



Stephen A. Campbell
T (313) 309-4274
F (313) 309-6882
Email:SCampbell@ClarkHill.com

Clark Hill
500 Woodward Avenue, Suite 3500
Detroit, MI 48226
T 313.965.8300
F 313.965.8252

October 6, 2026

VIA ELECTRONIC CASE FILING

Executive Secretary
Michigan Public Service Commission
7109 W. Saginaw Highway
Lansing, Michigan 48917

Re: Case No. U-22061 – In the matter of the Application of DTE ELECTRIC COMPANY for approval of amendments to Rate D11 and related relief.

Dear Executive Secretary:

Enclosed for filing please find the **Association of Businesses Advocating Tariff Equity's Initial Brief** and **Proof of Service** in the above-referenced matter.

Sincerely,

CLARK HILL PLC

Stephen A.
Campbell

Digitally signed by: Stephen A. Campbell
DN: CN = Stephen A. Campbell email =
SCampbell@clarkhill.com C = US O =
Clark Hill PLC
Date: 2026.10.06 13:56:08 -04'00'

Stephen A. Campbell

SAC/lkd

cc: Parties of Record

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of	)	
DTE ELECTRIC COMPANY	)	Case No. U-22061
for approval of amendments to Rate D11	)	
and related relief.	)	ALJ Sarah A. Stancati
	)	

INITIAL BRIEF OF THE
ASSOCIATION OF BUSINESSES ADVOCATING TARIFF EQUITY

The Association of Businesses Advocating Tariff Equity (“ABATE”), by its attorneys, CLARK HILL PLC, files its Initial Brief in this proceeding initiated by DTE Electric Company (“DTE” or the “Company”) before the Michigan Public Service Commission (“Commission”) in accordance with the schedule established by the presiding Administrative Law Judge (“ALJ”).

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	ARGUMENT	2
A.	DTE should file each proposed Large Load Provision customer contract with the Commission prior to providing service and demonstrate sufficient collateral.	2
B.	DTE should be required to file an annual Large Load Report.....	6
C.	The Commission should clarify that it is not deciding whether Large Load Provision customers will ultimately be served under Rate D11 or a separate rate.	7
D.	The Large Load Provision applicability threshold must be reasonable.	8
1.	The Commission should clarify that the Large Load Provision applicability threshold approved here is subject to revision as the reality of this customer load evolves.	8
2.	The Large Load Provision should not apply to smaller load additions across multiple sites.	10
3.	The Large Load Provision should apply to all large load additions not already taking service when the tariff becomes effective.	12
E.	Certain proposed Large Load Provision terms do not ensure costs are borne solely by the Large Load Provision customer.	13
1.	As submitted the financial protections proposed by DTE’s Large Load Provision do not accurately measure DTE’s cost to serve a Large Load customer.....	13
2.	As submitted the proposed Large Load Provision does not prevent a customer from reducing its minimum obligations by changing its supply arrangement.	14
3.	As filed the Large Load Provision administrative fee does not comply with the Commission’s direction.....	15
F.	The proposed Large Load Provision requires clarifying modifications.	16
1.	The termination fee provision should clarify that it is not less than fifteen years of minimum billing demand plus applicable ramp.	17
2.	The Large Load Provision must define the ramp period as beginning on the date the contract is fully executed.....	18
3.	Any reset of a Large Load Provision customer’s contract capacity resulting from operation above contract capacity should be subject to Commission review.	19
4.	The Large Load Provision Contribution in Aid of Construction term should be revised.	20
5.	The Large Load Provision assignment term should be revised to better protect existing customers.....	20
6.	DTE should be directed to file a revised Exhibit A-1 in redline form.....	21
G.	The Commission should not adopt utility-specific interconnection requirements, ramp rate, and voltage ride-through terms.	22

H.	It is premature to impose generally applicable power quality monitoring requirements or to direct a Staff study group on uninterruptible power supply trips.	24
III.	RELIEF REQUESTED.....	25

I. INTRODUCTION

On December 18, 2025 the Commission issued an order in Case No. U-21990 requiring DTE to “file an application for approval of a generally applicable large load tariff that aligns with the findings in the November 6, 2025 order in Case No. U-21859,” which order approved a “Data Center Provision” for Consumers Energy Company (“Consumers”)’s Rate GPD (“Case No. U-21859 Order”). Pursuant to that directive DTE filed its application in this proceeding on March 18, 2026 to revise its Rate D11 tariff to include a new “Large Load Provision.”

The Large Load Provision and DTE’s proposal contain certain deficiencies which require modification. Specifically, at minimum the Commission must require the Large Load Provision contain the same filing requirements and customer protections mandated in the Case No. U-21859 Order, including an annual Large Load Report. Further, the Commission should clarify that it is not foreclosing a separate rate for these large load customers and ensure the application of this Large Load Provision does not fall on smaller traditional customers that do not present the same risks. Further, the Commission must ensure the financial protections set out in the Large Load Provision will, in fact, shield existing customers from stranded costs associated with serving these customers. The Commission should also require modifications to the Large Load Provision to clarify the termination fee, ramp period, capacity overage procedure, contribution in aid of construction (“CIAC”) requirement, and assignment procedure. Lastly, the Commission should reject premature determinations on issues being addressed at the transmission level and await their resolution there.

ABATE does not oppose a Large Load Provision, and in several respects DTE’s proposal is more protective of other customers than what the Commission required of Consumers, including its three-year maximum ramp period, its termination fee floor, its prohibition on reductions in contract capacity, and its reduced CIAC allowance. Moreover, DTE has already agreed, or does

not explicitly object, to several of the modifications ABATE proposes, including an ex parte filing before each Large Load Provision customer takes service, calculating the Large Load Provision's financial protections on full-service Rate D11 demand charges, measuring the ramp period from full execution of the contract, inserting the word "annual" in the CIAC allowance, and reporting assignments in an annual report. The Commission should adopt those modifications as uncontested and focus its review on the discrete issues that remain in dispute.

The customers which have raised the need for the Large Load Provision terms are unique and enormous. The Commission should therefore adopt the recommendations set out below to establish a reasonable framework for providing these customers service while protecting existing ratepayers and avoiding unduly burdening them with errant service terms or excess costs.

II. ARGUMENT

A. DTE should file each proposed Large Load Provision customer contract with the Commission prior to providing service and demonstrate sufficient collateral.

The Case No. U-21859 Order required Consumers to make a filing with the Commission including certain demonstrations. Specifically, the Commission stated the following:

Prior to each large load customer taking service under the General Primary Demand Rate – Rate GPD provisions approved in this order, Consumers Energy Company shall make an ex parte filing in a new docket that demonstrates compliance with the tariff requirements approved in this order, and that demonstrates that costs caused by the interconnecting large load customer to be served under the tariff are not being paid for by other customers. Consumers Energy Company shall include in the filing any modeling or cost of service studies that support this demonstration. If setting a collateral amount for a large load customer under General Primary Demand Rate—Rate GPD above or below the default provision approved in this order, Consumers Energy Company shall include this information in the application and demonstrate the reasonableness and prudence of the alternative collateral amount.

DTE agreed in this proceeding that it "does not oppose making an ex parte filing before each customer subject to the Large Load Provision begins taking service" and "is agreeable to the

same structure of Commission review as approved in Case No. U-21859.” (Willis 2 Tr 73-74; Exhibit AB-4 at 11.) Despite this concession, however, DTE also stated that it does not agree that such an ex parte filing should include a demonstration that the established contract termination fee and collateral amount are sufficient to recover any remaining unrecovered incremental cost regarding serving a Large Load Provision customer. Specifically, DTE argued that “the determination of the actual sufficiency or insufficiency of collateral, and any resulting assignment of cost responsibility, is most appropriately addressed at the time of a default, should one occur.” (*Id.*) This approach is insufficient and imprudent and the Commission should not permit DTE to punt the important issue of collateral sufficiency to the time of default.

In its Case No. U-21859 Order the Commission approved a default collateral provision of “50% of the total minimum monthly charges multiplied by the number of months remaining on the full term of the contract, to be recalculated annually, or, in other words, half of the exit fee,” although it stated that deviations from this collateral should be accompanied by information demonstrating “that it is reasonable and prudent to adjust the level(s) or form of collateral.” (Case No. U-21859 Order at 112-14.) For such deviations the Commission stated it would review a request, “taking into account the risk level of the individual large load customer, including the credit rating of the customer and/or its parent company,” and if “the Commission decides the different level or form of collateral presented in the filing is commensurate with the risk presented by the customer, it may approve a level different from the default.” (*Id.*) As the Commission itself acknowledged, “this calculation can serve as a default amount of security to approximate the specific risk presented by an unknown large load customer” while Consumers’ “ex parte application should include a demonstration that the alternative collateral requirement will not burden other customers with the risk of stranded costs.” (*Id.*) Despite the Commission’s decision

in the Case No. U-21859 Order, there is no reason to simply assume the default collateral will adequately address a customer's risk of causing stranded cost and only require a utility to consider this issue if it seeks an alternative collateral requirement.

As the Commission stated, a "core tenet of ratemaking is that customers are responsible for the costs they impose on the system and the costs required to serve them." (*Id.* at 116-17.) "Residential, commercial, and other industrial customers should not have to pay for investments driven solely by large load additions." (*Id.*) "Without better understanding how these large new loads will be served and the costs involved in doing so, it is impossible for the Commission to understand whether existing customers will end up bearing a portion of such costs." (*Id.*) Adhering to this "core tenet of ratemaking" and "better understanding . . . whether existing customers will end up bearing a portion" of the costs to serve these customers requires at least some initial understanding of whether the required collateral will cover potential stranded costs. Indeed, DTE effectively acknowledged that it, "as the contract counterparty, will determine collateral amount based on facts and circumstances known at the time, which may include credit rating or other measures of risk." (Exhibit AB-4 at 12.) The Commission should require DTE to show its work and demonstrate contracted collateral will cover a customer's risk of stranded costs rather than assuming a default amount is sufficient.

Indeed, DTE's own discovery responses confirm why this review should not be deferred until a default. DTE admitted that it does not at this time know the incremental production facility costs, transmission upgrade costs, customer facility-interconnection costs, other distribution costs, or Public Act 235 compliance requirement costs that it will incur to serve Large Load Provision customers. (Exhibit AB-1; Dauphinais 2 Tr 118-19.) Those costs "cannot be known for each Large Load Provision customer until DTE actually enters into a proposed contract with that customer."

(*Id.*) The ex parte filing is therefore the only point at which the Commission can determine whether the terms DTE negotiates actually protect other customers. (See Dauphinais 2 Tr at 129.)

DTE's opposition to this recommendation is also undermined by the apparent divergence of its own proposal in this case from the Case No. U-21859 Order. While DTE asserted that it proposed "that large load customers be required to provide collateral equal to 100% of the termination fee," in contrast to the collateral requirements set out in the Case No. U-21859 Order, DTE's proposal appears to allow it to lower a Large Load Provision customer's collateral amount below 50% of the customer's termination fee and accept a parent guarantee for all or some of a customer's collateral amount without Commission review. (Willis 2 Tr 33-34; Willis 2 Tr 50-51; Exhibit A-1 at 6.) Thus, while the Company has indicated it is not proposing a less stringent tariff requirement than approved in the Case No. U-21859 Order, the Commission must ensure that is the case. (See Exhibit AB-4 at 11, 16-17 (stating "the Company is agreeable to the same structure of Commission review as approved in Case No. U-21859").)

This is particularly important given the incongruity between the Large Load Provision contract terms and the asset lives associated with serving these customers. The production, transmission, and distribution assets constructed to serve a Large Load Provision customer have depreciable lives well in excess of the fifteen-year minimum term proposed by DTE; specifically at least 20 years for new production assets (and potentially decades longer depending on resource type), and at least 35 years for new transmission and distribution assets. (Dauphinais 2 Tr 132.) Thus, under DTE's proposed Large Load Provision a customer that takes service for the proposed full fifteen-year term and then provides three years' notice of non-renewal pays no termination fee and leaves whatever investment remains undepreciated to be recovered from DTE's other

customers. (Exhibit A-1 at 5.) This is a substantial risk and requires consideration before a contract is executed and service is already underway.

The Commission should therefore ensure the following:

- Require DTE, prior to each new customer subject to the Large Load Provision taking service, to make an ex parte filing in a new docket that demonstrates both compliance with the Large Load Provision tariff requirements approved by the Commission in this proceeding, and that costs caused by the interconnecting customer to be served under the Large Load Provision are not being paid for by other customers, including any modeling or cost of service studies that support that demonstration;
- Require DTE to demonstrate in that ex parte filing that the proposed termination fee and collateral amount are sufficient to recover the remaining unrecovered incremental cost of the production, transmission and distribution investment DTE will make to serve that customer, measured over the depreciable life of that investment, and to identify any residual cost exposure that would remain with other customers;
- Require that DTE's proposed collateral provisions for its Large Load Provision provide the same minimum protections required in the Case No. U-21859 Order by: (i) not allowing DTE to reduce a customer's collateral requirement to less than 50% of the customer's termination fee; and (ii) not permitting the use of parent guarantees unless DTE seeks and receives approval from the Commission to do so;
- Require DTE, to the extent it proposes that a new Large Load Provision customer's collateral amount be less than 50% of the customer's termination fee, and/or proposes to allow the customer to use a parent guarantee, include this information in DTE's *ex parte* filing for service to that customer, and demonstrate the reasonableness and prudence of the alternative collateral provisions; and
- Require that any exercise of discretion by DTE under the Large Load Provision that results in terms less protective of other customers than the tariff default be disclosed in DTE's ex parte filing for that customer, and that DTE demonstrate the reasonableness and prudence of the departure.

Permitting the Company discretion to adjust collateral without Commission review is untenable.

(See Dauphinais 2 Tr 114-15, 119-20.) The recommendations above are consistent with the Case No. U-21859 Order and should be adopted as part of any Large Load Provision approved here.

B. DTE should be required to file an annual Large Load Report.

The Case No. U-21859 Order required Consumers to “provide annual reporting” on its large load provisions, including the number of administrative fees assessed, the number of

executed contract agreements, aggregate MWs and MWhs in service, contracted capacity increases, and notices of termination and exit fees applied. (Case No. U-21859 Order at 120-21, 124; Dauphinais 2 Tr 121-23.) DTE has not proposed comparable reporting and has offered no reason it should be excused from it. (*Id.*) DTE has indicated only that it has no objection to noting assignments “in an annual report, should the Commission order such an annual report.” (Willis 2 Tr 82.)

The Commission should require DTE to file an annual Large Load Report identifying: (i) the number of Large Load Provision administrative fees assessed; (ii) the number of Large Load Provision executed contract agreements; (iii) aggregate Large Load Provision MWs in service; (iv) aggregate Large Load Provision MWhs in service; (v) contracted capacity increases and associated MW increases; (vi) any instance in which DTE agreed to terms less protective of other customers than the Large Load Provision tariff defaults, and the basis for doing so; (vii) administrative fees assessed as compared to the actual cost of the studies performed; (viii) notices of termination of contract and termination fees applied; and (ix) any assignment of Contract Capacity. (Dauphinais 2 Tr 114-15, 122-23, 137.) Unlike the Consumers reporting, this list does not include reductions in contract capacity, because DTE’s Large Load Provision does not permit them. (*Id.*; Exhibit AB-1 at 13-14.)

C. The Commission should clarify that it is not deciding whether Large Load Provision customers will ultimately be served under Rate D11 or a separate rate.

DTE proposes to serve Large Load Provision customers under Rate D11. (Dauphinais 2 Tr 123.) Although that structure is consistent with the Case No. U-21859 Order, the Commission there expressly stated that its decision “does not preclude the creation of a separate rate class at a future time in the context of a separate proceeding such as a rate case,” and required Consumers to file at least six class cost of service and rate design proposals examining separate rate class

treatment for large load customers. (Case No. U-21859 Order at 105, 115.) The Commission imposed the same requirement on DTE in Case No. U-21990, and DTE has submitted those studies and proposals in its pending rate case, Case No. U-22046. (Dauphinais 2 Tr 123-24.) There is accordingly a very high likelihood that the evidence in Case No. U-22046 may lead to the conclusion that the Oracle load at issue in Case No. U-21990, the Google load at issue in Case No. U-22058, and Large Load Provision customers should be served together under a new rate, or each under its own separate rate. (*Id.*) Further, the Commission has established a separate rate filing requirement for comparable Indiana Michigan Power Company customers. *In the Matter of the Application of Indiana Michigan Power Co*, order of the Public Service Commission, entered August 27, 2026 (Case No. U-21986). The Commission should therefore clarify that it is not, in this proceeding, making a final decision whether Large Load Provision customers shall be served under Rate D11 or under a separate dedicated rate class or classes, and that any decision on that question here is preliminary and subject to the outcome of future rate proceedings, including Case No. U-22046. (Dauphinais 2 Tr 124.)

D. The Large Load Provision applicability threshold must be reasonable.

1. The Commission should clarify that the Large Load Provision applicability threshold approved here is subject to revision as the reality of this customer load evolves.

DTE proposed that its Large Load Provision be applicable to all incremental load that is either: (i) greater than 100 MW at a single site; or (ii) greater than 100 MW across multiple sites in DTE's service territory, with an average site size of greater than 20 MW, which will begin taking service within five years. (Exhibit A-1 at 4.) While this comports with the Case No. U-21859 Order, the Commission should clarify that this applicability threshold may evolve as the load subject to these provisions becomes better understood. (Dauphinais 2 Tr 125-28.)

The load represented by these customers is unprecedented and carries with it significant resource adequacy and stranded cost risks. (*Id.*) In addressing those risks, however, the Commission must be careful to avoid inhibiting traditional economic development by applying the tariff provisions at issue here too broadly. There are significant differences between traditional large manufacturing and industrial customers and the hyperscale data centers driving load growth in DTE's service territory. As ABATE witness James Dauphinais explained, "while both data center loads and large industrial manufacturing facilities, such as automobile assembly plants, chemical plants, steel mills, and paper mills, can consume substantial amounts of electricity, they differ fundamentally in how much power they draw at a single location, how continuously they operate, and how electricity fits into their overall energy profile." (*Id.*) Data center loads also present greater stranded-asset risk. They typically do not have the same level of employees as a comparably sized manufacturing load and have no significant local supply chain needs, which makes it easier for them to reduce their demand or exit a utility's service territory. (*Id.*) That risk is aggravated by the boom nature of the data center industry, which may not ultimately be sustained at the level currently projected. A distinction between these customer types is therefore appropriate and tariff provisions meant to address the risks of enormous new loads with unique operating characteristics should not be applied to smaller customers which do not present those same risks.

This approach is evidenced by the North American Electric Reliability Corporation ("NERC") focusing its reliability requirement efforts regarding large load additions on computational loads, rather than all large load additions. (Dauphinais 2 Tr 127; Exhibit AB-2.) Further, on June 30, 2026, the U.S. House of Representatives Committee on Energy and Commerce issued an amendment in the nature of a substitute to the pending Ratepayer Protection Act (H.R. 9340), which the Committee adopted by a 52-0 vote on July 21, 2026, and which limits

the definition of “large-load customer” to computational facilities with aggregate peak demand of 100 MW or more at a single site or campus. (Dauphinais 2 Tr 127-28; Exhibit AB-3.)

The Commission should therefore periodically review the MW threshold and types of new load additions that are subject to Large Load Provisions DTE has proposed here. Doing so once the Commission, utilities, and customers have a better understanding of these customers’ load requirements and characteristics will clarify the MW size and load types that truly require these additional tariff provisions.

2. The Large Load Provision should not apply to smaller load additions across multiple sites.

The Attorney General, Natural Resources Defense Council, and Sierra Club (“AG-NS”) proposed that: (i) the Large Load Provision apply to any aggregation of new load exceeding 100 MW with sites averaging at least 20 MW, irrespective of when the individual sites enter service, rather than being limited to sites that begin taking service within five years as DTE has proposed; and (ii) the Large Load Provision be extended to co-located sites – whether associated with the same or different customers – whose combined capacity exceeds 100 MW, even where average site capacity is below 20 MW. (Havumaki 2 Tr 323-25.) These requirements would inappropriately broaden the application of the Large Load Provision and should be rejected.

The Large Load Provision is essentially a response to the addition of hyperscale data center load and should be applied accordingly, rather than administered to encompass any customer gradually adding additional sites over an infinite period of time. DTE’s proposal includes a five-year aggregation window that reasonably addresses load growth in quick succession. (Dauphinais 2 Tr 150.) Eliminating that timeframe requirement entirely would instead broaden the purview of the Large Load Provision to encompass the cumulative growth of any multi-site customer, no

matter how gradual the pace of site additions. (*Id.*) This would sweep up traditional customers for which these terms are simply not necessary.

As ABATE witness James Dauphinais explained, a “traditional industrial manufacturer expanding across multiple sites over decades could cross 100 MW in the aggregate and find each incremental addition – however modest – saddled with a fifteen-year minimum term, a minimum billing demand obligation, a termination fee and a collateral requirement.” (*Id.*) Indeed, under the AG-NS proposal a 15 MW site added ten years after an initial site would itself carry a fresh fifteen-year term. (Havumaki 2 Tr 323-24.) Applying service terms designed for a hyperscale data center addition to a load one-twentieth their typical 300 MW or larger size is not appropriate or necessary and would unduly inhibit traditional economic development.

This approach is also contrary to the evidence regarding the types of customers and risks the Large Load Provision is meant to address. As noted above, NERC has focused its large load reliability efforts on computational loads rather than all large load additions, and the substitute amendment to the Ratepayer Protection Act narrowed the definition of “large-load customer” to computational facilities with aggregate peak demand of 100 MW or more at a single site or campus. (See Dauphinais 2 Tr 151; Exhibits AB-2, AB-3.) These actions demonstrate that the scale of large loads at issue can be more narrowly tailored than AG-NS’s proposal to both adequately address relevant risks and avoid burdensome over-application where it is not necessary. In other words, both developments narrow the scope of large load provisions; AG-NS would broaden it without identifying any development trending in such direction. (Dauphinais 2 Tr 151.)

The AG-NS proposal to aggregate co-located sites of the same or different customers also disconnects the Large Load Provision from the cost risks it is meant to address. Separate customers with no connection but geographic proximity have no common contract, creditworthiness, or

termination exposure. (Dauphinais 2 Tr 151.) As such, none of the Large Load Provision's financial protections (i.e., the minimum monthly charge, the termination fee, or the collateral requirement) would sensibly operate across them. (*Id.*) In addition to this flaw, the proposal would apply the Large Load Provision well beyond the customers animating its necessity, covering small tenants of industrial parks and sub-20 MW loads that no party contends present stranded asset risk. (*Id.*) AG-NS also does not define what would qualify as "co-located." (*Id.*)

The proposal is therefore unreasonable and unnecessary. If the concern is a single entity structuring itself into multiple nominal customers to evade the threshold, the Case No. U-21859 Order already provides a method for addressing this by aggregating sites that share a common owner where each site is 20 MW or more, without aggregating unaffiliated customers. (Dauphinais 2 Tr 152; Case No. U-21859 Order at 105-06.) As such the AG-NS proposal should not be adopted.

3. The Large Load Provision should apply to all large load additions not already taking service when the tariff becomes effective.

DTE states that the "Large Load Provision additions to Schedule D11 will become effective for serving any new customer meeting the Availability of Service criteria set forth in the tariff and would apply to all new large customer loads requesting to take service as of their effective date, unless another effective date is ordered by the Commission." (Exhibit AB-4 at 5.) DTE likewise states that the Large Load Provision does not apply to existing load contracted for or served before its effective date. (Willis 2 Tr 26-27.) At the same time, DTE's Application offers its pipeline of prospective large load customers as a principal reason for expedited approval. (Application at 5.) As drafted, any contract DTE executes between now and the tariff's effective date would fall outside the Large Load Provision entirely, leaving outside the tariff's protections the very customers whose presence DTE cited as the reason to approve it quickly. (Dauphinais 2 Tr 133.) The Commission should require the Large Load Provision to apply to any large load addition,

other than those that are the subject of Case Nos. U-21990 and U-22058, that is not already taking service as of the effective date of the tariff approved in this proceeding. (*Id.*) The Commission should also state that the Large Load Provision establishes minimum requirements only and does not limit the case-specific conditions the Commission may impose in any pending or future proceeding involving service to an individual large load customer. (*Id.*)

E. Certain proposed Large Load Provision terms do not ensure costs are borne solely by the Large Load Provision customer.

1. As submitted the financial protections proposed by DTE's Large Load Provision do not accurately measure DTE's cost to serve a Large Load customer.

The Minimum Monthly Charge (“MMC”), termination fee, and required collateral amount are each derived from a single formula: a Minimum Billing Demand (“MBD”) of 80% of contract capacity multiplied by the prevailing Rate D11 demand charges. (See Dauphinais 2 Tr 118, 129.) These Rate D11 demand charges are developed from the average embedded cost of serving the *existing* primary, sub-transmission, and transmission voltage customer classes as a whole; they do not reflect the incremental production, transmission, or distribution cost DTE will incur to serve a *new* load addition of 100 MW or more. As such, the MMC, termination fee, and required collateral do not align with the incremental cost of servicing a Large Load customer. Consequently, the amount a Large Load Provision customer is obligated to pay under the MMC, and the amount it forfeits if it terminates service early, bear no necessary relationship to the investment DTE will have made on that customer’s behalf. (Dauphinais 2 Tr 129.) DTE has not closed that gap: again, it admitted in discovery that it does not know the incremental production, transmission, interconnection, or other distribution costs it will incur to serve Large Load Provision customers. (Exhibit AB-1 at 2-10; Dauphinais 2 Tr 118.)

The Commission should therefore fully address this issue to ensure other customers do not bear the costs of serving Large Load Provision customers. As discussed above, the Commission should require DTE to demonstrate in its ex parte filings that the proposed termination fee and collateral amount are sufficient to recover the remaining unrecovered incremental cost of the production, transmission, and distribution investment DTE will make to serve the customer, measured over the depreciable life of that investment, and to identify any residual cost exposure that would remain with other customers. (Dauphinais 2 Tr 129-30.)

2. As submitted the proposed Large Load Provision does not prevent a customer from reducing its minimum obligations by changing its supply arrangement.

DTE's Rate D11 provides for both full-service and a separate rate structure applicable to Retail Open Access Service ("ROA") customers, under which the power supply non-capacity demand charge does not apply. (See Dauphinais 2 Tr 130-31.) While the proposed Large Load Provision does not address what occurs if a Large Load Provision customer elects ROA service or changes its tariff rate, DTE stated that the "applicable demand charges would be the distribution demand charge, which is applicable to both full service and ROA customers," and if a Large Load customer enters "into a special contract or take[s] service under another rate or rider that changes its power supply arrangement," DTE "would expect to make an ex parte filing should a situation arise." (Exhibit AB-4 at 21.) These assertions do not ensure that a Large Load customer's termination exposure and required collateral will not fall substantially if it changes its supply arrangement, thus leaving other customers to cover the cost of assets constructed or procured to serve the Large Load customer. (See Dauphinais 2 Tr 130-31.)

DTE asserted that it shared ABATE's "interest in ensuring that large load customers are served with appropriate protections for other customers," but claimed that the "proposed tariff requires customers to take service on D11 and the Large Load Provision" and "[c]ombined with

the minimum contract term of fifteen years, the customer would be tied to their full service Rate Schedule D11 contract for that duration.” (Willis 2 Tr 59-60.) The Company further stated that while “the proposed provisions do not explicitly state ‘full service,’ when read in the context of providing capacity service to the new customer the provisions evidently refer to a full service contract.” (Exhibit AB-4 at 18-22.) Further, the Company stated that it would “support language clarifying that the calculation basis remains the otherwise applicable full-service Rate D11 demand charges.” (*Id.*) DTE’s agreement should be reflected in the tariff itself rather than left to how the provisions evidently read, and it does not address a customer that later changes its supply arrangement.

As such, the Large Load Provision should affirmatively state that the minimum monthly charge, the termination fee, and the collateral requirement will be calculated using the full-service Rate D11 demand charges then in effect, without regard to any subsequent change in the customer’s power supply arrangement, unless a change to the calculation for these amounts is explicitly approved by the Commission. Furthermore, a Large Load Provision customer’s election of an alternative supply arrangement should require DTE consent and Commission notice.

3. As filed the Large Load Provision administrative fee does not comply with the Commission’s direction.

In Case No. U-21990 the Commission directed DTE to propose an administrative fee to ensure the costs associated with any interconnection or other studies performed for prospective large load customers are not absorbed by existing customers. *In the Matter of the Application of DTE Electric Co*, order of the Public Service Commission, entered December 18, 2025 (Case No. U-21990), pp 40, 45. DTE’s Large Load Provision fixed fee of \$100,000 or \$250,000 does not ensure that outcome.

DTE has not demonstrated a fixed fee, without any documented relation to the actual cost of the studies performed, is sufficient to cover those costs. (Dauphinais 2 Tr 131-32.) To the extent the actual cost of studying a multi-hundred megawatt or gigawatt scale request exceeds the fee, the difference is potentially absorbed by other customers, which is the very result the Commission directed DTE to avoid. (*Id.*) Further, DTE has not identified the ratemaking treatment of the fee. If fees are recorded as revenue or an offset to operating expense above the line, the benefit accrues to DTE between rate cases rather than to the existing customers the fee was intended to protect.

To ensure costs associated with any interconnection or other studies performed for prospective large load customers are not absorbed by existing customers, the Commission should require the administrative fee operate as a non-refundable minimum deposit against the actual cost of the studies performed. Any cost in excess of the fee should be billed to the prospective customer. DTE confirmed that should the Commission decline to adopt its fixed-fee approach, it should adopt ABATE's recommendation to set the proposed fees as non-refundable with any excess costs being the responsibility of the requesting customer. (Exhibit AB-4 at 33.)

F. The proposed Large Load Provision requires clarifying modifications.

Under DTE's Application, the tariff language in Exhibit A-1, rather than DTE's testimony, would become the operative Large Load Provision tariff. Exhibit A-1 is in several respects either inconsistent with DTE's description of the Large Load Provision or ambiguous in a manner that could operate to the detriment of DTE's other customers. (Dauphinais 2 Tr 134.) These matters should be corrected before the Large Load Provision is approved in accordance with the discussion below. (*Id.*)

1. The termination fee provision should clarify that it is not less than fifteen years of minimum billing demand plus applicable ramp.

The proposed Large Load Provision is not entirely clear regarding the termination fee. Specifically, it states that it will be “up to fifteen years of minimum billing demand (plus applicable ramp),” while DTE’s testimony describes it as fifteen years of minimum billing demand, subject to negotiation and stating that it “may exceed the minimum of fifteen years of MBD.” (Willis 2 Tr 32; see Dauphinais 2 Tr 134-35; Exhibit AB-4 at 37.) DTE also stated that “the termination fee provision in the proposed tariff [] clearly states that the termination fee begins at 15 years plus ramp period and offers no provisions for a lower initial basis.” (Exhibit AB-4 at 37-38.) That statement cannot be reconciled with the tariff’s own “up to” language, which establishes a maximum and no minimum. (Dauphinais 2 Tr 134.) If approved as written, the provision would both bar DTE from negotiating a longer termination fee where the incremental investment warranted one and arguably permit DTE to agree to a termination fee of less than fifteen years of MBD. (*Id.*) The Commission should require clarification and ensure the Large Load Provision sets this floor, rather than stating the termination fee “will be up to fifteen years of minimum billing demand (plus applicable ramp).” DTE agreed that “should the Commission find it appropriate to include clarifying language within the termination fee section of the tariff which says, ‘The initial termination fee may exceed 15 years of the customer’s applicable minimum monthly charges, subject to mutual agreement of the Company and Customer’, the Company has no objection.” (Willis 2 Tr 81.)

DTE’s offered sentence does not, however, cure the defect. Appending a statement that the fee “may exceed 15 years” to a provision that still says the fee “will be up to fifteen years” would leave the tariff internally inconsistent and still without a floor. The Commission should instead require the provision to read: “The applicable termination fee will be not less than fifteen years of

minimum billing demand (plus applicable ramp), and may exceed that amount subject to mutual agreement of the Company and Customer.”

2. The Large Load Provision must define the ramp period as beginning on the date the contract is fully executed.

While the Large Load Provision provides that the ramp period “is the time between the Company providing initial service and the customer reaching their maximum contracted capacity” and “may not exceed three years,” DTE’s testimony describes a load ramp period of no more than three years from the time the contract is fully executed. (Dauphinais 2 Tr 135-36; Exhibit A-1 at 4; Willis 2 Tr 30.) This is a material difference. For a large load addition requiring new interconnection facilities, the interval between contract execution and initial service can itself be a period of years, during which DTE may be committing capital, procuring capacity, and incurring compliance obligations under 2023 PA 235.

Under the tariff definition, the total period during which the customer is billed below its maximum contracted capacity could substantially exceed three years. (Dauphinais 2 Tr 135.) A limit that does not begin to run until service has commenced also fails to address DTE’s own rationale for the three-year limit, namely that a longer ramp period could result in the Company essentially holding capacity without the associated load. (*Id.*; Willis 2 Tr 30.) The Large Load Provision should be clarified to conform to DTE’s testimony. DTE has confirmed that “the ramp period begins at the time the contract is fully executed, including any applicable regulatory approvals.” (Exhibit AB-4 at 39; Willis 2 Tr 81-82.) The Commission should require Exhibit A-1 to state expressly that the ramp period begins on the date the contract is fully executed, including any applicable regulatory approvals, and may not exceed three years.

3. Any reset of a Large Load Provision customer's contract capacity resulting from operation above contract capacity should be subject to Commission review.

DTE's existing Rate D11 Contract Capacity provision states that any single reading of the demand meter in any month that exceeds the contract capacity then in effect "shall become the new contract capacity." (See Exhibit AB-4 at 49-54.) The Large Load Provision, by contrast, appears to tolerate overages of up to 5% of contract capacity for up to three of any twelve months on a rolling basis, and provides that if an overage persists beyond those limits DTE "may, in its sole discretion, increase the contract capacity to reflect that load." (*Id.*) GLREA recommends that the overage provision be removed or, alternatively, capped at the lesser of 5% or 50 MW and restricted to the nine non-summer months as defined in MISO capacity auctions. (Richter 2 Tr 189-90, 248.) GLREA's underlying observation — that for the largest customers the 5% allowance can itself amount to a load addition of Large Load Provision scale, with the reset of contract capacity occurring without any review — is well taken. (Dauphinais 2 Tr 157.)

A 5% excursion on a 1,000 MW contract is 50 MW, half the 100 MW threshold that triggers the Large Load Provision in the first place. Outright removal, however, goes further than the concern requires. The problem is the magnitude of the excursion and the absence of review, not the existence of modest operational headroom. (Dauphinais 2 Tr 157-58.) The proportionate remedy is Commission review. Any reset of a Large Load Provision customer's contract capacity resulting from operation above contract capacity should be disclosed to and subject to review by the Commission, rather than occurring automatically. (*Id.*) This directly addresses the unreviewed-expansion problem while preserving the operational flexibility the provision affords customers whose excursions are small in absolute terms. Alternatively, GLREA's proposed cap at the lesser of 5% or 50 MW would likewise address the magnitude concern for the largest customers. (*Id.*)

4. The Large Load Provision Contribution in Aid of Construction term should be revised.

While DTE's testimony describes an allowance of up to twice the customer's expected *annual* distribution revenue, the Large Load Provision omits the word *annual*, providing instead for allowances "up to two times their expected distribution revenue based on the contracted demand and prevailing rates." (Dauphinais 2 Tr 136-37.) Read literally against a fifteen-year minimum contract term, the tariff language would produce an allowance equal to thirty years of expected distribution revenue, far larger than the standard allowance the provision is intended to replace and the opposite of the protection DTE describes itself as providing. (*Id.*) The Company has agreed it "has no objection to inserting the word 'annual' ahead of the revenue basis for calculating the CIAC allowance." (Exhibit AB-4 at 37; Willis 2 Tr 82.) As such the Commission should require the tariff be revised accordingly.

5. The Large Load Provision assignment term should be revised to better protect existing customers.

As drafted the Large Load Provision provides that a customer "shall not assign, transfer, or otherwise convey any portion of Contract Capacity to another party without prior written consent of the Company." (Dauphinais 2 Tr 137 (internal citations omitted).) The term does not provide any standard by which DTE will consider providing consent and does not require that an assignee assume all of the obligations of the assignor, satisfy the same creditworthiness assessment, or post collateral at least equal to that posted by the assignor. (*Id.*)

While DTE noted it "has no objection to noting any assignments in an annual report, should the Commission order such an annual report," it did not agree "that the assignment provision is deficient or requires additional conditions within the tariff." (Willis 2 Tr 82.) Given the magnitude of the expected loads at issue the Commission should require the Large Load Provision to condition consent on each of those requirements and require any assignment to be reported in the

annual Large Load Report discussed above. (Dauphinais 2 Tr 137.) DTE’s assertion that it “would expect to make a filing reflecting any known facts and circumstances should that situation arise” is not sufficient considering the costs and risks at issue. (Exhibit AB-4 at 42.) DTE identified no “harm or burden to the Company from conditioning its consent to assignment on the assignee’s assumption of all contractual obligations of the assignor,” and there is no basis for providing no specific criteria or standards on the Company’s consent to assignment. (*Id.* at 43.)

Considering the type and size of customers at issue the Company’s consent to assignment should be conditioned on an assignee making certain guarantees as set out above. As such the Commission should require the tariff to condition consent on each of those requirements and require any assignment to be reported in the annual Large Load Report.

6. DTE should be directed to file a revised Exhibit A-1 in redline form.

Exhibit A-1 contains additional discrepancies with DTE’s Application and testimony. For example, the Application and Exhibit A-1 describe the single-site applicability threshold as incremental load exceeding, or greater than, 100 MW, while DTE described the threshold as 100 MW or more; and the Application describes the minimum term as fifteen years following a three-year ramp period, while Exhibit A-1 provides that the ramp period may not exceed three years and may be shorter. (Dauphinais 2 Tr 137-38.) Taken together with the more significant conflicts described above, these discrepancies indicate that Exhibit A-1 has not been reconciled against the testimony describing its operation. (*Id.*) The Commission should therefore direct DTE to file a revised Exhibit A-1 that reconciles the proposed tariff language to the record in this proceeding and incorporates the corrections described in this section, and to provide that revised exhibit in redline form so that the parties and the Commission can readily confirm the changes made. (*Id.*)

G. The Commission should not adopt utility-specific interconnection requirements, ramp rate, and voltage ride-through terms.

The CEO recommended DTE provide specific, detailed minimum interconnection requirements for large loads, including draft operating parameters showing generally applicable ramp rate and voltage ride-through terms, and that once NERC and Midcontinent Independent System Operator, Inc. (“MISO”) standards are implemented, the Commission evaluate whether they should be applied retroactively to existing, planned, or under-construction large loads. (Shaver 2 Tr 280-81, 307-08.) As these recommendations are neither reasonable nor necessary at this time, the Commission should reject them insofar as they would have the Commission prescribe or require DTE-specific, generally applicable technical requirements in this proceeding, and should limit the scope of any retroactive application. (Dauphinais 2 Tr 152.)

Voltage ride-through requirements and operational ramp rate limits are transmission system reliability issues properly addressed at the Regional Transmission Organization (“RTO”) level. (Dauphinais 2 Tr 153.) The developments CEO documents confirm that conclusion. As its testimony describes: on June 18, 2026, the Federal Energy Regulatory Commission (“FERC”) issued a show cause order to MISO in Docket No. EL26-70-000 concerning the absence of large load operational requirements, including ramp rate and ride-through requirements, in MISO’s tariff. (Dauphinais 2 Tr 153; Shaver 2 Tr 293-96.) In addition, on July 16, 2026, in Docket No. RD26-7-000, FERC converted NERC’s standards development timeline into a mandated one, with Phase I reliability standards addressing computational load risks to be filed by the end of 2026; and on June 29, 2026, MISO’s Large Load Working Group presented draft tariff changes establishing operational ramp rate, telemetry, and ride-through requirements targeted for effectiveness in December 2026. (*Id.*) As such, transmission-level requirements for these issues are now mandated, on a defined timeline, and imminent. Establishing state distribution-level

requirements for DTE in this case is therefore premature and would inevitably result in requirements that need to be quickly revised and reconciled with those mandated at the transmission level.¹ CEO Witness Shaver's own evidence thus establishes that the appropriate source of generally applicable technical values is the NERC and MISO processes now underway, not this proceeding. (Dauphinais 2 Tr 154.)

Further, any Commission retroactive application of these requirements should be limited to computational loads. The reliability events underlying CEO witness Shaver's testimony, including the July 2024 and July 2026 Virginia disturbances he describes, were simultaneous, unexpected trips of large data center loads. (Dauphinais 2 Tr 154; Shaver 2 Tr 286-87.) Consequently, NERC has correspondingly focused its large load reliability efforts on such computational loads. (Exhibit AB-2; Dauphinais 2 Tr 154.) There is nothing that supports diverging from this approach and instead applying such requirements retroactively to traditional industrial manufacturing loads. Those customers have operated on utility systems for decades under existing interconnection and power quality requirements without analogous incident and they are not the customer types which gave rise to the reliability events or concerns at issue.

The Commission should therefore reject the CEO's recommendations to the extent they would require DTE, at this time in this docket, to generically provide specific, detailed minimum interconnection requirements for large loads, including operating parameters showing generally applicable ramp rate and voltage ride-through terms. (Dauphinais 2 Tr 154.) As transmission-level

¹ For these reasons GLREA's recommendation that the Large Load Provision entail tariff limits on customer up-ramp and down-ramp rates expressed in MW per minute, verified by monitoring equipment installed at customer expense, should also be rejected in this proceeding. (See Dauphinais 2 Tr 155-56.)

direction on these issues is imminent the Commission should await the outcome of those processes before considering distribution-level requirements.

H. It is premature to impose generally applicable power quality monitoring requirements or to direct a Staff study group on uninterruptible power supply trips.

GLREA recommends the Large Load Provision entail power quality monitoring at customer expense directed at harmonics and that the Commission direct Staff to urgently convene a study group on the simultaneous uninterruptible power supply trip issue. (Richter 2 Tr 201, 208, 215-16, 249.) As these recommendations are unreasonable and unnecessary the Commission should not adopt them.

GLREA's monitoring recommendation disregards DTE's confirmation that all large loads will be subject to per-customer operating parameters that contemplate load ramping, ride-through, and harmonics, among other terms. (See Shaver 2 Tr 290, 301.) As such a new generally applicable monitoring requirement is premature. Regarding the proposed study group, the Commission recently rejected a similar recommendation in the Case No. U-21859 Order (Case No. U-21859 Order at 76, 121; Dauphinais 2 Tr 156-57.) As noted above, the prudence of waiting to address this issue at the distribution level is only more pronounced now the underlying issues – including uninterruptible power supply tripping – are being actively addressed at NERC, FERC and MISO on a mandated timeline. (*Id.*)

To the extent the Commission does adopt any reliability-related recommendations, however, it should ensure they are properly scoped to computational loads. (*Id.*) These requirements are driven by large data center loads and are inappropriate for and should not apply to traditional industrial processes. As noted above, the recent referenced reliability events and the NERC, FERC, and MISO responses discussed above all concern large computational loads, rather

than traditional industrial processes which have operated on utility systems for decades under existing interconnection and power quality requirements without giving rise to those events.

In particular, GLREA witness Richter relies on NERC's large load white paper discussion that places data centers alongside electric arc furnaces as sources of voltage fluctuation. (Richter 2 Tr 246.) That reliance should not be read as support for applying data-center-driven requirements to traditional industrial processes. Again, the reliability events and the NERC, FERC, and MISO responses that witnesses Richter and Shaver describe all concern computational loads, and electric arc furnaces and similar industrial processes have operated on utility systems for decades under existing interconnection and power quality requirements without giving rise to those events. (Dauphinais 2 Tr 156-57.)

III. RELIEF REQUESTED

WHEREFORE, ABATE requests the Commission issue an Order adopting ABATE's positions as outlined in its Direct and Rebuttal Testimony, as well as its Initial Brief.

Respectfully submitted,

CLARK HILL PLC

By: _____

Michael J. Pattwell (P72419)
Stephen A. Campbell (P76684)
Attorneys for the Association of
Businesses Advocating Tariff Equity
Clark Hill PLC
500 Woodward, Suite 3500
Detroit, Michigan 48226
313-309-4274
mpattwell@clarkhill.com
scampbell@clarkhill.com

Date: October 6, 2026

* * * * *

ALJ Katherine E. Talbot

SERVICE LIST
MPSC Case U-22061

Party	Name	Email
Michigan Public Service Commission Administrative Law Judge	Katherine E. Talbot	talbotk@michigan.gov
MPSC Staff	Monica Stephens	stephensm11@michigan.gov
MPSC Staff	Adam M. Cozort	cozorta1@michigan.gov
MPSC Staff	Lori Mayabb	mayabbl@michigan.gov
DTE Electric Company	John A. Janiszewski	john.janiszewski@dteenergy.com
DTE Electric Company	Andrea Hayden	andrea.hayden@dteenergy.com
DTE Electric Company	MPSC Filings Account	mpscfilings_account@dteenergy.com
Dept. of Attorney General	Lucas Wollenzien	wollenzienl@michigan.gov
Dept. of Attorney General	Joel King	kingj38@michigan.gov
Natural Resources Defense Council	Christopher M. Bzdok	chris@tropospherelegal.com
Natural Resources Defense Council	Sean C. Clark	sean@tropospherelegal.com
Natural Resources Defense Council	Shannon Fisk	sfisk@earthjustice.org
Natural Resources Defense Council	Jacob Elkin	jelkin@earthjustice.org
Natural Resources Defense Council	Helen Li	hli@earthjustice.org
Natural Resources Defense Council	Natasha Fowles	natasha@tropospherelegal.com
Natural Resources Defense Council	Sue Fruchey	sue@tropospherelegal.com
Environmental Law & Policy Center	Katherine S. Duckworth	kduckworth@elpc.org
Gerdau MacSteel, Inc.	Jennifer U. Heston	jheston@potomacclaw.com
Great Lakes Renewable Energy Association	Don L. Keskey	donkeskey@publiclawresourcecenter.com
ABATE	Michael J. Pattwell	mpattwell@clarkhill.com
ABATE	Stephen A. Campbell	scampbell@clarkhill.com
ABATE	Lauren Degnan	ldegnan@clarkhill.com
Consultants for ABATE	James Dauphinais	jdauphinais@consultbai.com
Consultants for ABATE	Jessica York	jyork@consultbai.com
Consultants for ABATE	Brian Andrews	bandrews@consultbai.com