

**EXH. RDC-18  
DOCKET UE-210795  
2022 PSE CEIP  
WITNESS: ROGER D. COLTON**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

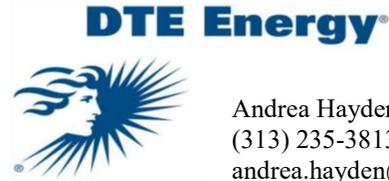
In the Matter of  
PUGET SOUND ENERGY, INC.  
2021 Clean Energy Implementation Plan

**Docket UE-210795**

**SEVENTEENTH EXHIBIT TO THE PREFILED RESPONSE TESTIMONY  
OF ROGER D. COLTON  
ON BEHALF OF NW ENERGY COALITION AND FRONT AND CENTERED**

**OCTOBER 10, 2022**

DTE Electric Company  
One Energy Plaza, 688 WCB  
Detroit, MI 48226-1279



Andrea Hayden  
(313) 235-3813  
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March 20, 2018

Lauren VanSteel  
Administrative Law Judge  
Michigan Public Service Commission  
7109 West Saginaw Hwy  
Lansing, MI 48917

Re: In the matter, on the Commission's own motion, regarding the regulatory reviews, revisions, determinations, and/or approvals necessary for DTE Electric Company to fully comply with Public Act 295 of 2008, as amended by Public Act 342 of 2016.  
Case No. U-18262

Dear Judge VanSteel:

Pursuant to Rule 431, R792.10431, all parties to the above-referenced proceeding have agreed to a settlement and have agreed to waive compliance with the provisions of MCL 24.281. Attached for your review and submission to the Commission is an executed Stipulation and Settlement Agreement, which address all issues before the Commission in this case. Also attached is a Proof of Service upon all parties.

Thank you for your assistance in this matter. If you have any questions, please do not hesitate to contact me.

Very truly yours,

Andrea Hayden

Digitally signed by Andrea Hayden  
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Date: 2018.03.20 14:47:23 -04'00'

Andrea Hayden

AH/lah  
Attachments  
cc: Service List

**STATE OF MICHIGAN**  
**BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

In the matter, on the Commission’s own )  
motion, regarding the regulatory reviews, )  
revisions, determinations, and/or approvals )  
necessary for **DTE ELECTRIC** )  
**COMPANY** to fully comply with Public )  
Act 295 of 2008, as amended by Public Act )  
Act 342 of 2016 )

Case No. U-18262

**STIPULATION AND SETTLEMENT AGREEMENT**

Pursuant to Section 78 of the Administrative Procedures Act of 1969 (“APA”), as amended, MCL 24.278 and Rule 333 of the Rules of Practice and Procedure before the Michigan Public Service Commission (“MPSC” or “Commission”), the undersigned parties agree as follows:

WHEREAS, This Stipulation and Settlement Agreement ("Settlement Agreement") between DTE Electric Company (“DTE”), Natural Resources Defense Council (“NRDC”), National Housing Trust (“NHT”), the Residential Customer Group (“RCG”), the Association of Business Advocating Tariff Equity (“ABATE”) and the Michigan Public Service Commission Staff (“Staff”), (collectively, the “Parties”) is intended by the Parties as a final settlement and satisfaction of all issues before the Commission in the biennial review of DTE’s Electric’s Energy Waste Reduction Plan (“EWR Plan”).

WHEREAS, On March 28, 2017, the Commission issued an Order in Case No. U-18262 requiring DTE Electric Company (“DTE Electric”) or the “Company” to file its energy waste reduction plan by July 3, 2017.

WHEREAS, DTE Electric filed its application, with supporting testimony and exhibits, requesting approval of its EWR Plan on June 29, 2017 pursuant to the Commission’s Order and the requirements of Act 295, as amended by Act 342.

WHEREAS, on July 14, 2017, the Commission directed DTE Electric to publish a notice of hearing in newspapers of general circulation in DTE Electric's service territory. A prehearing conference was conducted on August 15, 2017 at which a procedural schedule was adopted, and the Commission Staff, NRDC, NHT, RCG, and DTE Electric appeared as the parties participating in this case. The parties subsequently stipulated to the intervention of ABATE on October 6, 2017.

WHEREAS, the Parties have agreed to enter into a full settlement of this case, and request that the Commission enter an order accepting and approving DTE Electric's EWR Plan subject to the modifications as set forth in this agreement.

NOW THEREFORE, for purposes of settlement of case U-18262, the Parties agree as follows:

1. The parties agree that the Company's filed 2018-2019 EWR Plan should be approved in its entirety except as modified by this Settlement Agreement and the attachments to this Settlement Agreement.

2. **Low-Income Programs.** Collectively, DTE Electric and DTE Gas will increase investment in the Company's Energy Efficiency Assistance (EEA) Program by Five Million Dollars (\$5,000,000) within the 2018-2019 Plan for the purposes of targeting low-income customers in arrears. At a minimum, One Million Dollars (\$1,000,000) of the increased investment will occur in 2018; the remaining balance will be invested in 2019. The parties also agree that Company will implement the measures outlined in Attachment A to target low-income customers in arrears. DTE Electric will perform a study beginning in 2019 to evaluate the impacts of the EEA program enhancement on low income customers in arrears.

3. **Multi-Family Low-Income Programs.** Collectively, DTE Electric and DTE Gas will increase multi-family low-income spend by \$250,000 in 2018 for a total of \$2,195,000 exclusive of pilot funding, and \$3,000,000 in 2019 for a total of \$4,955,000 exclusive of pilot

funding. The parties agree that DTE Electric will display its multi-family low-income investments as individual line items in the Company's EWR plans and reconciliations as set forth in Attachment B. DTE Electric will also implement the Multi-Family Low-Income Program pilot enhancements set forth on Attachment C.

4. Performance Incentive Mechanism. The metrics associated with the Performance Incentive Mechanism (PIM) will be as set forth in Attachment D of this Settlement Agreement. The parties agree that the metrics under the PIM are primarily based on lifetime savings targets and secondarily on low-income spend and low-income multi-family assessments.

5. Non-Wires Alternative. DTE Electric will implement a Non-Wires Alternative pilot that facilitates an evaluation of the cost-effectiveness impact of EWR on the scope of the Company's distribution system capital investment project. EWR pilot funding will be used to implement EWR measures in a Non-Wires Alternative pilot program. The EWR pilot is part of the Company's larger Non-Wires Alternative initiative that is still being developed. The EWR Non-Wires Alternative pilot is outlined in Attachment E.

6. Behavior Savings. DTE Electric will gradually reduce the behavior savings as a percentage of the residential portfolio by 3% each year beginning in 2019 to reach 15% by 2021. DTE Electric will include all annual, recurring evaluation expenditures for behavior-based programs in benefit/cost calculations so that the programs can provide the means to evaluate and compare programming options. To distinguish between measure incentives and program education costs, DTE Electric will provide clarity, where possible, in the annual reconciliation specifically around Home Energy Consultation, On-Line Energy Audit, and Business Energy Consultation.

7. Light Emitting Diodes Net-to-Gross. In 2018, DTE Electric will reduce the standard and reflector Light Emitting Diodes ("LED") Net-to-Gross ("NTG") factors in the Residential Energy Star Products Program from 0.92 to 0.90. The Company will continue its

annual third-party evaluation studies. The parties agree that the standard and reflector LED NTG in its Residential Energy Star Products Program for 2019 will be assessed in 2018, as appropriate, based on the judgment of DTE's evaluators. Such judgment shall take into account the results of the program year 2017 evaluation as well as any expected changes in market conditions between 2017 and 2019. DTE's evaluators may consider multiple research approaches to inform their recommendations, subject to calendar and budget constraints, including in-store customer intercepts, revealed preference models, and a market model, with either an independent advisor and reviewer or use of a Delphi panel. The NTG assumptions for all LEDs in year 2020 and beyond will be assessed by DTE evaluators in 2019. The evaluators' draft recommendations for both (1) 2019 and (2) 2020 and beyond will be discussed with NRDC and Staff before being finalized.

8. Plan Amendment Threshold Requirements. DTE Electric shall seek an amendment of the Plan if the Company intends to exceed the approved Plan spend by more than 5%.

9. Residential Cost Allocation. DTE Electric will remove education program costs from the customer class allocation percentage calculation in its 2020-2021 EWR Plan. The Company will implement a cost tracker for its education program in 2018 and 2019. The education program cost tracker will inform the allocation of education program expenses between residential and commercial & industrial in the Company's 2020-2021 EWR Plan.

10. The Company's 2020-2021 Plan will include discussion detailing the calculation of its residential, commercial & industrial, and low-income administrative and infrastructure costs.

11. The Parties agree that DTE Electric will begin to charge the 2018-2019 EWR base rates proposed in this Plan effective with bills rendered in May 2018. The total EWR charge implemented will consist of the base rate and the 2016 performance incentive component approved

in Case No. U-18332 (Order dated December 20, 2017), as set forth in Attachment F. Actual revenues and costs will be included in the annual reconciliation.

12. This Settlement Agreement is entered into for the sole and express purpose of reaching a compromise among the Parties. All offers of settlement and discussions relating to this Settlement Agreement are considered privileged under MRE 408. If the Commission approves this Settlement Agreement without modification, neither the Parties to this settlement nor the Commission shall make any reference to, or use this Settlement Agreement or the order approving it, as a reason, authority, rationale, or example for taking any action or position or making any subsequent decision in any other case or proceeding; provided however, such references may be made to enforce or implement the terms of the Settlement Agreement and the order approving it.

13. This Settlement Agreement is not severable. Each provision of this Settlement Agreement is dependent upon all other provisions of this Settlement Agreement, including the attachments. Failure to comply with any provision of this Settlement Agreement, including commitments phrased in firm language (such as “shall” or “will”) in the attachments, constitutes failure to comply with the entire Settlement Agreement. If the Commission rejects or modifies this Settlement Agreement, this Settlement Agreement shall be deemed to be withdrawn, and shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall not operate to prejudice the pre-negotiation positions of any party.

14. This Settlement Agreement is reasonable and in the public interest, and will reduce the time and expense of the Commission, its Staff, and the Parties.

15. The Parties agree to waive Section 81 of 1969 PA 306 (MCL 24.281), as it applies to the issues in this proceeding, if the Commission approves this Settlement Agreement without modification.

16. This Settlement Agreement may be executed in any number of counterparts, each considered an original, and all counterparts that are executed shall have the same effect as if they were the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be duly executed by their respective duly authorized officers as of the date first written below.

**DTE ELECTRIC COMPANY**

By: Andrea Hayden Digitally signed by Andrea Hayden  
DN: cn=Andrea Hayden, o=General Counsel -  
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Andrea E. Hayden (P71976)  
DTE Electric Company  
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**MICHIGAN PUBLIC SERVICE COMMISSION STAFF**

By: Spencer Sattler Digitally signed by Spencer Sattler  
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**NATURAL RESOURCES DEFENSE COUNCIL**

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Christopher M. Bzdok (P53094)  
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420 E. Front Street  
Traverse City, MI 49686

NATIONAL HOUSING TRUST

By:  Digitally signed by Lydia Barbash-Riley  
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Lydia Barbash-Riley (P81075)  
Olson, Bzdok & Howard, P.C.  
420 E. Front Street  
Traverse City, MI 49686

Dated: March 15, 2018

RESIDENTIAL CUSTOMER GROUP

By: Don L. Keskey

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Don L. Keskey  
University Office Place  
333 Albert Avenue, Suite 425  
East Lansing, MI 48823

Dated: March 16, 2018

## Attachment A – Low Income Program Changes

The following information describes the increased ramping efforts of DTE Electric Company (“DTE Electric”) and DTE Gas Company (“DTE Gas”) (collectively the “Companies”) in the Energy Efficiency Assistance (EEA) program to target low income customers in arrears. Low income customers are defined as those customers with income at or below 200% of the federal poverty limit. Customers may be eligible for this program regardless of home ownership or renting status.

The Companies will increase Electric and Gas EEA program spend by a total of \$5,000,000 for the EWR 2018-2019 plan to target low income customers in arrears

- 2018: \$1,000,000 at a minimum to be spent on energy efficiency measures for low income customers in arrears
- 2019: Spend the balance of the of the \$5,000,000 increase made to the EWR 2018-2019 plan to be focused at low income customers in arrears

The methodology that will be used by the Companies to target low income customers in arrears will be as follows:

- Leverage the billing systems of the Companies to identify customers in arrears. Low income status will also be identified if data is available in the billing system.
- The customer list will be sorted and prioritized by customers with the highest amount in arrears; meaning that customers with the highest arrears will be targeted first
- Customers with the highest energy intensity will be the next step in prioritization
  - Energy intensity is defined by the ratio of annual energy consumption used per square foot in the home
    - Energy usage data will be provided via the Company billing system
    - Household square footage data will be obtained through Company owned or procured records
- This customer list will then be segmented geographically based on regions that are served by community action agencies (CAAs), non-profit organizations or appropriate government agencies that facilitate energy efficiency assistance.
- The segmented lists will be provided to the appropriately agencies.
- The Company will work with the agencies to extend the EEA program to this targeted audience.
- Customer participation will be identified through records provided to Company by the agencies.

For low income multifamily customers, the Companies will:

1. Identify customers that are in arrears who are residing in buildings participating in the low-income multifamily program. The Companies will conduct a study that begins at the end of 2019 to understand the impacts of this program on bill payment by multifamily low income customers in arrears. Items that the Companies may track in the study include:

- reduction of write-offs
  - reduction of money that is in arrears
  - Timeliness of payments
  - Number of payments
  - Regularity of payment
  - Unsolicited nature of payment (reduction of shut-off/past due)
  - Complete Bill Payment:
  - Regular Bill Payment
2. Using billing and other data, and looking at the entire population of multifamily buildings in its territories, the Companies will document and report out on whether there appear to be clusters of customers in arrears within specific multifamily buildings. This may identify areas for future increases in targeting and spending.

The Companies expect that the majority of the \$5,000,000 increase will be spent on measures provided to the low-income customers in arrears. It is anticipated that the Company will leverage the existing EEA program to deliver this increase. The EEA program currently does and will continue to contract the implementation of this program. The implementation contractor will continue to work with established channels (community action agencies and/or non-profit organizations and/or appropriate government agencies) to drive the increased volumes. The Companies anticipate that about 10%-15% of the total increase will be used for the administration costs.

## **Attachment B – Multifamily Low Income Commercialized Program**

DTE Electric Company (“DTE Electric”) and DTE Gas Company (“DTE Gas”) (collectively the “Companies”) will conduct a Low Income Multifamily pilot to determine an appropriate level of incentives for this program. National Housing Trust (“NHT”) has reviewed and provided input to the design of the pilot. The incentive levels that are learned from the pilot will be used to set the incentive levels of the commercialized Low Income Multifamily program in 2019.

Additionally, the other learnings (such as assessment, assessment reports, DI measures and the implementation staff necessary to deliver the program enhancements) from the pilot will be incorporated into the commercialized program as soon as possible in 2018.

In addition to incorporation of the learnings from the pilot, the following are changes that will be incorporated into the Multifamily Low Income 2018 program:

### Increase in Electric and Gas Multifamily Low Income Spend and removal of caps

- 2018: \$250,000 for a total of \$ 2,195,000 Electric and Gas funding (not including pilot spending)
- 2019: \$3,000,000 for a total of \$4,955,000 Electric and Gas funding (not including pilot spending)
- 

### Savings and spend accounting for the Multifamily Low Income program

- All funding for the Multifamily Low Income program is from the Multifamily Low Income program budget, the spending and savings for which will be reported as a separate line item in the Companies’ EWR Plan reconciliation filing documents.
- All spend and savings for in-unit direct install, common area direct install, in-unit non-direct install, and common area non-direct install for eligible multifamily low income projects will be accounted to the multifamily low income program
- All Multifamily Low Income projects will be provided an expanded list of in-unit direct install measures and Common Area direct install measures (see below).
- All Multifamily Low Income projects being provided Common Area non-direct install with higher incentive levels must be managed through the Multifamily Low Income program’s concierge efforts.
- For the Multifamily Low Income program’s concierge managed projects there are no project / building spend caps.

### Assessment Report

The Companies will review best practices of landlord portal capabilities, specifically related to the aggregation of energy usage for entire multifamily buildings and, in conjunction with stakeholder input, will use this information to improve access to data from non-landlord-managed meters for both landlords and the Multifamily Low Income program administrator. The current working aspects of the energy assessment are as follows:

- Interviews with site operating personnel, review of 12 months of Electric and Gas utility bills, site walk through to identify Energy Efficiency Measure(s) and overall unit/building conditions (duration of walk through varies by size of the building)
- Collect field data, age, efficiency and operating conditions for the following possible energy efficiency areas, where applicable:
  - Heating, Ventilation & Air Conditioning (HVAC)
  - Plumbing Equipment & Fixtures
  - Insulation Levels
  - Windows & Doors
  - Lighting & Electrical
  - Major Appliances and Plug Load
  - Building Envelope
  - Elevators

DTE Level I Energy Assessment report components to include but not limited to:

- List of Energy Efficiency Measure(s), with estimated energy savings, estimated cost savings, and estimated cost for equipment and installation; including low cost and direct install measures
- % Energy Cost Savings
- % Energy Savings by Energy Efficiency Measure(s)
- Simple Payback by Energy Efficiency Measure(s)
- Incentive Package Options
- Summary of utility data with building energy profile
- Energy Star Portfolio Benchmarking of EUI to EUIs of similar sites
- Identification of comprehensive capital investments (DTE Level II Energy Assessment required) - For such investments, the Level I Energy Assessment report will provide a general range for energy savings, cost savings, simple payback, and capital/installation costs to be used for preliminary decision making. A more accurate forecast of costs may be developed pending further analysis.

### Measures

Measure offerings listed below may be changed upon mutual agreement between the Companies and NHT.

- In-unit direct install measures
  - Energy efficient showerheads
  - Bathroom faucet aerators
  - Kitchen faucet aerators
  - LED bulbs (various types)
  - LED Nightlights
  - Hot water pipe wrap
  - Shower start valves

- Occupancy sensors
- Advanced Power Strip (where applicable)
- Lower domestic hot water temperature (per code) – no savings
- Furnace tune-ups
- Refrigerators replacement\*
- In unit window air conditioners\*

\*Covered at 100% cost to tenant bearing utility bill, offered as part of incentive tiers (or at regular incentive levels before the tiers are rolled out) for all other participants

- Common Area direct install measures

- LED Lighting
- Hot water pipe wrap
- Bath faucet aerators
- Occupancy sensors
- Thermostats
- Hard Wired LED fixtures
- LED screw-lamps
- LED exit signs
- LED parking lot & safety lighting
- Energy efficient focused system controls - sensors, timers, dimmers
- Furnace tune-ups
- Heating and DHW boiler tune-ups

- Common Area and in-unit non-direct install

- The enhanced incentive levels proposed for 2019 will be determined by the Companies' Multifamily Low Income program pilot.
- Incentives for Common Area non-direct install measures are available in the Multifamily Low Income program for either centrally or individually metered building configurations.
- Continue to offer the entire suite of residential and C&I measures as prescriptive or custom measure
- The following measures will also be included:
  - Prescriptive measures duct sealing, air sealing and roof insulation will be made available as incentivized items. These measures will be added to the program's literature and be available in 2018.
  - Custom measure crawl space insulation will be made available as an incentivized item. This measure will be added to the program's literature and be available in 2018.

### Eligibility guidelines for low-income multifamily program and/or pilot

Eligibility will be established based on one or more of the following factors:

1. Participation in an affordable housing program. Automatic qualification for any property that can provide evidence of participation in a federal, state, or local affordable housing program, for example: LIHTC, HUD, USDA, MSHDA, local tax abatement for low-income properties, etc.
2. Location in a low-income Census Tract. Location in a Census Tract identified by the Company as low-income. As a starting point, the Company will use HUD's annually published "Qualified Census Tracts," but the target Census Tracts may be adjusted based on Company experience and/or consultation with stakeholders.
3. Rent roll documentation. Submission of rent rolls documenting that the average rents charged by a particular property are affordable to households meeting HUD's definition of low-income, which is 80% of Area Median Income. The starting point for this table will be rents at or below 80% of "Fair Market Rent" as published annually by HUD. The Company may adjust this table of maximum rent guidelines based on Company experience and/or consultation with stakeholders.
4. \*Tenant income information. Submission of tenant income information showing that at least 50% of units are rented to households meeting one of the following criteria:
  - a. At or below 200% of the Federal Poverty Level
  - b. At or below 80% of Area Median Income
5. Participation in the Weatherization Assistance Program. Submission of documentation showing that the property is on the waiting list for, currently participating in, or has in the last five years participated in, the Weatherization Assistance Program.

\*This option will only be used if the other approaches are not applicable/possible.

### Low Income Targeting Procedures

- Identify and market to properties that have been identified by federal and state agencies (e.g. LIHTC, Section 8, MSHDA 236, HUD Housing)
- Identify and market to properties that fall within the Qualified Census Tracts

### Collaboration

DTE Electric and DTE Gas commit to initiate conversations with Consumers Energy explaining the DTE Multifamily Low Income Pilot and eventual transition into the commercialized program in 2019. In the conversation(s) DTE Electric and DTE Gas will make a good faith effort to:

- Propose leveraging a common vendor (or sub-vendor) to execute the program
- Propose the advancement of collaboration/coordination of:
  - Shared energy assessments
  - Standardizing between utilities in-unit direct install measures
  - Standardizing between utilities Common Area direct install measures
- find Determine whether DTE Electric's assessment and concierge services can be supported by either Consumers Energy or the Companies, for a single customer experience that services both utilities.
- Evaluate the possibility of providing leads and the management of them by either utility's concierge services.

### Incentive Reservation

DTE Electric and DTE Gas will each adopt a reservation system for the low income multifamily program that is similar to the C&I program's reservation system. In this process, the low income multifamily property owner/manager would commit to the project and via the concierge, an application for incentives would be completed. The property owner/manager would then receive a letter of incentive reservation that is good for 90 days. The concierge will keep close tabs on the status of the project and will extend the reservation as necessary. The program implementer, via marketing / outreach efforts and the services of concierge, is responsible for the overall spending and savings of the program and therefore must manage the program accordingly. Thus if the low income multifamily project that has reserved incentives is not going to be completed by the end of the calendar year, the incentives must be released to another low income multifamily project that will be able to be completed. The projects that carry into the following year may have incentives reserved for them again ahead of other new projects.

### Program Update

DTE Energy would like to continue the conversation with NHT to consider their ideas and some best practices that maybe incorporate into the commercialized program. DTE will take part in quarterly update meetings with the National Housing Trust, Staff, and Multifamily Program consultant from NRDC. These meetings will provide updates to the pilot and features being incorporated into the commercial program from the pilot.

The first quarterly program update will occur no later than 4/25 of the current program year, and include 1/1 through 3/31 of the current program year. Subsequent updates will occur on:

- 7/25 for data from 4/1 through 6/30
- 10/25 for data from 7/1-9/30
- 2/15 following the program year end for data from 10/1-12/31

Quarterly meetings may be rescheduled to mutually agreeable dates based on data and participant availability.

DTE Electric and DTE Gas will track data for participants in the following categories: Project, Measure, Investment, and Savings. DTE Electric and DTE Gas will share the data outlined below with NHT at the agreed upon quarterly updates to provide input and foster further Pilot and program discussions.

The reporting data listed below may be changed upon mutual agreement between the Companies and NHT. Data reported will include but is not limited to the following:

#### Project Level Data (a "project" = a "property" for reporting purposes)

- Projects, buildings, and units served – for a single property all savings and measures will be reported together
  - # projects, buildings and units served
- % of projects that received benchmarking services
- % of projects that received a Level I energy assessment

- % of projects that received a Level II energy assessment
- % of projects that installed 2 or more prescriptive or custom measures
- % of projects that proceed with 50% or more of the recommended measures from their energy assessments
- Subsidized and Unsubsidized properties participating

#### Measure Level Data

- # of Projects reported above that received incentives in the following categories:
  - HVAC
  - Insulation
  - Lighting
  - Domestic Hot Water
  - Custom
- Total # of installations, in the Projects reported above, for each DI measure
- % of projects that participated only in DI
- % of projects that received only prescriptive or custom incentives
- % of projects that received both direct install and prescriptive and/or custom incentives
- % of projects that received an energy assessment and opted not to proceed

#### Investment Data

- Paid incentives
  - Total electric incentives paid to projects
  - Total gas incentives paid to projects
- Total non-incentive budget (by fuel) for low-income multifamily program
- Total incentive budget (by fuel) for low-income multifamily program
- Incentives as a portion of total actual or estimated project cost (including both materials and labor)
  - Average % of project total cost covered by incentives (exclusive of direct install)

#### Savings Data

- MWh savings achieved
  - Total savings achieved in paid projects
- Mcf savings achieved
  - Total savings achieved in paid projects
- Average % savings of total energy use per project
  - Average % savings of electricity per project
  - Average % savings of gas per project

#### Outreach Data

- # of phone program inquiries by qualified owners/managers
- # of electronic program inquiries received
- # of site visits completed by outreach staff

## **Attachment C – Multifamily Low Income Pilot**

### **Objective:**

The Companies will conduct a pilot described in this attachment. The objective of the pilot is to develop, test, implement, and refine a process to complete whole building energy assessments and energy efficiency services for low-income multifamily buildings. The Pilot work will begin with development of a process to identify eligible participants (dual fuel, low income multifamily buildings) and continue through the completion of a DTE Level I Energy Assessment to ASHRAE standards (DTE Level I Energy Assessment), testing of tiered incentive levels, assessing need for a DTE Level II Energy Assessment, facilitating trade ally bidding, assisting in applying for financing opportunities (if needed), monitoring QA/QC of project work completion, issuing incentives, and concluding with the improvement and refinement of the process from start to finish, with a goal to integrate learnings into the commercialized Multifamily program, as they are identified, during the 2018-19 plan cycle. All participants will be guided through entire pilot process via a concierge service to ensure a “one stop shop” experience.

### **Target Market:**

Low income multifamily buildings with three or more units and taking service from DTE Electric Company (“DTE Electric”) or DTE Gas Company (“DTE Gas”) (collectively the “Companies”) are eligible for this Pilot. The target market is dual fuel low income multifamily, subsidized buildings, servicing both in-unit tenant paid and whole building master-metered locations.

### **Pilot Duration:**

The Pilot is scheduled to start in the first quarter of 2018, with an 18-24-month duration once launched.

### **Pilot Description:**

The pilot is intended to test tiered incentive levels to determine which tiers will drive participants to install deeper energy efficiency measures, which will ultimately lead to a lower burden on low-income individuals. High level phases, which will be executed by external implementation contractors, may include but are not limited to:

- 1. Pilot Design & Development Plan Refinement** - Work with implementation contractor to refine the pilot implementation design and marketing/outreach plans. DTE Electric and DTE Gas will take part in quarterly update meetings with the National Housing Trust (“NHT”) and Multifamily Program consultant from NRDC.

**2. Participant pooling & feasibility** – Identify at least 30 potential target market participants by working with MSHDA and other multifamily stakeholders, and by conducting an initial screening contact (e.g. telephone screening). For those participants deemed to have a high likelihood of participating, we will complete a Preliminary Energy Assessment. A Preliminary Energy Assessment is defined as an assessment to analyze energy use, energy cost and develop the Energy Cost Index (ECI) of buildings and the Energy Utilization Index (EUI). The EUI will be compared to similar buildings' EUIs to assess the potential for improved energy performance and benefit from program participation. This assessment will provide background for the DTE Level I and Level II Energy Assessments. Once a narrowed participant pool is identified, feasibility screening will be used to identify participants which should move forward to a DTE Level I Energy Assessment. The feasibility screening process may include but is not limited to points shown below:

- High level report on potential energy savings, detailed by measure and/or building system and direct install opportunities
- Initial interview with potential participants to gauge interest in capital improvements and understand major areas of energy efficiency concerns
- ECI & EUI Analysis

Pilot will review best practices for gathering tenant meter information and identify possible changes to the Companies' landlord portal.

**3. DTE Level I Energy Assessments-** Conduct an estimate of 20 DTE Level I Energy Assessments, which will contain each of the following when applicable, but are not limited to the list below. Since multifamily buildings are unique, additional modifications may be required.

- Interviews with site operating personnel, review of 12 months of Electric and Gas utility bills, site walk through to identify Energy Efficiency Measure(s) and overall unit/building conditions (duration of walk through varies by size of the building)
- Collect field data, age, efficiency and operating conditions for the following possible energy efficiency areas, where applicable:
  - Heating, Ventilation & Air Conditioning (HVAC)
  - Plumbing Equipment & Fixtures
  - Insulation Levels
  - Windows & Doors
  - Lighting & Electrical
  - Major Appliances and Plug Load
  - Building Envelope
  - Elevators

DTE Level I Energy Assessment report components to include but not be limited to:

- List of Energy Efficiency Measure(s), with estimates for energy savings, estimated cost savings, and estimated cost for equipment costs and installation; including low cost and direct install measures

- % Energy Cost Savings
- % Energy Savings by Energy Efficiency Measure(s)
- Simple Payback by Energy Efficiency Measure(s)
- Incentive Package Options
- Summary of utility data with building energy profile
- Energy Star Portfolio Benchmarking of EUI to EUIs of similar sites
- Identification of comprehensive capital investments (DTE Level II Energy Assessment required) - For such investments, the Level I Energy Assessment report will provide a general range for energy savings, cost savings, simple payback, and capital/installation costs to be used for preliminary decision making. A more accurate forecast of costs may be developed pending further analysis.

**4. Incentive Tiers** - Incentives will be designed with escalating tiers to encourage deeper energy savings. Incentive tiers will be applied to total project costs inclusive of equipment and labor, and total project energy savings inclusive of direct install savings:

- 25% incentive (against total project cost) if measures installed generate at least 10% annual energy reduction
- 35% incentive (against total project cost) if measures installed generate at least 15% annual energy reduction
- 40% incentive (against total project cost) if measures installed generate at least 20% annual energy reduction
- 50% incentive (against total project cost) for in-unit measures not listed as direct install measures for tenant paid utilities (see direct install measures below), regardless of savings generated
- For measures that do not qualify with at least 10% annual energy reduction, an incentive of 20% will be offered

Incentive tiers to be reevaluated based on participation. Pilot participants reengaging in a new project after completing a DTE Energy Assessment will be considered for automatic advancement to proceeding incentive tier. \*

\*The Companies will establish a reasonable participation and project timing threshold for automatic advancement.

Participants of DTE Level I Energy Assessment to be offered direct install measures, detailed in the eligible measures section below, regardless of acceptance of incentive tiers. Participants do not need to receive direct install measures to receive DTE Level I Energy Assessment.

**5. DTE Level II Energy Assessment** - Conduct an estimate of 8 DTE Level II Energy Assessments. Criteria to necessitate these assessments are as follows:

- Property is approaching financing event and owner plans to undertake capital improvements

- Equipment failure or deterioration conditions that necessitate replacement (e.g. HVAC system & windows)

Key elements of DTE Level II Energy Assessment final report to include but not be limited to:

- Bid Package with detailed project cost
- Energy Modeling
- Deeper analysis of utility bills, to provide participants with comprehensive understanding of financial benefits of implementing identified Energy Efficiency Measure(s).

**6. Retrofitting & Implementation** – Target to complete retrofits projects to at least 2 properties. For each Project, participant will be assisted in assembling a Bid Specification package that details work sought for completion of EE measures. All contractors will be state licensed and mutually approved by Company and participant to ensure competitive bid with reputable contractor. At least 3 competitive bids will be considered. Company will establish a competitive bid process to ensure transparency.

**7. Refinements & Improvements for possible commercialization** - Complete Quality Assessment/Quality Control (QA/QC) and "as built" documentation required for post-completion cost effectiveness analysis

- Work with Implementation Contractor to make changes which will increase participation and Project completion rates. Aim to achieve a higher rate of energy savings for low income participants in a manner which allows for as many low-income buildings as possible to complete comprehensive retrofits for the allocated budget.
- Maintain a work file of electronic and scanned/written documents for each Project, and provide Company with a complete copy at the time of each Project completion
- Contractor will complete a Final Report after the Pilot summarizing the work completed, lessons learned, recommendations for improvements of the Pilot, and program commercialization potential. However, for lessons learned identified earlier in the Pilot, these may be incorporated into the commercialized program along the way without waiting for the Final Report findings.

## Measures:

All measures (in unit & common) currently offered in the commercialized Multifamily program to be offered to Pilot participants.

- In-unit direct install measures
  - Energy efficient showerheads
  - Bathroom faucet aerators
  - Kitchen faucet aerators
  - LED bulbs (various types)
  - LED Nightlights
  - Hot water pipe wrap
  - Shower start valves

- Occupancy sensors
- Advanced Power Strip (where applicable)
- Lower domestic hot water temperature (per code) – no savings
- Furnace tune-ups
- Refrigerators replacement\*
- In unit window air conditioners\*

\*Covered at 100% cost to tenant bearing utility bill, offered as part of incentive tiers for all other participants.

- Common Area direct install measures
  - LED Lighting
  - Hot water pipe wrap
  - Bath faucet aerators
  - Occupancy sensors
  - Thermostats
  - Hard Wired LED fixtures
  - LED screw-lamps
  - LED exit signs
  - LED parking lot & safety lighting
  - Energy efficient focused system controls - sensors, timers, dimmers
  - Furnace tune-ups
  - Heating and DHW boiler tune-ups
- Incentives for non-direct install measures will be available.
  - Entire suite of current residential and C&I measures will be offered as prescriptive or custom measures.
  - The following potential measures will also be included and will be treated in the following way
    - Prescriptive measures for duct sealing, air sealing and roof insulation will be made available as incentivized items.
    - Custom measure crawl space insulation will be made available as an incentivized item.

### **Implementation Strategy:**

The Companies will provide program management and oversight, vendor referrals, tracking and reporting oversight, and regulatory review. The Companies will utilize an Implementation Contractor(s) (IC) to provide implementation services, including outreach, marketing, building assessments and direct installations, and quality control for measures installed by other contractors. IC to be responsible to obtain adequate staffing required to conduct DTE Level I and II Energy Assessments, bid specifications and retrofit completion. All contractors utilized to

be licensed and insured in state of Michigan. IC to assign concierge to assist with: the conducting and testing of effectiveness of the DTE Level I and II Energy Assessments; facilitating financing; and assistance with identifying and securing licensed contractor(s) to perform energy efficiency upgrades; testing of incentive levels; and complete quality assessment and control.

### **EM&V Requirements:**

An independent EM&V contractor will perform the evaluation of the program, which will have an energy impact evaluation and a process evaluation. As part of the impact evaluation, the EM&V contractor will determine audited deemed savings based on a review of program tracking data to ensure that appropriate MEMD values are applied and that supporting documentation is accurately recorded. The impact evaluation will also include primary data collection to assess measure installation and persistence, as well as free ridership and spillover. These efforts will support the development of an Installation Rate Adjustment Factor (IRAF) and Net to-Gross ratio (NTG). The process evaluation is intended to provide program managers with timely recommendations on program operations, and effectiveness, as well as methods to increase program induced savings and participant satisfaction. The process evaluation will also assess the subcontractors' performance. Key tasks include in-depth interviews with program staff, property managers and participating customers to assess satisfaction with the program and participation processes, and barriers to installing non-direct install measures in tenant units and in common areas.

### **Estimated Participation:**

30 potential participants  
20 DTE Level I Energy Assessments  
8 DTE Level II Energy Assessments  
Retrofit projects to at least 2 properties (will not be capped to 2 properties)

### **Budget:**

\$1,000,000 over 18-24-month duration of pilot inclusive of Implementation & Incentive.

### **Data Tracking:**

DTE Electric and DTE Gas will track data for participants in the following categories: Project, Measure, Investment, and Savings. The Companies may share data collected as deemed appropriate with NHT at the agreed upon quarterly status meetings to provide input and foster further Pilot discussions.

Data tracked may include but not limited to the following:

Project Level Data (a "project" = a "property" for reporting purposes)

- Projects, buildings, and units served – for a single property all savings and measures will be reported together
  - # projects, buildings and units served
- % of projects that received benchmarking services
- % of projects that received a Level I energy assessment
- % of projects that received a Level II energy assessment
- % of projects that installed 2 or more prescriptive or custom measures

- % of projects that proceed with 50% or more of the recommended measures from their energy assessments
- Subsidized and Unsubsidized properties participating

#### Measure Level Data

- # of Projects reported above that received incentives in the following categories:
  - HVAC
  - Insulation
  - Lighting
  - Domestic Hot Water
  - Custom
- Total # of installations, in the Projects reported above, for each DI measure
- % of projects that participated only in DI
- % of projects that received only prescriptive or custom incentives
- % of projects that received both direct install and prescriptive and/or custom incentives
- % of projects that received an energy assessment and opted not to proceed

#### Investment Data

- Paid incentives
  - Total electric incentives paid to projects
  - Total gas incentives paid to projects
- Total non-incentive budget (by fuel) for low-income multifamily program
- Total incentive budget (by fuel) for low-income multifamily program
- Incentives as a portion of total actual or estimated project cost (including both materials and labor)
  - Average % of project total cost covered by incentives (exclusive of direct install)

#### Savings Data

- MWh savings achieved
  - Total savings achieved in paid projects
- Mcf savings achieved
  - Total savings achieved in paid projects
- Average % savings of total energy use per project
  - Average % savings of electricity per project
  - Average % savings of gas per project

#### Outreach Data

- # of phone program inquiries by qualified owners/managers
- # of electronic program inquiries received
- # of site visits completed by outreach staff

## Quarterly Meetings:

Reporting timeline – The first quarterly update will occur no later than 4/25 of the current program year, and include 1/1 through 3/31 of the current program year. Subsequent updates will occur on:

- 7/25 for data from 4/1 through 6/30
- 10/25 for data from 7/1-9/30
- 2/15 following the program year end for data from 10/1-12/31

Quarterly updates may be rescheduled to mutually agreeable dates based on data and participant availability. Pilot design/scope may be modified based on mutually agreeable decisions between the Companies and NHT.

### Attachment D – Electric Performance Incentive Mechanism

Legislative First Year Savings Tiers		Lifetime Savings (MWH)		Low-Income Spend (\$1,000)		Low-Income Multi-Family Assessments*		
		Minimum (100%)		Minimum (100%)		Minimum (100%)		
		YR 2018	5,181,264	YR 2018	\$7,889	YR 2018	20%	
		YR 2019	5,152,884	YR 2019	\$7,890	YR 2019	30%	
		Weight	80%	Weight	15%	Weight	10%	
% Savings	% Incentive	% Savings	% Incentive	% Spend	% Incentive	% Assessments	% Incentive	
Tier 1	<b>1.00%</b>	<b>15.00%</b>	100%	12.00%	100%	2.00%	100%	1.00%
	1.01%	15.10%	101%	12.08%	101%	2.02%	101%	1.02%
	1.02%	15.20%	102%	12.16%	102%	2.04%	102%	1.04%
	1.03%	15.30%	103%	12.24%	103%	2.06%	103%	1.06%
	1.04%	15.40%	104%	12.32%	104%	2.08%	104%	1.08%
	1.05%	15.50%	105%	12.40%	105%	2.10%	105%	1.10%
	1.06%	15.60%	106%	12.48%	106%	2.12%	106%	1.12%
	1.07%	15.70%	107%	12.56%	107%	2.14%	107%	1.14%
	1.08%	15.80%	108%	12.64%	108%	2.16%	108%	1.16%
	1.09%	15.90%	109%	12.72%	109%	2.18%	109%	1.18%
	1.10%	16.00%	110%	12.80%	110%	2.20%	110%	1.20%
	1.11%	16.10%	111%	12.88%	111%	2.22%	111%	1.22%
	1.12%	16.20%	112%	12.96%	112%	2.24%	112%	1.24%
	1.13%	16.30%	113%	13.04%	113%	2.26%	113%	1.26%
	1.14%	16.40%	114%	13.12%	114%	2.28%	114%	1.28%
	1.15%	16.50%	115%	13.20%	115%	2.30%	115%	1.30%
	1.16%	16.60%	116%	13.28%	116%	2.32%	116%	1.32%
	1.17%	16.70%	117%	13.36%	117%	2.34%	117%	1.34%
	1.18%	16.80%	118%	13.44%	118%	2.36%	118%	1.36%
	1.19%	16.90%	119%	13.52%	119%	2.38%	119%	1.38%
	1.20%	17.00%	120%	13.60%	120%	2.40%	120%	1.40%
	1.21%	17.10%	121%	13.68%	121%	2.42%	121%	1.42%
	1.22%	17.20%	122%	13.76%	122%	2.44%	122%	1.44%
	1.23%	17.30%	123%	13.84%	123%	2.46%	123%	1.46%
1.24%	17.40%	124%	13.92%	124%	2.48%	124%	1.48%	
Tier 2	<b>1.25%</b>	<b>17.50%</b>	125%	14.00%	125%	2.50%	125%	1.50%
	1.26%	17.60%	126%	14.08%	126%	2.52%	126%	1.52%
	1.27%	17.70%	127%	14.16%	127%	2.54%	127%	1.54%
	1.28%	17.80%	128%	14.24%	128%	2.56%	128%	1.56%
	1.29%	17.90%	129%	14.32%	129%	2.58%	129%	1.58%
	1.30%	18.00%	130%	14.40%	130%	2.60%	130%	1.60%
	1.31%	18.10%	131%	14.48%	131%	2.62%	131%	1.62%
	1.32%	18.20%	132%	14.56%	132%	2.64%	132%	1.64%
	1.33%	18.30%	133%	14.64%	133%	2.66%	133%	1.66%
	1.34%	18.40%	134%	14.72%	134%	2.68%	134%	1.68%
	1.35%	18.50%	135%	14.80%	135%	2.70%	135%	1.70%
	1.36%	18.60%	136%	14.88%	136%	2.72%	136%	1.72%
	1.37%	18.70%	137%	14.96%	137%	2.74%	137%	1.74%
	1.38%	18.80%	138%	15.04%	138%	2.76%	138%	1.76%
	1.39%	18.90%	139%	15.12%	139%	2.78%	139%	1.78%
	1.40%	19.00%	140%	15.20%	140%	2.80%	140%	1.80%
	1.41%	19.10%	141%	15.28%	141%	2.82%	141%	1.82%
	1.42%	19.20%	142%	15.36%	142%	2.84%	142%	1.84%
	1.43%	19.30%	143%	15.44%	143%	2.86%	143%	1.86%
	1.44%	19.40%	144%	15.52%	144%	2.88%	144%	1.88%
	1.45%	19.50%	145%	15.60%	145%	2.90%	145%	1.90%
	1.46%	19.60%	146%	15.68%	146%	2.92%	146%	1.92%
	1.47%	19.70%	147%	15.76%	147%	2.94%	147%	1.94%
	1.48%	19.80%	148%	15.84%	148%	2.96%	148%	1.96%
1.49%	19.90%	149%	15.92%	149%	2.98%	149%	1.98%	
Tier 3	<b>1.50%</b>	<b>20.00%</b>	150%	16.00%	150%	3.00%	150%	2.00%

Note: The financial incentive is calculated by adding the percentages earned in each of the 3 metrics. The incentive earned is the lesser of the percentage earned for Legislative First Year Savings Tiers or the combined percentages earned in the 3 other metrics. The total incentive award can not exceed the award based on the Company's Legislative First Year Savings Tiers achieved. \*The Low-Income Multi-Family Assessments metric is contingent upon spending the entire Low-Income Multi-family Program and Pilot spend detailed in the settlement agreement.

## **Attachment E – Non-Wire Alternatives**

### **Pilot Program: EWR for Non-Wires Alternative to Distribution Investments**

DTE Electric will conduct a Non-Wires Alternative (NWA) pilot field test. The pilot shall utilize geographically targeted EWR measures as part of the broader NWA program, which may include other components like demand response (DR) and distributed energy resources (DER).. DTE Electric will establish a minimum EWR energy reduction target. The EWR energy savings and any other savings from the NWA pilot, which could defer the need for distribution investments, will be reported to NRDC and MPSC Staff as outlined in paragraph 8 below. However, for the purposes of this pilot, every effort will be made to maximize the amount of EWR savings and subsequent peak savings, even if that means exceeding the identified EWR target. That way the pilot will enable evaluation of the cost-effectiveness of EWR as a non-wires alternative to deferring, reducing the need for, or narrowing the scope of the distribution system capital investment project. The pilot will also enable assessment of the potential to ramp up peak savings in geographically-targeted areas (in order to inform assessment of potential future NWA projects for which greater levels of EWR and other savings may be required to be successful).

DTE Electric, NRDC, and MPSC Staff agree to the following steps and parameters for this pilot project:

1. DTE Electric agrees to work with NRDC, and MPSC Staff on the following:
  - a. Provide information regarding the amount, duration, and timing of the EWR energy savings and peak load target chosen for the pilot;
  - b. Analysis of the mix of customers in the targeted geographic area, as well as a high-level assessment of the likely potential for achieving targeted savings.
2. DTE Electric, NRDC, and MPSC Staff will work together to agree upon an economic framework and analytical methodology through which the costs and benefits of the EWR measures and programs will be estimated and cost-effectiveness will be measured. EWR funding will only be used for the EWR measures and programs that are a part of this project. This shall include consideration of the benefits of EWR contributing to deferring the distribution system investment, additional avoided energy and capacity costs, and any additional benefits that may be quantified.
3. DTE Electric, NRDC, and MPSC Staff will work together to develop a plan for exceeding the EWR deferral target to the maximum extent possible while still being cost-effective. The plan shall include:
  - a. Identifying potential new or existing EWR measures and programs that may be launched in the targeted geographic area, including existing system-wide programs for which marketing efforts and financial incentives may be increased. This may be done alongside other measures and programs funded outside of the EWR pilot funding source.
  - b. Develop forecasts of participation rates, savings levels, spending levels and other key elements pertaining to the geographically targeted area.

- c. Analysis of how the forecasted participation rates, savings levels, spending levels may impact the target.
  - d. Development of key metrics that may be tracked and assessed.
  - e. A process for reviewing progress during the pilot, market response to the pilot, and/or the identification of new opportunities for meeting the target needs more effectively and/or less expensively.
4. DTE Electric, NRDC, and MPSC Staff will seek to exceed the EWR savings reduction target by increasing customer participation in the geo-targeted area via a combination of increased customer outreach, higher incentives, direct installs, etc. as applicable.
5. DTE Electric, NRDC, and MPSC Staff will work together to review an evaluation plan to assess the effectiveness of the pilot and identify key lessons learned regarding what worked well, and how such efforts could be improved in the future. The focus of the evaluation plan will also be to provide retrospective insights after the pilot is completed, and feedback to inform on-going adjustments – as needed.
6. Pilot program launch and deployment – DTE Electric plans to begin implementing the pilot in 2018.
7. Project Report – DTE Electric, NRDC and MPSC Staff will work together to develop a final report after the pilot, which will be included in the appropriate EWR filing with the Michigan Public Service Commission.
8. Process for DTE Electric, NRDC, and MPSC Staff engagement –
  - a. The parties will make best efforts to achieve consensus in a timely manner on conclusions regarding each step in the EWR component of the project.
  - b. The parties will schedule meetings to complete the initial steps of assessing and selecting the EWR measures and programs, and review the plan for evaluating the pilot.
  - c. Once the EWR pilot is launched in the field, check-ins will occur monthly. Parties reserve the right to request additional check-ins through the pilot.
  - d. DTE Electric will share data for the substation selected for the EWRNWA pilot strategy development and assess pilot program progress, as approved by DTE Electric following the DTE Energy Third Party Data Sharing Request Process, the MPSC Privacy Tariff and NRDC’s acceptance of the DTE Energy Terms and Conditions for the Protection of Company Confidential Information. Approved data sharing will commence provided DTE Electric policy requirements regarding data privacy, background checks, non-disclosure, and security can be met and the appropriate non-disclosure and confidentiality agreements are executed by all participants. Once the pilot has launched, DTE Electric will share any Company approved metrics, evaluation memos or reports as they become available.

# Attachment F

(Continued from Sheet No. C-67.00)

**C9 SURCHARGES AND CREDITS APPLICABLE TO DELIVERY SERVICE (Contd.)**

**C9.6 Energy Waste Reduction Surcharge (EWRS)**

On June 2, 2009, in Case No. U-15806, the MPSC authorized the implementation of an Energy Optimization Surcharge (EOS) for electric customers in accordance with the Clean, Renewable, and Energy Efficiency Act, PA295 of 2008. In compliance with PA 342 of 2016, the surcharge has been renamed as the Energy Waste Reduction (EWR) Surcharge. The EWR will be used to fund energy efficiency programs for DTE Electric customers. The EWR rates approved by the MPSC on \_\_\_\_\_, 2018 *in Case No. U-18262* will be effective beginning with bills rendered in *May* 2018. The total EWRS for all residential customers is **\$0.004322** per kWh. The EWRS for all metered Commercial, Industrial, and Governmental customers is a per meter, per month charge which is based on the total monthly energy consumption by rate as shown in the table below.

<u>Voltage</u>	<u>Monthly Consumption</u>	Customers Without Self Directed Plans Energy Waste Reduction <u>Surcharge</u>	Customers With Self Directed Plans Energy Waste Reduction <u>Surcharge</u>
Secondary	0 – 850 kWh	\$1.50/meter/month	\$0.12/meter/month
Secondary	851 – 1,650 kWh	\$8.92/meter/month	\$0.70/meter/month
Secondary	Above 1,650 kWh	\$37.22/meter/month	\$3.09/meter/month
Primary	0 – 11,500 kWh	\$31.31/meter/month	\$5.45/meter/month
Primary	Above 11,500 kWh	\$326.68/meter/month	\$54.77/meter/month

**C9.7.6 HOLD FOR FUTURE USE**

(Continued on Sheet No. C-69.00)

Issued \_\_\_\_\_, 2018  
D. M. Stanczak  
Vice President  
Regulatory Affairs  
  
Detroit, Michigan

Effective for bills rendered on  
and after May 1, 2018

Issued under authority of the  
Michigan Public Service Commission  
dated \_\_\_\_\_, 2018  
in Case No. U-18262

(Continued from Sheet No. C-69.00)

**C9 SURCHARGES AND CREDITS APPLICABLE TO DELIVERY SERVICE: (Contd.)**

**C9.8 Summary of Surcharges and Credits:** Summary of surcharges and credits, pursuant to sub-rules C9.1, C9.2, C9.6, C9.7.9, C9.7.10, C9.7.11, C9.7.12 and C9.7.13. Cents per kilowatthour or percent of base bill, unless otherwise noted.

	<u>NS</u> ¢/kWh	<u>EWRS</u> ¢/kWh	<u>TRM</u> ¢/kWh	<u>U-18255 IS</u> ¢/kWh	<u>Total Delivery</u> <u>Surcharges</u> ¢/kWh	<u>LIEAF Factor</u> \$/Billing Meter
<b>Residential</b>						
D1 Residential	0.0728	0.4322	0.1356	0.4105	1.0511¢	\$0.93
D1.1 Int. Space Conditioning	0.0728	0.4322	0.1356	0.3509	0.9915¢	N/A
D1.2 Time of Day	0.0728	0.4322	0.1356	0.3275	0.9681¢	\$0.93
D1.6 Special Low Income Pilot	0.0728	0.4322	0.1356	0.4105	1.0511¢	\$0.93
D1.7 Geothermal Time-of-Day	0.0728	0.4322	0.1356	0.2494	0.8900¢	N/A
D1.8 Dynamic Peak Pricing	0.0728	0.4322	0.1356	0.3720	1.0126¢	\$0.93
D1.9 Electric Vehicle	0.0728	0.4322	0.1356	0.3865	1.0271¢	N/A
D2 Space Heating	0.0728	0.4322	0.1356	0.3594	1.000¢	\$0.93
D5 Wtr Htg	0.0728	0.4322	0.1356	0.2999	0.9405¢	N/A
D9 Outdoor Lighting	0.0728	0.4322	0.1356	0.5040	1.1440¢	N/A
<b>Commercial</b>						
D1.1 Int. Space Conditioning	0.0728	See C9.6	0.1356	0.2706		\$0.93
D1.7 Geothermal Time-of-day	0.0728	See C9.6	0.1356	0.1741		\$0.93
D1.8 Dynamic Peak Pricing	0.0728	See C9.6	0.1356	0.3146		\$0.93
D1.9 Electric Vehicle	0.0728	See C9.6	0.1356	0.3865		\$0.93
D3 General Service	0.0728	See C9.6	0.1356	0.3252		\$0.93
D3.1 Unmetered	0.0728	See C9.6	0.1356	0.2819		N/A
D3.2 Educ. Inst.	0.0728	See C9.6	0.1356	0.2307		\$0.93
D3.3 Interruptible	0.0728	See C9.6	0.1356	0.2670		\$0.93
D4 Large General Service	0.0728	See C9.6	0.1356	0.2691		\$0.93
D5 Wtr Htg	0.0728	See C9.6	0.1356	0.1993		\$0.93
D9 Outdoor Lighting	0.0728	See C9.6	0.1356	0.5040		\$0.93
R3 Standby Secondary	0.0728	See C9.6	0.1356	0.2214		\$0.93
R7 Greenhouse Lighting	0.0728	See C9.6	0.1356	0.1862		\$0.93
R8 Space Conditioning	0.0728	See C9.6	0.1356	0.3049		\$0.93
<b>Industrial</b>						
D6.2 Educ. Inst.	0.0728	See C9.6	0.1356	0.2178		\$0.93
D8 Interruptible Primary	0.0728	See C9.6	0.1356	0.1816		\$0.93
D10 Schools	0.0728	See C9.6	0.1356	0.2839		\$0.93
D11 Primary Supply	0.0728	See C9.6	0.1356	0.1892		\$0.93
R1.1 Metal Melting	0.0728	See C9.6	0.1356	0.1773		\$0.93
R1.2 Electric Process Heating	0.0728	See C9.6	0.1356	0.1864		\$0.93
R3 Standby Primary	0.0728	See C9.6	0.1356	0.2214		\$0.93
R10 Interruptible Supply	0.0728	See C9.6	0.1356	0.1422		\$0.93

(Continued on Sheet No. C-71.00)

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Vice President  
Regulatory Affairs  
  
Detroit, Michigan

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(Continued from Sheet No. C-70.00)

**C9 SURCHARGES AND CREDITS APPLICABLE TO DELIVERY SERVICE: (Contd.)****C9.8 Summary of Surcharges and Credits (Contd.):**

	<u>NS</u> ¢/kWh	<u>EWRS</u> ¢/kWh	<u>TRM</u> ¢/kWh	<u>U-18255 IS</u> ¢/kWh	<u>LIEAF Factor</u> \$/Billing Meter
<b>Governmental</b>					
E1	0.0728	See C9.6	0.1356	0.7986	N/A
E1.1 Energy	0.0728	See C9.6	0.1356	0.2228	\$0.93
E2 Traffic	0.0728	See C9.6	0.1356	0.2001	N/A
<b>Electric</b>					
EC2 Secondary	0.0728	See C9.6	0.1356	0.0832	\$0.93
EC2 Primary	0.0728	See C9.6	0.1356	0.0252	\$0.93
EC2	0.0728	<b>0.4322</b>	0.1356	0.0832	\$0.93

(Continued on Sheet No. C-72.00)

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**SERVICE LIST**  
**MPSC CASE NO. U-18262**

**ADMINISTRATIVE LAW JUDGE**

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