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March 17, 2026

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

RE: In the matter of the Application of **DTE ELECTRIC COMPANY** for Approval
of Special Contracts and for other relief
MPSC Case No. U-22058

Dear Ms. Felice:

Attached for electronic filing in the above referenced matter is DTE Electric Company's Application, Direct Testimony and Exhibits of Witnesses, Neal T. Foley, Steven N. Benyard, Kevin L. Bilyeu, Shawn D. Burgdorf, Justin J. W. Brooks, and Aaron Willis. Also Attached is the Proof of Service.

Very truly yours,

Andrea E. Hayden

AEH/erb
Encl.

cc: Service List

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
DTE ELECTRIC COMPANY) Case No. U-22058
for approval of special contracts and)
related relief _____)

**DTE ELECTRIC COMPANY’S APPLICATION FOR APPROVAL OF SPECIAL
CONTRACTS FOR ELECTRIC SERVICE**

DTE Electric Company (“DTE Electric” or the “Company”) respectfully files this Application, with supporting Testimony and Exhibits, requesting the Michigan Public Service Commission (“MPSC” or the “Commission”) to grant expedited approval¹ of the Company’s Primary Supply Agreement (“PSA”) and Clean Capacity Accelerator Agreement (“CCAA”) (collectively, the “Special Contracts”) with Google LLC (the “Customer”). In support of the relief requested in this Application, DTE Electric states as follows:

1. DTE Electric is a corporation organized and existing under and by virtue of the laws of the State of Michigan, with its principal office at One Energy Plaza, Detroit, Michigan 48226. DTE Electric provides retail electric service to customers located in Michigan. The Company is a public utility and Electric Provider, as defined under MCL 460.1005(a)(i), with more than 1,000,000 retail customers in Michigan and is subject to the jurisdiction of the Commission per various provisions of Public Act 419 of 1919, as amended, MCL 460.51 *et seq.*; Public Act 3 of 1939, as amended, MCL 460.1 *et seq.*

¹ The approvals requested in this Application will not increase the cost of service to the Company’s customers. The approvals sought in this Application therefore “may be authorized and approved without notice or hearing.” MCL 460.6a(3). Without waiving the foregoing right to seek *ex parte* treatment of special contracts, the Company is filing this Application as a contested case. See also, *infra*, ¶16.

2. DTE Electric presently serves its electric customers under schedules of rates and charges contained in the Company's Commission-approved tariffs.

3. Customer (Google LLC) is a subsidiary of Alphabet Inc. Customer plans to cause to be constructed and commission a data center facility in DTE Electric's service territory located at or near Van Buren Twp, Michigan (the "Facility"). The Facility's maximum load is approximately 1.0 gigawatt ("GW") and is scheduled to begin taking service in December 2027 with max load being achieved by December 2028.

4. Following extensive negotiations between the Company and Customer, the parties executed the Special Contracts that will become effective upon Commission approval in this case. The Special Contracts are included as Exhibit A-16 and Exhibit A-18 to Company Witness Neal Foley's Direct Testimony.

5. The Special Contracts establish a balanced and protective framework that includes appropriate safeguards and minimizes the risks associated with serving large load customers. The framework reflects a reasonable and prudent balance between the advantages of serving a new large load customer and protecting existing customers from risk and potential cost subsidies. The Special Contracts work in tandem to meet Customer's unique needs responsibly.

6. Pursuant to the proposed PSA, DTE Electric will provide Customer electric service under Rate Schedule D11 ("D11") commencing upon the date the Customer first begins taking electric service for a period of 20 years. Importantly, the PSA includes enhanced protections not included in Rate Schedule D11 to ensure a long-term commitment to DTE Electric and protect other customers from potential cost subsidies. In addition to the long-term commitment, the Special Contracts include the following protective provisions: increased minimum billing demand requirements, an extended contract term, termination payment, credit and collateral requirements,

and a backstop provision to ensure that other customers will not subsidize the costs of the Customer's load. Witness Foley provides more detailed information regarding these protections.

7. The proposed CCAA sets forth the obligations of the Customer and Company related to the development and cost recovery of up to 480 MW of energy storage projects, up to 1,600 MW of renewable energy projects, and the transfer of 300 MW of zonal resource credits ("ZRCs").

8. To help support resource adequacy with the addition of the Customer's load, under the proposed CCAA the Company will develop up to 480 MW of energy storage, including 55 MW of long duration storage. Following the commercial operation date of each storage project, the Customer will pay all costs, as set forth in the testimony of Witness Foley, for the 15-year depreciable life of each project.

9. To further assist with the Company's resource adequacy needs, the CCAA requires that the Customer obtain and transfer 300 MW of ZRCs for each MISO season beginning June 1, 2028 until May 31, 2033. The Customer will also pay to the Company a financial compensation mechanism similar to the financial incentive established under MCL 460.1028(8). In particular, the Customer will pay the Company an amount equal to the ZRCs transferred to the Company multiplied by MISO Cost of New Entry multiplied by the Company's pre-tax weighted average cost of permanent capital. The Company is requesting authority to record this incentive as income.

10. In order to meet its renewable energy goals, the Customer has requested that the Company develop up to 1,600 MW of renewable energy projects, the renewable energy credits from which will be transferred to the Customer. Rather than file a standalone contract for this customer requested offering, the CCAA incorporates the terms related to the Customer's voluntary

green pricing program participation under MCL 460.1061 and the settlement agreements entered in Case Nos. U-20713 and U-21172.

11. The testimony of DTE Electric Witness Bilyeu addresses the impacts of the Customer's load and the Customer's participation in the customer requested voluntary green pricing program on the Company's Renewable Portfolio Standard ("RPS") obligations set forth in Public Act 295 of 2008, as amended by Public Act 235 of 2023, MCL 460.1001 *et seq.*

12. The Company expects that the depreciable life of each renewable energy project will extend beyond the term of the CCAA, as may certain storage projects depending on their commercial operation date. To ensure that the Customer fully pays for each storage and renewable energy project, the CCAA requires that the full costs of each project be collected from the Customer during the term of the CCAA. This means that the Customer will pay more than the revenue requirement for a project during the term of the CCAA if the project's depreciable life extends beyond the term of the CCAA. The Company is seeking authority to record this excess recovery (i.e., customer charge less revenue requirement of the project) as a regulatory liability. The regulatory liability will be used beyond the term of the CCAA to offset the remaining revenue requirement of the storage and renewable energy projects.

13. For each of the resources in the CCAA (storage projects, ZRCs, and renewable energy projects) the Customer will receive capacity credits, and for each renewable energy project in the CCAA the Customer will also receive generation credits. These capacity and generation credits will be calculated for each project or ZRC and will be no greater than the capacity market revenues (for capacity credits) or energy market revenues (for generation credits) generated by each project or ZRC in each billing period.

14. As detailed in the direct testimony of Company Witness Aaron Willis, the Special Contracts generate a benefit for existing customers through 1) base sales under rate schedule D11, 2) incremental Power Supply Cost Recovery (“PSCR”) savings (including the additional renewables to be paid for by the Customer), and 3) the pull ahead of storage resources funded by the Customer. Importantly, the Company estimates that the impact of the Customer’s new load will provide a net benefit across all of its customer classes.

15. Commission approval of the Special Contracts will not impact existing rates or increase the Company’s cost of service for existing customers. Instead, the proposed Special Contracts govern how the Company will serve the Customer’s future load, and how an energy storage portfolio, customer provided ZRCs, and renewable energy projects will be deployed under the CCAA.

16. MCL 460.6a(3) states, in part: “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.” The approvals requested in this Application will not increase the cost of service to the Company’s customers. The approvals sought in this Application therefore “may be authorized and approved without notice or hearing.” MCL 460.6a(3). Without waiving the foregoing right to seek *ex parte* treatment of special contracts, the Company is filing this Application as a contested case.

17. The Company respectfully requests an expedited review of this Application with the issuance of a Commission order on or before the September 10, 2026 condition precedent deadlines set forth in the Special Contracts.

18. The Special Contracts contain commercially sensitive and personally identifiable information of the Customer. As such, the Company will also file a motion for entry of a protective order following the filing of this Application.

19. WHEREFORE, for the reasons stated above, DTE Electric Company respectfully requests that the Michigan Public Service Commission:

- A. Accept this Application for filing;
- B. Establish a date, place and time for a prehearing conference as soon as practicable;
- C. Conduct a hearing on this Application;
- D. Grant DTE Electric's request for review of the Special Contracts on an expedited basis;
- E. Determine that the Special Contracts are reasonable and prudent and enter an order approving the Special Contracts as consistent with all applicable law;
- F. Authorize the Company to record to income the financial incentive to be paid by Customer for the ZRC transfer under the CCAA;
- G. Authorize the Company to record regulatory liabilities to Account 254 for the accelerated recovery of costs for storage and renewable energy projects under the CCAA; and
- H. Grant DTE Electric such further additional relief as the Commission may deem appropriate.

DTE ELECTRIC COMPANY

By: _____
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313-235-9449

Dated: March 17, 2026

STATE OF MICHIGAN

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DTE ELECTRIC COMPANY)
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Case No. U-22058

PROOF OF SERVICE

ESTELLA R. BRANSON states that on March 17, 2026, she served a copy of the DTE Electric Company's Application, Direct Testimony and Exhibits of Witnesses, Neal T. Foley, Steven N. Benyard, Kevin L. Bilyeu, Shawn D. Burgdorf, Justin J. W. Brooks, and Aaron Willis, via electronic mail upon the persons listed on the attached service list.

ESTELLA R. BRANSON

MPSC Case No. U-22058
SERVICE LIST

MPSC STAFF

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