STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to implement the provisions of Sections 6t(1), (5), (7), (8), (12), and (15) of Public Act 231 of 2023 and Sections 3, 5, 7, 22, 28, 51, 101, and 103 of Public Act 235 of 2023.	))))))	Case No. U-21570 Case No. U-21867

Comments of Michigan Environmental Council, Natural Resources Defense Council, and Sierra Club on Michigan Public Service Commission Staff's Final Redlines to Michigan's Integrated Resource Plan Filing Requirements and Planning Parameters

On February 8, 2024, the Michigan Public Service Commission established this docket to implement several provisions from Public Acts 231 and 235 of 2023. Among other things, the Commission directed the Michigan Public Service Commission Staff ("Staff") to propose revisions to Michigan's Integrated Resource Plan ("IRP") Filing Requirements and Michigan Integrated Resource Planning Parameters ("MIRPP"), and to solicit feedback on those proposed redlines. After releasing its proposed revisions on September 30, 2024, Staff held an engagement session on October 17, 2024 and requested initial comments on its proposals by November 7, 2024. Staff then issued a revised draft of its proposed revisions to the Filing Requirements and Planning Parameters and held an additional feedback session on March 4, 2025, and requested comments on the revised draft by April 4, 2025. On August 15, 2025, Staff published its final redlines to both documents, with both clean and strike-through versions to show the changes made. On August 21, 2025, the Commission issued an Order requesting comments on the final redlines by October 31, 2025 and reply comments by November 14, and scheduling public hearings on September 9 and October 27.

Accordingly, Michigan Environmental Council, Natural Resources Defense Council, and Sierra Club (collectively "MNS") submit these comments on Staff's final redlines of the Filing

Requirements and MIRPP, highlighting the importance of affordability, proper assessment of costs and impacts of CCS and hydrogen, and ensuring a meaningful and transparent assessment of potential data center load growth. While these comments focus on these particular issues, MNS strongly urge the Commission to review the recommendations previously stated in MNS's November 2024[1] and April 2025[2] Comments, the majority of which were not incorporated into Staff's proposal.

I. Affordability

First, we applaud Staff for incorporating a requirement for utilities to conduct an affordability and rate impact analysis and using a 6% threshold for energy burden. PA 231 revised the IRP statute to, among other things, require that an IRP include the "[p]rojected rate and affordability impact for the periods covered by the plan."[3] PA 231 also added "affordability" as a factor that the Commission must balance in determining whether a proposed IRP is the most reasonable and prudent means of meeting the utility's energy and capacity needs.[4] The added requirement in Staff's redline creates a blueprint for a meaningful affordability analysis, asking each utility in its IRP to "describe its methodology and data sources including but not limited to income-based segmentation, publicly available data used, any limitations of data availability, proxies such as demographics or housing data, etc."[5] MNS sees

[1] Case No. U-21570, November 7 2024 Comments by Michigan Environmental Council, Natural Resources Defense Council, and Sierra Club ("MNS Nov 2024 Comments"); at 121-152, https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/2023-Energy-Legislation/All-Oct-17-Comments.pdf?rev=fd1688accec44e8189f342cc71e9ff53&hash=992894DBA91A32EB2A6E737A8933FB82.

[2] Case No. U-21570, April 4 2025 Comments by Michigan Environmental Council, Natural Resources Defense Council, and Sierra Club ("MNS April 2025 Comments"), at 13-25, https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/2023-Energy-Legislation/All-2nd-Round-Comments.pdf?rev=8b58f66c7a7842cba44f68a28947d876&hash=437E90FC9FC1A4223B2C4EC72EE8DE12.

[3] MCL 460.6t(5)(k).

[4] MCL 460.6t(8)(a)(viii).

[5] Case No. U-21570, Staff's Final Redline of IRP Filing Requirements at 30, https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/2023-Energy-Legislation/IRP-Filing-Requirements-Clean-and-Strike-

this requirement as the baseline of what should be included in an affordability analysis, and utilities should be encouraged to provide as much data as they can to fully understand the impact their IRPs can have on its customers, particularly the most energy burdened.

While Staff's redlines are a good baseline, MNS recommends strengthening them in two ways. First, the redlines provide that: "If any identified income range is expected to increase an energy burden at or above 6%, the utility shall provide a discussion of available assistance, EWR programs and measures, or other options that could aid in mitigating the expected increased energy burden for the areas identified."[6] To ensure that affordability is appropriately balanced in the IRP, MNS urge the Commission to additionally require that when an increase to an energy burden at or above 6% is identified, the utility must either propose in the IRP additional programs and measures to mitigate such increased energy burden, or explain why it is not doing so. In short, the Staff's proposed redline on this topic in Section XX.b) on page 30 of the Filing Requirements should be further edited as follows (proposed additional language is in red text):

> **If any identified income range is expected to increase an energy burden at or above 6%, the utility shall provide a discussion of available assistance, EWR programs and measures, or other options that could aid in mitigating the expected increased energy burden for the areas identified, and should either propose additional programs and measure that would mitigate such increased energy burden or provide an explanation as to why such additional programs and measures are not being proposed**.

Second, while MNS appreciates the example affordability methodology Staff includes in Appendix 2 of the redlined Filing Requirements, we urge that the Commission make that example methodology found in Appendix 2 the required affordability methodology for the utilities, instead of just a suggestion. Standardizing this process is critical for a robust and

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Bold-Versions.pdf?rev=96b090229bb945838b29cbdbcd530dac&hash=529EBDCBECE35EA11DE39338C4AA09C3.

[6] *Id.*

accurate affordability analysis, and having utilities choose their own methodology could lead to very different analyses and results of varying detail and information. MNS also point out that the numbering and indexing in Appendix 2 uses both numbers and lowercase letters, which may cause confusion. Accordingly, in points 4 and 5 of Appendix 2, the references to (a), (b), (c), and (d) should be changed to 1, 2, 3, and 4 respectively.

II. Process

MNS, while appreciative of the stakeholder process and ability to submit comments on Staff's redline drafts and now its final draft, did have some concerns and recommendations regarding process and additional stakeholder engagement. While Staff made a high-level presentation in March and met with MNS and presumably others to discuss the proposed redlines, Staff did not provide written detailed responses to comments explaining why certain edits and suggestions were not incorporated. Written explanations would be helpful for future dockets to keep a public record, and to better understand why comments were not addressed or fully rejected. For example, whereas Staff was responsive on MNS' recommendations on affordability, many additional points raised by MNS were left mostly or fully unaddressed in the proposed redlines, without formal responses or explanations as to why they were not adopted. These points included: requiring more data on pollution impacts and technology costs of Carbon Capture and Sequestration ("CCS") technologies and other emerging technologies, considerations regarding load growth, data on how EWR is modeled in load forecasts, and information on how utilities are planning on collaborating with local transmission owners. The lack of a written response to comments makes it difficult to discern why our comments on these topics were rejected in Staff's redline.

Additionally, as MNS' April comments suggested, there should be a period of stakeholder engagement and an additional comment period once the potential studies mentioned in the MIRPP are completed. Staff did hold a presentation on September 25, 2025 on the draft results for the EWR, demand response, and electrification potential studies, however at the time the final studies were yet to be published. Because of this, many of MNS' comments on the MIRPP were still left unaddressed. Staff did ultimately publish the potential studies on October 20, 2025. However, there has been no opportunity for stakeholder feedback on the final studies.

To make this engagement process more inclusive, an additional comment opportunity is needed, and formal replies to prior comments provided, especially since it appears that at least some previous comments, which are mentioned below, have gone unaddressed since the completion of the potential studies. This additional comment period will ensure that these issues that have already been highlighted are addressed instead of lost in timing between the Staff's final redlines and the completion of the potential studies.

III. EWR, Electrification, and Demand Response

MNS urges the Commission to consider specific additions in the Filing Requirements or MIRPP regarding EWR, electrification and Demand Response. For the EWR, electrification, and demand response potential studies, the Staff's redlines just state "To comply with PA 341 Section 6t(1)(j) as amended by PA 231."[7] For EWR, MNS had recommended adding that EWR savings should be translated to generation savings using marginal line loss rates for energy as well as high marginal line loss rates at peak hours for capacity. Some utilities have begun using different energy and capacity marginal loss rates in the IRPs, but MNS believes it is important to

[7] Case No. U-21570, Staff's Final Redline of Michigan IRP Planning Parameters at 5-7, https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/2023-Energy-Legislation/U-21219-Phase-III-MIRPP-Clean-and-Strike-Bold-Versions.pdf?rev=3a059e02551a4b9fa3a5becba3a01481&hash=7630C2B5549EE542E3D5895D9BB4BAE8.

explicitly require that this practice continue to be standardized. For both EWR and demand response, some utilities have in recent IRPs exogenously calculated the benefits of avoided transmission and distribution ("T&D") system costs and then either (a) exogenously adjusted NPV of revenue requirements of IRP scenarios to account for those benefits or (b) reduced the NPV of the EWR and DR resources by the value of the avoided T&D cost. The Commission should require these calculations be included for all future IRPs. MNS also provided comments during the potential study technical workshops regarding the willingness to participate surveys, measure lists, adoption rates, and energy rate assumptions.

IV. Technology Costs and Pollution Impact

Staff's final versions of the Filing Requirements and MIRPP do not include enough requirements for utilities to provide data on newer technologies, particularly hydrogen and gas with CCS, making it difficult or impossible to understand the full cost and pollution impact of the IRPs and their Proposed Course of Action ("PCA"). The next round of IRPs come at a critical time, as the 15-year planning period for such IRPs will cover the time in which the utilities will have to meet Michigan's clean energy standards of having an 80% clean energy portfolio by 2035 and 100% by 2040. It is very likely that at least the two largest utilities in the state – DTE and Consumers – will propose gas with CCS and/or hydrogen as primary generation options to meet these requirements. Both options, however, are emerging technologies for which it is necessary to take into account multiple technological steps, costs, and impacts to ensure that all potential resources are being compared fairly in determining the most reasonable and prudent path to a reliable and legally compliant resource plan. MNS detailed in both their November 2024 and April 2025 comments specific redlines that would help ensure that such complete and fair evaluations could occur, but Staff did not include any of those recommendations in their

proposed redlines. As such, we urge the Commission to make the following changes to the Staff's proposal.

i. Hydrogen should not yet be identified as a technology that meets the clean energy requirements.

First, at this point, hydrogen should not be identified as a technology that counts towards meeting the clean energy standards. There are multiple types of hydrogen, some of which may meet the statutory definition of a "clean energy system,"[8] and many of which clearly would not. Before signaling in the Filing Guidelines or MIRPP that hydrogen satisfies the state clean energy standards, the Commission should first determine what types of hydrogen meet the clean energy standards, if any, and how they should be credited. Consistent with PA 235, MNS continue to urge the Commission to open a separate docket and rulemaking to establish hydrogen as a clean energy resource.

ii. Detailed technology cost estimates and guidelines should be provided to standardize the IRP process and understand the full impact of a utility's PCA.

Furthermore, accurate cost estimates of these technologies are needed to fully understand the impact of the IRP and PCA, and without a detailed list of costs that should be accounted for, especially for new technologies like CCS, the Commission could have utilities filing very different cost estimates for these resources in their IRPs. To this end, MNS suggests the following additional redlines.

The Commission should provide, at a minimum, guidance to utilities on which costs to include in their models so that, as with other resources, there is a level playing field between utility IRPs, including the costs of energy to power these technologies. In the November comments, MNS provided an example of a 2008 United States Environmental Protection Agency

[8] MCL 460.1003(3)(i).

technical support document, which included different costs related to CCS and other technologies.[9] The Commission should require utilities to provide similar (and updated) information that is included in this report. MNS ask that the following be added as a requirement for the costs of any hydrogen or CCS evaluated in Scenarios 1 or 2 in the MIRPP, and any other scenarios that a utility models in its IRP, to fully understand the impacts of the costs of these technologies on the utility's modeling:

> **Hydrogen costs[10] and carbon capture and sequestration technology costs will be modeled using the high-end of industry projections for costs and will include any construction or operation costs incurred by the utility to operate the hydrogen generation technology or the carbon capture technology, pipeline or other transportation costs, monitoring, and sequestration costs and/or any contracts costs to use technology and infrastructure owned and operated by another party. This cost estimate should also account for the cost of energy to power the hydrogen or carbon capture technology.**

iii. The Commission should require detailed information regarding pollution impacts as part of the IRP process to understand impacts of a utility's PCA and effects on local environmental justice communities.

Similar to cost impact, the Commission should also require utilities to provide the pollution impact of these technologies, especially in accordance with the clean energy goals of Michigan's legislation and given PA 231's priorities of eliminating greenhouse gas emissions and protecting environmental justice communities. Having a clear understanding of what a utility is proposing will help the Commission and stakeholders to also understand if it is on track to meet the clean energy requirements laid out in the statute. In this vein, MNS suggest a

[9] MNS April 2025 Comments at 7; U.S. Environmental Protection Agency, Geologic CO2 Sequestration Technology and Cost Analysis Technical Support Document, June 2008, https://www.epa.gov/sites/default/files/2015- 07/documents/support_uic_co2_technologyandcostanalysis.pdf.

[10] This is contingent on the Commission's future determination of hydrogen as a potential clean energy source. As previously discussed, hydrogen should not be considered as a clean energy resource unless and until the Commission makes an affirmative determination regarding what kinds of hydrogen, if any, satisfy the state's definition of clean energy. However, if hydrogen resources are considered in an IRP, the full accounting of the costs of such resource reflected in MNS' proposed redline should be required as part of the Planning Parameters and Filing Requirements. .

requirement that for any existing generation or new generation that the utility proposes to equip with CCS, the utility should be required to include "a description of the infrastructure associated with the CCS installation (i.e. number and placement of injection wells, pipelines, etc.) and a description of its plans to secure access to or ownership of the land, underground injection rights, and infrastructure necessary to start CCS on the proposed date." Geography and location can also affect cost, so this requirement would help shine light on both pollution and cost impacts.

The Commission should also require utilities to provide evidence, including laboratory and/or in-field demonstration data, that any proposed CCS project will meet the clean energy standard for emissions reductions under PA 235 and that the sequestration well will not leak and will meet the "permanently storing" standard in MCL 460.1003(i)(ii). This will ensure that utilities are using these technologies in a way that furthers Michigan's clean energy goals, instead of moving further away from them. Required evidence should include data that the CCS project will result in reduced emissions, namely an analysis of the emissions from both the facility where the carbon is captured and the facility that powers the capture technology that for each year over the course of the capture facility's operating life, captured GHGs will exceed emitted GHGs.

Additionally, while Staff includes language in its final redlines requiring utilities to assess changes to air emissions from the conversion or early retirement of fossil fuel-fired facilities and impacts or reduction of harm to the health and safety of communities identified in its Environmental Justice Analysis, MNS urges that these requirements be taken a step further to fully capture these pollution impacts and be protective of the environmental justice communities identified. The Commission should require the utilities to provide data on the changes in air emissions from its PCA and each alternative, to understand the overall impact of each

alternative. If a utility is proposing a new gas build, in addition to the costs related to the new facility, the utility should also be required to model the plan or plans without the new gas included. For any remaining gas or other fossil fuel generation, the utility should model and assess air emissions change in the following three situations: (1) use of fossil fuel peaking plants subject to new clean energy standards, (2) no fossil fuel peaking plants located within a 3-mile radius of identified environmental justice communities, and (3) no fossil fuel peaking plants.

V. Load Growth

A foundational element of any IRP is the forecast of the amount of load that the utility needs to plan to serve. This is reflected in Michigan's IRP statute, which defines the IRP as "a 5-year, 10-year, and 15-year projection of the utility's load obligations and a plan to meet those obligations," and requires that the utility provide a "long-term forecast of the electric utility's sales and peak demand under various reasonable scenarios."[11] Given that the load forecast forms the basis for determining the amount of resources the utility will need, it is especially important that the forecast is reasonable, well-supported, and transparent. With one notable exception, the Staff's proposed Filing Requirements and Planning Parameters do a good job of requiring the types of information needed to ensure that the IRP load forecast measures up to those standards.[12]

That notable exception – an almost complete failure to require detailed information and analysis of projected load growth from data centers and other large load customers – is, however, a critical one, as the potential proliferation of these large, energy intensive facilities could lead to substantial and costly increases in the amount of load that utilities in Michigan serve. As such, MNS urge the Commission to make certain revisions to the Filing Requirements and Planning

[11] MCL 460.6t(3), (5)(a).
[12] Staff's Final Redline of IRP Filing Requirements at 23.

Parameters to require the detailed information and analyses needed to meaningfully assess how and to what extent utilities are and should be factoring possible data center and other large load customer growth into the load forecasts that underpin their IRPs.

As MNS detailed in their April 2024 comments,[13] most analysts are forecasting significant load growth in the U.S. over the next five to ten years due, in large part, to a continued wave of data center proposals. For example, a recent survey by the data and analytics firm Wood Mackenzie found 147 GW of proposed data center capacity that it has high-confidence of coming online, with another 231 GW of earlier stage and, therefore, more speculative proposals.[14] Meanwhile, many estimates project that by 2030 total electric use in the U.S. will increase by 300 to 400 TWh/year to serve data center growth.[15] Over the past couple of years, regulators, utilities, and stakeholders in Virginia, Georgia, North Carolina, and others states that have been at the front end of the waves of data center proposals have been grappling in IRPs and other regulatory proceedings with how best to evaluate and plan for potential data center load. With the pipeline of possible data center projects starting to fill up in Michigan, the IRP Filing Guidelines and Planning Parameters provide a timely opportunity for the Commission to start putting in place requirements to ensure that such potential load will be thoroughly and transparently evaluated so that resource planning in the state will be based on realistic estimates of how much load will need to be served.

[13] MNS April 2025 Comments at 9-10.
[14] Wood Mackenzie, "US utilities have committed to 116 GW of large load capacity growth, equal to 15.5% of current US peak demand," (September 4, 2025), https://www.woodmac.com/press-releases/us-utilities-have-committed-to-116-gw-of-large-load-capacity-growth-equal-to-15.5-of-current-us-peak-demand/.
[15] Ian Goldsmith and Zach Byrum, "Powering the US Data Center Boom: Why Forecasting Can Be So Tricky," World Resources Institute (September 17, 2025), https://www.wri.org/insights/us-data-centers-electricity-demand.

In determining the types of provisions regarding data center load growth that are needed in the Filing Guidelines and Planning Parameters, it is important to keep in mind three salient features of such potential growth.

First is the sheer magnitude of the potential size and impacts of the growth at issue. For example, in its February 2025 application to establish data center specific tariff provisions, Consumers Energy stated that it "has data center inquiries that total over 15 gigawatts of electric load in the economic development pipeline,"[16] which is nearly double the utility's current peak load of approximately 7.6 GWs. If even one-fifth of that potential load – 3 GW – actually came online, it would increase Consumers' capacity needs by nearly 40%. Given the high load factors at which data centers typically operate, the addition of 3 GW of data center load would escalate Consumers' energy needs by an even higher percentage. The costs of building and/or acquiring the generation, transmission, and distribution needed to serve such demand – not to mention to ensure compliance with the state's renewable and clean energy standards – would run into at least multiple billions of dollars. Similar impacts are at issue with regards to DTE, which just announced a 1.4 GW data center project proposal that would increase DTE's energy demand by 25%.[17] The utility claims to have an additional 7 GWs of data center load in its development pipeline, leading to a $6 billion increase in its five-year capital spending plan.[18]

A second salient feature of prospective data center load growth is the substantial amount of uncertainty in projections of the amount of load that is likely to actually come online. In an analysis of the primary drivers of load growth projections, RMI identified data center projections

[16] Case No. U-21859, In the Matter of the Application of Consumers Energy Company for Ex Parte Approval of Certain Amendments to Rate GPD, Direct Testimony of Laura Connolly at 4:7-8.
[17] Summer Ballentine, Breana Noble, and Beth LeBlanc, "Massive OpenAI Data Center Planned for Farmland Near Ann Arbor," Detroit News (Oct. 30, 2025), https://www.detroitnews.com/story/business/2025/10/30/massive-openai-data-center-planned-for-farmland-near-ann-arbor/86986930007/
[18] Robert Walton, "DTE Inks First Data Center Deal to Grow Electric Load by 25%," Utility Dive (Oct. 30, 2025), https://www.utilitydive.com/news/dte-data-center-deal-transformational-growth-earnings/804231/.

as having a "very high" level of forecast uncertainty,[19] and numerous other analysts have highlighted the challenges of trying to accurately forecast data center load growth.[20] There are a number of factors that contribute to this uncertainty. First, as one report recently explained, there is a "modern day gold rush for data center land," which is leading to a lot of speculative data center proposals that have no near-term plans for development. That report went on to note that "[u]tilities are overwhelmed with power requests and unable to decipher legitimate data center projects from land speculators."[21] Second, even when focusing on legitimate data center proposals, "it has become almost the industry standard" for a potential data center customer to engage in talks with multiple utilities at the same time to see where they can get the best deal on subsidies, electricity costs, etc.[22] Third, the potential for major increases in the efficiency of artificial intelligence over the next few years could lead to the cancellation or reduction in size of proposed data centers.[23] Each of these factors create a great deal of uncertainty not just for national projections of data center load growth, but also for utility-specific forecasts of the amount of load they are anticipating coming online.

A third salient feature of projecting data center load growth is the critical importance of an assessment of the likelihood of each prospective data center project in the utility's queue

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[19] Jeffrey Sward, Lauren Shwisberg, Katerina Stephan, and Jacob Becker, *Get a Load of This: Regulatory Solutions to Enable Better Forecasting of Large Loads*, RMI, 2025, at 19, available at https://rmi.org/insight/get-a-load-of-this (hereinafter "RMI Report").

[20] See Goldsmith et al.; Jeff St. John, "Utilities are flying blind on data center demand. That's a big problem." Canary Media (February 25, 2025), https://www.canarymedia.com/articles/utilities/utilities-are-flying-blind-on-data-center-demand-thats-a-big-problem; Brian Martucci, "A fraction of proposed data centers will get built. Utilities are wising up." Utility Dive (May 15, 2025), https://www.utilitydive.com/news/a-fraction-of-proposed-data-centers-will-get-built-utilities-are-wising-up/748214/.

[21] JLL, North American Data Center Report: Year-end 2024, at 17, available at https://www.jll.com/en-us/insights/market-dynamics/north-america-data-centers.

[22] https://www.latitudemedia.com/news/phantom-data-centers-are-flooding-the-load-queue/; https://www.utilitydive.com/news/a-fraction-of-proposed-data-centers-will-get-built-utilities-are-wising-up/748214/; Bipartisan Policy Center, Electricity Demand Growth and Data Centers: A Guide for the Perplexed (Feb. 2025) at 10, available at https://bipartisanpolicy.org/report/electricity-demand-growth-and-data-centers/ (hereinafter "A Guide for the Perplexed").

[23] A Guide for the Perplexed at 15-16.

actually materializing. Given that each individual data center is typically in the hundreds or even thousands of megawatts in size, the cancellation or shrinkage of a few or even one such potential project can meaningfully alter the total amount of load that the utility will need to serve. As such, many utilities factor into their data center load growth forecasts individual project characteristics that are relevant to the likelihood that the project is likely to come online. For example:

- AEP bases the first five years of its large load forecast on whether projects have signed Letters of Agreement in place and Electric Service Agreements in process.[24] For the forecast beyond five years, the utility only considers projects that are in the interconnection queue, are prepared to sign interconnection agreements, and have control of the land where the project would be located, and then factors only 60% of that potential load into its forecast to reflect uncertainty over whether all that prospective load will actually materialize.

- Exelon includes in its large load forecast only projects that have signed engineering agreements with financial deposits, thereby excluding projects that have expressed interest but not made firm commitments. The total included capacity is then adjusted to reflect expected capacity utilization rates for each project.[25]

- PPL carries out an initial feasibility analysis of each proposed data center project, and then only incorporates into its load forecast projects that enter into Signed Agreements which authorize PPL to proceed with detailed engineering analyses.[26]

- NOVEC includes in its load forecast only large load projects that are progressing through its seven-stage economic development queue process, and that are individually vetted to determine whether they are at a high risk of failure. Factors that can lead to exclusion from the forecast due to a high risk of failure include zoning issues, lack of a firm site plan, or technical issues related to electric service.[27]

[24] AEP, Summary of Request for Adjustments to PJM 2025 Load Forecast, available at https://www.pjm.com/-/media/DotCom/planning/res-adeq/load-forecast/aep-documentation.pdf
[25] Exelon Large Load Forecast Adjustment Methodology, available at https://www.pjm.com/-/media/DotCom/planning/res-adeq/load-forecast/exelon-documentation.pdf
[26] PPL – Large Load, available at https://www.pjm.com/-/media/DotCom/planning/res-adeq/load-forecast/ppl-documentation.pdf
[27] NOVEC, Summary of Data Center Forecasting Process, available at https://www.pjm.com/-/media/DotCom/planning/res-adeq/load-forecast/novec-documentation.pdf

MNS reference these practices not to suggest that any particular utility's approach is, or is not, sufficient, but only to highlight the types of project specific factors that are frequently considered in deciding how to incorporate potential data center load into a load forecast and should be transparently disclosed in the IRPs submitted in this state.

These three features of data center load growth create a significant risk that, in the absence of thorough, well-supported, and transparent analysis, utilities will plan for unreasonably high amounts of capacity and energy load growth, with existing utility ratepayers getting stuck with the bill for the resulting excess generation, transmission, and distribution that is built. As such, it is critical that the Commission ensure that utilities transparently identify and justify the level of data center load growth that is included in their IRP load forecast, assess the level of certainty that such load growth will end up happening, and disclose the costs that serving such growth would impose on the system. Towards that end, MNS urges the Commission to make the following revisions to the Filing Requirements and Planning Parameters:

- Require any utility that includes new data center load in its base load forecast or any alternative load forecast to submit into the IRP docket a quarterly report of its data center / large load customer queue or pipeline, including:
    - Project name and/or ID #
    - County in which project is proposed
    - Announced project load in MW
    - Proposed initial and full-service date
    - Project load ramp amount and timing
    - Project status, including:
        - Any signed engineering or electric service agreement

- Any financial commitments made by the project
- Whether the project has land control
- Whether the project has applied for and obtained necessary permits or zoning approval
- Whether the project has commenced construction activities

Such quarterly reporting requirement would be similar to that agreed to by Georgia Power Company in its 2023 Integrated Resource Plan update found in Georgia PSC docket no. 55378. The quarterly updates provided by Georgia Power can be found in that docket at https://psc.ga.gov/search/facts-docket/?docketId=55378

- Add to the list of required subsections found in Section XI. Peak Demand and Energy Forecasts at page 22 of the Filing Requirements that for any new data center load included in its base load forecast or any alternative load forecast evaluated, the utility disclose the assumptions used in deciding how much of such load to include in each load forecast evaluated in the IRP, explain the methodologies it used for evaluating the likelihood that each potential data center or large load customer will come online and materialize as actual load, and the uncertainties regarding such assumed load.
- Add to the Filing Requirements and/or Planning Parameters a requirement that the utility evaluates different data center/large load customer growth scenarios (such as High, Medium, and Low scenario) in its IRP, assign a probability to each scenario, and explain the basis for that probability.[28]

[28] These and other recommendations for ways to meaningfully evaluate data center load growth can be found in RMI Report at 29-34, and Synapse Energy Economics and Lawrence Berkeley National Laboratory, Best Practices in Integrated Resource Planning (Dec. 6, 2024) at 27, available at https://eta-publications.lbl.gov/sites/default/files/2024-12/irp_best_practices_2024_synapse_lbnl_24-061_0.pdf

- Add to the Filing Requirements and/or Planning Parameters a requirement that the utility model and report the total system costs, net present value revenue requirements, and rate impacts of the utility's base case scenario without any new data center/large load customer growth, and then with the level of data center/large load customer growth assumed in the Preferred Portfolio proposed in the IRP.[29] Such modeling will enable the Commission, Staff, and stakeholder to have better transparency into the cost, rate, and resource portfolio impacts of the level of data center/large load customer growth the utility believes is most likely to come online during the planning period.

VI. Conclusion

MNS respectfully request that the Commission consider the above modifications and other feedback into Staff's revision of the Filing Requirements and MIRPP. Thank you for considering our feedback, and please let us know if we can answer any questions or provide additional information.

Dated: October 31, 2025

Respectfully submitted,

Michigan Environmental Council

Natural Resources Defense Council

Sierra Club

[29] One example of a utility undertaking IRP modeling of scenarios with and without data center load growth is Dominion Energy's (also known as "Virginia Electric and Power Company") 2024 IRP, in which the utility, at the direction of the Virginia State Corporation Commission, modeled multiple sensitivities of scenarios with and without data center load growth. See Virginia Electric and Power Company's SCC Directed 2024 IRP Supplement. November 15, 2024. Case No. PUR-2024-00184. Virginia Electric and Power Company's 2024 Integrated Resource Plan filing pursuant to Va. Code §56-597 et seq., available at https://www.scc.virginia.gov/docketsearch/DOCS/82l101!.PDF.