

December 17, 2021

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RE: MPSC Case No. U-21160 - In the matter of the application of CONSUMERS ENERGY COMPANY for *Ex Parte* Approval of Economic Development Tariff Rate LED.

Dear Ms. Felice:

Enclosed for electronic filing in the above-captioned case, please find the Amendment to Application.

This is a paperless filing and is therefore being filed only in PDF. Also included is a Proof of Service showing electronic service upon the persons included in Attachment 1.

Sincerely,

Kelly M. Hall

cc: Parties per Attachment 1 to Proof of Service

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)	
CONSUMERS ENERGY COMPANY)	
for Ex Parte Approval of Economic)	Case No. U-21160
Development Tariff Rate LED.)	
)	
)	

AMENDMENT TO APPLICATION

Consumers Energy Company ("Consumers Energy" or the "Company") submits amendments to the Company's proposed economic development Rate LED and requests the Michigan Public Service Commission ("MPSC" or the "Commission") to issue an order approving that proposed rate, and associated ratemaking treatment, on an *ex parte* basis, as described in the Company's November 4, 2021 Application and below.

Consumers Energy's Amendments to Proposed Rate LED

Consumers Energy has reviewed the economic development rate proposal filed with the MPSC by DTE Electric Company ("DTE") on November 10, 2021 in Case No. U-21163. Consumers Energy believes that certain modifications to the Company's proposed economic development Rate LED are appropriate to make the Company's proposal more consistent with DTE's proposed XL High Load Factor Rate, and to clarify the Company's proposed Rate LED tariff. The amendments to Consumers Energy's proposed economic development Rate LED are described below and are also set forth in highlighted text on the proposed Rate LED tariff, attached as Exhibit 1.

<u>Availability:</u> Consumers Energy will only offer Rate LED if it expects the marginal contract revenues will exceed the expected marginal costs of serving the incremental load. The

Company proposes to increase the minimum load which qualifies for Rate LED from 10 MW to 35 MW. Upon mutual agreement between the customer and the Company, the customer can have up to 60 months from the effective date of the Rate LED contract to meet the minimum load requirement.

Minimum Term of Contract: The minimum term of contract under Rate LED should be 15 years.

<u>Transmission Charges:</u> The proposed Rate LED Transmission Charges are set forth in the proposed Rate LED tariff and are based on the incremental transmission charges from Consumers Energy's transmission provider which are applicable to the load served under Rate LED. The Rate LED Transmission Charges will be adjusted and reconciled on an annual basis in the Company's Power Supply Cost Recovery proceedings.

<u>Distribution Charges</u>: The proposed Rate LED distribution charges will be the same as the Distribution Charges in the Company's Large General Service Primary Demand Rate GPD, and will be adjusted if Rate GPD is adjusted during the term of the Rate LED contracts. The Rate LED Distribution Charges may also be adjusted for investments made by the Company for incremental distribution facilities required to serve the Rate LED customer.

<u>Substation Ownership Credit:</u> Proposed Rate LED provides for a Substation Ownership Credit.

<u>Interruptible Service Provision:</u> Consumers Energy's proposed Rate LED includes clarifying language to be consistent with the requirements of the Midcontinent Independent System Operator, Inc. for interruptible loads.

Securitization Surcharges and Associated Production Charge Credits: Consumers Energy

proposes to modify Rate LED so that securitization charges apply under the rate, but associated

production charge credits will not apply for service provided under Rate LED.

With the exception of the changes described above, all other aspects of proposed Rate LED

should apply as described in the Company's November 4, 2021 Application in this matter,

including but not limited to the requested ratemaking treatment.

Request for Relief

WHEREFORE, Consumers Energy Company requests the Michigan Public Service

Commission to approve proposed Rate LED, and associated ratemaking treatment for that rate, as

described in the Company's November 4, 2021 Application and as modified in this Amendment

to Application.

Dated: December 17, 2021

Respectfully submitted,

CONSUMERS ENERGY COMPANY

Kelly M. Hall

By:

Kelly M. Hall (P48083)

One Energy Plaza

Jackson, Michigan 49201

Attorney for Consumers Energy Company

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EXHIBIT 1

Availability:

At the Company's discretion, the Large Economic Development Rate is available to (1) new Full Service primary electric customers locating permanent operations within the Company's service territory or (2) existing Full Service primary customers expanding their permanent operations.

The minimum new or expanded incremental electric service required to contract under the Large Economic Development Rate is 35,000 kW. This rate requires a written contract specifying the terms of the electric service. Upon mutual agreement between the customer and the Company, up to 60 months from the effective date of the contract may be granted for the customer to meet the contracted amount.

This rate is not available to a new customer resulting from a change in ownership of an existing establishment located within the Company's service area. However, if a change in ownership occurs after the customer contracts for service under this rate, the successor may be allowed to fulfill the remainder of the contract.

Customers taking service under the Large Economic Development Rate are ineligible for the terms of the Contribution in Aid of Construction Allowance Schedule located in Rule C1.4, Extraordinary Facility Requirements and Charges.

Service under this rate is not available for intrastate facility consolidation or relocation of the customer's existing facilities served by the Company, for standby service, for new or expanded service for resale or for expanded service for the benefit of parties other than the customer. Electric service provided under this Rate Schedule may not be transported off the customer's Site. A single customer shall not aggregate load from multiple sites to meet the requirements under this rate, and multiple customers shall not aggregate load to meet the requirements under this rate.

Terms and Conditions:

This rate requires a contract term, the minimum term under this rate is fifteen (15) years from the date initial service is provided under this rate, extending thereafter from month-to-month until terminated by mutual consent or on twelve months' written notice by either party.

If the customer ceases operation before completion of the contract term, the customer shall pay the remaining balance for any transmission and distribution system investments specified in the contract to provide service to the customer according to the following schedule:

Up to 50% of the contract term	100%
More than 50 to 60% of the contract term	83%
More than 60 to 70% of the contract term	67%
More than 70 to 80% of the contract term	50%
More than 80 to 90% of the contract term	33%
More than 90% to 99.9% of the contract term	17%

For existing customers expanding their operations, the Company will install, operate, and maintain the metering equipment necessary to measure the incremental load to be billed under this rate. The customer will provide the Company with access to its metering equipment. The Company is not obligated to extend, expand, or rearrange its facilities if it determines the existing facilities are adequate to serve the customer's load.

(Continued on Sheet D-78.20)

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(Continued From Sheet No. D-78.1

Nature of Service:

Service under the rate shall be alternating current, 60-Hertz, three-phase Primary Voltage service. The particular nature of the voltage service provided to the customer shall be specified in a written agreement.

Where voltage is supplied at a nominal voltage of 25,000 volts or less, the customer shall furnish, install and maintain all necessary transforming, controlling and protective equipment.

Where the Company elects to measure the service at a nominal voltage above 25,000 volts, 1% shall be deducted for billing purposes, from the demand and energy measurements thus made.

Where the Company elects to measure the service at a nominal voltage of less than 2,400 volts, 3% shall be added for billing purposes, from the demand and energy measurements thus made.

Interval Data Meters are required for service under this rate. Meter reading will be accomplished electronically through telecommunication links or other electronic measuring equipment available to provide the Company with the metering data necessary for billing purposes.

Line losses shall be applied to the customer's monthly metered production capacity, transmission capacity and energy to reflect the energy consumed in moving electric power through the Transmission system and the Company's distribution system to the customer's point of delivery as determined by the Company and approved by the Commission as reflected in the Monthly Rate.

Monthly Rate:

System Contribution Charge:	\$0.000284	per kWh for all kWh
Power Supply Charges:		
Production Charge: Customer Voltage Level 1 Customer Voltage Level 2 Customer Voltage Level 3	\$4.73 \$4.81 \$4.86	per kW of On-Peak Billing Demand for all calendar months per kW of On-Peak Billing Demand for all calendar months per kW of On-Peak Billing Demand for all calendar months
Transmission Charge: Customer Voltage Level 1	\$1.59	per kW of On-Peak Billing Demand for all calendar months
Customer Voltage Level 2 Customer Voltage Level 3	\$1.62 \$1.64	per kW of On-Peak Billing Demand for all calendar months per kW of On-Peak Billing Demand for all calendar months

The monthly Transmission Charge is based on the incremental transmission charges applicable with the load served under this tariff and shall be adjusted and reconciled on an annual basis in the Company's PSCR proceedings.

Energy Charge: For all energy supplied by the Company, the customer shall be responsible for the MISO Real-Time
Locational Marginal Price (LMP) for the Company's load node (designated as "CONS.CETR" as of the date
of this Rate Schedule), multiplied by the customer's consumption (kWh).

Line losses applied to Energy Charge	
Voltage Level 1	2.90%
Voltage Level 2	4.16%
Voltage Level 3	4.99%

(Continued on Sheet D-78.30)

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(Continued From Sheet No. D-78.20)

Delivery Charges:

Distribution Charges:

Customer Voltage Level 1:	\$0.61	per kW of Maximum Demand
Customer Voltage Level 2:	\$2.40	per kW of Maximum Demand
Customer Voltage Level 3:	\$4.10	per kW of Maximum Demand

The Distribution Charges for the Large Economic Development Rate are equivalent to the Distribution Charges for Large General Service Primary Demand Rate GPD. The monthly charge per kW of Maximum Demand per calendar month may be adjusted to contribute to the recovery of the annual revenue requirement associated with investments made by the Company for incremental distribution facilities required to serve the customer and specified in the contract for electric service.

Substation Ownership Credit:

Where service is supplied at a nominal voltage of more than 25,000 volts, energy is measured through an Interval Data Meter, and the customer provides all the necessary transforming, controlling and protective equipment for all the service there shall be deducted from the bill a monthly credit. For those customers, part of whose load is served through customer-owned equipment, the credit shall be based on the Maximum Demand.

The monthly substation ownership credit shall be applied as follows:

Delivery Charges - These charges are applicable to Full Service Customers.

Charges for Customer Voltage Level 2 (CVL 2)

Substation Ownership Credit: \$(0.98) per kW of Maximum Demand

Charges for Customer Voltage Level 1 (CVL 1)

Substation Ownership Credit: \$(0.35) per kW of Maximum Demand

This rate is subject to the Surcharges shown on Sheet Nos. D-2.00 through D-5.00 and the Power Plant Securitization Charges shown on Sheet No. D-7.00. This rate is not subject to the Power Supply Cost Recovery (PSCR) Factor shown on Sheet No. D-6.00.

Interruptible Service Provision

The monthly credit available to the customer under this Interruptible Service Provision shall not exceed the Production Capacity Charge specified in the Large Economic Development Rate.

The Company reserves the right to limit the amount of load contracted as Interruptible Service Capacity under this rate schedule or require testing to demonstrate the customer's ability to meet the contracted Interruptible Service Capacity.

Customers contracting for interruptible service under this rate schedule shall be required to monitor and provide real-time, Internet-enabled power monitoring. The Company will provide the metering or monitoring devices necessary, which shall be owned by the Company and provided to the customer at the Company's expense. The customer may be required to provide suitable space for such monitoring equipment and either a static or non-static, as applicable, Internet Protocol (IP) address and Local Area Network (LAN) access that allows for Internet-based communication of the customer's site electricity consumption and interruption event performance.

The interruptible load is subject to the MISO Load Modifying Resource requirements. Within 30 minutes of receiving an interruption notice from the Company, the customer shall reduce its total load level down to the Firm Contracted Capacity level or as required by the MISO partial curtailment request.

Any load designated as interruptible is subject to MISO requirements for Load Modifying Resources and the Company shall inform the customer of such MISO requirements. Interruption under this Interruptible Service Provision may occur if MISO declares a Maximum Generation Emergency Event that requires deployment of Load Modifying Resources in accordance with the currently effective MISO Emergency Electrical Procedure or North American Electric Reliability Corporation Emergency Event Alert 2 notice indicating that MISO is experiencing or expects to experience a shortage of economic resources and the Company has declared emergency status. Participation in the Interruptible Service Provision does not limit the Company's ability to implement emergency electrical procedures as described in the Company's Electric Rate Book including interruption of service as required to maintain system integrity.

(Continued on Sheet D-78.40)

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(Continued From Sheet No. D-78.30)

Interruptible Service Provision: (Contd)

Annual Power Test Requirement

Under this provision, the customer shall provide a documented energy reduction plan. The energy reduction plan shall serve as the representation of the customer's annual simulated power test in compliance with the Commission Order issued October 29, 2020 in Case No. U-20628. Any changes to the customer's contracted capacity under this provision must be supported by an updated energy reduction plan on an annual basis.

Conditions of Interruption

Under this Interruptible Service Provision, the customer shall be interrupted at any time MISO deems it necessary to maintain system integrity. The Company shall endeavor to provide notice to the customer in advance of probable interruption by MISO. The Company shall provide the customer at least thirty minutes advance notice of a required interruption, and if possible, a second notice. Notices will be communicated by telephone to the contact numbers provided by the customer. The customer shall confirm the receipt of such notice through the automated response process. Failure to acknowledge receipt of such notice shall not relieve the customer of the obligation for interruption. The customer shall be informed, when possible, of the estimated duration of the interruption at the time of interruption.

The Company shall not be liable for any loss or damage caused by or resulting from any interruption of service under this Interruptible Service Provision.

Interruptions beyond the Company's control, described in Rules C1.1, Character of Service, and C3, Emergency Electrical Procedures, of the Company's Electric Rate Book, shall not be considered as interruptions for purposes of this Interruptible Service Provision.

Should the Company be ordered by Governmental authority during a national emergency to supply firm instead of interruptible service, billing shall reflect firm service capacity as provided under this rate schedule.

Cost of Non-Compliance with Interruption

Failure by customer to comply with an interruption order under this Interruptible Service Provision shall be considered as unauthorized use and billed at (i) the higher of the customer's pro rata share of any actual MISO penalties incurred by the Company or (ii) the rate of \$25.00 per kW for the highest 15-minute kW of Interruptible Peak Billing Demand created during the interruption period in excess of the Firm Contracted Capacity or the partial curtailment requested amount, in addition to the prescribed monthly rate.

Maximum Demand:

The Maximum Demand shall be the highest 15-minute demand created during the current month or previous 11 months.

On-Peak Billing Demand:

The On-Peak Billing Demand shall be based on the highest on-peak demand created during the calendar month, but never less than 60% of the highest on-peak billing demand of the four preceding summer billing months (June through September), nor less than 35,000 kW.

The On-Peak Billing Demand shall be the Kilowatts (kW) supplied during the 15-minute period of maximum use during on-peak hours, as described in Rule C14., Provisions Governing the Application of On-Peak and Off-Peak Rates.

The Company reserves the right to make special determination of the On-Peak Billing Demand, and/or the Minimum Charge, should the equipment which creates momentary high demands be included in the customer's installation.

Green Generation Programs:

Customer contracts for participation in the Green Generation Program shall be available to any eligible customer as described in Rule C10.2, Green Generation Program.

A customer who participates in the Green Generation Program is subject to the provisions contained in Rule C10.2, Green Generation Program.

(Continued on Sheet D-78.50)

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(Continued From Sheet No. D-78.40)

Monthly Rate: (Contd)

General Terms:

The rate is subject to all general terms and conditions shown on Sheet No. D-1.00.

Monthly Minimum Charge:

The Monthly Minimum Charge shall be the sum of monthly Capacity Charges and any applicable non-consumption based Surcharges.

Due Date and Late Payment Charge:

The due date of the customer bill shall be 21 days from the date of mailing. A late payment charge of 2% of the unpaid balance, net of taxes, shall be assessed to any bill which is not paid on or before the due date shown thereon.

Term and Form of Contract:

Service under this rate shall require a written agreement, approved by the Commission.

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the applicate CONSUMERS ENERGY for Ex Parte Approval of Economic Development Tariff Rate LE	COMPANY conomic)))))	Case No. U-21160
	<u>PROC</u>	OF OF SERVICE	
STATE OF MICHIGAN)) SS		
COUNTY OF JACKSON)		

Melissa K. Harris, being first duly sworn, deposes and says that she is employed in the Legal Department of Consumers Energy Company; that on December 17, 2021 she served an electronic copy of the **Amendment to Application** upon the persons listed in Attachment 1 hereto, at the e-mail addresses listed therein.

Melissa K. Harris

Subscribed and sworn to before me this 17th day of December 2021.

Crystal L. Chacon, Notary Public State of Michigan, County of Ingham My Commission Expires: 05/25/24 Acting in the County of Eaton

Crystal J. Chacon

Melissa J. Farris

ATTACHMENT 1 TO CASE NO. U-21160

Party	Mailing Address	Email Address		
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^{*} Receives Public Materials ** Receives Confidential Materials