

**City of Negaunee
Renewable Energy Plan
November, 2017
MPSC Case No. U-16623**

This Renewable Energy Plan has been prepared in accordance with the requirements of Section 22 of 2008 PA 295, as amended by 2016 PA 342, and the Michigan Public Service Commission's August 23, 2017 order in Case No. U-18409. As detailed below, the City of Negaunee (Negaunee) expects to have sufficient renewable energy credits (RECs) to comply with the renewable energy standard requirements of 2008 PA 295.

1. Sales Forecast through 2029

A forecast of Negaunee's retail sales through 2029 is shown in Table 1. As indicated in the table, the calculation of Negaunee's projected REC requirements is based on the average number of megawatt hours of electricity sold by Negaunee annually during the previous 3 years to its retail customers.

2. Forecast through the End of Plan Period in 2029 of Meters by Customer Class

As discussed below, Negaunee does not expect to incur an incremental cost to comply with the renewable energy standard. Therefore, a calculation of maximum surcharges by customer class is not necessary.

3. Quantity of RECs

The quantity of RECs that Negaunee forecasts that it must obtain each year to meet the renewable energy standard is shown in Table 1.

4. Detailed Resource Plan

Negaunee is an all-requirements customer of WPPI Energy. WPPI Energy is a not-for-profit regional power company serving Negaunee and 50 other customer-owned electric utilities in Wisconsin, Michigan and Iowa. WPPI Energy will provide the RECs needed to meet Negaunee's renewable energy standard. RECs projected to be provided by WPPI Energy are shown in Row 14 of Table 1.

5. Wholesale Customer Treatment

This provision is not applicable.

6. Incremental Cost of Compliance

As discussed above, Negaunee will meet the renewable energy standard using RECs provided by its wholesale supplier, WPPI Energy. WPPI Energy supplies its members with the RECs required to meet

their renewable energy standard requirements as part of the wholesale rates paid to WPPI Energy. As a result, Negaunee does not expect to incur any incremental cost to comply with the renewable energy standard.

7. Cost Recovery Mechanism

Since Negaunee does not expect to incur an incremental cost to comply with the renewable energy standard, a cost recovery mechanism is not necessary.

8. Renewable Energy Plan Worksheets

The renewable energy plan worksheet is attached as Table 1.

Table 1
RENEWABLE ENERGY PLAN SUMMARY
CITY OF NEGAUNEE

Row	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1 Sales and Requirement Calculation														
2 Method: Weather Normalized or 3 Year Average	3 Year Average													
3 If Selected Weather Normalized:														
4 Current Year Sales to Retail Customers														
5 Current Year Weather Normalization Factor														
6 Current Year Weather Normalized Sales (Row Number 4 * 5)														
7 If Selected 3 Year Average:														
8 Current Year Retail Sales to Retail Customers	21,629	23,976	24,114	24,232	24,464	24,593	24,826	25,088	25,450	25,687	26,017	26,364	26,805	27,103
9 3 Year Average of Retail Sales				23,240	24,108	24,270	24,430	24,628	24,836	25,121	25,408	25,718	26,023	26,395
10 RPS Required Energy Credits		2,269	2,269	2,905	3,013	3,641	3,664	3,694	3,725	3,768	3,811	3,858	3,903	3,959
11 Energy Credits														
12 Energy Credit Beginning Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
13 Energy Credits Obtained Through Generation/BOT														
14 Energy Credits Obtained Through PPA *		2,269	2,269	2,905	3,013	3,641	3,664	3,694	3,725	3,768	3,811	3,858	3,903	3,959
15 Energy Credits Obtained Through REC Purchases														
16 Plus: Energy Credits Obtained (Row 13+14+15)		2,269	2,269	2,905	3,013	3,641	3,664	3,694	3,725	3,768	3,811	3,858	3,903	3,959
17 Less: Energy Credits Sold														
18 Available Energy Credits (Row 12+16-17)		2,269	2,269	2,905	3,013	3,641	3,664	3,694	3,725	3,768	3,811	3,858	3,903	3,959
19 Compliance Requirement (Row 10)		2,269	2,269	2,905	3,013	3,641	3,664	3,694	3,725	3,768	3,811	3,858	3,903	3,959
20 Less: Credit Expiration														
21 Energy Credit Ending Balance (Row 18-19-20)		0	0	0	0	0	0	0	0	0	0	0	0	0
Notes														
* Supplied by WPPI Energy														