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MICHIGAN PUBLIC SERVICE COMMISSION

April 12, 2010

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
PO Box 30221
Lansing, MI 48909-7721

Re: Case No. U-12033
Great Lakes Energy Cooperative and Beaver Island

Dear Ms. Kunkle:

On April 11, 2000, the Michigan Public Service Commission (Commission) issued its opinion and order in the above referenced matter. [1] Therein, the Commission approved a March 24, 2000 settlement agreement between Great Lakes Energy Cooperative (Great Lakes) and then-Attorney General Jennifer M. Granholm. Paragraph 5 of that settlement agreement provided as follows:

> 5. The surcharge adopted in this Settlement was based upon Great Lakes' projection of 4% growth in the number of new meters on Beaver Island. Every five (5) years Great Lakes will prepare an accounting of the actual number of new Beaver Island meters for each respective historical five (5) year period (the first of which shall commence with the first full month which follows the MPSC's approval of this Settlement) and a revised monthly fixed availability surcharge calculation in accordance with Appendix A. This accounting and surcharge recalculation shall be served on the MPSC Staff and AG within ninety (90) days of the close of each fifth (5th) year. In the event the actual number of meters for the respective five (5) year period is greater than the level projected

[1] *In the matter of the application of Great Lakes Energy Cooperative to implement a special facilities monthly fee and a special hookup fee to significantly upgrade single-phase and three-phase electric service in St. James and Peaine Townships, Charlevoix County (Beaver Island).*

> for this five (5) year period and the difference between the existing monthly fixed availability surcharge and the revised monthly fixed availability surcharge calculation (calculated per Appendix A) is one dollar ($1.00) or more, Great Lakes will file, within thirty (30) days after service of the accounting and revised calculation, an application with the MPSC requesting approval to reduce the monthly fixed availability surcharge to the new recalculated amount.

In developing the current $10.25 per month surcharge, the starting point was a customer count of 1,100, with growth to be determined from that level.[1] Thus, in order for the current rate to require a downward adjustment, the customer count would have to have increased by 4% per year, *i.e.*, from the base level of 1,100 to 1,392. In fact, as of March 31, 2010, the current customer count is only 1,120. Thus, no reduction in the monthly charge is appropriate at this time.

Therefore, enclosed for filing please find original and eight copies of this submission. Copies of this submission are also being provided to counsel to the MPSC Staff and current Attorney General Michael A. Cox's Special Litigation Division. Unless advised to the contrary, Great Lakes will assume that submission of this letter satisfies all remaining requirements of the Commission's April 11, 2000 order in Case No. U-12033. If there are questions or comments, do not hesitate to contact me.

Sincerely,

Dykema Gossett PLLC

Albert Ernst

cc: Steve Boeckman
Pat Anzell
Robert Ianni
Steve Hughey
Dan Blair

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[1] *See,* March 24, 2000 Settlement Agreement in Case No. U-12033, Appendix A, p 3.