\$ 2.00	\$ 2.19	\$ 2.71	\$ 2.78	\$ 3.19						
18	\$/MMO - Total (\$K)	\$ 1.99	\$ 2.18	\$ 2.64	\$ 2.32	\$ 2.66	\$ 3.02	\$ 2.48	\$ 2.57	\$ 2.57	\$ 2.57	\$ 2.57	\$ 2.57
19	Total GRP (\$M)	\$ 171,811	\$ 245,046	\$ 280,830	\$ 288,302	\$ 317,189	\$ 321,632	\$ 329,145	\$ 321,545	\$ 321,545	\$ 321,545	\$ 290,705	\$ 290,705
20	Pipeline Integrity	\$ 13,750	\$ 17,139	\$ 11,659	\$ 11,726	\$ 20,437	\$ 25,730	19,990	\$ 23,060	\$ 13,400	\$ 13,400	\$ 11,120	\$ 11,120
21	Cathodic Protection								\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600
22	Grand Total IRM (\$M)	\$ 185,561	\$ 262,185	\$ 292,488	\$ 300,028	\$ 337,626	\$ 347,362	\$ 349,135	\$ 354,205	\$ 344,545	\$ 344,545	\$ 311,425	\$ 311,425
23	Miles Installed - SEMI	140	172	195	187	205	204	185	200	200	200	200	200
24	Miles Installed - GRMI	31	44	74	64	62	70	65	65	65	65	65	65
25	Total Miles Installed	171	216	270	252	267	273	250	265	265	265	265	265
26	GRP Services Replaced - SEMI (2)	16,088	17,180	19,152	20,217	21,897	18,824	16,198					
27	GRP Services Replaced - GRMI (2)	3,364	2,740	6,424	5,750	5,951	6,531	4,566					
28	Total Services Replaced	19,452	19,920	25,576	25,967	27,848	25,355	20,764	-	-	-	-	-
(1) Line 10: projection excludes 2,000 yearly inside meter moveouts and costs associated with Main Renewal to align with historical actuals													
(2) Services replaced only counts services that we would renew. Does not include all other service work that may be involved for main renewal. We also do not forecast beyond 1 year.													

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.172b

Respondent: E. D. Janness

Page: 1 of 1

Question: 172. Refer to lines 21-25 on page 45 of Mr. Janness's direct testimony on the transfer of cathodic protection capital expenditures to the IRM. Please:

b. Explain what a holistic and programmatic approach to cathodic protection looks like and why it cannot be done with expenditures included in base rates.

Answer: DTE Gas has not determined that cathodic protection cannot continue to be included in base rates, we have determined that it fits within the guidelines of what we believe should go into the IRM.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.150b

Respondent: E. M. Abona

Page: 1 of 1

Question: 150. Refer to Exhibit A-12, Schedule B5.11, pages 6-7.

b. For amounts under the 12 months ending 12/31/2025 on lines 20.2, 20.3, 20.5, and 20.6, what phase of development are these projects currently in?

Answer:

- 20.2 (MLV7 Replacement):
 - Engineering in 2024 and construction in 2025
- 20.3 (Au Gres tributary pipe replacement):
 - Engineering in 2024 and construction in 2025
- 20.5 (Willow Gate Station: Replace Regs 97 and 98)
 - Engineering and construction in 2025
- 20.6 (MLV 5C Line Replacement):
 - Engineering and construction in 2025

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.180

Respondent: E. D. Janness

Page: 1 of 1

Question: 180. Refer to Exhibit A-12, Schedule B5.5, pages 27, 29, 36, and 44. For each of the projects in the referenced pages, please identify the project development phase (Needs Assessment, Conceptual Design, Engineering, Construction, Completed/In-Service, etc.) the project is currently in and the next phase of the project with applicable start and end dates. Provide this information in Excel.

Answer:

Pipeline	Current Phase	Start Date	End Date	Next Phase	Start Date	End Date
Trufant 12	Construction	4/22/24	8/2/24	Project In-Service	8/2/24	8/2/24
Muskegon-Ludington (10) [Scott Tie In]	Conceptual Design	1/1/24	5/5/25	Construction	5/5/25	10/31/25
Belle River Field Headers (12,16)	Conceptual Design	4/11/23	9/3/24	Construction	9/3/24	11/1/24
Belle River Field Headers (24)	Conceptual Design	4/1/24	5/5/25	Construction	5/5/25	10/31/25

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.123

Respondent: K. M. Fedele

Page: 1 of 1

Question: 123. Refer to pages 93 and 94 of Ms. Fedele's direct testimony on the TCARP project. In response to discovery in U-21525-AGDG-2.7 and 2.8, the Company stated that it incurred additional costs to construct certain pipeline loops to deal with moisture problems on the gas stream delivered by DT Michigan Lateral (DTML) and those costs had not been billed to DTML. Please provide the costs that should have been billed to DTML and still remain in rate base in this rate case.

Answer: Two (2) pipeline loops: one (1) around the Saginaw Bay Interconnect and one (1) the West Branch Interconnection were not part of TCARP. The cost for the Saginaw Bay Interconnect loop was \$155,000 and the cost of the West Branch Interconnection loop was \$168,000.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.124a

Respondent: K. M. Fedele

Page: 1 of 1

Question: 124. Refer to lines 13-23 on page 95 of Ms. Fedele's direct testimony on the TCARP project cost increase. Please:

- a. Explain why the one-year delay increased internal labor, contractor, material, and corporate overhead costs by \$3.0 million and how much for each.

Answer: When first conceptualized in 2019, Phase 2 (Frankfort Loop) and Phase 3 (Interconnections) were to be completed in 2021. As the project progressed, a decision was made to complete Phase 2 in 2021 and move Phase 3 into 2022. This prudent decision allowed the completion of Phase 3 to more closely align with DTM's in-service date. The company did not want to prematurely begin spending capital on Phase 3 when DTM had not completed their conversion work without certainty that DTM converted assets complied with all regulatory requirements to be a natural gas pipeline. This delay also allowed the project team to execute the work safely with the existing team size. It would have been difficult to cover both phases in the same year without adding additional resources due to the geographical location of the project sites in relation to each other. This breakdown of costs for the timing change included: internal labor (\$1.8M), engineering contractor (\$0.05M), material (\$0.05M) and overhead costs (\$1.1M).

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.145a

Respondent: E. M. Abona

Page: 1 of 1

Question: 145. Refer to page 44 of Mr. Abona's direct testimony on storage plant expenditures and the Belle River Mills Valves and Actuators project. Please:

- a. Provide the number of projects or units for lines 22 and 24 of Exhibit A-12, Schedule B5.1, page 2, separately for each year 2018 to 2023 actual and forecasted for 2024 and 2025 in Excel.

Answer: Please see table below.

Description	2018	2019	2020	2021	2022	2023	2024	2025
Gas Storage	65	32	67	70	57	63	44	37
Compression - Storage	114	151	136	95	116	118	78	60

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-5.147a

Respondent: E. M. Abona

Page: 1 of 1

- Question:** 147. Refer to page 50 of Mr. Abona's direct testimony on transportation vehicles and equipment. Please provide the following information in Excel:
- a. Provide the number of vehicles replaced by category with related dollars for each year 2018-2023 actual and forecasted for 2024 and 2025.

Answer: See attachment.

Attachment: U-21291 AGDG-5.147a Vehicles Replaced by Category 2018 - 2025

DTE Gas Response to data request AGDG-5.147a

2018	Dollar Amount *	Quantity**	2019	Dollar Amount	Quantity	2020	Dollar Amount	Quantity
Class 1			Class 1			Class 1		
Class 2	\$ 3,319,005	64	Class 2	\$ 518,447	10	Class 2	\$ 965,510	15
Class 3	\$ 1,796,840	37	Class 3	\$ 1,303,270	28	Class 3	\$ 2,214,307	39
Class 4	\$ 645,162	7	Class 4			Class 4	\$ 469,377	3
Class 5	\$ 499,129	6	Class 5	\$ 141,648	1	Class 5	\$ 216,132	2
Class 6	\$ 102,276	1	Class 6	\$ 376,060	6	Class 6	\$ 685,897	7
Class 7	\$ 6,004,872	26	Class 7	\$ 1,301,036	12	Class 7	\$ 1,171,438	5
Class 8	\$ 410,280	1	Class 8	\$ 2,223,239	22	Class 8	\$ 2,446,673	12
Class 9	\$ 370,546	18	Class 9	\$ 499,361	29	Class 9	\$ 264,593	15
Class 10			Class 10			Class 10		
Class 11	\$ 106,222	2	Class 11	\$ 96,307	2	Class 11	\$ 73,443	2
Class 12	\$ 21,980	1	Class 12			Class 12		
Class 13	\$ 24,956	1	Class 13	\$ 13,843	1	Class 13	\$ 19,170	1
Class 14			Class 14			Class 14		
Class 15	\$ 8,381	1	Class 15			Class 15		
Class 16			Class 16	\$ 2,141,373	18	Class 16	\$ 1,050,279	8
Class 17			Class 17			Class 17		
Class 18			Class 18			Class 18		
Class 19			Class 19			Class 19	\$ 85,270	1
	\$ 13,309,648	165		\$ 8,614,583	129		\$ 9,576,817	110
Unit Cost	\$ 80,665		Unit Cost	\$ 66,780		Unit Cost	\$ 87,062	

U-21291 AGDG-5.147a Vehicles Replaced by Catagory 2018 - 2025

*Dollar Amount represents total spend per class per year

**Quantity Represents chassis quantity per class per year

DTE Gas Response to data request AGDG-5.147a

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[illegible]

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DTE Gas Response to data request AGDG-5.147a

2024 Actual	Dollar Amount	Quantity	2024 Forecast	Dollar Amount	Quantity	2025 Forecast	Dollar Amount	Quantity
Class 1	\$ 115,414	2	Class 1			Class 1	\$ 450,000	10
Class 2	\$ 836,648	13	Class 2	\$ 1,467,611	21	Class 2	\$ 4,706,604	55
Class 3	\$ 6,666,368	90	Class 3			Class 3	\$ 4,501,815	48
Class 4			Class 4			Class 4	\$ 270,000	3
Class 5	\$ 120,468	1	Class 5			Class 5		
Class 6			Class 6			Class 6		
Class 7			Class 7	\$ 785,126	2	Class 7	\$ 1,864,862	6
Class 8			Class 8	\$ 2,795,547	11	Class 8	\$ 2,488,738	9
Class 9	\$ 17,337	1	Class 9			Class 9		
Class 10			Class 10			Class 10		
Class 11			Class 11			Class 11		
Class 12			Class 12			Class 12		
Class 13			Class 13	\$ 95,519	2	Class 13		
Class 14			Class 14			Class 14		
Class 15			Class 15			Class 15	\$ 1,486,148	4
Class 16	\$ 776,846	3	Class 16	\$ 1,285,010	11	Class 16		
Class 17			Class 17			Class 17		
Class 18			Class 18			Class 18		
Class 19			Class 19			Class 19		
	\$ 8,533,081	108		\$ 6,428,813	47		\$ 15,768,167	125
Unit Cost	\$ 79,010		Unit Cost	\$ 136,783		Unit Cost	\$ 126,145	

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Requester: AG

Question No.: AGDG-5.151c

Respondent: E. M. Abona

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Question: 151. Refer to Exhibit A-12, Schedule B8. Please:
c. Provide a reference to the exhibits and line numbers where the cost savings are shown for the projected test year and in the amount.

Answer: The O&M costs savings are a known and measurable change shown in Witness Kehoe's U-21291 Exhibit A-13, Schedule C5.3, line 14, column (j). The capital savings for the test year of \$450,000 was not included in 2025.

Attachment: None

Adjustments to Capital Expenditures, Rate Base and Depreciation Expense

(\$000)

Line	Description (a)	Capital Expenditure Reductions ¹					Rate Base Reduction (g)	Depreciation Rate ²	Reduction in Depreciation Expense	Property taxes ³	
		2022 & Prior (b)	2023 (c)	9 M/E Sep 2024 (d)	12 M/E Sep 2025 (e)	Total (f)				Rate	Adjustment
1	Distribution Plant:										
2	Main Renewals			\$ 1,392		\$ 1,392	\$ 1,392	2.99%	\$ 42	\$ 0.058250	\$ 41
3	Public Improvements			1,160	2,574	3,734	2,447	2.99%	73	\$ 0.058250	\$ 109
4	System Reliability			7,019	6,573	13,592	10,306	2.99%	308	\$ 0.058250	\$ 396
5	Communications & Controls - Meters			9,472	3,534	13,006	11,239	2.99%	336	\$ 0.058250	\$ 379
6	Leak Detection and Repair				14,970	14,970	7,485	2.99%	224	\$ 0.058250	\$ 436
7	Fort Street Main Replacement				32,753	32,753	16,377	2.99%	490	\$ 0.058250	\$ 954
8	Van Born project	6,700				6,700	6,700	2.99%	200	\$ 0.058250	\$ 195
9	Transmission Plant:										
10	Routine Transmission Projects				6,809	6,809	3,405	1.90%	65	\$ 0.058250	\$ 198
11	ILI Projects			3,588	8,576	12,164	7,876	1.90%	150	\$ 0.058250	\$ 354
12	Austin-Detroit A&B Lines		1,341	3,485	16,181	21,007	12,917	1.90%	245	\$ 0.058250	\$ 612
13	Belle River Detroit Loop			747	7,378	8,125	4,436	1.90%	84	\$ 0.058250	\$ 237
14	Taggart Compression Replacement			508	3,492	4,000	2,254	1.90%	43	\$ 0.058250	\$ 117
15	Oakland Resilience Interconnect		100	1,111	4,694	5,905	3,558	1.90%	68	\$ 0.058250	\$ 172
16	TCARP-DTML Interconnect/Dehydration	3,323				3,323	3,323	1.90%	63	\$ 0.058250	\$ 97
17	Cathodic Protection				(7,400)	(7,400)	(3,700)	1.90%	(70)	\$ 0.058250	\$ (216)
18	Gas Storage and Compression			9,506	3,819	13,325	11,416	1.90%	217	\$ 0.058250	\$ 388
19	Transportation Vehicles			7,097	11,378	18,475	12,786	6.47%	827	\$ 0.058250	\$ 538
20	Gas IT Projects	-	-	-	450	450	225	20.00%	45	\$ 0.058250	\$ 13
21	Total	\$ 10,023	\$ 1,441	\$ 45,085	\$ 115,781	\$ 172,330	\$ 114,440		\$ 3,409		\$ 5,019
22											
23	Working Capital (Exhibit AG-21)						10,083				
24											
25	Total Rate Base Deduction						\$ 124,522				

Source: (1) See AG witness Coppola Direct Testimony.

(2) Depreciation rates from Exhibit A-13, Schedule C6, page 2.

(3) Milleage rate from WP SLW-1 applied to 50% of capital expenditures.

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Working Capital - Regulatory Asset - Incentive Compensation Balance

Line	Caption or Description	Thousands of Dollars			Notes
		Non Financial Metrics Requested Amounts*	Performance Results**	Approp. Awards & Working Capital***	
	(a)	(b)	(c)	(d)	(e)
1	U-20940 Incentive Comp. Requested				
2	AIP	\$ 1,277	88.90%	\$ 1,135	Col (b) x (c)
3	REP	4,009	87.50%	3,508	Col (b) x (c)
4	Total Requested by Company	\$ 5,286			L 2 + L 3
5	Amounts to Reccover in Rates			\$ 4,643	L 2 + L 3
6	Less Amount granted in U-20940 Commission Order			1,057	L 4 x 20%
7	Appropriate Amount of Initial Deferral			\$ 3,586	L 5 less L 6
8	Amortization Expense over 5 years			717	L 7 / 5
9	Balance at End of Test Year			2,869	L 7 - L 8
10	Average Deferral Balance			\$ 3,227	Avg. of L7 & L 9
11	Incentive Comp. Deferral Per Company			13,310	Co. Exh. A-12, Sch B4
12	Working Capital Reduction			\$ (10,083)	L 10 less L 11

* From page 53 of witness Cooper's U-20940 testimony.

** See AG Exhibit AG-49 which shows the number of Company metrics at Target or better for 2022 based on DR AGDG-3.44a.

*** Company Exhibit A-13, Schedule C5.6 page 5 starts with incentive compensation of \$6.4 million vs. the \$5.3 million included in U-20940 in the Company's case. Amounts paid out beyond the original request should not be recovered through this tracker.

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Recommended Capital Structure & Cost Rates for
Projected Year Ending September 2025 (Millions of Dollars)

Line	Description	Note	<u>Consumers Energy Capital Structure</u>			Cost Rate*	Total Cost (d) x (e)	Conversion Factors**	Pre-Tax Wtd. Cost (f) x (g)
			<u>Capital Balances</u>	<u>% Permanent Capital</u>	<u>% Total Capital</u>				
	(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Long Term Debt	(A)	\$ 2,749	50.00%	39.59%	4.44%	1.76%	1.0000	1.76%
2	Preferred Stock		-	0.00%	0.00%	0.00%	0.00%	1.3550	0.00%
3	Common Equity	(A)	<u>2,749</u>	<u>50.00%</u>	<u>39.59%</u>	9.85%	<u>3.90%</u>	1.3550	<u>5.28%</u>
4	Total Permanent Capital	(B)	5,498	<u>100.00%</u>	79.19%		5.66%		7.04%
5	Short Term Debt	(B)	184		2.65%	5.95%	0.16%	1.0000	0.16%
6	Deferred Income Taxes	(B)	1,261		18.16%	0.00%	0.00%	1.0000	0.00%
7	JDITC								
8	Long Term Debt	(A)	-		0.00%	4.44%	0.00%	1.0000	0.00%
9	Preferred Stock		-		0.00%	4.50%	0.00%	1.3550	0.00%
10	Common Equity	(A)	<u>-</u>		0.00%	9.85%	0.00%	1.3550	<u>0.00%</u>
11	Total JDITC	(B)	<u>-</u>						
12	Total Capitalization & Cost Rates		<u>\$ 6,943</u>		<u>100.00%</u>		5.82%		7.20%

Notes

- * All Cost rates per Exhibit A-14, Schedule D1 except for Common Equity which is set forth on Exhibit AG-23.
- ** See Company Exhibit A-14, Schedule D1, column (i).
- (A) Reflects the permanent capital of DTE Gas per Exhibit A-14, Sched. D1, with common equity set at 50%.
- (B) Capital balances per Company Exhibit A-14, Schedule D1.

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Summary of Cost of Common Equity Analysis

<u>Line</u>	<u>Description</u> (a)	<u>Relative Weighting</u> (b)	<u>Consumers Energy Proxy Rates</u> (c)	<u>Note</u> (d)
1	Discounted Cash Flow Approach (DCF)	50.00%	9.51%	1
2	Capital Asset Pricing Model Approach (CAPM)	25.00%	10.42%	2
3	Utility Equity Risk Premium Approach	25.00%	<u>9.82%</u>	3
4	Calc. Cost of Common Equity (Sum of Col. (b) x (c) for Lines 1, 2 and 3)		9.81%	
5	Rounding Up Result		<u>0.04%</u>	
6	Cost of Common Equity per AG Case (L4 + L5)		<u>9.85%</u>	

Note 1 See Exhibit AG-24
Note 2 See Exhibit AG-25
Note 3 See Exhibit AG-26

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[illegible]

N/M Below 2% growth estimate disregarded

<u>Equation</u>	$R = D/P + g$	<i>Where</i>	R = the required return on the equity security	D = the next dividend on the security
			P = the current price of the equity security	g = the expected growth rate of earnings

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Capital Asset Pricing Model Application
(See Equation Below)

Line	Company & Ticker (a)	% Common Equity (b)	Current Beta (B) (c)	Risk Premium (R _p) (d)	Beta x Risk Premium Col. (c) x (d) (e)	2024/25 Risk Free Rate (R _f) (f)	K _e or 2024-25 CAPM ROE for Each Co. Cols. (e) + (f) (g)
Proxy Group							
1	Atmos Energy ATO	61.6%	0.85	7.17%	6.09%	4.10%	10.19%
2	Black Hills BKH	40.3%	1.00	7.17%	7.17%	4.10%	11.27%
3	Chesapeake Utilities CPK	54.4%	0.80	7.17%	5.74%	4.10%	9.84%
4	New Jersey Resources NJR	41.1%	0.95	7.17%	6.81%	4.10%	10.91%
5	NiSource NI	33.9%	0.90	7.17%	6.45%	4.10%	10.55%
6	Northwest Natural Holdings NWN	44.4%	0.85	7.17%	6.09%	4.10%	10.19%
7	One Gas OGS	49.4%	0.85	7.17%	6.09%	4.10%	10.19%
8	Spire SR	40.1%	0.85	7.17%	6.09%	4.10%	10.19%
9	Average	45.7%	0.88	7.17%	6.32%	4.10%	10.42%
10	High						11.27%
11	Low						9.84%

Sources

Column (b)	Per SEC Filings: Average for the four quarters ended December 2023	
Column (c)	From the Value Line Investment Survey published February 23, 2024 and for Black Hills on January 19, 2024.	
Column (d)	Reflects the average returns of Large Stocks (12.16%) vs Long Term Gov't Bond Income Returns (4.91%) for the period 1926 to 2022 per the Ibbotson Clasic Year Book (See workpapers)	
Column (f)	30 Yr US Treasury for 2025 per March 2024 Blue Chip Report	4.10% See AGDG-1.4 Attach.

Equation for CAPM

$$K_e = R_f + (B \times R_p)$$

Where K_e = the Cost of Common Equity; R_f = the Risk Free Rate of Return;
B = the Beta or covariance of the stocks price to overall market ; and
R_p = the Expected Risk Premium of the overall market

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Utility Equity Risk Premium Approach

<u>Line</u>	<u>Description</u> (a)	<u>Rate Developed</u> (b)	<u>Note</u> (c)
1	Number of Companies in proxy group	8	
2	Average Rating	A/BBB	1
3	Projected Average of "A" and "BBB" Bonds New Issue Rate	5.77%	2
4	Historical Spread - Gas Util. Common Stocks vs. "A" Rated Utility Bonds	<u>4.05%</u>	3
5	Sub Total - Rate for "A" and "BBB" rated companies (lines 3 + 4)	<u>9.82%</u>	

1 Atmos, and OneGas are "A" rated. Black Hills, NiSource and Spire are "BBB" rated and the subsidiaries of Northwest Natural Holdings and New Jersey Resources are "A" rated

2 Based on analysis of 2023 new 30 Year issues (see workpapers)

"BBB" Rated Spread to 30 Yr, Treasuries 1.77%

"A" Rated Spread to 30 Yr. Treasuries 1.57%

Average Spread 1.67%

Assumed 30 Year US Treasury Bond Rate (from CAPM Analysis) 4.10%

Projected Average of "A" / "BBB" 30 Year bonds 5.77%

3 Per Company Exhibit A-14 (TAW-1) page 8, line 72

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Peer Group Non-Utility or Non Regulated Operations

Line	Company & Ticker (a)		Percent Common Equity*	Current Beta (B)	Utility Business	Non Utility & Non Reg. Business		Measure- ment Criteria	SEC Filing Information		
			(b)	(c)	(d)	(e)		(f)	SEC Form (g)	Period Ending (h)	Page (i)
Proxy Group											
1	Atmos Energy	ATO	61.6%	0.85	66.0%	34.0%	A	Net Income	10-K	Sep. 23	25
2	Black Hills	BKH	40.3%	1.00	100.0%	0.0%	B	Op. Income	10-K	Dec. 23	40
3	Chesapeake	CPK	54.4%	0.80	74.0%	26.0%	C	Op. Income	10-K	Dec. 23	31
4	New Jersey Resources	NJR	41.1%	0.95	50.0%	50.0%	D	Net Income	10-K	Sep. 23	34
5	NiSource	NI	33.9%	0.90	97.0%	3.0%		Revenues	10-K	Dec. 23	60
6	Northwest Natural Gas	NWN	44.4%	0.85	97.0%	3.0%		Revenues	10-K	Dec. 23	79 & 85
7	One Gas	OGS	49.4%	0.85	100.0%	0.0%		Revenues	10-K	Dec. 23	7
8	Spire	SR	40.1%	0.85	87.0%	13.0%	E	Net Income	10-K	Sep. 23	30
9	Average		45.7%	0.88	83.9%	16.1%					

* Reflects Average Capitalization for the four quarters ended December 2023

A Pipeline and Storage

B Utility equals 48% Gas and 52% Electric

C Non Utility is primarily Propane Distribution

D Energy Services, Clean Energy Ventures, Storage and Transportation

E Gas Marketing and Storage and Pipelines

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Market to Book Equity Ratios

<u>Line</u>	<u>Company & Ticker</u> (a)		<u>Dec. 31, 2023 Mkt. Price p/ Sh.</u> (b)	<u>December 31, 2023</u>			<u>Market to Book Ratio</u> (f)
				<u>Book Value of Common Equity (\$Mil.)</u> (c)	<u>Shares Outstanding (Millions)</u> (d)	<u>Book Value Per Sh.</u> (e)	
	Proxy Group						
1	Atmos Energy	ATO	115.90	11,273.0	150.8	74.75	1.6
2	Black Hills	BKH	53.95	3,215.3	68.3	47.08	1.1
3	Chesapeake Utilities	CPK	105.63	1,246.1	22.2	56.13	1.9
4	New Jersey Resources	NJR	44.58	2,066.2	93.2	22.17	2.0
5	NiSource	NI	28.55	7,783.5	447.4	17.40	1.6
6	Northwest Natural Gas	NWN	38.94	1,283.8	37.6	34.14	1.1
7	One Gas	OGS	63.72	2,765.9	56.5	48.95	1.3
8	Spire	SR	62.34	2,808.8	55.0	51.07	1.2
9	Average						1.5

Col. (b) Closing Price Per Yahoo
Col. (c) Per SEC Filings
Col. (d) Per SEC Filings
Col. (e) Equals Col. (c) divided by Col. (d)
Col. (f) Equals Col. (b) divided by Col. (e)

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas - Gas Rate Case

Case No. U-21291
Exhibit AG-29
May 7, 2024
Page 1 of 3

Gas Regulatory Decisions - Authorized ROE's under 9.9% - 2022 and 2023

Line	Gas Company*	Order Date & Jurisdiction*			ROE Rate from Order*		Parent Company	Foreign,Prvt, Domestic	Long Term Debt Issued Since Rate Order**			
		(b)			2022	2023			(g)			
1	Delta Natural Gas	Jan	3	KY	9.25%		Essential Utilities	D	\$500M	5.30%	30 Yr	(May 2022)
2	Piedmont Natural Gas	Jan	6	NC	9.60%		Duke Energy	D	\$2.9 Bil	4.0 to 5.3%	10 & 30 Yr.	(Aug 2022)
3	Niagra Mohawk Power	Jan	20	NY	9.00%		National Grid PLC	F	\$500M	5.76%	30 Yr	(Sep 2022)
4	Public Service of N. Carolina	Jan	21	NC'	9.60%		Dominion Energy	D	\$1.0 Bil	4.4 to 4.9%	10 & 30 Yr.	(Aug 2022)
5	Southwest Gas	Mar	22	NV	9.40%		Southwest Gas Holdings	D	\$600M	4.10%	10 Yr. Debt	(Mar 2022)
6	Southwest Gas	Mar	22	NV	9.40%		Southwest Gas Holdings	D	\$600M	4.10%	10 Yr. Debt	(Mar 2022)
7	Orange & Rockland Util.	Apr	14	NY	9.20%		Consolidated Edison	D	\$500M	5.20%	10 Yr. Debt	(Feb 2023)
8	Atmos Energy	May	19	KY	9.23%		Atmos Energy	D	\$800M	5.45%/5.75%	10 & 30 Yr	(Sep 2022)
9	Corning Natural Gas	Jun	16	NY	9.25%		Arga Infrastructure Ptns.	PVT				
10	Northern Utilities	Jul	20	NH	9.30%		Unitil	D	\$25M	5.7%/5.96%	10 & 30 Yr.	(Jul 2023)
11	Northern Indiana Pub Serv	Jul	27	IN	9.85%		NISource	D	\$300M	5.25%	5 Yr	(May 2023)
12	Avista	Aug	2	OR	9.40%		Avista	D	\$250M	5.66%	30 Yr	(Mar 2023)
13	Elizabethtown Gas	Aug	17	NJ	9.60%		South Jersey Industries	PVT				
14	CenterPoint Energy Res.	Aug	18	MN	9.39%		CenterPoint Energy Res.	D	\$800M	4.45%/4.85%	10 & 30 Yr	(Sep 2022)
15	Cascade Natural Gas	Aug	23	WA	9.40%		MDU Resources	D	\$100M	5.39%	10 Yr	(Nov 2023)
16	Piedmont Natural Gas	Sep	15	SC	9.30%		Duke Energy	D	\$350M	5.40%	10 Yr	(Jun 2023)
17	Black Hills Energy Arkansas	Oct	10	AR	9.60%		Black Hills	D	\$450M	4.35%	11 Yr	(May 2023)
18	Delmarva Power & Light	Oct	12	DE	9.60%		Exelon	D	\$1.7 Bil	5.2/5.4/5.6%	5/10/20 Yrs	(Feb 2024)
19	Northwest Natural Gas	Oct	24	OR	9.40%		Northwest Natural Hldng.	D	\$130M	5.18%/5.23%	11 & 15 Yr	(Aug 2023)
20	Public Service of Colorado	Oct	25	CO	9.20%		Xcel Energy	D	\$800M	5.45%	10 Yr	(Jul 2023)
21	Berkshire Gas	Oct	27	MA	9.70%		Avangrid	D	\$680M	Var. Rates	Var. Mat.	(Dec 2023)
22	Northern States Power	Oct	27	ND	9.80%		Xcel Energy	D	\$800M	5.45%	10 Yr	(Jul 2023)
23	Columbia Gas of Maryland	Nov	17	MD	9.65%		NISource	D	\$300M	5.25%	5 Yr	(May 2023)
24	New Mexico Gas	Nov	30	NM	9.38%		Emera	F				
25	So. California Gas	Dec	15	CA	9.80%		Sempra	D	\$600M	6.88%	30 Yr	(Mar 2024)
26	So. Jersey Gas	Dec	21	NJ	9.60%		South Jersey Industries	PVT				
27	Pudget Sound Energy	Dec	22	WA	9.40%		Alberta IM & Brit. Col IM	PVT				
28	Wisconsin Public Service	Dec	22	WI	9.80%		WEC Energy	D	\$1.1 Bil	4.75%	3 & 5 Yr.	(Jan 2023)
29	Dominion Energy	Dec	23	UT	9.60%		Dominion Energy	D	\$1.0 Bil	5/5.35%	10/30 Yr.	(Feb 2024)
30	Wisconsin Eletric Power	Dec	29	WI	9.80%		Xcel Energy	D	\$800M	5.45%	10 Yr	(Jul 2023)
31	Wisconsin Gas	Dec	29	WI	9.65%		Xcel Energy	D	\$800M	5.45%	10 Yr	(Jul 2023)
32	Average for 2022				<u>9.49%</u>							

* Per Regulatory Research Associates with Summary of All Orders on Page 4

** Per various SEC Filings

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas - Gas Rate Case

Case No. U-21291

Exhibit AG-29

May 7, 2024

Page 2 of 3

Gas Regulatory Decisions - Authorized ROE's under 9.9% - 2022 and 2023

Line	Gas Company*	Order Date & Jurisdiction*			ROE Rate from Order*		Parent Company	Foreign,Prvt, Domestic	Long Term Debt Issued Since Rate Order**			
		(a)			2022	2023			(g)			
					(c)	(d)	(e)	(f)				
1	Texas Gas Service	Jan	19	TX		9.60%	One Gas	D	\$300M	5.10%	6 Yr	(Dec 2023)
2	Southwest Gas	Jan	23	AZ		9.30%	Southwest Gas Holdings	D	\$300M	5.45%	5 Yr	(Mar 2023)
3	Columbia Gas of Ohio	Jan	26	OH		9.60%	NiSource	D	\$300M	5.25%	5 Yr	(May 2023)
4	Northern States Power	Mar	23	MN		9.57%	Xcel Energy	D	\$800M	5.45%	10 Yr	(Jul 2023)
5	Pivotal Utility Holdings	Mar	28	FL		9.50%	Chesapeake Utilities	D	\$550M	Var. Rates	Var. Mat.	(Nov 2023)
6	Atmos Energy	May	4	CO		9.30%	Atmos	D	\$900M	5.9%/6.5%	10 & 30 Yr	(Oct 2022)
7	Intermountain Gas	Jun	30	ID		9.50%	MDU Resources	D	\$100M	5.39%	10 Yr	(Nov 2023)
8	Consolidated Edison of NY	Jul	20	NY		9.25%	Consolidated Edison	D				
9	Michigan Gas Utilities	Aug	30	MI		9.80%	WEC Energy	D				
10	Avista	Aug	31	ID		9.40%	Avista	D				
11	Northern Utilities	Sep	20	ME		9.35%	Unitil	D				
12	Dominion Energy SC	Sep	20	SC		9.49%	Dominion	D	\$1.0 Bil	5/5.35%	10/30 Yr.	(Feb 2024)
13	Piedmont Natural Gas	Oct	5	SC		9.30%	Duke Energy	D	\$150M	4.85%	3/5 Yr	(Nov 2023)
14	Chattanooga Gas	Oct	6	TN		9.80%	Southern Co.	D	\$400M	5.70%	10 Yr	(Feb 2024)
15	New York State Elec. & Gas	Oct	12	NY		9.20%	Avangrid	D	\$680M	Var. Rates	Var. Mat.	(Dec 2023)
16	Rochester Gas & Electric	Oct	12	NY		9.20%	Avangrid	D	\$680M	Var. Rates	Var. Mat.	(Dec 2023)
17	Northwestern Energy	Oct	25	MT		9.55%	NorthWestern Energy	D				
18	Minnesota Energy Rescs	Oct	26	MN		9.65%	WEC Energy	D				
19	Avista	Oct	26	OR		9.50%	Avista	D				
20	Duke Energy Onio	Nov	1	OH		9.60%	Duke Energy	D	\$150M	4.85%	3/5 Yr	(Nov 2023)
21	Madison Gas & Electric	Nov	3	WI		9.70%	MGE Corp	D				
22	Questar Gas	Nov	7	WY		9.65%	Dominion Energy	D	\$1.0 Bil	5/5.35%	10/30 Yr.	(Feb 2024)
23	Northern States Power	Nov	9	FL		9.80%	Xcel Energy	D				
24	Wisconsin Power & Light	Nov	9	WI		9.80%	Alliant Energy	D				
25	Ameren Illinois	Nov	16	IL		9.44%	Ameren	D	\$700M	4.38%	5 Yr	(Dec 2023)
26	North Shore Gas	Nov	16	IL		9.38%	WEC Energy	D	\$20M	5.82%	5 Yr	(Dec 2023)
27	Northern Illinois Gas	Nov	16	IL		9.51%	Southern Co.	D	\$400M	5.70%	10 Yr	(Feb 2024)
28	Peoples Gas Light & Coke	Nov	16	IL		9.38%	WEC Energy	D				
29	Piedmont Natural Gas	Dec	4	TN		9.80%	Duke Energy	D	\$150M	4.85%	3/5 Yr	(Nov 2023)
30	Baltimore Gas & Electric	Dec	14	MD		9.45%	Exelon	D	\$1.7 B	5.2/5.4/5.6%	5/10/20 Yrs	(Feb 2024)
31	Washington Gas Light	Dec	14	MD		9.50%	AltaGas	F				
32	Washington Gas Light	Dec	15	MD		9.65%	AltaGas	F				
33	Mountaineer Gas	Dec	21	WV		<u>9.75%</u>	UGI	D				
34	Average for 2023					<u>9.52%</u>						

* Per Regulatory Research Associates with Summary of All Orders on Page 4

** Per various SEC Filings

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas - Gas Rate Case

Case No. U-21291
Exhibit AG-29
May 7, 2024
Page 3 of 3

Gas Regulatory Decisions - Authorized ROE's Summary for all Cases - 2022 and 2023

<u>Line</u>	<u>Caption</u>	<u>Total Year 2022</u>		<u>Total Year 2023</u>	
		<u># of Orders</u>	<u>Avg. ROE</u>	<u># of Orde</u>	<u>Avg. ROE</u>
	(a)	(b)	(c)	(d)	(e)
1	Average Authorized ROE's page 1 and 2	<u>31</u>	9.49%	<u>33</u>	9.52%
	<u>ROE Orders At 9.9% or Higher</u>				
2	Michigan Cases				
4	Consumers Energy Gas	1	9.90%	1	9.90%
6	California Case				
	San Diego Gas & Electric	1	10.20%		
7	Florida Cases			1	10.25%
	Florida Public Utilities*			1	10.15%
	Peoples Gas System**				
8	Total Number At 9.90% or Higher	<u>2</u>		<u>3</u>	
9	Tota/Avg. of All Cases	<u>33</u>	<u>9.52%</u>	<u>36</u>	<u>9.57%</u>

* Small Florida company operating in four counties with 83,000 customers

** Small Florida company operating in central Florida (near Lakeland), the west coast of Florida (Sarasota) and on the east coast of Florida (Jupiter) with approximately 400,000 customers.

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas - Gas Rate Case

Case No. U-21291
Exhibit AG-30
May 7, 2024
Page 1 of 1

Rating Agency Cash Flow Ratios
(With ROE at 9.85% and a 50% Common Equity Ratio)

		<u>2022 Adjusted Moody's Cash Flow Ratio (\$ Millions)</u>			
<u>Line</u>	<u>Caption</u>	<u>Cash From</u>		<u>Ratio</u>	<u>Note</u>
		<u>Operations</u>	<u>Debt</u>		
	(a)	<u>Pre-Wkg. Cap.</u>	<u>(c)</u>	<u>(e) / (f)</u>	
		(b)		(d)	
1	2022 Actual Ratio Results	\$ 575	\$ 2,602	22.1%	1
2	Reduce Common Equity (to 50% vs 52.6%)	(13)	117		2
3	Decrease ROE (to 9.85% vs 11.5%)	(37)			3
4	Pro Forma w/50% Common Equity, 9.85% ROE	<u>\$ 525</u>	<u>\$ 2,719</u>	19.3%	L 1 + L 2 + L 3
5	Ratings Downgrade Risk			Below 16%	4

Notes

- From page 1 of Moody's July 25, 2023 report on DTE Gas (see AGDE-1.16-04)
- As noted below under "Avg. 2022 Capitalization" below, the Company's Common Equity ratio was 52.6% in 2022. Adjusting to 50% shifts \$117 million from common equity to long-term debt (2.6% x \$4.486 billion = \$117 million).
Lower Common Equity of \$117 million x the Company's earned ROE of 11.5% = \$13 million in lower Net Income.
- Decreasing the ROE from 11.5% (actual) to 9.85% produces a \$37 million decrease in total Company earnings (1.65% x \$2.24 billion = \$37 million).
Note: The DTE Gas 2022 Net Income of \$ 272 million (p. 31, 2022 form 10-K) / \$2.4 billion (below) = an 11.5% ROE.
- From page 2 of Moody's July 25, 2023 report on DTE Gas (see AGDE-1.16-04)

<u>Average 2022 Capitalization (\$ Millions)</u> <u>from Ex. A-4 Sch. D1, pg.1)</u>	<u>Actual 2022</u>		<u>Rebalancing</u> <u>Adjustmts.</u>	<u>2022 Rebalanced</u>	
	<u>Amount</u>	<u>% Capital</u>		<u>Amount</u>	<u>% Capital</u>
Long-Term Debt	\$ 2,126	47.4%	\$ 117	\$ 2,243	50.0%
Preferred Stock	-	0.0%		-	0.0%
Common Equity	<u>2,360</u>	<u>52.6%</u>	(117)	<u>2,243</u>	<u>50.0%</u>
Total	<u>\$ 4,486</u>	<u>100.0%</u>		<u>\$ 4,486</u>	<u>100.0%</u>

VLFAAlert



ValueLinefunds

4th Quarter 2018

Volume VII, Issue IV

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Mitchell Appel
President
Value Line Funds

Dear Fellow Shareholder,

Thank you for choosing Value Line Funds as a part of your diversified investment portfolio. For over half a century, Value Line Funds has championed sound investment principles and helped thousands of investors accomplish their financial goals with our actively managed family of mutual funds.

We hope you enjoy this edition of the VLFAAlert and thank you for your continued support.

Volatility is Not Risk:

Why the Difference is Critical to Long-Term Results

2017 lulled many equity investors into a comfort zone based on historically low volatility. 2018 has been more volatile—with tighter monetary policy and geopolitical and trade policy uncertainty among the drivers of the increase. But volatility levels in 2018 are actually historically normal—even with the bouts of volatility anticipated ahead of the November mid-term elections. But volatility is not risk. And recognizing the difference can be critical to your long-term investment returns.

Defining Our Terms

Volatility is simply the measure of the up and down movements of the market. For example, since 1950, when the Value Line Funds were first established, the average maximum drawdown in the broad U.S. equity market during midterm election years has been -17%, with weakness tending to be concentrated in the pre-election days. However, the good news is that there has been a consistent tendency historically for post-drawdown rallies, averaging +32% in the subsequent year.¹ Volatility? Yes! Uncertainty? Yes! But volatility is only risk if you act during down times—that is, only if you sell. To which the often-invoked quip may well be the most prudent answer: "Don't just do something, sit there."

Risk, on the other hand, is the probability of a permanent loss. You might think of risk as the possibility of having to lower your quality of life in the future.

"Volatility is not synonymous of risk but—for those who truly understand it—of wealth."

- Francois Rochon*

Recognizing the Difference

Volatility is independent of risk. Too many investors let an investment's short-term price movements, or perceptions of short-term price movements, drive their buying and selling decisions. Too often volatility is regarded as something to be

avoided. But since short-term price moves are unknowable and independent of underlying fundamentals and value, such volatility should not be a determinant.

And ALL investments have risk of some kind, including cash and CDs. One just needs to pick the risks that are best to take based on your individual tolerance level, time horizon and financial needs and goals.

As famed investor and Berkshire Hathaway CEO Warren Buffet wrote:

"Stock prices will always be far more *volatile* than cash equivalent holdings. *Over the long term*, however, currency-denominated instruments are *riskier* investments — far riskier investments — than widely-diversified stock portfolios that are bought over time and that are owned in a manner invoking only token fees and commissions. **That lesson has not customarily been taught in business schools, where volatility is almost universally used as a proxy for risk. Though this pedagogic assumption makes for easy teaching, it is dead wrong: Volatility is far from synonymous with risk.** Popular formulas that equate the two terms lead students, investors and CEOs astray."²

**"Volatility is our friend.
Volatility has nothing to do with risk."**

- Mohnish Pabrai*

(continued on back)

Value Line Article on Volatility vs. Risk

It's a Matter of Time, Not Timing

Most experienced investors do not fear volatility, only unrecoverable loss. But most losses, as measured by a day, a week, a quarter or a year, are recoverable over time. Declines in principal value have historically been temporary. Of course, there are true risks. A company could go totally out of business. An innovation could transform an industry so profoundly to make a once "blue chip" company a relic. A geopolitical event could happen to negate all assumptions. But these occurrences are rare. For the vast majority of investors, maintaining a long-term perspective is the real key to attaining gains over their investing lifetime. Historically, since World War II, the longer you hold stocks, the narrower the range of returns.³ In other words, even if volatility is a concern, it decreases the longer you hold stocks. It's the old adage: what matters is time in the market, not market timing.

"You can't overlook the volatility, but you don't let it push you around in the market."

*- Boone Pickens**

solutions designed to meet a broad array of investment goals. Whether you are looking for income or long-term capital appreciation, whether you choose to invest in equities, taxable or tax-exempt fixed income or a hybrid fund of multiple asset classes, you can rely on the solid fundamentals of Value Line Funds.

Value Line Funds Include:
Equity Funds
Premier Growth Fund
Larger Companies Focused Fund
Mid Cap Focused Fund
Small Cap Opportunities Fund
Hybrid Funds
Asset Allocation Fund
Capital Appreciation Fund
Fixed Income Funds
Tax Exempt Fund
Core Bond Fund

Comparison of Gas Sales Volumes - 2017-2022 Actuals to Sep 2024 Test Year Forecast

Line	Description (a)	Actual August Year Ending						2024F	2025F	Test Year 12 Months Ended Sep 2025F	2020-2023 3-YR CAGR	2018-2023 5-YR CAGR
		2018 (b)	2019 (c)	2020 (d)	2021 (e)	2022 (f)	2023 (g)			(j)	(k)	(k)
1	Average Gas Use Per Customer (Mcf):¹											
2	Rate A Residential	95.68	95.13	92.21	91.21	94.45	92.62	91.69	90.27	90.52		
3	Percent Change from Prior Yr		-0.6%	-3.1%	-1.1%	3.6%	-1.9%	-1.0%	-1.6%	-2.3%	0.1%	-0.6%
4												
5	Rate 2A Residential Multi-Dwelling I	238.65	254.86	219.43	219.36	216.79	218.43	659.57	645.95	211.47		
6	Percent Change from Prior Yr		6.8%	-13.9%	0.0%	-1.2%	0.8%	202.0%	-2.1%	-3.2%	-0.2%	-1.8%
7												
8	Rate 2A Residential Multi-Dwelling II	874.03	809.76	828.42	804.10	814.86	803.94	659.57	645.95	780.46		
9	Percent Change from Prior Yr		-7.4%	2.3%	-2.9%	1.3%	-1.3%	-18.0%	-2.1%	-2.9%	-1.0%	-1.7%
10												
11	Rate GS-1 Small Commercial	461.91	455.38	433.27	423.27	447.49	446.37	437.36	430.55	431.79		
12	Percent Change from Prior Yr		-1.4%	-4.9%	-2.3%	5.7%	-0.2%	-2.0%	-1.6%	-3.3%	1.0%	-0.7%
13												
14	Rate GS-2 Large Commercial & Industrial	13,166.00	23,856.35	12,488.31	12,102.43	15,967.81	19,134.82	17,426.18	17,320.15	17,356.45		
15	Percent Change from Prior Yr		81.2%	-47.7%	-3.1%	31.9%	19.8%	-8.9%	-0.6%	-9.3%	15.3%	7.8%
16												
17	Rate S Schools	6,945.82	6,968.75	6,790.47	7,088.04	7,266.69	7,690.73	7,514.82	7,387.82	7,412.88		
18	Percent Change from Prior Yr		0.3%	-2.6%	4.4%	2.5%	5.8%	-2.3%	-1.7%	-3.6%	4.2%	2.1%
19												
20												
21	Gas Deliveries - Weather-Normalized:^{2,3}											
22	(MMCF)											
23	Rate A Residential	111,516	111,898	109,712	109,891	114,830	113,508	113,329	112,337	112,464		
24	Rate 2A Residential Multi-Dwelling I	310	325	285	296	299	305	945	920	302		
25	Rate 2A Residential Multi-Dwelling II	4,644	4,219	4,213	4,074	4,059	3,971	3,165	3,079	3,726		
26	Rate GS-1 Small Commercial	41,193	40,603	38,784	38,123	40,617	40,650	39,907	39,408	39,491		
27	Rate GS-2 Large Commercial & Industrial	716	1,215	565	610	966	1,328	1,409	1,521	1,494		
28	Rate S Schools	1,482	1,484	1,478	1,608	1,659	1,707	1,628	1,593	1,600		
29												
30	Average Number of Customers:^{2,3}											
31	Rate A Residential	1,165,546	1,176,299	1,189,798	1,204,853	1,215,728	1,225,539	1,235,954	1,244,512	1,242,379		
32	Rate 2A Residential Multi-Dwelling I	1,298	1,276	1,297	1,348	1,381	1,397	1,434	1,424	1,428		
33	Rate 2A Residential Multi-Dwelling II	5,314	5,211	5,086	5,067	4,981	4,940	4,799	4,767	4,774		
34	Rate GS-1 Small Commercial	89,179	89,163	89,515	90,067	90,766	91,067	91,246	91,529	91,459		
35	Rate GS-2 Large Commercial & Industrial	54	51	45	50	61	69	81	88	86		
36	Rate S Schools	213	213	218	227	228	222	217	216	216		

Source:

(1) Calculated by dividing weather-normalized deliveries by number of customers for Residential and Commercial gas deliveries

(3) Historical weather normalized sales and number of customers from DR AGDG-4.66a attachment

(4) DR AGDG-4.67b Attachment for 2024 and 2025 forecasted sales and customers. Exhibit A-15, Schedule E-1 for test year September 2025 gas deliveries and customers

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.58d

Respondent: G. H. Chapel

Page: 1 of 1

Question: 58. Refer to lines 8-24 on page 16 of Mr. Chapel's direct testimony on the linear forecasting model. Please:

- d. Confirm that the calculations and adjustments for EWR and BTU values were done outside of the model. If not confirming, provide evidence otherwise.

Answer: EWR adjustments were developed in the Company's EWR process (outside the model) and are included as an adjustment to the usage factors. Heating value (BTU) adjustments are made outside the model and are included as an adjustment to the usage factors.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.58e

Respondent: G. H. Chapel

Page: 1 of 1

Question: 58. Refer to lines 8-24 on page 16 of Mr. Chapel's direct testimony on the linear forecasting model. Please:

- e. Provide the source of the EWR rates of 1.05% and 1.0% and describe how they were determined. Provide the actual EWR savings achieved each year 2018 to 2023 and how the Company knows that these rates were actually achieved.

Answer: The EWR values were determined pursuant to the most recent EWR filing before the MPSC, Case No. U-21322. Please refer to the public record of that case.

Attachment: None

MPSC Case No: U-21291

Requester: AG

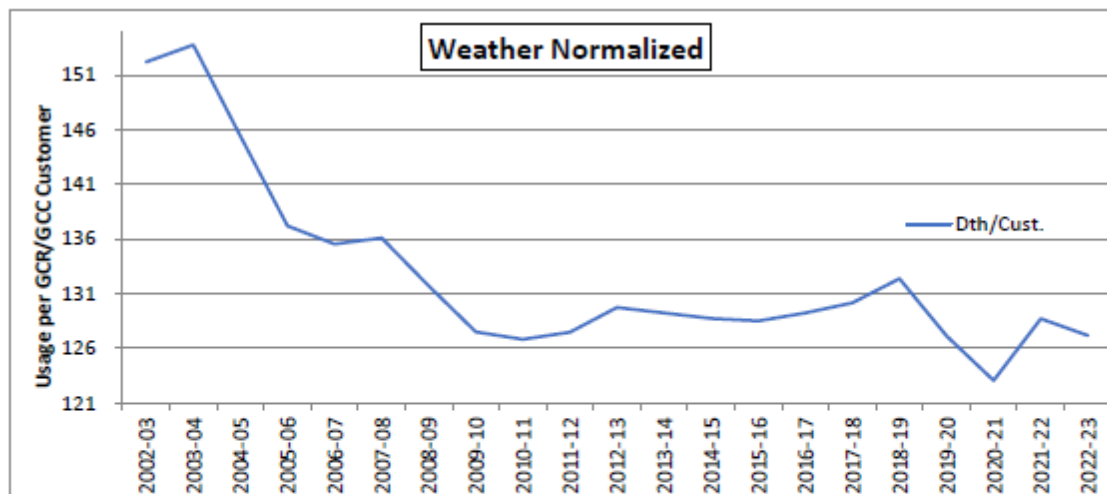
Question No.: AGDG-4.60

Respondent: G. H. Chapel

Page: 1 of 1

Question: 60. Refer to lines 8-11 on page 20 and lines 22-24 on page 26 of Mr. Chapel's direct testimony on the impact of Covid-19 on sales in 2020, 2021, and 2022. Please identify what volume adjustments to the base historical customer gas usage or forecasted sales for the projected test year for residential and commercial customers the Company made in the gas sales forecasts in this rate case. If no adjustments were made, explain why not and identify what those adjustments should have been. Provide the supporting calculations in Excel.

Answer: No adjustments to the usage factors due to Covid-19 were necessary. The usage factors were calculated based upon customer behavior from August 2021 to July 2023. By the summer of 2021, the effects on customer behavior due to Covid-19 were largely over. See the graph below:



The x-axis represents 12-months ended August for each of the labeled periods. Normalized usage per GCR/GCC customer reduced sharply from August 2019 and bottomed out 12-months ended August 2021. It rebounded notably in the two years since. Since the usage factors were based upon these most recent two years, no adjustment to the regressed usage factors due to Covid-19 was necessary.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.65a

Respondent: G. H. Chapel

Page: 1 of 1

- Question:** 65. Refer to lines 6-11 on page 25 and lines 6-11 on page 28 of Mr. Chapel's direct testimony on EWR lost sales and other volume changes. Please:
- a. Provide the calculations of EWR volumes for 2023, the 9 months ending September 2024, and 12 months ending September 2025 for the commercial and industrial classes in Excel with formulas intact.

Answer: EWR volumes are not calculated individually. Rather, EWR adjustments are factored into the base load and heat load usage factors of each rate class. As such, EWR reductions can be assumed to be a 1% reduction (1.05% for 2023) against each prior year's consumption. For instance, if a customer consumed **1,000 Mcf** in 2024 with normal weather, then for 2025 they would be forecast to consume $1,000 \times 0.99 = 990$ Mcf with normal weather. This effect is compounded, so that in 2026, with normal weather, that customer would be forecast to consume $990 \times 0.99 = 980.1$ Mcf.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.65c

Respondent: G. H. Chapel

Page: 1 of 1

Question: 65. Refer to lines 6-11 on page 25 and lines 6-11 on page 28 of Mr. Chapel's direct testimony on EWR lost sales and other volume changes. Please:

c. Provide any other volume adjustments calculated outside of the forecasting model, such as customers shifting to and from transportation service or other known changes in customer usage for commercial and industrial customers for 2023, the 9 months ending September 2024, and 12 months ending September 2025.

Answer: There are none. Customers who shifted from EUT to sales service by no later than July 2023 have been included in the sales forecasts. Their volumes were projected as an average GS-2 customer.

Attachment: None

Incremental Revenue from Higher Rate A Residential Sales Volume for Forecasted Test Year

Line #	(a)	(b)	(c)
1	Average Sales per Customer - Actual 2023 ¹		92.62 Mcf
2			
3	5-Year average rate of change in Usage per Customer ¹	-0.6%	
4			
5	Average Sales per Customer - September 2024 ²		92.17 Mcf
6			
7	Average Sales per Customer - September 2025 ³		91.57 Mcf
8			
9	Forecasted Test Year average number of customers ⁴		<u>1,242,379</u>
10			
11	AG Forecasted Sales (Line 7 x Line 9)		113,767,272 Mcf
12			
13	Compan Forecasted Sales ⁴		<u>112,464,297</u> Mcf
14			
15	Increase in Gas Sales (Line 13 - Line 11)		1,302,975 Mcf
16			
17	Current Distribution Rate A per Mcf ⁵		<u>\$ 3.8859</u>
18			
19	Incremental Rate A Revenue		<u>\$ 5,063,232</u>

Source: (1) Exhibit AG-32.
(2) Line 1 x 9/12 of Line 3 (Represents the rate change in usage from January 2024 to September 2024).
(3) Line 5 x Line 3 (Represents a full year of rate change in usage).
(4) Exhibit AG-32.
(5) Exhibit A-16, Schedule F3, page 1.

Incremental Revenue from Higher GS-1 Commercial Sales Volume for Forecasted Test Year

Line #	(a)	(b)	(c)
1	Average Sales Volume per Customer - Actual 2023 ¹		446.37 Mcf
2			
3	5-Year average rate of change in Usage per Customer ¹	-0.7%	
4			
5	Average Sales Volume per Customer - September 2024 ²		444.09 Mcf
6			
7	Average Transport Volumes per Customer - September 2025 ³		441.06 Mcf
8			
9	Forecasted Test Year average number of customers ⁴		<u>91,459</u>
10			
11	AG Forecasted Volumes (Line 7 x Line 9)		40,338,612 Mcf
12			
13	Company Forecasted Salest Volume ⁴		<u>39,490,927</u> Mcf
14			
15	Increase in Sales Volumes (Line 13 - Line 11)		847,685 Mcf
16			
17	Current Distribution Rate GS-1 per Mcf ⁵		<u>\$ 3.8069</u>
18			
19	Incremental Rate GS-1 Revenue		\$ 3,227,054

Source: (1) Exhibit AG-32.
 (2) Line 1 x 9/12 of Line 3 (Represents the rate change in usage from January 2024 to September 2024).
 (3) Line 5 x Line 3 (Represents a full year of rate change in usage).
 (4) Exhibit AG-32.
 (5) Exhibit A-16, Schedule F3, Distribution rate for rate schedule GS-1.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.73a

Respondent: H. J. Decker

Page: 1 of 1

Question: 73. Refer to Table 2 on page 17 of Mr. Decker's direct testimony on power generation volumes. Please:

- a. Provide the same information with actual volumes for the 12 months ended March 2024.

Answer: Please see the table below for the same information with actual volumes for the 12 months ended March 2024

12 Month Period	Customer Count at End of 12-Month Period	Actual (Bcf)	Variance (Bcf) to 5-yr average	Cooling Degree Days	Variance to 15 yr Avg.
Apr '23 ~ Mar '24	11	72.4	10.9	736	(24%)
Current 5-yr average		61.5		983	
15 Yr Avg CDD				969	

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.83

Respondent: H. J. Decker

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Question: 83. Refer to lines 14-17 on page 33 of Mr. Decker's direct testimony on DTE Electric revenue adjustment. Please provide the adjustment amount by month with the year identified.

Answer: Assuming the question references lines 14-17 on page 34 and not page 33, The Company would answer as follows: a monthly adjustment of \$323,354.16 was made for the 29 months from January of 2020 through May of 2022.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.96a

Respondent: H. J. Decker

Page: 1 of 1

Question: 96. Refer to Exhibit A-13, Schedule C3.3. Please:
a. Expand this schedule to include the same information for each year 2018 to 2023, and the 12 months ended March 2024 and provide it in Excel.

Answer: Please see attachment U-21291 – AGDG-4.96ab Off-System Storage & Transportation Revenue

Attachment: U-21291 – AGDG-4.96ab Off-System Storage & Transportation Revenue

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company

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Exhibit: AG-36

May 7, 2024

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DTE Gas Response to data request AGDG-4.96a

[illegible]

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company

Exhibit: AG-37
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May 7, 2024
Page 1 of 1

Midstream Revenue Adjustments

\$(000)

Line #	Year	(a) Exchange Gas Revenue			(d) Off-System Transp. Revenue		
		(b) Amount Booked ¹	(c) DTEE Adjust. ²	(f) Adjusted Amount	(e) Amount Booked ¹	(f) DTEE Adjust. ²	(f) Adjusted Amount
1	2021	\$ 18,194	\$ (3,880)	\$ 14,314	\$ 61,181	\$ 3,880	\$ 65,061
2	2022	\$ 16,094	\$ (1,617)	\$ 14,477	\$ 61,573	\$ 1,617	\$ 63,190
3	2023	\$ 18,084	\$ -	\$ 18,084	\$ 63,087	\$ -	\$ 63,087
4	Average			\$ 15,625			\$ 63,779
5	Company Forecast			12,793			60,381
6	AG Adjustment			\$ 2,832			\$ 3,398

Source: (1) DR AGDG-4.96 (Exhibit AG-36).
(2) DR AGDG-4.83 (Exhibit AG-36).

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.89g

Respondent: H. J. Decker

Page: 1 of 1

Question: 89. Refer to lines 19-25 on page 51 of Mr. Decker's direct testimony on the Home Protection Plus Appliance Service program (HPP). Please provide the following information on the HPP for each year 2018 to 2025 and the projected test year in Excel:

g. The number of Company employees dedicated to the program by year actual through 2023 and forecasted for 2024 and 2025.

Answer: Please see attachment U-21291 AGDG-4.89a,d-g HPP variance explanations.

Attachment: U-21291 AGDG-4.89a,d-g HPP variance explanations

DTE Gas Response to data request AGDG-4.89a

DTE Gas Company									
U-21291 Discovery									
AGDG-4									
		HPP Audit and Discovery - Variance Explanations							
		Historical	Historical	Historical	Historical	Historical	Historical	Fcst	Fcst
		Net Oper. Income	Net Oper. Income	Net Oper. Income	Net Oper. Income	Net Oper. Income	Net Oper. Income	Net Oper. Income	Net Oper. Income
		For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended	Fore the year Ended	Fore the year Ended
	Description	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
	Operating Revenue								
1	Other Operating Revenues	\$75,434	\$82,198	\$86,578	\$92,906	\$99,257	\$103,901	\$99,257	\$99,257
2	Total Operating Revenues	\$75,434	\$82,198	\$86,578	\$92,906	\$99,257	\$103,901	\$99,257	\$99,257
		2.80%	8.97%	5.33%	7.31%	6.84%	4.68%	-4.47%	0.00%
3	Operating Expenses								
4	Operation & Maintenance	\$59,848	\$62,150	\$60,023	\$64,334	\$66,359	\$64,100	\$66,359	\$66,359
5	State and Local Income Taxes	\$935	\$1,203	\$1,593	\$1,737	\$1,718	\$2,262	\$1,718	\$1,718
6	Federal Income Taxes	\$4,512	\$4,730	\$5,067	\$4,242	\$5,498	\$7,241	\$5,498	\$5,498
7	Total Operating Expenses	\$65,296	\$68,083	\$66,684	\$70,313	\$73,575	\$73,602	\$73,575	\$73,575
		6.30%	4.27%	-2.06%	5.44%	4.64%	0.04%	-0.04%	0.00%
8	Net Operating Income	\$10,138	\$14,114	\$19,894	\$22,593	\$25,682	\$30,299	\$25,682	\$25,682
		13.44%	17.17%	22.98%	24.32%	25.87%	29.16%	25.87%	25.87%
9	3 Year Rolling Average				\$18,867	\$22,723	\$26,191	\$27,221	\$27,221
10	5 Year Rolling Average					\$18,484	\$22,517	\$24,830	\$25,987
11	Average Contracts	210,736	218,629	222,004	221,766	223,627	223,307	223,627	223,627
12	Average Headcount	82	84	82	83	81	76	81	81
	Variance Explanations								
	2018 - 2019	9% increase in revenue due to increased revenue per contract and higher contracts							
		4% increase in operating expenses due to increased repairs due to increased contracts							
	2019 - 2020	5% increase in revenue due to increased revenue per contract and higher contracts							
		2% decrease in operating expenses due to decrease repairs due to covid restrictions							
	2020 - 2021	7% increase in revenue due to increased revenue per contract							
		5% increase in operating expenses due to increased volume of repairs and higher cost per repair							
	2021 - 2022	7% increase in revenue due to increased revenue per contract and higher contracts							
		5% increase in operating expenses due to increased cost per repairs							
	2022 - 2023	5% increase in revenue due to increased revenue per contract							
		No increase in operating expenses 0.04%							

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company - Gas Rate Case

Case No. U-21291
Exhibit AG-39
May 7, 2024
Page 1 of 1

Other O&M Expense Adjustments ¹

Line	Caption (a)	Millions of Dollars		Reference or Note (d)
		Proposed Changes (b)	O&M Level (c)	
1	O&M Per Company Exh. A-13, Sched. C5		\$ 538.3	
	<u>AG Proposed Changes</u>			
2	Eliminate Proposed Blended Inflation	\$ (4.0)		Ex. AG-43
3	Corporate Expense Realignment:			
4	2023 Cost Reductions Initiative	(22.4)		Ex. AG-45
5	Voluntary Separation Savings @50%	(3.2)		Testimony
6	Pipeline Integrity Expenses	(6.7)		Testimony
7	MAOP Records Review	(0.9)		Testimony
8	Leak Detection and Repair (LDAR)	(10.3)		Testimony
9	Active Health Care	(4.9)		Ex. AG-47
10	Rents - Capital Use Charge	(2.5)		Testimony
11	Reduce Incentive Compensation:			
12	Related to Financial Metrics	(12.1)		Testimony
13	45% of Non-Financial Metrics	(2.9)		Testimony
14	Reduce Incentive Comp. Deferral Amortization	(1.1)		Testimony
15	Amortization of OPEB Liability Balance	(9.7)		Testimony
16	Credit Card Merchant Fees	(2.2)		Testimony
17	Private Jet Travel Costs	(0.1)		Testimony
18	Responsibly Sourced Gas	(0.2)		Testimony
19	Total Cost Changes	(83.2)	(83.2)	Sum Lines 2 to 18
21	AG Proposed O&M (L1 + L19)		\$ 455.1	
23	Change in O&M Expense (L21 less L1)		\$ (83.2)	

(1) Excludes Uncollectible, Company Gas Use and LAUF Gas Expense Adjustments provided in Exhibit AG-40 and AG-42.

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas - Gas Rate Case

Case No. U-21291
Exhibit AG-40
May 7, 2024
Page 1 of 1

Company Use and LAUF Gas - Thousands of Dollars

Line	Description or Item (a)	MMcf Volume (b)	Cost of Gas Rate (c)	\$ Thousands Cost (d)	Source or Note (e)
<u>Company Case</u>					
1	Lost & Unaccounted Gas For (LAUF) Volume	5,401	\$ 4.380	\$ 23,656	Ex. A-15, Sch E8
2	Company Use Gas Volume	4,464	4.380	19,552	Ex. A-15, Sch E8
3	Total Volume & Cost Per Company	9,865	\$ 4.380	43,209	L 1 + L 2
4	Result of Cost of Gas Rate Reduction Only	9,865	\$ 4.100	\$ 40,447	Note 1
5	Cost of Gas Rate Change		\$ (0.280)		Rate Change L4 less L3
<u>AG Case Changes</u>					
6	Cost Change Due to Cost Rate Reduction	9,865	\$ (0.280)	\$ (2,762)	L 4 Volume x L 5
7	Reduction of 9.8% in LAUF Volume -Emission Reductions	(529)	\$ 4.100	(2,170)	Note 2
8	Total Reduction in Expense			(4,932)	L 6 + L 7
9	AG Cost of Company Use & LAUF			38,276	L 3 + L 8
10	Reduction in Co. Use & LAUF Cost and Other O&M Expense			\$ (4,932)	L 9 less L 3

-
- 1 The rate change reflects a substantial change in the NYMEX Gas Price Futures
See Exhibit AG-41 and DR-AGDG-2.24b for Company witness Chapel's revised Cost of Gas rate of \$4.10
 - 2 This is consistent with the Company's goal of reaching zero emissions by 2050. From 2022 to 2050 is a period of 28 years suggesting a 3.57% annual reduction over the 28 year period. Using the 3.57% rate times the 2.75 years between the historic and projected test years suggests a 9.8% reduction is appropriate

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-2.24b

Respondent: G. H. Chapel

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Question: 24. On page 30 of his direct testimony, Mr. Chapel states that he derived a \$4.3812 per MCF cost of gas based on NYMEX futures prices on September 22, 2023. In this regard, please address the following.

b. Provide an updated cost of gas rate based on actual and forecasted NYMEX prices as of last five trading days of March 2024 and provide the calculations in Excel with all source data and formulas intact.

Answer: The Company's cost of gas calculation is not done in Excel. See attachment provided in response to the supplemental audit request NUR-1, Question 3, for a summary calculation of the components that make up this rate. This was a response previously submitted to an MPSC Staff audit request to update the projected Cost of Gas using the average of the NYMEX settle prices from February 12 to February 16, 2024. The projected Cost of Gas with these new assumptions is \$4.1015/Mcf.

Uncollectible Accounts Expense
(Thousands of Dollars)

<u>Line</u>	<u>Caption or Description</u>	<u>Net Write- Off Amounts</u>	<u>Net Sales</u>	<u>% Charged Off & AG Projection (b) / (c)</u>	<u>Reference</u>
	(a)	(b)	(c)	(d)	
1	Total Year 2021	\$ 18,320	\$ 1,456,245	1.26%	Data From AGDG 2.23
2	Total Year 2022	19,197	1,875,170	1.02%	Data From AGDG 2.23
3	Total Year 2023	22,044	1,803,800	1.22%	Data From AGDG 2.23
4	Avg. Percentage			1.17%	Avg. of Lines 1,2 & 3
5	Projected Test Year Revenues			<u>\$ 2,134,324</u>	See Note 1 Below
6	Uncollectible Accounts Expense - Gas Business			24,928	Line 4 x Line 5
7	Three Year Average of Net Charge-Offs (Other Areas)			<u>1,090</u>	Data From AGDG 2.23, L 9
8	Total Uncollectibles per AG Estimate			<u>\$ 26,018</u>	Line 6 + Line 7
9	Uncollectibles per DTE Gas			<u>35,149</u>	Ex. A-13, Sch. C5.7, Line 10
10	<i>Reduction in O & M Expense for Uncollectibles</i>			<u>\$ (9,131)</u>	Line 8 less Line 9

Note 1 Per witness Sparks Exhibit A-13, Schedule C5.7

**O&M Reduction - Limit
Inflation Increases to the CPI (AG Position)**

Thousands of Dollars

<u>Line</u>	<u>Department</u>	<u>Hist. 2023 O & M*</u>	<u>Less Non Inflat. Items**</u>	<u>Inflationary Items</u>	<u>Inflation</u>
	(a)	(b)	(c)	(d)	(e)
1	Natural Gas Storage	\$ 13,344	\$ -	\$ 13,344	
2	Transmission	58,532	-	58,532	
3	Distribution	120,584	-	120,584	
4	Customer Service	55,407	(7,453)	47,954	
5	Marketing	51,703	-	51,703	
6	Admin. & General	117,834	(61,436)	56,398	
7	Pension & Benefits	34,700	(34,700)	-	
8	Total for 2023	<u>\$ 452,104</u>	<u>\$ (103,589)</u>	<u>\$ 348,515</u>	
9	2024 Inflation (2.6% of Line 8)			<u>9,061</u>	\$ 9,061 ***
10	Inflation Base - 2024			\$ 357,576	
11	2025 Inflation (2.2% x 75% of Line 10)			<u>5,900</u>	<u>5,900</u> ***
12	Total			<u>\$ 363,476</u>	
13	Cumulative 2024 and 2025 Inflation at 100% of CPI (L9 + L11)				\$ 14,961
14	Inflation per Ex. A-13, Sch. C5 columns (h) and (i)				<u>18,962</u>
15	<i>O&M Inflation Elimination (L14 less L13)</i>				<u>\$ (4,001)</u>

* Per DR AGDG-3.43 Attachments

** Reflects Merchant Fees, Injuries & Damages, MGP Amortization, Rents and all Pensions & Benefits

*** AG Calculated inflation based on March 1, 2024 CPI Forecast.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-3.43

Respondent: R. M. Telang

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Question: 43. Please provide Exhibit A-13, Schedules C5.1, C5.2, C5.3, C5.4, C5.5, C5.6 and C5.9 with 2023 O&M expenses in the same manner as set forth in columns (b) to (f) in Excel.

Answer: See Attachment.

2023 was a financially challenging year for DTE, driven by a much warmer than normal winter, very elevated storm activity, a much cooler than normal summer and a challenging DTE Electric rate case outcome at the end of 2022. To mitigate these significant headwinds and maintain the financial health of the Company, DTE took a number of temporary measures which resulted in lower 2023 O&M for DTE Gas as compared to 2022. These reductions included (but were not limited to) deferring building/facility maintenance work unless safety-related, limiting overtime, postponing annual salary increases, pausing employee promotions and progressions, delaying hiring to replace employees who left the Company, temporarily suspending travel and non-mandatory training, and temporarily reducing contractors and other services that did not impact the safety or reliability of gas service, and shifting timing of material and supply purchases. In addition, a reduction of certain shared services, including certain customer service operations and information technology, reduced DTE Gas's portion of those costs. Other temporary impacts that the Company expects to return to 2022 levels include accounting deferrals and lower incentives. These temporary reductions are noted in the attached file.

Attachment: U-21291 AGDG-3.43 O&M Exhibits 2023.xlsx

Co-Respondent(s): S. N. Kehoe, T. M. Uzenski, M. Cooper, M. J. Hatsios, H. J. Decker

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Summary
AGDG - 3.43
(\$000)

U-21291
A-13
C5
T. M. Uzenski
1 of 1

	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	Exhibit Source A-13	2023 Actuals	Eliminations & Reclasses	Normalization Adjustments	Adjusted 2023 Actuals
						sum (c) thru (e)
1	Natural Gas Storage	C5.1	19,600	(8,406)	2,150	13,344
2	Transmission	C5.2	54,176	(7,719)	12,075	58,532
3	Distribution	C5.3	105,780	(1,141)	15,945	120,584
4	Customer Service	C5.4	96,261	(46,799)	5,945	55,407
5	Marketing	C5.5	50,661	(1,158)	2,200	51,703
6	Administrative and General	C5.6	106,803	(3,292)	14,324	117,834
7	Pension and Benefits	C5.9	32,830	(3,069)	4,939	34,700
8	Total Operation and Maintenance		466,112	(71,585)	57,578	452,105

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Natural Gas Storage
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.1
Witness: S. N. Kehoe
Page: 1 of 1

	(a)	(b)	(c)	(d)	(e)	(f)
Line No.	Description	FERC/ MPSC Account	2023 Actuals	Eliminations & Reclasses	Normalization Adjustments	Adjusted 2023 Actual
1	Natural Gas Storage					sum (c) thru (e)
2	Operation					
3	Operation Supervision and Engineering	814	\$ -	\$ -	\$ -	\$ -
4	Wells Expense	816	369	-	-	369
5	Lines Expense	817	49	-	-	49
6	Compressor Station Expenses	818	3,528	-	420	3,948
7	Compressor Station Fuel and Power	819	7,392	-	-	7,392
8	Measuring and Regulating Station Expense	820	-	-	-	-
9	Gas Losses	823	1,458	-	130	1,588
10	Other Expenses	824	290	-	-	290
11	Storage Well Royalties	825	38	-	-	38
12	Total Operation Expense		<u>\$ 13,123</u>	<u>\$ -</u>	<u>\$ 550</u>	<u>\$ 13,673</u>
13	Maintenance					
14	Maintenance Supervision and Engineering	830	\$ 1,763	\$ -	\$ -	\$ 1,763
15	Maintenance of Structures	831	-	-	-	-
16	Maintenance of Reservoirs and Wells	832	476	-	-	476
17	Maintenance of Lines	833	80	-	-	80
18	Maintenance of Compressor Station Equipment	834	4,158	-	1,600	5,758
19	Maintenance of Other Equipment	837	-	-	-	-
20	Total Maintenance Expense		<u>\$ 6,477</u>	<u>\$ -</u>	<u>\$ 1,600</u>	<u>\$ 8,077</u>
21	Company Use Reclass, Storage		<u>\$ -</u>	<u>\$ (8,406)</u>	<u>\$ -</u>	<u>\$ (8,406)</u>
22	Total Natural Gas Storage		<u>\$ 19,600</u>	<u>\$ (8,406)</u>	<u>\$ 2,150</u>	<u>\$ 13,344</u>

Normalization Adjustments

Account

Amount

Deferred inventory purchases and maintenance

818

420

Deferred data analysis

823

130

Deferred material purchases and backfilling
employees that left the company or retired

834

1,600

2,150

Utilized available oil inventory levels and deferred replacement of glycol until 2024. These purchases must return to ensure availability of assets. Deferred spraying of weeds that prevents encroachment at stations and well heads.

Reduced data analysis for metering systems. This elongates the cycle time of remediation of metering data issues.

Deferred backfilling employees who left the company or retired. Compressor station utilization increases with normal weather will require these positions to be filled. One-time material purchase reductions to return by 2025 as maintenance increases due to higher utilization of compressor stations.

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Transmission
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.2
Witness: S. N. Kehoe
Page: 1 of 1

	(a)	(b)	(c)	(d)	(e)	(f)
Line		FERC/ MPSC	2023	Eliminations	Normalization	Adjusted
No.	Description	Account	Actual	& Reclasses	Adjustments	2023 Actuals
						sum (c) thru (e)
1	Transmission Expenses					
2	Operation					
3	Operation Supervision and Engineering	850	\$ 14,334	\$ -	9,805	\$ 24,139
4	Load Dispatching	851	3,974	-	-	3,974
5	Compressor Station Labor and Expenses	853	1,033	-	-	1,033
6	Gas for Compressor Station Fuel	854	6,658	-	-	6,658
7	Mains Expense	856	1,368	-	-	1,368
8	Measuring and Regulating Station Expenses	857	1,952	-	-	1,952
9	Transmission and Compression of Gas by Others	858	12,706	-	-	12,706
10	Other Expenses	859	2,731	-	335	3,066
11	Total Operation Expense		\$ 44,757	\$ -	\$ 10,140	\$ 54,897
12	Maintenance					
13	Maintenance Supervision and Engineering	861	\$ -	\$ -	\$ -	-
14	Maintenance of Structures	862	-	-	-	-
15	Maintenance of Mains	863	1,793	-	-	1,793
16	Maintenance of Compressor Station Equipment	864	1,361	-	1,080	2,441
17	Maintenance of Measuring & Reg Station Equip	865	25	-	-	25
18	Maintenance of Communication Equip	866	6,239	-	855	7,094
19	Maintenance of Other Equip	867	-	-	-	-
20	Total Maintenance Expense		\$ 9,419	\$ -	\$ 1,935	\$ 11,354
21	Company Use Reclass, Transmission		\$ -	\$ (7,719)	\$ -	\$ (7,719)
22	Total Transmission		\$ 54,176	\$ (7,719)	\$ 12,075	\$ 58,532

Normalization Adjustments	Account	Amount
Pipeline Integrity	850	7,500
Right-of-way maintenance and material purchases	850	1,630
Deferred backfilling employees that left the company or retired	850	675
Training	859	235
Deferred backfilling employees that left the company or retired	859	100
Compressor Station deferred backfilling employees that left the company or retired, overtime, and material reductions	864	1,080
Control Maintenance labor prioritized to mandated cyber security projects /defer backfilling employees that left the company or retired, and overtime reduction	866	855
		12,075

Change in assessment schedule. 9 assessments completed in 2022 vs. 4 in 2023. 13 and 12 assessments are planned for 2024 and 2025, respectively. This \$7.5M historic adjustment does not include the \$6.67M projected adjustment for the projected test year in A-13 C5.2, row 3, column J

Temporarily paused brushing and spraying in 2023 - costs will return to prevent right-of-way overgrowth

Deferred hiring resulted in lower training expense in 2023. Hiring resumed in late 2023 and early 2024 to backfill open positions. Block training to return to pre-2023 levels in 2024

Position has been filled in 2024

Compressor station labor to return to pre-2023 levels as utilization of compressor stations increases with normal weather and demand, requiring higher maintenance and increased procurement of consumables (oil, glycol) and miscellaneous

Control Maintenance labor prioritized to Cyber Security projects in 2023. Deferred backfilling employees who left the company or retired - will be filled in 2024. Overtime reduced as employees focused on cyber security work in 2023.

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Distribution
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.3
Witness: S. N. Kehoe
Page: 1 of 1

Line No.	(a) Description	(b) FERC/ MPSC Account	(c) 2023 Actuals	(d) Eliminations & Reclasses	(e) Normalization Adjustments	(f) Adjusted 2023 Actuals
						sum (c) thru (e)
1	Distribution Expenses					
2	Operation					
3	Operation Supervision and Engineering	870	\$ -	\$ -	\$ -	\$ -
4	Compressor Station Labor and Expenses	872	-	-	-	-
5	Mains & Services Expenses	874	22,988	-	-	22,988
6	Measuring & Reg Station - General	875	1,081	-	600	1,681
7	Measuring & Reg Station - City Gate	877	2,743	-	-	2,743
8	Measuring & House Regulator Exp	878	11,773	-	2,000	13,773
9	Customer Installations Expenses	879	25,484	-	2,240	27,724
10	Other Expenses	880	20,822	-	4,955	25,777
11	Total Operation Expense		\$ 84,891	\$ -	\$ 9,795	\$ 94,686
12	Maintenance					
13	Maintenance of Structures	886	\$ -	\$ -	\$ -	\$ -
14	Maintenance of Mains	887	9,430	-	4,200	13,630
15	Measuring & Reg Station - General	889	4,624	-	-	4,624
16	Measuring & Reg Station - City Gate	891	1,383	-	-	1,383
17	Maintenance of Services	892	2,751	-	850	3,601
18	Maintenance of Meters & House Regulator	893	2,223	-	1,100	3,323
19	Maintenance of other Equipment	894	478	-	-	478
20	Total Maintenance Expense		\$ 20,889	\$ -	\$ 6,150	\$ 27,039
21	Company Use Reclass, Distribution		\$ -	\$ (1,141)	\$ -	\$ (1,141)
22	Total Distribution		\$ 105,780	\$ (1,141)	\$ 15,945	\$ 120,584

	<u>Account</u>	<u>Amount</u>
Normalization Adjustments		
Fewer Pressure Adjustment units	875	600
Meter Orders	878 / 879	Limited overtime to only critical work and deferred non-emergent meter repair work by extending customer connection response time
Leak Repair Services	879	2,250
HPP	879	1,600
Training	880	Fewer incoming emergency leaks
Environmental Management	880	3,507 fewer service calls performed by DTE HPP technicians - primarily weather driven
Deferred backfilling employees that left the company or retired	880	390
Outside Services and materials	880	1,600
Temporary Fleet maintenance delays	880	Temporarily suspended non-mandatory training
Main Repair	887	Prioritized labor to support public improvement and main replacement projects
Service & Manifold Repair	892	200
Meters & Regulators	893	1,330
Meter Refurbishments	893	Deferred backfilling employees that left the company or retired
		Temporarily reduced outside services and contractors that did not impact the safety or reliability of gas service
		Temporarily reduced fleet vehicle parts and services. Reflects the total impact for all groups and FERC accounts for ease of presentation.
		275
		4,200
		850
		Deferred non-emergent work such as non-hazardous minor corrosion repair
		410
		One-time reduction in material purchases for indexes, meter labels, and other consumables attributed to the meter refurbishment program
		690
		15,945

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Customer Service
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.4
Witness: M. J. Hatsios
Page: 1 of 1

Line No.	(a) Description	(b) FERC/ MPSC Account	(c) 2023 Historical Test Period	(d) Eliminate Energy Waste Reduction Program	(e) Normalization Adjustments	(f) Adjusted Historical Test Period sum (c) thru (e)
1	Customer Accounts Expenses					
2	Operation					
3	Supervision	901	\$ 1,149	\$ -	\$ -	\$ 1,149
4	Meter Reading Expenses	902	4,738	-	-	4,738
5	Customer Records and Collection Expenses	903	30,715	-	4,528	35,242
6	Customer 360 Amortization	903	1,445	-	-	1,445
7	Customer Collection-Merchant Fees	903	6,008	-	-	6,008
8	Miscellaneous Customer Accounts Expenses	905	28,308	(27,014)	-	1,294
9	Total Customer Accounts Expense		<u>\$ 72,362</u>	<u>\$ (27,014)</u>	<u>\$ 4,528</u>	<u>\$ 49,876</u>
10	Customer Service and Informational Expenses					
11	Operation					
12	Supervision	907	\$ 461	\$ (461)	\$ -	\$ (0)
13	Customer Assistance Expenses	908	20,426	(17,913)	221	2,734
14	Informational and Instructional Expenses	909	1,412	(1,412)	-	(0)
15	Misc Customer Service and Informational Exp.	910	1,600	-	1,197	2,797
16	Total Customer Service and Informational Expense		<u>\$ 23,899</u>	<u>\$ (19,786)</u>	<u>\$ 1,417</u>	<u>\$ 5,531</u>
17	Total Customer Accounts, Customer Service and Informational Expenses		<u>\$ 96,261</u>	<u>\$ (46,799)</u>	<u>\$ 5,945</u>	<u>\$ 55,407</u>
18	Uncollectibles Accounts Expense	904	<u>\$ 16,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,925</u>

Normalization Adjustments

Deferred backfilling employees that left the company or retired	1,255	Temporarily deferred backfilling employees that left the company and reduced outside service support, which impacted desired service levels while still maintaining minimum standard service level requirements
OT reductions	225	
Outside Services	2,300	
Reduced Contractors	489	
Deferred Material purchases	204	Deferred material purchases at year-end which were reinstated in Jan. 2024
Reduction Customer Outreach initiatives	624	Temporarily paused spend relating to community engagement designed to provide resources and support to customers and key stakeholders, including connecting customers to energy assistance programs
Travel / Training / etc.	263	Temporarily suspended training, travel and engagement spend related to research and best practice implementation for our customers
Customer Satisfaction Credits	239	Temporarily reduced discretionary financial accommodations for customers
Benchmarking / focus groups etc.	346	Temporarily eliminated non critical benchmarking, research and surveys that are used to improve service quality
Total	5,945	

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Marketing
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.5
Witness: H. J. Decker
Page: 1 of 1

	(a)	(b)	(c)	(d)	(e)	(f)
Line		FERC/ MPSC	2023 Historical	Eliminations & Reclasses	Normalization	Adjusted Historical
No.	Description	Account	Test Period	1/	Adjustments 2/	Test Period
						sum (c) thru (e)
1	Sales Expenses					
2	Operation					
3	Supervision	911	\$ -	\$ -	\$ -	\$ -
4	Demonstrating and Selling Expenses	912	50,661	(1,158)	2,200	51,703
5	Advertising Expenses	913	-	-	-	-
6	Miscellaneous Sales Expenses	916	-	-	-	-
7	Total Sales Expense		\$ 50,661	\$ (1,158)	\$ 2,200	\$ 51,703

1/ Eliminate Gas Voluntary Renewables Program

2/ Normalization Adjustments

	Account	Amount	
Temporarily suspended outside services that did not impact the safety or reliability of gas services	912	\$ 600	Customer research, web updates, growth campaigns, hydrogen blending analysis project were paused or reduced in 2023
Temporarily suspended travel	912	220	Travel will return to allow Account Managers to meet with customers across the state, attend technology forums, industry conferences and training
Deferred backfilling open positions for employees that left the company or retired	912	280	Three open positions, which have been filled
5,193 fewer HPP vendor service calls in 2023	912	1,100	Primarily weather driven
		2,200	

Michigan Public Service Commission
DTE Gas Company
2023 Operation and Maintenance Expenses - Administrative and General
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.6
Witness: T. M. Uzenski
Page: 1 of 2

	(a)	(b)	(c)	(d)	(e)	(f)
Line		FERC/ MPSC	2023 Historical	Rate Case Adjustments	Normalization Adjustments	Adjusted Historical
No.	Description	Account	Test Period	1/	2/	Test Period
						sum (c) thru (e)
1	Administrative and General Expenses					
2	Operation					
3	Administrative and General Salaries	920	\$ 36,054	\$ (2,579)	\$ 6,950	\$ 40,425
4	Office Supplies and Expenses	921	13,441	-	-	13,441
5	(Less) Administrative Expenses Transferred-Cr.	922	(15,406)	-	-	(15,406)
6	Outside Services Employed	923	8,577	(9)	5,025	13,593
7	Property Insurance	924	1,214	-	-	1,214
8	Injuries and Damages	925	9,181	-	(3,356)	5,824
9	Franchise Requirements	927	-	-	-	-
10	Regulatory Commission Expenses	928	18	-	-	18
11	(Less) Duplicate Charges-Cr.	929	-	-	-	-
12	General Advertising Expenses	930.1	974	(534)	-	440
13	MGP Amortization and Expenses	930.2	5,046	-	-	5,046
14	Miscellaneous General Expenses	930.2	1,979	(169)	-	1,810
15	Rents	931	44,862	-	5,705	50,566
16	Total Operation Expense		\$ 105,940	\$ (3,292)	\$ 14,324	\$ 116,972
17	Maintenance					
18	Maintenance of General Plant	935	\$ 863	\$ -	\$ -	\$ 863
19	Total Maintenance Expense		\$ 863	\$ -	\$ -	\$ 863
20	Total Administrative and General Expense		\$ 106,803	\$ (3,292)	\$ 14,324	\$ 117,834

1/ Rate Case Adjustments	Account	Historical Adjustment
Eliminate Top 5 Executive Incentive Compensation	920	(2,579)
Disallowed Advertising Expenses	930.1	(534)
Disallowed Corporate Memberships	930.2	(169)
Eliminate Gas Voluntary Renewables Program	923	(9)
Total Rate Case Adjustments		(3,292)

2/ Normalization Adjustments:

Deferral of base pay increases for non-union employees	920	1,211	Reflects the total impact for all groups and FERC accounts for ease of presentation.
One-time reduction of janitorial and other building services costs	923	950	
Accenture automation project - one-time credit	923	675	
Changes in project sequencing	923	1,600	
Transportation Security Authority projects - delayed penetration testing and auditing	923	800	
One-time reduction in IT Base operate expenses (delayed preventative maintenance cycles, minor upgrades, bug fixes)	923	1,000	
One-time initiatives		6,236	
Injuries & damages normalized to five year historical average	925	(3,356)	C5.6 page 2
Employee Incentive Plan Adjustment to 100% accrual	920	4,092	
U-20940 Incentive Compensation deferral above base amount	920	1,647	
Shared Asset Deferral Mechanism - reset base to recognize full cost in O&M	931	5,705	
Other temporary items / accounting adjustments		8,088	
Total Normalization Adjustments		14,324	

Michigan Public Service Commission
DTE Gas Company
Projected Operation and Maintenance Expenses - Administrative and General
Injuries and Damages Normalization Adjustment
AGDG - 3.43
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.6
Witness: T. M. Uzenski
Page: 2 of 2

	(a)	(b)
Line No.	FERC/ MPSC Account 925	Amount
1	2019	4,201
2	2020	4,692
3	2021	5,457
4	2022	5,592
5	2023	9,181
6	5 Year Average	\$ 5,824
7	Less: 2023	9,181
8	Normalization Adjustment	<u>\$ (3,356)</u>

DTE Gas Company
Case No. U-21291
AGDG-3.43 Employee Pensions and Benefits
(\$000)

Case No.: U-21291
Exhibit: A-13
Schedule: C5.9
Witness: M. Cooper

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Line No.	Description	Historical Period Ending 12/31/23	Eliminations & Reclasses	2022 Capitalization Percentages 4/	Temporary Cost Reductions	Normalizations	Total Adjustments Cols (c)+(d)+(e)+(f)	Adjusted Historical Test Period Col (b) + Col (g)
1	Post-Retirement Benefits							
2	Pension	-	-	-	-	-	-	-
3	Post Empl Health Care (OPEB)	-	-	-	-	-	-	-
4	New Hire Retiree VEBA	2,062	-	83	-	453 8/	536	2,598
5	Employee Savings Plan	10,171	-	559	-	-	559	10,730
6	Subtotal Post-Retirement	12,233	-	642	-	453	1,095	13,328
7	Active Healthcare							
8	Medical Expenses	15,283	-	1,205	206 5/	1,438 9/	2,850	18,132
9	Dental Expenses	1,088	-	71	-	101 9/	172	1,260
10	Vision Expenses	85	-	6	-	9 9/	15	99
11	Subtotal Active Healthcare	16,456	-	1,283	206	1,548	3,037	19,492
12	Other							
13	Accrued Vacation Expense	253	-	-	-	(503) 10/	(503)	(250)
14	Executive & Supplemental Retirement Plan	2,626	(2,626) 1/	-	-	-	(2,626)	-
15	Supplemental Severance Plan Exp	156	-	9	-	-	9	166
16	Supplemental Savings Plan	1,094	-	(12)	-	-	(12)	1,083
17	Deferred Compensation Plan	27	-	1	-	-	1	28
18	Wellness Program Expenses	997	-	24	878 6/	-	901	1,899
19	Life Insurance	233	-	(7)	-	-	(7)	226
20	Disability Expenses	340	-	14	-	-	14	354
21	Affordable Care Act	7	-	0	-	-	0	7
22	General Benefit Expenses	506	-	24	297 7/	-	321	828
23	Benefit Plan Administration Fees	1,944	-	78	-	-	78	2,022
24	Retirement Administration Fees	94	-	4	-	-	4	97
25	Subtotal Other	8,278	(2,626)	135	1,175	(503)	(1,819)	6,459
26	Total before Other Allocations	36,967	(2,626)	2,059	1,382	1,498	2,312	39,279
27	A&G Capitalization	(3,295)	-	-	-	-	-	(3,295)
28	Other Transfers & Allocations	(841)	-	-	-	-	-	(841)
29	Eliminate EWR Surcharge Program	-	(419) 2/	-	-	-	(419)	(419)
30	Eliminate Gas Voluntary Renewable Program	-	(24) 3/	-	-	-	(24)	(24)
31	Total Benefit Expense (Account 926)	32,831	(3,069)	2,059	1,382	1,498	1,869	34,700

1/ Eliminate Executive & Supplemental Retirement Plan based on Commission's past practice
2/ Eliminate benefits expense included in separate surcharge mechanism
3/ Eliminate Gas Voluntary Renewables Program approved in Case No. U-20839
4/ Adjusts 2023 Expense based on 2022 capitalization percentages due to non-recurring O&M reductions in 2023
5/ Elimination of one-time credit from Express Scripts

6/ Elimination of temporary reduction in Wellness Program
7/ Elimination of temporary reductions in Tuition Reimbursement and Service Award
8/ Elimination of excess True-Up recognized in 2023
9/ Normalization adjustment to reflect constant-dollar five year average.
10/ Normalization adjustment to reflect five year historical average

O&M Reductions - 2023 Excluding Temporary Reductions

Thousands of Dollars

<u>Line</u>	<u>Department</u> (a)	<u>2023 Adjusted Actual*</u> (b)	<u>O&M Expected for the Year 2023**</u>			<u>Expense Reduction Col (b) less (e)</u> (f)
			<u>Hist. 2022 O&M</u> (c)	<u>2023 Inflation Per Company</u> (d)	<u>Total of 2022 Plus Inflation</u> (e)	
1	Natural Gas Storage	\$ 13,344	\$ 13,662	\$ 437	\$ 14,099	\$ (755)
2	Transmission	58,532	60,530	1,937	62,467	(3,935)
3	Distribution	120,584	121,419	3,885	125,304	(4,720)
4	Customer Service	55,407	60,816	1,708	62,524	(7,117)
5	Marketing	51,703	51,799	1,658	53,457	(1,754)
6	Admin. & General	117,834	119,912	1,825	121,737	(3,903)
7	Pension & Benefits	<u>34,700</u>	<u>34,947</u>	<u>-</u>	<u>34,947</u>	<u>(247)</u>
8	Total	<u>\$ 452,104</u>	<u>\$ 463,085</u>	<u>\$ 11,450</u>	<u>\$ 474,535</u>	<u>\$ (22,431)</u>

* Through discovery (AGDG-3.43), the Company updated the AG on its actual 2023 O&M on a normalized basis. The numbers in column (b) reflect Actual 2023 plus \$57.7 million of cost add-backs which the Company maintains were temporary cost reductions.

** Data from Exhibit A-13, Schedule C5, columns (f) and (g).

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.49a

Respondent: M. S. Cooper

Page: 1 of 1

- Question:** 49. Refer to page 5 of Mr. Telang's direct testimony and the increase in O&M expense as partial justification for the requested rate increase. A January 10, 2024 Detroit Free Press article reported that DTE Energy offered buyouts to about 3,000 employees, or 30% of its workforce. Please provide the following information as it pertains to DTE Gas:
- a. Provide the date that this buyout offer was made to employees and how many employees were targeted.

Answer: A voluntary separation incentive package (VSIP) was offered to 422 DTE Gas employees and 1,622 DTE Energy Corporate Services, LLC employees (shared services employees) on January 8, 2024.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.49b

Respondent: M. S. Cooper

Page: 1 of 1

- Question:** 49. Refer to page 5 of Mr. Telang's direct testimony and the increase in O&M expense as partial justification for the requested rate increase. A January 10, 2024 Detroit Free Press article reported that DTE Energy offered buyouts to about 3,000 employees, or 30% of its workforce. Please provide the following information as it pertains to DTE Gas:
- b. Provide details of the buyout offer, such as who qualified, effective date, payouts, etc.

Answer: Employees were considered eligible if they did not fall under certain criteria, including, but not limited to: represented (union) employees, engineers, operations critical employees (e.g. control room operators, cybersecurity roles). The VSIP included 25 weeks of an employee's base salary plus one additional week for every year of service up to a maximum of 44 weeks total. The effective separation date for employees varies from February 2024 through June 2024.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.49c

Respondent: M. S. Cooper

Page: 1 of 1

Question: 49. Refer to page 5 of Mr. Telang's direct testimony and the increase in O&M expense as partial justification for the requested rate increase. A January 10, 2024 Detroit Free Press article reported that DTE Energy offered buyouts to about 3,000 employees, or 30% of its workforce. Please provide the following information as it pertains to DTE Gas:

c. Provide the number of total employee reductions, and by department, with related cost reductions for 2023, 2024, and 2025.

Answer: 42 DTE Gas employees and 249 DTE Energy Corporate Services, LLC employees accepted the VSIP. The package was not offered in 2023. There are no projected savings for 2024 due to DTE Gas's actual costs of the program (the accrued separation payments) of \$8 million. A primary purpose of the VSIP was to realign the workforce to support the changing nature of the Company's work and how we do it, such as an increased focused on infrastructure investments, cybersecurity, and the clean energy transition. Because of this, DTE Gas is still evaluating potential 2025 cost reductions due to the need to fill key roles so that we can continue our progress towards building more modern infrastructure and a future with lower carbon emissions. Currently, DTE Gas estimates that up to \$6.3 million in reductions could materialize in 2025. This estimate will continue to evolve due to the need to fill many key roles. This savings estimate also does not include any offset of the program costs. If actual savings are realized in 2025, they will be embedded in rates as actual costs in a future rate case.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.49d

Respondent: M. S. Cooper

Page: 1 of 1

Question: 49. Refer to page 5 of Mr. Telang's direct testimony and the increase in O&M expense as partial justification for the requested rate increase. A January 10, 2024 Detroit Free Press article reported that DTE Energy offered buyouts to about 3,000 employees, or 30% of its workforce. Please provide the following information as it pertains to DTE Gas:

- d. Provide the cost reductions in subpart (c) separately for labor cost savings, savings in employee benefits, space, and other overhead costs for each year and the projected test year.

Answer: Estimated labor expense in 2025 is a savings of \$4.5 million and estimated savings in benefits expense for 2025 are \$1.8 million. The estimated benefits savings presumes a continuation of the deferral mechanisms for pension and OPEB. There are no expected savings for space or other overheads.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.49e

Respondent: R. M. Telang

Page: 1 of 1

Question: 49. Refer to page 5 of Mr. Telang's direct testimony and the increase in O&M expense as partial justification for the requested rate increase. A January 10, 2024 Detroit Free Press article reported that DTE Energy offered buyouts to about 3,000 employees, or 30% of its workforce. Please provide the following information as it pertains to DTE Gas:

e. Identify in which exhibit and line number in this rate case the cost savings are shown for each department, or overall, for each year 2023- 2025, and for the projected test year, and the specific amount.

Answer: There are no costs or projected savings related to the VSIP in any of the Company's exhibits.

Attachment: None

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company - Gas Rate Case

Case No. U-21921
Exhibit AG-47
May 7, 2024
Page 1 of 1

**Active Medical Expenses
(Thousands of Dollars)**

<u>Line</u>	<u>Caption</u> (a)	<u>2017</u> (b)	<u>2018</u> (c)	<u>2019</u> (d)	<u>2020</u> (e)	<u>2021</u> (f)	<u>2022</u> (g)	<u>Reference</u> (h)
<u>Historic Cost Information</u>								
1	Gross Actual Medical, Dental & Vision	\$ 25,323	\$ 25,829	\$ 26,201	\$ 28,525	\$ 28,143	\$ 28,475	Note 1
2	Avg. Annualized Cost Increase	2.40%						
		Actual*	Projected**					
		<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Test Year</u>			
3	Actual 2023 Escalated 3% per Year	27,991	28,663	29,351	\$ 29,179			
4	Less Allocation to Costs Capitalized	<u>(11,535)</u>	<u>(11,809)</u>	<u>(12,092)</u>	<u>(12,022)</u>			
5	Net Cost in O & M	<u>\$ 16,456</u>	<u>\$ 16,854</u>	<u>\$ 17,258</u>	\$ 17,157			Line 3 less Line 4
6	Company Expense Estimate					<u>22,041</u>		
7	<i>Reduction in Medical Expense and O & M</i>					\$ (4,884)		

Notes 1 From U-20940 Exhibit A-13, Sch. C5.9.3, Lines 1 to 6
* Actual 2023 Costs per DR AGDG-2.40 Attachment
** 2023 expenses escalated by 2.4% each year with Test Year equal to 25% of 2024 and 75% of 2025

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-2.36d

Respondent: T. M. Uzenski

Page: 1 of 1

Question: 36. Exhibit A-13, Schedule C5.6 page 1, shows actual 2022 Rents on line 15 of \$45.2 million in column (c), which increases by \$6.2 million in column (e) and to \$51.3 million in column (f). Please:

d. Expand page 3 of the exhibit to include actual 2023 costs and provide in Excel.

Answer: Please see the attachment. It is also updated for the reduction in the projected period costs resulting from the Order in Case No. U-21297. See AGDG-2.36b. The total change from the Company's filed position is a reduction in rent expense of \$2.5 million.

Attachment: U-21291 AGDG-2.36d Updated Exhibit A-13 C5.6 p3.xls

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company - Gas Rate Case

Case No. U-20940
Exhibit AG-49
May 7, 2024
Page 1 of 1

Line		AIP					REP					AVG.
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	
1	Customer Satisfaction											
2	Customer Satisfaction Index	80.1%	0.0%	0.0%	100.0%	0.0%	86.8%	0.0%	0.0%	100.0%	0.0%	
3	& Net Promoter Score											
4												
5	Customer Satisfaction											
6	Improvement (DPMO)	96.9%	175.0%	N/A	N/A	N/A	97.9%	150.0%	N/A	N/A	N/A	
7												
8	Customer Satisfaction											
9	Improvement (+1 PMO)	0.0%	0.0%	N/A	N/A	N/A	0.0%	0.0%	N/A	N/A	N/A	
10												
11	MPSC Customer Complaints	36.5%	175.0%	0.0%	81.8%	0.0%	57.5%	150.0%	0.0%	87.9%	0.0%	
12												
13	Employment Engagement											
14	DTE Gas Employee Engagement											
15	Gallup	117.3%	57.1%	62.5%	117.3%	139.5%	N/A	N/A	N/A	N/A	N/A	
16												
17	DTE Gas OSHA Recordable											
18	Incident Rate	36.7%	175.0%	140.0%	157.1%	0.0%	57.8%	150.0%	126.7%	138.1%	0.0%	
19												
20	DTE Gas OSHA DART Rate or High											
21	Energy Serious Injury/Fatality	0.0%	131.3%	0.0%	126.0%	0.0%	0.0%	120.0%	0.0%	116.7%	0.0%	
22												
23	Nat. Safety Council Bar. Survey	137.5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
24												
25	Operating Excellence											
26	Gas Open Leak Balance &											
27	Gas Distrib. System Imprvmt.	175.0%	0.0%	175.0%	113.8%	122.2%	150.0%	0.0%	150.0%	109.2%	114.8%	
28												
29	Gas Distrib. Response Time	55.7%	160.0%	127.3%	120.5%	53.0%	70.5%	140.0%	118.2%	113.8%	68.6%	
30												
31	Lost and Unaccounted For Gas	0.0%	25.0%	N/A	N/A	N/A	0.0%	50.0%	N/A	N/A	N/A	
32												
33	Gas Compression Reliab.	149.5%	175.0%	N/A	N/A	N/A	133.0%	150.0%	N/A	N/A	N/A	
34												
35	Gas Damage Prevention	175.0%	60.6%	N/A	N/A	N/A	150.0%	73.8%	N/A	N/A	N/A	
36												
37	% of HCA Accessible by ILI	N/A	N/A	175.0%	175.0%	175.0%	N/A	N/A	150.0%	150.0%	150.0%	
38												
39	Pressure Test Records Remed.	N/A	N/A	115.6%	175.0%	175.0%	N/A	N/A	110.4%	150.0%	150.0%	
40												
41	Meter Assembly Check Backlog	94.3%	118.2%	N/A	N/A	N/A	96.2%	112.1%	N/A	N/A	N/A	
42												
43	Less Than Threshold	3	3	3	0	4	3	3	3	0	4	
44	Btw. Threshold & Less Than Target	6	3	1	1	1	5	2	0	1	1	
45	Target	0	0	0	1	0	0	0	0	1	0	
46	Btw. Target and Maximum	3	3	3	5	2	2	3	3	4	1	
47	Maximum	2	4	2	2	2	2	4	2	2	2	
48	Total	14	13	9	9	9	12	12	8	8	8	
49												
50	Sum	11.55	12.52	7.95	11.67	6.65	9.00	10.96	6.55	9.66	4.83	
51	Number of Measures	14	13	9	9	9	12	12	8	8	8	
52												
53	Average	0.82	0.96	0.88	1.30	0.74	0.75	0.91	0.82	1.21	0.60	
54												
55	Performance Measures Achieved at											
56	Target or Better	5	7	5	8	4	4	7	5	7	3	
57	Percentage of Measures (Target +)	35.7%	53.8%	55.6%	88.9%	44.4%	33.3%	58.3%	62.5%	87.5%	37.5%	55.8%

Source: DR AGDG-3.44a.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.170a

Respondent: E. D. Janness

Page: 1 of 1

Question: 170. Refer to lines 15-25 on page 37 and lines 2-8 on page 38 of Mr. Janness's direct testimony on MAOP reconfirmation. Please:

- a. Provide the O&M expense incurred for reconfirmation of missing or incomplete traceable, verifiable, and complete (TVC) records for each year 2022, 2023, 2024, 2025, and the projected test year.

Answer:

2022	\$3.6M
2023	\$0.4M
2024	\$1.3M
2025	\$1.9M

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-6.170b

Respondent: E. D. Janness

Page: 1 of 1

Question: 170. Refer to lines 15-25 on page 37 and lines 2-8 on page 38 of Mr. Janness's direct testimony on MAOP reconfirmation. Please:

- b. Identify what deficiencies, inaccuracies, and other problems the Company has discovered in reviewing its pipeline records to re- establish MAOP.

Answer: The Company has identified pressure test records ranging from incomplete to missing pressure test documentation. In addition, the company has also identified material records issues as well (grade, seam type, etc).

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-7.191a

Respondent: T. M. Uzenski

Page: 1 of 1

Question: 191. Refer to pages 39 and 40 of the direct testimony of Ms. Uzenski on the negative pension and OPEB liabilities. For each plan, please:

- a. Provide the actual deferred regulatory liability balance at 12/31/21, 12/31/22, and 12/31/2023, and the forecasted monthly balances during 2023, 2024, and 2025. Provide this information in Excel.

Answer: See attachment.

Attachment: U-21291 AGDG-7.191a Pension and OPEB Reg Liability.xlsx

DTE Electric Company

Case No.: U-21291

Working Capital

Audit Request: AGDG-7.191a

Pension & OPEB Reg Liabilities

Date of Request: 4/23/2024


(\$000)

Respondent: T. M. Uzenski

		OPEB Reg Liability	Pension Reg Liability
Actual	Dec-21	(44,301)	-
Actual	Dec-22	(62,721)	-
Actual	Jan-23	(63,032)	-
Actual	Feb-23	(63,721)	-
Actual	Mar-23	(64,120)	-
Actual	Apr-23	(64,535)	-
Actual	May-23	(64,981)	-
Actual	Jun-23	(65,431)	-
Actual	Jul-23	(65,878)	-
Actual	Aug-23	(66,326)	-
Actual	Sep-23	(66,771)	-
Actual	Oct-23	(67,224)	-
Actual	Nov-23	(67,679)	-
Actual	Dec-23	(68,136)	-
Forecast	Jan-24	(69,123)	-
Forecast	Feb-24	(69,676)	-
Forecast	Mar-24	(70,228)	-
Forecast	Apr-24	(70,781)	-
Forecast	May-24	(71,334)	-
Forecast	Jun-24	(71,886)	-
Forecast	Jul-24	(72,439)	(155)
Forecast	Aug-24	(72,991)	(867)
Forecast	Sep-24	(73,544)	(1,579)
Forecast	Oct-24	(74,096)	(2,291)
Forecast	Nov-24	(74,649)	(3,004)
Forecast	Dec-24	(75,202)	(3,716)
Forecast	Jan-25	(75,712)	(3,441)
Forecast	Feb-25	(76,223)	(3,166)
Forecast	Mar-25	(76,734)	(2,892)
Forecast	Apr-25	(77,245)	(2,617)
Forecast	May-25	(77,755)	(2,342)
Forecast	Jun-25	(78,266)	(2,068)
Forecast	Jul-25	(78,777)	(1,793)
Forecast	Aug-25	(79,288)	(1,518)
Forecast	Sep-25	(79,799)	(1,243)
Forecast	Oct-25	(80,309)	(969)
Forecast	Nov-25	(80,820)	(694)
Forecast	Dec-25	(81,331)	(419)

DTE Gas Response to data request AGDG-7.191b

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-7.191b

Respondent: T. M. Uzenski

Page: 1 of 1

Question: 191. Refer to pages 39 and 40 of the direct testimony of Ms. Uzenski on the negative pension and OPEB liabilities. For each plan, please:

b. Provide the year when the Company expects the expense to become positive and provide the basis for that conclusion.

Answer: Updated projections of the Company's Pension and OPEB costs through 2030 provided by Aon (the Company's actuarial consultant) indicate that the Company's Pension costs become positive in 2025 while its OPEB costs will remain negative through 2030. However, these estimates assume expected returns on assets that might or might not materialize and no change in discount rates during the projected period. Therefore, the Company cannot predict future Pension and OPEB expense with a high degree of confidence beyond the current year, which supports the continuation of the Company's deferral of actual Pension and OPEB expense.

	2024	2025	2026	2027	2028	2029	2030
Pension Costs (\$000's)							
Service Costs	11,550	11,184	10,682	10,253	9,731	9,291	8,870
Interest Costs	45,543	45,211	44,820	44,350	43,775	43,103	42,390
Expected Return on Assets	(88,608)	(80,700)	(77,811)	(76,626)	(74,565)	(71,394)	(69,922)
Amortizations							
(Gain)/Loss	13,191	26,229	24,673	23,277	21,538	19,894	18,325
Prior Service Costs	(560)	(247)	(247)	(247)	(247)	(103)	-
Total Pension Costs	(18,884)	1,677	2,117	1,007	232	791	(337)
OPEB Costs (\$000's)							
Service Costs	4,106	3,942	3,785	3,633	3,488	3,349	3,215
Interest Costs	13,990	13,925	13,825	13,695	13,530	13,333	13,110
Expected Return on Assets	(40,507)	(42,693)	(43,873)	(45,702)	(47,645)	(49,708)	(51,883)
Amortizations							
(Gain)/Loss	6,972	5,811	4,751	3,727	2,763	1,895	1,161
Prior Service Costs	(3,753)	111	111	2	-	-	-
Total OPEB Costs	(19,192)	(18,904)	(21,401)	(24,645)	(27,864)	(31,131)	(34,397)

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.93c

Respondent: H. J. Decker

Page: 1 of 1

Question: 93. Refer to lines 13 to 20 and Table 6 on page 60 of Mr. Decker's direct testimony on Credit Cards merchant fees. Please:

- c. Provide a comparison in Excel of the transaction fees incurred under each payment method used by customers, such as payment by check, automatic bank withdrawal, Kiosks, etc., for each year 2021, 2022, and 2023.

Answer:

Average Fee by Payment Channel			
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Electronic Funds Transfer (EFT)	\$0.08	\$0.08	\$0.10
Automatic Clearing House (ACH)	\$0.09	\$0.09	\$0.11
Check	\$0.20	\$0.20	\$0.20
KIOSK	\$4.95	\$3.65	\$3.92

Attachment: None

MPSC Case No: U-21291**Requester:** AG**Question No.:** AGDG-4.50**Respondent:** T. M. Uzenski**Page:** 1 of 1

Question: 50. Refer to page 5 of Mr. Telang's direct testimony and the increase in O&M expense as partial justification for the requested rate increase. Please provide the cost of privately-hired corporate jet airplane travel by DTE Gas employees, DTE Energy employees, and other affiliated companies, charged to DTE Gas and included in the historical costs for 2022 and the projected test year. Provide also a list of the employees who used such private jet travel for each year 2022 and 2023, their position title, the date of travel, the individual trip cost, the reason for the travel, the cities visited, the miles traveled round trip, and the tons of CO2 carbon footprint for each trip. Provide this information in Excel.

Answer: The Company leases a fractional share of an aircraft for limited business travel by executives (typically Vice President & above) and other employees when there is an appropriate business need.

The cost of private (non-commercial) corporate jet expense charged to DTE Gas for 2022 was \$68,910. There is approximately \$74,769 of corporate jet expenses included in the projected test period.

Refer to the attachment for a list of employees who utilized private jet travel in 2022 including their positions, dates of travel, trip cost, business reason for travel, and the departure and destination cities. The Company does not track the miles traveled or CO2 emissions. There was no corporate jet travel in 2023.

Attachment: U-21291 AGDG-4.50 2022 Corporate Jet Travel.xlsx

MICHIGAN PUBLIC SERVICE COMMISSION

DTE Gas Company

Case No: U-21291

Exhibit: AG-53

May 7, 2024

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DTE Gas Response to data request AGDG-4.50

DTE Gas Company						
Case No. U-21291						
AGDE-4.50						
2022 Corporate Jet Travel Details						
	Business Purpose	DESTINATION	DEPARTURE	RETURN	PASSENGERS	Total Cost
	National LAMPAC meeting, EEL Spring Board Meeting and Congressional visits	Washington DC (one way flight)	3/7/2022 (Willow Run Airport)	Commercial flight for return	Gerard Anderson - Chairman of Board of Directors	\$ 6,811
	2022 DTE Annual Shareholders Meeting/Board and Committee Meetings	Pick up at Concord NC, Hartsfield-Jackson Atlanta, GA, Final destination Fort Lauderdale, FL	5/3/2022 (Oakland County International Airport)	One Way Trip	Matt Paul - DTE Electric President & COO David Ruud - Executive VP & CFO Ruth Shaw - DTE Board of Directors David Thomas - DTE Board of Directors Valerie Williams - DTE Board of Directors	\$ 21,356
	2022 DTE Annual Shareholders Meeting/Board and Committee Meetings	Fort Lauderdale, FL	5/3/2022 (Oakland County International Airport)	5/5/2022 Fort Lauderdale to Oakland Cnty Intl	Gerard Anderson - Chairman of Board of Directors Trevor Lauer - DTE Vice Chairman Chip McClure - DTE Board of Directors Jerry Norcia - Chief Executive Officer JoAnn Chavez - Senior VP and Chief Legal Officer Joi Harris - President & COO - DTE Energy Mark Murray - DTE Board of Directors Lisa Muschong - VP Corporate Secretary Renee Tomina - Senior VP, Project Management Office Gary Torgow** - DTE Board of Directors Robert Skaggs** - DTE Board of Directors ** Return Flight Only	\$ 62,516
	RETURN FROM 2022 DTE Annual Shareholders Meeting/Board and Committee Meetings	Fort Lauderdale, FL to Hartsfield-Jackson, Atlanta, GA to Concord Regional, Concord, NC to Oakland County Intl.	5/5/2022 Fort Lauderdale, FL	5/5/2022 Plane returned to Oakland Cnty Intl	Diane Antishin - VP Human Resources Lisa Muschong - VP Corporate Secretary Matt Paul - DTE Electric President & COO David Ruud - Executive VP & CFO Ruth Shaw - DTE Board of Directors David Thomas - DTE Board of Directors Renee Tomina - Senior VP, Project Management Office	\$ 10,796
	Meeting with sell side analysts and various investors at the AGA conference	Miami, FL	5/16/2022 Oakland Cnty Intl	One Way Trip	Jerry Norcia - Chief Executive Officer David Ruud - Executive VP & CFO Barbara Tuckfield - Director, Investor Relations	\$ 16,991
	RETURN FROM: Meeting with sell side analysts and various investors at the AGA conference	Return to Oakland Cnty. Intl.	5/18/2022 - Miami, FL	return to Oakland County Airport	Jerry Norcia - Chief Executive Officer David Ruud - Executive VP & CFO Barbara Tuckfield - Director, Investor Relations	\$ 6,846
	Attend 2022 Mackinac Policy Conference	Mackinac Island, MI	6/1/2022 - Oakland County Intl.	One Way Trip	Joi Harris - President & COO - DTE Energy Renze Hoeksema - VP, Corporate & Government Affairs Trevor Lauer - DTE Vice Chairman Jerry Norcia - Chief Executive Officer Shawn Patterson - VP Environmental Mgmt & Safety	\$ 2,854
		Oakland Cnty Intl. (return from Mackinac)	6/2/2022 - Mackinac Island, MI	One Way Trip - returned to Oakland Cnty Intl.	Joi Harris - President & COO - DTE Energy Renze Hoeksema - VP, Corporate & Government Affairs Trevor Lauer - DTE Vice Chairman Jerry Norcia - Chief Executive Officer Shawn Patterson - VP Environmental Mgmt & Safety	\$ 7,427

MICHIGAN PUBLIC SERVICE COMMISSION

DTE Gas Company

Case No: U-21291

Exhibit: AG-53

May 7, 2024

DTE Gas Response to data request AGDG-4.50

Page 3 of 3

Jerry Norcia Attend the INPO Board meeting in the morning, then Jerry, Pete and Trevor will meet with INPO team in the afternoon for a DTE/INPO CEO meeting	Atlanta GA	7/13/2022 Oakland Cnty Intl to Fulton County, Atlanta GA	7/14/2022 Fulton county, Atlanta, GA to Oakland Cnty Intl	Pete Dietrich - Senior VP & Chief Nuclear Officer Trevor Lauer - Dte Vice Chairman Jerry Norcia - Chief Executive Officer	\$ 14,583
Meeting with sell side analysts and various investors during Guggenheim NDR	Teterboro, NJ	8/8/2022 Oakland Cnty Intl to Teterboro, NJ	8/8/2022 Teterboro, NJ to Oakland Cnty Intl	Jerry Norcia - Chief Executive Officer Barbara Tuckfield - Director, Investor Relations	\$ 11,445
Meeting in NY under a tight time schedule, with several employees. Recent travel using commercial airlines has been erratic; need to have the flexibility to get everyone there on time and return on time. Meet with the CeO & team at GE in NY to discuss stator, relationship, schedule, extended power upgrade wind repowering, and CCUS capabilities.	New York, NY	8/22/2023 Oakland Cnty Intl to Schenectady County, NY	8/23/2022 Schenectady County, NY to Oakland Cnty Intl.	Dennis Decator - Manager, Nuclear Project Portfolio Steven Fatora - Director, Nuclear Project Management Trevor Lauer - DTE Vice Chairman Jaspreet Singh - Vice President, Corporate Services Renee Tomina - Senior VP, Project Management Office	\$ 11,585
The DTE Team and a team from the Nature Conservancy (TNC) will go to the UP to tour federally protected wilderness areas, visit sustainable forestry practices, and learn about the preservation and conservation efforts and carbon program	Marquette, MI	8/29/2022 Oakland Cnty to Sawyer Intl, Marquette MI	8/29/2022 Sawyer Intl, Marquette MI to Oakland Cnty Intl.	Joi Harris - President & COO - DTE Energy Jerry Norcia - Chief Executive Officer Shawn Patterson - VP Environmental Mgmt & Safety Patrick Doran (The Nature Conservancy) Helen Taylor (The Nature Conservancy) Rich Tuzinsky (The Nature Conservancy)	\$ 8,560
September DTE Energy Board Strategic Meeting and Committee Meetings bring outside directors here	Bring Directors to Detroit Metro Airport	9/20/2022 Depart Hartsfield-Jackson, Atlanta GA, to Carrollton, GA to Detroit Metro to Oakland Cnty Intl.	One Way Trip	David Thomas - DTE Board of Directors Ruth Shaw - DTE Board of Directors	\$ 11,832
September DTE Energy Board Strategic Meeting and Committee Meetings bring outside directors here	Bring Directors to Detroit Metro Airport	9/20/2022 Depart Houston, TX to Detroit Metro then Oakland Cnty Intl.	One Way Trip	Valerie Williams - DTE Board of Directors	\$ 15,841
September DTE Energy Board Strategic Meeting and Committee Meetings outside directors return home	Raleigh-Durham Intl, Morrisville, NC	9/22/2022 Depart Oakland Cnty Intl, to Detroit Metro to Raleigh Durham Intl	One Way Trip	Ruth Shaw - DTE Board of Directors	\$ 6,058
September DTE Energy Board Strategic Meeting and Committee Meetings outside directors return home	Knoxville, TN	9/22/2022	One Way Trip	Gail McGovern - DTE Board of Directors	\$ 17,966
	Houston, TX	Depart Oakland Cnty Intl, to Detroit Metro to Knoxville, TN then to Houston TX		Valerie Williams - DTE Board of Directors	
Attend INPO Board meetings and CEO Conference	Atlanta, GA	11/1/2022 Depart Oakland Cnty Intl to Atlanta GA	11/2/2022 Atlanta, GA to Oakland Cnty Intl	Jerry Norcia - Chief Executive Officer Pete Dietrich (return flight only) - Senior VP and Chief Nuclear Officer	\$ 12,923
					\$ 246,391

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-7.201a

Respondent: T. M. Uzenski

Page: 1 of 1

- Question:** 201. Refer to Exhibit A-13, Schedule C5.6, page 5, on deferred incentive compensation expense. Please:
- a. Provide the supporting data and calculations showing how you determined the amounts on lines 2 and 3 under each year with component costs and provide this information in Excel.

Answer: Please see attachment for supporting data and calculations.

Line 3 represents the base amount approved in rates in Case No. U-20940. Pages 163 and 164 of the order in Case No. U-20940 describes the recovery of 20% of O&M incentive compensation related to operational metrics based on the AG's proposal, and the disallowance of the remaining amount requested by the Company. See the attachment for the calculation of the approved amount of \$1.057 million.

Attachment: U-21291 AGDG-7.201a - Incentive Compensation

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company

Case No: U-21291

Exhibit: AG-54

May 7, 2024

Page 2 of 3

DTE Gas Response to data request AGDG-7.201a

Michigan Public Service Commission	Case No.:	U-21291				
DTE Gas Company						
AGDG-7.201a						
Incentive Compensation						
2022					1/1/23 - 12/31/23	1/1/24 - 12/31/24 1/1/25 - 9/30/25
LLC to Gas Operational	4,309					
Gas Only Operational	2,068			1/ Annual Inflation Factors	3.2%	2.9% 2.9%
Total Operational REP/AIP	6,378	line 2	See next tab.	No. of Months in Period	12	12 9
Base Incentives (U-20940)	(1,057)	line 3				
Total Amount Deferred to Regulatory Asset	5,321			Pro-rated Inflation Rate	3.2%	2.9% 2.2%
2023						
2022 Normalized Operational Incentives	5,866					
2023 Inflation 1/	188					
Total Operational REP/AIP	6,054	line 2	See next tab.			
Base Incentives (U-20940)	(1,057)	line 3				
Total Amount Deferred to Regulatory Asset	4,997					
2024						
2022 Normalized Operational Incentives	5,866					
2023 Inflation 1/	188					
2024 Inflation 1/	176					
Total Operational REP/AIP (Full Year)	6,229					
Total Operational REP/AIP (Jan - Sept)		4,672	line 2			
Base Incentives (U-20940) (Full Year)	(1,057)					
Base Incentives (U-20940) (Jan - Sept)		(793)	line 3			
Total Amount Deferred to Regulatory Asset		3,879				
<u>Line 3 (base amount) calculation</u>						
Company requested incentive compensation - operating metrics	5,286,000		U-20940 Exhibit AG-71 page 3			
Order adopted AG disallowance	80%		AG disallowance reflects no approval of financial metrics and 20% of operational metrics.			
	(4,228,800)					
Incentives approved	1,057,200					

DTE Gas Response to data request AGDG-7.201a

Total Operational REP/AIP						
Line 2 Calculations						
2022				1/1/23 -	1/1/24 -	1/1/25 -
0388 LLC Operational REP/AIP	\$21,603,900			12/31/23	12/31/24	9/30/25
LLC REP/AIP Operational - % to Gas O&M	20%	1/	Annual Inflation Factors	3.2%	2.9%	2.9%
LLC to Gas Oper REP/AIP (Accrued O&M)	\$4,309,288		No. of Months in Period	12	12	9
0221 Gas Operational REP/AIP	\$3,892,126		Pro-rated Inflation Rate	3.2%	2.9%	2.2%
Gas only REP/AIP Operational - % to Gas O&M	53%					
Gas only Oper REP/AIP (Accrued O&M)	\$2,068,399					
Total Operational REP/AIP	\$6,377,687	Line 2				
Base Incentives (U-20940)	(\$1,057,000)					
Total Amount Deferred to Regulatory Asset	\$5,320,687					
2023						
Gas O&M Normalized Operational REP	\$1,718,327					
Gas O&M Normalized Operational AIP	\$142,001					
Subtotal Gas O&M Normalized Operational REP/AIP	\$1,860,328					
LLC O&M Normalized to Gas Operational REP	\$2,609,213					
LLC O&M Normalized to Gas Operational AIP	\$1,733,748					
Subtotal LLC O&M Normalized to Gas Operational REP/AIP	\$4,342,961					
Eliminate Top 5 to Gas Normalized	(\$337,738)					
2022 Normalized Operational Incentives Total	\$5,865,551					
2023 Inflation 1/	\$187,698					
Total Operational REP/AIP	\$6,053,249	Line 2				
Base Incentives (U-20940)	(\$1,057,000)					
Total Amount Deferred to Regulatory Asset	\$4,996,249					

Computation of Revenue Deficiency for Projected Test Year Ending September 30, 2025

(\$000)

Line	Description (a)	Company Filed Amount (b)	AG Recommended Adjustments (c)	Revised Amount (d)
1	Rate Base ⁽¹⁾	\$ 6,943,963	\$ (124,522)	\$ 6,819,441
2	Rate of Return	6.04%	-0.22%	5.82%
3	Income Required	\$ 419,693	\$ (22,802)	\$ 396,891
4	Adjusted Net Operating Income ⁽²⁾	223,685	90,353	314,038
5	Income Deficiency (Sufficiency)	\$ 196,008	\$ (113,154)	\$ 82,854
6	Revenue Multiplier	1.3547	1.3547	1.3547
7	Revenue Deficiency (Sufficiency)	\$ 265,532	\$ (153,290)	\$ 112,242

⁽¹⁾ Rate Base Adjustments Exhibit AG-20

⁽²⁾ AG adjustments to Operating Income: Increase (Decrease)

		Source
Revenue	\$ 15,023	Testimony
HPP Margin	\$ 4,617	Testimony
O&M Expenses	\$ 97,263	Exh. AG-39-42
Property Tax	\$ 5,019	Exhibit AG-20
Depreciation Expense	\$ 3,409	Exhibit AG-20
AFUDC	\$ (2,210)	Testimony
Total	\$ 123,121	
Effective Tax Rate (1-1/1.3547)	26.18%	
Taxes	(32,237)	
Interest Synchronization on Capital Adjustments	(532)	RevDef-WP1
Adjusted Net Operating Income	\$ 90,353	

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.207

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to page 4 of Mr. Abona's rebuttal testimony on System Reliability capital expenditures. Please confirm that the information presented on this page was known to Mr. Abona's when preparing his direct testimony. If not confirming, explain why this information was not previously known.

Answer: DTE Gas objects to this request for the reason that it is vague, ambiguous, overly broad as to scope and time and otherwise seeks information that is not relevant or proportional to the needs of the case. Without waiving said objections and subject thereto, Mr. Abona was generally aware of the units increase at the time of filing his direct testimony.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.208

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 16-25 on page 5 and lines 1-5 on page 6 of Mr. Abona's rebuttal testimony on Communications and Controls - Meters capital expenditures. Please confirm that the information presented in this section of the rebuttal testimony was known to Mr. Abona when preparing his direct testimony. If not confirming, explain why this information was not previously known.

Answer: DTE Gas objects to this request for the reason that it is vague, ambiguous, overly broad as to scope and time and otherwise seeks information that is not relevant or proportional to the needs of the case. Without waiving said objections and subject thereto, Mr. Abona was generally aware of the vendor pricing increases at the time of filing his direct testimony.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.209

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 6-11 on page 6 of Mr. Abona's rebuttal testimony on Communications and Controls - Meters capital expenditures. Please confirm that over the 3-year period from 2021 to 2023 the Company purchased many different types of meters of the types included in the 2024 and 2025 forecast. If not confirming, provide evidence otherwise.

Answer: Yes, the various meter types included in the 2024 and 2025 forecast were purchased in previous years as well. The mix and type will fluctuate based on the need and delivery schedule from vendors and therefore may impact the average unit price year over year.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.210

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 13-22 on page 6 of Mr. Abona's rebuttal testimony on Communications and Controls - Meters capital expenditures. Please confirm that Exhibit A-30, Schedule T4 does not provide a reconciliation or comparison of the amounts to be spent for 2024 and 2025 between Exhibit A-12, Schedule B5.1, page 2, line 10, and the attachment to DR AGDG-5.137b in Exhibit AG-7. If not confirming, provide a specific reference where the comparison or reconciliation is shown in Exhibit A-30, Schedule T4.

Answer: Exhibit A-30, Schedule T4 does not provide a direct reconciliation. However, it was created to share a sampling of price increases from our vendor from 2023 to 2024 pricing to address the question regarding average price increases. These price increases were included in Exhibit A-12, Schedule B5.1, page 2, line 10, and the attachment to discovery request AGDG-5.137b in Exhibit AG-7.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.211

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 19-24 on page 8 of Mr. Abona's rebuttal testimony on Routine Transmission Plant capital projects. Please confirm that engineering work had not begun on the four projects as of the date of the response to DR AGDG-5.150b on April 22, 2024. If not confirming, provide evidence otherwise.

Answer: Confirmed. Engineering for the four (4) projects is planned to begin in Q3 of 2024 with construction planned for 2025.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.212

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 1-9 on page 10 of Mr. Abona's rebuttal testimony on Compression and Storage capital expenditures. Please confirm that the activities listed in this section of your rebuttal testimony also occurred during 2021 to 2023. If not confirming, explain why not.

Answer: This is confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.213

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 9-17 on page 10 of Mr. Abona's rebuttal testimony on Compression and Storage capital expenditures. Please confirm that the information presented in this section of the rebuttal testimony was known to Mr. Abona's when preparing his direct testimony. If not confirming, explain why this information was not previously known.

Answer: DTE Gas objects to this request for the reason that it is vague, ambiguous, overly broad as to scope and time and otherwise seeks information that is not relevant or proportional to the needs of the case. Without waiving said objections and subject thereto, Mr. Abona was generally aware of the increased complexity and cost of construction at the time of filing his direct testimony.

Attachment: None.

Co-Respondent(s): Legal

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.214a

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 9-24 on page 11 and lines 1-7 on page 12 of Mr. Abona's rebuttal testimony on the amount of capital expenditures for Transportation Vehicles and Equipment. Please:

a. Explain why the Company proposed to replace more Class 7 and 8 trucks in 2024 and 2025, when prices increased by 35% to 48%. Provide evidence that those trucks could not be replaced earlier when prices were lower, or explain why replacement cannot be postponed until prices subside.

Answer: The Company intended to purchase additional Class 7 & 8 vehicles between 2021 and 2023; however, supply chain limitations prevented this, mainly because Chassis manufacturers failed to fulfill customer demand. The price hikes of 35% to 48% pertained to Class 2 and 3 models, not Class 7 and 8. DTE Gas has not been advised to anticipate any reduction in the prices of vehicles or equipment in the foreseeable future.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.215

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 19-24 on page 11 and lines 1-7 on page 12 of Mr. Abona's rebuttal testimony on the amount of capital expenditures for Transportation Vehicles and Equipment. Please provide evidence that the prices shown in this section of your rebuttal testimony reflect the lowest prices available from multiple price quotes obtained from various vehicle dealers. Provide a copy of all the price quotes received for these vehicles.

Answer: DTE Gas uses two Fleet Management Companies to procure vehicles. Factory orders are priced as follows to ensure DTE Gas is obtaining the lowest price available from the OEMs:

- For Class 1 - 4: Factory invoice plus \$50.00 dealer charge plus model markup (\$50.00 for domestic, fleet-type cars and light duty trucks) plus dealer courtesy delivery expense for vehicles picked up at a dealer, less a \$250.00 discount, less \$100.00. This equates to dealer price minus \$250
- For Class 5 – 8: The chassis portion of the overall vehicle price shall be equal to an additional 1.5% of Contractor's invoice cost for the chassis (which cost shall include any carrying charges and manufacturer rebate).

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.216

Respondent: E. M. Abona

Page: 1 of 1

Question: Refer to lines 13-15 on page 12 of Mr. Abona's rebuttal testimony on the amount of capital expenditures for Transportation Vehicles and Equipment. Please confirm that payments for chassis, enhancements, sales tax, or delivery costs occurred throughout the 2021 to 2023 period and will occur also in 2024 and 2025. If not confirming, provide evidence of any large or unusual costs of those types in 2021 to 2023, or in 2024-2025, and explain why.

Answer: There are 77 (60 Cargo Vans, 15 pickups and 2 Maintenance Trucks) vehicles where a portion of the costs were paid for in 2023 and at least one invoice is expected to be paid for in 2024.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.217a

Respondent: C. A. Bence

Page: 1 of 1

Question: Refer to lines 22-25 on page 2 and lines 1-18 on page 3 of Mr. Bence's rebuttal testimony on the proposed reduction of LAUF gas from the Company's net-zero emission reduction goal. Please:

a. Confirm that the five-year historical LAUF gas volumes do not reflect the Company's aggressive plans to achieve net-zero emissions in the future and specifically the incremental emission reductions for the projected test year. If not confirming provide evidence otherwise.

Answer: Not confirmed. The calculated LAUF volume of 5.4 Bcf in Exhibit 6 A-15, Schedule E9 is based solely on the calculated five-year historical average from January 1, 2018 to December 31, 2022.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.217b

Respondent: C. A. Bence

Page: 1 of 1

Question: Refer to lines 22-25 on page 2 and lines 1-18 on page 3 of Mr. Bence's rebuttal testimony on the proposed reduction of LAUF gas from the Company's net-zero emission reduction goal. Please:

b. Explain whether the Company is not sure it can achieve its net-zero emission goals and therefore does not want to be held accountable for its forecasted plans.

Answer: As stated in my rebuttal testimony page 3 lines 1 and 2, the net zero carbon emissions is a net goal for the Company's own operations and not an absolute goal. The calculation methodology for LAUF in the projected test year is not designed to capture results of future efforts as it is based solely on historical records. In addition, as stated in my rebuttal testimony on page 2 lines 24 and 25, and page 3 line 1, the calculation of LAUF is reflective of many components, including metering inaccuracies, theft, and other billing issues that will not be impacted by the Company's net zero goal.

Attachment: None.

Co-Respondent(s): H. J. Decker

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.218a

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 7-25 on page 2 and lines 1-8 on page 3 of Mr. Chapel's rebuttal testimony discussing the gas sales analysis information provided in Exhibit AG-32 and AG-33. Please:

a. Confirm that the graph in the discovery response included in Exhibit AG-33 was prepared by Mr. Chapel or someone else at the Company. If not confirming, provide evidence otherwise.

Answer: The graph in the exhibit presented by the Attorney General was prepared by Mr. Chapel.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.218bi

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 7-25 on page 2 and lines 1-8 on page 3 of Mr. Chapel's rebuttal testimony discussing the gas sales analysis information provided in Exhibit AG-32 and AG-33. Please:

b. Mr. Chapel states that the decline in forecasted consumption per customer from 2018 to 2023 calculated by Mr. Coppola in Exhibit AG-32 reflects the decline in customer consumption during the pandemic years ending August 2020 and August 2021. Please:

i. Confirm that the Excel version of Exhibit AG-32 was provided to the Company in response to DR DGAG-1.1 reflecting the calculations of the five-year consumption decline or growth rates in column (k) with formulas intact. Confirm also that Mr. Chapel reviewed the calculations in column (k) of the Excel worksheet in preparing his rebuttal testimony. If not confirming, explain why not.

Answer: Mr. Chapel did not state that the decline in consumption per customer from 2018 to 2023 reflects the decline in customer consumption during the pandemic years. Rather, Mr. Chapel stated that any analysis of trends that includes the pandemic years would naturally skew data concerning "typical" customer behavior.

The Company received this response from the Attorney General. Mr. Chapel reviewed the calculations in column (k).

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.218bii

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 7-25 on page 2 and lines 1-8 on page 3 of Mr. Chapel's rebuttal testimony discussing the gas sales analysis information provided in Exhibit AG-32 and AG-33. Please:

b. Mr. Chapel states that the decline in forecasted consumption per customer from 2018 to 2023 calculated by Mr. Coppola in Exhibit AG-32 reflects the decline in customer consumption during the pandemic years ending August 2020 and August 2021. Please:

ii. Refer to the revised Excel version of Exhibit AG-32 attached to this discovery question. Confirm that the calculation of the five-year consumption decline or growth rates in column (k) of the exhibits are based on the change in consumption between 2018 and 2023 and are not affected by the temporary decline in consumption from the Covid pandemic in 2020 and 2021, as shown by the removal of the consumption information for those two years from the revised Excel worksheet. If not confirming, provide evidence otherwise.

Answer: Mr. Chapel did not state that the decline in consumption per customer from 2018 to 2023 reflects the decline in customer consumption during the pandemic years. Rather, Mr. Chapel stated that any analysis of trends that includes the pandemic years would naturally skew data concerning "typical" customer behavior.

I cannot confirm the statement that the change in consumption between 2018 and 2023 is not affected by the decline in consumption from the pandemic in 2020 and 2021. Simply removing data does not mean that the Covid pandemic did not happen. It did happen and it did affect customer consumption. The Company's methodology of reviewing the most recent 24 months of consumption data assures that the forecast uses the most accurate assessment of customer behavior as a base from which to start the forecast process. In a post-Covid world it is critical to recognize that behaviors have changed and that using pre-Covid data to formulate a post-Covid forecast will be skewed by the behavioral changes brought on by the pandemic.

Attachment: None

MICHIGAN PUBLIC SERVICE COMMISSION
DTE Gas Company

Attachment to DR AGDG-xx.x showing Exhibit AG-32
without 2020 and 2021 Normalized Usage

Exhibit AG-32
Case No. U-21291
Date: May 7, 2024
Page 1 of 1

Comparison of Gas Sales Volumes - 2017-2022 Actuals to Sep 2024 Test Year Forecast

Line	Description	Actual August Year Ending						2024F	2025F	Test Year	2020-2023	2018-2023
		2018	2019	2020	2021	2022	2023			12 Months Ended Sep 2025F		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(k)
1	<u>Average Gas Use Per Customer (Mcf):</u> ¹											
2	Rate A Residential	95.68	95.13			94.45	92.62	91.69	90.27	90.52		
3	Percent Change from Prior Yr		-0.6%			#DIV/0!	-1.9%	-1.0%	-1.6%	-2.3%	#DIV/0!	-0.6%
4												
5	Rate 2A Residential Multi-Dwelling I	238.65	254.86			216.79	218.43	659.57	645.95	211.47		
6	Percent Change from Prior Yr		6.8%			#DIV/0!	0.8%	202.0%	-2.1%	-3.2%	#DIV/0!	-1.8%
7												
8	Rate 2A Residential Multi-Dwelling II	874.03	809.76			814.86	803.94	659.57	645.95	780.46		
9	Percent Change from Prior Yr		-7.4%			#DIV/0!	-1.3%	-18.0%	-2.1%	-2.9%	#DIV/0!	-1.7%
10												
11	Rate GS-1 Small Commercial	461.91	455.38			447.49	446.37	437.36	430.55	431.79		
12	Percent Change from Prior Yr		-1.4%			#DIV/0!	-0.2%	-2.0%	-1.6%	-3.3%	#DIV/0!	-0.7%
13												
14	Rate GS-2 Large Commercial & Industrial	13,166.00	23,856.35			15,967.81	19,134.82	17,426.18	17,320.15	17,356.45		
15	Percent Change from Prior Yr		81.2%			#DIV/0!	19.8%	-8.9%	-0.6%	-9.3%	#DIV/0!	7.8%
16												
17	Rate S Schools	6,945.82	6,968.75			7,266.69	7,690.73	7,514.82	7,387.82	7,412.88		
18	Percent Change from Prior Yr		0.3%			#DIV/0!	5.8%	-2.3%	-1.7%	-3.6%	#DIV/0!	2.1%
19												
20												
21	<u>Gas Deliveries - Weather-Normalized:</u> ^{2,3}											
22	(MMCF)											
23	Rate A Residential	111,516	111,898	109,712	109,891	114,830	113,508	113,329	112,337	112,464		
24	Rate 2A Residential Multi-Dwelling I	310	325	285	296	299	305	945	920	302		
25	Rate 2A Residential Multi-Dwelling II	4,644	4,219	4,213	4,074	4,059	3,971	3,165	3,079	3,726		
26	Rate GS-1 Small Commercial	41,193	40,603	38,784	38,123	40,617	40,650	39,907	39,408	39,491		
27	Rate GS-2 Large Commercial & Industrial	716	1,215	565	610	966	1,328	1,409	1,521	1,494		
28	Rate S Schools	1,482	1,484	1,478	1,608	1,659	1,707	1,628	1,593	1,600		
29												
30	<u>Average Number of Customers:</u> ^{2, 3}											
31	Rate A Residential	1,165,546	1,176,299	1,189,798	1,204,853	1,215,728	1,225,539	1,235,954	1,244,512	1,242,379		
32	Rate 2A Residential Multi-Dwelling I	1,298	1,276	1,297	1,348	1,381	1,397	1,434	1,424	1,428		
33	Rate 2A Residential Multi-Dwelling II	5,314	5,211	5,086	5,067	4,981	4,940	4,799	4,767	4,774		
34	Rate GS-1 Small Commercial	89,179	89,163	89,515	90,067	90,766	91,067	91,246	91,529	91,459		
35	Rate GS-2 Large Commercial & Industrial	54	51	45	50	61	69	81	88	86		
36	Rate S Schools	213	213	218	227	228	222	217	216	216		

Source:

(1) Calculated by dividing weather-normalized deliveries by number of customers for Residential and Commercial gas deliveries.

(3) Historical weather normalized sales and number of customers from DR AGDG-4.66a attachment.

(4) DR AGDG-4.67b Attachment for 2024 and 2025 forecasted sales and customers. Exhibit A-15, Schedule E-1 for test year September 2025 gas deliveries and customers.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.218ci

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 7-25 on page 2 and lines 1-8 on page 3 of Mr. Chapel's rebuttal testimony discussing the gas sales analysis information provided in Exhibit AG-32 and AG-33. Please:

c. In his rebuttal testimony, Mr. Chapel states that the five-year period chosen by Mr. Coppola is arbitrary. Please:

i. Confirm that the two-year period of customer consumption chosen by Mr. Chapel is also arbitrary.

Answer: The two-year period chosen by the Company is not arbitrary for reasons laid out by Mr. Chapel on page 3, lines 1-8 of his rebuttal testimony. The Company has used this 24-month customer consumption analysis consistently for the past 15 years. In the present instance, the Company's 24-month review approach examines customer behavior in a post-Covid environment and then makes adjustments to that observed behavior based upon expected changes in system-wide heating value and MPSC-approved EWR reduction rates.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.218cii

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 7-25 on page 2 and lines 1-8 on page 3 of Mr. Chapel's rebuttal testimony discussing the gas sales analysis information provided in Exhibit AG-32 and AG-33. Please:

c. In his rebuttal testimony, Mr. Chapel states that the five-year period chosen by Mr. Coppola is arbitrary. Please:

i. Confirm that the two-year period of customer consumption chosen by Mr. Chapel is also arbitrary.

ii. Confirm also that a 2-year period is more susceptible to temporary consumption fluctuations than a trend over a five-year period. If not confirming, explain why not.

Answer: I cannot confirm. On the contrary, a 24-month period is more responsive to the latest customer behaviors. Using a 24-month period ending in the summer provides two full heating seasons of customer behavior. Further, it is consistent with 15 years of the Company's methodology in previous rate cases approved by the MPSC and also in preparing its regulatory, financial, operational, planning, and gas purchasing needs.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.219a

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 10-24 on page 3 of Mr. Chapel's rebuttal testimony discussing Mr. Coppola's gas sales analysis. Please:

a. Confirm that forecasted sales from new customers in 2024 and 2025 will increase commercial sales volumes for the year 2025 and the projected test year. If not confirming, provide evidence otherwise.

Answer: I confirm that new customers will contribute to an increase in total company sales volumes and these increases are included in my sales volume assumptions used in the projected test year in this case.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.219b

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 10-24 on page 3 of Mr. Chapel's rebuttal testimony discussing Mr. Coppola's gas sales analysis. Please:

b. Confirm that the Company's EWR sales losses in 2024 and 2025 will reduce commercial sales for 2025 and the projected test year. If not confirming, provide evidence otherwise.

Answer: The EWR assumptions in the Company's methodology forecast that the demand of all GCR, GCC, and Aggregate customers will decline in 2024 and 2025.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.220

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 12-22 on page 4 of Mr. Chapel's rebuttal testimony discussing Mr. Coppola's criticism of the forecasted EWR sales losses. Please confirm that the 1% EWR rate is a goal that the Company strives to achieve and the actual reductions achieved by customers in the Company's total customer base may be different. If not confirming, provide direct evidence otherwise.

Answer: The 1% EWR rate is a goal set, and approved by the MPSC, in the Company's EWR proceedings. The actual losses achieved may be higher or lower than 1%. In preparing the Company's demand forecast, it is important to include the most logical and appropriate adjustments to the forecast. It is the Company's contention that an MPSC-approved EWR rate has been appropriate to use in its past regulatory filings since the implementation of the EWR program, and it contends that it is appropriate to do so in this case.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.221

Respondent: G. H. Chapel

Page: 1 of 1

Question: Refer to lines 1-16 on page 5 of Mr. Chapel's rebuttal testimony where he attempts to justify the 1% EWR sales loss by using the weather-normalized consumption per customer for the 12 months ended April 2024 versus the 12 months ended August 2023. Please confirm that beginning on line 19 on page 22 and through line 3 of page 25 of his direct testimony, Mr. Chapel concludes that it is unwise to use a calendar period other than 12 months ended August or July to accurately establish the consumption per customers due to the difficulty in accurately estimating unbilled sales. If not confirming, explain why your direct testimony is incorrect.

Answer: That statement is confirmed, as evidenced by the disclaimer offered by Mr. Chapel's rebuttal testimony on page 5, lines 12-14. Nothing in the sales data observed as yet, however, supports Mr. Coppola's claim that a 1% EWR rate is too aggressive for forecast purposes.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.223

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to lines 4-25 on page 11 of Mr. Cooper's rebuttal testimony on the calculation of the allowable incentive compensation expense related to non-financial performance measures. Please confirm that Mr. Coppola used the same method to determine the amount of allowable incentive compensation approved by the Commission in Case No. U-20940. If not confirming, provide evidence otherwise.

Answer: Confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.225

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to lines 18-22 on page 17 of Mr. Cooper's rebuttal testimony on the increase in active health care costs in the three months of 2024 versus the same three months in 2023. Please confirm that the timing of when the Company incurs health care costs can skew the percentage of increase or decrease during any three-month period versus the full year cost comparison. If not confirming, provide evidence otherwise.

Answer: I can confirm that because the Company's Active Healthcare costs are volatile between years, that these costs can also be volatile between quarters. This volatility between periods is highlighted in the attachment included in the response to AGDG-8.226, which shows the Company's Active Healthcare costs per employee increased by over 21% in the first quarter of 2022 compared to the first quarter of 2021, primarily due to self-insured claims and continuing costs from the COVID-19 pandemic. The Active Healthcare costs per employee decreased by over 16% in the first quarter of 2023 compared to the first quarter of 2022, primarily due to reductions in self-insured medical costs and the elimination of COVID-19 related costs. Please see response to AGDG-8.226.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.226

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to Table 1 on page 18 of Mr. Cooper's rebuttal testimony on the increase in active health care costs during the first three months of 2024. Please provide the same information in Excel for each of the four quarters in 2021, 2022, 2023, and 2024. Provide the percentage change in each quarter versus the same quarter in the prior and also the percentage change for the total year versus the prior year.

Answer: Please see attachment entitled "U-21291 AGDG-8.226 Quarterly Active Healthcare Costs" and the response to AGDG-8.225

Attachment: U-21291 AGDG-8.226 Quarterly Active Healthcare Costs

DTE Gas Company
Case No. U-21291
AGDG-8.226
Quarterly Active Healthcare Costs per Employee: 2021 -1st Qtr 2024

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Line	<u>Active Healthcare Costs per Employee</u>					<u>Total</u>	<u>% Inc/(Dec) Over Prior Quarter</u>			
No.		<u>1st Qtr</u>	<u>2nd Qtr</u>	<u>3rd Qtr</u>	<u>4th Qtr</u>		<u>1st Qtr</u>	<u>2nd Qtr</u>	<u>3rd Qtr</u>	<u>4th Qtr</u>
1	2021	2,167	2,853	2,466	2,551	10,065		31.7%	(13.6%)	3.5%
2										
3	2022	2,628	2,205	2,668	2,513	10,136	3.0%	(16.1%)	21.0%	(5.8%)
4										
5	2023	2,200	2,694	2,449	2,728	10,008	(12.4%)	22.4%	(9.1%)	11.4%
6										
7	2024	2,553					(6.4%)			
8										
9										
10	2022 % Inc/(Dec) Over Same Quarter in 2021	21.3%	(22.7%)	8.2%	(1.5%)	0.7%				
11										
12	2023 % Inc/(Dec) Over Same Quarter in 2022	(16.3%)	22.2%	(8.2%)	8.6%	(1.3%)				
13										
14	2024 % Inc/(Dec) Over Same Quarter in 2023	16.0%								

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.227

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to lines 10-24 on page 21 of Mr. Cooper's rebuttal testimony on the use of the Constant Dollar adjustment proposed by Mr. Cooper for active health care expense. Please confirm that the Commission has repeatedly rejected this adjustment methodology proposed by Mr. Cooper in prior rate cases for DTE Gas and DTE Electric Company. If not confirming, provide evidence otherwise.

Answer: The Commission has not adopted the Company's Constant Dollar Active Healthcare adjustment in one prior DTE Gas rate case (U-20940) and two DTE Electric rate cases (U-20836 and U-21297). However, as I explain on pages 23 and 24 of my Revised Direct Testimony, the Commission's rationale for the rejection in of the Constant Dollar adjustment is inconsistent with its adoption of inflation adjusted emergent replacement costs in the recent DTE Electric cases.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.228a

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to lines 4-22 on page 22 of Mr. Cooper's rebuttal testimony on the proposed adjustments to Mr. Coppola's calculation of active health care expense for the projected test year. Please:

a. Confirm that the \$1.283 million adjustment depends on the validity of the rebuttal testimony of Ms. Uzenski on the 41% of allocated to capital expenditures in 2023 versus the percentage applicable to the projected test year. If not confirming, explain.

Answer: Confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.228d

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to lines 4-22 on page 22 of Mr. Cooper's rebuttal testimony on the proposed adjustments to Mr. Coppola's calculation of active health care expense for the projected test year. Please:

d. Describe any and all activities that the Company has undertaken in recent years or plans to undertake in 2024 and 2025 that will reduce active health care costs for 2024 and 2025, including increases in premiums, deductibles, or cost sharing with employees.

Answer: In 2019 the Company adopted an expanded Wellness program that is designed to reduce the Company's Active Healthcare costs by focusing on the three highest health risk factors of the Company's employees: obesity, hypertension and high blood sugar levels. Accordingly, the Company had emphasized pre-diabetes/diabetes prevention and management programs and cardiovascular management programs. Further, the Company has expanded its employee training and awareness programs with an emphasis on injury prevention, enhanced clinical management of complex medical diagnoses and the encouragement of mental health treatment through the reduction of any perceived stigma by employees and dependents.

While it is impossible to measure the impact of these efforts on the Company's historical Active Healthcare costs, my projections of Active Healthcare costs are premised on the assumption that the annual increases will reduce the WTW medical trend rates by 2.0% in 2023, 2.5% in 2024 and 3.0% in 2025.

In addition, the Company bases the premiums paid by employees on their wages, which will mitigate the increases in the Company's future Active Healthcare costs.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.229a

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to page 23 of Mr. Cooper's rebuttal testimony on the labor cost savings for the projected test year from the employee separations included in Mr. Coppola's direct testimony. Please:

a. Confirm that Mr. Coppola included only \$3.2 million in cost savings in the projected test year or approximately 50% of the \$6.3 million total cost savings identified by the Company for 2025. If not confirming, provide evidence otherwise.

Answer: I can confirm that Mr. Coppola included approximately half of the Company's preliminary estimate of savings for the 12 months ending December 31, 2025.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.229b

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to page 23 of Mr. Cooper's rebuttal testimony on the labor cost savings for the projected test year from the employee separations included in Mr. Coppola's direct testimony. Please:

b. Confirm the employee terminations will occur between February 2024 and June 2024 and the projected test year of October 2024 to September 2025 includes three months of 2024 when the Company will realize cost saving from the employee terminations. If not confirming, provide evidence otherwise.

Answer: I can confirm the employees will be separated from the Company between February and June 2024, however the actual savings to be realized by the Company in 2024 and beyond is dependent on the level of positions that are backfilled. Please see response to AGDG-4.49c.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.229c

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to page 23 of Mr. Cooper's rebuttal testimony on the labor cost savings for the projected test year from the employee separations included in Mr. Coppola's direct testimony. Please:

c. Provide a copy of the written plan prepared prior to the preparation of your rebuttal testimony showing which positions will be refilled, when, and why, with the annual salary at entry level of each position to be refilled by the beginning of the projected test year.

Answer: DTE Gas objects for the reason that the information requested consists of confidential, proprietary, research and development of trade secrets, or commercial information, the disclosure of which would cause DTE Gas, its ratepayers, and its customers competitive harm. Subject to this objection, and without waiving this objection, DTE Gas would answer as follows:

Please see attachment entitled "NDA_U-21291 AGDG-8.229c Gas Estimated Savings" for the support for the estimated savings provided in response to AGDG-4.49c.

As explained in my response to AGDG-4.49c, a primary purpose of the VSIP was to realign the workforce to support the changing nature of the business and the estimated savings are preliminary, as the Company completes its review of the number of key roles to be filled.

Attachment: NDA_U-21291 AGDG-8.229c Gas Estimated Savings

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.230

Respondent: M. S. Cooper

Page: 1 of 1

Question: Refer to page 23 of Mr. Cooper's rebuttal testimony on the labor cost savings for the projected test year from the employee separations included in Mr. Coppola's direct testimony versus the separation costs. Please confirm that the \$3.1 million in cost savings that the Company will retain annually (\$6.3 million - \$3.1 million) from the projected test year forward and those amounts retained by the Company prior to October 2024 can partially or fully offset the \$8.1 million separation payments over the coming 2-3 years. If not confirming, provide evidence otherwise.

Answer: I can confirm that potential future savings prior to October 2024 may offset some of the employee separation costs incurred by the Company, however the actual savings to be realized by the Company in 2024 is dependent on the level of positions that are backfilled. Please see response to AGDG-4.49c. Moreover, any savings realized by the Company subsequent to the beginning of the projected test year will not be available to offset the Company's employee separation costs if the Commission includes any portion of the estimated savings as a reduction to the Company's revenue requirement in this proceeding.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.231a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to page 4 of Mr. Decker's rebuttal testimony on the use of the latest available 5 years of gas transportation delivery volumes to power generation customers. Please:

a. Explain what is wrong with using the most recent five-year average volumes delivered to power generation customers given that the objective of forecasted test year rate making is to arrive at a forecast that represents the most likely volumes and revenue that the Company will realize for the projected test year.

Answer: There is nothing wrong with using a five-year average when forecasting power generation customers as long as the methodology for choosing the specific period doesn't change from rate case to rate case. Suggesting a five-year average period slightly different than what DTE filed in this rate case and suggesting a three-year period in U-20940 (pg. 105 of direct testimony) as Mr. Coppola has demonstrated, is inconsistent and selectively chooses a date to get a specific result. Using the five-year average data available upon the filing of the rate case, as DTE has done in this rate case as well as U-20940 and U-20642, has historic precedence and is repeatable.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.231b

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to page 4 of Mr. Decker's rebuttal testimony on the use of the latest available 5 years of gas transportation delivery volumes to power generation customers. Please:

b. Although annual deliveries to the power generation customers may vary from year, isn't the objective of the five-year average approach to smooth out those annual variances weather the five-year periods end in August 2023 or March 2024? If not, what is the essential point of your argument?

Answer: Yes, the objective is to smooth out the annual variances, but also do it in a manner that is consistent from rate case to rate case. Refer also to the Company's response to AGDG-8.231a.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.231c

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to page 4 of Mr. Decker's rebuttal testimony on the use of the latest available 5 years of gas transportation delivery volumes to power generation customers. Please:

c. If the customer you point out in your rebuttal burned more natural gas than had been forecasted, isn't that result a problem with the Company making a low gas delivery forecast instead of including that customer's actual volumes in the five-year period ended March 2024? If no, explain why not.

Answer: No, it's not. In the specific instance mentioned in rebuttal testimony related to a customer burning 7 Bcf over their forecast for the period ending March '24, that forecasted volume came directly from the customer. In this case this customer greatly exceeded their own submitted forecast in that period.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.231d

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to page 4 of Mr. Decker's rebuttal testimony on the use of the latest available 5 years of gas transportation delivery volumes to power generation customers. Please:

d. Confirm that on pages 104 and 105 of his direct testimony in Case No.U-20940, Mr. Coppola argued to remove 2017 volumes as an outlier year and on page 8 and 9 of Mr. Decker's rebuttal testimony the Company objected to making that exclusion. If not confirming, provide evidence otherwise.

Answer: Yes, Mr. Coppola did argue in favor of a 3-year average in U-20940 because the volumes demonstrated that year, a mere 46.9 Bcf, were "an aberration". In U-20940, even though 2017 had such low volumes, DTE still stuck to the five-year average methodology using the latest data available upon the filing of the rate case, just as the company has done in this rate case, and just as the MPSC approved in the Order of U-20940. Suggesting a three-year average in one rate case, and then a five-year average with a slightly different period than DTE filed in the next is inconsistent and inappropriately selecting data.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.232a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 21-25 on page 6 and lines 1-8 on page 7 of Mr. Decker's rebuttal testimony about forecasting Exchange Services based on the three years ended 2023. Please:

a. Confirm that in 2020 the gas markets went through a period of upheaval with businesses shutting down and work restrictions both within and outside the gas industry due to the Covid pandemic. If not confirming, provide evidence that gas markets and Midstream services were not impacted by the Covid pandemic.

Answer: DTE Gas objects to this request for the reason that it is vague, ambiguous and otherwise outside the scope of permissible discovery. Without waiving said objection and subject thereto, the Company answers as follows:

Gas markets were affected by COVID.

Attachment: None.

Co-Respondent(s): Legal

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.232b

Respondent: H. J. Decker

Page: 1 of 1

- Question:** Refer to lines 21-25 on page 6 and lines 1-8 on page 7 of Mr. Decker's rebuttal testimony about forecasting Exchange Services based on the three years ended 2023. Please:
- b. If the 2021-2023 timeframe provides a more recent revenue level representative of the projected test year revenue level for Exchange Services, why is that not more desirable in setting just and reasonable rates in this rate case?
- Answer:** As stated in HJD Rebuttal pages 6-7, the historical test period for this case is 2022. Our methodology in this rate case, as with prior Case Nos. U-20642, and U-20940, is to use the 3-year average ending with the historical period actual.
- Attachment:** None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.232c

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 21-25 on page 6 and lines 1-8 on page 7 of Mr. Decker's rebuttal testimony about forecasting Exchange Services based on the three years ended 2023. Please:

c. If Park and Loan revenues forecasted by the Company for the projected test year are reasonable relative to the three years ended 2023, why should Mr. Coppola propose an adjustment simply for consistency's sake?

Answer: AG Witness Coppola is inconsistently and inappropriately selecting years to include in the average. AG Witness Coppola is choosing to remove a lower year, 2020, in favor of a higher year, 2023, which is a deviation from our Exchange Services forecast methodology.

Witness Coppola did not propose the same deviation for the Park and Loan forecast. Had the same deviation been proposed, it would have resulted in a lower projection. The Company maintains that our methodology to use the 3-year average ending with the historical period actual (2022) to project test year revenue in this rate case, as with prior Case Nos. U-20642, and U-20940, is reasonable for both Park and Loan and Exchange Services.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.233a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 16-25 on page 7 of Mr. Decker's rebuttal testimony about forecasting Off-System Transportation revenue based on the three years ended 2023. Please:

a. Confirm that in Exhibit AG-37 Mr. Coppola made certain adjustments to increase and normalize Off-system Transportation revenue for 2021 and 2022. If not confirming, provide evidence otherwise.

Answer: AG Witness Coppola made adjustments to off-system transportation revenue that were not appropriate. The appropriate methodology, as explained in direct testimony (HJD-31, line 21 through HJD-32 line 2), is to add two components:
(1) The off-system transportation revenue already under contract
(2) Forecasted revenue for remaining capacity available for sale, which is dependent on several variables

This methodology has been utilized and approved in Case Nos. U-18999, U-20642, and U-20940.

As also stated in testimony (HJD-31, lines 13-19), there are specific considerations for valuing Off-System Transportation Services on the DTE Gas system, in that DTE Gas must ensure that it reserves sufficient transportation assets to deliver natural gas to its on-system customers. As on-system capacity requirements change, capacity remaining for off-system customers also changes. Therefore, it is not appropriate to estimate future transportation capacity available using historical averages (that is, "normalization" of the transportation forecast is not appropriate).

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.233b

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 16-25 on page 7 of Mr. Decker's rebuttal testimony about forecasting Off-System Transportation revenue based on the three years ended 2023. Please:

b. If the calculation performed by the Company to forecast revenue for Off-System Transportation is not representative of recently earned revenue, why should the forecast be used instead of revenues actually earned in the past three years?

Answer: Refer to the response in AGDG-8.233a.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.233c

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 16-25 on page 7 of Mr. Decker's rebuttal testimony about forecasting Off-System Transportation revenue based on the three years ended 2023. Please:

c. Confirm that in response to DR AGDG-4.96c the Company reported that when comparing actual revenue earned in 2022 versus the amount forecasted in Case No. U-2940, the Company's forecast was understated by \$1.2 million and similarly the amount of revenue forecasted for the 12 months ended September 2021 in Case U-20642 was understated by \$2.5 million, in comparison to actual revenues for the same 12-month period. If not confirming, explain why the amounts in the discovery response are incorrect.

Answer: The forecast was not deliberately "understated". The actual revenue realized was \$1.2 million and \$2.5 million higher than the forecast submitted in the general rate case.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-4.96c

Respondent: H. J. Decker

Page: 1 of 1

Question: 96. Refer to Exhibit A-13, Schedule C3.3. Please:
c. Provide a comparison of the forecasted revenues for each line item in the past two rate cases to the actual revenue received for the same 12- month period in Excel.

Answer: Please see attachment U-21291 – AGDG-4.96c Off-System Revenues Compared to Prior Rate Cases

Attachment: U-21291 – AGDG-4.96c Off-System Storage & Transportation Revenue

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.234a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 2-13 on page 8 of Mr. Decker's rebuttal testimony about cancelled contracts and reserving transportation capacity for on system use resulting in less Off-System Transportation revenue. Please:

a. Confirm that as old transportation contracts expire new transportation opportunities may arise in 2024 and 2025, similar to what has happened in prior years.

Answer: As transportation contracts expire, there may be opportunities for renewal. However, as stated in rebuttal testimony, due to system constraints, the capacity associated with the four expiring contracts is no longer available for resale.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.234b

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 2-13 on page 8 of Mr. Decker's rebuttal testimony about cancelled contracts and reserving transportation capacity for on system use resulting in less Off-System Transportation revenue. Please:

b. Explain what system constraints arose after 2022, and specifically when, or are expected to arise in 2024 and in the projected test year, that have not existed in the past three years.

Answer: As explained in direct and rebuttal testimony, the capacity associated with these contracts is no longer available for sale. Available system capacity is dependent on a multitude of factors including, but not limited to, weather, gas flows on and off the system at interconnects, gas pressures, available compression and on-system customer requirements. As any of these parameters change, capacity available for off-system customers may also change.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.234c

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 2-13 on page 8 of Mr. Decker's rebuttal testimony about cancelled contracts and reserving transportation capacity for on system use resulting in less Off-System Transportation revenue. Please:

c. Provide the volume impact of each of those constraints and identify which sections of the transmission lines are affected.

Answer: The total volume associated with the expiring contracts was approximately 150,000 Dth/d, all of which transported volumes within the Southeastern region of the DTE Gas system

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.234d

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 2-13 on page 8 of Mr. Decker's rebuttal testimony about cancelled contracts and reserving transportation capacity for on system use resulting in less Off-System Transportation revenue. Please:

d. Confirm that the referenced section of Mr. Decker's direct testimony states that "DTE Gas must ensure that it reserves sufficient transportation assets to deliver natural gas to its on-system customers. DTE Gas may have limited capability to provide transportation services to its Midstream customers when transportation values are their highest (i.e., highest transportation values generally occur when the physical ability to provide transportation services are at their lowest)." If confirming, admit that this testimony does not indicate anything out of the ordinary will occur in the projected test year that the Company has not faced in prior years or that any portion of the Off-System Transportation capacity is no longer available. If not confirming, provide the correct referenced section of your direct testimony.

Answer: Refer to responses ADGE-8.233a and AGDE-8.234b.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.235

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 1-16 on page 9 of Mr. Decker's rebuttal testimony about intense competition potentially affecting the financial performance of the Appliance Repair Service program in the projected test year. Please confirm that in the past five years from 2019 to 2023, the revenues and net operating income after expenses for the Appliance Repair and Service program have increased each year despite intense competition. If not confirming, provide evidence otherwise.

Answer: Correct, revenues and net operating income after expenses increase at varying rates for each year.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.236

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 18-25 on page 9 and lines 1-5 on page 10 of Mr. Decker's rebuttal testimony about using a three-year average of the profit margin of the Appliance Repair Service program to forecast the profit margin to be included in the projected test year. Please confirm that there has not been any annual volatility in the revenues or profit margins earned by the Appliance Repair and Service program from 2018 to 2023 but instead a gradual increase each year, as shown in the attachment to DR AGDG-4.89a included in Exhibit AG-38.

Answer: As explained in rebuttal testimony, there is yearly volatility to financial performance of the Appliance Repair Service as evidenced in the profit margin percentage. For example, profit margin percentages vary from as low as 23% in 2020 to as high as 29% in 2024. Profit margins (absolute) do see a "gradual" increase each year.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.237a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 4-20 on page 11 of Mr. Decker's rebuttal testimony on RSG purchases and imposing emission standards on gas producers and suppliers.
a. By stating on lines 10-11 that "This is not a complete accurate categorization. DTE Gas is not imposing standards on producers at this time" is it possible that the Company may impose standards at a future date?

Answer: The Company is still developing its RSG procurement strategy and has not determined if standards will be imposed at a future date.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.237b

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 4-20 on page 11 of Mr. Decker's rebuttal testimony on RSG purchases and imposing emission standards on gas producers and suppliers.
b. Does Mr. Decker know of any gas producers or suppliers that look forward to going through the certification process without charging a fee or a price premium for doing so? If yes, please identify those gas producers.

Answer: The Company is not presently aware of any gas producers or suppliers that look forward to going through the certification process without charging a fee or a price premium for doing so.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.238a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 22-24 on page 11 and lines 1-3 on page 12 of Mr. Decker's rebuttal testimony on Mr. Coppola's testimony that auto manufacturers do not pay premiums to parts suppliers for complying with ISO standards.

a. What evidence are you looking for if no fees are paid and therefore no evidence exists of fees being paid?

Answer: Any evidence to substantiate Mr. Coppola's claim that parts suppliers do not incorporate the costs incurred to comply with ISO standards into the cost of their products would suffice.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.238b

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 22-24 on page 11 and lines 1-3 on page 12 of Mr. Decker's rebuttal testimony on Mr. Coppola's testimony that auto manufacturers do not pay premiums to parts suppliers for complying with ISO standards.

b. Does Mr. Decker know of any other industry where suppliers charge a separate fee for complying with industry standards, similar to the RSG model proposed by the Company? If yes, please identify that/those industries and provide supporting evidence.

Answer: The Company has not investigated whether this does or does not occur in other industries.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.239

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 5-15 on page 12 of Mr. Decker's rebuttal testimony on potential RSG purchases and the cost of premiums that eventually could be paid. By stating on lines 10-11 that "[H]owever, the Company has not stated that buying 100% or even 50% of the natural gas as RSG is imminent or even being considered at this time" is it likely or possible that the Company may eventually purchase 50% to 100% of RSG in future years to meet its net-zero emission goal? If no, is the Company abandoning its net-zero emission goal?

Answer: The Company is not abandoning its net-zero emission goal. The Company is still in the exploration stage of its RSG procurement strategy and has not yet determined what level of RSG will be procured in the future.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.240a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 14-18 on page 16 of Mr. Decker's rebuttal testimony on RSG purchases by ConEd in New York. Please:

a. Provide the date that Mr. Decker learned about this pilot program.

Answer: The Company has general knowledge of the ConEd purchases in New York, which I initially learned about from an employee who attended a conference that ConEd also participated in. I do not recall the specific date the knowledge was acquired, but it was in 2024.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.241

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 5-10 on page 17 of Mr. Decker's rebuttal testimony about business customers appreciating the flexibility and convenience of using a credit card to pay their gas bill. If business customers appreciate the flexibility and convenience of using a credit card, why would they not be willing to pay a convenience fee?

Answer: The Company surveyed small business owners at the end of 2019 regarding the impact of implementing a convenience fee or surcharge of 2%. Several options were being considered at the time to curtail business merchant fees which ultimately led to the implementation of the \$75K or higher annual revenue blocking. The majority of the customers surveyed would not continue to utilize this method of payment. At the time of the survey, a number of customers cited the cost and felt it should be rolled up in the price.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.242a

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 12-16 on page 17 of Mr. Decker's rebuttal testimony about the Company not charging a convenience fee since at least 2010 for customers using a credit card for paying their gas bill. Please:

a. Provide the number of credit card and debit card transactions processed by the Company and the related amount of card fees paid for each year 2010 to 2023.

Answer: The Company does not have historical records prior to 2012 for this information. Please find in the table below the 2012-2023 merchant fees and transactions for non-residential customers.

Non-Residential Merchant Fee and Transactions 2012-2023

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Merchant Fees	730,640	1,456,426	2,093,381	2,321,927	3,087,264	5,132,775	7,135,589	8,369,008	6,373,096	5,874,313	6,415,346	5,481,613
Transactions	192,934	380,276	537,229	625,915	604,417	757,893	998,255	1,261,306	750,855	1,130,257	1,369,019	1,353,401

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.242b

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 12-16 on page 17 of Mr. Decker's rebuttal testimony about the Company not charging a convenience fee since at least 2010 for customers using a credit card for paying their gas bill. Please:

b. Identify when a significant increase in card payment transactions began to intensify and explain what caused this significant increase.

Answer: The Company implemented a new SAP billing and CRM system in March of 2017. At the same time the popularity of credit cards was on the rise with business owners. Large Industrial and Commercial customers, who previously were prevented from utilizing a card payment, had the ability to use this payment type in the new system. In case U-20162, rate blocking for C/I customers was approved by the MPSC and implemented in 2019 to mitigate this issue.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.243

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 18-23 on page 17 of Mr. Decker's rebuttal testimony about the Company blocking large commercial and industrial customers from using credit and debit cards to pay gas bills to mitigate the amount of merchant fees. Please confirm that the exclusion of large commercial and industrial customers from credit card payments came about after the Attorney General and the Commission Staff filed testimony opposing the large increase in merchant fees proposed by the Company in prior rate cases and particularly from non-residential customers. If not confirming, provide evidence otherwise.

Answer: The decision to implement the rate blocking was in line with DTE's efforts to improve customer affordability, especially since offering credit card payments was never intended to be utilized by large commercial and industrial customers. The fact that the AG and Commission Staff were questioning the steep increase in fees at the same time likely aided in the adoption of this policy.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.244

Respondent: H. J. Decker

Page: 1 of 1

Question: Refer to lines 1-8 on page 18 of Mr. Decker's rebuttal testimony about small business customers not being sufficiently knowledgeable or sophisticated to use EDI tools such as Electronic Funds Transfer (EFT) and Automatic Clearing House (ACH). Has the Company attempted to educate and encourage small businesses to use EFT and ACH to pay their gas bills? If yes, provide evidence when and how this communication and education took place. If no, explain why not.

Answer: Electronic Data Interchange (EDI) is a real time payment which requires that the businesses submit payment in a specified format that requires IT formatting costs. It is often not beneficial for small or medium size businesses to utilize if they don't make large payments or have 50 or more accounts due to the IT costs.

In contrast, Electric Funds Transfer (EFT) and Automatic Clearing House (ACH) is a much simpler transaction and does not involve an IT effort. The Automatic Payment Plan (APP) program has been communicated to business customers several times to promote setting up withdrawal from their bank account via ACH/EFT. Please see attachment for collateral, dates sent, and the customers targeted.

Attachment: U-21291 AGDG-8 244 Merchant Fee Business Communications.doc

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.246a

Respondent: K. M. Fedele

Page: 1 of 1

Question: Refer to lines 14-22 on page 5 and lines 1-6 of page 6, including Table 1, of Ms. Fedele's rebuttal testimony about the \$6.7 million of costs for the Van Born project pertaining to non-cancelled portions of the project. Please:

a. Identify where in direct testimony and responses to discovery the Company specifically identified that the contracted engineering services and other activities with total costs of \$6.7 million were performed for the non-cancelled portions of the project.

Answer: The non-cancelled portions of the Van Born project are explained in my direct testimony beginning on page KMF-47 through KMF-58. Additionally, the \$6.7M of costs through May 2022 was further explained and detailed in Table 1 on page 6 of my rebuttal testimony.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.247

Respondent: K. M. Fedele

Page: 1 of 1

Question: Refer to lines 18-25 on page 7 of Ms. Fedele's rebuttal testimony about the CMS Line 2700 and DTE Gas E-Line Interconnect project. Please confirm that the Company has not yet received the Act 9 approval to proceed with the project. If not confirming, provide evidence otherwise.

Answer: Confirmed. As stated in my rebuttal testimony, page 7, lines 18-22, the joint Act-9 filing (U-21510) was submitted on January 26, 2024. The Act-9 filing is currently under review by the MPSC and approval has not yet been received.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.248

Respondent: K. M. Fedele

Page: 1 of 1

Question: Refer to lines 4-17 on page 8 of Ms. Fedele's rebuttal testimony about the CMS Line 2700 and DTE Gas E-Line Interconnect project and the reversal of AFUDC. Please confirm that on page 148 of his direct testimony Mr. Coppola recommended the reversal of the AFUDC recorded by the Company for this project. If not confirming, provided evidence otherwise.

Answer: Confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.250a

Respondent: M. J. Hatsios

Page: 1 of 1

Question: Refer to lines 16-25 page 1 and lines 1-6 on page 2 of Mr. Hatsios' rebuttal testimony about the adjustment to Customer Service O&M expense proposed by Mr. Coppola. Please:

a. Explain where it is stated in the Commission rules and regulations that only the 2022 historical test year amount must be used as a base to forecast the projected test year expense, when more recent actual data is indicative of the expense level the Company will likely incurred in the projected test year.

Answer: In the Commission approved filing requirements under general instruction it states, "Projected costs and revenues for the future consecutive 12-month period which deviate from actual costs and revenues in the most recent historical 12-month period shall be identified, and any such deviations shall be described and explained". In its filing, the Company utilized the historical test year amount and adjusted for known and measurable changes as stated in my rebuttal testimony.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.250b

Respondent: M. J. Hatsios

Page: 1 of 1

Question: Refer to lines 16-25 page 1 and lines 1-6 on page 2 of Mr. Hatsios' rebuttal testimony about the adjustment to Customer Service O&M expense proposed by Mr. Coppola. Please:

b. Provide the calculation showing the components and how you arrived at the \$3.3 million identifying the starting and ending period of the call volumes and costs from which the savings were determined. Provide this information in Excel with formula intact.

Answer: The Company is targeting approximately 855,000 in call volume reduction. The 855,000 in call volume reduction leads to a cost savings of \$3.3M. The Company also recognizes an additional \$3.8M of underspend in 2023. The \$3.3M of call volume savings plus the \$3.8M, which was the additional 2023 underspend, equals the total \$7.1M in 2023 underspend. See attachment for the calculation of the \$3.3M.

Attachment: U-21291 AGDE-8.250b Customer Service Call Volume Costs

Michigan Public Service Commission
DTE Gas Company
U-21291, AGDG - 8, Question 249 - b. Witness Hatsios

Case No: U-21291
Requester AG
Question: AGDG-8.250b
Witness: M.J. Hatsios
Page 1 of 1

No.	Description	Difference
1	2022-2025 Call Volume Reduction	(855,000)
2	Cost per Handled Call	\$ 11.34
3	Gas Split	34.00%
4	Call Volume Total Dollar Reduction	\$ (3,296,538)

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.250c

Respondent: M. J. Hatsios

Page: 1 of 1

Question: Refer to lines 16-25 page 1 and lines 1-6 on page 2 of Mr. Hatsios' rebuttal testimony about the adjustment to Customer Service O&M expense proposed by Mr. Coppola. Please:
c. Show exactly how the \$7.1 million and \$3.3 million overlap.

Answer: See attachment for the response.

Attachment: U-21291 AGDG-8.250c Customer Service Expense Explanation

Michigan Public Service Commission
DTE Gas Company
Customer Service O&M expense

Case No: U-21291
Requester: AG
Question: AGDG-8.250c
Witness: M.J. Hatsios
Page: 1 of 1

No	Proposal	(a) 2022 Historical Test Period	(b) Inflation	(c) Merchant Fees	(d)* 2023 Call Volume Reduction	(e) 2023 Filed	(f)* 2023 Underspend	(g) Inflation	(h) Merchant Fees	(i) Proposal
1	Attorney General	60,816	4,537	252	(3,296)	62,309	(7,117)	(550)	(2,200)	52,442
2	DTE	60,816	4,537	252	(3,296)	62,309	(3,821)	(550)	(2,200)	55,738
							(3,296)			

*The Company agrees that total 2023 actuals decreased by (7,117); however, the Company is rejecting the double-counting of the (3,296) in the 2023 underspend (column f). The total reduction between DTE's calculation (column d & f) equals (7,117).

**chart completed in \$000's

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.251b

Respondent: E. D. Janness

Page: 1 of 1

Question: Refer to lines 1-10 on page 4 of Mr. Janness' rebuttal testimony about the IRM for the MRP. Please:

b. Why should the IRM be considered a minimal spending program and not a maximum or a firm budget for the Company to work within, given that the projects have been pre-planned based on risk priority before the start of the year?

Answer: The spending targets for the IRM are established with the expectation that DTE Gas will spend at least that much in pursuit of the goals of the program. Even with pre-planning, there may be project complexities and/or design changes that result in additional spend above the minimum in order to meet the unit goals of the program.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.251c

Respondent: E. D. Janness

Page: 1 of 1

Question: Refer to lines 1-10 on page 4 of Mr. Janness' rebuttal testimony about the IRM for the MRP. Please:

c. Confirm that any projects for replacement of pipe segments to address emergent safety issues are address outside of the MRP and the IRM. If not confirming, provide evidence otherwise.

Answer: DTE addresses emergent work everywhere on the system as the need arises. The MRP and IRM are a focused long-term plan to eliminate poor performing mains and the relocation of meters from the inside to the outside. All other work including emergent work is not in the IRM.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-8.252b

Respondent: E. D. Janness

Page: 1 of 1

Question: Refer to lines 1-10 on page 4 of Mr. Janness' rebuttal testimony about the reduction of the pipe retirement pace allegedly destabilizing the distribution system and reducing the threat of major failure. Please:

b. Provide the engineering analysis that reducing the pace of replacement of the remaining targeted pipe will destabilize the distribution system and decrease or increase the threat of major failure.

Answer: There is no engineering analysis available for reducing the pace of replacement. Slowing the pace of replacement means more poor performing legacy pipes remain in the ground longer which increases the risk of failure in the distribution system.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.255

Respondent: S. N. Kehoe

Page: 1 of 1

Question: Refer to lines 1-7 on page 4 of Mr. Kehoe's rebuttal testimony stating that Mr. Coppola's recommendation to use the 2022 actual expense for Pipeline Integrity for the projected test year is not reasonable because integrity expense can change significantly from year to year. Please confirm that the \$16.3 million in expense proposed by Mr. Coppola for the projected test year is a higher expense level than the \$14.5 million average expense amount spent by the Company over the 2021-2023 three-year period. If not confirming, provide evidence otherwise.

Answer: Confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.256

Respondent: S. N. Kehoe

Page: 1 of 1

Question: Refer to lines 9-24 on page 4 and lines 1-10 on page 5 of Mr. Kehoe's rebuttal testimony on Pipeline Integrity activities. Please confirm that the Company has performed the same activities at varying levels over the three-year period 2021 to 2023. If not confirming, provide evidence otherwise.

Answer: Confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.257a

Respondent: S. N. Kehoe

Page: 1 of 1

Question: Refer to lines 9-17 on page 6 of Mr. Kehoe's rebuttal testimony on establishing a cost deferral mechanism for O&M expenses pertaining to work performed pursuant to the PHMSA proposed LDAR rule. Please:

a. Explain when the Company would begin charging the regulatory deferred asset for work pertaining to the proposed new LDAR rule.

Answer: DTE Gas will start charging the regulatory deferred asset for work pertaining to the proposed new LDAR rule once the final rule is published by PHMSA, in order to meet the requirements of that rule. The NPRM establishes a six month period from the final publication of the rule to the enforcement period, and DTE Gas will begin preparing to meet the rule requirements during that time.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.257b

Respondent: S. N. Kehoe

Page: 1 of 1

Question: Refer to lines 9-17 on page 6 of Mr. Kehoe's rebuttal testimony on establishing a cost deferral mechanism for O&M expenses pertaining to work performed pursuant to the PHMSA proposed LDAR rule. Please:

b. Explain how the Company will distinguish costs incurred under the current leak detection and repair work versus any incremental work and cost under the newly proposed rule.

Answer: DTE Gas has detailed out average cost and units of leak repair under the current leak detection and repair rules, and has also detailed the expected impact of the new LDAR regulations from both a unit and cost perspective. This includes increases to current activities as well as new activities not currently in place. Based upon the final rule, DTE will track the incremental work and cost that is required within our workload management system.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.257c

Respondent: S. N. Kehoe

Page: 1 of 1

Question: Refer to lines 9-17 on page 6 of Mr. Kehoe's rebuttal testimony on establishing a cost deferral mechanism for O&M expenses pertaining to work performed pursuant to the PHMSA proposed LDAR rule. Please:

c. Provide a copy of the compliance plan prepared by the Company with specific timelines and tasks, as well as the policy and procedures currently used for LDAR work showing the required changes based on the proposed rule.

Answer: DTE Gas will prepare a detailed compliance plan for the LDAR rule once the final LDAR rule is published and all the parameters and requirements are known to be final. This will include the specific timelines and tasks. The changes will be made to the standards and procedures at the time of implementation of the rule, similar to previous PHMSA rulemakings. A preliminary analysis of the requirements as stated in the NPRM has been provided in U-21291 CLC-2.2 LDAR Cost Table and the detailed NPRM requirements can be found at [Federal Register :: Pipeline Safety: Gas Pipeline Leak Detection and Repair](#).

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.258a

Respondent: T. J. Lepczyk

Page: 1 of 1

Question: Refer to lines 19-25 on page 2 and lines 1-14 on page 3 of Mr. Lepczyk's rebuttal testimony stating that Mr. Coppola's calculation of the peer group equity ratio is flawed in comparison to the Company's equity ratios on Exhibit A-17, Schedule G-3. Please:

a. Confirm that in his testimony Mr. Coppola does not represent the equity ratios in Exhibit AG-27 to be the equity ratios of the non-public utility subsidiaries but the equity ratios of the publicly traded companies that make up the peer group used to calculate the cost of equity capital. The equity ratios used by Mr. Coppola synchronize the cost of equity calculation to the financial leverage of the same companies for which the cost of equity is calculated. If not confirming, provide evidence otherwise.

Answer: Cannot confirm. Mr. Coppola's direct testimony never cites Exhibit AG-27. If Mr. Coppola's direct testimony erroneously cited Exhibit AG-25 instead of Exhibit AG-27, then Mr. Coppola needs to correct his direct testimony before the Company can evaluate this interrogatory for a response.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.258b

Respondent: Legal

Page: 1 of 1

Question: Refer to lines 19-25 on page 2 and lines 1-14 on page 3 of Mr. Lepczyk's rebuttal testimony stating that Mr. Coppola's calculation of the peer group equity ratio is flawed in comparison to the Company's equity ratios on Exhibit A-17, Schedule G-3. Please:

b. Confirm that the operating companies in Exhibit A-17, Schedule G-3, are not the same publicly traded companies included in the Company's peer group and the equity ratios of the operating companies do not match the equity ratios and financial leverage of the publicly traded companies used in the Company's peer group for the calculation of the cost of equity. If not confirming, provide evidence otherwise.

Answer: The Company objects to this interrogatory on the basis that it is vague and ambiguous since Mr. Lepczyk's testimony does not rely upon publicly traded companies in the Company's peer group.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.259b

Respondent: T.M. Uzenski

Page: 1 of 1

Question: Refer to lines 1-21 on page 2 of Mr. Telang's rebuttal testimony discussing the Company's proposed blended inflationary rates. Please:

b. Confirm that the updated inflation rates shown in Exhibit A-34, Schedule X1, still use a blend of labor wage increases and CPI-U forecasted rates. If not confirming, provide evidence otherwise.

Answer: Confirmed.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.262a

Respondent: T. M. Uzenski

Page: 1 of 1

Question: Refer to lines 17-25 on page 5 and lines 1-6 on page 6 of Ms. Uzenski's rebuttal testimony where she alleges that Mr. Coppola's calculation of the deferred incentive compensation is flawed because it does not reflect the Company's calculated results of performance during 2022. Please:

a. Confirm that the 88.9% and 87.5% performance results for operating measures in Exhibit AG-49 for 2022 were calculated in the same manner as the 20% performance factor presented by Mr. Coppola in Case No. U-20940 and adopted by the Commission. If not confirming, provide evidence otherwise.

Answer: The Company disagrees that performance results used in the incentive tracker are based on the percentage of total measures at target or above. If the results were based on the percentage of total measures at target, as suggested by the Attorney General, the Commission's Order in Case No. U-20940 would not have needed to specify "a maximum of 100% target level" because the *number of measures* cannot mathematically exceed 100%.

The Company believes the incentive tracker is based on the weighted average performance, capped at 100%.

Notwithstanding, the Company confirms that the 88.9% and 87.5% results for operating measures in Exhibit AG-49 for 2022 appear to be calculated in the same manner as the 20% performance factor presented by Mr. Coppola in Case No. U-20940.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.264

Respondent: T. M. Uzenski

Page: 1 of 1

Question: Refer to page 7 of Ms. Uzenski's rebuttal testimony where she disagrees with Mr. Coppola's proposal to amortize the OPEB credit balance in the liability account as of December 2023 over a 7-year period. Please confirm that the arguments provided on page 7 of your rebuttal against Mr. Coppola's proposal are the same arguments made in Case No. U-21297 and rejected by the Commission in its order of December 1, 2023, which adopted a similar proposal made by Mr. Coppola on behalf of the Attorney General. If not, confirming, provide evidence otherwise.

Answer: Confirmed.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.265

Respondent: T. M. Uzenski

Page: 1 of 1

Question: Refer to pages 8 and 9 of Ms. Uzenski's rebuttal testimony where she argues against the use of the 41.2% capitalization factor for active health care expense as being unrepresentative of the capitalization factor for the projected test year due to the Company's O&M cost reductions in 2023. Please confirm that the Company did not provide a capitalization factor for the projected test year that reflects reductions in O&M expense from the 2023 cost cutting not returning to 2022 levels for the projected test year, the 2024 employee reduction program and labor cost savings, and the increase in capital expenditures in 2024 and 2025 over 2023 levels. If not confirming, identify where the capitalization percentage factor was provided that reflects the three items mentioned.

Answer: Confirmed.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.269b

Respondent: T. M. Uzenski

Page: 1 of 1

Question: Refer to lines 18-23 on page 2 of Ms. Wisniewski's rebuttal testimony on the adjustments to property taxes proposed by Mr. Coppola and the differentiation of property taxes for construction work in progress (CWIP) and removal costs. Please:

b. Confirm that CWIP is a temporary stage before the Company capitalizes the asset within a few months of the project being completed. If not confirming, provide evidence otherwise.

Answer: Not confirmed. CWIP is a well-recognized accounting classification of a project while it is under construction. The length of the classification depends on the nature of the project. Some projects are under construction for a few months, while others could be under construction for several years.

Attachment: None

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.266a

Respondent: B. Villadsen

Page: 1 of 1

Question: Refer to lines 14-17 and lines 23-26 on pages 2, as well as Figure 1 and other testimony on page 5 of witness Dr. Villadsen's rebuttal testimony where she states that the recommended ROE rates from Staff and intervenors are low in the current economic and financial environment and she reaffirms her proposal for a 10.25% ROE rate. Please:

a. Confirm that in Case U-20642 filed by the company in November 2019, Dr. Villadsen recommended an ROE rate of 10.50%. Confirm also that in Case No. U-20940 filed in February 2021, Dr. Villadsen recommended an ROE rate of 10.25%, which is similar to her recommended ROE rate in this rate case. Confirm that despite higher interest rates and supposedly a more challenging economic and financial environment in 2024 versus 2019, Dr. Villadsen's recommended ROE has declined since 2019. If not confirming, provide evidence otherwise.

Answer: I confirm my prior and current ROE recommendations. However, I disagree with the characterization that, despite a more challenging economic and financial environment now, my recommendation has gone down. As discussed on page BV-4, lines 11 to 16 of my Direct Testimony in this proceeding, I find it appropriate to and reasonable to award DTE Gas an ROE of 10.35%, which is the midpoint of the reasonable range. However, I support DTE Gas' request for a 10.25% ROE and finds the request conservative given the reasonable range, which reflects current economic and financial conditions. That is to say, my estimation of an appropriate and reasonable ROE for DTE Gas is above the recommendation in the prior proceeding and slightly below her recommendation in 2019, with DTE's request being below that midpoint estimation.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.266b

Respondent: B. Villadsen

Page: 1 of 1

Question: Refer to lines 14-17 and lines 23-26 on pages 2, as well as Figure 1 and other testimony on page 5 of witness Dr. Villadsen's rebuttal testimony where she states that the recommended ROE rates from Staff and intervenors are low in the current economic and financial environment and she reaffirms her proposal for a 10.25% ROE rate. Please:

b. Confirm that in Cases U-20642 and U-20940, Mr. Coppola proposed an ROE rate of 9.50% and in this rate case he proposed an ROE rate of 9.85%, reflective of higher interest rates and changes in financial markets since the prior two rate cases. If not confirming, provide evidence otherwise.

Answer: Confirmed Mr. Coppola's recommended ROEs in the noted cases.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.267

Respondent: B. Villadsen

Page: 1 of 2

Question: Refer to lines 7-12 on page 6 of witness Dr. Villadsen's rebuttal testimony where she states that Mr. Coppola does not account for differences in financial leverage in determining his ROE recommendation and recommended 50% equity ratio. Please confirm that in the calculation of the peer group cost of equity, Mr. Coppola used publicly traded peer companies with an average equity ratio of 45.7% in the capital structure (Refer to Exhibits AG-23, AG-24, and AG-25) to synchronize the financial leverage and risk of the peer group to the calculation of the ROE rate. Confirm also that in Exhibit AG-26, Mr. Coppola calculated the cost of capital based on utilities with a similar credit rating to the Company, which also reflects the financial leverage and other risk factors embedded in the credit rating of the Company versus its peers. If not confirming, explain why not.

Answer: I confirm that Mr. Coppola's workpapers show that his proxy companies have an average book (or accounting) equity ratio of 45.7%. However, it is not clear from Mr. Coppola's testimony if this was done intentionally (i.e., as part of a sample selection criteria) or an ex-post finding. It is problematic though that the average equity ratio of 45.7% is based on the proxy companies' book capital structure, rather than their market capital structure (see Exhibit AG-25, note to column b). As discussed extensively in my rebuttal testimony, the cost of equity estimation methodologies expresses a company's cost of equity in percentage terms per dollar of equity at the observed market capital structures (see Villadsen Rebuttal testimony, Section III). I estimate that the average market value equity capital structure for the natural gas proxy sample is 66.2% (see Villadsen Exhibit A-14, Schedule D5.4), which is higher than the Company's requested equity capitals structure of 51.5%. Therefore, it is appropriate and necessary to implement standard financial techniques to account for differences in financial leverage to determine the fair and reasonable ROE for DTE Gas. Specifically, both Mr. Coppola and myself rely on market data for the DCF and CAPM estimation.

I also confirm Mr. Coppola calculated the cost of capital using proxy companies with a similar credit rating to DTE Gas. While screening for companies that have investment grade credit ratings, like DTE Gas, is

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.267

Respondent: B. Villadsen

Page: 2 of 2

important for developing a proxy sample, the criterion alone is not sufficient nor entirely relevant to account for differences in financial risk. My gas proxy sample also has an average credit rating similar to DTE Gas' credit rating, yet, as discussed above, the proxy sample's average market value equity capital structure is above the Company's requested capital structure of 51.5%, so adjustments for financial risk are required. Further, crediting ratings reflect the risk to a company's debt investors, not equity investors. Simply put, screening for a company's credit rating is not equivalent to accounting for nor does it address the impact of financial leverage on the cost of equity.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.268a

Respondent: B. Villadsen

Page: 1 of 1

Question: Refer to pages 7 to 14 of witness Dr. Villadsen's rebuttal testimony and her use of the ATWACC calculations to allegedly take into account for financial risk and increase the calculated ROE rate. Please:

a. Provide evidence from multiple cases known to Dr. Villadsen where common equity investors applied the ATWACC and Hamada calculations when deciding whether to purchase a utility stock.

Answer: Under the assumption that the request for "multiple cases" is intended to mean multiple sources, I am not aware of any sources that discuss whether or not an investor applied the ATWACC or Hamada adjustments to screen stocks. However, as discussed in Section III of my testimony, the ATWACC and Hamada calculations are standard financial techniques that are taught in finance textbooks, practitioner texts, the CFA curriculum, and commonly used by practitioners who provide cost of capital measures. For specific sources, please see footnotes 49 to 51 in my Rebuttal Testimony. Further, the CFA Institute's curriculum refresher on the cost of capital, discusses ATWACC as well as unlevering and relevering betas in the context of "investment decision making by the company's management and the valuation of the company by investors."¹

Attachment: None.

¹ CFA Institute, Cost of Capital, accessed June 5, 2024, <https://www.cfainstitute.org/en/membership/professional-development/refresher-readings/cost-capital>.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.268b

Respondent: B. Villadsen

Page: 1 of 1

Question: Refer to pages 7 to 14 of witness Dr. Villadsen's rebuttal testimony and her use of the ATWACC calculations to allegedly take into account for financial risk and increase the calculated ROE rate. Please:

b. By stating that "What Mr. Coppola fails to recognize is that this sequence of events does not continuously spiral forward" on page 14, lines 3-17, it appears that Dr. Villadsen seems to believe that some circularity or spiraling can occur, at least temporarily, to cause higher ROEs. Please confirm or explain your statement.

Answer: Not confirmed. I was responding to Mr. Coppola's assertion that the ATWACC process is circular by borrowing Mr. Coppola's spiraling forward framework to show the flaws in his argument and calculation.

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.268c

Respondent: B. Villadsen

Page: 1 of 1

Question: Refer to pages 7 to 14 of witness Dr. Villadsen's rebuttal testimony and her use of the ATWACC calculations to allegedly take into account for financial risk and increase the calculated ROE rate. Please:

c. Confirm that in recent rate cases after U-18255, where Dr. Villadsen has been the cost of equity witness for DTE Gas and DTE Electric, the Commission has rejected the ATWACC and Hamada calculations and adjustments proposed by the Company. If not confirming, provide evidence otherwise.

Answer: Not confirmed. To be precise, the Commission's recent statements on this topic were as follows:

In Order for U-21297,

"the Commission emphasizes that adjusting for financial risk or applying financial leverage adjustments is not appropriate." (p. 186) but did not specifically reject neither ATWACC nor the Hamada approach."

Attachment: None.

MPSC Case No: U-21291

Requester: AG

Question No.: AGDG-9.272c

Respondent: K. M. Vangilder

Page: 1 of 1

Question: Refer to pages 2 to 4 of Ms. Wisniewski's rebuttal testimony on the calculation of property taxes between plant additions, CWIP, removal costs, taxes spread over 2025 and 2026, and the use of true cash value. Please:

c. Confirm that the suggested Methodology for adjusting tax expense for capital disallowances outlined on pages 7 and 8 of your rebuttal testimony is different than the methodology applied to the calculation of property tax expense included in the revenue requirement for the IRM. If confirming, explain why the Company uses a different methodology for the IRM and why that methodology should not be used also in a rate case for adjustments to property taxes for other capital expenditures. If not confirming, explain how the two methodologies are the same.

Answer: Confirmed. The calculation methodology for the IRM's revenue requirement has been used and approved by the Commission since the inception of the DTE Gas IRM in Case No. U-16999 (Order issued April 16, 2013) and in all subsequent DTE Gas rate cases (Case Nos. U-17999, U-18999, U-20642, and U-20940).

The Company is seeking recovery of property tax expense of \$114.1 million for the projected test period (Witness Uzenski Exhibit A-13, Schedule C1, column (e), line 11). If capital disallowances are ordered by the Commission, the related property tax adjustment should be calculated utilizing the same methodology the Company utilized to calculate the projected test period property tax expense. The methodology that Witness Wisniewski is proposing on pages 7 and 8 of her rebuttal testimony follows the methodology the Company utilized to calculate the projected test period property tax expense.

The calculation of property tax expense included in the revenue requirement for the IRM has no impact on the projected test period property tax expense of \$114.1 million, because the IRM is a separate surcharge. Because the methodology used to calculate the property tax expense for the IRM revenue requirement does not impact the projected test period property tax expense, it should not be utilized to calculate the property tax adjustments related to any rate base capital disallowances that the Commission may order.

Attachment: None.

Co-Respondent(s): S. L. Wisniewski