STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of **DTE ELECTRIC COMPANY** for approval of special contracts.	))))	Case No. U-21990

At the December 18, 2025 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER

On November 3, 2025,[1] DTE Electric Company (DTE Electric)[2] filed an application in this docket, with supporting testimony and exhibits, for *ex parte* approval of special contracts for electric service (application). DTE Electric seeks approval of a primary supply agreement (PSA) and energy storage agreement (ESA) (together, the special contracts) with Green Chile Ventures LLC (Customer or GCV), a subsidiary of Oracle Corporation, for supplying electric service to a 1.383 gigawatt (GW) data center facility (facility) in Saline Township, Michigan, which the Customer plans to "lease, operate, and cause to be constructed" in DTE Electric's service territory.

[1] DTE Electric Company initially filed an application on October 31, 2025, but that application was removed from the docket at the company's request per filing #U-21990-0001.

[2] Some potential intervenors refer to DTE Electric as DTE. All quotes are rendered verbatim unless otherwise indicated.

Application, pp. 1-2. The special contracts are expected to become effective upon Commission approval in this case. *See*, Exhibits A-1 and A-2.

On November 6, 2025, the Michigan Department of Attorney General (Attorney General) filed a notice of intervention and a motion for a contested case pursuant to MCL 24.271 *et seq*. On November 18, 2025, DTE Electric filed a response in opposition to the Attorney General's motion for a contested case.

On November 19, 2025, the Association of Businesses Advocating Tariff Equity (ABATE); the Michigan Environmental Council, Natural Resources Defense Council, Inc., Sierra Club, and Citizens Utility Board of Michigan (together, MNSC); and the Environmental Law & Policy Center, the Ecology Center, Union of Concerned Scientists, and Vote Solar (together, the Clean Energy Organizations or CEOs) each filed a petition to intervene and a motion for a contested case. On November 21, 2025, the Great Lakes Renewable Energy Association (GLREA) filed a petition to intervene and a motion for a contested case.[3] On November 26, 2025, DTE Electric filed a response in opposition to the motions for a contested case filed by ABATE, MNSC, the CEOs, and GLREA.[4]

[3] The potential intervenors have variously styled their requests for a contested case as a request, a petition, or a motion. For purposes of this order, the Commission refers to the requests as "motions" and, at times, refers to the potential intervenors as "movants." Unless otherwise stated (as in footnote 4, below), all pleadings filed by the potential intervenors have been considered by the Commission.

[4] On December 3, 2025, ABATE filed a motion for leave to file a reply to DTE Electric's response in opposition to the motions for a contested case and the Attorney General filed a reply to DTE Electric's response in opposition to the motions for a contested case. On December 12, 2025, MNSC filed a motion for leave to file a reply to DTE Electric's response. On December 15, 2025, the Attorney General filed a motion for leave to file the reply to DTE Electric's response which was already filed by the Attorney General on December 3, 2025, and DTE Electric filed a response to ABATE's motion. Mich Admin Code, R 792.10432 (Rule 432) does not provide for the filing of a reply to a response. Thus, the motions filed by ABATE, MNSC, and the Attorney General for leave to file a reply to a response are denied.

On December 3, 2025, the Commission held a virtual public hearing on the application via Microsoft Teams at which the Commission received comments from interested persons. The transcript of the public hearing is available in the docket at filing #U-21990-0025. As of the date of this order, there are 5,537 comments filed in the Case Comments section of the docket.[5]

The Application and Attachments

DTE Electric states that electric load at the facility will begin to materialize in January 2027 and will reach maximum load by December 2027. Application, p. 2. DTE Electric states that it will provide electric service to the facility under Rate Schedule D11 (Rate D11) pursuant to the PSA for approximately 19 years, commencing with approval of the PSA by the Commission and concluding on February 28, 2045. DTE Electric further states that the PSA adds contract terms beyond those included in Rate D11 in order to enhance protections for ratepayers, including an increased minimum billing demand (MBD), an extended contract term, a termination payment, and certain credit and collateral requirements. *Id*., pp. 2-3. DTE Electric avers that the testimony of its witnesses shows that:

> the Special Contracts generate an affordability benefit for existing customers through two specific mechanisms: (1) PSA D11 Charges and (2) PSA Power Supply Cost Recovery ("PSCR") Surcharge provisions. Taking service under D11 requires that Customer contribute to fixed system costs. Customer will contribute to existing fixed costs through D11 that would otherwise be recovered from existing customers. Furthermore, Customer is responsible for all applicable surcharges, including the PSCR Surcharge. Through the PSCR mechanism, Customer will contribute to the Company's existing renewable energy assets and transmission infrastructure, any future renewable deployments or transmission cost increases, and incremental fuel and purchased power costs required to serve Customer.

[5] Many of the comments address water usage, which is not within the Commission's jurisdiction.

Id., p. 3.

DTE Electric states that, pursuant to the ESA, the company will develop an energy storage project portfolio that will cover the Customer's maximum load and the Customer will bear all costs associated with the energy storage portfolio for a 15-year cost recovery period such that no costs associated with the energy storage portfolio will be passed on to other customer classes or ratepayers. *Id*. The company further states that the Customer will receive 100% of the incremental market revenues from the Midcontinent Independent System Operator, Inc. (MISO), net of charging costs, that the energy storage assets generate in the open market.

DTE Electric states that approval of the special contracts will not impact the existing rates of any other customer or increase the cost of service for existing customers and thus the application may be approved on an *ex parte* basis per MCL 460.6a(3) without notice or a hearing. *Id*., p. 4. DTE Electric adds that the new load will have the effect of decreasing the cost of service across all customer classes. *Id*. The company requests expedited treatment of the application.

Neal T. Foley is Director of Electric Marketing for DTE Electric. He provides 37 pages of testimony[6] and sponsors Exhibits A-1 (PSA) and A-2 (ESA). He explains the basic terms of the two special contracts, the identity of the Customer, and the location of the facility, as described in the application, and notes that the maximum load of 1.383 GW will be achieved by December 2027. Foley testimony, pp. 3-5. Mr. Foley states that the PSA requires the Customer to take service on Rate D11 while adding the following six terms: (1) contract duration, (2) pricing and

[6] The Commission notes that the statements of Mr. Foley and Mr. Bilyeu are not sworn and were not provided in the form of affidavits. However, Mich Admin Code, R 792.10405(5) (Rule 405(5)) provides that the signature of DTE Electric's attorney on the application constitutes a certification that "[t]o the best of the signer's knowledge, information, and belief formed after reasonable inquiry, the pleading is well-grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law." The Commission will refer to the statements as testimony in this order. *See also*, Rule 405(1)-(2).

ability to change rates, (3) MBD, (4) load ramp flexibility, (5) a termination payment, and (6) credit and collateral requirements. *Id*., p. 7. Mr. Foley states these additional terms "ensure a long-term commitment to the Company, mitigate the potential for stranded assets, and protect the Company's other customers from financial risk." *Id.*

The contract duration is approximately 19 years starting with Commission approval, through February 28, 2045, with an option for two ten-year extensions, which, Mr. Foley notes, is longer than the five years required under Rate D11. He states that this contract length ensures that the Customer makes the appropriate contribution to system costs. He adds that the Customer will be subject to the PSCR surcharge and can change rate schedules only with 24 months advance notice, no less than 24 months after load ramp completion, to a rate schedule approved by the Commission, and one that is not cross subsidized by any other customer class. *Id*., pp. 8-9. Mr. Foley states that these terms ensure that the Customer makes its proportionate contribution to fixed system costs and to incremental fuel and purchased power costs, including to the fixed costs of renewable energy assets and transmission costs.

According to Mr. Foley, the PSA provides that the MBD will be 80% of the contract capacity applicable for that billing period, stating that:

> [i]n practice, this means the Customer's Minimum Monthly Charge ("MMC") for a given billing period will be calculated using an 80% MBD as applied to the customer's contracted load ramp capacity during the specific billing period. The MMC will increase during the Customer's load ramp and then will be held constant at the contracted capacity once the max load is achieved, notwithstanding changes to the D11 rate.

Id., p. 10. He notes that the MBD supersedes the three demand charges normally applied under Rate D11 and they will each be calculated using the greater of 80% of the contract capacity for the applicable billing period or the actual billing demand if greater than 80%. Mr. Foley states that the MMC does not change even if the maximum load is not realized and will still be based on the

capacity stated in the contract, and the MBD will ensure that there is an affordability benefit to other customers no matter what actual demand is from the Customer. He states that the PSA allows the Customer a 12 month delay in reaching the maximum load, thus, until December 2028. *Id*., p. 12.

Mr. Foley testifies that the termination payment under the PSA will ensure that DTE Electric recovers at least 10 years of the MMC and equals:

> the MBD multiplied by the greater of 1) the number of months from the early termination date to the tenth anniversary of the Load Ramp Completion Date or 2) 24 months. If the PSA is terminated after the tenth anniversary of the Load Ramp Completion Date, the customer is subject to a termination payment equal to 24 months of Minimum Monthly Charges.

Id., p. 12. He describes this as a long-term commitment to overall system costs. He adds that the PSA's credit and collateral requirements include a parent guaranty bolstered by a letter of credit "as necessary based on the parent's credit rating," designed to protect the company and its customers in the event of default by the Customer. *Id*., p. 13.

Mr. Foley explains that DTE Electric has decided to deploy energy storage to address resource adequacy for the PSA through the ESA, which provides for development of a portfolio of energy storage projects up to 1.383 GW. Under this arrangement, the Customer pays the full cost of the portfolio and receives the full benefit of any incremental capacity, energy, and ancillary service MISO market revenues generated by these assets. *Id*., p. 13. Mr. Foley states that the ESA includes six key terms: (1) contract duration, (2) energy storage portfolio build, (3) pricing and annual reconciliation, (4) market credits, (5) termination and termination payment, and (6) credit and collateral requirements. He states that the ESA provides that DTE Electric will recover the cost of each individual energy storage project over a 15-year period following the commercial operation date (COD) of the project from the Customer. Mr. Foley states that this coincides with

the company's 15-year depreciable life for owned storage assets and its intention to use 15-year tolling agreements (TAs) for third-party contracts. Thus, he adds, this mitigates the risk of stranded assets. *Id*., p. 15. He states that DTE Electric may develop the maximum load through self-builds, build transfer agreements (BTAs), and third-party TAs, and each project deployed under the ESA will be submitted to the Commission for review and approval prior to construction. Mr. Foley states that the company will calculate the 15-year revenue requirement for each project in the same way that it would be calculated in a rate case, and the TAs will include the amount of any authorized financial incentive. Mr. Foley adds that DTE Electric will perform a cost reconciliation for each project at the end of each calendar year to compare charges to actual costs and incorporate over- or under-recoveries for the subsequent year, to ensure that the Customer pays the actual costs. *Id*., p. 17. He adds that both the costs and the charges will be included in future general rate cases, and all parties will have the opportunity to perform a review. He concludes that the "ESA prevents cross subsidization of the energy storage portfolio and mitigates the risk of stranded assets." *Id*., p. 18.

Turning to market credits, Mr. Foley explains that:

> [s]ome of the energy storage projects that the Company will deploy under the ESA may be co-located with existing renewable assets. A co-located energy storage asset shares an interconnection with an existing renewable generation asset. In these cases, the capacity accreditation of the existing renewable generation may be reduced based on the allocation of the interconnection limit between the assets. To account for this, the Company will deduct from the credits provided to the Customer an amount that will make-whole the existing renewable generation asset had the energy storage asset not been constructed on the same site.

Id. Thus, he states, the described incremental credits are what will be credited to the Customer by the company (which are also net of charging costs). He testifies that the storage projects will be managed and operated in the same manner as other company resources. Mr. Foley explains that the Customer may not voluntarily terminate the ESA, but that, if termination occurs due to a

default, then the Customer must pay a termination payment equal to the remaining amount that would have been collected under the full 15-year agreement—that is, the full revenue requirement for each project. *Id*., p. 20. Like the PSA, the credit and collateral requirements under the ESA are met through a parent guaranty and a letter of credit "if necessary based on the parent's credit rating[.]" *Id*., p. 21.

Turning to the issue of resource adequacy to meet the needs of the Customer, Mr. Foley explains that MISO calculates the company's planning reserve margin requirements (PRMR). Though the Customer's load will increase the company's PRMR, Mr. Foley states that DTE Electric projects that it will have sufficient resources to meet the incremental demand through deployment of the ESA resources. He adds that:

> [e]nergy storage was selected as the resource type because it is a dispatchable resource that provides high-capacity accreditation under MISO's Direct Loss of Load ("DLOL") methodology. For example, in summer 2030, storage has an expected DLOL accreditation percentage of 96.12% compared to only 10.52% and 4.80% for wind and solar, respectively. Energy storage is also cost-competitive and can be developed and placed in service on a timeline that supports the Customer Committed Capacity Ramp.

Id., p. 22 (citation omitted). Mr. Foley notes that the July 26, 2023 order in Case No. U-21193 (DTE Electric's integrated resource plan (IRP) settlement) (July 26 order) approved 780 megawatts (MW) of energy storage, and he states that this 1.4 GW ESA is in addition to that amount. He adds that projects will be selected for development under the ESA via the May 9, 2025 request for proposals (RFP) that the company issued pursuant to the July 26 order, and that the entire portfolio will consist of company-owned and third-party-owned projects with an allocation that follows the allocation approved in the July 26 order of approximately 65% company-owned and 35% third-party-owned assets. *Id*., p. 24. Mr. Foley notes that DTE Electric's next IRP filing is due in December of 2026 and that filing will address the impacts of the

Customer's load on the company's long-term generation planning.

Mr. Foley testifies that the special contracts will generate an affordability benefit to DTE Electric's other customers "by spreading the Company's fixed costs of generation and distribution over a larger customer base" in two ways. *Id*., p. 25. First, the Customer will be on Rate D11 and thus will contribute to the existing fixed costs of the company's system that would otherwise be recovered from other customers; and, second, the Customer will pay the PSCR surcharge for both current and incremental charges. Mr. Foley explains that:

> [t]he Company's renewable asset and transmission costs are recovered through the PSCR mechanism. The associated surcharge is recovered on a volumetric (i.e., per kWh [kilowatt-hour]) basis. As such, by being subject to the PSCR and being a particularly large energy user, the Customer will make a contribution to the Company's existing renewable and transmission costs. These fixed costs would have otherwise been allocated to [the] Company's other customers. Similarly, being subject to the PSCR also ensures that the Customer will make a contribution to any future renewable deployments or transmission cost increases. Like above, the Customer will be covering a portion of existing costs that would otherwise be allocated to the Company's other customers. Being subject to the PSCR also ensures the Customer contributes to the incremental fuel and purchased power needed to serve their load.

Id., p. 26.

Mr. Foley states that these benefits will flow to other customers via the cost of service (COS) process within future rate cases using the COS allocation methods that are applied in electric rate cases. He estimates that the Customer will eventually be responsible for about 18% of the company's total costs, thereby lowering the residential classes' costs by 8%, the commercial classes' costs by 5%, and the industrial classes' costs by 5%. *Id*., p. 27. Mr. Foley's Figure 2 shows the value of the estimated total affordability benefit in graphic form, and appears to show an affordability benefit of approximately $150 million in 2027, ramping up to $300 million in 2029. *Id*., p. 28. He states that, even while accounting for all revenues and costs associated with serving the Customer (including transmission upgrades), "[b]ecause of the significant addition of load,

customer rates will be lower than they otherwise would have been had the Company not served the Customer." *Id*. He adds that "while overall Company costs will increase . . . , the cost of service will decrease across all customer classes given the contribution to the Company's costs that the Customer is making." *Id*., p. 29. Mr. Foley states that other benefits will include local capital investment, 2,500 temporary construction jobs, 450 well-paying permanent jobs, and additional tax revenues (even with any sales and use tax exemptions approved by the Michigan Strategic Fund pursuant to Public Acts 207 and 181, respectively, of 2024). *Id*., p. 30.

Mr. Foley describes five categories of incremental costs that will be incurred by serving the Customer: (1) ESA energy storage portfolio costs for 1.4 GW of energy storage assets; (2) fuel and purchased power costs; (3) $200 million in capital investments for transmission upgrades to both connect the facility and deploy the energy storage portfolio; (4) $300 million to build a new industrial substation to serve the Customer; and (5) the cost of incremental renewable generation for maintaining renewable portfolio standard (RPS) compliance. *Id*., pp. 30-31. He states that DTE Electric is "not proposing to change the way in which transmission costs are recovered from its customers." *Id*., p. 31. Noting that the cost of the new industrial substation would be recovered through a contribution in aid of construction (CIAC) allowance, Mr. Foley states that the company is not proposing to change the current CIAC policy. He also notes that "the Customer's landlord has agreed to pay a $40 million non-refundable construction advance." *Id*., p. 32.

Mr. Foley concludes that the special contracts provide adequate protections against stranded costs. He states that the energy storage portfolio costs are entirely the Customer's responsibility, fuel and purchased power costs will be recovered volumetrically, and other types of costs such as those associated with transmission, the new substation, and the incremental renewable generation will be subject to the 80% MBD (which operates regardless of usage). *Id*., p. 34. He notes that the

latter provision equals approximately $230 million per year for 10 years, or $2.3 billion, even if the Customer's load is zero. He concludes that:

> [i]f the Customer's load does not materialize, the only stranded asset risk will be related to the deployment of capital for transmission upgrades, the new industrial substation, and any renewable generation deployment to maintain compliance with the Company's RPS requirements. The risk of stranded asserts is effectively mitigated given the minimum level of cost recovery from the Customer that is agreed to in the PSA. Further, the credit requirements under the PSA protect against the risk of Customer default and helps ensure the Company recovers this minimum amount from the Customer.

Id., p. 35. Mr. Foley states that the special contracts do not increase the cost of service or rates for any customer, but instead govern how the Customer's future load will be served, and he notes that the special contracts will be "reflected in future general rate cases and PSCR (plan and reconciliation) cases[.]" He adds that the special contracts will appear in rate cases via the load forecast, ESA projects added to rate base, and amounts collected from the Customer through the ESA to offset rate base costs; and will appear in future PSCR cases as MISO revenues. *Id*., p. 36; *see id.*, pp. 36-37.

Mr. Kevin L. Bilyeu is Director of Renewable Energy Planning and Strategy for DTE Electric. He provides 13 pages of testimony and sponsors Exhibit A-3, a Renewable Portfolio Standard Compliance Summary. Mr. Bilyeu describes the RPS targets required under Public Act 235 of 2023 (Act 235) and the renewable energy credit (REC) portfolio that electric providers must achieve by certain years, which is a percentage of total retail sales.[7] He explains that DTE Electric uses weather-normalized megawatt-hours (MWh) of bundled load (less certain amounts) as the basis for this calculation. Bilyeu testimony, p. 5. Mr. Bilyeu states that the Customer's annual usage will be approximately 10.9 terawatt-hours (TWh), thus requiring about 3.2 GW of additional

[7] MCL 460.1028(1) requires electric providers to achieve a REC portfolio of at least 15% of retail sales through 2029, 50% in 2030 through 2034, and 60% in 2035 and each year thereafter.

solar capacity to meet the RPS requirement for this incremental load through new solar build (using an 88.5% load factor), which could be reduced through the use of wind resources. *Id*., pp. 6-7. He states that this type of planning is best done in an IRP case. Referring to the company's most recent amended renewable energy plan (REP), he states that the new load will increase the company's RPS target by approximately 30.5%, which, using the current REP, creates a shortfall in DTE Electric's REC balance beginning in 2033 and continuing through 2037, ranging from 1.43 million RECs in 2034 to 3.78 million RECs in 2036, based on the fastest ramp up allowed in the PSA. *Id*., p. 8.

To address these issues, Mr. Bilyeu explains that DTE Electric will expand its renewable energy portfolio and draw from its REC bank. Mr. Bilyeu states that the company will need 443 MW of additional renewable energy resources by 2032 to maintain RPS compliance, assuming an allocation between wind and solar consistent with the allocation used in its most recent amended REP. *Id*., p. 9; Exhibit A-3, line 31. Mr. Bilyeu testifies that sufficient resources will be in place by 2032 to meet RPS compliance through a combination of company-owned projects, power purchase agreements, strategic acquisitions of renewable assets, phased capacity buildout additions, and technology mix optimization. Bilyeu testimony, pp. 9-11. He adds that "[a]ll of these efforts are coordinated within the framework of DTE Electric's IRP and REP. The Company's development pipeline includes sufficient projects to meet the incremental demand, and ongoing [interested person] engagement ensures alignment with regulatory expectations and market conditions." *Id*., p. 11. He states that the company intends to file a revised REP as part of its next IRP filing no later than December 2026 and intends to file its next amended REP in 2027. Mr. Bilyeu opines that the 2026 IRP and 2027 REP provide DTE Electric with sufficient time to adjust its renewable energy strategy to comply with RPS targets with the addition of the new load.

Id., p. 12. Mr. Bilyeu concludes that "[t]he incremental renewable energy capacity required to meet the increased RPS could technically reach up to 3.2 GW, but may be as low as 443 MW by 2032 if the Company fully leverages its estimated REC bank[.]" *Id*., p. 13.

The Motions for Contested Case and Responses to the Motions

The Attorney General requests a contested case and the allowance of at least 180 days from the date of the application before a final order is issued, or, at a minimum, the allowance of "60 days for intervenors to review and conduct expedited discovery not including the time required for a briefing schedule." Attorney General's motion, p. 1. The Attorney General argues that the Customer's load size is unprecedented in Michigan and would increase total forecasted bundled sales to retail customers by more than 25%. The Attorney General points to the testimony filed by the Commission Staff (Staff) in Case No. U-21859 (Consumers Energy Company's (Consumers') recent case seeking a tariff to cover large load customers such as data centers), where the Staff described risks associated with this type of load, including the risk that the market for artificial intelligence (AI) never matures as anticipated, leaving stranded assets (assets that are no longer used and useful before the end of their useful life) in its wake. Attorney General's motion, pp. 5-6 (citing Case No. U-21859, 4 Tr 294-300).

The Attorney General notes DTE Electric's claim that the Customer will be responsible for 18% of total costs and thus will decrease the cost responsibility for other customer classes and she argues that the company has not provided adequate calculations, analyses, or exhibits that explain this forecast. She further argues that DTE Electric has failed to provide sufficient information to show that the minimum cost recovery amount is adequate. The Attorney General asserts that DTE Electric has failed to provide sufficient evidence to be able to adequately analyze: (1) the $200 million in capital investments needed to upgrade the transmission system; (2) how transmission

costs will be recovered through the PSCR; (3) the $300 million needed to construct a new substation; (4) costs associated with other distribution assets; (5) how additional renewable resources will be developed to address the additional load; (6) how the company arrived at only 443 MW of additional renewable resources after noting that this amount could be as high as 3.2 GW; and (7) how the proposed termination fee will prove to be adequate to protect other ratepayers. Attorney General's motion, pp. 7-9. On these grounds, the Attorney General contends that the application fails to qualify for *ex parte* treatment as the company has failed to show that the special contracts will not result in an increase in the cost of service. *Id*., p. 9; *see also*, *id.*, Attachment A (Affidavit of Sebastian Coppola). The Attorney General notes that the Commission rejected Consumers' request for *ex parte* treatment in the March 13, 2025 order in Case No. U-21859 (March 13 order) after finding that data centers present "unique and significant cost implications" that require the development of an evidentiary record. March 13 order, p. 3. In conclusion, the Attorney General maintains that the application in the instant case requires a contested proceeding "because the requests therein may not be just and reasonable, may not be in compliance with all applicable legal authority, and may disrupt the State's ability to achieve its renewable and clean energy standards established by the legislature under Public Act 235." Attorney General's motion, p. 10.

In its motion, ABATE also points to the language of the March 13 order as well as the language of the Commission's final order in that case, the November 6, 2025 order in Case No. U-21859 (November 6 order) wherein, ABATE argues, the Commission found that large load customers pose potential risks associated with system reliability, costs, and regulatory compliance. ABATE's motion, p. 5. ABATE contends that DTE Electric's estimates of the benefits of the special contracts are calculated on the assumption that the Customer's load fully materializes, but

the application provides no information on what happens if the load fails to fully materialize. ABATE asserts that the application lacks sufficient supporting information to back up its cost and revenue claims and the special contracts themselves contain significant redactions that prevent proper analysis. Like the Attorney General, ABATE provides a list of concerns and concludes that a contested case is necessary in order to evaluate:

> • The net rate impact to existing customers if the GCV load entirely fails to materialize.
>
> • The assumptions that were utilized by DTE in developing its estimate of a $300 million annual net benefit to existing customers if the GCV load fully materializes.
>
> • The additional exposure of DTE's existing bundled service customers to price volatility in DTE's PSCR factor.
>
> • The risk of DTE's existing bundled customers being subject to additional costs related to the GCV load through DTE's forthcoming IRP.
>
> • The redacted and missing sections of the proposed [P]SA and proposed ESA.
>
> • The potential risk of existing DTE customers being assigned additional costs if GCV defaults and the collateral held by DTE is not sufficient to cover PSA exit fees and ESA termination fees owed by GCV.
>
> • The exposure of existing DTE Rate D11 customers being subject to paying intra-class cost subsidies in DTE's next base rate proceeding and whether GCV should be placed into its own rate class from the outset of service.

ABATE's motion, p. 8. ABATE concludes that the application does not qualify for *ex parte* treatment and notes that per Mich Admin Code, R 792.10415(1) (Rule 415(1)) the Commission is authorized to hold a contested case "when the Commission so directs." ABATE's motion, p. 9 (quoting Rule 415(1)).

In its motion, GLREA also notes the unprecedented size of the facility and argues that the PSA duration of 19 years does not match the lifetime of the generation assets that must be built to meet this incremental load. GLREA notes that DTE Electric uses, for example, a 35-year

depreciation schedule for solar generation assets, potentially leaving 16 years that are not covered by the special contracts. GLREA contends that the assertion that the Customer will cover the full cost of the incremental capacity is not supported because, likewise, the ESA is for only 15 years. GLREA's motion, p. 6. GLREA notes that the 1.4 GW of additional load will increase DTE Electric's MISO-required PRMR which will be in excess of the 1.4 GW of energy storage that the Customer is funding. GLREA adds that the company failed to provide the calculations underlying the assertion that other customers will see a benefit from the special contracts. GLREA contends that, while DTE Electric asserts that only 443 MW of renewable energy resources will be needed by 2032, DTE Electric used 1,800 MW of incremental solar generation in its affordability modeling. *Id*., p. 7 (citations omitted). GLREA questions whether the company will be able to "build renewable generating facilities quickly enough to remain in compliance with the RPS" when the company estimates that 3.2 GW of incremental renewable capacity will be required over the course of the special contracts. *Id*.

GLREA contends that the application does not qualify for *ex parte* treatment because DTE Electric has failed to demonstrate that the special contracts will not result in an increase in the cost of service to existing customers. GLREA argues that the data and calculations underlying the company's affordability analysis are missing, and asserts that DTE Electric's assessment of the creditworthiness of Oracle may already be out of date based on recent news. *Id*., p. 10. GLREA maintains that reliance on future rate cases, IRP cases, and other cases will provide an inadequate remedy as DTE Electric will have incurred significant costs by that time. Finally, GLREA notes that significant portions of the special contracts are redacted, which can be corrected through the use of a protective order in a contested case. *Id*., p. 13.

In their motion, the CEOs seek a contested case pursuant to the Commission's broad

discretion under Rule 415(1) based on the serious cost allocation, rate design, and clean energy compliance issues presented by the application. CEOs' motion, p. 2. The CEOs note that the Customer's size is unprecedented in Michigan, and that DTE Electric states that the Customer will account for 18% of the company's total annual revenue requirement and could increase the company's RPS target by 30.5%. *Id*., p. 5. The CEOs agree with DTE Electric that it is possible to bring this Customer "online in a way that benefits the Company's other ratepayers by reduction of their costs[,]" but they argue that the company has failed to include sufficient information, analyses, calculations, or exhibits to demonstrate that the special contracts qualify for *ex parte* treatment. *Id*., p. 6. Like other movants, the CEOs list several concerns including the transmission upgrades, the new substation, other distribution upgrades, and the lack of data underlying the company's claims about the affordability benefit; as well as the ability of DTE Electric to develop enough resources to handle the resulting impact on its RPS targets, noting that "storage accreditation decreases as more storage is added to the grid; and the Company's assumptions do not seem to reflect this possibility, which is likely as the Company significantly increases its battery capacity by approximately 1.4 gigawatts." *Id*., p. 9. The CEOs argue that the full cost impacts are unclear.

The CEOs contend that the Commission has previously found that "[w]here a case 'involves significant factual and policy questions and complex legal determinations that can only be resolved with the benefit of discovery, comprehensive testimony and evidence, and a well-developed record,' it is entirely appropriate and within the discretion of the Commission to order a contested case." *Id*., pp. 9-10 (quoting the June 30, 2020 order in Case No. U-20763 (June 30 order), p. 69). They further note that the Commission held that "significant public interest and concern" are reasons for converting an action to a contested case, and they point to the holdings in

the March 13 order. CEOs' motion, p. 10 (quoting the June 30 order, p. 70). Finally, the CEOs argue that this is not a straightforward special contract approval case and the Commission would benefit from a comprehensive record.

In its motion, MNSC contends that the Commission should align the instant case with Case No. U-21859, pointing to the Commission's language in both the March 13 and November 6 orders noting the unique characteristics of data centers and the need for a robust record. MNSC's motion, p. 5. MNSC asserts that the application presents significant cost and energy supply issues, noting that DTE Electric states that the Customer will increase the company's PRMR. MNSC states that DTE Electric will incur "at least the following five categories of incremental costs by serving the Customer: (1) energy storage portfolio costs, (2) fuel and purchased power costs, (3) transmission upgrade costs, (4) new industrial substation costs, and (5) renewable generation costs for [RPS] compliance." *Id*., p. 6 (citation omitted). MNSC argues that the company has failed to demonstrate that it has made a sufficient assessment of these costs and the associated impact on customers. MNSC adds that the fact that the company has not established a standardized tariff means that the decision on the special contracts will set precedent for future negotiations and agreements.

MNSC lists several claims that, it argues, lack sufficient information about the supporting assumptions, data, calculations, workpapers, or modeling files, including:

a. Supporting the claim that the Customer will be responsible for approximately 18% of total costs and bring down the responsibility of other customer classes, and explaining whether the Estimated Cost of Service Responsibility is based on allocators that assume 80% or 100% of contract capacity;
b. Supporting the forecasted "affordability benefit" through 2030 and explaining whether that "benefit" was premised on revenues based on 80% or 100% of contract capacity;
c. Demonstrating that the Customer's revenue contributions would exceed the incremental costs in both the near term and over the anticipated 19-year term of the Special Contract of the investments that would be needed to serve the

Customer;

d. Explaining how the estimated $200 million of transmission upgrades will impact [PSCR] customers;
e. Assessing the impact of industrial substation construction costs, which DTE estimates to be $300 million;
f. Assessing distribution asset costs other than the industrial substation;
g. Estimating the additional renewable energy resources necessary to ensure compliance with Michigan's Renewable Energy Standards, including the potential need for transmission services related to the additional renewable resources, and the anticipated cost recovery for those resources; and
h. Estimating anticipated power supply investments other than the referenced renewable resources.

Id., pp. 7-8 (citations omitted); *see,* Affidavit of Caroline Palmer (attached to MNSC's motion). MNSC adds that DTE Electric has failed to show that the termination fee will be adequate, noting that the termination payment will recover at least 10 years of minimum monthly charges, but the PSA is for 19 years, leaving nine years "unprotected by the termination payment." *Id*., p. 9. MNSC contrasts this provision with the terms adopted in the November 6 order which included an exit fee based on the number of months remaining in the full contract term. MNSC also argues that DTE Electric provides no information regarding what will happen if the full load fails to materialize. MNSC argues that the claimed effect on the company's targeted energy waste reduction (EWR) should not be deferred until the next EWR plan proceeding.

MNSC notes that, in the November 6 order, the Commission did not adopt a parent guaranty as sufficient for a default collateral requirement but remained open to the possibility of relying on a parent guaranty on a case-by-case basis. *Id*., p. 10, n. 22 (citing the November 6 order, pp. 112-113). MNSC argues that DTE Electric proposes a parent guaranty to secure the special contracts but makes no attempt to show that this is a reasonable and prudent option in light of the risk level associated with the Customer and its parent. MNSC takes note of another contrast to the Consumers case, in that the PSA does not require the Customer to move to a large load tariff rate if one is approved in the future, which was a requirement adopted in the November 6 order, p. 116.

MNSC's motion, pp. 10-11. MNSC also argues that the heavy redaction of the special contracts does not allow for appropriate analysis of 14 separate items that would be necessary for a thorough review. MNSC contends that the application does not qualify for *ex parte* treatment. *Id*., p. 12.

MNSC notes that in the February 27, 2007 order in Case No. U-15161 the Commission rejected a request for *ex parte* approval where a utility had not ruled out the possibility that some customers would experience cost increases as a result of approval of the application. MNSC's motion, p. 12, n. 42. MNSC states that Rule 415(1) gives the Commission broad discretion to set any matter for a contested case, and notes that in the June 30 order the Commission found that "significant public interest and concern," "significant factual and policy questions," and "complex legal determinations" were reasons to convert such a matter to a contested case. MNSC's motion, p. 13 (quoting the June 30 order, p. 69). MNSC adds that the Commission has indicated that it "may direct a contested proceeding in cases involving a program that draws significant criticism." MNSC's motion, p. 13 (quoting the July 12, 2017 order in Case No. U-18349, p. 15). MNSC contends that DTE Electric's reliance (in its response in opposition to the Attorney General's motion) on *Attorney General v Pub Serv Comm*, 227 Mich App 148, 155; 575 NW2d 302 (1997); *appeal den*, 459 Mich 910; 589 NW2d 282 (1998) (*Attorney General*) is misplaced because that case involved *ex parte* approval of a special contract for 80 MW. MNSC contends that this is not analogous to the cost impacts of 1.4 GW, and notes that, in the underlying 1997 case, the Commission directed the utility to account for that special contract as a separate rate class in future cost of service studies, which has not been proposed in the instant case. MNSC's motion, p. 14 (citing the December 15, 1995 order in Case No. U-11001, pp. 6-7). MNSC further notes that in the August 18, 1994 order in Case No. U-10646 (August 18 order), the Commission rejected a request for *ex parte* review of special contracts for 1 GW of load and ordered a six-month

contested case schedule due to the size of the load and the fact that, even if approval had no effect on the rates paid by other customers, it represented "an arrangement that may well have substantial effects in subsequent cases, including rate cases, capacity solicitation cases, and retail wheeling cases." MNSC's motion, p. 14 (quoting the August 18 order, pp. 5-6). MNSC states that the Commission found that the revenues were so large, and the time period of 10-year contracts was so long, as to require notice and an opportunity for a hearing. *Id*. MNSC argues that the 19-year PSA for a 1.4 GW customer requires the same.

Finally, MNSC contends that recent settlements in large load tariff cases brought in Indiana, Ohio, Kansas, and Missouri have benefited from the fact that the parties were able to conduct discovery and develop a record prior to settlement. MNSC supports the Attorney General's request for at least 180 days from the date of the application for a contested case. *Id*., p. 16.

In its initial response to the Attorney General's motion, DTE Electric argues that it has provided detailed testimony and exhibits demonstrating that approval of the special contracts will not increase the cost of service for existing customers. DTE Electric's first response, p. 1. The company argues that the Attorney General relies on speculation and fails to cite any legal authority in support of her position. DTE Electric contends that it has shown that the special contracts will not increase the cost of service for other customers, the terms of service are consistent with the dictates of the November 6 order, and any future issues will be addressed in rate cases, IRPs, and other appropriate cases. Thus, the company argues, the requests for intervention are premature and the motions should be denied.

DTE Electric contends that mere speculation is not sufficient to require a contested proceeding and that the Attorney General has offered no legal authority for that argument. DTE Electric argues that, in *Attorney General*, the Court of Appeals rejected the Attorney General's argument

against *ex parte* treatment and held that the Commission was correct in finding that simply approving and implementing a special contract does not, in itself, cause a cost of service increase to occur. DTE Electric's first response, p. 3 (citing 227 Mich App at 154). DTE Electric notes that the Court also found that in a future case involving a potential cost of service increase, such as a rate case, the interested parties would have the opportunity to participate in a contested hearing. DTE Electric's first response, p. 4 (citing 227 Mich App at 155). DTE Electric avers that this is controlling authority and adds that the company has shown that the Customer will bear all cost responsibility for the energy storage portfolio during the 15-year cost recovery period. DTE Electric reiterates that the special contracts will provide an affordability benefit to existing customers through the PSA Rate D11 charges and through the PSCR surcharges. DTE Electric states that it has provided detailed testimony on cost recovery and resource planning, specific preliminary cost estimates for the transmission and distribution upgrades, detailed testimony on how the RPS targets will be met, and copies of the special contracts (which include the most critical provisions without redaction). The company contends that this is sufficient for evaluation and approval and shows that the facility is in the best interests of customers. *Id*., p. 5.

DTE Electric argues that the November 6 order does not result in a requirement for a contested case, and, in fact, the Commission indicated in the order that "it anticipates *ex parte* review of special contracts for individual customers where the rate is already established, similar to what DTE Electric requests here." *Id*., p. 6. DTE Electric asserts that the application is consistent with the findings in the November 6 order and addresses all of the key terms adopted therein by the Commission as illustrated by the 19-year PSA term, the 80% MBD, a termination fee in the ESA designed to collect the unrecovered balance of the constructed storage assets, a termination fee for the PSA that collects at least 10 years of the MBD, collateral (though

confidential) that is based on the Customer's and the Customer's parent's creditworthiness, and a lack of cost impacts to other customers. DTE Electric states that it "estimates that all other factors held constant, the Customer would reduce the cost of service for all existing customers." *Id*., p. 7 (citation omitted). DTE Electric indicates that it will provide additional detail on its renewable energy resource procurement plans and other long-term planning in the appropriate future proceedings such as IRP and REP proceedings. *Id*., p. 8. Finally, DTE Electric notes that it has an obligation to serve customers who locate in the company's service territory per MCL 462.4(a) and MCL 460.54.

In its second response to the remaining motions, DTE Electric likewise describes the arguments of ABATE, MNSC, GLREA, and the CEOs as reliant on speculation. The company notes that its application seeks approval of the terms of service for just one customer that is eligible for service under Rate D11, and seeks to add additional terms of service beyond those already included in Rate D11 that will protect against the possibility of stranded costs. DTE Electric's second response, p. 2. DTE Electric contends that none of this results in an increase to the cost of service. The company points out that the ESA is a standalone contract and argues that a request "for approval of an agreement that requires resource-specific costs to be borne by a singular customer also plainly does not create an increase in the cost of service." *Id*., p. 3. DTE Electric notes that the special contracts require contract approval by December 5, 2025, and that, beyond this date, the Customer may terminate the agreements or extend this condition precedent until December 19, 2025. The company states that it is scheduled to begin construction by the end of 2025 and a contested case will jeopardize the ability of the company and the Customer to meet contract deadlines. DTE Electric contends that the motions should be denied and the requests for intervention are premature and should, in any case, be denied as moot. *Id*.

DTE Electric asserts that the plain language of MCL 460.6a(3) provides a path for approval of the application and that the holdings of *Attorney General* affirm that path by finding that the simple approval of a special contract does not cause a change in the cost of service. *Id*., p. 5 (citing 227 Mich App at 154). DTE Electric again notes that future cases which have the potential to change rates will include participation by all interested parties. The company argues that interpreting the statute "to require guarantees against potential future outcomes would effectively require an impossibility, violating another fundamental doctrine of statutory construction that the law should not be interpreted to require the impossible. Under no circumstances can the Company predict every possible outcome for every customer with certainty." DTE Electric's second response, pp. 5-6 (citing *West v Northern Tree Co*, 365 Mich 402,406; 112 NW2d 423 (1961) ("[t]he law should not be read to require the impossible")). DTE Electric maintains that the application meets the statutory requirements for *ex parte* approval because it does not seek to increase rates or to alter, change, or amend any rate or rate schedule, the effect of which would be to increase the cost of service to the company's customers. The company argues that it is asking the Commission to approve terms of service that enhance Rate D11 and to approve a unique standalone contract to pay for the incremental capacity resources. DTE Electric posits that neither action increases the cost of service. Addressing GLREA's argument regarding the mismatch between the length of the ESA/PSA and the 16-year depreciable life of solar resources, DTE Electric adds that the ESA is for storage resources (not solar resources) and storage resources have a depreciable life of 15 years. DTE Electric's second response, p. 6, n. 4.

In response to MNSC's argument that a 1.4 GW customer is not analogous to the situation addressed in *Attorney General*, DTE Electric contends that size does not matter because approval of a special contract either results in a cost of service increase or it does not, and adds that

"[a]llegations of potential future events, regardless of size, are irrelevant." *Id*., p. 7 (citing *Attorney General v Pub Serv Comm*, 206 Mich App 290,295-298; 520 NW2d 636 (1994)). DTE Electric also rejects MNSC's reference to Case No. U-10646 where the Commission directed the holding of a contested case, arguing that, in that case, the utility was seeking the approval of specific discounted rates for the three largest automotive customers and the case took place during the time period when the electric industry was being restructured to allow for competition. The company notes that the application does not propose any discounted rates. DTE Electric further argues that the fact that other jurisdictions have allowed for the conduct of discovery prior to settlement does not result in a requirement for a contested case in the instant proceeding. DTE Electric's second response, p. 8. The company notes that it does not seek a new or modified tariff.

DTE Electric contends that the special contracts align with the holdings of the November 6 order and that the Commission, in that order, stated that it anticipated *ex parte* reviews of future special contracts for individual customers where the rate is already established. *Id*., p. 9. The company contends that the key terms addressed in the November 6 order were contract term, MBD, exit fee, and collateral, and these same safeguards and protections are included in the special contracts in the instant case. Regarding cost impacts, DTE Electric notes that the Customer bears all energy storage portfolio costs during the 15-year recovery period for each project and again refers to the affordability benefit. DTE Electric notes that the November 6 order, p. 125, called for the filing of any modeling or cost of service studies (COSSs) that support the demonstration of no cost impact to existing customers and indicates that Attachment A to the second response includes the model underlying the estimated base cost of service. *Id*., p. 11. The company argues that Attachment A demonstrates that the special contracts will provide $109 million in base rate benefits to residential customers once the Customer's load is fully

materialized. *Id*. DTE Electric states that Attachment A does not account for the additional affordability benefits that the company expects from the PSCR mechanism, which, the company argues, could amount to approximately $300 million. *Id*.

Addressing the contract redactions, DTE Electric contends that it has provided sufficient information to demonstrate the protective aspects of the special contracts. DTE Electric notes that Oracle is required to guarantee all payment obligations under the ESA and PSA through a combination of a parent guaranty and, if applicable, a letter of credit. *Id*., p. 12. The company states that the termination payment under the PSA is approximately $2.3 billion if the PSA is terminated at the outset; and the termination payment under the ESA is "an acceleration of the remaining payments that the Customer would have made had the ESA not been terminated. Total subscription charges under the ESA, accounting for both Company and third-party owned energy storage projects, are estimated at roughly $3.9 billion." *Id*. DTE Electric argues that, in the November 6 order, the Commission did not foreclose the option of a parent guaranty but allowed for its consideration on a case-by-case basis. DTE Electric posits that "Oracle is one of the top 20 companies in the world by market capitalization" and contends that the credit requirements in the PSA and ESA "far exceed the 50% standard set forth in the November 6 order as reasonable and prudent." *Id*., p. 13. DTE Electric contends that the redactions are not a valid reason to reject the application because the redacted terms are commercially sensitive and would be redacted in a contested proceeding as well.

DTE Electric asserts that it does not have a unilateral right to migrate a customer to a new or different rate during the term of a contract, but would have the ability to do so once the initial term of the PSA has run. Finally, DTE Electric states that it will provide additional detail on its plans for the development of renewable energy resources, EWR, and long-term resources in the

appropriate future proceedings and again notes its statutory obligation to serve. The company contends that the movants' requests for additional detail on long-term planning or the impacts of hypothetical scenarios do not provide a valid basis for denying *ex parte* relief and rejecting the benefits of the special contracts. *Id*., p. 15.

Discussion

MCL 460.6a(1) provides that "A gas utility, electric utility, or steam utility shall not increase its rates and charges or alter, change, or amend any rate or rate schedules, the effect of which will be to increase the cost of services to its customers, without first receiving commission approval as provided in this section." MCL 460.6a(3) provides that "An alteration or amendment in rates or rate schedules applied for by a public utility that will not result in an increase in the cost of service to its customers may be authorized and approved without notice or hearing." *Ex parte* applications such as the one in the instant case are filed pursuant to MCL 460.6a(3).

The Michigan Court of Appeals has interpreted the language of MCL 460.6a(3) (which previously appeared in MCL 460.6a(1)). In *Attorney General*, the Attorney General appealed the *ex parte* approval of a special contract between Consumers and The Upjohn Company (Upjohn) for ten years of retail electric service at a reduced rate, where Consumers explicitly reserved the right to seek a rate increase in the future based on the loss of revenue associated with the discounted rate. 227 Mich App 148. The Commission found that the special contract did not increase any customer's rates or costs of service and thus could be approved on an *ex parte* basis, and further noted that, if Consumers ever sought a future rate increase as a result of the shortfall, then the company would have to meet the stringent evidentiary standards applied by the Commission. 227 Mich App at 151.

The Attorney General appealed, contending that "the only way the PSC [Public Service

Commission] could approve the contract without public notice and an opportunity for hearing would be if the PSC ruled that all discounts and costs resulting from the Upjohn contract must always be borne by Consumers and its shareholders only, and never by any of Consumers' other customers." *Id*. at 152. The Attorney General argued that it was not necessary for the order approving the special contract to actually authorize an increase in rates in order for it to be inappropriate for *ex parte* treatment but, instead, that the focus in an *ex parte* proceeding "should be on whether the underlying amendment or alteration of rates approved by the PSC creates any potential for a rate or cost increase in the future." *Id*. at 153. The Attorney General contended that *ex parte* treatment is appropriate "only when the PSC can affirmatively state that the alteration of rates will not result in any increase in costs to customers at any time, now or in the future[.]" *Id*.

The Court of Appeals held that:

> [t]he PSC's interpretation recognizes that merely approving and implementing the rate amendments in question is not sufficient, in and of itself, to cause any rate or cost of service increase to occur. That is, even though the PSC may not have prohibited the utility from seeking a rate increase at some point in the future, and even though the PSC may have expressly laid the groundwork for such a future rate increase request, the fact remains that mere approval and implementation of the contract, without more, will not result in any rate or cost increases.

Id. at 154. The Court of Appeals further found that the Commission's interpretation of the statutory language was consistent with the legislative intent to ensure notice and a hearing before the implementation of an increase in rates or costs of service, holding that "[m]erely establishing that another interpretation is plausible is not sufficient to meet the burden of establishing by clear and convincing evidence that the PSC's interpretation of the statute is unlawful or unreasonable." *Id*. at 155. The Court noted that "all interested parties will have ample opportunity for notice and a hearing in the event Consumers ever seeks an actual rate increase in order to recover the lost revenue resulting from the Upjohn contract." *Id*.; *see also*, *Attorney General v Pub Serv Comm*,

206 Mich App 290, 295-296; 520 NW2d 636 (1994) (affirming the Commission's *ex parte* approval of a settlement agreement that could result in a rate refund because a potential refund does not increase the rates charged to customers); and *Attorney General v Pub Serv Comm*, unpublished opinion per curiam of the Court of Appeals, issued June 11, 1999 (Docket No. 207993), p. 4 (reversing the Commission's *ex parte* approval of a request to amortize storm damage costs based on finding that the Commission's order "effectuated an immediate change in rates which had the effect of increasing the cost of service to [Detroit Edison Company's] customers" because the amortization request would result in an offset to part of a previously approved refund).

These cases demonstrate that the Court of Appeals has found that special contracts that do not result in an immediate change in rates or in the cost of service to customers qualify for *ex parte* approval, even where it is clear that the existence of the special contracts could—or even likely will—result in an associated revenue request by the utility in a future rate case. The Court in *Attorney General* rejected the notion that a special contract may only receive *ex parte* treatment if the Commission can attest that there is no potential for a rate or cost of service increase in the short-term or at any time in the future. 227 Mich App at 153-155. Instead, the Court found the Commission's interpretation of MCL 460.6a(3) to be reasonable in light of the fact that, should the potential for a change in rates or costs arise in a rate case, the Commission has plenary power to address the issue in the context of a contested proceeding in which all interested parties will be able to participate. MCL 460.6; MCL 460.6a. It is axiomatic that the Commission avoids single-issue rate cases, because changes in rates must be done on a holistic basis in order to understand the context of the changes and to best examine issues of rate design and cost allocation among customers, where customers as well as all other parties have the ability to participate. Thus, a

request for approval of a special contract cannot be treated like a single-issue rate case, and such an approval may occur only when there will be no impact on existing rates or costs of service to any customer.

The Commission acknowledges the unprecedented size of the Customer in this case and the unique considerations in addressing load of this magnitude associated with a single customer. The fact that the Customer is seeking to exclusively pay for its own capacity source also presents unique aspects. But the Commission recognizes, as do the movants, that this type of application itself is not unusual. Special contracts with individual customers that meet the statutory standards are routinely addressed through *ex parte* proceedings. This is different from Consumers' request in Case No. U-21859 for a general tariff that would apply to all data centers or large load customers. The special contracts apply only to the Customer. A generally applicable tariff will apply to all customers that are covered by the tariff's eligibility criteria and, thus, could justify the use of the Commission's discretion to order a contested case pursuant to the Commission's broad authority under Rule 415(1) even if the tariff would not result in an increase in rates or the cost of service.

The Commission also notes the speculative nature of the movants' claims, many of which rely on positing concerns about what might occur in future IRP, PSCR, and REP proceedings, that could result in increases to rates or costs of service. As the Commission observed in the November 6 order:

> issues related to renewable and clean energy standards should be addressed in the proceedings that are already structured to address these issues, including REP, CEP, IRP, and VGP program cases, as well as rate cases. As the Staff notes, capacity demonstration cases and EWR cases will be involved as well. The Commission recognizes that MCL 460.1051 and MCL 460.1028 require a ramping-up of clean and renewable energy supplies and they are volumetrically-based. These are requirements that will be addressed in the proceedings where such requirements are reviewed under the statutorily authorized process. As the Staff correctly noted, the

> existing separate proceedings authorized by statute have a wider scope and allow for better consideration of alternatives. Thus, the Commission declines the suggestion to include mandated renewable and clean energy requirements in the large load provisions of Rate GPD [the large load tariff at issue in the case]. This does not foreclose the possibility of changes to the tariff at a later date based on the results of future CEP, REP, IRP, VGP, and rate cases[.]

November 6 order, pp. 118-119. Notably, REPs, IRPs (including consideration of CEPs), and rate cases are all required to be contested proceedings. *See*, MCL 460.6a(1); MCL 460.6t(7); MCL 460.1022(3)-(4). Likewise, PSCR issues, such as the appropriate factor, will be addressed in the applicable PSCR plan or reconciliation proceeding—a contested proceeding authorized by statute specifically for the consideration of a record addressing the issue in the context of actual data rather than theoretical scenarios. MCL 460.6j(5), (12). The same principles apply in this special contract review case. The Commission is not persuaded that hypothetical outcomes from future statutorily mandated proceedings require the rejection of an application for *ex parte* treatment for these special contracts.

Applying the case precedent and these legal principles, the Commission finds that the application meets the standard for *ex parte* treatment authorized by MCL 460.6a(3) because conditional approval of the special contracts will not result in an increase to the rates, rate schedules, or costs of service for any customers. Thus, the Commission finds that the motions for a contested case should be denied. And while the Commission finds that the standard for *ex parte* treatment is met on that basis alone, it also notes that, in this case, the standard argued by the Attorney General in *Attorney General* is also met. Although the argument was ultimately rejected by the Court of Appeals, the then-Attorney General argued "the only way the PSC could approve the contract without public notice and an opportunity for hearing would be if the PSC ruled that all discounts and costs resulting from the [special] contract must always be borne by Consumers and its shareholders only, and never by any of Consumers' other customers." 227 Mich App at 152.

As described below, the Commission is conditioning its approval on the requirement that, at the very least, all current and future costs caused by the Customer shall be covered by the Customer or by DTE Electric and not existing customers. As such, approval of the special contracts in this case not only meets the findings of the Court of Appeals in *Attorney General,* but also meets the higher standard proposed by the then-Attorney General (though not adopted by the Court of Appeals) in that case.

The Commission further finds that, per the requirements of MCL 460.6a(3), the application should be conditionally approved. The Commission finds that DTE Electric has demonstrated that approval of the special contracts will not increase rates, rate schedules, or the cost of service to customers. The terms and conditions of the PSA and ESA reflect distinct protections for the utility with respect to stranded costs, mitigate cost subsidization for existing customers, and provide an opportunity for a benefit to existing customers in the form of increased affordability due to the increased share of fixed costs that will be borne by the Customer, with the conditions described below. The Commission notes that the Staff was able to perform an investigation in order to substantiate the validity of the request for *ex parte* treatment. Complete, unredacted copies of the PSA and ESA were made available by DTE Electric to the Commission and the Staff, and the Staff performed an audit of the application and testimony regarding the proposed project. MCL 460.6; MCL 460.6a; MCL 460.54.[8]

The approval of special contracts "requires an evaluation of the public interest." March 23, 1995 order in Case No. U-10646, p. 18, n. 8. The Commission finds that the public interest is served by approval of the special contracts by contribution to the fixed costs that would otherwise

[8] Much of the information was produced by DTE Electric subject to the terms of a nondisclosure agreement.

be recovered from other ratepayers through both rate base and PSCR surcharges, creating the affordability benefit, as well as through the construction of 1.383 GW of incremental energy storage resources, fully funded by the Customer, that add additional benefits to the broader electrical grid. The Commission finds that the terms of the PSA that enhance the conditions of Rate D11, including the long-term 19-year commitment, the MBD, the termination fee, and the credit and collateral requirements, mitigate some risk associated with potential cost subsidization and include distinct protections for the utility with respect to stranded costs particularly as any such subsidization or exposure that *could* occur can be addressed in such cases where the company requests that rates be changed to reflect the same. The Commission makes clear that approval of the special contracts, in and of itself, does not approve or require future approval of subsidization by existing customers, or cost recovery of stranded costs from existing customers. While the PSA termination payment is based on ten years, the Commission finds that the minimum termination amounts of approximately $2.3 billion under the PSA and $3.9 billion under the ESA were negotiated by DTE Electric to protect itself from the financial impacts of default by the Customer. If the load fails to materialize, the MBD will still apply. In addition, should the Customer seek to exit the contracts, the termination amounts will apply. As some movants point out, at any stage in this process costs may (and likely will) have already been incurred by DTE Electric. The PSA and ESA minimum termination amounts, along with the Commission's conditions, ensure that all of those costs will be fully borne by the Customer. Additionally, addressing the Attorney General's concern that the termination fee may not be adequate to protect other customers, the Commission finds that the credit and collateral requirements in the unredacted PSA and ESA, along with the Commission's conditions, ensure that any risk that the Attorney General's concern materializes is either covered by the substantial collateral collected or is borne by DTE Electric and not by other

customers. *See*, Attorney General's motion, pp. 7-9.

In the following discussion, the Commission addresses in more detail the issues of RPS compliance, storage, EWR, and cost of service/rate design.

In its analysis of DTE Electric's RPS-related testimony, the Staff agreed with the company that, absent the five-year REC banking provision in the statute, DTE Electric would need 3,247 MW of new solar generation in order to meet the Act 235 RPS target of 60% in 2035, in light of the anticipated load increase. But the Staff also confirmed that, using its banked RECs, the company needs only 445 MW[9] of new renewable resources (with an assumed mix of wind and solar) by 2033, and also confirmed that the company demonstrated that this amount will come online in 2032. *See*, Exhibit A-3. Thus, the Staff confirmed that this 445 MW will allow DTE Electric to meet the 20-year RPS target through 2045 based on the REP approved in Case No. U-21662. The Staff also agreed that the company demonstrated that, by spreading the existing PSCR transfer price burden over more load, the special contracts should provide additional benefits to existing customers. The Commission recognizes that DTE Electric has yet to file its first clean energy plan (CEP), and that the CEP is thus the least understood aspect of the impact of the application. *See*, MCL 460.1051(2). But the Commission observes that, as discussed above, the Court of Appeals has affirmed that the approval of special contracts does not constitute ratemaking, where the special contracts do not have the effect of changing the rates, rate schedules, or costs of service for any existing customers. The Commission finds that ratemaking associated with a future CEP will occur in a future rate case.

[9] The Commission notes that in the application DTE Electric referred to needing 443 MW, but in its modeling it referred to needing 445 MW. The Staff was provided access to the modeling for its own analysis.

Mich Admin Code, R 460.2031 provides as follows:

> (1) When a utility enters into a special contract to provide service in a manner or at a rate not specifically covered by its filed rate schedules or rules and regulations, the utility shall file an application for approval of the special contract with the commission.
> (2) If the commission specifies any modifications to the proposed special contract with its approval order, then within 30 days, the utility shall file a copy of the executed special contract, modified as required by the commission's order.

The Commission's approval of the application is accompanied by certain conditions. DTE Electric shall file an amended REP with its next IRP and (initial) CEP, and that application for an amended REP shall include a comparison of the resource requirements needed to comply with the RPS targets both with and without the Customer's load and corresponding retail sales.[10] The amended REP application shall also include options for recovery of any incremental costs of compliance that may result in a surcharge such that the surcharge is not collected on a per meter basis. The options should include equitable ways to recover the incremental costs of compliance which ensure that costs and benefits are distributed among rate classes appropriately. Additionally, in its next IRP application and initial CEP application, DTE Electric shall include a comparison of the resource requirements necessary to serve the company's load with and without the addition of the Customer's load. This analysis should be completed by identifying the resources included in the proposed course of action (PCA) and testing their performance in the Michigan Integrated Resource Planning Parameters Scenario #2 base model or in the alternative company base model, and shall include the corresponding plan production cost, rate impact by customer class, and an affordability analysis as directed by the IRP Filing Requirements adopted in Case No. U-21867. The same analysis should then be performed by evaluating the PCA to

[10] The Commission notes that in some pleadings DTE Electric indicates that it will file its next IRP/REP/CEP in December of 2026; but, during the pendency of this proceeding, DTE Electric changed its targeted IRP/REP/CEP filing date to October of 2026.

serve the company's existing customers absent the Customer's load. When removing the Customer's load, the incremental renewable generation that is needed for RPS compliance with the Customer's load identified in the company's REP and the storage that is expected to be developed pursuant to the ESA should also be removed. This comparison should illustrate the Customer's overall impact on resource planning and illustrate any net impact to other customers' rates.[11]

Turning to storage, the Staff confirmed that the ESA project will involve the use of 4-hour lithium-ion battery storage to add 1.383 GW of storage. The Commission notes that if the PSA is terminated, the ESA does not automatically terminate and thus the storage assets could continue to be used, paid for, and credited to an entity that would no longer be a utility customer, but could continue to pay for a capacity resource used by all DTE Electric customers. The Staff confirmed that the company intends to select cost competitive resources arising from its 2025 RFP after first selecting the resources that are necessary to meet DTE Electric's IRP storage commitments consistent with its most recently approved IRP (the 780 MW). The Commission notes that DTE Electric will be able to use this storage resource for its annual capacity demonstration under MCL

[11] Though MNSC's motion has been denied, the Commission notes that the required comparison helps to address some of the points raised in MNSC's Motion for Leave to File Reply to DTE [Electric]'s Response (motion for leave). Specifically, MNSC states that a contested case proceeding could "certainly be a place for some creative thinking about how to ensure that the costs of increased compliance obligations and resource adequacy needs are borne by the data center customer rather than other ratepayers" and could provide "a forum to explore establishing a true-up process in which the costs and revenues for the data center are reported and reviewed, and if other customers are found to be paying higher rates because of the data center, the data center's payment levels could be adjusted to ensure that it is covering such additional costs." MNSC's motion for leave, p. 8. The Commission notes that the required analysis, combined with the condition described later in the order, provides both a comparison of the actual impact of the Customer on other customers' rates and conditions approval on a commitment from DTE Electric that the costs of serving the Customer are covered by the Customer or DTE Electric and not by other ratepayers.

460.6w. DTE Electric provided the Staff with an analysis of the impacts of MISO's DLOL resource adequacy construct as it relates to the company's capacity position during the Staff's audit. The Commission reiterates that, with respect to both the PSA and the ESA, no cost allocation or cost recovery methods are approved as a result of this *ex parte* order. DTE Electric shall provide an updated analysis in its next capacity demonstration filing showing the impact of the Customer on the company's capacity requirements under DLOL using MISO's most recent indicative DLOL results. This analysis shall include a comparison of the company's PRMR under the MISO DLOL construct, absent the Customer's load, the incremental storage, and the incremental renewable resources filed in the company's REP compared to the company's PRMR under the MISO DLOL construct with the inclusion of the Customer's load and corresponding incremental resources.

Turning to EWR, the Staff confirmed that DTE Electric commits to addressing the increased EWR targets in its next EWR plan filing, which will be due eight months after the issuance of a final order in the company's next IRP case. The Commission finds the EWR issues associated with the special contracts to be relatively straightforward, and directs DTE Electric, in its next EWR plan filing, to provide a detailed analysis of the incremental EWR costs necessary to meet the 2% EWR savings target inclusive of the Customer, along with a thorough analysis of updated surcharges that are designed to ensure other customers are not impacted by the incremental EWR program costs attributable to the Customer.

Turning to issues of cost of service and cost allocation, the Commission notes that the Commission and the Staff were provided with an unredacted copy of the affordability model used by the company and verified that the model shows an affordability benefit. The Staff was also provided with two COSSs and rate design models, one with the Customer on Rate D11 and one

with the Customer on a new, separate primary rate (though not a separate class), using the COSS and rate design terms most recently approved in Case No. U-21534. These COSSs were also made publicly available as Attachment A to DTE Electric's second response. The Staff confirmed that the assumptions and inputs used by DTE Electric do result in a general affordability benefit to most existing customers via base rates under both scenarios. The Staff also confirmed, for example, that, when holding all else equal in the prior rate case, a reduction to the revenue deficiency approved in the January 23, 2025 order in Case No. U-21534 would have resulted if the Customer had been included in the test year in that case, resulting from a reduction to power supply costs for customers. However, should it be shown in a future rate case that any particular rate class does not benefit from a reduction to the cost of service, it is the rate case that is the proper forum for ratemaking. Addressing ABATE's concern that the application did not provide enough information on what happens if the load fails to fully materialize because DTE Electric's estimates of the benefits of the special contracts are calculated on the assumption that the Customer's full load is present, the Commission finds that the downside risks are protected via the Commission's conditions for approval. *See*, ABATE's motion, p. 8.

The Commission also observes that the Customer is causing the need for a new substation, and the Customer is arguably the only entity that will benefit from the new substation that will become part of the facility. Ratemaking treatment is the Commission's exclusive prerogative and occurs within contested cases. This is the fundamental finding of *Attorney General* and the other cases discussed above: the approval of a special contract, where the contract has no effect on rates, rate schedules, or costs of service, does not involve ratemaking, but ratemaking may still take place in the appropriate forum wherein all parties may contest the ratemaking proposals of the utility and the other parties. In other words, approval of the special contracts does not guarantee any

particular ratemaking treatment associated with the special contracts or service to the Customer.

The Commission finds that, based on its independent review of the unredacted contracts and the Staff's analysis, the weight of the evidence and public interest considerations support approval of the special contracts, both because the special contracts conform to the requirements of MCL 460.6a(3) and because they represent a means of potentially obtaining the company's claimed affordability benefit that is estimated to accrue to ratepayers. However, the Commission recognizes that the application does not mirror every aspect of the November 6 order. Thus, the Commission directs DTE Electric to file, within 90 days, an application for a generally applicable large load customer tariff that aligns with the findings in the November 6 order. The Commission will consider this application in a contested case proceeding. Addressing MNSC's concern that the decision on the special contracts may set precedent for future negotiations and agreements, the Commission notes that the generally applicable large load customer tariff will serve the purpose of setting this standard. In the meantime, the Commission will consider any subsequent applications for approval of special contracts on a case-by-case basis. The Commission encourages DTE Electric to take steps to promote transparency and meaningful review as part of any such applications, and the Commission maintains its broad discretion under Rule 415(1) to convert any such applications to contested case proceedings as appropriate.

In addition, consistent with the directives in the November 6 order, DTE Electric shall also file a cost allocation and rate design proposal in its next general rate case that ensures that any future large load interconnection customers are paying the costs of interconnection. As part of that filing, DTE Electric shall file at least six cost allocation and rate design studies: (1) one under traditional ratemaking as exemplified by DTE Electric's current COSS from its most recent rate case order including the expected full contract capacity of any large load customer(s) on Rate D11; (2) same

as (1), but with the inclusion of a new large load customer rate class; (3) same as (2), but using 12CP[12] to allocate costs instead of 4CP where 4CP is currently being utilized; (4) one under traditional ratemaking utilizing the most recently approved COSS without the large load customer(s) in service; (5) one utilizing a direct assignment of costs to a new large load customer rate class, including transmission, generation, and distribution costs; and (6) one utilizing a direct assignment of costs to the individual large load customer, again including transmission, generation, and distribution costs. Finally, and consistent with the directives in the November 6 order, DTE Electric shall provide all the data necessary to allow the Staff and intervenors to recreate the proposals, which may be filed under seal if necessary, including a workpaper listing all assumptions used to create the proposals.

As part of its next general rate case, DTE Electric shall also file a proposed administrative fee to be charged to potential additional data centers and other large loads to ensure the costs associated with any interconnection or other studies performed for these potential customers are not absorbed by existing customers. As noted in the November 6 order, "the Commission finds that, in light of the unique size of the loads involved, an administrative fee that is charged upfront directly to the applicant and reconciled to actual costs is advisable." November 6 order, p. 123.

Moreover, the approval in the instant case is conditioned upon the assumption, as represented by DTE Electric in its application, testimony, and subsequent filings, and in the materials provided pursuant to the Staff's audit, that the Customer's obligations under Rate D11 and the special contracts will at least cover the costs to serve the Customer (including generation, transmission, distribution, or other costs). These are conditions that do not require amendment of the special contracts. The Commission directs DTE Electric to file, within 30 days of the date of this order, a

[12] "CP" refers to coincident peak in the cost allocation formula.

letter in the instant docket accepting these conditions. If the company is unwilling to accept these conditions, it may file an application for a contested case. As ABATE, the CEOs, and MNSC noted, the Commission may require a contested case pursuant to Rule 415(1), as well as under the statute.

In addition, in the event of a failure to pay the MBD under the PSA, or in the event of a termination, default, or other event whereby DTE Electric is required to draw on the letter of credit or parental guaranty, if the company determines that the specified collateral is not sufficient to cover the full amount of the remaining financial exposure associated with the ESA or the PSA (minus the value to customers), the Commission specifically cautions DTE Electric that any unrecovered costs shall not be borne by ratepayers and that DTE Electric bears responsibility for any remaining liability. All risk associated with the sufficiency of the collateral shall be borne by DTE Electric.

Additionally, in order to ensure that the addition of this significant new load will not adversely impact the grid reliability experienced by other customers, DTE Electric is directed, within 90 days of the date of this order, to file an application to update its Emergency Electric Procedures outlined in Section C3 of its Rate Book for Electric Service and any other relevant DTE Electric procedures to indicate that, after the event level step including the issuance of public appeals and after the event level step that implements voluntary load reductions, the company will shed firm load from the Customer prior to shedding firm load of any of DTE Electric's other customers to the extent that firm load shedding is directed by the regional transmission organization and shedding the load of the Customer can prevent shedding load of other DTE Electric customers. Alternatively, DTE Electric may develop and execute agreements necessary to enable a required load reduction from the Customer at the appropriate step within the emergency

procedures outlined above to effectuate a required load reduction in lieu of firm load shedding and shall reflect the required load reduction within its Emergency Electric Procedures.

DTE Electric is further directed to file a quarterly report in this docket detailing the following: (1) the Customer's load profile for the previous quarter; (2) the amount of storage that is operational as of the end of that quarter; (3) the Customer's total demand for the preceding 12 months, compared to expected contract capacity and MBD; (4) any changes to the Customer's credit rating that trigger a change to the credit and collateral terms; and (5) DTE Electric's assessment of the financial state of the Customer. On an annual basis, in every report filed on December 31, DTE Electric shall also include any other information related to the realization of the projected affordability benefit. Such reports may be filed on a confidential basis as necessary to protect sensitive information. The Commission directs DTE Electric to file the first of these quarterly reports no later than December 31, 2026.

The Commission makes no finding as to whether the terms contained in the special contracts or otherwise applicable to the Customer meet the requirements for certifications to be made to the Michigan Strategic Fund under MCL 205.54ee(6)(c)(iii) or MCL 205.94cc(6)(c)(iii) in order to claim an exemption from sales and use taxes, respectively. However, as noted in the November 6 order, the Commission observes that voluntary green pricing (VGP) programs may provide a vehicle for the Customer to comply with the requirements necessary to qualify for the sales and use tax exemptions, and the Commission would consider the approval of such VGP programs in a future proceeding. *See*, MCL 205.54ee(10)(e)(ix)(C); MCL 205.94cc(10)(e)(ix)(D).

While acknowledging the importance of rate certainty, the Commission also observes that it is authorized to adjust Rate D11 in a future rate case, on the basis of the evidence filed in that future case. MCL 460.6; MCL 460.6a.

Finally, the Commission retains jurisdiction of this matter and reserves the authority to reopen this case at any time and/or issue an order to show cause if DTE Electric's claimed affordability benefit fails to materialize or vanishes or costs associated with serving the Customer are expected to fall upon existing customers.

THEREFORE, IT IS ORDERED that:

A. DTE Electric Company's November 3, 2025 application for *ex parte* approval of special contracts, consisting of a primary supply agreement and energy storage agreement with Green Chile Ventures LLC, is conditionally approved.

B. The approval of the special contracts is conditioned upon the representations made by DTE Electric Company that payments made by Green Chile Ventures LLC under Rate Schedule D11 and the special contracts will cover the costs to serve Green Chile Ventures LLC such that the costs of serving Green Chile Ventures LLC (including generation, transmission, distribution, or other costs) are not covered by other customers. Within 30 days of the date of this order, DTE Electric Company shall file a letter in this docket expressly accepting these conditions, as described in this order.

C. DTE Electric Company shall file an amended renewable energy plan with its next integrated resource plan and clean energy plan and shall include: (1) a comparison of the resource requirements needed to comply with the renewable portfolio standard targets both with and without Green Chile Ventures LLC's load and corresponding retail sales; (2) an analysis of options for recovery of any incremental costs of renewable portfolio standard compliance that may result in a surcharge such that the surcharge is not collected on a per meter basis; and (3) an analysis of equitable ways to recover the incremental costs of renewable portfolio standard compliance which ensure that costs and benefits are appropriately distributed among rate classes.

D. In its next integrated resource plan application and its initial clean energy plan application (filed together), DTE Electric Company shall include a comparison of the resource requirements necessary to serve the company's load with and without the addition of Green Chile Ventures LLC's load, as described in this order.

E. DTE Electric Company shall provide an updated analysis in its next capacity demonstration filing under MCL 460.6w showing the impact of Green Chile Ventures LLC's load on the company's capacity requirements under direct loss of load methodology using the Midcontinent Independent System Operator, Inc.'s most recent indicative direct loss of load results, as described in this order.

F. In its next energy waste reduction plan filing, DTE Electric Company shall provide a detailed analysis of the incremental costs necessary to meet the 2% energy waste reduction savings target inclusive of Green Chile Ventures LLC's load, along with an analysis of updated surcharges that are designed to ensure other customers are not affected by the incremental energy waste reduction program costs attributable to Green Chile Ventures LLC.

G. Within 90 days of the date of this order, DTE Electric Company shall file an application to update its Emergency Electric Procedures outlined in Section C3 of its Rate Book for Electric Service and any other relevant company procedures to indicate that, after the event level step including the issuance of public appeals and after the event level step that implements voluntary load reductions, the company will shed firm load from the facility operated by Green Chile Ventures LLC prior to shedding firm load of any of DTE Electric Company's other customers to the extent that firm load shedding is directed by the regional transmission organization and shedding firm load of the facility operated by Green Chile Ventures LLC can prevent shedding firm load of other DTE Electric Company customers. Alternatively, DTE Electric Company may

develop and execute agreements necessary to enable a required load reduction from Green Chile Ventures LLC at the appropriate step within the emergency procedures as described in this order to effectuate a required load reduction in lieu of firm load shedding and shall reflect the required load reduction within its Emergency Electric Procedures, in Section C3 of its Rate Book for Electric Service.

H. Within 90 days of the date of this order, DTE Electric Company shall file an application for approval of a generally applicable large load customer tariff that aligns with the findings in the November 6, 2025 order in Case No. U-21859.

I. In its next general rate case, DTE Electric Company shall file a cost allocation and rate design proposal that ensures that future large load interconnection customers pay the full costs associated with interconnection, and shall include the six cost allocation and rate design studies, as detailed in this order. DTE Electric Company shall also provide all the data necessary to allow the Commission Staff and intervenors in the general rate case to recreate the studies, which may be filed under seal if necessary, including a workpaper listing all assumptions used to create the studies.

J. In its next general rate case, DTE Electric Company shall file a proposed administrative fee to be charged to potential additional data centers and other large load customers to ensure the costs associated with any interconnection or other studies performed for these potential customers are not absorbed by existing customers.

K. Beginning on December 31, 2026, DTE Electric Company shall provide the quarterly and annual reporting described in this order.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheac1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Shaquila Myers, Commissioner

By its action of December 18, 2025.

Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-21990

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on December 18, 2025 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).

Brianna Brown

Subscribed and sworn to before me
this 18th day of December 2025.

Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-21990

Name	On Behalf Of	Email Address
Andrea E. Hayden	DTE Electric Company	andrea.hayden@dteenergy.com
DTE Electric Company	DTE Electric Company	mpscfilings_account@dteenergy.com