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April 29, 1999

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Executive Secretary
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P.O. Box 30221
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MICHIGAN PUBLIC SERVICE
COMMISSION

APR 29 1999

FILED

Re: MPSC Case Nos. U-11955/U-11956

Dear Ms. Wideman:

Enclosed for filing in each of the above-referenced matters, please find an original and four copies of the Petition for Leave to Intervene of the Michigan Power Limited Partnership. Also enclosed is a Proof of Service.

Very truly yours,

Fraser Trebilcock Davis & Foster, P.C.



David E. S. Marvin

DEM/maf
Enclosures

cc: Mr. Jon Robinson
Mr. Bruce R. Maters

MICHIGAN PUBLIC SERVICE
COMMISSION

APR 29 1999

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION **E D**

In the matter of the application of	)	
CONSUMERS ENERGY COMPANY	)	MPSC Case No. U-11955
for authority to recover implementation	)	
costs, for approval of stranded cost true-	)	
up methodology, and for other relief	)	
_____	)	

In the matter of the application of	)	
THE DETROIT EDISON COMPANY	)	MPSC Case No. U-11956
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	)	
_____	)	

**PETITION FOR LEAVE TO INTERVENE
OF THE MICHIGAN POWER LIMITED PARTNERSHIP**

Pursuant to Rule 201 of the Rules of Practice and Procedure before the Commission, the Michigan Power Limited Partnership ("MPLP") by and through its attorneys, Fraser Trebilcock Davis & Foster, P.C., petitions the Michigan Public Service Commission ("MPSC") for leave to intervene in this combined case. In support of its petition, MPLP states:

1. The MPLP is a Michigan limited partnership, which has built and is operating a cogeneration facility near Ludington, Michigan. As defined by the Public Utility Regulatory Policies Act, 16 USC 824(a-3) et seq ("PURPA"), MPLP's cogeneration facility is a qualifying facility. Consumers Energy Company f/k/a Consumers Power Company ("Consumers") signed a Power Purchase Agreement ("PPA") with the MPLP.

The avoided capacity and energy rates contained in the PPA were approved by the MPSC in orders dated March 31, 1993 and May 26, 1993 in MPSC Case Nos. U-8871 et al & U-10127.

2. In MPSC Case No. U-11290 et al, the MPSC issued a series of orders relating to the restructuring of Michigan's electric industry. In these orders, the Commission concluded that certain costs of electric utilities would be considered "stranded costs," i.e., costs which were incurred during the regulated era that would be above market prices in a competitive era. The MPSC concluded that the portion of the capacity rates to be paid by Consumers to the MPLP pursuant to its PPA were stranded costs. The MPSC also established procedures for the recovery of stranded costs, including a stranded cost true-up mechanism.

3. In its March 8, 1999 Opinion and Order in MPSC Case No. U-11290, et al, the MPSC initiated a combined case for both Consumers and The Detroit Edison Company ("Detroit Edison") regarding the true-up mechanism. The MPSC stated:

" . . . 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 prehearing conference in the combined case." (March 8, 1999 Order at p 29.)

4. As a result of that order, both Consumers and Detroit Edison have filed applications for approval of stranded costs true-up mechanisms. Consumers' application states that "this case should . . . be utilized to develop a specific stranded cost true-up mechanism which can be used in future annual true-up filings." (Consumers' Application,

¶ 12.) Consumers further stated, "The testimony filed by Consumers Energy will further specify the true-up mechanism which the Commission should adopt in this case." (Id.)

5. Likewise, Detroit Edison's application states that "this proceeding should be structured to address remaining true-up issues including: a) the appropriate stranded cost balances; b) the appropriate level of the transition charge; c) the establishment of the mechanics of the true-up and stranded cost recovery processes; and d) to address policy issues raised by the Commission. . ." (Detroit Edison's Application, ¶ 11.)

6. The MPLP has a substantial interest in this proceeding. First, as described above, a portion of the payments to be paid by Consumers to the MPLP pursuant to their PPA are considered stranded costs. Further, the PPA between MPLP and Consumers contains a regulatory-out clause, which Consumers may assert allows it to avoid making contractual payments to MPLP if Consumers is disallowed recovery of those payments by the MPSC.

7. It is MPLP's position that any approval of a true-up methodology in connection with the recovery of stranded costs and other relief must be consistent with existing federal and state law and be just and reasonable.

8. The relief which MPLP seeks in this case is the establishment of a just and reasonable true-up methodology.

9. The MPLP has been permitted to participate and intervene in MPSC Case No. U-11290 et al from which this combined case arises.

10. In addition, MPLP or its participants have been allowed to intervene in the following PSCR cases which may have impacted cost recovery of Consumers' payments to the MPLP: MPSC Case No. U-9732, MPSC Case No. U-9732R, MPSC Case No. U-9960,

MPSC Case No. U-9960R, MPSC Case No. U-10155, MPSC Case No. U-10445, MPSC Case No. U-10445R, MPSC Case No. U-10710, MPSC Case No. U-10710R, MPSC Case No. U-10973, MPSC Case No. U-10973R, MPSC Case No. U-11180, MPSC Case No. U-11180R and MPSC Case No. U-11527.

11. The present parties to this case do not adequately represent MPLP's interests as set forth above, and therefore, it would be detrimental to the public interest to deny this petition for leave to intervene.

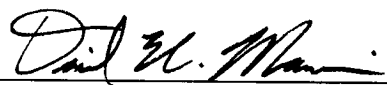
12. Because the issues set forth above are of great significance to the MPLP and to the public, a denial of this petition for leave to intervene would result in a miscarriage of justice.

WHEREFORE, the Michigan Power Limited Partnership respectfully requests that its Petition for Leave to Intervene be granted.

Respectfully submitted,

Fraser Trebilcock Davis & Foster, P.C.
Attorneys for The Michigan Power Limited Partnership

Dated: April 29, 1999

By: 
David E. S. Marvin (P26564)
Michael S. Ashton (P40474)

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MICHIGAN PUBLIC SERVICE
COMMISSION

STATE OF MICHIGAN

APR 29 1999

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for authority to recover implementation)
costs, for approval of stranded cost true-)
up methodology, and for other relief)
_____)

MPSC Case No. U-11955

In the matter of the application of)
THE DETROIT EDISON COMPANY)
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)
_____)

MPSC Case No. U-11956

STATE OF MICHIGAN)

) ss.

Proof of Service

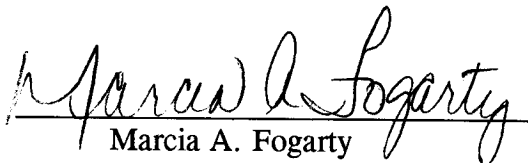
COUNTY OF INGHAM)

Marcia A. Fogarty, being first duly sworn, deposes and says that on this 29th day of April, 1999 she served a copy of a Petition to Intervene of the Michigan Power Limited Partnership upon the following individual(s):

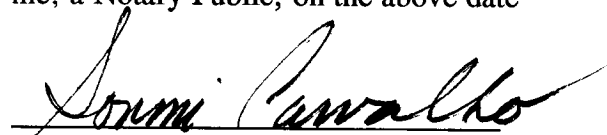
Mr. Jon R. Robinson
Consumers Energy Company
212 West Michigan
Jackson, Michigan 49201-2211

Mr. Bruce R. Maters
Detroit Edison Company
2000 Second Avenue 688 WCB
Detroit, Michigan 48226-1297

by placing the same in an envelope(s) addressed to said individual(s) at the aforesaid business address(es) and depositing same in the U.S. mails.


Marcia A. Fogarty

Subscribed and sworn to before
me, a Notary Public, on the above date


Sonmi Carvalho
Notary Public, Ingham County
Expires on 10/11/2000