

# Magma Advisory Council

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Development

December 9, 2022

# DTE is committed to delivering for our team, customers, and communities that we serve



## Our Team

Ensuring the health and safety of our employees

*Received Best Employers Award for outstanding commitment to advancing employee well-being through comprehensive and innovative benefits and initiatives*



## Customers

Addressing our customers' most vital needs

*Received ENERGY STAR Excellence in Energy Efficiency Award from the EPA for outstanding contributions to protect the environment*



## Communities

Providing safe, reliable and cleaner energy and supporting our communities

*Named to Civic 50 by Points of Light for five consecutive years*

# Strong momentum exists towards increased electrification, fueled by environmental commitments and technology advancements

## Recent Announcements

State of Michigan commits to making Michigan carbon-neutral by 2050  
*September 23, 2020*

General Motors to eliminate gasoline and diesel light-duty cars and SUVs by 2035  
*January 28, 2021*

Ford partners with Sunrun to power homes during outages  
*May 29, 2021*

## Electrification Trends



State economy-wide interim goal is to reduce greenhouse gas (GHG) emissions 28% by 2025<sup>1</sup>



68 new EV models are expected to be released in the US by 2025, with a strong focus on medium and large vehicles; By 2030, nearly 40% of all cars and light trucks on the road will be EVs<sup>2</sup>



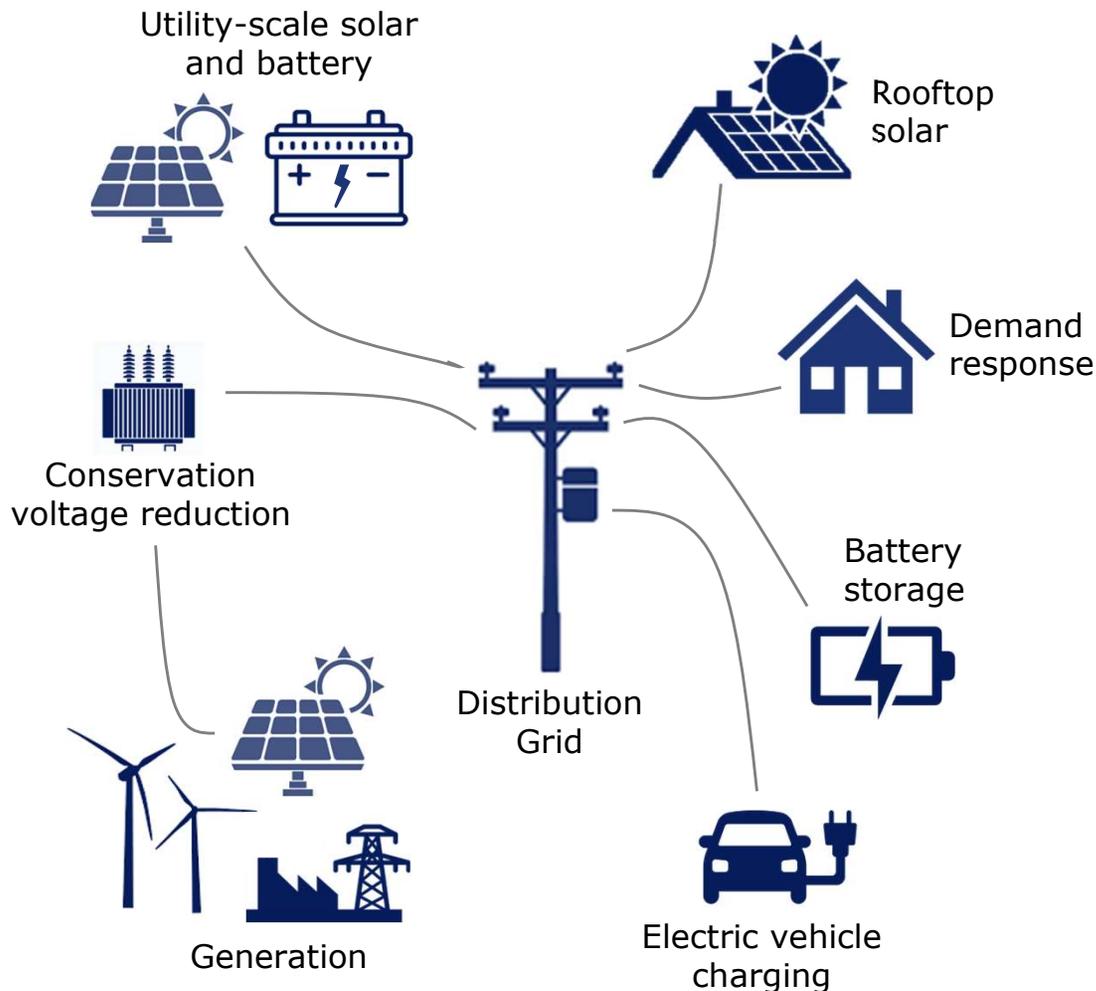
~20% of Michigan homeowners who installed rooftop solar have paired it with battery storage<sup>3</sup>

Electrification could grow incremental load in DTE's service territory by 1,800 - 2,500 GWh from 2020 to 2030<sup>4</sup>

1. [ED 2020-10 Carbon Neutral Goal.pdf \(govdelivery.com\)](#)
2. BNEF (Bloomberg New Energy Finance), June 2021
3. ICF battery draft study, July 2021
4. McKinsey DTE Electrification Fact Base Steering, July 2021; could be offset with other factors such as energy efficiency, economics, etc.

A reliable, flexible and modernized grid is needed to meet these evolving customer needs and integrate new, advanced technologies

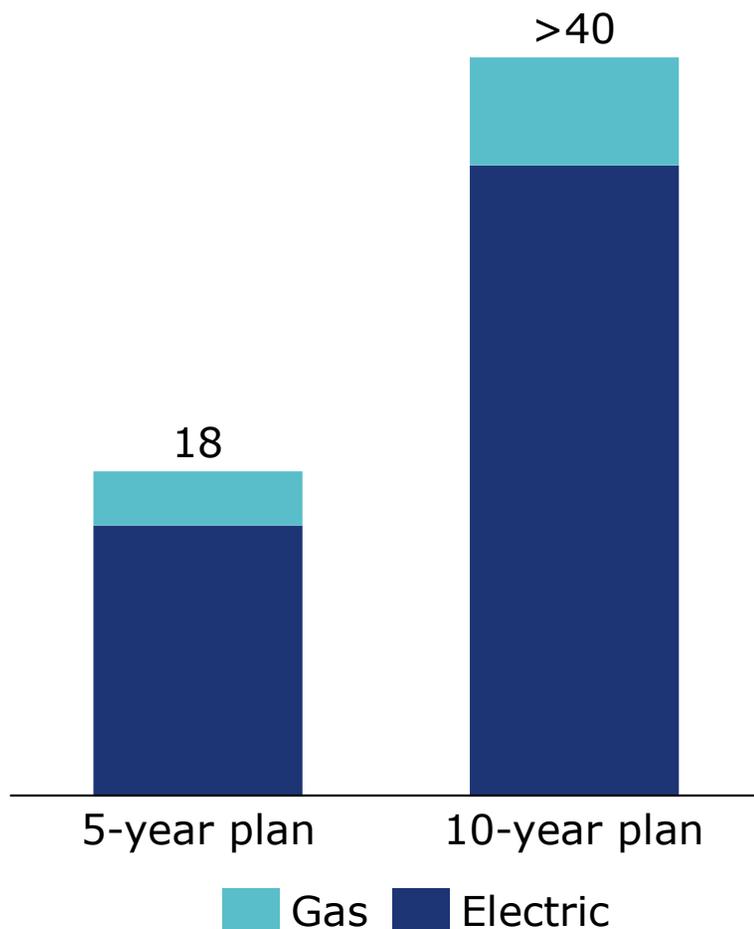
## Grid of the Future



- Increased flexibility and capacity to support higher electrification and distributed energy resources
- **More dependable and reliable energy** to power electrified economy
- **Improved customer satisfaction**
- Enhanced stakeholder engagements and alignments
- **Supports customer's and DTE's ESG and decarbonization goals**

Transformational investments in generation and distribution will provide customers cleaner, more reliable energy

### Utility Capital Investment (\$ billions)



### Grid of the Future and Decarbonization Efforts

- \$18 billion utility 5-year capital investment; **over \$40 billion investment plan over the 10-year period**
- **Building the grid of the future** to ensure best-in-class performance
- **Investing in significant clean generation** driven by accelerating cessation of coal use and voluntary renewables
  - Largest renewable energy purchase from a utility in U.S. history with Ford
- Pace of **electric vehicle adoption could significantly increase demand** and the need for additional assets
  - Charging Forward program will scale to meet adoption targets

DTE will power a best in the world clean EV charging network, because transportation electrification is best for the world

## Clean Generation Initiatives



- Continuing to evaluate the cessation of coal use; **accelerating the retirement of remaining coal plants**
- **Largest renewable energy purchase from a utility in U.S. history** to be installed by 2025
- **Subscribed over 1,700 MW** through voluntary renewables program, MIGreenPower
- Key participant in the governor's Michigan Council on Climate Solutions to develop and implement pathways to **meet the state of Michigan's economy-wide climate goals**

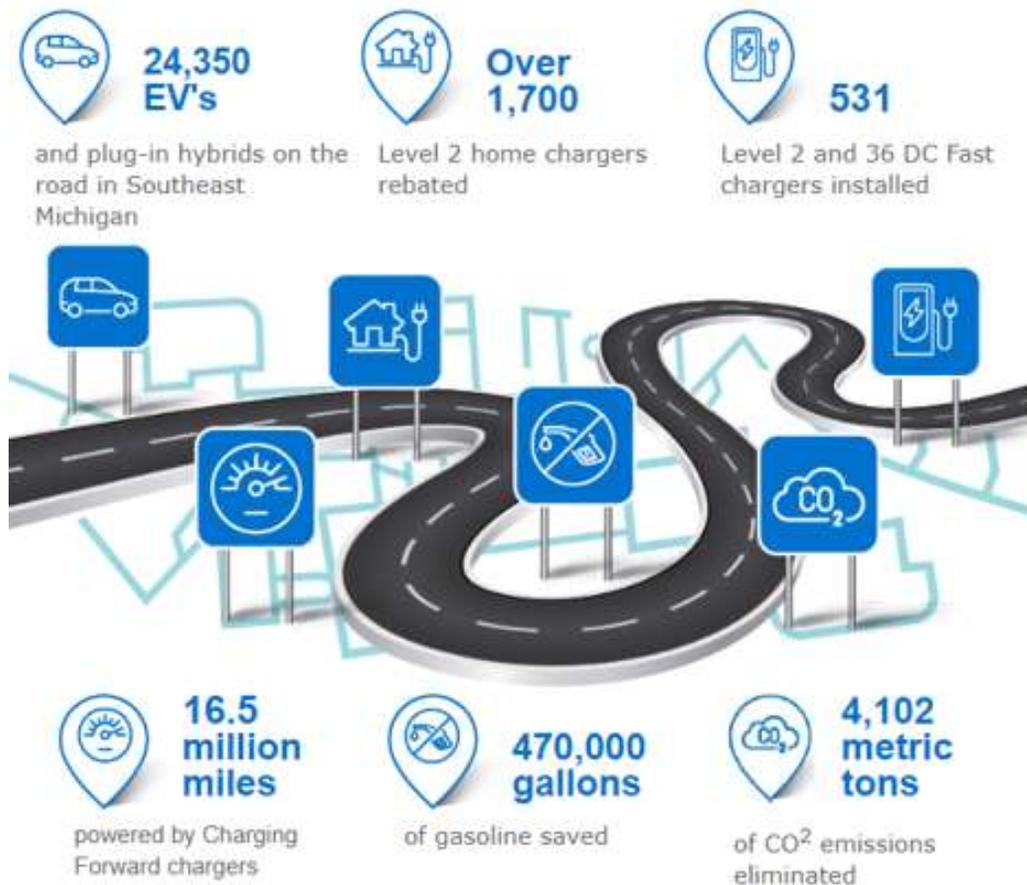
## DTE's Role in Electrifying the Transportation Industry



- ✓ **Reduce barriers to EV adoption**, especially lack of awareness of EVs and public charging infrastructure
- ✓ Improve its understanding of EV load characteristics and **efficiently integrate EV load with the grid**
- ✓ Help **enable equitable access** to EVs
- ✓ **Pilot new technologies** to prepare for widespread TE adoption

The Charging Forward program has been a success and will continue to grow to meet the needs of the market

## Charging Forward Road Map (as of September 2022)



## Progress to Date and Next Steps

- **Nearly \$28 million of approved funding** to pilot customer education, residential rebates, commercial incentives and rebates, and fleet incentives and advisory services
- An **additional \$17 million was recently approved**, including centralized charging hubs for fleet customers, turnkey home charger installations, and transit bus battery leasing
- Developing a comprehensive Transportation Electrification Plan to **meet the needs of an electrified future**