



October 6, 2023

Commissioner Dan Scripps, Chairman
Michigan Public Service Commission
7109 W. Saginaw Highway
Lansing, MI 48917

RE: **2023 Quarterly Update #3 (“Quarterly Update”)** – Duck Lake (renamed Helix) and Oneida – Nelson Road 345 kV MISO Long Range Transmission Planning Projects (“Projects”)

Dear Chairman Scripps:

Michigan Public Power Agency (“MPPA”) is submitting this Quarterly Update to the Michigan Public Service Commission (“Commission”) pursuant to MCL §460.593(3) (“Act”). By letter dated October 21, 2022, and in accordance with the requirements of the Act, MPPA provided notice to the Commission of MPPA’s intent to participate with the Michigan Electric Transmission Company, LLC (“METC”) in the construction and ownership of the captioned Projects in Michigan. MPPA stated that it plans to work with METC to coordinate planning, development, ownership, and compliance with the requirements of local, state, and federal governing bodies as well as regulatory authorities. That remains MPPA’s intent.

Since MPPA’s last quarterly update report in July, METC made two unilateral submissions to the Commission on August 14, 2023. In Case No. 21471, METC submitted what it describes as “METC’s Construction Plan for the Nelson Road to Oneida Project, a major transmission line generally running from and through New Haven and North Shade Townships in Gratiot County.” In Case No. 21472, METC submitted what it describes as “METC’s Construction Plan for the Helix to Hiple Project, a major transmission line generally running from and through Clarence, Lee, Marengo, Eckford, Clarendon and Tekonsha Townships in Calhoun County, Michigan.”

As MPPA discussed with the Commission in its January 18, 2023, meeting, there can only be one design for the Projects. METC has taken the lead on design and cost development, as MPPA expected, but MPPA believes METC should do so in coordination with MPPA as both organizations are joint owners of the Projects. To date, METC has refused to coordinate with MPPA regarding the design, development, or cost estimation for the Projects.

In August, METC also filed an action against MPPA in state court challenging MPPA’s rights to participate in these Projects under the Act. *See METC v. MPPA*, Case No. CB-539-23, filed in the Michigan Circuit Court for Ingham County on August 15, 2023. METC also filed a Complaint before the Federal Energy Regulatory Commission (“FERC”) asking FERC to terminate METC’s contracts with MPPA. MPPA believes the lawsuits are without merit and will continue to assert its rights as a transmission owner.



The lawsuits notwithstanding, MPPA was and remains ready to engage in coordination with METC on joint ownership of the Projects. MPPA believes the submissions METC made in Case Nos. 21471 and 21472 should have been jointly made by METC and MPPA. MPPA is bringing these developments to the Commission's attention to make clear that these construction plans are *not* reflective of any lack of interest or effort on MPPA's part. MPPA will continue to assert its rights of ownership under the Act and intends to participate in the Projects.

As part of an Addendum added to MISO's MTEP21 Appendix A, with data dated 6/21/2022, MISO provided estimated facility costs associated with the Projects. MISO estimates the new 345kV transmission lines to be built in Michigan will cost \$5.1M per mile totaling \$588M. Additionally a substation estimated by MISO to cost \$35.8M will be required. The latest MISO quarterly status report through 7/31/2023 indicates that these cost estimates have not changed.

MPPA is providing a copy of this update to METC as a means of again requesting that METC coordinate with MPPA on these Projects.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick A. Bowland".

Patrick A. Bowland
CEO and General Manager, MPPA

CC: Michigan Public Service Commissioner, Alessandra Carreon
Michigan Public Service Commissioner, Katherine Peretick
ITC/METC, Mr. Simon S. Whitelocke