

# PUBLIC HEARING

Case No. U- 21990

DTE Electric Application for

Approval of Special Contracts

The hearing will begin shortly. Please stand by.

December 3, 2025 6:30 PM – 8:30 PM (EST)



#### To submit a comment



#### **Online**

- 1. Raise your hand by clicking Raise
- 2. When called on, unmute by clicking
- 3. When called on, you may turn on your video by clicking

All attendees will be muted until called upon to speak which will be on a first-come, first-serve basis.



## **Written Comments**

- 1. Use the "Submit Comment" button on the <u>Case Docket Page</u>
- 2. Email to:

LARA-MPSC-commissioners@michigan.gov

3. Mail to:

Michigan Public Service Commission

P.O. Box 30221

Lansing, MI 48909

To enable closed captioning: 1.) Click the "more" button



at the top of your screen

2.) Click on "Language and speech" 3.) Click on "Turn on live captions"

For IT assistance, e-mail: LARA-MPSC-EVENT-IT@michigan.gov



# Application Overview

MPSC Case No. U-21990





## A Utility's Obligation and the Commission's Authority

- Utilities have an obligation to serve customers.
  - → Applies to both existing and new customers
- The Commission approves the terms and conditions of service, including the rates charged to customers.
  - → Utility Tariffs
  - → Special Contracts
- Laws, Commission Rules, and the utility tariff govern how the utility fulfills its obligation to serve its customers.



#### DTE's Request: The Primary Supply Agreement

- Primary Supply Agreement (PSA)
  - → Customer will take service under existing D11 Rate
    - Contribution to fixed system costs
    - Contribution to transmission costs and renewable energy costs through PSCR charges
  - → Protections for other customers included in PSA that go beyond the terms of the D11 Tariff:
    - □ Contract duration 19 years; 2 optional 10-year extensions
    - ☐ Minimum billing demand 80% of the contract capacity
    - Termination payment recovery of at least 10 years of minimum charges
    - Credit and collateral requirements parent guaranty and letter of credit



### DTE's Request: The Energy Storage Agreement

- Energy Storage Agreement (ESA)
  - → Customer to pay for actual costs associated with 1.4 GW of energy storage over the associated 15-year recovery period.
    - Reconciled costs to be reviewed in rate cases
    - Termination payment = unrecovered portion of 15-year revenue requirement.
    - Credit and collateral requirements parent guaranty and letter of credit
  - → Customer will receive the full value of market revenues provided by the energy storage assets, and DTE maintains full ownership and control of the storage assets.
  - → Stipulates that costs of the 1.4 GW of energy storage will not be passed on to other customers.



#### **Consideration Framework**

- Ex parte review of special contracts is appropriate only if approval will not impact existing rates or increase the cost of service for existing customers.
- ☐ To approve a proposed contract, the Commission must find that the contract is reasonable and in the public interest.

#### The Commission's authority and other reviews

- ☐ The Commission's authority:
  - → Rates and provision of utility service
- Not within the Commission's authority:
  - → Siting (local government)
  - → Construction permits (local government)
  - → Water, wetlands, and air quality concerns (MI Department of Environment, Great Lakes, and Energy)
    - Wetlands permit application public comment information
      - → Public comment period is open through December 28
      - → Public hearing on December 18 from 6:00 9:00 PM via zoom



Scan QR code at left for water permit and related public comment details.

Scan QR code at right for information re: the <u>Dec. 18</u> public hearing.







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#### To Submit Comments After Tonight's Hearing



Use the "Submit Comment" button on the Case Docket Page.



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Share comments at any regular Commission Meeting. Details are available at www.Michigan.gov/MPSC.



**Executive Secretary** Michigan Public Service Commission P.O. Box 30221 Lansing, Michigan 48909

Comments are included in the Commission docket file and available to the public for review.

A transcript of tonight's hearing will be added to the docket file.

You may access the docket file at www.Michigan.gov/MPSC by clicking "E-dockets" and searching "21990" or by using the QR code Below.



