

Founded in 1852
by Sidney Davy Miller

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July 26, 2018

Ms. Kavita Kale
Executive Secretary
Michigan Public Service Commission
7109 W. Saginaw Highway, 3rd Floor
Lansing, MI 48917

Re: Upper Michigan Energy Resources Corporation
Tax Reform Credit B
Case No. U-20183

Dear Ms. Kale:

Pursuant to the Commission's Orders issued in Case Nos. U-18494 and U-20110, Upper Michigan Energy Resources Corporation hereby files the enclosed Application, and Direct Testimony and Exhibits of Diane J. Mier, and Eric Alan Rogers, to address the Credit B as regarding the effects of the federal Tax Cuts and Jobs Act of 2017.

Also enclosed are Appearances of Sherri A. Wellman and Paul M. Collins.

Finally, please be advised that a draft Notice of Hearing has been emailed to Angela Sanderson at sandersona2@michigan.gov.

Should you have any questions, please kindly advise.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

By: _____
Sherri A. Wellman

Enclosures

cc: Intervenors in Case Nos. U-18061 and U-20110
Robert Garvin
Theodore Eidukas
Dennis M. Derricks
Mary Wolter
Richard Stasik
Vickie Nugent
Amy Winkler

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter on the Commission’s own)
motion, to consider changes in the rates)
of all the Michigan rate-regulated)
electric, steam and natural gas utilities) Case No. U-20183
to reflect the effects of the federal Tax)
Cuts and Jobs Act of 2017:)
UPPER MICHIGAN ENERGY RESOURCES)
CORPORATION files an application for determination)
of Credit B as described in orders U-18494 and U-20110.)

APPLICATION

Upper Michigan Energy Resources Corporation (“UMERC” or the “Company”), as directed in the February 22, 2018 Order of the Michigan Public Service Commission (“MPSC” or the “Commission”) issued in Case No. U-18494 (“February 22 Order”) and in the May 30, 2018 Order Approving Settlement Agreement in Case No. U-20110, hereby files its proposal for Credit B to address the impacts of federal corporate tax reduction arising from the Tax Cuts and Jobs Act of 2017 (“TCJA”) on its electric and natural gas general base rates from January 1, 2018 until June 30, 2018. In support of this Application, UMERC respectfully represents to the Commission as follows:

1. UMERC is a public service corporation organized under the laws of Michigan with service centers located at 800 Industrial Park Drive, Iron Mountain, Michigan, and 1717 Tenth Avenue, Menominee, Michigan. Pursuant to a Settlement Agreement approved by the Commission in Case No. U-18061 (“U-18061 Settlement Agreement”), UMERC provides retail electric service to the former Michigan electric customers of Wisconsin Electric Power Company (“WEPCo”) in service areas located in Alger, Baraga, Delta, Dickinson, Gogebic, Houghton,

Iron, Marquette, Menominee, and Ontonagon Counties (“WEPCo Rate Zone”), and to the former Michigan electric and natural gas customers of Wisconsin Public Service Corporation (“WPS Corp”) in a service area located in Menominee County, Michigan (“WPSC Rate Zone”).

2. In the order issued in Case No. U-18061, UMERC was authorized to adopt the then existing rates and tariffs of WEPCo for its WEPCo Rate Zone, and the then existing rates and tariffs of WPS Corp for its WPSC Rate Zone. WEPCo’s last general electric rate case was in Case No. U-16830, with a final order issued by the Commission on June 26, 2012. WPS Corp’s last general electric rate case was in Case No. U-17669, with a final order issued by the Commission on April 23, 2015, and its last general gas rate case was in Case No. U-7502, with a final order issued by the Commission on June 7, 1983 (these rates were subsequently reduced in Case No. U-8694 on June 9, 1987, as a result of the Tax Reform Act of 1986.)

3. In the Commission’s February 22 Order, UMERC was directed to file an application to address “going-forward” adjustments to base rates to reflect the reduction in the federal corporate tax rate from 35% to 21%. Ordering paragraph D of the February 22 Order directed companies to file supporting testimony and “base rate case exhibits similar to those included in the Case No. U-18238 filing requirements schedules A1 (revenue deficiency/sufficiency), B1 (rate base), C1 (operating income), C2 (revenue conversion factor), C8 (federal income tax), and D1 (cost of capital), and any other exhibits required to show the difference between the previously approved revenue requirement reflecting a 35% federal income tax expense and the new revenue requirement reflecting a 21% federal income tax expense.” The companies were also directed to file cost of service studies similar to base rate case schedule F1, and proposed rate design and tariff sheets.

4. On March 29, 2018, UMEREC filed with the Commission in Case No. U-20110 its application and direct testimony addressing the going-forward Credit A TCJA impacts in accordance with the February 22 Order.

5. On May 30, 2018, the Commission issued its Order Approving Settlement Agreement in Case No. U-20110 establishing forward-looking credits (a/k/a Credit A) effective on July 1, 2018, and directing UMEREC to file its Credit B Application within 60 days of the date of the order.

6. Consistent with the Commission's directives made in the Case Nos. U-18494 and U-20110, UMEREC is filing herewith the supporting testimony and exhibits for the purposes of addressing Credit B.

7. As reflected in its supporting testimony and exhibits, UMEREC has determined the Credit B amounts by using the Credit A rate for each class as established in Case No. U-20110 and multiplying it by the actual customer consumption from January 1, 2018 through June 30, 2018. The tariff sheets reflect Credit B credits to be effective from October 1, 2018 to December 31, 2018.

8. UMEREC represents that the proposed Credit B credits to its electric and gas rates, as supported by its testimony and exhibits, are just, reasonable, in the public interest, and provide for its electric and gas customers to enjoy the benefits of the tax reduction on a timely basis.

WHEREFORE, Upper Michigan Energy Resources Corporation requests that the Commission:

- A. Approve this Application;
- B. Find and determine that UMEREC's proposed Credit B credits as supported by its testimony and exhibits are reasonable and prudent,

C. Authorize UMERC to file and make effective its proposed Credit B credits from October 1, 2018 to December 31, 2018; and

D. Grant UMERC such other and further relief and authorizations as shall be lawful and proper.

Respectfully submitted,

UPPER MICHIGAN ENERGY RESOURCES
CORPORATION

Dated: July 26, 2018

By: _____
One of its Attorneys
Sherri A. Wellman (P38989)
Paul M. Collins (P69719)
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.
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(517) 487-2070

Attorneys for Upper Michigan Energy Resources Corporation

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter on the Commission’s own)	
motion, to consider changes in the rates)	
of all the Michigan rate-regulated)	
electric, steam and natural gas utilities)	Case Nos. U-20183
to reflect the effects of the federal Tax)	
Cuts and Jobs Act of 2017:)	
UPPER MICHIGAN ENERGY RESOURCES)	
CORPORATION files an application for determination)	
<u>of Credit B as described in orders U-18494 and U-20110.</u>)	

DIRECT TESTIMONY AND EXHIBITS OF

DIANE J. MIER

ON BEHALF OF

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

1 Q. Please state your name and business address.

2 A. My name is Diane J. Mier and my business address is 700 North Adams Street, Green
3 Bay, Wisconsin 54307-9001.

4 Q. By whom are you employed and what is your position?

5 A. I am employed by WEC Energy Group, Inc. (“WEC”) as a Project Specialist 2. I am
6 testifying in this case on behalf of Upper Michigan Energy Resources Corporation
7 (“UMERC” or the “Company”) which is a wholly owned subsidiary of WEC.

8 Q. Please describe briefly your education, professional, and utility background.

9 A. I have a Bachelor of Science Degree from the University of Wisconsin-Green Bay, in
10 Managerial Accounting. I have been employed by Wisconsin Public Service Corporation

1 (“WPS Corp”), WPS Corp’s predecessor, or WEC since December of 2003, and have
2 held various positions in the Non-Regulated and Corporate Risk Departments. In
3 November 2014, I transferred to the Regulatory Affairs Department where I currently
4 hold the position of Project Specialist 2. In my current position, my primary duties are the
5 calculation and administration of natural gas rates for WPS Corp and UMERC.

6 **Q. Have you previously testified before a regulatory agency?**

7 A. Yes. I have previously submitted testimony and exhibits with the Michigan Public
8 Service Commission (“MPSC” or the “Commission”) in GCR Case Nos. U-17279, U-
9 17890, U-18112, U-18400, and U-20066 ; EWR Case Nos. U-18018, U-18266, and U-
10 18336, and TCJA Case No. U- 20110.

11 **Q. On whose behalf are you testifying in this proceeding?**

12 A. I am testifying on behalf of UMERC.

13 **Q. What is the purpose of your testimony in this proceeding?**

14 A. The Commission’s February 22, 2018 Order in Case No. U-18494 (“February 22
15 Order”), among other things, directed UMERC to develop a “backward-looking credit for
16 the period of January 1, 2018 to the date that Credit A was implemented” to address the
17 impact of the Tax Cuts and Jobs Act of 2017 (“TCJA”) on its customers’ rates (“Credit
18 B”). Additionally, the Commission’s May 30, 2018 Order Approving Settlement
19 Agreement in Case No. U-20110 (“May 30 Order”), which addressed Credit A, directed
20 the Company to file its Credit B application within 60 days of the May 30 Order. The
21 purpose of my testimony is to address the directives of the February 22 Order and May
22 30 Order and to provide the value of the “*Credit B*” calculations with supporting exhibits
23 that relate to natural gas customers.

1 **Q. Are you sponsoring any exhibits in the proceeding?**

2 A. I am sponsoring the following exhibits:

3	<u>Exhibits</u>	<u>Content</u>
4	A-1 (DJM-1)	Calculation of Refund Amounts
5	A-2 (DJM-2)	Derivation of Surcharge Credits
6	A-3 (DJM-3)	Proposed Tariff Sheets

7 **Q. Were these exhibits prepared by you or under your supervision?**

8 A. Yes, they were.

9 **Q. As part of the directives made in the Commission’s February 22, 2018 order issued**
10 **in Case No. U-18494, applications made for Credits A and B were to be**
11 **“accompanied by base rate case exhibits similar to those included in the Case No. U-**
12 **18238 filing requirement schedules”; has the Company complied with the**
13 **Commission’s directive?**

14 A. The Company’s application for Credit A was supported by a direct case with exhibits
15 similar to those required to satisfy the filing requirements established in Case No. U-
16 18494. However, the parties to the Company’s Credit A case, reached a settlement and
17 agreed upon credits for each rate class, and it is from these credits that the Company has
18 worked backwards to derive its Credit B amount for the January 1 through June 30 time
19 period and the relevant credits for its rate classes. As such, based on this approach,
20 exhibits which would satisfy the filing requirements established in Case No. U-18494
21 would be duplicative to the direct case filing made by the Company in Credit A, and as a
22 practicable matter, would have no relevance to the Company’s direct case presentation
23 for Credit B. Therefore, only for purposes of complying with the Commission’s

1 February 22, 2018 order in Case No. U-18494, the Company incorporates by reference,
2 as if fully set out within this filing, its exhibits pre-filed in Case No. U-20110.

3 **Q. Please explain how Exhibit A-1 (DJM-1) was developed.**

4 A. Exhibit A-1 (DJM-1) represents the calculation of the Credit B amounts relating to
5 natural gas service recovered by the Company during the period of January 1 through
6 June 30, 2018. These amounts were determined by applying the Credit A authorized in
7 the Commission's May 30 Order for natural gas customers and applying it to the billed
8 volumes for the period of January 1 through June 30, 2018. As shown in Exhibit A-1
9 (DJM-1), the total value of the "*Credit B*" is \$34,082.

10 **Q. How does the Company plan to flow-through the "*Credit B*" total value to its
11 natural gas customers?**

12 A. The Company is proposing to pass-through the "*Credit B*" value to its natural gas
13 customers through a volumetric credit. Exhibit A-2 (DJM-2) shows the proposed
14 volumetric credit. Exhibit A-3 (DJM-3) is the proposed tariff sheet reflecting the
15 volumetric credit.

16 **Q. How was the volumetric credit derived?**

17 A. Taking the total Credit B amount of \$34,082 that was determined in Exhibit A-1 (DJM-
18 1), the Company has derived the credit by spreading the amount over the natural gas
19 forecasted sales for the months of October through December 2018. In this way a
20 volumetric credit was developed. The Company has chosen the October through
21 December time period to return the amount to UMERC's natural gas customers as they
22 will benefit from the additional credit in a timely manner.

23 **Q. Does this complete your direct testimony at this time?**

1 A. Yes, it does.

Line #		Volumes in Therms						Total
		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	
1	Total	2,445,482	2,273,964	2,061,626	1,884,793	1,295,294	1,032,972	10,994,132

"Credit A" Surcharge Rates

2	"Credit A" Surcharge Rates	\$ (0.0031)
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REFUND AMOUNTS

Line #	Rate Class	REFUND AMOUNTS						Total	Total Refund
		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18		
3	Total	\$ (7,581)	\$ (7,049)	\$ (6,391)	\$ (5,843)	\$ (4,015)	\$ (3,202)	<u>\$ (34,082)</u>	Total Refund

Michigan Public Service Commission
 Upper Michigan Energy Resources Corporation
 Derivation of "Credit B" Surcharge Credits

Case No. U-20183
 Exhibit No. A-2 (DJM-2)
 Page 1 of 1
 Witness: Diane J. Mier

Line #	Rate Class	Forecasted Volumes in Therms			Total
		Oct-18	Nov-18	Dec-18	
3	Total	1,289,358	1,502,682	2,088,803	4,880,843

Amount to be	Surcharge
Refunded	Credit
(Exhibit A-1)	
\$ (34,082)	\$ (0.00698) per Therm

M.P.S.C. No. 1 – Natural Gas
 Upper Michigan Energy Resources Corporation

x Rev. Sheet No. D-9.00
 Replaces x Rev. Sheet No. D-9.00
 Schedule GSC

**SECTION D
 RATE SCHEDULES**

D3. SUPPLEMENTAL CHARGES

NATURAL GAS

1. Each Rate Schedule may be subject to Rule C3, Customer Attachment Program.
2. Energy Waste Reduction (EWR) Surcharge – This surcharge is pursuant to Section 91(4) of 2008 PA 295, as amended by 2016 PA 342, the adjustment of distribution service rates, via the application of an Energy Waste Reduction Surcharge, to allow recovery of the energy waste reduction alternative compliance payment made by the Company in compliance with Section 91(1) of 2008 PA 295, as amended by 2016 PA 342. The EWR compliance payments and the associated surcharges are subject to a reconciliation mechanism.

The approved Energy Waste Reduction Surcharges are listed below:

<u>Customer Class</u>	<u>EWR Surcharge</u>	
Residential	\$0.0095/Therm	
	<u>Per Day/meter</u>	<u>Per Month/meter</u>
C & I Small-year round customers	\$0.0513	\$1.56
C & I Small-seasonal customers	\$0.1026	\$3.12
C & I Large	\$0.6086	\$18.51
Transportation Medium*	--	---
Transportation Large	\$0.4588	\$13.95
Transportation Super Large	\$9.2170	\$280.35

* No customers currently on this rate

3. Tax Cuts and Jobs Act of 2017 Credit(TCJA) - This surcharge allows the Company to refund to customers the impact of the Federal Tax Cuts and Jobs act of 2017

TCJA "Credit A" of \$0.00310 per Therm shall be applicable to all Rate Schedules.

TCJA "Credit B" Credit - This credit allows the Company to refund to customers the impact of the Federal Tax Cuts and Jobs act of 2017 for the period of January through June 2018. Customer's bills in all Rate Schedules shall be adjusted by \$0.00698 per Therm, effective October 1, 2018 through December 31, 2018.

Issued xx-xx-xx
 T. T. Eidukas
 Vice-President,
 Milwaukee, Wisconsin

Effective for service rendered on and
 after xx-xx-xx
 Issued under authority of the
 Michigan Public Service Commission
 dated xx-xx-xx
 in Case No. U-20183

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter on the Commission’s own motion,)
to consider changes in the rates of all Michigan) Case No. U-20183
rate-regulated electric, steam and natural gas utilities)
to reflect the effects of the federal Tax Cut and Jobs)
Act of 2017: **UPPER MICHIGAN ENERGY**)
RESOURCES CORPORATION files an application)
for determination of Credit B as described in orders)
U-18494 and U-20110.)

DIRECT TESTIMONY AND EXHIBITS OF

ERIC ALAN ROGERS

ON BEHALF OF

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

1 **Q. Would you please state your name and your business address?**

2 A. My name is Eric Alan Rogers. My business address is 231 W. Michigan Street in
3 Milwaukee, Wisconsin 53201.

4 **Q. By whom are you employed?**

5 A. I am employed by WEC Business Services, which provides various services to Upper
6 Michigan Energy Resources Corporation (“UMERC” or “Company”). WEC Business
7 Services and UMERC are both wholly-owned subsidiaries of WEC Energy Group, Inc.

8 **Q. Would you please describe your educational background?**

9 A. I earned a Bachelor of Science degree in Civil and Environmental Engineering from the
10 University of Wisconsin – Madison in 1975 and a Master of Science degree in
11 Environmental Engineering from Stanford University in 1978. I also took course work

1 but did not complete a degree at the University of Washington Graduate School of
2 Business.

3 **Q. Are you registered as a Professional Engineer in the State of Wisconsin?**

4 A. Yes, I am.

5 **Q. Would you briefly describe your professional experience prior to joining WEC
6 Business Services?**

7 A. I worked for the United States Bureau of Reclamation in Denver, Colorado as a design
8 engineer for two years and for Battelle Pacific Northwest Laboratories in Richland,
9 Washington as a research engineer for three years prior to joining Wisconsin Electric
10 Power Company (“WEPCo”) in 1982.

11 **Q. Would you describe your responsibilities at WEC Business Services?**

12 A. I began in 1982 as a forecasting analyst and I developed the residential sales forecast for
13 several rate cases and advance plans for WEPCo. During the mid-1980s and early 1990s,
14 I was responsible for analyzing the cost effectiveness of proposed demand-side programs
15 and evaluating the performance of actual demand-side programs. In the early 1990s, I
16 became responsible for the load research group, and I have since performed numerous
17 analyses of load data. In 2001, I developed the load profiling and settlement methodology
18 which is now being used for Michigan customers who select alternate energy suppliers.
19 Around 2002, I assumed responsibilities for cost-of-service analysis and rate design. I am
20 currently a team leader in the State Regulatory Affairs Department. My responsibilities
21 include class load analyses, revenue forecasts, cost-of-service studies and rate design and
22 I continue to work closely with the sales forecasting group.

23 **Q. Have you previously presented testimony in regulatory proceedings?**

24 A. Yes, I presented testimony on cost-of-service and rate design in previous rate cases before
25 the Michigan Public Service Commission (“Commission”), Case Nos. U-15071, U-
26 15500, U-15981 and U-16830. I also presented testimony on energy optimization (“EO”) or
27 energy waste reduction (“EWR”) plans in Case Nos. U-15812, U-16677, U-17357, U-
28 17777 and U-18267 and on the reconciliation of the WEPCo EO/EWR surcharges for
29 2009 through 2017 in Case Nos. U-16368, U-16369, U-16743, U-17287, U-17607, U-
30 18019 and U-20034, respectively, and for the 2017 EWR reconciliation for UMER in

1 Case No. U-20033. I also presented testimony on the impacts to WEPCo's revenue
2 requirements of its proposed ownership exchange agreement with Wolverine Power
3 Supply Cooperative, Inc. for a portion of the Presque Isle Power Plant in Case No. U-
4 17213. I also presented testimony in Case Nos. U-17479 and U-17490. Most recently I
5 presented testimony on the Tax Cuts and Jobs Act, Credit A calculation in Case No. U-
6 20110. I have also presented testimony on cost-of-service and rate design in several cases
7 before the Public Service Commission of Wisconsin, including the 2004 and 2005 carve-
8 out rate cases (Docket 05-UR-101), the environmental trust financing case (Docket 6630-
9 ET-100), and the test-year 2006, 2008, 2010, 2013 and 2015 rate cases (Dockets 05-UR-
10 102, 05-UR-103, 05-UR-104, 05-UR-106 and 05-UR-107, respectively). I also submitted
11 testimony to the Federal Energy Regulatory Commission ("FERC") in three cases
12 involving power sales agreements with WEPCo's Michigan wholesale customers
13 (Dockets ER06-997, ER06-998 and ER06-999) and FERC general rate case (Docket
14 ER06-1320).

15 **Q. On whose behalf are you testifying in this proceeding?**

16 A. I am testifying on behalf of UMERC.

17 **Q. What is the purpose of this testimony?**

18 A. The purpose of this testimony is to present UMERC's electric Credit B refund
19 calculations due to the Tax Cuts and Jobs Act (TCJA), as contemplated in Order point B
20 of the February 22, 2018 Order in Case U-18494 and consistent with the directive made
21 by the Commission in its May 30, 2018 Order Approving Settlement Agreement issued in
22 Case No. U-20110.

23 **Q. Are you sponsoring any exhibits with this testimony?**

24 A. Yes. I am sponsoring the following exhibits:

25 Exhibit A-4 (EAR-1): Calculation of "Credit B" Refund Amounts for Electric
26 Service

27 Exhibit A-5 (EAR-2): Calculation of "Credit B" Volumetric Credits for Electric
28 Service

29 Exhibit A-6 (EAR-3): Tariff sheets

30 **Q. Were these exhibits prepared by you or under your supervision?**

31 A. Yes.

1 **Q. As part of the directives made in the Commission’s February 22, 2018 Order issued**
2 **in Case No. U-18494, applications made for Credits A and B were to be**
3 **“accompanied by base rate case exhibits similar to those included in the Case No. U-**
4 **18238 filing requirement schedules”;** **has the Company complied with the**
5 **Commission’s directive?**

6 A. The Company’s application for Credit A was supported by a direct case with exhibits
7 similar to those required to satisfy the filing requirements established in Case No. U-
8 18494. However, the parties to the Company’s Credit A case, reached a settlement and
9 agreed upon credits for each rate class, and it is from these credits that the Company has
10 worked backwards to derive its Credit B amount for the January 1 through June 30 time
11 period and the relevant credits for its rate classes. As such, based on this approach,
12 exhibits which would satisfy the filing requirements established in Case No. U-18494
13 would be duplicative to the direct case filing made by the Company in Credit A, and as a
14 practicable matter, would have no relevance to the Company’s direct case presentation for
15 Credit B. Therefore, only for purposes of complying with the Commission’s February 22,
16 2018 order in Case No. U-18494, the Company incorporates by reference, as if fully set
17 out within this filing, its exhibits pre-filed in Case No. U-20110.

18 **Q. Could you explain Exhibit A-4 (EAR-1), please?**

19 A Yes. Exhibit A-4 (EAR-1) shows the calculation of the amount of the TJCA refund
20 accrued over the period January through June of 2018. Page 1 shows the actual energy
21 sales by class for each month and page 2 shows the amount of the Credit B refund
22 accrued in each month. The amount of the Credit B refund is simply the monthly sales
23 multiplied by the unit Credit A. The total Credit B refund amount for the period January
24 through June 2018 is summed for each customer class in column T.

25 **Q. Could you explain Exhibit A-5 (EAR-2), please?**

26 A. Yes. Exhibit A-5 (EAR-2) shows the calculation of the Credit B volumetric credits for
27 each customer class. Page 1 shows the forecasted energy for the period in which we
28 propose to accomplish the Credit B refunds, October through December 2018. On page
29 2, the total Credit B refund amount as of the end of June 2018 for the period January
30 through June 2018 (from Exhibit A-4 (EAR-1) page 2 column T) is shown in column H,

1 and is carried through to the end of September 2018 in columns I through K. The unit
2 refund is calculated in column M. For those classes with non-zero energy, the unit refund
3 is calculated simply by dividing the total refund amount at the end of September, 2018 by
4 the forecasted energy sales for the period October through December 2018. For those
5 classes with zero energy, such as several RAS classes, the unit refund is calculated by
6 multiplying the Credit A unit refund by the ratio of the Credit B unit refund to the Credit
7 A unit refund for the corresponding class. This works for all classes except CpLC, which
8 has zero energy in both full-service and RAS categories. Most of the Credit B unit
9 refunds are roughly two times the Credit A unit refunds, so for CpLC we assigned the
10 Credit B unit refund as two times the Credit A unit refund (it is extremely unlikely that
11 there will be any CpLC customers in the Credit B refund period). Columns O through T
12 show the Credit B refund amounts returned in each month and the remaining balances at
13 the end of each month. The remaining balances at end of December 2018 are near zero,
14 but not exactly zero, due to rounding in the credit calculation. These remaining balances
15 are likely small in comparison to what the actual remaining balances will be due to the
16 difference in forecast and actual energy sales.

17 **Q Could you explain Exhibit A-6 (EAR-3), please?**

18 **A** Exhibit A-6 (EAR-3) shows the tariff sheets with the Credit B units refunds. These are
19 simply expansions of the current tariff sheets that have the Credit A unit refunds as well.

20 **Q. Does this conclude your direct testimony?**

21 **A.** Yes.

	A	B	C	D	E	F	G	H	I	J
1	Upper Michigan Energy Resources Corporation									Case No. U-20181
2	Calculation of "Credit B" Refund Amounts for Electric Service									Exhibit No. A-4 (EAR-1)
3										Page 1 of 2
4										Witness: Eric A. Rogers
5										
6	Actual Energy									
7										
8										
9	WEPCO Zone Full Service									
10	Class			Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Total Energy
11	RES FLAT Rg1			15,027,006	13,595,565	13,071,500	12,070,316	11,366,347	12,592,453	77,723,187
12	RES TOU Rg2			638,314	597,738	534,868	462,511	470,247	413,161	3,116,839
13	SEC FLAT Cg1, Cg2, TSSM, TSSU			6,699,908	5,165,814	5,719,544	5,124,601	5,890,934	5,902,504	34,503,305
14	SEC TOU Cg5			645,805	338,934	429,270	437,728	471,849	447,764	2,771,350
15	SEC DEMAND TOU Cg3, Cg3C			2,354,576	1,927,688	1,695,136	2,638,365	2,081,951	2,142,588	12,840,304
16	PRIMARY Cp1Low & Med,Cp2, Cp4, Special Contracts			984,040	821,331	922,443	898,759	736,412	803,364	5,166,349
17	SCHEDULE A			0	0	0	0	0	0	0
18	CpLC			0	0	0	0	0	0	0
19	PRIMARY Cp3Med, Cp3High			6,685,185	6,107,398	6,656,549	6,483,509	6,638,901	6,477,067	39,048,609
20	LIGHTING G11, Ms2, Ms3, Cg5 Lighting			226,520	316,974	312,903	265,514	282,611	234,105	1,638,627
21	Total			33,261,354	28,871,442	29,342,213	28,381,303	27,939,252	29,013,006	176,808,570
22										
23	WEPCO Zone Retail Access									
24	Class			Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Total Energy
25	RES FLAT Rg1			0	0	0	0	0	0	0
26	SEC FLAT Cg1, TSSM, TSSU			720,902	1,023,890	842,680	810,501	906,523	1,007,963	5,312,459
27	SEC DEMAND TOU Cg3			3,474,423	4,147,724	4,106,463	3,910,425	4,025,130	4,182,387	23,846,552
28	PRIMARY Cp1, Cp4			1,006,141	1,050,805	990,990	1,057,732	1,105,363	1,164,770	6,375,801
29	SCHEDULE A			12,399,047	11,973,438	16,210,046	11,137,207	9,324,658	10,786,633	71,831,029
30	CpLC			0	0	0	0	0	0	0
31	Total			17,600,513	18,195,857	22,150,179	16,915,865	15,361,674	17,141,753	107,365,841
32										
33	WPS Zone Full Service									
34	Class			Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Total Energy
35	RES FLAT Rg-1M			6,810,643	5,450,767	5,172,371	4,976,048	4,755,389	4,001,754	31,166,972
36	RES Rg-OTOU-1M			298,540	223,952	207,582	200,180	174,834	108,194	1,213,282
37	SEC FLAT Cg-1M			1,164,786	1,169,453	1,120,111	1,052,755	1,074,444	819,944	6,401,493
38	SEC Cg-OTOU-1M			80,663	70,329	72,793	67,158	64,893	63,142	418,978
39	SEC DEMAND Cg-3M			878,566	935,406	918,746	899,570	936,937	768,921	5,338,146
40	PRIMARY Cp1-1M, Cp-1			12,885,229	12,489,504	14,257,158	14,158,650	13,209,437	15,611,883	82,611,861
41	LIGHTING GY, MS, LS-1M			137,015	111,690	107,637	91,009	82,233	73,008	602,592
42	Mp-1M			61,755	57,838	59,180	56,722	59,401	55,387	350,283
43	Total			22,317,197	20,508,939	21,915,578	21,502,092	20,357,568	21,502,233	128,103,607
44										
45	WPS Zone Retail Access									
46	Class			Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Total Energy
47	RES FLAT Rg-1M			0	0	0	0	0	0	0
48	RES Rg-OTOU-1M			0	0	0	0	0	0	0
49	SEC FLAT Cg-1M			0	0	0	0	0	0	0
50	SEC Cg-OTOU-1M			0	0	0	0	0	0	0
51	SEC DEMAND Cg-3M			19,881	18,199	18,233	17,648	(3,631)	56,070	126,400
52	PRIMARY Cp1-1M			2,164,476	2,425,662	2,400,949	2,450,467	2,525,507	2,538,802	14,505,863
53	LIGHTING LS-1M			0	0	0	0	0	0	0
54	Mp-1M			0	0	0	0	0	0	0
55	Total			2,184,357	2,443,861	2,419,182	2,468,115	2,521,876	2,594,872	14,632,263

	K	L	M	N	O	P	Q	R	S	T
1	Upper Michigan Energy Resources Corporation									Case No. U-20181
2	Calculation of "Credit B" Refund Amounts for Electric Service									Exhibit No. A-4 (EAR-1)
3										Page 2 of 2
4										Witness: Eric A. Rogers
5										
6										
7										
8										
9	WEPCO Zone Full Service									Total Credit B
										Refund End Of
10	Class	Unit Credit A (\$/kWh)	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	June, 2018	
11	RES FLAT Rg1	\$ (0.00385)	\$ (57,853.97)	\$ (52,342.93)	\$ (50,325.28)	\$ (46,470.72)	\$ (43,760.44)	\$ (48,480.94)	\$ (299,234.27)	
12	RES TOU Rg2	\$ (0.00348)	\$ (2,221.33)	\$ (2,080.13)	\$ (1,861.34)	\$ (1,609.54)	\$ (1,636.46)	\$ (1,437.80)	\$ (10,846.60)	
13	SEC FLAT Cg1, Cg2, TSSM, TSSU	\$ (0.00411)	\$ (27,536.62)	\$ (21,231.50)	\$ (23,507.33)	\$ (21,062.11)	\$ (24,211.74)	\$ (24,259.29)	\$ (141,808.58)	
14	SEC TOU Cg5	\$ (0.00252)	\$ (1,627.43)	\$ (854.11)	\$ (1,081.76)	\$ (1,103.07)	\$ (1,189.06)	\$ (1,128.37)	\$ (6,983.80)	
15	SEC DEMAND TOU Cg3, Cg3C	\$ (0.00231)	\$ (5,439.07)	\$ (4,452.96)	\$ (3,915.76)	\$ (6,094.62)	\$ (4,809.31)	\$ (4,949.38)	\$ (29,661.10)	
16	PRIMARY Cp1Low & Med,Cp2, Cp4, Special Contracts	\$ (0.00179)	\$ (1,761.43)	\$ (1,470.18)	\$ (1,651.17)	\$ (1,608.78)	\$ (1,318.18)	\$ (1,438.02)	\$ (9,247.76)	
17	SCHEDULE A	\$ (0.00086)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
18	CpLC	\$ (0.00072)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
19	PRIMARY Cp3Med, Cp3High	\$ (0.00130)	\$ (8,690.74)	\$ (7,939.62)	\$ (8,653.51)	\$ (8,428.56)	\$ (8,630.57)	\$ (8,420.19)	\$ (50,763.19)	
20	LIGHTING G11, Ms2, Ms3, Cg5 Lighting	\$ (0.00624)	\$ (1,413.48)	\$ (1,977.92)	\$ (1,952.51)	\$ (1,656.81)	\$ (1,763.49)	\$ (1,460.82)	\$ (10,225.03)	
21	Total		\$ (106,544.08)	\$ (92,349.34)	\$ (92,948.67)	\$ (88,034.21)	\$ (87,319.24)	\$ (91,574.80)	\$ (558,770.35)	
22										
23	WEPCO Zone Retail Access									Total Credit B
										Refund End Of
24	Class	Unit Credit A (\$/kWh)	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	June, 2018	
25	RES FLAT Rg1	\$ (0.00289)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
26	SEC FLAT Cg1, TSSM, TSSU	\$ (0.00315)	\$ (2,270.84)	\$ (3,225.25)	\$ (2,654.44)	\$ (2,553.08)	\$ (2,855.55)	\$ (3,175.08)	\$ (16,734.25)	
27	SEC DEMAND TOU Cg3	\$ (0.00144)	\$ (5,003.17)	\$ (5,972.72)	\$ (5,913.31)	\$ (5,631.01)	\$ (5,796.19)	\$ (6,022.64)	\$ (34,339.03)	
28	PRIMARY Cp1, Cp4	\$ (0.00095)	\$ (955.83)	\$ (998.26)	\$ (941.44)	\$ (1,004.85)	\$ (1,050.09)	\$ (1,106.53)	\$ (6,057.01)	
29	SCHEDULE A	\$ (0.00012)	\$ (1,487.89)	\$ (1,436.81)	\$ (1,945.21)	\$ (1,336.46)	\$ (1,118.96)	\$ (1,294.40)	\$ (8,619.72)	
30	CpLC	\$ (0.00001)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
31	Total		\$ (9,717.73)	\$ (11,633.05)	\$ (11,454.39)	\$ (10,525.40)	\$ (10,820.79)	\$ (11,598.65)	\$ (65,750.02)	
32										
33	WPS Zone Full Service									Total Credit B
										Refund End Of
34	Class	Unit Credit A (\$/kWh)	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	June, 2018	
35	RES FLAT Rg-1M	\$ (0.00455)	\$ (30,988.43)	\$ (24,800.99)	\$ (23,534.29)	\$ (22,641.02)	\$ (21,637.02)	\$ (18,207.98)	\$ (141,809.72)	
36	RES Rg-OTOU-1M	\$ (0.00363)	\$ (1,083.70)	\$ (812.95)	\$ (753.52)	\$ (726.65)	\$ (634.65)	\$ (392.74)	\$ (4,404.21)	
37	SEC FLAT Cg-1M	\$ (0.00363)	\$ (4,228.17)	\$ (4,245.11)	\$ (4,066.00)	\$ (3,821.50)	\$ (3,900.23)	\$ (2,976.40)	\$ (23,237.42)	
38	SEC Cg-OTOU-1M	\$ (0.00343)	\$ (276.67)	\$ (241.23)	\$ (249.68)	\$ (230.35)	\$ (222.58)	\$ (216.58)	\$ (1,437.09)	
39	SEC DEMAND Cg-3M	\$ (0.00361)	\$ (3,171.62)	\$ (3,376.82)	\$ (3,316.67)	\$ (3,247.45)	\$ (3,382.34)	\$ (2,775.80)	\$ (19,270.71)	
40	PRIMARY Cp1-1M, Cp-1	\$ (0.00110)	\$ (14,173.75)	\$ (13,738.45)	\$ (15,682.87)	\$ (15,574.52)	\$ (14,530.38)	\$ (17,173.07)	\$ (90,873.05)	
41	LIGHTING GY, MS, LS-1M	\$ (0.00800)	\$ (1,096.12)	\$ (893.52)	\$ (861.10)	\$ (728.07)	\$ (657.86)	\$ (584.06)	\$ (4,820.74)	
42	Mp-1	\$ (0.00329)	\$ (203.17)	\$ (190.29)	\$ (194.70)	\$ (186.62)	\$ (195.43)	\$ (182.22)	\$ (1,152.43)	
43	Total		\$ (55,221.64)	\$ (48,299.36)	\$ (48,658.84)	\$ (47,156.17)	\$ (45,160.50)	\$ (42,508.86)	\$ (287,005.37)	
44										
45	WPS Zone Retail Access									Total Credit B
										Refund End Of
46	Class	Unit Credit A (\$/kWh)	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	June, 2018	
47	RES FLAT Rg-1M	\$ (0.00163)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
48	RES Rg-OTOU-1M	\$ (0.00111)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
49	SEC FLAT Cg-1M	\$ (0.00108)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
50	SEC Cg-OTOU-1M	\$ (0.00090)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
51	SEC DEMAND Cg-3M	\$ (0.00055)	\$ (10.93)	\$ (10.01)	\$ (10.03)	\$ (9.71)	\$ 2.00	\$ (30.84)	\$ (69.52)	
52	PRIMARY Cp1-1M	\$ (0.00017)	\$ (367.96)	\$ (412.36)	\$ (408.16)	\$ (416.58)	\$ (429.34)	\$ (431.60)	\$ (2,466.00)	
53	LIGHTING LS-1M	\$ (0.00570)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
54	Mp-1	\$ (0.00062)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
55	Total		\$ (378.90)	\$ (422.37)	\$ (418.19)	\$ (426.29)	\$ (427.34)	\$ (462.43)	\$ (2,535.52)	

	A	B	C	D	E	F
1	Upper Michigan Energy Resources Corporation					Case No. U-20181
2	Calculation of "Credit B" Volumetric Credits for Electric Service					Exhibit No. A-5 (EAR-2)
3						Page 1 of 2
4						Witness: Eric A. Rogers
5						
6						
7						
8						
9						
10	WEPCO Zone Full Service		<-----Forecasted Energy (kWh)----->			
11	Class		Oct 2018	Nov 2018	Dec 2018	Total
12	RES FLAT Rg1		11,935,958	12,862,219	14,995,739	39,793,916
13	RES TOU Rg2		426,654	496,088	610,911	1,533,653
14	SEC FLAT Cg1, Cg2, TSSM, TSSU		5,651,824	5,739,256	5,797,689	17,188,769
15	SEC TOU Cg5		530,320	645,875	847,473	2,023,668
16	SEC DEMAND TOU Cg3, Cg3C		2,102,995	1,747,899	2,118,840	5,969,734
17	PRIMARY Cp1Low & Med,Cp2, Cp4, Special Contracts		972,654	839,216	1,179,396	2,991,266
18	SCHEDULE A		0	0	0	0
19	CpLC		0	0	0	0
20	PRIMARY Cp3Med, Cp3High		5,629,498	5,956,070	6,421,899	18,007,467
21	LIGHTING G11, Ms2, Ms3, Cg5 Lighting		276,162	261,559	263,330	801,051
22	Total		27,526,065	28,548,182	32,235,277	88,309,524
23						
24	WEPCO Zone Retail Access		<-----Forecasted Energy (kWh)----->			
25	Class		Oct 2018	Nov 2018	Dec 2018	Total
26	RES FLAT Rg1		0	0	0	0
27	SEC FLAT Cg1, TSSM, TSSU		979,325	920,821	882,969	2,783,115
28	SEC DEMAND TOU Cg3		3,805,206	4,696,516	4,633,354	13,135,076
29	PRIMARY Cp1, Cp4		1,171,739	986,495	1,082,024	3,240,258
30	SCHEDULE A		13,548,181	13,324,520	12,582,069	39,454,770
31	CpLC		0	0	0	0
32	Total		19,504,451	19,928,352	19,180,416	58,613,219
33						
34	WPS Zone		<-----Forecasted Energy (kWh)----->			
35	Class		Oct 2018	Nov 2018	Dec 2018	Total
36	RES FLAT Rg-1M		4,562,306	4,892,957	5,998,254	15,453,517
37	RES Rg-OTOU-1M		143,963	177,435	239,832	561,230
38	SEC FLAT Cg-1M		998,560	1,056,687	1,192,391	3,247,638
39	SEC Cg-OTOU-1M		64,732	73,962	75,540	214,234
40	SEC DEMAND Cg-3M		826,269	883,666	967,120	2,677,055
41	PRIMARY Cp1-1M, Cp-1		12,693,000	12,777,000	13,220,000	38,690,000
42	LIGHTING GY, MS, LS-1M		110,544	123,065	133,216	366,825
43	Mp-1		48,628	62,226	57,647	168,501
44	Total		19,448,002	20,046,998	21,884,000	61,379,000
45						
46	WPS Zone Retail Access		<-----Forecasted Energy (kWh)----->			
47	Class		Oct 2018	Nov 2018	Dec 2018	Total
48	RES FLAT Rg-1M		0	0	0	0
49	RES Rg-OTOU-1M		0	0	0	0
50	SEC FLAT Cg-1M		0	0	0	0
51	SEC Cg-OTOU-1M		0	0	0	0
52	SEC DEMAND Cg-3M		14,640	14,720	16,480	45,840
53	PRIMARY Cp1-1M		2,381,000	2,310,000	2,244,000	6,935,000
54	LIGHTING GY, MS, LS-1M		0	0	0	0
55	Mp-1		0	0	0	0
56	Total		2,395,640	2,324,720	2,260,480	6,980,840

	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1	Upper Michigan Energy Resources Corporation													Case No. U-20181
2	Calculation of "Credit B" Volumetric Credits for Electric Service													Exhibit No. A-5 (EAR-2)
3														Page 2 of 2
4														Witness: Eric A. Rogers
5														
6														
7														
8														
9														
10	Credit B for WEPCO Zone Full Service													
		Total Credit B	Total Credit B	Total Credit B	Total Credit B	Unit Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B
		Refund End of	Refund End of	Refund End of	Refund As Of	Refund	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of
		June, 2018	July, 2018	August, 2018	September, 2018	(\$/kWh)	October 2018	October, 2018	2018	2018	2018	2018	2018	2018
11	Class													
12	RES FLAT Rg1	\$ (299,234)	\$ (299,234)	\$ (299,234)	\$ (299,234)	\$ (0.00752)	\$ (89,758)	\$ (209,476)	\$ (96,724)	\$ (112,752)	\$ (112,768)	\$ (112,768)	\$ (112,768)	\$ 16
13	RES TOU Rg2	\$ (10,847)	\$ (10,847)	\$ (10,847)	\$ (10,847)	\$ (0.00707)	\$ (3,016)	\$ (7,830)	\$ (3,507)	\$ (4,323)	\$ (4,319)	\$ (4,319)	\$ (4,319)	\$ (4)
14	SEC FLAT Cg1, Cg2, TSSM, TSSU	\$ (141,809)	\$ (141,809)	\$ (141,809)	\$ (141,809)	\$ (0.00825)	\$ (46,628)	\$ (95,181)	\$ (47,349)	\$ (47,832)	\$ (47,831)	\$ (47,831)	\$ (47,831)	\$ (1)
15	SEC TOU Cg5	\$ (6,984)	\$ (6,984)	\$ (6,984)	\$ (6,984)	\$ (0.00345)	\$ (1,830)	\$ (5,154)	\$ (2,228)	\$ (2,926)	\$ (2,924)	\$ (2,924)	\$ (2,924)	\$ (2)
16	SEC DEMAND TOU Cg3, Cg3C	\$ (29,661)	\$ (29,661)	\$ (29,661)	\$ (29,661)	\$ (0.00497)	\$ (10,452)	\$ (19,209)	\$ (8,687)	\$ (10,522)	\$ (10,531)	\$ (10,531)	\$ (10,531)	\$ 8
17	PRIMARY Cp1Low & Med,Cp2, Cp4, Special Contracts	\$ (9,248)	\$ (9,248)	\$ (9,248)	\$ (9,248)	\$ (0.00309)	\$ (3,006)	\$ (6,242)	\$ (2,593)	\$ (3,649)	\$ (3,644)	\$ (3,644)	\$ (3,644)	\$ (5)
18	SCHEDULE A	\$ -	\$ -	\$ -	\$ -	\$ (0.00158)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	CpLC	\$ -	\$ -	\$ -	\$ -	\$ (0.00144)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	PRIMARY Cp3Med, Cp3High	\$ (50,763)	\$ (50,763)	\$ (50,763)	\$ (50,763)	\$ (0.00282)	\$ (15,875)	\$ (34,888)	\$ (16,796)	\$ (18,092)	\$ (18,110)	\$ (18,110)	\$ (18,110)	\$ 18
21	LIGHTING G11, Ms2, Ms3, Cg5 Lighting	\$ (10,225)	\$ (10,225)	\$ (10,225)	\$ (10,225)	\$ (0.01276)	\$ (3,524)	\$ (6,701)	\$ (3,337)	\$ (3,364)	\$ (3,360)	\$ (3,360)	\$ (3,360)	\$ (4)
22	Total	\$ (558,770)	\$ (558,770)	\$ (558,770)	\$ (558,770)	\$ -	\$ (174,088)	\$ (384,682)	\$ (181,222)	\$ (203,460)	\$ (203,487)	\$ (203,487)	\$ (203,487)	\$ 27
23														
24	Credit B for WEPCO Zone Retail Access													
		Total Credit B	Total Credit B	Total Credit B	Total Credit B	Unit Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B
		Refund End of	Refund End of	Refund End of	Refund As Of	Refund	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of
		June, 2018	July, 2018	August, 2018	September, 2018	(\$/kWh)	October 2018	October, 2018	2018	2018	2018	2018	2018	2018
25	Class													
26	RES FLAT Rg1	\$ -	\$ -	\$ -	\$ -	\$ (0.00564)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	SEC FLAT Cg1, TSSM, TSSU	\$ (16,734)	\$ (16,734)	\$ (16,734)	\$ (16,734)	\$ (0.00601)	\$ (5,886)	\$ (10,849)	\$ (5,534)	\$ (5,314)	\$ (5,307)	\$ (5,307)	\$ (5,307)	\$ (8)
28	SEC DEMAND TOU Cg3	\$ (34,339)	\$ (34,339)	\$ (34,339)	\$ (34,339)	\$ (0.00261)	\$ (9,932)	\$ (24,407)	\$ (12,258)	\$ (12,150)	\$ (12,093)	\$ (12,093)	\$ (12,093)	\$ (56)
29	PRIMARY Cp1, Cp4	\$ (6,057)	\$ (6,057)	\$ (6,057)	\$ (6,057)	\$ (0.00187)	\$ (2,191)	\$ (3,866)	\$ (1,845)	\$ (2,021)	\$ (2,023)	\$ (2,023)	\$ (2,023)	\$ 2
30	SCHEDULE A	\$ (8,620)	\$ (8,620)	\$ (8,620)	\$ (8,620)	\$ (0.00022)	\$ (2,981)	\$ (5,639)	\$ (2,931)	\$ (2,708)	\$ (2,768)	\$ (2,768)	\$ (2,768)	\$ 60
31	CpLC	\$ -	\$ -	\$ -	\$ -	\$ (0.00002)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	Total	\$ (65,750)	\$ (65,750)	\$ (65,750)	\$ (65,750)	\$ -	\$ (20,989)	\$ (44,761)	\$ (22,568)	\$ (22,193)	\$ (22,191)	\$ (22,191)	\$ (22,191)	\$ (2)
33														
34	Credit B for WPS Zone													
		Total Credit B	Total Credit B	Total Credit B	Total Credit B	Unit Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B
		Refund End of	Refund End of	Refund End of	Refund As Of	Refund	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of
		June, 2018	July, 2018	August, 2018	September, 2018	(\$/kWh)	October 2018	October, 2018	2018	2018	2018	2018	2018	2018
35	Class													
36	RES FLAT Rg-1M	\$ (141,810)	\$ (141,810)	\$ (141,810)	\$ (141,810)	\$ (0.00918)	\$ (41,882)	\$ (99,928)	\$ (44,917)	\$ (55,010)	\$ (55,064)	\$ (55,064)	\$ (55,064)	\$ 54
37	RES Rg-OTOU-1M	\$ (4,404)	\$ (4,404)	\$ (4,404)	\$ (4,404)	\$ (0.00785)	\$ (1,130)	\$ (3,274)	\$ (1,393)	\$ (1,881)	\$ (1,883)	\$ (1,883)	\$ (1,883)	\$ 1
38	SEC FLAT Cg-1M	\$ (23,237)	\$ (23,237)	\$ (23,237)	\$ (23,237)	\$ (0.00716)	\$ (7,150)	\$ (16,088)	\$ (7,566)	\$ (8,522)	\$ (8,538)	\$ (8,538)	\$ (8,538)	\$ 16
39	SEC Cg-OTOU-1M	\$ (1,437)	\$ (1,437)	\$ (1,437)	\$ (1,437)	\$ (0.00671)	\$ (434)	\$ (1,003)	\$ (496)	\$ (506)	\$ (507)	\$ (507)	\$ (507)	\$ 0
40	SEC DEMAND Cg-3M	\$ (19,271)	\$ (19,271)	\$ (19,271)	\$ (19,271)	\$ (0.00720)	\$ (5,949)	\$ (13,322)	\$ (6,362)	\$ (6,959)	\$ (6,963)	\$ (6,963)	\$ (6,963)	\$ 4
41	PRIMARY Cp1-1M, Cp-1	\$ (90,873)	\$ (90,873)	\$ (90,873)	\$ (90,873)	\$ (0.00235)	\$ (29,829)	\$ (61,044)	\$ (30,026)	\$ (31,019)	\$ (31,067)	\$ (31,067)	\$ (31,067)	\$ 48
42	LIGHTING GY, MS, LS-1M	\$ (4,821)	\$ (4,821)	\$ (4,821)	\$ (4,821)	\$ (0.01314)	\$ (1,453)	\$ (3,368)	\$ (1,617)	\$ (1,751)	\$ (1,750)	\$ (1,750)	\$ (1,750)	\$ (1)
43	Mp-1	\$ (1,152)	\$ (1,152)	\$ (1,152)	\$ (1,152)	\$ (0.00684)	\$ (333)	\$ (820)	\$ (426)	\$ (394)	\$ (394)	\$ (394)	\$ (394)	\$ 0
44	Total	\$ (287,005)	\$ (287,005)	\$ (287,005)	\$ (287,005)	\$ -	\$ (88,159)	\$ (198,846)	\$ (92,803)	\$ (106,043)	\$ (106,166)	\$ (106,166)	\$ (106,166)	\$ 123
45														
46	Credit B for WPS Zone Retail Access													
		Total Credit B	Total Credit B	Total Credit B	Total Credit B	Unit Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B	Credit B	Total Credit B
		Refund End of	Refund End of	Refund End of	Refund As Of	Refund	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of	Refund in	Refund End of
		June, 2018	July, 2018	August, 2018	September, 2018	(\$/kWh)	October 2018	October, 2018	2018	2018	2018	2018	2018	2018
47	Class													
48	RES FLAT Rg-1M	\$ -	\$ -	\$ -	\$ -	\$ (0.00329)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49	RES Rg-OTOU-1M	\$ -	\$ -	\$ -	\$ -	\$ (0.00240)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50	SEC FLAT Cg-1M	\$ -	\$ -	\$ -	\$ -	\$ (0.00213)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51	SEC Cg-OTOU-1M	\$ -	\$ -	\$ -	\$ -	\$ (0.00176)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52	SEC DEMAND Cg-3M	\$ (70)	\$ (70)	\$ (70)	\$ (70)	\$ (0.00152)	\$ (22)	\$ (47)	\$ (22)	\$ (25)	\$ (25)	\$ (25)	\$ (25)	\$ 0
53	PRIMARY Cp1-1M	\$ (2,466)	\$ (2,466)	\$ (2,466)	\$ (2,466)	\$ (0.00036)	\$ (857)	\$ (1,609)	\$ (832)	\$ (777)	\$ (808)	\$ (808)	\$ (808)	\$ 31
54	LIGHTING GY, MS, LS-1M	\$ -	\$ -	\$ -	\$ -	\$ (0.00936)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
55	Mp-1	\$ -	\$ -	\$ -	\$ -	\$ (0.00129)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56	Total	\$ (2,536)	\$ (2,536)	\$ (2,536)	\$ (2,536)	\$ -	\$ (879)	\$ (1,656)	\$ (854)	\$ (802)	\$ (833)	\$ (833)	\$ (833)	\$ 31

TAX CUTS AND JOBS ACT OF 2017 CREDIT (TCJA)

FULL REQUIREMENTS SERVICE

TCJA Credits *are* applicable to the rate schedules as indicated below for customers contracting for full requirements service. *Customers shall receive Credit A until the Company is authorized new base rates in a general rate case proceeding. Customers shall receive Credit B for the period October 1, 2018 through December 31, 2018.*

<u>Rate Schedule No.</u>	<u>Credit A</u> \$/kWh	<u>Credit B</u> \$/kWh
Rg 1	(.00385)	(.00752)
Rg 2	(.00348)	(.00707)
Cg 1, Cg 2, TssM, TssU	(.00411)	(.00825)
Cg 5	(.00252)	(.00345)
Cg 3, Cg3C	(.00231)	(.00497)
Cp 3	(.00130)	(.00282)
Cp 1, Cp 2, Cp 4, Special Contract	(.00179)	(.00309)
Schedule A	(.00086)	(.00158)
Cp LC	(.00072)	(.00144)
Ms2, Ms3, GL1, LED1, Mg 1	(.00624)	(.01276)

The following rate schedules shall receive a TCJA Credit as indicated above consistent with the rate schedule under which the customer is served. The TCJA credit is not prorated based on the level of participation selected under rate schedules ERER1, ERER2 or ERER3.

Rate Schedule No.
ERER1
ERER2
ERER3
DS1
CGS Category 1
CGS Category 2
CGS Biogas

RETAIL ACCESS SERVICE

TCJA Credits *are* applicable to the rate schedules as indicated below for customers contracting for retail access service. *Customers shall receive Credit A until the Company is authorized new base rates in a general rate case proceeding. Customers shall receive Credit B for the period October 1, 2018 through December 31, 2018.*

<u>Rate Schedule No.</u>	<u>Credit A</u> \$/kWh	<u>Credit B</u> \$/kWh
Rg 1	(.00289)	(.00564)
Cg 1, TssM, TssU	(.00315)	(.00601)
Cg 3	(.00144)	(.00261)
Cp 1, Cp 4	(.00095)	(.00187)
Schedule A	(.00012)	(.00022)
Cp LC	(.00001)	(.00002)

Issued mmddyy
T. T. Eidukas
Vice-President,
Milwaukee, Wisconsin

Effective for service rendered on and
after mmmddyyy

Issued under authority of the
Michigan Public Service Commission
dated mdy
in Case No. U-20183

D14. TAX CUTS AND JOBS ACT OF 2017 CREDIT (TCJA)

TCJA

TCJA Credits *are* applicable to the rate schedules as indicated below for customers that purchase power supply service from the Company. *Customers shall receive Credit A until the Company is authorized new base rates in a general rate case proceeding. Customers shall receive Credit B for the period October 1, 2018 through December 31, 2018.*

<u>Rate Schedule No.</u>	<u>Credit A</u> \$/kWh	<u>Credit B</u> \$/kWh
Rg-1M	(.00455)	(.00918)
RG-OTOU-1M	(.00363)	(.00785)
Cg-1M	(.00363)	(.00716)
Cg-3M	(.00361)	(.00720)
Cg-OTOU-1M	(.00343)	(.00671)
Cp-1M, Cp-I	(.00110)	(.00235)
Mp-1M	(.00329)	(.00684)
Ls-1M	(.00800)	(.01314)

The following rate schedules shall receive a TCJA Credit as indicated above consistent with the rate schedule under which the customer is served.

<u>Rate Schedule No.</u>
PG-1M
PG-1AM
PG-1BM

TCJA Credits *are* applicable to the rate schedules as indicated below for customers taking service under the Retail Access Service tariff (RAS-1). *Customers shall receive Credit A until the Company is authorized new base rates in a general rate case proceeding. Customers shall receive Credit B for the period October 1, 2018 through December 31, 2018.*

<u>Rate Schedule No.</u>	<u>Credit A</u> \$/kWh	<u>Credit B</u> \$/kWh
Rg-1M	(.00163)	(.00329)
RG-OTOU-1M	(.00111)	(.00240)
Cg-1M	(.00108)	(.00213)
Cg-3M	(.00055)	(.00152)
Cg-OTOU-1M	(.00090)	(.00176)
Cp-1M	(.00017)	(.00036)
Ls-1M	(.00570)	(.00936)
Mp-1M	(.00062)	(.00129)

Issued mmddy
T. T. Eidukas
Vice-President,
Milwaukee, Wisconsin

Effective for service rendered on and
after mmmddyyy

Issued under authority of the
Michigan Public Service Commission
dated mdy
in Case No. U-20183

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

ENTRY OF APPEARANCE IN AN ADMINISTRATIVE HEARING

This form is issued as provided for by 1939 PA 3, as amended, and by 1933 PA 254, as amended. The filing of this form, or an acceptable alternative, is necessary to ensure subsequent service of any hearing notices, Commission orders, and related hearing documents.

General Instructions:

Type or print legibly in ink. For assistance or clarification, please contact the Public Service Commission at (517) 284-8090.

*Please Note: The Commission will provide **electronic** service of documents to all parties in this proceeding.*

THIS APPEARANCE TO BE ENTERED IN ASSOCIATION WITH THE ADMINISTRATIVE HEARING:

Case / Company Name: _____ Docket No. _____

Please enter my appearance in the above-entitled matter on behalf of:

1. (Name)
2. (Name)
3. (Name)
4. (Name)
5. (Name)
6. (Name)
7. (Name)

Name _____

Address _____

City _____ State _____

Zip _____ Phone (____) _____

Email _____

Date _____

Signature: _____

<input type="checkbox"/> I am not an attorney
<input type="checkbox"/> I am an attorney whose:
Michigan Bar # is P- _____
_____ Bar # is: _____
(state)

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

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Case / Company Name: _____ Docket No. _____

Please enter my appearance in the above-entitled matter on behalf of:

1. (Name)
2. (Name)
3. (Name)
4. (Name)
5. (Name)
6. (Name)
7. (Name)

Name _____

Address _____

City _____ State _____

Zip _____ Phone (____) _____

Email _____

Date _____

Signature: _____

<input type="checkbox"/> I am not an attorney
<input type="checkbox"/> I am an attorney whose:
Michigan Bar # is P- _____
_____ Bar # is: _____
(state)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Commission’s own)
 motion, to consider changes in the rates)
 of all the Michigan rate-regulated) Case No. U-20183
 electric steam and natural gas utilities)
 to reflect the effects of the federal Tax)
 Cuts and Jobs Act of 2017:)
UPPER MICHIGAN ENERGY RESOURCES)
CORPORATION files an application for determination)
of Credit B as described in orders U-18494 and U-20110.)

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss
 COUNTY OF INGHAM)

Jennifer Joy Yocum, being first duly sworn, deposes and says that on July 26, 2018, she served a copy of the *direct case* on the persons listed below via electronic mail:

- | | |
|---------------------|--|
| Toni L. Newell | tnewell@varnumlaw.com |
| Timothy J. Lundgren | tjlundgren@varnumlaw.com |
| Michael E. Moody | moodym2@michigan.gov |
| Jennifer U. Heston | jheston@fraserlawfirm.com |
| Jason T. Hanselman | jhanselman@dykema.com |
| Andrew J. Switalski | aswitalski@dykema.com |
| Richard J. Aaron | raaron@dykema.com |

Jennifer Joy Yocum

Subscribed and sworn before me
on this 26th day of July, 2018.

 Crystal L. Chacon, Notary Public
 State of Michigan, Ingham County
 My Commission Expires: May 25, 2024