

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES AND AVAILABLE VIA MICROSOFT TEAMS VIDEO CONFERENCING ON DECEMBER 18, 2025.

Commission Chair Daniel C. Scripps called the meeting to order at 1:10 p.m. Executive Secretary Lisa Felice called the roll and declared there was a quorum.

**PRESENT**

Commission: Daniel C. Scripps, Chair  
Katherine Peretick, Commissioner  
Shaquila Myers, Commissioner

Staff: Kelly Barber-Dodge  
Matt Helms  
Lisa Felice  
Blair Renfro  
Dan Williams  
Anne Armstrong  
Stephanie Fitzgerald  
Andy Hannum  
Jerry McClung  
Kate Daymon  
Chris Forist  
Tom Holm  
Zoe Salamey  
Elaina Braunschweig  
Mike Byrne

Public: Wendy Albers  
Tim Bruneau  
Nichole Kenny Biber  
Ash Haushalter  
Kathryn Haushalter  
Kelly Coleman  
Jared Guerrero-Salinas  
Jodi Holden  
Emily Kennedy  
Beth Foley  
Sarah Brabbs

Additional Staff & Public Attending Telephonically/Video Conferencing: 865 Participants

**I.** Commissioner Peretick moved to approve today's agenda, Commissioner Myers seconded.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The agenda was approved.

**II.** Commissioner Peretick moved to approve the minutes of the Regular Commission Meeting of December 5, 2025, Commissioner Myers seconded.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The minutes were approved.

**III. CONSENTED ORDERS**

**A. COMMUNICATIONS**

1. MINUTE AT&T  
ACTION (9-1-1 wireless, U-14000, invoice no. 517 R41-0001 067 9 dated December 1, 2025)
2. MINUTE PENINSULA FIBER NETWORK LLC  
ACTION (9-1-1 wireless, U-14000, invoice no. INV-3770 dated December 1, 2025)
3. MINUTE PENINSULA FIBER NETWORK NEXT GENERATION SERVICES  
ACTION LLC  
(9-1-1 wireless, U-14000, invoice no. INV-1319 dated December 1, 2025)

**B. ELECTRIC**

1. U-21679 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR ALPENA POWER COMPANY TO FULLY COMPLY WITH PUBLIC ACT 295 OF 2008, AS AMENDED  
(energy waste reduction plan/proposed settlement agreement)
2. U-21683 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS,

DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR  
NORTHERN STATES POWER COMPANY TO FULLY COMPLY  
WITH PUBLIC ACT 295 OF 2008, AS AMENDED  
(energy waste reduction plan/proposed settlement agreement)

3. MINUTE ACTION AMERICAN ELECTRIC POWER SERVICE CORPORATION, REQUEST TO WAIVE PROVISION THAT LIMITS THE AMOUNT OF CAPACITY A FIXED RESOURCE REQUIREMENT MAY SELL INTO PJM INTERCONNECTION, LLC (FERC Docket No. ER26-444-000)

**C. GAS**

1. U-21861 IN THE MATTER OF THE APPLICATION OF DTE GAS COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY RELATIVE TO FREEMONT TOWNSHIP AND LINCOLN TOWNSHIP, MICHIGAN (proposed settlement agreement)

2. U-21862 IN THE MATTER OF THE APPLICATION OF DTE GAS COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY RELATIVE TO ADA TOWNSHIP AND VERGENNES TOWNSHIP, MICHIGAN (proposed settlement agreement)

Commissioner Peretick moved that the Commission approve all the orders and minute actions on the consent agenda.

Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The 4 orders and 4 minute actions were adopted.

**IV. OTHER ORDERS**

**A. COMMUNICATIONS**

1. U-21959 IN THE MATTER OF THE APPLICATION OF BLUEBIRD MIDWEST, LLC FOR A TEMPORARY AND PERMANENT LICENSE TO PROVIDE BASIC LOCAL EXCHANGE SERVICE IN ALL THE ZONE AND EXCHANGE AREAS IN MICHIGAN PRESENTLY SERVED BY MICHIGAN BELL TELEPHONE COMPANY d/b/a

AT&T MICHIGAN, FRONTIER NORTH INC. AND FRONTIER  
MIDSTATES INC.  
(final order)

Case No. U-21959 involves an application, as amended, filed by Bluebird MidWest, LLC, d/b/a Bluebird Fiber, for a permanent license to provide basic local exchange service in all the zone and exchange areas in which Michigan Bell Telephone Company, d/b/a AT&T Michigan, Frontier North Inc., and Frontier Midstates Inc. are the incumbent local exchange carriers and in all other incumbent local exchange carrier service territories throughout the state of Michigan. The order before you grants the permanent license. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

**B. ELECTRIC**

1. U-15825 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR AEP ENERGY INC., TO FULLY COMPLY WITH PUBLIC ACT 295 OF 2008, AS AMENDED (amended renewable energy plans)  
U-15830 DIRECT ENERGY SERVICES, LLC  
U-16589 ALGER DELTA CO-OPERATIVE ELECTRIC ASSOCIATION  
U-16591 CHERRYLAND ELECTRIC COOPERATIVE  
U-16593 GREAT LAKES ENERGY CORPORATIVE  
U-16594 MIDWEST ENERGY COOPERATIVE  
U-16595 THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION  
U-16596 PRESQUE ISLE ELECTRIC & GAS CO-OP  
U-16598 TRI-COUNTY ELECTRIC COOPERATIVE  
U-16599 VILLAGE OF BARAGA  
U-16600 CITY OF BAY CITY  
U-16601 CITY OF CHARLEVOIX  
U-16602 CHELSEA DEPARTMENT OF ELECTRIC AND WATER  
U-16603 VILLAGE OF CLINTON  
U-16604 COLDWATER BOARD OF PUBLIC UTILITIES  
U-16605 CROSWELL MUNICIPAL LIGHT AND POWER DEPARTMENT  
U-16606 CITY OF CRYSTAL FALLS

U-16607	DAGGETT ELECTRIC DEPARTMENT
U-16609	CITY OF DOWAGIAC
U-16610	CITY OF EATON RAPIDS
U-16611	CITY OF ESCANABA
U-16612	CITY OF GLADSTONE
U-16613	GRAND HAVEN BOARD OF LIGHT AND POWER
U-16614	CITY OF HARBOR SPRINGS
U-16615	CITY OF HART HYDRO
U-16616	HILLSDALE BOARD OF PUBLIC UTILITIES
U-16617	HOLLAND BOARD OF PUBLIC WORKS
U-16618	VILLAGE OF L'ANSE
U-16619	LANSING BOARD OF WATER AND LIGHT
U-16620	LOWELL LIGHT AND POWER
U-16621	MARQUETTE BOARD OF LIGHT AND POWER
U-16622	MARSHALL ELECTRIC DEPARTMENT
U-16623	NEGAUNEE DEPARTMENT OF PUBLIC WORKS
U-16624	NEWBERRY WATER AND LIGHT BOARD
U-16625	NILES UTILITY DEPARTMENT
U-16626	CITY OF NORWAY
U-16627	VILLAGE OF PAWPAW
U-16628	CITY OF PETOSKEY
U-16629	CITY OF PORTLAND
U-16630	CITY OF SEBEWAING
U-16631	CITY OF SOUTH HAVEN
U-16632	CITY OF ST. LOUIS
U-16633	CITY OF STEPHENSON
U-16634	CITY OF STURGIS
U-16635	TRAVERSE CITY LIGHT AND POWER
U-16636	UNION CITY ELECTRIC DEPARTMENT
U-16637	CITY OF WAKEFIELD
U-16638	WYANDOTTE DEPARTMENT OF MUNICIPAL SERVICE
U-16639	ZEELAND BOARD OF PUBLIC WORKS
U-16641	JUST ENERGY MICHIGAN CORP.
U-16642	CONSTELLATION NEWENERGY, INC.
U-16643	DIRECT ENERGY BUSINESS, LLC
U-16644	ENERGY HARBOR, LLC
U-16650	CALPINE ENERGY SOLUTIONS, LLC
U-16652	U.P. POWER MARKETING, LLC
U-16653	WOLVERINE POWER MARKETING COOPERATIVE
U-17010	ENERGY SERVICES PROVIDERS, INC.
U-17168	TEXAS RETAIL ENERGY, LLC
U-17338	INTERSTATE GAS SUPPLY, INC.
U-17549	ENGIE POWER & GAS LLC
U-17769	DILLON POWER, LLC
U-17799	CLOVERLAND ELECTRIC CO-OPERATIVE
U-17801	THUMB ELECTRIC COOPERATIVE OF MICHIGAN

U-17934	MIDAMERICAN ENERGY SERVICES, LLC
U-18037	BP ENERGY RETAIL COMPANY LLC
U-18066	NORDIC ENERGY SERVICES, LLC
U-21776	AMERICANRURAL COOPERATIVE POWER, INC.
U-21849	CMS ERM MICHIGAN LLC

Case Nos. U-15825 *et al.* involve a matter on the Commission's own motion, regarding the regulatory reviews, determinations, and/or approvals necessary for member-regulated cooperatives, municipally owned utilities, and alternative electric suppliers to comply with Public Act 295 of 2008, as amended. The order before you directs Calpine Energy Solutions, LLC, and Direct Energy Business, LLC, to take additional steps towards compliance with the requirements of Public Act 295 of 2008, as amended, and finds that the other electric providers required to do so have complied with the requirements of Public Act 295 of 2008, as amended, with one exception, as described in this order. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

2. U-18350 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR ALPENA POWER COMPANY TO COMPLY WITH SECTION 61 OF 2016 PA 342  
(*ex parte*/voluntary green pricing program)

Case No. U-18350 involves an application filed by Alpena Power Company requesting *ex parte* approval of its voluntary green pricing program. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

3. U-21173 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS,

DETERMINATION AND/OR APPROVALS NECESSARY FOR  
NORTHERN STATES POWER COMPANY TO COMPLY WITH  
SECTION 61 OF 2016 PA 342  
(*ex parte*/voluntary green pricing program)

Case No. U-21173 involves a letter filed by Northern States Power Company seeking approval of its unchanged voluntary green pricing program. The order before you approves the filing. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

4. U-21637 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO INVESTIGATE OPPORTUNITIES FOR IMPROVING THE PROCESS BY WHICH IT REVIEWS APPLICATIONS FILED UNDER MCL 460.6a  
(rate case process/demand response costs process/ interim order)

Case No. U-21637 involves a matter, on the Commission's own motion, to investigate opportunities for improving the process by which the Commission reviews rate case applications. The order before you provides further guidance on demand response and communication issues. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

**Chair Scripps commented:**

"This came out of a directive from the Legislature as part of the 2023 energy reforms that we look at opportunities to improve our rate case processes. The order in front of us does three important things: 1) it increases transparency around what utilities are requesting in their rate cases and directs the utility companies to share that information directly with their customers in the form of a bill insert, directly on the bill itself, and then in addition, a dedicated website provides some needed details around what the request entails and how it will impact the customer's pocketbooks, 2) we take efforts to streamline the process that we currently consider demand response programs in and that moves from what is currently a cumbersome three-stage process into one where we look at the potential of demand response in as part of the utility integrated resource plans and then ultimately look at a lot of the cost elements as part of traditional rate cases. I think this will help in streamlining that process, and 3) without taking a position on contested cases in rate cases, we note that any such effort to request a contested case would also require the utility moving to waive the current 10-month deadline. Only the utility (under Michigan law) can waive that deadline as written

in statute. The 10-month deadline simply does not provide sufficient time for the consideration of any contested settlement in a rate case proceeding were one ever to be submitted in that.

I think some important steps forward in response to the direction that we got from the Legislature, and I'm pleased to have the order in front of us."

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

5. U-21813 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION REQUESTING APPROVAL OF AN AMENDED RENEWABLE ENERGY PLAN TO COMPLY WITH PUBLIC ACT 235 OF 2023  
(final order)

Case No. U-21813 involves Upper Michigan Energy Resources Corporation's application for approval of an amended renewable energy plan to comply with Public Act 235 of 2023. The case also involves an appeal of the administrative law judge's decision to deny the company's motion to strike certain portions of Tilden Mining Company L.C.'s reply brief. The order before you rejects Upper Michigan Energy Resources Corporation's amended renewable energy plan for the reasons described in the order and directs the company to refile a new amended renewable energy plan by October 15, 2026. The order also denies Upper Michigan's Energy Resources Corporation's appeal of the decision on its motion to strike. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

**Chair Scripps commented:**

"The same clean energy laws in 2023 also explicitly recognize the uniqueness of the energy system in the Upper Peninsula of Michigan, including the unique relationship between Upper Michigan Energy Resource Corporation and its largest customer, the Tilden Mining Company. Ultimately, we found that the amended renewable energy plan proposed by UMERC, as is more commonly known, went well beyond the requirements of renewable energy plans and really was an effort to consider things that were more appropriately addressed in a clean energy plan. On that basis, we ultimately rejected the proposed renewable energy plan, and as noted, directed the Company to refile not later than October 15, 2026, in concert with their clean energy plan and integrated resource plan. We did provide the opportunity for the Company to file earlier than that a standalone amended renewable energy plan focusing on the elements to be included in a renewable energy plan, as opposed to a clean energy plan earlier if they choose.

We are also aware that these conversations are also taking place on a parallel track in the Legislature around a broader resolution to some of the issues that we flagged in our report on the status of the Upper Peninsula's energy landscape that was issued last year. We continue to be active participants in those discussions and look forward to an agreement among the many parties involved that ultimately serves the needs of those who call our UP home."

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

6.      U-21867	IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO COMMENCE A PROCEEDING TO IMPLEMENT THE PROVISIONS OF MCL 460.6t (integrated resource and clean energy plans)
U-21570	IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO IMPLEMENT THE PROVISIONS OF SECTION 6t(1), (5), (7), (8), (12), AND (15) OF PUBLIC ACT 231 OF 2023, AND SECTIONS 3, 5, 7, 22, 28, 51, 101, AND 103 OF PUBLIC ACT 235 OF 2023

Commission Staff Karsten Szajner, Energy Resources Division, presented a brief synopsis of the case listed above. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

**Commissioner Myers commented:**

"The Michigan Integrated Resource Planning Parameters outline how utilities look at Michigan's energy future. The assumptions and parameters we establish guide how utilities evaluate their future, which influence both the choices utilities propose and the outcomes experienced by customers and communities across the state.

With this, I want to express my thanks to all that have been involved in this process. Your participation not only in the public hearings but also in written comments was valuable and essential.

Engagement is a foundational element of sound energy policy. An open and inclusive process strengthens our decision-making, builds trust, and leads to more durable and resilient outcomes. The discussion and input we received informed our work in meaningful ways and helped create robust dialogue which the Commission based its decisions.

I appreciate the time, effort, and thoughtfulness that interested parties brought to this process, and I want to thank you again for contributing to Michigan's energy planning and regulatory framework."

**Commissioner Peretick commented:**

"I would like to express my thanks to our Staff, especially our Resource Optimization and Certification section led by Naomi Simpson that includes Amelia Arnold, Marcy Champion, Jon DeCooman, Zack Heidemann, Megan Mix, and Karsten Szajner; and to our Energy Optimization section led by Karen Gould that includes Brad Banks, Shannon Hartman, Tim Johnson, Joseph

Reese, Katie Smith, Fawzon Tiwana, Dave Walker, and Elizabeth Yeager. And to all the commenters who took the time to submit written comments to the docket and showed up to give comments at our public hearings in Grand Rapids and Auburn Hills.

We have the opportunity to update the planning parameters that we use to guide the development of our utilities' integrated resource plans every 4 years. That means that we get the opportunity to review the scenarios and sensitivities that drive the decisions for how much generation to build, which types of generation to build, and when it needs to be built. These final integrated resource plans are highly influential in what our energy landscape looks like in our state, and this order updates them to be consistent with how our state has changed in the last 4 years.

One of the ways we incorporated comments is by requiring scenarios with various levels of data center load growth. We heard this directly in our hearing in Grand Rapids from multiple commenters, and it was also in written comments in the docket. It is uncertain just how many very large loads like data centers will be built in Michigan, so we are requiring all investor-owned utilities to run a sensitivity based on high, medium, and low load growth. This will help us understand the impact of these loads, and if additional resources may need to be built to serve them if they don't bring their own generation or capacity.

We are in a time of fast-paced change in our energy landscape, and these updated integrated resource planning parameters allow us to stay on top of these changes and ensure Michigan customers will have safe, reliable, accessible energy at reasonable rates.”

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

7. U-21909 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL TO IMPLEMENT A PERFORMANCE BASED RATEMAKING MECHANISM  
(proposed contested settlement)  
Case No. U-21909 involves an application filed by DTE Electric Company requesting approval of its proposed financial incentive/disincentive mechanism. The order before you approves the contested settlement agreement. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

**Chair Scripps commented:**

“The order in front of us reflects, as noted by Ms. Barber-Dodge, is a contested settlement agreement, but ultimately the implementation of a financial incentive and disincentive framework that has been in the development over the last three years. Both this case and the next one will better link how utilities earn money with key metrics around how they perform in keeping the lights on. The incentives and disincentives – penalties, as anybody else would call them, are ultimately tied to whether utilities meet the goals that are contained in our Service Quality Rules around

reducing the average length of customer outages, the length of time it takes for utilities to restore power after storms, as well as in calmer weather conditions, the number of customers experiencing four or more outages each year, and improving the utilities' worst performing circuits.

Again, I think these are meaningful incentives, but also meaningful penalties to try and make sure that the utilities at every level of the organization are focused on the metrics that mean the most to their customers from a reliability perspective. I am pleased to have this order and the next one in front of us today."

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

8. U-21911 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY TO IMPLEMENT A DISTRIBUTION INCENTIVE AND DISINCENTIVE MECHANISM CONSISTENT WITH THE COMMISSION'S FEBRUARY 27, 2025 ORDER IN CASE NO. U-21400  
(proposed settlement agreement)

Case No. U-21911 involves an application filed by Consumers Energy Company requesting approval of its proposed financial incentive/disincentive mechanism. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

9. U-21988 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY FOR *EX PARTE* APPROVAL OF REVISED DEPRECIATION RATES  
(final order)

Case No. U-21988 involves an application filed by Northern States Power Company, a Wisconsin corporation, for *ex parte* approval of revised depreciation rates. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

10. U-21990 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL OF SPECIAL CONTRACTS (Green Chile Ventures LLC/proposed data center facility near Saline, Michigan)

Commission Staff Mike Byrne, Chief Operating Officer, presented a brief synopsis of the case listed above. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

**Commissioner Peretick commented:**

“I would first like to thank everyone who took the time to comment on this case, either by written comment in e-dockets, by virtual comment in our public hearing on Dec 6, or in-person here in our hearing room in Lansing. We have heard your comments and understand your concerns.

I would also like to give a sincere thanks to our Staff who spent countless hours reviewing every detail of these contracts over the last 7 weeks. You all put a huge amount of time and effort into reviewing both contracts in depth to help us determine whether they are in the interest of DTE’s existing electric customers.

The decision before us today is whether the two contracts, the primary supply agreement and the energy storage agreement, signed by DTE Electric and Green Chile Ventures are reasonable and prudent. The Commission’s jurisdiction is for electric supply, and our decision needs to be based on what is in our jurisdiction, and no other important considerations raised by the public, like water usage, noise pollution, or the merits of AI generally.

The contracts that Commissioners and our Staff reviewed were the full unredacted primary supply agreement and energy storage agreement. We were able to fully assess the implications and effects of connecting and supplying this 1.4GW load. We were able to review in detail the affordability model to assess how electric rates would be impacted as a result of this new customer. We were able to view the financial details of the credit and collateral requirements, including the amount of collateral, as well as situations when a letter of credit would be needed instead of a parent guaranty. We were able to evaluate the effects of a termination payment, of the 80% minimum billing demand, and the addition of 1.4 GW of energy storage.

This is our job as an energy regulator. It’s our job to fully assess each and every case, every settlement agreement, and every contract that is before us. Our Staff are experts who have dedicated their careers to serving the public interest and protecting all Michiganders. We take our role seriously, and we understand the implications that our decisions have on Michigan’s clean energy future and on people’s pocketbooks.

By law, the electric utilities in our state have an obligation to serve customers who want to take electric service in their territory. The power supply agreement and energy storage agreement are well-negotiated, solid contracts. They show a net financial benefit to DTE's other customers of up to \$300m per year. That is a real cost savings at a time when affordability is so important. The customer, Green Chile Ventures, is paying for 100% of the costs to build 1.4 GW of energy storage that will add capacity to DTE's system commensurate with the capacity of the data center. The termination payment outlined by the contract ensures that if the customer leaves early, ratepayers won't be left on the hook for costs accrued to serve the customer. And the contract doesn't take for granted that the customer will remain financially solvent – it requires up front collateral. In fact, the collateral in the contracts before us far exceed the 50% standard set forth in the November 6 order approving Consumers Energy's large load tariff.

However, the order before us is a conditional approval. Even in the event that all of these safeguards don't work the way we think they will, the order places that risk on DTE, not on ratepayers. This approval is contingent upon DTE Electric agreeing to bear all the risk of any costs incurred that are not recovered from Green Chile Ventures. This means that if the affordability analysis turns out to be overly optimistic for *any* reason, DTE bears the responsibility for any extra costs, and they cannot be recovered from other customers. That also means that if the collateral is insufficient to cover all costs incurred in the event of a default, DTE's other customers will not be on the hook to pay the difference. That risk is borne by DTE and its shareholders. If DTE is not comfortable bearing this risk, they are welcome to re-file their application as a contested case.

These conditions that all risk of increased costs is held by DTE, and not placed on other customers, is why I am comfortable voting to approve an ex parte approval for the order before us.”

**Commissioner Myers commented:**

“The Commission received thousands of comments from citizens across Michigan regarding the proposed data center in Saline Township with concerns surrounding rate increases due to the large load customer. Individual customers were concerned that they will be left with the costs if the AI bubble bursts or the needs of these large customers are never fully realized. Our authority for this case was related to the rates data centers pay for electric or natural gas service and the terms and conditions of that service. That includes guardrails to ensure there is sufficient power to serve all customers and that individual customers are not subsidizing the large load customers.

The Commission's review deemed the application to have met the standard for ex parte treatment. The conditional approval of the contract will not result in an increase in customer rates or cost of service. The Commission included conditions in the order to provide additional protections for Michigan customers to make certain customers aren't paying for costs incurred by the data center.

Those include:

- The company will be developing an energy storage project to cover the data centers maximum load and of which the data center will bear all costs.
- The contract includes an increased minimum billing demand which will ensure there is an affordability benefit to other customers and will be applied regardless of the total demand.
- There is a minimum termination fee of \$2.3 billion under the PSA and \$3.9 billion under the ESA. If the customer decides to exit the contract, the termination amounts will still apply.

- All risks associated with the sufficiency of collateral will be borne by DTE Electric or the data center customer.
- No costs will be passed on to other customer classes or ratepayers.
- The ex parte application is conditioned on the assumption that the data center customer and special contract will cover the costs of generation, transmission, distribution and other costs.

Future rate cases will be the appropriate forum for ratemaking to assign costs to the data center customer so that existing customers don't experience a cost increase. If there are any concerns regarding the claimed affordability benefits and costs fall upon existing customers, the Commission can at any time issue an order of show cause."

**Chair Scripps commented:**

"I want to offer a couple of thoughts here as well. I understand there's a lot of frustration here. I want to provide some discussion of why I got here. First of all, there was a fair amount of interest in the process around this. As was noted, this is being decided on an ex-parte basis. As Mr. Byrne noted, under the Commission's rules we're allowed to approve applications on an ex-parte basis where the approval does not have the effect of raising rates for other customers. I just want to note that this process is actually a fairly regular part of how we do our work.

Earlier in today's agenda, for example, we approved three other applications on an ex-parte basis. To involved requests from Alpena Power Company and Northern States Power Company seeking approval for their respective voluntary green pricing programs. The third was the immediately preceding order, which was an application from Northern States Power Company seeking ex-parte approval of its revised depreciation rates.

Perhaps more analogist to the current case, in recent years, we've adopted a number of special contracts between DTE Electric and Ford Motor Company, Fiat Chrysler Automobiles and the University of Michigan related to how DTE would procure new renewable energy projects paid for by the customer to serve the customer's respective renewable energy goals. In December 2022, for example, we approved an ex-parte basis, a special contract between DTE and Ford for up to 675 MW of new solar projects under a specific set of terms and conditions included in the special contract. We also approved on an ex-parte basis an amended and restated special contract between the same two parties last December that reflects additional provisions. In May 2023, we approved on an ex-parte basis a special contract between DTE and FCA for up to 400 MW of renewable projects. In July of this year, we approved on an ex-parte basis a special contract between DTE and U of M for 80 MW of new generation, again, under conditions laid out in the special contract.

There are obviously some differences, including the size. The project today involves the largest project that we've seen. It's 1,383 MW. But there are some similarities as well. Together, just the three projects I mentioned total more than 1,150 MW and that was all done in the last 3 years. Indeed, the contracts with Ford Motor Company and Fiat Chrysler Automobiles represent the largest and second largest voluntary renewable energy procurement contracts between a customer and a utility in U.S. history. Like today's order, those orders were groundbreaking, like the contracts in front of us. Those orders also require DTE to build or procure additional resources to serve customers.

In the Ford, FCA, and U of M cases, it was solar. Today it is battery storage. And, like the contracts in front of us, there were a number of provisions that were redacted for a variety of reasons, including subscriptions charges and customer default provisions that are commercially sensitive.

While I recognize the concerns that have been raised around the process in this case, the reality is that the Commission used a very similar process in a number of other instances, including in similar cases in just the past couple of years. Approval on an ex-parte basis is also consistent with applicable law and court precedent. A lot of discussion in various filings in this case centers around a Michigan Court of Appeals case from 1997 entitled Attorney General vs Public Service Commission. In that case, like here, the Attorney General Frank Kelley appealed a decision of the Commission in which it approved a utilities' proposal on an ex-parte basis. That also involves a special contract. The Attorney General in that case, Frank Kelley, argued that the Commission had gotten it wrong and argued that it wasn't enough to say that the specific approval of the special contract wouldn't pass along additional costs, but that no additional cost could ever result from the special contract. The Court of Appeals ultimately disagreed with Attorney General Kelley and said, 'No, it's really the effect of the order in front of us approving the special contracts. If that doesn't, by itself, increase costs, then the Commission is within its rights to use the ex-parte process for approval.'

But what I would note is that the order in front of us, we are actually holding ourselves to the higher stand articulated by Attorney General Kelley in that case that it can never result in additional costs being borne by other customers. That is the condition that we put on the approval in this case.

My second point is the role of the staff in this case because there's been a fair amount of concern, as was noted earlier, that these contracts were never actually reviewed. That is just not true. Our staff plays a critically important role, as Mr. Byrne identified, in ensuring that the public interest is represented in our proceedings. In fact, in a number of orders that were upheld by the courts over decades, we have found that the staff's participation alone in a proceeding ensures that the public interest is adequately represented, including entering into settlement agreement. We had a number of those cases on our agenda today, as well. The staff also has unique audit powers, particularly in cases where they are the only party other than the utility participating in the case such as here. That ensures that we can ask questions, test assumptions, and reproduce modeling results. In short, perform critical oversight and regulatory roles that are the foundation to the reason why Public Utility Commissions or Public Service Commissions exist. We do not take things on faith. Our staff is critical of making sure that even in cases that we review on an ex-parte basis, that we have all the facts in front of us before we move forward.

A third concern was confusion or concern about what was in the contracts, particularly, the redacted provisions. I know that this has been addressed, but I just want to flag a number of issues here because I think the details matter in this case. I think they matter in all cases, but I think they particularly matter in this case. Under the generally applicable D11 rate under which the customer could otherwise have taken service, there is a minimum contract duration for any customer of a megawatt or larger of 5 years. In the contract that we have in front of us today, that's nearly four times as long, a minimum contract duration of 19 years. Under the applicable D11 rate, there is a 50 to 65% minimum billing demand. In the special contract that we have in front of us, that's 80%.

Meaning that data center operators will have to pay a minimum of 80% of the contracted electricity use no matter how much they use if their actual use is lower. If it is higher than 80%, they pay their actual amount. That is a significant improvement around the otherwise applicable contract terms. In the generally applicable D11 tariff, there is no explicit reference to a termination payment included in that tariff. In the contracts in front of us today, the termination payment is up to 10 years' worth of minimum billing demand if the facility stops operating earlier than contracted. I think that it provides billions of dollars in revenue, guaranteed revenue, as Commissioner Myers noted.

Finally, there were a number of questions that were raised about what happens if this is a bubble. What happens if this ultimately just goes away or the system collapses? We spent a significant amount of time on the credit and collateral provisions that were included in the contracts. Effectively both the power supply agreement and the energy storage agreement require the customer to guarantee all payment obligations under each agreement through a combination of parent guarantee, and if applicable, a letter of credit that includes any termination payments would be required if the customer voluntarily terminates or defaults, whether the letter of credit is utilized and the level of the letter of credit is determined based on the credit score of the customer. This provides real protections that don't exist in many other states to ensure that if ultimately this is a bubble, if this is all overblown and the load doesn't materialize, even in that worst case scenario, customers are still protected.

We went further than that and conditioned, as has been noted, our approval on the additional commitment from DTE that no costs – even in that scenario or any other – will ultimately be passed on to other customers. Additional requirements, as Mr. Byrne noted in capacity demonstrations, integrated resource plans, and clean energy plans, and renewable energy plans that designed to isolate the impact of the data center to better track costs so that we've got full awareness of what costs were triggered by the data center, and which were not, so that we can enforce the condition that no costs are ultimately borne by other customers, a series of filing requirements, and a requirement to file a generally applicable data center tariff supported by six cost of service studies. That will be reviewed in a contested case.

Then, as Mr. Byrne noted, some provisions around shutoffs in the event of ultimate grid shortages. This was also in relation to questions raised about what happens if we don't have enough power on the system even after adding 1.44 GW of batteries. Who gets shut off first? Our order is very clear that it is the customer. That can be directly, or it can be through a curtailment arrangement, but the customer gets shut off before any other DTE customer gets shut off in the event of a lack of grid power.

Ultimately, those provisions, both what was included in the contracts – including the redacted contracts that we and our staff were able to review, as well as the additional conditions that we imposed, led us to believe that we could meet the standard of reasonableness and in the public interest in the approval of this. I would say that I know that this conversation is happening in every state in the country right now. I would put the contracts that are in front of us today on par or better with any that have been approved in the country.”

Vote: Yeas – Scripps, Peretick, Myers

Nays – None

The order was adopted.

## C. GAS

1. U-21903 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY, A WISCONSIN CORPORATION AND WHOLLY OWNED SUBSIDIARY OF XCEL ENERGY, INC., FOR AUTHORITY TO INCREASE NATURAL GAS RATES IN THE STATE OF MICHIGAN  
(proposed settlement agreement)

Commission Staff Quinlan Sharkey, Commission Office, presented a brief synopsis of the case listed above. Commissioner Peretick moved that the Commission approve the order at its December 18, 2025 meeting. Commissioner Myers seconded that motion.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The order was adopted.

## V. YEAR IN REVIEW

Chair Scripps postponed the Year in Review to accommodate the anticipation of a large number of public comments.

## VI. PUBLIC COMMENTS

Tim Bruneau, Wendy Albers, Nichole Kenny Biber, Kathryn Haushalter, Ash Haushalter, Justin Macavey, Sean Webber, Beth Foley, Jodi Holden, Sarah Brabbs, Aylin Altnole, Kelly Coleman, Jarad Guerrero-Salinas, Shanan Snyder, Tawana P, Kevin, Michael, V, Stephanie Brouet, Mackenzie Walker, Jackson Kopel, Hunter Whitehill, Eric H., Iat Timini provided comments in Case No. U-21990.

A recording of the proceedings of the December 18, 2025 meeting is archived at:  
<https://www.youtube.com/watch?v=vATVB6ofzZk>.

Chair Scripps announced that the next regularly scheduled Commission Meeting will be held on Thursday, January 15, 2026 at 1:00 p.m. A schedule of the 2026 Regular Commission Meetings will be posted after the January 15, 2026 meeting.

Commissioner Peretick moved that the Commission adjourn, Commissioner Myers seconded.

Vote: Yeas – Scripps, Peretick, Myers  
Nays – None

The motion was approved.

The meeting adjourned at 3:19 p.m.

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Lisa Felice  
Executive Secretary