Founded in 1852
by Sidney Davy Miller

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May 26, 2026

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

Re: Upper Michigan Energy Resources Corporation
2025 RE Reconciliation
Case No. U-22031

Dear Ms. Felice:

Attached for electronic filing, please find Upper Michigan Energy Resources Corporation's Application and the direct testimony and exhibits of James J. Beyer in the above captioned matter. Also included is my Appearance.

Should you have any questions or concerns, please advise.

Very truly yours,

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

Sherri A. Wellman

Digitally signed by: Sherri A. Wellman
DN: CN = Sherri A. Wellman email = wellmans@millercanfield.com C = US O = Miller Canfield
Date: 2026.05.26 11:43:15 -04'00'

By: ______________________________
Sherri A. Wellman

SAW:ehk
Enclosures
cc w/enc James M. Beyer (James.Beyer@wecenergygroup.com)
Richard Stasik (Richard.stasik@wecenergygroup.com)
Conor Ward (Conor.ward@wecenergygroup.com)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * *

In the matter of the application of **UPPER MICHIGAN ENERGY RESOURCES CORPORATION** to commence a renewable energy cost reconciliation proceeding for the 12-month period ended December 31, 2025.	)))))	Case No. U-22031

APPLICATION

Upper Michigan Energy Resources Corporation ("UMERC" or the "Company") hereby requests the Michigan Public Service Commission ("MPSC" or the "Commission") approve its 2025 Renewable Energy Annual Reports ("Reports"), its Renewable Energy ("RE") reconciliation pursuant to MCL 460.1049 for the 2025 calendar year and proposed RE surcharges. In support thereof, the Company respectfully represents as follows:

1. UMERC is a public service corporation organized under the laws of Michigan with a service center located at 800 Industrial Park Drive, Iron Mountain, Michigan. By Order dated December 9, 2016, in Case No. U-18061, UMERC was granted authority by the Commission to, among other things, provide retail electric service to the former Michigan electric customers of Wisconsin Electric Power Company, except initially the Tilden Mining Company ("Tilden"), in service areas located in Alger, Baraga, Delta, Dickinson, Gogebic, Houghton, Iron, Marquette, Menominee, and Ontonagon Counties and to the former Michigan electric and natural gas customers of Wisconsin Public Service Corporation in a service area located in Menominee County, Michigan. As of April 1, 2019, ensuing with the onset of operations of the RICE generation units, Tilden was transferred to UMERC to be its customer.

2. By order dated January 29, 2026, in Case No. U-22025 et al., the Company is required to file its RE reconciliation for 2025 in this docket on or before May 29, 2026.

3. By Order Approving Settlement Agreement, dated January 23, 2018, in Case No. U-18236, the Commission approved UMERC's renewable energy plan and, as of the date of this application, the approved plan has not been amended and therefore relates to this 2025 reconciled period.

4. The actions regarding renewable energy for 2025 were consistent with the most recent renewable energy plan approved by the Commission.

5. The Renewable Energy Annual Reports for UMERC's WEPCo and WPSC Rate Zones are filed herewith as Exhibit A-2 (JMB-2) to the pre-filed Direct Testimony of James M. Beyer, which is filed contemporaneously herewith and supports the reconciliation for 2025.

6. Consistent with the terms of the settlement agreement approved in Case No. U-21014, UMERC has included data regarding the 2025 RE surcharge revenues collected from Tilden.

7. The reconciliation of the RE revenues and costs for 2025 results in an under-recovery of $253,143, which the Company proposes to recover pursuant to new RE surcharges. UMERC does not propose to change the RE surcharge to Tilden Mining Company.

WHEREFORE, UMERC requests that this Commission:

A. Find and determine that the 2025 Renewable Energy Annual Reports satisfy all applicable requirements;

B. Find and determine that the reconciliation for 2025 is correct;

C. Approve the proposed new Renewable Energy surcharges; and

D. Grant such other relief as is just and reasonable.

Respectfully submitted,

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

Sherri A. Wellman

Digitally signed by: Sherri A. Wellman
DN: CN = Sherri A. Wellman email = wellmans@millercanfield.com C = US O = Miller Canfield
Date: 2026.05.26 11:43:54 -04'00'

Dated: May 26, 2026 By: ______________________________

Its Attorney
Sherri A. Wellman (P38989)
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
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Lansing, MI 48933
(517) 483-4954

Attorney for Upper Michigan Energy Resources Corporation

S T A T E   O F   M I C H I G A N

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

*** * * * ***

In the matter of the application of **UPPER MICHIGAN ENERGY RESOURCES CORPORATION** to commence renewable energy reconciliation for the 12-month period ended December 31, 2025.	)))))	Case No. U-22031

DIRECT TESTIMONY AND EXHIBITS OF

JAMES M. BEYER

ON BEHALF OF

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

May 2026

DIRECT TESTIMONY AND EXHIBITS
OF JAMES M. BEYER

Q. Please state your name, business address, and position.

A. My name is James M. Beyer. My business address is WEC Energy Group ("WEC"), 2830 South Ashland Avenue, Green Bay, WI 54304. I am a Project Specialist in the State Regulatory Affairs Department of WEC. Upper Michigan Energy Resources Corporation ("UMERC" or the "Company") is a wholly-owned subsidiary of WEC.

Q. Please describe briefly your education, professional, and utility background.

A. I graduated from Northern Michigan University, Marquette, Michigan, with a Bachelor of Science Degree in Accounting in 2002, and from Lakeland College, Sheboygan, Wisconsin, with a Master of Business Administration ("MBA") degree in 2006. I have been employed by WEC and its predecessors, first as a Pricing Analyst and currently as a Project Specialist since 2004. In that position, I perform and am otherwise involved in rate related studies, service and tariff administration, financial analyses, and rate development and administration.

Q. Have you filed testimony with and/or testified before a regulatory agency?

A. Yes. I have filed testimony with and/or testified before the Public Service Commission of Wisconsin ("PSCW") and the Michigan Public Service Commission ("MPSC" or the "Commission").

Q. What is the purpose of your direct testimony in this proceeding?

A. The purpose of my direct testimony is to support the reconciliation of UMERC's Renewable Energy ("RE") surcharge revenues and expenses for the 12-month period from

January 1 through December 31, 2025, to sponsor UMERC's 2025 RE Annual Reports, and to support UMERC's proposed RE surcharges.

Q. Are you sponsoring any exhibits?

A. Yes, I am sponsoring (i) Exhibit A-1 (JMB-1), which reflects UMERC's January through December 2025 RE reconciliation and the calculation of the proposed RE surcharges, (ii) Exhibit A-2 (JMB-2) which is the UMERC-WEPCo Rate Zone and UMERC-WPSC Rate Zone 2025 RE Annual Reports, and (iii) Exhibit A-3 (JMB-3), which is a redlined version of tariff Sheet No D-7.00 showing UMERC's proposed surcharges requested as part of this application.

Q. Were these exhibits prepared by you or at your direction?

A. Yes, they were.

Q. Please describe Exhibit A-1 (JMB-1).

A. Exhibit A-1 (JMB-1) shows the 2024 over-recovery regulatory liability ending balance of $305,966 as approved in the Commission's August 21, 2025 Order Approving Settlement Agreement in Case No. U-21834. Exhibit A-1 (JMB-1) also shows the January through December 2025 RE surcharge revenues totaling $2,250 and reflects renewable energy purchases of $557,297 made during this period. Netting the 2024 year end over-recovery balance of $305,966, the surcharge revenue of $2,250, the renewable energy purchases of $557,297 and adding the net under-recovery interest of $4,061, results in the net total RE under-recovery balance of $253,142 as of December 31, 2025, as shown on Exhibit A-1

(JMB-1). Exhibit A-1 (JMB-1) also includes the proposed RE surcharges intended to collect the under-recovery balance of $253,142.

Q. Does UMERC plan to change the method for recovering its renewable energy costs from electric customers?

A. Yes, as UMERC no longer has a regulatory liability balance, the Company is requesting to implement new RE surcharges in its WEPCO and WPSC Rate Zones to recover the under-recovered balance.

Q. Please identify the new RE surcharges and describe how they were calculated.

A. The new RE surcharges are identified and reflected in Exhibit A-1 (JMB-1) and Exhibit A-3 (JMB-3). The surcharges were calculated by first separating UMERC's tariff schedules into classes. The classes include Residential, Small Commercial and Industrial ("C&I"), Medium C&I, Large C&I and Very Large C&I. Next, each class is allocated a share of the year-end 2025 under-recovery based on the Cost of Service Study from UMERC's last approved electric rate case in Case No. U-21541 as approved by the Commission on October 10, 2024. The cost share for each class is then divided by the total number of meters in that class as of April 30, 2026 and then divided again by 365 days to calculate a per meter per day charge. This calculation is set forth in Exhibit A-1 (JMB-1).

Q. Is UMERC banking RECS for future use?

A. Yes.

Q. Including incentive credits, how many RECs did UMERC procure in 2025 for its retail electric customers?

A. UMERC procured 150,000 RECs in 2025.

Q. At the end of 2025, how many RECs, including incentive credits, does UMERC have banked for future compliance?

A. At the end of 2025, UMERC has banked a total of 125,654 RECS for future compliance.

Q. Does the RE Annual Report reflect UMERC's REC portfolio requirements in 2025?

A. Yes. The 2025 RE Annual Report, Exhibit A-2 (JMB-2), shows the UMERC-WEPCO Rate Zone and the UMERC-WPS Rate Zone REC portfolio requirements.

Q. For 2025 how is RPS compliance for the Mine determined?

A. The RPS requirement associated with Tilden Mining Company ("Tilden" or the "Mine") is based on the amount of the RE surcharge that is billed to and collected from the Mine. Specifically, UMERC acquires and retires as many RECs as those funds can purchase. In 2025, the amount collected from Tilden through the RE surcharge was $2,250 and UMERC was able to acquire RECs at $2.50/REC. Therefore, UMERC acquired and retired 900 RECs to meet RPS compliance for the Mine load. See Exhibit A-1 (JMB-1). UMERC is not proposing to change to RE surcharge to Tilden as part of this reconciliation.

Q. What is UMERC requesting the Commission to approve in this RE reconciliation filing?

A. UMERC requests that the Commission approve the reconciliation of its renewable energy plan revenues and expenses and approves its proposed RE surcharges to be implemented in its WEPCO and WPSC Rate Zones to recover the under-recovered balance of $253,142.

Q. Does this conclude your direct testimony at this time?

A. Yes, it does.

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

2025 Renewable Energy Reconciliation Cost Recovery

Case No. U-22031
Exhibit: A-1 (JMB-1)
Witness: James M. Beyer

Line	Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals 2025
1	**UMERC**													
2														
3	Total Surcharge Collected*	$188	$188	$188	$188	$188	$188	$188	$188	$188	$188	$188	$188	$2,250
4	Renewable Energy Credits - Expense	$0	$0	$0	$0	$492,579	$0	$0	$0	$0	$64,718	$0	$0	$557,297
5	Under/(Over)-Recovery	($188)	($188)	($188)	($188)	$492,391	($188)	($188)	($188)	($188)	$64,531	($188)	($188)	$555,047
6	Beginning Recovery Balance ($)	($305,966)	($306,154)	($306,341)	($306,529)	($306,716)	$185,675	$185,488	$185,300	$185,113	$184,925	$249,456	$249,268	
7	Ending Recovery Balance ($)	($306,154)	($306,341)	($306,529)	($306,716)	$185,675	$185,488	$185,300	$185,113	$184,925	$249,456	$249,268	$249,081	
8	Average Recovery Balance ($)	($306,060)	($306,247)	($306,435)	($306,622)	($60,520)	$185,581	$185,394	$185,206	$185,019	$217,190	$249,362	$249,175	
9														
10	Interest Rate Undercollection (%)	4.32%	4.31%	4.32%	4.34%	4.32%	7.16%	7.16%	7.16%	7.16%	7.16%	7.16%	7.16%	
11	Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
12	Monthly Interest ($)	($1,102)	($1,100)	($1,103)	($1,109)	($218)	$1,107	$1,106	$1,105	$1,104	$1,296	$1,488	$1,487	$4,061
13	Interest Balance ($)	($1,102)	($2,202)	($3,305)	($4,414)	($4,632)	($3,524)	($2,418)	($1,313)	($209)	$1,087	$2,575	$4,061	
14	Ending Recovery Balance + Interest ($)	($307,255)	($308,543)	($309,833)	($311,130)	$181,043	$181,963	$182,882	$183,799	$184,716	$250,542	$251,843	$253,142	
15														

Line	Special Contract (U-18224)		Renewable Energy Surcharge Calculation	Meter Count	Production Plant	Allocation %	Class Share	$ per Meter/Day
16								
17	**Special Contract (U-18224)**		**Renewable Energy Surcharge Calculation**					
18								
19								
20	Year	2025	Residential (Rg1, Rg-1M, Rg2, Rg-OTOU-1M)	33,455	$59,303,185	44%	$112,034	$0.0092
21	Surcharge Collection	$2,250.00	Small C&I (Cg1, Cg2, Cg5, Tss, Cg-1M, Cg-OTOU-1M)	3,967	$22,132,969	17%	$41,813	$0.0289
22	Cost per REC	$2.50	Med C&I (Cg-3M, Mp-1M)	37	$2,336,481	2%	$4,414	$0.3268
23	Tilden RPS Requirement (Surcharge REC Cost Cap)	900	Large C&I (Cg3, Cg3C, Cp1, Cp-1M Sec, Cp-1M Pri, Special Contract 1)	85	$11,509,595	9%	$21,744	$0.7008
24			Very Large C&I (Cp2, Cp3, Cp4, Schedule A, Cp-1M Tran, CpLC)	5	$38,713,602	29%	$73,137	$40.0750
				37,549	$133,995,833	100%	$253,142	

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION
* * * *

In the matter of the application of	)	
UPPER MICHIGAN ENERGY RESOURCES	)	
CORPORATION renewable energy reconciliation	)	Case No. U-22031
proceeding for the 12 month period	)	
ended December 31, 2025.	)	

EXHIBIT A-2 (JMB-2)
UPPER MICHIGAN ENERGY RESOURCES CORPORATION
2025 RENEWABLE ENERGY ANNUAL REPORT

Renewable Energy Annual Report

Revised February 2026

Electric Provider: UMERC-WEPCO Rate Zone
Reporting Period: Calendar Year 2025

- The purpose of this annual report is to provide information regarding activities that occurred within calendar year 2025.

- Many of the requested figures are available from MIRECS reports; names of which are noted within this template. If your figures agree with those within MIRECS, you may submit the MIRECS report as an attachment to this annual report. If your figures differ from those within MIRECS, please explain any discrepancies. Staff from the MPSC and MIRECS Administrator, APX, Inc., are available to help reconcile.

Section 28

Within this section, list the method and the retail sales in MWh for the reporting period.

List the Method: either average of 2022-2024 retail sales or the 2024 weather normalized retail sales.

Average of 2022-2024 retail sales.

The method chosen should be consistent with the method approved in the amended renewable energy plans approved pursuant to PA235 of 2023.
All sales are retail (net of wholesale).

(A) List the sales in MWh based on the method selected above. Please show the calculation of this figure (including listing the sales of each year if the three-year average method is used).

2022 – 346,430 2023 – 331,199 2024 – 350,308 Average – 342,646 15.00% of Average = 51,397 Mines Requirement = 900 RECS Total = 52,297 NOTE: These MWh sales values do not include the mine because RPS compliance is accomplished by procuring an amount of RECS equal to the mines RE surcharge – Not the mines load. This approach was approved in Case U-18236.

(B) Voluntary Green Pricing sales (If applicable).

559.9 MWh – Energy For Tomorrow

(C) Outflow from Distributed Generation customers (If applicable).

840.6 MWh

(D) Nuclear MWhs sold from Michigan Nuclear Energy pursuant to Sec. 28(4) (If applicable).

N/A

(E) Number of renewable energy credits (RECs) obtained without energy or capacity pursuant to Sec. 28(5)(c) (If applicable).

75,000

(F) The number of renewable energy credits obtained pursuant to Sec. 29(4) (If applicable).

N/A

(G) The number of energy waste reduction credits that are used to substitute for RECs pursuant to Sec. 28(7) (If applicable).

N/A

(H) 15% RPS Portfolio: List the energy credits used for the 15% RPS portfolio retirement in calendar year 2025. This number should agree with the retirement listed in the 2025 retirement subaccount in MIRECS.

The value of energy credits used for calendar year 2025 compliance is 52,297.

(I) Calculate the renewable energy percentage. Figure above divided by sales in MWh above.

52,297 / 342,646 = 15%

Renewable Energy Annual Report

Revised February 2026

Electric Provider: UMERC-WPS Rate Zone
Reporting Period: Calendar Year 2025

- The purpose of this annual report is to provide information regarding activities that occurred within calendar year 2025.

- Many of the requested figures are available from MIRECS reports; names of which are noted within this template. If your figures agree with those within MIRECS, you may submit the MIRECS report as an attachment to this annual report. If your figures differ from those within MIRECS, please explain any discrepancies. Staff from the MPSC and MIRECS Administrator, APX, Inc., are available to help reconcile.

Section 28

Within this section, list the method and the retail sales in MWh for the reporting period.

List the Method: either average of 2022-2024 retail sales or the 2024 weather normalized retail sales.

Average of 2022-2024 retail sales.

The method chosen should be consistent with the method approved in the amended renewable energy plans approved pursuant to PA235 of 2023.
All sales are retail (net of wholesale).

(A) List the sales in MWh based on the method selected above. Please show the calculation of this figure (including listing the sales of each year if the three-year average method is used).

2022 – 232,258 2023 – 200,241 2024 – 207,823 Average – 213,441 15.00% of Average = 32,016

(B) Voluntary Green Pricing sales (If applicable).

32.4 MWh – NatureWise

(C) Outflow from Distributed Generation customers (If applicable).

15.1 MWh

(D) Nuclear MWhs sold from Michigan Nuclear Energy pursuant to Sec. 28(4) (If applicable).

N/A

(E) Number of renewable energy credits (RECs) obtained without energy or capacity pursuant to Sec. 28(5)(c) (If applicable).

75,000

(F) The number of renewable energy credits obtained pursuant to Sec. 29(4) (If applicable).

N/A

(G) The number of energy waste reduction credits that are used to substitute for RECs pursuant to Sec. 28(7) (If applicable).

N/A

(H) 15% RPS Portfolio: List the energy credits used for the 15% RPS portfolio retirement in calendar year 2025. This number should agree with the retirement listed in the 2025 retirement subaccount in MIRECS.

The value of energy credits used for calendar year 2025 compliance is 32,016.

(I) Calculate the renewable energy percentage. Figure above divided by sales in MWh above.

32,016 / 213,441 = 15%

RENEWABLE ENERGY SURCHARGE

The following rate schedules shall receive a Power Supply Renewable Energy Surcharge per meter, per day, as indicated below. Company assumes one meter per service.

RATE SCHEDULE	RATE
Rg-1	***$0.~~0000~~00920***
Rg-2	***$0.~~0000~~00920***
Rg-1M	***$0.00920***
Rg-OTOU-1M	***$0.00920***
Cg 1	***$0.~~0000~~02890***
Cg 2	***$0.~~0000~~02890***
Cg5	***$0.02890***
TssM	***$0.02890***
TssU	***$0.02890***
Cg-1M	***$0.02890***
Cg-OTOU-1M	***$0.02890***
Cg-3M	***$0.32680***
Mp-1M	***$0.32680***
Cg 3	***$0.~~0000~~70080***
Cg3C	***$0.~~0000~~70080***
Cp1	***$0.~~0000~~70080***
Cp-1M (Secondary)	***$0.70080***
Cp-1M (Primary)	***$0.70080***
Special Contract (U-16967)	***$0.70080***
Cp 2	***$~~0.0000~~40.07500***
Cp 3	***$~~0.0000~~40.07500***
Cp 4	***$~~0.0000~~40.07500***
Schedule A	***$~~0.0000~~40.07500***
Cp-1M (Transmission)	***$40.0750***
Cp LC	***$~~0.0000~~40.0750***
Special Contract (U-18224)	Per Contract

The following rate schedules shall receive a Power Supply Renewable Energy Surcharge as indicated above consistent with the rate schedule under which the customer is served.

RATE SCHEDULE
Ds1
CGS Category 1 (only when a net purchaser from the Company)

VOLUNTARY GREEN PRICING RATE SCHEDULES

A customer electing a participation level of 50% or 100% under the ERER1 or ERER3 rate schedules is exempt from the Power Supply Renewable Energy Surcharge. A customer electing a participation level of 25% under the ERER1 or ERER3 rate schedules is subject to the Power Supply Renewable Energy Surcharge above, not prorated, consistent with the rate schedule under which the customer is served. A customer participating on the ERER2 rate schedule is exempt from the Power Supply Renewable Energy Surcharge for each billing period in which the customer's nominated block represents at least 50% of the customer's total kWh consumption for the billing period. If a customer's nominated block represents less than 50% of the customer's total kWh consumption for the billing period, the customer is subject to the Power Supply Renewable Energy Surcharge above, not prorated, consistent with the rate schedule under which the customer is served.

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

ENTRY OF APPEARANCE IN AN ADMINISTRATIVE HEARING

This form is issued as provided for by 1939 PA 3, as amended, and by 1933 PA 254, as amended. The filing of this form, or an acceptable alternative, is necessary to ensure subsequent service of any hearing notices, Commission orders, and related hearing documents.

General Instructions:

Type or print legibly in ink. For assistance or clarification, please contact the Public Service Commission at 517-284-8090.

Please Note: *The Commission will provide **electronic** service of documents to all parties in this proceeding.*

THIS APPEARANCE TO BE ENTERED IN ASSOCIATION WITH THE ADMINISTRATIVE HEARING:

Case / Company Name: Upper Michigan Energy Resources Corporation Docket No. U- 22031

Please enter my appearance in the above-entitled matter on behalf of:

1. (Name) Upper Michigan Energy Resources Corporation
2. (Name)
3. (Name)
4. (Name)
5. (Name)
6. (Name)
7. (Name)

Name Sherri A. Wellman
Address Miller Canfield
123 West Allegan Street, Suite 200
City Lansing State MI
Zip 48933 Phone 517-483-4954
Email wellmans@millercanfield.com
Date 05/26/2026

Signature: Sherri A. Wellman

Digitally signed by: Sherri A. Wellman
DN: CN = Sherri A. Wellman email = wellmans@millercanfield.com C = US O = Miller Canfield
Date: 2026.05.26 11:44:40 -04'00'

- ( ) I am not an attorney
- (•) I am an attorney whose:

Michigan Bar # is P- 38989

______ Bar # is: ______
(state)