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December 15, 2025

Ms. Lisa Felice
Executive Secretary
Michigan Public Service Commission
7109 West Saginaw Highway
Lansing, MI 48917

RE: In the matter, on the Commission's own motion, to seek comments from rate-regulated electric, steam, and natural gas utilities regarding potential utility infrastructure improvements in the state of Michigan from the federal funding available under the Infrastructure Investment and Jobs Act of 2021: **ALPENA POWER COMPANY, CONSUMERS ENERGY COMPANY, DETROIT THERMAL, LLC, DTE ELECTRIC COMPANY, DTE GAS COMPANY, INDIANA MICHIGAN POWER COMPANY, NORTHERN STATES POWER COMPANY, UPPER PENINSULA POWER COMPANY, UPPER MICHIGAN ENERGY RESOURCES CORPORATION, MICHIGAN GAS UTILITIES CORPORATION, and SEMCO ENERGY GAS CORPORATION.**
MPSC Case No: U-21227

Dear Ms. Felice:

Pursuant to the MPSC's Order in Case No. U-21227, please find attached DTE Electric Company's and DTE Gas Company's Infrastructure Investment and Jobs Act and Inflation Reduction Act Biannual Update Report. If you have any questions, please feel free to contact me.

Very truly yours,

Andrea E. Hayden

AEH/cdm
Attachment

December 15, 2025

DTE



Infrastructure Investment and Jobs Act and Inflation Reduction Act Biannual Update Report for
DTE Electric and DTE Gas

MPSC Case No. U-21227

December 15, 2025

DTE Electric’s and Gas’s Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) biannual update for U-21227

History of DTE Updates

Since 2022, DTE Electric and Gas Companies (“DTE” or the “Company(s)”) have filed six biannual updates: December 27, 2022, June 30, 2023, December 28, 2023, June 14, 2024, December 16, 2024 and June 24, 2025. This report serves as DTE’s seventh update to the Michigan Public Service Commission (“Commission”) on the Company’s IIJA and IRA strategy and approach, status on direct and indirect grant applications, progress on awarded projects and summary of next steps for upcoming grant opportunities.

Grant Award Negotiations Withdrawal

In its June 24, 2025 update, the Company reported that it had notified the DOE on June 4, 2025, that it was withdrawing its applications for the Smart Grid Grant (DE-FOA-0002740) and Energy Storage Demonstration and Validation Grant (DE-FOA-0002867). These withdrawals were a result of DTE becoming aware of terms and conditions in the grant award agreements that conflicted with DTE Electric’s obligations under its long-standing financial agreement with its bondholders.

The Company will continue to monitor other federal and state funding opportunities and explore partnership opportunities for which it may be eligible.

IIJA and IRA Activity Summary

Since 2022, DTE applied directly for Federal grants as well as analyzed, performed outreach, and supported third party applicants.

Tables 1 through 4 highlight DTE’s grant opportunities and their status as of this report. Previously reported grants that were not awarded or where DTE’s support has concluded have been removed. Full details of any closed grant opportunities can be viewed in DTE’s previously filed reports. Finally, DTE has participated in certain non-IIJA, non-IRA opportunities that are related to the topic areas of interest below and has included them in this report.

I. Table 1: Grid Reliability and Resiliency

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report
None	N/A	N/A	N/A

II. Table 2: Clean Energy

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ¹
Energy Dominance Financing Program Loans (Section 1706)	Direct Loan	Applications in progress	The Energy Dominance Financing Program (Section 1706 or EDF Program) guarantees loans to projects that add energy to the grid or enhance reliability. With the passage of the Working Families Tax Cut, also known as the One Big Beautiful Bill Act (OBBB), the Energy Dominance Financing (EDF) program is administering the distribution of up to \$200 billion in loan guarantees. DTE Electric and DTE Gas both received conditional commitments for loan guarantees from the DOE in Q1 2025, for up to \$7.2 billion and \$1.6 billion, respectively. The Companies are in discussions with the Loan Program Office (LPO) within the Department of Energy (DOE) regarding the eligibility of projects and the terms of the 1706 loans.
Renewable Energy and Electrification Infrastructure Enhancement and Development Grant (RE-EIED) ²	Direct	Not Selected	The Michigan Public Service Commission posted the RE-EIED grant RFP on January 21, 2025. DTE filed its grant application on March 20, 2025, proposing to develop a 250kW community solar project in the City of Detroit to support its MIGreenPower Community Impact Pilot program. The project was for the benefit of income-qualified (at or below 200% of Federal Poverty Level) Detroit residents and provided up to 55 residents with a cost-free subscription to DTE Electric’s MIGreenPower Flex program. On October 10, 2025, DTE was notified it was not selected to receive grant funding.
Regional Clean Hydrogen Hubs (40314)	Indirect	Project in progress	DTE supported MachH2’s application to develop a regional clean hydrogen production and distribution hub. MachH2 is a multistate coalition of public and private entities representing every phase in the hydrogen value chain. The alliance includes a cross-section of carbon-free energy producers, clean energy developers, hydrogen technology providers, utilities (including DTE), major manufacturers, national labs and leading hydrogen technology development and deployment institutions, world-class universities, and groups focused on environmental justice. The alliance will collaborate on building the clean hydrogen supply, storage infrastructure, distribution networks, technology implementation and regional markets necessary to create a sustainable hydrogen economy, while also focusing on creating high-quality jobs, improving air quality, and benefiting public health and advancing environmental justice. In support of the application, DTE proposed a potential pipeline project that would explore and develop large-scale hydrogen

¹ Status listed is based on current public information, but federal and state agencies may adjust timing

² Funding Opportunity is not authorized by IJA or IRA

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ¹
			storage to fuel regional transportation and mobility, decarbonize industrial applications, and provide long-duration energy storage. On November 20, 2024, the DOE awarded up to \$1B to the Midwest Hydrogen Hub, launching the planning and development phase that is currently underway with \$22M of initial federal funding.
Carbon Storage (40305) ³	Indirect	Project in progress	DTE Energy is a financial partner in Battelle Memorial Institute’s grant project to drill a test well in Southeast (SE) Michigan to assess the geological suitability for storing carbon. The primary objective is to explore the development of an integrated SE Michigan sequestration hub that enables a reduction of industry emissions, promotes energy resiliency, and supports local communities. The DOE announced on September 21, 2023, that they completed negotiations and awarded \$8M to Battelle, with DTE committing \$2M to the project. Drilling at the location within Milan Township, MI commenced in October 2025 and completed in December 2025. Battelle is in the process of analyzing the geological data obtained.
Greenhouse Gas Reduction Fund: Solar for All Competition (IRA Section 60103)	Indirect	Funding Paused	EGLE applied for a \$250M grant for Solar for All as a part of the Greenhouse Gas Reduction Fund. DTE submitted a letter of support for the program’s objective to broaden accessibility to solar for Michigan’s income-qualified residents and disadvantaged communities. On April 22, 2024, the EPA announced EGLE was awarded \$156M. In May 2025, EGLE announced an RFP for a subset of funding under Solar for All, called Solar for Savings. The RFP offered \$6.5M in funding for residential serving projects. DTE applied for Round 2 of the Solar for Savings grant opportunity and was not selected. Round 3 funding has been paused due to EGLE’s receipt of a termination letter for the Solar for All program from the EPA.
Solar Energy Evolution and Diffusion Studies 4 (SEEDS 4) ³	Indirect	Project in progress	DTE submitted a letter of support to partner with MSU in its application for the fourth round of funding. MSU’s project is focused on studying how developers can speed Large Scale Solar (LSS) permitting decisions, reduce project cancellation rates and LSS project soft costs, while also reducing community burdens, improving outcomes, and increasing support for LSS projects. On June 4, 2024, the DOE selected MSU’s application for a \$2.5M award. MSU finalized its award agreement with the DOE in Q1 2025. MSU and its university partners completed the project scope

³ Funding Opportunity is not authorized by IJJA or IRA

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ¹
			phase and transitioned to site selection. The team identified 15 solar project locations in the Midwest, Northeast, East, and West. In the next phase of the project, the team will begin data collection, developer interviews, and stakeholder surveys.
Climate Pollution Reduction Grant Program (CPRG) IRA section 60114	Indirect	Application awarded	The CPRG program provides funding through grants to states, local governments, tribes, and territories to develop and implement ambitious plans for reducing greenhouse gas emissions and other air pollution. DTE provided a letter of commitment for EGLE’s \$150M application. The DOE awarded EGLE \$129.1M. EGLE will utilize the funding to support five programs (1) expanding the Renewables Ready Community Award, (2) Brownfield Renewable Energy Pilot, (3) Renewable Energy Academy, (4) supporting workforce development, and (5) developing strategic plans. EGLE is developing an RFP for this round of funding which is expected to be available in Q1 2026.

III. Table 3: Beneficial Electrification & Distributed Energy Resources

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ⁴
Clean School Bus Program (71101)	Indirect	Funding paused	EPA Clean School Bus funding is not currently available. However, we are encouraging schools to apply for Michigan Department of Education’s (MDE) Clean Bus Energy Grant which is open until mid-December 2025.
RAISE (Rebuilding American Infrastructure with Sustainability and Equity)	Indirect	Participation withdrawn	RAISE discretionary grants help project sponsors at the State and local levels, including municipalities, Tribal governments, counties, and others complete critical freight and passenger transportation infrastructure projects. DTE and Daimler supported a State of Michigan application, securing \$8.5M to build a Mobility Hub or “Truck Stop of the Future”. The Mobility Hub project sought to develop the partnerships, integrations, and business model(s) necessary for a Mobility Hub playbook that could be replicated across Michigan and accelerate the transition to zero-emission electric vehicles at scale. In late May 2025, the Company was informed that the USDOT was requesting that EV chargers be removed from the scope of the Truck Stop of the Future Initiative. Given this change in scope, the Company made the decision to exit the initiative since its primary interest was testing innovative EV charging for medium/heavy-duty trucking.

⁴ Status listed is based on current public information, but federal and state agencies may adjust timing

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ⁴
National Electric Vehicle Infrastructure (NEVI) Program (Division J)	Indirect	Project in progress	<p>The NEVI Formula Program provides funding to states to strategically deploy electric vehicle (EV) charging infrastructure and establish an interconnected network to facilitate data collection, access, and reliability. The State of Michigan is receiving approximately \$110M in NEVI Formula Program funds through fiscal year 2026. The MDOT will administer the funds through a contracting procurement method, which will use a two-stage approach. The first stage is a Request for Qualifications that will seek qualified teams to design, construct, operate, and maintain EV charging stations. The second stage is a request for proposals (RFP) that will invite selected qualified teams to submit project proposals for funding. DTE’s EV team supported eight eligible prospects to pre-qualify through MDOT’s round 1 stage. In the second round, DTE provided “will serve” utility letters to 41 prospects that submitted bids to MDOT’s RFP. In 2024, six nodes were awarded funding from round 1. DTE is now working with the awarded projects’ teams to install their projects in DTE Electric’s service territory with anticipated deployment to occur in 2026. In 2025, fifteen sites were awarded a second round of NEVI funding and DTE is closely collaborating with MDOT and the awardees on execution of the project installations.</p>
Clean Ports Program (60102)	Indirect	Application selected	<p>The IRA provides the EPA with \$3B to fund zero-emission port equipment and infrastructure as well as climate and air quality planning at U.S. ports. On February 28, 2024, the EPA announced two separate Notices of Funding Opportunities to disburse the allocated \$3B - the Zero-Emission Technology Deployment Competition and the Climate and Air Quality Planning Competition. DTE consulted with and provided the Detroit/Wayne County Port Authority (Port Authority) with a letter of support for its application for the Zero-Emission Technology Deployment Competition. On October 29, 2024, the Port Authority’s application was selected for a \$21M award for electric cargo handling equipment, vessels, railcar movers, charging infrastructure and solar generation. The EPA also selected the Port Authority for a \$3M grant to develop an emissions reduction plan. Design and engineering on the project began in early 2025. DTE has provided high level estimates to the Port Authority for connecting all locations. As of November 2025, the Port Authority is finalizing the terminal agreements and equipment lists.</p>

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ⁴
Charging & Fueling Infrastructure (11401)	Indirect	Applications selected	The CFI Discretionary Grant Program provides \$2.5B through two \$1.25B discretionary grant programs: Corridor Charging and Community Charging. DTE supported two cities with their applications for Community Charging grants that expand equitable access to EV charging stations among communities. DTE also provided a letter of support for the State of Michigan’s CFI application. The results were published early this year, however, neither of the cities nor the State’s applications supported by DTE received an award. Ultimately, there was another round of awards, and the City of Detroit will receive ~\$23M to build the city’s charging infrastructure with an emphasis on equity and incorporating multiple modes of electrified transportation. Additionally, the City of Ann Arbor will receive nearly \$2.8M to expand equitable access to public EV charging in the city. Full availability of funding is not clear in light of recent Executive Orders. DTE is continuing to support both cities in the dispatching of the projects by conducting engineering risk assessments and helping identify and prioritize sites that have available existing capacity.

IV. Table 4: Energy Waste Reduction and Other

Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ⁵
Urban & Community Program (23003)	Indirect	Two of three projects awarded	The Urban and Community Forestry competitive IRA grants are designated for tree planting and related activities, with a priority for projects that benefit underserved communities. DTE submitted letters of support for the City of Detroit and The Greening of Detroit, and both were successful in their applications. DTE continues to work closely with the City of Detroit and the Greening of Detroit on project planning and implementation.
Energy Efficiency and Conservation Block Grant [EECBG] (40552)	Indirect	Projects awarded and application pending	The EECBG program is designed to assist states, local governments, and tribes in implementing strategies to reduce energy use, reduce fossil fuel emissions, and improve energy efficiency. DTE supported Wayne County’s winning application for \$487k to convert 6-8 fleet vehicles to EVs and install charging stations. The county experienced a setback in installing chargers as the RFP contractor awarded to complete the charging station installation declined the work. Wayne County is now in the process of reevaluating where to locate the chargers and find another installer. In 2024, DTE reached out to numerous county and township

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Identified Opportunities	Direct / Indirect Grant	Status	2025 Status as of Report ⁵
			officials to educate and encourage municipalities to apply for EGLE’s Community Energy Management (CEM) grant program. The CEM program awards grants up to \$100,000 to local governments and tribes for projects that support energy waste reduction, EV vehicles/chargers, renewable energy, or align with the goals of the MI Healthy Climate Plan. DTE supported multiple Michigan counties and townships in their applications for the CEM grant. Twelve municipalities were awarded more than \$800,000 to replace outdated windows, upgrade HVAC equipment, and install new energy efficient lighting.
<p>Home Energy Rebate Programs [Home Efficiency Rebates (IRA Section 50121)</p> <p>Home Electrification and Appliance Rebates (IRA Section 50122)]</p>	Indirect	Programs in progress	The IRA authorized the DOE to carry out the Home Energy Rebate Programs to help households save money on energy bills, improve energy efficiency, and reduce indoor and outdoor air pollution. The Home Energy Rebate Programs consist of two components: Home Efficiency Rebates (IRA Section 50121) and Home Electrification and Appliance Rebates (IRA Section 50122). The Home Efficiency Rebates will provide funding to lower the upfront cost of whole-home energy efficiency upgrades in single-family and multi-family homes aiding retrofitting and electrification efforts. The Home Electrification and Appliance Rebates will help finance the upfront cost of efficient electric technologies in single-family and multi-family homes. Michigan received \$211.1M for the Home Energy Rebate Programs; of this, \$105.9M is allocated for the Home Efficiency Rebates (HOMES) and \$105.2M is allocated for the Home Electrification and Appliance Rebates (HEAR). EGLE officially launched the HOMES and HEAR programs in April 2025. DTE maintains collaborative discussions with the implementation team for opportunities to braid funding in energy efficiency. Applications have started for HOMES, but none have been completed in DTE’s service territory at this time.

Actions and Ongoing Activities

As noted above, DTE became aware of terms and conditions in the Federal grant award agreements that conflict with the Company’s obligations under its long-standing financial agreement with its bondholders and as a result, withdrew two grant applications that were in negotiation. No costs related to federal grants are included in the Company’s current electric rate case in Case No. U-21860.

While the Company is suspending its efforts to secure federal grants with conflicting terms and conditions, it will continue to monitor federal and state funding opportunities, explore partnership opportunities for which it may be eligible, and continue its discussions with the Loan Program Office (LPO) within the Department of Energy (DOE) regarding the eligibility of projects and 1706 loan terms.