

Our Customers Won't Pay for Data Centers

As Michigan attracts new data centers, Consumers Energy is working to ensure growth won't impact our customers' rates. At our request, the Michigan Public Service Commission (MPSC) set standards governing the cost of providing energy to new data centers and large businesses.

These regulatory protections require data centers to pay ALL their costs in full, protecting our existing customers from sharing the price tag.



What the Protections Mean

- **Our existing customers WON'T PAY for the energy data centers use.** Data centers must pay for all the electricity they use, and pay for at least 80% of the power capacity they reserve, even if they don't use it.
- **Our existing customers WON'T PAY for energy infrastructure serving data centers.** Data centers are required to pay ALL costs for their energy infrastructure, including generation, transmission and distribution.
- **Our existing customers WON'T PAY if data centers leave early.** If data centers don't follow through on development plans or leave early, they're required to pay an exit fee covering energy infrastructure assets, protecting other customers from cost shifting.



How the Protections Work

- Data centers pay before they plug in, and are required to:
 - Pay a \$100,000 application fee to support upfront engineering and planning costs.
 - Provide upfront collateral to ensure infrastructure investments are paid for by the data center project.
 - Pay ALL costs for their energy use and infrastructure — even if promised projects don't materialize or they leave early.
 - Sign a long-term, 15-year contract with default collateral provisions ensuring our customers are protected from cost shifting.
 - Pay for 80% of their forecasted power consumption once they come online, regardless of how much energy they use.
- Consumers Energy is required to prove each project complies with MPSC regulations, affirm each project will pay 100% of their energy costs and validate that each project will not raise customer costs.



Our Stance on the State Attorney General's Legal Challenge

- We oppose a legal challenge from the State Attorney General that would undo these new protections for customers as Michigan attracts data centers and other large businesses.

Scan the code to read the rate case order here:

<https://adms.apps.lara.state.mi.us/MPSC/ViewCommissionOrderDocument/27293>



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ConsumersEnergy.com/MichiganGrowth

Consumers Energy

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