

Summary of Recent EWR Plan Case Settlement Agreements

Consumers

1. Surcharges shall be allocated between customer classes based on investment in the class.
2. Program overhead shall be allocated between classes based on level of investment in classes.
3. Currently not capitalizing plan costs.
4. Gas targets are adjusted downward to reflect that EUT customers don't pay for gas volume. A uniform method for performing adjustment will be explored.
5. Unspent funds will rollover by class.
6. Plans and reconciliations will track low-income and multifamily investments. Many LI program enhancements stipulated.
7. Performance incentive mechanism metrics spelled out, including lifetime savings, LI lifetime savings, and LI MF assessments. A more outcome-based LI MF metric to be developed for '20-'21 filing. Future metric to be developed for small business.
8. Non-wires alternatives pilot work (development, implementation, evaluation) to be ongoing.
9. LED NTG to be 0.82 in 2018 for residential Energy Star program. In 2018, Company's evaluators will assess same for 2019 and beyond. Evaluation shall incorporate recent changes in MI market. In 2018, Company's evaluators shall assess EISA effect on baseline, including lifetime savings of LEDs installed prior to EISA effective date. Results to be applied beginning 2019.
10. HER's contribution to residential electric and gas savings to be reduced to 15% by 2020.
11. May continue to reallocate up to 30% of a customer class budget within each class *without filing a plan amendment*.
12. Pay-My-Way pilot may be continued as a pilot through 2019 but will not be commercialized without requesting approval in '20-'21 plan filing.
13. Company will begin tracking and reporting investments by tariff rate (not just R and C&I) for the purpose of considering alternative cost allocation.

DTE Electric

1. Many LI program enhancements stipulated including increased spend, and targeting customers in arrears. Also, increased LI MF spend. Plans and reconciliations will track LI MF spend.
2. Performance incentive mechanism metrics spelled out, including lifetime savings, LI spend, and LI MF assessments.
3. Non-wires alternative pilot will be implemented exploring cost-effectiveness on distribution system investment. This is an EWR pilot to be part of larger non-wires initiative in development.
4. Behavior savings contribution to residential electric savings to be reduced to 15% by 2021.
5. LED NTG to be reduced to 0.90 in 2018 for residential Energy Star program. Residential standard and reflector LED NTG for 2019 to be assessed in 2018, incorporating 2017 evaluation and expected market conditions between '17 and '19. Multiple research approach options listed. NTG for all LEDs in 2020 and beyond to be assessed in 2019.
6. Plan amendment will be sought if plan spend to exceed approved amount by more than 5%.

I&M

1. Home Energy Management and Work Energy Management programs approved, including deferral of the costs to be recovered in next rate case. Energy savings count towards first year and lifetime savings financial incentive elements.
2. Performance incentive mechanism metrics spelled out including lifetime savings, LI lifetime savings.

3. IQ program enhancements include adding an IQ program manager, engaging MI-based audit and weatherization contractor, and targeting based on arrearages.
4. Behavior savings contribution to residential portfolio be reduced to 15%.
5. No savings multipliers.
6. Public street lighting costs to be allocated to the C&I class.

UPPCO

1. Revised budgets stipulated and include pending carry-over and treatment of actual carry-over.
2. No savings multipliers.
3. Behavior savings contribution to residential portfolio to be reduced to 20% for 2019.
4. May reallocate up to 30% of a customer class budget within each class *without filing a plan amendment*.
5. Continue to collaborate with Efficiency United.
6. Funds not expended will carry-over to next plan year.
7. Financial incentive mechanism metrics spelled out including lifetime savings and LI spend.

Note: the bullet points above are paraphrased and not necessarily complete. DTE Electric's settlement has not yet been addressed by the MPSC as of 3/20/18.