

Integrated resource plan (IRP)

Please wait for the meeting to begin



Integrated resource plan (IRP)

Customer meeting



Please know:

This presentation will be recorded.

**For virtual attendees, to ask a question, please
enter your name and question in chat.
Questions will be addressed at the end of the
presentation.**

Chat is only for asking a question.

Agenda

- Introductions
- Upper Michigan Energy Resources (UMERC) formation and background
- Integrated resource plan (IRP) overview
- IRP details
- Survey
- Discussion

We want your feedback.

If you haven't taken the IRP survey yet,
please do so after this meeting at
uppermichiganenergy.com.

UMERC formation

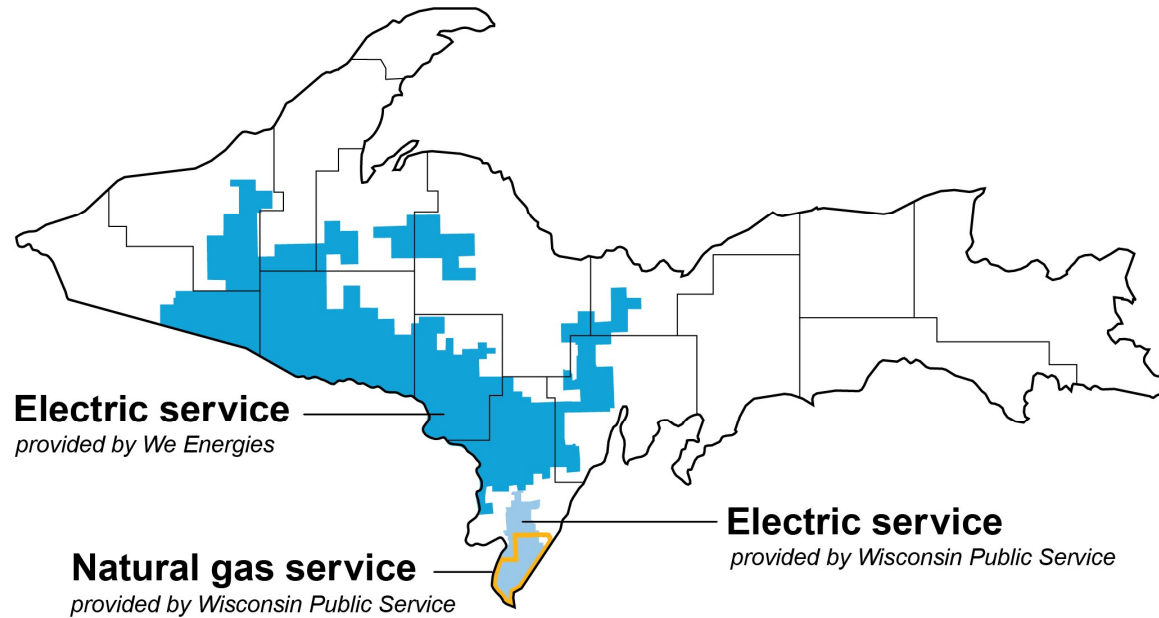
Jan. 1, 2017

Michigan regulated electric and
natural gas utility formed

Subsidiary of WEC Energy Group

Upper Michigan Energy Resources

Serves nearly 38,000 electric customers and 5,000 natural gas customers in Michigan's Upper Peninsula.



UMERC background



Electric service to customers formerly served by We Energies



Electric and natural gas service to customers formerly served by Wisconsin Public Service (WPS)



Customer service provided by We Energies and WPS

More information can be found at uppermichiganenergy.com.

Integrated resource plan overview

Each **electric** utility regulated by the Michigan Public Service Commission (Commission) is required to file an IRP.

- Electric generation system planning outline to meet future electric power needs reasonably and prudently

- Resource needs and choices
- Policy goals
- Constraints
- Transparency
- System modeling
- Demand- and supply-side resources

Integrated resource plan details

- Long-term forecast of energy sales and peak demand
- Existing and potential future generation resources
- Energy waste reduction plans, savings and costs
- Load management and demand response programs, savings and costs
- Projected energy purchased or produced from one or more renewable resource(s)
- Clean energy plan demonstrating how the utility plans to comply with 80% clean energy by 2035 and 100% clean energy by 2040

Long-term forecast

- 5- 10- 15- and 20-year projections of peak demand and energy load obligations
- Prepared by customer class
 - Residential
 - Small business
 - Large commercial and industrial
- Prepared by using statistical models

Generation technology



UMERC's owned generation resources

- F.D. Kuester Generating Station (128.1 MW)
- A.J. Mihm Generating Station (54.9 MW)
- Renegade Solar (100MW)

Generation technology



Kuester and Mihm generating stations

- State-of-the-art natural gas-fueled generation
- RICE – reciprocating internal combustion engines
- Highly efficient and provides tremendous operations flexibility
- Long-term, dispatchable, reliable, affordable and clean energy solution

Generation technology



Renegade Solar

- Acquisition and construction of this facility was approved by the Commission in Case U-21081 on Dec. 1, 2023
- Currently producing clean, reliable and affordable energy for UMEREC customers as of March 2026

Energy waste reduction

- State of Michigan requires all utilities to collect funds for an energy waste reduction (EWR) plan.
- Current EWR surcharges are intended to collect payments made to the EWR state administrator as determined by the Commission.
- Revenue collected from the EWR charge pays for energy efficiency, weatherization, load management and conservation programs.
- UMERC's EWR programs are administered by Efficiency United, the organization selected by the Commission.

Load management and demand response programs

- UMERC uses demand-side resources to meet some of its capacity requirements.
- UMERC offers several retail electric non-firm tariffs to new and existing customers.
- UMERC may call upon non-firm tariff program participants to curtail or interrupt usage when necessary for economic or reliability reasons.

Renewable portfolio standard and renewable energy certificates

- The state of Michigan's renewable portfolio standard (RPS).
- A renewable energy certificate (REC) = environmental benefits of 1 megawatt-hour (MWh) of renewable electricity production.
- For a specified amount of renewable electricity generated and put onto the electricity grid, an equivalent amount of RECs are produced.
- UMERC purchases and retires RECs to comply with RPS requirements.
- Customers benefit from the environmental attributes of renewable electricity generated in Michigan.
 - Further reduces emissions
 - Stabilizes energy bills by diversifying energy sources
 - Strengthens the power grid

Renewable energy procurement

Customers can directly participate in renewable energy power procurement through UMERC's voluntary green pricing programs.



Energy for Tomorrow

Customers pay a per kilowatt-hour (kWh) premium for UMERC to retire RECs to match the customer's selected percentage of electric use (25%, 50% or 100%) or to retire blocks of RECs.



NatureWise

Customers pay a premium to purchase 100 kWh blocks of renewable energy where each block represents about 15%–20% of a typical customer's electric use.

Annual block purchases determine the RECs to be retired.

RECs purchased through Energy for Tomorrow and NatureWise come from locally sourced biogas.

Clean Energy Plan

- Established with Public Act 235.
- Requires all Michigan electric providers to achieve 80% clean energy by 2035 and 100% by 2040.
- Clean energy requirements:
 - Generate electricity or steam without emitting greenhouse gases.
 - Is fueled by natural gas and uses carbon capture and storage that is at least 90% effective in capturing and permanently storing carbon dioxide.
 - Be a natural gas combined-cycle plant with a power purchase agreement and an approved plan to meet clean energy standards through emissions reductions by 2035.

We want your feedback

Take our IRP survey

uppermichiganenergy.com





Discussion

For those attending virtually, enter your name and question in chat.

uppermichiganenergy.com



This meeting has ended

Visit uppermichiganenergy.com
for more information.

