

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of	)	
UPPER MICHIGAN ENERGY RESOURCES	)	
CORPORATION for reconciliation of its gas	)	Case No. U-21605
cost recovery plan (Case No. U-21604) for the	)	
12-month period ended October 31, 2025.	)	
_____	)	

At the August 27, 2026 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On January 13, 2026, Upper Michigan Energy Resources Corporation (UMERC) filed an application in this docket, with supporting testimony and exhibits, under Section 6h of Public Act 304 of 1982, MCL 460.6h, requesting authority to reconcile its gas cost recovery revenues and expenses incurred during the 12-month period ended October 31, 2025.

A prehearing conference was held on March 5, 2026, before Administrative Law Judge Theresa A.G. Staley. UMERB and the Commission Staff participated in the proceeding. Subsequently, the case was reassigned to Administrative Law Judge Jacqueline Langwith. On July 23, 2026, the parties filed a settlement agreement resolving all issues in the case.

The Commission has reviewed the settlement agreement and finds that the public interest is adequately represented by the parties who entered into the settlement agreement. The Commission

further finds that the settlement agreement is in the public interest, represents a fair and reasonable resolution of the proceeding, and should be approved.

THEREFORE, IT IS ORDERED that:

- A. The settlement agreement, attached as Exhibit A, is approved.
- B. Upper Michigan Energy Resources Corporation's gas cost recovery reconciliation for the 12-month period ended October 31, 2025, is approved, as set forth in the settlement agreement.
- C. Upper Michigan Energy Resources Corporation shall reflect the \$82,910 overrecovery as the beginning balance for its 2025-2026 gas cost recovery reconciliation.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheacl@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Shaquila Myers, Commissioner

By its action of August 27, 2026.

Lisa Felice, Executive Secretary

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_____	)	

SETTLEMENT AGREEMENT

As provided in § 78 of the Administrative Procedures Act of 1969 (“APA”), as amended, MCL 24.278, and Rule 431 of the Michigan Administrative Hearing System’s Administrative Hearing Rules, R 792.10431, Upper Michigan Energy Resources Corporation (“UMERC”) and the Michigan Public Service Commission Staff (“Staff”) have resolved, through settlement discussions, the contested issues in this proceeding and hereby agree as follows:

1. Pursuant to Section 6h(12) of 1982 PA 304, as amended, MCL 460.6h et seq. (“Act 304”), UMEREC filed its application on January 13, 2026, with supporting testimony and exhibits, seeking to reconcile the gas costs and revenues collected for the 12-month period ended October 31, 2025, and to roll in to its beginning balance for the 2025-2026 Gas Cost Recovery (“GCR”) reconciliation a GCR over-recovery of \$82,910.

2. On February 2, 2026, the Commission issued its Notice of Hearing directing UMEREC to mail a copy of the Notice of Hearing to all cities, incorporated villages, townships, and counties in its natural gas service area, as well as to all intervenors in Case Nos. U-21254, U-21435 and U-18061. Furthermore, the Commission directed UMEREC to publish the Notice of Hearing in

newspapers of general circulation throughout its natural gas service area. UMERC electronically filed with the Commission the requisite affidavit of mailing and proofs of publication on February 24, 2026.

3. Administrative Law Judge (“ALJ”) Theresa A.G. Staley presided over the March 5, 2026 prehearing conference. Staff participated in the proceeding. There were no intervenors. Subsequently, pursuant to a reassignment memo filed on May 29, 2026, ALJ Staley reassigned this case to ALJ Jacqueline Langwith.

4. In response to the initial filing, Staff thoroughly reviewed the Company’s filing, along with all exhibits. Staff’s review also consisted of tests of mathematical accuracy and analytical tests for reasonableness. Staff conducted a detailed analysis of the GCR costs and revenues for the reconciliation period.

5. Thereafter, the parties engaged in settlement discussions and agree as follows:

- a. Proceedings in this GCR reconciliation were conducted in accordance with Act 304.
- b. The expenditures made for cost of gas supply during the 12-month period ended October 31, 2025, were reasonably and prudently incurred.
- c. For the GCR period ended October 31, 2025, UMERC over-recovered a total cumulative amount of \$82,910 from its gas customers, which includes the rolled-in over-recovery from the prior GCR reconciliation in Case No. U-21436 and interest for the reconciliation period ended October 31, 2025. The parties agree that UMERC shall reflect the total cumulative over-recovery of \$82,910 as its beginning balance of its 2025-2026 GCR reconciliation.

6. It is the opinion of all signatories that this Settlement Agreement is reasonable and prudent and will aid the expeditious conclusion of this case. The signatories further agree that approval of this Settlement Agreement by the Commission would be reasonable and in the public interest.

7. This Settlement Agreement is intended for a final disposition of this proceeding, and the parties join in respectfully requesting that the Commission grant prompt approval. Each signatory agrees not to appeal, challenge, or contest the Commission's order accepting and approving this Settlement Agreement without modification. If the Commission does not accept this Settlement Agreement without modification, then the Settlement Agreement shall be withdrawn and shall not constitute any part of the record in this proceeding or be used for any other purpose whatsoever.

8. This Settlement Agreement has been made for the sole and express purpose of settling this case, and all discussions relating hereto are and shall be privileged and shall not be used in any manner or be admissible for any other purpose in connection with this proceeding or any other proceeding hereof. This Settlement Agreement does not constitute a precedent in any other case or proceeding except as necessary to carry out its terms.

9. All signatories waive Section 81 of the APA of 1969, as amended, MCL 24.281, as it applies to the issues in this case if the Commission approves the Settlement Agreement without modification.

UPPER MICHIGAN ENERGY RESOURCES
CORPORATION

Sherri A. Wellman

Digitally signed by: Sherri A. Wellman
DN: CN = Sherri A. Wellman email =
wellmans@millercanfield.com C = US O = Miller
Canfield
Date: 2026.07.23 08:59:15 -04'00'

Dated: July 23, 2026

By: _____

Its Attorney
Sherri A. Wellman (P38989)
MILLER, CANFIELD, PADDOCK and STONE, P.L.C.
123 West Allegan Street, Suite 200
Lansing, Michigan 48933
(517) 487-2070

MICHIGAN PUBLIC SERVICE COMMISSION STAFF

Michael Orris



2026.07.23

10:28:45 -04'00'

Dated: July 23, 2026

By: _____

Its Attorney
Michael J. Orris (P51232)
Assistant Attorney General
Public Service Division
7109 West Saginaw Highway, 3rd Floor
Lansing, Michigan 48917
(517) 284-8140

PROOF OF SERVICE

STATE OF MICHIGAN)

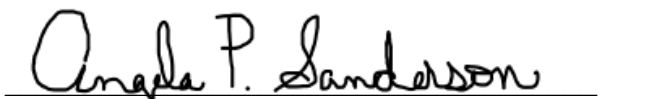
Case No. U-21605

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on August 27, 2026 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 27th day of August 2026.


Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-21605

Name	On Behalf Of	Email Address
Jacqueline Langwith	ALJs - MPSC	langwithj@michigan.gov
Michael J. Orris	MPSC Staff	orrism@michigan.gov
Sherri A. Wellman	Upper Michigan Energy Resources Corporation	wellmans@millercanfield.com
Upper Michigan Energy Resources Corporation	Upper Michigan Energy Resources Corporation	colleen.sipiorski@wecenergygroup.com