December 3, 2020

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 a Regulatory Asset and Other Authority to Implement Phase Two of its Electric Vehicle Charging Forward Program  
MPSC Case No: U-20935

Dear Ms. Felice:

Attached for electronic filing in the above referenced matter is DTE Electric Company’s *ex parte* Application seeking approval for a regulatory asset and other authority associated with Phase Two of its Electric Vehicle Charging Forward Program and supporting affidavits of Benjamin J. H. Burns and Theresa M. Uzenski. Also attached is the Proof of Service.

Very truly yours,

Jon P. Christinidis

JPC/erb  
Encl.

cc: Service List
STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of
DTE Electric Company for approval
of a Regulatory Asset and Other
Authority to Implement Phase Two
of its Electric Vehicle Charging
Forward Program

Case No: U-20935

DTE ELECTRIC COMPANY’S APPLICATION FOR APPROVAL OF A
REGULATORY ASSET AND OTHER AUTHORITY ASSOCIATED WITH
PHASE TWO OF ITS
ELECTRIC VEHICLE CHARGING FORWARD PROGRAM

DTE Electric Company (“DTE Electric” or the “Company”) files this Application pursuant to MCL 460.6 et seq., the Rules of Practice and Procedure Before the Michigan Public Service Commission (“Commission”) (R 460.17101 et seq.), the Michigan Administrative Procedures Act (MCL 24.201 et seq.), the Commission’s May 2, 2019 Order in Case No. U-20162 and the Commission’s May 8, 2020 Order in Case No. U-20561. DTE Electric requests that the Commission grant ex parte approval of a regulatory asset and other authority associated with Phase Two of its Electric Vehicle Charging Forward Program and in support thereof states:

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 is a wholly-owned subsidiary of DTE Energy Company supplying retail electric service to over 2,000,000 customers located in Southeast Michigan. The Company is a public utility subject to the jurisdiction of the Commission.

2. DTE Electric presently serves its jurisdictional metered retail electric customers under the rates and charges contained in the Company’s Commission approved tariffs.
3. DTE Electric’s Electric Vehicle Charging Forward program is the Company’s electric vehicle program designed to encourage and facilitate electric vehicle adoption in the Company’s electric service territory and efficiently integrate the corresponding electrical load with the distribution system while maintaining the flexibility to effectively respond to emerging, dynamic market trends.

4. With this Application, DTE Electric explains and justifies the proposed Phase Two of its Electric Vehicle Charging Forward Program for which it seeks approval of the creation of a regulatory asset associated with Phase Two activities, excluding capital, that are consistent with the Commission’s May 2, 2019 Order in Case No. U-20162. As explained in the attached affidavit of Benjamin Burns, this ex parte filing is the most reasonable and expedient path to maintaining the substantial progress made by DTE Electric with respect to transportation electrification. If the Company receives Commission approval of this Application by February 28, 2021, the Company will be able to continue and improve upon the progress made in Phase One of DTE Electric’s Charging Forward Program. Absent Commission approval of this Application by February 28, 2021, the Company will be required to pause its fleet electrification efforts until it has received an order in its next general electric rate case, which is likely to be no earlier than 2022.

5. The proposed Phase Two Electric Vehicle Charging Forward activities and expenses are described in the Affidavit of Benjamin J. H. Burns and in Attachment 1 accompanying Mr. Burns’s Affidavit and are incorporated herein by reference. The Company is requesting ex parte approval for a regulatory asset in the amount of $10.3 million.

6. Company Affiant Mr. Burns describes the Charging Forward Phase Two (“CFP2”) eFleets program and supports the estimated costs to be incurred in 2021 through 2025. Capital costs incurred will be recorded using standard plant accounting as provided in the Uniform System
of Accounts and will be reflected in a future general rate case. The Company requests regulatory asset treatment for costs that are not capital, including but not limited to rebates, customer education and outreach, program management, and advisory services.

7. The Company requests that the non-capital costs associated with CFP2 eFleets, including but not limited to the rebates and operating costs, be recorded to account 182.3, Other Regulatory Assets, until reflected in the Company’s general rates in a future general electric rate proceeding. The Company proposes to capture the costs by vintage year and amortize each regulatory asset over a five-year period, effective with its inclusion in base rates. The proposed amortization period balances the need for timely recovery with consideration of customer affordability.

8. The Program is designed to facilitate and better understand transportation electrification for fleet customers and efficiently integrate the associated electric load with DTE Electric’s distribution system.

9. The implementation of Phase Two of the Electric Vehicle Charging Forward Program is expected to have incremental O&M costs of approximately $10.3 million through the end of the proposed Program period. Therefore, DTE Electric requests Commission authorization to record a regulatory asset, not to exceed $10.3 million, as supported by Affiants Mr. Burns and Ms. Uzenski. Capital costs related to Phase Two of the Electric Vehicle Charging Forward Program, some of which contribute to full implementation, are anticipated to be $3.1 million but are not included in the requested $10.3 million regulatory asset. A description of the Phase Two Electric Vehicle Charging Forward Program O&M costs may be found in the Affidavit of Benjamin J. H. Burns and Attachment 1, attached to this Application.
10. Further details of DTE Electric’s proposed implementation of the Program are provided in the Affidavit of Benjamin J. H. Burns and Affidavit of Theresa M. Uzenski accompanying this Application, which are incorporated herein by reference.

11. Program participation is voluntary and at this time DTE Electric is not requesting any change in the rates, rate schedules, or cost of service to other customers. Further, the accounting authority requested in this Application does not preclude parties to a future general rate case from challenging the recovery resulting from such accounting authority. Thus, the approval of a regulatory asset associated with Phase Two of the Electric Vehicle Charging Forward Program may be authorized by the Commission without notice or hearing as provided by MCL 460.6a (3);

WHEREFORE, DTE Electric respectfully requests that the Commission approve as expeditiously as possible a regulatory asset in the amount of $10.3 million associated with Phase Two of the Electric Vehicle Charging Forward Program as described in this Application and the accompanying Affidavits of Mr. Burns and Ms. Uzenski and authorize all other necessary and lawful actions and authority to properly implement Phase Two of the Company’s Electric Vehicle Charging Forward Program.

Legal Department

DTE ELECTRIC COMPANY

BY: Jon P. Christinidis

Attorney for Applicant
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One Energy Plaza, 1635 WCB
Detroit, Michigan 48226
(313) 235-7706

DATED: December 3, 2020
STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of )
DTE Electric Company for approval )
of a Regulatory Asset and Other )
Authority to Implement Phase Two )
of its Electric Vehicle Charging )
Forward Program )

Case No: U-20935

AFFIDAVIT OF BENJAMIN J. H. BURNS

STATE OF MICHIGAN )
County of Wayne )

Benjamin J. H. Burns, being first duly sworn, deposes and says:

1. I am employed by DTE Energy Corporate Services, LLC within Electric Marketing and Electrification as a Director. I have earned a Bachelor of Arts Degree in English and Political Science from the University of Michigan, and an MBA from Columbia Business School. I have worked for DTE Electric Company (“DTE” or “the Company”) since 2013 in various roles within Corporate Strategy, Distribution Operations (“DO”), and Electric Marketing and Electrification.

2. As the Director of Electric Marketing and Electrification, I lead the organization which serves three primary roles:

   a. Transportation Electrification (“TE”): Accelerate the adoption of electric vehicles across all segments of transportation within the DTE Electric service territory.
b. Customer Marketing: Communicate with external customers regarding rates for various rate tariffs the Company offers customers for service and address all inbound customer inquiries or complaints.

c. New Product Development: Assess and bring to market programs and services under the VAPS regulations, which support both customer satisfaction and customer affordability.

Purpose of this Affidavit

3. The purpose of this Affidavit is to:

1. Request ex parte approval of regulatory asset treatment for costs associated with the Company’s proposed Charging Forward Phase Two electric fleets (“CFP2 eFleets”) for Commercial and Industrial (“C&I”) customers;

2. Explain fleet electrification dynamics in today’s market; and

3. Provide support for CFP2 eFleets and describe its three key program components:
   
   o Education and Outreach;

   o eFleet Advisory Services; and

   o Charging Infrastructure Enablement.

To further support the above, I am sponsoring two attachments that were all prepared by me or under my direction:

- Attachment 1 contains information on the CFP2 eFleets costs being requested as a regulatory asset and the proposed future capital costs for each of the program segments; and

- Attachment 2 contains Letters of Support from industry stakeholders.
Request for Approval

4. In its order dated May 2, 2019 in Case No. U-20162, (“May Order”) the Commission indicated “…..The ALJ recommended that the Commission adopt the Staff’s proposed $6 million budget increase in order to cover the proposed expanded school bus pilot, to expand the number of DCFCs beyond the 32 proposed, and to provide additional human resources to implement the programs. PFD, pp. 209-210”. 1 In describing the next steps, the Commission further stated that it “…. finds that the company should be permitted to implement the pilot and evaluate its strengths and weaknesses before being required to expand the program. The company will be working closely with the Staff and interested persons through reporting and technical conferences during the implementation and development of Charging Forward. Therefore, the need for additional funding can be evaluated throughout the program and addressed in a future case.”2 In this instant filing, DTE seeks the Commission’s ex parte approval to defer costs for CFP2 eFleets, as directed by the May Order addressing Charging Forward Phase One (“Phase One”), as a regulatory asset, as described in this Application.

5. Within three months of launching Charging Forward in May of 2019, the mass transit and school bus segments of the program’s fleet component were fully subscribed. As of the date of this filing, the remaining fleet segments of shared mobility services, delivery vehicles, and governmental vehicles are also fully subscribed, leaving no remaining funding for fleet electrification in Charging Forward Phase One. Expanding beyond the approximately $2 million fleet component of Phase One will enable DTE to support interested program participants in the public transit, school bus, and delivery segments in electrifying their fleets to achieve their sustainability goals. In addition, not only has the Company learned lessons from the design and

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1 Case No. U-20162, Order dated May 2, 2019, p. 112
2 May Order, p. 112-113
build of its existing fleet pilots, but it also has received feedback from multiple electric vehicle
(“EV”) industry stakeholders to develop a comprehensive, rightsized program to facilitate efficient
fleet EV supply equipment (“EVSE”) installations. In contrast to Phase One, which focused
primarily on the acceleration of light-duty EVs with a small fleet component included, CFP2
eFleets aims to accelerate electrification of fleet vehicles, including classes 1-8 and off-road.
Therefore, based on Phase One’s fleet component quickly becoming fully subscribed, and the ALJ
and Staff’s recommendation from the May Order to expand the program after learning from Phase
One – especially in the school bus segment, DTE believes its ex parte application regarding CFP2
eFleets is reasonable, fully justified, and should be approved.

6. The Company will be prepared to begin CFP2 eFleets in May 2021. Since DTE
will not commence CFP2 eFleets activities prior to Commission approval, the Company believes
that a separate ex parte filing approving the CFP2 eFleets program and deferral of the related costs
is necessary to build on the momentum of fleet electrification achieved from its Phase One pilots.
Filing CFP2 eFleets as part of a general rate case in 2021 would cause an interruption of DTE’s
EV programming, and delay or deter anticipated fleet electrification. Furthermore, and similar to
Phase One, an important goal of the CFP2 eFleets program proposal is to leverage all available
funding sources. To that end, the next round of the Volkswagen (“VW”) settlement funding,
managed by the Michigan Department of Environment, Great Lakes and Energy (EGLE), is
expected to be issued in 2020. 3 If there are significant gaps in approved EV programming and
funding for eFleets, the Company will miss the opportunity to leverage this available funding and
further incentivize fleet owners to make the transition to electric sooner rather than later. Thus,
there is good cause for approval of the Company’s CFP2 eFleets proposal set forth in this filing.

7. Absent Commission approval in the instant case by February 2021, the Company believes a delay in the implementation of CFP2 eFleets beyond 2021 would be detrimentally disruptive to the momentum from Phase One, risking CFP2 eFleets subscription levels. Therefore, the Company requests a decision in the instant case no later than February 28, 2021.

**Role of eFleets on the Electric Grid**

8. **eFleets definition.** For this Application, eFleets refers to all plug-in commercial use vehicle types, including on-road Class 1 – 8 vehicles and off-road equipment (e.g., for construction, agriculture, logistics, etc.). The US Department of Transportation vehicle classification system is outlined in Figure 1 below:
9. **Net Benefits.** Charging Forward Phase One commissioned an EV-Grid Impact Study to identify power quality issues that emerge across various adoption scenarios of EVs within DTE’s electric service territory (see Attachment 3). Approximately 20% of vehicle classes 1-8 and off-road equipment (assuming charging demand <500 kilowatts (“kW”)) can be accommodated on many circuits without major upgrades when adoption is not clustered on the Company’s distribution system.

Considering the significant amount of energy that can be required for eFleets charging solutions, it is important for DTE to proactively play a role and learn through CFP2 eFleets, which

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will ultimately lead to rightsizing eFleet charging infrastructure with more accurate estimates of load requirements and minimizing distribution system impacts through managed charging solutions. Over the past 15 months, the process to obtain customer input and provide a cost estimate for make-ready infrastructure for a large eFleet service request took approximately 30 days or longer. Improved distribution planning and engineering information gained through CFP2 eFleets can help expedite the initial estimate process, providing timely information to fleet owners considering electrification.

10. **Efficient integration.** Similar to Phase One, the Company will seek to maximize participation while minimizing investment to the grid by pursuing eFleet applications that have existing capacity at their depot locations or can primarily charge off-peak. Developing managed charging solutions and exploring how eFleets could potentially operate as a storage resource for grid services (e.g., such as vehicle-to-building or vehicle-to-grid technology) will be a focus for the program.

**Value to the Customer**

11. If integrated efficiently with the Company’s distribution system, Transportation Electrification (TE) provides affordability benefits by driving off-peak sales and spreading fixed costs over a larger sales base. As shown in the net benefits cost analysis section below, even after accounting for program costs, CFP2 eFleets drives affordability benefits to all DTE customer classes.

These savings could lead to reinvestment into economic expansion such as hiring, workforce development and operational expansion creating additional Federal, State and Local tax revenues. There is potential for benefits that can come from mass adoption of eFleets, such as:
• Positive Total Cost of Ownership (TCO) can enable fleet operators to be less dependent on government subsidies and discretionary funding;

• Reduced dependency on foreign oil; and

• Positioning Michigan as a leader in transportation electrification and enhancing opportunities for economic development and business attraction.

Fleet electrification benefits many other stakeholders as well, and utilities have an important role to play to drive utilization of those benefits to their customer base and the public at large. In addition to enabling the achievement of sustainability goals, the benefits of eFleets include lower overall energy use and fuel costs, lower emissions, higher torque, lower maintenance costs and quieter operation.5

12. **Benchmarking.** CFP2 eFleets is comparable to other utility EV programs. Fourteen states have approved fleet-focused EV programs, with more utilities awaiting approval. The Company’s analysis of the Atlas EV Hub database of Electric Utility Filings shows utility fleet program investment for approved and pending filings totaling $571 million and $45 million, respectively.

13. **Michigan EV Market and Forecasted Demand.** Like most states, we’ve yet to determine the full scope of EV demand. Original Equipment Manufacturers (OEM’s) globally are turning their resources and attention to the development and deployment of electric vehicles (EVs) for fleet use. EV Hub, Inc, a leading transportation electrification advocacy group describes three key findings from their research6:

1. Increased investment from the private sector continues to expand the range of models available and encourage innovation in the market.

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2. Greater public and electric utility investment is still needed to advance commercialization and push new technologies beyond the pilot phase.

3. The total cost of ownership (TCO) and competitiveness of these vehicles varies by category and use. Electric transit buses can already cost less on a lifetime basis than diesel buses without subsidies. The following are estimates for the year in which the electric models are expected to reach TCO parity with diesel models:
   a. Electric Transit Buses: 2020
   b. Electric School Buses: 2025-2030
   c. Electric Trucks: 2025

Furthermore, Bloomberg New Energy Finance (BloombergNEF) forecasts average battery pack pricing by 2030 to be under $100/kWh driving favorability within total cost of ownership of EVs (see Figure 2).

Figure 2. Actual and Forecasted Battery Pack Costs through 2030

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14. Michigan, including DTE’s electric service territory in southeast Michigan, has an international border, so adoption of eFleets and corresponding freight hubs could be substantial. The Brookings Institute has observed that “areas like […] Detroit are centralized traders based upon specialties in certain commodities. In turn, these large and diverse markets often represent critical points for production, consumption, and distribution in the national network – and highlight the need to prioritize places for infrastructure investment.” Delivery vendors such as FedEx, Amazon, UPS and USPS have all announced that they are moving significant portions of their last mile delivery to eFleets. Many of the eFleet manufacturers (e.g., Ford, Rivian, General Motors, Bollinger Motors and Motiv Power Systems) are based in Michigan. Additionally, we anticipate our first fleet pilot participants such as the public transit agencies (SMART, DDOT, and BWT) and school districts will want to utilize their investments made on future proofing of their sites by continuing to electrify future fleet turnover.

15. Currently, eFleet adoption in Michigan is at an early stage with several ongoing pilots. According to the Office of Highway Policy Information of the Federal Highway Administration, there are about five million class 1-8 motor vehicles operating in Michigan and the Company estimates about 40% reside in DTE’s electric service territory. The Company applied an average of industry expert national forecasts - combined with third-party consultant market assessment results - to Michigan’s current estimates of fleet vehicle volumes to create adoption scenarios by segment for the state and DTE’s electric service territory as shown in Table 1 below:

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9 SMART is Suburban Mobility Authority for Regional Transportation
10 DDOT is Detroit Department of Transportation
11 BWT is Blue Water Transit
Table 1. Estimated eFleet Market Opportunity by Segment in Michigan and DTE Electric Service Territory

<table>
<thead>
<tr>
<th>Segment</th>
<th>Michigan</th>
<th>DTE Electric Service Territory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass Transit</td>
<td>~1,700¹²</td>
<td>~800</td>
</tr>
<tr>
<td>School Buses</td>
<td>~15,000¹³</td>
<td>~5,100</td>
</tr>
<tr>
<td>Light, Medium Duty</td>
<td>~17,700¹⁴</td>
<td>~7,100</td>
</tr>
<tr>
<td>Heavy Duty</td>
<td>~6,400¹⁵</td>
<td>~2,200</td>
</tr>
<tr>
<td>Off-Road</td>
<td>~15,800¹⁶</td>
<td>~6,600</td>
</tr>
<tr>
<td>Total Segments</td>
<td>~56,600</td>
<td>~21,800</td>
</tr>
</tbody>
</table>

To DTE’s knowledge, there are only two public service fleet chargers large enough in the Company’s service territory (100kW or above) to support class 3-5 vehicles and no chargers large enough (400kW or greater) to support charging of class 6–8 vehicles. Since 2016, DTE Electric has been working with eFleet market participants and other stakeholders to launch eFleet pilots in Michigan. Through Charging Forward Phase One and additional funding sources, DTE is facilitating the deployment of eight mass transit buses across three transit agencies and six electric school buses across two school districts. Absent approval through CFP2 eFleets, DTE does not

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¹⁴ Results from Company’s Market Assessment with third-party consultant (August 2019) for light and medium duty delivery vans
¹⁶ Results from Company’s Market Assessment with third-party consultant (August 2019) for Forklifts and 2012 EPRI study of Airport Ground Support Equipment for Wayne County Airport Authority
have the ability to further leverage available funding sources and support the electrification of additional fleets.

**Charging Forward Phase Two eFleets Program**

DTE is proposing three primary components for CFP2 eFleets across applicable segments: Customer Education and Outreach, Fleet Advisory Services and Charging Infrastructure Enablement.

The key difference between Phase One and Phase Two is the Fleet Advisory Services component. By providing advisory services to transit agencies and school districts after Phase One approval, DTE helped secure $2.6 million in Federal Transit Administration (FTA) Low-No Grant funding for the DDOT and SMART mass transit pilots and $1.5 million from Michigan’s VW Mitigation Settlement for the Ann Arbor and Roseville school bus pilots. Had DTE not provided turnkey solutions and grant writing support to these partners, these pilots would likely not have been developed. Given the successful rapid experiment results, DTE proposes that CFP2 eFleets expand on this consulting service and offer a formal Fleet Advisory Services component to assist customers with the complexities of electrifying their fleets. This is a critical component to both enable owners to make informed decisions about how to best operate their fleets and enable DTE’s Distribution Operations team to proactively plan for eFleet infrastructure and minimize incremental expenditures on the Company’s distribution system.

As part of Phase One of Charging Forward, the EV team engages continuously with multiple stakeholders to solicit feedback on progress and proposed modifications. In developing Phase Two, DTE sought input from the same stakeholder group, including the Alliance for Transportation Electrification, Edison Electric Institute, other utilities with eFleet programs,
vehicle and charger OEMs, environmental groups and other non-governmental organizations (NGOs), as well as other regional, governmental and national organizations. DTE will remain active at both the state and national levels to continue to refine its approach and strategy for its eFleet program to adjust the program components as necessary to adapt to the quickly evolving EV market. The Company worked with the above-mentioned groups to solicit feedback and refine this CFP2 eFleets Application, which has resulted in a large amount of support for the program (see Attachment 2 for Letters of Support for the Charging Forward Phase Two eFleets program).

16. DTE designed the CFP2 eFleets program with three key components, described as follows:

I. **Education & Outreach:** Phase One of Charging Forward filed with Case No. U-20162 established Education and Outreach as a key component necessary for addressing customer barriers to adopt EVs. CFP2 eFleets will continue this practice to support and accelerate EV adoption across applicable eFleet segments. The Company is proposing a C&I Customer Education and Outreach plan across multiple channels (similar to Phase One) including, but not limited to, the DTE website, social media, newsletters, email, and direct mail (where appropriate). This plan will have three main objectives:

   a. Educate fleet operators on the benefits of eFleets;
   
   b. Promote CFP2 eFleets to drive interest; and
   
   c. Solicit C&I customer leads to which DTE can provide Fleet Advisory Services and Charging Infrastructure Enablement.

II. **Fleet Advisory Services:** In benchmarking other utilities, DTE found at least three other utilities that are proposing advisory services with their fleet programs. National Grid proposed fleet electrification studies for customers across major fleet segments.
Xcel Energy is planning to use telematic devices in vehicles to provide fleet owners a true view of specific vehicles within their fleet. Consumers Energy has also proposed a similar service in MPSC Case No. U-20697. This is important, as most customers know little about transportation electrification technologies or the potential impact to their business and environment. Through its Fleet Advisory Services component, DTE proposes offering the following:

a. Support to create a roadmap and timeline for the fleet owner to electrify its fleet;
b. Early estimations of the cost and benefits for the fleet owner;
c. Planning support to determine needed upgrades both at the fleet owner site and on DTE’s distribution system;
d. Managed charging solutions to minimize impact on the Company’s distribution system;
e. Assistance for specifications and requirements for charging infrastructure, including a sample request for quotes that the fleet owner can use in the procurement process;
f. Regular exchange of information between DTE Electric and the fleet owners about program status and lessons learned; and
g. Connections to OEMs and insights on industry trends.

DTE believes that many fleet owners in its electric service territory are reluctant to invest in EVs because of the barriers to adoption such as initial purchase price premium (despite an often-positive total cost of ownership), charging infrastructure requirements, and limited EV availability in larger segments. More than 40 OEMs are already addressing the last barrier, making eFleet announcements with forecasted
product launches starting in 2021\textsuperscript{17}. By providing Fleet Advisory Services, DTE can address the remaining barriers, particularly the economics of fleet electrification.

III. **Charging Infrastructure Enablement:** CFP2 eFleets will follow in the footsteps of Phase One of Charging Forward approved in Case No. U-20162, which established Charging Infrastructure Enablement as a key component that reduces site host capital costs and helps bridge the near-term infrastructure gap. Several benchmarked utilities are offering make-ready rebate models to fund deployment of charging infrastructure across several fleet segments. DTE will support eFleets charging infrastructure across mass transit, school bus, medium-duty, heavy-duty, and off-road segments through a make-ready rebate model similar to the one that Charging Forward Phase One uses today. The component will partially or fully fund service connection upgrades through the existing line extension policy plus an additional credit toward customer-owned contribution in aid of construction (“CIAC”) and offer rebates for supply infrastructure as detailed in Figure 3 below:

\textsuperscript{17} CALSTART (2020): Drive to Zero’s Zero-emission Technology Inventory (ZETI) Tool Version 5.5. Available online at https://globaldrivetzero.org/tools/zero-emission-technology-inventory/
DTE anticipates fleet electrification will require distribution system upgrades more often than public-facing charging stations for light-duty vehicles. Due to the number of vehicles charging at one site and the frequency of charging required to support eFleets, DTE plans to utilize the existing line extension policy (Section C6.1 Extension of Service within approved DTE Electric Company Rate Book) to pay for service connection investments. Additionally, CFP2 eFleets will grant additional capital on a case-by-case basis for applications exceeding credits provided by the line extension policy. Behind-the-meter incentives will be a fixed-rebate format that may be adjusted throughout the program based on lessons learned, similar to the existing Phase One make-ready model. This keeps the administrative burden to a minimum and facilitates speedy deployments.
Net Benefit Cost Analysis. The Company calculated the net present value (NPV) of anticipated benefits from CFP2 eFleets by analyzing the incremental load from various EV segments. Vehicle benefits vary depending on assumptions for vehicle efficiency, mileage, and average life in addition to the customer’s rate selection. The methodology and assumptions used for DTE’s NPV calculation are outlined in Table 2 below:

Table 2. Methodology and Key Assumptions

<table>
<thead>
<tr>
<th>Description of Key Assumptions</th>
<th>Transit Bus</th>
<th>School Bus</th>
<th>Med Duty</th>
<th>Heavy Duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>EV electricity usage per year (kWh)</td>
<td>~125,000</td>
<td>~22,000</td>
<td>~33,000</td>
<td>~150,000</td>
</tr>
<tr>
<td>kWh/mile</td>
<td>2.50</td>
<td>1.83</td>
<td>1.25</td>
<td>2.20</td>
</tr>
<tr>
<td>Annual Miles</td>
<td>~50,000</td>
<td>~12,000</td>
<td>~26,000</td>
<td>~68,000</td>
</tr>
<tr>
<td>Rate Class</td>
<td>D3</td>
<td>D3.2</td>
<td>D3</td>
<td>D3</td>
</tr>
<tr>
<td>$/kWh</td>
<td>$ 0.14</td>
<td>$ 0.12</td>
<td>$ 0.14</td>
<td>$ 0.14</td>
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<tr>
<td>Average Supply Cost ($/kWh)</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
<td>$ 0.03</td>
</tr>
<tr>
<td>Critical Peak Charging (%)</td>
<td>5%</td>
<td>10%</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>

The net benefits cost analysis calculated above assumes 90-95% of charging takes place during off-peak hours while about 5%-10% of the charging takes place during critical peak times (e.g., between 3-7pm on summer weekdays). For the purposes of the benefits calculation, the loads associated with critical peak charging were excluded (i.e., there is no benefit gained from critical peak charging). Adding the incremental NPV benefit across all segments, the Company calculated that CFP2 eFleets has affordability benefits in the range of $2 million to $14 million as shown in the Table 3 below:
Table 3. Cumulative NPV Affordability Benefits 2021-2035

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>Baseline EV Forecast</th>
<th>Accelerated EV Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin from increased load</td>
<td>$17</td>
<td>$43</td>
</tr>
<tr>
<td>Offset for increased Revenue Requirement for Investments - eFleets Program costs</td>
<td>$(12)</td>
<td>$(17)</td>
</tr>
<tr>
<td>Net Benefit to Customers</td>
<td>$5</td>
<td>$26</td>
</tr>
<tr>
<td>NPV Discount Rate</td>
<td>6.8%</td>
<td>6.8%</td>
</tr>
<tr>
<td>NPV Affordability Benefits</td>
<td>$2</td>
<td>$14</td>
</tr>
</tbody>
</table>

The affordability benefits represent the incremental NPV benefit that CFP2 eFleets bring to the Company’s distribution system over a fifteen-year life, net of the increased revenue requirement investment costs from implementing CFP2 eFleets. It is worth noting that there are two different CFP2 eFleets program cost values for baseline and accelerated scenarios:

- The baseline view assumes CFP2 eFleets program costs are adjusted down to support the low level of adoption.
- The accelerated view holds CFP2 eFleets program costs flat to support the higher level of adoption and caps program expenditures at the approved amount.

Finally, this estimated affordability benefits analysis doesn’t include electrification of airport ground support and agricultural equipment even though electrifying these off-road vehicles will also drive NPV affordability benefits to all customers.

17. **CFP2 eFleets Program Structure:**

a) With this filing, the Company is seeking the Commission’s ex parte approval for regulatory asset treatment of program expenses including Customer Education & Outreach, Fleet Advisory Services, and the rebate portion of Charging Infrastructure Enablement.
b) Pending Commission approval of this ex parte filing, the Company plans to incur capital costs related to CFP2 eFleets. The capital portion of the Charging Infrastructure Enablement includes DO labor and shared services such as project design and construction for charger deployment. Requests for recovery of the capital costs will be included with future general rate cases. Similar to Phase One of Charging Forward, the Company will submit an informational filing of CFP2 eFleets program costs within each base rate filing. Throughout the course of the 5-year program, the Company will evaluate whether modifications are necessary.

18. Implementation work is anticipated to commence in the second quarter of 2021 following ex parte approval in this docket and will include all activities required to support the successful execution of the three primary components, including staffing for CFP2 eFleets program management, development of fleet operator recruitment and enrollment tools and materials, and Fleet Advisory Services design. It will also include developing lead lists of eligible customers.

Next, the Company anticipates driving fleet conversions through five sales channels as shown in Figure 4 below:

---

18 All dates in this section assume an approval of the Application in this docket on or before February 28, 2021. If that assumption proves inaccurate, dates are subject to change.
19. Proactive and prudent capital investments incentivizing initial Class 1-8 CFP2 eFleets deployments may help minimize greater distribution system costs further down the road and the resulting increased burden on utility customers. The Company will seek to implement the make-ready model by contributing a portion of the customer CIAC “EV Service Connection” costs up to the meter in the form of capital; the remainder of the EV Service Connection costs will be covered by the existing line extension policy as described above. Depending on the segment use case, typical capital costs may include project design, engineering, and management for the deployment of the charging infrastructure. Detailed capital costs and key elements are described below in the CFP2 eFleets costs section below.
20. CFP2 eFleets program execution will occur over five years with regular program updates provided with Annual Status Reports and bi-annual stakeholder meetings, similar to Phase One.

Charging Forward Phase Two eFleets Program Costs

21. The complete implementation of CFP2 eFleets is expected to cost approximately $13.4 million through the end of 2025 funding three primary components as shown in Table 4 below:

<table>
<thead>
<tr>
<th>5-year Program ~634 ports</th>
<th>Customer Education and Outreach</th>
<th>Fleet Advisory Services</th>
<th>Charging Infrastructure Enablement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital $3.1M</td>
<td>None</td>
<td>~$0.5M for DO Labor/Shared services</td>
<td>~$2.6M (service connection)</td>
</tr>
<tr>
<td>Regulatory Asset $10.3M</td>
<td>~$1.3M</td>
<td>~$2.9M</td>
<td>~$6.1M in rebates (supply infrastructure)</td>
</tr>
<tr>
<td>Total $13.4M</td>
<td>~1.3M</td>
<td>~$3.4M</td>
<td>~$8.7M</td>
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</tbody>
</table>

1. **Customer Education and Outreach** – $1.3 million in regulatory asset to launch eFleet education and outreach campaign.

2. **Fleet Advisory Services** -- $3.4 million in capital and regulatory asset to fund allowance for three Full Time Employees (FTEs), provide a roadmap to
electrification for DTE Electric C&I customers, and build in-house technical expertise.

3. **Charging Infrastructure Enablement** -- $8.7 million in capital and regulatory assets to fund service connection upgrades and offer rebates for supply infrastructure across five segments.

In addition, the high-level breakdown of annual capital and regulatory asset estimated expenditures is shown in Table 5 below:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>Total</th>
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<tr>
<td>Capital</td>
<td>$0.4</td>
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<td>$0.8</td>
<td>$0.8</td>
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<tr>
<td>Regulatory Asset</td>
<td>$1.6</td>
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<td>$2.1</td>
<td>$2.3</td>
<td>$2.4</td>
<td>$10.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2.0</td>
<td>$2.4</td>
<td>$2.7</td>
<td>$3.1</td>
<td>$3.2</td>
<td>$13.4</td>
</tr>
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</table>

Attachment 1- Charging Forward Phase 2 eFleets details the projected expenditures for the years 2021 to 2025 projected period as follows:

- Capital expenditures: Columns (b) to (g), lines 1 to 10
- Regulatory asset expenditures: Columns (b) to (g), lines 11 to 22

The Company will not expend resources associated with CFP2 eFleets until it receives Commission regulatory asset approval in this docket.

22. **Capital costs.** The estimated capital costs reported in this application are for informational purposes only and not to request recovery in this ex parte filing. Capital costs of $3.1 million will include two elements:

- An additional credit attributed on a case by case basis depending on the level of charger capacity (Level 2 vs DCFC) and estimated benefits analysis toward customer CIAC
associated costs above and beyond the already-existing line extension policy to establish a dedicated service connection or upgrade an existing service for charger installation. Equipment costs encompass all spending necessary to provide distribution service to meet the load needs of the charger up to the Company’s service meter. Costs include (but are not limited to) transformer upgrades/additions, service drop/cable pole, labor and contractor costs, materials, hardware, and a new meter (see Attachment 1 – Charging Forward Phase 2 eFleets, lines 2-8); and

- DO engineering support for program implementation and analysis (see Attachment 1-Charging Forward Phase 2 eFleets, line 9).

Regulatory asset costs. As supported by Company Affiant Ms. Uzenski, DTE is seeking accounting authority to defer all other costs outside of capital as a regulatory asset. The Company proposes to capture the costs by vintage year and amortize each regulatory asset over a five-year period, effective with its inclusion in base rates consistent with the regulatory treatment approved by the Commission in Case Nos. U-20162 and U-20561 for DTE Electric’s Charging Forward Phase One program.

Regulatory asset expenditures of $10.3 million include three elements:

- Make-ready rebates for Charging Infrastructure Enablement (for behind-the-meter or “Supply Infrastructure” costs) (see Attachment 1, lines 12-18);
- Customer Education and Outreach (see Attachment 1, line 19);
- Fleet Advisory Services (see Attachment 1, line 21) above and beyond Program Management Labor (see Attachment 1, line 20)
**Program Evaluation.** DTE’s CFP2 eFleets program will help DTE better understand the market and its customers, learn more about EV load and its relationship to overall system load, and understand EV impact on the Company’s distribution system. The Company will conduct surveys of subscribed C&I customers to solicit direct feedback on the efficacy of messaging, Fleet Advisory Services, and program participation. In addition, the Company will collect and analyze data on customer usage patterns, bills, and satisfaction. Finally, the Company will track on-peak versus off-peak charging and managed charging solution effectiveness. Several metrics will be tracked to gauge the impact of the program and improve the Company’s understanding of the EV market, including:

- eFleet volume in DTE Electric’s electric service territory;
- Charging behavior (percent off-peak vs. on-peak); and
- Average cost per port and site by segment.

In addition, the Company intends to evaluate the following technical aspects:

- Charging power and volume required to support a fleet operator’s needs;
- The load factor implications from various ratios of chargers to vehicles;
- Cold weather impacts for EVs across all vehicle segments;
- Vehicle miles traveled for municipal buses and school buses;
- Any potential DTE Electric distribution asset overloads;
- Any potential impact on neighboring customers’ power quality; and
- The impact of eFleets on air quality and EPA non-attainment designations.
Conclusion

Current market conditions suggest that now is the time to pursue fleet electrification investment opportunities with fleet owners in DTE’s electric service territory. From a customer standpoint, fleet owner operators across vehicle classes continue to make pledges to electrify their fleets. In classes one through four companies such as Amazon, UPS and FedEx have pledged to electrify last mile delivery fleets. Amazon, for example announced in September of 2019 it will purchase 100,000 electric delivery vehicles by 202419 for use nationwide. In classes five through eight large transit authorities, such as Los Angeles County Metropolitan Transportation, have announced intentions to electrify the mass transit bus fleet by 203020. Similarly, the Port Authority of New York and New Jersey announced it will transition its entire airport shuttle bus fleet to electric21.

Lastly, economic and sustainability drivers have resulted in a broad increase in the demand for EVs across the US. Results from our market assessment indicate states that have a Zero Emission Vehicle (ZEV) policy have a higher forecasted market demand for eFleets than other states. For example, transit agencies in some states with the policy have committed to 100 percent ZEV fleets by 2040. Michigan recently set an economic decarbonization goal to make Michigan carbon-neutral by 2050 and aims to achieve a 28 percent reduction below 1990 levels in greenhouse gas emissions by 2025.

19 Business Insider, Amazon is creating a futuristic fleet of 100,000 electric delivery vans, with Alexa and routing software built-in-see what they look like (March 2020) Retrieved from https://www.businessinsider.com/amazon-creating-fleet-of-electric-delivery-vehicles-rivian-2020-2


23. CFP2 eFleets is the appropriate approach to understand how C&I customers are incentivized to make the transition to clean electric vehicle technology, how increased load impacts usage and grid requirements, and the expected operational impacts of a wide commercial EV rollout. The program offers an opportunity to comprehensively assess these questions and provide a platform for accelerated transportation electrification in Michigan.

24. Maintaining flexibility will be very important in order to optimize the available program resources in a dynamic environment. Market dynamics in the transportation electrification space are evolving rapidly and we must have the ability to adapt to market developments appropriately so that we can best assist Michigan businesses as they transition to electrified fleets.

25. The Company respectfully requests approval of CFP2 eFleets to expand on its already approved Charging Forward Phase One program pursuant to the Commission’s May 2, 2019 Order in Case No. U-20162. This will enable the Company to launch our CFP2 eFleets program immediately once we have obtained the approvals requested in this Application.

26. The above representations are true and accurate to the best of my knowledge and belief.

Further, Affiant sayeth not.

Benjamin J. H. Burns

Estella R. Branson, Notary Public
Wayne County, Michigan
My Commission Expires: 10-26-2023
Acting in Wayne County
### Charging Forward Phase Two eFleets Cost Projections ($000)

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<th>Line No.</th>
<th>Description</th>
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<td>DCFC Service Connection - School Buses</td>
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<td>DCFC Service Connection - Medium Duty</td>
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<td>DCFC Service Connection - Heavy Duty</td>
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May 11, 2020

Mr. Benjamin Burns  
Director, Electric Marketing  
DTE Energy Company  
One Energy Plaza  
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

We write on behalf of CALSTART to fully support DTE Electric’s (DTE) Charging Forward Phase Two eFleets program proposal, recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of the adoption of advanced vehicle technologies.

CALSTART is an internationally recognized nonprofit clean transportation technology consortium, with more than 250 members all dedicated to the growth of the clean transportation industry. CALSTART works with the public and private sectors to drive innovation in the clean transportation sector, and our membership is comprised of or, EV charging station providers, transit agencies, low carbon fuel producers, and more. Since opening a Midwest Regional Office in Troy in 2018, CALSTART has worked with industry leaders, innovators and elected officials to make Michigan a nationwide leader in zero-emission vehicle development and deployment.

DTE’s Charging Forward Phase One eFleets, launched last year, has advanced key pilots and we share DTE’s belief in the necessity of building on those pilots to create a robust fleet electrification program. CALSTART believes that utilities have a central role in advancing transportation electrification and providing a pathway for the market adoption of electric vehicles both by supporting make-ready infrastructure and interconnections, and also by considering rate designs that can make electricity a fuel choice that is cost competitive or cheaper than diesel/gasoline.

EV options are now commercially available across a wide variety of medium- and heavy-duty vehicle types. CALSTART’s Zero-Emission Technology Inventory shows 81 medium- or heavy-duty EV models that are available at present in the United States, a figure that is projected to more than double in the next year. DTE’s commercial and industrial customers will need encouragement and support to adopt these vehicles.

Accelerating the adoption of electric fleets and planning to serve their needs will take many years, so now is the time for DTE to advance Charging Forward Phase Two eFleets. This program will lay a solid foundation that can be built upon over time. With regards to program specifics, while we realize that the make-ready support for DC-Fast Charging (DC-FC) is more costly per-vehicle, we observe that for many fleets DC-FC is necessary to...
meet their drive cycle needs, and therefore would encourage a greater allocation of program funds to DC-FC vs. Level 2 charging.

CALSTART believes that DTE can make major advances in accelerating transportation electrification. Charing Forward Phase Two eFleets furthers DTE’s commitment to help its customers achieve fleet electrification and will also help Michigan meet its climate goals.

Thank you for advancing this program.

Sincerely,

Meredith Alexander, J.D.
Policy Director
CALSTART

Maureen Marshal
Midwest Regional Director
CALSTART
May 11th 2020

Mr. Benjamin Burns  
Director, Electric Marketing  
DTE Energy Company  
One Energy Plaza  
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of The Lion Electric Co. and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements. Lion strongly supports DTE’s continued efforts to accelerate the deployment of zero-emission vehicles and infrastructure to reduce harmful GHG and criteria pollutant emissions in our state’s most vulnerable communities.

Lion is a leading Original Equipment Manufacturer of all-electric vehicles, including zero-emission school buses and zero-emission trucks and shuttle buses, with deployments in Michigan, California, New York, Massachusetts, and other states across the nation. Today, there are currently over 300 Lion electric school buses in operation in North America that have been carrying kids to school every day safely for the last 3 years, with over 6 million miles of service provided. Lion is solely focused on producing zero-emission heavy-duty vehicles and can currently manufacture over 2,250 Class 6 – 8 zero-emission trucks, school buses and shuttles. We aim to be able to manufacture over 10,000 zero-emission heavy-duty vehicles per year in the next five years.

Please see below for our comments with regards to the Program:

Lion understands the important role of the utility in electrification of transportation, more specifically the development of zero-emission heavy-duty vehicles that can have an impact on the grid and our environment. Lion has worked with multiple utilities across North America and our experience have shown that starting the conversation early with utilities when engaging in a new electrification Project is key to its success. In fact, without the proper charging infrastructure, it is very difficult to have a successful deployment that will be economically and operationally viable for fleets.

Lion recommends the continued focus of DTE for Level 2 charging infrastructure for electric school buses. In fact, electric school buses usually operate on shorter routes and have excessive time to charge during the day and at night. The cost of a DC fast charger and the timeline to implement this kind of charging infrastructure for a school district may ultimately jeopardize their total cost of ownership and delay the deployment of electric school buses in the State. Lion has deployed eleven electric school
buses in Michigan in 2019 and the charging infrastructure were extremely well planned by the school districts, accelerating the deployment of the school buses. The schools opted for Level 2 charging to reduce upfront cost and manage electricity cost. They have opted for a reliable, low-cost option that can adapt to their operation. If a school district would like to integrate vehicle-to-grid (V2G) to its operation, then different charging infrastructure solutions may be recommended.

On the other hand, truck fleets may require different charging infrastructure based on their operational needs. Lion trucks can have up to 588 kWh on board at this time and offer up to 250 miles of range on a single charge, which would require longer charging times if AC charging was the preferred option. Based on the range required, Lion suggests investing in DC fast charge for fleets.

We also support increasing the support of Class 6 to 8 vehicles to prioritize funding for the heaviest-duty vehicles, which need the additional investment to support commercialization and have greater emission reductions, as compared to medium and light-duty.

As a final general comment, Lion respectfully requests that DET accelerates its administration timeline for the Charging Forward Program wherever possible in order to ensure that the clean transportation options and their resulting GHG emissions reductions are realized more swiftly for our communities that need it most. DTE may even consider awarding bonus amounts to applicants who demonstrate readiness to start, implement, and complete grant activities at an accelerated pace in order to encourage quick and decisive action to help our most impacted communities. If a particular awardee fails repeatedly to execute their activities in a timely manner, due to reasons within their power, it would be beneficial to the efficacy of the Program to allow the next most qualified applicant to receive these unspent funds and implement their own proposal activities.

Lion appreciates the opportunity to provide comments on the Charging Forward Phase Two eFleets Program and looks forward to working with DTE on this and future projects.

Sincerely,

Marie Bedard

Marie Bedard

Director of Commercial Operations
May 12, 2020

Mr. Benjamin Burns  
Director, Electric Marketing  
DTE Energy Company  
One Energy Plaza  
Detroit, Michigan 48226  

Re:  DTE Electric, Charging Forward Phase Two eFleets Program  

Dear Mr. Burns:  

I write on behalf of NextEnergy and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

Founded in 2002 as a 501(c)(3) nonprofit organization, NextEnergy works with innovators to accelerate smarter, cleaner, more accessible solutions for communities and cities. We believe transportation electrification plays a critical role in accelerating smarter, cleaner, and more accessible communities and cities.

NextEnergy has worked to accelerate transportation electrification in partnership with the state of Michigan, the US Department of Energy, our automotive industry, and electrical utilities including:

- Facilitating one of the country’s first workplace charging convening in 2013
- Demonstrating Bi-directional vehicle charging with FCA in 2015
- Hosting interoperability testing for global communication standards with the CharIN Alliance in 2018
- Installing and testing a 400kW extreme fast charger with Delta Products in 2020.

We believe we DTE Energy plays a critical role for our future in providing cleaner and more affordable mobility through programs that scale transportation electrification.

Education and outreach with the public on the individual and community benefits of transportation electrification, providing advisory services help customers make informed decisions and investments within their businesses, and providing the proper level of rebates and incentives which make charging infrastructure readily available are critical to creating scale for our future.

Thank you for your time and consideration.

Sincerely,

Jim Saber  
President and CEO
May 15, 2020

Mr. Benjamin Burns  
Director, Electric Marketing  
DTE Energy Company  
One Energy Plaza  
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of Motiv Power Systems and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

As a California based small business and manufacturer developing zero-emission all-electric chassis for medium and heavy-duty trucks, we at Motiv know firsthand how essential good policy has been in supporting sustainable solutions and economic development. Programs like DTE Electric’s Charging Forward will accelerate the adoption of electric vehicles for public transit agencies, school districts, and private fleets alike by making electricity more affordable for early adopters.

This program presents an opportunity for economic development that will promote technology leadership, address charging infrastructure and ensure efficient mobility and accessibility for all residents in Michigan. Addressing air pollution begins with decarbonizing the transportation sector, and it can be done through prudent investments with the help of Utilities who can provide a pathway for market adoption of clean electric vehicles.

Thank you for your time and consideration.

Sincerely,

Jillian Solomon
Grants and Incentives Funding Specialist
Motiv Power Systems
330 Hatch Drive, Foster City CA, 94404
May 15, 2020

Mr. Benjamin Burns
Director, Electric Marketing
DTE Energy Company
One Energy Plaza
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of Nikola Corporation to express our support for DTE Electric’s Charging Forward Phase Two eFleets program proposal. We recognize this program’s importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

Nikola Corporation is globally transforming the transportation industry. As a designer and manufacturer of battery-electric vehicles (BEV), fuel cell electric vehicles (FCEV) and hydrogen stations, Nikola is driven to revolutionize the economic and environmental impact of commerce as we know it today. Committed to a clean transportation future from energy creation to energy consumption, Nikola is developing a robust U.S. and European footprint leveraging key strategic industry partnerships such as IVECO, Bosch, Hanwha, Ryder, Nel and others. The company’s vision is to be the zero emissions commercial transportation system leader. Nikola is the only company offering both BEV and FCEV solutions; addressing both short-haul and long-haul markets for commercial fleets.

Nikola plans to launch its battery electric truck in North America in 2021. The initial trucks will be manufactured in Europe by our partner IVECO until our facility in Coolidge, Arizona is complete is 2023. The Coolidge manufacturing plant will ramp to build 35,000 trucks per year. In the case of hydrogen, Nikola’s business model uniquely supplies both the truck and fueling infrastructure, solving the fleets’ concerns of where to refuel. The company plans to deploy up to 700 fueling and charging stations across North America to support its freight customers.

Among the 14,000 trucks pre-ordered, Nikola has secured a large launch fleet customer in Anheuser Busch who has submitted an order for 800 zero emission trucks. These zero emission fleet vehicles will be utilized to transport Anheuser Busch product between their facilities across the U.S.
According to the U.S. Environmental Protection Agency (EPA), the transportation sector is one of the largest contributors to anthropogenic U.S. greenhouse gas (GHG) emissions. According to the Inventory of U.S. Greenhouse Gas Emissions and Sinks 1990–2017 (the national inventory that the U.S. prepares annually under the United Nations Framework Convention on Climate Change), transportation accounted for the largest portion (29%) of total U.S. GHG emissions in 2017. Cars, trucks, commercial aircraft, and railroads, among other sources, all contribute to transportation end-use sector emissions. Within the transportation sector, in 2017, medium and heavy-duty trucks was the second largest contributor of the greenhouse gas emissions (23%) behind light-duty vehicles.¹

**Recommendations**

Given the introduction of novel technologies to address the carbon footprint of the medium and heavy-duty sector, we support DTE’s efforts in advancing transportation electrification and providing a pathway for market adoption of clean electric fleet vehicles. In addition to supporting the infrastructure, including the following is also important for creating a supportive environment for technology adoption and maximizing usage of the infrastructure deployed:

1. Maximize Investment with Other Agency Programs Supporting Electric Vehicle Deployment and Expanding Charging Infrastructure Incentives for Medium and Heavy-Duty Fleets. To avoid stranded charging infrastructure assets and help spur electric vehicle fleet adoption, any program to support infrastructure deployment should also consider accompanying or leveraging the program with associated vehicle investment.

2. Establish a Special Electricity Rate for Medium and Heavy-Duty Fleet Customers. Creating a separate rate class for medium and heavy-duty fleets will encourage use of the infrastructure. This rate structure could be further refined to recognize usage of facilities and infrastructure that integrate effectively with the grid to address duck curve, load management and energy storage issues.

3. Leveraging DCFC Charging Infrastructure with New Technologies. Deploying DCFC investments with behind-the-meter storage to leverage renewable or other clean sources of energy could provide much needed benefits for the utility as well as help offset demand charges to the customer.

4. Implementation of Ancillary Support Programs. To help drive awareness, adoption and usage of the assets, customer education/outreach and services that help build greater understanding of the benefits of electrification and the availability of funding sources to enable charging infrastructure deployment are helpful.

We strongly urge DTE’s eFleet Program to continue supporting the electrification of commercial fleets by maximizing its investment with other agency programs supporting electric vehicle deployment, expanding charging infrastructure incentives, leveraging DCFC infrastructure integration with new technologies, establishing special rate electricity pricing for commercial fleets and implementing supportive ancillary program components such as customer education/outreach on electrification benefits and gap funding for charging infrastructure enablement.

In addition, we also would like to note that developments in hydrogen technology to serve as fueling infrastructure for zero emission trucks is also enabling additional considerations and value for utilities. It can serve both for fueling freight transportation needs as well as contributing a zero emissions source of electricity and energy storage option to positively impact utility grid operations and customer clean energy programs. For example, providing the opportunity to integrate DCFC with new technologies (i.e. hydrogen production) is encouraged to alleviate drawing large quantities of electricity and exacerbating peak issues. We would encourage DTE to look at the role of hydrogen production and consider developing a favorable electricity rate design for hydrogen to support zero emissions transportation that creates benefits to grid operators and utility customers in Michigan in the future.

Thank you for your time and consideration.

Sincerely,

Alana Langdon
Senior Manager of External Affairs and Public Policy
Nikola Corporation
4141 E. Broadway Rd.
Phoenix, AZ 85040
May 18, 2020

Mr. Benjamin Burns
Director, Electric Marketing
DTE Energy Company
One Energy Plaza
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of Navistar and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan at the forefront of these technological advancements.

Navistar is currently developing a range of electric products from school buses, medium-duty, and heavy-duty trucks. These vehicles will be deployed in various markets thought North America. Keeping with our current deployment strategy, Navistar feels that Michigan would be a critical introductory location. Our eMobility headquarters is in metro Detroit which and our team will be here to support the launches. We feel that it is vital to validate our vehicles in environments such as this.

Below are some topics that Navistar feels it can support the advancing transportation electrification in Michigan:

1. Utility’s role in advancing transportation electrification and providing a pathway for market adoption of clean electric vehicles:
   - Navistar believes that a partnership with the local utility is crucial to the successful launch of electric vehicles. Navistar is providing charging solutions to our customers and believes that incentives and rate programs will need to be in place.
2. Energy affordability through increased effective grid utilization and prudent investments across all five proposed platforms: Mass Transit, School Buses, Medium-Duty, Heavy-Duty, and Off-Road Equipment:
   - To make the TCO models work for the above vehicle types, it is necessary to provide a long term path to energy affordability. Navistar would like to work hand in hand with DTE to make this program a success.

3. Robust Program components: Education and outreach, Advisory Services, Charging Infrastructure enablement (rebated make ready model, level of rebates and incentives)
   - Our team is providing services for the above and will support DTE’s initiative.

4. Importance of DCFC charging for Mass Transit and Heavy-Duty segments
   - We feel that it is vital to provide DCFC for the above segments, and Navistar is working with some of the largest charger providers to make sure that our vehicles will be operable.

Thank you for your time and consideration.

Sincerely,

Jason Gies
Director of Business Development – eMobility
Navistar
1885 Enterprise Drive
Rochester Hills, MI 48309
M: 586-604-5918
May 19, 2020

Mr. Benjamin Burns
Director, Electric Marketing
DTE Energy Company
One Energy Plaza
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of Thomas Built Buses and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

As an organization which is working directly with DTE to deliver six new fully electric and zero tail pipe emission school buses to Roseville and Ann Arbor schools, we are honored to support DTE. We have been work with DTE on this project for over a year to plan a successful deployment of our product in Michigan. Our partnership with DTE and the University of Michigan is a collaborative effort to showcase economic, environmental and operations benefits of the electric school bus. We have not stopped here. A key part of our joint project is to demonstrate the commercial capability of vehicle-to-grid (V2G) of the school bus.

DTE is demonstrating leadership in the advancement of clean electric transportation in Michigan. Their proposed program is comprehensive and spans across a wide range of customers. In doing so, their program opens multiple pathways for future adoption of electric transportation in Michigan. Three essential pillars of their program; Education & Outreach, Advisory Services and Make-Ready Charging Infrastructure are the foundational to a successful and sustainable clean transportation future.
We are particularly pleased to see a segment in the program that will target school bus transportation. Benefits of the electric school bus are beginning to unfold. Reduced carbon footprint, cleaner fuel source, lower maintenance costs, quieter ride for students and driver are but a few of the benefits. DTE’s investments under this program to deploy charging infrastructure at schools is a significant support to Michigan schools.

Lastly, Thomas Built Buses along with our parent company, Daimler Trucks North America are a part of the Michigan manufacturing landscape. Our local and global vision is to support utility programs like DTE’s which will propel a new future for clean transportation.

Thank you for your time and consideration.

Sincerely,

James Routh
Vice President Sales, Marketing & Customer Support
May 21, 2020

Mr. Benjamin Burns
Director, Electric Marketing
DTE Energy Company
One Energy Plaza
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of Proterra and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

Proterra is a leader in the design and manufacture of zero-emission electric transit vehicles and EV technology solutions for commercial applications such as electric school buses, electric motor coaches, and electric delivery trucks. Proterra provides a suite of products, services and financing options for a seamless transition to clean, quiet, battery-electric fleets. Designed for durability, safety and energy efficiency and validated by rigorous U.S. independent testing, Proterra products are proudly designed, engineered and manufactured in America, with offices in Silicon Valley, South Carolina, and Los Angeles.

Proterra is excited to bring electric vehicle technology to Michigan. In September 2019, Proterra announced that the Thomas Built Buses Saf-T-Liner C2 Jouley electric school bus powered by Proterra electric vehicle technology and the Proterra 60kW charging system were selected by Ann Arbor and Roseville public schools in Michigan for a five-year pilot program, in partnership with DTE Energy and Hoekstra Transportation. The pilot program, supported by VW settlement funds, will include pupil transportation and a vehicle-to-grid study. Further, the Suburban Mobility Authority for Regional Transportation (SMART) and Detroit Department of Transportation (DDOT) have agreed to purchase electric transit buses and chargers from Proterra, and will work with DTE Energy and Proterra on the charging infrastructure.

Proterra has more than 120 customers across the U.S. and Canada, and has successfully managed more than 45 infrastructure projects for our electric transit bus customers. One of the biggest barriers to adoption today is implementing and managing the EV infrastructure. In our experience, successful project coordination happens between three parties: the manufacturers, the end-user, and the utility company. Leadership from utilities is crucial to executing the
project in a cost-efficient and streamlined manner. Utilities streamline the process by helping plan infrastructure layout, offsetting upfront costs of the infrastructure, and bringing knowledge around energy management, grid support and permitting processes. Engagement early and often with a utility partner is the difference between taking several months versus weeks to complete an EV infrastructure project.

Further, utilities are essential to help inform smart decisions about infrastructure layout and charger types. Today’s electric transit buses can be deployed as a 1:1 replacement with fossil fuel vehicles at the least expensive cost when DC fast chargers (DCFC) with depot charger installation are utilized. DCFC provide enough energy to charge vehicles in the depot while charging quickly enough and not incurring a heavy demand charge or heavier demand on the electricity restructure. DCFC are the backbone to providing depot charging in the least expensive manner for an HD vehicle fleet. DCFC allows fleets to get high utilization of charging infrastructure which lowers the cost of the infrastructure required to charge the vehicles. For certain vehicles like school buses that require less charging due to less on-board energy, 60 kW DCFC is an ideal approach. Fleet operators can further reduce the cost with a multi-dispenser charging solution which enables charging systems to have multiple low-profile charging dispensers paired with a single Power Control System (PCS). With less hardware to purchase and less equipment to install, the multi-dispenser charging solution lowers the cost of infrastructure for customers. It also reduces space needed for charging systems, which is optimal for space-constrained depots and parking facilities. All Proterra chargers also have vehicle-to-grid hardware capabilities, which introduces additional benefit for DCFC charging solutions, especially for electric school buses. With the current pilot project between DTE Energy and Proterra, the study will conduct a vehicle-to-grid study to allow the utility to better understand how electric school buses can support energy storage needs in addition to scheduled pupil transportation.

When a utility uses rate-payer funds to help pay for installation of chargers that will deliver electricity to HD vehicles, they are providing infrastructure that pays for the use of electricity being generated. The more electricity being generated and used helps offset and disperse the cost to more users and ultimately lowers the cost for all.

Further, by making an investment in EVs, we can bring the benefits of electric vehicles to the entire Michigan community. With the COVID-19 pandemic, it is more apparent than ever that clean air is essential for public health. Air pollution contributes to respiratory issues such as asthma and pneumonia, putting people at greater risk of severe health issues from viruses like COVID-19. Transportation is one of the leading sources of air pollution, and public transit plays a vital role in reducing emissions from transportation. The Federal Transit Administration estimates that the average transit system emits about half the CO2 per passenger mile compared with a single-occupancy private vehicle. Fleet operators are further reducing emissions with battery-electric buses, which displace 230,000 pounds of CO2 per year for each diesel bus replaced. Zero-emission buses also eliminate the harmful particulate matter that comes from traditional transit bus tailpipe emissions.
Thank you for your time and consideration.

Sincerely,

PROTERRA INC

Name: John Walsh
Title: Senior Vice President, Sales

PROTERRA INC

Name: Toby Kraus
Title: Vice President, Proterra Powered
## Certificate Of Completion

**Envelope Id:** 531BF9FAFAD24BD79EDD3E13EB2D34B7  
**Status:** Completed  
**Subject:** Please DocuSign: Proterra letter of support for DTE Energy_DRAFT 5.20.2020.docx  
**Source Envelope:**
- **Document Pages:** 3  
- **Certificate Pages:** 2  
- **AutoNav:** Enabled  
- **Enveloped Stamping:** Enabled  
- **Time Zone:** (UTC-08:00) Pacific Time (US & Canada)

**Envelope Originator:**
- **Name:** Cynthia Johnson  
- **Address:** 1815 Rollins Rd  
- **Location:** Burlingame, CA 94010  
- **Email:** cjohnson@proterra.com  
- **IP Address:** 12.69.151.202

### Record Tracking

**Status:** Original  
**Holder:** Cynthia Johnson  
**Email:** cjohnson@proterra.com  
**Location:** DocuSign

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May 22, 2020

Mr. Benjamin Burns  
Director, Electric Marketing  
DTE Energy Company  
One Energy Plaza  
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I am writing on behalf of SEA Electric LLC and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

As a mobility technology company, SEA Electric develops, manufactures and deploys electrification solutions for commercial vans, trucks and buses worldwide. We see the value of collaborating with local utilities like DTE- this is essential for the successful implementation of a complete electrification strategy. The Phase Two program benefits of educating fleets, developing a comprehensive roadmap with industry partners/stakeholders and putting in place Make-Ready charging infrastructure will be substantial for the residents and businesses in SE Michigan.

SEA Electric are excited to be part of the Charging Forward eFleets program and recognize and support the many important elements and benefits of the program:

1. DTE Electric’s role in advancing transportation electrification and providing a pathway for market adoption of clean electric vehicles
2. Energy affordability through increased effective grid utilization and prudent investments across all five proposed platforms: Mass Transit, School Buses, Medium-Duty, Heavy-Duty and Off-Road Equipment
3. Robust Program components: Education and outreach, Advisory Services, Charging Infrastructure enablement (rebated make ready model, level of rebates and incentives)
4. Importance of DCFC charging for Mass Transit and Heavy-Duty segments
5. Expanded economic development opportunities
Thank you for your time and consideration.

Sincerely,

David J. Brosky
Regional Director - North America
SEA Electric LLC
May 26, 2020

Mr. Benjamin Burns  
Director, Electric Marketing  
DTE Energy Company  
One Energy Plaza  
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

I write on behalf of Bollinger Motors, LLC and fully support DTE Electric’s Charging Forward Phase Two eFleets program proposal recognizing its importance in accelerating transportation electrification and keeping Michigan on the forefront of these technological advancements.

Bollinger Motors is developing the world’s first Class 3 electric trucks for consumers and commercial fleets which we plan to launch in 2021. Our mission is to reinvent trucks, not just electrify them. We are building trucks locally and striving to make a positive impact globally and are looking to partner with various companies to help accelerate EV adoption.

EVs offer benefits to their owners (or operators) through lower fuel and maintenance costs and greater public perception and to society by reducing greenhouse gas emissions. We believe EVs, including our trucks, offer a particularly compelling solution for fleet owners through lower overall cost of ownership, which will continue to come down over time. EVs also have the potential (through collaboration with utilities) to lower electricity costs for ratepayers and to increase utilization of the electric grid. DTE, with the support of this program, will play a crucial role in advancing EV adoption among commercial fleets and consumers to benefit consumers, local companies, and society as a whole.

Despite the many benefits of electrification, lack of charging infrastructure, higher upfront costs, and lack of awareness regarding the benefits of electric vehicles are significant impediments to EV adoption. We believe that DTE’s proposal will help address these barriers and will help accelerate electric vehicle awareness and adoption.

We look forward to supporting DTE in our joint efforts to accelerate electrification in the state of Michigan.
Thank you for your time and consideration.

Sincerely,

Robi Mitra  
Finance Director  
Bollinger Motors, LLC  
930 E Lewiston Avenue  
Ferndale, MI 48220
May 29, 2020

Mr. Benjamin Burns
Director, Electric Marketing
DTE Energy Company
One Energy Plaza
Detroit, Michigan 48226

Re: DTE Electric, Charging Forward Phase Two eFleets Program

Dear Mr. Burns:

Greenlots submits this letter in support of DTE Energy’s (“DTE”) proposed pilot program to provide support for fleet EV charging infrastructure. DTE’s proposed pilot is consistent with the scope and nature of pilot programs contemplated and discussed in the Michigan Public Service Commission’s (“the Commission”) EV infrastructure inquiry docket (U-18368) in which Greenlots was an active participant, and addresses a market segment not yet served under DTE’s Charging Forward pilot.

Greenlots is a leading provider of electric vehicle (EV) charging software and services. The Greenlots network supports a significant percentage of the direct current fast charging (DCFC) infrastructure in North America and an increasing number of Level 2 chargers. Greenlots’ smart charging solutions are built around an open standards-based focus on future-proofing while helping site hosts, utilities, and grid operators manage dynamic EV charging loads.

Commercial and government fleets represent a significant need and opportunity for electrification, and efforts to rapidly transform the transportation sector must address this critical market segment. Not only will electrification of fleets quicken the pace of statewide vehicle electrification, fleet managers are also uniquely focused on operating costs and for this reason are more likely to electrify faster than an individual driver as well as develop predictable charging patterns that can align with grid conditions. With well-developed load management strategies in place, electrification of fleets can lead to the scale of EV adoption that will contribute to downward pressure on rates for all customers, ensuring that the benefits of these programs accrue to non-participants.

While Greenlots believes that a deeper utility approach will ultimately be necessary to appropriately accelerate various market segments and to maximize ratepayer value from
transportation electrification, the proposed pilot represents an important step toward serving a market segment that will be critical for transforming Michigan’s transportation sector.

Greenlots encourages the Commission to approve the programs contained in DTE’s filing while contemplating more flexibility in the depth of role for utilities in supporting transportation electrification in Michigan, especially given the challenging economic conditions facing the electric vehicle market today. Greenlots appreciates what the Commission, DTE, and a wide range of stakeholders have accomplished in Michigan to date to move forward transportation electrification, and we look forward to continued engagement.

Respectfully,

Annie Gilleo
Manager, Policy and Market Development
Dear Mr. Burns:

The Alliance for Transportation Electrification (The Alliance) appreciates the opportunity to file this letter in support of the Medium-Duty and Heavy-Duty (MD-HD) eFleets programs proposed by DTE Energy’s (DTE).

The Alliance for Transportation Electrification, a 501(c)(6) non-profit corporation, is led by utilities, electric vehicles (EV) infrastructure firms and service providers, automobile manufacturers, and EV charging industry stakeholders and affiliated trade associations. The Alliance started with 20 organizations at the launch in 2018. By taking a “big tent” approach to advance the industry, we have grown rapidly to include about 45 national members today and are actively engaged in regulatory proceedings across the country.

EV adoption by MD-HD fleet managers has grown throughout the country in recent years and we expect this trend to accelerate in the near term. DTE is taking advantage of this momentum in their eFleets proposal by including program components and tariffs that reflect best practices and lessons learned from other jurisdictions. The eFleets proposal also builds upon the successes of the Charging Forward program, which the Commission already approved in 2019 and which is currently being implemented. In addition, the proposal’s key goals align with objectives that are essential for increasing EV adoption in an equitable, low-cost, and efficient way. For example, one of the proposal’s key goals is to provide electrification benefits to as many customers as possible, especially through mass transit and school bus deployments. Another key goal of the proposal is to take advantage of the data that will be generated and the partnerships that will be built through this program to better understand the behavior of EV fleet operators and incorporate learnings into future program design. The Alliance also wants to highlight the fact that the batteries in the MD-HD vehicles being contemplated in this proposal have high capacities and will therefore constitute a large and growing electric load. It is important that DTE be able to integrate these loads at the edge of the distribution grid in a least-cost way that recognizes the operational needs of these C&I (commercial and industrial) customers.

This proposal includes deployments for public fleets, transit fleets, school buses, MD trucks, and forklifts. Each of these use cases is unique and requires individual consideration. The Alliance encourages the Commission to be flexible in allowing the existing budget allocation guidelines in the Charging Forward program to change since the technology trends are dynamic, and the market development, while nascent, is developing quickly.

The Alliance supports the proposal’s focus on three broad types of expenses, which involve both operating and maintenance (O&M) and capital: education and outreach (E&O), advisory services, and infrastructure deployments. Each of these is vital in a comprehensive portfolio of programs and services that helps to accelerate adoption and meet these C&I customer needs.

The Alliance supports DTE’s inclusion of E&O (education & outreach) in the proposal budget since customer awareness is likely still low in their service territory, as it is in most jurisdictions in the country. It is a best
practice for utilities to include robust E&O programs with reasonable budgets to help educate customers about the benefits of EVs. The Alliance notes that each sector end use case in this proposal will be unique, and therefore DTE must tailor its message and narrative for each specific case. Utilities can do this in a variety of ways, such as through web portals, collateral materials, ride-and-drive events, and demonstrations. DTE is well-suited to carry this out by building upon the successes of its Charging Forward program.

DTE’s proposed advisory services are particularly important due to the unique needs of C&I customers. Unlike light-duty EV customers, C&I customers are businesses that need to manage expenses and make a profit on a sustainable basis. Therefore, the conversion from traditional fossil fuel technologies to EVs needs to have a strong business case and, in particular, the TCO (total cost of ownership) of EVs compared to traditional fossil fuel technologies will be a key consideration for C&I customers. Through programs such as DTE’s proposed advisory services program, electric utilities can play an important role in helping C&I customers understand the business case for converting to EVs and can also benefit by partnering with these customers to learn how to tailor utility services and tariffs to meet C&I customer needs. DTE can also assist customers in measuring the environmental impacts of electrification, through greenhouse gas emissions reductions and other benefits. The Alliance notes that the MD-HD fleet sector is still in the early stages of electrification and fleet operators and the utilities have very different planning and budget processes. Therefore, these proposed advisory services are particularly valuable in this early stage of market development.

The Alliance supports DTE’s common sense approach of continuing to offer make-ready investments with an appropriate rebate to stimulate the MD-HD market. Under this approach, DTE will build out the service connection both on the utility and customer sides of the meter to the “stub” where the charging station is located. Because this approach is already being implemented through the Charge Ahead program, DTE has gained good experience in working with customers and vendors in market development. The make-ready approach has other advantages as well. For example, because the customer procures and funds the charging equipment, the risk to the utility is lessened and customer choice is preserved. While make-ready deployments will vary by type of customer, location, property requirements, and other factors, DTE is well-equipped to work with fleet operators to manage the unique requirements for each deployment. The Alliance also wants to highlight and express its support for DTE’s proposal to follow the dynamic changes in charging technology and grid integration technology, as well as monitor the impacts of key factors such as cold weather impacts. In general, the Alliance supports DTE’s key goal of learning more about the needs and charging behavior of key C&I customers who wish to electrify, and for those customers to better understand utility planning, rate design, and how to manage costs of electrification.

In summary, the Alliance believes DTE’s eFleets proposal consists of a well-designed suite of components in an overall portfolio that is well-suited and valuable for its customers as well as the electrical grid. The Alliance urges the Commission to give these proposals favorable consideration soon.

Respectfully submitted this 29th day of May, 2020,

Philip B. Jones, Executive Director
Alliance for Transportation Electrification
1402 Third Avenue, Suite 1315
Seattle, WA  98101
STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of
DTE Electric Company for approval
of a Regulatory Asset and Other
Authority to Implement Phase Two
of its Electric Vehicle Charging Forward Program

Case No: U-20935

AFFIDAVIT OF THERESA M. UZENSKI

STATE OF MICHIGAN )
COUNTY OF WAYNE )

Theresa M. Uzenski, being first duly sworn, deposes and says:

1. I am employed by DTE Energy Corporate Services, LLC. I have earned a Bachelor of Science in Accounting from the University of Detroit, and an MBA with a concentration in Finance from Wayne State University. I have worked for DTE Energy or one of its affiliated regulated utilities for over thirty-one years in various accounting, finance and management positions. I am currently the Manager of Regulatory Accounting for DTE Electric Company as well as DTE Gas Company.

2. As Manager of Regulatory Accounting, I am responsible for the development and management of regulatory accounting policies and practices, as well as supporting regulatory filings. My department analyzes the accounting implications of new legislation and Michigan Public Service Commission (Commission or MPSC) orders and provides expert testimony on
accounting issues and financial projections in various proceedings before the MPSC. We research and establish accounting policies and assist the accounting operations departments with implementation. My department also supports other Company expert witnesses in various proceedings before the MPSC by preparing financial exhibits and other financial analyses.

3. With this filing, DTE Electric Company is seeking the Commission’s ex parte approval of regulatory asset treatment for costs associated with the Company’s proposed Charging Forward Program Phase Two Electric Fleets (“CFP2 eFleets”) for Commercial and Industrial (“C&I”) customers. In Case No. U-20162, the Commission approved deferral of rebates and administrative costs related to the Company’s Charging Forward Program – Phase One. In Case No. U-20561 the Commission ordered that amortization of the deferred costs would begin concurrent with review and approval in a general rate case.

4. Company Affiant Benjamin Burns describes the CFP2 eFleets program and supports the estimated costs to be incurred in 2021 through 2025. Capital costs incurred will be recorded using standard plant accounting as provided in the Uniform System of Accounts and will be reflected in a future general rate case. The Company requests regulatory asset treatment for costs that are not capital, including but not limited to rebates, customer education and outreach, program management, and advisory services.

5. The Company requests the Operation and Maintenance (O&M) costs, including but not limited to rebates and operating costs be recorded to account 182.3, Other Regulatory Assets, until reflected in rates in a future general rate proceeding, currently estimated at $10.3 million. The Company proposes to capture the costs by vintage year and amortize each regulatory asset over a five-year period, effective with its inclusion in base rates. The proposed amortization period balances the need for timely recovery with consideration of customer affordability.
6. Commission approval of the accounting practice as described in the Company’s Application and my Affidavit will not cause alteration or amendment to DTE Electric Company’s cost of service, rates, or rate schedules.

7. The above representations are true and accurate to the best of my knowledge and belief.

Further, Affiant sayeth not.

Subscribed and sworn to before me this 3rd day of December 2020.

Estella R. Branson, Notary Public
Wayne County, Michigan
My Commission Expires: 10-26-2023
Acting in Wayne County
STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of  
DTE Electric Company for approval  
of a Regulatory Asset and Other  ) Case No. U-20935  
Authority to Implement Phase Two  )  
of its Electric Vehicle Charging  )  
Forward Program )

PROOF OF SERVICE

STATE OF MICHIGAN )
COUNTY OF WAYNE ) ss.

ESTELLA R. BRANSON, being duly sworn, deposes and says that on the 3rd day of December, 2020, she served a copy of DTE Electric Company’s *ex parte* Application seeking approval for a regulatory asset and other authority associated with Phase Two of its Electric Vehicle Charging Forward Program and supporting affidavits of Benjamin J. H. Burns and Theresa M. Uzenski, via electronic mail upon the persons referred to in the Service List.

Subscribed and sworn to before  
me this 3rd day of December, 2020

Karyn B. Kazyska

Karyn B. Kazyska, Notary Public  
Macomb County, Michigan  
My Commission Expires: 7-21-2023  
Acting in Wayne County
MPSC Case No. U-20935
SERVICE LIST

MPSC STAFF
Steven D. Hughey
Assistant Attorney General
Public Service Division
7109 W. Saginaw Highway, Fl 3
Lansing, MI 48917
hugheys@michigan.gov