



Dykema Gossett PLLC
Capitol View
201 Townsend Street, Suite 900
Lansing, MI 48933

WWW.DYKEMA.COM

Tel: (517) 374-9100

Fax: (517) 374-9191

Richard J. Aaron

Direct Dial: (517) 374-9198

Direct Fax: (855) 230-2517

Email: RAaron@dykema.com

October 23, 2024

Ms. Lisa Felice
Executive Secretary
Michigan Public Service Commission
7109 West Saginaw Hwy, 3rd Floor
Lansing, MI 48909

Re: Case U-21534 - In the matter of the Application of DTE ELECTRIC COMPANY for authority to increase its rates, amend its rate schedules and rules governing the distribution and supply of electric energy, and for miscellaneous accounting authority

Dear Ms. Felice:

Enclosed for electronic filing is International Transmission Company d/b/a ITC*Transmission's* Reply Brief and Proof of Service in the above-referenced matter.

Sincerely,

DYKEMA GOSSETT PLLC

Richard J. Aaron

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

In the matter of the Application of DTE)
Electric Company for authority to)
increase rates, amend its rate)
schedules and rules governing)
distribution and supply of electric)
energy, and for miscellaneous)
accounting authority.)

Case No. U-21534

REPLY BRIEF OF INTERNATIONAL TRANSMISSION COMPANY
d/b/a ITC TRANSMISSION

TABLE OF CONTENTS

INTRODUCTION.....	3
ARGUMENT.....	3
CONCLUSION	5

On March 28, 2024 DTE Electric Company (“DTE” or the “Company”) filed a request for authority to increase its rates and amend its rate schedules and rules governing the distribution and supply of electric energy pursuant to MCL 460.6 *et seq.* and various Michigan Public Service Commission (“Commission”) orders (the “Application”). Consistent with the schedule adopted in this case, International Transmission Company d/b/a ITC *Transmission* (“ITCT”), by and through its attorneys, files this Reply Brief before the Commission to respond to arguments put forth by the parties in this case in their initial briefs filed on October 3, 2024.

INTRODUCTION

Just as with a three-legged stool that cannot stay upright without one of its legs, the electric grid cannot function properly without the transmission system. The ratemaking decisions that the Commission makes in this case will have an impact on the transmission system. The Commission should consider those impacts when considering DTE’s Application and making its final determination. ITCT submits this reply to address DTE’s ongoing investment in blackstart resource projects (“Blackstart Projects”). Specifically, ITCT replies to the Association of Businesses Advocating Tariff Equity’s (“ABATE”) continued calls to disallow cost recovery for the Blackstart Projects in full. ITCT requests that the MPSC approve the Blackstart Projects without conditions or disallowance.

ARGUMENT

ITCT generally relies on its initial brief insofar as it outlines the importance of the Blackstart Projects and the reasonableness of recovery for those projects. (ITCT Initial Brief pp. 12-13, 16-18). ITCT also incorporates by reference its briefing regarding the

importance of safeguarding the confidentiality of the Blackstart Projects in order to protect the security of the electric grid. (*Id.*) ITCT will not repeat those arguments here, but notes that its position remains unchanged.

ITCT submits this short reply in order to address ABATE's request for the Commission to deny cost recovery for the Blackstart Projects, asserting:

Ratepayers should not be responsible for unsubstantiated costs that have not been demonstrated to be reasonably likely to be incurred by DTE in the bridge period or projected test year and the Company cannot rely on blanket claims of information sensitivity and confidentiality to avoid the evidentiary burden set out above. The Commission should therefore reject cost recovery for these projects at this time. [ABATE Initial Brief at pp 10-11.]

ABATE echoes this request for the Blackstart Peaker Unit 2 Starting System and the Blackstart Unit Major Overhaul. (ABATE Initial Brief at pp 11-12.) ABATE takes issue with the redaction of project scoping documents and timelines and states that "it is not possible to determine what revisions have been made, the reason for the revisions, or whether schedule changes affect the likelihood of these projects being completed as planned during the bridge period or projected test year." (*Id.* at p 11; see also *Id.* at p 12).

The Commission rejected these arguments in DTE's last rate case, U-21297 and should do so again here. December 1, 2023 Commission Order in U-21297 at 43-44. ABATE remains the only party to object to the confidentiality of the Blackstart Projects and does so without any additional facts or reasoning beyond what it presented in U-21297. DTE's historical spending and project management documents evidence that progress is being made on the Blackstart Projects, which are critical to the safety, security,

and reliability of the state's electric grid. Not only does the state benefit from the Blackstart Projects themselves, but the state also has an interest in maintaining the security and confidentiality of these projects in case of a major grid event.

CONCLUSION

As ITCT requested in its initial brief, the Commission should continue its support for electrification and reliability efforts across the state of Michigan as well as its support of transmission planning efforts. ITCT respectfully requests that this Honorable Commission approve its requests as presented in its Initial Brief, including approval of DTE's proposed investment in blackstart resources with no disallowances or further conditions, and grant such further and additional relief as may be lawful and proper.

Dated: October 23, 2024

Respectfully submitted,

DYKEMA GOSSETT PLLC

By: _____

Richard J. Aaron (P35605)
Olivia R.C.A. Flower (P84518)
201 Townsend Street, Suite 900
Lansing, Michigan 48933
(517) 374-9100
RAaron@dykema.com
OFlower@dykema.com
Attorneys for ITC Transmission

Lisa Agrimonti (P83245)
Fredrikson & Byron P.A.
115 West Allegan, Suite 700
Lansing, Michigan 48933
(612) 492-7344
lagrimonti@fredlaw.com
Attorney for ITC Transmission

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

In the matter of the Application of DTE)
ELECTRIC COMPANY for authority to)
increase its rates, amend its rate) Case No. U-21534
schedules and rules governing the)
distribution and supply of electric energy,)
and for miscellaneous accounting)
authority.)

PROOF OF SERVICE

Melissa A. Goodrich, an employee of Dykema Gossett PLLC, being first duly sworn, deposes and says that on the 23rd day of October, 2024, she served International Transmission Company d/b/a ITC *Transmission's* Reply Brief and Proof of Service on the parties listed on the attached service list via electronic mail.

Melissa A. Goodrich

SERVICE LIST
MPSC CASE NO: U-21534

ADMINISTRATIVE LAW JUDGE Sally L. Wallace	wallaces2@michigan.gov
ASSOCIATION OF BUSINESSES ADVOCATING TARIFF EQUITY Stephen A. Campbell Michael J. Pattwell Consultant: Jessica York	scampbell@clarkhill.com mpattwell@clarkhill.com iyork@consultbai.com
ATTORNEY GENERAL, DANA NESSEL Joel B. King	KingJ38@michigan.gov ag-enra-spec-lit@michigan.gov
CITY OF ANN ARBOR Valerie Jackson Valerie J.M. Brader Linda Hofrichter Rick Bunch	VJackson@a2gov.org valerie@rivenoaklaw.com lhd@rivenoaklaw.com rick@mi-maui.org ecf@rivenoaklaw.com
DTE ELECTRIC COMPANY Andrea E. Hayden Paula Johnson-Bacon Breanne K. Reitzel Jon P. Christinidis John A. Janiszewski	andrea.hayden@dteenergy.com paula.bacon@dteenergy.com breanne.reitzel@dteenergy.com jon.christinidis@dteenergy.com john.janiszewski@dteenergy.com mpscfilings@dteenergy.com
ELECTRIFY AMERICA, LLC Stephen Bright Krystal D. Hermiz	steve.bright@electrifyamerica.com khermiz@grsm.com
EVGO SERVICES LLC Nikhil Vijaykar Michael G. Oliva	nvijaykar@keyesfox.com moliva@fosterswift.com
GREAT LAKES RENEWABLE ENERGY ASSOCIATION Don L. Keskey Brian W. Coyer	donkeskey@publiclawresourcecenter.com bwcoyer@publiclawresourcecenter.com

D:\KEMA_GOSSETT\PLC - Central View 201 Treatment\Sheet1_Suite 6100_Lansing_Michigan_48333

<p>LOCAL 223 UTILITY WORKERS UNION of AMERICA (UWUA), AFL-CIO, MI BUILDING & CONSTRUCTION TRADES COUNCIL Benjamin L. King</p>	<p>bking@michworkerlaw.com</p>
<p>MICHIGAN MUNICIPAL ASSOCIATION FOR UTILITY ISSUES Valerie J.M. Brader Linda Hofrichter Rick Bunch</p>	<p>valerie@rivenoaklaw.com lhd@rivenoaklaw.com rick@mi-maui.org ecf@rivenoaklaw.com</p>
<p>MICHIGAN CABLE TELECOMMUNICATIONS ASSOCIATION Sean P. Gallagher</p>	<p>sgallagher@fraserlawfirm.com</p>
<p>MICHIGAN ENERGY INNOVATION BUSINESS COUNCIL (MEIBC), INSTITUTE for ENERGY INNOVATION (IEI), ADVANCED ENERGY UNITED, THE FOUNDRY ASSOCIATION OF MICHIGAN, AND ENERGY MICHIGAN, INC. Laura A. Chappelle Timothy J. Lundgren Justin K. Ooms</p>	<p>lchappelle@potomaclaw.com tlundgren@potomaclaw.com jooms@potomaclaw.com</p>
<p>MICHIGAN ENVIRONMENTAL COUNCIL (MEC), NATURAL RESOURCES DEFENSE COUNCIL (NRDC), SIERRA CLUB, AND CITIZENS UTILITY BOARD OF MICHIGAN (CUB) Tracy Jane Andrews Christopher M. Bzdok Holly L. Hillyer Breanna Thomas</p>	<p>tjandrews@tropospherelegal.com chris@tropospherelegal.com holly@tropospherelegal.com breanna@tropospherelegal.com</p>
<p>MPSC STAFF Amit T. Singh Heather M.S. Durian Michael J. Orris Monica Stephens Lori Mayabb Jon DeCooman Joseph Ufolla Anne Armstrong Mary Wilkins</p>	<p>singha9@michigan.gov durianh@michigan.gov orrism@michigan.gov stephensm11@michigan.gov mayabbl@michigan.gov decoomanj@michigan.gov ufollaj@michigan.gov armstronga3@michigan.gov WilkinsM3@Michigan.gov</p>

<p>PROTEC Michael J. Watza</p>	<p>mike.watza@kitch.com</p>
<p>SOULARDARITY, WE WANT GREEN, TOO Amanda Urban D. Samuel Heppell Jacob R. Schuhardt Mark N. Templeton</p>	<p>t-9aurba@lawclinic.uchicago.edu heppell@uchicago.edu ischuhardt@uchicago.edu templeton@uchicago.edu</p>
<p>THE ECOLOGY CENTER, ENVIRONMENTAL LAW & POLICY CENTER (ELPC), UNION OF CONCERNED SCIENTISTS, AND VOTE SOLAR Daniel Abrams Nicholas Wallace Alondra Estrada Carolyn Boyce</p>	<p>dabrams@elpc.org nwallace@elpc.org aestrada@elpc.org cboyce@elpc.org mpscdoCKET@elpc.org</p>
<p>THE KROGER CO. Kurt J. Boehm Jody Kyler Cohn Justin Bieber Michael L. Kurtz</p>	<p>kboehm@bkllawfirm.com jkylercohn@bkllawfirm.com jbieber@energystrat.com mkurtz@BKLawfirm.com</p>
<p>WALMART INC. Melissa M. Horne, Esq.</p>	<p>mhorne@hcc-law.com</p>