

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

| | | |
|-----------------------------------------------------|---|------------------|
| In the matter of the application of |) | |
| DTE GAS COMPANY for authority to increase |) | |
| rates, amend its rate schedules and rules governing |) | Case No. U-20642 |
| the distribution and supply of natural gas, and for |) | |
| miscellaneous accounting authority. |) | |
| _____ |) | |

At the August 20, 2020 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Sally A. Talberg, Commissioner
Hon. Tremaine L. Phillips, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On November 25, 2019, DTE Gas Company (DTE Gas) filed an application seeking authority to increase rates, amend its rate schedules, obtain approval of certain accounting matters, and modify certain terms and conditions of providing natural gas service. DTE Gas indicated in its application that, based on a projected test year commencing October 1, 2020, and ending September 30, 2021, the utility expected to experience a revenue deficiency of \$203.8 million annually.

A prehearing conference was held on December 18, 2019, before Administrative Law Judge Martin D. Snider (ALJ). At the prehearing conference, the ALJ granted petitions for leave to intervene filed by the Association of Businesses Advocating Tariff Equity, Detroit Thermal, LLC, the Michigan Department of the Attorney General, Citizens Utility Board of Michigan, Michigan

Power Limited Partnership, the Residential Customer Group (RCG), Retail Energy Supply Association, and Verso Corporation. The Commission Staff also participated in the proceedings.

Evidentiary hearings took place on May 7-8, 2020. At a hearing on May 14, 2020, additional testimony was bound into the record. The record consists of 1,868 pages of transcript and 251 exhibits.

On July 17, 2020, DTE Gas filed a settlement agreement, attached hereto as Exhibit A, executed by all of the parties with the exception of RCG, and also filed RCG's statement of non-objection to the settlement agreement. The parties agree that DTE Gas should be authorized to increase its retail gas distribution rates so as to produce additional annual revenues of \$110 million; that the rate increase should be implemented using the rate design shown on Attachment 1 to the settlement agreement; and that the Commission should approve the tariff sheets attached as Attachment 2 to the settlement agreement for implementation effective October 1, 2020.

The Commission has reviewed the settlement agreement and finds that the public interest is adequately represented by the parties who entered into the settlement agreement. The Commission further finds that the settlement agreement is in the public interest, represents a fair and reasonable resolution of the proceedings, and should be approved.

THEREFORE, IT IS ORDERED that:

- A. The settlement agreement attached as Exhibit A is approved.
- B. Beginning October 1, 2020, DTE Gas Company shall implement tariffs consistent with those contained in Attachment 2 to the settlement agreement.
- C. Within 30 days of the date of this order, DTE Gas Company shall file tariff sheets substantially similar to those contained in Attachment 2 to the settlement agreement.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Sally A. Talberg, Commissioner

Tremaine L. Phillips, Commissioner

By its action of August 20, 2020.

Lisa Felice, Executive Secretary

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| In the matter of the application of |) | |
| DTE GAS COMPANY for authority |) | |
| to increase its rates, amend its rate |) | |
| schedules and rules governing the |) | Case No. U-20642 |
| distribution and supply of natural gas, |) | |
| and for miscellaneous accounting authority |) | |
| _____ |) | |

SETTLEMENT AGREEMENT

Pursuant to MCL 24.278 and Rule 431 of the Rules of Practice and Procedure before the Michigan Public Service Commission (“MPSC” of the “Commission”), the undersigned parties agree as follows:

WHEREAS on November 25, 2019, DTE Gas Company (“DTE Gas” or the “Company”) filed an application requesting authority to increase its rates for the distribution of natural gas and other relief. The Company filed testimony and exhibits in support of its positions with its application.

WHEREAS, the initial prehearing conference in this proceeding was held on December 18, 2019 before Administrative Law Judge Martin D. Snider. The parties to the case are DTE Gas, the Commission Staff (“Staff”), Attorney General Dana Nessel (“Attorney General” or “AG”), the Association of Businesses Advocating Tariff Equity (“ABATE”), Detroit Thermal LLC, Citizens Utility Board of Michigan (“CUB”), Michigan Power Limited Partnership (“MPLP”), Residential Customer Group (“RCG”), VERSO Corporation, and the Retail Energy Supply Association (“RESA”).

WHEREAS DTE Gas filed testimony and exhibits requesting an increase in its natural gas rates of \$203.8 million and seeking various other forms of relief, and the MPSC Staff and other intervening parties filed testimony and exhibits addressing various issues. In

its Reply Brief, DTE Gas reduced its request to increase its natural gas rates to \$188.5 million.

NOW THEREFORE, for purposes of settlement of Case No. U-20642, the undersigned Parties agree as follows:

1. DTE Gas should be authorized to increase its retail gas distribution rates so as to produce additional annual revenues of \$110.0 million.

2. The parties agree that the \$110.0 million rate increase will be implemented using a rate design that is reflected in the rates shown on Attachment 1 to this Settlement Agreement, which should be approved by the Commission. Tariff sheets implementing the rate increase, shown in Attachment 1, are attached to this Settlement Agreement as Attachment 2 and should be approved by the Commission. The rate design reflects a compromise sales forecast of 155 Bcf, and a compromise EUT sales forecast of 146 Bcf, and changes to cost allocation described in more detail below in paragraph 18.

3. The Parties agree that the annual revenue increase of \$110.0 million stated in paragraph 1 reflects, on a non-precedential basis, the following findings and actions:

- a. Authorized rate of return on common equity of 9.9%;
- b. Common equity ratio of 52%;
- c. Incremental \$20 million Accumulated Deferred Income Tax (ADIT) amortization of the Tax Cuts and Jobs Act (TCJA) regulatory liability – discussed further in paragraph 7 below.
- d. LIA credit participation level of 33,000 customers;
- e. RIA credit participation level of 70,000 customers; and
- f. Uncollectible expense of \$27 Million;

4. The Company will discontinue capitalization of incentives related to financial metrics beginning when new rates are effective as part of this Settlement Agreement. The Company will adopt the same treatment of historical capitalized incentives for 2018, 2019 and 2020, that the Commission applied in the May 8, 2020 electric rate order in Case No. U-20561.

5. The parties agree for purposes of this Settlement Agreement that for use in DTE Gas's Customer Attachment Program under Rule C8, the carrying cost rate is 8.98% and the discount rate is 7.15%, reflecting a rate of return on common equity of 9.9%. DTE Gas will also maintain the current 10-year amortization period to determine the Customer Attachment monthly cost, as currently reflected in its Tariff.

6. The Parties agree that DTE Gas will launch a Demand Response (DR) Pilot in the winter of 2021. In connection with this Pilot, DTE Gas will hold a conference with interested parties to share existing proposals, discuss refinement of the proposals, and agree on a process to effectuate the DR Pilot. DTE Gas will also defer costs associated with pilot implementation up to \$4.0 million over the bridge and test periods and through the end of the pilot program period as a regulatory asset subject to a reasonableness and prudence review for recovery in a future proceeding.

7. As a result of the TCJA, and the Commission's order in DTE Gas's Calculation C case, Case No. U-20298, the Company currently includes in rates a non-plant ADIT amortization of the TCJA regulatory liability of \$7.4 million annually. The parties agree that beginning October 1, 2020, the Company will temporarily increase its ADIT amortization by \$20 million, for a total ADIT amortization of \$27.4 annually. This increased

amortization will serve to reduce the non-plant portion of the TJCA regulatory liability and will be reflected in the annual Deferred Federal Income Tax regulatory liability reconciliation filing. This one-time treatment of deferred taxes is not intended to establish a new policy or set a precedent for either accounting or rate-making purposes. The Company's obligation to increase ADIT amortization in this manner will cease with DTE Gas's next general rate order, at which time the Company's ADIT amortization will return to \$7.4 million annually. For illustrative purposes only, and presuming a Commission order for DTE Gas's next rate case is received in September 2022, with new rates effective October 2022:

| ADIT | | | | | | | | | | | | | | |
|-------------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|
| \$(M) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | Total |
| Current | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 7.4 | 96.2 |
| Incremental | | 5.0 | 20.0 | 15.0 | | | | | | | | | | |
| Revised | 7.4 | 12.4 | 27.4 | 22.4 | 7.4 | 7.4 | 7.4 | 4.4 | | | | | | 96.2 |

8. The parties agree that the DTE Gas will defer pension expense to the balance sheet as proposed by DTE Gas.

9. The parties agree that the Revenue Decoupling Mechanism ("RDM") proposed by DTE Gas in this proceeding, which is the same as approved by the Commission in Case No. U-18999, will be continued, effective October 1, 2021.

10. DTE Gas will charge the following monthly service charges, effective October 1, 2020:

| | |
|-------------|---------|
| Residential | \$12.25 |
| 2A-I | \$12.25 |
| 2A-II | \$32 |
| GS-1 | \$32 |
| GS-2 | \$700 |
| S | \$200 |

11. DTE Gas will include a Natural Gas Delivery Plan in its next general rate case filing based on collaboration with and feedback from the MPSC Staff, which will provide the framework for the next ten years of investments in DTE Gas's natural gas infrastructure.

12. DTE Gas will file a plan in its next rate case that moves toward a more balanced capital structure.

13. The parties agree that the IRM structure that was approved by the Commission in Case No. U-18999 will continue. The parties agree upon a spending flexibility of 3.2% of the total IRM capital expenditures, except that the Meter Move Out and MAC – Meter Move Out programs will continue as minimum spend amounts until the MAC backlog is eliminated. The parties also agree that the following IRM spending levels as filed by the Company should be approved with a new surcharge effective January 1, 2021:

| IRM Program | 2021 | 2022 | 2023 | 2024 | 2025 |
|----------------------|----------------|----------------|----------------|----------------|----------------|
| Main Renewal | \$232.4 | \$232.4 | \$232.4 | \$232.4 | \$232.4 |
| Meter Move Out | 22.7 | 22.7 | 22.7 | 22.7 | 22.7 |
| MAC – Meter Move Out | 16.5 | 16.5 | 16.5 | 16.5 | 16.5 |
| Pipeline Integrity | 11.1 | 11.1 | 11.1 | 11.1 | 11.1 |
| Total | \$282.7 | \$282.7 | \$282.7 | \$282.7 | \$282.7 |

The IRM surcharges are shown on Attachment 1 and the applicable tariff is included in Attachment 2.

14. The parties agree that recovery of merchant fees will be as proposed by DTE Gas for residential customers, and recovery for merchant fees will be limited to only those business customers whose aggregate bill is less than \$75,000 per year.

15. DTE Gas will provide the MPSC Staff with the following reports, including those ordered in Case No. U-18999:

- a. Annual meter move out and main renewal performance report by March 31;
- b. Monthly meter assembly check, meter move out and main renewal progress reports;
- c. Annual main renewal plan and forecast for subsequent year by October 31;
- d. Annual leak report;
- e. Annual reconciliation of the TCJA calculation C amortization amount resulting from settlement;
- f. AMI benefits: Update the information to provide actual historical realized AMI benefits as an exhibit in the Company's next rate case, explain where the benefits have occurred, provide forecasted AMI benefits for past and future years, and quantify calculation methods (consistent with the Commission's May 8, 2020 order in MPSC Case No. U-20561); and
- g. Shared Asset costs associated with all programs/services included in the Shared Asset charges; the information shall be clear and provided with DTE Gas's next rate case filing as an exhibit.

16. DTE Gas will participate with DTE Electric in meeting with MPSC Staff and other stakeholders on an information technology ("IT") plan that strategically and holistically addresses IT needs, solutions, risk management, security and decision-making

approaches to support the utilities' customer, business and operational functions going forward.

17. DTE Gas will make a one-time \$1 million contribution to The Heat and Warmth Fund (THAW) on or before October 1, 2020, the cost of which shall be borne by shareholders and not recovered from ratepayers.

18. Cost Allocation: Maintained current allocation methods as filed except for the IRM surcharge which was changed to use the same allocators utilized when those costs roll into rate base. Resulting rates are shown in Attachment 1. For the next rate case, DTE Gas will perform a study on splitting out high-pressure and low-pressure distribution system costs. In addition, DTE Gas will review how direct-served transmission volumes are determined and classified to all rate schedules.

19. DTE Gas will include new tariff sections E2.3, E16.2 and F1.23, regarding EUT customer and GCC supplier access to data, which are included on Attachment 2.

20. The parties agree, DTE Gas proposed non-rate changes to its natural gas tariffs. The proposals that have been agreed to by the parties are included in Attachment 2 to this Settlement Agreement. The parties agree that all the tariff sheets included in Attachment 2 to this Settlement Agreement are consistent with the foregoing provisions of this Settlement Agreement and should be approved by the Commission. In addition, DTE Gas will work with staff to revise its RIA/LIA tariff language regarding verification and file an ex parte case within 60 days for Commission approval of the revised tariff.

21. The Parties agree that new rates will be effective October 1, 2020.

22. Except as otherwise expressly set forth in this Settlement Agreement, the parties agree that this Settlement Agreement does not reflect specific spending requirements

for any particular programs of the Company or include any specific disallowances related to amounts presented in DTE Gas's November 26, 2019 filing in this case.

23. This settlement 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 are, and shall be considered, privileged under MRE 408. If the Commission approves this Settlement Agreement without modification, neither the parties to this Settlement Agreement 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 provisions of this Settlement Agreement and the order approving it.

24. This Settlement Agreement is based on the facts and circumstances of this case and is intended as the final disposition of all issues before the Commission in Case No. U-20642. So long as the Commission approves this Settlement Agreement without any modification, the parties agree not to appeal, challenge, or otherwise contest the Commission order approving this Settlement Agreement. The Parties agree and understand that this Settlement Agreement does not limit any party's right to take new and/or different positions on similar issues in other administrative proceedings, or related appeals.

25. This Settlement is not severable. Each provision of the Settlement Agreement is dependent upon all other provisions of this Settlement Agreement. Failure to comply with any provision of this Settlement Agreement constitutes failure to comply with the entire Settlement Agreement. If the Commission rejects or modifies this Settlement Agreement or any provision of the Settlement Agreement, this Settlement Agreement shall

be deemed to be withdrawn, shall not constitute any part of the record in this proceeding or be used for any other purpose, and shall be without prejudice to the pre-negotiation positions of the parties.

26. The parties agree that the approval of this Settlement Agreement by the Commission would be reasonable and in the public interest.


27. The parties agree to waive Section 81 of the Administrative Procedures Act of 1969 (MCL 24.281), as it applies to the issues resolved in this Settlement Agreement, if the Commission approves this Settlement Agreement without modification.

28. This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which when so executed and delivered shall be an original but such counterparts together shall constitute one and the same instrument.

WHEREFORE, the undersigned parties respectfully request that the Commission approve this Settlement Agreement on an expeditious basis and make it effective in accordance with its terms by final order.

**MICHIGAN PUBLIC SERVICE
COMMISSION STAFF**

By: _____



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Dated: July 16, 2020

DTE GAS COMPANY

Lauren D.
Donofrio

By: _____

Its Attorney

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DETROIT THERMAL

By: Arthur J. LeVasseur
Arthur J. LeVasseur (P29394)
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Dated: July 17, 2020

SIGNING AS A NON-OBJECTING PARTY ONLY:

RESIDENTIAL CUSTOMER GROUP

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Attachment 1

Michigan Public Service Commission
DTE Gas Company
Summary of Projected Test Year Ending 9/30/2021

Case No: U-20642
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DTE Gas Proposed Base Revenues excluding GCR and IRM

| Line No. | (a) Rate Class | (b) Test Year MMcf | (c) Present Revenues \$000 | (d) Proposed Revenues \$000 | (e) Difference Revenue \$000 | | (f) Percent |
|----------|--------------------------------|--------------------------|----------------------------------|-----------------------------------|---------------------------------|--------|----------------|
| | | | | | | | % |
| | <u>Residential</u> | | | | | | |
| 1 | Rate A | 109,416 | 498,304 | 553,672 | 55,368 | 11.11% | |
| 2 | Rate 2A | 4,327 | 16,346 | 18,075 | 1,729 | 10.58% | |
| 3 | Total Residential Services | 113,744 | 514,650 | 571,747 | 57,097 | 11.09% | |
| 4 | | | | | | | |
| 5 | <u>General Services</u> | | | | | | |
| 6 | GS-1/GS-2 | 39,747 | 140,376 | 173,009 | 32,633 | 23.25% | |
| 7 | | | | | | | |
| 8 | <u>School</u> | | | | | | |
| 9 | Rate S | 1,465 | 2,959 | 3,855 | 896 | 30.29% | |
| 10 | | | | | | | |
| 11 | Subtotal Gas Sales Revenues | 154,955 | 657,985 | 748,611 | 90,626 | 13.77% | |
| 12 | | | | | | | |
| 13 | <u>Transportation</u> | | | | | | |
| 14 | Rate ST | 17,918 | 29,704 | 37,157 | 7,453 | 25.09% | |
| 15 | Rate LT | 21,356 | 19,228 | 23,817 | 4,589 | 23.87% | |
| 16 | Rate XLT | 24,439 | 14,492 | 16,807 | 2,315 | 15.97% | |
| 17 | Rate XLT - Discounted | 1,448 | 653 | 792 | 138 | 21.18% | |
| 18 | Rate XXLT | 67,409 | 19,209 | 21,624 | 2,415 | 12.57% | |
| 19 | Rate XXLT - Discounted | 13,344 | 2,660 | 3,045 | 385 | 14.49% | |
| 20 | Exelon | 9,848 | 7,965 | 10,043 | 2,078 | 26.09% | |
| 21 | Total Transportation Services | 155,762 | 93,911 | 113,285 | 19,374 | 20.63% | |
| 22 | | | | | | | |
| 23 | Total Base Revenues | 310,717 | 751,896 | 861,896 | 110,000 | 14.63% | |

Michigan Public Service Commission
DTE Gas Company
Present and Proposed Rates for Sales Customers

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| | (a) | (b) | (b) | (c) |
|----------|--------------------------------|--------|---------|----------|
| Line No. | Rate Class | Units | Present | Proposed |
| 1 | <u>Residential</u> | | | |
| 2 | Rate A | | | |
| 3 | Customer Charge | \$/Mth | 11.25 | 12.25 |
| 4 | Low Income Assistance Credit | \$/Mth | (30.00) | (30.00) |
| 5 | RIA Credit | \$/Mth | (11.25) | (12.25) |
| 6 | Distribution Charge | \$/Mcf | 3.3107 | 3.6930 |
| 7 | | | | |
| 8 | Rate 2A | | | |
| 9 | Customer Charge Meter Class 1 | \$/Mth | 11.25 | 12.25 |
| 10 | Customer Charge Meter Class 2 | \$/Mth | 31.00 | 32.00 |
| 11 | Distribution Charge | \$/Mcf | 3.3107 | 3.6930 |
| 12 | | | | |
| 13 | Rate S | | | |
| 14 | Customer Charge | \$/Mth | 200.00 | 200.00 |
| 15 | Distribution Charge | \$/Mcf | 1.6600 | 2.2720 |
| 16 | | | | |
| 17 | | | | |
| 18 | <u>General Services</u> | | | |
| 19 | GS-1 | | | |
| 20 | Customer Charge | \$/Mth | 31.00 | 32.00 |
| 21 | Distribution Charge | \$/Mcf | 2.6967 | 3.4909 |
| 22 | | | | |
| 23 | GS-2 | | | |
| 24 | Customer Charge | \$/Mth | 600.00 | 700.00 |
| 25 | Distribution Charge | \$/Mcf | 2.2090 | 2.9183 |

Michigan Public Service Commission
DTE Gas Company
Present and Proposed Rates for Transportation Customers

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| Line No. | (a) Rate Class | (b) Units | (b) Present | (c) Proposed |
|-------------|----------------------------------------------|--------------|----------------|-----------------|
| 1 | <u>Transportation Service</u> | | | |
| 2 | Rate ST Small Transportation Service | | | |
| 3 | Customer Charge | \$/Mth | 2,335 | 2,600 |
| 4 | Transportation Charge | \$/Mcf | 0.9541 | 1.2902 |
| 5 | Transportation Charge - Market Floor | \$/Mcf | 0.2300 | 0.2300 |
| 6 | Transportation Charge - Market Ceiling | \$/Mcf | 1.7166 | 2.3504 |
| 7 | | | | |
| 8 | Rate LT Large Transportation Service | | | |
| 9 | Customer Charge | \$/Mth | 4,775 | 6,500 |
| 10 | Transportation Charge | \$/Mcf | 0.6421 | 0.7637 |
| 11 | Transportation Charge - Market Floor | \$/Mcf | 0.2300 | 0.2300 |
| 12 | Transportation Charge - Market Ceiling | \$/Mcf | 1.0930 | 1.2974 |
| 13 | | | | |
| 14 | Rate XLT Extra Large Transportation Service | | | |
| 15 | Customer Charge | \$/Mth | 12,000 | 14,000 |
| 16 | Transportation Charge | \$/Mcf | 0.4987 | 0.5777 |
| 17 | Transportation Charge - Market Floor | \$/Mcf | 0.1800 | 0.1800 |
| 18 | Transportation Charge - Market Ceiling | \$/Mcf | 0.8567 | 0.9754 |
| 19 | | | | |
| 20 | Rate XLT Discounted Customer | | | |
| 21 | Customer Charge | \$/Mth | 12,000 | 14,000 |
| 22 | Transportation Charge | \$/Mcf | 0.3519 | 0.4309 |
| 23 | Transportation Charge - Market Floor | \$/Mcf | 0.1800 | 0.1800 |
| 24 | Transportation Charge - Market Ceiling | \$/Mcf | 0.8567 | 0.9754 |
| 25 | | | | |
| 26 | Rate XXLT Extra Large Transportation Service | | | |
| 27 | Customer Charge | \$/Mth | 125,000 | 145,000 |
| 28 | Transportation Charge | \$/Mcf | 0.1292 | 0.1401 |
| 29 | Transportation Charge - Market Floor | \$/Mcf | 0.0500 | 0.0500 |
| 30 | Transportation Charge - Market Ceiling | \$/Mcf | 0.8567 | 0.9754 |
| 31 | | | | |
| 32 | Rate XXLT Discounted Customer | | | |
| 33 | Customer Charge | \$/Mth | 125,000 | 145,000 |
| 34 | Transportation Charge | \$/Mcf | 0.0869 | 0.0978 |
| 35 | Transportation Charge - Market Floor | \$/Mcf | 0.0500 | 0.0500 |
| 36 | Transportation Charge - Market Ceiling | \$/Mcf | 0.8567 | 0.9754 |

Michigan Public Service Commission
DTE Gas Company
Proposed IRM Charges by Year

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| Line No. | (a) Description | (b) Rate GS-1/GS-2 | (c) Rate A | (d) Rate 2A | (e) Rate S | (f) Rate ST | (g) Rate LT | (h) Rate XLT | (i) XXLT/DIG |
|-------------|--------------------|--------------------------|------------------|-------------------|------------------|----------------|----------------|-----------------|-----------------|
| | <u>Year</u> | | | | | | | | |
| 1 | 2021 | \$ 2.99 | \$ 0.63 | \$ 4.11 | \$ 41.58 | \$ 151.86 | \$ 715.61 | \$ 4,225.20 | \$ 941.49 |
| 2 | 2022 | \$ 10.33 | \$ 2.19 | \$ 14.19 | \$ 143.51 | \$ 524.22 | \$ 2,470.95 | \$ 14,000.00 | \$ 3,292.01 |
| 3 | 2023 | \$ 17.52 | \$ 3.81 | \$ 24.03 | \$ 241.94 | \$ 883.50 | \$ 4,164.27 | \$ 14,000.00 | \$ 5,564.82 |
| 4 | 2024 | \$ 24.46 | \$ 5.38 | \$ 31.90 | \$ 336.85 | \$ 1,229.93 | \$ 5,797.04 | \$ 14,000.00 | \$ 7,762.16 |
| 5 | 2025 | \$ 31.22 | \$ 6.95 | \$ 40.93 | \$ 428.59 | \$ 1,564.64 | \$ 6,500.00 | \$ 14,000.00 | \$ 9,891.33 |

Attachment 2

(Continued from Sheet No. C-26.00)

C4. APPLICATION OF RATES (Contd.)

C4.3 Gas Not to be Submetered for Resale and Services Provided Not to be Resold or Reassigned

No gas purchased from the Company shall for the purpose of resale, be submetered or remeasured by the customer. The presently existing contracts for or consents to submetering for resale will be terminated at the earliest practicable date. All services provided by the Company, including but not limited to, distribution, transportation, load balancing service, load balancing storage and storage services, are for use by the Customer and shall not be resold or reassigned without consent of the Company.

C4.4 Centrally Metered Installation

A. Definition of a Centrally Metered Installation

- (1) A centrally metered installation, includes Master Meter Systems defined by order of the Commission dated December 20, 2018, in Case No. U-17826, Rule 335 (R460.20335), April 29, 1974, as amended June 10, 1974, in Case No. U-4211, is one which meets all of the following conditions:
 - ~~(a) The complex is served by a single meter installation; and~~
 - ~~(b) The fuel lines are buried underground from the central meter installation to the location at which each fuel line enters each building or mobile home at its outside wall, and~~
 - ~~(i) where the complex consists of buildings, two or more separate buildings, such as apartments, multifamily dwellings, dormitories or similar type buildings are supplied with gas and at least two buildings so supplied contain four or more living units, or~~
 - ~~(ii) where the complex consists of mobile homes, four or more mobile homes used as living units are supplied with gas.~~
- (2) A centrally metered installation may also be an individual building served by a single meter installation where gas is provided to multiple living units.
- (3) Multiple living unit usage shall consist of the gas supplied for individual dwelling units under DTE Gas's Multifamily Dwelling Service Rate 2A.

C4.5 Standby Service Availability, Definition and Identification

A. Availability of Standby Service

Standby Service is available under rate schedules GS-1, GS-2, ST, LT, XLT, and XXLT. Customers taking natural gas service from the Company under rate schedules A, 2A, and S are exempt from Standby Service. Customer shall continue on Standby Service under the terms and conditions as agreed and specified in the contract between the Company and customer.

(Continued on Sheet No. C-28.00)

(Continued from Sheet No. C-27.00)

C4. APPLICATION OF RATES (Contd.)

~~C4.4 Centrally Metered Installation (Contd.)~~

~~(4) All buried fuel lines from the outlet side of the Company's meter up to the outlet of the aboveground shutoff valve adjacent to the outside wall of each structure served, in addition to the pipe from the property line to the meter, shall be considered service lines.~~

~~(5) Penal and corrective institutions are not considered to be centrally metered installations.~~

~~B. New Centrally Metered Installation~~

~~New centrally metered installations will be allowed for new services installed after September 12, 1996. The cost of the gas main extension and all service lines (as defined in A, above) shall be paid for in accordance with the Company's Rule C8, Customer Attachment Program. All service lines shall be installed, owned, operated and maintained by the Company.~~

~~C. Addition to an Existing Centrally Metered Installation~~

~~At the customer's request, the Company shall extend gas service to an addition to an existing centrally metered installation. Additional service lines shall be installed in accordance with Rule C8, Customer Attachment Program.~~

~~D. Customer-Owned Centrally Metered Installation Installed On and Prior to September 12, 1996~~

~~Where a customer owns the service lines in a centrally metered installation, the customer must inspect, operate and maintain the installation in accordance with applicable code requirements or must enter into a contract with a person who is qualified to inspect, operate and maintain the installation in accordance with applicable code requirements. The Company shall offer the customer a contract which provides for operation and maintenance in accordance with applicable code requirements. Under the terms of the contract, the Company shall be permitted to recover the direct cost for service performed plus an appropriate administrative overhead.~~

B. Definition of Standby Service

Standby Service means gas service provided by Company whereby gas systems maintained by Company (including, but not limited to, gas supply, pipes, regulation, delivery pressure, and metering) are available for immediate no-notice or limited notice use as specified in the contract between the Company and customer, for the delivery and/or sourcing of natural gas to customer's energy systems including but not limited to 1) gas-fired equipment that operates a limited number of hours annually, 2) multi-fueled equipment having natural gas-fired capability, or 3) natural gas-fired equipment used to backup or supplement alternate fuel-fired equipment, or an alternate fuel/energy source. Alternate fuel/energy sources include fossil based fuels, any liquid or gaseous fuels, steam, electricity, and where the alternate fuel/energy source is procured or generated by customer or provided by a direct or indirect interconnection with a third party energy supplier, energy provider, energy generator, energy distribution company, energy transmission company (intra-state or interstate), or utility.

C. Identification of Standby Service

Company will periodically review customers that are taking service from the Company under rate schedules, GS-1, GS-2, ST, LT, XLT, and XXLT, identifying those customers that consume \geq 100,000 hundred cubic feet (Ccf) of natural gas at their facility annually, or have installed gas-fired equipment that meets the Standby Service Definition with an input name plate rating \geq 10,000 Cfh. Standby Service shall apply under the following conditions:

- 1) Customer's gas-fired equipment has a natural gas input name plate rating \geq 10,000 Cfh, and
- 2) Customer's gas-fired equipment operates less than 950 full load hours (FLH) annually based on the following FLH calculation:

Full Load Hours = Annual volume in cubic feet \div gas-fired equipment input name plate rating in Cfh

If customer's gas-fired equipment input name plate rating is not available to the Company, the gas flow rating of the Company's gas meter serving the customer will be used in place of the equipment name plate rating.

Customer shall elect to pay the Standby Charge specified in the rate schedule customer is taking service from the Company based on, a.) the input name-plate rating of the customer's standby equipment, b.) Standby Maximum Daily Quantity (applicable to end-use transportation rate schedule only), or c.) a minimum annual commitment that provides the Company annual revenues equal to or greater than had the customer's standby equipment operated greater than 950 full load hours annually.

Company may require customer to pay for facilities (e.g., additional meter(s), electronic remote metering, flow restriction devices, etc.) required to monitor customer's Standby Service contracted election.

_(Continued on Sheet No. C-29.00)

(Continued from Sheet No. C-31.01)

C6. METERING AND METERING EQUIPMENT

C6.1 Meter Location

The location of the meter must be determined after a careful inspection of the premises by an authorized representative of the Company. *The standard meter location is on the outside of the building, in compliance with gas safety Rule 308.* ~~Wherever possible the meter shall be located on the front wall of the basement.~~ It must be accessible at all reasonable hours and not subject to damage by extreme heat or cold or by objects that may come in contact with it. Meters will not be set in coal bins, under porches, in closets, or in any location difficult to access.

House piping must be installed by the customer from the meter location to the appliances.

The customer shall protect from loss or damage the meter (or meters), meter connections, regulators and other property placed on the premises of the customer at the expense of the Company and shall permit no person, other than an authorized representative of the Company, to remove, inspect or tamper with the meter (or meters).

The meter, meter connections and regulators at any time placed in the premises of the customer at the expense of the Company, shall remain the property of the Company and be subject to removal only by the Company or its successors.

(Continued on Sheet No. C-33.00)

(Continued from Sheet No. 39.01)

C8. CUSTOMER ATTACHMENT PROGRAM (Contd.)

C8.3 Payment of Customer Contribution (Contd.)

The Company may offer the Fixed Monthly Surcharge as an alternative payment method. The Fixed Monthly Surcharge shall be payable monthly throughout the surcharge period. The Fixed Monthly Surcharge will commence on the date that the customer receives gas service or six (6) months following the date the service *line is installed*, whichever occurs first. The customer may at any time elect to pay off the remaining Fixed Monthly Surcharge balance with a lump sum payment equal to the present value of the remaining monthly payments. If the present value of the Fixed Monthly Surcharge is less than \$300.00, the Company may require the customer to make a lump sum payment. The Fixed Monthly Surcharge is assessed to the property served such that any subsequent customer requesting gas service at the property address, once notified by the Company of the amount and duration of such surcharge, shall be liable for the Fixed Monthly Surcharge. Such notification may be verbal, written or in the form of a bill which includes the Fixed Monthly Surcharge. Failure of sellers, agents, lessors or other non-company parties to notify a customer of the Fixed Monthly Surcharge shall not relieve the customer's obligation to pay the Fixed Monthly Surcharge. Failure by the customer to timely pay the Fixed Monthly Surcharge may result in the discontinuation, shutoff of service or denial of natural gas service.

C8.4 Held for future use

C8.5 Excessive Service Line Fee

The Excessive Service Line Fee will be assessed to a customer whose service line requirement is in excess of the Service Line Limit. The Excessive Service Line Fee will be calculated annually to be effective May 1. *The Excessive Service Line Fee will apply when the customer's service line requirement exceeds the Service Line Limit of 400' (when the service line in question pertains to a project with just a single service line) or 150% of the average length of all service lines within the Project.* ~~The Service Line Limit for an individual service line shall be equal to the point at which the cost of the customer's service requirements are greater than the allowance based on the Cost of Service Model.~~ The Company reserves the right to use a different Service Line Limit for different geographic locations and categories of customers. The Service Line Limit will be calculated annually to be effective March 1st. In calculating the average service line length for a project containing more than one customer, the maximum length of each service line to be included in the calculation is the Service Line Limit for a primary residential home.

The Company, in its sole discretion, may waive the excessive service line fee or extend the service line limit for all attaching parties based on the economics of a proposed project. Any such waiver or extension shall not be effective unless provided in writing by the Company.

(Continued on Sheet No. C-41.00)

(Continued from Sheet No. C-41.00)

C8. CUSTOMER ATTACHMENT PROGRAM (Contd.)

C8.9 Model Assumptions

A. Incremental Revenues

The incremental revenues will be calculated based on current rates and a forecast of the timing and number of Customer attachments as well as Customers' annual consumption levels.

B. Incremental Costs

(1) Carrying Cost Rate

The Carrying Cost Rate will be a pre-tax weighted rate of long-term debt and common equity. The cost will be equal to and weighted in proportion to those authorized in Company's most recent rate order. Based on DTE Gas's rate order in Case No. U-20642, dated September xx, 2020, the Carrying Cost Rate is equal to 8.98% ~~U-18999, dated September 13, 2018, the Carrying Cost Rate is equal to 9.25%.~~

(2) Plant in Service

Plant in Service shall reflect Company's estimated cost to construct distribution mains, Customer service lines, meters and pressure regulators or regulating facilities for the Project. The timing of the facility investment, primarily service lines, will correspond with the projected timing of Customer attachments.

(3) Carrying Costs

The Carrying Costs will be the product of the average of beginning and end-of-year net plant, Plant in Service minus accumulated depreciation minus deferred taxes, multiplied by the Carrying Cost Rate, noted in paragraph (1) above.

(Continued on Sheet No. C-43.00)

(Continued from Sheet No. C-42.00)

C8. CUSTOMER ATTACHMENT PROGRAM (Contd.)

C8.9 Model Assumptions (Contd.)

(4) Depreciation

Depreciation expense will be the product of Plant in Service multiplied by the appropriate prescribed depreciation rates approved for Company.

(5) Property Taxes and Other Operating Expenses

Property Taxes will be the product of Plant in Service multiplied by Company's average property tax rate. All Other Incremental Operating Expenses will be included as identified. Incremental O&M will, at a minimum, include a proportional cost for monthly meter reading, billing and mailing.

(6) Discount Rate

The Discount Rate will be a weighted rate of long-term debt and common equity. The cost will be equal to and weighted in proportion to those authorized in Company's most recent rate order. Based on DTE Gas's rate order in Case No. U-20642, dated September xx, 2020, the Discount Rate is equal to 7.15%. ~~U-18999, dated September 13, 2018, the Discount Rate is equal to 7.40%.~~

C8.10 Customer Attachment Project Areas

All gas sold in any area specifically listed below is subject to the following Customer Attachment Project (CAP) charges. CAP areas and charges shall be added to or removed from the list from time to time by Company.

| <u>CAP No</u> | <u>Charge</u> | <u>Cap Area</u> | <u>County</u> | <u>End</u> |
|---------------|----------------|--------------------------------|---------------|-------------------|
| 47040 | \$30.03 | 2134 S Us Highway 23 Greenbush | Alcona | 09/18/2024 |
| 48530 | \$45.53 | Sunrise Dr Greenbush | Alcona | 12/12/2024 |
| 48898 | \$16.50 | Crescent Rd, Harrisville | Alcona | 09/11/2025 |
| 51124 | \$23.03 | 155 S Barlow Harrisville | Alcona | 12/13/2026 |
| 45090 | \$12.00 | N7048 Shady Lane | Alger | 10/21/2021 |
| 48173 | \$24.57 | E9256 Shannon Drive | Alger | 10/02/2025 |
| 48669 | \$49.87 | Gates Road | Alger | 07/10/2025 |
| 48824 | \$38.34 | North Shore Road | Alger | 08/17/2025 |
| 02823 | \$28.25 | Chapel Dr | Alger | 09/26/2021 |
| 44145 | \$12.76 | Hiawatha Lane | Alpena | 09/01/2019 |
| 45936 | \$102.66 | 17965 Shubert Highway Alpena | Alpena | 10/29/2022 |
| 47273 | \$98.46 | 7400 Cathro, Alpena Mi | Alpena | 08/21/2024 |
| 47151 | \$42.48 | Bayview Drive Alpena Michigan | Alpena | 12/03/2024 |
| 47149 | \$20.53 | Lakewood Dr Alpena Mi | Alpena | 08/26/2024 |

(Continued on Sheet No. C-44.00)

(Continued from Sheet No. C-52.00)

D2. SURCHARGES AND INFRASTRUCTURE RECOVERY MECHANISM

D2.1 Surcharges

| | Rate Schedule No. | IRM Surcharge \$/MTH/Meter |
|------|------------------------------------------|----------------------------------|
| A | Residential | \$0.630.51 |
| 2A | Multifamily Dwelling Class I | \$4.112.61 |
| 2A | Multifamily Dwelling Class II | \$4.112.61 |
| GS-1 | Non-Residential General Service | \$2.991.81 |
| GS-2 | Large Volume | \$2.991.81 |
| | <100,000 Mcf | |
| | >100,000 Mcf | |
| S | School | \$41.5820.93 |
| ST | Small Volume Transportation | \$151.86 |
| | | 88.78 |
| LT | Large Volume Transportation | \$715.61 |
| | | 408.99 |
| XLT | Extra Large Volume Transportation | \$4,225.20 |
| | | 2,689.86 |
| XXLT | Double Extra Large Volume Transportation | \$941.49 |
| | | 17,411.05 |
| | C&IEUT Exploratory Program | |

In addition to the above surcharges/ (credits), Rate Schedules A, 2A, GS-1, GS-2, and S are subject to Rule C7, Gas Cost Recovery, and may be subject to Rule C8, Customer Attachment Program.

The Infrastructure Recovery Mechanism (IRM) Surcharge is effective beginning with the first billing cycle of bills rendered January ~~1, 2021~~ 2019 and will change on a billing cycles rendered basis thereafter each January ~~1,~~ based on the tables on Sheet No. D-2.01

Issued October , 2020

C. Serna

Vice President

Regulatory Affairs

Detroit, Michigan

Effective for service rendered on
and after October __, 2020

Issued under authority of the
Michigan Public Service Commission
dated October , 2020 in Case No. U-20642

D2. SURCHARGES AND INFRASTRUCTURE RECOVERY MECHANISM (Contd.)

D2.2 Infrastructure Recovery Mechanism (IRM)

The IRM, approved in Case No. U-~~18999~~20642, is implemented on a bills ~~rendered-cycle~~ basis. The IRM is effective beginning with ~~bills-rendered~~the first cycle of the January 1, 2019~~2021, billing month~~ and will change on a bill ~~cycles~~rendered basis thereafter each January ~~1~~ based on the tables on Sheet No. D-2.01. The IRM is subject to an annual reconciliation of spend process and rates below any applicable cap may change based on the outcome of this process. Once implemented, the rate will be applied on the same basis as the monthly Customer Charge. The IRM will not expire until a final rate order superseding the IRM is issued in a general rate proceeding, however the rate may be lowered as a result of the annual reconciliation.

IRM for Sales Rate Schedule Customers:

\$ per Month

| | A | 2A I/2A II | GS-1/ GS-2 | S |
|------------------------|-------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| 2021-2019 | \$0.63 | \$4.11 \$2.61 | \$2.99 \$1.81 | \$41.58 \$20.93 |
| | \$0.51 | | | |
| 2022-2020 | \$2.19 | \$14.19 | \$10.33 | \$143.51 |
| | \$1.85 | \$9.35 | \$6.48 | \$74.81 |
| 2023-2021 | \$3.81 | \$24.03 | \$17.52 | \$241.94 |
| | \$3.51 | \$16.57 | \$11.58 | \$130.61 |
| 2024-2022 | \$5.38 | \$31.90 | \$24.46 | \$336.85 |
| | \$5.16 | \$23.53 | \$16.51 | \$183.92 |
| 2025-beyond | \$6.95 | \$40.93 | \$31.22 | \$428.59 |
| 2023-beyond | \$6.76 | \$30.22 | \$21.26 | \$235.21 |

IRM for Transportation Rate Schedule Customers:

\$ per Month

| | ST | LT | XLT | XXLT |
|------------------------|-----------------------|-----------------------|------------------------|------------------------|
| 2021 | \$151.86 | \$715.61 | \$4,225.20 | \$941.49 |
| 2022 | \$524.22 | \$2,470.95 | \$14,000.00 | \$3,292.01 |
| 2023 | \$883.50 | \$4,164.27 | \$14,000.00 | \$5,564.82 |
| 2024 | \$1,229.93 | \$5,797.04 | \$14,000.00 | \$7,762.16 |
| 2025-beyond | \$1,564.64 | \$6,500.00 | \$14,000.00 | \$9,891.33 |
| -2019 | \$88.78 | \$408.99 | \$2,689.86 | \$17,411.05 |
| -2020 | \$317.29 | \$1,461.58 | \$6,000.00 | \$62,221.00 |
| -2021 | \$553.04 | \$2,387.73 | \$6,000.00 | \$62,500.00 |
| -2022 | \$778.02 | \$2,387.73 | \$6,000.00 | \$62,500.00 |
| 2023-beyond | \$993.26 | \$2,387.73 | \$6,000.00 | \$62,500.00 |

D5. RESIDENTIAL SERVICE RATE A

Character of Service

Who May Take Service

Subject to limitations and restrictions contained in orders of the Commission in effect from time to time and in the Rules and Regulations of the Company, service is available under this Rate Schedule to any residential customer for residential service as hereinafter defined. As used in this Rate Schedule “residential service” means service to any residential customer for any purpose, including space heating, by individual meter in a single family dwelling or building; or in an individual flat or apartment, or to not over four households served by a single meter (one customer) in a multifamily dwelling, or portion thereof. Residential premises also used regularly for professional or business purposes (such as doctor’s office in a home, or where a small store is integral with the living space) are considered as residential where the residential use is half or more of the total gas volume; otherwise, these will be provided service under General Service Rate GS-1.

For purposes of rate application “residential usage” shall be usage consumed within an individual household, or reasonably appurtenant and related to, and normally with such a household, for such applications as space conditioning, cooking, water heating, refrigeration, clothes drying, incineration, lighting and other similar household applications.

Hours of Service

Twenty-four hours per day.

Rate

| | |
|---------------------------|-------------------------------------------------------------|
| Customer Charge: | \$11.25 <u>\$12.25</u> per Meter per month, plus |
| Distribution Charge: | \$0.33683 <u>\$0.369300</u> per 100 cubic feet |
| Gas Cost Recovery Charge: | As set forth on Sheet No. D-3.00 |

(Continued on Sheet No. D-10.00)

(Continued from Sheet No. D-9.00)

D5. RESIDENTIAL SERVICE RATE A (Contd.)

Income Assistance Service Provision

When service is supplied to a customer taking service under Rate A at their primary residence, Principal Residence Customer, where the total household income does not exceed 150% of the Federal poverty level, verified by confirmation of an authorized State or Federal agency, a credit shall be applied during all billing months.

If the Income Assistance Credit results in a credit balance, that credit balance may only be applied to future billed amounts related to utility service provided to that customer under Rate A. In no case will a refund of such a balance be issued.

The monthly credit for the residential Income Assistance Service Provision shall be applied as follows:
Income Assistance Credit: \$(~~11.25~~12.25) per meter customer per month

Low Income Assistance Credit Pilot

This credit is available to up to 33,000 qualifying customers taking service under Rate A-Residential Customers. To qualify for the Low Income Assistance Credit Pilot a customer must be currently enrolled in the residential Income Assistance Provision, fulfilling one of the following requirements:

- 1) Provide evidence of receiving a Home Heating Credit energy draft, confirmed annually; or
- 2) Provide confirmation by an authorized State, Federal or community agency verifying the total household income does not exceed 150% of the poverty level as published by the United States Department of Health and Human Services; or
- 3) Receive any one of the following
 - a. Assistance from a state emergency relief program
 - b. Food stamps
 - c. Medicaid.

If the Low Income Assistance Credit results in a credit balance, that credit balance may only be applied to future billed amounts related to utility service provided to that customer under Rate A. In no case will a refund of such a balance be issued.

The monthly credit for the residential Low Income Assistance Credit shall be applied as follows: Income Assistance Credit: \$(30.00) per meter per month

General Terms and Surcharges

This Rate is subject to all General Terms and Conditions shown on Sheet No. D-1.00 and Surcharges shown on Sheet No. D-2.00.

Late Payment Charge and Due Date

A late payment charge of 2% of the bill, net of taxes, not compounded, may be added to any bill which is delinquent. The due date shall be 21 days following the date the bill was sent. A late payment charge will not be assessed against Customers participating in the Winter Protection Plan.

(Continued from Sheet No. D-13.00)

D6. MULTIFAMILY DWELLING SERVICE RATE 2A (Contd.)

Rate

Customer Charge (One of the following charges per Customer per month will be applied).

| | |
|---------------------------|-----------------------------------------------------------|
| Meter Class I: | \$11.25 <u>\$12.25</u> per Meter per month |
| Meter Class II: | \$31.00 <u>\$32.00</u> per Meter per month |
| Distribution Charge: | \$0.33683 <u>\$0.369300</u> per 100 cubic feet |
| Gas Cost Recovery Charge: | As set forth on Sheet No. D-3.00 |

General Terms and Surcharges

This Rate is subject to all General Terms and Conditions shown on Sheet No. D-1.00 and Surcharges shown on Sheet No. D-2.00.

Late Payment Charge and Due Date

A late payment charge of 2% of the bill, net of taxes, not compounded, may be added to any bill which is delinquent. The due date shall be 21 days following the date the bill was sent.

Gas Cost Recovery

This rate is subject to adjustments for fluctuations in the cost of gas as stated in Rule C7 of the applicable Rules and Regulations of Company.

(Continued on Sheet No. D-15.00)

(Continued from Sheet No. D-14.00)

D6. MULTIFAMILY DWELLING SERVICE RATE 2A (Contd.)

~~Standby Service~~

~~A. Definition: “Standby Service” means that gas service provided by Company whereby gas systems maintained by Company (including, but not limited to, unauthorized gas, pipes, regulation, and metering) are available for immediate no-notice use for the delivery and/or sourcing of natural gas to Customer’s energy systems relied upon for: (1) emergency, (2) contingency, (3) supplemental energy, (4) reserve energy, (5) displacing the primary fuel source, or (6) operating a limited number of hours annually.~~

~~B. Standby Charge: Customer taking Standby Service for a facility or equipment shall pay a monthly charge equal to \$0.065 per cubic foot, or \$65.00 per MMBtu, for each cubic foot, or MMBtu, of nameplate rating of the facility or equipment taking Standby Service.~~

Customer Contract

Applications for Gas Service shall be in writing upon application forms to be supplied by Company. Existing Customers who wish to connect space heating equipment must make written application for such service on forms to be provided by Company.

Meter Classification

For application of the Monthly Customer Charge in this Rate, Company’s gas meters are designated in one of the following classifications:

Meter Class 1: Meters with a rating of 400 Cubic Feet per Hour (Cfh) or less:
Meter Class II: Meters with a rating in excess of 400 Cubic Feet per Hour (Cfu)

D7. GENERAL SERVICE RATE GS-1 AND GS-2

Availability

Subject to limitations and restrictions contained in orders of the Commission in effect from time to time and in the Rules and Regulations of Company, service is available under this Rate Schedule to any non-residential Customer, for any purpose.

Rates and Charges

| <u>Service Category</u> | <u>Customer Charge per Month</u> | <u>Distribution Charge</u> |
|-------------------------|-----------------------------------------|--------------------------------------------------|
| GS-1 | \$32.00 31.00 per meter | \$0.349090 0.27796 per 100 cubic feet |
| GS-2 | \$700.00 600.00 per Customer | \$0.291830 0.22919 per 100 cubic feet |

Customer Charge for GS-2 is “per meter or Contiguous Facility.”

Optional Remote Meter Charge \$25.00 per Meter per Month

Customers may choose the Service Category under which they take service, consistent with the provisions of Rules C4.1, Classes of Service, C4.2, Choice of Rates and C4.3, Gas Not to be Submetered for Resale. When a Customer is selecting its initial Service Category, Company must advise them that the economic break even point between GS-1 and GS-2 is approximately 14,000 Mcf per year. After the initial selection is made, then it is Customer’s responsibility to determine when it is appropriate to switch Service Categories, as permitted by Rule C4.2, Choice of Rates.

Gas Cost Recovery Charge

The gas cost recovery factors are shown on Sheet No. D-3.00. The rate is subject to adjustments for fluctuations in the cost of gas as stated in Rule C7 of the applicable Rules and Regulations of Company.

General Terms and Surcharges

This Rate is subject to all General Terms and Conditions shown on Sheet No. D-1.00 and Surcharges shown on Sheet No. D-2.00.

Late Payment Charge and Due Date

A late payment charge of 2% of the bill, net of taxes, not compounded, may be added to any bill which is not paid on or before 21 calendar days from the date of mailing.

(Continued on Sheet No. D-18.00)

(Continued from Sheet No. D-17.00)

D7. GENERAL SERVICE RATE GS-1 AND GS-2 (Contd.)

Standby Service and Standby Charge

- A. *Refer to Section C4.5 – Standby Service Availability, Definition and Identification.* ~~Definition: “Standby Service” means that gas service provided by Company whereby gas systems maintained by Company (including, but not limited to, unauthorized gas, pipes, regulation, and metering) are available for immediate no-notice use for the delivery and/or sourcing of natural gas to Customer’s energy systems relied upon for: (1) emergency, (2) contingency, (3) supplemental energy, (4) reserve energy, (5) displacing the primary fuel source, or (6) operating a limited number of hours annually.~~
- B. Standby Charge: Customer taking Standby Service for a facility or equipment shall pay a monthly charge equal to \$~~0.047380.065~~ per cubic foot, or \$~~47.3865~~ per MMBtu, for each cubic foot, or MMBtu, of nameplate rating of the facility or equipment taking Standby Service.

Metering Requirements

All eligible Rate GS-1 and GS-2 Customers electing the Optional Remote Metering service shall provide, at no expense to Company, a dedicated telecommunication line(s) for metering purposes, to a location specified by Company.

Customer shall be responsible for (i) ensuring that the communication links allow access to the meter data by Company and are compatible with Company’s metering and billing systems, and (ii) all associated costs relating to the communication links including other accompanying equipment and monthly fees. Company shall own and maintain the actual metering equipment and modem.

Customer Contract

Applications for Gas Service shall be in writing upon application forms to be supplied by Company. In addition to such application, Customer taking service under General Service Rate GS-2 is required to sign a Large Volume Contract, limited as to time, which must be approved and executed *in compliance with Section C1.2 or C1.7 of this Rate Book.*

D8. SCHOOL SERVICE RATE S

Character of Service

Who May Take Service

Subject to limitations and restrictions contained in orders of the Commission in effect from time to time and in the Rules and Regulations of Company, service is available under this Rate Schedule to each individual school which shall make application for service and which shall by contract in writing agree that the gas supplied hereunder shall, during the term of such contract, be used only in the following buildings:

- A. Buildings on property exempt from taxation under the laws of the State of Michigan which are located on the same site and used for school purposes to impart instruction to children, grades kindergarten through twelve, when provided by any public, private, denominational or parochial school, including all adjacent and appurtenant buildings owned by the same Customer which are located on the same site and which constitute an integral part of such school facilities.
- B. Buildings on property exempt from taxation under the laws of the State of Michigan which are located on the same campus and used to impart instruction provided by colleges and universities when being operated under the laws of said State, including all adjacent and appurtenant buildings owned by the same Customer which are located on the same campus and which constitute an integral part of such college or university facilities.

Rate

| | |
|---------------------------|------------------------------------------------|
| Customer Charge: | \$200.00 per Customer per month, plus |
| Distribution Charge: | \$0.227200-17987 per 100 cubic feet |
| Gas Cost Recovery Charge: | As set forth on Sheet No. D-3.00 |

Customer Charge is “per meter or Contiguous Facility.”

| | |
|------------------------------|-----------------------------|
| Optional Remote Meter Charge | \$25.00 per Meter per Month |
|------------------------------|-----------------------------|

General Terms and Surcharges

This Rate is subject to all General Terms and Conditions shown on Sheet No. D-1.00 and Surcharges shown on Sheet No. D-2.00.

Late Payment Charge and Due Date

A late payment charge of 2% of the bill, net of taxes, not compounded, may be added to any bill which is not paid on or before 21 calendar days from the date of mailing.

(Continued on Sheet No. D-20.00)

(Continued from Sheet No. D-19.00)

D8. SCHOOL SERVICE RATE S (Contd.)

Gas Cost Recovery

This rate is subject to adjustments for fluctuations in the cost of gas as stated in Rule C7 of the applicable Rules and Regulations of Company.

Standby Service

A. ~~Definition: “Standby Service” means that gas service provided by Company whereby gas systems maintained by Company (including, but not limited to, unauthorized gas, pipes, regulation, and metering) are available for immediate no-notice use for the delivery and/or sourcing of natural gas to Customer’s energy systems relied upon for: (1) emergency, (2) contingency, (3) supplemental energy, (4) reserve energy, (5) displacing the primary fuel source, or (6) operating a limited number of hours annually.~~

B. ~~Standby Charge: Customer taking Standby Service for a facility or equipment shall pay a monthly charge equal to \$0.065 per cubic foot, or \$65.00 per MMBtu, for each cubic foot, or MMBtu, of nameplate rating of the facility or equipment taking Standby Service.~~

Metering Requirements

All eligible Rate S Customers electing the Optional Remote Metering service shall provide, at no expense to Company, a dedicated telecommunication line(s) for metering purposes, to a location specified by Company.

Customer shall be responsible for (i) ensuring that the communication links allow access to the meter data by Company and are compatible with Company’s metering and billing systems, and (ii) all associated costs relating to the communication links including other accompanying equipment and monthly fees. Company shall own and maintain the actual metering equipment and modem.

Customer Contract

Applications for Gas Service shall be in writing upon application forms to be supplied by Company. In addition to such application, Customer is required to sign a contract, limited as to time, which must be approved and executed *in compliance with Section C1.2 or C1.7 of this Rate Book.*

(Continued on Sheet No. E-2.01)

(Continued from Sheet No. E-2.00)

Applicable for End-Use Transportation Service

E1. GENERAL PROVISIONS AND DEFINITIONS (Contd.)

E1.1 Definitions (Contd.)

Standby Service: Refer to Section C4.5 - Standby Service Availability, Definition and Identification. means that gas service provided by Company whereby gas systems maintained by Company (including, but not limited to, unauthorized gas, pipes, regulation, and metering) are available for immediate no-notice use, and/or as specified in the contract between the Company and Customer, for the delivery and/or sourcing of natural gas to Customer's energy systems relied upon for: (1) emergency, (2) contingency, (3) supplemental energy, (4) reserve energy, (5) displacing the primary fuel source, or (6) operating a limited number of hours annually.

Standby Maximum Daily Quantity or SMDQ means the Maximum Daily Quantity of natural gas specified in the Contract between Customer and Company for Standby Service to support the operation of Customer's facility and/or gas-fired equipment electing Standby Service.

Tariff or Rate Book means Company's Rate Book for Natural Gas Service, M.P.S.C. No. 1 - Gas as modified and approved from time to time by the Commission.

Total Heating Value Per Cubic Foot means the number of Btu produced by the combustion, at constant pressure, of one cubic foot of gas, with air of the same pressure and temperature as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by the combustion is condensed to the liquid state. This definition applies regardless of the equipment used to determine the total heating value per cubic foot.

Transportation Rate Restoration Charge: See Section E8.

Unauthorized Gas Usage: See Sections E4.5 and E.14.

Unauthorized Gas Usage Charge: See Sections E 4.5, E7, and E.14.

Defined terms used in Section E – Part I and not defined above have the meaning set forth in the applicable Rate Schedule or Contract.

(Continued on Sheet No. E-3.00)

Applicable for End-Use Transportation Service

E2. RECORDS, ACCOUNTING AND CONTROL

E2.1 Transmittal of Notices, Bills and Payments

All notices, bills and payments required or permitted to be given in connection with service shall be transmitted as specified in Customer's Contract shall be valid and sufficient if delivered in person, dispatched by first class mail, overnight mail, telex, facsimile or transmitted electronically.

E2.2 Nominations, Accounting and Control

- A. Customer may designate a third party as agent for purposes of Nominating, and for giving and receiving notices related to Nominations. Customer shall provide Company with written notice of such designation. Any such designation shall be effective starting the Month following the receipt of the notice and will remain in effect until revoked in writing by Customer.
- B. All Nominations shall be submitted through Company's electronic gas nomination system. Specific information to be included in the Nomination is posted on Company's electronic gas nomination system.
- C. Customer, or its designated agent, shall notify Company's Gas Nominations Department of the daily quantity of gas that Customer is Nominating for delivery to Company on behalf of Customer. Such Nominations shall be submitted by ***the North American Energy Standards Board (NAESB) Standard Timely Deadline Eastern Clock Time prior to the effective Gas Day. Nominations made within a NAESB Standard Intraday Cycle*** shall be accepted at the sole discretion of Company. Customer, or its designated agent, shall provide Company with a Nomination for each Gas Day. (If a single nomination is received it shall be assumed to apply for each subsequent day of the month unless otherwise stated).
- D. If Customer fails to provide a Nomination for any Month, the daily Nomination is assumed to be zero.
- E. For Transportation Service Rate Schedules, Customer or Customer's authorized representative may transfer a portion of their load balancing storage account balance to another End-Use Gas Transportation Customer(s) ("Transferee Customer(s)") served by the Company under the following conditions: 1) Gas transferred to the Transferee Customer's load balancing storage account shall be considered as delivered to the Transferee Customer's Receipt Point under their Gas Transportation Agreement or Contract with the Company; 2) such transactions are prospective and may not be used to avoid penalties once charged; 3) load balancing storage transfer notifications must be received by the Company ten (10) business days prior to the first day of the month of the transfer; and 4) load balancing storage transfers will not be allowed during October and November.

E2.3 Customer Access to Data

The Company will make Customer information available to Customer, or its designated agent, in accordance with the applicable provisions of Section C12 Customer Protections, Customer Access to Data and Section E11(F), Transportation Standards of Conduct, of its tariff. Customer information will be available to Customer, or its designated agent, through the Company's electronic system within 10 days of such information becoming available to the Company. Customer information regarding gas delivered at the Delivery Point(s) by Company to Customer will be in compliance with Section E4.4B of Company's tariff and all applicable provisions of the Commission's Consumers Standards and Billing Practices for Electric and Natural Gas Service.

Issued October , 2020
C. Serna
Vice President
Regulatory Affairs
Detroit, Michigan

Effective for service rendered on
and after October __, 2020

Issued under authority of the
Michigan Public Service Commission
dated October , 2020 in Case No. U-20642

Applicable for End-Use Transportation Service

E3. GAS QUALITY

E3.1 Quality

A. The gas delivered to Company shall meet the following requirements:

- (1) Gas shall not contain more than 0.0005 percent (5 ppm) oxygen by volume;
- (2) Gas shall be commercially free from objectionable odors, solid or liquid matter, bacteria, dust, gum or gum-forming constituents which might interfere with its merchantability or cause injury to or interference with proper operation of the lines, regulators, meters or other appliances through which it flows;
- (3) Gas shall not contain more than 0.25 grain of hydrogen sulfide nor more than 0.5 grain of mercaptan sulfur per 100 cubic feet;
- (4) Gas shall not contain more than 5.0 grains of total sulfur (including hydrogen sulfide and mercaptan sulfur) per 100 cubic feet;
- (5) Gas shall not at any time have a carbon dioxide content in excess of two percent by volume;
- (6) Gas shall not contain an amount of moisture that at any time exceeds five pounds per million cubic feet;
- (7) Gas shall be fully interchangeable in accordance with the provisions of AGA Research Bulletin No. 36 and any subsequent modifications and amendments thereof;
- (8) The temperature of the gas shall not exceed 100° F;
- (9) *The temperature of the gas shall not be less than 40° F;*
- (10) The hydrocarbon dew point of the gas shall not exceed 0° F at 500 pounds per square inch.

B. If the gas delivered by Customer at any Receipt Point fails to meet the qualities stipulated in Section E3.1(a), then Company shall notify Customer of such deficiency and thereupon may, at its option, refuse to accept delivery pending correction. Upon demonstration that the gas being tendered meets the gas quality specifications of Section E3.1(a), Company shall resume taking delivery of gas.

E3.2 Heating Value

The gas delivered by Customer shall have a Total Heating Value Per Cubic Foot of not less than 950 Btu nor more than 1,100 Btu.

Applicable for End-Use Transportation Service

E14. TRANSPORTATION SERVICE RATES ST, LT, XLT, XXL

Availability

Subject to any restrictions, service under this Rate Schedule is available to any Customer who could otherwise purchase gas under any other Company Rate Schedule.

Customer that selects transportation service under this Rate Schedule must remain on this Rate Schedule for at least 12 Months before Customer is eligible for **a non-Transportation Service Rate** and shall continue on this rate **Year to Year** after the initial term of the Transportation Contract has expired unless otherwise agreed upon between Company and Customer. Customer eligible to request a return to sales rates must provide a minimum of 12 Months written notice to Company of its election to return to sales rates.

Company reserves the right to deny a return to sales rates subject to Company's Controlled Service Rule C2.

Under this Rate Schedule, Company will transport gas for Customer from the Receipt Point(s) to the Delivery Point(s).

Rates and Charges

| | Service Category | |
|--------------------------------------------------------|---------------------------------------------------|---------------------------------------------------|
| | ST | LT |
| Monthly Charges | | |
| Customer Charge | \$ 2,600 2,335 Per Customer | \$ 6,500 4,775 Per Customer |
| Customer Charge is "per meter or Contiguous Facility." | | |
| Optional Remote Meter Charge | \$25.00 Per Meter | \$25.00 Per Meter |
| Transportation Rates | | |
| Cost Based Rate | \$ 0.12902 0.09733 Per Ccf | \$ 0.07637 0.06615 Per Ccf |
| Optional Rates: | | |
| Maximum Rate | \$ 0.23504 0.17166 Per Ccf | \$ 0.12974 0.10930 Per Ccf |
| Minimum Rate | \$0.02300 Per Ccf | \$0.02300 Per Ccf |

(Continued on Sheet No. E-15.00)

(Continued from Sheet No. E-14.00)

Applicable for End-Use Transportation Service

E14. TRANSPORTATION SERVICE RATES ST, LT, XLT, XXLT (Contd.)

Rates and Charges

| | | Service Category | |
|--------------------------------------------------------|---------------------|----------------------------------------------------|-------------------------------------------------|
| | | XLT | XXLT |
| Customer | Monthly Charges | | |
| | Customer Charge | \$14,000 12,000 Per Customer | \$145,000 125,000.00 Per |
| Customer Charge is “per meter or Contiguous Facility.” | | | |
| | Remote Meter Charge | \$100.00 Per Meter | \$100.00 Per Meter |
| Transportation Rates | | | |
| | Cost Based Rate | \$0.05777 0.05183 Per Ccf | \$0.01401 0.01483 Per Ccf |
| | Optional Rates: | | |
| | Maximum Rate | \$0.09754 0.08567 Per Ccf | \$0.09754 0.08567 Per Ccf |
| | Minimum Rate | \$0.01800 Per Ccf | \$0.00500 Per Ccf |

Annual Contract Quantity or ACQ

ACQ means an annual quantity of natural gas specified in the Contract between Customer and Company, that can be delivered to Company and is based on Customer’s average 12 Month usage (determined from the last 36 Months of data), plus adjustments, approved at Company’s sole discretion, for known or expected changes or special operating conditions (including Standby Service per Section C4.5). Company will utilize their best efforts to insure that Customer’s ACQ is reflective of Customer’s annual consumption and allow Customer all reasonable opportunities to minimize the risk of Unauthorized Gas Usage Charges.

Maximum Daily Quantity or MDQ

MDQ means a daily quantity of natural gas specified in the Contract between Customer and Company, that can be delivered to Company and is based on Customer’s highest historical Month usage (determined from the last 36 Months of data) divided by the number of days during that Month and multiplied by 110%, plus adjustments, approved at Company’s sole discretion, for known or expected changes or special operating conditions (including Standby Service per Section C4.5). Provided, however, during September, October, and November, Customer’s MDQ will be based on the daily average of Customer’s September, October, and November, usage from the previous three years, plus 1.43% of Customer’s ACQ divided by 30 days. The MDQ may be calculated and changed independently from the ACQ. Company and Customer may agree to use a different MDQ as part of the negotiations for an optional discount from the cost based rates set forth in the tariff. Company will utilize their best efforts to insure that Customer’s MDQ is reflective of Customer’s maximum daily consumption and allow Customer all reasonable opportunities to minimize the risk of Unauthorized Gas Usage Charges.

(Continued on Sheet No. E-16.00)

(Continued from Sheet No. E-15.00)

Applicable for End-Use Transportation Service

E14. TRANSPORTATION SERVICE RATES ST, LT, XLT, XXL (Contd.)

Selection Of Service Category and Rates

When Customer is selecting its initial service category, Company must advise it that the economic break-even point between ST and LT is approximately 100,000 Mcf per year, the economic break-even point between LT and XLT is approximately 700,000 Mcf per year the economic break-even point between XLT and XXL is approximately ~~3,900,000~~ 3,500,000 Mcf per year (based on the cost based rate). After the initial selection is made, then it is Customer's responsibility to determine when it is appropriate to switch service categories.

Customer will be charged the Cost Based Rate under its chosen Service Category, unless Customer chooses to negotiate a different rate under the Optional Rate provision. Company must advise Customer of its right to negotiate rates under the Optional Rate provision, however Company is under no obligation to offer a rate different than the Cost Based Rate. Company, at its discretion, may negotiate different transportation rates for individual Customers between the maximum and minimum rates under the appropriate Optional Rate provision. The negotiated rate may be applied to Customer's entire load or a portion of its load; however, under no circumstances can Company charge an average rate per Mcf greater than the maximum rate or less than the minimum rate. The transportation rate is charged for each Ccf of gas delivered to Customer in a given month.

Transportation Service

In accordance with Section E2.2 and Company's Nominating procedures, Customer shall advise Company of the volume of gas that Customer will cause to be delivered to Company for transportation during that Month and the Receipt Point(s) where the gas will be delivered to Company.

If in any Month, the volume of gas received by Company at the Receipt Point(s), less the allowance for company-use and lost-and-unaccounted-for gas, is more than the volume of gas taken by Customer at the Delivery Point(s), then the difference shall be retained by Company and delivered to Customer in those succeeding Months when the volume of gas received by Company is less than Customer's requirements. Should the aggregate volume of gas, less the allowance for company-use and lost-and-unaccounted-for gas, retained by Company at any Month-end exceed 10% of the Annual Contract Quantity for ST, LT, and XLT, or exceeds 5% of the Annual Contract Quantity for XXL, then Company shall have the rights: (1) to refuse to receive any additional volume of gas for that Customer until Company has satisfied itself that the volume of gas retained for Customer is less than 10% of the Annual Contract Quantity for ST, LT, and XLT, or is less than 5% of the Annual Contract Quantity for XXL, and (2) to charge Customer for the storage of any Month-end balance that exceeds 10% of the Annual Contract Quantity for ST, LT, and XLT, or exceeds 5% of the Annual Contract Quantity for XXL.

If Customer does not withdraw its gas retained by Company within 60 days of the termination of the Contract, then Company shall have the right to purchase the gas from Customer at a rate of \$1.00 per MMBtu.

(Continued on Sheet No. E-17.00)

(Continued from Sheet No. E-17.01)

Applicable for End-Use Transportation Service

E14. TRANSPORTATION SERVICE RATES ST, LT, XLT, XXLT (Contd.)

Load Balancing Storage and Charges

- A. Customer shall be charged \$0.25 per MMBtu per Month for the storage of any Month-end balance of gas that exceeds 10% of the Annual Contract Quantity for ST, LT, and XLT, or exceeds 5% of the Annual Contract Quantity for XXLT. In addition, a Gas-in-Kind rate for fuel used for injection will be assessed for any portion of the month-end balance of gas that exceeds 10% of the Annual Contract Quantity for ST, LT, and XLT, or exceeds 5% of the Annual Contract Quantity for XXLT and is in excess of the prior month-end balance. The fuel for injection shall be paid for by Gas-in-Kind at the Gas-In-Kind rate applicable to the customer's rate schedule.
- B. Monthly withdrawals from storage during December through March will be limited to 3% of Customer's ACQ. Withdrawals in excess of that limit may be authorized but are subject to DTE Gas's sole judgment and prior approval pursuant to appropriate terms and conditions. Without prior approval, if during the months of December through March the volume of gas received by Company, less Gas-in-Kind plus the lesser of 3% of Customer's ACQ or the Customer's actual storage balance is less than the volume of gas taken by Customer at the Delivery Point(s), then the difference will be treated as unauthorized gas usage and will be charged under the Unauthorized Gas Usage provision.
- C. Injections into storage during September, October and November will be limited to no more than 1.43% of ACQ without prior approval from Company. Customer will be charged \$0.25 per MMBtu of gas, plus Gas-In-Kind at the rate applicable to the customer's rate schedule retained as fuel, for any gas injected during the September through November period that exceeds the Month-end tolerance level of 1.43 of ACQ per Month. This charge will be in addition to any charges assessed to Customer for exceeding the Month-end balance of gas that exceeds 10% of the ACQ for ST, LT, and XLT, or exceeds 5% of the ACQ for XXLT.
- D. Provisions for load balancing storage transfers are provided in Section E2.2E.

Standby Service

A. Charges:

Customer taking Standby Service for a facility or equipment shall pay a Monthly charge equal to Company's election of:

- (1) ~~\$0.04700.065~~ per cubic foot, or ~~\$4765~~ per MMBtu, for each cubic foot, or MMBtu, of nameplate rating of the facility or equipment taking Standby Service; or
- (2) ~~\$1.962.71~~ per MMBtu of SMDQ.

- B. ~~*Refer to Section C4.5 – Standby Service Availability, Definition and Identification*~~ Company may require Customer to pay for facilities (e.g., additional meter(s), electronic remote metering, flow restriction devices, etc.) required to monitor Customer's Standby Service contracted election.

(Continued on Sheet No. E-19.00)

Applicable for Off-System Storage and Transportation Service

E16. RECORDS, ACCOUNTING AND CONTROL

E16.1 Transmittal of Notices, Bills and Payments

All notices, bills and payments required or permitted to be given in connection with service shall be transmitted as specified in Customer's Contract shall be valid and sufficient if delivered in person, dispatched by first class mail, overnight mail, telex, facsimile or transmitted electronically.

E16.2 Nominations, Accounting and Control

- A. Customer may designate a third party as agent for purposes of Nominating, and for giving and receiving notices related to Nominations. Customer shall provide Company with written notice of such designation. Any such designation shall be effective starting the Month following the receipt of the notice and will remain in effect until revoked in writing by Customer.
- B. All Nominations shall be submitted through Company's electronic gas nomination system. Specific information to be included in the Nomination is posted on Company's electronic gas nomination system.
- C. Customer, or its designated agent, shall notify Company's Gas Nominations Department of the daily quantity of gas that Customer is Nominating for delivery to Company on behalf of Customer. Such Nominations shall be submitted by *the North American Energy Standards Board (NAESB) Standard Timely Cycle Deadline Eastern Clock Time prior to the effective Gas Day, Nominations made within a NAESB Standard Intraday Cycle* shall be accepted at the sole discretion of Company. Customer, or its designated agent, shall provide Company with a Nomination for each Gas Day. (If a single nomination is received it shall be assumed to apply for each subsequent day of the month unless otherwise stated).
- D. If Customer fails to provide a Nomination for any Month, the daily Nomination is assumed to be zero.

E16.3 Customer Access to Data

The Company will make Customer information available to Customer, or its designated agent, in accordance with the applicable provisions of Section C12 Customer Protections, Customer Access to Data and Section E11(F), Transportation Standards of Conduct, of its tariff. Customer information will be available to Customer, or its designated agent, through the Company's electronic system within 10 days of such information becoming available to the Company. Customer information regarding gas delivered at the Delivery Point(s) by Company to Customer will be in compliance with Section E4.4B of Company's tariff and all applicable provisions of the Commission's Consumers Standards and Billing Practices for Electric and Natural Gas Service.

(Continued from Sheet No. E-34.00)

Applicable for Off-System Storage and Transportation Service

E25. TRANSPORTATION OFF-SYSTEM (FIRM) SERVICE RATE TOS-F (Contd.)

Imbalance

Company and Customer shall work to keep the gas flow in balance at all times. If at any time, the volumes of gas received by Company at the Receipt Point(s) are greater or lesser than the gas delivered at the Delivery Point(s), Company may refuse, increase or decrease deliveries to correct the imbalances. If, upon termination of a Contract, Customer has not delivered to Company quantities of gas that are equal to those Customer has taken at the Delivery Point(s), Customer must deliver the deficient volumes to Company, within 60 days of the termination of Contract, at a mutually agreeable rate of delivery. If Customer fails to correct the imbalance within the 60 day period, then Customer shall pay an Unauthorized Gas Usage Charge to Company. The charge for such Unauthorized Gas Usage shall be \$10.00 per MMBtu plus the highest price reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; ANR, ML7; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting such prices, the Company will select a comparable reporting service.

Gas in Kind

Company shall retain 1.00% of all gas received at the Receipt Point(s) to compensate it for the allowance for company-use and lost-and-unaccounted-for gas on Company's system. This volume shall not be included in the quantity available for delivery to Customer. In no event will Customer pay Gas-in-Kind more than once on the same volumes.

Rates

- A. For contracts less than 365 days, a rate as mutually agreed to by Customer and Company and set forth in Contract, consisting of a demand portion and/or a commodity portion.
- B. For contracts equal to or exceeding 365 days, a rate not to exceed ~~\$0.3537~~ ~~0.2931~~ per MMBtu, consisting of a demand portion and/or a commodity portion shall be mutually agreed to by Customer and Company and set forth in Contract.

Late Payment Charge and Due Date

A late payment charge of 2% shall be applied to the unpaid balance outstanding if the bill is not paid in full on or before the date on which the bill is due. The due date of Customer's bill shall be 21 days from the date bill was sent.

(Continued on Sheet No. E-35.01)

(Continued from Sheet No. E-36.00)

Applicable for Off-System Storage and Transportation Service

E26. TRANSPORTATION OFF-SYSTEM (INTERRUPTIBLE) SERVICE RATE TOS-I (Contd.)

Imbalance

Company and Customer shall work to keep the gas flow in balance at all times. If at any time, the volumes of gas received by Company at the Receipt Point(s) are greater or lesser than the gas delivered at the Delivery Point(s), Company may refuse, increase or decrease deliveries to correct the imbalances. If, upon termination of a Contract, Customer has not delivered to Company quantities of gas that are equal to those Customer has taken at the Delivery Point(s), Customer must deliver the deficient volumes to Company, within 60 days of the termination of Contract, at a mutually agreeable rate of delivery. If Customer fails to correct the imbalance within the 60 day period, then Customer shall pay an Unauthorized Gas Usage charge to Company. The charge for such Unauthorized Gas Usage shall be \$10.00 per MMBtu plus the highest price reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; ANR, ML7; Chicago city-gates; Consumers city-gate; or MichCon city-gate for all gas taken by Customer in excess of the cumulative volume delivered to Company (less Gas-in-Kind) on behalf of Customer. In the event Gas Daily discontinues its reporting such prices, the Company will select a comparable reporting service.

Gas in Kind

Company shall retain 1.00% of all gas received at the Receipt Point(s) to compensate it for the allowance for company-use and lost-and-unaccounted-for gas on Company's system. This volume shall not be included in the quantity available for delivery to Customer. In no event will Customer pay Gas-in-Kind more than once on the same volumes.

Rates

- A. For contracts less than 365 days, a rate as mutually agreed to by Customer and Company and set forth in Contract, consisting of a demand portion and/or a commodity portion.
- B. For contracts equal to or exceeding 365 days, a rate not to exceed ~~\$0.35370.2931~~ per MMBtu, consisting of a demand portion and/or a commodity portion shall be mutually agreed to by Customer and Company and set forth in Contract.

Late Payment Charge and Due Date

A late payment charge of 2% shall be applied to the unpaid balance outstanding if the bill is not paid in full on or before the date on which the bill is due. The due date of Customer's bill shall be 21 days from the date the bill was sent.

(Continued on Sheet No. E-37.01)

Issued October , 2020
C. Serna
Vice President
Regulatory Affairs

Detroit, Michigan

Effective for service rendered on
and after October __, 2020

Issued under authority of the
Michigan Public Service Commission
dated October , 2020 in Case No. U-20642

(Continued from Sheet No. F-4.00)

F1. GENERAL PROVISIONS (Contd.)

F1.15 Where used in this Rule, the term “month,” unless otherwise indicated, means billing month when referring to customer consumption and calendar month when referring to deliveries by Suppliers.

F1.16 The *annual reconciliation*, annual load requirement, delivery schedules, Supply Equalization Charges, and delivery shortfall Failure Fees shall apply on an aggregate basis for all accounts served by a Supplier, i.e., all Supplier-designated Pricing Categories will be combined.

F1.17 The Company may disclose, at such times as requested by the Commission or its Staff, the gas rates charged to Rate CC customers.

F1.18 The Company shall have the authority to issue operational flow orders, or take other action which it deems necessary, to ensure system reliability, even if such action may be inconsistent with other provisions of these Program Rules.

F1.19 The Company will act as Supplier of last resort under the Program.

F1.20 A Supplier must include the Company’s required tariff language in all of its contracts. If a customer has a complaint against a Supplier, the customer should try to resolve it first with the Supplier. If the complaint is unresolved, the customer should involve the Commission by contacting the Commission Staff. Should the customer choose to involve the Company in a complaint, the Company shall forward the complaint information to the Commission Staff and the Supplier for resolution. The Company shall have no responsibility for resolving disputes between customers and Suppliers but shall provide information if requested by the customer or Commission Staff.

F1.21 The Transportation Standards of Conduct, Rules E11 and E12, shall apply to the GCC program.

F1.22 The Company will convert customer consumption from Mcf to MMBtu using monthly system average Btu factor.

F1.23 *The Company will make Customer information available to the Supplier in accordance with the applicable provisions of Section C12 Customer Protections, Customer Access to Data and Section E11(F), Transportation Standards of Conduct, of its tariff. Customer information will be available to the Supplier through the Company’s electronic system within 10 days of such information becoming available to the Company. Customer information regarding customer consumption will comply with all applicable provisions of the Commission’s Consumers Standards and Billing Practices for Electric and Natural Gas Service.*

(Continued on Sheet No. F-6.00)

SECTION G

STANDARD FORMS

STANDARD FORMS INCLUDING APPLICATIONS, AGREEMENTS AND CONTRACTS FOR GAS SERVICE, GAS MAIN EXTENSIONS AND FOR SURVEY AND MAINTENANCE OF CUSTOMER-OWNED GAS FACILITIES IN MASTER METER SYSTEMS ~~CENTRALLY METERED INSTALLATIONS~~

<https://www.newlook.dteenergy.com/wps/wcm/connect/dte-web/home/about-dte/common/dte-gas-company/forms-n-resources>


PROOF OF SERVICE

STATE OF MICHIGAN)

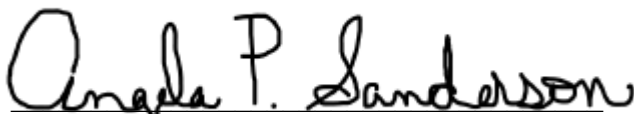
Case No. U-20642

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on August 20, 2020 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 20th day of August 2020.


Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2024

Service List for Case: U-20642

| Name | Email Address |
|----------------------|---------------------------------------|
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