

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for approval of a gas cost recovery plan and) Case No. U-21437
factors for the 12 months ending March 31, 2025.)
_____)

At the August 22, 2024 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Alessandra R. Carreon, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On December 26, 2023, Consumers Energy Company (Consumers) filed an application requesting approval of a gas cost recovery (GCR) plan and authorization of GCR factors for the 12-month period ending March 31, 2025, pursuant to Section 6h of 1982 Public Act 304, MCL 460.6h.

A prehearing conference was held on February 8, 2024, before Administrative Law Judge Lesley C. Fairrow (ALJ). At the prehearing conference, the ALJ recognized the intervention of the Michigan Department of Attorney General (Attorney General) and granted intervention to the Retail Energy Supply Association (RESA). Consumers and the Commission Staff (Staff) also participated in the proceeding. Thereafter, the parties submitted a settlement agreement resolving all issues in the case. Consumers, the Staff, and the Attorney General signed the settlement agreement, and RESA indicated non-objection to the settlement agreement.

The Commission has reviewed the settlement agreement and finds that the public interest is adequately represented by the parties who entered into the settlement agreement. The Commission further finds that the settlement agreement is in the public interest, represents a fair and reasonable resolution of the proceeding, and should be approved.

THEREFORE, IT IS ORDERED that:

- A. The settlement agreement, attached as Exhibit A, is approved.
- B. Consumers Energy Company's gas cost recovery plan for the 12-month period ending March 31, 2025, is approved, as set forth in the settlement agreement.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheac1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Alessandra R. Carreon, Commissioner

By its action of August 22, 2024.

Lisa Felice, Executive Secretary

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for approval of a gas cost recovery plan and)
authorization of gas cost recovery factors for)
the 12 months ending March 31, 2025.)
_____)

Case No. U-21437

SETTLEMENT AGREEMENT

Pursuant to MCL 24.278 and Rule 431 of the Rules of Practice and Procedure before the Michigan Public Service Commission (“MPSC” or the “Commission”), the undersigned parties agree as follows:

1. On December 26, 2023, Consumer Energy Company (“Consumers Energy” or the “Company”) filed an Application requesting approval of a Gas Cost Recovery (“GCR”) Plan and Authorization of GCR Factors for the 12-month period of April 2024 through March 2025 pursuant to Section 6h of 1982 Public Act 304, MCL 460.6h. Consumers Energy also presented a five-year forecast of the natural gas requirements of Consumers Energy’s customers, anticipated sources of supply, projections of gas costs, and peak day/worst case scenario plan information. The Company filed testimony and exhibits in support of its positions concurrently with its Application.

2. The initial prehearing conference in this proceeding was held on February 8, 2024 before Administrative Law Judge (“ALJ”) Lesley C. Fairrow. The parties to the case are Consumers Energy, the MPSC Staff, the Michigan Attorney General, and the Retail Energy Supply Association.

3. Direct testimony was filed by the MPSC Staff addressing various issues presented in Consumers Energy’s GCR Plan filing in this proceeding. The Attorney General filed a letter advising the parties that she would not be filing direct testimony in this case.

4. For purposes of settlement, the undersigned parties agree that Consumers Energy's 2024-2025 filed GCR Plan shall be approved as presented by the Company, with an approved GCR factor of \$3.1948 per Mcf, plus the GCR Factor Ceiling Price Adjustment (Contingency) Mechanism as described in paragraph 5 below.

5. The parties agree that the Company should be authorized to implement a GCR Factor Ceiling Price Adjustment (Contingency) Mechanism set forth in the Company's filing, which is consistent with the GCR Factor Ceiling Price Adjustment (Contingency) Mechanism previously approved by the Commission.

6. As required in the Commission's Order in the Statewide Energy Assessment, Case No. U-20464, the parties agree that the Company's filing discusses its key facilities and includes a discussion on the criteria used to establish what constitutes a key facility, identifies the Company facilities that qualify, and discusses the resiliency considerations and contingency options related to the identified key facilities.

7. The parties also agree that the five-year GCR forecast presented in the Company's filing should be accepted.

8. The parties agree that nothing in this settlement agreement shall be construed as obviating the statutory requirements in MCL 460.6h(6) when Consumers Energy seeks approval of its GCR costs and revenues reconciliation for the 12-month period April 2024 through March 2025.

9. This Settlement Agreement is entered into for the sole and express purpose of reaching a compromise among the parties. All offers of settlement and discussions relating to this Settlement Agreement are, and shall be considered, privileged under MRE 408.

10. This Settlement Agreement is based on the facts and circumstances of this case and is intended for the final disposition of Case No. U-21437. So long as the Commission approves this Settlement Agreement without any modification, the parties agree not to appeal, challenge, or otherwise contest the Commission order approving this Settlement Agreement. Neither this Settlement Agreement or the order approving it shall be used as a reason, authority, rationale, or example for taking any action or position or making any subsequent decision in any other case or proceeding provided, however, references to this Settlement Agreement may be made to enforce or implement the provisions of this Settlement Agreement and the order approving it. The parties agree and understand that this Settlement Agreement does not limit any party's right to take new and/or different positions on similar issues in other administrative proceedings, or appeals related thereto.


11. This Settlement Agreement is not severable. Each position of the Settlement Agreement is dependent upon all other provisions of this Settlement Agreement. If the Commission rejects or modifies this Settlement Agreement or any provision of the Settlement Agreement, this Settlement Agreement shall be deemed to be withdrawn, shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall be without prejudice to the pre-negotiated positions of the parties.

12. The parties agree that approval of this Settlement Agreement by the Commission would be reasonable and in the public interest.

13. The parties agree to waive Section 81 of the Administrative Procedures Act of 1969 (MCL 24.281), as it applies to the issues resolved in this Settlement Agreement, if the Commission approves this Settlement Agreement without modification.

WHEREFORE, the undersigned parties respectfully request the Michigan Public Service Commission to approve the Settlement Agreement on an expeditious basis and to make it effective in accordance with its terms by final order.


CONSUMERS ENERGY COMPANY

By:  Digitally signed by
Anne M. Uitvlugt
Date: 2024.07.23
08:31:53 -04'00'

Gary A. Gensch, Jr (P66912)
Anne M. Uitvlugt (P71641)
Attorneys for Consumers Energy
One Energy Plaza
Jackson, MI 49201

Date: July 23, 2024

**MICHIGAN PUBLIC SERVICE
COMMISSION STAFF**

By: 

Alena Clark (P73252)
Amit T. Singh (P75492)
Assistant Attorneys General
Public Service Division
7109 W. Saginaw Highway
Lansing, MI 48911

Date: July 23, 2024

ATTORNEY GENERAL

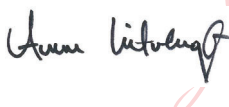
By: _____

Celeste R. Gill (P52484)
Assistant Attorney General
Michigan Department of Attorney
General, Special Litigation Division
Sixth Floor Williams Bldg.
525 W. Ottawa Street, P.O. Box 30755
Lansing, MI 48909

Date: _____

WHEREFORE, the undersigned parties respectfully request the Michigan Public Service Commission to approve the Settlement Agreement on an expeditious basis and to make it effective in accordance with its terms by final order.

CONSUMERS ENERGY COMPANY

By:  Digitally signed by
Anne M. Uitvlugt
Date: 2024.07.23
08:31:53 -04'00'

Gary A. Gensch, Jr (P66912)
Anne M. Uitvlugt (P71641)
Attorneys for Consumers Energy
One Energy Plaza
Jackson, MI 49201

Date: July 23, 2024

**MICHIGAN PUBLIC SERVICE
COMMISSION STAFF**

By: _____
Alena Clark (P73252)
Amit T. Singh (P75492)
Assistant Attorneys General
Public Service Division
7109 W. Saginaw Highway
Lansing, MI 48911

Date: _____

ATTORNEY GENERAL

By: **Celeste R. Gill**  Digitally signed by
Celeste R. Gill
Date: 2024.07.25
09:37:05 -04'00'

Celeste R. Gill (P52484)
Assistant Attorney General
Michigan Department of Attorney
General, Special Litigation Division
Sixth Floor Williams Bldg.
525 W. Ottawa Street, P.O. Box 30755
Lansing, MI 48909

Date: July 25, 2024

The following parties do not wish to be signatories to this Settlement Agreement; however, they have agreed to sign below to indicate non-objection to the Settlement Agreement.

RETAIL ENERGY SUPPLY ASSOCIATION

By: **Jennifer Utter Heston** Digitally signed by Jennifer Utter Heston
Date: 2024.07.24 16:50:39 -04'00' Date: July 24, 2024
Jennifer Utter Heston (P65202)
Fraser Trebilcock Davis & Dunlap, P.C.
124 West Allegan, Suite 1000
Lansing, MI 48933


PROOF OF SERVICE

STATE OF MICHIGAN)

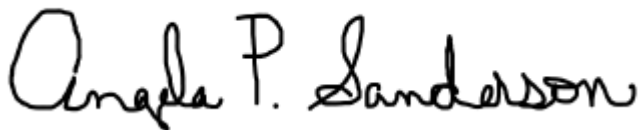
Case No. U-21437

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on August 22, 2024 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 22nd day of August 2024.



Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-21437

Name	On Behalf Of	Email Address
Alena M. Clark	MPSC Staff	clarka55@michigan.gov
Amit T. Singh	MPSC Staff	singha9@michigan.gov
Anne M. Uitvlugt	Consumers Energy Company	anne.uitvlugt@cmsenergy.com
Celeste R. Gill	Department of Attorney General	gillc1@michigan.gov
Consumers Energy Company (1 of 2)	Consumers Energy Company	mpsc.filings@cmsenergy.com
Consumers Energy Company (2 of 2)	Consumers Energy Company	kelly.hall@cmsenergy.com
Gary A. Gensch Jr.	Consumers Energy Company	gary.genschjr@cmsenergy.com
Jennifer U. Heston	Retail Energy Supply Association	jheston@fraserlawfirm.com
Lesley C. Fairrow	ALJs - MPSC	fairrowl1@michigan.gov