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by Sidney Davy Miller

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January 13, 2021

Ms. Lisa Felice
Executive Secretary
Michigan Public Service Commission
7109 W. Saginaw Hwy.
Lansing, MI 48917

Re: Upper Michigan Energy Resources Corporation
Case No. U-20540

Dear Ms. Felice:

Enclosed for electronic filing in the above case, please find Upper Michigan Energy Resources Corporation's Application and supporting Direct Testimony and Exhibits of Diane J. Mier. Also included is the Appearance of Sherri A. Wellman.

Should you have any questions, please contact me.

Very truly yours,

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

By: _____
Sherri A. Wellman

SAW/ehk
Enclosures
cc w/enc:

Dian J. Mier
John Guntlisbergen
Richard Stasik
Vickie Nugent
Koby Bailey
Theodore Eidukas

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)
UPPER MICHIGAN ENERGY RESOURCES)
CORPORATION for reconciliation of the gas)
cost recovery plan for the 12-month period)
ending October 31, 2020.)
_____)

Case No. U-20540

APPLICATION

UPPER MICHIGAN ENERGY RESOURCES CORPORATION (“UMERC” or the “Company”) files this application with the Michigan Public Service Commission (“MPSC” or the “Commission”) requesting approval of the Gas Cost Recovery (“GCR”) reconciliation for the 12-month period ending October 31, 2020, and 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. By Order Approving Settlement Agreement dated December 9, 2016, in Case No. U-18061 (“U-18061 Order”) UMERC was granted authority by the Commission to, among other things, provide retail natural gas service to the former Michigan gas customers of Wisconsin Public Service Corporation (“WPS Corp”) in a service area located in Menominee County, Michigan. The U-18061 Order also transferred WPS Corp’s GCR clause to UMERC effective January 1, 2017, and authorized UMERC to “step-into-the-shoes” of WPS Corp in all matters before the MPSC.

2. During the 12-month period which is the subject of this reconciliation application, pursuant to 1982 PA 304, as amended, MCL 460.6h et seq. (“Act 304”) and the Commission’s August 9, 1983 Opinion and Order issued in Case No. U-8506, UMERG implemented the GCR clause, pursuant to which it charged a GCR factor. Pursuant to the Commission’s December 19, 2019 Order Approving Settlement Agreement in Case No. U-20539, UMERG was authorized to incorporate its rates on a base GCR factor of \$0.34184 per therm for the 12-month period ending October 31, 2020 (“December 19 Order”). Prior to the December 19 Order, UMERG self-implemented its GCR factor pursuant to Sec. 6h(9) of Act 304. The base GCR factor was subject to change under an approved monthly GCR factor adjustment mechanism. UMERG hereby files for, and requests approval of, a reconciliation of the revenues recorded pursuant to the authorized GCR factors with the cost of gas sold during the 12-month period beginning November 1, 2019 and ending October 31, 2020.

3. UMERG is filing, as part of this application, testimony and exhibits sufficient to allow reconciliation in accordance with Sec. 6h(12) through Sec. 6h(15) of Act 304.

4. Such testimony and exhibits indicate that UMERG experienced a net over-recovery of \$30,765 as of October 31, 2020. This amount is inclusive of the rolled-in net under-recovery from the prior GCR period as ordered in Case No. U-20248 and interest.

5. In accordance with UMERG’s adopted refund policy, UMERG requests authorization to roll-in the net over-recovered amount of \$30,765 into its 2020-21 GCR plan period.

6. UMERG represents that the proposals contained in this Application are just, reasonable and in the public interest.

WHEREFORE, UMERG respectfully requests that this Commission:

- A. Establish an early time and place for hearing and giving notice thereof;
- B. Approve the reconciliation of the 12-month gas costs and revenues for the period November 1, 2019 through October 31, 2020, as presented by UMERC;
- C. Find and determine that the gas costs incurred during the period November 1, 2019 through October 31, 2020, were reasonably and prudently incurred;
- D. Authorize UMERC to roll-in the net over-recovery of \$30,765 into its 2020-2021 GCR Plan period; and
- E. Grant UMERC such other and further authority as may be lawful and proper.

Respectfully submitted,

UPPER MICHIGAN ENERGY RESOURCES
CORPORATION

Dated: January 13, 2021

By: _____
Its Attorney
Sherri A. Wellman (P38989)
MILLER, CANFIELD, PADDOCK AND STONE, PLC
One Michigan Avenue, Suite 900
Lansing, MI 48933-1609
(517) 487-2070

Attorney for Upper Michigan Energy Resources Corporation

37051079.1/156197.00039

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)
UPPER MICHIGAN ENERGY RESOURCES)
CORPORATION)
for reconciliation of the gas cost)
recovery plan for the 12-month period)
ending October 31, 2020.)

Case No. U-20540

DIRECT TESTIMONY AND EXHIBITS

OF

DIANE J. MIER

ON BEHALF OF

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

January 2021

Direct Testimony of Diane J. Mier
Case No. U-20540
Part I - Qualifications

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, WI 54307-9001.

4

5 Q. By whom are you employed and in what capacity?

6 A. I am employed by WEC Business Services, LLC, a subsidiary of WEC Energy Group,
7 Inc. ("WEC"), as a Project Specialist 2. I am testifying on behalf of Upper Michigan
8 Energy Resources Corporation ("UMERC" or the "Company"), also a subsidiary of
9 WEC.

10

11 Q. Please describe your educational and business experience.

12 A. I have a Bachelor of Science Degree from the University of Wisconsin -Green Bay, in
13 Managerial Accounting. Since 2003, I have held various positions at Wisconsin Public
14 Service Corporation ("WPS Corp") Non-Regulated and Corporate Risk Departments. In
15 November 2014, I transferred to the Regulatory Affairs Department where I currently
16 hold the position of Project Specialist 2. In my current position, my primary duties are
17 the calculation and administration of natural gas rates for WPS Corp and UMERC.

18

Direct Testimony of Diane J. Mier
Case No. U-20540
Part II

1 Q. Have you previously filed testimony with the Michigan Public Service Commission
2 (“MPSC” or the “Commission”)?

3 A. Yes. I have previously submitted testimony and exhibits with the Commission in Gas
4 Cost Recovery proceedings, Case Nos. U-17279, U-17890, U-18112, U-18400, U-
5 20066, U-20247, U-20539 and U-20812; Energy Waste Reduction proceedings, Case
6 Nos. U-18018, U-18266, U-18336, U-20377 and U-20707; and Tax Cuts and Jobs Act
7 (TCJA) Case Nos. U-18494, U- 20110 and U- 20314.

8

9 Q. What is the purpose of your testimony in this matter?

10 A. The purpose of my testimony is to support UMERC’s reconciliation of its gas costs and
11 gas revenues for the 12-month period beginning November 1, 2019 and ending
12 October 31, 2020.

13

14 Q. Are you sponsoring any exhibits in this proceeding?

15 A. Yes, I am sponsoring Exhibit A-1 (DJM-1), which consists of two schedules.

16 Schedules 1 and 2 show the reconciliation of gas costs and gas revenues for the 12-
17 month period beginning November 1, 2019 and ending October 31, 2020.

18

19 I am also sponsoring Exhibit A-2 (DJM-2), which shows the details of supplier refunds
20 and credits incurred during the plan period.

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

22 A. Yes, they were.

1 Q. Referring back to the document that has been marked Exhibit A-1 (DJM-1), what does
2 Schedule 1 show?

3 A. Schedule 1, consisting of 7 pages, shows the reconciliation of gas costs and revenues
4 for the 12-month period beginning November 1, 2019 and ending October 31, 2020.
5 The net over-recovery listed on Page 7 of 7, is \$30,764.51 as of October 31, 2020.
6 This amount is inclusive of each of the following:

- 7 1. The roll-in of an under-recovery of \$5,729.69 at the beginning of the
8 November 2019 billing month as authorized by the Commission in its July
9 9, 2020 Order Approving Settlement Agreement in Case No. U-20248,
- 10 2. Over-recovery of \$33,575.76 for gas year 2019-20, and
- 11 3. Interest expense of \$2,918.44 calculated in accordance with 1982 PA 304,
12 as amended, MCL 460.6h et seq., (“Act 304”). Interest on net monthly
13 over-recoveries was calculated at 14.25%, UMERC’s authorized return on
14 common equity (on its Michigan gas business) during the 12-month period
15 in review. Interest on net monthly under-recoveries was calculated at
16 UMERC’s prevailing cost of short-term debt for the period in review.

17 The cost of Company Use Gas and Gas Lost & Unaccounted For was calculated at the
18 average cost of gas sold, as shown on page 4 of 7 of Exhibit A-1 (DJM-1), Schedule 1.

19 The cost of gas sold was calculated based on the invoice that UMERC received from
20 WPS Corp.

21

22 Q. Does Schedule 1, Exhibit A-1 (DJM-1), include any gas purchased for gas
23 transportation customers?

24 A. Yes, it does. There are provisions in UMERC’s Commission-approved gas

1 transportation tariff that provide gas transportation customers the option to purchase
2 from U MERC Peak Day Backup/Annual Supply Backup Service. The gas
3 transportation tariff also requires gas transportation customers to purchase from
4 U MERC any gas consumed in excess of their confirmed nominations as recognized by
5 ANR Pipeline Company. All revenues from these cash-out sales, as well as all Daily
6 Balancing revenues, Peak Day Backup revenues and Annual Supply Backup revenues
7 have been included in this reconciliation as a credit to the cost of gas.

8
9 Q. Please describe Exhibit A-1 (DJM-1), Schedule 2.

10 A. Schedule 2 is a summary of the monthly cash-out sales and Annual Supply Backup
11 sales to gas transportation customers. No customers purchased the Annual Supply
12 Backup services during the GCR period ending October 31, 2020.

13
14 Q. Were any supplier refunds or credits received during the 12-month period beginning
15 November 1, 2019 and ending October 31, 2020?

16 A. No. Please see Exhibit A-2 (DJM-2).

17
18 Q. As compared to the approved GCR Plan, was there any change in the manner in
19 which gas supplies were purchased and managed during the plan period?

20 A. No.

21
22 Q. What gave rise to the over-recovery for the 2019-20 GCR period?

23 A. The over-recovery of 1.6% from the approved GCR plan was caused by the difference
24 in projected monthly gas costs compared to actual gas costs. This difference was due

1 to gas commodity purchase prices being slightly lower than the projected market
2 prices used in the determination of the GCR factor to be charged each month.

3
4 Q. Do you have any further opinions concerning the reasonableness and prudence of the
5 Company's decisions regarding gas purchases and the incurrence of other gas cost
6 expenses during the GCR Plan period being reconciled here?

7 A. Yes, I do. The gas purchases and the expenses incurred were reasonable and
8 prudent. UMEREC's actions, in general, during the plan period were consistent with the
9 Commission's order in the plan case U-20539.

10

11 Q. Does this conclude your direct testimony at this time?

12 A. Yes, it does.

EXHIBIT A-1

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

Gas Expenses	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
Company Use(Accounting)	\$ 1,773	\$ 2,449	\$ 4,144	\$ 4,082	\$ 4,273	\$ 1,996	\$ 700	\$ 300	\$ 116	\$ 167	\$ 311	\$ 509	\$ 20,820
Producer Commodity (Comm)	\$ 103,887	\$ 203,267	\$ 165,768	\$ 107,378	\$ 55,527	\$ 72,087	\$ 42,756	\$ 15,159	\$ 17,504	\$ 13,898	\$ 30,382	\$ 115,405	\$ 943,019
Prior Period Adj - Commodity (Comm)	\$ -	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,660	\$ -	\$ -	\$ -	\$ 876	\$ 8,536
Hedging WI (Hedg)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hedging MI (Hedg)	\$ 1,084	\$ 4,936	\$ 9,635	\$ 12,677	\$ 7,853	\$ 10,114	\$ 1,263	\$ 2,194	\$ (865)	\$ 373	\$ (109)	\$ 1,077	\$ 50,232
Commodity Recovery (Comm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,150)	\$ (2,615)	\$ -	\$ -	\$ -	\$ -	\$ (3,766)
Prior Period Adj - Commodity Recovery (Comm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Comm and Surch (Comm)	\$ 2,360	\$ 2,590	\$ 2,652	\$ 2,863	\$ 2,148	\$ 1,985	\$ 1,046	\$ 1,919	\$ (317)	\$ 300	\$ 351	\$ 1,348	\$ 19,245
Prior Period Adj (Comm)	\$ 6	\$ (14)	\$ (22)	\$ (25)	\$ 785	\$ (3)	\$ (2)	\$ (16)	\$ 0	\$ 0	\$ (12)	\$ 3	\$ 701
Storage Comm (Comm)	\$ 91,088	\$ 45,580	\$ 50,982	\$ 105,087	\$ 117,824	\$ 10,066	\$ 2,358	\$ 919	\$ 2,002	\$ 1,507	\$ 1,618	\$ 5,160	\$ 434,192
ANR Pipeline Refund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Period Adj. (Comm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
D-1 Transportation Res Fee (D-1)	\$ 78,836	\$ 78,341	\$ 56,221	\$ 60,824	\$ 60,486	\$ 39,379	\$ 32,225	\$ 94,313	\$ (44,471)	\$ 21,269	\$ 24,062	\$ 36,872	\$ 538,356
Prior Period Adj. (D-1)	\$ 2	\$ 33	\$ (14)	\$ 31	\$ 0	\$ (0)	\$ (0)	\$ 81	\$ (22)	\$ 9	\$ 6	\$ 5	\$ 131
D-1 Recovery (D-1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Period Adj. for D-1 Recovery (D-1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balancing - Transportation/Storage (Bal)	\$ 175	\$ 126	\$ 133	\$ 144	\$ 157	\$ 154	\$ 179	\$ 180	\$ (58)	\$ 44	\$ 55	\$ 124	\$ 1,413
NNS Res and Surch (Bal)	\$ 4,212	\$ 3,832	\$ 3,750	\$ 4,239	\$ 4,185	\$ 1,453	\$ 1,266	\$ 3,048	\$ (579)	\$ 526	\$ 811	\$ 1,248	\$ 27,990
Prior Period Adj. for Balancing (Bal)	\$ 391	\$ (10)	\$ (37)	\$ (13)	\$ (2)	\$ 2	\$ 2	\$ 379	\$ 13	\$ (21)	\$ 10	\$ (15)	\$ 699
D-2 Current Month (D-2)	\$ 6,729	\$ 6,315	\$ 6,181	\$ 6,973	\$ 6,762	\$ 7,076	\$ 6,164	\$ 14,846	\$ (2,822)	\$ 2,561	\$ 3,950	\$ 6,077	\$ 70,814
Prior Period Adj. for D-2 (D-2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Imbalances - Purchases from Transporters (Comm)	\$ -	\$ 7,044	\$ 8,421	\$ 2,781	\$ 7,065	\$ 3,382	\$ 5,130	\$ 123	\$ -	\$ 2,034	\$ -	\$ -	\$ 35,981
	\$ 290,543	\$ 354,488	\$ 307,815	\$ 307,042	\$ 267,063	\$ 147,691	\$ 91,937	\$ 138,490	\$ (29,497)	\$ 42,667	\$ 61,436	\$ 168,689	\$ 2,148,364

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

Volumes Purchased	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
Flowing Supplies (Dekatherms, Pipeline Base)	87,368	101,581	101,815	109,573	92,674	60,770	32,063	12,439	12,949	9,291	16,125	57,553	694,201
From Storage (Dekatherms, Pipeline Base)	-	-	-	-	-	-	-	-	-	-	-	-	-
From Transporters (Dekatherms, Pipeline Base)	-	3,108	3,860	1,262	4,154	1,800	2,477	36	-	684	-	-	17,380
Sub-Total (Pipeline Base)	87,368	104,689	105,675	110,835	96,828	62,570	34,540	12,474	12,949	9,976	16,125	57,553	711,581
Prior Month Adj. (Act.vs.Est) (Pipeline Base)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (Dekatherms, Pipeline Base)	87,368	104,689	105,675	110,835	96,828	62,570	34,540	12,474	12,949	9,976	16,125	57,553	711,581
Total (Dekatherms, WSPC Base)	88,146	105,621	106,616	111,821	97,690	63,127	34,848	12,586	13,065	10,064	16,269	58,066	717,917

Note: All volumes in Dekatherms.

AVERAGE RATE (\$/DEKATHERM, WSPC Base): \$ 2.9925

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

UMERC

Sales By Revenue Class (NET)	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
1 Residential - General (480-11)	7,802	9,905	9,620	10,348	8,442	6,634	3,269	2,312	(176)	938	1,536	5,179	65,809
2 Residential - Space Heating (480-12)	623,320	700,027	670,480	731,354	595,830	464,870	228,475	345,022	(209,699)	58,967	97,428	360,056	4,666,128
3 Small Comm & Indust - General (481-11)	2,137	2,991	2,637	2,716	2,225	1,480	603	143	(74)	31	125	1,239	16,252
4 Small Comm & Indust - Space Heating (481-12)	120,793	155,658	141,722	147,949	114,533	78,070	34,133	25,009	(6,554)	6,402	11,382	74,357	903,453
5 Large Comm & Indust - General (481-21)	1,427	577	477	798	688	583	340	198	200	182	278	302	6,051
6 Large Comm & Indust - Space Heating (481-22)	112,032	157,738	139,486	149,940	112,843	91,242	43,208	26,050	22,998	21,128	27,307	71,010	974,982
7 Interruptible (incl. Cashout Sales) (481-23)	10,544	-	-	1,798	-	10,557	11,234	5,800	29,751	-	3,839	43,327	116,849
8 Power Department	-	-	-	-	-	-	-	-	-	-	-	-	-
Commodity (Comm) Sales (Sum 1-8)	878,055	1,026,896	964,422	1,044,904	834,560	653,435	321,262	404,533	(163,554)	87,648	141,895	555,469	6,749,523
D1 Sales (Sum 1-6)	867,511	1,026,896	964,422	1,043,106	834,560	642,878	310,028	398,734	(193,305)	87,648	138,056	512,143	6,632,674
D2 Sales (Sum 1-8)	878,055	1,026,896	964,422	1,044,904	834,560	653,435	321,262	404,533	(163,554)	87,648	141,895	555,469	6,749,523
Balancing (Bal) Sales (Sum 1-8)	878,055	1,026,896	964,422	1,044,904	834,560	653,435	321,262	404,533	(163,554)	87,648	141,895	555,469	6,749,523
Hedge (Hed) Sales (Sum 1-8)	878,055	1,026,896	964,422	1,044,904	834,560	653,435	321,262	404,533	(163,554)	87,648	141,895	555,469	6,749,523

WPS Corp(for allocation purposes)

Sales By Revenue Class (NET)	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
1 Residential - General (480-11)	707,810	905,773	936,601	1,022,202	654,701	566,755	281,993	126,580	114,578	98,706	151,976	467,931	6,035,605
2 Residential - Space Heating (480-12)	34,564,798	41,042,465	40,747,918	40,909,165	33,512,788	25,629,767	12,083,391	5,367,680	4,532,961	4,516,991	5,642,681	19,879,780	268,430,385
3 Small Comm & Indust - General (481-11)	321,133	407,036	427,596	404,532	315,761	213,053	125,692	53,251	69,066	64,766	82,112	191,826	2,675,824
4 Small Comm & Indust - Space Heating (481-12)	10,733,120	14,253,694	14,218,326	14,153,467	10,831,795	6,823,225	3,742,453	1,520,914	2,017,245	1,296,774	3,269,564	4,693,602	87,554,179
5 Large Comm & Indust - General (481-21)	847,131	1,017,028	1,023,917	960,766	758,882	573,207	363,493	355,453	320,375	375,413	293,084	594,747	7,483,496
6 Large Comm & Indust - Space Heating (481-22)	7,251,637	7,347,004	9,146,576	8,224,180	7,346,861	5,241,000	4,113,461	1,666,427	2,288,922	2,524,088	2,924,873	4,885,551	62,960,579
7 Interruptible (incl. Cashout Sales) (481-23)	1,712,627	3,047,913	2,479,757	1,409,809	713,087	619,001	1,824,367	1,534,724	5,386,635	2,028,583	2,644,933	5,026,113	28,427,547
8 Power Department	455,624	4,706,986	1,003,881	65,726	92,724	383,702	93,061	1,215,527	10,427,379	3,850,029	530,973	4,014,064	26,839,676
Commodity Sales (Sum 1-8)	56,593,880	72,727,900	69,984,572	67,149,848	54,226,598	40,049,709	22,627,910	11,840,556	25,157,161	14,755,349	15,540,194	39,753,614	490,407,291
D1 Sales (Sum 1-6)	54,425,629	64,973,001	66,500,934	65,674,313	53,420,787	39,047,006	20,710,483	9,090,305	9,343,147	8,876,737	12,364,288	30,713,437	435,140,068
D2 Sales (Sum 1-8)	56,593,880	72,727,900	69,984,572	67,149,848	54,226,598	40,049,709	22,627,910	11,840,556	25,157,161	14,755,349	15,540,194	39,753,614	490,407,291
Balancing (Bal) Sales (Sum 1-8)	56,593,880	72,727,900	69,984,572	67,149,848	54,226,598	40,049,709	22,627,910	11,840,556	25,157,161	14,755,349	15,540,194	39,753,614	490,407,291
Hedge Sales (Sum 1-8)	56,593,880	72,727,900	69,984,572	67,149,848	54,226,598	40,049,709	22,627,910	11,840,556	25,157,161	14,755,349	15,540,194	39,753,614	490,407,291

Allocation Factors

Comm (UMERC Comm Sales/WPS Comm Sales)	1.55%	1.41%	1.38%	1.56%	1.54%	1.63%	1.42%	3.42%	-0.65%	0.59%	0.91%	1.40%	1.38%
D1 (UMERC D1 Sales/WPS Corp D1 Sales)	1.59%	1.58%	1.45%	1.59%	1.56%	1.65%	1.50%	4.39%	-2.07%	0.99%	1.12%	1.67%	1.52%
D2 (UMERC D2 Sales/WPS Corp D2 Sales)	1.55%	1.41%	1.38%	1.56%	1.54%	1.63%	1.42%	3.42%	-0.65%	0.59%	0.91%	1.40%	1.38%
BAL (UMERC Bal Sales/WPS Corp Bal Sales)	1.55%	1.41%	1.38%	1.56%	1.54%	1.63%	1.42%	3.42%	-0.65%	0.59%	0.91%	1.40%	1.38%
Hedg (UMERC Sales/WPS Corp Sales)	1.55%	1.41%	1.38%	1.56%	1.54%	1.63%	1.42%	3.42%	-0.65%	0.59%	0.91%	1.40%	1.38%

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

Determination of UMERC Expenses	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
Company Use(Accounting)	\$ 1,773	\$ 2,449	\$ 4,144	\$ 4,082	\$ 4,273	\$ 1,996	\$ 700	\$ 300	\$ 116	\$ 167	\$ 311	\$ 509	
Commodity (Comm) Expense	\$ 197,341	\$ 258,467	\$ 227,802	\$ 218,084	\$ 183,349	\$ 87,517	\$ 50,138	\$ 23,150	\$ 19,190	\$ 17,740	\$ 32,339	\$ 122,792	\$ 1,437,909
Peak Day (D-1) Expense	\$ 78,838	\$ 78,374	\$ 56,207	\$ 60,855	\$ 60,486	\$ 39,379	\$ 32,225	\$ 94,394	\$ (44,493)	\$ 21,278	\$ 24,068	\$ 36,876	\$ 538,487
ACQ (D-2) Expense	\$ 6,729	\$ 6,315	\$ 6,181	\$ 6,973	\$ 6,762	\$ 7,076	\$ 6,164	\$ 14,846	\$ (2,822)	\$ 2,561	\$ 3,950	\$ 6,077	\$ 70,814
Balancing (Bal) Expense	\$ 4,777	\$ 3,947	\$ 3,846	\$ 4,370	\$ 4,340	\$ 1,609	\$ 1,447	\$ 3,607	\$ (623)	\$ 548	\$ 876	\$ 1,357	\$ 30,102
Hedging (Hedg) Expense	\$ 1,084	\$ 4,936	\$ 9,635	\$ 12,677	\$ 7,853	\$ 10,114	\$ 1,263	\$ 2,194	\$ (865)	\$ 373	\$ (109)	\$ 1,077	\$ 50,232
Company Use (Therms)	7,070	9,646	10,591	10,173	8,850	7,046	4,163	1,364	797	797	1,161	2,302	63,960
Lost & Unaccounted For (Therms)	(6,892)	14,893	86,317	18,937	(23,879)	(32,421)	21,154	(280,663)	293,038	11,834	19,104	21,838	143,260

Summary of UMERC Expenses

Commodity (Comm) Expense	\$ 199,114	\$ 260,916	\$ 231,946	\$ 222,166	\$ 187,622	\$ 89,513	\$ 50,838	\$ 23,450	\$ 19,306	\$ 17,906	\$ 32,650	\$ 123,301	\$ 1,458,729
Peak Day (D-1) Expense	78,838	78,374	56,207	60,855	60,486	39,379	32,225	94,394	(44,493)	21,278	24,068	36,876	538,487
ACQ (D-2) Expense	6,729	6,315	6,181	6,973	6,762	7,076	6,164	14,846	(2,822)	2,561	3,950	6,077	70,814
Balancing (Bal) Expense	4,777	3,947	3,846	4,370	4,340	1,609	1,447	3,607	(624)	548	876	1,357	30,102
Hedging (Hedg) Expense	1,084	4,936	9,635	12,677	7,853	10,114	1,263	2,194	(865)	373	(109)	1,077	50,232
MI Co Use	(2,116)	(2,887)	(3,169)	(3,044)	(2,648)	(2,109)	(1,246)	(408)	(239)	(239)	(347)	(689)	(19,140)
MI Lost & Unacct For Expense	2,062	(4,457)	(25,830)	(5,667)	7,146	9,702	(6,330)	83,989	(87,692)	(3,541)	(5,717)	(6,535)	(42,870)
Total Michigan Expenses	\$ 290,489	\$ 347,145	\$ 278,815	\$ 298,330	\$ 271,561	\$ 155,284	\$ 84,361	\$ 222,071	\$ (117,427)	\$ 38,887	\$ 55,372	\$ 161,465	\$ 2,105,494
	\$ 288,770	\$ 352,039	\$ 303,671	\$ 302,959	\$ 262,790	\$ 145,695	\$ 91,237	\$ 138,190	\$ (29,613)	\$ 42,501	\$ 61,125	\$ 168,180	

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

Sales By Revenue Class (ACTUAL)	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
Residential - General (480-11)(48000M, 201)	5,591	8,864	10,373	9,674	9,290	7,222	5,863	2,338	1,163	907	1,150	2,391	64,824
Residential - Space Heating (480-12)(48000M, 202)	445,053	659,049	736,158	675,761	656,551	510,807	394,308	155,722	69,026	57,120	72,623	160,508	4,592,686
Small Comm & Indust - General (481-11) (48000M, 203)	1,234	2,430	2,726	2,519	2,478	1,893	1,324	518	61	18	31	346	15,577
Small Comm & Indust - Space Heating (481-12)(48100M, 204)	76,553	132,600	149,703	137,634	134,236	94,044	66,042	29,834	9,533	5,556	9,752	31,697	877,184
Large Comm & Indust - General (481-21)(48100M, 205)	1,102	951	770	727	734	602	532	301	218	181	192	315	6,624
Large Comm & Indust - Space Heating (481-22)(48100M, 206)	85,343	137,327	150,256	139,825	131,149	98,655	79,496	39,935	26,188	20,562	23,843	36,715	969,292
Interruptible (w/ Transportation Cashout Sales) (481-23)(48100M, 207)	10,544	-	-	1,798	-	10,557	11,234	5,800	29,751	-	3,839	43,327	116,849
Power Department													-

Total Sales	625,421	941,220	1,049,985	967,938	934,436	723,780	558,798	234,448	135,939	84,343	111,429	275,298	6,643,035
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Number Of Meters

Residential - General (480-11)(48000M, 201)	92	93	95	95	95	95	96	95	96	96	97	97	1,142
Residential - Space Heating (480-12)(48000M, 202)	4,785	4,789	4,793	4,794	4,793	4,793	4,792	4,793	4,791	4,788	4,786	4,783	57,480
Small Comm & Indust - General (481-11) (48000M, 203)	10	10	10	11	11	11	11	11	11	11	11	11	129
Small Comm & Indust - Space Heating (481-12)(48100M, 204)	394	395	396	392	392	392	393	393	392	392	393	393	4,717
Large Comm & Indust - General (481-21)(48100M, 205)	1	1	1	1	1	1	1	1	1	1	1	1	12
Large Comm & Indust - Space Heating (481-22)(48100M, 206)	43	43	43	45	45	45	45	45	45	45	45	45	534
Interruptible (w/ Transportation Cashout Sales) (481-23)(48100M, 207)	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation (489-00)	16	16	16	16	16	16	16	16	16	16	16	16	192

Total Meters	5,341	5,347	5,354	5,354	5,353	5,353	5,354	5,354	5,352	5,349	5,349	5,346	64,206
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Unbilled													
Gross Unbilled Current Month	518,664	604,340	518,777	595,742	495,866	425,521	187,985	358,071	58,577	61,881	92,347	372,518	4,290,289
Unbilled Reversal Current Month	(266,030)	(518,664)	(604,340)	(518,777)	(595,742)	(495,866)	(425,521)	(187,985)	(358,071)	(58,577)	(61,881)	(92,347)	(4,183,800)
Net Unbilled Current Month	252,635	85,676	(85,563)	76,966	(99,876)	(70,345)	(237,536)	170,085	(299,493)	3,304	30,465	280,171	106,489

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

Rate Schedule Sales	November	December	January	February	March	April	May	June	July	August	September	October	TOTAL
Rate Schedule Sales (Therms)*	625,421	941,220	1,049,985	967,938	934,436	723,780	558,798	234,448	135,939	84,343	111,429	275,298	6,643,035
Less Transportation Cashout Sales (Therms)*	10,544	-	-	1,798	-	10,557	11,234	5,800	29,751	-	3,839	43,327	116,849
Less Transportation Annual Supply Backup Sales (Therms)*	-	-	-	-	-	-	-	-	-	-	-	-	-
Actual Sales Billed @ GCR Rate (Therms)	614,876	941,220	1,049,985	966,140	934,436	713,223	547,564	228,648	106,188	84,343	107,590	231,971	6,526,185
Interdepartmental Sales @ GCR Rate (Therms)	3,223	4,397	4,827	4,637	4,034	3,212	1,897	622	364	364	529	1,049	29,155
<u>Summary of Sales (Therms)</u>													
Rate Sched Sales w/o Transportation Cashout/Annual Supply BU Sales (Therm	614,876	941,220	1,049,985	966,140	934,436	713,223	547,564	228,648	106,188	84,343	107,590	231,971	6,526,185
Transportation Cashout Sales (Therms)*	10,544	-	-	1,798	-	10,557	11,234	5,800	29,751	-	3,839	43,327	116,849
Transportation Annual Supply Backup Sales (Therms)*	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Unbilled (Therms)	252,635	85,676	(85,563)	76,966	(99,876)	(70,345)	(237,536)	170,085	(299,493)	3,304	30,465	280,171	106,489
Interdepartmental Sales (Therms)	3,223	4,397	4,827	4,637	4,034	3,212	1,897	622	364	364	529	1,049	29,155
Total Michigan Sales (Therms)*	881,278	1,031,293	969,249	1,049,541	838,594	656,647	323,159	405,155	(163,190)	88,012	142,424	556,518	6,778,678

*Includes Transportation Cashout Sales

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

	November	December	January	February	March	April	May	June	July	August	September	October	November
Maximum GCR Factor Permitted (per Therm)	\$ 0.34184	\$ 0.34564	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34184	\$ 0.34098
GCR Factor Billed To Customers (per Therm)	\$ 0.34184	\$ 0.34564	\$ 0.33508	\$ 0.29503	\$ 0.28724	\$ 0.27810	\$ 0.28387	\$ 0.31949	\$ 0.16514	\$ 0.34184	\$ 0.22719	\$ 0.34184	\$ 0.34098
													TOTAL
Rate Schedule Sales Revenue**	\$ 210,189.28	\$ 325,323.38	\$ 351,828.81	\$ 285,040.31	\$ 268,407.31	\$ 198,347.32	\$ 155,437.08	\$ 73,050.78	\$ 17,535.92	\$ 28,831.91	\$ 24,443.44	\$ 79,297.04	\$ 2,017,732.58
Gross Unbilled Current Month Revenue	179,271.06	202,502.11	153,054.66	171,121.05	137,900.39	120,792.67	60,059.36	59,131.76	20,024.00	14,058.84	31,567.76	127,021.19	1,276,504.85
Unbilled Reversal Current Month Revenue	(90,939.52)	(179,271.06)	(202,502.11)	(153,054.66)	(171,121.05)	(137,900.39)	(120,792.67)	(60,059.36)	(59,131.76)	(20,024.00)	(14,058.84)	(31,567.76)	(1,240,423.18)
Interdepartmental Revenue	1,101.75	1,519.78	1,617.43	1,368.05	1,158.73	893.26	538.50	198.72	60.11	124.43	120.18	358.59	9,059.53
Transportation Cashout Revenue	4,971.75	-	-	411.93	-	2,166.07	1,811.19	1,204.70	5,541.82	-	828.38	12,796.97	29,732.81
Transportation Daily Balancing Revenue	1,445.62	1,771.31	2,353.78	2,694.53	1,790.41	2,921.65	3,724.31	1,411.90	1,856.70	2,067.41	919.22	4,366.26	27,323.10
Transportation Penalty Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation Annual Peak Day Backup Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation Seasonal Peak Day Backup Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation Annual Supply Backup Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 306,039.94	\$ 351,845.52	\$ 306,352.57	\$ 307,581.21	\$ 238,135.79	\$ 187,220.58	\$ 100,777.77	\$ 74,938.50	\$ (14,113.21)	\$ 25,058.59	\$ 43,820.14	\$ 192,272.29	\$ 2,119,929.69
Total Pipeline Refunds Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	290,489.32	347,144.59	278,815.40	298,330.45	271,560.74	155,284.26	84,361.01	222,070.97	(117,427.28)	38,887.40	55,371.87	161,465.20	2,086,353.93
Monthly (Over) Under Recovery	\$ (15,550.62)	\$ (4,700.93)	\$ (27,537.17)	\$ (9,250.76)	\$ 33,424.95	\$ (31,936.32)	\$ (16,416.76)	\$ 147,132.47	\$ (103,314.07)	\$ 13,828.81	\$ 11,551.73	\$ (30,807.09)	\$ (33,575.76)
Half Month Convention	\$ (7,775.31)	\$ (2,350.47)	\$ (13,768.59)	\$ (4,625.38)	\$ 16,712.48	\$ (15,968.16)	\$ (8,208.38)	\$ 73,566.24	\$ (51,657.04)	\$ 6,914.41	\$ 5,775.87	\$ (15,403.55)	
Roll-in from previous GCR period under(over)	\$5,729.69												\$ 5,729.69
Cumulative Total under(over)	\$ (2,045.62)	\$ (12,171.40)	\$ (28,290.46)	\$ (46,684.43)	\$ (34,597.33)	\$ (33,853.01)	\$ (58,029.55)	\$ 7,328.31	\$ 29,237.51	\$ (15,505.12)	\$ (2,814.84)	\$ (12,442.52)	
Monthly Interest Allocator	8.1967%	8.4699%	8.4699%	7.9235%	8.4699%	8.1967%	8.4699%	8.1967%	8.4699%	8.4699%	8.1967%	8.4699%	
Equity Rate	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	14.2500%	
Short Term Rate	1.701%	1.798%	1.727%	1.693%	2.332%	0.599%	0.175%	0.164%	0.142%	0.142%	0.142%	0.132%	
Monthly Interest Revenue(Expense)	\$ (23.89)	\$ (146.90)	\$ (341.46)	\$ (527.11)	\$ (417.58)	\$ (395.41)	\$ (700.40)	\$ 0.99	\$ 3.52	\$ (187.14)	\$ (32.88)	\$ (150.18)	\$ (2,918.44)
Total Cumulative (Over) Under Recovery													(\$30,764.51)

Note: Sign Convention - Any entry that decreases revenue is negative and any entry that increases revenue is positive no matter what the account type (debit or credit).

** Does NOT include Transportation Cashout Sales Revenue.

UPPER MICHIGAN ENERGY RESOURCES CORPORATION

GAS COST RECOVERY CLAUSE STATUS REPORT
TWELVE MONTH PERIOD ENDING OCTOBER 2020

UPPER MICHIGAN ENERGY RESOURCES CORPORATION
TRANSPORTATION MONTHLY CASHOUT SALES AND ANNUAL SUPPLY BACKUP REVENUE

	Monthly Cashout Summary*			Annual Supply Backup			TOTAL		
	RATE**			Sales	Revenue	Sales	Revenue	Sales	Revenue
Nov-19	Com	Demand	Total	10,544	\$ 4,972	\$0.25898	- \$	10,544	\$ 4,972
Dec-19				-	\$ -	\$0.26466	- \$	-	\$ -
Jan-20				-	\$ -	\$0.25000	- \$	-	\$ -
Feb-20	\$0.2291		\$0.2291	1,798	\$ 412	\$0.22161	- \$	1,798	\$ 412
Mar-20				-	\$ -	\$0.20398	- \$	-	\$ -
Apr-20	\$0.2052		\$0.2052	10,557	\$ 2,166	\$0.18456	- \$	10,557	\$ 2,166
May-20	\$0.1612		\$0.1612	11,234	\$ 1,811	\$0.17564	- \$	11,234	\$ 1,811
Jun-20	\$0.2077		\$0.2077	5,800	\$ 1,205	\$0.20914	- \$	5,800	\$ 1,205
Jul-20	\$0.1863		\$0.1863	29,751	\$ 5,542	\$0.16514	- \$	29,751	\$ 5,542
Aug-20				-	\$ -	\$0.24192	- \$	-	\$ -
Sep-20	\$0.2158		\$0.2158	3,839	\$ 828	\$0.13600	- \$	3,839	\$ 828
Oct-20	\$0.2954		\$0.2954	43,327	\$ 12,797	\$0.26954	- \$	43,327	\$ 12,797
TOTAL				116,849	\$ 29,733		0 \$	116,849	\$ 29,733

*Per U-15926, Schedule GT, Sheets E7.00-E8.00, there is a daily cashout rate.

**The rate that appears here is not an actual rate, but the average rate for the month.

EXHIBIT A-2

GAS REFUNDS AND CREDITS RECEIVED BY WPS CORP– NOVEMBER 2019 THROUGH OCTOBER 2020

Refund or Credit #	Total Amount of Refund or Credit, Including Interest	Amount of Refund or Credit Allocated to Michigan, Including Interest	Date Refund or Credit Received	Explanation of the Reason for each Refund or Credit	Period Covered by each Refund or Credit (Historical Refund Period)
				None	

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: Upper Michigan Energy Resources Corporation Docket No. U- 20540

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

1. (Name) Upper Michigan Energy Resources Corporation
2. (Name)
3. (Name)
4. (Name)
5. (Name)
6. (Name)
7. (Name)

Name Sherri A. Wellman
Address Miller Canfield
One Michigan Avenue, Suite 900
City Lansing State MI
Zip 48933 Phone 517-483-4954
Email wellmans@millercanfield.com
Date 01/13/2021

<input type="radio"/> I am not an attorney
<input checked="" type="radio"/> I am an attorney whose:
Michigan Bar # is P- <u>38989</u>
_____ Bar # is: _____
(state)

Signature: _____