



"First In Service"

July 1, 2003

Robert Kehres
Acting Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing MI 48909

RE: MPSC Case No. U-12133
CHOICE Education – Reconciliation for 2003

Dear Mr. Kehres:

Paragraph 14 of the settlement agreement approved by the Commission in Case U-12133 requires that participating companies file an annual reconciliation for the education program by April 1 of each year. The Commission's April 17, 2003 order in this case required Alpena Power Company to suspend collection of the surcharge and to file a reconciliation report no later than August 1, 2003. This purpose of this letter is to serve as Alpena Power Company's reconciliation for the year 2003.

Revenues:

Alpena suspended collection of the surcharge effective May 1, 2003. Up to that point, during 2003 Alpena Power Company received revenues of \$11,447.67 from the application of the \$0.18 per bill Choice Education Surcharge. Combined with revenues received through 2002 the total revenues received were \$45,862.05.

Expenses:

Alpena Power Company did not incur any program expenses in 2003.

Fund Balance:

The beginning fund balance for 2003 was \$34,414.38. As of May 31, 2003, the fund balance was \$45,862.05.

If you have any questions or if you need additional information please give me a call at 989-358-4933.

Sincerely,

A handwritten signature in cursive script that reads "Steven K. Mitchell".

Steven K. Mitchell
Executive Vice President

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The **mission** of Alpena Power Company is to provide in a responsible and environmentally compatible manner:
For our customers, high **quality**, low cost services; For our employees, continuing **development** in a productive workplace;
and for our shareholders, a fair rate of **return** on their investment.

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