

**Draft Proposal**  
to the  
Michigan Public Service Commission

**Rate Case Standard Filing Requirements**

Case No. U-18238

Prepared by:  
Michigan Public Service Commission Staff

April 10, 2017

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## **History and Background**

On October 6, 2008, Governor Jennifer Granholm signed into law 2008 PA 286 (Act 286), an amendment to 1939 PA 3. Section 6a(6) of Act 286 provides that, within 90 days of the effective date of the act, the Commission shall adopt standard rate application filing forms and instructions for use in all general rates cases filed by utilities whose rates are regulated by the Commission. The Commission issued an order dated October 21, 2008 in Case No. U-15895 to commence the process of revising its standard rate case filing forms and instructions to accommodate the legislative establishment of a mandatory 12-month deadline of processing of electric and natural gas utility general rate cases. On December 23, 2008 and February 20, 2009, Orders were issued in Case No. U-15895 adopting the current standard filing forms and instructions.

On December 21, 2016, Governor Rick Snyder signed into law 2016 PA 341 (Act 341), which re-numbered and slightly revised MCL 460.6a(6). On April 20, 2017, MCL 460.6a(6) will become MCL 460.6a(8). Act 341 reduces the amount of time available to the Commission and the Commission Staff to process most electric, natural gas utilities, and steam utilities filed on and after April 20, 2017.

As described on the MPSC website<sup>1</sup>:

*2016 PA 341 Sec. 6a shortened the amount of time the MPSC has to issue a final order in a rate case from 12 months to 10 months. It also eliminates the ability of a utility to self-implement a rate increase after 6 months if a final order has yet to be issued. Additionally, providers are required to provide notice to the MPSC prior to filing a rate case; small natural gas utilities have the ability to request “partial and immediate rate relief” as part of a rate case; and rate regulation is extended to steam utilities (in addition to electric and natural gas utilities). The MPSC needs to amend rate case filing requirements to account for these changes. (emphasis added)*

On January 20, 2017, the Commission, on its own motion, opened Case No. U-18238 to consider modifications to its existing standard rate application filing forms and instructions. On March 28, 2017, the Commission issued an order which directed Staff to file a Draft Proposal on April 10, 2017 with Initial Comments by May 3, 2017. In addition, the Commission will hold two collaborative sessions and Staff shall file a Final Proposal on June 9, 2017 with Final Comments by June 21, 2017.

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<sup>1</sup> [http://www.michigan.gov/mpsc/0,4639,7-159-16400\\_79103\\_79364-406245--,00.html](http://www.michigan.gov/mpsc/0,4639,7-159-16400_79103_79364-406245--,00.html)

## **Specific Considerations**

This Draft Proposal is presented using the Commission's currently approved filing requirements as the starting point.<sup>2</sup> Staff modifications to the Commission's currently approved filing requirements are presented in red-line, track-change format in this Draft Proposal.

This Draft Proposal addresses the shortened 10-month timeframe, partial and immediate rate relief, utility coordination with Staff, 21-day spacing, and proposed updates to the rate case standard filing requirements.

## **10-month Schedule**

Given the size and scope of a rate case, it is common for the Commission to utilize the full extent of the time it is afforded by law to issue a final order. That amount of time, in most situations, is now 10-months instead of 12-months. Staff gathered the following information related to the actual experience of the 12-month rate case.

**12-month Rate Case Experience**

<u>Case Stage</u>	<u>Low</u>	<u>Ave</u>	<u>High</u>	<u>Variance</u>
Application	NA	NA	NA	NA
Prehearing	NA	NA	NA	NA
Staff Filing	136	154	187	51
Rebuttal	14	23	39	25
M-T Strike	3	7	18	15
Resp to MTS	1	5	12	11
Cross Start	1	4	14	13
Cross End	3	9	24	21
Initial Brief	20	27	36	16
Reply Brief	10	18	24	14
PFD	35	45	52	17
Except to PFD	7	16	21	14
Repl to Excp	7	11	19	12
Order	30	45	67	37

The information above provides a reference point for each stage of the 12-month rate case process. Specifically, the data illustrates the shortest, average, and greatest amount of time that was built into the 40 approved schedules since Act 286 in 2008.

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<sup>2</sup> See the Commission's order dated Jan 20, 2017 in Case No. U-18238 for a copy of the current filing requirements.

In recent years and at present, Staff targets the following case intervals by stage in its 12-month schedule. The “average” experience of the 40 approved schedules (see above) aligns very closely with the Staff target for a 12-month schedule (see below).

**Staff 12-month Schedule Target**

<u>Case Stage</u>	Step Days	Total Days
Application	0	0
Prehearing	NA	NA
Staff Filing	155	155
Rebuttal	20	175
M-T Strike	5	180
Resp to MTS	3	183
Cross Start	4	187
Cross End	11	198
Initial Brief	28	226
Reply Brief	21	247
PFD	46	293
Except to PFD	20	313
Repl to Excp	10	323
Order	42	365
	365	

For purposes of this Draft Proposal, Staff is not providing a recommendation for a 10-month case schedule. Rather, Staff invites stakeholders to use the Initial Comment phase to provide considerations related to one or more stages within a 10-month rate case schedule, or even better a complete 10-month schedule.

For illustrative purposes, below is a hypothetical 10-month (301 day) schedule whereby the Staff 12-month target schedule is reduced proportionately (equal percentage reduction) at each stage.<sup>3</sup>

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<sup>3</sup> Staff believes that the shortest ten-month span that any rate case could occur in is actually 303 days.

### Illustrative 10-month Equal Reduction

Case Stage	Step Days	Total Days
Application	0	0
Prehearing	NA	NA
Staff Filing	127	127
Rebuttal	17	144
M-T Strike	4	148
Resp to MTS	3	151
Cross Start	3	154
Cross End	9	163
Initial Brief	23	186
Reply Brief	17	203
PFD	38	241
Except to PFD	17	258
Repl to Excp	9	267
Order	34	301
	301	

### **Partial and Immediate Rate Relief**

Act 341 creates a new process allowing certain gas utilities (those serving fewer than 1,000,000 customers) to file a motion seeking partial and immediate rate relief (i.e., P&I or interim rate relief). If a gas utility files a motion, the Commission has 180 days to issue an order granting or denying the relief requested. Within that 180 days, the Commission must also notify interested parties and give them an opportunity to present written evidence and arguments.

Before Act 286 of 2008, utilities had a similar opportunity to request partial and immediate rate relief, but Act 341's new process is different in several critical respects. The new process is limited to certain gas utilities, gives the Commission 180 days to issue an order, and requires only a "reasonable opportunity to present written evidence and written arguments."

Act 341’s requirements can be satisfied by providing notice and setting a schedule that allows for pre-filed testimony and exhibits; a hearing, without cross examination, to bind in evidence; and a brief. Staff is proposing a new model schedule for this process based on the soon-to-expire 180-day, self-implementation process:

	<u>Step Days</u>	<u>Total Days</u>
P&I Filing - Company	0	0
P&I Filing - Staff & Intervenors	127	127
Hearing to Bind in Testimony (No Cross)	7	134
Briefs	7	141
Reply Briefs	7	148
Order	32	180

Staff’s proposal satisfies Act 341 because it provides notice and an ample opportunity to present written evidence and arguments. It is also reasonable because it gives parties an opportunity to thoroughly review a utility’s main case before taking a position on the utility’s request for interim rate relief. Staff’s goal was to align the Staff and Intervenor P&I filing with their filing in the utility’s main case.

In addition to the schedule, the Commission should advise utilities that it is not likely to approve interim rates that are based on the same test year it used in a prior rate case. Rather, utilities should use a different interim test period—ideally, the same test period that it used for its main case.

The utility should provide support for the interim test period using historical data from the prior calendar year and adjusting for known and measurable changes. The filing should include work papers and exhibits in Excel format with working formulas.

When deciding whether to grant interim rate relief, the Commission may wish to apply the same standard that it previously used. Before Act 286, to qualify for interim rate relief, utilities had to demonstrate that they had a “significant revenue deficiency” and that they met one of the following four factors:

1. The utility would be unable to arrange debt financing at reasonable rates without improved revenues.
2. The utility would experience a distinctive and sudden decline in revenues.

3. The utility would suffer an unreasonable and harmful loss of revenue without relief.
4. The utility would suffer irreparable harm without relief.

*In re Detroit Edison Company*, MPSC Case No. U-13808, 2/20/2004 Order Granting Interim Rate Relief, p 33.

Staff recommends that the Commission apply the same standard, or a similar one, for gas utilities seeking partial and immediate rate relief under Act 341.

### **Standard Rate Case Filing Requirements**

The current rate case filing forms and instructions are attached to the Commission's order dated January 20, 2017 in this docket. This draft proposal illustrates changes and additions to the current requirements (in red-line, track-change format), and briefly describes the nature of certain changes and additions below.

#### **Part I (Filing Instructions)**

Among other proposed modifications to Part I, the draft proposal includes new Pre-Filing Requirements. The pre-filing requirements are addressed in Part I (page 1) and described in Attachment 1. The pre-filing requirements are designed to:

- a) Satisfy Section 6a(1) which requires the utility to coordinate with Commission staff in advance of filing its general rate case. The "Filing Announcement" portion of the Pre-Filing Requirements satisfies this advance notice. In addition, the "Rate Case Summary" provides sufficient summary level information of the upcoming rate case.
- b) Satisfy Section 6a(1) which provides that the Commission may, if necessary, order a delay in filing an application to establish a 21-day spacing between filings. The "Filing Announcement" is submitted no sooner than 30 days prior to a rate case filing, thus providing the Commission with sufficient time to issue an order if it so chooses.
- c) Facilitate a prehearing at or around Day 7 after a rate case application is filed. As a matter of schedule/process, Staff believes the prehearing can and should take place sooner (at present, typically around Day 25) in order to provide the interveners with as much time as possible to review and provide discovery related to the case filing. At



present, Staff is able to begin its audit the moment a rate case is filed. By contrast, all other parties must wait to be granted intervention prior to beginning the discovery process. While a 10-month schedule is certain to reduce the amount of time from the date of application through the date of Staff/Intervener Testimony, moving the prehearing up to day 7 would recapture roughly 18 days of discovery time for intervening parties.

Part I also addresses discovery practices that will promote the expeditious processing of a filing. As seen in Part I, Staff invites comments regarding current discovery practices in light of a shortened time frame. Given the 10-month case schedule Staff believes it is important that discovery responses be provided to the requesting party within the established time frame, even in situations where one or more witnesses/personnel are on vacation or otherwise unavailable at the time of the request.

## **Part II**

No changes, except that paper copies of the documents in Part II are not required if the documents are available online as part of the case filing on the e-docket.

## **Part III**

Part III includes the large majority of the proposed changes, most of which are described in Attachment 2 through Attachment 11.

## **Final Remarks**

In its January 20, 2017 order, the Commission directed interested persons to submit comments, concerns, and alternative recommendations regarding the Staff's proposed revisions. In addition, the Commission directed that a person submitting a comment or concern should explain the basis for the concern and also provide an alternative that would accomplish the same end result for the Commission and the Staff to consider. Initial Comments are due by May 3, 2017.

A party can provide comments in any format it deems appropriate. That said, if a commenting party believes a proposed item/information required within this Draft Proposal to be:

- Unreasonable; please outline the reasoning
- Unnecessary; please outline the reasoning

- Confidential; please outline the nature and details of said confidentiality and explain why the use of a Protective Order would not be sufficient
- Too sensitive for wide-ranging disclosure; please outline the reasoning and explain why the use of a Protective Order would not be sufficient
- Not available to provide; please indicate why such information is not available, as well as how much time, money, effort, etc would be required in order to provide such information.

This type of comment detail would provide Staff, and all stakeholders in this process, with a more complete understanding of the issues and concerns.

If any party would like the MSWord version of this report, Part I, Part II (which is only referenced within Part I), Part III or the Attachments then please notify Bill Stosik at [stosikb@michigan.gov](mailto:stosikb@michigan.gov)

## **PART I FILING INSTRUCTIONS ACCOMPANYING STANDARD EXHIBITS AND SCHEDULES FOR RATE CASE FILINGS**

### **General Instructions**

Pursuant to MCL 460.6a, utility applicants may use projected costs and revenues for a future consecutive 12-month period in developing its requested rates and charges. If a utility elects to do so, it must identify the future consecutive 12-month period used to develop the projected costs and revenues, and reflect in its filing the costs and revenues expected to be experienced during that period. Where these instructions specify that a particular set of information or ratemaking approach should be used, the utility shall provide that information and use that approach, but may propose that alternative information and ratemaking approaches be used to establish rates for the projected period. Such alternative information and approaches may be explained and justified.

A utility shall satisfy all Pre-Filing Requirements (see Attachment 1)

Where the utility prepares its filing in a manner that differs from a policy or practice adopted by the Commission in the preceding general rate case for the utility, it shall identify such difference, and shall quantify, to the extent practicable, the impact on the utility's revenue requirement calculation of that difference.

The standard exhibits shall be provided electronically in Microsoft Excel format with the exception of Schedule F-5 Proposed Tariff Sheets which shall be supplied in Microsoft Word format. Information included on the schedules shall be sourced to workpapers and other supporting documents that are included in the case filing.

The standard exhibit titles listed below must specify the projected future 12-month period upon which the filing is based. The utility shall also provide the historic test year information in the same format as the exhibits listed below.

The exhibits shall include the formulas that explain the relationship among the exhibit rows and columns.

~~At the time of filing,~~ At a time that facilitates the prehearing to occur on the seventh calendar day after the case is filed, the utility shall provide notice of the filing to all parties to the preceding general rate case of the applicant, and shall promptly provide a copy of the filing upon request.

### **Part I**

#### **Schedule A-1**

##### **A-1 Projected Revenue Deficiency**

The projected revenue deficiency (sufficiency) is determined based on information supplied in Schedules B, C, D and E. Utilities providing service in more than one jurisdiction shall identify the MPSC jurisdictional amounts on schedules A, B and C based on the jurisdictional separation determined in Schedule F-1.

Schedules B-1, B-2, B-3, B-4, and B-5

B-1 Projected Rate Base

B-2 Projected Utility Plant

B-3 Projected Accumulated Provision for Depreciation

B-4 Projected Working Capital

B-5 Projected Capital Expenditure Summary and Supporting Exhibits

The amounts included for plant in service, plant held for future use, construction work in progress, and accumulated depreciation reserve must reflect all retirements, all capital expenditures, and book depreciation expense expected to occur by the end of the projected future 12-month period.

Schedules C-1 through C-11

C-1 Projected Net Operating Income

C-2 Revenue Conversion Factor

C-3 Projected Sales Revenue

C-4 Projected Fuel and Purchased Power (or Cost of Gas Sold)

C-5 Projected Operating and Maintenance Expenses

C-6 Projected Depreciation and Amortization Expenses

C-7 Projected General Taxes

C-8 Projected Federal Income Taxes

C-9 Projected State Income Taxes

C-10 Projected Other (or Local) Taxes

C-11 Projected Allowance for Funds Used During Construction

Operating revenues and expenses must reflect the revenues and expenses that the utility expects to experience during the projected future 12-month period.

Significant changes in individual operating revenue or expense items for the projected future period from those included in the historical information provided in Part III must be identified by the utility, and supporting data and justification must be supplied with respect to each such item.

The depreciation and amortization expense included in these schedules must reflect the depreciation rates approved at the time the utility makes its filing, and those rates must be applied to the plant included in its filing. If a utility files a concurrent depreciation case, or has a pending depreciation case at the time of rate case filing, then the utility shall provide a statement within its rate case filing describing the revenue requirement impact of its full depreciation case request.

The tax rates used in preparing these schedules must reflect the tax rates that the utility anticipates will be in effect during the projected future 12-month period. If the utility uses tax rates different from those specified in the tax laws in effect at the time of the filing, the utility shall provide an explanation of and justification for all such differences.

Schedules D-1, D-2, D-3, D-4 and D-5

D-1 Projected Rate of Return Summary

D-2 Cost of Long-Term Debt

D-3 Cost of Short-Term Debt

D-4 Cost of Preferred Stock

D-5 Cost of Common Shareholders' Equity

The utility must reflect all issuances of securities, equity infusions, retirements, redemptions, conversions, etc., that the utility expects to occur by the end of the projected future period.

Schedule E-1

E-1 Sales, Load and Customer Data

Sales levels for the projected future 12-month period must reflect reasonably anticipated market and economic conditions the utility expects to influence sales during that period. Such sales levels must also reflect the impact of reasonably anticipated energy conservation and efficiency programs for the projected future period. The projected sales levels must be weather-normalized utilizing the weather-normalization method adopted by the Commission in the most recent general rate case for the utility; however, the utility may, in addition, propose the use of any other weather-normalization method for which the utility presents information supporting the conclusion that such alternative method is more likely to predict actual sales during the future period.

Schedules F-1, F-2, F-3, F-4 and F-5

F-1 Projected Cost of Service Allocation Study

F-2 Summary of Present and Proposed Revenues

F-3 Detail of Present and Proposed Revenues

F-4 Comparison of Present and Proposed Monthly Bills

F-5 Proposed Tariff Sheets

For utilities with more than 1,000,000 retail customers in Michigan, the electric cost of service allocation study must be prepared in conformance with MCL 460.11. The study must reflect the allocation of (i) production-related and transmission costs using the ~~50-25-25~~ method of allocation described in MCL 460.11, (ii) energy-related costs based on energy consumption, (iii) customer-related costs based on the number of customers, (iv) demand-related costs (other than production-related and transmission) based on the relative demands of customer classes. ~~The 50-25-25 method allocates costs 50% based on class demand, 25% based on class on-peak energy consumption, and 25% based on total class energy consumption.~~

Summary of present and proposed revenue summarizes the effect on revenues of proposed rate changes including the percentage of increase/decrease by rate class. Detail of present and proposed rates will reflect revenues by rate class based on present and proposed rates. Each rate class will require a separate page.

Comparison of present and proposed monthly bills will reflect revenues by rate class based on present and proposed rates at various usage increments. Each rate class will require a separate page.

## **Part II**

Each general rate case filing shall include:

- Annual Reports to the MPSC P-521 (electric) P-522 (gas) for the most recent 2 years
- Annual Report to the SEC Form 10-K
- Quarterly Report to Shareholders (most recent 4 quarters)
- Bond and other financial prospectuses for issuances during the past 2 years

Paper copies of the documents in Part II are not required if the documents are available online as part of the case filing on the e-docket.

## **Part III**

~~Historical~~ Support Data for Staff (see Part III)~~attachment~~)

## **Other Instructions**

A rate case filing shall include:

- An application describing the relief that is being sought by the applicant
- ~~A draft notice of hearing in current prescribed MPSC format.~~ This is addressed in the Filing Announcement section of Attachment 1
- Testimony in support of the utilities filed request
- A draft Protective Order
- ~~Information as defined in these Filing Instructions, Part I, Part II and Part III, including workpapers in support of Part I,~~ Part II and Part III as described in these filing instructions

## **Process Guidelines**

- The utility shall secure and pay for transcript turnaround service of two-days or faster.
- Any document provided to the docket or in response to audit/discovery shall be key word searchable.
- Excluding the case application and initial filing, all filings related to testimony (all forms), initial briefs, reply briefs, exceptions to the PFD and replies to exceptions shall be submitted on or before 2pm of the date of the filing deadline. (Staff also believes this 2pm filing deadline should apply to all parties to the case)
- Upon Staff's request, the utility shall make available to Staff any proprietary information, analyses, modeling, or similar that the utility uses to support its rate filing or that the

utility uses to facilitate its internal planning, budgeting, decision-making, risk assessment, or similar processes.

### **Schedule Guidelines**

The Administrative Law Judge (ALJ) should take appropriate action to ensure that a prehearing will occur on the seventh calendar day after the rate case is filed. The ALJ shall adopt a schedule that initially requires Intervenors and Staff to file their direct cases in sufficient time to allow the Commission to issue a final order within 12-10 months from the date of the filing of the rate case. The ALJ shall establish a 10-month schedule without respect to Commission meeting dates.

In addition, the administrative law judges are directed to take appropriate actions to ensure that evidentiary hearings proceed in an organized and effective fashion. In addition to other actions the administrative law judge believes will achieve that goal, the administrative law judge shall require the parties to identify prior to commencement of cross-examination the issues that the party intends to pursue during cross-examination. The Commission concludes that doing so in advance of cross-examination will allow a more meaningful and useful evidentiary record to be created.

The Administrative Law Judge shall adopt discovery practices that will promote the expeditious processing of a filing. STAFF COMMENT: At present, common practice for discovery turnaround time is 10 business days. Any party wishing to maintain or modify the status quo is encouraged to provide comments in the initial comment period.

**Company Name**  
**Exhibit and Schedules for**  
**New Rate Case**  
**Filing Requirements**

<u>Exhibit</u>	<u>Schedule</u>	<u>Title</u>
Part I		
A-1	A1	Projected Revenue Deficiency (Sufficiency)
A-2	B1	Projected Rate Base
A-2	B2	Projected Utility Base
A-2	B3	Projected Accumulated Provision for Depreciation
A-2	B4	Projected Working Capital
<b>A-2</b>	<b>B5</b>	<b>Projected Capital Expenditure Summary and Supporting Exhibits</b>
A-3	C1	Projected Net Operating Income
A-3	C2	Revenue Conversion Factor
A-3	C3	Projected Sales Revenue
A-3	C4	Projected Fuel and Purchased Power/Cost of Gas Sold
A-3	C5	Projected Operation and Maintenance Expenses
A-3	C6	Projected Depreciation and Amortization Expenses
A-3	C7	Projected General Taxes
A-3	C8	Projected Federal Income Taxes
A-3	C9	Projected State Income Taxes
A-3	C10	Projected Other (or Local) Taxes
A-3	C11	Projected Allowance for Funds Used During Construction
A-4	D1	Projected Rate of Return Summary
A-4	D2	Cost of Long-Term Debt
A-4	D3	Cost of Short-Term Debt
A-4	D4	Cost of Preferred Stock
A-4	D5	Cost of Common Shareholders' Equity
A-5	E1 - E?	Sales, Load and Customer Data
A-6	F1	Projected Cost of Service Allocation Study
A-6	F2	Summary of Present and Proposed Revenues
A-6	F3	Detail of Present and Proposed Revenues
A-6	F4	Comparison of Present and Proposed Monthly Bills
A-6	F5	Proposed Tariff Sheets
Part II		Supporting Data (MPSC Annual Report, 10-K, Parent Annual Report etc)
Part III		Staff Supplemental Data



## Schedule A1

Michigan Public Service Commission  
 Company Name  
 Projected Revenue Deficiency (Sufficiency)  
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
 Exhibit No.: A-1  
 Schedule: A1  
 Page: 1 of 1  
 Witness:

Line No.	(a) Description	(b) Source	(c) Total (\$000)
1			
2	Rate Base	Exh. A-2, Sch. B1	
3			
4	Adjusted Net Operating Income	Exh. A-3, Sch. C1	
5			
6	Overall Rate of Return	Line 4 ÷ Line 2	
7			
8	Rate of Return	Exh. A-4, Sch. D1	
9			
10	Income Requirements	Line 2 x Line 8	
11			
12	Income Deficiency (Sufficiency)	Line 10 - Line 4	
13			
14	Revenue Conversion Factor	Exh. A-3, Sch. C2	
15			
16	Revenue Deficiency (Sufficiency)	Line 12 x Line 14	

## Schedule B1

Michigan Public Service Commission  
 Company Name  
 Projected Rate Base  
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
 Exhibit No.: A-2  
 Schedule: B1  
 Page: 1 of 1  
 Witness:

Line No.	(a) Description	(b) Source	(c) Rate Base (\$000)
1			
2	Plant in Service	Exh A-2, Sch B2	
3	Plant Held for Future Use	Exh A-2, Sch B2	
4	Construction Work in Progress	Exh A-2, Sch B2	
5	Total Utility Plant		\$ -
6			
7	Less: Depreciation Reserve	Exh A-2, Sch B3	
8			
9	Net Utility Plant		\$ -
10			
11	Net Capital Lease Property		
12			
13	Total Utility Property and Plant		\$ -
14			
15	Less: Capital Lease Obligations		
16			
17	Net Plant		\$ -
18			
19	Allowance for Working Capital	Exh A-2, Sch B4	
20			
21	Total Projected Test Period Rate Base		\$ -

## Schedule B2

Michigan Public Service Commission  
 Company Name  
 Projected Utility Plant  
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXXX  
 Exhibit No.: A-2  
 Schedule: B2  
 Page: 1 of 1  
 Witness:

Line No.	(a) Description	(b) MPSC Account No.	(c) Projected Utility Plant (\$000)
1			
2	Plant in service	101	
3	Plant purchased or sold	102	
4	Experimental plant unclassified	103	
5	Plant leased to others	104	
6	Completed construction not classified	106	
7	Plant in Service		\$ -
8			
9	Plant held for future use	105	
10			
11	Construction work in progress	107	
12			
13	Total Projected Test Period Utility Plant		\$ -

**Schedule B3**

Michigan Public Service Commission  
Company Name  
Projected Accumulated Provision for Depreciation  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-2  
Schedule: B3  
Page: 1 of 1  
Witness:

(a)		(b)
		Projected Accum. Prov. for Depr. (\$000)
Line No.	Description	

Total Projected Test Period Accumulated Provision for Depreciation      \$ -

## Schedule B4

Michigan Public Service Commission  
Company Name  
Projected Working Capital  
Projected 12 Month Period Ending xxxx  
Amounts in (\$000)

Case No.: U-XXXXX  
Exhibit No.: A-2  
Schedule: B4  
Page: 1 of 1  
Witness:

(a)		(b)
Line No.	Description	Projected Working Capital (\$000)
1		
2	<u>Assets</u>	
Total Assets		\$ -
<u>Liabilities</u>		
Total Liabilities		\$ -
Total Projected Test Period Working Capital		\$ -

Michigan Public Service Commission  
Miscellaneous Utility  
Case No. U-xxxx

Capital Expenditures Exhibit Index

	Title	Witness
<u>(Hyperlinked)</u>	<b>Test Period Capital Expenditures</b>	
<u>A-2 B5</u>	Summary	xxxxxx
<u>A-2 B5.1 p.1</u>	Power Generation Summary	xxxxxx
<u>A-2 B5.1 p.2</u>	Routine and Big	xxxxxx
<u>A-2 B5.2</u>	Capital Expenditures - Ship and Train	xxxxxx
<u>A-2 B5.3 p.1</u>	Nuclear Production Plant & Nuclear Fuel	xxxxxx
<u>A-2 B5.4 p.1</u>	Distribution Plant	xxxxxx
<u>A-2 B5.5</u>	Advanced Metering Infrastructure (AMI)	xxxxxx
<u>A-2 B5.6</u>	Corporate Staff Summary	xxxxxx

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Summary  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5  
Witness: xxxxx  
Page: 1 of 1

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Capital Expenditures							
Line No.	Description	Historical	Projected			Reference	Last Rate Case	Actual Spending	
		12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz		Approved Spending Plan U-xxxxx 12 mos. Ended 12/31/20xx	Test Year U-xxxxx 12 mos. Ended 12/31/20xx	
1	Production Plant:								
2	Steam	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.1	xxxxx	xxxxx	
3	Hydraulic	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.1	xxxxx	xxxxx	
4	Other	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.1	xxxxx	xxxxx	
5	Ship / Train	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.2	xxxxx	xxxxx	
6	Nuclear (including Nuclear Fuel)	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.3	xxxxx	xxxxx	
7	Distribution	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.4	xxxxx	xxxxx	
8	Automated Metering Infrastructure (AMI)	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.5	xxxxx	xxxxx	
9	Corporate Staff	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, Sch B5.6	xxxxx	xxxxx	
10	Total Capital Expenditures	xxxxx	xxxxx	xxxxx	xxxxx		xxxxx	xxxxx	

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Steam, Hydraulic and  
Other Power Generation  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5.1  
Witness: xxxxx  
Page: 1 of 2

		(a)	(b)	(c)	(d)	(e)	(f)
		Capital Expenditures					
Line No.	Description	Historical	Projected			Reference	
		12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz <i>col. (c)+(d)</i>		
1	<b>Steam Power Generation</b>						
2	Routine	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, B5.1 page 2	
3	Non-Routine Steam Power	xxxxx	xxxxx	xxxxx	xxxxx		
4	Non-Routine Environmental	xxxxx	xxxxx	xxxxx	xxxxx		
5	Total Steam Production	xxxxx	xxxxx	xxxxx	xxxxx		
6	<b>Hydraulic Production Plant</b>						
7	Routine	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, B5.1 page 2	
8	Non-Routine	xxxxx	xxxxx	xxxxx	xxxxx		
9	Total Hydraulic Production	xxxxx	xxxxx	xxxxx	xxxxx		
10	<b>Other Production Plant</b>						
11	Routine	xxxxx	xxxxx	xxxxx	xxxxx	Exh A-9, B5.1 page 2	
12	Non-Routine	xxxxx	xxxxx	xxxxx	xxxxx		
13	Total Other Production	xxxxx	xxxxx	xxxxx	xxxxx		
14	Grand Total	xxxxx	xxxxx	xxxxx	xxxxx		



Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Steam, Hydraulic, and  
Other Power Generation  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5.1  
Witness: xxxxx  
Page: 2 of 2

	(a)	(b)	(c)	(d)	(e)
		Capital Expenditures			
Line No.		Historical 12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	Projected 12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz
	<b>Total Capital - Routine</b>				<i>col. (c)+(d)</i>
1	Unit 1	xxxxx	xxxxx	xxxxx	xxxxx
2	Unit 2	xxxxx	xxxxx	xxxxx	xxxxx
3	Unit 3	xxxxx	xxxxx	xxxxx	xxxxx
4	Unit 4	xxxxx	xxxxx	xxxxx	xxxxx
5	Unit 5	xxxxx	xxxxx	xxxxx	xxxxx
6	Unit 6	xxxxx	xxxxx	xxxxx	xxxxx
7	Unit 7	xxxxx	xxxxx	xxxxx	xxxxx
8	Subtotal Steam Power Generation	xxxxx	xxxxx	xxxxx	xxxxx
9	Hydro	xxxxx	xxxxx	xxxxx	xxxxx
10	Peakers	xxxxx	xxxxx	xxxxx	xxxxx
11	Total by Plant	xxxxx	xxxxx	xxxxx	xxxxx
	<b>Total Capital - Big</b>				
12	Big Project 1	xxxxx	xxxxx	xxxxx	xxxxx
13	Big Project 2	xxxxx	xxxxx	xxxxx	xxxxx
14	Big Project 3	xxxxx	xxxxx	xxxxx	xxxxx
15	Big Project 4	xxxxx	xxxxx	xxxxx	xxxxx
16	Big Project 5	xxxxx	xxxxx	xxxxx	xxxxx
17	Big Project 6	xxxxx	xxxxx	xxxxx	xxxxx
18	Total by Major Project	xxxxx	xxxxx	xxxxx	xxxxx

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Ship Co.  
(\$000)

Case No.: U-xxxx  
Exhibit No.: A-2  
Schedule: B5.2  
Witness: xxxxx  
Page: 1 of 1

	(a)	(b)	(c)	(d)	(e)
		Capital Expenditures			
Line No.	Description	Historical	Projected		
		12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz
					col. (c)+(d)
1	<u>Ship Co.:</u>				
2	Small Project 1	xxxxx	xxxxx	xxxxx	xxxxx
3	Small Project 2	xxxxx	xxxxx	xxxxx	xxxxx
4	Small Project 3	xxxxx	xxxxx	xxxxx	xxxxx
5	Small Project 4	xxxxx	xxxxx	xxxxx	xxxxx
6	Small Project 5	xxxxx	xxxxx	xxxxx	xxxxx
7	Small Project 6	xxxxx	xxxxx	xxxxx	xxxxx
8	Small Project 7	xxxxx	xxxxx	xxxxx	xxxxx
9	Small Project 8	xxxxx	xxxxx	xxxxx	xxxxx
10	Small Project 9	xxxxx	xxxxx	xxxxx	xxxxx
11	Small Project 10	xxxxx	xxxxx	xxxxx	xxxxx
12	Small Project 11	xxxxx	xxxxx	xxxxx	xxxxx
13	Small Project 12	xxxxx	xxxxx	xxxxx	xxxxx
14	Small Project 13	xxxxx	xxxxx	xxxxx	xxxxx
15	Small Project 14	xxxxx	xxxxx	xxxxx	xxxxx
16	Small Project 15	xxxxx	xxxxx	xxxxx	xxxxx
17	Small Project 16	xxxxx	xxxxx	xxxxx	xxxxx
18	Small Project 17	xxxxx	xxxxx	xxxxx	xxxxx
19	Total Ship Co.	xxxxx	xxxxx	xxxxx	xxxxx
20	<u>Train Co.</u>				
21	Railcar truck rebuilds	xxxxx	xxxxx	xxxxx	xxxxx
22	Total Train Co.	xxxxx	xxxxx	xxxxx	xxxxx
23	Total Ship Co. and Train Co.	xxxxx	xxxxx	xxxxx	xxxxx

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Nuclear Production Plant & Nuclear Fuel  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5.3  
Witness: xxxxx  
Page: 1 of 1

		(a)	(b)	(c)	(d)	(e)
		Capital Expenditures				
Line No.	Description	Historical	Projected			
		12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz	col. (c)+(d)
1	<b>Nuclear Production Plant</b>					
2	Routine and Small Projects	xxxxx	xxxxx	xxxxx	xxxxx	
3	Non-Routine and Large Projects	xxxxx	xxxxx	xxxxx	xxxxx	
4	Total Projects	xxxxx	xxxxx	xxxxx	xxxxx	
5	<b>Nuclear Fuel</b>					
6	Uranium	xxxxx	xxxxx	xxxxx	xxxxx	
7	Conversion	xxxxx	xxxxx	xxxxx	xxxxx	
8	Enrichment	xxxxx	xxxxx	xxxxx	xxxxx	
9	Fabrication	xxxxx	xxxxx	xxxxx	xxxxx	
10	Total Nuclear Fuel	xxxxx	xxxxx	xxxxx	xxxxx	
11	<b>Total Capital Expenditures</b>	xxxxx	xxxxx	xxxxx	xxxxx	

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Distribution Plant  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5.4  
Witness: xxxxx  
Page: 1 of 1

	(a)	(b)	(c)	(d)	(e)
			Capital Expenditures		
Line No.	Description	Historical 12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz <i>col. (c)+(d)</i>
	<b>Capital Expenditures</b>				
1	<u>New Business:</u>				
2	Customer Connections	xxxxx	xxxxx	xxxxx	xxxxx
3	Meters	xxxxx	xxxxx	xxxxx	xxxxx
4	Transformers	xxxxx	xxxxx	xxxxx	xxxxx
5	Customer Advances for Construction	xxxxx	xxxxx	xxxxx	xxxxx
6	Total New Business	xxxxx	xxxxx	xxxxx	xxxxx
7	<u>System Strengthening and Reliability:</u>				
8	Reliability	xxxxx	xxxxx	xxxxx	xxxxx
9	General Load Growth	xxxxx	xxxxx	xxxxx	xxxxx
10	New Business Specific Projects	xxxxx	xxxxx	xxxxx	xxxxx
11	Major Equipment	xxxxx	xxxxx	xxxxx	xxxxx
12	Substation/Station Improvement	xxxxx	xxxxx	xxxxx	xxxxx
13	Customer Advances for Construction	xxxxx	xxxxx	xxxxx	xxxxx
14	Subtotal System Strengthening and Reliability	xxxxx	xxxxx	xxxxx	xxxxx
15	<u>System Strengthening Blankets:</u>				
16	Increased Loads	xxxxx	xxxxx	xxxxx	xxxxx
17	System Improvements	xxxxx	xxxxx	xxxxx	xxxxx
18	Relocations	xxxxx	xxxxx	xxxxx	xxxxx
19	Normal Retirement Unit Changeouts	xxxxx	xxxxx	xxxxx	xxxxx
20	Emergency Retirement Unit Changeouts and Storm	xxxxx	xxxxx	xxxxx	xxxxx
21	Subtotal System Strengthening Blankets	xxxxx	xxxxx	xxxxx	xxxxx
22	Total System Strengthening, Reliability and Blankets	xxxxx	xxxxx	xxxxx	xxxxx
23	<u>Miscellaneous</u>				
24	Other Miscellaneous	xxxxx	xxxxx	xxxxx	xxxxx
25	<b>Total Capital</b>	xxxxx	xxxxx	xxxxx	xxxxx

by FERC  
USoA  
Bucket if  
possible

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
WORKPAPER SYSTEM STRENGTH/RELIABILITY  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5.4  
Witness: xxxxx  
Page: 1 of 1

Line No.	Description	(b)	(c)	(d)	(e)
		Historical 12 mos. ended 12/31/20xx	Capital Expenditures		
			10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz
					col. (c)+(d)

Capital Expenditures

1 System Strengthening and Reliability:

Projects Over \$5 million dollars (with spend in test year)

Project #1					
Project #2					

Projects Under \$5 Million

Bucket 1					
Bucket 2					
Bucket 3					
Bucket 4					
Bucket 5					
Bucket 6					

Michigan Public Service Commission  
 Miscellaneous Utility  
 Projected Capital Expenditures  
 Advanced Metering Infrastructure (AMI)  
 (\$000)

Case No.: U-xxxx  
 Exhibit: A-2  
 Schedule: B5.5  
 Witness: xxxxx  
 Page: 1 of 1

(a)		(b)	(c)	(d)	(e)
Line No.	Description	Actual 12 mos. ended 12/31/20xx	Projected		
			10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz
					col. (c)+(d)
1	Advanced Metering Infrastructure				
2	Meters	xxxxx	xxxxx	xxxxx	xxxxx
3	Network	xxxxx	xxxxx	xxxxx	xxxxx
4	Project Management Office	xxxxx	xxxxx	xxxxx	xxxxx
5	Information Technology	xxxxx	xxxxx	xxxxx	xxxxx
6	Corporate Overheads/Other	xxxxx	xxxxx	xxxxx	xxxxx
7	Total AMI Capital Expenditures	xxxxx	xxxxx	xxxxx	xxxxx

Michigan Public Service Commission  
Miscellaneous Utility  
Projected Capital Expenditures  
Corporate Staff  
(\$000)

Case No.: U-xxxx  
Exhibit: A-2  
Schedule: B5.6  
Witness: xxxxx  
Page: 1 of 1

	(a)	(b)	(c)	(d)	(e)
		Capital Expenditures			
Line No.	Description	Historical	Projected		
		12 mos. ended 12/31/20xx	10 mos. ending 10/31/20yy	12 mos. ending 10/31/20zz	22 mos. ending 10/31/20zz
					col. (c)+(d)
1	Information Technology:				
2	Corporate Applications	xxxxx	xxxxx	xxxxx	xxxxx
3	Customer Service	xxxxx	xxxxx	xxxxx	xxxxx
4	Plant & Field	xxxxx	xxxxx	xxxxx	xxxxx
5	Shared Infrastructure	xxxxx	xxxxx	xxxxx	xxxxx
6	Subtotal Information Technology	xxxxx	xxxxx	xxxxx	xxxxx
7	NERC-Critical Infrastructure Program	xxxxx	xxxxx	xxxxx	xxxxx
8	Facilities Renovation	xxxxx	xxxxx	xxxxx	xxxxx
9	Service Center Optimization	xxxxx	xxxxx	xxxxx	xxxxx
10	Facilities-Construction & Upgrade	xxxxx	xxxxx	xxxxx	xxxxx
11	Electric Vehicle Fleet	xxxxx	xxxxx	xxxxx	xxxxx
12	Other Miscellaneous	xxxxx	xxxxx	xxxxx	xxxxx
13	Total Corporate Staff	xxxxx	xxxxx	xxxxx	xxxxx

## Schedule C1

Michigan Public Service Commission  
 Company Name  
 Projected Net Operating Income  
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
 Exhibit No.: A-3  
 Schedule: C1  
 Page: 1 of 1  
 Witness:

(a)		(b)	
Line No.	Description	Source	Net Operating Income (\$000)
1			
2	<b>Operating Revenues</b>		
3			
4	<b><u>Operating Expenses</u></b>		
5	Fuel and Purchased Power (Electric Only)		
6	Operations and Maintenance Expenses		
7	Depreciation and Amortization		
8	General Taxes		
9	Income Taxes		
10	Total Operating Expenses		
11			
12	<b>Operating Income</b>		
13			
14	<b><u>Operating Income Adjustments</u></b>		
15	Allowance For Funds Used During Construction		
16	Loss on Reacquired Securities		
17	Income Tax Effect of Interest		
18	Interest Synchronization Adjustment		
19	Total Operating Income Adjustments		
20			
21	<b>Adjusted Net Operating Income</b>		



## Schedule C2

Michigan Public Service Commission  
Company Name  
Revenue Conversion Factor

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C2  
Page: 1 of 1  
Witness:

Line No.	(a) Description	(b) Calc. Logic	(c) 2009
-------------	--------------------	-----------------------	-------------

**Schedule C3**

Michigan Public Service Commission  
Company Name  
Projected Sales Revenue  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C3  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected Sales Revenue
Line No.	Description	Source	(\$000)

**Schedule C4**

Michigan Public Service Commission  
Company Name  
Projected Fuel and Purchased Power/Cost of Gas Sold  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C4  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected Fuel and Purchased Power
Line No.	Description	Source	(\$000)

**Schedule C5**

Michigan Public Service Commission  
Company Name  
Projected Operation and Maintenance Expenses  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C5  
Page: 1 of 1  
Witness:

Line No.	(a) Description	(b) Source	(c) Projected Operation and Maint. Expenses (\$000)
-------------	--------------------	---------------	---

**Schedule C6**

Michigan Public Service Commission  
Company Name  
Projected Depreciation and Amortization Expense  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXXX  
Exhibit No.: A-3  
Schedule No.: C6  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected Depreciation & Amort. Expense
Line No.	Description	Source	(\$000)

**Schedule C7**

Michigan Public Service Commission  
Company Name  
Projected General Taxes  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C7  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected General Taxes
Line No.	Description	Source	(\$000)

**Schedule C8**

Michigan Public Service Commission  
Company Name  
Projected Federal Income Taxes  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C8  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected Federal Income Taxes (\$000)
Line No.	Description	Source	

Schedule C9

Michigan Public Service Commission  
Company Name  
Projected State Income Taxes  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C9  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected State Income Taxes (\$000)
Line No.	Description	Source	



**Schedule C10**

Michigan Public Service Commission  
Company Name  
Projected Other (or Local) Taxes  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C10  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected Other (or Local) Taxes (\$000)
Line No.	Description	Source	

**Schedule C11**

Michigan Public Service Commission  
Company Name  
Projected Allowance for Funds Used During Construction  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-3  
Schedule No.: C11  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)
			Projected
Line	Description	Source	AFUDC
No.			(\$000)

# Schedule D1

Michigan Public Service Commission  
 Company Name  
 Projected Rate of Return Summary

Case No.: U-XXXXX  
 Exhibit No.: A-4  
 Schedule: D1  
 Page: 1 of 1  
 Witness:

Line No.	(a) Description	(b) Capital Structure		(d) Percent of Total Capital	(e) Cost Rate %	(f) Permanent Capital (2)	(g) Total Cost %	(h) Conversion Factor	(i) Pre-Tax Return
		Amount (\$000) (1)	Percent Permanent Capital (2)						
1									
2	Long-Term Debt								(3)
3									
4	Preferred Stock								(4)
5									
6	Common Shareholders' Equity								(5)
7									
8	Total Permanent Capital								
9									
10	Short-Term Debt								(6)
11									
12	Job Development - ITC - Debt								
13	Job Development - ITC Equity								
14	Total Job Development - ITC								
15									
16	Deferred Income Taxes (Net) - MBT								
17									
18	Deferred Income Taxes (Net) - Federal								
19									
20	Total								

- (1) See Exh. A-2, Sch. B2  
 (2) Excludes Short-Term Debt, Deferred Job Development Investment Tax Credit, Deferred Investment Tax Credit and Deferred Income Taxes to calculate the rate of return for Job Development Investment Tax Credit purposes in accordance with Internal Revenue Service Income Tax Regulation Section 1.46-6  
 (3) See Exh. A-4, Sch. D2  
 (4) See Exh. A-4, Sch. D4  
 (5) See Exh. A-4, Sch. D5  
 (6) See Exh. A-4, Sch. D3

Michigan Public Service Commission  
Company Name  
Cost of Long-Term Debt  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXXX  
Exhibit No.: A4  
Schedule: D2  
Page: 1 of 1  
Witness:

[illegible]

### Schedule D3

Michigan Public Service Commission  
 Company Name  
 Cost of Short-Term Debt  
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
 Exhibit No.: A-4  
 Schedule: D3  
 Page: 1 of 1  
 Witness:

Line No.	(a) Month	(b)	(c)
		Projected Balance Outstanding (\$000)	Total Cost (\$000)
1			
2	Commercial Paper	\$ -	\$ -
3			
4	Inter-Company Loans	-	-
5			
6	Letter of Credit	-	-
7			
8	Other	-	-
9			
10	Total	<u>\$ -</u>	<u>\$ -</u>
11			
12	Average Cost of Short-Term Debt		<u>#DIV/0!</u>

Michigan Public Service Commission  
Company Name  
Cost of Preferred Stock  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-4  
Schedule: D4  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Line No.	Description	Annual Dividend Required (\$000)	Par Value	Discount or Premium (\$000)	Finance Expenses (\$000)	Net Proceeds Received (\$000)	Number of Shares Outstanding (000)	Total Value of Outstanding Proceeds (\$000)	Cost Rate (%)	Annual Dollar Amount (\$000)

## Schedule D5

Michigan Public Service Commission  
Company Name  
Cost of Common Shareholders' Equity  
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX  
Exhibit No.: A-4  
Schedule: D5  
Page: 1 of 1  
Witness:

# Schedule E1

Michigan Public Service Commission  
 Company Name  
 Annual Service Area Sales by Major Customer Classes and System Output  
 5-Year Projected

Case No.: U-XXXXX  
 Exhibit No.: A-5  
 Schedule: E1  
 Page: 1 of 1  
 Witness:

Line No.	(a) Year	(b) <u>Residential</u>	(c) <u>Commercial</u>	(d) <u>Industrial</u>	(e) <u>Other</u>	(f) <u>Total</u>	(g) <u>Losses and Company Use Millions Unit of Measure</u>	(h) <u>Losses and Company Use % of Output</u>	(i) <u>System Output Unit of Measure</u>
1									
2	Year 1								
3	Year 2								
4	Year 3								
5	Year 4								
6	Year 5								



Schedule F1

Michigan Public Service Commission  
 Company Name  
 Projected Cost of Service Allocation Study  
 Projected 12 Month Period Ending xxxx  
 (\$000)

Case No.: U-XXXXXX  
 Exhibit No.: A-6  
 Schedule: F1  
 Page: 1 of 1  
 Witness:

Line No.	Description	Alloc	Total	Alloc Juris	Total Residential	Total Commercial Secondary	Total Primary	Total Government	Total Wholesale
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)

**Schedule F2**

Michigan Public Service Commission

Company Name

Summary of Present and Proposed Revenue by Rate Schedule

Case No.: U-XXXXX

Exhibit No.: A-6

Schedule: F2

Page: 1 of 1

Witness:

	(a)	(b)	(c)	(d)	(e)
		Total Present Revenue	Total Proposed Revenue	Total Net Increase/ (Decrease)	Total Net Increase/ (Decrease)
Line No.	Description	(\$000)	(\$000)	(\$000)	(%)

**Schedule F3**

Michigan Public Service Commission  
 Company Name  
 Present and Proposed Revenue Detail  
 (\$000)

Case No.: U-XXXXX  
 Exhibit No.: A-6  
 Schedule: F3  
 Page: 1 of 1  
 Witness:

Line No.	(a) Description	(b) Billing Determinants		(c)	(d)	(e)	(f)
		Quantity	Units	Rate	Present Revenue	Proposed Rate	Proposed Revenue

**Schedule F4**

Michigan Public Service Commission  
Company Name  
Comparison of Present and Proposed Monthly Bills  
Residential Service Rate

Case No.: U-XXXXX  
Exhibit No.: A-6  
Schedule: F4  
Page: 1 of 1  
Witness:

	(a)	(b)	(c)	(d)	(e)	(f)
Line	Monthly	Present Net	Proposed Net	Increase		Proposed
No.	kWh Use	Monthly Bill	Monthly Bill	Amount	Percent	Unit Cost

**MICHIGAN PUBLIC SERVICE COMMISSION**  
**PART III – STANDARD FILING REQUIREMENTS**  
**~~HISTORICAL~~ DATA SUPPORT FOR STAFF AUDIT**

The following data is to be provided to Commission Staff at the time of filing of a general rate application and is to be treated as the initial data request meant to facilitate the Commission Staff's audit of historical, bridge and projected data covering the 12-month historical period ending \_\_\_\_\_, the bridge period, and the 12-month projected period ending \_\_\_\_\_. At the time of filing, the utility shall provide notice to all parties to the preceding general rate case of the utility of the availability of this information, and shall provide this data promptly upon request. This information should be used in conjunction with the annual reports filed by the utility with the MPSC (i.e., P-521 and P-522 reports, etc.). The Utilities' filed projected rate case amounts are fully supported within PART 1 of the MPSC's STANDARD RATE CASE FILING REQUIREMENTS.

**Accounting Data and Records**

- Historical period balance sheet and income statement with supporting monthly detailed general ledgers.
- Listing of all internal audit reports completed during and since the historical period.
- Listing of ongoing internal audits.
- Most recent calendar year External Auditor Audit Report and Audit Report of Differences.
- Current corporate structure and organizational chart for utility.
- See Attachment 2 for additional requirements

**Sales ~~Data~~ and Purchased Power**

- ~~Previous five calendar year actual sales data, both by volumes and customers, by customer class/rate schedule.~~ See the amended requirement in Attachment 3, item 1.
- Historical period actual sales data, both by volumes and customers by rate schedule.
- ~~Previous five calendar year weather normalized sales by customer class/rate schedule.~~ See the amended requirement in Attachment 3, item 2.
- Historical period weather normalized sales by customer class/rate schedule.
- An explanation of any significant customer usage changes in the historical period.
- Historical period company use and losses (including unaccounted for gas).
- ~~Historical period on-peak/off-peak sales data.~~
- Historical period actual heating degree day and cooling degree day information.
- See Attachment 3 for additional requirements

### **Other Operating Revenues**

Summary schedule that shows actual Other Operating Revenues by account, for the historical period.

- See Attachment 4 for additional requirements

### **Rates, Tariffs, and Cost of Service**

- See Attachment 5 for additional requirements (including Attachments 5a and 5b)

### **Operation and Maintenance Expenses**

- ~~Actual O&M expenses by account for the historical period as detailed in same format as the utility supplies in its annual P-521/P-522 reports.~~
- ~~Uncollectible accounts expense for the previous 5 calendar years and historical period, including gross write-offs and collections of amounts previously written off amounts.~~
- Description of methodology and calculations underlying billings from parent company.
- Provide annual uncollectible write-offs and collections, by rate schedule, for the most recent 5 years. If the information is unavailable by rate schedule, provide by rate class. If this is not possible, explain in detail why it is not. Include 3 and 5 year averages and 3 and 5 year rolling averages.

### **Compensation & Benefits**

- Historical period payroll and number of employees.
- ~~Distribution of total payroll for the historical period (i.e. plant, O&M, etc.)~~ See amended requirement in attachment 6, item 2
- Executive payroll (all compensation) for the historical period. Show allocations of executive payroll to all utility and non-utility entities and the basis for the allocations.
- Description and support for benefits included in Account 926 for the historical period.
- Provide a copy of the most recent actuarial report for all retirement plans and other post-employment benefits.
- Provide copies of employee informational booklets describing all executive and non-executive benefit and incentive plans in effect during historical period.
- See Attachment 6 for additional requirements

- [See Attachment 7 for additional requirements](#)

### **Taxes Other than Income Taxes**

- Calculations for the following items in the historical period: All payroll related taxes, Property Taxes, Other

### **Income Taxes**

- Calculation of state and federal income tax expenses for the historical period. Include components such as net income before taxes, synchronized interest expense and Schedule M adjustments.
- Calculations supporting the adjustments to the operating income that have been assumed for the projected period. Include the supporting calculation for synchronized interest expense.
- Copies of most recent calendar years Federal and State Income Tax Returns for Utility must be made available to review.

### **Plant, CWIP and Working Capital**

- Plant in service actual balances by MPSC plant account at end of the historical period. Show annual additions, retirements, and sales of plant.
- Reserve for depreciation balances by plant account from the historical period. Show accruals, retirements, salvage, cost of removal and amortizations separately. Explain any significant items.
- Details of CWIP balance for historical period.
- Details of non-utility plant amounts and investments in subsidiaries.
- Depreciation and amortization expense accrual included for historical period by plant account.
- Schedule of depreciation rates during the historical period.
- Historical end of period balances for individual working capital balances (assets and liabilities) corresponding to the projected working capital.
- Deferred tax balances for historical period and summary of their calculation.
- Derivation of historical period AFUDC.
- List any changes in accounting for plant during and since the historical period.
- List any changes in the method used to calculate depreciation on plant balances and an explanation of the change/reason.

**Capitalization**

- End of historical period actual capital components include: long-term debt, short-term debt, common equity, deferred income taxes, and JDITC.
- Calculation of long-term debt for the historical period, separating interest from amortization of debt discount, premium and expense. Show debt issuances, principal repayments, and retirement of debt.
- Capitalization Ratios- Permanent Capital (LTD and Common Equity).
- See Attachment 8 for additional requirements

**Generation Related**

- See Attachment 9 for additional requirements
- See Attachment 10 for additional requirements

**Distribution Related**

- See Attachment 11 for additional requirements. Attachment 11 only applies to regulated utilities serving one-million or more customers.



## **PRE-FILING REQUIREMENTS**

### **Filing Announcement:**

In order to facilitate the scheduling and preparation of rate case proceedings, any utility intending to file a general rate case shall file a Filing Announcement (FA), in a new docket, at least 30 days prior to the proposed filing of the case. The FA, along with a proof of service, shall be served on the Michigan Public Service Commission (Commission) and all parties granted intervention in the utility's last two general rate cases. If the general rate case described in the FA is not filed within 120 days after filing of the FA, the FA will be considered withdrawn.

The Filing Announcement shall include:

- Statement of intent to file for an increase in rates
- The service area to be included in the application for an increase in rates
- Dates of proposed test period and estimated date of filing

The Filing Announcement is informational only. The FA does not replace, or impact in any way, the Initial Notice of Hearing required by Section 71 of the Administrative Procedures Act and Rule 417 of the Rules of Practice and Procedure before the Commission.

### **Draft of the Initial Notice of Hearing:**

At the time of the Filing Announcement, the utility shall also provide a draft of the Initial Notice of Hearing required by Section 71 of the Administrative Procedures Act and Rule 417 of the Rules of Practice and Procedure before the Commission. The Commission's Executive Secretary is not required to use the draft Initial Notice of Hearing included with the FA; it is for the Executive Secretary's internal use only. The actual Initial Notice of Hearing that the Executive Secretary issues in a case may or may not be modeled after the draft Notice of Hearing included with the FA.

### **Rate Case Summary:**

The utility shall file a summary of the intended rate case in the same docket as the Filing Announcement. This summary shall be filed at least 10 days prior to the actual filing date. The summary shall include:

- Summary of the most recent rate case filed with the Commission
  - Case number and test year of most recent rate case
  - The dollar amount requested and the dollar amount granted with the date implemented
  - ROE approved in the most recent rate case
- Overview of current key rate case issues and drivers. At minimum,
  - The requested revenue increase (aka requested revenue deficiency)

- Percentage increase overall, and the rate increase/decrease by rate class
- Proposed changes to rate design
- Proposed changes to cost of service
- Inflation rates
- Requested ROE
- Unique or special requests
- Include a breakdown of the key drivers in the request and quantify the revenue requirement impact of each driver, with the sum equaling the revenue requirement increase requested in the following format:

Key Drivers • Revenue Requirements		
	Drivers	Revenue Requirement Impact
a.	xxxx	\$\$\$
b.	xxxx	\$\$\$
c.	xxxx	\$\$\$
d.	xxxx	\$\$\$
e.	xxxx	\$\$\$
f.		
g.		
h.		
i.		
j.		
k.	<b>Total Revenue Requirement Impact</b>	<b>\$\$\$</b>

- Identify the revenue requirement associated with rate base. Include a breakdown of the rate base key drivers by rate base item from the most recent rate case to the requested rate base in this case.

Key Drivers • Rate Base			
	Drivers	Rate Base Impact (rate base 13-month average)	Revenue Requirement Impact (Return on, Return of, and Property Tax)
a.	Last Rate Base Order	\$\$\$	\$\$\$
b.	xxxx	\$\$\$	\$\$\$
c.	xxxx	\$\$\$	\$\$\$
d.	xxxx	\$\$\$	\$\$\$
e.	xxxx	\$\$\$	\$\$\$
f.			
g.			
h.			
i.			
j.			
k.	<b>Requested Rate Base</b>	<b>\$\$\$</b>	<b>\$\$\$</b>

- Intended filing date if it has changed since the Filing Announcement was filed, along with proposed effective date of new rates.

The Rate Case Summary is informational only and shall not be considered final or binding. Modifications to the actual rate case filing that are not reflected in the Rate Case Summary shall not require a new Rate Case Summary to be filed.

**Accounting Data and Records**

1. Provide the most recent cost allocation manual (CAM). For any allocations included in the rate case filing that do not follow the CAM, please provide those line items with an accompanying explanation and support.
2. Provide overview of utility accounting procedures that describe the accounting process from the time a cost is incurred, or revenue is received, until the item is ultimately assigned to a FERC Account.
  - a. Provide a cross-walk from Internal Account to FERC Accounting

## **Sales and Purchased Power**

1. Provide actual sales and number of customers by month by the rate schedules as proposed in this case for the most recent 60 months. Provide in Excel spreadsheet format with working formulas.
2. Provide weather normalized sales by month by the rate schedules as proposed in this case for the most recent 60 months provided in Item 2. Provide in Excel spreadsheet format with working formulas.
3. Provide forecasted sales and number of customers by month by the rate schedules as proposed in this case for months beyond the actual sales provided in Item 2, including the forecasted test period and beyond as available.
4. Weather Normalization:
  - a. Provide, in electronic spreadsheet format, a table containing monthly values of peak usage / demand by jurisdiction and by total system (if different) for the most recent calendar year for which actual values for each month are available.
  - b. Identify by name, location ID, and jurisdiction the applicable weather station(s) used to normalize the Test Year's sales volumes.
  - c. Provide, in electronic spreadsheet format, the actual number of Heating Degree Days (HDD) and Cooling Degree Days (CDD) for each of the most recently completed 30 calendar years for each weather station used by the Company in determining Test Year weather normalization adjustments.
  - d. Provide, in electronic spreadsheet format, the HDD and CDD data used to normalize Test Year sales volumes. Indicate if these values are on a calendar basis or a billing cycle basis.
  - e. Provide by rate class for each of the most recently completed 20 calendar years, in electronic spreadsheet format:
    1. Number of customers on a year-end basis;
    2. Number of customers on an annual average basis; and
    3. Class annual sales volumes.
  - f. Provide, in electronic spreadsheet format, projected customers and sales volumes by rate class for the Test Year.
5. Provide purchased power from MISO Market and PJM Market by month for the previous 5 years.
6. Provide SSR Payments and Revenues for the previous 5 years.
7. Provide Planned Generator Outages for the projected test year.
8. Provide Unplanned Generator Outages for previous 5 years.
9. Provide Most Recent Line Loss Study.
  - a. Methodology

- b. Loss Mitigation Efforts
  - c. Forecasted Line Loss 3 years
- 10. Provide Summary of Uncollectible Expenses.
  - a. Methodology of Calculation
  - b. 5 Year Historical
  - c. Mitigation Strategies
  - d. Forecast 3 years
- 11. Provide comparison of Last Rate Case Sales Projections, Customer Counts, Sales Per Customer, Revenues, and ROE to actuals in the operation of the test year.

**Other Operating Revenue**

1. Provide a historical five year breakdown of all Other Operating Revenue accounts- and any other sub-accounts or other subdivisions associated- in a format (with adjustment necessary for rate case purposes) similar to that found on work-papers supporting the Company's projections of same. Include, separately show, and explain in detail all adjustments and normalizations that would be made for rate case purposes. Include 3 and 5 year calendar averages and 3 and 5 year rolling averages.
2. For any year-to-year historical changes and changes from the most recent historical year to the Company's projection in an account exceeding 5%, explain in detail the reason for the change.

## **Rates, Tariff, and Cost of Service**

### **General**

1. Provide a copy of all exhibits, including all workpapers and models relied on in their preparation, in native working electronic format. For any hard input, provide and explain the provenance and source of said input in detail
2. Provide a separate copy of all exhibits, including workpapers and models relied on in their preparation, relating to cost of service, and rate design conforming to the most recent Commission decisions on all issues.
3. Provide a list of adjustments (with explanations and where the adjustments would fit in the revenue requirement model) to the revenue requirement that would result if all revenue requirement items conformed to most recent Commission decisions.
4. Provide a legend showing which inputs in the cost of service model correspond to each output of the revenue requirement model (or other model utilized in the Company's filing). If an output corresponds to multiple inputs or vice-versa, explain how those amounts are distributed in detail.
5. Provide a summary, including an explanation and testimony, exhibit, model, and workpaper references, of all differences between the Company's proposed exhibits and those conforming to the Commissions most recent decisions.

### **Determinants**

6. Provide bill frequency distributions for all rate schedules for the most recent 5 years.
7. Provide a thorough description of the methodology necessary to adjust the cost of service inputs and allocators and rate design determinants to account for customers moving between rate schedules if breakevens were to be changed.
8. For any customer/load/usage movement assumed between rates, rate schedules, credits, or provisions, provide all determinants involved in the change, their source, and their ultimate destination.

### **Credits and Special Provisions**

9. Provide a historical five year breakdown of participation in all credits and special provisions (including but not limited to Residential Income Assistance, Senior Citizen, Load Management, and opt-out programs), both monthly and summed to annually, with data on customer count, average monthly bill, average and total volumetric usage,

average and total dollar amount provided by the RIA program; on a monthly basis. Include 3 and 5 year calendar averages and 3 and 5 year rolling averages.

10. For any year-to-year or month-to-month historical changes and changes from the most recent historical year to the Company's projection exceeding 5%, explain in detail the reason for the change.

### **Value-Added Services**

11. Separately provide a detailed historical five year breakdown of all Value-Added Services revenues and expenses (separately showing all subdivisions of same) in a format similar to that found on work-papers supporting the Company's projections of same. Include, separately show, and explain in detail all adjustments and normalizations that would be made for rate case purposes. Include 3 and 5 year calendar averages and 3 and 5 year rolling averages.
12. For any year-to-year historical changes and changes from the most recent historical year to the Company's projection in a program exceeding 5%, explain in detail the reason for the change.
13. Provide a complete copy of the most recent annual report prepared for the value added programs provided to Staff pursuant to MCL460.
14. Provide an explanation for variances in the projected test year value added programs revenues and expenses that don't conform to allocations and calculations provided in the annual report.

### **Jobwork**

15. Separately provide a detailed historical five year breakdown of all Jobwork revenues and expenses (separately showing all subdivisions of same) in a format similar to that found on work-papers supporting the Company's projections of same. Include, separately show, and explain in detail all adjustments and normalizations that would be made for rate case purposes. Include 3 and 5 year calendar averages and 3 and 5 year rolling averages.
16. For any year-to year historical changes and changes from the most recent historical year to the Company's projection in an account exceeding 5%, explain in detail the reason for the change.



## **GAS UTILITY SPECIFIC REQUIREMENTS**

### **Test Year Design Peak Day Volume**

17. Provide the mathematical model used by the Company for forecasting projected peak day volumes.
  - a. Identify the specific variables used in the design peak day forecast model.
  - b. Indicate if this model was used by the Company in previous design peak day forecasts.
18. If the design peak day calculation relies on an assumption for HDDs, explain why the value utilized was chosen.
19. If the design peak day calculation relies on an actual historical peak day, identify the date, throughput volume, and HDDs of the actual historical peak day.
20. Provide the actual, annual peak day volumes for the last 15 years.
21. Provide projections for annual peak day volume for the last 15 years made by the Company.

### **Other Gas-in-Kind**

22. Identify any non-rate schedule fuel/GIK credits in the Company's filing, including workpaper and exhibit references.
23. Explain how the non-rate schedule fuel/GIK credits are calculated.
24. Provide a historical five year breakdown of all non-rate schedule fuel/GIK credits in a format (with any adjustments necessary for rate case purposes) similar to that found on work-papers supporting the Company's projections of same. Include, separately show, and explain in detail all adjustments and normalizations that would be made for rate case purposes. Include 3 and 5 year calendar averages and 3 and 5 year rolling averages.
25. Explain any differences between the historical and forecasted non-rate schedule fuel/GIK credit amounts.

**Electric Utility Specific Requirements**

26. Provide Hourly unit/plant specific production/generation (gross kWh) for the last five years, for all generation facilities.

<b>Michigan Public Service Commission</b>						
<b>Case:</b> U-XXXXX						
<b>Company Name:</b>						
<b>Date:</b>						
<b>Generation 8760</b>						
<b>Unit</b>	<b>Plant</b>	<b>Month</b>	<b>Day</b>	<b>Hour</b>	<b>Year</b>	<b>KWH</b>

27. Provide Hourly Dispatch data for peak day (both MISO and Company peak) for the last 5 years.

<b>Michigan Public Service Commission</b>			
<b>Case:</b> U-XXXXX			
<b>Company Name:</b>			
<b>Date:</b>			
<b>Peak Day Generation</b>			
<b>YEAR</b> 20XX			
<b>MISO Peak Load Day:</b> MM/DD/YYYY		<b>Company Peak Load Day:</b> MM/DD/YYYY	
<b>Unit</b>	<b>Generation (000s kWh)</b>	<b>Unit</b>	<b>Generation (000s kWh)</b>

28. Provide 8760 hourly load data for the most recent 10 years (or as many as are available), broken out by schedule and those schedules combined to class.

<b>Michigan Public Service Commission</b>					
<b>Case:</b>		U-XXXXX			
<b>Company Name:</b>					
<b>Date:</b>					
<b>Load 8760</b>					
<b>Class</b>	<b>Rate</b>	<b>Month</b>	<b>Hour</b>	<b>Year</b>	<b>KWH</b>

29. Identify the monthly coincident peaks, and the lowest system hour. Also provide each rate schedule/class Non-Coincident peak, and lowest hours.

<b>Michigan Public Service Commission</b>																				
<b>Case:</b>		U-XXXXX																		
<b>Company Name:</b>																				
<b>Date:</b>																				
<b>Monthly Coincident Peaks</b>					<b>Monthly Lowest Hour</b>					<b>Monthly Lowest Hour by Class</b>						<b>Monthly Class Peaks</b>				
Y	M		H		Y	M		H		C	Y	M		H		C	Y	M		H
e	o		o		e	o		o		l	e	o		o		l	e	o		o
a	n	D	a	K	a	n	D	a	K	a	a	n	D	a	K	a	a	n	D	a
r	y	r	W	H	r	y	r	W	H	s	r	h	y	r	H	s	r	h	y	r

30. Provide Historical 5 years of Generation (kwh), Load (kwh), and real-time LMP, MCC, and MLC (\$) at each of the companies MISO nodes, or for whichever nodes that are used by company owned generation assets. Also provide 5 year projected LMP's for all applicable nodes. A paper copy of this information is not required if this information is provided in electronic model form (Excel) at the time of the filing.

Michigan Public Service Commission													
Case:		U-XXXXXX											
Company Name:													
Date:		Nodal Data											
		Value: Generation (KWH), Load (KWY), LMP (\$), MCC (\$), MLC											
Date	Node	(\$)	0:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00
mm/mm/yyyy	ABC.123	Generation	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
mm/mm/yyyy	ABC.123	Load	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
mm/mm/yyyy	ABC.123	LMP	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
mm/mm/yyyy	ABC.123	MCC	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
mm/mm/yyyy	ABC.123	MLC	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx

31. Provide replacement costs for each plant (if available).
32. Provide five year plant specific data for the following accounts: "Plant in service", "Accumulated Depreciation", "Depreciation Expense" and, "Construction Work In Progress" in the excel format provided (see attached PDF's for spreadsheet format).
33. For the most recent 5 years, pages 401 to 421 of Annual report in excel format provided (see attached PDF's for spreadsheet format). A paper copy of this information is not required if this information is provided in electronic model form (Excel) at the time of the filing.
34. For all generation plant and units in above requests, provide the following:
- Provide an index for the full names of the plants and their associated units.
  - Supply a breakdown of "renewables" between solar, wind, and others.

## Depreciation Reserve (108)

Description	FERC/MPSC Account No.	Depreciation Reserve Balance December 31, 2011	Depreciation Reserve Balance December 31, 2012	Depreciation Reserve Balance December 31, 2013	Depreciation Reserve Balance December 31, 2014	Depreciation Reserve Balance December 31, 2015
<b>Intangible Plant</b>						
Miscellaneous Intangible Plant	303					
<b>TOTAL INTANGIBLE</b>						
<b>Production Plant</b>						
<b>Steam Production Plant</b>						
Structures and Improvements	311					
Boiler Plant Equipment	312					
Turbogenerator Units	314					
Accessory Electric Equipment	315					
Misc. Power Plant Equipment	316					
ARC-Steam Production	317					
Total Steam Production						
<b>Nuclear Production Plant</b>						
Structures & Improvements	321					
Reactor Plant Equipment	322					
Turbogenerator Units	323					
Accessory Electric Equipment	324					
Misc. Power Plant Equipment	325					
ARC-Nuclear Production	326					
Total Nuclear Production						
<b>Hydraulic Production Plant</b>						
Structures & Improvements	331					
Reservoirs, Dams and Waterways	332					
Water Wheels, Turbines and Generator	333					
Accessory Electric Equipment	334					
Misc. Power Plant Equipment	335					
Roads, Railroads and Bridges	336					
Total Hydraulic Production						
<b>Other Production Plant</b>						
Structures & Improvements	341					
Fuel Holders, Products and Accessories	342					
Prime Movers	343					
Generators	344					
Accessory Electric Equipment	345					
Misc. Power Plant Equipment	346					
ARC-Other Production	347					
Total Other Production						
<b>Total Production Plant</b>						
<b>Transmission Plant</b>						
Structures & Improvements	352					
Station Equipment	353					
<b>Total Transmission Plant</b>						
<b>Distribution Plant</b>						
Structures & Improvements	361					
Station Equipment	362					
Storage Battery Equipment	363					
Poles, Towers and Fixtures	364					
Overhead Conductors and Devices	365					
Underground Conduit	366					
Underground Conductors and Devices	367					
Line Transformers	368					
Services	369					
Cust Meters-Conventional	370A					
Cust Meters-AMI	370B					
Installations on Customer Premises	371					
Street Lighting & Signal Systems	373					
ARC-Distribution Plant	374					
<b>Total Distribution Plant</b>						
<b>General Plant</b>						
Structures & Improvements	390					
Office Furniture	391A					
Computer Equipment	391B					
Office Equipment	391C					
Transportation Equipment	392					
Stores Equipment	393					
Tools, Shop & Garage Equip	394					
Laboratory Equipment	395					
Power Operated Equipment	396					
Communication Equipment	397					
Miscellaneous Equipment	398					
ARC-General Plant	399					
RWIP						
<b>Total General Plant</b>						
<b>Grand Total</b>	<b>P-521, p. 219</b>					

**Michigan Public Service Commisoon  
Company  
U-xxxxxx  
Construction Work In Progress (Account 107)**

Description	FERC/MPSC Account No.	CWIP				
		December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014	December 31, 2015
<b>Intangible Plant</b>						
Miscellaneous Intangible Plant	303					
Total Intangible Plant						
<b>Production Plant</b>						
<b>Steam Production Plant</b>						
Land and Land Rights	310					
Structures & Improvements	311					
Boiler and Equipment	312					
Turbogenerator Units	314					
Accessory Electric Equipment	315					
Misc. Power Plant Equipment	316					
ARC-Steam Production	317					
Total Steam Production						
<b>Nuclear Production Plant</b>						
Land and Land Rights	320					
Structures & Improvements	321					
Reactor Plant Equipment	322					
Turbogenerator Units	323					
Accessory Electric Equipment	324					
Misc. Power Plant Equipment	325					
ARC-Nuclear Production	326					
Total Nuclear Production						
<b>Hydraulic Production Plant</b>						
Land and Land Rights	330					
Structures & Improvements	331					
Reservoirs, Dams and Waterways	332					
Water Wheels, Turbines and Generators	333					
Accessory Electric Equipment	334					
Misc. Power Plant Equipment	335					
Roads, Railroads and Bridges	336					
Total Hydraulic Production						
<b>Other Production Plant</b>						
Land and Land Rights	340					
Structures & Improvements	341					
Fuel Holders, Products and Accessories	342					
Prime Movers	343					
Generators	344					
Accessory Electric Equipment	345					
Misc. Power Plant Equipment	346					
ARC-Other Production	347					
Total Other Production						
<b>Total Production Plant</b>						
<b>Transmission Plant</b>						
Land and Land Rights	350					
Structures & Improvements	352					
Station Equipment	353					
Total Transmission Plant						
<b>Distribution Plant</b>						
Land and Land Rights	360					
Structures & Improvements	361					
Station Equipment	362					
Storage Battery Equipment	363					
Poles, Towers and Fixtures	364					
Overhead Conductors and Devices	365					
Underground Conduit	366					
Underground Conductors and Devices	367					
Line Transformers	368					
Services	369					
Meters	370					
Installations on Customer Premises	371					
Leased Property on Customer Premises	372					
Street Lighting & Signal Systems	373					
ARC-Distribution Plant	374					
Total Distribution Plant						
<b>General Plant</b>						
Land and Land Rights	389					
Structures & Improvements	390					
Office Furniture	391A					
Computer Equipment	391B					
Office Equipment	391C					
Transportation Equipment	392					
Stores Equipment	393					
Tools, Shop and Garage Equipment	394					
Laboratory Equipment	395					
Power Operated Equipment	396					
Communication Equipment	397					
Miscellaneous Equipment	398					
ARC-General Plant	399					
Total General Plant						
<b>Total DTE Electric</b>	<b>P-521, p. 216</b>					

**Company  
U-xxxxxx  
Depreciation Expense (403 - 405)**

Description	FERC/MPSC Account No.	Depreciation & Amortization Expense Total 2011	Depreciation & Amortization Expense Total 2012	Depreciation & Amortization Expense Total 2013	Depreciation & Amortization Expense Total 2014	Depreciation & Amortization Expense Total 2015
<b>Intangible Plant</b>						
Miscellaneous Intangible Plant	303					
<b>TOTAL INTANGIBLE</b>						
<b>Production Plant</b>						
<b>Steam Production Plant</b>						
Structures and Improvements	311					
Boiler Plant Equipment	312					
Turbogenerator Units	314					
Accessory Electric Equipment	315					
Misc. Power Plant Equipment	316					
ARC-Steam Production	317					
Total Steam Production						
<b>Nuclear Production Plant</b>						
Structures & Improvements	321					
Reactor Plant Equipment	322					
Turbogenerator Units	323					
Accessory Electric Equipment	324					
Misc. Power Plant Equipment	325					
ARC-Nuclear Production	326					
Total Nuclear Production						
<b>Hydraulic Production Plant</b>						
Structures & Improvements	331					
Reservoirs, Dams and Waterways	332					
Water Wheels, Turbines and Generators	333					
Accessory Electric Equipment	334					
Misc. Power Plant Equipment	335					
Roads, Railroads and Bridges	336					
Total Hydraulic Production						
<b>Other Production Plant</b>						
Structures & Improvements	341					
Fuel Holders, Products and Accessories	342					
Prime Movers	343					
Generators	344					
Accessory Electric Equipment	345					
Misc. Power Plant Equipment	346					
ARC-Other Production	347					
Total Other Production						
<b>Total Production Plant</b>						
<b>Transmission Plant</b>						
Structures & Improvements	352					
Station Equipment	353					
<b>Total Transmission Plant</b>						
<b>Distribution Plant</b>						
Structures & Improvements	361					
Station Equipment	362					
Storage Battery Equipment	363					
Poles, Towers and Fixtures	364					
Overhead Conductors and Devices	365					
Underground Conduit	366					
Underground Conductors and Devices	367					
Line Transformers	368					
Services	369					
Cust Meters-Conventional	370A					
Cust Meters-AMI	370B					
Installations on Customer Premises	371					
Street Lighting & Signal Systems	373					
ARC-Distribution Plant	374					
<b>Total Distribution Plant</b>						
<b>General Plant</b>						
Structures & Improvements	390					
Office Furniture	391A					
Computer Equipment	391B					
Office Equipment	391C					
Transportation Equipment	392					
Stores Equipment	393					
Tools, Shop & Garage Equip	394					
Laboratory Equipment	395					
Power Operated Equipment	396					
Communication Equipment	397					
Miscellaneous Equipment	398					
ARC-General Plant	399					
<b>Total General Plant</b>						
<b>Grand Total</b>	<b>P-521, p. 336</b>					

**Company**  
**U-xxxxxx**  
**Plant in Service (Account 101)**

Description	FERC/MPSC Account No.	Plant in Service				
		December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014	December 31, 2015
<b>Intangible Plant</b>						
Miscellaneous Intangible Plant	303					
Total Intangible Plant						
<b>Production Plant</b>						
<b>Steam Production Plant</b>						
Land and Land Rights	310					
Structures & Improvements	311					
Boiler and Equipment	312					
Turbogenerator Units	314					
Accessory Electric Equipment	315					
Misc. Power Plant Equipment	316					
ARC-Steam Production	317					
Total Steam Production						
<b>Nuclear Production Plant</b>						
Land and Land Rights	320					
Structures & Improvements	321					
Reactor Plant Equipment	322					
Turbogenerator Units	323					
Accessory Electric Equipment	324					
Misc. Power Plant Equipment	325					
ARC-Nuclear Production	326					
Total Nuclear Production						
<b>Hydraulic Production Plant</b>						
Land and Land Rights	330					
Structures & Improvements	331					
Reservoirs, Dams and Waterways	332					
Water Wheels, Turbines and Generators	333					
Accessory Electric Equipment	334					
Misc. Power Plant Equipment	335					
Roads, Railroads and Bridges	336					
Total Hydraulic Production						
<b>Other Production Plant</b>						
Land and Land Rights	340					
Structures & Improvements	341					
Fuel Holders, Products and Accessories	342					
Prime Movers	343					
Generators	344					
Accessory Electric Equipment	345					
Misc. Power Plant Equipment	346					
ARC-Other Production	347					
Total Other Production						
<b>Total Production Plant</b>						
<b>Transmission Plant</b>						
Land	350					
Structures & Improvements	352					
Station Equipment	353					
Total Transmission Plant						
<b>Distribution Plant</b>						
Land and Land Rights	360					
Structures & Improvements	361					
Station Equipment	362					
Storage Battery Equipment	363					
Poles, Towers and Fixtures	364					
Overhead Conductors and Devices	365					
Underground Conduit	366					
Underground Conductors and Devices	367					
Line Transformers	368					
Services	369					
Meters	370A					
Meters- AMI	370B					
Installations on Customer Premises	371					
Street Lighting & Signal Systems	373					
ARC-Distribution Plant	374A					
Total Distribution Plant						
<b>General Plant</b>						
Land and Land Rights	389					
Structures & Improvements	390					
Office Furniture	391A					
Computer Equipment	391B					
Office Equipment	391C					
Transportation Equipment	392					
Stores Equipment	393					
Tools, Shop and Garage Equipment	394					
Laboratory Equipment	395					
Power Operated Equipment	396					
Communication Equipment	397					
Miscellaneous Equipment	398					
ARC-General Plant	399					
Total General Plant						
Total Electric	P-521, p. 207					



ELECTRIC ENERGY ACCOUNT (Page 401a)						
Line No.	Item (a)	MWH's (b)	Line No.	Item (a)	MWH's (b)	
1	<b>SOURCES OF ENERGY</b>		18	Net Transmission for other (line 16 minus line 17)		
2	Generation (Excluding Station)					
3	Steam		19	Transmission by others losses		
4	Nuclear		20	TOTAL (Total of lines 9, 10, 14, 18)		
5	Hydro-Conventional		21	<b>DISPOSITION OF ENERGY</b>		
6	Hydro-Pumped Storage		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)		
7	Other					
8	LESS Energy for Pumping		23	Requirements Sales for Resale (See instruction 4, page 311.)		
9	Net Generation (Total of lines 3					
10	Purchases		24	Non-Requirements Sales For (See instruction 4, page 311.)		
11	Power Exchanges:					
12	Received		25	Energy furnished without charge		
13	Delivered		26	Energy used by the company Dept. only, excluding station		
14	NET Exchanges (line 12 minus					
15	Transmission for other		27	Total Energy Losses		
16	Received		28	TOTAL (Enter total of lines 22 thru		
17	Delivered			27) (MUST equal line 20)		

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- ...
- ...
- ...

### HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

[illegible]

[illegible]

## Pumped Storage Stats

Attachment 5b

[illegible]

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- ...
- ...
- ...

### PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

[illegible]

[illegible]

[illegible]



### GENERATING PLANT STATISTICS (Small Plants)

[illegible]

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- ...
- ...
- ...

- 1
- 2
- 3
- 4
- 6
- 7
- 8
- ...
- ...
- ...

### STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)

[illegible]

[illegible]

## **Payroll and Incentive Compensation**

Provide the following information relating to payroll expenses:

1. Provide a schedule, by pay period or month, which details the regular pay and the overtime pay and the regular hours worked and paid overtime hours worked for the historical test year and preceding 2 years.
2. For the 12-month historical test year, 12-month projected test year, and bridge year, provide (on a total Gas or Electric or Steam basis) a separate summary table for each year (using categories and format shown below in Table 1) that includes the number of full time employees (FTE's/Headcount) (exclude FTE's created by overtime hours) and the actual paid cash compensation broken down between base wages or salaries, overtime, and incentives or bonuses. For any calendar year included in this request for which actual data is not available for the entire calendar year, create a calendar year using the available actual data combined with the forecast applicable to the rest of the year. Identify which months and figures are associated with both the actual and forecast data.

**Table 1**

Year: 2XXX		Actual (Unadjusted) Paid Cash Compensation			
Category	Total Gas or Electric or Steam FTE*	Base Wages or Salaries	Overtime	Incentive or Bonus	Total
Officers					
Exempt					
Nonexempt					
Union					
Sub Total					
Contracted Services					
<b>Total</b>					
*Please Exclude Full-Time Equivalent (FTE) Created by Overtime					

3. For the Historic Test Year through the Projected Test Year, describe all salary increases that could apply to union employees, as well as non-union employees, e.g. Cost of living, step, etc. Specify when each type of salary increase could apply, e.g. monthly, quarterly, annually, etc.
4. Provide the total headcount and the total aggregated fees and salaries paid to directors and executives during the test year. Include all benefits including, but not limited to, dues and/or memberships paid, automobiles, insurance premiums and stock options.

5. Provide the historic test year payroll and projected test year payroll by operating group (i.e. generation, distribution, etc.). If unable to split the data between gas and electric divisions, use the same allocators that have been used in the company's 10K reporting. Additionally, provide details for:
  - a. Changes in payroll from the historic test year to the projected test year for each operating group.
  - b. For each operating group, provide total material, total labor, total contracted, total overhead, total other, and overall total cost for the 12-month historic test year and 12-month projected test year.

## **Pension & OPEB**

### **Pension**

1. Provide the pension expense included in the projected test year
2. Provide the pension expense for the projected test year based upon the most recent year-end actuarial remeasurement which will be relied upon for the GAAP financial statements. Typically this will also tie to projected amounts included in communications with the Securities and Exchange Commission (SEC), such as a 10-K filing. Include all appropriate additional costs and fees. If different than above, provide the pension expense for the projected test year based upon the most recent year-end actuarial remeasurement.
3. If the pension expense included in the rate case is different than the pension expense included in part 2 above, provide support from the actuary that documents and justifies any deviation in expense included in the rate case filing which differs from the year-end actuarial remeasurement amounts. If an interim projection is submitted by the Company as the rate case expense, documentation from the actuary that provides a basis and rationale for the interim projection's deviation from the year-end remeasurement should be included. Changes in assumptions (specifically the discount rate) should be explained by the actuary.

### **OPEB**

4. Provide the OPEB expense included in the projected test year
5. Provide the OPEB expense for the projected test year based upon the most recent year-end actuarial remeasurement which will be relied upon for the GAAP financial statements. Typically this will also tie to projected amounts included in communications with the Securities and Exchange Commission (SEC), such as a 10-K filing. Include all appropriate additional costs and fees. If different than above, provide the OPEB expense for the projected test year based upon the most recent year-end actuarial remeasurement.
6. If the OPEB expense included in the rate case is different than the pension expense included in part 2 above, provide support from the actuary that documents and justifies any deviation in expense included in the rate case filing which differs from the year-end actuarial remeasurement amounts. If an interim projection is submitted by the Company as the rate case expense, documentation from the actuary that provides a basis and rationale for the interim projection's deviation from the year-end remeasurement should be included. Changes in assumptions (specifically the discount rate) should be explained by the actuary.

## **Capitalization**

1. Describe the utility's current dividend policy to its parent company and any planned changes to the current policy. Provide the dividend amount and percentage of total net income from the utility to its parent over the last 3 years.
2. If the Company has engaged in any interest rate hedging activities or interest rate derivative contracts since January 1 of the third year preceding the test year:
  - a. Explain the nature and general conditions of each activity or contract and provide a copy of each agreement or contract;
  - b. Provide each analysis, in electronic spreadsheet format, the Company performed prior to engaging in each of these transactions, including the date each such analysis was performed;
  - c. Provide for each transaction any ex post analysis of transaction gains or losses, in electronic spreadsheet format, including the date each such analysis was performed; and
  - d. Provide a copy of the Company's policies and guidelines related to hedging activities and to derivative contracts that were in effect as of the date the Company commenced each activity or executed one or more contracts involving each activity.
3. For each individual *pro forma* LT Debt security of the utility, explain the assumptions used to calculate the coupon rate and the spread to benchmark Treasury in relation to the utility's credit rating. Please explain all issuance expenses and provide the calculations of the coupon rate and issuance expenses in electronic spreadsheet format. If the information was derived or obtained from other sources, identify each such specific source and provide a copy of each such specific source document in portable document format (PDF) files, MS Word files, or electronic spreadsheet files.
4. Provide *pro forma* financial ratios for the year preceding the Test Year and the Test Year including but not restricted to the ratios listed below. Calculate each ratio using the methodology used by each credit rating agency. Include the actual, *pro forma*, or actual plus *pro forma* financial statement or statements from which each ratio was calculated, in electronic spreadsheet format:

### ***Standard & Poor's:***

- a. Cash Flow (Funds from Operations / Debt %);
- b. Debt leverage (Total debt / Capital %); and
- c. Debt / EBITDA.

### ***Moody's:***

- d. CFO Pre-W/C to Interest;
- e. CFO Pre-W/C to Debt %;
- f. CFO Pre-W/C - Dividends to Debt %; and
- g. Total Debt to Book Capitalization %.

### ***Fitch:***

- h. EBITDA to Interest;
- i. FFO plus interest to interest;
- j. Debt to EBITDA;
- k. FFO to Debt %; and
- l. Debt to Capitalization %.



## **Generation/Production Related**

### **Operation and Maintenance (Electric)**

1. Beginning with the first month of the historical test period through the last month of the forecasted test period, provide the following information by month for each fossil, nuclear, and hydro operation and maintenance project over \$1,000,000, broken down by plant and unit. If a unit breakdown is not available, then provide the information separated by plant or the next available breakdown. Provide in Excel spreadsheet format with working formulas.
  - a) When planning began for the project.
  - b) The costs for each project broken into specific components (including, but not limited to engineering, materials, labor, contingency, etc.).
  - c) The actual/estimated project start and completion dates.
  - d) Reason(s) for the work to be performed (for example insurance, aging equipment, warranty, federal/state regulation, etc.).
  - e) Specific detail of the work that was/will be performed.
  - f) Provide an anticipated/actual timeline for all the work to be performed.
  - g) Standards of the work to be performed (for example IEEE, ASME, etc.), if applicable.
  - h) Identify who will be performing the work. If the work was/will be contracted out, identify if the Company has used the vendors previously.
  - i) The approximate number of people performing the work.
  - j) For routine projects (ie, work that the utility performs regularly), identify how often the work is performed.
  - k) The last time similar work was performed.
  - l) Identify when the budget was drafted for the project.
  - m) Identify when the budget was submitted for the project.
  - n) Identify when the budget was approved (internally and by the Board of Directors) and what amount was approved for the project.
  - o) Identify who at the Company approved the budget for the project.
2. Provide the annual spending and the percent of the project that has been/will be completed by year/partial year for every fossil, nuclear, and hydro operation and maintenance project over \$1,000,000 identified in Item 1. Provide in Excel spreadsheet format with working formulas.
  - a) Identify what amount of the annual spending for each operation and maintenance project is currently included in the Company's authorized rates.
3. For the fossil/steam plants identified on page 402 in the utility's annual report as "STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)", provide the actual operation and maintenance expenses by unit for the most recent five years

consistent with the MPSC Annual Report Form P-521 page 320-323 for Steam Power Generation. Provide in digital Excel spreadsheet format with working formulas.

4. Beginning with the first month of the historical test period through the last month of the forecasted test period, provide a list of all fossil, nuclear, and hydro plant outages over seven days in length by plant by unit. Include the outage start and end dates, the outage duration, the reason for the outage, and a detailed explanation of the work that was or will be performed. For planned outages that have already occurred, provide the planned as well as the actual details of the outage. Provide in digital Excel spreadsheet format with working formulas.
5. Provide the following actual information for each generating unit including peakers by year for the most recent five years: 1) capacity factor; 2) equivalent availability factor; 3) planned outage factor; 4) random outage factor; 5) heat rate; and 6) net generation. Provide in digital Excel spreadsheet format with working formulas.
6. For the forecasted test period, provide the following forecasted information for each generating unit including peakers: 1) capacity factor; 2) equivalent availability factor; 3) planned outage factor; 4) random outage factor; 5) heat rate; and 6) net generation. Provide in digital Excel spreadsheet format with working formulas.

#### **Capital Expenditures (Electric)**

7. Beginning with the first month of the historical test period through the last month of the forecasted test period, provide the following information by month for each fossil, nuclear, and hydro capital project over \$1,000,000, broken down by plant and unit. If a unit breakdown is not available, then provide the expenses separated by plant or the next available breakdown. Provide in Excel spreadsheet format with working formulas.
  - a) When the planning began for the project.
  - b) The costs for each project broken into specific components (including, but not limited to engineering, materials, labor, contingency, etc.) and specify which amounts are construction work in progress (CWIP) or plant-in-service. For capital projects that span multiple rate cases, the Company should maintain consistent cost component nomenclature in its exhibits and workpapers. If a category name has changed since the previous case but is part of the same project, the Company shall indicate the change, provide a rationale for the change, and include a financial crosswalk between the last case's category or categories and the current case's equivalent category or categories.
  - c) The actual/estimated project start and completion dates.
  - d) Reason(s) for the work to be performed (for example insurance, aging equipment, warranty, federal/state regulation, etc.).
  - e) Specific detail of the work that was/will be performed.
  - f) Provide an anticipated/actual timeline for all the work to be performed.
  - g) Standards of the work to be performed (for example IEEE, ASME, etc.).
  - h) Identify who will be performing the work. If the work was/will be contracted out, identify if the Company has used the vendors previously.
  - i) The approximate number of people working on the project.

- j) For routine projects (ie, work that the utility performs regularly), identify how often the work is performed.
  - k) The last time similar work was performed.
  - l) Identify when the budget was drafted for the project.
  - m) Identify when the budget was submitted for the project.
  - n) Identify when the budget was approved (internally and by the Board of Directors) and what amount was approved for the project.
  - o) Identify who at the Company approved the budget.
  - p) If the project received a Certificate of Necessity per MCL 460.6s:
    - i) Identify the CON case number
    - ii) Indicate how much was approved for the project.
8. Provide the annual spending and the percent of the project that has been/will be completed for every fossil, nuclear, and hydro capital project over \$1,000,000 identified in Item 1. Provide in Excel spreadsheet format with working formulas.
- a) Identify what amount of the annual spending for each capital project is currently included in the Company's authorized rates.
  - b) For capital projects that span multiple rate cases, explain why capital expenditures in past cases were underspent or overspent compared to previous Company projections and the amounts approved by the Commission in previous Orders.
9. For capital projects that were included in an approved integrated resource plan per MCL 460.6t (11):
- a) Identify the approved integrated resource plan and case number.
  - b) Indicate how much was approved for the project or projects.
  - c) Indicate when the Company began incurring costs for the project(s), or intends to commence incurring costs for the project(s).

## **Generation/Production Related**

### **Definitions:**

An **electric generating facility** is one or more electric generating units grouped together at a plant site.

**Non-routine projects** are capital projects that will be undertaken only once in the electric generating facility's remaining lifetime, or only once every ten years or longer. Examples of non-routine capital projects include, but are not limited to: environmental retrofits, major equipment overhauls, and lifecycle management.

A **Plant Investment** is a cumulative capital investment on non-routine projects over a five-year period at an electric generating facility. The capital investment threshold for a project or a group of projects in aggregate qualifying as a Plant Investment is the lesser of: 1) \$50 million, or 2) 2% of the annual revenue requirement. The five-year period begins with the filing of the utility's first rate case that is filed after the final order in Case No. U-18238 that establishes rate case filing requirements.

1. For any electric generating facility where Plant Investment will occur, the initial request for recovery of capital expenditures related to the Plant Investment should include a net present value (NPV) analysis. This analysis will compare two sets of costs, one set belonging to a "Plant Investment" scenario, the other belonging to a "retirement/decommission" scenario which may or may not include replacement generation. The analysis should include the best available depreciation schedule for the actual expected life of the capital equipment associated with the Plant Investment and the electric generating facility it is associated with. For example, if a Plant Investment is expected to last 30 years, but the facility will only be operational for 10 years, the Plant Investment should be depreciated in accordance with the actual expected operation of the Plant Investment.
  - a. The "Plant Investment" scenario will include all of the electric generating facility's projected capital and O&M expenses (including Plant Investment capital and O&M costs) from the present through the expected retirement and decommissioning of the facility or 20 years from now, whichever comes first.
  - b. The "retirement/decommission" scenario will consist of the costs of retiring and decommissioning the facility or applicable electric generating units associated with the facility prior to the need for the Plant Investment, and thus will not include the costs of the Plant Investment.

In the NPV analysis, the capital and O&M costs of the projects associated with the Plant Investment should be broken out and not lumped into larger, more general categories, in order to allow Staff and other interested parties to see the impact of the Plant Investment on the facility's cost-effectiveness.

2. Provide a workpaper or exhibit that shows all capital and O&M projected test year amounts from the previous case with actual expenditures (to date) for all Routine and Non-Routine large capital projects. Provide a detailed explanation of any variance.

3. For each Plant Investment, as defined in #1 above, provide a separate exhibit or work paper. The work paper or exhibit shall include all projected amounts of the cumulative projects that collectively represent the total Plant Investment from the start of the capital project through the end of the capital project. Provide actual amounts that align with the original projected amounts through the most recent full year. Also, provide the projected amount approved in the last rate case and the corresponding actual amount. This exhibit or work paper should be updated and included in every subsequent rate case until project completion. Identify variances on an absolute basis and provide a detailed explanation for any significant variances including why the variances were unavoidable and are reasonable. See example worksheet below:

Column	Production Capital						(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
	(a)	(b)	(c)	(d)	(e )	(f)												
		Current Rate Case	Historic Test Year	Last Rate Case	Actual	Variance	Plant Investment Year -1		Variance	Plant Investment Year-2		Variance	Plant Investment Year-3		Variance	Plant Investment Year-4		Variance
Line No.		Projected 12 months	Actual	Approved	Actual		Projected	Actual		Projected	Actual		Projected	Actual		Projected	Actual	
1	Routine Capital																	
2	Plant Investment Facility Name																	
3	Project 1																	
4	Project 2																	
5	Project 3																	
6	Total																	
7	Non-Routine Capital																	
8	Plant Investment Facility Name																	
9	Project 1																	
10	Project 2																	
11	Project 3																	
12	Total																	

\*Insert additional years as needed to provide a complete plant investment spending plan from start to finish  
 \*Insert actual project amounts that correspond with projected amounts as available.

4. Identify any large contracts with third parties (EPCs, for example) that contain contingency funds, and the dollar amount of said contingency. Demonstrate that any large contracts with third parties (EPCs, for example) do not contain contingency funds.
5. Provide all supporting information for items such as large supplier contracts (project contracted labor, EPC, etc.), plant purchase contracts, environmental quality or other large capital project budget/contracts. If support is confidential, provide said support (within three business days) once appropriate protective orders are in place.

The information required in Attachment 11 applies only to regulated utilities serving one-million or more customers.

## **Distribution Related**

1. Description of all capitalization policy changes occurring since last rate case.
2. Provide five year historic spending in all Distribution Capital Programs and explanation in program scope that would materially affect the use of averages. (i.e. known and measurable )

	Electric Distribution	Historic Test Year	Last Rate Case Approved	Last Rate Case Actual	Variations	Justification Of Significant Variation	Current Case Projected	Justification Of Significant Increase/Decrease from Actuals In Projected TY
	<b>Dates</b>	2014	(8/1/15)-(7/31/16)					
Line No.	Program Description							
	(a)	(b)	(c)	(d)	(e)	(g)	(h)	
1	New Business	1,000	1,300	1,000	(300)	Where in the testimony is this discussed Page, Line. (Significant Change is greater than 5%)	1,000	Where in the testimony is this discussed Page, Line. (Significant Change is greater than 5%)
2	Reliability	2,000	2,100	1,800	(300)		1,800	
3	Grid Modernization	3,000	3,300	4,000	700		4,000	
4	Capacity	4,000	4,100	4,100	-		4,100	
5	Demand Failures	5,000	5,200	5,200	-		5,200	
6	Asset Relocations	2,000	2,200	2,200	-		2,200	
10	<b>TOTAL CAPITAL EXPENDITURES</b>	<b>17,000</b>	<b>18,200</b>	<b>18,300</b>	<b>100</b>	-	<b>18,300</b>	-

3. Provide project level data which supports the requested test year spending plan.
  - a. For the highest cost top 25 projects provide:
    - i. Purpose and Necessity of the Project with Supporting Data.
    - ii. Line Design, size, material used.
    - iii. Line Length and ROW requirements.
    - iv. Approximate Construction Schedule.
    - v. Project effect on cost of operation and reliability of service.
    - vi. A description of the property being replaced and salvage value.
    - vii. Map of site and location of facilities.
    - viii. Funding from other entities (MDOT, Customer, Municipalities, Etc.
4. CIAC 5 year historic and projected CIAC by distribution program.
5. Construction work in progress (CWIP)
  - a. Provide a list of all construction projects in progress at the filing date which have been included in the proposed rate base.
6. Provide spreadsheet/exhibit that includes the following information for all IT projects
  - a. Project description and functionality of the system.
  - b. Project costs including everything prior to test year, broken out by year, cost of not implementing the project.
  - c. Project benefits, both in dollars and intangible.

- d. Project timeline including expected implementation date.
  - e. A description (in testimony) of alternatives considered, and rational behind decision.
  - f. Date of Board Approval for Each Individual Project.
7. Provide list of all Demand Response (DR) events that have occurred in previous 5 years by customer class.
  8. Identify all contingency costs in the filing. If none, provide evidence that there are no contingency costs included in the rate request.
  9. Provide total company Cyber Security Spending and allocation if applicable, between Companies.
  10. Provide Vegetation Management (Capital) by Distribution Program.
  11. Provide AMI Opt out Fees recovered in last 5 years.
  12. Provide Circuit Reliability Rankings worst 10 (SAIFI and SAIDI)
    - a. Work plans to address reliability on these circuits.
    - b. Projected Costs
  13. Provide a breakdown of Capitalized Replacement of Assets during storms (i.e. Demand Failures/ Cap Restoration)
    - a. Number of each type of asset replaced. (Transformers, meters, etc.)
    - b. Average Cost of Storm Replacement ( \$/meter, etc)
  14. Identify all current pilot programs being funded by the Company.
    - a. Explanation of the hypothesis of the pilot program.
    - b. Potential benefits.
    - c. Pilot timeframe.
    - d. Pilot from previous 3 years.

### **Distribution Capital Spending (Gas Specific)**

15. Provide Unplanned Capital Replacement of Assets Over \$1 million for last 5 years. (pipeline rupture, substation failure, etc)
16. Provide Progress of Pipeline Replacement Program (MRP, EIRP, ETC).
  - a. Projected Timeline for Completion
  - b. Projected Cost Test Year
  - c. Cost to date
  - d. Estimated Total Project Cost
  - e. Most Recent Report on Program Filed at Commission.
17. Provide Storage Utilization Statistics for Last 5 years.

18. Provide Percentage of Remedial Digs requiring Capital Work
  - a. Include justification of remedial work that is greater than 50 feet including, but not limited to, an explanation of why it was necessary to replace 50 feet in each instance.
19. Provide Maximum System Throughput for the last 5 years.
20. Customer Attachment Program (CAP)
  - a. Customers added in new projects (pre-construction).
  - b. Number of CAP customers added to existing projects.
  - c. CAP contribution from all currently open projects.
  - d. CAP projected costs last rate case to actuals (including and excluding CIAC).
  - e. Example of CAP customer surcharge calculation for one project in projected test year.
  - f. Actual CAP actual project costs for all projects the Company is currently charging a surcharge.

### **Distribution O&M**

21. Provide the actual, year-end amounts for all items on the C5 for the two most recently completed calendar years (in calendar year format).
22. Provide explanation of AMI system benefits realized in the last 5 years by program. (Electric)
23. Provide list of all distribution inspection programs (pole, transformer, etc) their cycle lengths and annual costs for the most recent cycle.
24. Provide Vegetation Management Spending historic spending 5 years, miles per year. (Electric)
  - a. Number of customer outages and outage minutes due to vegetation for same 5 year period.
  - b. Vegetation management cycle completion %
  - c. Number of trees outside ROW (5 years)
25. Service Restoration (Electric)
  - a. Provide 5 year Historic Expenditures.
  - b. List all events that interrupted more than 5% of customers in the years spanning from the historic test year to the projected test year (identify which were MED and Catastrophic Storms).
  - c. Cost per event
    - i. Capital Replacements (number of and unit cost)
    - ii. Labor Hours (Regular/Overtime)
  - d. Number of customers with outage minutes
  - e. SAIDI (event)
  - f. SAIFI (event)
  - g. Total Restoration time (0 outages)
  - h. Total Customer Outage Credit Payments by Category and Rate Class
26. Provide Late Fees Collected