KEYES&FOX LLP

Via Electronic Case Filing

August 8, 2025

Executive Secretary Lisa Felice
Michigan Public Service Commission
7109 West Saginaw Highway
Post Office Box 30221
Lansing, MI 48909

RE: Case No. U-21859

Executive Secretary Lisa Felice,

Please find attached the following for paperless filing in the above captioned matter:

- Data Center Coalition's Exhibit List
- Data Center Coalition's Official Exhibits
- Proof of Service

Thank you for your consideration.

Sincerely,

/s/ Nikhil Vijaykar
Nikhil Vijaykar
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Counsel to Data Center Coalition

CC: Parties to Case No. U-21859

MPSC U-21859

Data Center Coalition Exhibit List

Exhibit	Title
DCC-1 (JB-1)	Compiled Discovery Responses
DCC-2 (JB-2)	Proposed Large Load Financial Commitments Compared to Incremental Transmission Costs
DCC-3 (JB-3)	Redlined Tariff
DCC-4 (JB-4)	Compiled Discovery Responses
DCC-5	U21859-DCC-CE-102
DCC-6	U21859-DCC-CE-109
DCC-7	U21859-DCC-CE-110
DCC-8	U21859-DCC-CE-111
DCC-9	U21859-MNSC-CE-38
DCC-10	DCC-MNSC-007
DCC-11	DCC-MNSC-008
DCC-12	DCC-MNSC-009

Question:

2. For the purposes of this request, refer to the Company's Application.
a. Please provide all empirical analyses, studies and other documents supporting the following proposed tariff provisions:
i. Project Proposal Fee of up to $100,000 per project;
ii. Fifteen-year Minimum Contract Term and five-year maximum "ramp up period," including by providing all metrics, calculations, and strategies the Company plans to use to determine what the "ramp up period" will be for each customer;
iii. Minimum Billing Demand equal to 80 percent of contract capacity;
iv. Allowance for a one-time reduction in contract capacity at Consumer's discretion, including by providing all metrics, calculations, and strategies the Company plans to use to assess stranded asset costs and cost shifting;
v. Allowance for Consumers to take action if customer usage exceeds contract capacity by more than 1,000 kW;
vi. Financial security measures, including by providing all metrics, calculations, and strategies the Company plans to use in determining financial security measures;
vii. Exit fee equal to minimum billing demand for remaining contract term.
b. Please provide the requested documents in electronic form with all spreadsheet links and formulas intact, source data used, and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, provide the information in the form that most closely matches what has been requested.

Response:

a. i. The Company developed the administrative fee based on the estimated costs incurred for the engineering study, supply planning, project management, economic development and rates support needed to develop a project proposal. The attached spreadsheet provides an estimated project proposal fee of $50,000. Consumers proposed to cap the fee at $100,000 to provide flexibility based on each project scope.

ii. The Company proposed the 15 year minimum contract term based on the life/term of the assets needed to serve these customers and benchmarking against other utility rate structures. The Company proposed the five year ramp up period based on the timing needed to procure the assets to serve these customers. The Company will work with each prospective customer to determine the appropriate ramp up schedule based on their needs.

iii. The Company proposed the 80% minimum contract demand requirement based on benchmarking against other utility rate structures.

iv. If a customer requests a one-time reduction in contract capacity, the Company will review the upcoming load expectations to determine if the requested reduction could be supplied to another customer.

v. The proposal to suspend service and/or amend the contract if a customer is using 1,000 kW or more above its contracted capacity amount allows the Company to protect the integrity of its system.

vi. The proposed financial security provides the Company the authorization to require additional financial security from Data Center customers, including other collateral in amounts up to the projected cost of providing service for the term of the rate contract.
vii. The proposed exit fee would be calculated by multiplying the data center customer's minimum billing demand requirement by the number of months remaining in the term of the contract, as of the date the customer eases to take service from the Company.

b. The calculation of the project proposal fee is included in Excel.

Witness: Laura M. Connolly
Date: April 30, 2025

Question:

DCC-6. Please provide the Company's best estimate of the incremental cost of the transmission infrastructure investment required to serve a 15 GW peak load increase.

a. If the Company has evaluated the transmission investment necessary to accommodate a different level of peak load increase, identify the specific load increase evaluated and provide a description of the transmission investment the Company believes would be required to serve that level of peak load increase.

Response:

> **Objection of Counsel: Consumers Energy Company objects to this discovery request on the grounds that said request is not relevant to a determination of reasonable modification of the Company's Rate GPD tariff to allow for certain customer protections. Subject to this objection, and without waiving it, Consumers Energy responds as follows:**

The investment in transmission infrastructure required to serve load is highly dependent on the location of the load and the existing transmission capacity relative to that load. The Company would be unable to develop valid estimates of the incremental cost of the transmission infrastructure investment required to serve a 15 GW peak load increase, nor could the Company request such a study from the local Transmission Owner without knowing specific siting locations for the aggregated 15 GW peak load increase.

a. The Company has engaged with the Transmission Owner for 2.65 GW of large load additions, which the Transmission Owner estimated would necessitate a transmission infrastructure investment of $730-$780 million to support the load interconnections. This estimate does not include additional transmission infrastructure required to interconnect additional generation to support the load.

As evidenced in MISO's DPP studies with increasing queue sizes, the Company anticipates that transmission investment will be exponential, rather than linear, when considering an increase from the studied 2.65 GW load additions to the requested 15 GW increase.

Witness: Laura M. Connolly
Date: April 16, 2025

Question:

DCC-7. Please provide a description of the generation investment the Company believes would be required to serve approximately 15 GW of new peak load.

a. If the Company has evaluated the generation investment necessary to accommodate a different level of peak load increase, identify the specific load increase evaluated and provide a description of the generation investment the Company believes would be required to serve that level of peak load increase.

Response:

The Company has not evaluated generation investment required for 15 GW of additional peak load.

a. The Company has considered load growth scenarios and required generation supply for up to approximately 2 GW of new peak load. Generation investment requirements have not been identified for the load growth, in isolation. Instead, the Company adds load growth scenarios to existing or projected peak load requirements for the entirety of its service territory. Determination of generation investment required for projected peak load is done within the integrated resource plan process. Incremental generation investment would be identified in the Company's next IRP.

Witness: Laura M. Connolly
Date: April 16, 2025

Question:

21859-DCC-CE-0013. Please refer to Connolly Direct at 4:7-8. “The Company has data center inquiries that total over 15 gigawatts of electric load in the economic development pipeline.” Please provide a spreadsheet or other document listing each of the referenced “data center inquiries,” and identify, for each inquiry: a) the proposed location; b) the associated electric load and/or contract capacity; and c) the timeline for energization and delivery of requested capacity, including any proposed load ramp.

Response:

See attached

Witness: Laura M. Connolly
Date: May 13, 2025

U21859-DCC-CE-0045_Connolly_ATT_1

Id	Location	Load (MW)	Requested in-service year	50% of peak year	Peak demand reached year	Date of Inquiry	Description
A	East Central Region	400	As soon as possible	Unknown	Unknown	10/7/2024	Data Center
B	South Central Region	1,000	Q1 2026	Q2 2033	Q1 2040	10/4/2024	Data Center
C	Unknown	300	Unknown	Unknown	Unknown	11/6/2024	Data Center
D	East Central Region	300	As soon as possible	Unknown	Unknown	7/15/2024	Data Center
E	Unknown	200	As soon as possible	Unknown	Within 36 months	5/7/2024	Data Center
F	Southwest Region	Unknown	Unknown	Unknown	Unknown	12/3/2024	Data Center
G	Unknown	200	Unknown	Unknown	Unknown	11/19/2024	Data Center
H	Unknown	250	As soon as possible	Unknown	Unknown	3/10/2025	Data Center
I	East Central Region	1,000	As soon as possible	Unknown	Within 36 months	2/26/2025	Data Center
J	West Region	300	Q1 2029	Q4 2030	Q4 2033	3/1/2024	Data Center
K	Unknown	300	Q4 2029	Q2 2030	Q4 2033	6/6/2024	Data Center
L	East Region	100	Unknown	Unknown	Unknown	1/9/2025	Data Center
M	Unknown	300	Unknown	Unknown	Q1 2030	12/4/2024	Data Center
N	East Region	700	Unknown	Unknown	Unknown	2/4/2025	Data Center
O	Unknown	1,000	Within 2-3 years	Unknown	Within 5-10 years	2/28/2025	Data Center
P	East Central Region	300	Unknown	Unknown	Unknown	3/10/2025	Data Center
Q	Unknown	Unknown	Unknown	Unknown	Unknown	7/29/2024	Data Center
R	Unknown	500	Unknown	Unknown	Unknown	8/7/2024	Data Center
S	South Central Region	100	Unknown	Unknown	Unknown	10/4/2024	Data Center
T	Unknown	Unknown	Q1 2027	Unknown	Q1 2031	10/31/2024	Data Center
U	Southwest Region	50	Unknown	Unknown	Unknown	12/19/2024	Data Center
V	Unknown	1,200	Q1 2028	Q2 2029	Q4 2030	10/16/2024	Data Center
W	Unknown	300	Unknown	Unknown	Unknown	8/19/2024	Data Center

U21859-DCC-CE-0045_Connolly_ATT_1

Id	Location	Load (MW)	Requested in-service year	50% of peak year	Peak demand reached year	Date of Inquiry	Description
X	Southwest Region	4	2024	2024	2024	7/25/2024	Data Center
Y	Unknown	300	Unknown	Unknown	Unknown	1/15/2025	Data Center
Z	Unknown	Unknown	Unknown	Unknown	Unknown	10/31/2024	Data Center
AA	Unknown	500	Unknown	Unknown	Unknown	9/10/2024	Data Center
AB	Unknown	1,000	Q1 2029	Unknown	Unknown	10/31/2024	Data Center
AC	Unknown	500	Q1 2026	Unknown	Q1 2029	7/12/2024	Data Center
AD	Unknown	Unknown	Unknown	Unknown	Unknown	10/29/2024	Data Center
AE	Unknown	500	Q3 2026	Q3 2027	Q3 2029	7/25/2024	Data Center
AF	Unknown	500	Unknown	Unknown	Unknown	10/10/2024	Data Center
AG	Unknown	600	Q4 2027	Unknown	2030	12/11/2024	Data Center
AH	Unknown	145	Unknown	Unknown	Unknown	7/31/2024	Data Center
AI	Unknown	1,000	2027	Unknown	Unknown	2/4/2025	Data Center
AJ	Southeasterly Region	500	Unknown	Unknown	Q1 2029	1/6/2025	Data Center
AK	Unknown	900	Q4 2027	Q4 2028	Q4 2029	9/11/2024	Data Center
AL	East Central	Unknown	Unknown	Unknown	Unknown	11/21/2024	Data Center

Question:

21859-DCC-CE-0017. Please refer to Connolly Direct at 9:7-10:12.

a. Provide any quantitative assessment or analysis the Company has conducted or reviewed regarding the risk associated with data centers customers.

b. Provide any quantitative assessment or analysis the Company has conducted or reviewed regarding the risk associated with non-data center customers.

Response:

a. The Company has not conducted a quantitative assessment of risk related to data center customers. Rather, the Company based its statements on the rapid change in the data center industry, the need to refresh data center hardware every five years, the number of sites data centers are locating in across the country, and the limited number of on site employees.

b. The Company has not conducted such a study.

Witness: Laura M. Connolly
Date: May 13, 2025

Question:

21859-DCC-CE-0018. Please refer to Connolly Direct at 7:1-2. "…the Company is requesting the ability to require financial security if the Company's standard risk review deems it appropriate."

a. Please describe the Company's "standard risk review" in detail.

b. Does the Company require financial security from any of its existing customers? If the answer is anything other than an unequivocal "no," please identify the types or categories of customers from which the Company requires financial security, and describe that financial security (including the amount and form of the financial security, and when the customer must provide the security).

Response:

a. The Company has a standard risk analysis process. This involves obtaining available information from Dun and Bradstreet (or similar credit reporting agency), S&P and Moody's ratings, financial statements, and public disclosures/press information to assess the creditworthiness of a customer. If it is determined that the customer is a credit risk, the Company will require a financial assurance from the customer such as a letter of credit, parent guaranty, bond or cash payment. This requirement would be stated in the initial contract terms and conditions with the customer.

b. Given its obligation to serve, the Company only performs credit evaluations on a limited number customer related exposures, including customers utilizing the Long Term Industrial Load Retention Rate and extraordinary facilities agreements where the contribution in aid of construction (CIAC) exceeds $1 million. Financial security options required include providing a guaranty, cash, a letter of credit, or a surety bond.

Witness: Laura M. Connolly
Date: May 13, 2025

Question:

21859-DCC-CE-0020. Please refer to the Company's response to DCC-5 and DCC-6 (U21859-DCC-CE-0005 and 0006). Why did Consumers engage with the Transmission Owner to evaluate 2.65 GW of large load additions (as opposed to any other amount)?

Response:

The Company engaged with the Transmission Owner on 2.65 GW of large load additions based on advanced discussions with economic development and data center projects that are considered to be more probable prospects.

Witness: Laura M. Connolly
Date: May 13, 2025

Question:

21859-DCC-CE-0035.

Please refer to U21859-AG-CE-0013 a. iii. "The Company proposed the 80% minimum contract demand requirement based on benchmarking against other utility rate structures."

a. Please identify and provide citations to all similar utility rate structures that the Company considered when benchmarking the proposed 80% minimum contract demand requirement.

b. Please explain in detail why the Company determined that the proposed 80% minimum contract demand requirement was appropriate based on the benchmark rate structures that were considered.

c. In In The Matter Of The Verified Petition Of Indiana Michigan Power Company For Approval Of Modifications To Its Industrial Power Tariff - Tariff I.P., Cause No. 46097, the Indiana Utility Regulatory Commission approved an unopposed settlement which established a minimum billing demand requirement based on 80% of a large load customer's contract capacity. Please explain how this requirement influenced or informed the Company's proposed minimum contract demand requirement in this case.

Response:

a. Indiana Michigan: https://iurc.portal.in.gov/docketed-case-details/?id=b8cd5780-0546-ef11-8409-001dd803817e
AEP Ohio: https://dis.puc.state.oh.us/CaseRecord.aspx?CaseNo=24-0508

b. The Company observed that AEP Ohio filed a Joint Stipulation with an 85% Minimum Demand Obligation and the intervenors representing data center customers did not sign on to the Stipulation. The Company observed that Indiana Michigan Power Company filed an Unopposed Settlement Agreement that included an 80% Minimum Demand Obligation. The Company thought the 80% Minimum Demand Obligation was a reasonable requirement and appropriately protects other customers in the event the data center load doesn't materialize as planned for.

c. Please see response to subpart b.

Witness: Laura M. Connolly
Date: May 30, 2025

Question:

21859-DCC-CE-0037.

Please refer to MNSC-CE-0025.

a. Please confirm the Company expects the life of the generating assets procured to serve data center customers will vary, and if confirmed, provide an estimated range of those lives.

b. Is it the Company's position that a customer's minimum contract length must equal the life of the generating assets procured to serve the customer class to which that customer belongs? If the response is anything other than an unequivocal no, please provide examples of Company tariffs that establish minimum contract lengths equal to the life of the generating assets procured to serve the customer class created by that tariff.

Response:

a. Confirmed. The life of the generating assets could vary from a 15 to 25 year PPA to a new build of a generation asset with a depreciation scheduled of 30 years or greater.
b. No.

Witness: Laura M. Connolly
Date: May 30, 2025

Question:

21859-DCC-CE-0038.

Refer to witness Connolly's testimony at page 6, lines 10-12, where she says: "A Minimum Billing Demand requirement ensures that the customer the investment was made to serve is covering the costs of that investment, whether they are using the requested capacity or not."

a. Please confirm the Company is not proposing to assign the total costs of any specific generation investment to any specific data center customer.

b. Please confirm the Company is not proposing to assign the total costs of any specific transmission investment to any specific data center customer.

c. Please confirm it is possible that requiring data center customers to pay 0n Peak Demand, Transmission and Max Demand charges based on no less than 80% of the Contracted Capacity amount could result in those customers contributing revenues (through 0n Peak Demand, Transmission and Max Demand charge payments over the course of the minimum term of the contract) greater than the costs of:

1. Generation investments made to serve data center customers;

2. Transmission investments made to serve data center customers;

3. Distribution investments made to serve data center customers.

For the purposes of the above question (subpart c.), please compare the net present value (NPV) of minimum demand revenues over the minimum term of the contract with the NPV of annual revenue requirements associated with each category (1 through 3) of system investments.

Response:

a. Confirmed.
b. Confirmed.
c. 1. To 3. It is possible the customer could contribute revenues through the minimum demand charges that are greater than the generation, transmission, and/or distribution investments made to serve them. That cannot be determined until the investment expense is known and the customer's contract capacity is known. It is not possible to calculate an NPV and make this comparison without those assumptions.

Witness: Laura M. Connolly
Date: May 30, 2025

Question:

21859-DCC-CE-0039.

Please confirm the Company expects data center customers will contribute to its recovery of the fixed costs of existing distribution, transmission and generation infrastructure. If not confirmed, please explain why not. If confirmed, please provide any analysis the Company has conducted to analyze the extent to which data center customers will contribute to its recovery of the fixed costs of existing distribution, transmission and generation infrastructure.

Response:

The Company is proposing new data center customers will go on Rate GPD which includes embedded costs of existing distribution, transmission, and generation infrastructure. The Company has not analyzed the extent to which data center customers will contribute to recovery of the fixed costs of existing distribution, transmission, and generation infrastructure.

Witness: Laura M. Connolly
Date: May 30, 2025

Question:

21859-DCC-CE-0044.

Please provide the total aggregate peak demand and total aggregate contract capacity associated with the Company's customers (in absolute MW, and as a percentage of the Company's total peak demand) in the automotive assembly or manufacturing industry. With respect to those customers, identify any tariffs:

a. Requiring those customers to enter into a long-term (longer than one year) minimum contract as a condition of receiving service;

b. Requiring those customers to provide financial security as a condition of receiving service;

c. Establishing a minimum billing demand or minimum charge requirement applicable to those customers;

d. Establishing a fee applicable to those customers in the event the customer seeks to reduce contract capacity or terminate service.

Response:

The Company does not aggregate peak demand or total aggregate contract capacity by industry.

a. Customers taking service on the Large Economic Development Rate or the Long-Term Industrial Load Retention Rate are required to sign long term contracts.

b. Please see response to U-21859-DCC-CE-0018 part b.

c. Minimum billing demand or minimum charge requirements are not included in any rate schedule except the proposed Data Center Provision on Rate GPD. Customers in any industry entering into Contribution In Aid of Construction (CIAC) agreement are subject to minimum demand requirements.

d. There are no reduction or termination fees included in any rate scheduled except the proposed Data Center Provision on Rate GPD.

Witness: Laura M. Connolly
Date: June 2, 2025

Question:

21. Refer to Consumers' Application at para. 9, along with the Connolly Testimony at p. 6 lines 9-16.

a. Explain the basis for setting the Minimum Billing Demand at 80% of the Contract Capacity, rather than some other percentage. Produce any analysis, workpapers, or other documentation regarding the 80% Minimum Billing Demand.

b. Did Consumers assess the potential impact of a minimum billing demand other than 80%? If yes, provide the results of that assessment, along with any analysis, workpapers, or other documentation.

Response:

a. The Company set the Minimum Billing Demand at 80% based on benchmarking against other utility data center tariffs.

b. No.

Witness: Laura M. Connolly
Date: April 30, 2025

Question:

10. Please refer to Consumers' Application, paragraph 13.

a. Did the Company consider applying an exit fee during the ramp up period? (For example, a graduated fee that increases at specified stages of the ramp-up period). If so, please explain in detail the basis for not including such a proposal in the proposed tariff revisions. If not, please explain why not.

b. If the data center customer does not originally take service at the distribution level, would the Company consider it eligible for the exit fee if it stops taking generation electric service?

c. Will the exit fee also include Rate GPD's System Access Charge and any applicable non-consumption based surcharges?

Response:

a. The Company believes the exit fee should apply during the ramp up period and will support clarifying that in the tariff language.

b. If the customer is taking service on the data center provision, they would be responsible for the exit fee requirements regardless of how they take service.

c. No.

Witness: Laura M. Connolly
Date: May 30, 2025

Question:

11. Please refer to Exhibit A-1 (LMC-1) page 3 (tariff Sheet No. D-67.10), stating "The Company may reduce the Exit Fee if it determines, in its sole discretion, that the loss of Customer's load will not harm the Company or its other customers." How will the Company determine that the loss of a data center customer's load will not harm the Company or its other customers?

Response:

The Company will review the requested load termination and determine if there is a new customer that could be served by the resources which were used to serve the exiting customer's load.

Witness: Laura M. Connolly
Date: May 30, 2025

Question:

13. Please refer to the response to U21859-MNSC-CE-0034.

a. Please identify the specific portion(s) of 2008 PA 286 to which the Company is referring in the Company's statement that it "allocates costs in accordance with the requirements set forth in 2008 PA 286."

b. Are the referenced requirements for allocating new load interconnection costs under 2008 PA 286 implemented in specific tariffs or cost of service methodologies? If so, please identify and produce those tariffs and cost of service methodologies.

c. Explain how the Company's Contribution In Aid of Construction policy interacts with the referenced requirements for allocating new load interconnection costs.

d. The response to U21859-MNSC-CE-0034 lists dedicated customer substation(s) as a potential distribution cost associated with interconnecting a new large load customer of 100 MW or greater. Define "dedicated." Explain why the Company would not directly assign the cost of "dedicated" customer infrastructure to that customer.

Response:

a. The response incorrectly referenced 2008 PA 286 when the reference should have been MCL 460.11(1). MCL 460.11(1) states that "the commission shall ensure the establishment of electric rates equal to the cost of providing service to each customer class." The Company files and has its COSS reviewed for adherence of this standard and approved by the Commission.

b. The requirements apply to the COSS in its entirety. For a copy of the Company's most recently approved COSS, please see the Company's response to U-21859-DCC-CE-0009.

c. The Company's CIAC policy is outlined in its approved tariff on Sheets 3.0 -4.0. The Company may collect from customers the cost of distribution facilities via a refundable contribution (Customer Advance) or non-refundable contribution (CIAC). CIAC is removed from the plant balance that gets included in the Company's COSS and Customer Advances, which are treated as a deduction to rate base, are currently allocated based on distribution plant in service.

d. Dedicated refers to a substation put in place to serve one customer. See the Company's response to subpart c for an explanation of how the Company recovers those costs from that customer.

Witness: Laura M. Connolly
Date: May 30, 2025

Exhibit DCC-2 (JB-2)
Proposed Large Load Financial Commitments Compared to Incremental Transmission Costs

Minimum Transmission Revenues	**Consumers Proposal**	**DCC Proposal**
Minimum Contract Term (Years)	15	10
Minimum Billing Demand (%)	80%	70%
Large Load Additions (MW)	2,650	2,650
GPD 1 Rate ($/kW)(weighted avg summer/winter)	8.24	8.24
Annual Minimum Demand Charges ($)	209,540,800	183,348,200
Proxy Discount Rate (%)[1]	7.75%	7.75%
GPD Rate Annual Escalation[2]	2.7%	2.7%
NPV of Minimum Demand Charges ($)	2,128,467,959	1,383,574,528
Incremental Transmission Revenue Requirement		
Estimated Capital Cost ($)[3]	755,000,000	755,000,000
Depreciable Life (Years)	40	40
Proxy Discount Rate (%)[1]	7.75%	7.75%
NPV of Incremental Revenue Requirement ($)	1,046,650,362	1,046,650,362
Minimum Transmission Revenue Less Incremental Revenue Requirement	**1,081,817,598**	**336,924,166**

[1] Discount rate equal to Michigan Electric Transmisison Company rate of return ER23-2791.

[2] Rate GPD annual escalation based on actual Rate GPD 1 escalation between 2018 to 2025.

[3] Estimated capital cost equal to the middle of the Transmission Owner's estimated range of capital costs.

RATE CATEGORIES AND PROVISIONS

(Continued From Sheet No. D-10.00)

Description	Full Service	Retail Open Access
GENERAL SERVICE PRIMARY RATE GP		
Commercial (Customer Voltage Level 1, 2 or 3)	1200	2200
Industrial (Customer Voltage Level 1, 2 or 3)	1210	2210
Provisions		
Commercial (Customer Voltage Level 1, 2 or 3) Resale	Applicable	Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Educational Institution (GEI)	Applicable	Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Self-Generation (SG) **	1745	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Self-Generation (SG) **	1750	Not Applicable
Net Metering Program	Applicable	Applicable
Distributed Generation Program	Applicable	Applicable
Demand Response Program	Applicable	Not Applicable
Green Generation Program ***	Applicable	Not Applicable
Renewable Energy Credit (REC) Programs	Applicable	Not Applicable
Non-Residential Electric Vehicle Programs	Applicable	Applicable
LARGE GENERAL SERVICE PRIMARY DEMAND RATE GPD		
Commercial (Customer Voltage Level 1, 2 or 3)	1220	2220
Industrial (Customer Voltage Level 1, 2 or 3)	1230	2230
Provisions		
Commercial (Customer Voltage Level 1, 2 or 3) Resale	Applicable	Applicable
Industrial (Customer Voltage Level 1, 2 or 3) Resale	Applicable	Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Aggregate Peak Demand (GAP) **	Applicable	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Aggregate Peak Demand (GAP) **	Applicable	Not Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Educational Institution (GEI) **	Applicable	Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Educational Institution (GEI) **	Applicable	Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Interruptible (GI)	Applicable	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Interruptible (GI)	Applicable	Not Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Self-Generation (SG) **	1755	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Self-Generation (SG) **	1760	Not Applicable
Industrial (Customer Voltage Level 1, 2, or 3) With Large Load ~~Data Center~~	*Applicable*	*Not Applicable*
Net Metering Program	Applicable	Applicable
Distributed Generation Program	Applicable	Applicable
Demand Response Program	Applicable	Not Applicable
Green Generation Program ***	Applicable	Not Applicable
Renewable Energy Credit (REC) Programs	Applicable	Not Applicable
Non-Residential Electric Vehicle Programs	Not Applicable	Applicable
GENERAL SERVICE PRIMARY TIME-OF-USE RATE GPTU		
Commercial (Customer Voltage Level 1, 2, or 3)	1280	Not Applicable
Industrial (Customer Voltage Level 1, 2, or 3)	1285	Not Applicable
Provisions		
Commercial (Customer Voltage Level 1, 2 or 3) Resale	Applicable	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) Resale	Applicable	Not Applicable
Commercial with Education Institution (GEI)	Applicable	Not Applicable
Industrial with Education Institution (GEI)	Applicable	Not Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Interruptible (GI)	Applicable	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Interruptible (GI)	Applicable	Not Applicable
Commercial (Customer Voltage Level 1, 2 or 3) With Self-Generation (SG) **	1765	Not Applicable
Industrial (Customer Voltage Level 1, 2 or 3) With Self-Generation (SG) **	1770	Not Applicable
Net Metering Program	Applicable	Not Applicable
Distributed Generation Program	Applicable	Not Applicable
Demand Response Program	Applicable	Not Applicable
Green Generation Program ***	Applicable	Not Applicable
Renewable Energy Credit (REC) Programs	Applicable	Not Applicable
Non-Residential Electric Vehicle Programs	Applicable	Not Applicable

** Provisions shall not be taken in conjunction with the Net Metering Program or Distributed Generation Program.
*** Closed to new customers, effective April 5, 2019.

(Continued on Sheet No. D-12.00)

LARGE GENERAL SERVICE PRIMARY DEMAND RATE GPD

(Continued From Sheet No. D-66.00)

Monthly Rate: (Contd)

Interruptible Service Provision – Market-Price Option (GI2) (Cont)

Conditions of Interruption

The Company will notify the customer as to the amount of total load on this rider to be curtailed. Load identified as monthly firm service and billed on Rate GPD is not considered as interruptible and does not need to be curtailed under the terms of GI2. Although actual load at time of interruption may vary from contract capacity, the total measured load on this provision shall be subject to curtailment by the Company.

The Company shall provide the Customer at least thirty minutes advance notice of a required interruption, and if possible, a second notice. The notice will be communicated by telephone to the contact numbers provided by the Customer. The Customer shall confirm the receipt of such notice through the automated response process. Failure to acknowledge receipt of such notice shall not relieve the customer of the obligation for interruption under the GI Provision. The customer shall be informed, when possible, of the estimated duration of the interruption at the time of interruption. Within 30 minutes of receiving an interruption notice, the customer shall reduce their total load level by the amount of contracted interruptible capacity or have the total facility subject to interruption.

Any load designated as interruptible by the customer may require the installation and maintenance of equipment that allow the Company to remotely interrupt the customer's load. If the company determines it is required to install and maintain equipment at the customer's site to comply with any requirements associated with the GI service provision then it shall do so at the customer's expense. In addition, the customer shall also adhere to any advance notification requirements the Company deems are necessary to comply with its obligations to MISO under this provision.

Any load designated as interruptible by the customer is also subject to Midcontinent Independent System Operator's Inc. (MISO) requirements for Load Modifying Resources and the Company shall inform the Customer of such MISO requirements. Interruption under this provision may occur if MISO declares a Maximum Generation Emergency Event that requires deployment of Load Modifying Resources in accordance with the currently effective MISO Emergency Electrical Procedure or NERC Emergency Event Alert 2 notice indicating that MISO is experiencing or expects to experience a shortage of economic resources and the Company has declared Emergency Status. Participation in the GI provision does not limit the Company's ability to implement emergency electrical procedures as described in the Company's Electric Rate Book including interruption of service as required to maintain system integrity.

Under this provision, the customer shall be interrupted at any time, on-peak or off-peak, the Company deems it necessary to maintain system integrity. The Company shall provide notice in advance of probable interruption, and if possible, a second notice of positive interruption. The notice will be communicated by telephone to the contact numbers provided by the Customer. The Customer shall confirm the receipt of such notice through the automated response process. Failure to acknowledge receipt of such notice shall not relieve the Customer of the obligation for interruption under the GI2 provision. The customer shall be informed, when possible, of the estimated duration of the interruption at the time of interruption.

The Company shall not be liable for any loss or damage caused by or resulting from any interruption of service under this provision.

Interruptions beyond the Company's control, described in Rules C1.1, Character of Service, and C3., Emergency Electrical Procedures, of the Company's Electric Rate Book, shall not be considered as interruptions for purposes of this provision.

Should the Company be ordered by Governmental authority during a national emergency to supply firm instead of interruptible service, billing shall be made on an applicable firm power schedule.

Cost of Customer Non-Interruption

Failure by a customer to comply with a system integrity interruption order of the Company shall be considered as unauthorized use and billed at (i) the higher of the actual damages incurred by the Company or (ii) the rate of $25.00 per kW for the highest 15-minute kW of Interruptible On-Peak Billing demand created during the interruption period, in addition to the prescribed monthly rate. In addition, the interruptible contract capacity of a customer who does not interrupt within one hour following notice shall be immediately reduced by the amount which the customer failed to interrupt, unless the customer demonstrates that failure to interrupt was beyond its control.

(Continued on Sheet No. D-~~68.00~~*67.10*)

LARGE GENERAL SERVICE PRIMARY DEMAND RATE GPD

(Continued From Sheet No. D-67.00)

Monthly Rate: (Contd)

Large Load ~~Data Center~~ Provision:

Availability

A Large Load ~~Data Center~~ is defined as a centralized facility ~~used for the management, storage, processing, and distribution of data~~ with a load of 100MW or more at a single site or aggregated among more than one site in the Company's service territory. In order to receive electric service from Consumers Energy, a Large Load ~~Data Center~~ Customer must agree to a rate contract term for an initial period of a minimum of ten ~~fifteen~~ (10 ~~15~~) years from the initial service date for billing purposes. The minimum contract term shall commence after a negotiated ramp-up period not exceeding five (5) years, as determined by the Company. The ramp-up period will be specified at the time of contract execution and will be included in the contract terms.

Consumers Energy is authorized to require additional financial security from Large Load ~~Data Center~~ customers receiving service under this rate, including other collateral in amounts up to the projected cost of providing service for the term of the rate contract. The authorization in this paragraph does not limit the Company's other authority to impose other financial security requirements from customers.

Minimum Billing Demand

The Company shall require a monthly Minimum Billing Demand of 70 ~~80~~% of the Contract Capacity, defined as the amount of capacity reserved for the Large Load ~~Data Center~~ Customer. The Minimum Billing Demand shall be applicable to both the Maximum Demand and On-Peak Billing Demand for the term of the rate contract. The Large Load ~~Data Center~~ Customer's Maximum Demand and On-Peak Billing Demand shall not be less than the Customer's Minimum Billing Demand, regardless of the Customer's actual usage.

Contract Capacity

The Large Load ~~Data Center~~ Customer shall specify the amount of capacity to be reserved for its use in its rate contract with the Company, which is defined as the Contract Capacity.

A Large Load Customer will be allowed to reduce Contract Capacity one-time up to 15% of Contract Capacity. ~~The Company reserves the right, at its sole discretion, to allow a one-time reduction to the Contract Capacity if requested by the Data Center.~~ A requested reduction to Contract Capacity greater than 15% will be granted if the reduction will not result in cost increases for the Company or its other customers, and will be documented in an amendment to the rate contract, or if a Large Load Customer pays an Exit Fee applicable to the incremental capacity reduction above 15% of the Contract Capacity~~.~~

If the Large Load ~~Data Center~~ Customer's usage exceeds the Contracted Capacity by 1,000 kW or more, the Company shall amend the contract to reflect the increased usage if the Company determines it has the capacity to serve the additional load without negatively impacting other customers or the Company. If the Company determines it does not have capacity to serve the additional load without negatively impacting other customers or the Company, it shall inform the Customer that it must reduce its usage to its Contract Capacity. If the Customer does not comply with the request to reduce its usage to its Contract Capacity, the Company is authorized to suspend service to the Customer until the Customer complies with the requirement to limit its usage to its Contract Capacity.

The Large Load ~~Data Center~~ Customer will be responsible for any additional costs incurred due to changes in the Contract Capacity and usage above its Contract Capacity.

Administrative Fee

At the Company's discretion, an Administrative Fee may be imposed to cover the costs associated with providing project proposals to Large Load ~~Data Center~~ customers. This fee will be charged directly to the entity requesting the proposal and is non- refundable. The Administrative Fee shall be capped at $100,000 per project proposal.

Exit Fee

In the event the Large Load ~~Data Center~~ Customer ceases to take power supply service from the Company at the Customer's Facility, the Company shall be entitled to recover an Exit Fee from the Customer. The Exit Fee shall be calculated by multiplying the Minimum Billing Demand by the lesser of 60 months or the number of months remaining in the rate contract term as of the date the Customer ceases to take power supply service from the Company. The Company may reduce the Exit Fee if it determines, in its sole discretion, that the loss of Customer's load will not harm the Company or its other customers. The Company will use reasonable efforts to reassign capacity to another customer, secure offsetting revenues, or reduce costs.

(Continued on Sheet No. D-68.00)

LARGE GENERAL SERVICE PRIMARY DEMAND RATE GPD

(Continued From Sheet No. D-67.~~00~~*10*)

Monthly Rate: (Contd)

Net Metering Program:

The Net Metering Program is available to any eligible customer as described in Rule C11.2., Net Metering Program, who desires to generate a portion or all of their own retail electricity requirements using a Renewable Energy Resource as defined in Rule C11.2.B., Net Metering Definitions.

A customer who participates in the Net Metering Program is subject to the provisions contained in Rule C11.2., Net Metering Program.

Distributed Generation Program:

The Distributed Generation Program is available to any eligible customer as described in Rule C 11.3., Distributed Generation Program, who desires to generate a portion or all of their own retail electricity requirements using a Renewable Energy Resource as defined in Rule C 11.3.B., Distributed Generation Definitions.

A customer who participates in the Distributed Generation Program is subject to the provisions contained in Rule C 11.3., Distributed Generation Program.

Green Generation Program:

Customer contracts for participation in the Green Generation Program shall be available to any eligible customer as described in Rule C10.2, Green Generation Program.

A customer who participates in the Green Generation Program is subject to the provisions contained in Rule C10.2, Green Generation Program.

Renewable Energy Credit (REC) Programs:

These programs provide customers with the opportunity to subscribe to the environmental attribute of renewable energy by offering customers the ability to utilize renewable energy credits to match up to 100% of their total annual energy.

A customer that participates in one of the Renewable Energy Credit (REC) Programs is subject to the provisions contained in Rule C10.7., Renewable Energy Credits (REC) Programs.

Non-Residential Electric Vehicle Programs:

The Non-Residential Electric Vehicle Programs are available to any eligible customer as described in Rule C19.2., Non-Residential Electric Vehicle Programs.

(Continued on Sheet No. D-69.00)

LARGE GENERAL SERVICE PRIMARY DEMAND RATE GPD

(Continued From Sheet No. D-68.00)

Monthly Rate: (Contd)

Self-Generation (SG):

To be eligible for Self-Generation, a Customer with a generating installation operating in parallel with the Company's system, must meet the requirements described in Rule C 11.1., Self-Generation.

General Terms:

This rate is subject to all general terms and conditions shown on Sheet No. D-1.00.

Minimum Charge:

The System Access Charge included in the rate, and applicable any non-consumption based surcharges. Large Load ~~*Data Center*~~ *customers shall also be required to meet the Minimum Billing Demand.*

Due Date and Late Payment Charge:

The due date of the customer bill shall be 21 days from the date of mailing. A late payment charge of 2% of the unpaid balance, net of taxes, shall be assessed to any bill which is not paid on or before the due date shown thereon.

Term and Form of Contract:

For customers with monthly demands of 300 kW or more, all service under this rate may require a written contract with a minimum term of one year.

For customers with monthly demands of less than 300 kW, service under this rate shall not require a written contract except for: (i) service under the Resale Service Provision, (ii) service under the Green Generation Program, (iii) service under the Educational Institution Service Provision, (iv) service under the Aggregate Peak Demand Service Provision, (v) service under the Interruptible Service Provision, (vi) service under the Demand Response Program or (vii) at the option of the Company. If a contract is deemed necessary by the Company, the appropriate contract form shall be used and the contract shall require a minimum term of one year.

Customers participating in the Large Load ~~*Data Center*~~ *Provision shall require a written rate contract with an initial term of at least ten* ~~*fifteen*~~ *years, which initial term shall begin after any applicable ramp up period specified in the rate contract.*

A new contract will not be required for existing customers who increase their demand requirements after initiating service, unless new or additional facilities are required or service provisions deem it necessary.

MPSC Case No.: **U-21859**
Responding Party: Attorney General
Respondent: Michael Deupree
Requestor: Data Center Coalition
Question No.: **21859-DCC-AG-002**

Question 21859-DCC-AG-002:
Please provide electronic copies of all workpapers supporting the testimony of Attorney General witness Michael Deupree. To the extent workpapers are available as electronic spreadsheets, please provide the spreadsheets with all formulas and cells intact and unlocked. DCC requests supplementation for all changes or modifications to direct testimony and exhibits.

Response:

Please see the following workpaper files supporting the testimony of Attorney General witness Michael Deupree:

Exhibit AG-1.1 Summary of Recent Consumers Data Center Inquiries_FINAL.xlsx

Exhibit AG-1.2 Histogram of Recent Consumers Data Center Inquiries_FINAL.xlsx

Exhibit AG-1.3 Analysis of Potential Impacts on Company's RE Plan_FINAL.xlsx

Date: July 2, 2025

DCC-MNSC-002:

Please provide electronic copies of all workpapers supporting the testimony of MNSC witness Caroline Palmer. To the extent workpapers are available as electronic spreadsheets, please provide the spreadsheets with all formulas and cells intact and unlocked. DCC requests supplementation for any and all changes or modifications to direct testimony and exhibits.

Response

There are no documents responsive to this request.

Respondent: Legal Counsel

DCC-MNSC-004:

Please provide any quantitative analysis or study conducted or consulted by witness Palmer in support of her recommendation for a 90% minimum demand charge.

Response

Witness Palmer based this recommendation on comparison with similar utility tariffs.

Respondent: Caroline Palmer

DCC-MNSC-005:

Please provide any quantitative analysis or study conducted or consulted by witness Palmer in support of her recommendation for a 20-year minimum contract term.

Response

Witness Palmer based this recommendation on comparison with similar utility tariffs.

Respondent: Caroline Palmer

MPSC Staff's Answer to the Data Center Coalition's First Discovery Request
MPSC Case No. U-21859
July 9, 2025

Question:

DCC-STAFF-002 Please provide electronic copies of all workpapers supporting the testimony of Staff witness David W. Isakson. To the extent workpapers are available as electronic spreadsheets, please provide the spreadsheets with all formulas and cells intact and unlocked. DCC requests supplementation for any and all changes or modifications to direct testimony and exhibits.

Answer:

Please see attached.

Respondent: David Isakson

21859/Discovery/Answer to Data Center Coalition's 1st Disc Req

Question:

21859-DCC-CE-0043. Refer to MNSC-CE-0038.

a. Please explain how the Company developed the requirements described in response to subpart a.

b. Please describe with specificity, under the Company's proposal, when would a customer be required to post collateral?

c. Please explain how a customer would be permitted to demonstrate "liquidity" for purposes of the financial security requirement described in response to subpart a.

d. Please explain in detail how the Company would determine the "projected cost of providing service" for purposes of determining the financial security required from a customer, as referenced in response to subpart c.

e. Does the Company intend to return or reduce a customer's financial security or collateral obligation over time (i.e., over the course of the customer's contract)? If the answer is anything other than an unequivocal "no", please describe the schedule on which collateral will be reduced/returned, and how the Company developed or will develop that schedule.

f. To the extent a customer posts collateral in the form of cash, does the Company propose to return the collateral to the customer inclusive of interest? If yes, what interest rate will the Company apply?

Response:

a. The Company emulated the requirements as agreed to in the Indiana Michigan Power Company Stipulation and Settlement Agreement.

b. Collateral would be posted at the time the contract is signed.

c. Liquidity would be demonstrated by providing audited financial statements on a quarterly basis.

d. The projected cost of providing service would be based on the cost of the investments made on the customer's behalf to provide service to the customer. This could include power supply, transmission, and distribution service costs .

e. The Company would return or reduce a customer's financial security or collateral obligation over time as the Company's exposure decreases. The Company has not developed or determined what that schedule would be.

f. Yes, the customer would earn interest on the cash being held by the company at the federal funds effective rate.

Witness: Laura M. Connolly
Date: June 2, 2025

Question:

21859-DCC-CE-0050.

Provide the magnitude of customer load that has terminated service in Consumers Energy's service territory over the past thirty years in each of the following industries:

a. Automotive assembly or manufacturing;
b. Semiconductor manufacturing;
c. Metal melting;
d. Pharmaceutical and medical device manufacturing or production;
e. Agricultural processing, and;
f. Mining.

Response:

The Company does not have load termination data in total or by industry.

Witness: Laura M. Connolly
Date: June 2, 2025

Question:

21859-DCC-CE-0051.

Please confirm the Company anticipates one or more battery manufacturing facilities to locate in the Company's service territory and request service from the Company over the next ten years. If confirmed, please identify or estimate:

a. The aggregate load and peak demand associated with those customers;

b. The generation, transmission and distribution investments required to serve those customers.

Response:

Objection of Counsel: Consumers Energy Company objects to this discovery request on the grounds that said request is not relevant to a determination of reasonable modifications to the Company's Rate GPD tariff to allow for certain customer protections. The Company further objects to this request to the extent that it calls for customer information in violation of the Company's data privacy tariff. Subject to this objection, and without waiving it, Consumers Energy responds as follows:

Public announcements have been made about two battery manufacturers locating in Consumers Energy's service territory. Specific information about their load and investment costs cannot be provided under the Company's data privacy rules.

Witness: Laura M. Connolly
Date: June 2, 2025

Question:

21859-DCC-CE-0052.

Does the Company make efforts to attract manufacturing and other industrial customers to its service territory? If so, please describe those efforts.

Response:

Objection of Counsel: Consumers Energy Company objects to this discovery request on the grounds that said request is not relevant to a determination of reasonable modifications to the Company's Rate GPD tariff to allow for certain customer protections. Subject to this objection, and without waiving it, Consumers Energy responds as follows:

The Company has an Economic Development team which actively engages to attract growth from all types of industries to its service territory and support expansion needs of existing customers. This engagement happens through supporting efforts of the Michigan Economic Development Corporation and priorities of local Economic Development Organization across the state.

Witness: Laura M. Connolly
Date: June 2, 2025

Question:

22. Refer to Consumers' Application at para. 12, along with the Connolly Testimony at p. 6 line 21 to p. 7 line 2.

a. Describe in detail how Consumers would determine whether to require financial security from a particular data center customer.

b. Identify and explain each factor or benchmark that would go into determining whether to require financial security from a particular data center customer.

c. Identify how the amount of financial security to require would be determined.

d. Explain why Consumers is not proposing to require financial security from every data center customer.

Response:

a. The Company will assess the creditworthiness of each data center customer. The Company will require collateral if the customer is not deemed creditworthy. A 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 requirement. 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 shall be exempt from 50 percent of the Collateral Requirements not to exceed an exemption of more than $250 million.

b. Please see response to a.

c. The Company could require collateral in amounts up to the projected cost of providing service for the term of the rate contract.

d. It is unnecessary to require financial security from a customer that has met the criteria described above.

Witness: Laura M. Connolly
Date: April 30, 2025

DCC-MNSC-007:

Refer to the rebuttal testimony of Ms. Palmer at 3:16-4:2 and the statement: "However, it is unreasonable to compare data center customers' expected transmission revenues to only the *incremental* transmission investments they require. The new large customers will likely also utilize and benefit from the existing and planned transmission system, but DCC does not account for those embedded system costs."

a. Does Ms. Palmer agree that existing customers will likely utilize both the existing and planned transmission system and incremental transmission investments? Please explain in detail why or why not.

Response

Because electricity flows freely across the power system, it is possible that the incremental equipment built for data centers will not be isolated to serving only their load. However, the incremental transmission investments required to serve data center customers would not be built but for the new customers. Customers who cause power system costs are responsible for those costs.

b. Does Ms. Palmer believe that data center customers must generate revenues sufficient to recover both the full cost of any incremental transmission investments required and a proportionate share of embedded transmission costs to prevent stranded assets or cost shifting? Please explain in detail why or why not.

i. If the answer to subpart 7(b) above is yes, assuming that data center customers provide sufficient revenues to fully recover incremental transmission costs, please explain what proportion of embedded costs must also be recovered from data center customers to avoid stranded costs or cost shifting. Please provide all analyses and identify specific workpapers supporting this answer.

Response

Yes. As described in Witness Palmer's rebuttal testimony, new large customers will likely utilize capacity on the existing transmission system. The benefits to those customers of doing so include potentially lowering their incremental transmission costs as a result. While it is clear that new customers utilize the existing system and should pay for that utilization, Witness Palmer is not aware of any methodologies yet developed for identifying that utilization cost, other than current cost allocation methods. There likely needs to be further study to identify that cost.

c. Would Ms. Palmer's recommended minimum contract term and minimum billing demand produce transmission revenues sufficient to recover the cost of both incremental transmission investments and what Ms. Palmer would consider to be an "appropriate" portion of embedded transmission costs? Please explain in detail why or why not. Please provide all analyses and identify specific workpapers supporting this answer.

Response

Transmission revenues are a function of the minimum contract term, minimum billing demand, and transmission demand charge. The charge is designed to collect system costs and can be adjusted in future cases to also collect incremental costs from data center customers once those costs are known. With the appropriate transmission charge, Witness Palmer's recommended minimum contract term and minimum billing demand could produce the described revenues.

Respondent: Caroline Palmer

DCC-MNSC-008:

Please refer to the rebuttal testimony of witness Palmer at 7:1-7 and the following Q&A:

"Q. Have you estimated hypothetical incremental generation costs associated with large load customers?

A. Yes. To enable a comparable generation analysis to DCC's transmission analysis, I've estimated a basic, hypothetical generation cost. I have assumed the Company would invest in new combined cycle units, estimated at $2,400/kW, to meet the new load. The baseload capabilities of combined cycle plants enable them to meet the high energy requirements of high load factor customers."

a. Does Ms. Palmer believe it is likely that Consumers will serve new data center load exclusively with incremental combined cycle units?

Response

Witness Palmer does not take a position on this. Data centers tend to have high load factors and be significant energy users; therefore, Witness Palmer used a combined cycle baseload plant as a representative resource. This was a reasonable assumption based on current trends, which show many utilities building combined cycle plants to meet data center demand. See, for example, the following dockets where new combined cycle plants are being built at least in part to serve new data center load:

- Duke Energy Progress CPCN to build a second 1,360 MW natural gas combined cycle plant in North Carolina: DOCKET NO. E-2, Sub 1349 and EC-67, Sub 57.
- Entergy Louisiana CPCN to build three combined cycle plants for 2,262 MW: Docket No. 37425.
- Evergy Kansas CPCN to build two 710 MW combined cycle plants: Docket No. 25-EKCE-207-PRE.

As noted in Witness Palmer's rebuttal testimony, however, the focus on a single resource option – combined cycle gas units – was merely a simplifying assumption for her analysis. Consumers can and should evaluate other resource options, such as renewables paired with battery storage, when it carries out its resource planning for determining the most reasonable and prudent way to meet whatever data center load growth the utility ends up experiencing and to ensure that the state's renewable and clean energy standards are satisfied.

b. Does Ms. Palmer agree that the cost of energy and capacity from new renewable generation facilities will differ relative to the cost of energy and capacity from a new combined cycle unit?

Response

Witness Palmer did not conduct analysis on this topic, nor was it part of her testimony.

c. Does Ms. Palmer believe that the cost of energy and capacity from new renewable generation facilities will be less expensive relative to the cost of energy and capacity from a new combined cycle unit?

Response

Witness Palmer did not conduct analysis on this topic, nor was it part of her testimony.

Respondent: Caroline Palmer

DCC-MNSC-009:

Please refer to the rebuttal testimony of witness Palmer at 9:1-6 and the following Q&A:

"**Q. What are the minimum generation revenues under your recommended 20-year** 1 **contract term and 90% minimum billing demand?**

A. I previously recommended a 20-year contract term at a minimum billing demand of 90% of contract capacity. Under those parameters, I calculated that the minimum NPV generation revenues expected from large Rate GPD customers would be $6.4 billion, or $1.7 billion lower than the incremental generation capital cost I identified."

a. Please explain in detail why Ms. Palmer recommended a minimum contract term and minimum billing demand that would recover expected generation revenues with an NPV that is $1.7 billion lower than Ms. Palmer's identified incremental generation capital cost.

Response

Ideally, the minimum contract term and minimum billing demand *would* allow for recovery of data centers' incremental costs. Witness Palmer expects that the generation demand charge will change in the future to incorporate additional data center costs in rates and believes that her proposal is more likely to result in full or close to full recovery than the proposal made by the Company or the terms proposed by the Data Center Coalition. Further, Witness Palmer did not only compare revenues to the full capacity cost of incremental generation, but also considered scenarios in which data centers are responsible for the NPV of the levelized costs for a portion of the 40-year investment life.

b. Please also refer to the rebuttal testimony of Ms. Palmer at 9:9-10 and the statement: "I calculate the 40-year NPV of the upfront capital cost to be $8.6 billion."

i. What is the difference between the NPV of Ms. Palmer's estimated capital cost of $8.6 billion and Ms. Palmer's estimated NPV of generation revenues of $6.4 billion."

Response

The difference is $2.2 billion.

ii. Please reconcile the response above to Ms. Palmer's statement that the NPV of expected generation revenues is "$1.7 billion lower than the incremental generation capital cost I identified."

Response

The referenced "incremental generation capital cost" is the installed capital cost, before applying the NPV formula, or $8.1 billion.

Respondent: Caroline Palmer

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

PROOF OF SERVICE

On August 8, 2025, an electronic copy of the foregoing was served on the following via email:

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The statements above are true to the best of my knowledge, information and belief.

/s/ Nikhil Vijaykar

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Dated: August 8, 2025