**PART I FILING INSTRUCTIONS ACCOMPANYING STANDARD EXHIBITS AND SCHEDULES FOR RATE CASE FILINGS**

**General Instructions**

Pursuant to MCL 460.6a, utility applicants may use projected costs and revenues for a future consecutive 12-month period in developing its requested rates and charges. If a utility elects to do so, it must identify the future consecutive 12-month period used to develop the projected costs and revenues, and reflect in its filing the costs and revenues expected to be experienced during that period. Projected costs and revenues for the future consecutive 12-month period which deviate from actual costs and revenues in the most recent historical 12-month period shall be identified, and any such deviations shall be described and explained. Where these instructions specify that a particular set of information or ratemaking approach should be used, the utility shall provide that information and use that approach, but may propose that alternative information and ratemaking approaches be used to establish rates for the projected period. Such alternative information and approaches may be explained and justified.

A utility shall satisfy all Pre-Filing Requirements (see Attachment 1).

Where the utility prepares its filing in a manner that differs from a policy or practice adopted by the Commission in the preceding general rate case for the utility, it shall identify such difference, and shall quantify, to the extent practicable, the impact on the utility’s revenue requirement calculation of that difference.

With the exception of Schedule F-5 Proposed Tariff Sheets, the standard exhibits shall be provided electronically in native Microsoft Excel format with all formulas and links active. The Schedule F-5 Proposed Tariff Sheets shall be supplied in Microsoft Word format. Information included on the schedules shall be sourced to workpapers and other supporting documents that are included in the case filing. Any workpapers and other supporting documents that are Microsoft Excel based shall also be provided electronically in native Microsoft Excel format with all formulas and links active.

The standard exhibit titles listed below must specify the projected future 12-month period upon which the filing is based. The utility shall also provide the historic test year information in the same manner and format as the projected test year information outlined below (see Exhibits and Schedules).

The exhibits shall include the formulas that explain the relationship among the exhibit rows and columns.

At the time of filing, the utility shall provide notice of the filing to all parties to the preceding general rate case of the applicant, and shall promptly provide a copy of the filing upon request.

**Part I**

Schedule A-1 and A-2

A-1 Projected Revenue Deficiency

A-2 Projected Financial Metrics

The projected revenue deficiency (sufficiency) is determined based on information supplied in Schedules B, C, D and E. Utilities providing service in more than one jurisdiction shall identify the MPSC jurisdictional amounts on schedules A, B and C based on the jurisdictional separation determined in Schedule F-1.

Schedules B-1, B-2, B-3, B-4, and B-5

B-1 Projected Rate Base

B-2 Projected Utility Plant

B-3 Projected Accumulated Provision for Depreciation

B-4 Projected Working Capital

B-5 Projected Capital Expenditure Summary and Supporting Exhibits

The amounts included for plant in service, plant held for future use, construction work in progress, and accumulated depreciation reserve must reflect all retirements, all capital expenditures, and book depreciation expense expected to occur by the end of the projected future 12-month period.

Schedules C-1 through C-11

C-1 Projected Net Operating Income

C-2 Revenue Conversion Factor

C-3 Projected Sales Revenue

C-4 Projected Fuel and Purchased Power (or Cost of Gas Sold)

C-5 Projected Operating and Maintenance Expenses

C-6 Projected Depreciation and Amortization Expenses

C-7 Projected General Taxes

C-8 Projected Federal Income Taxes

C-9 Projected State Income Taxes

C-10 Projected Other (or Local) Taxes

C-11 Projected Allowance for Funds Used During Construction

Operating revenues and expenses must reflect the revenues and expenses that the utility expects to experience during the projected future 12-month period.

Significant changes in individual operating revenue or expense items for the projected future period from those included in the historical information provided in Part III must be identified and explained in testimony by the utility, and supporting data and justification must be supplied with respect to each revenue and expense item.

The depreciation and amortization expense included in these schedules must reflect the depreciation rates approved at the time the utility makes its filing, and those rates must be applied to the plant included in its filing. If a utility files a concurrent depreciation case, or has a pending depreciation case at the time of rate case filing, then the utility shall provide a statement within its rate case filing describing the revenue requirement impact of its full depreciation case request.

The tax rates used in preparing these schedules must reflect the tax rates that the utility anticipates will be in effect during the projected future 12-month period. If the utility uses tax rates different from those specified in the tax laws in effect at the time of the filing, the utility shall provide an explanation of and justification for all such differences.

Schedules D-1, D-2, D-3, D-4 and D-5

D-1 Projected Rate of Return Summary

D-2 Cost of Long-Term Debt

D-3 Cost of Short-Term Debt

D-4 Cost of Preferred Stock

D-5 Cost of Common Shareholders’ Equity

The utility must reflect all issuances of securities, equity infusions, retirements, redemptions, conversions, etc., that the utility expects to occur by the end of the projected future period.

Schedule E-1

E-1 Sales, Load and Customer Data

Sales levels for the projected future 12-month period must reflect reasonably anticipated market and economic conditions the utility expects to influence sales during that period. Such sales levels must also reflect the impact of reasonably anticipated energy conservation and efficiency programs for the projected future period. The projected sales levels must be weather-normalized utilizing the weather-normalization method adopted by the Commission in the most recent general rate case for the utility; however, the utility may, in addition, propose the use of any other weather-normalization method for which the utility presents information supporting the conclusion that such alternative method is more likely to predict actual sales during the future period.

Schedules F-1, F-2, F-3, F-4 and F-5

F-1 Projected Cost of Service Allocation Study

F-2 Summary of Present and Proposed Revenues

F-3 Detail of Present and Proposed Revenues

F-4 Comparison of Present and Proposed Monthly Bills

F-5 Proposed Tariff Sheets

For utilities with more than 1,000,000 retail customers in Michigan, the electric cost of service allocation study must be prepared in conformance with MCL 460.11. The study must reflect the allocation of (i) production-related and transmission costs using the method of allocation described in MCL 460.11, (ii) energy-related costs based on energy consumption, (iii) customer-related costs based on the number of customers, (iv) demand-related costs (other than production-related and transmission) based on the relative demands of customer classes.

Summary of present and proposed revenue summarizes the effect on revenues of proposed rate changes including the percentage of increase/decrease by rate class. Detail of present and proposed rates will reflect revenues by rate class based on present and proposed rates. Each rate class will require a separate page.

Comparison of present and proposed monthly bills will reflect revenues by rate class based on present and proposed rates at various usage increments. Each rate class will require a separate page.

**Part II**

Each general rate case filing shall include:

* Annual Reports to the MPSC P-521 (electric) P-522 (gas) for the most recent 2 years
* Annual Report to the SEC Form 10-K
* Quarterly Report to Shareholders (most recent 4 quarters)
* Bond and other financial prospectuses for issuances during the past 2 years

Paper copies of the documents in Part II are not required if the documents are available free of charge online as part of the case filing on the e-docket. For documents available free of charge online outside of the e-docket, the utility may provide a reference link and citation to the full and complete version of such documents in lieu of providing the full and complete version within its e-docket filing. The utility shall not utilize a Michigan Public Service Commission website reference in lieu of a full and complete version of such documents on the e-docket.

**Part III**

Supplemental Data (see Part III – Forms and Instructions)

**Other Instructions**

A rate case filing shall include:

* An application describing the relief that is being sought by the applicant
* A draft notice of hearing in current prescribed MPSC format
* Testimony in support of the utilities filed request
* A draft Protective Order. Utilities are encouraged to use the attached protective order as a template (see Attachment 13). Parties may seek to add other terms to a utility’s draft protective order.
* Information as defined in these Filing Instructions, Part I, Part II and Part III, including workpapers in support of Part I, Part II and Part III as described in these filing instructions

**Process Guidelines**

* For cross-examination transcripts, the utility shall secure and pay for transcript turnaround service of three-days or faster. If not available on the e-docket, the utility shall provide non-confidential transcripts to all parties. If not available on the e-docket, the utility shall provide confidential transcripts to the parties pursuant to applicable protective orders.

* For documents whereby the utility is the author or creator, such documents provided to the docket or in response to audit/discovery shall be key word searchable.
* Upon Staff’s request, the utility shall make available to Staff any proprietary information, analyses, modeling, or similar that the utility uses to support its rate filing or that the utility uses to facilitate its internal planning, budgeting, decision-making, risk assessment, or similar processes. If a utility is unable to provide the requested proprietary information due to license/contractual/legal restrictions, the utility shall provide staff with verification of such restrictions.
* Once a petition to intervene is filed, the potential intervening person may begin issuing discovery. If the utility receives a discovery request from a person which filed a petition to intervene, but that person has yet to be granted intervenor status, then the utility shall respond to said discovery (within 8 business days) in one of two ways:

a) Indicate, in writing, to that person that the utility intends to object to their intervention at the prehearing, OR

b) Respond to said discovery in the same manner the utility would respond as if the potential intervener was already granted intervening status (ie, a normal discovery response)

**Schedule Guidelines**

The prehearing conference should occur no sooner than 18 calendar days after a rate case is filed, and also not later than 28 calendar days after the rate case is filed. The Administrative Law Judge (ALJ) shall adopt a schedule that initially requires Intervenors and Staff to file their direct cases in sufficient time to allow the Commission to reach a final decision within 10 months from the date of the filing of the rate case. The ALJ shall establish a 10-month schedule without respect to Commission meeting dates, thus utilizing the entire 10-month period.

The ALJ shall attempt to follow these calendar-day milestones in an effort to ensure the following minimum number of days:

* 120 calendar days between the date of the utility rate case application and the date of the Staff/Intervenor Testimony.
* 21 calendar days between the date of Staff/Intervenor Testimony and the date of Rebuttal Testimony.
* 12 calendar days between the date of Rebuttal Testimony and the first day of Cross Examination.
* 33 calendar days between the date of Replies to Exceptions to the PFD and the date of the Statutory Deadline.

In the ALJ’s discretion, the ALJ may increase the number of calendar days between these dates. In addition, the administrative law judges are directed to take appropriate actions to ensure that evidentiary hearings proceed in an organized and effective fashion. In addition to other actions the administrative law judge believes will achieve that goal, the administrative law judge may require the parties to identify prior to commencement of cross-examination the issues that the party intends to pursue during cross-examination. The Commission concludes that doing so in advance of cross-examination will allow a more meaningful and useful evidentiary record to be created.

**Discovery Guidelines**

The Administrative Law Judge shall adopt discovery practices that will promote the expeditious processing of a filing. Unless the ALJ determines that a different discovery turnaround time is more appropriate, discovery responses shall be provided within 8 business days, best efforts prior to Staff/Intervenor filing and 5 business days, best efforts after Staff/Intervenor filing.