

June 30, 2020

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RE: Case No. U-20134 – In the Matter of the application of Consumers Energy Company for Authority to increase its rates for the generation and distribution of electricity and for other relief.

Dear Ms. Felice:

Enclosed for electronic filing in the above-captioned proceeding, please find **Consumers Energy Company's PowerMIDrive Program Annual Report 2020.** This is a paperless filing and is therefore being filed only in PDF. I have enclosed a Proof of Service showing electronic service upon the parties.

Sincerely,

Theresa A.G. Staley

cc: Hon. Sharon L. Feldman, Administrative Law Judge Parties per Attachment 1 to Proof of Service



CONSUMERS ENERGY

PowerMIDrive Program Annual Report 2020

Case No. U-20134 June 2020



Table of Contents

| BACKGROUND | 4 |
|--|----|
| EXECUTIVE SUMMARY | |
| PROGRAM DEVELOPMENT AND IMPLEMENTATION | 8 |
| PROGRAM PERFORMANCE | 19 |
| MANAGED CHARGING | 48 |
| GRID IMPACT | |
| MARKET IMPACT | 57 |
| EVALUATION OF FINDINGS | 63 |
| LOOKING FORWARD | 67 |
| APPENDICES | 70 |

Table of Figures

| Figure 1: Electric Vehicle Web Content: Choosing an EV | . 13 |
|---|------|
| Figure 2: PowerMIDrive Web Content: Residential Charger Rebate Details | . 14 |
| Figure 3: PowerMIDrive Residential Rebate Application Form | . 15 |
| Figure 4: Residential Rebate Application Status Breakdown as of September 2019 | . 20 |
| Figure 5: Residential Applicants by Charger Owned | . 21 |
| Figure 6: Residential Rebate Application Status Breakdown as of April 2020 | . 23 |
| Figure 7: Residential Customer Costs of Home Charger vs Installation | . 24 |
| Figure 8: Public Level 2 Rebate Application Status Breakdown | . 25 |
| Figure 9: Public Level 2 Rebate Breakdown by Application Type | . 26 |
| Figure 10: MDU Level 2 Rebate Promotional Outreach Email Campaign | . 27 |
| Figure 11: Public Level 2 Charger Pricing Strategy | . 29 |
| Figure 12: Public Level 2 Charger Site Cost of Project | . 29 |
| Figure 13: Public Level 2 Rebate Applicant Site Reasons for Declining to Install Chargers | . 30 |
| Figure 14: Public Level 2 Install Deadline Exceeded Status Update Request Email Template | . 31 |
| Figure 15: Public Level 2 Rebate Awards and Targets by County | . 35 |
| Figure 16: Public Level 2 Installations Complete / Rebates Paid | . 36 |
| Figure 17: Public Level 2 Installations Pending / Rebates Committed | . 37 |
| Figure 18: Declined to Participate Public Level 2 Rebate Applicant Sites | . 39 |
| Figure 19: DCFC Project Estimate & Average Funding Contribution Breakdown | . 43 |
| Figure 20: DCFC Line Item Costs as Percentage of Total Project Value | . 43 |
| Figure 21: LVD Planning DCFC Make Ready Scoping Document | . 44 |
| Figure 22: DCFC Rebate Candidate Sites Make Ready Costs | . 45 |
| Figure 23: DCFC Rebate Candidates Identified / Projects Confirmed / Siting Strategy | . 47 |
| Figure 24: Time of Use Rate Enrollments, Residential Program Participants | . 48 |
| Figure 25: Time of Use Communication to Residential Time of Day Rate Customers | . 49 |
| Figure 26: Aggregate Residential Charger Use Weekdays vs Weekends – 2020 YTD | . 50 |
| Figure 27: Aggregate Residential Load Weekly Total by TOU – 2020 YTD | . 52 |
| Figure 28: Residential EVSE Locations by Transformer | . 55 |
| Figure 29: Residential Rebates Outreach Funnel | . 58 |
| Figure 30: Public Rebates Outreach Funnel | . 59 |

BACKGROUND

This report presents results and findings for Consumers Energy's ("CE" or "the Company") PowerMIDrive Program, a 3-year voluntary pilot governed by the tariff which is approved by the Michigan Public Service Commission (MPSC) in Case No U-20134. PowerMIDrive launched on June 5, 2019.

The program's first annual report covers the timeframe of January 2019 through April 2020, and is presented with the purpose of:

- 1) providing a comprehensive overview of programmatic intent and corresponding activities,
- 2) summarizing findings and lessons learned throughout this first year of operations, and
- 3) evaluating those findings as a measure of progress towards achievement of program goals, while laying the groundwork for a future path forward.

The Company held annual stakeholder meetings to share PowerMIDrive's first year results with MPSC Staff and stakeholder workgroup participants during the month of May and early June 2020 to ensure cross-functional alignment and input on the program's best path forward in years two and three.

We incorporated valuable insight received from stakeholders on any proposed future program adjustments as outlined within this report before filing this report in the MPSC docket in June 2020.

EXECUTIVE SUMMARY

The PowerMIDrive Program provides a platform for electric vehicles (EVs) to play a part in the Company's Clean Energy Plan, serving as the foundation from which economic and environmental benefits from the transportation electrification initiative can be realized.

In the first year of operations, our efforts have focused on achieving three primary programmatic objectives:

1) Increasing electric vehicle (EV) charging capabilities and public charging infrastructure across CE's electric service territory

Year One Results Snapshot:

- 222 home charger rebates and 33 FleetCarma C2 incentives awarded to residential participants.
- 200 public level 2 rebates committed, with 38 of those public level 2 rebates awarded.
- 34 Direct Current Fast Charger (DCFC) rebates committed, with 12 of those DCFC projects scheduled for 2020 installation.

Residential customer feedback, and the potential to still include many residential customers in the program, has led us to better understand the importance of providing multiple avenues for participation in the program. Given this, we will continue to pursue new residential participation options via enhanced optionality in charger models eligible for rebate, and alternative participation options via direct vehicle communication.

We expect that the economic impact of COVID-19 will result in some construction delays and turnover of commercial charging station rebates as deeply impacted candidates decline to move forward. COVID-19 will present a challenge for achieving the goal of seeing all 234 commercial rebates awarded for operational public charging infrastructure by the end of 2020 as originally planned, but we remain committed to assisting our customers through this time.

We will continue to pursue the goal of maximizing operational charging infrastructure as quickly as possible to help provide convenient public charging options in Michigan for both current and future EV drivers and maximize our learnings from the electric use data.

2) Implementing best practices for utilizing EVs as an electric grid benefit for all electric customers while reducing risk of grid impacts in areas of EV clustering

Year One Results Snapshot:

- 316 rate change requests were processed enrolling customers on a TOU electric rate at their home.
- Initial residential load profile data demonstrates TOU rate efficacy, with 90% of charging occurring off-peak on weekdays and over 75% of charging occurring off-peak on weekends.
- Implemented strategy to identify and communicate areas of EV clustering to internal CE stakeholders for grid impact monitoring.

As we progress into year two of the program, we will continue to monitor the ramp rate at 7 PM when the off-peak rate begins and continue encouraging customers to begin charging at 11pm when possible with similar direct messaging efforts.

Reliability of connectivity for WIFI-connected chargers has been a challenge identified in year one, as network interruptions impact continuous communications of electric use data from the chargers to the program. Approximately 10% of residential chargers disconnect from the utility platforms established by the charger networks for the program at given time, causing administrative burden as customer outreach to request manual reconnection to the program platform can be required. Identifying options to address and avoid WIFI challenges will be a focus in years two and three of the program.

3) Engaging in public outreach efforts to educate both current and future EV drivers on the economic, societal and environmental benefits of driving electric

Year One Results Snapshot:

- Over 30 public EV engagement events hosted or attended as presenter, panelist or exhibitor.
- A total of 4,492 direct communication EV customer contacts made by the program team.

This year we will continue building upon the Company's existing customer database to identify our EV driving customers to provide more individualized messaging and support with EV-related education and outreach efforts. Being able to identify current and future EV driving customers will support our goals of maximizing residential participation in the pilot and enhance consumer awareness efforts of how EVs can provide cost savings and benefit the grid.

The findings summarized within this report will demonstrate that the Company and the PowerMIDrive Program are well positioned to understand and implement best practices for leveraging the potential electric grid benefits of the emerging EV market in Michigan. As of year-end 2019, the EV customer base in CE's electric service territory is just over 7,000 vehicles, with a growth rate of greater than 20% annually; thus, we still have time on our side for prudent action.

With continued collaborative efforts, PowerMIDrive will enable the Company to provide optimal EV customer strategies and critically needed public charging infrastructure to customers throughout our electric service territory. We propose that the following objectives, (detailed further in "Looking Forward", pages 67-69) will further our progress toward an EV optimized future, both for the grid and for customers, and may be included for consideration in our next electric rate case as part of the next evolution of PowerMIDrive:

- 1. Exploring direct vehicle communications
- 2. Funding for additional DCFCs in underserved areas
- 3. Forming a permanent EV team for customer service
- 4. DR and TOU coaching services for 7PM 11PM residential charging ramp rate

Before proceeding on to the main body of our first annual report, let us also say thank you to the many stakeholders and customers who helped us make PowerMIDrive a success in the first year of operation. Without our partnerships and collaboration together, PowerMIDrive would not be possible. Thank you and we look forward to future work together!

PROGRAM DEVELOPMENT AND IMPLEMENTATION

The section below is included to outline steps taken by the Company to develop and implement PowerMIDrive leading up to program launch on June 5, 2019.

Program Team Staff

The Company created a core team dedicated to leading the program through launch and execution of all daily operations of the PowerMIDrive Program, including:

- Director of Renewable Energy & Electric Vehicles Customer Products Jeff Myrom
- PowerMIDrive Program Lead Bethany Tabor
- Digital Outreach Lindsey White
- Community Outreach Scott Weber
- Administrative Support
 Staci Clay

Due to the high number of customer contacts and interest in optimizing electric vehicle charging, we have found that the level of staffing required to administer the program is greater than originally anticipated.

The core team collaborated with a multitude of internal CE stakeholders to support a successful implementation effort, to include:

- Low Voltage Distribution (LVD) Planning
- Customer Energy Management (CEM)
- Electric Geographical Information Systems (GIS)
- IT Cyber Security
- Business Support
- Supply Chain
- Corporate Communications
- Website Content Strategy & Delivery
- Customer Billing

Vendor RFQ & Cyber Security

The program created a Request for Qualifications (RFQ) for Electric Vehicle Supply Equipment (EVSE) that was sent to 14 different EVSE network provider vendors on February 4, 2019.

A total of 7 responses were received by March 1, 2019. The program created a scorecard metric to evaluate the responses based on network capabilities, EVSE offerings compatible with the network, electric use data communication frequency, customer costs, and utility access costs both during and after the pilot program.

An additional review process was designed to ensure each vendor selected by the program through the RFQ would meet CE's Cyber Security department requirements, which included metrics based on the following:

- ISO27001 Certification
- SOC2 Type II Certification
- OKTA Certification
- TLS 1.2 Certification
- Vulnerability and Penetration Testing
- Distributed Denial of Service (DDOS) Protection
- Payment Card Industry (PCI) Compliance

A significant amount of effort was spent by the program to coordinate with the Cyber Security department in validating that all network and EVSE specifications met Company requirements for data security, defining the network to utility communication protocols for transmitting electric use data and Demand Response (DR) event notifications.

This primary intent of this effort was focused on maintaining security and integrity of all program participant information and the information of customers who will be charging their EVs at the stations in the future. Information Architecture diagrams were created to map communication process flows including application interfaces, firewalls, and end user data destination for each EVSE network in the program.

EVSE Network Data Sharing Agreements

The program team selected a total of three EVSE network and manufacturer vendors to participate in the program and began pursuing contractual agreements to enable data sharing via the charging station networks.

Utility costs for data access vary significantly by vendor, ranging from a flat annual fee covering data access for all chargers participating in the program, to an annual fee per charger assessed in addition to data access fee.

Ultimately the program secured data sharing agreements with two of the originally selected EVSE networks to include ChargePoint and Siemens. A third EVSE network, Enel X (formerly eMotorworks) was onboarded by the program in October 2019.

Program Literature

To support customer awareness and understanding of the program's rebates and eligibility requirements, the team worked to create the following official documents which are provided in the Appendix of this report:

- Program Terms & Conditions
- Program List of Eligible Charging Stations

- PowerMIDrive Flyer
- EV Charging Station Promotional Communications Toolkit

To ensure internal compliance and consistency with program processes, the team developed process maps to illustrate the communication flow for supporting each level of rebate applicant. The process maps provide a step-by-step guide from initial review to approval of applications, including validation of eligibility for rebate payment, processing rate change requests for residential customers, customer file management, and processing rebate checks for payment to customers.

Additionally, the team collaborated to create customer communication templates for each step of the process which are linked within the process maps. This effort enabled the team to utilize standardized yet customizable communications to maximize a positive customer experience.

Residential and Public Level 2 rebate process maps have been included in the Appendix of this report.

Residential Charger Rebates

To ensure that grid benefits of transportation electrification can be captured while EV market penetration is still low, the Company aims to gain a deeper understanding of home EV charging patterns, efficacy of TOU electric rates in shifting charging load from on-peak to off-peak times, and potential to utilize EVs as a DR asset.

To accomplish this objective, the PowerMIDrive Program offers a rebate of up to \$500 with a pilot budget for 3,000 residential electric service customers who:

- Own or lease a plug-in electric vehicle (PEV)
- Purchase and install an eligible Level 2 smart charger
- Enroll their household in a TOU electric rate
- Authorize charging data sharing with CE for the duration of the program
- Authorize CE to test DR capabilities

Residential rebate applicants are required to provide proof of purchase and installation of eligible EVSE, proof of lease or ownership of EV registered in CE electric service territory and agree to enroll in a TOU electric rate at their household prior to receiving a rebate.

The PowerMIDrive team continues to educate residential rebate applicants on the cost savings made possible by following their TOU rate schedule at home and charging EVs during the off-peak hours when the cost per kWh for electricity is lowest. As the pool of residential program participant electric use expands, our load curve data grows, and analysis continues to determine how effectively customers are avoiding on-peak charging.

Furthermore, to proactively understand how areas of EV clustering could impact existing electric infrastructure, the PowerMIDrive team collaborates internally with the Low Voltage Distribution (LVD) Planning team to identify and track residential transformers on the electric grid supporting multiple residences with EVSE. The intent of this effort is to proactively monitor load in areas of EV clustering for potential impacts to electric supply infrastructure.

Public Level 2 Charging Station Rebates

The PowerMIDrive Program's public charging station rebate component is designed to seed public EVSE investment and close the gap on accessibility to this infrastructure throughout CE's electric service territory. The Company's intent is to provide a financial incentive to encourage investment in charging infrastructure that can be utilized by the general public, tenants, and employees. Participants are educated on the benefits associated with providing EVSE to attract more traffic to their respective locations while maintaining the ability to set pricing and accessibility to reflect individual on-site needs.

The PowerMIDrive Program offers a rebate of up to \$5,000 for 200 commercial electric service customers who:

- Purchase and install one dual-port or two single-port eligible Level 2 commercial charging stations
- Authorize charging data sharing with CE for the duration of the program
- Authorize CE to test DR capabilities
- Share pricing strategy for charging with CE
- Complete installation and activation within 6 months of rebate commitment

Public Level 2 rebates are authorized for EVSE installed in public, workplace, and multi-unit dwelling applications, with a maximum of two rebates per location. The program's online rebate application form includes a request for applicants to specify intended audience for use of the EVSE (e.g., public, employees only, tenants only), and hours of accessibility. The program has internally established guidance regarding the number of public rebates to be awarded per county within CE's electric service territory to maximize geographic distribution potential.

Direct Current Fast Charging (DCFC) Infrastructure

The PowerMIDrive Program has established a DCFC charging station rebate component designed to create an initial network of fast charging infrastructure throughout the Company's electric service territory across Michigan. By incentivizing investment in DCFC infrastructure along major expressways and travel corridors, benefits will be realized by the broader community of EV drivers traveling within the state of Michigan and may encourage EV adoption by mitigating the common hurdle of range anxiety. Prospective program participants are educated on the benefits of providing DCFC to attract more traffic to their

respective locations. DCFC site hosts maintain the ability to set pricing to reflect individual onsite needs.

The PowerMIDrive Program offers a rebate of up to \$70,000 for up to 34 commercial electric service customers who:

- Have a proposed installation site near a major expressway or travel corridor
- Have a proposed installation site near customer amenities, with 24-hour access to those amenities preferred
- Purchase and install eligible DCFC EVSE with 125kW minimum output requirement
- Authorize charging data sharing with CE for the duration of the program
- Share pricing strategy for DCFC EVSE with CE

Successful Partnership with EGLE

The Company has partnered with Environment, Great Lakes, and Energy (EGLE) and the Michigan Energy Office's (MEO) Charge Up Michigan Program for the DCFC rebate component of PowerMIDrive. This partnership enables contribution of additional project funding to DCFC site hosts selected for participation in the PowerMIDrive Program. A siting strategy has been developed based on a fast charger placement optimization study completed by Michigan State University and the MEO in 2019.

The program seeks to identify DCFC rebate applicants that align with the charger placement optimization study's targeted cities throughout CE's electric service territory. An ancillary due diligence review of PowerMIDrive DCFC rebate candidates is performed by the MEO as precursor to candidate sites receiving commitment of additional grant funding offered through the Charge Up Michigan Program. Without this partnership many DCFC applicants would not be proceeding with their projects, and we consider our collaborative efforts with EGLE key to the success of the PowerMIDrive DCFC program thus far.

Future Proofing at DCFC Sites

To ensure the network of DCFC infrastructure installed throughout the service territory is developed in a manner that allows for scalability of future growth in the EV market, the PowerMIDrive Program was approved with a \$2.5M make ready budget. These funds are designated to covering costs of electrical infrastructure upgrades at each DCFC rebate site approved for program participation.

The cost and scope of electrical upgrades at DCFC sites are evaluated with the specification to double the minimum required initial output capacity of 125kW per site. Thus, a 300kva transformer will be installed at each DCFC site participating in PowerMIDrive as part of the electrical upgrade work performed by the Company.

As the EV adoption rates in Michigan continue to increase year over year, this component of the program is critical to support DCFC site hosts' ability to upgrade or expand capacity of the charging equipment to meet the growing demand without requiring significant and costly infrastructure upgrades in the future.

We are pleased to report that make ready cost estimates to date have averaged under half of initial estimates. These costs savings, in addition to support from MPSC staff, have allowed us to repurpose funds for additional DCFC rebates and make ready. Thus, we have been able to expand the initial 24 DCFC rebates authorized to 34 DCFC rebates. We are greatly appreciative of MPSC collaborative feedback and support regarding this success story.

Website Development

The program team collaborated with web design vendor and internal CE stakeholders in Website Content Strategy and Delivery to build a PowerMIDrive Program website which went live online one week prior to the official date of program launch on June 5, 2019.

The website design focused on bringing customer awareness to the many benefits of EV ownership, help users understand their charging options at home and in public, explore the rate plans available to maximize cost savings, and learn about the PowerMIDrive rebates.

Graphics like Figure 1 below were developed to aid customer awareness at a high level by illustrating the various EV options, and the associated costs and mileage for each choice as compared to an internal combustion engine (ICE) vehicle.

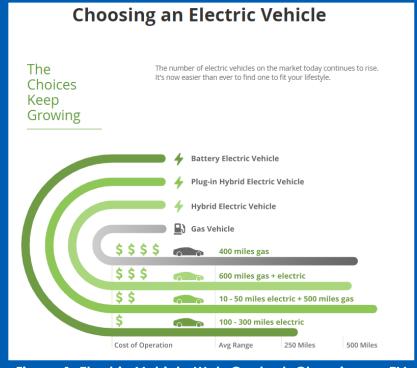


Figure 1: Electric Vehicle Web Content: Choosing an EV

Additional graphics were created to promote EV charging readiness at home and ability to differentiate the power output and time required to fully charge an EV between level one and level 2 home chargers. Customers who identify as needing a level 2 home charger to meet their charging needs are guided to the residential rebate page to learn more about networked charging station options eligible for rebate, participant eligibility requirements, and the process for applying.

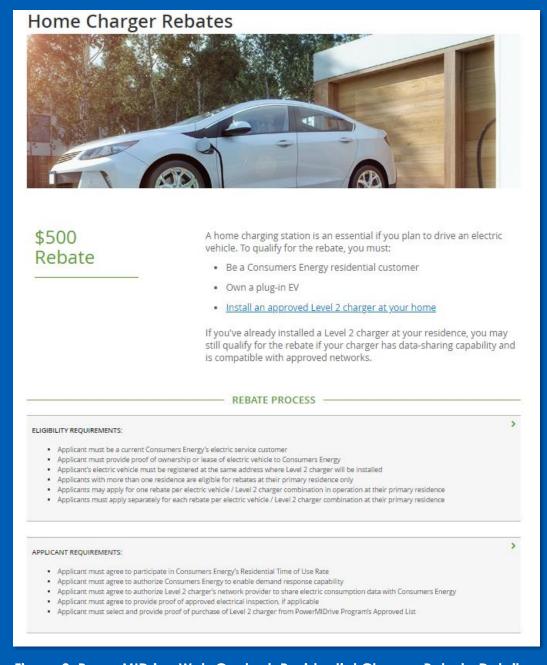


Figure 2: PowerMIDrive Web Content: Residential Charger Rebate Details

Application Portal and Database

In conjunction with our web design efforts, an online application portal was built into the webpage for each rebate level. We believe this method provides the best customer experience with a one stop shop to view program details, terms and conditions, rebate eligible charging stations, and apply for the rebate one a single webpage that can be viewed by phone or browser.

The team created a shared inbox and email address, PowerMIDrive@cmsenergy.com, to be utilized as the primary means of communication with customers throughout the rebate communication process. This was done to ensure timely communication turnaround with customers with all program team members providing support based on the nature of inquiry of support needed along the way.

As rebate applications were submitted, the program created a shared team inbox where application forms were routed from the website.

| First Name: | |
|--|--|
| Last Name: | |
| Phone Number: | |
| Email: | |
| Customer Account #: | |
| I Live in a: | |
| Do You Own Your Home? | |
| Are you a current Plug-In Electric Vehicle Owner? | |
| Please indicate Year / Make / Model of Vehicle(s): | |
| Do You Currently Own a Level 2 Charger? | |
| If Yes, Provide Manufacturer/Model: | |
| Do You Currently Qualify for Low Income Support from Consumers Energy? | |
| Accept Terms and conditions: | |

Figure 3: PowerMIDrive Residential Rebate Application Form

For customers applications and supporting documentation to validate eligibility for rebate award, the team utilized a web database compliant with the Company's information security requirements to store documents and track customer status throughout the process from application to rebate award. The secure customer database allows for the creation of unique customer files, status of rebate, site details such as EVSE selected, cost of program, and supporting documentation uploads.

The program also created a tracking system for reviewing incoming public level 2 and DCFC rebates on a weekly basis. As commercial customers are approved to receive rebate commitment, a customer file is created in the program database.

Education & Outreach

A multi-faceted strategy was developed to raise awareness about the benefits of driving an EV, the importance of building EV charging infrastructure throughout the state of Michigan and educating customers on how charging off-peak will benefit the grid.

The program team used both physical and digital channels to reach customers, raise awareness of the rebate programs, and achieve program enrollment targets, including:

- Broad and Targeted Email Outreach Campaigns
- Press Releases
- Social Media
- Digital Advertisements
- EV-Focused Event Attendance & Implementation
 - Ride & Drives
 - o Electric Vehicle Convenings
 - Earth Day Events
- Conference & Panel Participation
 - EIBC EV Convening
 - MI Sustainability Conference
 - Clean Energy Conference
- Government & Policy Group Engagement

Further details about these efforts and corresponding results are enclosed within this report.

Stakeholder Meeting & Kickoff Event June 5 MPSC

On March 26, 2019, a stakeholder meeting at the MPSC Office in Lansing was held to provide Staff and Stakeholders with a status update on the program's progress toward launch and gather valuable feedback to help guide programmatic direction once operational.

Topics of focus included maximizing MDU participation, strategies for equitable rebate distribution, and metrics of programmatic success.

On June 5, 2019, the program held an official launch event at the MPSC Office in Lansing to announce the program kick off and availability of rebates. Over 40 people attended, and news coverage was garnered from two television stations and Michigan Public Radio. We were honored that MPSC Commissioner Norm Saari and Director Robert Jackson of EGLE's Michigan Agency for Energy (MAE) and Energy Ombudsman provided opening remarks.



Jeff Myrom, CE



Norm Saari, Commissioner, MPSC



Robert Jackson, EGLE



June 5, 2019 PowerMIDrive Program Launch Event at MPSC Office Lansing, MI



"The entire application process with Consumers Energy's PowerMIDrive Program was prompt and painless. Their team helped us with contacts for hardware vendor options and worked with us until the chargers were completely online and operational. They then followed up with prompt reimbursement."

- PowerMIDrive Public Level 2 Rebate Applicant

PROGRAM PERFORMANCE

Residential Rebate Value

Between June and September 2019, a residential rebate amount of \$400 was tested, with an additional \$100 offered for low income applicants. The program's residential rebate application form at that time included a prompt for customers to indicate whether their household currently qualifies for low income support from Consumers Energy.

The program did not receive any applications from low income support qualified customers within the first three months of launch. However, we did receive feedback from a few customers that the additional \$100 would not be material compared to the additional cost of subscribing to home WIFI (e.g. over \$1,000 per year). From this feedback, we recalibrated and began research on alternatives that eventually led to the FleetCarma subpilot. To maximize residential customer participation, the PowerMIDrive Program increased the residential rebate value from \$400 to up to \$500 for all residential participants on September 5, 2019.

Residential Rebate Applications

As of April 1, 2020, PowerMIDrive has received a total of 558 residential rebate applications. Of the total applicant pool, 222 applicants have been approved to receive the \$500 home charger rebate, and 33 applicants have been approved to receive the \$200 FleetCarma incentive option, which is detailed later in the report. A total of 303 applicants have not moved forward with program participation at this time, but we continue to explore ways to improve program participation and increase customer engagement.

For example, we have nearly doubled the participating percentage of customers since the first quarter of program launch.

Figure 4 below illustrates the residential rebate application status breakdown after three months of program operation, as of September 1, 2019:

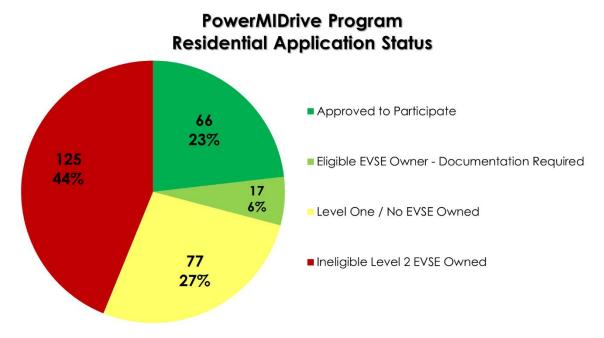


Figure 4: Residential Rebate Application Status Breakdown – September 2019

Barriers & Solutions to Enhance Participation

Upon reviewing early participation rates in the program, the PowerMIDrive team solicited feedback from residential rebate applicants who did not move forward with purchase and installation of an eligible level 2 home charger in order to understand more about potential barriers to participation in the pilot.

Customer responses identified three primary barriers to initial participation:

- 1) Customer's preferred level 2 home charger model was ineligible for rebate
- 2) Program requirement for networked home charger required a WIFI signal
- 3) Level one charger was adequate for driver needs and expenditures to upgrade were not justified

Feedback from a budget-constrained customer noted that the requirement for a networked charger is a barrier to program participation because the annual cost of WIFI to maintain a network connection for the charger would be much greater than the rebate amount offered. Another customer noted that their home WIFI signal strength would be too weak to maintain a network connection with a charger installed in a detached garage. This feedback, in addition to the relatively low eligibility rate of applicants again led us to continue investigating alternatives for greater participation.

As part of the residential rebate application form, customers are prompted to identify the model of currently owned level 2 home charger. A metric was created to track most commonly reported home charger models amongst the applicant pool that were not eligible for rebate.

As a result of this analysis, a third EVSE network vendor was solicited and onboarded to the program in October 2019. This addition expanded rebate-eligible home charging station options to include the most popular networked model owned by residential applicants comprising the red portion of Figure 4 above. In fact, ten previously ineligible customers immediately joined the program as a result of this change.

Residential participation metrics were also tracked and reviewed by the PowerMIDrive team on a weekly basis to quickly identify and plan next steps to enhance customer engagement and encourage participation from residential rebate applicants throughout CE's service territory.

Figure 5 below illustrates the breakdown of the current home charger type owned for all residential program applicants as of April 1, 2020:

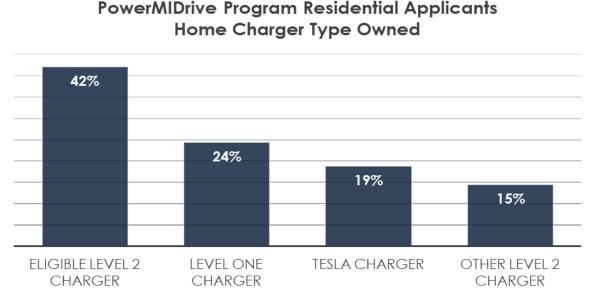


Figure 5: Residential Applicants by Charger Owned – April 2020

Residential Participation with FleetCarma C2 Device

Utilizing the information and feedback on network connectivity range barriers and the cost of charging station upgrades and WIFI, the program obtained MPSC staff approval on September 5, 2019 to test an alternative participation option for a total of 200 residential rebate applicants using a FleetCarma C2 car connected device.

To participate in PowerMIDrive through FleetCarma, residential applicants agree to:

- Receive a FleetCarma C2 device in the mail, no purchase necessary
- Install C2 device in onboard diagnostics port (OBD-II) of EV for duration of program
- Authorize data sharing with CE for the duration of the program
- Activate a FleetCarma SmartCharge account
- Enroll their household in a TOU electric rate
- Receive a \$200 incentive

The FleetCarma C2 device communicates via cellular data, which also provides a solution for customers who conveyed challenges with maintaining WIFI connectivity at their home's charger location. Each device is assigned to a customer's EV and associated with the specified home address in CE's electric service territory. Geofencing is established to allow the program to distinguish between at-home and in-public charging events within the electric load profile data.

The FleetCarma option was launched in March 2020, with an invitation to participate sent to 200 residential applicants who were not previously approved for rebate. As of April 1, 2020, a total of 33 residential applicants were approved to participate with a FleetCarma C2 device.

"I was not interested in previous rounds (of the residential rebate program) because I did not want to replace the level 2 charger I had already installed in my garage."

- PowerMIDrive FleetCarma Rebate Applicant

We are pleased to report a significant increase in eligibility and participation from early program enhancements.

Figure 6 below illustrates the residential rebate application approval status breakdown as of April 1, 2020, and is a significant improvement in participation from September 2019:

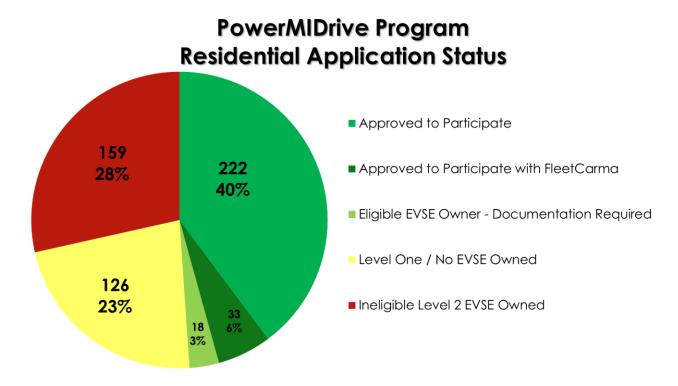


Figure 6: Residential Rebate Application Status Breakdown - April 2020

The insights that informed programmatic direction throughout year one led the decisions that increased optionality of home charger models eligible for rebate and implemented an alternative option for participation. All pilot design changes are more inclusive of customers with unique barriers to participation.

As illustrated between Figures 4 and 6, the program was able to nearly double the percentage of residential rebate applications participating in the pilot, from only 23% of the total applicant pool in September 2019 to 49% of the total applicant pool as of April 1, 2020.

Residential Participant Costs

As part of the rebate approval process, the program collects residential rebate applicant documentation to validate proof of purchase and installation of an eligible level 2 home charger.

Based on the program participant documentation received to date, the average, high and low residential customer costs are outlined in Figure 7 below:

| Expense Type | Lowest Cost | Average Cost | Highest Cost |
|---|-------------|--------------|--------------|
| EVSE Only | \$405 | \$582 | \$749 |
| Installation Only | \$50 | \$918 | \$3,100 |
| Total Project Cost (EVSE + Installation) | \$405 | \$746 | \$3659 |

Figure 7: Residential Customer Costs of Home Charger vs Installation – April 2020

Residential participants who did not require an electrical contractor for installation at their home, and therefore did not provide a cost summary for the installation, were not factored into the installation only expense line item above to avoid biasing the data downward in that row.

Thus, while the average cost of installation is \$918 for those who submitted documentation to verify installation costs, the average total project cost is only \$746, as the total project cost for some applicants only includes the cost of the charger itself rather than the combination of both equipment and professional installation.

Costs of charging equipment and installation are distinguished above to demonstrate the significance of installation costs in determining out-of-pocket investment required to upgrade to a level 2 smart charger at home.

Based on Figure 7 above, the \$500 residential rebate offered by the program covered anywhere from 14% - 100% of customers' actual costs on a case-by-case basis. On average, the program's \$500 residential rebate covered 67% of a customers' actual costs.

Public Level 2 Rebate Applications

As of April 1, 2020, PowerMIDrive has received a total of 311 public level 2 rebate applications. A total of 38 out of 200 available \$5,000 rebates have been paid to commercial electric customers for completed installation of either one dual port or two single port level 2 commercial charging stations.

The remaining 162 public level 2 rebates for the program are actively committed to commercial customer sites throughout CE's electric service territory, although we continue to see turnover and awards going to the waitlist of applicants.

Of the total applicant pool, the program has seen a turnover of 88 total rebates as commercial applicants declined to participate in the program after receiving a rebate commitment from CE. A total of 6 rebate applications have been placed on a waitlist, and a total of 17 rebate applications were determined not to fit the program.

Figure 8 below illustrates the public level 2 rebate application status breakdown as of April 1, 2020:

PowerMIDrive Program Public Level 2 Application Status

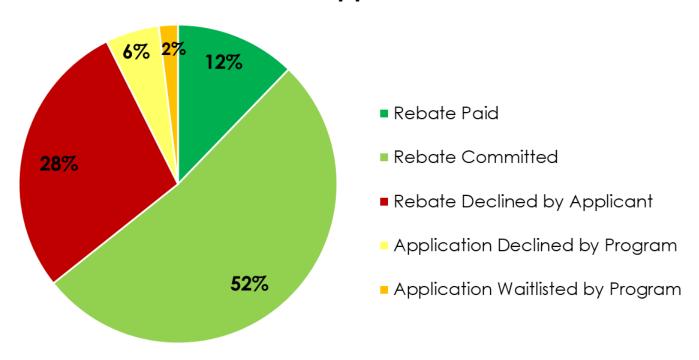


Figure 8: Public Level 2 Rebate Application Status Breakdown – April 2020

Public Level 2 Rebate Applicant Categories

Figure 9 below outlines the breakdown of audience for the paid and committed rebates as of April 1, 2020:

| Public Level 2 Chargers Intended Audience | Total Rebates Paid | Total Rebates Committed | # of Total Rebates | % of Total Rebates |
|--|--------------------------|-------------------------------|-----------------------|-----------------------|
| Public Access | 31 | 137 | 168 | 84% |
| Tenant Access – MDU | 2 | 15 | 17 | 9% |
| Employee Access – Workplace | 5 | 10 | 15 | 7% |

Figure 9: Public Level 2 Rebate Breakdown by Application Type – April 2020

The program's online application form for public level 2 rebates includes request to specify intended end-use audience for the charging stations at each prospective location. The PowerMIDrive team specifically worked to identify and enroll multi-dwelling unit (MDU) sites in the public level 2 rebate program (e.g. apartments and condominiums), as this was requested by stakeholders prior to the program's launch.

Specifically, in December 2019, the program created an email outreach campaign targeted at raising awareness of the available public level 2 charging station rebates to MDUs within CE's electric service territory. The email outreach effort, illustrated in Figure 10 below, promotes the benefits of bringing EV charging to attract tenants looking to reside in more sustainable, green communities. The outreach netted an additional 7 rebate applications from MDU locations, increasing the total from 5 to 12 committed MDU rebates during the month of December 2019 alone.

As of April 1, 2020, a total of 2 MDU rebates have been paid for completed installations, and 15 additional MDU rebates are actively committed to applicants.

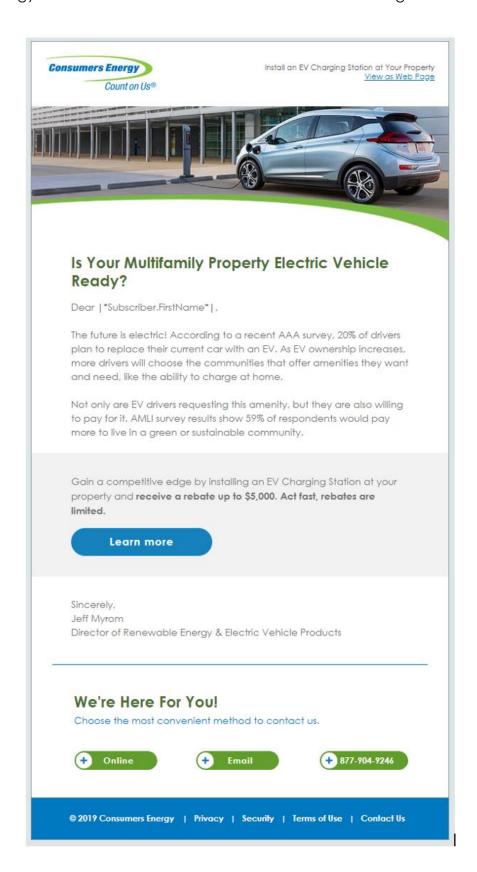


Figure 10: MDU Level 2 Rebate Promotional Outreach Email Campaign – Dec 2019

With rebate applications for workplaces, sites that were open to the public, and where employees and customers were reported to have known EV frequency were preferred. Furthermore, projects that presented a unique use case and collaboration with other state programs were also given preference, such as the electric school bus pilot, detailed in the following section.

Electric School Bus Charging Pilot Collaboration

Three public level 2 charging station rebates were approved at school district locations in Gaylord and Kalamazoo with the intention to serve electric school buses, procured in conjunction with the Michigan Association for Pupil Transportation (MAPT) and EGLE funding initiatives. The charging station model installed by the schools are not network connected as a specialty charger was required by the school bus manufacturer. However, a collaborative solution was worked out with the school districts to share data collected by onsite metering equipment with PowerMIDrive and EGLE.

The program hosted and facilitated a meeting with attendees from MAPT, school district employees, electric school bus manufacturers, the charging station manufacturer, DTE, and EGLE in November 2019 to define the electric use data communication and reporting processes for the chargers. The schools have agreed to allow the program to access electric use data for both sites in compliance with program requirements. PowerMIDrive is excited to continue partnership with EGLE and the school districts to collect and understand electric use patterns for the school buses as a valuable source of learning for fleet electrification efforts. We believe that school busses offer a unique opportunity for public EV education, such as STEM programming at schools, and allow children and families to experience EVs first hand.

Accessibility and Pricing Strategy of Installed Public Level 2 EVSE

The program has asked sites that have completed installation and activation of public level 2 chargers to share pricing strategy. Figure 11 below outlines the breakdown of pricing strategy for the total 38 public level 2 charging stations presently operational:

| Pricing Strategy for Use of Public Level 2 Chargers | Total Chargers with Pricing Strategy |
|--|--------------------------------------|
| Free for Public Use | 27 |
| Free for School Buses Only | 3 |
| Free for Employees Only | 2 |
| Free for Hotel Guests Only | 1 |
| Free for Employees Public Use: • \$2/hour During Charge • \$3/hour 10 Minutes After Charging Stops | 1 |

| Free for Public Use During Charge • \$2/hour 60 Minutes After Charging Stops | 1 |
|--|---|
| First 8 Hours Free for Public Use • \$5/hour Thereafter | 1 |
| First 4 Hours Free for Public Use • \$0.50/hour Thereafter | 1 |
| First 3 Hours Free for Public Use • \$0.08/minute Thereafter | 1 |

Figure 11: Public Level 2 Charger Pricing Strategy – April 2020

Public Level 2 Site Host Cost to Install

Based on the completed public level 2 site rebate verification documentation received to date, average customer costs are outlined in Figure 12 below:

| | Lowest Cost | Average Cost | Highest Cost |
|--|-------------|--------------|--------------|
| Total Project Cost (Installation, Network & Maintenance Plan Fees, + Charging Station Equipment) | \$4,458 | \$10,166 | \$28,145 |
| Percentage of Costs Covered by Program's Public Level 2 Rebate | 100% | 49% | 18% |

Figure 12: Public Level 2 Charger Site Cost of Project – April 2020

Total project costs for sites that received two rebates from the program for installation of two dual port, or four single port, level 2 charging stations have been applied per charger in the table above to illustrate the percentage of costs covered by one \$5,000 rebate. In the one circumstance where the total project cost did not exceed \$5,000, the rebate was awarded in the amount of the total project cost. All other completed projects have been in excess of the \$5,000 rebate amount.

Installation and electrical upgrades at each site have been the greatest variable in total project costs. Sites requiring upgrades to supply panels, new electrical service, or underground wiring had higher project costs. Sites that installed pedestal mounted chargers had higher equipment costs than sites that opted for wall mounted chargers. In some circumstances, sites completed installation of chargers and experienced challenges with maintaining a WIFI signal, resulting in the need for technical troubleshooting or additional equipment to extend or strengthen network range. EVSE that utilize cell phone signals have proven most reliable.

Public Level 2 Rebate Program Participation Barriers

The program determined that 6% of applications received did not fit the pilot criteria, and were declined for the following reasons:

- Proposed installation site was single-family home; referred to residential rebate option
- Proposed installation site was not in CE electric service territory
- Proposed installation site not open year-round
- Applicant did not respond to request for further details about proposed installation site

Rebate applications were waitlisted by the program whenever the proposed installation location was near another previously approved or committed rebate site and located in a county where our internal guidelines for the number of rebates had been exceeded. The program's award guidelines per county were internally established as a metric to aid equitable distribution of rebates throughout CE's electric service territory.

Feedback was solicited from rebate applicants who declined to install public level 2 chargers at their site after receiving a rebate commitment from PowerMIDrive. Project costs were commonly cited as a concern. Even with 49% of costs covered by the rebate on average, many applicants were uncertain of their ability to recoup their investment.

The reasons provided for declining to participate are summarized in Figure 13 below:

Public Level 2 Rebate Applicant Reasons for Declining to Participate

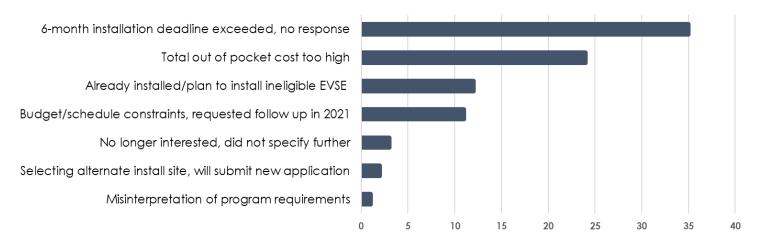


Figure 13: Public Level 2 Rebate Applicant Site Reasons for Declining to Install Chargers

When the program onboarded a third EVSE network vendor in October 2019, it also provided public level 2 applicants with enhanced optionality of rebate-eligible charging stations at a variety of price points. Thus, the program team reached out to applicants who had previously declined to proceed to inform them of the new eligible public level 2 charger model options

made available. As a result of the outreach, a total of 6 applicant sites previously declining to participate due to cost, requested to reclaim their rebate commitment and move forward with participating in the program within two weeks of the addition.

Between December 2019 and April 2020, the program has seen an increase in the number of applicant sites that have declined to participate based on lack of response to request for status update on their respective projects upon exceeding the 6-month deadline to install from the date the rebate was committed by the program. Between December 2019 and April 2020, a total of 33 rebates were declined based on customers exceeding the 6-month deadline to install, and not requesting an extension. The PowerMIDrive team reached out to each applicant by email to provide a courtesy notice with the offer to extend the rebate commitment with confirmation from the customer of intent to proceed and a target installation date. We requested a response within 2 weeks of receiving the courtesy notice.

Figure 14 below illustrates the personalized messaging used by the program to request for confirmation of intent to proceed with public level 2 charging stations for applicant sites that have exceeded the 6-month deadline to install:

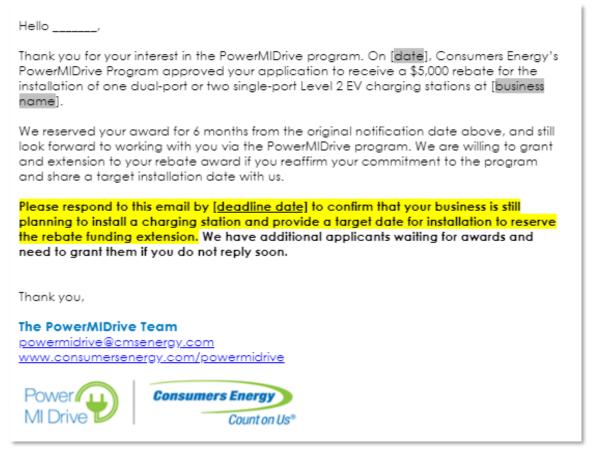


Figure 14: Public Level 2 Install Deadline Exceeded Status Update Request Email Template

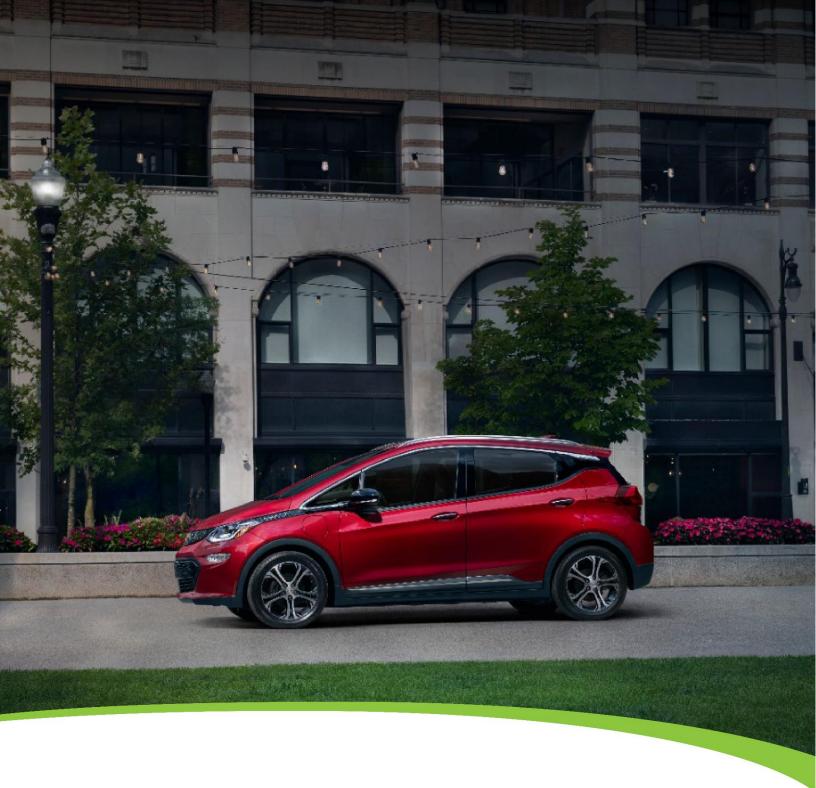
We anticipate a potential increase in selected applicants declining the program due to current economic conditions with COVID-19, and construction delays for those that still move forward, but will continue to work to get 200 level 2 stations installed in 2020. Our goal is to maximize operational charging infrastructure as quickly as possible to maximize data collection and help spur residential participation in the program.

Internal CE Stakeholder Support of Geographic Targets

Virtual maps have been a valuable resource for internal program communications throughout year one, aiding collaboration with internal CE stakeholders such as Community Affairs, Customer Account Managers (CAM), Business Account Managers (BAM), and Economic Development teams. Internal stakeholders were routinely updated on rebate commitment progress throughout the year, and in turn provided valuable support by referring prospective site hosts to the program in target award locations.

For instance, as a result of one connection made by a customer account manager (CAM) in December 2019, the program team held several meetings with members of economic development boards and municipal staff to share an overview of the program and rebates available. The discussions led to the commitment of 7 new public level 2 rebates to candidate sites in the region, which was previously under the targeted number of awards for the program. One municipality was also approved to participate in the program as a DCFC rebate candidate in addition to receiving commitment of two public level 2 rebates from the program. The municipality is currently finalizing an agreement with their installation contractor with plans to bring both DCFC and public level 2 charging to their community this year.

We have seen multiple municipalities look at charging infrastructure via their downtown development authorities. With little EV charging infrastructure presently available, the stations are seen as magnets to help attract EV drivers into a business district for an extended period of time.



"The PowerMIDrive Program is an awesome program. The electronic application was very user-friendly and easy to complete. This program allowed for the City to select locations that made sense for our community. Working with our representative was amazing and the communication has been excellent. The City highly recommends this program to any and all communities who are interested in this technology and its advancement."

PowerMIDrive Municipal Rebate Applicant

Geographic Distribution of Public Level 2 Rebates

To aid equitable distribution of rebates throughout CE's electric service territory and easily identify areas where greater outreach efforts were needed to engage program participation, the heat map depicted in Figure 15 below was established, illustrating rebate award guidelines per county.

We developed Figure 15 by cross referencing the number of EVs registered per county through December 31, 2018 against the total number of existing public charging stations available per county as of June 2019, as listed on the Department of Energy (DOE) Alternative Fuels Data Center. Counties with more EV registrations and less publicly available level 2 charging stations were identified as having the greatest need for more access to public charging infrastructure.

Areas with darkest shading represent counties where the highest need for additional infrastructure exists to bridge the gap and best support the total number of EV drivers in the county. Areas with lightest shading represent counties where less demand for additional public charging infrastructure was expected, based on the total number of EV drivers in the county. Available charging infrastructure across our service territory, however, still remains low in all cases.

The program applied this data to help calibrate a goal for the number of public level 2 rebate awards in each county given that only 200 were available. That goal is shown as the denominator. The numerator represents the total number of committed or paid public level 2 rebates in each county as of April 1, 2020.

The program applied a green, yellow, red color code to the goal stat boxes to identify counties where:

- Rebate goal met or exceeded (green)
- At least one rebate committed (yellow)
- No rebates committed (red)

Figure 15 below identifies the total number of committed or paid public level 2 rebates by county versus the number of rebates initially targeted for commitment by the program as of April 1, 2020:

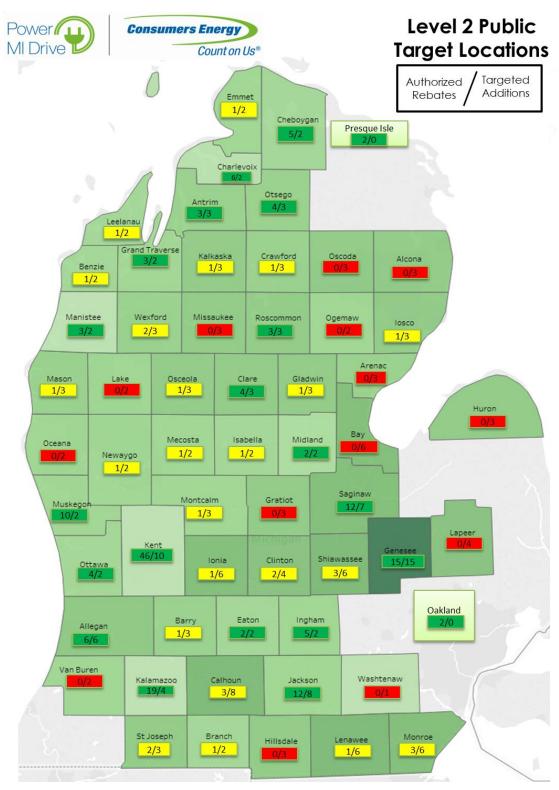


Figure 15: Public Level 2 Awards and Targets by County – April 2020

Figure 16 below identifies locations of sites which have completed installation and received one or two public level 2 charging station rebates as of April 1, 2020:

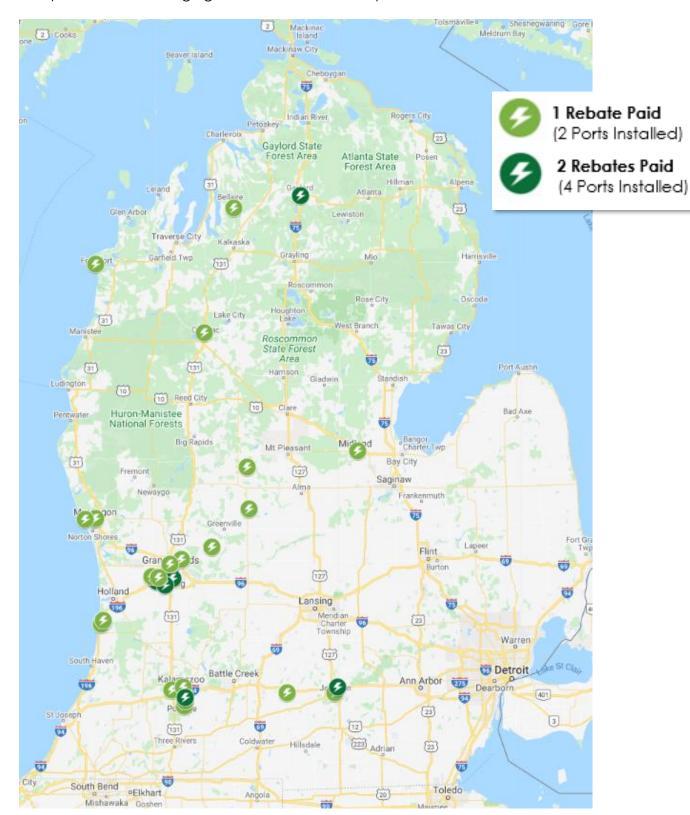


Figure 16: Public Level 2 Installations Complete / Rebates Paid – April 2020

Figure 17 below identifies locations of sites with committed public level 2 charging station rebates to be paid upon completion of installation of April 1, 2020:

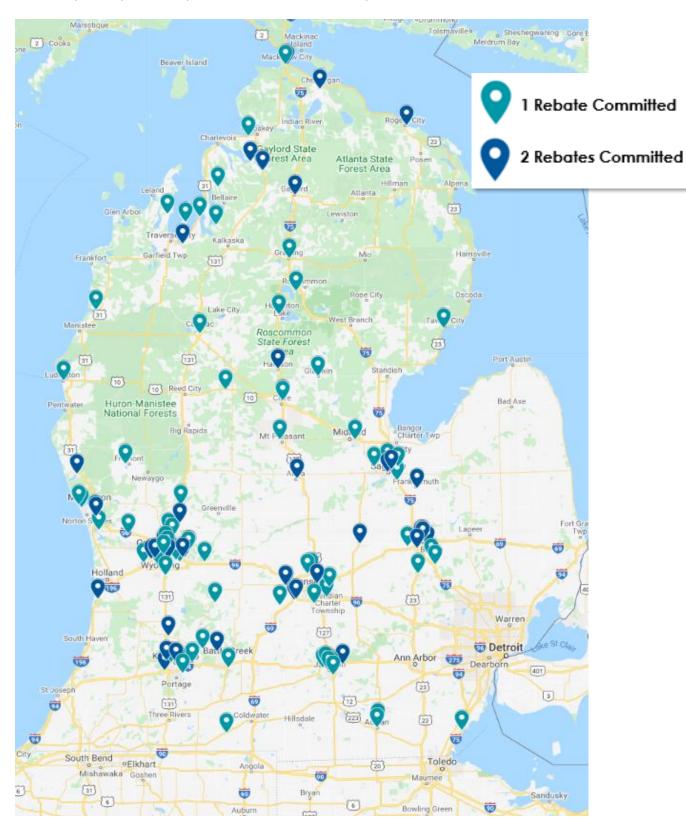


Figure 17: Public Level 2 Installations Pending / Rebates Committed – April 2020

As evidenced by Figures 16 and 17, some regional gaps in public level 2 charging infrastructure will still exist, primarily along US-127 between Lansing and Clare, and along US-10 between Ludington and Clare. The program will continue to seek public level 2 rebate candidate sites to intentionally backfill rebate commitments in priority locations as additional turnover occurs.

Turnover of committed rebates and higher volume of rebate applications in certain areas were barriers to meet and maintain internal goals for all counties. In some counties a significant amount of customer outreach effort was required to identify even one or two interested site hosts, while other counties received stronger response rates via rebate applications.

Prospective rebate candidates in areas with lesser EV adoption, or where EVs were perceived to mostly travel through or had seasonal tourist draws, were less likely to be interested in installing charging stations if the rebate did not cover most of the project costs. In several cases, rebates were committed to candidates who were later unable to obtain internal approvals to move forward with the investment.

Figure 18 below identifies locations of public level 2 charging station rebate applicant sites that declined to participate of April 1, 2020:



Figure 18: Declined to Participate Public Level 2 Rebate Applicant Sites – April 2020

DCFC Program Participation

As of April 1, 2020, PowerMIDrive has received 100 DCFC rebate applications. A total of 34 rebates are actively committed to DCFC rebate candidate sites, and if cost savings continue then we may be able to slightly increase the number awarded. Of the 34 total rebate candidate sites, the program has received confirmation of intent to proceed with a DCFC installation project from 12 sites, with estimated completion dates ranging from late Q2 2020 through Q4 2020. The remaining 22 rebate candidate sites are in the process of obtaining cost estimates and project agreements.

The program is pleased to have partnered with the MEO to enable each DCFC rebate candidate site to receive additional grant funding from the state's VW settlement. The PowerMIDrive team collaborated with the MEO prior to program launch in June 2019 to identify strategically targeted DCFC rebate award locations throughout CE's electric service territory. The locations identified were based upon the MEO MSU study, "Electric Vehicle Charger Placement Optimization in Michigan: Phase I – Highways" published in February 2019. A process for review of DCFC rebate applications was established with the MEO to ensure that both organizations were able to satisfy independent due diligence review process requirements prior to providing a commitment of project funding to a rebate applicant.

Upon successful completion of the application approval process through PowerMIDrive, the program forwarded the site host's information to the MEO to commence their due diligence review of the candidate. As of April 1, 2020, 32 of the program's DCFC rebate candidates have cleared the MEO's due diligence review process, while 2 sites remained under review with the MEO.

Upon confirmation of clearance through the MEO's due diligence review process, DCFC rebate candidates are notified by the PowerMIDrive team of their approval to receive the PowerMIDrive rebate and MEO grant funding eligibility. Applicants are informed of next steps to include submitting the MEO's Charge Up application form online to secure grant funding, obtain a final cost estimate for the project, and communicate that cost estimate back to the program. Once a final cost estimate for a project is in place, the MEO's contribution amount to each project can be determined based on the MEO guidelines.

Finally, the program requests confirmation from DCFC rebate candidates once a contract for purchase and installation of fast chargers is executed. Once a project is confirmed, the program submits a work notification to internal Company stakeholders to begin planning and execution of electrical upgrades required for make ready at each site, detailed further below.

DCFC Rebate Candidate Support

To ensure that commercial rebate candidate sites and their installation partners understand the current status of an application and are aligned on next steps in the approval process, significant outreach and coordination support is needed. The program has maintained frequent communication touchpoints with multiple stakeholders throughout every phase of the approval process at each site.

Because site walkdowns are required to obtain an accurate cost estimate for installation, EVSE network vendors participating in the program which offered more local installation partner support were able to provide a more turn key experience for commercial rebate applicants.

As the program team reached out to or were contacted by current and prospective rebate applicants, frequent topics of discussion included the cost of electricity, options to reduce cost of installation, cost and scope of bringing new electric service various locations on the site, liability risks, permitting requirements, recurring costs for network connectivity and maintenance subscription, modeling return on investment, and impacts of installing chargers in high traffic areas where parking is limited. In some cases, commercial customers submitted a DCFC rebate application but determined their site was a better fit for public level 2 chargers after learning more about the differences in charger capabilities and costs.

Once a DCFC rebate candidate has received commitment of PowerMIDrive rebate and MEO grant funding on a project, significant technical coordination between the program team and the installation partner supporting the site is necessary for success. Frequent touchpoints occur with alignment on the scope of make ready upgrades, total project cost estimates, verification of grant funding from the MEO, and confirming when an agreement to purchase and install chargers has been obtained.

Quoted below are examples of positive feedback we have received from the Michiganbased charging station sales and installation partner companies who have supported DCFC and public level 2 projects for site hosts participating in PowerMIDrive:

"Just dropping a short note to thank you and the PowerMIDrive Program team for your tremendous support and astute attention to details related to the pending deployment of two DCFC's and two Level 2 chargers for the City. As the first project of this kind for all involved parties, the unanticipated challenges can sometimes be daunting. Having project partners paying attention and ready to move rapidly to meet those challenges is critical. You and your team have been on point, resilient and dependable at every turn. It has been a pleasure and an honor to work with you, the PowerMIDrive team, and more generally, the entire Consumers Energy group, on this important project."



"My experience so far working with PowerMIDrive has been invaluable. The incentive itself is a vital piece to get Michigan the EV infrastructure it needs, especially if we want the state to continue to be the automotive hub it is known for. As for working with you and your staff I can say it has truly been a pleasure. PowerMIDrive and Consumers Energy is by far the easiest and most friendly program to work with. Many other utilities we deal with it seems are looking for reasons not to move projects ahead and my experience with you and the team has been the exact opposite. We have expanded the scope of our charging network because of this excellent dynamic and definitely would not have been able to if this relationship did not exist. PowerMIDrive has been a huge source of information and support. It is also evident that the team truly cares about getting the state electrified and it has made us feel that we have a true partner to work with a shared goal."

"PowerMIDrive has been a vital part of our move into the EV charging space. Current electric vehicle registrations in Michigan are just starting to pick up which has made it tougher to sell charging ports. The support from PowerMIDrive has provided this new market has no doubt attributed to our success but is also having a huge impact on EV adoption throughout Michigan."

DCFC Project Costs

Figure 19 below outlines the total project cost estimate for a DCFC project with projected contribution amounts of PowerMIDrive, MEO, and site host based on the average of DCFC project cost estimates received as of April 1, 2020:

| DCFC Project Average | PowerMIDrive | MEO | Site Host |
|----------------------|--------------|--------------|--------------|
| Cost Estimate | DCFC Rebate | Contribution | Contribution |
| \$161,380 | \$70,000 | \$45,690 | \$45,690 |

Figure 19: DCFC Project Estimate & Average Funding Contribution Breakdown – April 2020

The values above do not include make ready costs, which are covered separately under the PowerMIDrive Program. DCFC project estimates received for rebate candidate sites in the program consistently include the following line item costs:

- EVSE
- Network/Cloud Plan Subscription
- Warranty Plan Subscription
- Installation
- Validation and Activation of EVSE
- Shipping

Figure 20 below illustrates percentage of total project value represented by quoted line item costs based on the average of DCFC project cost estimates received as of April 1, 2020:

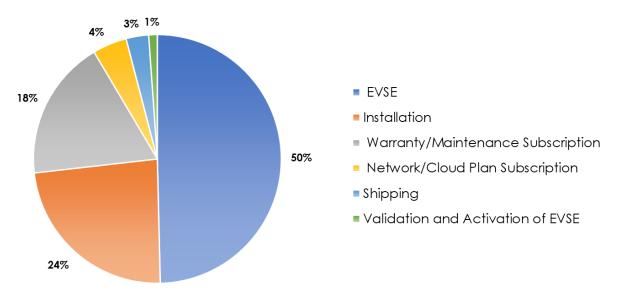


Figure 20: DCFC Line Item Costs as Percentage of Total Project Value – April 2020

Electrical Make Ready at DCFC sites

As part of the program's DCFC candidate review process, the PowerMIDrive team collaborated with internal Company stakeholders including Low Voltage Distribution (LVD) Planning, Customer Energy Management (CEM), and Business Support to review a DCFC rebate candidate site for the cost and scope of electrical upgrades ("make ready") at each site required to operate a minimum additional load of 250kW. The minimum output capacity for DCFC equipment required to be eligible for the program's \$70,000 rebate is 125kW; to account for doubling that load in the future ("future proofing") the program evaluates cost and scope of upgrades to 250kW of load.

Most DCFC rebate sites have been in developed areas with three phase power readily available, resulting in limited need for infrastructure upgrades to serve the chargers. The LVD Planning team typically evaluates the cost of electrical make ready based on the scope of work required to extend underground primary lines to a padmount transformer. The exception to this has been cases where crossing a road is required to extend the distribution lines, and when overhead extensions are planned.

Figure 21 below provides an example of a scoping design document created by the LVD Planning team to outline the cost of electrical make ready for a DCFC rebate site:

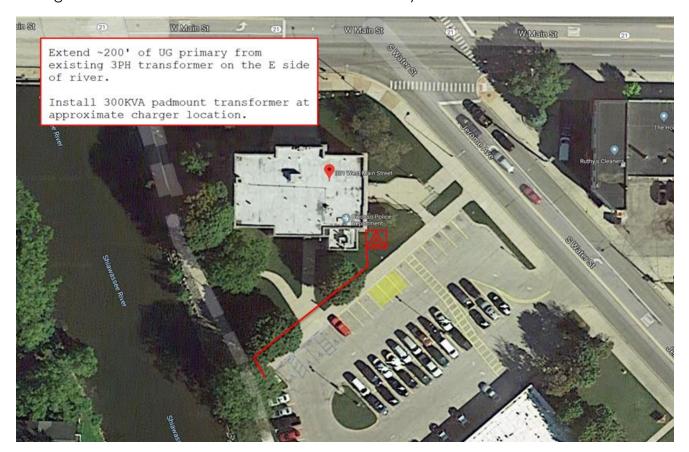


Figure 21: LVD Planning DCFC Make Ready Scoping Document – April 2020

Figure 22 below outlines the breakdown of estimated make ready cost expenditures for the 34 total DCFC rebate candidates in the PowerMIDrive Program as of April 1, 2020:

| | Lowest | Average | Highest |
|---|----------|----------|-----------|
| | Cost | Cost | Cost |
| Initial Cost Estimate for DCFC Site Make Ready Electrical Upgrades | \$10,000 | \$36,988 | \$145,000 |

Make ready scope of work factored in cost estimates includes: 300 KVA transformer, underground or overhead multiphase extension, boring costs, and local system upgrades.

Figure 22: DCFC Rebate Candidate Sites Make Ready Costs – April 2020

As of April 1, 2020, the current total estimated spend projected for make ready upgrades at all 34 DCFC rebate candidate sites is \$1,257,603.

The program will track actual expenditures as site upgrades are executed in 2020 to facilitate the DCFC installation projects scheduled for this year. The program was initially approved with a budget of \$2.5M for make ready upgrades for an anticipated total of 24 DCFC rebate sites.

As a result of the cost savings realized on the make ready budget, the program obtained MPSC staff approval in January 2020 to include approximately 10 additional DCFC rebate candidate sites. We greatly appreciate MPSC staff collaboration on the cost savings reallocation as this has allowed up to 34 DCFC commitments to date.

Geographic Distribution of DCFC Rebates

Based on feedback from DCFC rebate applicants and prospective participants, the program obtained approval from MPSC staff in November 2019 to increase the standard DCFC rebate amount of \$70,000 for municipalities and small businesses. To date, the program has offered an additional \$10,000 in rebate funding to 7 DCFC rebate applicants in the program, including 6 municipality candidates and one small business candidate.

This effort was done to secure regionally strategic participation in the DCFC rebate program, especially in areas with lower population base and a greater ratio of pass-through EV traffic. In particular, the north-central area of the lower peninsula would have been very difficult to reach without this collaborative change to the pilot with MPSC staff.

As demonstrated in Figure 23 below, 6 of the program's 12 confirmed DCFC projects underway this year are in the northern half of the lower peninsula, to include:

- Indian River
- Gaylord
- Cadillac
- Ludington
- Clare
- Big Rapids

Other DCFC rebate candidate sites in the northern region of the state approved for rebate and MEO grant, currently pending customer confirmation to proceed with the project include:

- Mackinaw City
- Rogers City
- Elk Rapids
- Traverse City
- Kalkaska
- Grayling
- Houghton Lake
- Kawkalin

Accounting for the additional 10 DCFC rebate site candidates and the \$10,000 increased rebate amount for 7 municipality and small business candidates to be paid from the program's make ready budget, the current total estimated spend is approximately \$2M out of the total allotted \$2.5M. Thus, the program will seek to identify one or two additional DCFC rebate candidates, likely with installation in year two of the program in yet underserved areas of our electric service territory.

Figure 23 below identifies locations of DCFC rebate candidate sites, sites with a confirmed DCFC project scheduled for 2020 completion, and MSU/MEO Siting Strategy of April 1, 2020:



Figure 23: DCFC Rebate Candidates Identified / Projects Confirmed / Siting Strategy – April 2020

MANAGED CHARGING

Time of Use Electric Rates

Between June 2019 and April 2020, the program processed a total of 316 electric rate change requests to enroll residential customers on a TOU electric rate at their household.

The program team fields a significant volume of inquiries from residential EV owners regarding rate plan options for their household. Between June 2019 – April 2020, the team assisted 175 customers who were not interested in the rebate program with making a switch to a time of use electric rate their home. Despite this group of customers declining program participation, we still consider this a successful demonstration of having dedicated EV support staff to serve customers.

As an interim solution to the planned implementation of the Nighttime Savers Rate (RS1050) in 2021, the program transitioned residential participants to the Residential Time of Day Rate (RT1010) and in a few cases the Plugin Electric Vehicle Rate (REV1020). Customers enrolled in a TOU DR program such as Peak Rewards (RS1007) or Critical Peak (RS1008) were allowed to participate in the program while remaining on their existing rate plan. Once Residential Smart Hours (RSH 1040) becomes available in the summer of 2020, it too will be used as a TOU rate for PowerMIDrive customers.

Figure 24 below outlines the TOU rate enrollment breakdown of the 222 residential rebate program participants as of April 1, 2020:



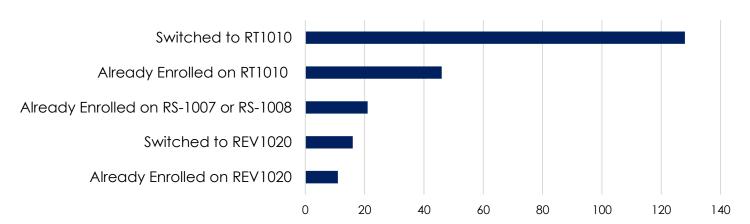


Figure 24: Time of Use Rate Enrollments, Residential Program Participants – April 2020

As evidenced in Figure 24 above, many EV customers are also participating in other DR programs, such as Peak Rewards and Critical Peak. This makes sense because an EV can be equivalent to the energy use of 1-2 residential AC units, and once you have committed to TOU and behavior change for an EV load, it is logical to continue with other significant load sources in your household.

Rate Education Efforts

As residential customer rate changes were processed by the program, direct messaging was developed to reinforce the importance of focusing energy use at home to the off-peak hours to help customers save money on their electricity costs.

Figure 25 below illustrates rate communication that was sent to residential customers for whom a rate change request was processed to RT-1010 by the program. For rate changes processed as part of the rebate approval process, the message was enclosed with a thank you letter and rebate check, sent by mail.

Your Time of Use (TOU) Rate Details

Residential Time of Day Rate (RT-1010)

Thank you for participating in the PowerMIDrive Program! As part of participating in the program, you've agreed to enroll in one of Consumers Energy's TOU electric rates at home.

You are currently enrolled in the Residential Time of Day Rate (RT-1010).

Here's what you need to know about your time of use electric rate to make the most of your reduced electricity costs:

How it works:

The price you pay per kWh changes based on the time of day, the day of the week, and the season:

Off-Peak (lowest price) – this is the best time to charge your EV and use energy-intensive appliances to reduce electric costs at home

- Off-peak pricing occurs between 7 p.m. and 11a.m. Monday Friday.
- All weekends and holidays are considered off-peak pricing for the entire day.

On-Peak (highest price)

- Your electric rate is highest between 11 a.m. and 7 p.m. during summer months.
- Simple adjustments during this time can lower your electricity bill. Raise the set point on your thermostat and delay the use of electric-intensive appliances such as clothes washing and drying, running the dishwasher, window air conditioners and dehumidifiers.



| WINTER MONTHS October - May | | | |
|-----------------------------|----|---------------------------------------|--|
| Time of Day | | Residential Time of Day RT-1010 | |
| 12 | АМ | 9.0 | |
| 1 | АМ | 9.0 | |
| 2 | АМ | 9.0 | |
| 3 | АМ | 9.0 | |
| 4 | АМ | 9.0 | |
| 5 | АМ | 9.0 | |
| 6 | АМ | 9.0 | |
| 7 | АМ | 9.0 | |
| 8 | АМ | 9.0 | |
| 9 | АМ | 9.0 | |
| 10 | АМ | 9.0 | |
| 11 | АМ | 10.3 | |
| 12 | PM | 10.3 | |
| 1 | PM | 10.3 | |
| 2 | PM | 10.3 | |
| 3 | PM | 10.3 | |
| 4 | PM | 10.3 | |
| 5 | PM | 10.3 | |
| 6 | PM | 10.3 | |
| 7 | PM | 9.0 | |
| 8 | PM | 9.0 | |
| 9 | PM | 9.0 | |
| 10 | PM | 9.0 | |
| 11 | PM | 9.0 ents per kWh | |

| SUMMER MONTHS June - September | | | |
|-----------------------------------|----|---------------------------------------|--|
| Time of Day | | Residential Time of Day RT-1010 | |
| 12 | АМ | 8.5 | |
| 1 | АМ | 8.5 | |
| 2 | АМ | 8.5 | |
| 3 | АМ | 8.5 | |
| 4 | АМ | 8.5 | |
| 5 | АМ | 8.5 | |
| 6 | АМ | 8.5 | |
| 7 | АМ | 8.5 | |
| 8 | АМ | 8.5 | |
| 9 | АМ | 8.5 | |
| 10 | АМ | 8.5 | |
| 11 | АМ | 12.3 | |
| 12 | PM | 12.3 | |
| 1 | PM | 12.3 | |
| 2 | PM | 12.3 | |
| 3 | PM | 12.3 | |
| 4 | PM | 12.3 | |
| 5 | PM | 12.3 | |
| 6 | PM | 12.3 | |
| 7 | PM | 8.5 | |
| 8 | PM | 8.5 | |
| 9 | PM | 8.5 | |
| 10 | PM | 8.5 | |
| 11 PM 8.5 | | | |
| \$ Cents per kWh | | | |

Figure 25: Time of Use Communication to Residential Time of Day Rate

Residential Load Profile

Figure 26 below illustrates the effectiveness of the residential TOU rates on influencing residential program participants to charge their EVs during the off-peak hours of their electric rate.

PowerMIDrive Program Residential Load Profile YTD Total Weekday vs. Weekend Charging

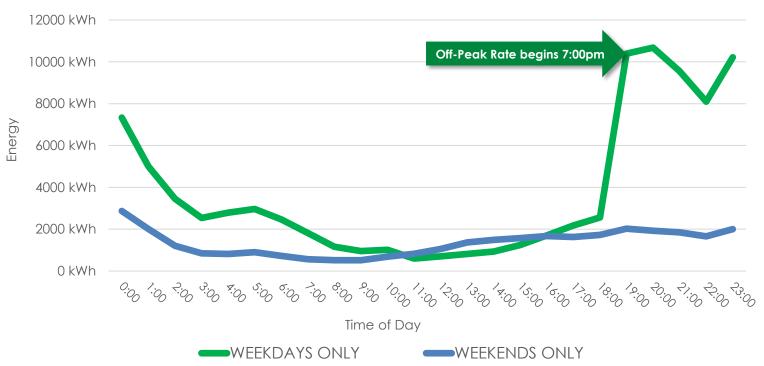


Figure 26: Aggregate Residential Charger Use Weekdays vs Weekends – 2020 YTD

Based on the aggregate electric load profile data received by the program this year, 90.6% of residential charging avoids the on-peak window of 2pm – 7pm on weekdays, when the TOU rate schedule applies. During weekends when the TOU rate schedule does not apply and all day is considered off-peak pricing, only 75.1% of residential charging avoids 2pm – 7pm. This change in behavior demonstrates that EV customers have an engagement and understanding of our time of use rates, and that outreach efforts have been successful so far on this front.

An interesting preliminary finding of this early load data is that DR during on-peak periods appears to have much less potential than previously imagined. TOU rates and rate education efforts appear to be highly effective at inducing the desired behavior for EV loads to serve as a grid benefit. However, the ramp rate at 7 PM when rates change is significant, and as EV market penetration increases, DR may be more useful for controlling the ramp rate than shifting from peak to off-peak.

Once the 7 PM ramp was identified in the load shape data, we also began encouraging customers to begin charging at 11 PM if able, as that time is consistent with a super off-peak TOU rate and further helps avoid cost increases for all customers. The second peak near 11 PM in Figure 26 demonstrates that many customers have been amenable to this recommendation. Additional data and the continued impact of encouraging more charging to begin at 11 PM will be important learnings over the next year of the pilot.

Managing EVSE Networks

As previously detailed in the report, the program has partnered with three EVSE network vendors and one cellular C2 device vendor to diversify participation options for residential and commercial customers. Each vendor offers a unique process for connecting with charging stations enrolled in the program to begin sharing electric use data with the program. Each vendor also provides a unique platform for the program to access and view the electric use data as well as send communications to participants, such as notification of a DR event.

In some cases, residential chargers are inadvertently removed from the program's utility group when WIFI connectivity is lost. In order to rejoin the program's platform, the customer must manually submit a new connection request for our approval. There may be less motivation for a customer to submit a connection request if the issue was recurring and they were not enrolled as a pilot program participant. To maximize efficiency of utility communications and data gathering with all EV drivers and public EVSE site hosts throughout the service territory, including beyond the timeline of this pilot program, gaining experience with a variety of communication platform options is beneficial.

Preliminary Impact Assessment of COVID-19

Figure 27 below shows one of the metrics tracked by the program this year examining total weekly energy use of residential chargers based on the time of day charging occurred. As program enrollments increased throughout mid-March 2020, the program logically saw a corresponding increase in electric use.

On March 13, 2020, Michigan residents were ordered to shelter in place as a result of the COVID-19 outbreak. Figure 27 demonstrates the reduction in EV charging by customers as many ceased daily commutes with the shelter in place order. We anticipate that charging energy will increase again once risk mitigation efforts are successful.

PowerMIDrive Program Residential Charging Off-Peak On-Peak Energy Use by Week

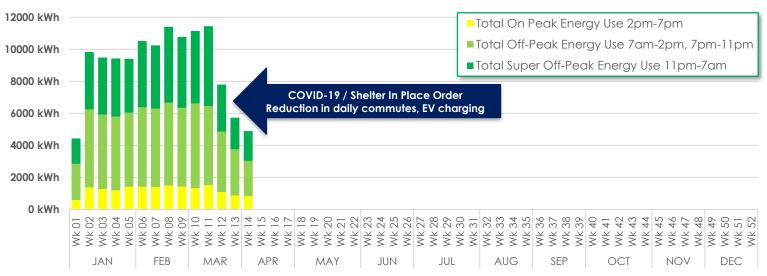


Figure 27: Aggregate Residential Load Weekly Total by TOU-2020 YTD

While a weekly decrease in EV charging is observed, we are pleased to report that even while driving fewer miles and charging less, EV customers in the PowerMIDrive pilot are sticking with off-peak charging.

Electric use data for the three weeks following the shelter in place order consistently demonstrates an 80% or higher avoidance rate of on-peak charging each week. This resiliency during stressful times is encouraging data regarding the efficacy of behavior change from our outreach efforts and TOU rates.

Scheduling an electrician for an in-home install is also anticipated to be challenging in the near future. However, the FleetCarma option has launched at an ideal time, since it does not require an electrician and can be easily installed by the customer. While not planned for the unforeseen spread of COVID-19, FleetCarma has been well timed and is anticipated to help grow our residential data during this time.

Finally, we also anticipate that current economic conditions may cause significant turnover with public rebates being held for projects not yet complete. Thus, we continue to engage in outreach to potential applicants for potential backfill. We have also extended flexibility to approved customers regarding their installation timelines. However, it is possible that not all public infrastructure currently planned for 2020 will be installed this year.

GRID IMPACT

Residential Transformer Identification Tracking

To proactively understand how areas of EV clustering could impact existing electric infrastructure, the PowerMIDrive team collaborated with internal CE stakeholders in the LVD Planning and Electric Geographic Information System (GIS) teams to identify and track residential transformers on the electric grid supporting multiple homes with EVSE. The intent of this effort is to proactively monitor load where areas of EV clustering have been identified to understand potential impacts to electric supply infrastructure.

The Electric GIS team developed a mapping layer for the program's use in identifying the residential transformer that supports a given residential address on the electric service territory. As the program team receives residential rebate applications, the transformer supporting the address of the applicant was identified and documented, as well as the charge level of EVSE the applicant reported to currently own.

The program created the map shown in Figure 28 below for tracking geographic distribution of residential applicant locations by charge level of EVSE owned, and by the transformer that supports the residence. This map further serves a mechanism for the program to communicate with our internal LVD Planning stakeholders as locations on the grid where one transformer is supporting two or more EVSE.

In cases where multiple level 2 chargers are supported by a single transformer, the LVD Planning team will be monitoring the load on that transformer to ensure that the demand is not approaching a level that exceeds capacity of the electric supply infrastructure. We expect to see the greatest grid impact where multiple level 2 chargers supported by one residential transformer are in use at the same time.

In addition to level 2 chargers, we are also monitoring known level 1 chargers. Level 1 chargers are still relatively popular with some EV drivers as illustrated in Figure 6 previously. Due to the much lower power output of level 1 chargers, we are not anticipating grid challenges from them but are keeping them on our radar.

As of April 1, 2020, the program has identified a total of 10 transformers which support two homes with EVSE. A total of 7 transformers support two level 2 home chargers, one transformer supports two level one home chargers, and two transformers support a combination both charger levels. In some of these cases, two home chargers are located within a single residence for two EVs. However, no impacts to capacity requiring upgrades to electric supply infrastructure have been identified at the time of this report.

Figure 28 below identifies distribution of residential applicant EVSE owned by charger level, distinguished by the transformer to EVSE support ratio.

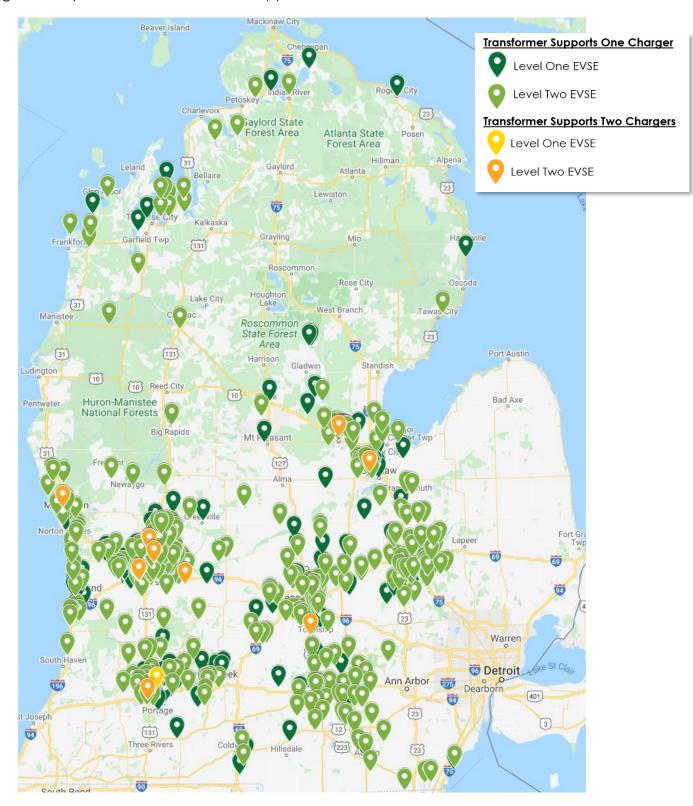


Figure 28: Residential EVSE Locations by Transformer – April 2020

Residential Customer EV Ownership Identifier

During the first quarter of 2020, the program collaborated with internal CE stakeholders from IT Project Management to outline a long-term comprehensive approach for identifying all residential electric customers who own and charge an EV at their home within CE's electric service territory.

As part of our initiative to fully understand and prepare for the potential grid impacts of EV clustering, an "EV Identifier" is being developed within the Company's Customer Relationship Management (CRM) system to enable identification of all residential electric customers who report owning an EV at their home. We expect this technical development to be completed by third quarter this year. The feedback we have received from residential rebate applicants and the broader population of residential electric customers who own an EV has helped inform our path forward on this strategy.

For example, the program has heard from customers who were interested in participating in the program but did not want to disenroll from their current TOU electric rate (e.g., rates RS1007, RS1008) as they were already participating in another DR program. Other customers voiced preference to remain on or switch to the Plug-in Electric Vehicle Rate (REV1020) instead of the Residential Time of Day Rate (RT1010) as their household's electric use patterns resulted in greater off-peak cost savings. Many of these potential cross program participation rate challenges will be avoided when Residential Smart Hours (RSH 1040) becomes available, but we have also experienced customers who simply wanted a TOU rate without engaging with the PowerMIDrive Program.

Thus, identifying EV ownership for residential customers across all TOU rate plans will help us build a more comprehensive view of where residential EV charging takes place on the electric grid. Additionally, because this technical development is in addition to our existing CRM system it empowers other frequent Company touchpoints using the system such as Customer Service Representatives (CSRs) to support efforts to aid EV customers. With a greater understanding of who drives an EV in our electric service territory the program will have more efficacy in education and awareness efforts to promote the TOU rates specifically designed to help customers maximize cost savings, realize the most benefits of EV ownership, and maximize grid benefits.

Further, as the Nighttime Savers Rate (RS1050) becomes available in 2021, or as additional opportunities and incentives for residential EV drivers are made available by PowerMIDrive or future EV programs, having the ability to intentionally communicate these updates to our EV customer population will be much easier.

MARKET IMPACT

Customer Analytics

Utilizing Secretary of State data, we believe there are approximately 7,300 EVs registered in the CE's electric service territory, which amounts to 0.4% of our electric customer base. Given this early state of EV market adoption, when developing the outreach strategy for PowerMIDrive it was extremely important to identify segments of customers who are likely to already own an EV or purchase an EV as their next vehicle, to ensure the message was received by customers most likely to participate.

Thus, in January 2020 a propensity model was developed using data and research on current residential PowerMIDrive participants and customers identified as owning a registered EV in the Consumers Energy service territory. The propensity model generated a targeted list of residential customers who have a high likelihood of participating in PowerMIDrive.

When PowerMIDrive launched in June 2019, an omni-channel outreach strategy was implemented to educate on the benefits of EVs, increase awareness and drive participation in the program. Prior to the completed propensity model customers were targeted based on their participation in other "green minded" programs such as Energy Waste Reduction and Solar Gardens, as we knew a correlation existed with customers interested in sustainability related programs. Once the propensity model was complete and targeting was refined, campaigns using the targeted list had a 9% increase in engagement with the received content, proving that we had enhanced our strategies to reach a very targeted customer segment.

Residential Outreach and Education Strategy

Through paid digital, email, social and news media channels, the PowerMIDrive message has been seen over 12 million times (also known as impressions). Out of those 12 million impressions, the ad or email was clicked 45,000 times, which means the customer was directed to the PowerMIDrive webpage for more information. However, out of those 45,000 click-throughs to the website, only 558 customers completed an application and 255 of those were approved.

This data is graphically illustrated in Figure 29 below to show the amount of effort needed to reach EV customers without the database we are now building.



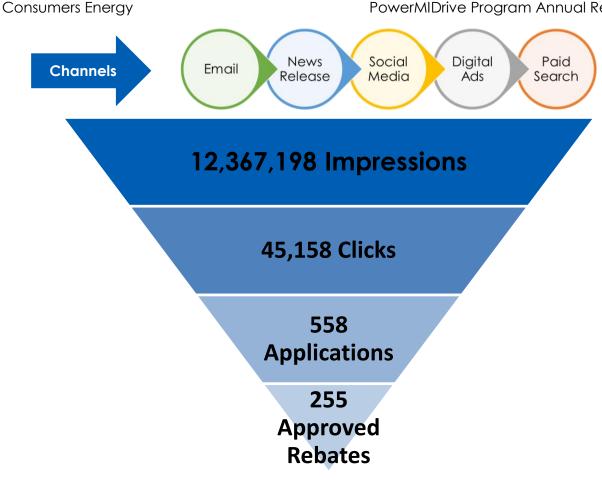


Figure 29: Residential Rebates Outreach Funnel

Public Level 2 Outreach and Education Strategy

The strategy for reaching business customers to educate them on the benefits of installing EV charging stations was built highly upon existing relationships between business customers and Consumers Energy account and community affairs managers. The PowerMIDrive team collaborated with the account managers and community affairs managers to identify good candidates for participation based on business type and location. This strategy was then backed with a digital strategy using email, social media and news releases to attract additional businesses.

To capture interested business customers and drive them to participation, two email drip campaigns were executed. A drip campaign consists of a series of three emails with each new send going only to those customers who opened the previous email, thereby continuing to reach the most interested customers. An additional email was also sent targeting multifamily owners and managers to increase participation by this segment.

Through this strategy, the message was seen over 150,000 times resulting in over 1,500 clicks to the PowerMIDrive website for more information as illustrated in the funnel shown in Figure 30 below.

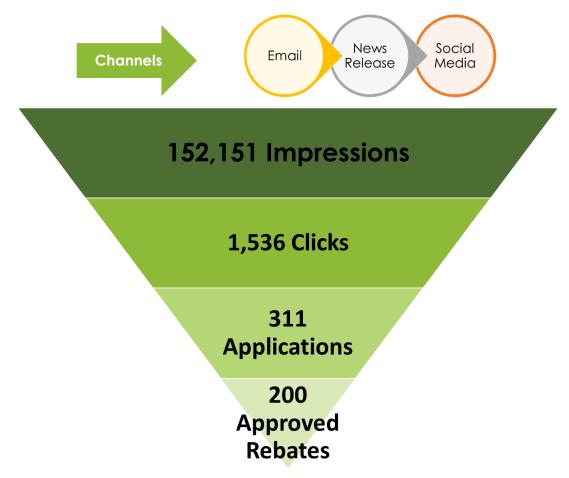


Figure 30: Public Rebates Outreach Funnel

Online Tools & Resources

In July 2019, a car comparison tool licensed through a third-party vendor was launched via the PowerMIDrive website to help customers calculate the benefits of driving an EV. This tool allows customers to compare electric vehicles to traditional gasoline vehicles based on fuel efficiency, available incentives and cost of ownership. The tool personalizes results based on the customer's daily commute, electric rate and where the customer primarily charges. The tool has been promoted through news releases, emails, and digital ads. Furthermore, utilizing this third-party resource allowed us to provide a customer tool that would have cost much more to develop and update internally.

Since its launch the car comparison site has been viewed over 7,000 times with an average on-site time of 2 minutes and 44 seconds. We are evaluating the effectiveness and value of this tool for customers and determining if the tool will be renewed for year 2. Some of the cons

of this tool is it is unable to filter and show only cars that are available in Michigan. However, market availability remains a challenge at this early stage of EV adoption, particularly as more specific EV options are selected. There is also no clear comparison to show how the 7,000 page views translated to EV car sales or PowerMIDrive rebate applications.

Customer Contacts

While the current potential EV customer base is relatively small, the amount of direct customer contacts via phone calls and email communications have been surprisingly high. In fact, we did not anticipate the level of effort needed to assist customers with understanding their charging options, rate options, vehicle questions, and concerns about successful business models. For example, since the start of the program we have had 4,492 direct communication contacts, which equates to an average of over 18 phone conversations and email explanations with customers per working day.

This level of administrative support leads us to believe that permanent staffing for EV customer assistance is a clear requirement for the future. While it has been a challenging volume, it has also provided the core team direct insight into the challenges EV customers face regarding charging infrastructure, both home and abroad. To confirm and dive deeper into our core team's customers understandings, we also undertook focused market research regarding the EV customer journey.

Market Research

In addition to the propensity modeling and extensive direct customer contacts, a series of active research engagements were conducted to uncover Michigan electric vehicle customer behaviors and motivations in order to adjust the approach of promoting the PowerMIDrive program. The research included:

- The EV buying journey of innovators and early adopters in Michigan
- Existing and potential EV customer frameworks for making charging infrastructure decisions
- Surfacing patterns of where the charging decisions fit in the EV buying journey
- Identifying the highest leverage opportunities to inform EV customer buying decisions

Findings included a lack of information about electric vehicles and charging infrastructure at key customer touchpoints such as car dealerships, home appliance stores and through electricians. With this finding in mind, we plan to conduct additional dealer outreach in the next year of the program.

Furthermore, we found that the greatest challenge to level 2 charger adoption is the installation of the 240V line for the home charging station, and not the actual purchase of the charging station. Thus, we often recommend "pig-tail" style home chargers that allow easy swapping as chargers are replaced without calling an electrician. Moreover, this allows a

customer to request an "electric oven" style plug in their garage without potentially confusing conversations about hardwired charger specifications.

Moreover, we learned that customers choose the make and model of their charging station prior to research of rebates. This means it is key to get in front of the customer earlier in the buying cycle to help aid program eligibility.

Public Outreach & Education

There is no substitute for getting in front of an engaged and interested audience, and we have actively sought out such opportunities to educate customers about the benefits of pairing EVs with TOU rates, and the expansion of public charging infrastructure and etiquette. Up until COVID-19, a variety of community engagement opportunities have enabled the Company to educate the public, business leaders and students in a wide variety of settings throughout Michigan. We continue to seek electronic opportunities for outreach as we bend the curve downward during the public health crisis. Examples of activities to date are provided below.

Consumers Energy Clean Energy Plan Whistle Stop Tour

The PowerMIDrive team met with business leaders and students during six whistle stop tours throughout the state (Traverse City, Kalamazoo, Lansing, Jackson, Midland, Livonia and Battle Creek) promoting the Company's Clean Energy Plan. Business leaders and students were able to sit in and check out the Chevrolet Bolt, learn about the features of driving an EV and hear about the rebates available through PowerMIDrive.



CE President & CEO, Patti Poppe – Whistle Stop Tour in Midland, MI

Public Charging Station Installation Ribbon Cutting & Rebate Check Presentation

The program team traveled to Shanty Creek Resorts in Bellaire, MI on October 10, 2019 to congratulate the resort on being the program's first recipient of a public level 2 rebate, resulting in media coverage from two Northern Michigan news stations.



PowerMIDrive Rebate Check Presentation at Shanty Creek Resorts – Bellaire, MI

A similar grassroots strategy will continue as public safety allows throughout the program to include additional ribbon cutting ceremonies as DCFCs are installed. We have found events such as those listed above as invaluable in creating word of mouth campaigns for the program, and often led to additional speaking engagements.

Conference and Panel Participation

The PowerMIDrive team attended many EV-focused meetings, conferences, and events throughout the year to promote the program and gain insights on similar utility programs and offerings.

A table has been included as an appendix to this report providing an overview of these outreach and engagement efforts

EVALUATION OF FINDINGS

Within this section we will summarize the findings of PowerMIDrive's first operational year and evaluate programmatic effectiveness towards achieving progress on three primary goals:

| Increase EV charging capabilities and public charging infrastructure across CE's electric service territory | | |
|---|---|--|
| Metric | Status | |
| Residential Rebates & Participation | Of the initially planned quota of 3,000 residential rebates allotted for the program, 222 rebates have been awarded for level 2 home chargers. Furthermore, 33 incentives have been paid to customers opting to participate with the FleetCarma device in year one. In total, 255 residential customers are presently participating in the pilot and significant future growth potential remains given that over 7,000 EV drivers are likely within Consumers Energy's electric service territory. | |
| Public Rebates & Participation | At this time all public level 2 and DCFC for the program are actively committed to candidates throughout CE's electric service territory. Of the 200 total public level 2 rebates allotted for the program, 38 rebates have been awarded for completed installations. The remaining 162 rebates are anticipated to be awarded after installation later this year. The initially planned quota of 24 DCFC rebates was increased to 34 based on make ready cost savings, with the potential to include one or two more DCFC rebate sites this year to candidates currently on the waiting list. Currently 34 DCFC rebates are actively committed to site candidates, with 12 of the sites confirmed with final cost estimates for moving forward on construction this year. Even with the expansion of DCFCs due to make ready cost savings, significant future growth potential remains given the size of Consumers Energy's electric service territory across the lower peninsula, and that Michigan is currently home to over 19,000 EV drivers and experiencing year-over-year EV growth rates of greater than 20%. | |

Residential customer feedback, and the potential to still include many residential customers in the program, has led us to better understanding in the importance of providing multiple avenues for participation in the program. We believe that additional options, tailored to individual customer needs and preferences, could increase participation. New options could be provided via enhanced optionality in charger models eligible for rebate, or through alternative participation options that offer direct vehicle communication.

Given this, the program team will continue to explore and pursue opportunities to maximize residential participation in years two and three.

While we are excited to continue seeing public charging infrastructure installed by program participants throughout the state this year, we expect that the economic impact of COVID-19 will result in construction delays and turnover of rebates as some candidates decline to move forward. This will present a challenge for achieving the goal of all 234 commercial rebates being awarded to operational facilities by the end of 2020 as originally planned.

We will continue to pursue the goal of maximizing operational charging infrastructure as quickly as possible to maximize learnings from electric use data and help provide convenient charging options in Michigan for both current and future EV drivers.

| Implement best practices for utilizing EVs as an electric grid benefit for all electric customers while reducing risk of grid impacts in areas of EV clustering | | |
|---|---|--|
| Metric | Status | |
| Ability to Enroll Customers on TOU Rate | A total of 316 rate change requests were processed to enroll customers on a TOU electric rate at their home. Of this total, 175 of those TOU rate enrollments were processed by the program for customers who were not interested in participating in the rebate | |
| | program but were still interested in changing their charging behavior to maximize cost savings and grid benefits. | |
| TOU Rates to Incentivize Off-Peak Charging at Home | Initial findings for residential participants sharing electric use data with the program between January 1 and April 1, 2020 show that 90% or more of EV charging is avoiding the on-peak window of 2pm – 7pm every weekday. TOU rates combined with EV customer outreach appears to be a highly successful strategy for ensuring residential EV charging is a grid benefit. | |
| Proactively Monitor Areas of EV Clustering to Identify Potential Grid Impacts | A total of 10 transformers powering two residential addresses with EVSE were identified in year one. Of this total, 7 transformers power two residences with level 2 EVSE, one transformer powers two residences with level one EVSE, and two transformers power two residences with a level one and a level two EVSE, respectively. No impacts to transformer capacity requiring upgrades to electric supply infrastructure have been identified at this time. | |

As we progress into year two of the program, we will continue to monitor the ramp rate at 7 PM when the off-peak rate begins and continue encouraging customers to begin charging at 11 PM when possible with similar direct messaging efforts. For instance, customers participating with the FleetCarma C2 device will be encouraged on their FleetCarma user portal to begin charging at 11 PM rather than 7 PM whenever possible. As EV market penetration increases in Michigan, and as residential program enrollment grows in years two and three of the program, we will investigate the potential functionality for DR and TOU coaching to control the ramp rate than shifting from peak to off-peak.

Furthermore, an important learning in year one of the program centers on the reliability of connectivity for WIFI connected chargers and their ability to continuously communicate electric use data to the program without interruption. The program has seen approximately 10% of residential chargers disconnect from the utility platforms established by the charger networks for the program at given time.

This causes additional administrative burden as we must reach out to the customers and request that the manually reconnect their stations to the program platform when their WIFI is disrupted at home. Identifying options to address and avoid WIFI challenges will be a focus in years two and three of the program.

| 3) Engaging in public outreach efforts to educate both current and future EV drivers on | | |
|---|------|--|
| the economic, societal and environmental benefits of driving electric | | |
| | Al I | |

| Metric | Status |
|------------------------------------|--|
| Outreach & Engagement Efforts to | The program team has attended, hosted or presented at over 30 public engagement events to increase public awareness of EVs and associated benefits of ownership. |
| Raise Consumer Awareness of EVs | The program team has fielded 4,492 direct communication customer contacts in year one, equating to an average of over 18 phone conversations or email explanations with customers per working day. |
| Program Actions to Impact MDU | Email outreach campaign in December 2019 netted 7 rebate applications from MDU locations, increasing the total from 5 to 12 committed MDU rebates during the month. |
| Participation | There are currently 15 MDU level 2 rebates committed for the program, two of which have been installed. |
| EV Growth in CE's | As of year-end 2019 there were approximately 7,300 EVs registered in CE's electric service territory. |
| Service Territory | This constitutes a 24% increase between 2018 and 2019. |

Consumers Energy

While the total number of EVs is relatively small compared to the total electric customer base, the 24% year-over-year increase in total EV registrations in CE's electric service territory between 2018 and 2019 indicates that the PowerMIDrive pilot is well timed to address the EV charging challenge early in the adoption cycle.

This year we will continue building upon the Company's existing customer database to identify our EV driving customers to provide more individualized messaging and support with EV-related education and outreach efforts. Being able to identify current and future EV driving customers will support our goals of maximizing residential participation in the pilot and enhance consumer awareness efforts of how they can save money and benefit the grid.

LOOKING FORWARD

In our first year, the PowerMIDrive Program initiative has continued to hone in on the primary objectives of (1) increasing electric vehicle (EV) charging capabilities and public charging infrastructure across CE's electric service territory, (2) implementing best practices for utilizing EVs as an electric grid benefit for all electric customers while reducing risk of grid impacts in areas of EV clustering, and (3) engaging in public outreach efforts to educate both current and future EV drivers on the economic, societal and environmental benefits of driving electric. The overarching goal of all three of these objectives is to best prepare for a future in which almost a third of vehicles are projected to be electric within this decade. The intent underpinning all this work is to learn and act now to avoid costly future scenarios.

Thankfully, we are still well positioned to prepare for the benefit of customers by continuing to explore optimal EV customer strategies and infrastructure. With an EV customer base of over 7,000 vehicles and a year-over-year growth rate of greater than 20%, we still have time on our side for prudent action.

Thus, we propose that the following objectives are likely to further our progress toward and EV optimized future, both for the grid and for customers. We welcome comments and feedback on these potential additional strategies in preparation for planning for a PowerMIDrive version 2.0, which may be included in our next electric rate case.

1. Exploring direct vehicle communications.

We have just begun work with a FleetCarma sub-pilot to contrast with networked home charging stations. However, an early trend we are seeing is that cellular network communications are more reliable than WIFI. Furthermore, newer EV models are anticipated to have greater vehicle communication capabilities, and we continue to see growth in software platforms aiming to provide direct communication with a wide variety of vehicles. We believe it is an open question as to whether residential customers will prefer networked charging stations or direct vehicle communication through apps and software platforms.

Thus, exploring additional options including, but not limited to, Open Vehicle-Grid Integration Platform (OVGIP) software, network aggregators, and potentially a full OBD-II port program with behavioral rewards could yield additional insights into strategies for managed EV charging as the customer base grows and technologies emerge.

2. Funding for additional DCFCs in underserved areas.

Adding 34 DCFCs is a fantastic start compared to present conditions in which CCS-port DCFCs do not exist north of Grand Rapids and Lansing. However, Consumers Energy's electric service territory serves 1.8 million customers in 62 of the lower peninsula counties. Moreover, our electric service territory covers important transportation routes, including the majority of I-94's span across the state, and tourism and international trade routes to popular areas in the tip of the mitt and the upper peninsula. We also suspect that growth in MDUs and EV fleets may also add pressure for additional public infrastructure.

Given the remaining need for foundational infrastructure, even tripling the number of DCFCs to closer to 100 rebates shows no danger of flooding the market given future proofing, consumer EV growth rates, and the potential for fleet electrification. Areas of our service territory remain unserved (e.g. Huron Coast) or underserved (e.g. large metropolitan areas and the northern lower peninsula). We also believe there are specific use cases that could be studied by pairing a battery with DCFC infrastructure to aid TOU rate potential for public charging infrastructure that operates 24-7.

3. Forming a permanent EV team for customer service.

With an average of over 18 customer calls and emails per day, transitioning trained staff to other positions within the company at the end of the PowerMIDrive pilot seems unfathomable. Customer demand strongly suggests the need for a permanent team of dedicated professionals to discuss charging options, coordinate internal teams for infrastructure, and assist with rate questions.

4. DR and TOU coaching services for the 7-11PM ramp.

From a demand response perspective, the 7 PM residential charging ramp illustrated in the charging data indicates a new area for further exploration. If nearly one-third of customers all begin charging at the exact same time this could present an interesting challenge in the future, especially one in which solar production begins to fall off at nearly the same time.

Given this, we believe that a combination of DR and TOU coaching services could be explored to nudge residential charging closer to 11 PM. It also remains to be seen what proportion of customers desire a super off-peak rate such as Nighttime Savers compared to Residential Smart Hours for their whole household use. If the majority of residents continue to prefer a TOU rate with a 7 PM differential, then controlling the 7-11 PM ramp becomes even more important.

5. Potential extension of timeline to collect data given market conditions.

The impacts of COVID-19 on program participation remain to be seen and may justify the addition of 1-2 years to the current program to collect data. Construction schedules for public charging stations in 2020 remains an unknown due to economic and logistical factors. Networked residential charging stations are also presently hampered by the inability to have an electrician enter the home in some cases, and residential car buying is likely to be impacted by the economic downturn. We believe that the potential impacts on PowerMIDrive participation and subsequent data gathering will become clearer by the end of Q3 2020. We will factor this into any potential program amendment above as well.

6. Repurposing some PMD budget to help cover program enhancement costs.

Rest assured that any future proposals are likely to propose repurposing parts of the current PowerMIDrive budget that are not presently anticipated to be spent given current uptake rates. Most likely this would include a repurposing of some residential rebate funds given that public DCFC and Level 2 rebate applications have all presently been reserved.

The PowerMIDrive program welcomes MPSC and stakeholder feedback and discussion on the potential program enhancements above. Together we can plan for and help ensure an optimized EV future for the benefit of Michiganders and our grid. Thank you!

APPENDICES

APPENDIX A: Approved Charging Station List

APPENDIX B: Program Participant Terms & Conditions

APPENDIX C: Program Promotional Flyer

APPENDIX D: Public Charging Station Communications Toolkit for Site Hosts

APPENDIX E: Residential Rebate Process Map

APPENDIX F: Public Level 2 Rebate Process Map

APPENDIX G: Table of Year One Outreach and Engagement Events





PowerMIDrive™ Program Approved Charging Station List

ChargePoint Network



| CP Home: Level 2 Home Charger Models, 208/240 Volt | ChargePoint Model Code |
|--|---|
| 32-Amp Hardwired Station with 18' Charging Cable w/o Plug Bundle | CPH25-L18 |
| 32-Amp Plug-In Station with 18' Charging Cable with Plug Bundle | CPH25-L18-P |
| 32-Amp Hardwired Station with 25' Charging Cable w/o Plug Bundle | CPH25-L25 |
| 32-Amp Plug-In Station with 25' Charging Cable with Plug Bundle | CPH25-L25-P |
| CP Home Flex, 16A-50A, NEMA 6-50 or 14-50 plug with 23' Charging Cable | CPH50-NEMA6-50-L23 CPH50-NEMA14-50-L23 |



| CT4000: Level 2 Public/Workplace Charging Station Models, 208/240 Volt | ChargePoint Model Code |
|---|---------------------------|
| Dual Port 6' Bollard Mount, 30-Amp with 18' Charging Cables | CT4021 |
| Dual Port Gateway 6' Bollard Mount, 30-Amp with 18' Charging Cables | CT4021-GW1 |
| Dual Port 6' Wall Mount, 30-Amp with 18' Charging Cables | CT4023 |
| Dual Port Gateway 6' Wall Mount, 30-Amp with 18' Charging Cables | CT4023-GW1 |
| Dual Port 8' Bollard Mount, 30-Amp with 25' Charging Cables | CT4025 |
| Dual Port Gateway 8' Bollard Mount, 30-Amp with 25' Charging Cables | CT4025-GW1 |
| Dual Port 8' Wall Mount, 30-Amp with 25' Charging Cables | CT4027 |



| CPF25: Level 2 MDU Charging Station Models, 208/240 Volt | ChargePoint Model Code |
|--|---------------------------|
| Dual Pedestal Mount, 32-Amp with 18' Charging Cables; Includes Station Access Control | CPF25-L18-PD-Dual |
| Dual Pedestal Mount, 32-Amp with 18' Charging Cables; Includes Station Access Control | CPF25-L18-CMK6-PD-Dual |
| Dual Pedestal Mount, 32-Amp with 23' Charging Cables; Includes Station Access Control | CPF25-L23-PD-Dual |
| Dual Pedestal Mount, 32-Amp with 23' Charging Cables; Includes Station Access Control | CPF25-L23-CMK8-PD-Dual |



| CPE250: DC Fast Charging Station Model, 62.5 kW | ChargePoint Model Code | |
|---|--|--|
| ChargePoint Express 250, Dual Port, Bollard Mount with upgrade to 62.5kW max power Connectors: SAE J1772 CCS1 and CHAdeMO | CPE250C-CC\$1-CHD CPE250C-625-UPGRADE | |
| NOTE: DC Fast Charging Station listed above provides a 62.5kW power output and will require | | |

OTE: DC Fast Charging Station listed above provides a 62.5kW power output and will require the purchase of two stations to qualify for the PowerMIDrive's DCFC Rebate (minimum 125kW power output per site location)

For ordering support, contact ChargePoint:

Website: <u>ChargePoint.com</u> Email: <u>jeff.gaebler@chargepoint.com</u> Phone: 669-271-4233





PowerMIDrive™ Program Approved Charging Station List, Continued

Siemens Network

Workplace/MDU Rebate



| Level 2 Home Charger Model, 208/240 Volt | Manufacturer Model Code |
|--|----------------------------|
| VersiCharge SG, Single Port Wall Mount, 30-Amp with 20' Charging Cable, Connector: SAE J1772 | VCSG30GRUUW |



| Level 2 Public/Workplace/MDU Charging Station Models, 208/240 Volt | Manufacturer Model Code | |
|--|----------------------------|--|
| VersiCharge SG with OCPP, Single Port Wall or Pedestal Mount, 30-Amp with 20' Charging Cables, Connector: SAE J1772 VCSG30GCPUW | | |
| NOTE: Level 2 Charging Stations listed above are equipped with a single charging cable and will require the purchase of two stations to qualify for PowerMIDrive's Level 2 Public/ | | |



| DC Fast Charging Station Models, 150-200 kW | Manufacturer Model Code | |
|---|----------------------------|--|
| Veefil, 175kW, 500-Amp with 14' Charging Cables Connectors: SAE J1772 CCS1 and CHAdeMO | Veefil-PK | |
| NOTE: This DCFC Unit will be available for purchase and installation in November 2019 | | |

For ordering support, contact Siemens:

Website: <u>Siemens.com</u>
Email: <u>KSawade@conelectric.com</u>
Phone: 517-940-0331





PowerMIDrive™ Program Approved Charging Station List, Continued

Enel-X Network



| Level 2 Home Charger Model, 208/240 Volt | Manufacturer Model Code |
|--|----------------------------|
| JuiceBox 32, Single Port Wall Mount, 32-amp with 24' Charging Cable, Connector: SAE J1772 | 2JBO321RNA |
| JuiceBox 40, Single Port Wall Mount, 40-amp with 24' Charging Cable, Connector: SAE J1772 | 2JBO401RNA |
| Clipper Creek HCS-40 JuiceNet® Edition, Single Port Wall Mount, 32- amp with 25' Charging Cable, Connector: SAE J1772 | Clipper Creek HCS-40-JN |



| Level 2 Public Charging Station Models, 208/240 Volt | Manufacturer Model Code |
|--|----------------------------|
| JuiceBox Pro 32, Dual Port Wall or Pedestal Mount, 32-amp with 24'-25' Charging Cable Options, Connector: SAE J1772 | 2JBO321CNA |
| JuiceBox Pro 40, Dual Port Wall or Pedestal Mount, 40-amp with 24'-25' Charging Cable Options, Connector: SAE J1772 | 2JBO401CNA |
| JuiceBox Open Pay, 4G LTE Cellular, Dual Port Pedestal Mount, 40-amp with 24' Charging Cable, Connector: SAE J1772 | 2JBO321CNA- HJWU |



| Level 2 Workplace/MDU Charging Station Models, 208/240 Volt | Manufacturer Model Code |
|--|----------------------------|
| JuiceBox Pro 32, Dual Port Wall or Pedestal Mount, 32-amp with 24'-25' Charging Cable Options, Connector: SAE J1772 | 2JBO321CNA |
| JuiceBox Pro 40, Dual Port Wall or Pedestal Mount, 40-amp with 24'-25' Charging Cable Options, Connector: SAE J1772 | 2JBO401CNA |
| JuiceBox Open Pay, 4G LTE Cellular, Dual Port Pedestal Mount, 40-amp with 24' Charging Cable, Connector: SAE J1772 | 2JBO321CNA- HJWU |

For ordering support, contact Enel X:

Website: https://evcharging.enelx.com/utilities-store
Email: cravens.jameswesley@enel.com
Phone: 908-878-6745

POWERMIDRIVE PROGRAM TERMS AND CONDITIONS MIDRIVE





PowerMIDrive Program Information

Consumers Energy's PowerMIDrive Program is a 3-year voluntary pilot program governed by the tariff which is approved by the Michigan Public Service Commission (MPSC) in Case No U-20134. PowerMIDrive has been created to increase battery and plug-in hybrid electric vehicle (EV) charging capabilities and charging infrastructure across the state, while improving utilization of the electric grid to benefit all electric customers. This document is a summary of the terms governing participation in PowerMIDrive for residential and commercial Consumers Energy electric customers, but the program is ultimately governed by the MPSC and any further orders it may issue. Terms and conditions and the Company's tariff may change without notice to program participants and shall be applicable to program participants as they become effective.

Application Review Process

All applications for rebate must be submitted online via the Consumers Energy PowerMIDrive website for consideration. Applications are not a guarantee of program acceptance or rebate payment. Completed applications will be reviewed in the order received. Rebate funds are reserved for an applicant's project when Consumers Energy sends notice of acceptance to the applicant. Applicants are encouraged to contact the program team at PowerMIDrive@cmsenergy.com with any questions about documentation or program requirements.

Consumers Energy will provide any awarded rebate upon verifying completion of installation of a residential or public Level 2 charger or DC Fast Charger at an approved applicant's home or business in accordance with the specified program terms. Rebates will be issued in the form of a check, mailed to the applicant's specified home or business address within 4-6 weeks of Consumers Energy's verification that all requirements of program participation have been met, including receipt of required documentation. Any rebate amount provided shall not exceed the total project cost.

In order to receive a rebate, applicants must agree to comply with full terms and conditions for the duration of the PowerMIDrive Program as outlined herein:

Level 2 Residential Charger Rebates

Residential Consumers Energy electric customers can qualify for a \$500 rebate upon operational status of a networked residential Level 2 charger from the PowerMIDrive Approved List, installed at their residence. The Level 2 residential rebate is limited to one rebate per EV/charger combination at a residence. Low-income applicants can qualify for alternate incentive opportunity and must self-identify during the online application process. Applicants renting their home must provide written consent from the property owner. Prior to rebate award, applicants must:

- Provide proof of EV ownership; EV must be registered to the applicant's address within Consumers Energy's electric service territory
- Provide proof of purchase of Level 2 charger from the PowerMIDrive Approved List
- Agree to participate in time of use (TOU) electric rate to receive lower cost for electricity during off-peak hours of 7:00pm to 11:00am for the duration of the program
 - An interim TOU rate plan option will be assigned until the implementation of Nighttime Savers Rate occurs in 2021
- Register Level 2 charger with the applicable network provider for 3 years or the duration of the program, whichever is longer
- Authorize network provider to share EV charging data (electricity consumption amounts and times) with Consumers Energy for 3 years or the duration of the program, whichever is longer

- Agree to enable Demand Response (DR) capability at the Level 2 charger
 - Participation in DR events is optional for applicants and will be confirmed by Consumers Energy prior to implementation

Level 2 Public Charger Rebates

Commercial or industrial Consumers Energy electric customers can qualify for a rebate of up to \$5,000 upon completion of installation of a Level 2 public charger from the PowerMIDrive Approved List at their business for public and/or employee use, or at a Multi-Dwelling Unit (MDU) with 4 or more dwellings for an assigned tenant or for use by any tenant within the MDU.

Pricing may be established for use of Level 2 public charger at the site host's discretion, provided as an amenity, or in accordance with the charger network's pricing strategy and in adherence to guidelines established within Consumers Energy's rate book. The site host must report pricing strategy to Consumers Energy on an annual basis.

Applicants must own, lease or operate the site of Level 2 public charger installation to qualify for a rebate. Applicants must purchase a minimum of either one Level 2 public charger with dual charge cords, or two Level 2 public chargers with single charge cord to qualify for rebate, as specified in the PowerMIDrive Approved List.

Installation and operational status must be completed within 6 months of application approval to receive the awarded rebate.

Prior to rebate award, applicants must:

- Provide proof of purchase of Level 2 public charger(s) from the PowerMIDrive Approved List
- Commit to one dedicated parking space per Level 2 public charge cord; minimum of two charge cords with two corresponding parking spaces are required to qualify
 - Parking spaces must be in safe, accessible locations
- Commit to provide digital and/or physical signage to allow for easy identification of Level 2 public charger location by users
- Register Level 2 public charger with the applicable network provider for 3 years or the duration of the program, whichever is longer
- Authorize network provider to share EV charging station data (electricity consumption amounts and times) with Consumers Energy for 3 years or the duration of the program, whichever is longer
- Commit to a maintenance agreement with either network provider or equipment manufacturer for a 3 year duration to maintain efficient operation, ensuring Level 2 public charger meets 98% uptime
- Agree to enable Demand Response (DR) capability at the Level 2 public charger.
 - Participation in DR events is optional for applicants and will be confirmed by Consumers Energy prior to implementation

Public DC Fast Charger Rebates

Commercial and industrial Consumers Energy electric customers can qualify for a rebate of up to \$70,000 from Consumers Energy upon completion of installation of an approved DC Fast charger (DCFC) at their business for public use. Applicants may also apply for Level 2 public charger rebates at their business site.

Pricing may be established for use of DCFC at the site host's discretion, provided as an amenity, or in accordance with the charger network's pricing strategy and in adherence to guidelines established within Consumers Energy's rate book. The site host must report pricing strategy to Consumers Energy on an annual basis.

POWERMIDRIVE PROGRAM TERMS AND CONDITIONS POWER OF THE PROGRAM TERMS AND THE PROGRAM TERMS POWER OF THE PROGRAM TERMS PO





Public DC Fast Charger Rebates (cont.)

Applicants must own, lease or operate the site of DCFC installation to qualify for a rebate. Applicants must purchase a minimum of either one DCFC with 125kW or higher electric output, or two DCFCs with 62.5kW or higher output, (including infrastructure to combine DCFCs for a cumulative 125kW electric output) to qualify for rebate, as specified in the PowerMIDrive Approved List.

Consumers Energy is partnering with the Michigan Energy Office (MEO) to provide additional funding to DCFC rebate applicants in an effort to ensure fast charging access is available throughout the state of Michigan.

Upon receipt of application for rebate, Consumers Energy and the MEO will convene to review applicant criteria in accordance with a predetermined DCFC siting strategy. DCFC rebate applicants will be required to provide a summary estimate of total cost of the project during the application review process.

Rebates will be independently provided by the PowerMIDrive Program and the MEO to the awardee. Rebate amounts will be specified to the applicant at the time notice of approval to proceed is provided. Installation and operational status must be completed within 12 months of application approval to receive the rebate. The MEO's rebate amount will not exceed one-third of the total project cost and will be dedicated solely to covering the cost of physical equipment required for the DCFC installation project.

Locations for DCFCs must be in areas that have amenities in the immediate vicinity to accommodate for a minimum of 30-minute dwell times, and must be located within close proximity to main highways or thoroughfares to enhance public accessibility.

Prior to rebate award, applicants must:

- Provide proof of purchase of DCFC(s) from the PowerMIDrive Approved List
- Commit to one dedicated parking space per charge cord (minimum of two parking spaces to qualify)
 - Parking spaces must be in safe, accessible locations
- Commit to provide digital and/or physical signage to allow for easy identification of DCFC location by users
- Authorize network provider to share EV charging station data (electricity consumption amounts and times) with Consumers Energy for 3 years or the duration of the program, whichever is longer
- Register DCFC with the applicable network provider for 3 years or the duration of the program, whichever is longer
- Commit to a maintenance agreement with either network provider or equipment manufacturer for the duration of the 3-year program to maintain efficient operation of charger, ensuring that DCFC meets 98% uptime
- Agree to enable Demand Response (DR) capability at the DCFC
 - Participation in DR events is optional for applicants and will be confirmed by Consumers Energy prior to implementation
- Agree to incorporate electrical infrastructure to include one additional DCFC in the future

Inspections

Consumers Energy reserves the right to have its representatives inspect all projects to verify compliance with the program rules and accuracy of project documentation. This may include pre-installation and/or post-installation inspections, verification of EV charger infrastructure, and/or submittal of project documentation, including photographs of the installation, by the applicant. Photographs of public charging stations may be used in promotional materials for the program.

Permission to Use Data

Participants in the PowerMIDrive Program grant Consumers Energy the unrestricted right to access and use all data gathered as part of the PowerMIDrive Program for use in regulatory reporting, ordinary business use, industry forums, case studies, or other similar activities in accordance with applicable laws and regulations. Publicly reported data will be in a pooled or anonymized format and not identify specific sites.

All approved applicants' names contact information and authorized rebate amount will be shared with the program's approved charging station network providers on a one-time only basis to facilitate provision of quote for purchase and installation unless the applicant specifically requests no contact in the "concerns pertaining to qualification guidelines" field within the online application form.

Disclaimer

Consumers Energy does not make any guarantee of the performance of operations of any EV charging equipment, expressly disclaims all warranties, whether expressed or implied, including without limitation all warranties of merchantability and of fitness for a particular purpose.

Consumers Energy has no obligations regarding and does not endorse or quarantee any claims, promises, work or equipment made, performed or furnished by any contractors or equipment manufacturers that sell or install EV chargers.

Consumers Energy is not liable for any damage caused by the operation or malfunction of any equipment installed. As a condition of participating in the PowerMIDrive Program, an applicant agrees to defend and indemnify Consumers Energy against any claims arising from the installation or use of any EV charger.

Compliance with Laws

All parties shall comply with applicable federal, state, and local statutes, rules, regulations, laws, orders and decisions governing or relating to participation in the PowerMIDrive Program during installation and throughout participation in the 3-year program.

Failure to Comply with Terms & Conditions

Without limitation, Consumers Energy, and the MEO if applicable, reserves the right to seek damages and recovery for losses incurred due to any breach of terms and conditions. This may include but is not limited to refund and/or return of rebate in part or in full, along with any fees, including attorney fees, in connection with recovery of those and other losses incurred.

Failure to comply with terms and conditions set forth herein may result in termination of an applicant's participation in the PowerMIDrive Program including revocation of rebate funds held for the applicant during installation.

Consumers Energy reserves the right to terminate an applicant's participation in the PowerMIDrive Program, including revocation of rebate funds held for applicant during installation or recovery of any rebate funds that are paid, for any of the following reasons: environmentally hazardous conditions, imminent public safety threats, or permitting issues pertaining to the installation site; failure to comply with the PowerMIDrive Program's terms and conditions; and/or failure to comply with local, State and Federal laws and regulations applicable during installation and/or operation of the EV charger.







Residential & Business Electric Vehicle Charging Rebates

PowerMIDrive™ is a new program designed to get more electric vehicles on the roads. Whether it's building new infrastructure or encouraging smarter charging practices, we're leading Michigan's clean transportation.

If you drive an electric vehicle or run a business that will offer charging stations, the PowerMIDrive™ program may have a rebate for you.



\$400 for customers installing an approved Level 2 Charger at their residence. Additional savings are available to low-income customers.



Up to \$5,000 for commercial customers installing a public Level 2 Charger. Total number of rebates available is limited.



Up to \$70,000 for commercial customers installing a public DC Fast Charger. Total number of rebates available is limited.





Convenient Charging

Charging can be done anywhere there is an outlet. While many electric vehicle owners charge at home or work, public charging offers convenient, fast charging when your commute exceeds the range of your vehicle.

The number of public charging stations is increasing rapidly, making owning an electric vehicle a great choice, no matter your lifestyle.

Benefits for Your Wallet & Environment

ANNUAL SAVINGS

Fuel cost to drive an electric vehicle is 40-50% less, dependent on the current price of gasoline.

TAX INCENTIVES

To offset the upfront costs of an electric vehicle, some customers may be eligible for Federal Tax Incentives up to \$7,500.

CONSISTENT PRICE

Unlike the price of gasoline, the price of electricity is set by the State of Michigan.

FEWER EMISSIONS

Unlike gasoline vehicles, electric vehicles don't have a tailpipe and don't produce direct emissions like carbon dioxide.

LOWER RATES

The PowerMIDrive[™] program comes with a new electric rate that rewards electric vehicle drivers to charge their vehicles during off-peak hours (7 p.m. - 11 a.m.) - which helps manage the demand placed on the grid. And managing that demand helps control rates for everybody.

Contact Us

ConsumersEnergy.com/pev 877-904-9246 PowerMIDrive@cmsenergy.com





Congratulations!

You've received a rebate from Consumers Energy for an electric vehicle charging station at your business! The following ideas and guidelines are intended to help you share information about the grant and your program. If you have any questions, email Bethany Tabor with Consumers Energy at bethany.tabor@cmsenergy.com.

Consumers Energy publicizes our PowerMIDrive program through media relations, social media, publications and our website. We encourage you to share your story and photos as we all work together to support people, the planet and Michigan's prosperity.

What you can do

You can spread the news about your electric vehicle charging station in a few ways:

Tell the community

Share information about your charging station through your newsletters, annual reports and social media. When announcing the grant on social media, link to us on Facebook (facebook.com/ConsumersEnergyMichigan), Twitter (@ConsumersEnergy), Instagram (@ConsumersEnergy) or LinkedIn (@ConsumersEnergy).

Contact local media

A news release can be an effective way to help the public know about your charging station. We would appreciate reviewing and contributing to your news release with a quote that is specific to your organization. We also can help provide you with contact information for media outlets. Please contact Brian Wheeler at brian.wheeler@cmsenergy.com for assistance.

Keep in touch!

Our relationship is just beginning. As you move forward, send us digital pictures and success stories. Your work may be featured in a social media post or in another publication or communication by Consumers Energy. If your photos feature people, please only send photos for which all parties pictured have signed releases indicating their approval.

Thank you!

Thank you for your participation in the PowerMIDrive Program, for providing us with the opportunity to support you and for creating a positive impact in Michigan.

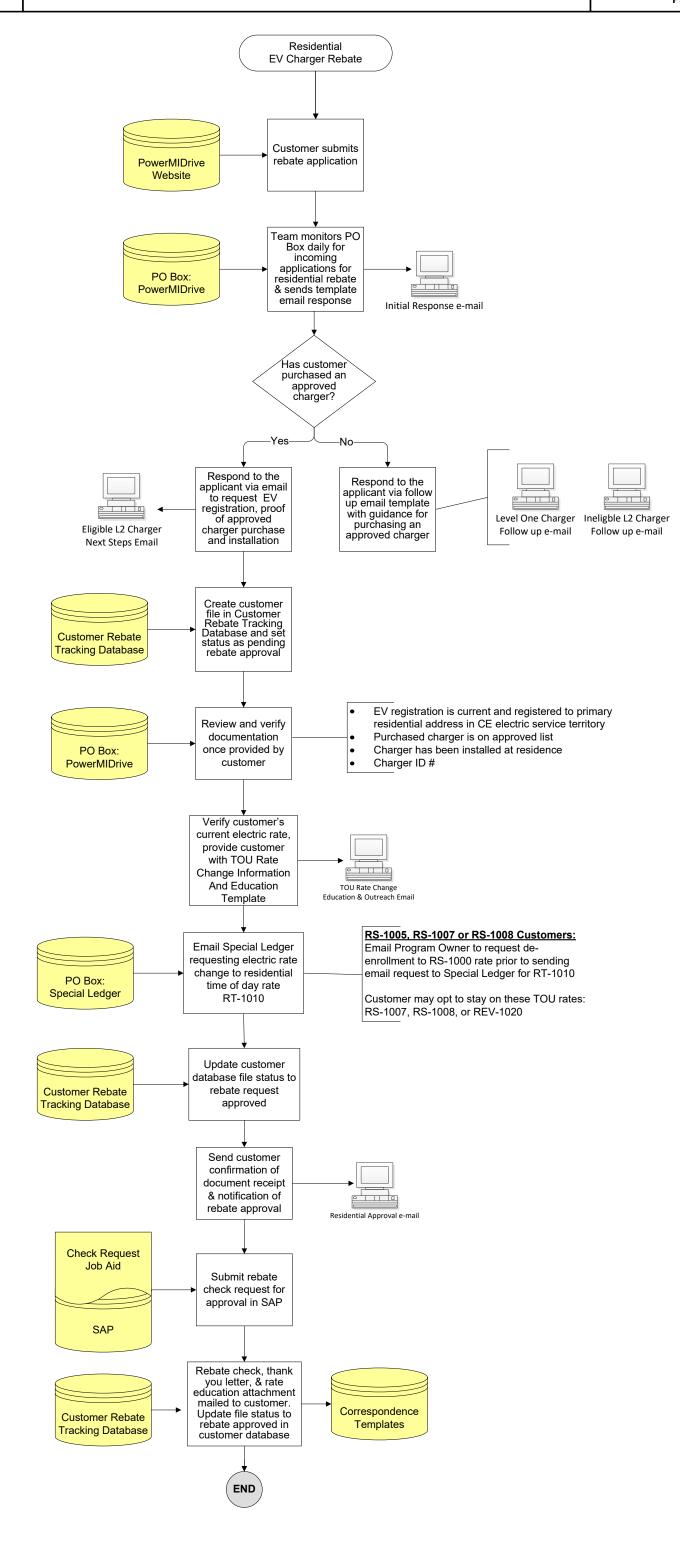
PMD-Residential Rev.:1

Effective Date: 6/5/2019

PowerMIDrive Residential Rebate

PowerMIDrive Team

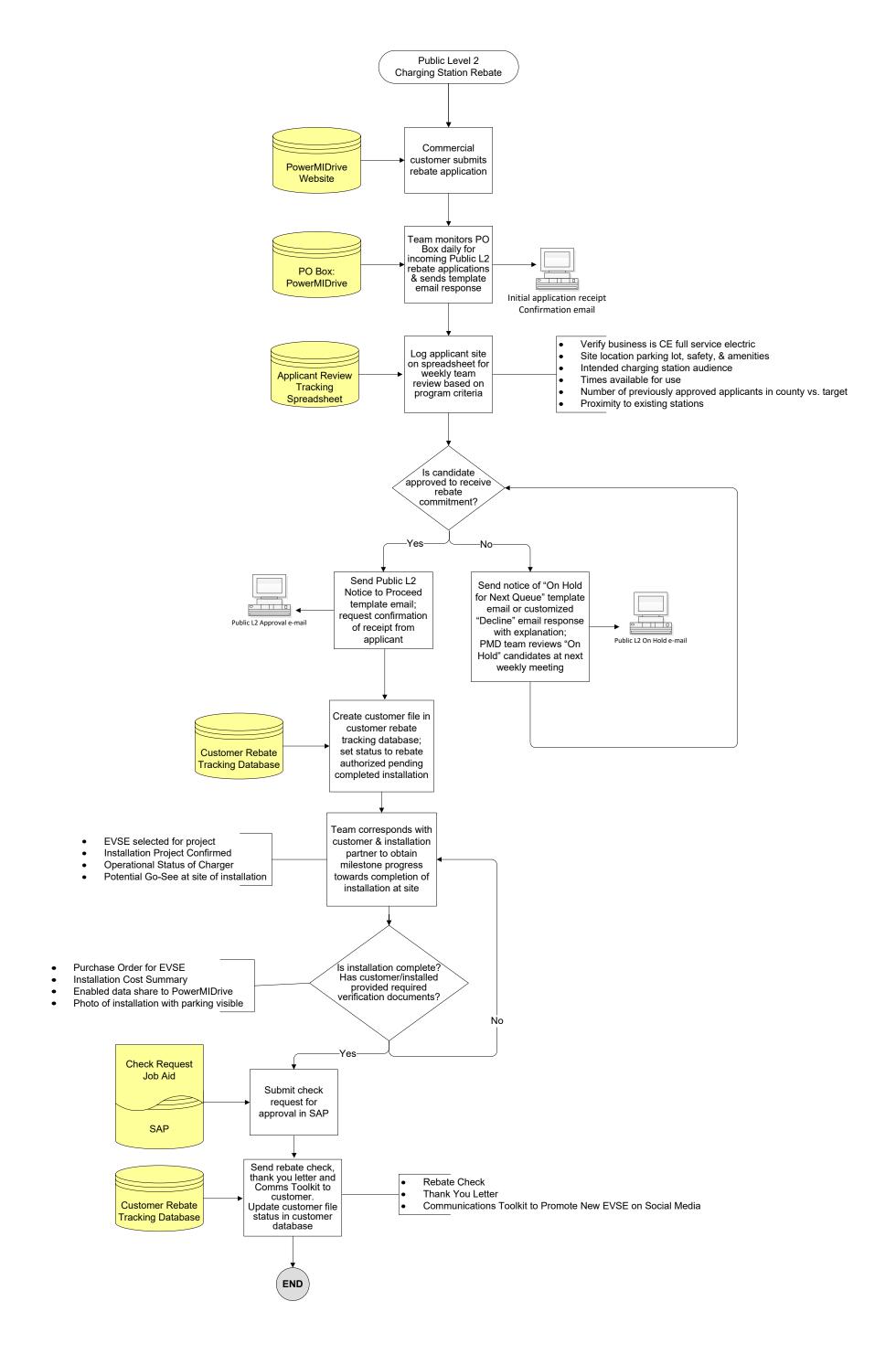
Page 1 of 1



PMD-Public L2 Rev.:1 PowerMIDrive Public Level 2 Rebate Effective Date: 6/5/2019

Owner: PowerMIDrive Team

Page 1 of 1



| Date | Event | EV Outreach Focus |
|------------|--|---|
| 4/19/2019 | Consumers Energy Ride & Drive | Host, EV Ride and Drive for CE Parnall Facility |
| 4/20/2019 | Kalamazoo Earth Day Event | Exhibitor, EVs and PowerMIDrive |
| 4/23/2019 | MIEIBC 7 th Annual Member Meeting | Attendee, Innovations in Advanced Energy |
| 5/03/2019 | MIEIBC 7 th EV Convening | Attendee, State Administrative Actions to Support EVs |
| 6/28/2019 | EUCI Electric Vehicles Conference | Attendee, 2019 EV-Utility Industry Nexus: Charging Forward |
| 7/11/2019 | MIEIBC 8th EV Convening | Attendee, EV Adoption for Low- and Moderate-Income Communities |
| 7/23/2019 | Next Energy: Michigan Connected and Automated Vehicle Working Group | Panelist, EV Working Group |
| 8/06/2019 | GR2030's Zero Net Carbon Series: The Future of Urban Transportation is Now | Presenter, EV Market in Michigan and PowerMIDrive Program |
| 9/08/2019 | Consumers Energy Family & Friends Safety Fair | Exhibitor, EVs and PowerMIDrive Program |
| 9/14/2019 | National Drive Electric Week Celebration, Hastings | Exhibitor, EVs and PowerMIDrive Program |
| 9/17/2019 | MIEIBC 9 th EV Convening | Panelist, Private Sector Challenges and Solutions: DCFC in Michigan |
| 9/19/2019 | National Drive Electric Week Celebration, Grand Rapids | Exhibitor, PowerMIDrive Program |
| 9/26/2019 | MML: Electrifying Michigan's Transportation with All-New Incentives, Detroit | Presenter, Electric Vehicles and PowerMIDrive |
| 9/26/2019 | MML: Electrifying Michigan's Transportation with All-New Incentives, Kalamazoo | Presenter, Electric Vehicles and PowerMIDrive |
| 9/28/2019 | National Drive Electric Week Celebration, Kalamazoo | Exhibitor, PowerMIDrive Program |
| 10/10/2019 | Shanty Creek Resort EVSE Ribbon Cutting Celebration | Presenter, Celebrating PowerMIDrive's First Public L2 Rebate Award |
| 10/30/2019 | SAE INTERNATIONAL: Innovations in Mobility | Panelist, Barriers to EV Adoption, Changing Technology |
| 11/14/2019 | MIEIBC Energy Innovators Gala | Attendee, Recognizing leaders in the advanced energy sector in MI |
| 11/18/2019 | MAPT Electric School Bus Pilot Alignment | Host, Electric school bus pilot stakeholder alignment conference |
| 11/20/2019 | Michigan Sustainability Conference | Panelist and Exhibitor, Charging Station and Funding Opportunities |
| 12/04/2019 | Michigan Automobile Vehicle Dealers Association Annual Meeting | Presenter, Electric Vehicles and PowerMIDrive |
| 12/05/2019 | Clean Fuels MI Convening | Participant, Utility and OEM Stakeholder Meeting |
| 1/28/2020 | Michigan Municipal Executives Winter Institute | Co-Presenter, EV Charging in City of Gaylord, PowerMIDrive Rebates |
| 3/09/2020 | MIEIBC 10th EV Convening | Attendee, DCFC Infrastructure |





STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

| In the matter of the applicati | on of |) | |
|-----------------------------------|-----------|---------------|------------------|
| CONSUMERS ENERGY C | OMPANY |) | Case No. U-20134 |
| for authority to increase its r | rates for |) | |
| the generation and distributi | on of |) | |
| electricity and for other relief. | |) | |
| | |) | |
| | PRO | OF OF SERVICE | |
| STATE OF MICHIGAN |) | | |
| |) SS | | |
| COUNTY OF JACKSON |) | | |

Melissa K. Harris, being first duly sworn, deposes and says that she is employed in the Legal Department of Consumers Energy Company; that on June 30, 2020, she served an electronic copy of **Consumers Energy Company's PowerMIDrive Program Annual Report 2020** upon the persons listed in Attachment 1 as noted therein.

melisia J. Harris

Melissa K. Harris

Subscribed and sworn to before me this 30th day of June 2020.

Janufy Goy Yourn

Jennifer Joy Yocum, Notary Public State of Michigan, County of Jackson My Commission Expires: 12/17/24 Acting in the County of Jackson

Administrative Law Judge

Hon. Sharon L. Feldman Administrative Law Judge 7109 West Saginaw Highway Post Office Box 30221

Lansing, MI 48909

E-Mail: feldmans@michigan.gov

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sl0918-1-224 Page 1 of 4

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sl0918-1-224 Page 2 of 4

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Page 3 of 4 s10918-1-224

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sl0918-1-224 Page 4 of 4