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

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

| | | |
|---|---|---|
| In the matter, on the Commission's own motion, regarding the regulatory reviews, revisions, determinations, and/or approvals necessary for **INDIANA MICHIGAN POWER COMPANY** to fully comply with Public Act 295 of 2008, as amended. | ) | Case No. U-22012 |

At the October 15, 2026 meeting of the Michigan Public Service Commission in Houghton, Michigan.

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

**ORDER APPROVING SETTLEMENT AGREEMENT**

On May 1, 2026, Indiana Michigan Power Company (I&M) filed an application in this case, with supporting testimony and exhibits, requesting authority to reconcile its energy waste reduction plan revenues and costs for the 12-month period ended December 31, 2025.

A prehearing conference was held on June 11, 2026, before Administrative Law Judge Jacqueline Langwith. I&M and the Commission Staff participated in the proceeding. Subsequently, the parties entered into a settlement agreement that resolved 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 to this order as Exhibit A, is approved.

B. Within 30 days of the date of this order, Indiana Michigan Power Company shall file with the Commission a tariff sheet consistent with the attached settlement agreement. After the tariff sheet has been reviewed and accepted by the Commission Staff for inclusion in the company's tariff book, Indiana Michigan Power Company shall promptly file the final tariff sheet in this docket and serve all parties.

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 sheac1@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 October 15, 2026.

Lisa Felice, Executive Secretary

**EXHIBIT A**

**STATE OF MICHIGAN**

**BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

| | | |
|---|---|---|
| In the matter, on the Commission's own motion, regarding the regulatory reviews, revisions, determinations, and/or approvals necessary for **INDIANA MICHIGAN POWER COMPANY** to fully Comply with Public Act 295 of 2008, as amended. | ) ) ) ) ) | Case No. U-22012 |

## SETTLEMENT AGREEMENT

Pursuant to Section 78 of the Administrative Procedures Act of 1969, MCL 24.278, and Rule 431 of the Rules of Practice and Procedure before the Michigan Public Service Commission ("Commission"), R 792.10431, the undersigned Parties hereby stipulate and agree as follows:

This Settlement Agreement between Indiana Michigan Power Company ("I&M" or "Company") and Commission Staff ("Staff") (collectively, the "Parties") is intended by the Parties as a final settlement and resolution of all issues before the Commission regarding I&M's Energy Waste Reduction ("EWR") Plan Cost Reconciliation proceeding for the period January 2025 through December 2025:

1. On February 8, 2024, in Case No. U-21323, through a settlement agreement, the Commission approved I&M's EWR Plan for the 2024 and 2025 plan years. During 2025, I&M implemented and operated its approved EWR Plan. The EWR Plan included: (i) energy savings targets in compliance with PA 295 and the U-21323 Order; (ii) EWR Plan program offerings for each customer class; (iii) specific funding levels; and (iv) reasonable and prudent administration of the EWR Plan programs.

2. On May 1, 2026, the Company filed an Application with its testimony and exhibits to support the reasonableness and prudence of its actions taken and the actual 2025 EWR Plan

costs incurred. I&M's testimony and exhibits set forth the differences between the approved 2025 EWR Plan costs forecasted and the actual 2025 EWR costs incurred. I&M's filing also explains that during 2025, I&M's EWR Plan implementation was reasonable and prudent.

3. On May 12, 2026, the Commission's Executive Secretary issued a Notice of Hearing directing I&M to mail a copy of the Notice of Hearing to all cities, incorporated villages, townships, and counties in its service area and to intervenors in Case Nos. U-21461 and U-21682. The Commission further directed I&M to publish the Notice of Hearing in daily newspapers of general circulation throughout its service area. I&M complied with these requirements and filed the requisite proof of service of mailing to intervenors on May 13, 2026; the requisite proof of service of mailing to all cities, incorporated villages, townships, and counties within its service area on June 10, 2026; and affidavits of publication on June 10, 2026.

4. I&M's application, testimony, and exhibits filed in this case demonstrate that reconciling the EWR Plan costs and revenues for the EWR Plan year ended December 31, 2025, results in a cumulative over-recovery in its EWR program costs of $7,840,457 and a carrying charge credit of $183,436 as of December 31, 2025 ($8,023,893, combined).

5. On June 11, 2026, a prehearing conference was held before Administrative Law Judge, Jacqueline Langwith ("ALJ"). Staff participated in this case.

6. In response to the initial filing, Staff thoroughly reviewed the Company's initial filing, including the direct testimony and exhibits of the Company's witnesses, and received and reviewed responses of audit requests from the Company in Staff's first discovery request. Staff performed a financial audit of the Company's financial expenditures for program year 2025. Staff tested the general ledger accounts for surcharge revenues and program expenditures which aligned

with the Company's filed exhibits. Staff also requested bill sample copies of customers to ensure the appropriate surcharges were billed to specific customer rate classes.

7. Subsequent to the prehearing, the Parties entered into settlement discussions in an attempt to effectively resolve the matters before the Commission. As a result of those settlement discussions, the Parties have agreed to resolve all issues in this case.

8. It is the opinion of the signatory Parties hereto that this Settlement Agreement is reasonable, will promote the public interest, will aid the expeditious conclusion of this case and will minimize the time and expense which would otherwise have to be devoted to this matter by the Commission and the Parties. This Settlement Agreement is for the purpose of final resolution of this case and all provisions of same are dependent upon all other provisions contained herein.

9. In view of the foregoing, and pursuant to Section 78 of the APA, MCL 24.278, the Parties hereby stipulate and agree as follows:

A. I&M's 2025 EWR Plan Cost Reconciliation for the period ended December 31, 2025, meets all relevant requirements of the Act 295, as amended and the costs incurred are reasonable and prudent;

B. I&M's requested approval of a total 2025 EWR Plan over-recovery balance and revenue requirement of $8,023,893;

C. The parties agree that the Company did not meet and exceed the 2025 EWR Plan energy savings target and did not earn financial incentive earnings for 2025;

D. The parties agree that I&M's total 2025 EWR Plan over-recovery balance and revenue requirement is $8,023,893, which includes the cumulative over-recovery balance of $7,840,457 and the carrying charge credit of $183,436;

E. I&M's reconciliation for the 2025 EWR Plan year, and the associated update to I&M's EWR tariff rates should be approved;

F. I&M should be granted authority to implement revised EWR surcharge rates to include reconciliation of Surcharge revenue and actual costs through December 31, 2025, and to make the proposed Surcharge effective for all bills rendered for electric services beginning with the first billing cycle of January 2027, or for bills rendered the first billing cycle in the month following a Commission Order, whichever is later.

10. The Parties respectfully request that the Commission promptly issue an order accepting and approving this Settlement Agreement. If the Commission issues an order accepting and adopting the Settlement Agreement without modification, no party will appeal, challenge or contest the Commission's Order accepting and approving this Settlement Agreement.

11. This Settlement Agreement is not severable. Each provision of the 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 or any provision of the Settlement Agreement, this Settlement Agreement shall be deemed to be withdrawn, shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall be without prejudice to the pre-negotiation position of the Parties.

12. This Settlement Agreement has been made for the sole and express purpose of reaching compromise among the positions of the signatory Parties in Case No. U-22012 without prejudice to their rights to take new and/or different positions in other proceedings. 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 the 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 this case or any other cases or proceedings; provided, however, such reference or use may be made to enforce the Settlement Agreement and order.

13. The stipulations and agreements contained in this Settlement Agreement shall constitute the record needed to support the Commission order in this case.

14. Section 81 of the APA (MCL 24.281) is waived.

Dated: September 28, 2026

Jason T. Hanselman

Digitally signed by: Jason T. Hanselman
DN: CN = Jason T. Hanselman email = jhanselman@dykema.com C = US O = Dykema Gossett PLLC
Date: 2026.09.28 08:21:38 -04'00'

Jason Hanselman (P61813)
DYKEMA GOSSETT PLLC
Attorneys for Indiana Michigan Power Company
201 Townsend Street, Suite 900
Lansing, MI 48933
(517) 374-9181

Dated: September 25, 2026

Alena M. Clark (P73252)
PUBLIC SERVICE DIVISION
Attorney for MPSC Staff
7109 W. Saginaw, 3rd Floor
Lansing, MI 48917
(517) 284-8140

111253.000109 4918-9552-5579.2

# P R O O F  O F  S E R V I C E

STATE OF MICHIGAN )

Case No. U-22012

County of Ingham )

Brianna Brown being duly sworn, deposes and says that on October 15, 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 15th day of October 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-22012

| Name | On Behalf Of | Email Address |
|---|---|---|
| Alena M. Clark | MPSC Staff | clarka55@michigan.gov |
| Hannah E. Buzolits | Indiana Michigan Power Company | hbuzolits@dykema.com |
| Indiana Michigan Power Company (1 of 3) | Indiana Michigan Power Company | ajwilliamson@aep.com |
| Indiana Michigan Power Company (2 of 3) | Indiana Michigan Power Company | msmckenzie@aep.com |
| Indiana Michigan Power Company (3 of 3) | Indiana Michigan Power Company | mgobrien@aep.com |
| Jason T. Hanselman | Indiana Michigan Power Company | jhanselman@dykema.com |
| Olivia R.C.A. Flower | Indiana Michigan Power Company | oflower@dykema.com |
| Richard J. Aaron | Indiana Michigan Power Company | raaron@dykema.com |
| Sarah A. Stancati | ALJs - MPSC | stancatis@michigan.gov |

# GEMOTION DISTRIBUTION SERVICE LIST

| | |
|---|---|
| kabraham@mpower.org | Abraham,Katie - MMEA |
| mkuchera@AEPENERGY.COM | AEP Energy |
| mfurmanski@algerdelta.com | Alger Delta Cooperative |
| akellen@wppienergy.org | Alger Delta Cooperative |
| kd@alpenapower.com | Alpena Power |
| dgreen@alpenapower.com | Alpena Power |
| VSTRetailReg@VistraCorp.com | Ambit Midwest, LLC |
| kerdmann@atcllc.com | American Transmission Company |
| acotter@atcllc.com | American Transmission Company |
| john.calhoun@ardentnaturalgas.com | Ardent Natural Gas, LLC |
| awebster@baycitymi.gov | Bay City Electric Light & Power |
| sara.anderson@bayfieldelectric.com | Bayfield Electric |
| rbishop@BISHOPENERGY.COM | Bishop Energy |
| braukerL@MICHIGAN.GOV | Brauker, Linda |
| cherie.fuller@bp.com | BP Energy Retail Company, LLC |
| christine.hughey@bp.com | BP Energy Retail Company LLC |
| greg.bass@calpinesolutions.com | Calpine Energy Solutions |
| lachappelle@varnumlaw.com | Chappelle, Laura |
| manderson@wpsci.com | Cherryland Electric |
| mengels@wpsci.com | Cherryland Electric |
| cdrys@wpsci.com | Cherryland Electric |
| ljohnson@wpsci.com | Cherryland Electric |
| rjohnson@cherrylandelectric.coop | Cherryland Electric Cooperative |
| frucheyb@DTEENERGY.COM | Citizens Gas Fuel Company |
| crystalfallsmgr@HOTMAIL.COM | City of Crystal Falls |
| gpirkola@escanaba.org | City of Escanaba |
| jolson@gladstonemi.gov | City of Gladstone |
| kmaynard@cityofmarshall.com | City of Marshall |
| tdavlin@portland-michigan.org | City of Portland |
| cwilson@cloverland.com | Cloverland Electric |
| mheise@cloverland.com | Cloverland Electric |
| todd.mortimer@CMSENERGY.COM | CMS Energy |
| Kenneth.Johnston@cmsenergy.com | Consumers Energy |
| Yong.Keyes@cmsenergy.com | Consumers Energy |
| chibuzo.obikwelu@cmsenergy.com | Consumers Energy |
| sarah.jorgensen@cmsenergy.com | Consumers Energy Company |
| Michael.torrey@cmsenergy.com | Consumers Energy Company |
| CANDACE.GONZALES@cmsenergy.com | Consumers Energy Company |
| mpsc.filings@CMSENERGY.COM | Consumers Energy Company |
| mpsc.filings@CMSENERGY.COM | Consumers Energy Company |
| david.fein@CONSTELLATION.COM | Constellation Energy |
| kate.stanley@CONSTELLATION.COM | Constellation Energy |
| kate.fleche@CONSTELLATION.COM | Constellation New Energy |

# GEMOTION DISTRIBUTION SERVICE LIST

| | |
|---|---|
| choicecompliance@constellation.com | Constellation New Energy Inc |
| lpage@dickinsonwright.com | Dickinson Wright |
| shaundillon@dillonenergy.com | Dillon Energy Services |
| info@dillonpower.com | Dillon Power, LLC |
| Neal.fitch@nrg.com | Direct Energy |
| Kara.briggs@nrg.com | Direct Energy |
| Ryan.harwell@nrg.com | Direct Energy |
| bryce.mckenney@nrg.com | Direct Energy |
| stephen.lindeman@dteenergy.com | DTE Energy |
| karl.lievense@dteenergy.com | DTE Energy |
| konstantin.korolyov@dteenergy.com | DTE Energy |
| mpscfilings@DTEENERGY.COM | DTE Energy |
| joyce.leslie@dteenergy.com | DTE Energy |
| karen.vucinaj@dteenergy.com | DTE Energy |
| customerservice@eligoenergy.com | Eligo Energy MI, LLC |
| regulatory@eligoenergy.com | Eligo Energy MI, LLC |
| frank.travaglione@vistracorp.com | Energy Harbor |
| rfawaz@energyintl.com | Energy International Power Marketing d/b/a PowerOne |
| sejackinchuk@varnumlaw.com | Energy Michigan |
| michael.reiss@engie.com | Engie Gas & Power LLC |
| customercare@plymouthenergy.com | ENGIE Gas & Power f/k/a Plymouth Energy |
| VSTRetailReg@VistraCorp.com | Everyday Energy, LLC d/b/a Energy Rewards |
| felicel@MICHIGAN.GOV | Felice, Lisa |
| bgorman@FIRSTENERGYCORP.COM | First Energy |
| phil@allendaleheating.com | Forner, Phil |
| dburks@glenergy.com | Great Lakes Energy |
| manderson@wpsci.com | Great Lakes Energy |
| mengels@wpsci.com | Great Lakes Energy |
| cdrys@wpsci.com | Great Lakes Energy |
| ljohnson@wpsci.com | Great Lakes Energy |
| slamp@glenergy.com | Great Lakes Energy Cooperative |
| sculver@glenergy.com | Great Lakes Energy Cooperative |
| johnm@gogreenlightenergy.com | Greenlight Energy Inc. |
| lrgustafson@CMSENERGY.COM | Gustafson, Lisa |
| jhammel@hillsdalebpu.com | Hillsdale Board of Public Utilities |
| coneill@homeworks.org | HomeWorks Tri-County Electric Cooperative |
| psimmer@HOMEWORKS.ORG | HomeWorks Tri-County Electric Cooperative |
| bmcbride@aep.com | Indiana Michigan Power |
| mgobrien@aep.com | Indiana Michigan Power Company |
| dan@megautilities.org | Integrys Group |
| daustin@IGSENERGY.COM | Interstate Gas Supply Inc |
| michael.nugent@igs.com | Interstate Gas Supply d/b/a IGS Energy |
| general@itctransco.com | ITC Holdings |
| cmarshall@itctransco.com | ITC Holdings |
| apascaris@itctransco.com | ITC Holdings |

# GEMOTION DISTRIBUTION SERVICE LIST

| | |
|---|---|
| vanesetti@justenergy.com | Just Energy of Michigan Corporation |
| igoodman@commerceenergy.com | Just Energy Solutions |
| krichel@DLIB.INFO | Krichel, Thomas |
| dbodine@LIBERTYPOWERCORP.COM | Liberty Power |
| ham557@GMAIL.COM | Lowell S. |
| tjlundgren@varnumlaw.com | Lundgren, Timothy |
| tcarpenter@mblp.org | Marquette Board of Light & Power |
| regulatory@medianenergy.com | Median Energy Corporation |
| suzy@megautilities.org | MEGA |
| dan@megautilities.org | MEGA |
| mmann@USGANDE.COM | Michigan Gas & Electric |
| VSTRetailReg@VistraCorp.com | Michigan Gas & Electric (US Gas & Electric) |
| shannon.burzycki@wecenergygroup.com | Michigan Gas Utilities Corporation |
| mrzwiers@INTEGRYSGROUP.COM | Michigan Gas Utilities/Upper Penn Power/Wisconsin |
| kabraham@mpower.org | Michigan Public Power Agency |
| info@michigannaturalgasllc.com | Michigan Natural Gas, LLC |
| JHDillavou@midamericanenergyservices.com | MidAmerican Energy Services, LLC |
| JCAltmayer@midamericanenergyservices.com | MidAmerican Energy Services, LLC |
| LMLann@midamericanenergyservices.com | MidAmerican Energy Services, LLC |
| manderson@wpsci.com | Midwest Energy |
| mengels@wpsci.com | Midwest Energy |
| cdrys@wpsci.com | Midwest Energy |
| ljohnson@wpsci.com | Midwest Energy |
| dave.allen@TEAMMIDWEST.COM | Midwest Energy Cooperative |
| terry.rubenthaler@teammidwest.com | Midwest Energy Cooperative |
| kerri.wade@teammidwest.com | Midwest Energy Cooperative |
| Marie-Rose.Gatete@teammidwest.com | Midwest Energy Cooperative |
| meghan.tarver@teammidwest.com | Midwest Energy Cooperative |
| d.motley@COMCAST.NET | Motley, Doug |
| rarchiba@FOSTEROIL.COM | My Choice Energy |
| customerservice@nordicenergy-us.com | Nordic Energy Services, LLC |
| regulatory@nordicenergy-us.com | Nordic Energy Services, LLC |
| karl.j.hoesly@xcelenergy.com | Northern States Power |
| sarah.m.frazee@xcelenergy.com | Northern States Xcel |
| kbeattie@ntherm.com | nTherm, LLC |
| daho@ontorea.com | Ontonagon County Rural |
| esoumis@ontorea.com | Ontonagon County Rural Electric |
| regulatory@indraenergy.com | PALMco Energy MI, LLC d/b/a Indra Energy |
| mpauley@GRANGERNET.COM | Pauley, Marc |
| mmpeck@fischerfranklin.com | Peck, Matthew |
| bschlansker@PREMIERENERGYLLC.COM | Premier Energy Marketing LLC |
| manderson@wpsci.com | Presque Isle |

# GEMOTION DISTRIBUTION SERVICE LIST

| | |
|---|---|
| mengels@wpsci.com | Presque Isle |
| cdrys@wpsci.com | Presque Isle |
| ljohnson@wpsci.com | Presque Isle |
| MVanschoten@pieg.com | Presque Isle Electric & Gas Cooperative, INC |
| aberg@pieg.com | Presque Isle Electric & Gas Cooperative, INC |
| yesterdae@getprovision.com | Provision Power & Gas, LLC |
| johnbistranin@realgy.com | Realgy Corp. |
| BusinessOffice@REALGY.COM | Realgy Energy Services |
| akeilson@genieretail.com | Residents Energy LLC |
| btrombino@rpaenergy.com | RPA Energy d/b/a Green Choice Energy |
| mvorabouth@ses4energy.com | Santana Energy |
| rabaey@SES4ENERGY.COM | Santana Energy |
| ttynes@ses4energy.com | Santanna Natural Gas Corporation |
| trish.mcfadin@southstarenergy.com | SouthStar d/b/a Grand Rapids Energy |
| kejoseph@sparkenergy.com | Spark Energy Gas, LP |
| cborr@WPSCI.COM | Spartan Renewable Energy, Inc. (Wolverine Power Marketing Corp) |
| jbelec@stephenson-mi.org | Stephenson Utilities Department |
| kay8643990@YAHOO.COM | Superior Energy Company |
| legal@symmetryenergy.com | Symmetry Energy Solutions, LLC |
| regulatory@texasretailenergy.com | Texas Retail Energy, LLC |
| agilbert@cleanskyenergy.com | Tital Gas, LLC d/b/a CleanSkyEnergy |
| bessenmacher@tecmi.coop | Thumb Electric Cooperative |
| president@tomorrowenergy.com | Tomorrow Energy Corporation |
| manderson@wpsci.com | Tri-County Electric |
| mengels@wpsci.com | Tri-County Electric |
| cdrys@wpsci.com | Tri-County Electric |
| ljohnson@wpsci.com | Tri-County Electric |
| mlindsay@uetllc.com | United Energy Trading d/b/a Kratos Gas & Power |
| colleen.sipiorski@wecenergygroup.com | Upper Michigan Energy Resources Corporation |
| djmier@integrysgroup.com | Upper Michigan Energy Resources Corporation |
| James.Beyer@wecenergygroup.com | Upper Michigan Energy Resources Corporation |
| Richard.Stasik@wecenergygroup.com | Upper Michigan Energy Resources Corporation |
| nbell@uppco.com | Upper Peninsula Power Company |
| jformol@uppco.com | Upper Peninsula Power Company |
| ghaehnel@uppco.com | Upper Peninsula Power Company |
| estocking@uppco.com | Upper Peninsula Power Company |
| manager@villageofbaraga.org | Village of Baraga |
| Villagemanager@villageofclinton.org | Village of Clinton |
| VSTRetailReg@VistraCorp.com | Viridian Energy PA, LLC |
| jeinstein@volunteerenergy.com | Volunteer Energy Services |
| leew@WVPA.COM | Wabash Valley Power |
| melissa.schauer@wecenergygroup.com | We Energies |
| andrew.miller1@wecenergygroup.com | We Energies |
| melissa.schauer@wecenergygroup.com | Wisconsin Public Service |

# GEMOTION DISTRIBUTION SERVICE LIST

| | |
|---|---|
| andrew.miller1@wecenergygroup.com | Wisconsin Public Service |
| tking@WPSCI.COM | Wolverine Power |
| jbaumann@wpsci.com | Wolverine Power |
| cborr@wpsci.com | Wolverine Power |
| ddecouer@wpsci.com | Wolverine Power |
| bvalice@wpsci.com | Wolverine Power |
| Amanda@misostates.org | Wood, Amanda |
| Deborah.e.erwin@xcelenergy.com | Xcel Energy |
| Michelle.Schlosser@xcelenergy.com | Xcel Energy |
| bryce.mckenney@nrg.com | Xoom Energy Michigan, LLC d/b/a Xoom Energy |