August 1, 2024

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

Re: Case No. U-15805 - In the matter, on the Commission's own motion, regarding the regulatory reviews, revisions, determinations, and/or approvals necessary for CONSUMERS ENERGY COMPANY to fully comply with Public Acts 286 and 295 of 2008.

Dear Ms. Felice:

Enclosed for filing please find **Consumers Energy Company's 2023 Renewable Energy Annual Report**. This is a paperless filing and is therefore being filed only in a PDF format.

Sincerely,

Digitally signed by
Anne M. Uitvlugt
Date: 2024.07.31
10:59:46 -04'00'

Anne M. Uitvlugt

cc: Julie Baldwin, MPSC Staff
Paul Proudfoot, MPSC Staff

Renewable Energy Annual Report

July 2024

Electric Provider:
Reporting Period: Calendar Year 2023

- Section 51(1) of 2008 PA 295, as amended by 2016 PA 342, requires the filing of this document with the Michigan Public Service Commission.
- The purpose of this annual report is to provide information regarding activities that occurred within calendar year 2023.
- Many of the requested figures are available from MIRECS reports; names of which are noted within this template. If your figures agree with those within MIRECS, you may submit the MIRECS report as an attachment to this annual report. If your figures differ from those within MIRECS, please explain any discrepancies. Staff from the MPSC and MIRECS Administrator, APX, Inc., are available to help reconcile.

Section 51(1).
Within this section, list and describe actions taken by the electric provider to comply with the renewable energy standards.

a. Filings to the Commission (case numbers)

- MPSC Case No. U-21352: Consumers Energy Company's Application, dated August 1, 2023, for 2022 Renewable Energy (RE) Cost Reconciliation;
- MPSC Case No. U-15805: Consumers Energy Company's Application, dated August 1, 2023, for 2022 Renewable Energy Annual Report;
- MPSC Case No. U-21409: Consumers Energy Company's Application, dated April 28, 2023, for approval of the build transfer agreement for the Sunfish Solar 2 project as a Voluntary Green Pricing Program resource;
- MPSC Case U-21374: Consumers Energy Company's Application, dated September 22, 2023, for approval of Revised Voluntary Green Pricing Programs and a Renewable Energy Plan Amendment.

b. Summary of actions taken during reporting period

- Maintained contracts in existence prior to enactment of 2008 PA 295 (PA 295) with renewable energy suppliers;
- Continued renewable energy credit certification and tracking activities;
- Consumers Energy had 95.76% of its 4.45 MW Solar Gardens Program subscribed in 2023;

- Consumers Energy had 100% of its 119.6 MW Large Customer Renewable Energy Program subscribed in 2023;
- On January 19, 2023, the Commission approved the *ex parte* approval of amendments to power purchase agreements (PPAs) with Calhoun Solar Energy LLC (Calhoun Solar Energy); Cereal City Solar, LLC (Cereal City Solar); and Jackson County Solar, LLC (Jackson County Solar) from Case No. U-20165;
- On February 23, 2023, the Commission approved the *ex parte* application to amend Large Customer Renewable Energy Program (LC-REP) tariff from Case No. U-21347.
- On April 13, 2023, the Commission approved the settlement agreement on the 2021 RE Cost Reconciliation for Case No. U-21197;
- On April 28, 2023, the COD for Calhoun Solar DTE Garden Solar 65MW of supplemental capacity was achieved;
- On December 21, 2023, the COD for Cereal City Solar 100 MW was achieved.
- On December 29, 2023, the COD Heartland Farms Wind Project 201 MW was achieved.

Section 51(2)(a).

Within this section, list the combined total number of vintage 2023 renewable energy credits and incentive credits, generated or purchased during the reporting period, including those credits transferred from a wholesale electric supplier. This data may be found in the MIRECS report titled: My Credit Transfers using the transfer tabs indicated below and filtering the report by date (**only activity occurring in 2023.**

Credits From	Combined Renewable Energy Credits and Incentive Credits 2023 Vintage Only
Generated (Intra-Account Transfer, only "Issued" in the Action column)	1,890,381
Purchased (Inter-Account Transfer, only "Confirm" or "Forward Transfer" in the Action column)	1,940,296
Total Credits	3,830,677

"Issued" within the Action column refers to an account holder accepting the generation data after which energy credits are created. "Confirm" within the Action column refers to both the transferee and transferor agreeing to the non-recurring transfer. "Forward Transfer" within the Action column indicates a recurring transfer of which subsequent transfers of credits do not need to be accepted by both parties.

Explain any differences between the data provided and MIRECS reports.

The total credits acquired are based on the amount of renewable energy produced or purchased by Consumers Energy in 2023. Not all of these Renewable Energy Credits ("RECs") have been delivered or created in MIRECS. As a result, the number of RECs in MIRECS will be different from what is shown in this table. Furthermore, the Company offers some limited REC management services to generators from which the Company is entitled to a majority of the RECs produced, but not all. These services are provided to ensure that the generator is registered in MIRECS, and all RECs are received in a timely manner. As a result, some of the RECs in the Company's MIRECS account legally belong to other entities and are not available to the Company for statutory compliance. Finally, the Company makes both jurisdictional and non-jurisdictional sales. The RECs described above represent only the jurisdictional RECs available to the Company for use in meeting its statutory compliance obligation. Any RECs resulting from non-jurisdictional sales will reside in the Company's MIRECS account but are not available for statutory compliance.

Section 51(2)(b).

Within this section, list the type of and number of vintage 2023 energy credits sold, traded or otherwise transferred during the reporting period.

	Combined Renewable Energy Credits and Incentive Credits 2023 Vintage Only
Sold, traded or otherwise transferred	0

To get a count of energy credits that have been sold, traded or otherwise transferred data may be found in the MIRECS report titled: My credit transfers; inter-account transfer; filter by 1) year (2023) 2) transferor (the company) and 3) action ("confirm").

Section 51(2)(c).

Within this section, list each renewable energy system (RES) owned, operated or controlled by the electric provider. List the capacity of each system, the amount of electricity generated by each system and the percentage of electricity which was generated from renewable energy (RE).

System Name1	System Type (RES)	Nameplate Capacity (MW)	Electricity Generated (MWh)	% of Electricity generated by RE/ACE
Alcona Hydro	RES	8.00	26,329	100
Cadillac Solar Garden - Cadillac Solar Garden	RES	0.45	739	100
Calkins Bridge Hydro (Allegan)	RES	2.55	11,721	100
Circuit West Solar	RES	0.53	459	100
Cooke Hydro	RES	9.00	25,823	100
Crescent Wind Park	RES	166.00	355,991	100
Cross Winds Energy Park	RES	110.98	314,558	100
Cross Winds Energy Park, Phase II	RES	43.70	129,784	100

Cross Winds Energy Park, Phase III	RES	75.90	225,157	100
Croton Hydro	RES	8.85	20,706	100
Five Channels Hydro	RES	6.00	21,986	100
Foote Hydro	RES	9.00	28,333	100
Grand Valley Solar Garden	RES	3.00	4,045	100
Gratiot Farms Wind Project	RES	150.00	341,715	100
Hardy Hydro	RES	31.52	76,375	100
Heartland Wind Farm	RES	201.00	15,074	100
Hodenpyl Hydro	RES	17.00	45,424	100
Lake Winds Energy Park	RES	100.80	241,535	100
Loud Hydro	RES	4.00	16,404	100
Mio Hydro	RES	4.96	10,150	100
Rogers Hydro	RES	6.76	23,403	100
Tippy Hydro	RES	20.01	57,415	100.0
Western Michigan Solar Garden	RES	1.00	1,503	100
Webber Hydro	RES	3.30	10,897	100.0
Ludington Pumped Storage	RES	2,310.00	918,851	74.31293137

1System name should agree with the project name listed within MIRECS. This data may be found in the Project Management module within MIRECS.

Within this section, list the renewable energy system (RES) the electric provider is purchasing energy credits from. These include purchase power agreements. However, unbundled (credit only) purchases do not need to be listed here. Projects (generators) serving multijurisdictional electric providers should be listed here.

System Name	System Type	Electricity Purchased (MWh)	Energy Credits Purchased1	Allocation Factor and Method
Adrian Energy Associates, LLC	RES	9,259	7,845	0.99 Juris./Total Sales
Apple Blossom Wind Farm	RES	229,368	229,368	0.99 Juris./Total Sales
Beebe Renewable Energy, LLC	RES	182,887	182,887	0.99 Juris./Total Sales
Cadillac Renewable Energy, LLC	RES	127,562	112,046	0.99 Juris./Total Sales
Calhoun Solar Energy	RES	229,357	260,837	0.99 Juris./Total Sales
Cereal City Solar		2,116	2,479	0.99 Juris./Total Sales
Commonwealth Power Company (Irving)	RES	1,683	1,473	0.99 Juris./Total Sales
Commonwealth Power Company (Middleville)	RES	1,147	1,005	0.99 Juris./Total Sales
DTE Garden Solar	RES	1,120	3,538	0.99 Juris./Total Sales
DTE Garden Solar II	RES	2,677	8,693	0.99 Juris./Total Sales
DTE Garden Windfarm I	RES	47,401	47,401	0.99 Juris./Total Sales

DTE Stoney Corners Windfarm I (Phase 2)	RES	23,088	23,088	0.99 Juris./Total Sales
DTE Stoney Corners Windfarm I (Phase 3)	RES	14,763	14,762	0.99 Juris./Total Sales
EARP-Solar	RES	3,948	12,407	0.99 Juris./Total Sales
Gas Recovery Systems, LLC (C&C 1)	RES	0	0	0.99 Juris./Total Sales
Generate Fremont Digester	RES	10,908	11,957	0.99 Juris./Total Sales
Genesee Power Station LP	RES	114,849	95,332	0.99 Juris./Total Sales
Grayling Generating Station LP	RES	134,162	113,389	0.99 Juris./Total Sales
Harvest II	RES	174,043	174,043	0.99 Juris./Total Sales
Michigan Wind 2	RES	260,221	260,221	0.99 Juris./Total Sales
NAC Pierson Rd 2	RES	8,042	9,836	0.99 Juris./Total Sales
NANR, Inc (Peoples)	RES	16,394	14,347	0.99 Juris./Total Sales
NANR, Inc (Rathbun)	RES	6,342	1,384	0.99 Juris./Total Sales
STS Hydropower Ltd (Cascade)	RES	1,423	311	0.99 Juris./Total Sales
STS Hydropower Ltd (Fallasburg)	RES	1,350	295	0.99 Juris./Total Sales
TES Filer City Station LP	RES	318,469	14,498	0.99 Juris./Total Sales
Viking Energy of Lincoln LLC	RES	141,450	126,986	0.99 Juris./Total Sales
Viking Energy of McBain LLC	RES	135,989	126,871	0.99 Juris./Total Sales
WMRE, LLC (Northern Oaks)	RES	7,882	8,602	0.99 Juris./Total Sales
WMRE, LLC (Pine Tree Acres)	RES	75,873	82,793	0.99 Juris./Total Sales
WMRE, LLC (Venice Park)	RES	10,644	9,292	0.99 Juris./Total Sales

1Distinguish between different types of credits (REC).

Allocation Factor and Method: For use if 100% of system output is not purchased. For instance, a system selling to multiple parties: list how the energy and credits are allocated – if by percentage, list the percentage as well.

Allocation Factor and Method: If used by multijurisdictional electric providers please include which percentage of energy and credits are to be distributed to Michigan (list allocation method as well, for example: system load).

Section 51(2)(d).

Within this section, list whether, during the reporting period, the electric provider entered into a contract for, began construction on, continued construction of, acquired, or placed into operation a renewable energy (RE) system.

System Name1	Resource (technology, RE/ACE)		Nameplate Capacity (MW)	Construction start date or acquisition date	Commercial operation date	Owned by electric provider?
Calhoun Solar Energy	RE		200	12/23/2020	12/2022-4/2023	No
Heartland Wind Farm	RE		201	9/26/2022	12/29/2023	Yes
Cereal City Solar	RE		100	4/1/2023	12/21/2023	No

1System name should agree with the project name listed within MIRECS.

Dates may be forecast.

Section 51(2)(e).

Within this section, list the expenditures incurred during the reporting period to comply with the renewable energy standards or the forecasted expenditures for the remaining plan period. Also, electric providers with an approved or planned renewable energy surcharge (as per Section 45), list the incremental cost of compliance (ICC) incurred during the reporting period.

Total Costs to Comply with Renewable Energy Standard in 2023
$ 207 million

Forecast of total expenditures for the remaining plan period of 2024-2029
$ 1,476 million

Total Expenditures: ICC + Transfer Cost

Total Transfer Cost for 2023 (if any)
$ 199.8 million

Transfer Cost: The component of renewable energy and capacity revenue recovered from PSCR clause.

Total ICC for 2023
$ 5.3 million

Forecast of the ICC for the remaining plan period (2024-2029)	Monthly residential surcharge ($3 or less)
$35.4 million	$0.00

Capital Expenditures for 2023 (if any)
$ 201.9 million

Capital Expenditure: An investment in a renewable energy capital asset.

Section 51(2)(f).

Within this section, list the method and the retail sales in MWh for the reporting period.

List the Method: either average of 2020-2022 retail sales or the 2023 weather normalized retail sales.

Average of 2020-2022 retail sales

The method chosen should be consistent with the method approved in the initial plan case from 2017. All sales are retail (net of wholesale).

(A) List the sales in MWh based on the method selected above. Please show the calculation of this figure (including listing the sales of each year if the three year average method is used).

2020 retail sales in MWh	31,446,239
2021 retail sales in MWh	32,251,402
2022 retail sales in MWh	33,249,142
Average of 2020-2022 retail sales in MWh	32,315,594

(B) Compliance: List the energy credits used for compliance for the 2023 compliance year. This number should agree with the compliance requirement listed in the 2023 compliance subaccount in MIRECS. Take into account any energy waste reduction substitutions and limits on their use.

4,847,339

Calculate the renewable energy percentage. Figure above divided by sales in MWh above (B divided by A).

15.00%

Does the “energy credits used for compliance for the 2023 compliance year” figure above include any credits representing energy generated within 120 days after the start of the next calendar year? Yes/No.

No

If yes, how many credits from 2024 generation are included?

N/A

To be used for 2024 Compliance Year

Similar to (A) from Section 51(2)(f) above.

List the sales in MWh based upon the same method selected above. Sales should either be the average of 2021-2023 retail sales or the 2024 weather normalized retail sales. Please show the calculation of this figure (including listing the sales of each year if the three year average method is used).

2021 retail sales in MWh	32,251,402
2022 retail sales in MWh	33,249,142
2023 retail sales in MWh	32,449,010
Average of 2021-2023 retail sales in MWh	32,649,851