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February 17, 2026

Ms. Lisa Felice
Executive Secretary
Michigan Public Service Commission
7109 W. Saginaw Highway
Lansing, MI 48909

Re: MPSC Case No. U-21870

Dear Ms. Felice:

Enclosed herewith for filing in the above-referenced matter, please find the Exceptions of Solar Technology LLC, and the proof of service regarding same.

Very truly yours,



Jennifer Utter Heston

Enclosures
Cc: All Parties of Record

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for authority to increase its rates for the) Case No. U-21870
generation and distribution of electricity)
and for other relief.)
_____)

**EXCEPTIONS OF
SOLAR TECHNOLOGY LLC**

NOW COMES Solar Technology LLC (“Solar Tech”), by and through its attorneys, Potomac Law Group, PLLC, and pursuant to the schedule established by Administrative Law Judge Jonathan F. Thoits (“ALJ”), hereby respectfully submits these Exceptions to the ALJ’s Proposal for Decision (“PFD”) issued on January 29, 2026 on Consumers Energy Company’s (“Consumers”) application for authority to increase its rates for the generation and distribution of electricity and for other relief.

I. INTRODUCTION.

Solar Tech owns and operates a manufacturing facility in Saginaw County, Michigan that produces solar panel components. Solar Tech is a very large consumer of electric energy and is presently receiving bundled retail electric service from Consumers under Consumers’ Large Economic Development Rate (“Rate LEDR”).

On June 2, 2025, Consumers filed an application, testimony and exhibits seeking approval of an annual rate increase of \$436 million based on a projected test year ending April 30, 2027. Consumers is also proposing several changes to Rate LEDR including an increase in rates, a new

facilities allowance, and a new adjustment for power factor. Consumers is also proposing several new surcharges that, if approved, will apply to Rate LEDR.

In its briefs, Solar Tech requests that the Commission: i) approve the same power factor adjustment provision for Rate LEDR as is used for Rate GPD and Consumers' other primary rates; and ii) approve a facilities allowance for Rate LEDR, as recommended by Consumers.

In his PFD, the ALJ recommends that the Commission approve Solar Tech's requests. The ALJ recommends approval of the power factor adjustment clause for Rate LEDR that is the same as the power factor adjustment clause approved for Consumers' other primary rates.¹ The ALJ also determined that Consumers' Rate LEDR facilities allowance in this case is consistent with the Commission's guidance in its Order in MPSC Case No. U-21585,² and recommends that the Commission approve Consumers' proposed facilities allowance.³

In addressing concerns raised by the Michigan Environmental Council, Natural Resources Defense Council, Sierra Club, and Citizens Utility Board of Michigan (jointly as "MNSC"), the ALJ also determined that the proposed Rate LEDR facilities allowance should be available to two existing Rate LEDR customers.⁴ The ALJ, however, erred in recommending that if Consumers intends to offer the facilities allowance to any existing customer that Consumers should first obtain approval from the Commission and suggests that this approval could be obtained on an *ex parte* basis.⁵ Solar Tech excepts to this aspect of the ALJ's recommendations. The ALJ's

¹ "The next proposed change, adding an adjustment for power factor that is equivalent to the adjustment recently approved for Rate GP, GPD, GPTU, and EIP, should also be approved." PFD, p. 814.

² "This PFD finds that Consumers' current facilities allowance proposal is consistent with the Commission's order in Case No. U-21585 as it only includes distribution and system contribution revenues and is based on a limited 5-year term." *Id.*, p. 815.

³ "Therefore, this PFD recommends that the Commission approve a facilities allowance for LEDR that only includes distribution and system contribution revenues and is based on a limited 5-year term." *Id.*, p. 816.

⁴ "[T]he PFD agrees with the Company that the facilities allowance should be offered to an existing LEDR customer if the customer's contract contemplates a future facilities allowance." *Id.*, pp. 816-817.

⁵ "However, in recognition of MNSC's contention that Consumers only has two existing LEDR customer and their contracts do not support retroactive application of the facilities allowance, this PFD recommends that if the Company

recommendation mandating another proceeding prior to implementing the Rate LEDR facilities allowance for existing Rate LEDR customers pursuant to contract is unnecessary, will result in further uncertainty and delayed relief for Solar Tech, and will exacerbate customer confidentiality concerns that are already the subject to ongoing litigation and appeals.

For the reasons stated in Solar Tech’s briefs and further below, the Commission should approve: 1) the same power factor adjustment provision for Rate LEDR as is used for Rate GPD and Consumers’ other primary rates; and ii) approve a facilities allowance for Rate LEDR, as proposed by Consumers. Consumers should be permitted to apply the facilities allowance to any future or existing customers consistent with its contract terms without the need for further Commission proceedings.

II. THE ALJ ERRED IN RECOMMENDING THAT CONSUMERS SEEK FURTHER COMMISSION APPROVAL BEFORE APPLYING ITS RATE LEDR FACILITIES ALLOWANCE TO AN EXISTING RATE LEDR CUSTOMER.

The ALJ erred in recommending that, if Consumers intends to offer the facilities allowance to any existing Rate LEDR customer, then Consumers should first obtain further approval from the Commission. The ALJ states that this approval could be obtained on an *ex parte* basis. The ALJ’s recommendation, if approved, is unnecessary, will result in further uncertainty and delayed relief for existing Rate LEDR customers, and will exacerbate customer confidentiality concerns that are already the subject of ongoing litigation and appeals. The Commission should approve Consumers’ proposed facilities allowance without the need for further proceedings for Consumers to implement the tariff provision.

intends to offer the facilities allowance to an existing LEDR customer that it first obtain approval from the Commission that the contract sufficiently contemplates the facilities allowance, and the Company may seek this approval *ex parte*.” Id., p. 817.

An additional proceeding to confirm that an existing Rate LEDR customer contract contemplates a future facilities allowance is unnecessary. To begin, Consumers interprets contracts and applies its tariffs to customers daily without the need for further Commission proceedings. Consumers has a staff of legal counsel and regulatory personnel who are skilled at reviewing contracts, interpreting tariffs, and making determinations regarding the application of Consumers' tariffs to a contract.

If Consumers misinterprets or misapplies its tariffs, then interested parties have remedies. Consumers will have other future proceedings before the Commission where issues concerning Consumers' costs and revenues may be raised and addressed. Consumers has also agreed to a reconciliation process that provides a forum for concerns about Consumers' application of the facilities allowance.⁶ The Commission also has the authority to hear and pass upon complaints filed by aggrieved persons under MCL 462.22.

Additionally, the Commission and its Staff have a right to access Consumers' books and records to perform the Commission's duties.⁷ The Commission Staff can seek further access to existing Rate LEDR contracts and make assessments regarding Consumers' conduct in relation to any matter that is the subject of complaint or investigation.⁸ If the Commission has concerns about the propriety of Consumers' application of the facilities allowance to an existing Rate LEDR customer, then the Commission can initiate proceedings to raise and address those concerns.

Requiring yet another proceeding causes further uncertainty for existing Rate LEDR customers who have already waited several years for this issue to be resolved. This issue has been

⁶ Connolly Rebuttal, 3 Tr. Corrected pp. 169-170.

⁷ See, MCL 462.28.

⁸ Id.

litigated through three Consumers rate proceedings at the Commission.⁹ Consumers' witness Connolly explained that work on a Rate LEDR facilities allowance pre-dates contracts with existing Rate LEDR customers and those customers entered into contracts considering the potential for an eventual allowance.¹⁰ The Rate LEDR facilities allowance should be applied to Rate LEDR contracts that address the potential for an eventual allowance without further delay.

Finally, requiring another proceeding also raises further customer confidentiality concerns. The existing Rate LEDR customer contracts were already provided to the reviewing representatives of every party to this proceeding who signed a nondisclosure certificate under the protective order entered in this case in response to discovery issued by the Attorney General. In response discovery request U21870-AG-CE-0478, Consumers provided a collection of documents. Contained in that collection of documents were the two existing Rate LEDR customer contracts. That discovery request was promptly the subject of a motion to quash the discovery on the basis that the disclosure contained trade secrets, and confidential and sensitive business information.¹¹ Although the ALJ determined that Consumers' redacted disclosure was proper, the ALJ directed parties to delete the confidential documents due to ongoing risks of disclosure under Michigan's Freedom of Information Act.¹² The ALJ's decision is the subject of on-going appeals.¹³ If the Commission were to require another proceeding to review the terms and conditions of just two Rate LEDR contracts, then the confidentiality concerns for those customers would be even greater than what already exists and is the subject of ongoing litigation.

⁹ See, this MPSC Case No. U-21870, Case No. U-21585 filed in 2024, and Case No. U-21389 filed in 2023. Rate LED was originally approved in the December 22, 2021 Order in MPSC Case No. U-21160.

¹⁰ Connolly Rebuttal, 3 Tr. Corrected p. 170.

¹¹ See, Docket Entry #191.

¹² See, January 22, 2026 Ruling on Motion to Quash Discovery Request, Docket Entry #471, pp. 15-16.

¹³ See, Docket Entries #474, 476 and 477.

III. CONCLUSION

For all the reasons explained in Solar Tech’s briefs and in the preceding sections of these Exceptions, Solar Tech respectfully requests that the Commission: i) approve the same power factor adjustment provision for Rate LEDR as is used for Rate GPD and Consumers’ other primary rates; and ii) approve a facilities allowance for Rate LEDR, as recommended by Consumers. Consumers should be permitted to apply the facilities allowance to any future or existing customers consistent with its tariff and contract terms without the need for further Commission pre-approval proceedings.

Respectfully submitted,

POTOMAC LAW GROUP, PLLC
ATTORNEYS FOR SOLAR TECHNOLOGY LLC

Date: February 17, 2026

By:  _____

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STATE OF MICHIGAN

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Case No. U-21870

PROOF OF SERVICE

Jennifer Heston hereby certifies that, on the 17th day of February 2026, she served the Exceptions of Solar Technology LLC and this Proof of Service upon the persons identified on the attached service list by electronic mail.

/s/ Jennifer Heston _____
Jennifer Heston

Administrative Law Judge

Honorable Jonathan F. Thoits
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