

**STATE OF MICHIGAN**  
**BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

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|----------------------------------------------------|---|--------------------|
| In the matter, of the application of               | ) |                    |
| THE DETROIT EDISON COMPANY                         | ) | Case No. U-11956-E |
| for authority to recover retail access program     | ) |                    |
| implementation costs and for approval of a true-up | ) |                    |
| mechanism in connection with the recovery of       | ) |                    |
| stranded costs                                     | ) |                    |

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**MICHIGAN INDEPENDENT POWER PRODUCERS ASSOCIATION**  
**PETITION FOR INTERVENTION**

NOW COMES THE MICHIGAN INDEPENDENT POWER PRODUCERS ASSOCIATION ("MIPPA") by and through its attorneys, Russell & Russell, P.C., and files this Petition for Intervention with the Michigan Public Services Commission ("Commission") pursuant to Rule 201 of the Commission's Rules of Practice and Procedure. The Commission issued an Order and Notice of Hearing in the above captioned case on March 8, 1999 (the "Order"). Under the provisions of the Order, the Commission stated,

Consumers and Detroit Edison are scheduled to file their true-up proposals for 1998 by March 31, 1999. At the time that this schedule was established, it was anticipated that open access would begin sometime in 1998....

and

Because of the policy issues to be addressed, the Commission finds that the initial true-up should be conducted in *a joint proceeding* involving both Consumers and Detroit Edison. Testimony by the utilities should be filed in accordance with the schedule determined by the Administrative Law Judge at the pre-hearing conference in the *combined* case. (emphasis added)

## INTRODUCTION

The Commission gave two reasons, in its March 8, 1999 Order, why the Commission would find it helpful if Detroit Edison and Consumers Energy filed their true-up proceeding even though open access would not begin until sometime in 1999,

1. First, in accordance with the order, the true-up proceeding is needed to review the prudence of any implementation costs incurred by the utilities.
2. Second, because this will be the first true-up proceeding, there are significant policy decisions that need to be addressed.

These could include: How quickly should billing and other direct access systems be phased in? Should billing and metering functions be limited to utilities or should other providers have the option? How should implementation costs be allocated among and recovered from customers? After these policy issues are resolved in the initial true-up proceeding, future true-up amount in light of the Commission's prior policy determinations.

Accordingly, the Commission finds that Consumers and Detroit Edison should file true-up applications by March 31, 1999.

MIPPA is a voluntary association comprised of nineteen independent energy companies representing approximately 200 megawatts of electric generation from renewable resources under contract to generate electricity primarily for sale to Consumers Energy Company ("Consumers") and Detroit Edison ("DECo"). MIPPA's generation is fueled by hydroelectric, landfill gas, wood, urban wood waste and solid waste. All of MIPPA's members are Qualified Facilities ("QF") generating under the provisions of the Public Utilities Regulatory Policies Act of 1978 ("PURPA"). MIPPA members operate their facilities and supply electricity pursuant to contracts approved by this Commission under procedures established by the Commission to implement PURPA as required by Federal Energy Regulatory Commission ("FERC") rules.

MIPPA was formed to promote and support the common interests of its members to protect the continuing viability of the facilities which they own and operate; their role as

independent power producers in a deregulated Michigan generation market; and to maintain the viability of renewable energy.

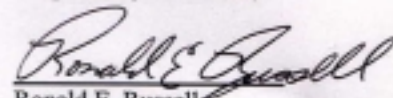
## **II. BASIS FOR INTERVENTION**

MIPPA has an immediate and vested interest in the outcome of this proceeding. MIPPA members are directly impacted by the method of computation of stranded costs, the total amount recovered and the duration of recovery by utilities. One of the open access implementation costs is recovery of sufficient funds to honor existing purchase power contracts for the duration of their contract or in the alternative to receive the present value of their total contracts under PURPA or ACT 2 of 1989.

In light of MIPPA's participation in prior proceedings concerning the issue of true-up mechanism in Case U-11290, MIPPA should be allowed to participate in the current proceeding. In addition to the vested interest of its membership, MIPPA's continuing interest in the deregulation Michigan generation market should also suffice for its intervention.

NOW, THEREFORE, MIPPA respectfully requests that the Commission grant this Petition to Intervene and allow MIPPA to participate in these proceedings.

Respectfully submitted,



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