

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission’s own motion, to)
seek comments from rate-regulated electric, steam,)
and natural gas utilities regarding potential utility)
infrastructure improvements in the state of Michigan)
from the federal funding available under the)
Infrastructure Investment and Jobs Act of 2021:)
ALPENA POWER COMPANY, CONSUMERS)
ENERGY COMPANY, DETROIT THERMAL, LLC,)
DTE ELECTRIC COMPANY, DTE GAS COMPANY,)
INDIANA MICHIGAN POWER COMPANY,)
NORTHERN STATES POWER COMPANY,)
UPPER PENINSULA POWER COMPANY, UPPER)
MICHIGAN ENERGY RESOURCES)
CORPORATION, MICHIGAN GAS UTILITIES)
CORPORATION, and SEMCO ENERGY GAS)
CORPORATION.)
_____)

Case No. U-21227

**BIANNUAL UPDATE REPORT OF
UPPER MICHIGAN ENERGY RESOURCES CORPORATION
AND MICHIGAN GAS UTILITIES CORPORATION**

On August 23, 2022, the Michigan Public Service Commission (“MPSC” or “Commission”) issued an Order in Case No. U-21227 (“August 23, 2022 Order”) directing each rate-regulated utility to file in this docket on a bi-annual basis an update of its efforts relating to actions taken to obtain funding or assistance opportunities pursuant to the federal Infrastructure Investment and Jobs Act of 2021 (“IIJA”), with the first update to be filed no later than December 31, 2022, and the second update to be filed no later than June 30, 2023. Bi-annual update reports filed by rate-regulated utilities shall include a narrative summary of which opportunities were applied for, which were approved and awarded funding, and others which may be in process. The MPSC’s Order further requires that bi-annual updates shall be filed on December 31 and June 30 of every year thereafter until further order by the Commission or until all applicable funding opportunities under the IIJA are closed to applications. (August 23, 2022 Order, page 24). This filing is the sixth update and is being filed by June 30, 2025 by the Upper

Michigan Energy Resources Corporation (“UMERC”) and Michigan Gas Utilities Corporation (“MGUC”). UMERC and MGUC are both operating utility subsidiaries of the WEC Energy Group, Inc. (“WEC” or the “Company”), and appreciate the opportunity to provide this summary and update to the Commission.

The Company continues to explore the ability to receiving funding as a member of a collaborative seeking funding opportunities as well as opportunities available to UMERC or MGUC specifically as the only grant applicant. Specifically, the Company continues to monitor, through the Michigan Electric and Gas Association (“MEGA”), the on-going efforts being led by the MPSC Staff and the Michigan Department of Environment, Great Lakes and Energy (“EGLE”) to pursue 40103(b) grant opportunities for the benefit of Michigan customers. The three concepts currently being evaluated by this team for potential funding include:

- Concept 1: Electrification & Clean Energy, with a residential customer focus
 - Upgrade low-income household panels from 60A to 200A service and include Energy Waste Reduction (“EWR”) measures
 - Strategic undergrounding of electric overhead lines in areas of high outages
 - Offer utility rebate program to install distributed energy generators and storage
- Concept 2: Installing charging hubs by installing distributed energy generators and storage to existing / planning public electric vehicles (“EV”) charging stations
 - Offer mobile charging solutions (such as mobile trucks with battery and storage) to support customer confidence in availability of electric transport charging, regardless of power outage or public charging infrastructure availability
- Concept 3: Community Resilient Hubs including installation of DERs, generators, storage, and microgrids.

Consistent with the Company’s desire to better understand the various programs and funding sources available through the IJJA and seek out additional information, the Company also continues to actively pursue information on program funding that may be available for initiatives that the Company believes would provide the greatest benefits the customers of UMERC and

MGUC. To that end, the Company continues to maintain active engagement with its utility-wide trade associations to identify potential funding for programs in the following areas, which may have a potential to benefit our Michigan customers:

- Energy Efficiency – gas and electric operations
 - Rebates and audits
 - Benefit customers via lower energy bills
 - Low-income programs/weatherization
- Electric distribution grid infrastructure, resilience, and reliability
- EV Charging Infrastructure
 - Potential to own charging stations
 - Electric distribution system upgrades to support charging station infrastructure build-out
- Utility Solar Generation
 - Additional option within the Company’s generation mix
 - Reduce emissions and improve renewable fuel mix
- Utility Battery Storage
 - Pilot project for battery storage located to leverage renewable and system capabilities
- Physical and Cyber Security
 - Upgrades at substations and power plants in the form of updated fencing, security cameras, and access detection
 - Install or upgrade cyber security for the Company’s electric and gas operations
- Renewable Natural Gas/Hydrogen Projects
 - Pilot project to provide a new source of gas for customers

- Natural Gas Expansion
 - Expand natural gas to change fuel source from coal
 - Expand natural gas to unserved communities
 - Lower overall emissions and environmental impacts

As the Company identified in its June 2, 2022 comments, it does want to reiterate its requests that the Commission be mindful of the likelihood that funding through the IJJA is likely not going to cover the full cost of many, if any, of the programs Michigan utilities may seek to pursue – even if funding is ultimately received. Due to this fact, it is likely that utilities will need to seek cost recovery for at least a portion of the capital and associated operations and maintenance costs for projects that may be pursued through programs implemented as part of the IJJA. It is the Company’s recommendation that the Commission would be constructive when evaluating utility requests for approval of capital investments, programs, and other proposals as part of those utilities’ efforts to capture and obtain funding through the IJJA-implemented programs for the benefit of their customers.

UMERC and MGUC appreciate the opportunity to report on this matter and look forward to continuing to evaluate potential opportunities to collaborate with the appropriate federal, state, and local agencies. UMER and MGUC will also continue individually pursuing potential opportunities that would be reasonably attainable for them as stand-alone applicants. As such opportunities are identified, the utility will pursue program participating and related funding for those identified as providing benefit to its customers and the State of Michigan.

Respectfully Submitted,

UPPER MICHIGAN ENERGY RESOURCES CORPORATION,
MICHIGAN GAS UTILITIES CORPORATION

Dated: June 23, 2025

By: 
Richard F. Stasik
Director – State Regulatory Affairs