STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of **INDIANA MICHIGAN POWER COMPANY** for approval of modifications to its Large Power Tariff – Tariff LP	U-21986

REBUTTAL TESTIMONY OF BEN HAVUMAKI

ON BEHALF OF

ATTORNEY GENERAL DANA NESSEL

March 3, 2026

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DIRECT TESTIMONY OF BEN HAVUMAKI FOR MICHIGAN ATTORNEY GENERAL
CASE NO. U-21986

I. Introduction and Qualifications

Q. Please state for the record your name, position, and business address.

A. My name is Ben Havumaki. I am a Principal Associate at Synapse Energy Economics, Inc. ("Synapse"), located at 485 Massachusetts Avenue, Suite 3, Cambridge, MA 02139.

Q. On whose behalf do you offer this testimony?

A. I am testifying on behalf of the Michigan Department of the Attorney General (AG).

Q. Are you the same Ben Havumaki who submitted direct testimony in this docket?

A. Yes.

Q. What is the purpose of your rebuttal testimony?

A. I respond to Staff's position on the exit fee calculation, providing a clarification to show how my recommendations on this issue are aligned with Staff's recommendations.

Q. Are you sponsoring any exhibits?

A. No.

II. Exit Fee Calculation

Q. What is Staff's position on the exit fee calculation?

A. Staff recommends that the exit fee be calculated based upon the full contract capacity rather than assessed from the contract capacity reduced by whatever margin may be permitted to the customer. Witness Gottschalk writes: "If a large load customer were to leave the system entirely, the 20% capacity reduction (and Staff's proposed 10% reduction) provision should not act as an offset to the exit fee. The purpose of an exit fee in large load tariffs is

to ensure that in the event the customer ceases service from the utility, the costs associated with serving the customer do not become stranded assets and are not borne by the utility or its ratepayers."[1]

Q. Do you agree with Staff's testimony quoted above concerning the exit fee calculation?

A. Yes. In my direct testimony, I recommended that *any* reduction in contract capacity be subject to a contested case process before the Commission. I recommended the same contested case process for any mitigation of the exit fee. While not stated explicitly in my direct testimony, I am in agreement with Staff that a customer should not be able to take advantage of a contract capacity reduction when exiting the system. Reducing contracted capacity and permanently departing are discrete and distinct outcomes. Providing a customer that is departing before the end of the contract term with a default reduction in the customer's financial obligation to the Company risks shifting costs onto other customers. While the departing customer might seek exit fee mitigation, there should be no entitlement to an exit fee reduction associated with lowering the contracted capacity, and any mitigation of the exit fee should be conditional on demonstrating through a contested case that there will not be any cost shifting to other customers.

Q. Does that complete your testimony?

A. Yes.

[1] Direct Testimony of Daniel J. Gottschalk, p. 5.

PROOF OF SERVICE - U-21986

The undersigned certifies that a copy of the ***Attorney General's Rebuttal Testimony of Ben Havumaki*** was served upon the parties listed below by e-mailing the same to them at their respective e-mail addresses on the 3rd day of March 2026.

Lucas Wollenzien Digitally signed by Lucas Wollenzien Date: 2026.03.03 13:45:18 -05'00'

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