

Founded in 1852
by Sidney Davy Miller

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May 18, 2026

Ms. Lisa Felice
Executive Secretary
Michigan Public Service Commission
7109 W. Saginaw Highway, 3rd Floor
Lansing, MI 48917

Re: Upper Peninsula Power Company
Case No. U-22032

Dear Ms. Felice:

Enclosed for electronic filing please find Upper Peninsula Power Company's Rate Case Summary. I have also included a Proof of Service showing electronic service upon the parties in Upper Peninsula Power Company's prior rate cases, Nos. U-21555 and U-21286.

Should you have any questions, please kindly advise.

Sincerely,

Miller, Canfield, Paddock and Stone, P.L.C.

By: _____
Paul Michael Collins

PC/vs

Enclosures

cc w/enc: Michael E. Moody (Moodym2@michigan.gov and ag-enra-spec-lit@michigan.gov)
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STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)	
UPPER PENINSULA POWER COMPANY)	Case No. U-22032
for authority to increase its rates for)	
the generation and distribution of)	
electricity and other relief.)	

RATE CASE SUMMARY

In accordance with the Michigan Public Service Commission’s (“MPSC” or the “Commission”) April 25, 2024 Order in Case No. U-18238, Upper Peninsula Power Company (“UPPCO” or the “Company”) submits its required Rate Case Summary. The Company’s Rate Case Summary is being provided for informational purposes only, and in filing this summary, UPPCO states that modifications may be made to its upcoming rate case filing that could impact the information contained herein.

In the Company’s most recent electric rate case, Case No. U-21555, UPPCO requested jurisdictional rate relief of \$16.9 million annually, based on a projected 12-month test year ending on December 31, 2025. Through a final order approving settlement agreement issued on September 26, 2024, the Commission authorized a 9.86% Return on Equity along with jurisdictional rate relief of \$9.0 million, a capital structure with 50% common equity, and a jurisdictional rate base of \$372.1 million.

The Company's upcoming electric rate case filing, Case No. U-22032, is primarily driven by UPPCO's continued infrastructure investments and associated operating expenses and O&M expenses needed to maintain reliable service and improve the reliability and resiliency of UPPCO's distribution system. Also, general inflation and supply chain pressures continue to impact the United States economy putting upward pressure on the Company's operational expenses. Based on the evidentiary support provided in its upcoming filing, UPPCO requests that the Commission authorize the Company to adjust its retail electric generation and distribution rates so as to result in a total revenue increase of \$17.3 million annually, based on a projected 12-month test year ending December 31, 2027. The Company is requesting a Return on Equity of 10.55%, and uses inflationary factor projections of 2.4% for 2026, and 2.0% for 2027, as forecasted by the Congressional Budget Office ("CBO") in its September 2025 report.

Table 1, below, outlines the key drivers of the revenue requirement requested in this proceeding. Consistent with the prior discussion, much of the requested increase is related to the incremental investment in infrastructure and increased operational expenses.

For the projected test year the Company demonstrates jurisdictional rate relief totaling \$17.3 million. The Company's proposed rate adjustments represented by rate class and rate schedule are attached to this Rate Case Summary as Attachment A.

The key drivers associated with the Company's revenue requirement and rate base are demonstrated in Tables 1 and 2, below:

Table 1 (in millions)

Key Drivers: Revenue Requirements		
	Drivers	Revenue Requirement Impact
a.	Investment	\$ 3.2
b.	Cost of Capital	\$ 0.1
c.	Operating Expenses (excl. O&M)	\$ 5.1
d.	O&M Expenses	\$ 9.0
e.	Sales / Revenue	\$ (0.1)
f.	Total Revenue Requirement Impact	\$ 17.3

Table 2 (in millions)

Key Drivers: Rate Base			
	Drivers	Rate Base Impact	Revenue Requirement Impact
a.	Last Rate Case Order (U-21555)		
b.	<i>Rate Base (Actual)</i>	\$ 366.7	\$ 32.7
c.	Current Rate Case (U-22032)		
d.	<i>Utility Plant</i>	\$ 552.5	\$ 49.3
e.	<i>Depreciation Reserve</i>	\$ (232.2)	\$ (20.7)
f.	<i>Working Capital</i>	\$ 83.3	\$ 7.4
g.	Requested Rate Base	\$ 403.6	\$ 36.0
h.	Increase from Last Rate Case Order	\$ 36.9	\$ 3.3

Upper Peninsula Power Company intends to file its upcoming electric rate case on May 22, 2026, which will allow for new rates to be effective no later than March 22, 2027.

Respectfully submitted,

Upper Peninsula Power Company

Dated: May 18, 2026

By: _____

Schedule F-2

Michigan Public Service Commission

Upper Peninsula Power Company

Summary of Present and Proposed Revenue by Rate Schedule

Line No.	(a) Description	(b) Total Present Revenue	(c) Total Proposed Revenue	(d) Total Net Increase/ (Decrease)	(e) Total Net Increase/ (Decrease) (%)
1	<u>UPPCO RETAIL SYSTEM</u>				
2	A-1	\$65,965,704	\$76,291,295	\$10,325,591	15.65%
3	AH-1	\$5,140,072	\$5,864,086	\$724,014	14.09%
4	C-1	\$18,534,075	\$21,449,589	\$2,915,514	15.73%
5	H-1	\$1,315,422	\$1,483,077	\$167,654	12.75%
6	P-1	\$15,047,810	\$13,765,161	(\$1,282,650)	-8.52%
7	Cp-U	\$14,700,832	\$18,015,577	\$3,314,745	22.55%
8	WP-3	\$6,334,598	\$7,440,639	\$1,106,042	17.46%
9	RTMP	\$193,393	\$53,094	(\$140,300)	-72.55%
10	RTMP-D	\$0	\$0	\$0	0.00%
11	Z-3	\$181,217	\$188,884	\$7,667	4.23%
12	SL	\$709,597	\$828,824	\$119,226	16.80%
13					
14					
15	MPSC JURISDICTIONAL	\$128,122,722	\$145,380,226	\$17,257,503	13.47%

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PROOF OF SERVICE

STATE OF MICHIGAN)
) ss.
 COUNTY OF INGHAM)

Victoria Seyfried, being first duly sworn, deposes and states that on May 18, 2026, she served an electronic copy of Upper Peninsula Power Company's Rate Case Summary upon counsel of record for the intervenor parties in MPSC Case Nos. U-21555 and U-21286 as set forth on the attached Service List via electronic mail.

Victoria Seyfried

Subscribed and sworn to before me
on this 18th day of May, 2026.

 Kacey O'Neill, Notary Public
 State of Michigan, County of Livingston
 My Commission Expires: 12/26/2026
 Acting in the County of Ingham

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