

MEMORANDUM



TO: VICTOR CARDENAS, CITY MANAGER
FROM: REGINA SWICK, ECONOMIC DEVELOPMENT MANAGER
SUBJECT: OUR NEXT ENERGY STATE GRANT AMENDMENT
DATE: SEPTEMBER 23, 2026

This memo provides an update on Our Next Energy (ONE) and recent changes to its Critical Industry Program (CIP) grant agreement with the State of Michigan.

Company Overview

Our Next Energy (ONE) is a Michigan-based energy storage company headquartered at 45145 W. Twelve Mile Road in Novi. Founded in 2020, the company initially focused on developing advanced battery technology for electric vehicles. In 2022, the State of Michigan approved support for ONE's planned 659,589 sq. ft. battery manufacturing campus in Van Buren Township, which was expected to create 2,112 jobs and represent approximately \$1.6 billion in capital investment.

Since the original agreement was approved, changes in federal policy and market conditions have affected the outlook for automotive EV battery investment. In response, ONE has shifted its focus beyond automotive applications to markets where it sees continued demand for battery technology, including defense, rail and transportation, and grid-scale energy storage. In January 2026, the company announced that it was pausing automotive EV investments and focusing its resources on infrastructure and defense batteries.

Amendment to the CIP State Grant Agreement

On September 22, 2026, the Michigan Strategic Fund approved an amendment to ONE's 2022 Critical Industry Program (CIP) grant agreement. The amendment reduces the maximum state grant from \$200 million to \$150 million and reduces the required number of new jobs from 2,112 to 1,606. Of particular interest to the City of Novi, the amended agreement allows investments and new jobs at ONE's Novi location to count toward the project's requirements.

Van Buren Township Facility

As ONE has adjusted its manufacturing operations, the company has scaled back its operations at its Van Buren Township location. In August 2026, Gardner White signed a long-term lease for approximately 660,000 square feet of warehouse space at the site.