

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)	
establishing the method and avoided cost calculation)	
for DTE ELECTRIC COMPANY to fully comply)	Case No. U-18091
with the Public Utility Regulatory Policies)	
Act of 1978, 16 USC 2601 <i>et seq.</i>)	
_____)	

At the August 22, 2024 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Alessandra R. Carreon, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On May 3, 2016, the Commission issued an order in this docket and others (May 3 order) directing DTE Electric Company (DTE Electric), as well as other electric providers, to file proposed avoided cost methodologies pursuant to the Public Utility Regulatory Policies Act of 1978, PL 95–617; 92 Stat 3117 (PURPA) in their respective dockets. May 3 order, pp. 3-4. The Commission subsequently issued several orders addressing DTE Electric's PURPA obligations in the instant proceeding as well as related dockets such as Case No. U-20471 (DTE Electric's 2019 integrated resource plan (IRP) case), Case No. U-20905 (Commission's own motion docket addressing legally enforceable obligations (LEOs)), and Case No. U-21193 (DTE Electric's 2022 IRP case).

On January 25, 2024, DTE Electric filed an application in the instant docket (January 25 application), with supporting testimony and exhibits, requesting approval of the company's proposed avoided costs under varying circumstances, changes to the standard offer tariff and accompanying revised Rider No. 5, criteria evaluating qualifying facility commercial and financial viability as it relates to forming an LEO, a proposal for conducting future avoided cost proceedings, and additional relief that the Commission may find appropriate. January 25 application, pp. 1-4.

A prehearing conference was held on March 19, 2024 before Administrative Law Judge James M. Varchetti. DTE Electric and the Commission Staff participated in the proceeding. Subsequently, the parties filed a stipulation and settlement agreement that resolves all issues in the case.

The Commission has reviewed the stipulation and settlement agreement and finds that the public interest is adequately represented by the parties who entered into the settlement agreement. The Commission further finds that the settlement agreement is reasonable and in the public interest, represents a fair and reasonable resolution of the proceeding, and should be approved.

THEREFORE, IT IS ORDERED that:

- A. The settlement agreement, attached as Exhibit A, is approved.
- B. Within 30 days from the date of this order, DTE Electric Company shall file tariff sheets substantially similar to those included with the settlement agreement as Attachment 1.¹ After the

¹ On August 12, 2024, DTE Electric filed the tariff sheets separately from the settlement agreement explaining that the tariff sheets, as Attachment 1 to the settlement agreement, were inadvertently omitted from the filing of the settlement agreement on July 29, 2024. *See*, Case No. U-18091, filing #U-18091-0310.

tariff sheets have been reviewed and accepted by Commission Staff for inclusion in the company's tariff book, DTE Electric Company shall promptly file the final tariff sheets in this docket.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheacl@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Alessandra R. Carreon, Commissioner

By its action of August 22, 2024.

Lisa Felice, Executive Secretary

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commissions own motion,)	
establishing the method and avoided cost calculation)	
for DTE ELECTRIC COMPANY to fully comply)	Case No. U-18091
with the Public Utilities Regulatory Policy)	
Act of 1978, 16 USC 2601 et seq.)	
_____)	

STIPULATION AND SETTLEMENT AGREEMENT

Pursuant to Section 78 of the Administrative Procedures Act of 1969 (“APA”), as amended, MCL 24.278, and Rule 431 R 792.10431 of the Rules of Practice and Procedure Before the Michigan Public Service Commission R 792.10401 et. seq. (“MPSC” or “Commission”), the undersigned parties agree as follows:

1. This Stipulation and Settlement Agreement ("Settlement Agreement") between and among DTE Electric Company (“DTE”) and the Michigan Public Service Commission Staff (“Staff”), (individually “Party”; collectively, “the Parties”) is intended by the Parties as a full and final settlement and satisfaction of all issues before the Commission related to this proceeding by all of the Parties, consistent with the encouragement to enter into settlements found in the Rules of Practice and Procedure Before the Commission. (See R 792.10431(1))

2. This proceeding was initiated on the Commission’s own motion by its Order dated May 3, 2016. The Commission has subsequently issued a number of additional Orders in this docket and related dockets such as Case Nos. U-20471 (the Company’s 2019 Integrated Resource Plan (IRP) proceeding), U-20905, and U-21193 (the Company’s 2022 IRP proceeding).

3. On January 25, 2024, the Company submitted its most recent evidentiary filing in

this proceeding. On March 19, 2024 a Prehearing was held and the Presiding Officer confirmed acceptable notice of the proceeding and granted party status to the Company and Staff and a case schedule was adopted. (1T 2-6)

4. In an attempt to efficiently resolve the matter, the Parties have agreed to enter into a full settlement of this case and recommend approval by the Commission of the following items set forth in Paragraph 5.

5. The Parties request that the Commission enter an order (i) establishing the date for the next DTE Electric filing pursuant to MCL 460.6v and/or PURPA six (6) months after issuance of a final appealable order in the Company's next IRP proceeding, (ii) reaffirming the determination that DTE Electric has no PURPA capacity need until the issuance of a final Commission order in DTE Electric's next IRP as set forth in Case No. U-21193 Order dated July 26, 2023, (iii) establishing the Company's avoided costs as set forth in the Proposed Tariff Sheet – Standard Contract Rider No. 5 submitted by DTE Electric in this proceeding as proposed Exhibit A-2 and attached to this Settlement Agreement as Attachment 1 and concluding that Attachment 1 is reasonable, prudent and in the public interest, (iv) approving the criteria set forth in paragraphs (6) and (7) of this Settlement Agreement for evaluation of a qualified facility's commercial viability and financial commitment so that the Company can confidently make electrical system planning decisions as well as with respect to whether a legally enforceable obligation may have been formed, (v) approving the criteria set forth paragraph (7) of this settlement agreement for the termination of a LEO, (vi) approving updating of avoided cost pricing annually¹ through a compliance filing without the need for a contested case proceeding based on a weighted average levelized cost of energy (LCOE) of executed and filed contracts for all applicable Company RFPs

¹ The first compliance filing will be submitted on February 1st of 2025. The avoided cost approved as part of this instant proceeding in Attachment 1 will remain in effect until February 1st of 2025.

for the Company's avoided technology held in the most recent calendar year and approving the five-year forecast of on-peak and off-peak MISO LMP by the Company through a compliance filing without the need for a contested proceeding, (vii) requiring qualifying facilities to comply with all MISO market requirements as described generally in the direct testimony of Witness C. M. Payne at pp. CMP-17 through CMP-18, (viii) eliminating the automatic renewal of capacity payments to existing PURPA contracts upon their expiration, and (ix) otherwise maintaining the status quo with respect to matters involving MCL 460.6v and/or PURPA until issuance of a final Commission order in the proceeding contemplated in (i).

6. The parties agree that the following criteria are to be provided and evaluated in determining if a proposed project is sufficiently commercially viable and financially committed such that a legally enforceable obligation may have been formed but does not obviate the QF's need for a Commission determination of the existence of a LEO on a case-by-case basis if desired by a QF, eliminate the possibility of subsequent termination of a LEO, or eliminate other responsibilities connected with the ultimate completion of the project, including the payment of system upgrade costs necessary to interconnect the project:

- Criteria 1: The owner and developer must acknowledge the anticipated Rider No. 5 compensation, which must be based on currently effective DTE Electric avoided costs and capacity needs.
- Criteria 2: The owner and developer acknowledge and adhere to the Company's PURPA purchase obligation threshold as determined by FERC and stated in the Company's publicly available Rider No. 5. The Company is not obligated to purchase power from QFs above 5 MW from small power production facilities and 20 MW from cogeneration facilities.

- Criteria 3: The QF owner and developer shall furnish information as requested by the Company in order to aid in verifying creditworthiness, which may include credit ratings or credit reports, parent company annual reports, audited financial statements or bank statements. Additionally, the QF owner and developer, and all their affiliates and predecessors in interest must not have any outstanding payments due and owing to the Company of any type or kind.
- Criteria 4: Submission of Internal Revenue Service (IRS) Form W-9, which contains all required information.
- Criteria 5: Documentation provided to the Company of having obtained “qualifying facility” status is required. Furthermore, a commitment to retain the status for the duration of the relationship between the Company and QF is also necessary. For projects greater than 1 MW, proof of QF certification with FERC is required (self-certification without protest or final FERC certification). For projects less than or equal to 1 MW, self-attestation on a Company-issued QF attestation form may be provided to the Company.
- Criteria 6: A description of the proposed project which includes information such as the nameplate capacity (in alternating current), location, owner, operator, developer, description of major equipment, anticipated point of interconnection, map showing major equipment, and clear disclosure of proximity to other projects owned by the QF, or any of their affiliates demonstrating compliance with FERC’s PURPA geographical limitations, notably the ‘one-mile’

and ‘ten-mile’ geographic limitations.

- Criteria 7: Provide a good faith annual capacity and energy production profile for the proposed term, including the amount the proposed project is committed to provide as of the scheduled commercial operation date.
- Criteria 8: If a proposed project requires fuel to operate (e.g., biomass), proof of fuel commitment is needed for the duration of the proposed term.
- Criteria 9: Written proof of a steam host that will contract for steam over the proposed term of the proposed project period is required.
- Criteria 10: Confirmation of completed interconnection application free of omissions or errors and full payment of applicable fees.
- Criteria 11: The developer or owner shall pay study deposits according to the amounts and timelines as required by the Commission’s Interconnection and Distributed Generation Standards or as amended through approved waivers or approved Company Interconnection Procedures.
- Criteria 12: The QF owner and developer shall share their approach, including track record, of developing similar generating assets. Such a plan includes clearly defined major project phases and associated dates ensuring interconnection and commercial operation.
- Criteria 13: Demonstration of capability to secure land rights for the proposed project for the requested term of the contract: An option to purchase or lease adequate land for the duration of the proposed

contract could be an adequate demonstration.

- Criteria 14: A list of all required permits and expected approval dates necessary to develop and operate the facility for the term of the proposed project, along with copies of approvals when available (no longer subject to any appeals), from all jurisdictions with authority (municipal, state, federal, etc.) are required. Criteria 14 applies only to material and time intensive permits including, but not limited to, Michigan Department of Environment, Great Lakes, and Energy (EGLE) environmental studies, permitting (e.g., Federal / State / Local, including Special Land Use Permit - “SLUP”, etc.), and construction permits.
- Criteria 15: DTE Electric shall review a complete LEO request and documentation within 30 business days of receipt. If clarification or further information is required from the developer or owner, DTE Electric shall notify the requestor within 10 business days of its initial receipt of the LEO request. The 30 day review period shall only commence upon receipt of a complete LEO request.

7. The parties agree that DTE Electric, within its sole discretion, may terminate a LEO for any of the following reasons on a case-by-case basis:

- The proposed project is removed from the interconnection queue for failure to comply with the interconnection rules.
- The QF certification is revoked or any of the facts and representations supporting QF status change, and re-certification is not obtained and furnished to the Company within 30 days, including but not limited

to circumstances involving the following:

- a) QF Owner, Operator, or Developer name change or other material organizational changes,
 - b) Change in ownership,
 - c) Change(s) affecting project plant equipment, fuel use, power production capacity and/or cogeneration thermal output.
- Any material modification to the project that would delay the scheduled commercial operation date.
 - Failure to obtain all required approvals and permits in time to meet the scheduled commercial operation date.
 - Failure to timely pay for necessary electrical system studies or electrical system upgrades as required by the Commission's Interconnection and Distributed Generation Standards or as amended through approved waivers or approved Company Interconnection Procedures.
 - QF Owner, Operator or Developer (including the parent or affiliates of the QF Owner, Operator or Developer) bankruptcy or other material change in creditworthiness.
 - The project is unjustifiably delayed past the scheduled commercial operation date or terminated for reasons, not directly attributable to DTE Electric, including (but not limited to) environmental impacts (e.g., threatened or endangered species) or local opposition.
 - QF has not reached commercial operation within 365 calendar days of receiving final interconnection study results. However, if DTE Electric's construction schedule for any work the utility must complete for the

interconnection would impact the QF's ability to achieve commercial operation in 365 calendar days, then DTE Electric and the QF should mutually agree on appropriate timing for the QF to achieve commercial operation.

- A PPA is mutually executed, at which point the project is governed by the PPA.
- Any other condition that unreasonably threatens commercial viability or financial commitment of the project or DTE Electric's system reliability and/or certainty in Company planning and procurement may necessitate termination as determined by the Company on a case-by-case basis.

8. Except as set forth in Paragraph 12, nothing in this Settlement Agreement or a Commission Order approving this Settlement Agreement shall be construed to limit or waive the Parties' rights under the Michigan Constitution of 1963, the Michigan Administrative Procedures Act MCL 24.201 et seq; the Rules of Practice and Procedure Before the Commission, R792.10401 et seq. or any other applicable Michigan or federal statute or regulation.

9. This Settlement Agreement is entered into for the sole and express purpose of reaching a compromise among the Parties. All offers of settlement and discussions relating to this Settlement Agreement are considered privileged under MRE 408. If the Commission approves this Settlement Agreement without modification, neither the Parties to this Settlement Agreement nor the Commission shall make any reference to, or use this Settlement Agreement or the Order approving it, as a reason, authority, rationale, or example for taking any action or position or making any subsequent decision in any other case or proceeding; provided however, such references may be made to enforce or implement the terms of the Settlement Agreement and the Commission Order approving it. Neither this Settlement Agreement nor any Commission Order

approving it shall preclude any Party from taking any position with respect to MCL 460.6v and/or PURPA in any pending or future Commission proceeding that is otherwise consistent with this Settlement Agreement. No Party shall appeal a Commission Order approving this Settlement Agreement without modification.

10. This Settlement Agreement is not severable. Each provision of this Settlement Agreement is dependent upon all other provisions of this Settlement Agreement. Failure to comply with any provision of this Settlement Agreement constitutes failure to comply with the entire Settlement Agreement. If the Commission rejects or modifies this Settlement Agreement, this Settlement Agreement shall be deemed to be withdrawn, and shall not constitute any part of the record in this proceeding or be used for any other purpose and shall not operate to prejudice the pre-negotiation positions of any Party.

11. This Settlement Agreement is reasonable and in the public interest and will reduce the time and expense of the Commission, its Staff, and the Parties.

12. The Parties agree to waive Section 81 of 1969 PA 306, MCL 24.281, as it applies to the issues in this proceeding, if the Commission approves this Settlement Agreement without modification.

13. This Settlement Agreement may be executed in any number of counterparts, each considered an original, and all counterparts that are executed shall have the same effect as if they were the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed by their respective duly authorized officers as of the date first written below.

DTE ELECTRIC COMPANY

Jon P.
By: Christinidis

Digitally signed by Jon P.
Christinidis
Date: 2024.07.26 12:29:16
-04'00'

Jon P. Christinidis (P47352)
One Energy Plaza, WCB 1635
Detroit, Michigan 48226

Dated: July 26, 2024

**MICHIGAN PUBLIC SERVICE
COMMISSION STAFF**

By: 

Alena M. Clark (P73252)
Assistant Attorney General
Public Service Division
7901 W. Saginaw Hwy, 3rd Floor
Lansing, Michigan 48917

Dated: July 26, 2024

M.P.S.C. No. 1 - Electric
DTE Electric Company
(Update Rider 5)

Revised Sheet No. D-78.00
Cancels _____ Revised Sheet No. D-78.00

STANDARD CONTRACT RIDER NO. 5

SMALL POWER PRODUCTION AND COGENERATION FACILITIES

AVAILABILITY: Full-service customers, including station service customers, with on-site small power production 5 MW and smaller or cogeneration facilities 20 MW and smaller that seek to sell electric output from their facility to the Company may receive service under this tariff. This rate is available only to customers who obtain qualifying facility (QF) status from the Federal Energy Regulatory Commission. Prior to interconnection, the customer shall provide a copy of such notification to the Company. A Standard Offer under this tariff is applicable to QF's less than or equal to **550 kW**.

CHARACTER OF SERVICE:

A Sales to customers:

1. As specified under the applicable filed rate.

B Sales by the Customer to the Company:

1. As specified under the Standard Offer or negotiated contractual agreement.

C The customer shall install, at their expense, the necessary controlling, additional metering and protective equipment according to specifications of the Company. The Company shall not be liable for damage to customer-owned equipment caused by the interconnection.

D Billing for both sales to and sales from the customer will be calculated by the Company.

RATE:

A Sales to Customers:

1. Customer loads that are normally served by the customer's generator or prime mover must take standby service under Rider 3 unless otherwise exempted under the provisions of Rider 3 and must take supplemental service under an appropriate base tariff.

B Sales by the Customer to the Company:

1. **Energy Only Sales:** For customers electing to sell only energy to the Company as the customer determines such energy to be available. The rate will be based on the day-ahead MISO hourly locational marginal price for the DTE Electric appropriate load node.

(Continued on Sheet No. D-79.00)

Issued _____, 2024
M. Bruzzano
Senior Vice President
Regulatory Affairs
Detroit, Michigan

Effective for service rendered on
and after _____, 2024

Issued under authority of the
Michigan Public Service Commission
dated _____, 2024
in Case No. U-18091

M.P.S.C. No. 1 - Electric
DTE Electric Company
(Update Rider 5)

First Revised Sheet No. D-79.00
Cancels Original Sheet No. D-79.00

(Continued from Sheet No. D-78.00)

STANDARD CONTRACT RIDER NO. 5 (Contd.)

**SMALL POWER PRODUCTION
AND COGENERATION FACILITIES**

2. Capacity and Energy Sales:

The Company does not have a capacity need at this time.

Capacity Need:

When the Company has a capacity need during its 5-year planning horizon, the capacity and energy rate shall be based on *Solar Generation with an all-in levelized cost of energy (LCOE) of \$63 per MWh. The capacity and energy rate will be updated annually. Embedded in the all-in LCOE are all RECs produced by the project. The indicated rate will be reduced based on the estimated value of RECs over the contracted period determined at the time of contracting. For projects that choose to sell their RECs to the Company, the rate will remain \$63 per MWh.* A Standard Offer Rate will apply to facilities with a capacity of 550 kW or less. The rate, *terms and conditions* for facilities having a capacity over 550 kW up to the capacity defined in the Availability of this Rider will be made under negotiated agreement. For existing facilities, no recognition will be made for capacity unless substantial proof is shown that the generator and protective equipment is new or equivalent to new.

Standard Offer Rate - Capacity Need:

The *capacity and energy* rate will be *the all-in levelized cost of energy (LCOE) of Solar Generation of \$63 per MWh. The capacity and energy rate will be updated annually. Embedded in this all-in LCOE are all RECs produced by the project. The indicated rate will be reduced based on the estimated value of RECs over the contracted period determined at the time of contracting. For projects that choose to sell their RECs to the Company, the rate will remain \$63 per MWh.*

(Continued on Sheet No. D-80.00)

Issued _____, 2024
M. Bruzzano
Senior Vice President
Regulatory Affairs
Detroit, Michigan

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(Continued from Sheet No. D-79.00)

STANDARD CONTRACT RIDER NO. 5 (Contd.)**SMALL POWER PRODUCTION
AND COGENERATION FACILITIES**

Standard Offer Rate - Capacity Need (contd):

Renewable Energy Credits: Renewable Energy Credits (RECS) are owned by the Customer. The Company may, but need not, purchase RECs from Customers ***under mutual agreement***. Any agreement for the purchase of RECs shall be under separate agreement

Contract Term: All customers must select a contract term of 5, 10, 15 or 20 years.

Early Termination:

Sellers shall be required, based on the options made available by the Company, to select a form of security to cover the financial risk associated with the Company's cost for replacement capacity in the event the QF ceases operation prior to the end of the term of the Power Purchase Agreement.

Security shall be provided through a letter of credit, one-time escrow payment, monthly escrow payments, or surety bond in forms acceptable to the Company. The amount of security required will be based on the estimated amount of capacity the seller will deliver and the term of the contract.

The early termination security amount will be calculated using the following table:

Contract Term (Years)	Early Termination Security Amount
5	\$20,000 x Expected Annual ZRCs
10	\$60,000 x Expected Annual ZRCs
15	\$105,000 x Expected Annual ZRCs
20	\$125,000 x Expected Annual ZRCs

Customer's will be required to execute a Standard Offer Contract with the Company.

3. Short Term or Intermittent Capacity Need

The Company does not have a capacity need at this time.

During periods when the Company ***has only*** a short term or intermittent capacity need during its 5-year planning cycle ***and specifically identified in the Company's IRP or annual capacity demonstration filings***, the Company will contract to purchase capacity and energy with capacity rates based on ***the results of*** MISO's Planning Resource Auction ("PRA") for short-term capacity needs in MISO Zone 7 corresponding to each year capacity is ***required to meet the short term or intermittent capacity need*** and energy rates will be based on the day-ahead MISO hourly locational marginal price for the DTE Electric appropriate load node. A Standard Offer Rate will apply to facilities with a capacity of 550 kW or less. The rate, ***terms and conditions*** for facilities having a capacity over 550 kW up to the capacity defined in the Availability of this Rider will be made under negotiated agreement.

(Continued on Sheet No. D-81.00)

Issued _____, 2024

M. Bruzzano
Senior Vice President
Regulatory Affairs

Detroit, Michigan

Effective for service rendered on
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M.P.S.C. No. 1 - Electric
DTE Electric Company
(Update Rider 5)

Third Revised Sheet No. D-81.00
Cancels Second Revised Sheet No. D-81.00

(Continued from Sheet No. D-80.00)

STANDARD CONTRACT RIDER NO. 5 (Contd.)

**SMALL POWER PRODUCTION
AND COGENERATION FACILITIES**

Standard Offer Rate – Short Term *or* Intermittent Capacity Need:

The capacity rate will be based on *the results of* MISO's Planning Resource Auction ("PRA") for short-term capacity needs in MISO Zone 7 corresponding to each year capacity is *required to meet the short term or intermittent capacity need* and the energy rate will be based on the day-ahead MISO hourly locational marginal price for the DTE Electric appropriate load node.

Renewable Energy Credits: Renewable Energy Credits (RECs) are owned by the Customer. The Company may, but need not, purchase RECs from Customers at a mutually agreeable price. Any agreement for the purchase of RECs shall be under separate agreement.

Contract Term: *Up to 5 years based on the duration of the short term or intermittent capacity need.*

Early Termination:

Sellers shall be required, based on the options made available by the Company, to select a form of security to cover the financial risk associated with the Company's cost for replacement capacity in the event the QF ceases operation prior to the end of the term of the Power Purchase Agreement.

Security shall be provided through a letter of credit, one-time escrow payment, monthly escrow payments, or surety bond in forms acceptable to the Company. The amount of security required will be based on the estimated amount of capacity the seller will deliver and the term of the contract.

The early termination security amount will be calculated *as \$20,000 x Expected Annual ZRCs.*

Customers will be required to execute a Standard Offer Contract with the Company.

(Continued on Sheet No. D-81.00)

Issued _____, 2024
M. Bruzzano
Senior Vice President
Regulatory Affairs
Detroit, Michigan

Effective for service rendered on
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M.P.S.C. No. 1 - Electric
DTE Electric Company
(Update Rider 5)

Third Revised Sheet No. D-81.00
Cancels Second Revised Sheet No. D-81.00

(Continued from Sheet No. D-81.00)

STANDARD CONTRACT RIDER NO. 5 (Contd.)

**SMALL POWER PRODUCTION
AND COGENERATION FACILITIES**

4. No Capacity Need:

When the Company has no capacity need during its 5-year planning horizon, the Company will purchase energy based on the day-ahead MISO hourly locational marginal price for the DTE Electric appropriate load node. A Standard Offer Rate will apply to facilities with a capacity of 550 kW or less. The rate, terms and conditions for facilities having a capacity over 550 kW up to 5 MW will be made under negotiated agreement.

Standard Offer Rate – No Capacity Need:

The energy rate will be based on the day-ahead MISO hourly locational marginal price for the DTE Electric appropriate load node. The QF shall have the option to receive avoided energy costs based on actual MISO day-ahead LMP for the life of the contract or the QF may opt to receive avoided energy costs for a five-year fixed term based on the five-year forecast of on-peak and off-peak MISO LMP as provided in the table below followed by a variable rate based on actual MISO day-ahead LMP for the remainder of the contract term. The five-year forecast of on-peak and off-peak MISO LMP will be updated annually by the Company.

Average Annual LMP Forecast (\$/MWh)		
Year	On-Peak	Off-Peak
2025	\$ 50.67	\$ 34.80
2026	\$ 56.10	\$ 40.72
2027	\$ 59.89	\$ 48.50
2028	\$ 63.02	\$ 56.31
2029	\$ 67.54	\$ 63.84

Renewable Energy Credits: Renewable Energy Credits (RECS) are owned by the Customer. The Company may, but need not, purchase RECs from Customers at a mutually agreeable price. Any agreement for the purchase of RECs shall be under separate agreement.

Contract Term: All customers must select a contract term of 5, 10, 15 or 20 years. Only the first 5 years of any contract term exceeding 5 years is eligible for average annual LMP forecast payment. Any period after the first 5 years of a contract term exceeding 5 years must be based on the day-ahead MISO hourly locational marginal price for the DTE Electric appropriate load node. Customers selecting a contract term of 5 years with a five-year forecast shall not be eligible for subsequent renewal with another five-year forecast.

Customers will be required to execute a Standard Offer Contract with the Company.

- 5. Administrative Expense:** A one mill per kilowatthour charge shall be assessed to all customers on this rate to offset the Company's additional administrative expenses associated with these transactions.

Issued _____, 2024
M. Bruzzano
Senior Vice President
Regulatory Affairs
Detroit, Michigan

Effective for service rendered on
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Issued under authority of the
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PROOF OF SERVICE

STATE OF MICHIGAN)

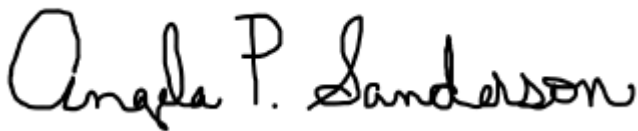
Case No. U-18091

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on August 22, 2024 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 22nd day of August 2024.



Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for U-18091
Case:

Name	On Behalf Of	Email Address
Alena M. Clark	MPSC Staff	clarka55@michigan.gov
Amit T. Singh	MPSC Staff	singha9@michigan.gov
Brian W. Coyer	Great Lakes Renewable Energy Association (GLREA)	bwcoyer@publiclawresourcecenter.com
Christopher M. Bzdok	Michigan Environmental Council	chris@tropospherelegal.com
Cody Matthews	MPSC Staff	matthewsc4@michigan.gov
Don L. Keskey	Great Lakes Renewable Energy Association (GLREA)	donkeskey@publiclawresourcecenter.com
DTE Electric Company	DTE Electric Company	mpscfilings_account@dteenergy.com
DTE Energy Company	DTE Energy Company	mpscfilings_account@dteenergy.com
Heather M.S. Durian	MPSC Staff	durianh@michigan.gov
James M. Varchetti	ALJs - MPSC	varchettij@michigan.gov
Jennifer U. Heston	Pine Gate Renewables, LLC	jheston@fraserlawfirm.com
Jennifer U. Heston	Cypress Creek Renewables, LLC	jheston@fraserlawfirm.com
Joel B. King	Department of Attorney General	kingj38@michigan.gov
John W. Sturgis	City of Ann Arbor	jwsturgis@varnumlaw.com
Jon P. Christinidis	DTE Electric Company	jon.christinidis@dteenergy.com
Justin K. Ooms	Geronimo Energy	jooms@potomaclaw.com
Laura A. Chappelle	City of Ann Arbor	lchappelle@potomaclaw.com
Laura A. Chappelle	Energy Michigan, Inc.	lchappelle@potomaclaw.com
Margrethe Kearney	Solar Energy Industries Association, Inc.	mkearney@elpc.org
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