

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of	)	
NORTHERN STATES POWER COMPANY	)	
for reconciliation of its gas cost recovery plan	)	Case No. U-21444
(Case No. U-21443) for the 12 months ended	)	
March 31, 2025.	)	
_____	)	

At the February 19, 2026 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On June 30, 2025, Northern States Power Company, a Wisconsin corporation (NSP-W) filed an application in this case, with supporting testimony and exhibits, pursuant to Section 6h of Public Act 304 of 1982, MCL 460.6h, to reconcile its gas cost recovery (GCR) revenues and expenses for the 12 month period ended March 31, 2025, and to roll-in the total net overrecovered amount into its 2025-2026 GCR reconciliation beginning balance.

On August 14, 2025, a prehearing conference was held before Administrative Law Judge Lesley C. Fairrow (ALJ Fairrow). On October 6, 2025, a scheduling memorandum was filed in the docket advising that ALJ Fairrow was replaced by Administrative Law Judge Theresa A.G. Staley. NSP-W and the Commission Staff participated in the proceeding. Subsequently, the parties submitted a settlement agreement resolving all issues in the case.

The Commission has reviewed the 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 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. Northern States Power Company's gas cost recovery reconciliation for the 12 months ended March 31, 2025, is approved.
- C. Northern States Power Company shall reflect the \$168,650 overrecovery as the beginning balance of its 2025-2026 gas cost recovery reconciliation, in accordance with the method authorized by the Commission in its December 20, 1995 order in Case No. U-10491-R.

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

Shaquila Myers, Commissioner

By its action of February 19, 2026.

Lisa Felice, Executive Secretary

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of	)	
NORTHERN STATES POWER COMPANY,	)	
a Wisconsin corporation, for reconciliation of the	)	Case No. U-21444
gas cost recovery plan (Case No. U-21443) for the	)	
<u>12-month period ending March 31, 2025.</u>	)	

SETTLEMENT AGREEMENT

As provided in § 78 of the Administrative Procedures Act of 1969 ("APA"), as amended, MCL 24.278, and Rule 431 of the Michigan Administrative Hearing System's Administrative Hearing Rules, R 792.10431, Northern States Power Company, a Wisconsin corporation, and wholly owned subsidiary of Xcel Energy, Inc. ("NSP-W" or the "Company") and the Michigan Public Service Commission Staff ("Staff") hereby agree as follows:

1. On June 30, 2025, NSP-W filed with the Michigan Public Service Commission ("Commission") its application, along with the testimony and exhibits of its witness, Tyler M. Deacon, to reconcile, under the provisions of 1982 PA 304, its gas costs and revenues collected for the 12-month period ending March 31, 2025, and to roll-in a total net over-recovered amount of \$144,932 into its 2025-2026 GCR plan.

2. The Commission's Executive Secretary issued a Notice of Hearing dated July 1, 2025, directing NSP-W to mail a copy of the Notice of Hearing to all cities, incorporated villages, townships, and counties in its Michigan gas service area, as well as to prior intervenors in Case Nos. U-21612, U-21443, U-21226, and U-18140. The Commission further directed NSP-W to publish the Notice of Hearing in newspapers of general circulation throughout its

Michigan gas service area. Complying with the directives, NSP-W filed the requisite affidavit of mailing and proof of publication with the Commission on July 31, 2025.

3. On August 14, 2025, a prehearing conference in this matter was held before Administrative Law Judge Lesley C. Fairrow¹ and Staff entered its appearance. There were no intervenors.

4. Staff's review of the Company's filed case consisted of tests of mathematical accuracy and analytical tests for reasonableness. Staff also conducted a detailed analysis of the GCR costs and revenues for the reconciliation period to determine that all costs were prudently incurred.

5. Following Staff's review, the parties engaged in settlement discussions and successfully reached settlement on all contested issues. The parties agree as follows:

- a. The expenditures made by NSP-W for the cost of gas supply during the 12-month period ending March 31, 2025, were reasonable and prudent and in compliance with Act 304 and should be approved by the Commission.
- b. Based on Staff's audit, during the GCR period ending March 31, 2025, NSP-W experienced a total net over-recovery of \$168,650. This over-recovery reflects the roll-in of the under-recovery reconciliation balance of \$574,159 authorized in Case No. U-21276 and interest. The parties agree that NSP-W will reflect the total net over-recovered amount of \$168,650 as the beginning balance of NSP-W's 2025-2026 GCR reconciliation in accordance with the methodology approved in MPSC Case No. U-10491-R.

¹ Pursuant to a scheduling memorandum filed on October 6, 2025, ALJ Theresa A.G. Staley was assigned to this case, replacing ALJ Fairrow.

6. All of the signatories are of the opinion that this settlement agreement is reasonable, prudent, in the public interest, and will aid the expeditious conclusion of this case.

7. This settlement agreement is intended for a final disposition of this proceeding, and the parties join in respectfully requesting that the Commission grant prompt approval. The parties agree not to appeal, challenge, or contest the Commission's order accepting and approving this settlement agreement without modification. If the Commission does not accept the settlement agreement without modification, the agreement shall be withdrawn and shall not constitute any part of the record in this proceeding or be used for any other purpose whatsoever.

8. This settlement agreement has been made for the sole and express purpose of settling this case, and all discussions relating hereto are and shall be privileged and shall not be used in any manner or be admissible for any other purpose in connection with this proceeding or any other proceeding hereof. This settlement agreement does not constitute a precedent in any other case or proceeding, either in Michigan or otherwise, except as necessary to carry out its terms.

9. The parties agree to waive § 81 of the Administrative Procedures Act of 1969, as amended, MCL 24.281, providing that the Commission approves this settlement agreement without modification.

NORTHERN STATES POWER COMPANY,
a Wisconsin corporation

Dated: January 22, 2026

Sherri A. Wellman
By: _____
Its Attorney
Sherri A. Wellman (P38989)
MILLER, CANFIELD, PADDOCK and STONE, P.L.C.
123 West Allegan Street, Suite 200
Lansing, Michigan 48933
(517) 483-4954

Digitally signed by: Sherri A. Wellman
DN: CN = Sherri A. Wellman email =
wellmans@millercanfield.com C = US O = Miller Canfield
Date: 2026.01.22 11:19:37 -05'00'

MICHIGAN PUBLIC SERVICE COMMISSION STAFF

Dated: January 22, 2026

Michael J. Orris
By: _____
Its Attorney
Michael J. Orris (P51232)
Assistant Attorney General
Public Service Division
7109 West Saginaw Highway, 3rd Floor
Lansing, Michigan 48917
(517) 284-8140

Michael J. Orris
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PROOF OF SERVICE

STATE OF MICHIGAN)

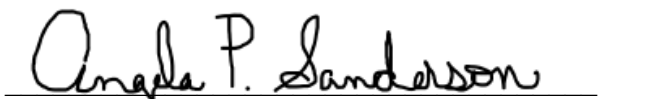
Case No. U-21444

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on February 19, 2026 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 19th day of February 2026.


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

Service List for Case: U-21444

Name	On Behalf Of	Email Address
Michael J. Orris	MPSC Staff	orrism@michigan.gov
Northern States Power Company	Northern States Power Company	nspw.regulatory@xcelenergy.com
Sherri A. Wellman	Northern States Power Company	wellmans@millercanfield.com
Theresa A.G. Staley	ALJs - MPSC	staleytl@michigan.gov