

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

In the matter of the application of )  
**CONSUMERS ENERGY COMPANY** for Ex )  
Parte Approval of Certain Amendments to )  
Rate GPD. )  
\_\_\_\_\_ )

Case No. U-21859

**REBUTTAL TESTIMONY**  
**OF**  
**MICHAEL W. DEUPREE**

July 9, 2025

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**MICHIGAN DEPARTMENT OF THE ATTORNEY GENERAL**

**REBUTTAL TESTIMONY OF MICHAEL W. DEUPREE**

Line  
No.

1    **I.    INTRODUCTION**

2    **Q.    WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?**

3    A.    My name is Michael W. Deupree. My business address is 5800 One Perkins Place  
4    Drive, Suite 5-F, Baton Rouge, Louisiana, 70808.

5    **Q.    ARE YOU THE SAME MICHAEL W. DEUPREE WHO FILED DIRECT**  
6    **TESTIMONY IN THIS DOCKET ON JUNE 12, 2025?**

7    A.    Yes, I am the same person who prepared Direct Testimony that was submitted on  
8    behalf of the Michigan Department of the Attorney General (“AG”).

9    **Q.    WOULD YOU PLEASE STATE YOUR OCCUPATION AND CURRENT PLACE**  
10    **OF EMPLOYMENT?**

11    **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12    A.    The purpose of my Rebuttal Testimony is to respond to elements of the Direct  
13    Testimonies of Douglas B. Jester on behalf of Michigan Environmental Council, Natural  
14    Resources Defense Council, Sierra Club and Citizens Utility Board of Michigan  
15    (collectively, “MNSC”), James R. Dauphinais on behalf of the Association of Businesses  
16    Advocating Tariff Equity (“ABATE”), and Justin Bieber on behalf of the Data Center  
17    Coalition (“DCC”).

18    **II.    RESPONSE TO DCC**

19    **Q.    PLEASE SUMMARIZE DCC’S RECOMMENDATIONS IN THE CURRENT**  
20    **PROCEEDING.**

1 A. DCC finds it reasonable for the Commission to adopt policies to accommodate  
2 load growth from new large load customers “in a thoughtful and deliberate manner.”<sup>1</sup>  
3 DCC’s witness Bieber testifies that “such policies should aim to prevent cost shifting if  
4 investments are made to serve new load that fails to fully materialize, while also avoiding  
5 the imposition of unjust, discriminatory and prohibitive terms on an important and growing  
6 industry.”<sup>2</sup>

7 **Q. WHAT CHANGES DOES DCC’S WITNESS BIEBER RECOMMEND TO**  
8 **CONSUMERS’ PROPOSED AMENDMENTS TO RATE GPD.**

9 A. DCC’s witness Bieber recommends the following six changes to Consumers  
10 proposed amendments to Rate GPD:

11 **1. Applicability:** DCC’s witness Bieber recommends the Commission reject  
12 Consumers’ proposal to implement Rate GPD “based on the business activity of  
13 the customers (i.e. data centers).”<sup>3</sup>

14 **2. Minimum Contract Term and Minimum Billing Demand:** DCC’s witness Bieber  
15 recommends the Commission reject Consumers’ proposal that new large load  
16 customers be required to sign a long-term contract with a 15-year Minimum  
17 Contract Term with an 80 percent Minimum Billing Demand component. Instead,  
18 DCC recommends that these long-term contracts terms be lessened to allow for  
19 10-year Minimum Contract Terms with a 70 percent Minimum Billing Demand  
20 component.<sup>4</sup>

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<sup>1</sup> Direct Testimony of Justin Bieber at 5:16-19, *emphasis added*.

<sup>2</sup> *Id.* at 5:19 to 6:2.

<sup>3</sup> *Id.* at 6:4-9.

<sup>4</sup> *Id.* at 6:10-18.

1       **3. Exit Fee:** DCC’s witness Bieber recommends that Consumers provide large load  
2       customers “reasonable efforts to mitigate the recommended Exit Fee through  
3       offsetting revenues and cost reductions,” including the ability of large load  
4       customers looking to exit service be allowed to reassign the recommended Exit  
5       Fee to other large customers.<sup>5</sup> DCC also recommends a modified Exit Fee  
6       calculated as the Minimum Billing Demand multiplied by the lesser of 60 months  
7       (5 years) or the remaining months in the Contract Term provided the customer  
8       terminating a contract prior to the expiration of the Minimum Contract Term provide  
9       36 months advance written notice.<sup>6</sup>

10       **4. Reduction in Contract Capacity:** DCC’s witness Bieber recommends that large  
11       customers be allowed a one-time 15 percent reduction to Contract Capacity with  
12       a 36 month advance written notice. He further recommends that reductions  
13       greater than 15 percent may be accepted by Consumers at its discretion subject  
14       to its ability to reassign the capacity to another large load customer, reduce costs,  
15       or payment of an Exit Fee applied to the requested capacity reduction.<sup>7</sup>

16       **5. Financial Security:** DCC’s witness Bieber does not object to the Company’s  
17       proposal for authority to require financial security for customers lacking sufficiently  
18       robust credit or liquidity.<sup>8</sup> However, he recommends that large load customers be  
19       permitted to “reasonably reduce the amount of security over the course of the  
20       Minimum Contract Term as appropriate,” and that Consumers apply any revenues

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<sup>5</sup> *Id.* at 6:19-22.

<sup>6</sup> *Id.* at 7:7-11.

<sup>7</sup> *Id.* at 7:12-21.

<sup>8</sup> *Id.* at 7:22 to 8:6.

1 received from the drawdown of a large customer's financial security to offset costs  
2 for all remaining customers.<sup>9</sup>

3 **6. Annual Reporting:** DCC recommends that any annual reporting requirements  
4 explicitly protect confidential customer information from disclosure.<sup>10</sup>

5 **Q. DO YOU AGREE THAT THE COMMISSION SHOULD ADOPT POLICIES THAT**  
6 **ACCOMMODATE LOAD GROWTH FROM NEW LARGE LOAD CUSTOMERS IN A**  
7 **THOUGHTFUL AND DELIBERATE MANNER?**

8 A. Yes. This is consistent with the sentiment expressed in my Direct Testimony.<sup>11</sup>  
9 The size of potential new data-center customers currently investigating locating to the  
10 Company's service territory will require the Company to make long-term investments to  
11 accommodate these customers' incremental load requirements. It is only reasonable that  
12 these customers agree to long-term commitments themselves. Failure to require these  
13 commitments could potentially result in existing Consumers Energy customers having to  
14 subsidize stranded assets to serve loads that failed to materialize.

15 **Q. WHAT ARE YOUR OVERALL OPINIONS OF DCC'S RECOMMENDED**  
16 **CHANGES TO CONSUMERS' PROPOSED AMENDMENT TO RATE GPD?**

17 A. DCC's witness Bieber proposed changes to Consumers' proposed amendment to  
18 Rate GPD appear to be technical in nature, and do not challenge the underlying principles  
19 behind the Company's restrictions. The Commission should recognize that DCC, a major  
20 party in the current proceeding representing future large load customer interests, agrees

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<sup>9</sup> *Id.* at 8:7-12.

<sup>10</sup> *Id.* at 8:13-14.

<sup>11</sup> Direct Testimony of Michael W. Deupree at 3:20 to 4:2.

1 with the need for tariff restrictions on future large load growth in order to protect ratepayers  
2 from potential future cost shifting if loads fail to materialize.

3 **Q. DO YOU AGREE WITH DCC'S PROPOSED CHANGES TO THE PROPOSED**  
4 **MINIMUM CONTRACT AND MINIMUM BILLING DEMAND TERMS FOR FUTURE**  
5 **RATE GPD LARGE LOAD CUSTOMERS?**

6 A. No. DCC's proposal to allow future large load customers to take service under  
7 Rate GPD with only a 10-year Minimum Contract Term and a 70 percent Minimum Billing  
8 Demand component could subject ratepayers to unneeded additional risks. This proposal  
9 is also inconsistent with similar tariff amendments approved in the region.

10 **Q. HAVE OTHER NEARBY ELECTRIC UTILITIES IMPLEMENTED TARIFF**  
11 **RESTRICTIONS IN RECENT MONTHS IN RESPONSE TO POTENTIAL ADDITION OF**  
12 **LARGE LOAD CUSTOMERS?**

13 A. Yes. Exhibit AG-R-1 is the Industrial Power tariff ("Tariff IP") currently effective for  
14 Indiana Michigan Power Company ("IM Power") Indiana service territory. Tariff IP was  
15 recently amended with additional terms and conditions for large load customers with  
16 service requirements of 70 MWs individually or 150 MWs in aggregate pursuant to an  
17 Unopposed Settlement Agreement between parties in Cause No. 46097, which included  
18 DCC as a party.<sup>12</sup> This Unopposed Settlement Agreement was later approved by the  
19 Indiana Utility Regulatory Commission ("IURC").<sup>13</sup>

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<sup>12</sup> *In the Matter of the Verified Petition of Indiana Michigan Power Company for Approval of Modifications to its Industrial Power Tariff – Tariff I.P.*, Indiana Utility Regulatory Commission Cause No. 46097, Order of the Commission dated February 19, 2025, at 1-2.

<sup>13</sup> *Id.* at 30.

1 **Q. DOES TARIFF IP INCLUDE MINIMUM CONTRACT TERM AND MINIMUM**  
2 **BILLING DEMAND COMPONENTS?**

3 A. Yes. Tariff IP requires large load customers to enter into long-term contracts with  
4 IM Power for a period of no less than 12 years after an initial Load Ramp Period of no  
5 more than five years. Tariff IP also includes a Minimum Billing Demand component equal  
6 to 80 percent of the large load customer's contract capacity or highest previously  
7 established Monthly Billing Demand during the past 11 months. It should be noted that  
8 DCC's proposal in the current proceeding presents a lower minimum billing demand and  
9 shorter minimum contract term than what DCC agreed to in another jurisdiction (IM Power  
10 Indiana's jurisdiction) only months ago, while the unique operational conditions applicable  
11 to Consumers potentially warrant additional ratepayer protection when compared to IM  
12 Power's Indiana operations.

13 **Q. DO YOU AGREE WITH ANY ELEMENTS OF DCC'S PROPOSED CHANGES**  
14 **TO CONSUMERS' PROPOSED EXIT FEE TERMS?**

15 A. Yes. I agree that Exit Fees can be mitigated in whole or in part if exiting customers  
16 are able to reassign service requirement responsibility to other large load customers such  
17 as in circumstances where a new large load customer purchases existing facilities from  
18 an exited or exiting large load customer, and Consumers is able to demonstrate to the  
19 Commission in a contested proceeding that such mitigation will not result in the  
20 transferring of cost responsibilities onto other customers. This opinion does not alter the  
21 remainder of my recommendations concerning exit fees from my Direct Testimony.

22 **Q. ARE THERE ELEMENTS OF DCC'S PROPOSED CHANGES TO CONSUMERS'**  
23 **PROPOSED EXIT FEE THAT YOU DISAGREE WITH?**

1 A. Yes. To the extent DCC proposes to exempt the ramp-up period from an exit fee  
2 that would include the Minimum Contract Term,<sup>14</sup> meaning that customers that decide to  
3 withdraw planned operations of a new facility would not be subject to paying for the  
4 contracted minimum billing demand over the full term of the agreed-upon contract term, I  
5 would disagree with this proposal. This would subject ratepayers to unnecessary risks  
6 as Consumers likely will have made significant investments during this ramp-up period.  
7 DCC's modeling of revenues based on a 60-month exit fee fails to model these potential  
8 stranded costs, and the potential for there to be negative net revenues under these  
9 circumstances.<sup>15</sup> DCC's witness Bieber's testimony does not make clear exactly what  
10 portion of his recommended exit fee would apply during the ramp-up. At the very least,  
11 his proposal appears to exempt termination in the ramp up period from the full amount of  
12 his proposed 36-month minimum billing requirement (if any portion thereof), stating that:  
13 "that customer may not be required to pay a full 36 months...."<sup>16</sup> I disagree with that  
14 proposal, and reiterate that an exit fee should apply during the ramp-up period and under  
15 the terms I recommended in my direct testimony. I also disagree with DCC's proposed  
16 revision of proposed exit fee to be inclusive of DCC's proposal of a 70 percent Minimum  
17 Billing Demand and 10-year Minimum Contract Term. Further evaluation of what  
18 stranded cost risks might look like compared to minimum billing demand is discussed  
19 further below.

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<sup>14</sup> Direct Testimony of Justin Bieber at 41:1-17.

<sup>15</sup> *Id.* at 40:1-6.

<sup>16</sup> *Id.* at 41:12-13.

1 **Q. DO YOU HAVE ANY CONCERNS WITH DCC'S THEORIZED CALCULATIONS**  
2 **OF REVENUE UNDER IT'S PROPOSED 70 PERCENT MINIMUM BILLING DEMAND**  
3 **AND 10-YEAR MINIMUM CONTRACT TERM?**

4 A. Yes. Within its direct testimony, DCC notes that the proposed Minimum Contract  
5 Term and Minimum Billing Demand work in conjunction to establish minimum payment  
6 obligations for proposed large load customers.<sup>17</sup> DCC calculates that the Company's  
7 proposed Minimum Contract Term and 80 percent Minimum Billing Demand produces  
8 minimum revenues of approximately \$2.18 billion in net present value ("NPV") terms  
9 under the example of a new 500 MW customer.<sup>18</sup> DCC submits that this is excessive and  
10 that its proposed 10 year Minimum Contract Term with a 70 percent Minimum Billing  
11 Demand would provide minimum revenues of approximately \$1.4 billion in NPV terms for  
12 the same customer.<sup>19</sup>

13 **Q. WHAT ARE YOUR CONCERNS WITH DCC'S CALCULATIONS ON REQUIRED**  
14 **MINIMUM REVENUES?**

15 A. DCC's witness Bieber testifies that costs required to interconnect customers can  
16 vary significantly based on the location of the load.<sup>20</sup> He testifies that he therefore did not  
17 consider distribution costs in his analysis of incremental costs.<sup>21</sup> DCC's analysis also  
18 does not include costs associated with capital investment required for new generation  
19 assets to serve new large load customers. Instead, DCC's analysis is solely based on its

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<sup>17</sup> Direct Testimony of Justin Bieber at 23:10-13.

<sup>18</sup> *Id.* at 24.

<sup>19</sup> *Id.* at 30

<sup>20</sup> *Id.* at 27:7-8.

<sup>21</sup> *Id.* at 27:1.

1 estimated assumption of \$755 million in incremental transmission investments needed to  
2 support a 2,650 MWs of additional large customer load.<sup>22</sup>

3 **Q. ARE YOU AWARE OF OTHER ANALYSES OF COSTS TO SERVE NEW**  
4 **LARGE LOAD CUSTOMERS?**

5 A. Yes. In its application to amend tariff IP in Indiana, IM Power examined potential  
6 costs associated with new generation assets required to serve data center customers.<sup>23</sup>  
7 IM Power assumed 'average' asset costs for new generation assets of \$240 per MW-  
8 day.<sup>24</sup> Using this same assumption, generation costs to serve 2,650 MWs of additional  
9 load requirement would cost, on a levelized basis, approximately \$232 million per year,  
10 with DCC's proposed Minimum Contract Term and Minimum Billing Demand only  
11 covering approximately 1.5 years of these generation costs that are typically financed  
12 over 30 years. Indeed, IM Power testified in Indiana that it would require approximately  
13 \$600 million of generation investment to serve a 150 MW customer assuming resource  
14 costs of \$2,000 per kW with an accredited capacity value of 50 percent.<sup>25</sup> Under these  
15 assumptions it would require approximately \$10.6 billion in new generation investments  
16 to support 2,650 MWs of additional load requirements, assuming no reserve margin  
17 requirements. Thus, even assuming that \$755 million in additional transmission costs is  
18 reasonable, the cost of adding 500MW in generation to accommodate data center growth

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<sup>22</sup> *Id.* at 30.

<sup>23</sup> *In the Matter of the Verified Petition of Indiana Michigan Power Company for Approval of Modifications to its Industrial Power Tariff – Tariff I.P.*, Indiana Utility Regulatory Commission Cause No. 46097, Direct Testimony of Andrew J. Williamson at 12:5-7.

<sup>24</sup> *Id.*

<sup>25</sup> *In the Matter of the Verified Petition of Indiana Michigan Power Company for Approval of Modifications to its Industrial Power Tariff – Tariff I.P.*, Indiana Utility Regulatory Commission Cause No. 46097, Direct Testimony of Andrew J. Williamson at 7:6-10.

1 (including also distribution costs) could exceed DCC’s revenue modeling for a 10 year  
2 contract at 70 percent minimum billing demand and even potentially its modeling for a 15  
3 year contract at 80 percent minimum billing demand. Given the magnitude of these  
4 expenses, and the fact that DCC has not produced generation expense modeling or any  
5 usage or revenue data resultant from the IM Power tariff to suggest otherwise, a more  
6 cautious approach of requiring a minimum 80 percent billing demand over a minimum 15  
7 year contract term represents a more reasonable and prudent approach to protect against  
8 the risks of cost-shifting here.

9 **Q. ARE YOU AWARE OF OTHER JURISDICTIONS THAT HAVE IMPLEMENTED**  
10 **LARGE LOAD REQUIREMENTS BASED ON BUSINESS ACTIVITY?**

11 A. Yes. Earlier this year the Oregon Legislative Assembly passed House Bill 3546  
12 (“HB 3546”) which requires the Oregon Public Utilities Commission to ensure that large  
13 energy use facilities cover their cost of service, mitigating risks of cost shifting.<sup>26</sup> HB 3546  
14 defines large energy use facilities as a facility providing service described under code  
15 518210 of the 2022 North American Industry Classification System (“NAICS”).<sup>27</sup>

16 **Q. WHAT IS NAICS AND NAICS CODE 518210?**

17 A. NAICS is a standard developed by the Office of Management and Budget (“OMB”)  
18 in collaboration with agencies representing Canada and Mexico that is used by the U.S  
19 statistical agencies in classifying business establishments for the purposes of collecting,

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<sup>26</sup> 83<sup>rd</sup> Oregon Legislative Assembly – 2025 Regular Session, House Bill 3546.

<sup>27</sup> *Id.* at §2(d).

1 analyzing, and publishing statistical data.<sup>28</sup> NAICS code 518210 refers to “Computing  
2 Infrastructure Providers, Data Processing, Web Hosting, and Related Services.”<sup>29</sup>

3 **III. RESPONSE TO ABATE**

4 **Q. PLEASE SUMMARIZE ABATE’S RECOMMENDATIONS IN THE CURRENT  
5 PROCEEDING.**

6 A. ABATE argues that Consumers should be required to implement a new rate for  
7 new large data center loads using the proposed Rate GPD rates, terms, conditions, and  
8 applicable riders as an initial starting point for the rate.<sup>30</sup> ABATE also recommends that  
9 the Commission require Consumers to demonstrate through annual reporting and *ex*  
10 *parte* filings that the average embedded cost of service rate for large data center load  
11 customers does not exceed Consumers’ incremental cost to provide service.<sup>31</sup> Finally,  
12 ABATE proposes five year evergreen terms on contracts with large data center loads.<sup>32</sup>

13 **Q. DO YOU AGREE THAT CONSUMERS SHOULD ESTABLISH A SEPARATE  
14 RATE FOR LARGE LOAD CUSTOMERS?**

15 A. Yes. To this end it is my understanding that the amendment being proposed in the  
16 current proceeding is intended as a ‘stop-gap’ measure until the Company can propose  
17 a separate rate for these customers in a future rate case. I recommend that Consumers  
18 be required to file a separate rate for large load customers using the proposed Rate GPD  
19 terms and conditions as a starting point in a future rate case filing as soon as possible.

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<sup>28</sup> See, North American Industry Classification System, U.S. Census Bureau.

<sup>29</sup> *Id.*

<sup>30</sup> Direct Testimony of James R. Dauphinais at 3:11-18.

<sup>31</sup> *Id.* at 3:19 to 4:2, and 4:13-29.

<sup>32</sup> *Id.* at 4:2-12.

1 **Q. DO YOU SHARE ABATE'S CONCERNS THAT NEW LARGE LOAD**  
2 **CUSTOMERS BE REQUIRED TO PAY FOR COST OF SERVICE?**

3 A. Yes. ABATE's general concern that future large load customers may not pay for  
4 all incremental costs for Consumers to provide service to these customers is a concern I  
5 share.

6 **IV. RESPONSE TO MNSC**

7 **Q. PLEASE SUMMARIZE MNSC'S RECOMMENDATIONS IN THE CURRENT**  
8 **PROCEEDING.**

9 A. MNSC proposes several changes to Consumers' proposed amendment for Rate  
10 GPD applicable to large load customers. MNSC recommends that the Commission adopt  
11 contract provisions in this case that protect Consumers and its other customers from risks  
12 associated with serving data center customers, including obligating Consumers to supply  
13 data center load with a portfolio of resources that is at least 60% renewable "so as to  
14 avoid making it more difficult for Consumers Energy to comply with renewable energy  
15 standards."<sup>33</sup> MNSC also recommends that construction costs associated with new  
16 resources required to serve data center loads be deferred until the data center customer  
17 load is available to cover these costs.<sup>34</sup> Finally, MNSC recommends that Consumers,  
18 either in the current proceeding or in a separate dedicated proceeding, establish a  
19 separate rate schedule for data center service that directly assigns all major incremental  
20 costs of serving data center loads.<sup>35</sup>

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<sup>33</sup> Direct Testimony of Douglas B. Jester at 21:6-15.

<sup>34</sup> *Id.* at 21:20 to 22:2.

<sup>35</sup> *Id.* at 21:16-19.

1 **Q. DO YOU AGREE THAT LARGE LOAD CUSTOMERS SHOULD CONTRACT**  
2 **FOR A PERCENTAGE OF GENERATION SERVICE FROM RENEWABLE ENERGY**  
3 **PROVIDERS AS PART OF RATE GPD?**

4 A. Yes. As I discussed in my Direct Testimony, I recommend that new large load  
5 customers be required to enter into contracts with the Company for procurement of at  
6 least 60 percent of incremental energy requirements through renewable resources.<sup>36</sup>  
7 This will ensure that costs associated with future PA 235 compliance are not shifted to  
8 other Consumers customers.

9 **Q. DOES CONSUMERS CURRENTLY HAVE THE ABILITY TO CONTRACT WITH**  
10 **CUSTOMERS FOR GENERATION SERVICE?**

11 A. Yes. Section 61 of 2016 PA 342 requires that all electric providers operating in the  
12 State of Michigan participate in a voluntary green pricing (“VGP”) program under which  
13 the customer may specify the amount of electricity attributable to the customer that will  
14 be renewable energy.<sup>37</sup> The customer is responsible for any additional cost or savings  
15 realized as a result of the customer’s participation in the program.<sup>38</sup> Consumers has an  
16 active VGP program pursuant to 2016 PA 342.

17 **Q. DO YOU AGREE THAT CONSUMERS SHOULD DEVELOP A SEPARATE**  
18 **LARGE LOAD TARIFF DESIGNED TO ENSURE THAT INCREMENTAL COSTS TO**  
19 **SERVE THESE CUSTOMERS ARE DIRECTLY ALLOCATED TO THE CUSTOMER?**

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<sup>36</sup> Direct Testimony of Michael W. Deupree at 5:3-6.

<sup>37</sup> 2016 PA 342 § 61.

<sup>38</sup> *Id.*

1 A. Yes. As noted previously, I recommend that Consumers be required to file a  
2 separate rate for large load customers using the proposed Rate GPD terms and  
3 conditions as a starting point in a future rate case filing as soon as possible. This new  
4 rate should also ensure that costs associated with system upgrades that can be directly  
5 allocated to these new large load customers are directly assigned to these customers.

6 **V. CONCLUSIONS AND RECOMMENDATIONS**

7 **Q. DO YOU HAVE ANY ADDITIONAL RECOMMENDATIONS AFTER**  
8 **REVIEWING INTERVENOR DIRECT TESTIMONY IN THE CURRENT**  
9 **PROCEEDING?**

10 A. Yes. I recommend that Consumers be required to file a separate rate for large  
11 load customers using the proposed Rate GPD terms and conditions as a starting point in  
12 a future rate case filing as soon as possible. This new rate should also ensure that costs  
13 associated with system upgrades that can be directly allocated to these new large load  
14 customers are directly assigned to these customers.

15 **Q. HAVE YOU CHANGED ANY OF YOUR OTHER RECOMMENDATIONS**  
16 **AFTER REVIEWING INTERVENOR DIRECT TESTIMONY IN THE CURRENT**  
17 **PROCEEDING?**

18 A. No. I continue to recommend the Commission approve the Company's proposed  
19 Rate GPD additions with the following modifications:

- 20 • Minimum demand eligibility of 50 MW for a single site or 100 MW aggregated  
21 across multiple sites in the Company's service territory;
- 22 • Minimum load factor requirement for eligibility equal to 80 percent;
- 23 • Inclusion of minimum five-year evergreen term renewals upon the close of the  
24 initial and subsequent contract terms, with at least 5 years notice in advance of  
25 termination;

- 1 • Inclusion of language defining the term “ramp-up period,” including that the  
2 Company will define the end of this period to be when monthly customer peak  
3 demand meets or exceeds its minimum billing demand;
- 4 • Revised tariff language stating that prospective data center customers, and  
5 customers taking service under these provisions that seek additional capacity, will  
6 be responsible for covering all direct interconnection costs and costs associated  
7 with Company analyses of incremental system resources required to provide  
8 service or additional service capacity;
- 9 • Revised tariff language stating that the prospective data center customers will be  
10 responsible for covering all transmission costs resulting from additional generation  
11 resources procured to accommodate load growth from these customers;
- 12 • A requirement that the exit-fee provision apply during the “ramp-up” period;
- 13 • Removing the Company’s proposed term that it could unilaterally determine a  
14 reduction of the exit fee;
- 15 • Inclusion of additional collateral language clarifying the Company’s proposed  
16 process establishing customer financial security risks provided in discovery;
- 17 • Inclusion of a requirement that requested reduction in contracted capacity require  
18 approval through a contested proceeding, and further that such reductions may  
19 not exceed 10% total initial contract capacity, may only be sought after 5 years,  
20 and may only be made with at least 4 years written notice prior to the year when  
21 the reduction would occur;
- 22 • A requirement that new data center customers cover their added cost of  
23 compliance for meeting the resource portfolio standards of PA 235, and enter into  
24 contracts with the Company for procurement of at least 60 percent of incremental  
25 energy requirements to be supplied by renewable resources; and
- 26 • A requirement that data center customers meet the 90% clean energy procurement  
27 standard under MCL 205.54ee if they seek to be eligible as an enterprise data  
28 center under that statute.

29 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

30 A. Yes.

**Michael William Deupree**  
**Research Consultant**  
**Acadian Consulting Group**  
**5800 One Perkins Place Drive, Suite 5-F**  
**Baton Rouge, LA 70808**

## **EDUCATION**

M.A. in Economics, Kansas University, 2009

B.A. in Business Economics, Buena Vista University, 2007

## **PROFESSIONAL EXPERIENCE**

**Acadian Consulting Group**, Baton Rouge, Louisiana

Spring 2025 – Present	Senior Research Consultant
Summer 2021 – Spring 2025	Research Consultant
Summer 2016 – Summer 2021	Research Associate
Winter 2011 – Summer 2016	Senior Research Analyst

**Kansas Corporation Commission**, Topeka, Kansas

### **Utilities Division**

Summer 2011 – Winter 2011	Senior Research Economist
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### **Research Division**

Spring 2009 – Summer 2011	Research Analyst
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### **Kansas Energy Council**

Summer 2008 – Spring 2009	Research Assistant
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## **PUBLICATIONS AND REPORTS**

1. The challenges of the regulatory review of diversification mergers. With Dr. David E. Dismukes. *The Electricity Journal* 29 (2016) 8-14. (May 2016)

## **PROFESSIONAL AND CIVIC PRESENTATIONS**

1. "Development Trends, Issues, and Challenges with Clean Hydrogen Production" (2025). Prepared for the Michigan State University, Institute of Public Utilities, Annual Regulatory Studies Program. April 15, 2025.
2. "Status and Future of Natural Gas Supply and Infrastructure" (2025). Prepared for the Michigan State University, Institute of Public Utilities, Annual Regulatory Studies Program. April 8, 2025.

3. "Observed Impact of Formula Rate Plans Across the United States" (2024). Prepared for Arizona Corporation Commission Formula Rate Plan Workshop. October 3, 2024.

**EXPERT WITNESS, LEGISLATIVE, AND PUBLIC TESTIMONY; EXPERT REPORTS, RECOMMENDATIONS, AND AFFIDAVITS**

1. Expert Testimony. Cause No. 46120. (2025). Before the Indiana Utility Regulatory Commission. *Verified Petition of NIPSCO Generation LLC for Certain Determinations by the Commission with Respect to its Jurisdiction Over Petitioner's Activities as a Non-Retail Generator of Electric Power*. On Behalf of the Indiana Office of Utility Consumer Counselor. Issues: Rate Design, Large Data Center Loads.
2. Expert Testimony. Case No. U-21859. (2025). Before the Michigan Public Service Commission. *In the matter of the application of Consumers Energy Company for Ex Parte Approval of Certain Amendments to Rate GPD*. On Behalf of the Michigan Attorney General. Issues: Rate Design, Large Data Center Loads.
3. Expert Testimony. Docket No. R-2025-3053112. (2025). Before the Pennsylvania Public Utilities Commission. *Pennsylvania Public Utility Commission v. Philadelphia Gas Works*. On Behalf of the Pennsylvania Office of Consumer Advocate. Issues: Decoupling, Regulatory Lag.
4. Expert Testimony. Docket No. E-01773A-24-0220. (2025). Before the Arizona Corporation Commission. *In the Matter of the Application of Arizona Electric Power Cooperative, In. for a Hearing to Determine the Fair Value of its Property for Ratemaking Purposes, to Fix a Just and Reasonable Return Thereon and To Approve Rates Designed to Develop Such Return*. On Behalf of Arizona Corporation Commission Staff. Issues: Cost of Service, Qualifying Facilities.
5. Expert Testimony. Case No. U-21816. (2025). Before the Michigan Public Service Commission. *In the matter of Consumer Energy Company's application for the regulatory reviews, revisions, determinations, and/or approvals necessary to fully comply with Public Act 295 of 2008, as amended by Public Act 235 of 2023*. On Behalf of the Attorney General. Issues: Capital Expense, Cost Recovery
6. Expert Testimony. Cause No. 46120. (2024). Before the Indiana Utility Regulatory Commission. *Petition of Northern Indiana Public Service Company LLC Pursuant to Ind. Code §§ 8-1-2-42.4, 8-1-2-61 and 8-1-2.5-6 for (1) Authority to Modify its Retail Rates and Charges for Electric Utility Service Through a Phase in of Rates; (2) Approval of New Schedules of Rates and Charges, General Rules and Regulations, and Riders (both Existing and New); (3) Approval of Revised Common and Electric Depreciation Rates Applicable to its Electric Plant in Service; (4) Approval of Necessary and Appropriate Accounting Relief, Including, but*

*Limited to, Authority to Capitalize as Rate Base All Expenditures for Improvements to Petitioner's Information Technology Systems through the Design, Development, and Implementation of a Work and Asset Management ("WAM") Program, to the Extent Necessary; and (5) Approval of Alternative Regulatory Plans for the Partial Waiver of 170 IAC 4-1-16(f) and Proposed Remote Disconnection and Reconnection Process and, to the Extent Necessary, Implementation of a Low Income Program.* On Behalf of the Indiana Office of Utility Consumer Counselor. Issues: Cost of Service, Rate Design.

7. Expert Testimony. Cause No. 46097. (2024). Before the Indiana Utility Regulatory Commission. *In the Matter of the Verified Petition of Indiana Michigan Power Company for Approval of Modifications to its Industrial Power Tariff – Tariff I.P.* On Behalf of the Indiana Office of Utility Consumer Counselor. Issues: Rate Design, Large Data Center Loads.
8. Expert Report. Docket No. AHD-00000J-23-0273. (2024). Before the Arizona Corporation Commission. *In the Matter of the Application of the Arizona Corporation Commission's Exploration of Changes to the Up to 10% Annual Reduction in the Export Rate and the 10-Year Export Rate Effective Period Under the Resource Comparison Proxy Methodology Approved in the Value and Cost of Distributed Generation Docket (E-00000J-14-0023).* On Behalf of the Arizona Corporation Commission Staff. Issues: Value of Solar.
9. Expert Testimony. Case No. U-21585. (2024). Before the Michigan Public Service Commission. *In the Matter of the Application of Consumers Energy Company for Authority to Increase its Rates for the Generation and Distribution of Electricity and Other Relief.* On Behalf of the Attorney General. Issues: Capital Expenses.
10. Expert Report. *Review of LPSC Rules Regarding Distributed Generation: Report on Phase II of Rule-Making.* Docket No. R-33929. (2019). *In Re: Review of Policies Related to Customer-owned Solar Generation and Possible Modification of the Commission's Current Net Metering Rules.* On behalf of Louisiana Public Service Commission. Issues: Solar Net Metering.
11. Expert Report. (2011). *2011 Kansas Generation Planning Survey.* On behalf of the Kansas Corporation Commission Staff.
12. Expert Testimony. Docket No. 11-KCPE-581-PRE. (2011). Before the Kansas Corporation Commission. *In the Matter of the Petition of Kansas City Power & Light Company ("KCP&L") for Determination of the Ratemaking Principles and Treatment That Will Apply to the Recovery in Rates of the Costs to be Incurred by KCP&L for Certain Electric Generation Facilities Under K.S.A. 66-1239.* On Behalf of the Kansas Corporation Commission Staff. Issues: System Planning, Predetermination.

13. Expert Testimony. Docket No. 10-KCPE-795-TAR. (2010). Before the Kansas Corporation Commission. *In the Matter of the Application of Kansas City Power & Light Company for Approval to Implement a Portfolio of Demand Side Management Programs Including Affordability, Energy Efficiency, Demand Response and Educational Programs, and to Implement a Rider for Recovery of Program Costs and Incentives Associated with this Portfolio.* On Behalf of the Kansas Corporation Commission Staff. Issues: Demand Side Management, Cost-Benefit Analyses.
14. Expert Testimony. Docket No. 10-WSEE-775-TAR. (2010). Before the Kansas Corporation Commission. *In the Matter of the Application of Westar Energy, Inc. and Kansas Gas and Electric Company for an Order Authorizing them to participate in Efficiency Kansas, Approve the SimpleSavings Program Rider, and related cost recovery.* On Behalf of the Kansas Corporation Commission Staff. Issues: Demand Side Management, Cost-Benefit Analyses.
15. Expert Testimony. Docket No. 10-BHCG-639-TAR. (2010). Before the Kansas Corporation Commission. *In the Matter of the Application of Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy for Approval to Implement Black Hills Energy's Five-Year Energy Efficiency Plan Consisting of Natural Gas Energy Efficiency Programs to Improve Building and Equipment Efficiency and to Educate About Efficient Energy Usage, to Provide for Program Cost Recovery Through a Rider Mechanism, Permit the Implementation of a Revenue Normalization Mechanism to Replace the Weather Normalization Adjustment, a Performance Incentive Mechanism, and Appropriate Accounting Authority to Defer Expenses and Revenues Associated with the Filing.* On Behalf of the Kansas Corporation Commission Staff. Issues: Demand Side Management, Cost-Benefit Analyses.
16. Expert Testimony. Docket No. 10-EPDE-497-TAR. (2010). Before the Kansas Corporation Commission. *In the Matter of the Application of the Empire District Electric Company for Approval to Implement its Portfolio of Energy Efficiency and Demand Response Programs for its Kansas Customers, to Provide for Program Cost Recovery and Lost Revenue Through a Rider Mechanism, to Obtain any Necessary Waivers for the Commission, and for Appropriate Accounting Authority to Defer Expenses and Revenues Associated with the Filing.* On Behalf of the Kansas Corporation Commission Staff. Issues: Demand Side Management, Cost-Benefit Analyses.
17. Expert Testimony. Docket No. 10-KGSG-421-TAR. (2010). Before the Kansas Corporation Commission. *In the Matter of the Application of Kansas Gas Service, a Division of ONEOK, Inc., for Approval to Implement the Efficiency Kansas Energy Efficiency Program, to Implement Natural Gas Energy Efficiency Programs to Improve Building and Equipment Efficiency and to Educate about Efficient Energy Usage, To Provide for Program Cost Recovery Through a Rider Mechanism, to Establish Administrative Charges and a Program Initiation Fee, Permit the*

*Implementation of a Revenue Decoupling Mechanism, and Appropriate Accounting Authority to Defer Expenses and Revenues Associated with the Filing.*  
On Behalf of the Kansas Corporation Commission Staff. Issues: Demand Side Management, Cost-Benefit Analyses.

**I.U.R.C. NO. 20  
INDIANA MICHIGAN POWER COMPANY  
STATE OF INDIANA**

**FIRST REVISED SHEET NO. 21  
CANCELS ORIGINAL SHEET NO. 21**

**TARIFF I.P.  
(Industrial Power)**

Availability of Service.

Available for general service customers. Customer's monthly billing demands under this tariff shall not be less than 600 kW. The customer shall contract for a sufficient capacity to meet normal maximum requirements with written contracts being required for capacity levels of 1,500 kW and greater.

Rate.

<u>Tariff Code</u>	<u>Service Voltage</u>	<u>Demand Charge (\$/kW)</u>	<u>First 410 kWh per kW (¢/kWh)</u>	<u>Over 410 kWh per kW (¢/kWh)</u>	<u>Monthly Service Charge (\$)</u>
327	Secondary	16.474	5.703	1.359	180.00
322	Primary	14.089	5.413	1.313	275.00
323	Subtransmission	10.825	5.333	1.296	275.00
324	Transmission	10.194	5.058	1.286	275.00

Reactive Demand Charge / Credit

Reactive demand charge for each kVAr of leading or lagging reactive demand in excess of 50% of the kW metered demand will be charged at \$1.50 / kVAr.

Reactive demand charge for each kVAr of leading or lagging reactive demand less than 50% of the kW metered demand will be credited at \$1.50 / kVAr.

Minimum Charge.

This tariff is subject to a minimum monthly charge equal to the sum of the Monthly Service Charge, the product of the Minimum Demand Charge and the monthly billing demand, and all applicable riders.

The Minimum Demand Charge under this tariff shall be as follows:

<u>Tariff Code</u>	<u>Service Voltage</u>	<u>Minimum Demand Charge (\$/kW)</u>
327	Secondary	20.995
322	Primary	18.472
323	Subtransmission	15.106
324	Transmission	14.700

(Cont'd on Sheet No. 21.1)

**ISSUED BY  
STEVEN F. BAKER  
PRESIDENT  
FORT WAYNE, INDIANA**

**EFFECTIVE FOR ELECTRIC SERVICE RENDERED  
ON AND AFTER FEBRUARY 19, 2025**

**ISSUED UNDER AUTHORITY OF THE  
INDIANA UTILITY REGULATORY COMMISSION  
DATED FEBRUARY 19, 2025  
IN CAUSE NO. 46097**

**I.U.R.C. NO. 20  
INDIANA MICHIGAN POWER COMPANY  
STATE OF INDIANA**

**FIRST REVISED SHEET NO. 21.1  
CANCELS ORIGINAL SHEET NO. 21.1**

**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21)

Applicable Riders.

Monthly charges computed under this tariff shall be adjusted in accordance with the applicable Commission-approved rider(s) listed on Sheet No. 44.

Delayed Payment Charge.

All bills under this schedule shall be rendered and due monthly. If not paid within 17 days after the bill is mailed, there shall be added to bills of \$3 or less, 10 percent of the amount of the bill; and to bills in excess of \$3, there shall be added 10 percent of the first \$3, plus 3 percent of the amount of the bill in excess of \$3.

Monthly Billing Demand.

The billing demands in kW for each plant shall be taken each month as the single-highest 15-minute integrated peak in kW, as registered at such plant during the month by a demand meter or indicator, subject to the off-peak hour provision, but the monthly demand so established shall in no event be less than 60 percent of the greater of (a) the customer's contract capacity or (b) the customer's highest previously established monthly billing demand during the past 11 months or (c) 1,000 kW. The Metered Voltage adjustment, as set forth below, shall not apply to the customer's minimum monthly billing demand.

Off-Peak Hour Provision.

Demand created during the off-peak hours (as set forth below) shall be disregarded for billing purposes provided that the billing demand shall not be less than 60 percent of the maximum demand created during the billing month nor less than 60 percent of either (a) the contract capacity or (b) the customer's highest previously established monthly billing demand during the past 11 months.

For the purpose of this provision, the on-peak billing period is defined as 7 a.m. to 9 p.m., local time, Monday through Friday. The off-peak billing period is defined as those hours not designated as on-peak hours.

(Cont'd on Sheet No. 21.2)

**ISSUED BY  
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PRESIDENT  
FORT WAYNE, INDIANA**

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**I.U.R.C. NO. 20  
INDIANA MICHIGAN POWER COMPANY  
STATE OF INDIANA**

**FIRST REVISED SHEET NO. 21.2  
CANCELS ORIGINAL SHEET NO. 21.2**

**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21.1)

Adjustments to Rate.

Bills computed under the rates set forth herein will be adjusted as follows:

Metered Voltage

The rates set forth in this tariff are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company, such compensation may be achieved through the use of loss-compensating equipment, the use of formulas to calculate losses, or the application of multipliers to the metered quantities. In such cases, the metered kWh, kVAr values will be adjusted for billing purposes. If the Company elects to adjust kWh, kW and kVAr based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

Terms of Contract.

Contracts under this tariff will be made for an initial period of not less than two years and shall remain in effect thereafter until either party shall give at least one year's written notice to the other of the intention to discontinue service under the terms of this tariff. Where new facilities are required, the Company reserves the right to require initial contracts for periods of greater than two years.

A new initial contract period will not be required for existing customers who increase their contract requirements after the original initial period unless new or additional facilities are required.

The Company shall not be required to supply capacity in excess of that contracted for except by mutual agreement.

(Cont'd to Sheet No. 21.3)

**ISSUED BY  
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PRESIDENT  
FORT WAYNE, INDIANA**

**EFFECTIVE FOR ELECTRIC SERVICE RENDERED  
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**I.U.R.C. NO. 20  
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STATE OF INDIANA**

**FIRST REVISED SHEET NO. 21.3  
CANCELS ORIGINAL SHEET NO. 21.3**

**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21.2)

Special Terms and Conditions.

This tariff is subject to the Company's Terms and Conditions of Service.

This tariff is also available to customers having other sources of energy supply who purchase standby or backup service from the Company. Where such conditions exist, the customer shall contract for the maximum amount of demand in kW which the Company might be required to furnish, but not less than 1,000 kW. The Company shall not be obligated to supply demands in excess of that contracted for.

Customers with cogeneration and/or small power production facilities shall take service under Rider NMS (Net Metering Service Rider), Tariff COGEN/SPP or by special agreement with the Company.

Terms and Conditions for Customer at or Over 70 MW Individually or 150 MW in the Aggregate.

Applicability.

These provisions apply to customers whose contract capacity is greater than or equal to 70 MW or is reasonably expected to grow to exceed 70 MW at an individual plant, or 150 MW or reasonably expected to grow to exceed 150 MW at one or more aggregated premises, each of 1 MW or larger ("Large Load Customer"). The Company will exercise reasonable discretion when choosing to aggregate premises, with such discretion based on factors including, but not limited to, premises sharing one or more of the following: common owner(s), a common parent company, common local electrical infrastructure, and common control. Large Load Customer's Initial Contract Term, load ramp, Load Ramp Period, contract capacity, and other terms of service under this Tariff will be defined in the Electric Services Agreement(s) ("ESA(s)"), executed between Company and Large Load Customer. These terms shall only apply to new load, or an expansion of existing load, occurring on or after January 1, 2024.

Contract Term.

The Large Load Customer's Initial Contract Term will be made for a period of not less than 12 years. A Large Load Customer may designate a Load Ramp Period, which can be no greater than five (5) years. If a Load Ramp Period is designated by the Large Load Customer, the Initial Contract Term shall commence after the Load Ramp Period ends. The Load Ramp Period is the later period of time from when: (a) electric service is available to the Large Load Customer or (b) the Large Load Customer is scheduled to begin taking electric service, until the time the Large Load Customer's maximum contract capacity is billed. The Contract Term is the Load Ramp Period plus the Initial Contract Term, and shall remain in effect thereafter unless cancelled or modified pursuant to the terms hereunder. Either party shall give at least 42 months written notice to the other of the intention to discontinue service under the terms of this tariff. Such notice shall not reduce the Contract Term except as provided for in the Exit Fee provision below.

(Cont'd to Sheet No. 21.4)

**ISSUED BY  
STEVEN F. BAKER  
PRESIDENT  
FORT WAYNE, INDIANA**

**EFFECTIVE FOR ELECTRIC SERVICE RENDERED  
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INDIANA MICHIGAN POWER COMPANY  
STATE OF INDIANA**

**ORIGINAL SHEET NO. 21.4**

**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21.3)

Contract Capacity Reductions.

Large Load Customer may, without payment of an Exit Fee or any penalty, reduce its contract capacity at any time after the first five (5) years of the Contract Term by up to 20%, in total, by giving the Company at least 42 months written notice prior to the beginning of the PJM Delivery Year for which the reduction is sought. For the avoidance of doubt, regardless of the number of notices provided, the total capacity reduction under this provision shall not exceed 20%, unless by mutual agreement between the Large Load Customer and Company, which the Company shall only grant in circumstances that are beneficial, or at least not detrimental, to the Large Load Customer, the Company, and all other customers.

Large Load Customer may terminate its contract or reduce its contract capacity beyond 20% at any time after the first five years of the Contract Term by giving the Company at least 42 months written notice prior to the beginning of the PJM Delivery Year for which the reduction or termination is sought, subject to payment of a capacity reduction/termination fee ("Exit Fee"). The Exit Fee shall be due and payable to the Company upon the effective date of the contract termination or the effective date of the capacity reduction. The Exit Fee shall be calculated as the nominal value of the remaining Minimum Charge for the terminated/reduced capacity in excess of the 20% allowed reduction for the first year of the Exit Fee Period; and for any remaining year of the Exit Fee Period the Exit Fee shall be calculated in the same manner as the first year, minus the OSS/PJM Rider's (or the same cost addressed in another rider's) contribution to the Minimum Charge. The Exit Fee Period is defined as the Large Load Customer's then remaining Initial Contract Term, or any agreed extension. The Exit Fee Period shall not be less than one (1) year and shall not exceed five (5) years. In the event of a permanent closure, the customer shall notify the Company within three (3) business days of making this determination.

Following receipt of proper notice, through the Exit Fee Period, the Company will use reasonable efforts, consistent with its obligations as a public utility, to mitigate the Exit Fee amount owed or paid by the Large Load Customer by evaluating the opportunity to assign the terminated/reduced capacity to serve new Large Load Customers, to expand service to existing Large Load Customers, or otherwise secure offsetting expected revenues. The remainder of any mitigating amounts owed to the Large Load Customer shall be delivered to the Large Load Customer, or its designated successor, after all outstanding balances have been resolved.

(Cont'd to Sheet No. 21.5)

**ISSUED BY  
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PRESIDENT  
FORT WAYNE, INDIANA**

**EFFECTIVE FOR ELECTRIC SERVICE RENDERED  
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STATE OF INDIANA**

**ORIGINAL SHEET NO. 21.5**

**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21.4)

If there is an issue concerning the calculation of the Exit Fee or delivery of any mitigation amounts, that either the Company or Large Load Customer view as in need of escalation, either the Company or Large Load Customer may request escalation. Such request shall be made in writing and within 14 business days of the Large Load Customer being notified regarding the Exit Fee calculation. In such instance, management representatives for the Company and for the Large Load Customer will discuss and seek to resolve any issues. The management discussion shall occur within 14 business days of a request, unless otherwise agreed to in writing by the Company and Large Load Customer. The Company and Large Load Customer agree to use this escalation process in good faith, escalating only those matters appropriate for management's consideration. This dispute resolution process does not limit or otherwise affect the ability of either Large Load Customer or the Company to file a formal proceeding requesting the Commission to resolve the dispute.

Large Load Customer shall not assign any of its rights or delegate any of its obligations under the Contract without the written consent of the Company. An assignment will not relieve the Large Load Customer of its financial obligation hereunder unless the Company so consents in writing. Such consent(s) shall not be unreasonably withheld. An assignment or delegation in violation of these Terms and Conditions is null and void.

Monthly Billing Demand.

The Monthly Billing Demands for Large Load Customers in kW for each plant shall be taken each month as the single-highest 15-minute integrated peak in kW, as registered at such plant during the month by a demand meter or indicator, subject to the Off-Peak Hour Provision, but the monthly demand so established shall in no event be less than the greater of (a) 80 percent of the Large Load Customer's contract capacity specified for the applicable time period of the Contract Term; or (b) 80 percent of the Large Load Customer's highest previously established Monthly Billing Demand during the past 11 months. The Metered Voltage adjustment, as set forth above, shall not apply to the Large Load Customer's minimum Monthly Billing Demand.

(Cont'd to Sheet No. 21.6)

**ISSUED BY  
STEVEN F. BAKER  
PRESIDENT  
FORT WAYNE, INDIANA**

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**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21.5)

Minimum Charge.

Large Load Customers are subject to a minimum monthly charge for each plant equal to the sum of: (a) the Monthly Service Charge; (b) the product of the Minimum Demand Charge and the Monthly Billing Demand; (c) the product of the Step 1 Embedded Capacity Charge and the Monthly Billing Demand; and (d) the sum of the product of each demand charge in all applicable demand related riders in effect at the time and the Monthly Billing Demand. The Step 1 Embedded Capacity Charge rate will be computed as follows: (Block 1 Energy Rate less Block 2 Energy Rate) multiplied by Block 1 Energy Hours less (Minimum Demand Charge less Demand Charge).

The Step 1 Embedded Capacity Charge under this tariff shall be as follows:

<u>Tariff Code</u>	<u>Service Voltage</u>	<u>Step 1 Embedded Capacity Charge (\$/kW)</u>
327	Secondary	13.289
322	Primary	12.427
323	Subtransmission	12.271
324	Transmission	10.959

(Cont'd to Sheet No. 21.7)

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**TARIFF I.P.  
(Industrial Power)**

(Cont'd from Sheet No. 21.6)

Collateral Requirements.

In addition to the terms in Items 4 and 14 of the Company's Terms and Conditions of Service, the Large Load Customer shall provide collateral to the Company ("Collateral Requirement") based upon the creditworthiness of the Large Load Customer and as outlined below. The amount of collateral to be provided is equal to twenty-four (24) multiplied by: (a) during the first year of the contract, the maximum expected monthly non-fuel bill; or (b) after the first year of the contract, the Large Load Customer's previous maximum monthly non-fuel bill. The amount of collateral under the foregoing calculation will be recomputed annually, and the Large Load Customer shall have to provide the recomputed amount if it is 10% or more greater than the current amount held. A Large Load Customer with a credit rating of at least A- from S&P and A3 from Moody's and liquidity greater than ten times the Collateral Requirement shall be exempt from the Collateral Requirements. A Large Load Customer that does not have a credit rating from S&P and Moody's but maintains liquidity greater than ten times the Collateral Requirement (evidenced by providing quarterly financial statements and certification that on the date financial statements are provided that the Large Load Customer's liquidity meets the ten times threshold) shall be exempt from 50 percent of the Collateral Requirements not to exceed an exemption of more than \$250 million. The Collateral Requirement must be provided in one or more of the following forms:

- a. A guarantee from the ultimate parent or a corporate affiliate of the Large Load Customer for the full Collateral Requirement, so long as the guarantor has both (a) a credit rating of at least A- from S&P and A3 from Moody's and (b) liquidity greater than ten times the Collateral Requirement; or
- b. A standby irrevocable letter of credit ("Letter of Credit") for the full Collateral Requirement. The Letter of Credit must be issued by a U.S. bank or the U.S. branch of a foreign bank, which is not affiliated with the Large Load Customer or its guarantor, with a Credit Rating of at least A- from S&P and A3 from Moody's. Such security must be issued for a minimum term of 360 days. The Large Load Customer must cause the renewal or extension of the security for additional consecutive terms of 360 days or more no later than 30 days prior to each expiration date of the security. If the security is not renewed or extended as required herein, the Company will have the right to draw immediately upon the Letter of Credit and be entitled to hold the amounts so drawn as security. The Letter of Credit must be in a format acceptable to and approved by the Company; or
- c. Cash for the full Collateral Requirement.

**ISSUED BY  
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PRESIDENT  
FORT WAYNE, INDIANA**

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**PROOF OF SERVICE - U-21859**

The undersigned certifies that a copy of the *Attorney General's Rebuttal Testimony and Exhibit of Michael Deupree* was served upon the parties listed below by e-mailing the same to them at their respective e-mail addresses on the 9<sup>th</sup> day of July 2025.

---

Lucas Wollenzien

**Consumers Energy Company:**

Anne Uitvlugt  
Bret Totoraitis  
[Anne.uitvlugt@cmsenergy.com](mailto:Anne.uitvlugt@cmsenergy.com)  
[Bret.totoraitis@cmsenergy.com](mailto:Bret.totoraitis@cmsenergy.com)  
[Kelly.hall@cmsenergy.com](mailto:Kelly.hall@cmsenergy.com)  
[Mpsc.filings@cmsenergy.com](mailto:Mpsc.filings@cmsenergy.com)

**ALJ:**

Hon. Katherin Talbot  
[talbotk@michigan.gov](mailto:talbotk@michigan.gov)

**Attorney General of Michigan:**

Lucas Wollenzien  
Michael Moody  
[wollenzienl@michigan.gov](mailto:wollenzienl@michigan.gov)  
[moodym2@michigan.gov](mailto:moodym2@michigan.gov)  
[ag-enra-spec-lit@michigan.gov](mailto:ag-enra-spec-lit@michigan.gov)

Michael Deupree  
Taylor Deshotels  
Marcelo Gonzalez  
[michaeldeupree@acadianconsulting.com](mailto:michaeldeupree@acadianconsulting.com)  
[taylordeshotels@acadianconsulting.com](mailto:taylordeshotels@acadianconsulting.com)  
[marcelogonzalez@acadianconsulting.com](mailto:marcelogonzalez@acadianconsulting.com)

**MPSC Staff:**

David Isakson  
Adam Cozort  
Amit Singh  
[isaksond@michigan.gov](mailto:isaksond@michigan.gov)  
[Cozorta1@michigan.gov](mailto:Cozorta1@michigan.gov)  
[Singha9@michigan.gov](mailto:Singha9@michigan.gov)

**Data Center Coalition:**

Michael Oliva  
Nikhil Vijaykar  
Justin Bieber  
Kevin Higgins  
Lucas Fykes  
Travis Murray  
Shana Ramirez  
[moliva@fosterswift.com](mailto:moliva@fosterswift.com)  
[nvijaykar@keyesfox.com](mailto:nvijaykar@keyesfox.com)  
[jbieber@energystrat.com](mailto:jbieber@energystrat.com)  
[khiggins@energystrat.com](mailto:khiggins@energystrat.com)  
[lucas@datacentercoalition.org](mailto:lucas@datacentercoalition.org)  
[tmurray@keyesfox.com](mailto:tmurray@keyesfox.com)  
[shana.ramirez@ethree.com](mailto:shana.ramirez@ethree.com)

**ABATE:**

Stephen Campbell  
Michael Pattwell  
James Dauphinais  
Jessica York  
[scampbell@clarkhill.com](mailto:scampbell@clarkhill.com)  
[mpattwell@clarkhill.com](mailto:mpattwell@clarkhill.com)  
[jdauphinais@consultbai.com](mailto:jdauphinais@consultbai.com)  
[gyork@consultbai.com](mailto:gyork@consultbai.com)

**MEIBC/IEI/AEU:**

Justin Ooms  
Laura Chappelle  
Timothy Lundgren  
[jjkooms@varnumlaw.com](mailto:jjkooms@varnumlaw.com)  
[lachappelle@varnumlaw.com](mailto:lachappelle@varnumlaw.com)  
[tjlundgren@varnumlaw.com](mailto:tjlundgren@varnumlaw.com)

**MEC/NRDC/SC/CUB:**

Christopher Bzdok

Breanna Thomas

Natasha Fowles

Caroline Palmer

Melissa Whited

Douglas Jester

Julielyn Gibbons

Rick Bunch

Shannon Fisk

Jacob Elkin

John Liskey

[chris@tropospherelegal.com](mailto:chris@tropospherelegal.com)

[breanna@tropospherelegal.com](mailto:breanna@tropospherelegal.com)

[natasha@tropospherelegal.com](mailto:natasha@tropospherelegal.com)

[cpalmer@synapse-energy.com](mailto:cpalmer@synapse-energy.com)

[mwhited@synapse-energy.com](mailto:mwhited@synapse-energy.com)

[djester@5lakesenergy.com](mailto:djester@5lakesenergy.com)

[jgibbons@5lakesenergy.com](mailto:jgibbons@5lakesenergy.com)

[rbunch@5lakesenergy.com](mailto:rbunch@5lakesenergy.com)

[sfisk@earthjustice.org](mailto:sfisk@earthjustice.org)

[jelkin@earthjustice.org](mailto:jelkin@earthjustice.org)

[john@liskeypllc.com](mailto:john@liskeypllc.com)

**ELPC/UCS/CEO:**

Daniel Abrams

Alondra Estrada

Katie Toolan

Katie Duckworth

[dabrams@elpc.org](mailto:dabrams@elpc.org)

[aestrada@elpc.org](mailto:aestrada@elpc.org)

[ktoolan@elpc.org](mailto:ktoolan@elpc.org)

[mpscdocket@elpc.org](mailto:mpscdocket@elpc.org)

**Switch Ltd.:**

Valerie Brader

[valerie@rivenoaklaw.com](mailto:valerie@rivenoaklaw.com)