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June 26, 2026

Lisa Felice
Executive Secretary
Michigan Public Service Commission
7109 West Saginaw Hwy, 3rd Floor
Lansing, MI 48917

Re: U-22028 - *In the matter of the application of INDIANA MICHIGAN POWER COMPANY to commence a renewable energy cost reconciliation proceeding for the 12-month period ended December 31, 2025.*

Dear Ms. Felice:

Attached for electronic filing in this matter are Indiana Michigan Power Company's Application, Testimony and Public Exhibits.

If you have any questions, please contact me.

Sincerely,

**Dykema Gossett PLLC**

Jason T. Hanselman

Digitally signed by: Jason T. Hanselman
DN: CN = Jason T. Hanselman
email = jhanselman@dykema.com
C = AD O = Dykema OU = Dykema
Date: 2026.06.26 14:02:03 -04'00'

Jason T. Hanselman

Enclosure

## STATE OF MICHIGAN

## BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

| | | |
|---|---|---|
| In the matter on the application of **INDIANA MICHIGAN POWER COMPANY** to commence a renewable energy cost reconciliation proceeding for the 12-month period ended December 31, 2025. | ) ) ) ) ) | Case No. U-22028 |

## APPLICATION

Indiana Michigan Power Company ("I&M"), in accordance with the requirements of Public Act 295 of 2008, MCL 460.1001 *et seq*., as amended by Public Act 342 of 2016 and Public Act 235 of 2023, submits this Application requesting that the Michigan Public Service Commission ("Commission") commence a Renewable Energy Cost Reconciliation proceeding for the 12-month period ended December 31, 2025. In support of this Application, I&M respectfully represents to the Commission as follows:

1. I&M is a corporation organized and existing under the laws of the State of Indiana and is authorized to do business in the state of Michigan. I&M's principal executive offices are located in the City of Fort Wayne, Indiana. I&M has corporate power and authority, among other things, to engage in generating, transmitting, distributing, and selling electric energy within the state of Michigan and within the state of Indiana. I&M is a wholly-owned subsidiary of American Electric Power Company, Inc.

2. I&M's electric business in Michigan is subject to the Commission's jurisdiction pursuant to 1909 PA 106, as amended, MCL 460.551 *et seq*.; 1909 PA 300, as amended, MCL 462.2 *et seq*.; 1919 PA 419, as amended, MCL 460.51 *et seq*.; 1939 PA 3, as amended, MCL 460.1 *et seq*.

3. I&M provides electric service to approximately 134,000 retail electric customers in the state of Michigan. I&M's service area is located in southwestern Michigan and northern and eastern Indiana.

4. I&M requests that the Commission commence a Renewable Energy Cost Reconciliation proceeding pursuant to MCL 460.1049 and the Commission's January 29, 2026 Order in this case to reconcile renewable energy costs, revenues, and related regulatory liability balances and to review I&M's compliance with its Renewable Energy Plan ("REP").

5. The Commission approved I&M's Amended REP on August 7, 2025, in Case No. U-21843. The approved Amended REP reflects the power supply provided by I&M's hydro generation, wind renewable energy purchase agreements, I&M's universal solar generation, and the transfer of Renewable Energy Credits ("RECs") from I&M's Indiana jurisdiction to I&M's Michigan jurisdiction. The costs of I&M's Amended REP are recovered through the Power Supply Cost Recovery ("PSCR") factor and through reductions to the renewable energy plan regulatory liability balance.

6. The reconciliation of I&M's incremental REP costs, revenues, and regulatory liability balance through December 31, 2025, results in a regulatory liability of $21,617,135, including carrying charges.

7. I&M is requesting that the Commission approve the reconciliation of its REP regulatory liability balance and actual cost of compliance through December 31, 2025; find that the REP costs presented in this reconciliation filing are reasonable and prudent; and find that I&M is in compliance with the renewable energy standard requirements set forth in 2008 PA 295, as amended, for the 2025 compliance period.

8. I&M seeks approval of the 2025 REC requirement as calculated based upon I&M's 2024 weather-normalized sales of 2,957,236 MWh, utilizing the Maximum Renewable Energy Credit Portfolio calculation, for a total 2025 retail REC compliance obligation of zero (0).

9. I&M is contemporaneously filing its testimony and exhibits to support the reasonableness and prudence of the costs incurred and actions taken. I&M's testimony and exhibits explain the 2025 REP costs and provide the information required by MCL 460.1049 and MCL 460.1051.

WHEREFORE, I&M respectfully requests that this Commission:

A. Accept for filing this Application, which requests that the Commission commence a Renewable Energy Cost Reconciliation proceeding for the 12-month period ended December 31, 2025.

B. Upon acceptance of the filing of this Application, fix a time and place for hearing and give notice thereof in accordance with the law and rules of practice established by this Commission.

C. Promptly make such investigation as it may deem necessary or advisable in the circumstances.

D. Approve zero (0) RECs as the Company's 2024 Renewable Energy Credit compliance obligation set forth in 2008 PA 295, as amended.

E. Find that I&M is in compliance with the renewable energy standard requirements set forth in 2008 PA 295, as amended, for the 2025 compliance period.

F. Approve as reasonable and prudent I&M's reconciliation of the REP regulatory liability balance and total actual cost of compliance through December 31, 2025, resulting in a regulatory liability, including carrying charges, of $21,617,135.

G. Grant I&M such other and additional relief as the Commission may deem reasonable and appropriate.

Respectfully submitted,

INDIANA MICHIGAN POWER COMPANY

By______________________________
George Fee
Director of Regulatory Services

Richard J. Aaron (P35605)
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**BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

| | |
|---|---|
| **In the matter of the application of INDIANA MICHIGAN POWER COMPANY to commence a renewable energy cost reconciliation proceeding for the 12-month period ended December 31, 2025.** | **Case No. U-22028** |

**INDIANA MICHIGAN POWER COMPANY**

**PRE-FILED DIRECT TESTIMONY**

**OF**

**BRYAN S. OWENS**

PRE-FILED DIRECT TESTIMONY OF BRYAN S. OWENS
ON BEHALF OF
INDIANA MICHIGAN POWER COMPANY
CASE NO. U-22028

**Q. Please state your name and business address.**

A. My name is Bryan S. Owens and my business address is Indiana Michigan Power Center, P.O. Box 60, Fort Wayne, Indiana 46801.

**Q. By whom are you employed and in what capacity?**

A. I am employed by Indiana Michigan Power Company ("I&M" or the "Company") as a Regulatory Consultant Staff in the Regulatory Services Department.

**Q. Please briefly describe your educational and business experience.**

A. I graduated from the University of Missouri, Kansas City, in 1996 with a Bachelor of Liberal Arts degree and, in 1998, with a Bachelor of Science degree in Accounting. In May 2003, I earned a Certified Public Accountant ("CPA") certificate in Missouri. In July 2010, I obtained a Colorado CPA license (No. 0028436 – inactive), and in May 2018, I obtained an Indiana CPA license (No. CP11800151).

I began my professional career in 1998 with KPMG, LLP, where I worked from August 1998 through July 2001 as a senior auditor and senior tax specialist, performing financial statement audits and preparing federal and state tax returns for individuals and corporations. From July 2001 through June 2004, I was employed by Overland Consulting, Inc. in Overland Park, Kansas, as a senior consultant, where I performed audits of utility Federal Energy Regulatory Commission financial statements as part of general rate case reviews before the California Public Utilities Commission. From June 2004 through July 2008, I was employed by Aquila, Inc. in Kansas City, Missouri, as a senior regulatory analyst, preparing rate case filings and managing compliance filings for several state jurisdictions, including Missouri, Kansas, and Colorado. In July 2008, Aquila, Inc. was acquired by Black Hills Corporation and Great Plains Energy, Inc. I joined Kansas City Power and Light, a wholly owned subsidiary of Great Plains Energy, Inc., before joining Black Hills Corporation in December 2008. At Black Hills Corporation, I served as Manager, Colorado Electric Regulatory Affairs. In that role, I was responsible for providing financial analyses in support of utility operations and managing regulatory filings for the electric utility operations of Black Hills/Colorado Electric Utility Company, LP.

In November 2014, I joined The Empire District Electric Company ("Empire") as Assistant Director of Planning and Regulatory, where I was responsible for providing financial analyses in support of utility operations and managing regulatory filings for Empire's electric utility operations.

In May 2017, I joined I&M. My current position is Regulatory Consultant Staff.

**Q. What are your responsibilities as Regulatory Consultant Staff?**

A. I am responsible for the preparation of regulatory filings and analyses.

**Q. Have you previously testified in any regulatory proceedings?**

A. Yes. I have submitted testimony on behalf of I&M before the Michigan Public Service Commission ("MPSC" or the "Commission"). Appendix A provides a complete list of the regulatory proceedings in which I have participated as a witness before the Commission.

I have also testified before the Arkansas Public Service Commission, the Colorado Public Utilities Commission, the Indiana Utility Regulatory Commission, the Kansas Corporation Commission, the Missouri Public Service Commission, and the Oklahoma Corporation Commission.

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

A. I support the Company's request to reconcile I&M's 2025 Renewable Energy Plan ("REP") revenues in accordance with the renewable energy standards set forth in 2008 PA 295, as amended, and discuss I&M's compliance with those standards during 2025. In support of I&M's reconciliation filing, I calculated the cumulative over- or under-recovery balance as of December 31, 2025, together with the associated monthly carrying costs resulting from the net differences between cumulative revenues and costs. I also discuss the Company's request to maintain its current Renewable Energy Surcharge ("RE Surcharge") rates.

**Q. What exhibits are you sponsoring in this proceeding?**

A. I sponsor the following exhibits:

- Exhibit IM-1 (BSO-1): I&M's 2025 Maximum Renewable Energy Credit Portfolio Compliance Calculation;
- Exhibit IM-2 (BSO-2): 2025 REP Reconciliation (confidential and public);
- Exhibit IM-3 (BSO-3): 2025 Michigan Retail Allocation of Actual CESPP Costs;

- Exhibit IM-4 (BSO-4): 2025 Michigan Retail Allocation of Actual St. Joseph Solar Farm ("SJSF") Costs; and
- Exhibit IM-5 (BSO-5): I&M's Renewable Energy Annual Report.

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

A. Yes.

**Q. Please summarize the renewable generation resources on which I&M relied to comply with the renewable energy standards in 2025.**

A. Consistent with I&M's Commission-approved REP, I&M utilized the following renewable generation resources to achieve compliance with requirements set forth in PA 295:

- Existing hydro generation from six I&M-owned hydro-electric facilities;
- Fowler Ridge I and II Wind Renewable Energy Purchase Agreements ("REPA");
- Wildcat Wind I REPA;
- Headwaters Wind Farm, LLC REPA;
- Transferred Wildcat Renewable Energy Credits ("REC") from the Indiana retail jurisdiction;
- Clean Energy Solar Pilot Project ("CESPP"); and
- SJSF.

**Q. Please describe I&M's current revenue recovery mechanism implemented pursuant to MCL 460.1049(2).**

A. In its August 7, 2025 Order in Case No. U-21843, the Commission approved I&M's proposal to keep its REP Surcharge at zero and to remove Original Sheet No. D-120.00 from Tariff Book M.P.S.C. 18-Electric, replacing it with a blank tariff sheet reserved for future use, if needed. This approach allows the Incremental Cost of Compliance ("ICC") to reduce the liability balance over time and allows I&M to monitor and review its regulatory liability balance and, if necessary, propose in the future a recovery mechanism and rate design that meet the requirements of Section 45 of Act 235 for the Commission's consideration.

**Q. Please describe I&M's costs as it relates to this REP Reconciliation.**

A. The Company's ICC consists of the actual costs incurred to comply with I&M's Commission-approved REP that are not recovered through I&M's Power Supply Cost Recovery factors or base rates, consistent with MCL § 460.1047. During the REP reconciliation period ended December 31, 2025, I&M recovered ICC associated with the Michigan retail allocation of CESPP, SJSF, Wildcat I REPA, and the Wildcat RECs transferred from I&M's Indiana retail jurisdiction through reduction of the cumulative regulatory liability balance.

**Q. Does I&M recover its ICC from all the Company's renewable generation resources identified in the approved REP?**

A. No. The ICC associated with I&M's existing hydro generation facilities is included in the Company's base rates. The bundled renewable product costs from the Headwaters Wind Farm REPA and the Fowler Ridge I and II Wind REPAs are recovered and reconciled through I&M's PSCR factors. Those costs are not part of this reconciliation filing.

**Q. Did I&M comply with the Renewable Energy Credit Standard in 2025?**

A. Yes. Pursuant to PA 295, as amended, and consistent with the method proposed by the Company and approved by the Commission in Case No. U-21843, I&M elected to comply with the Renewable Energy Credit Standard ("Standard") by calculating its Maximum Renewable Energy Credit portfolio. As shown in Exhibit IM-1 (BSO-1), I&M's Maximum Renewable Energy Credit Portfolio is zero, after deducting Michigan-jurisdictional nuclear energy MWhs obtained, Michigan-jurisdictional distributed generation MWh participation, Michigan-jurisdictional Voluntary Green Pricing Program MWh participation, and Choice customer MWh sales from prior-year Michigan-jurisdictional weather-normalized MWh sales.

**Q. Please describe Exhibit IM-2 (BSO-2).**

A. Exhibit IM-2 (BSO-2) is an annual summary of the actual RE Surcharge revenues received and the total actual cost of compliance during the period January 2025 through December 2025. As shown in Exhibit IM-2 (BSO-2), the ICC subject to recovery and reconciliation through the RE Surcharge includes:

- Michigan retail allocation of the actual Wildcat Wind REPA cost;
- Michigan retail allocation of the actual CESPP costs;
- Michigan retail allocation of the actual SJSF costs;
- Actual cost of Wildcat RECs transferred from I&M's Indiana retail jurisdiction;
- Less the Wildcat, CESPP, and SJSF transfer price revenue recovered and reconciled through the PSCR; and
- Monthly carrying costs.

**Q. Is the Company proposing an adjustment to the beginning liability balance approved by the Commission in Case No. U-21831?**

A. Yes. In its 2024 reconciliation filing in Case No. U-21831, the Company inadvertently excluded $46,899 of capital investment costs related to the CESPP that was placed in service in January 2023. In addition, beginning July 15, 2024, the effective date of new base rates in I&M's most recent base rate case proceeding, Case No. U-21461, the Production Plant allocation factor applied to the ITC amortization was updated.

**Q. What is the total adjustment to the beginning liability balance proposed by the Company?**

A. I&M proposes a $2,400 reduction to the $24,254,316 ending liability balance approved by the Commission in Case No. U-21831, resulting in an adjusted beginning liability balance in this proceeding of $24,251,916. The proposed $2,400 adjustment consists of $702 of depreciation expense, $972 of return on investment, $625 of ITC amortization, and $101 of carrying charge interest.

**Q. How is the Michigan retail allocation of the actual CESPP costs determined?**

A. The total monthly Company costs included on Exhibit IM-3 (BSO-3) are allocated by applying the Commission-authorized Michigan-jurisdictional allocation factor approved in I&M's most recent base rate case, Case No. U-21461. For the 2025 reconciliation period, the monthly cost includes the Michigan allocation of CESPP's pre-tax return on investment, depreciation expense, property tax expense, investment tax credit amortization expense, operation and maintenance expense, and 100% of the Michigan REC registry fees.

**Q How is the Michigan retail allocation of the actual SJSF costs determined?**

A. The total monthly Company costs included on Exhibit IM-4 (BSO-4) are allocated by applying the Commission-authorized Michigan-jurisdictional allocation factor approved in I&M's most recent base rate case, Case No. U-21461. For the 2025 reconciliation period, the monthly cost includes the Michigan allocation of SJSF's pre-tax return on investment, depreciation expense, property tax expense, investment tax credit amortization expense, and operation and maintenance expense.

**Q. How are monthly carrying costs calculated?**

A. The average short-term debt rate was applied to the monthly cumulative over-recovered balances (regulatory liability) that occurred during the reconciliation period. There were no monthly cumulative under-recovered balances during the reconciliation period.

**Q. What is I&M's total cumulative over/under recovery position as of December 31, 2025?**

A. As shown in Exhibit IM-2 (BSO-2), the total cumulative balance as of December 31, 2025, is a regulatory liability of $21,617,135 including carrying costs.

**Q. Please explain I&M's over-recovery balance as of December 31, 2025.**

A. The over-recovery balance reflects I&M's beginning balance, ICC in excess of 2025 RE Surcharge revenues, and the associated carrying charges on that over-recovery balance.

**Q. Please describe Exhibit IM-5 (BSO-5).**

A. Exhibit IM-5 (BSO-5) is the Renewable Energy Annual Report ("Report"). The Report illustrates I&M's election to use weather-normalized sales as the basis for compliance measurement, the amount of weather-normalized MWh sales, the amount of Voluntary Green Pricing Program MWh sales, the amount of distributed generation outflow from participating customers, and the amount of nuclear MWhs sold.

**Q. Did I&M retire any voluntary Michigan RECs, Advanced Clean Energy Credits, or Energy Optimization credits during 2025?**

A. Yes, I&M retired a commensurate number of RECs associated with its VGP program.

**Q. Is I&M requesting a change to its RE Surcharge?**

A. No. I&M recommends continuing to maintain a zero RE Surcharge, as approved by the Commission in its August 7, 2025 Order in Case No. U-21843.

**Q. Does this conclude your pre-filed direct testimony?**

A. Yes, it does.

Appendix A

I have submitted testimony on behalf of I&M before the Michigan Public Service Commission in the following proceedings:

- Case No. U-18243 (Renewable Energy and Cost Reconciliation)
- Case No. U-18263 (Energy Waste Reduction Plan)
- Case No. U-18353 (Voluntary Green Pricing Program)
- Case No. U-20107 (Federal Tax Cuts and Jobs Act of 2017, Determination of Credit A)
- Case No. U-20316 (Federal Tax Cuts and Jobs Act of 2017, Determination of Credit B)
- Case No. U-20317 (Federal Tax Cuts and Jobs Act of 2017, Determination of Calculation C)
- Case No. U-20367 (Energy Waste Reduction Reconciliation)
- Case No. U-20374 (Energy Waste Reduction Plan)
- Case No. U-20485 (Renewable Energy and Cost Reconciliation)
- Case No. U-20539 (2020 Purchase Supply Cost Recovery Plan)
- Case No. U-18353 (Voluntary Green Pricing Program Update)
- Case No. U-20704 (Energy Waste Reduction Reconciliation)
- Case No. U-20724 (Renewable Energy and Cost Reconciliation)
- Case No. U-20867 (Energy Waste Reduction Reconciliation)
- Case No. U-20877 (Energy Waste Reduction Plan)
- Case No. U-21011 (Renewable Energy and Cost Reconciliation)
- Case No. U-21207 (Energy Waste Reduction Reconciliation)
- Case No. U-21199 (Renewable Energy and Cost Reconciliation)
- Case No. U-21314 (Energy Waste Reduction Reconciliation)
- Case No. U-21354 (Renewable Energy and Cost Reconciliation)
- Case No. U-21323 (Energy Waste Reduction Plan)
- Case No. U-18353 (2023 – 2024 Voluntary Green Pricing Program)
- Case No. U-21457 (2022 Load Management Reconciliation)
- Case No. U-21559 (Energy Waste Reduction Reconciliation)
- Case No. U-21551 (Renewable Energy and Cost Reconciliation)
- Case No. U-21843 (Amended Renewable Energy Plan)
- Case No. U-21841 (2023 – 2024 Load Management Reconciliation)
- Case No. U-21673 (Energy Waste Reduction Reconciliation)

Appendix A

- Case No. U-21682 (Energy Waste Reduction Plan)
- Case No. U-21831 (Renewable Energy and Cost Reconciliation)
- Case No. U-22012 (Energy Waste Reduction Reconciliation)

**Indiana Michigan Power Company**
**2025 REP Reconciliation**
**2025 Maximum Renewable Energy Credit Portfolio Compliance Calculation** \1

| Description | | MWh's |
|---|---|---|
| **Michigan Jurisdictional Weather-Normalized Sales** | | 2,957,236 |
| **Clean And Renewable Energy and Energy Waste Reduction Act - Section 28(3) Reductions** | | |
| Less: Michigan Jurisdictional Nuclear Energy Obtained | 2,775,486 | |
| Less: Michigan Jurisdictional Distributed Generation Participation | 5,730 | |
| Less: Michigan Jurisdictional Voluntary Green Pricing Program Participation | 2,007 | |
| **Total Section 28(3) Reductions** | | 2,783,223 |
| **Less: Choice Customer Sales** | | 279,355 |
| **2025 Maximum Renewable Energy Credit Portfolio** \2 | | 0 |

\1 Indiana Michigan Power Company's Maximum Renewable Energy Credit Portfolio election approved by the Commission in its August 7, 2025 Order in Case No. U-21843

\2 If less than or equal to zero, then zero.

**Indiana Michigan Power Company**
**2025 REP Reconciliation**

| [A] | [B] | [C] | [D] | [E] = [C] X [D] X Michigan Allocation | [F] = [C] X Michigan Allocation X Transfer Price X -1 | [G] | [H] | [I] | [J] | [K] | [L] = Sum of [E thru K] | [M] = [B] - [L] | [N] | [O] = Authorized Rate of Return / 12 | [P] | [Q] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Month & Year | RES Revenue ($) | Wildcat Generation (MWh) | Wildcat REPA Cost ($ / MWh) | MI REPA Cost ($) | REPA Transfer Cost to PSCR ($) | Wildcat REC Transfer Cost ($) | CESPP - Michigan Jurisdictional Revenue Requirement ($) | CESPP Transfer Cost to PSCR ($) | SJSF - Michigan Jurisdictional Revenue Requirement ($) | SJSF Transfer Cost to PSCR ($) | Total REP Compliance Cost ($) | Monthly Over/(Under) Recovery ($) | Monthly STD Rate | Monthly WACC Rate | Monthly Over/(Under) Carrying Charge ($) | Cumulative Over/(Under) Balance w/ Carrying Charges ($) |
| 2024 Ending Over/(Under) Balance | | | | | | | | | | | | | | | | $ 24,251,916 |
| Jan-25 | $ - | [redacted] | | | | | | | | | $ 281,055 | $ (281,055) | 0.3942% | 0.6201% | $ 95,041 | 24,065,901 |
| Feb-25 | - | | | | | | | | | | 372,686 | (372,686) | 0.3904% | 0.6201% | 93,216 | 23,786,431 |
| Mar-25 | - | | | | | | | | | | 654,027 | (654,027) | 0.3886% | 0.6201% | 91,155 | 23,223,559 |
| Apr-25 | - | | | | | | | | | | 397,627 | (397,627) | 0.3900% | 0.6201% | 89,806 | 22,915,739 |
| May-25 | - | | | | | | | | | | 425,205 | (425,205) | 0.3871% | 0.6201% | 87,880 | 22,578,414 |
| Jun-25 | - | | | | | | | | | | 202,236 | (202,236) | 0.3874% | 0.6201% | 87,073 | 22,463,251 |
| Jul-25 | - | | | | | | | | | | 55,705 | (55,705) | 0.3881% | 0.6201% | 87,072 | 22,494,617 |
| Aug-25 | - | | | | | | | | | | 130,049 | (130,049) | 0.3854% | 0.6201% | 86,447 | 22,451,016 |
| Sep-25 | - | | | | | | | | | | 137,174 | (137,174) | 0.3712% | 0.6201% | 83,076 | 22,396,918 |
| Oct-25 | - | | | | | | | | | | 279,549 | (279,549) | 0.3325% | 0.6201% | 74,014 | 22,191,383 |
| Nov-25 | - | | | | | | | | | | 334,107 | (334,107) | 0.3422% | 0.6201% | 75,367 | 21,932,643 |
| Dec-25 | - | | | | | | | | | | 387,321 | (387,321) | 0.3303% | 0.6201% | 71,813 | 21,617,135 |
| | $ - | | | | | | | | | | $ 3,656,742 | $ (3,656,742) | | | $ 1,021,962 | |

**Indiana Michigan Power Company**
**2025 REP Reconciliation**
**Michigan Retail Allocation of Actual CESPP Costs**

| | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 | Sep-25 | Oct-25 | Nov-25 | Dec-25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **I&M Total Company CESPP Rate Base** | | | | | | | | | | | | | |
| Electric Plant-In-Service | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 | 37,730,315 |
| Accumulated Depreciation | (16,344,342) | (16,512,912) | (16,681,483) | (16,850,054) | (17,018,625) | (17,187,196) | (17,355,767) | (17,524,337) | (17,692,908) | (17,861,479) | (18,030,050) | (18,198,621) | (18,367,192) |
| Net I&M Total Company CESPP Rate Base | 21,385,974 | 21,217,403 | 21,048,832 | 20,880,261 | 20,711,690 | 20,543,119 | 20,374,549 | 20,205,978 | 20,037,407 | 19,868,836 | 19,700,265 | 19,531,694 | 19,363,124 |
| Michigan Monthly Auth ROR per Case No. U-21461 | | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% |
| Michigan Pre-Tax Return on CESPP Rate Base | | 130,015 | 128,982 | 127,949 | 126,916 | 125,883 | 124,851 | 123,818 | 122,785 | 121,752 | 120,719 | 119,686 | 118,653 |
| **Michigan CESPP Revenue Requirement** | | | | | | | | | | | | | |
| Michigan Pre-Tax Return on CESPP Rate Base | | 130,015 | 128,982 | 127,949 | 126,916 | 125,883 | 124,851 | 123,818 | 122,785 | 121,752 | 120,719 | 119,686 | 118,653 |
| I&M Total Company Depreciation Expense (Composite Rate per Case No. U-21461) | | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 | 168,571 |
| Property Taxes | | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 | 10,528 |
| Investment Tax Credit - Amort Expense | | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) | (75,863) |
| Total Company O&M Expense | | 43,024 | 2,563 | 18,924 | 14,707 | 19,795 | 20,838 | 13,051 | 23,229 | 48,150 | 67,672 | 5,838 | 48,270 |
| Total Return on Rate Base and Authorized Expenses Before Registry Fees | | 276,276 | 234,783 | 250,110 | 244,860 | 248,915 | 248,925 | 240,106 | 249,250 | 273,139 | 291,627 | 228,760 | 270,160 |
| Michigan Jurisdictional Factor per Case No. U-21461 | | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 |
| Total Michigan Jurisdictional CESPP Revenue Requirement Before Registry Fees | | 40,427 | 34,355 | 36,598 | 35,830 | 36,423 | 36,425 | 35,134 | 36,472 | 39,968 | 42,673 | 33,474 | 39,532 |
| Plus 100% of MI RECs Registry Fees and Broker Fees | | 1,672 | - | - | - | 2,456 | - | 1,706 | - | 1,706 | - | - | 1,706 |
| **Total Michigan Jurisdictional - CESPP Revenue Requirement** | | **42,099** | **34,355** | **36,598** | **35,830** | **38,880** | **36,425** | **36,841** | **36,472** | **41,674** | **42,673** | **33,474** | **41,238** |
| 2025 Transfer Price Schedule Case No. U-15800 ($/MWh) | | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 | $ 86.71 |
| 2025 Solar Output for Total Plant (MWh) | | 914 | 1,115 | 2,017 | 2,247 | 2,577 | 2,706 | 2,648 | 2,759 | 2,475 | 1,737 | 971 | 506 |
| Total Company PSCR Cost Recover Transfer | | $ 79,272 | $ 96,656 | $ 174,882 | $ 194,828 | $ 223,453 | $ 234,597 | $ 229,648 | $ 239,229 | $ 214,643 | $ 150,633 | $ 84,212 | $ 43,868 |
| Michigan Jurisdictional Factor per Case No. U-21461 | | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 |
| Michigan Jurisdictional PSCR Transfer Cost | | $ 11,600 | $ 14,144 | $ 25,590 | $ 28,509 | $ 32,698 | $ 34,328 | $ 33,604 | $ 35,006 | $ 31,408 | $ 22,042 | $ 12,323 | $ 6,419 |

**Indiana Michigan Power Company**
**2025 REP Reconciliation**
**Michigan Retail Allocation of Actual SJSF Costs**

| | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 | Sep-25 | Oct-25 | Nov-25 | Dec-25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **I&M Total Company SJSF Rate Base** | | | | | | | | | | | | | |
| Electric Plant-In-Service | 33,131,136 | 33,131,136 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 | 33,275,361 |
| EPIS Accumulated Depreciation | (4,076,251) | (4,170,622) | (4,264,993) | (4,359,774) | (4,454,556) | (4,549,337) | (4,644,119) | (4,738,900) | (4,833,682) | (4,928,463) | (5,023,245) | (5,118,026) | (5,212,808) |
| IT Plant | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 | 354,506 |
| IT Accumulated Amortization | (264,815) | (270,723) | (276,632) | (282,540) | (288,448) | (294,357) | (300,265) | (306,174) | (312,082) | (317,991) | (323,899) | (329,808) | (335,716) |
| Net I&M Total Company SJSF Rate Base | 29,144,576 | 29,044,297 | 29,088,242 | 28,987,552 | 28,886,862 | 28,786,172 | 28,685,482 | 28,584,793 | 28,484,103 | 28,383,413 | 28,282,723 | 28,182,033 | 28,081,343 |
| Michigan Monthly Auth ROR per Case No. U-21461 | | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% | 0.6128% |
| Michigan Pre-Tax Return on SJSF Rate Base | | 177,977 | 178,246 | 177,629 | 177,012 | 176,395 | 175,778 | 175,161 | 174,544 | 173,927 | 173,310 | 172,693 | 172,076 |
| **Michigan SJSF Revenue Requirement** | | | | | | | | | | | | | |
| Michigan Pre-Tax Return on SJSF Rate Base | | 177,977 | 178,246 | 177,629 | 177,012 | 176,395 | 175,778 | 175,161 | 174,544 | 173,927 | 173,310 | 172,693 | 172,076 |
| I&M Total Company EPIS Depreciation Expense Composite Rate per Case No. U-21461 | | 94,371 | 94,371 | 94,781 | 94,781 | 94,781 | 94,781 | 94,781 | 94,781 | 94,781 | 94,781 | 94,781 | 94,781 |
| I&M Total Company IT Amortization Expense | | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 | 5,908 |
| Property Taxes | | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 | 12,532 |
| Investment Tax Credit - Amort Expense | | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) | (28,196) |
| Total Company O&M Expense | | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Return on Rate Base and Authorized Expenses | | 262,592 | 262,861 | 262,655 | 262,038 | 261,421 | 260,804 | 260,187 | 259,570 | 258,953 | 258,336 | 257,719 | 257,102 |
| Michigan Jurisdictional Factor per Case No. U-21461 | | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 |
| **Total Michigan Jurisdictional SJSF Revenue Requirement** | | 38,425 | 38,464 | 38,434 | 38,343 | 38,253 | 38,163 | 38,073 | 37,982 | 37,892 | 37,802 | 37,711 | 37,621 |
| 2025 Transfer Price Schedule Case No. U-15800 ($/MWh) | | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 | $ 65.71 |
| 2025 Solar Output for Total Plant (MWh) | | 1,370 | 1,625 | 2,983 | 3,476 | 4,264 | 4,758 | 4,632 | 4,368 | 3,999 | 3,022 | 1,448 | 929 |
| Total Company PSCR Cost Recover Transfer | | $ 90,002 | $ 106,763 | $ 196,007 | $ 228,399 | $ 280,176 | $ 312,681 | $ 304,396 | $ 287,031 | $ 262,742 | $ 198,566 | $ 95,178 | $ 61,072 |
| Michigan Jurisdictional Factor per Case No. U-21461 | | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 | 0.1463281 |
| Michigan Jurisdictional PSCR Transfer Cost | | $ 13,170 | $ 15,622 | $ 28,681 | $ 33,421 | $ 40,998 | $ 45,754 | $ 44,542 | $ 42,001 | $ 38,447 | $ 29,056 | $ 13,927 | $ 8,937 |

# Renewable Energy Annual Report

*Revised February 2026*

Electric Provider: Indiana Michigan Power Company
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.

| |
|---|
| 2024 Weather-normalized 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).

| |
|---|
| 2,957,236 MWh's |

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

| |
|---|
| 2,007 MWh's |

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

| |
|---|
| 5,730 MWh's |

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

| |
|---|
| 2,775,486 MWh's |

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

| |
|---|
| None. |

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

| |
|---|
| None. |

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

| |
|---|
| None. |

(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.

| |
|---|
| N/A |

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

| |
|---|
| N/A |