TROPOSPHERE LEGAL

September 30, 2025

Ms. Lisa Felice
Michigan Public Service Commission
7109 W. Saginaw Hwy.
Lansing, MI 48909

Via E-File

RE: MPSC Case No. U-21870

Dear Ms. Felice:

Attached please find the enclosed documents for filing:

- Direct Testimony and Exhibits of Douglas Jester on behalf of Natural Resources Defense Council, Sierra Club, and Citizens Utility Board of Michigan (CUB-11 through CUB-20); and
- Proof of Service.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me.

Sincerely,

Digitally signed by
Tracy Jane Andrews
Date: 2025.09.30
16:39:07 -04'00'

Tracy Jane Andrews
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CC: Parties to Case No. U-21870

STATE OF MICHIGAN

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 for other relief	U-21870

DIRECT TESTIMONY OF DOUGLAS B. JESTER

ON BEHALF OF

NATURAL RESOURCES DEFENSE COUNCIL, SIERRA CLUB, AND CITIZENS UTILITY BOARD OF MICHIGAN

September 30, 2025

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DIRECT TESTIMONY OF DOUGLAS B. JESTER FOR NSC
CASE NO. U-21870

I. INTRODUCTION & QUALIFICATIONS

Q. Please state for the record your name, position, and business address.

A. My name is Douglas B. Jester. I am Managing Partner of 5 Lakes Energy, a Michigan limited liability corporation, located at PO Box 869, Northport, Michigan 49670.

Q. On whose behalf is this testimony being offered?

A. I am testifying on behalf of the Natural Resources Defense Council ("NRDC"), Sierra Club, and Citizens Utility Board of Michigan ("CUB"), collectively identified as "NSC."

Q. Please summarize your experience in the field of utility regulation.

A. I have worked for more than 30 years in utility industry regulation and related fields. My work experience is summarized in my resume, provided as Exhibit CUB-11.

Q. Have you testified before this Commission or as an expert in any other proceedings?

A. I have previously testified before the Michigan Public Service Commission ("Commission") in the following cases:

- Case U-17473 (Consumers Energy Company Plant Retirement Securitization);
- Case U-17096-R (Indiana Michigan 2013 PSCR Reconciliation);
- Case U-17301 (Consumers Energy Renewable Energy Plan 2013 Biennial Review);
- Case U-17302 (DTE Energy Renewable Energy Plan 2013 Biennial Review);
- Case U-17317 (Consumers Energy 2014 PSCR Plan);
- Case U-17319 (DTE Electric 2014 PSCR Plan);
- Case U-17671-R (UPPCO 2015 PSCR Reconciliation);
- Case U-17674 (WEPCO 2015 PSCR Plan);

- Case U-17674-R (WEPCO 2015 PSCR Reconciliation);
- Case U-17679 (Indiana-Michigan 2015 PSCR Plan);
- Case U-17688 (Consumers Energy Cost of Service and Rate Design);
- Case U-17689 (DTE Electric Cost of Service and Rate Design);
- Case U-17698 (Indiana-Michigan Cost of Service and Rate Design);
- Case U-17735 (Consumers Energy General Rates);
- Case U-17752 (Consumers Energy Community Solar);
- Case U-17762 (DTE Electric Energy Optimization Plan);
- Case U-17767 (DTE General Rates);
- Case U-17792 (Consumers Energy Renewable Energy Plan Revision);
- Case U-17895 (UPPCO General Rates);
- Case U-17911 (UPPCO 2016 PSCR Plan);
- Case U-17911-R (UPPCO 2016 PSCR Reconciliation);
- Case U-17990 (Consumers Energy General Rates);
- Case U-18014 (DTE General Rates);
- Case U-18089 (Alpena Power PURPA Avoided Costs);
- Case U-18090 (Consumers Energy PURPA Avoided Costs);
- Case U-17911-R (UPPCO 2016 PSCR Reconciliation);
- Case U-18091 (DTE PURPA Avoided Costs);
- Case U-18092 (Indiana Michigan Power Company PURPA Avoided Costs);
- Case U-18093 (Northern States Power PURPA Avoided Costs);
- Case U-18094 (Upper Peninsula Power Company PURPA Avoided Costs);
- Case U-18095 (Wisconsin Public Service Company PURPA Avoided Costs);

- Case U-18096 (Wisconsin Electric Power Company PURPA Avoided Costs);
- Case U-18224 (UMERC Certificate of Necessity);
- Case U-18232 (DTE Renewable Energy Plan);
- Case U-18255 (DTE Electric General Rates);
- Case U-18322 (Consumers Energy General Rates);
- Case U-18406 (UPPCO 2018 PSCR Plan);
- Case U-18408 (UMERC 2018 PSCR Plan);
- Case U-18419 (DTE Certificate of Necessity);
- Case U-20072 (UPPCO 2017 PSCR Reconciliation);
- Case U-20111 (UPPCO Tax Cuts and Jobs Act of 2017 Adjustment);
- Case U-20134 (Consumers Energy General Rates);
- Case U-20150 (UPPCO Revenue Decoupling Mechanism Complaint);
- Case U-20162 (DTE General Rates);
- Case U-20165 (Consumers Energy Integrated Resource Plan);
- Case U-20229 (UPPCO 2019 PSCR Plan Case);
- Case U-20276 (UPPCO General Rates);
- Case U-20350 (UPPCO Integrated Resource Plan);
- Case U-20359 (I&M 2019 General Rate Case);
- Case U-20471 (DTE Integrated Resource Plan);
- Case U-20479 (SEMCO 2019 General Rate Case);
- Case U-20561 (DTE 2019 General Rate Case);
- Case U-20591 (Indian Michigan Power Company IRP);
- Case U-20642 (DTE Gas 2020 General Rate Case);

- Case U-20649 (Consumers Electric Voluntary Green Pricing);
- Case U-20650 (Consumers Gas 2020 General Rate Case);
- Case U-20697 (Consumers Electric 2020 General Rate Case);
- Case U-20713 (DTE 2020 Voluntary Green Pricing);
- Case U-20836 (DTE Electric 2022 General Rate Case);
- Case U-20874 (Alpena Power 2022-23 EWR Plan Case);
- Case U-20875 (Consumers Energy 2022-23 EWR Plan Case);
- Case U-20876 (DTE Electric 2022-23 EWR Plan Case);
- Case U-20877 (Indiana Michigan 2022-23 EWR Plan Case);
- Case U-20878 (NSP 2022-23 EWR Plan Case);
- Case U-20879 (UPPCO 2022-23 EWR Plan Case);
- Case U-20880 (UMERC 2022-23 EWR Plan Case);
- Case U-20881 (DTE Gas 2022-23 EWR Plan Case);
- Case U-20882 (MGU Gas 2022-23 EWR Plan Case);
- Case U-20883 (SEMCO Gas 2022-23 EWR Plan Case);
- Case U-20889 (Consumers Karn Retirement Securitization);
- Case U-20963 (Consumers Energy Electric Rate Case);
- Case U-21015 (DTE Securitization Case);
- Case U-21048 (Consumers Energy 2022 PSCR Plan);
- Case U-21081 (UMERC 2021 IRP);
- Case U-21090 (Consumers Energy 2021 IRP);
- Case U-21189 (Indiana Michigan 2022 IRP);
- Case U-21193 (DTE Electric 2022 IRP);

- Case U-21224 (Consumers Energy 2022 Electric Rate Case);
- Case U-21297 (DTE Electric 2023 Rate Case);
- Case U-21377 (IM Renewable Acquisition);
- Case U-21389 (Consumers Energy 2023 Electric Rate Case);
- Case U-21540 (MGU 2024 Gas Rate Case);
- Case U-21555 (UPPCO 2024 Rate Case);
- Case U-21534 (DTE 2024 Electric Rate Case);
- Case U-21585 (Consumers 2024 Electric Rate Case);
- Case U-21654 (EWR Alternative Compliance Plan);
- Case U-21662 (DTE 2024 Renewable Energy Plan Case);
- Case U-21816 (Consumers Energy 2024 Renewable Energy Plan Case);
- Case U-21859 (Consumers Energy Data Center Tariff Case);
- Case U-21813 (UMERC 2025 Renewable Energy Plan Case); and
- Case U-21860 (DTE 2025 Electric Rate Case).

Additionally, I have testified as an expert witness before the Public Utilities Commission of Nevada in Case No. 16-07001 concerning the 2017-2036 integrated resource plan of NV Energy; and before the Missouri Public Service Commission in Case Nos. ER-2016-0179, ER-2016-0285, and ET-2016-0246 concerning residential rate design and electric vehicle ("EV") policy, revenue requirements, cost of service, and rate design. I testified before the Kentucky Public Service Commission in Case No. 2016-00370 concerning municipal street lighting rates and technologies. I testified before the Massachusetts Department of Public Utilities in Case Nos. DPU 17-05 and DPU 17-13 concerning EV charging infrastructure program design and cost recovery. Before the Rhode Island Public Utilities

Commission, in Case No. 4780, I testified concerning Advanced Metering Infrastructure and EV charging infrastructure. Before the Delaware Public Service Commission, I testified regarding EV charging infrastructure in Case No. 17-1094. I testified before the Georgia Public Service Commission in Case No. 4822 concerning PURPA avoided cost. I testified before the Colorado Public Utilities Commission in Case Nos. 20A-0204E and 20A-195E concerning cost recovery for EV charging infrastructure. I also testified before the Minnesota Public Utilities Commission in Case No. 22-432 regarding EV charging rate design. I testified before the Public Service Commission of Wisconsin in Certificate of Public Convenience and Necessity Cases Nos. 6630-CE-316 and 6630-CE-317.

I have also testified as an expert witness on behalf of the State of Michigan before the Federal Energy Regulatory Commission ("FERC") in cases relating to the relicensing of hydro-electric generation and have participated in state and federal court cases on behalf of the State of Michigan concerning electricity generation matters, which were settled before trial. I have also filed affidavits in support of filings by the Attorney General of Michigan in docket no. EL25-90-000 and in support of a request for reconsideration and appeal of a Federal Power Act Section 202c Order by the Secretary of Energy.

Q. Are you sponsoring any exhibits?

A. Yes, I am sponsoring the following exhibits:

Exhibit CUB-11: Resume of Douglas B. Jester

Exhibit CUB-12: TEP-Managed vs Overall EV Growth

Exhibit CUB-13: Response to MNSC-CE-0569

Exhibit CUB-14: Response to MNSC-CE-0576

Exhibit CUB-15: Response to MNSC-CE-0578

Exhibit CUB-16: Response to MNSC-CE-0583

Exhibit CUB-17: Response to MNSC-CE-0570

Exhibit CUB-18: Response to MNSC-CE-0582

Exhibit CUB-19: Response to MNSC-CE-0577

Exhibit CUB-20: Response to MNSC-CE-0579

II. SUMMARY

Q. What topics are you addressing in your testimony?

A. My testimony will address the following topics regarding Consumers Energy Company's (hereafter "Consumers Energy" or "the Company") Application and supporting testimony in this case:

- Securitization of distribution system surge spending;
- Consumers Energy's internal fleet electrification strategy; and
- Implementation of Consumers Energy's Transportation Electrification Plan.

Q. Which Consumers Energy witnesses' testimony do you discuss in your testimony?

A. I am addressing aspects of the testimony of Consumers Energy witnesses Heidi J. Myers, Jennifer M. Partlan, Sara E, Stewart, Jeffrey A. Myrom, and Quintin A. Guinn.

III. SECURITIZATION OF DISTRIBUTION SYSTEM SURGE SPENDING [On behalf of NRDC and CUB]

Q. Consumers Energy has been increasing, and in this case proposes to further increase, expenditures on its distribution system. Should any of this spending be considered to be a surge in spending rather than a permanent increase in spending levels?

A. Yes. A considerable portion of this spending increase is to shorten line clearing cycles, (after which line clearing expense will be reduced) and to catch up on deferred maintenance investments.

Q. Does Consumers Energy propose a surge in line clearing expenses?

A. Yes. While this is referenced in the testimony of several witnesses, the primary testimony supporting and detailing the proposal is provided by witness Sara E. Stewart.[1] Her Figure 4, reproduced below, shows that the Company is proposing a surge in line clearing with a substantial portion of the planned work addressing backlog miles:

[1] Direct testimony of Sarah E. Stewart, in its entirety.

FIGURE 4
PLAN FOR LVD BACKLOG MILES ELIMINATION
FULL CIRCUIT CLEARING MILES

Vision Year	Plan Miles	On Cycle Miles	Backlog Miles	Backlog Miles Remaining
Year 1	9,019	5,279	3,740	26,684
Year 2	10,885	6,338	4,547	22,138
Year 3	12,814	6,365	6,449	15,689
Year 4	13,588	6,042	7,546	8,143
Year 5	14,837	6,694	8,143	0

Consumers Energy's projection of LVD line clearing expense is included in witness Stewart's Figure 12, reproduced below:

FIGURE 12
LVD LINE CLEARING RAMP-UP SCHEDULE

Calendar Year	Data Type	O&M Full-Circuit Clearing Miles	O&M Subprogram Clearing Miles	O&M Subprogram Spray Miles	Capital Clearing Miles	O&M Expense ($M)	Capital Contractor Costs ($M)	Local Crews	Out-of-State Crews	Total Crews
2020	Actual	3,679	294	238	258	$46.10	$5.67	220	0	220
2021	Actual	4,647	238	395	252	$75.83	$6.07	299	0	299
2022	Actual	5,653	247	488	221	$91.02	$6.71	334	0	334
2023	Actual	5,758	244	443	168	$97.79	$5.59	348	0	348
2024	Actual	5,400	244	421	258	$99.49	$9.69	347	0	347
2025	Projected	6,108	244	413	325	$113.20	$14.01	364	0	364
2026	Projected	7,891	199	405	325	$152.97	$14.29	403	53	456
2027	Projected	10,885	149	454	325	$201.75	$14.57	420	120	540
2028	Projected	12,814	137	501	325	$226.28	$14.87	420	158	578
2029	Projected	13,588	75	491	325	$230.43	$15.16	420	158	578
2030	Projected	14,837	75	508	325	$236.81	$15.47	420	158	578

She further testifies that the Company projects that the cost of maintaining the 5-year line clearance cycle for the LVD system after this surge will be $168.525 million per year.[2]

[2] Direct testimony of Sara E. Stewart, p. 35, lines 1-6.

Q. How does Consumers Energy propose to handle its surge in tree-trimming costs?

A. Consumers Energy proposes to defer expense above baseline line clearing expense and securitize the regulatory asset once the balance reaches an appropriate level.[3]

Q. Do you support the Company's proposal to surge line clearing and to defer, then securitize, the surge in line clearing expenses?

A. Yes, I do. The surge in line clearing is the most important step the Company can take to improve its distribution outage performance and is supported by the Liberty Audit and the Commission's decisions in the Company's last rate case. The proposal to defer and securitize surge costs serves to reduce the rate impact of the line clearing surge and to align the timing of cost recovery of the surge expenses with the timing of the resulting improvements in reliability.[4]

Consumers Energy identifies the test year surge in line clearing expenses as $21.4 million, but as my colleague Richard Bunch testifies, the more appropriate amount to defer from the test year is $72.7 million.

Q. Please explain why a significant portion of the Company's increased distribution capital spending is to catch up on deferred maintenance investments.

A. The Liberty Audit identified several types of distribution system assets that should be inspected more frequently.

[3] Direct testimony of Heidi J. Myers, p. 9, lines 19-2.1

[4] A point also espoused in the direct testimony of Patrick D. Daly, p. 36, lines 1-9.

Preventive maintenance can reduce aging and extend the expected life of some assets, such as wooden poles. But for many distribution system assets such as line transformers and conductors, most utilities replace equipment that is failing or that has already failed. Setting aside the benefits of preventive maintenance, periodic inspection and maintenance programs do not significantly affect the rate of failure of distribution system components. Rather, the main value of an inspection is to identify incipient failures and to replace equipment before it fully fails and causes an outage.

In steady-state programs, the probability that an incipient failure will be found and the device replaced or repaired before full failure and an outage is approximately[5] proportional to the ratio of the length of the period of failure incipiency to the period between inspections. So, a doubling of the frequency of inspections (or halving of the period between inspections), up to the point when the period between inspections approximates the duration of incipient failure, will in steady state approximately double the number of incipient failures that are detected and addressed. However, each replacement or repair during incipient failure avoids a future replacement or repair that would occur upon complete failure. In steady state, more frequent inspections do not significantly affect the annual total number of repairs or replacements. However, when the period between inspections is shortened, there will be a period of approximately the length of the new inspection cycle when additional replacements or repairs are performed because the more frequent inspections observe more incipient failures that would otherwise have been

[5] If the period of incipient failure was deterministic and constant, this would not be an approximation. The more heterogenous the period of incipient failure, the more necessary it would be to use a more sophisticated formulation of the probability of replacement or repair before full failure, but even in that case, my qualitative characterization of such programs is broadly valid.

replaced or repaired later upon full failure. Thus, as with Consumers Energy's line clearing surge, a shortened period between inspections will produce a surge.

The main benefit of more frequent inspections is that a larger share of incipient failures will be repaired before full failure and an outage. In other words, repairs or replacements during an incipient failure will happen sooner than if the repair or replacement is delayed until full failure. Thus, more frequent inspections to repair or replace equipment with incipient failures will shorten the expected service life of the equipment by the difference in time between inspection-based replacement of equipment with an incipient failure and when that equipment would have fully failed. Statistically, that difference will be half the average duration of an incipient failure. Therefore, the effect of more frequent inspections will be a modest increase in baseline frequency of repairs or replacements once a surge is complete. However, the utility costs of individual repairs or replacements will likely decrease when they are done to correct an incipient failure discovered through inspections compared to when they are done in response to outages. The balance of mildly increased repair or replacement frequency and lower cost per repair or replacement event may result in a modest increase or decrease of baseline spending levels, but historic spending levels adjusted for inflation are a reasonable estimate of the post-surge spending levels.

In general, shifts in inspection standards that lengthen the period that inspections would consider to be incipient failure would have similar effects to those I described above for increased inspection frequency.

Changes in distribution system component standards that increase the expected life of components have somewhat different effects on maintenance and repair costs, producing a

cost surge as better but more expensive components are infused into the distribution system to replace existing technology, but then providing reduced frequency of repair or replacement after the improved components are in place. Complete replacement of the incumbent technology with the new technology will take the full life cycle of the incumbent technology components; at the same time, the effect of the new technology will be to gradually reduce the frequency of repair or replacement. The period of surge spending associated with such a process depends on the relative effects of increased component cost and decreased repair frequency and require a different calculation of the surge period. But if the technology change is cost-effective, there will be a period of spending above historical spending levels, followed by a permanent reduction of spending to a level below the historical baseline.

We can therefore reasonably approximate surge spending as any spending increase above historic levels, and we can expect a return to historic spending levels after the surge.

Q. Please explain why a portion of increased spending is to repair damage that resulted from inadequate preventive maintenance?

A. Some well-executed utility maintenance programs serve to prevent damage that then requires repair or replacement of distribution system components. Sometimes, preventive maintenance is performed directly on the component whose failure rate is reduced. A good example of this is that preservative can be reapplied to wooden poles showing early signs of decay or of depleted preservatives. It is reasonable to assume that some portion of Consumers Energy's pole defects is due to historic low inspection frequency and consequent low application of preventive maintenance practices.

Sometimes, however, damage is avoided by maintenance or repair of something else. A good example of this is tree trimming. Trees do cause immediate outages, and reducing those outages is the primary focus of Consumers Energy's proposed line-clearing surge. However, tree contact causes shorts that can damage nearby electrical equipment. Tree and limb fall creates tension in conductors that can crack pole top insulators. Conductor breaks due to tree damage are typically repaired by splicing conductors at the break point, but splices are weaker than complete conductors and are therefore more susceptible to future line breaks. It is therefore reasonable to assume that some portion of Consumers Energy's distribution system equipment has been damaged and will have shorter life and higher failure rates because of Consumers Energy's historic tree-trimming deficiencies.

Thus, the current baseline and surge spending on Consumers Energy's distribution system are at least partly attributable to deficient historical preventive maintenance, especially in tree trimming.

Q. Should surge capital spending on the Company's distribution system other than line clearing expenses be securitized?

A. Yes, as with line clearing, deferring and securitizing the surge in capital spending can help align the timing of cost recovery with the timing of reliability benefits. The Commission previously authorized DTE Electric's surge in tree-trimming to be deferred and securitized. In this case, Consumers Energy similarly proposes to defer and securitize a surge in its line-clearing expenses, and I support that proposal. The logic of the Commission's prior approval of DTE Electric's surge and Consumers' surge proposal in this case are similar. Much of the distribution surge spending is needed because of the Company's inadequate

spending on maintenance and inspections in the past. Current customers cannot fairly be asked to pay the costs that were not paid by past customers. Current customers will also not see major benefits from the surge spending, which will largely benefit future customers (and perhaps their future selves).

Consumers Energy's past failures to adequately maintain the distribution system, and particularly to spend adequately on current expenses like line clearing, should not enrich current shareholders by inordinately increasing rate base to catch up. Securitization of capital expenditures places surge investments outside Consumers Energy's rate base.

Finally, and most importantly, the cost of financing the surge expenditures through securitization bonds will be considerably less than Consumers Energy's authorized weighted cost of capital, helping to mitigate, though not eliminating, the rate impacts of the surge.

Q. What portion of Consumers Energy's proposed distribution system capital expenditures should be treated as surge costs?

A. There are a number of categories that might be considered as including surge costs, but the most important and obvious is LVD pole replacements. Witness Jennifer M. Partlan acknowledges that the Company has a backlog of poles needing replacement based on previous inspections.[6] She further explains that the Company is just beginning a ground line pole inspection program[7] and expects that approximately 10% of the poles it inspects

[6] Direct testimony of Jennifer M. Partlan, p. 60, lines 7-16.

[7] Direct testimony of Jennifer M. Partlan, p. 60, lines 17-18.

will be rejected, leading to a replacement of 12,500 poles.[8] She provides estimates that test-year capital for pole replacements will be $127.5 million in contrast to bridge period capital of $29.711 million. Since the bridge period is 16 months, the annual spending rate in the bridge period is about $22.28 million and the level of surge spending on pole replacement will be about $105 million in the test year. Allowing for inflation and other variations in costs, I recommend the Commission deem pole replacement costs that exceed $25 million in the test year to be surge costs.

Q. What do you recommend the Commission do in this case?

A. First, I recommend the Commission adopt the Company's proposal to defer and securitize its surge in line clearing expenses. I further recommend the Commission adopt the identification of line clearing surge expenses provided in Richard Bunch's testimony.

Second, I recommend the Commission order Consumers Energy to defer and propose to securitize its proposed spending for a surge in LVD pole replacements. I estimate that the baseline spending on LVD pole replacements should be $25 million with all pole replacement costs in excess of that to be considered as surge expenditures.

IV. REVIEW OF COMPANY'S FLEET ELECTRIFICATION STRATEGY [On behalf of NRDC, Sierra Club, and CUB]

Q. How did the Company develop its fleet electrification target?

A. The Company's 30% fleet electrification target was set as a starting point and was not the product of detailed analysis. To evaluate this target, the Company engaged CALSTART to

[8] Direct testimony of Jennifer M. Parlan, p. 60, lines 20-22 and p. 61, lines 1-7.

conduct a fleet assessment. CALSTART reviewed the Company's vehicle inventory, duty cycles, and operating conditions, and then identified which vehicles could reasonably be replaced with EVs under current market conditions. In other words, the assessment was structured around the 30% goal rather than testing whether a more ambitious target was achievable.

Q. Do you think the Company's 30% electrification target is appropriate?

A. No. Utilities have a uniquely low-friction opportunity to electrify their company's fleet. Unlike most organizations, the Company does not need to rely on a third party to plan or install charging infrastructure—it owns, operates, and manages the very grid resources required to support electrification. This control over both the vehicles and the fueling infrastructure removes barriers that slow other company fleets, making a higher target both reasonable and achievable. Instead, according to Exhibit CUB-18, the Company is backing away from its 30% electrification goal when it should be pursuing a more ambitious target.[9] Light-duty vehicles, which make up the bulk of the Company's fleet, can be electrified readily with models that are already commercially available today. Certain specialized equipment may not yet be easily electrified, but commercially available models exist for most of the vehicle and vehicle types in the Company's fleet, including those that comprise the majority of its vehicles.

Q. What do you recommend regarding the Company's fleet electrification target?

A. The Company should revise its target so that all light-duty vehicle replacements are fulfilled by electric vehicles no later than 2030. This timeline reflects the commercial

[9] Exhibit CUB-18, Response to MNSC-CE-0582.

availability of light-duty EV models today and the Company's unique ability to manage its own charging infrastructure. A more ambitious target will ensure that the Company leads by example, delivers cost savings to its customers, and captures the significant emissions and public health benefits associated with rapid fleet electrification.

Q. What actions do you recommend the Commission take regarding electrifying the Company's fleet?

A. I recommend that the Commission:

- direct the Company to revise its internal fleet electrification target so that all light-duty vehicle replacements are electric by 2030.

V. REVIEW OF TEP IMPLEMENTATION [On behalf of NRDC, Sierra Club, and CUB]

Q. Please summarize the Company's 2024 Transportation Electrification Plan (TEP).

A. Consumers Energy's TEP[10] seeks to enable one million Evs in its service territory by 2030. In short:

- **PowerMIDrive Residential** provides $500 rebates (up to $1000 for income-qualified customers) for residential L1/L2 charging infrastructure and offers a $10 per month Smart Charge Incentive for a customer to avoid on-peak charging for up to 12 months.
- **PowerMIDrive Public Charging** provides rebates up to $7,500 for charging infrastructure in other customer segments, including rebates for multifamily

[10] Consumers Energy, *Consumers Energy Transportation Electrification Plan 2024,* see: https://mi-psc.my.site.com/sfc/servlet.shepherd/version/download/0688y00000EFQgtAAH.

properties, community charging, chargers at overnight destination, and workplace charging. A similar incentive ($20 per month) is offered to participants at multifamily properties to incentivize off-peak charging.

- **PowerMIFleet** provides rebates for companies installing approved L2 and DCFC chargers for their commercial electric fleets. Rebates are enhanced to support income-qualified fleets with a one-time fund of $1.6 million. In addition, this program provides third-party fleet assessment services to advise commercial fleets on vehicle electrification. Finally, to support a network of DCFC stations in the Company's service territory to enable long-distance EV travel, this program continues to offer rebates for a series of DCFC sites.
- These programs have shifted nearly all L1 and L2 charging off-peak[11]
- The Company continues to plan for an influx of DCFC service requests of at least 1 MW by maintaining long-term EV demand forecasts, diversifying equipment supply, and establishing long-term contracts (Exhibit CUB-15).[12]
- The TEP points to a proposal in Case No. U-21585 to provide rebates for battery-integrated DCFC stations to manage fast-charging load and mitigate grid impacts. As summarized in Exhibit CUB-19, the Commission did not approve this proposal, and the Company has not made any new proposals of this kind.[13]

[11] See Figure 16 of the TEP: https://mi-psc.my.site.com/sfc/servlet.shepherd/version/download/0688y00000EFQgtAAH.

[12] Exhibit CUB-15, Response to MNSC-CE-0578.

[13] Exhibit CUB-19, Response to MNSC-CE-0577.

- The TEP references vehicle-to-everything ("V2X") and telematics technologies, but the Company currently has no plans to implement them in any managed charging strategy (Exhibit CUB-14).[14]

In summary, the TEP aims to enable EV adoption to scale by managing EV load such that it benefits ratepayers and reliability rather than stressing the grid. The Company calculates that the additional margin from electricity sales to Evs, combined with strategic load management, would pay for all the costs of TEP programs with revenue left to spare for rate relief.

Q. What does the Company propose regarding its TEP in the present case?

A. As summarized[15] by Company Witness Myrom, the Company still forecasts EV adoption at roughly 500,000 Evs in the Company's service territory by 2030, and the Company continues to implement the TEP as approved in earlier cases before the Commission. In the present case, the Company proposes two main enhancements to the TEP:

1) **Expand outlet eligibility for rebates:** this proposal would allow NEMA[16] 14-50 outlets to qualify for all L2 rebates and allow NEMA 5-20 outlets to qualify for all long-duration L1 rebates, potentially reducing installation costs and attracting multifamily site hosts who may be interested in a Bring Your Own Cord (BYOC) model.

2) **Continuation of DC Fast Charging Rebates:** this proposal includes rebates of up to $50,000 per 150 kW DCFC port for up to two years after

[14] Exhibit CUB-14, Response to MNSC-CE-0576.

[15] See Direct Testimony of Company Witness Jeffrey A. Myrom.

[16] The National Electric Manufacturers Association.

approval. Rebates of this kind would be prioritized based on community need, alignment with the National Electric Vehicle Infrastructure ("NEVI") Formula Program's 'skeleton network' standard, and competitive site design and criteria.

The Company does not propose increases to its TEP budget in this case, citing headroom in the existing budget and project delays stemming from federal and state funding developments (Exhibit CUB-20).[17]

Q. Do you support the proposal to expand outlet eligibility for rebates?

A. Yes. This proposal would reduce costs for multifamily customers and expand charging access without compromising charging quality.

Q. Do you support the proposal to continue DC fast charging rebates under the terms presented?

A. No. While I support the continuation of DCFC rebates, I recommend modifications in light of the changed funding landscape. Recent federal legislation has effectively eliminated the 30C tax credit, which significantly reduces outside funding support for fast-charging projects. As a result, a higher incentive will be required for many site hosts to justify the investment. Rather than asking the Company to simply increase its rebate level, the Company could instead revise its application process to allow applicants to request a specific rebate amount based on their project circumstances. The Company would then continue to select the most competitive applications, but competitiveness would now be assessed in part by the rebate amount requested. Finally, the Company should extend its

[17] Exhibit CUB-20, Response to MNSC-CE-0579.

DCFC rebate program to remain available for seven years instead of two to match the original expiration timeline of the 30C tax credit. With the removal of federal support, a longer runway for Company incentives is necessary to adequately support progress toward a reliable, statewide fast-charging network.

Q. How many rebates has the Company issued under the PowerMIDrive program to date?

A. According to Exhibit CUB-13 and Exhibit CUB-16, as of September 8, 2025, the Company has issued the following numbers of rebates under PowerMIDrive:[18]

Customer Segment	Rebates Issued to All Customers	Rebates Issued to Income-Qualified Customers
Residential	5,835	Not provided
Multifamily	65	34
Community	81	24
Workplace	181	65
Overnight Destination	136	26
Public DCFC	98	11

Q. Do you have any concerns regarding the Company's pace and distribution of rebates?

A. Yes. The relatively small number of multifamily rebates issued to date is concerning, given the importance of this customer segment for equitable access to EV charging. Multifamily properties face unique barriers, such as shared parking and cost allocation between landlords and tenants, that require more focus than is currently evident from the table above. It is worth noting, however, that the Company has performed relatively well in reaching income-qualified customers with these rebate programs across several segments.

[18] Exhibit CUB-13, Response to MNSC-CE-0569; Exhibit CUB-16, Response to MNSC-CE-0583.

This positive outcome should be acknowledged even while multifamily participation lags. The Company's proposal to expand outlet eligibility to better attract multifamily site hosts is a step in the right direction. Recognizing the need to expand access in this segment, the Company should strengthen its efforts by dedicating resources to targeted outreach and education aimed specifically at multifamily dwellings.

Q. Please summarize how the Company currently manages EV load under its TEP.

A. The Company's reported success in shifting the vast majority of L1 and L2 charging to off-peak hours is achieved primarily[19] through time-of-use rates, customer education, and incentive payments. Many customers are first introduced to the Company's programs through one of the available charger rebates. The PowerMIDrive program, for example, uses AMI data to verify charging patterns and provides participating customers with monthly incentives to avoid on-peak charging. The Company does not employ active managed charging, telematics-based control, or V2X strategies to directly modulate charging load, noting instead that it is "monitoring developments to see how these technologies mature" (Exhibit CUB-14).[20]

[19] Consumers Energy, *Consumers Energy Transportation Electrification Plan Annual Progress Report 2025,* p. 12 of: https://mi-psc.my.site.com/sfc/servlet.shepherd/version/download/068cs00000wdxbWAAQ.

[20] Exhibit CUB-14, Response to MNSC-CE-0576.

Q. Do you have any concerns with the Company's current approach to managing EV load?

A. Yes. The Company acknowledges[21] that "without EV load management programs, most customers will pay no attention to on-peak time periods…when charging." While the strategies employed to date have successfully shifted most L1 and L2 charging to off-peak hours, these results have largely come from a self-selecting group of early adopters who are willing to engage with their utility and manage charging. According to Exhibit CUB-12, however, the Company's own forecasts show that overall EV load growth is expected to outpace the growth of TEP-managed EV load between now and 2030.[22] This imbalance raises two concerns. First, the Company's managed charging strategy and the resulting grid and ratepayer benefits may soon be overwhelmed by the scale of unmanaged EV load growth, highlighting an urgent need to scale enrollments in TEP programs. Second, the average future EV driver cannot be assumed to behave like the early adopters who have participated to date. Incentives and education alone may not be enough to influence charging behavior at scale. For this reason, active managed charging and V2X capabilities should be integrated into the TEP now, rather than deferred until 2028[23], to ensure proven tools are in place before unmanaged load growth overwhelms the current passive approach.

[21] See the Company's TEP, page 7:

https://mi-psc.my.site.com/sfc/servlet.shepherd/version/download/0688y00000EFQgtAAH.

[22] Exhibit CUB-12, TEP-Managed vs Overall EV Growth.

[23] The Company indicates that "potential V2X programming" will start in 2028. See page 37 of the TEP:

Canary Media, *Why EV Fast-Charging Stations are Going Big on Batteries,* https://mi-psc.my.site.com/sfc/servlet.shepherd/version/download/0688y00000EFQgtAAH (accessed September 30, 2025).

Q. Do you have any comments about the Company's proposal to offer rebates for battery-integrated DCFC stations?

A. Yes. Although the Commission did not approve the Company's proposal in Case No. U-21585, the need for such solutions remains. Unlike residential and workplace charging, DCFC stations are not amenable to traditional managed charging strategies. Drivers expect immediate, high-power charging and will not tolerate delays or curtailments. Battery-integrated DCFC stations offer a practical way to buffer grid impacts, reduce interconnection costs, and improve reliability. This technology is commercially available today[24] and is being deployed in other jurisdictions. For these reasons, the Company should revive its proposal, and the Commission should approve it as part of this TEP, so that fast-charging growth can be managed in a way that protects both the grid and ratepayers.

Q. What is your opinion of the fleet assessments provided under the PowerMIFleet program?

A. The fleet assessments are reasonable. Exhibit CUB-17 shows that ICF recommended a wide variety of electrification targets tailored to different organizations, which suggests that the assessments account for unique fleet circumstances.[25] That said, evaluating electrification potential solely through a total cost of ownership (TCO) lens is too narrow. Fleet vehicles drive more miles than the average passenger vehicle and therefore deliver far greater pollution and greenhouse gas reductions when electrified. While I do not propose overhauling the methodology in this case, it is important to recognize that these

[24] https://www.canarymedia.com/articles/ev-charging/fast-ev-chargers.

[25] Exhibit CUB-17, Response to MNSC-CE-0570.

broader benefits are not captured in a TCO analysis, and they strengthen the policy rationale for supporting fleet electrification through programs like PowerMIFleet.

Q. Do you have any recommendations regarding the PowerMIFleet program?

A. Yes. The program should be extended to include a pilot focused on electrifying school buses with vehicle-to-grid (V2G) capabilities. School buses represent an especially promising application because their operating schedules align well with grid needs and their electrification produces significant public health benefits by reducing students' exposure to diesel exhaust. A V2G-enabled school bus pilot would build on the existing PowerMIFleet structure while demonstrating how fleets can provide both mobility and grid services.

VI. RECOMMENDATIONS

Q. Please summarize your conclusions and recommendations to the Commission.

A. I recommend that the Commission:

- Adopt Consumers Energy's proposal to defer and securitize line-clearing surge expenses.
- Adopt the estimate of line-clearing surge expenses in the test year to which Richard Bunch testifies.
- Also direct Consumers Energy to defer and securitize LVD pole replacement expenses in excess of $25 million in the test year.
- Direct the Company to revise its internal fleet electrification target so that all light-duty vehicle replacements are electric by 2030.

- Approve the Company's proposal to expand outlet eligibility for charger rebates.
- Require the Company to revise its fast-charging rebate structure to:
    - Allow applicants to request variable rebate amounts,
    - Prioritize competitive applications that reflect both site quality and rebate efficiency, and
    - Extend rebate availability to seven years to replace the original federal 30D timeline.
- Direct the Company to develop a proposal in its next rate case to allocate specific funding for targeted education and outreach to multifamily dwellings.
- Direct the Company to develop a proposal in its next rate case to pilot active managed charging and telematics within its PowerMIDrive program.
- Direct the Company to reintroduce, in its next rate case, or earlier if practicable, its previous proposal to pilot rebates for battery-integrated DC fast charging sites.
- Direct the Company to develop a proposal in its next rate case to expand PowerMIFleet with a V2G-enabled electric school bus pilot.

Q. Does that complete your testimony?

A. Yes, it does.

Douglas B. Jester

Personal Information

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Professional experience

January 2011 – present 5 Lakes Energy

Managing Partner

Co-owner of a consulting firm working to advance the clean energy economy in Michigan and beyond. Consulting engagements with foundations, startups, and large mature businesses have included work on public policy, business strategy, market development, technology collaboration, project finance, and export development concerning energy efficiency, smart grid, renewable generation, electric vehicle infrastructure, and utility regulation and rate design. Policy director for renewable energy ballot initiative and Michigan energy legislation advocacy. Supported startup of the Energy Innovation Business Council, a trade association of clean energy businesses. Developed integrated resource planning models for use in ten states' compliance with the Clean Power Plan. Expert witness in more than 70 electric utility regulation cases in Michigan and approximately 15 cases in other states.

February 2010 - December 2010 Michigan Department of Energy, Labor and Economic Growth

Senior Energy Policy Advisor

Advisor to the Chief Energy Officer of the State of Michigan with primary focus on institutionalizing energy efficiency and renewable energy strategies and policies and developing clean energy businesses in Michigan. Provided several policy analyses concerning utility regulation, grid-integrated storage, performance contracting, feed-in tariffs, and low-income energy efficiency and assistance. Participated in Pluggable Electric Vehicle Task Force, Smart Grid Collaborative, Michigan Prosperity Initiative, and Green Partnership Team. Managed development of social-media-based community for energy practitioners. Organized conference on Biomass Waste to Energy.

August 2008 - February 2010 Rose International

Business Development Consultant - Smart Grid

- Employed by Verizon Business' exclusive external staffing agency for the purpose of providing business and solution development consultation services to Verizon Business in the areas of Smart Grid services and transportation management services.

December 2007 - March 2010 Efficient Printers Inc

President/Co-Owner

- Co-founder and co-owner with Keith Carlson of a corporation formed for the purpose of acquiring J A Thomas Company, a sole proprietorship owned by Keith Carlson. Recognized as Sacramento County (California) 2008 Supplier of the Year and Washoe County (Nevada) Association for Retarded Citizens 2008 Employer of the Year. Business operations discontinued by asset sale to focus on associated printing software services of IT Services Corporation.

August 2007 - 2015 IT Services Corporation

President/Owner

- Founder, co-owner, and President of a startup business intended to provide advanced IT consulting services and to acquire or develop managed services in selected niches, currently focused on developing e-commerce solutions for commercial printing with software-as-a-service.

2004 – August 2007 Automated License Systems

Chief Technology Officer

- Member of four-person executive team and member of board of directors of a privately-held corporation specializing in automated systems for the sale of hunting and fishing licenses, park campground reservations, and in automated background check systems. Executive responsible for project management, network and data center operations, software and product development. Brought company through mezzanine financing and sold it to Active Networks.

2000 - 2004 WorldCom/MCI

Director, Government Application Solutions

- Executive responsible in various combinations for line of business sales, state and local government product marketing, project management, network and data center operations, software and product development, and contact center operations for specialized government process outsourcing business. Principal lines of business were vehicle emissions testing, firearm background checks, automated hunting and fishing license systems, automated appointment scheduling, and managed application hosting services. Also responsible for managing order entry, tracking, and service support systems for numerous large federal telecommunications contracts such as the US Post Office, Federal Aviation Administration, and Navy-Marine Corps Intranet.
- Increased annual line-of-business revenue from $64 million to $93 million, improved EBITDA from approximately 2% to 27%, and retained all customers, in context of corporate scandal and bankruptcy.
- Repeatedly evaluated in top 10% of company executive management on annual performance evaluations.

1999-2000 Compuware Corporation

Senior Project Manager

- Senior project manager, on customer site with five project managers and team of approximately 80, to migrate a major dental insurer from a mainframe environment to internet-enabled client-server environment.

1995 - 1999 City of East Lansing, Michigan

Mayor and Councilmember

- Elected chief executive of the City of East Lansing, a sophisticated city of 52,000 residents with a council-manager government employing about 350 staff and with an annual budget of about $47 million. Major accomplishments included incorporation of public asset depreciation into budgets with consequent improvements in public facilities and services, complete rewrite and modernization of city charter, greatly intensified cooperation between the City of East Lansing and the East Lansing Public Schools, significant increases in recreational facilities and services, major revisions to housing code, initiation of revision of the City Master Plan, facilitation of the merger of the Capital Area Transportation Authority and Michigan State University bus systems, initiation of a major downtown redevelopment project, City government efficiency improvements, and numerous other policy initiatives. Member of Michigan Municipal League policy committee on Transportation and Environment and principal writer of league policy on these subjects (still substantially unchanged as of 2022).

1995-1999 Michigan Department of Natural Resources

Chief Information Officer

- Executive responsibility for end-user computing, data center operations, wide area network, local area network, telephony, public safety radio, videoconferencing, application development and support, Y2K readiness for Departments of Natural Resources and Environmental Quality. Directed staff of about 110. Member of MERIT Affiliates Board and of the Great Lakes Commission's Great Lakes Information Network (GLIN) Board.

1990-1995 Michigan Department of Natural Resources

Senior Fisheries Manager

- Responsible for coordinating management of Michigan's Great Lakes fisheries worth about $4 billion per year including fish stocking and sport and commercial fishing regulation decisions, fishery monitoring and research programs, information systems development, market and economic analyses, litigation, legislative analysis and negotiation. University relations. Extensive involvement in regulation of steam electric and hydroelectric power plants.
- Served as agency expert on natural resource damage assessment, for all resources and causes.
- Considerable involvement with Great Lakes Fishery Commission, including:

- Co-chair of Strategic Great Lakes Fishery Management Plan working group
- Member of Lake Erie and Lake St. Clair Committees
- Chair, Council of Lake Committees
- Member, Sea Lamprey Control Advisory Committee
- St Clair and Detroit River Areas of Concern Planning Committees

1989-1990 American Fisheries Society

Editor, North American Journal of Fisheries Management

- Full responsibility for publication of one of the premier academic journals in natural resource management.

1984 - 1989 Michigan Department of Natural Resources

Fisheries Administrator

- Assistant to Chief of Fisheries, responsible for strategic planning, budgets, personnel management, public relations, market and economic analysis, and information systems. Department of Natural Resources representative to Governor's Cabinet Council on Economic Development. Extensive involvement in regulation of steam electric and hydroelectric power plants.

1983-present Michigan State University

Adjunct Instructor

- Irregular lecturer in various undergraduate and graduate fisheries and wildlife courses and informal graduate student research advisor in fisheries and wildlife and in parks and recreation marketing.

1977 – 1984 Michigan Department of Natural Resources

Fisheries Research Biologist

- Simulation modeling & policy analysis of Great Lakes ecosystems. Development of problem-oriented management records system and "epidemiological" approaches to managing inland fisheries.
- Modeling and valuation of impacts of power plants on natural resources and recreation.

Education

1991-1995 Michigan State University

PhD Candidate, Environmental Economics

Coursework completed, dissertation not pursued due to decision to pursue different career direction.

1980-1981 University of British Columbia

Non-degree Program, Institute of Animal Resource Ecology

1974-1977 Virginia Polytechnic Institute & State University

MS Fisheries and Wildlife Sciences

MS Statistics and Operations Research

1971-1974 New Mexico State University

BIS Mathematics, Computer Science, Biology, and Fine Arts

Citizenship and Community Involvement

Youth Soccer Coach, East Lansing Soccer League, 1987-89

Co-organizer, East Lansing Community Unity, 1992-1993

Bailey Community Association Board, 1993-1995

East Lansing Commission on the Environment, 1993-1995

East Lansing Street Lighting Advisory Committee, 1994

Councilmember, City of East Lansing, 1995-1999

Mayor, City of East Lansing, 1995-1997

East Lansing Downtown Development Authority Board Member, 1995-1999

East Lansing Transportation Commission, 1999-2004

East Lansing Non-Profit Housing and Neighborhood Services Corporation Board Member, 2001-2004

Lansing – East Lansing Smart Zone Board of Directors, 2007-2017

Council on Labor and Economic Growth, State of Michigan, by appointment of the Governor, May 2009 – May 2012

East Lansing Downtown Development Authority Board Member and Vice-Chair, 2010 – 2018.

East Lansing Brownfield Authority Board Member and Vice-Chair, 2010 – 2018.

East Lansing Downtown Management Board and Chair, 2010 – 2016

East Lansing City Center Condominium Association Board Member, 2015 – 2022.

City of East Lansing Advisory Commissioner to the Lansing Board of Water and Light, 2017 – 2023

State of Michigan UP Energy Task Force, 2019-2021, appointed by Governor Whitmer.

State of Michigan Dam Safety Committee, 2020-2021

State of Michigan Council on Climate Solutions, Energy Production, Transmission, Distribution, and Storage Workgroup Co-Chair, 2021-present.

Board and Executive Committee Member, For Love of Water (FLOW), 2019 - present

U-21870

Projected EV Load Growth Managed Under the Company's Transportation Electrification Plan (TEP) and a Comparison to Forecasted EV Adoption Growth

Exhibit A-165 (JAM-3) presents a cost-benefit analysis for the Company's TEP until 2035. The following is the predicted load managed under TEP programs until 2030:

The above table shows that the load managed under TEP programs is expected to grow by roughly **8.5x** between now and 2030. Since off-peak and on-peak usage each grow by the same factor, the Company evidently assumes its EV load management strategies will remain as effective as they have been thus far.

Meanwhile, Company Witness Myrom states[1] that EV load growth remains on pace for the "500K EV" by 2030 scenario used in the Company's 2021 Integrated Resource Plan (Case No. U-21090), compared to the roughly 40,000 EVs observed in late 2024, with different forecasts varying between 470,000 and 630,000 EVs by 2030—an increase of between **11.75x** and **15.75x**.

In other words, the Company's own projections indicate that the EV load managed under its TEP programs is expected to lag behind overall EV load growth to a considerable extent.

[1] Direct Testimony of Company Witness Jeffrey A. Myrom, Pages 10-11.

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Question:

For questions 17-26 please refer to the Company's Transportation Electrification Plan (TEP), cited in the Direct Testimony of Jeffrey A. Myrom, Page 4, Footnote 2.
18. As of the most recent date available, please provide the latest information regarding participation in the PowerMIDrive program, including:
a. Updated numbers of rebates issued for each customer segment.
b. Enrollment figures and participation levels in any associated managed charging or incentive programs.
c. Geographic distribution of rebates issued, by ZIP Code if available.

Response:

a. As of September 8, 2025, the lifetime number of rebates issued per customer segment are as follows:
    a. Residential: 5,835 Rebates.
    b. Multifamily: 65 Rebates.
    c. Community: 81 Rebates.
    d. Workplace: 181 Rebates.
    e. Overnight Destination: 136 Rebates.
    f. Public DCFC: 98 Rebates.

b. Residential Managed Charging Participation:
    a. 2,970 Total Customers Actively Enrolled in Smart Charge Incentive (SCI).
    b. 3,870 Total Customers Completed + Graduated from 12 months SCI.
    c. 134 Total Customers Enrolled in SCI but removed prior to completion of 12-month SCI (e.g. relocation outside of electric territory).
    d. 181 Fleet Carma incentives from the pilot phase.

c. Please see the attached file for the geographic distribution of rebates by ZIP Code.

Witness: Jeffrey A. Myrom
Date: September 8, 2025

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Question:

25. Please describe in detail the Company's plans to develop telematics and V2X capabilities in support of managed charging, including:

a. Any analyses, pilot programs, vendor partnerships, or RFPs currently under development.

b. The anticipated timeline for telematics-based program design and deployment.

c. How telematics data will be used to influence and verify off-peak charging behavior.

d. Any analysis of costs, benefits, and data privacy considerations associated with telematics-enabled managed charging.

Response:

The Company presently has no plans to develop telematics and V2X capabilities. As stated on page 38 of the 2024 Transportation Electrification Plan (TEP), we are monitoring developments to see how these technologies mature.

Witness: Jeffrey A. Myrom
Date: September 15, 2025

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Question:

27. Please refer to page 44 of the TEP, which projects between 1,500 and1,850 additional DCFC sites requiring 1 MW or greater service. Please describe in detail the Company's proactive efforts, and provide any associated analyses or planning documents, to prepare for this projected influx of requests, including:

    a. Current DCFC interconnection queue statistics, including the number of 1MW+ requests received, pending, and fulfilled.

    b. System planning analyses and capacity maps/studies produced to date.

    c. Any data and conclusions related to the EV propensity study referenced in the Direct Testimony of Jennifer M. Partlan, page 114.

    d. Steps being taken to mitigate the impacts of the 24-month backlog in transformer procurement and installation.

    e. Any prioritization or queue management processes established for DCFC interconnection requests.

Response:

a. Presently there are 11 DCFC sites with a nameplate capacity of 1 MW or greater in progress. There are an additional 15 NEVI Round 2 sites anticipated that will also have nameplate capacity near or greater than 1 MW.

b. The Company uses its CYME software to model its load flow assumptions of the LVD system on an annual basis, as described on page 113 of my direct testimony. The Company has developed initial hosting capacity maps, and is planning to publish more detailed hosting capacity maps in the near future as discussed by Company witness Kelly on page 70, line 9, through page 71, line 21, of his direct testimony. Additionally, the Company will begin publishing updated hosting capacity maps beginning on October 1, 2025, as directed by the Commission in its July 10, 2025 Order in Case No. U-20147.

c. Please see Attachment 1 to this response, which describes the propensity study referenced in my direct testimony.

d. Please see Company witness Kelly's direct testimony, page 186, line 4 through page 188, line 2. Furthermore, the Supply Chain team is currently implementing a three-pronged approach to reduce procurement lead times:

    1) **Diversifying the Supply Base** – This includes onboarding international suppliers to expand sourcing options and reduce dependency on any single region or vendor.

2) **Establishing Long-Term Contracts** – The intention is to reduce spot-buying, which risk extended lead times and lower prioritization in supplier production schedules. Long-term agreements ensure more reliable slot allocation and improved responsiveness.

3) **Sharing Long-Term Demand Forecasts** – By projecting and sharing demand 3 to 5 years into the future, we are enabling suppliers to plan more effectively and align their capacity with our strategic needs.

e. Customer service requests for DCFC follow the same process as other new service requests.

Witness: Jennifer M Partlan
Date: September 16, 2025

Question:

32. Please refer to the Direct Testimony of Jeffrey A. Myrom, pages 6-10. Please provide the most recent available data on participation in the Company's TEP programs by customer income level or disadvantaged community (DAC) status, including:

a. The number of rebates issued to income-qualified customers, broken out by program and customer segment.

b. Any analyses the Company has conducted regarding barriers to participation among low-income or DAC customers.

c. Any current or planned program modifications intended to expand access for these customer groups.

d. Any additional TEP funds the Company plans to reallocate from DCFC make-ready costs to support low-income and disadvantaged customers and communities.

Response:

a. As of September 8, 2025, a total of 26 residential rebates have been issued to income-qualified customers.

    a. Other public/fleet categories have seen a number of rebates awarded in MIEJ and/or prior EJ40 regions as follows:

        i. Multifamily: 34 Rebates.

        ii. Community: 24 Rebates.

        iii. Workplace: 65 Rebates.

        iv. Overnight Destination: 26 Rebates.

        v. Public DCFC: 11 Rebates.

b. The Company believes that barriers to participation include the following: (1) customers who do not yet own or lease an EV and are thus not eligible for participation, and (2) lack of charging infrastructure at equitable charging locations like multifamily properties, community charging, and workplace charging. The Company already has rebate programs attempting to address the aforementioned charging infrastructure and believes that EV adoption among lower income customers will increase as more used EVs hit the market.

c. The use of a bring-your-own-cord model in multifamily and workplace situations (in addition to community charging which already allows this option) was proposed in the present case to make infrastructure development costs more affordable and planning even easier and thus further accelerate charging infrastructure.

d. At this time, the Company anticipates that the DCFC make-ready funds from the remaining pilot budget will be fully utilized, and thus not available to support low-income programs as was possible under the PowerMIFleet pilot phase. The PowerMIFleet pilot's focus on Level 2 (L2) charging is what enabled make-ready cost savings compared to budget projections at the start of the pilot, but DCFC projects have higher make ready costs than L2.

Witness: Jeffrey A. Myrom
Date: September 8, 2025

Question:

19. As of the most recent date available, please provide the latest information regarding participation in the PowerMIFleet program, including:

a. Updated numbers of rebates issued for each customer segment.

b. A table summarizing each fleet assessment, including the number and percentage of each fleet's vehicles recommended for electrification.

Response:

a. As of September 8, 2025, the number of PowerMIFleet program rebates per customer segment are as follows:
    a. **Education**: 41 Fleet L2 Rebates and 6 Fleet DC Rebates.
    b. **Healthcare:** 1 Fleet L2 Rebate.
    c. **Manufacturing:** 6 Fleet L2 Rebates.
    d. **Municipal/Govt:** 16 Fleet L2 Rebates.
    e. **Non-Profit:** 7 Fleet L2 Rebates.
    f. **Retail:** 55 Fleet L2 Rebates and 5 Fleet DC Rebates.
    g. **Rideshare (Municipal):** 6 Fleet L2 Rebates.
    h. **Transit:** 11 Fleet L2 Rebates and 2 Fleet DC Rebates.

b. Please see the attached table with Fleet Assessment Summary.

Witness: Jeffrey A. Myrom
Date: September 15, 2025

	A	B	C
1	**PowerMIFleet Assessment Participant Organization**	**Customer Segment**	**Percent of Fleet Recommended to Electrify**
2	**Ludington School District**	Education	8%
3	**Meijer**	Retail	8%
4	**Spectrum Health**	Healthcare	10%
5	**Homer Community Schools**	Education	11%
6	**Hopkins Public Schools**	Education	13%
7	**Hidden Lake Gardens (MSU)**	Education	17%
8	**Traverse City Public Schools**	Education	17%
9	**City of Grand Rapids**	Municipal/Govt	18%
10	**Aquinas College**	Education	20%
11	**Rowleys Wholesale**	Retail	20%
12	**Zoetis**	Retail	20%
13	**City of Kalamazoo**	Municipal/Govt	20%
14	**City of East Grand Rapids**	Municipal/Govt	22%
15	**FireKeeper's Casino**	Retail	23%
16	**Kentwood Public Schools**	Education	23%
17	**Mott College**	Education	25%
18	**City of Boyne**	Municipal/Govt	27%
19	**MTA - Flint**	Transit	27%
20	**Hudsonville Public Schools**	Education	29%
21	**Kirtland Community College**	Education	31%
22	**Western Michigan University**	Education	33%
23	**Michigan State University**	Education	33%
24	**Padnos**	Retail	33%
25	**Alma College**	Education	34%
26	**Rockford Public Schools**	Education	35%
27	**City of Muskegon**	Municipal/Govt	35%
28	**City of Harrisville**	Municipal/Govt	36%
29	**Grand Rapids (GRR) Airport**	Transit	36%
30	**DNR - State of Michigan**	Municipal/Govt	37%
31	**University of Michigan Flint**	Education	37%
32	**Jackson Public Schools**	Education	38%
33	**Balkema Sitework**	Retail	40%
34	**Meridian Township**	Municipal/Govt	40%
35	**Mason County Eastern Schools**	Education	42%
36	**West Shores ESD**	Education	42%
37	**David's House Ministries**	Retail	47%
38	**City of Wyoming**	Municipal/Govt	48%
39	**JP O'Sullivan Distributing**	Retail	48%
40	**Coyne Oil**	Retail	49%
41	**Jackson Area Transit Authority (JATA)**	Transit	50%
42	**Vanderbilt Area Schools**	Education	50%
43	**CS Erickson**	Retail	52%

	A	B	C
44	**Bronson Healthcare Group**	Healthcare	54%
45	**Ashley Community Schools**	Education	56%
46	**City of Linden**	Municipal/Govt	58%
47	**Merrill Community School District**	Education	58%
48	**Hand2Hand**	Retail	60%
49	**Viking Products**	Retail	63%
50	**Eaton County**	Municipal/Govt	71%
51	**Saginaw Stars**	Transit	74%
52	**Dean Transportation - Corporate**	Transit	79%
53	**Weinstein Electric**	Retail	86%
54	**Home Repair Services of Kent County**	Retail	89%
55	**Kids Food Basket**	Retail	92%
56	**Comstock Public Schools**	Municipal/Govt	93%
57	**Alma Transportation Center**	Transit	100%
58	**City of Midland Dial-A-Ride**	Transit	100%
59	**Clare County Transit**	Transit	100%
60	**Holland Charter Township**	Municipal/Govt	100%
61	**Inland Lakes Public Schools**	Education	100%
62	**Ionia Dial A Ride**	Transit	100%
63	**Roscommon County Transportation Authority**	Transit	100%
64	**Tawas Police Department**	Municipal/Govt	100%

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Question:

31. Please provide any analyses or planning documents describing how the Company intends to achieve the 30% fleet electrification goal by 2030, in light of Exhibit A-104 (QAG-5).

Response:

The Company is currently reevaluating its 30% fleet electrification goal by 2030. To achieve the 30% electrification goal, the Company would need to purchase suitable electric units (PHEVs, BEVs and/or ePTOs) at a rate that the current marketplace for electric units does not support. As the Company reevaluates the 30% fleet electrification goal, it continues to acquire electric units to replace ICE units in accordance with its Fleet Electrification Filter as outlined in the direct testimony of Quentin A. Guinn, pages 62 and 63.

Witness: Quentin A. Guinn
Date: September 10, 2025

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Question:

26. Please identify and describe in detail the Company's efforts to implement battery arbitrage technologies at DCFC stations to mitigate on-peak charging.

Response:

In Case No. U-21585, the Company proposed a rebate for battery-integrated Direct Current Fast Chargers (DCFCs). Please see that docket for details regarding the proposal. That request was not approved as part of the permanent TEP customer programs in the final Order in Case No. U-21585. No additional proposals have been made.

Witness: Jeffrey A. Myrom
Date: September 8, 2025

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Question:

28. Please refer to the Direct Testimony of Jeffrey A. Myrom, page 12, lines 9-18. Please provide all internal analyses, memoranda, or stakeholder feedback that informed the Company's decision not to propose any TEP budget increases in this case.

Response:

Multiple rebate projects have been delayed due to Federal and State funding developments, and the queue of rebate projects applied for has not exceeded the annual budget. Thus, current market conditions alone have led us to believe that any additional funding requests can wait until at least the next rate case because rebate funding is not a constraint.

Witness: Jeffrey A. Myrom
Date: September 15, 2025

STATE OF MICHIGAN

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 for other relief.	Case No. U-21870

PROOF OF SERVICE

On the date below, an electronic copy of **Direct Testimony and Exhibits of Douglas B Jester on behalf of Natural Resources Defense Council, Sierra Club, and Citizens Utility Board of Michigan (CUB-11 through CUB-20)** was served on the following:

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[signature page below]

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

Troposphere Legal, PLC
Counsel for NRDC, SC, and CUB

Date: September 30, 2025

By: Natasha L. Fowles Digitally signed by Natasha Fowles Date: 2025.09.30 16:38:24 -04'00'

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