

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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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. )  
\_\_\_\_\_ )

Case No. U-11956

PETITION TO WITHDRAW MOTION FOR  
ACCELERATED JUDGMENT ON METERING ISSUES

Energy Michigan, Inc. (Energy Michigan) by its attorneys Varnum, Riddering, Schmidt & Howlett hereby petition the Commission to withdraw, with prejudice, its Motion for Accelerated Judgment on Metering Issues filed March 2, 2000 (the March 2 Motion) in the above captioned matter.

Energy Michigan and Detroit Edison Company (Detroit Edison) have executed the attached Stipulation and Partial Settlement of the issues regarding metering equipment which were raised by Energy Michigan in Case No. U-11956 and were the subject of the Energy Michigan March 2 Motion.

With the filing of this Petition, Energy Michigan also requests that the Commission adopt the Stipulation and Partial Settlement as well as the attached Memorandum of Understanding as a resolution of equipment metering issues raised in U-11956 by Energy Michigan.

Requested Relief

WHEREFORE, Energy Michigan respectfully requests that:

1. it be permitted to withdraw, with prejudice, its March 2 Motion for Accelerated Judgment on Metering Issues in the above captioned matter; and
2. the Commission adopt the attached Stipulation and Partial Settlement of Metering Equipment issues in Case U-1 1956.

Respectfully submitted,

VARNUM, RIDDERING, SCHMIDT & HOWLETT LLP  
Attorneys for Energy Michigan

June 22, 2000

By:



Eric J. Schneidewind (P20037)

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

|                                          |   |                   |
|------------------------------------------|---|-------------------|
| In the matter of the Application of      | ) |                   |
| THE DETROIT EDISON COMPANY               | ) |                   |
| for authority to recover retail access   | ) |                   |
| program implementation costs and for     | ) | Case No: U-I 1956 |
| approval of a true-up mechanism in       | ) |                   |
| connection with the recovery of stranded | ) |                   |
| costs                                    | ) |                   |

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**STIPULATION AND PARTIAL SETTLEMENT**

The Detroit Edison Company ("Edison" or "Company"), and Energy Michigan ("Energy Michigan" or "EM") (hereafter referred to as the "Signatory Parties"), have reached an amicable resolution of this case as provided in the attached Memorandum of Understanding.

Only Energy Michigan has raised substantive issues relating to metering equipment in this case.

THEREFORE, pursuant to MCL 24.278; MCA 3.560(178) and R 460.17333, the Signatory Parties stipulate and agree to the following:

1. The attached Memorandum of Understanding marked as "Attachment A" sets forth and resolves all of the outstanding issues regarding metering equipment in this case;
2. No further or additional Commission action regarding metering equipment in Detroit Edison's voluntary retail open access program is necessary or required and the Commission's final order in this proceeding should provide that "Attachment A" resolves the metering equipment issues raised in this case.

3. Energy Michigan will formally withdraw its "Motion for Accelerated Judgment on Metering Issues" filed March 2, 2000 in its entirety and with prejudice.

#### **GENERAL PROVISIONS**

4. The Signatory Parties agree that this Agreement is reasonable and will promote the public interest.

5. The Signatory Parties agree not to appeal or otherwise consent any Commission order approving this Agreement without modification.

6. This Agreement has been made for the sole and express purpose of reaching a compromise among the positions of the parties without prejudice to their rights to take new and/or different positions in other proceedings. All offers of settlement and discussions leading up to this Agreement shall be considered privileged as provided in MRE 408.

7. This Agreement is not severable. Each provision of the Agreement is dependent upon all other provisions of the Agreement. Failure to comply with any provision of the Agreement constitutes failure to comply with the entire Agreement. If the Commission rejects or modifies this Agreement or any provision of the Agreement, the Agreement shall be withdrawn and shall not constitute any part of the record of this proceeding or be used for any other purpose.

8. The Signatory Parties agree to waive §81 of the Administrative Procedures Act of 1969 [MCL 24.281; MSAQ 3.560(181)] with respect to the

issues covered herein if the Commission approves the Agreement without modification.

THE DETROIT EDISON COMPANY

ENERGY MICHIGAN, INC

By: Bruce R. Maters  
Bruce R. Maters (P28080)  
Jon P. Christinidis (P47352)  
Attorneys for The Detroit Edison  
Company

By: Eric J. Schneidewind  
Eric J. Schneidewind (P20037)  
Attorney for Energy Michigan, Inc.

Dated: June 20 2000

Dated: 6/22/00

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding outlines the agreement reached by the parties (see list of attendees in Attachment 1) present at a meeting on March 17, 2000, regarding suppliers' remotely accessing data from Detroit Edison meters.

1. Some suppliers are requesting direct access to the Detroit Edison meter data for its Electric Choice customers on an as needed basis. Detroit Edison is concerned that allowing access to its meters would affect the privacy of customer meter data of not only retail access participants, but of all customers that are telemetered.
2. Detroit Edison is willing to provide suppliers access to Detroit Edison's meters with the appropriate consent of the customers and subject to certain terms and conditions related to the privacy of customer data and operational requirements.
3. Except for those meters where shared access has been requested by the customer, Detroit Edison will reprogram all remotely accessed interval meters for both retail access and non-retail access customers to call into the Detroit Edison system with meter readings. Detroit Edison will also install passwords in all remotely accessed meters as appropriate to provide data security.
4. For retail access customers who allow their suppliers to have access to their metered data, Detroit Edison will provide two data retrieval options as described below. The suppliers' customers shall select the remote data access option.

### Option 1

A. Detroit Edison will configure these meters, at no additional cost, to accept incoming calls from a telephone line. After the marketer has made a sink-to-meter link on the Detroit Edison web site, Detroit Edison will provide to the customer's marketer the information necessary for direct access to the meter. The marketer will have read only access to the meter. The telephone line may be a standard phone (including cellular if required) and provide Detroit Edison with unrestricted access to the meters.

B. By accepting this option, the customer acknowledges that under this arrangement the privacy of the usage data is more easily compromised, especially if the telephone number is not kept private.

C. Detroit Edison will not be required to install and maintain read-only passwords that are unique to every shared access meter.

### Option 2

- A. For customers seeking data protection, Detroit Edison will install stand-alone data recorders capable of storing kWh and kVARh data. Detroit Edison will own and maintain the recorders. The data recorders will be of a type that is compatible with, and that can be supported by, the MV90

system. The recorders will be powered by Detroit Edison and have battery backup. Detroit Edison will assess the customer a monthly charge of \$8.00 per data recorder in accordance with Rider 2 of the Detroit Edison tariffs approved by the Michigan Public Service Commission.

B. The customers and their suppliers will have full access to the recorders. They will be able to:

- 1) Use either a separate or shared telephone line at the customers' expense;
  - If using a shared line, they can program the recorder to call any number they wish;
  - The meter will continue to initiate calls to Detroit Edison and can share the recorder's telephone line; and
- 2) Install and maintain their own passwords. The password need not be communicated to Detroit Edison.

C. Under Option 2, responsibility for the security of the data recorders (e.g., password access) will rest solely with the suppliers.

D. Detroit Edison will make best efforts to inform the customers and suppliers of any data recorder failure or changes to configurations that may result in data errors. If the recorder's data deviates from the meter's data by more than plus or minus two (2) percent, and the supplier can demonstrate that such deviation caused the supplier to schedule in error, any resulting energy imbalance outside the deviation band will be settled by one of the following methods:

- 1) If the marketer provides its energy costs for the following calendar month to Detroit Edison more than three (3) business days prior to that calendar month, then the settlement shall be at the marketer's energy prices for that calendar month; or
- 2) If the marketer does not provide its energy costs as described above, then settlement shall be at one hundred (100) percent of the top incremental cost, assuming that the energy imbalance was the result of the recorder failure.

E. The suppliers shall be responsible for verifying the accuracy of the recorder data by comparing it to the corresponding data that will be posted on the Detroit Edison web site. If a deviation in excess of that described in Paragraph D above occurs, the customer or supplier must provide notice to Detroit Edison as soon as practicable. Detroit Edison will validate and correct the deviation within ten (10) days after the date of the notice. Detroit Edison's responsibility is limited to the extent of the recorder error and for no more than forty-five (45) days prior to the date of the correction.

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F. Detroit Edison shall not be liable for direct, indirect, special, incidental, consequential, punitive or any other damages arising out of providing equipment or services pursuant to Options 1 or 2, regardless whether a claim is based on contract, tort (including negligence), or theory of strict liability. Company's sole liability shall be to adjust payments incurred as a result of energy imbalances in accordance with Paragraph D above.

5. Options 1 and 2 above are in addition to, and do not replace, any other data sharing options offered in Detroit Edison's Electric Choice program such as:

- 1) Data pulses; or
- 2) Subscription service at the time of billing for the interval data from the month preceding; or
- 3) Detroit Edison web-based service which will provide usage data in a timely manner.

It is the intention of Detroit Edison and Nordic Electric, LLC that the provisions of this Memorandum of Understanding be applicable to all suppliers in the Detroit Edison Electric Choice Program. Based upon the parties' agreement, The Detroit Edison Company and Nordic Electric, LLC will seek approval of this Memorandum of Understanding and the associated charges from the Michigan Public Service Commission.

THE DETROIT EDISON COMPANY

By: *Stirling*  
Title: *Proj. Director - Electric Choice*  
Date: *June 20, 2000*

NORDIC ELECTRIC, LLC.

By: *Richard A. P. P.*  
Title: *VICE PRESIDENT*  
Date: *June 22, 2000*

# Attachment 1

Attendees of Meeting

March 17, 2000

Webber's Restaurant, Ann Arbor, Michigan

## Meter Access Issues

Representing Detroit Edison:

Joseph Bagero – Electric Choice Metering

Egidio Basso – Electric Choice Metering

James Byron – Merchant Operations

Dorene Harling – Electric Choice Supplier Relations

Ken Johnston - Electric Choice Supplier Relations

James Padgett – Regulatory Affairs

Alexander Zakem – Merchant Operations

Representing Nordic Electric, LLC:

John Baardson – CEO

Duncan Breeze – Scheduler

Richard Polich – Vice President

Michael Sheehan - Scheduler

Eric Schneidewein – Council

David Poole – Cargil

Representing the Michigan Public Service Commission:

Phillip Carlson

William Celio

Thomas Stanton