

**BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

**Application of Wisconsin Electric Power
Company for Approval of its Very Large
Customer and Bespoke Resources Tariffs**

6630-TE-113

**CLEAN WISCONSIN’S RESPONSE IN OPPOSITION TO
JOINT PETITION FOR REOPENING OR REHEARING**

INTRODUCTION

Clean Wisconsin files this response¹ in opposition to Joint Petitioners’² motion for reopening or rehearing of this proceeding (the “Petition”), which considered WEPCO’s application for approval of its Very Large Customer and Bespoke Resources Tariffs (the “Tariffs”). The Tariffs were proposed to serve hyperscale data centers customers (“Very Large Customers” or “VLCs”) in WEPCO’s territory. The Commission approved the Tariffs, but only after making significant modifications to protect WEPCO’s shareholders and other customers.³

Now WEPCO, one of the VLCs (Vantage), and a company that develops data centers (Cloverleaf) asks the Commission to first, amend the Credit Support Measures it adopted in its Decision, and second, to waive financial security requirements for Oracle, another VLC that wants to take service under the Tariffs for operations at Vantage’s and Cloverleaf’s Lighthouse data center campus in Port Washington.

¹ This response is filed pursuant to Wis. Stat. § 227.49(4) and § XII.1.a. of the Facilitating Matters Ordered in a Contested Case Proceeding, Docket No. 6630-TE-113 (PSC REF#: 565309) (Oct. 20, 2025).

² Joint Petitioners are the applicant, Wisconsin Electric Power Company (“WEPCO”), and intervenors Vantage Data Centers Wisco Acquisition Company LLC (“Vantage”) and Cloverleaf Infrastructure LLC (“Cloverleaf”).

³ Final Decision, Docket No. 6630-TE-113 (PSC REF#: 591873) (May 21, 2026) (“Decision”).

The Commission’s Decision in this proceeding recognizes the “fundamental change” brought on by the addition of multiple VLCs to WEPCO’s territory, resulting in “the addition of half or more” of the utility’s existing system over the next five years.⁴ Understanding that “[t]here is no historical data demonstrating how the addition of customers of this size affects the rates of existing customers,” the Commission considered the Tariff application “guided by a robust record of evidence, sound analysis, and foresight.”⁵

As a result of that careful consideration, the Commission modified the Credit Support Measures to ensure non-participating customers and WEPCO shareholders are not harmed by the utility’s service of the VLCs. Those modifications, along with others adopted in the Decision, resulted in Tariffs that should allow hyperscale data center operation in WEPCO’s territory that does not harm or risk harming shareholders and non-participating customers. Granting Joint Petitioners’ requests would undermine the hard-won protections in the Tariffs and public confidence in this proceeding. The Commission should deny the Petition.

LEGAL STANDARD

The Commission *may* reopen a proceeding if it determines that it made a material error of fact or a material error of law, or it is presented “new evidence sufficiently strong to reverse or modify the order, and which could not have been previously discovered by due diligence.”⁶ The Commission’s determination whether to grant a rehearing is discretionary.⁷ Upon judicial review, the Commission’s findings of facts underlying its decision of whether to grant rehearing must be supported by substantial evidence.⁸

⁴ *Id.* at 11.

⁵ *Id.*

⁶ Wis. Stat. § 227.49(3).

⁷ Wis. Stat. § 227.49(5) (“The agency may order a rehearing....”).

⁸ *Town of Holland v. Pub. Serv. Comm’n*, 2018 WI App 38, ¶¶ 57-61.

ARGUMENT

I. The Commission’s Modifications to the Tariff’s Credit Support Measures Are Supported by the Record and Necessary Under Wis. Stat. § 196.192

Wis. Stat. § 196.192 provides investor-owned utilities the ability to offer market-based and individual contract-based rates. The Commission cannot approve a market-based rate unless, among other requirements, “the [C]ommission determines that the rate will not harm shareholders of the investor-owned electric public utility or customers who are not subject to the rate.”⁹

Joint Petitioners argue that the Commission did not provide “any reasoning for its modifications to the Financial Support Requirements....”¹⁰ But the Commission did explain its reasoning behind the changes it ordered. First, the Commission noted concerns raised by the Citizens Utility Board (“CUB”) in the proceeding that the credit support measures, as proposed, would not always apply to all customers.¹¹ The Commission went on to explain that while it “shares CUB’s concerns...[it] is not convinced that it is necessary to make the credit support measures mandatory in all cases.”¹² Based on this reasoning, the Commission then modified the Tariffs to remove WEPCO’s discretion to waive Financial Support Requirements for VLCs who do not meet the credit rating requirements for an exemption.¹³ Second, the Commission acknowledged the threat of WEPCO “entering into agreements with potentially risky VLCs,” and, referencing testimony supporting stronger collateral requirements, increased the credit rating required before exceptions to the financial security provisions would apply.¹⁴

⁹ Wis. Stat. § 196.192(2)(br).

¹⁰ Petition at 18 (emphasis omitted).

¹¹ Decision at 43.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.* at 43-44.

The risk this modification addresses is exactly the type of harm the Commission has an obligation to protect non-participating customers and shareholders from when considering an application for a market-based rate.¹⁵ The Commission’s findings and modifications concerning the Credit Support Measures in the Tariffs are supported by the record, and *required* for approval of the Tariffs under Wis. Stat. § 196.192.

II. The Commission Should Reject Joint Petitioner’s Request for a Waiver of Credit Support Measures for Oracle

In addition to their request that the Commission reopen the proceeding to modify the Credit Support Measures approved in the Decision, Joint Petitioners also request a waiver allowing one VLC, Oracle, who was not a party to this case, to rely on a parental guarantee in lieu of a cash deposit or letter of credit to fulfill its collateral obligations under the Tariffs. Like Joint Petitioners’ request to modify the Tariffs, their request for a waiver for Oracle should also be denied.

The evidence Joint Petitioners’ offer does not justify their request. In an affidavit filed contemporaneously with the Petition, a Vice President for the company explained that “Oracle is one of the 20 largest companies in the world, with an equity value of almost \$600 billion and approximately \$40 billion of cash and cash equivalents on its books.”¹⁶ Oracle also explained that it has a “credit rating of BBB (S&P)/Baa2 (Moody’s)...”¹⁷ Oracle does not explain why its credit rating is not higher given its supposed “strong business profile.”¹⁸ Credit rating agencies apparently do not view Oracle’s financial position to be sufficiently strong to merit a higher

¹⁵ See Final Decision, Application of Wisconsin Power and Light Company for Approval of Proposed Day Ahead Market Pricing Tariff, Docket 6680-TE-102 (Wis. PSC July 5, 2017) (PSC REF#: 327257.)

¹⁶ Affidavit of Julia Robin in Support of Joint Petition for Reopening or Rehearing on behalf of Oracle Corporation (“Affidavit”) at ¶ 24 (internal footnotes omitted).

¹⁷ See *id.*

¹⁸ See *id.* at ¶¶ 19, 27, 39.

rating, reinforcing the need for the robust Credit Support Measures approved by the Commission.

In fact, evidence newly available following the proceeding supports the Commission's Decision and highlights the importance of strong Credit Support Measures for VLC customers. On June 10, 2026, the day after Joint Petitioners filed the waiver request, Oracle's stock fell up to 12%, amounting to a loss of \$72 billion in value.¹⁹ Oracle stock ended the day down 8.53%.²⁰ In explaining the stock value loss, financial reporters compared Oracle to rival data center developers, noting Oracle "lacks the large cash flows that have primarily funded the [other] tech giants' outlays, forcing [Oracle] to burn cash and sell debt instruments at a time its traditional software business is under pressure from the very AI tools it plans to support through its cloud."²¹ Another reporter tied the stock losses directly to Oracle's artificial intelligence data center build out noting that "investors question whether the company's massive amount of spending will result in profit growth, after free cash flow in the last fiscal year came in at negative \$23.7 billion."²² This financial volatility is evidence of the high risks that providing utility service to Oracle entails, and is exactly why the Credit Support Measures adopted by the Commission in its Decision are necessary to protect WEPCO shareholders and non-participating customers and from harm.

¹⁹ Kanishka Ajmera & Jaspreet Singh, *Oracle Shares Slide as Hefty AI Spending, Debt Plans Spook Investors*, Reuters (June 11, 2026, 10:25 AM), <https://www.reuters.com/business/retail-consumer/oracle-shares-slide-hefty-ai-spending-debt-plans-spook-investors-2026-06-11/>.

²⁰ Josh Kohn-Lindquist, *Stock Market Today, June 11: Oracle Falls After AI Spending Guidance Sparks Cash Flow Concerns*, The Motley fool (June 11, 2026, 5:09 PM), <https://www.fool.com/coverage/stock-market-today/2026/06/11/stock-market-today-june-11-oracle-falls-after-ai-spending-guidance-sparks-cash-flow-concerns/>.

²¹ Ajmera & Singh, *supra* note 17.

²² Jordan Novet, *Oracle Shares Tumble 11% on Increased Capital Raise, Cash Concerns*, CNBC (June 12, 2026, 10:44 AM), <https://www.cnbc.com/2026/06/11/oracle-shares-tumble-11percent-on-increased-capital-raise-cash-concerns.html?msockid=355e3af924356fcb21f22ca225b36ed9>.

CONCLUSION

For the reasons stated above and based on the record of evidence in this proceeding, the Commission should deny Joint Petitioners' request for reopening or rehearing this proceeding, including the request for a waiver of credit support requirements for Oracle. If the Commission nonetheless grants the Petition, in whole or in part, the Commission should allow other parties the opportunity to submit evidence, conduct discovery and cross examination, and brief the issues subject to such reopening.

Dated this 17th day of June 2026.

Respectfully Submitted,

/s/ Brett Korte

Brett Korte, Staff Attorney

SBN: 1126374

Clean Wisconsin

634 W. Main Street, Suite 300

Madison, WI 53703

Ph. (608) 251-7020 x327