

LOOMIS, EWERT, PARSLEY, DAVIS & GOTTING

A PROFESSIONAL CORPORATION

232 SOUTH CAPITOL AVENUE, SUITE 1000

LANSING, MICHIGAN 48933

TELEPHONE (517) 482-2400 FACSIMILE (517) 482-7227

JACK C. DAVIS, PC
KARL L. GOTTING, PC
DAVID M. LICK
HARVEY J. MESSING
JAMES R. NEAL
KENNETH W. BEALL
MICHAEL G. OLIVA
JEFFREY W. BRACKEN
CATHERINE A. JACOBS
RONALD W. BLOOMBERG
MICHAEL H. RHODES
JEFFREY L. GREEN

GARY L. FIELD
SHERRI A. WELLMAN
KELLY K. REED
JEFFREY S. THEUER
DANIEL L. PULTER
ELDONNA M. RUDDOCK
KEVIN J. RORAGEN
THERESA A. SHEETS
LISA A. HANSON
MICHAEL C. RAMPE
SARA L. LaFLEUR
TRACEY L. LACKMAN

PLUMMER SNYDER
(1900-1974)

HOWARD J. SOIFER
(1949-2003)

GEORGE W. LOOMIS
QUENTIN A. EWERT
WILLIAM D. PARSLEY
OF COUNSEL

July 31, 2003

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

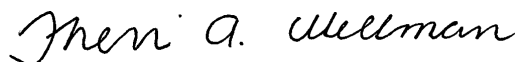
Re: MPSC Case No. U-12133 [e-file]

Dear Mr. Kehres:

Enclosed for filing is an original and four (4) copies of the Report and Application of Wisconsin Electric Power Company. Also enclosed is an original Proof of Service. These documents are also being electronically filed. If you should have any questions, please kindly advise.

Very truly yours,

LOOMIS, EWERT, PARSLEY,
DAVIS & GOTTING, P.C.



Sherri A. Wellman

SAW/kab

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the	)	
CHOICE ADVISORY COUNCIL , for a statewide	)	
customer education program and other related	)	Case No. U-12133
matters.	)	
_____	)	

REPORT AND APPLICATION OF
WISCONSIN ELECTRIC POWER COMPANY

Wisconsin Electric Power Company, d/b/a We Energies (“Wisconsin Electric” or the “Company”) files this report and seeks authority to implement a program promoting the use of renewable energy, and in support thereof, respectfully represents as follows:

1. Wisconsin Electric is a public service corporation organized under the laws of Wisconsin with its principal offices located in Milwaukee, Wisconsin, and is engaged primarily in public utility operations. Wisconsin Electric is also authorized to do business in Michigan, and provides retail electric service to the public in service areas located in the Upper Peninsula, including the counties of Alger, Baraga, Delta, Dickinson, Gogebic, Houghton, Iron, Marquette, Menominee, and Ontonagon.

2. Wisconsin Electric’s retail electric business in Michigan is subject to the Commission’s jurisdiction pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1909 PA 300, as amended, MCL 462.2 et seq.; 1919 PA 419, MCL 460.51 et seq.; and 1939 PA 3, as amended, MCL 460.1 et seq.

3. Subsection 10r(2) of 1939 PA 3, added by 2000 PA 141, required the Commission to establish a funding mechanism for electric utilities and alternative electric suppliers to carry out

an educational program to, among other things, inform customers of changes in the provision of electric service, and provide assistance for customers to make reasonably informed choices about which service to purchase and from whom.

4. On October 11, 2001, the Commission issued its order accepting the recommendations of the CHOICE Advisory Council (an ad hoc group of utilities, alternative electric suppliers, and customers) for a program and funding mechanism. The order delayed implementation of the education program due to then current market conditions, yet initiated the funding mechanism, a surcharge of \$ 0.18 per meter per month, beginning January 1, 2002.

5. On August 20, 2002, the Commission issued its order concluding, among other issues, that the education program should commence for the purposes of informing customers about customer choice, informing customers of green power and related tariff offerings, and informing potential alternative electric suppliers of opportunities to participate in the customer choice program in Michigan.

6. On September 19, 2002, the MEGA companies, along with other parties, sought rehearing of the August 20 order. In response, on April 17, 2003, the Commission issued its order prospectively suspending the cost recovery mechanism, requiring a report of the amount of money collected via that mechanism, requiring an application outlining either a plan to refund that money, or a plan to expend the collected funds for a program to promote the use of “green power”, i.e., power generated from renewable resources, and denying the rehearing request as moot.

7. The total surcharge amount collected by the Company from program inception through the suspension date of April 17, 2003, is \$ 73,551.75. (See Exhibit A-1, page 1, attached hereto)

The amount in the surcharge fund, including accrued interest through December 2003 of \$ 1251.00, is \$ 74, 804.00. (See Exhibit A-1, page 2, attached hereto) None of these funds have yet been expended. Beginning in 2004, Wisconsin Electric proposes to use these funds to expand customer understanding of renewable energy, and to expand participation in the Company's existing renewable energy program, Energy for Tomorrow (EFT).

8. The Commission approved EFT for Michigan customers in an order in Case No. U-12099, dated November 16, 1999. Under the EFT program, customers pay a premium on their usage to have the Company obtain energy from generating sources that are fueled by renewable resources for all or a portion of their usage. The premium paid, depending upon the renewable usage and the renewable rate schedule rider selected by the customer, is \$0.0051/kWh, \$0.0102/kWh, and \$0.0204/kWh. The Company is not seeking any alteration in these premiums.

9. Wisconsin Electric proposes to develop and launch a marketing campaign to increase general customer awareness of renewable energy, and to target likely customers for enrollment in EFT. It is anticipated that the campaign will begin no later than the beginning of 2004.

10. The Company intends to develop a detailed mailing list of potential EFT customers, particularly targeting residential and small commercial customers. Included in the campaign will be media outreach, direct mail, follow-up, sign-up incentives, and campaign evaluation.

11. Wisconsin Electric believes that renewable energy generation can and must play an increasing role in the country's energy mix, and fully supports the Commission's encouragement of the use of renewable sources for electric generation. The Company has long been recognized as a leader in the field of renewable energy, and is committed to have at least 5% of retail electric energy sales from renewable sources by 2011.

12. Wisconsin Electric represents that no customer's cost of service will increase as a result of this proposal, and therefore requests ex parte approval.

WHEREFORE, Wisconsin Electric prays that this Commission:

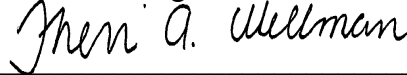
A. Grant ex parte approval of the report as proposal by Wisconsin Electric Power Company to use the entire surcharge fund, plus accrued interest, to implement a program to promote the use of its renewable energy tariffs; and

B. Grant such other and further authority as may be lawful and proper.

Respectfully submitted,

Wisconsin Electric Power Company

d/b/a We Energies



One of Its Attorneys

Dated: July 31, 2003

By:

Harvey J. Messing (P23309)
Sherri A. Wellman (P38989)
Loomis, Ewert, Parsley,
Davis & Gotting, P.C.
232 S. Capital Ave, Suite 1000
Lansing, Michigan 48933
(517) 482-2400

ATTORNEYS FOR WISCONSIN ELECTRIC POWER COMPANY

d/b/a We Energies

Wisconsin Electric Power Company
 State of Michigan - Customer Education Charge

Account 236229 - Summary by Class by Month

Class	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002	2002
Description	January	February	March	April	May	June	July	August	September	October	November	December	Total	January	February	March	April	May	June	July
Residential	(4,189.25)	(3,822.98)	(3,754.37)	(4,430.98)	(4,298.50)	(4,247.35)	(4,499.73)	(4,559.05)	(3,999.11)	(4,554.77)	(3,979.34)	(3,731.46)	(50,066.89)	(4,189.25)	(3,822.98)	(3,754.37)	(4,430.98)	(4,298.50)	(4,247.35)	(4,499.73)
General Secondary	(535.07)	(465.54)	(474.20)	(557.36)	(519.65)	(497.63)	(555.26)	(544.85)	(515.79)	(564.46)	(464.97)	(463.26)	(6,158.04)	(535.07)	(465.54)	(474.20)	(557.36)	(519.65)	(497.63)	(555.26)
General Primary	(1.26)	(1.62)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)	(17.28)	(1.26)	(1.62)	(1.44)	(1.44)	(1.44)	(1.44)	(1.44)
Street Lighting	(0.54)	(0.31)	(0.54)	(0.72)	(0.90)	(0.54)	(0.90)	(0.72)	(0.72)	(0.72)	(0.72)	(0.54)	(7.87)	(0.54)	(0.31)	(0.54)	(0.72)	(0.90)	(0.54)	(0.90)
Total	(4,726.12)	(4,290.45)	(4,230.55)	(4,990.50)	(4,820.49)	(4,746.96)	(5,057.33)	(5,106.06)	(4,517.06)	(5,121.39)	(4,446.47)	(4,196.70)	(56,250.08)	(4,726.12)	(4,290.45)	(4,230.55)	(4,990.50)	(4,820.49)	(4,746.96)	(5,057.33)

Class	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003	2003
Description	January	February	March	April	May	June	July	August	September	October	November	December	Total	January	February	March	April	May	June	July
Residential	(4,452.87)	(4,039.29)	(4,229.24)	(2,489.86)	(56.79)	(115.22)	3.30						(15,379.97)	(4,452.87)	(4,039.29)	(4,229.24)	(2,489.86)	(56.79)	(115.22)	3.30
General Secondary	(549.10)	(495.58)	(526.12)	(357.74)	13.15	1.43	0.54						(1,913.42)	(549.10)	(495.58)	(526.12)	(357.74)	13.15	1.43	0.54
General Primary	(1.44)	(1.44)	(1.44)	(1.26)	-	-	-						(5.58)	(1.44)	(1.44)	(1.44)	(1.26)	-	-	-
Street Lighting	(0.72)	(0.72)	(0.72)	(0.72)	0.18	-	-						(2.70)	(0.72)	(0.72)	(0.72)	(0.72)	0.18	-	-
Total	(5,004.13)	(4,537.03)	(4,757.52)	(2,849.58)	(43.46)	(113.79)	3.84	-	-	-	-	-	(17,301.67)	(5,004.13)	(4,537.03)	(4,757.52)	(2,849.58)	(43.46)	(113.79)	3.84

Grand Total (73,551.75)

Interest Calculation for 2002 & 2003

[illegible]

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the proposal of the)
CHOICE ADVISORY COUNCIL for a)
statewide customer education program)
and other related matters.)
_____)

Case No. U-12133

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss
COUNTY OF INGHAM)

Kathleen Berrena, being duly sworn, deposes and says that she is employed in the law offices of Loomis, Ewert, Parsley, Davis & Gotting, P.C. and that on the 31st day of July, 2003, she served a copy of **Report and Application of Wisconsin Electric Power Company** upon the persons on attached Service List by sealed envelopes with first-class postage fully prepaid, addressed to them at the addresses set forth and by depositing the envelope and contents in the United States government mail.



Kathleen Berrena

Subscribed and sworn to before me
this 31st day of July 2003.



Edith D. Loomis, Notary Public
Ingham County, Michigan
My Commission Expires: 12/5/2006

SERVICE LIST
CASE NO. U-12133

Alpena Power Company

James D Florip
GILLARD BAUER MAZRUM FLORIP
109 E Chisolm
Alpena MI 49707
Phone: 517-356-3444
Fax: 517-354-2821
e-mail: jdflorip@gillardlaw.com

Detroit Edison Company

Bruce R Maters
Jon P Christinidis
DETROIT EDISON CO
2000 Second Ave - 688 WCB
Detroit MI 48226
Phone: 313-235-7481
Fax: 313-235-8500
e-mail: mpscfilings@dteenergy.com
(Maters)
e-mail: christindisj@detroitedison.com
(Christinidis)

Consumers Energy Company

Raymond E McQuillan
212 W Michigan Ave - M-1082
Jackson MI 49201
Phone: 517-788-0677
Fax: 517-788-0768
e-mail: remcquillan@cmsenergy.com

Indiana Michigan Power Company

Daniel L Stanley
HONIGMAN MILLER SCHWARTZ
222 N Washington Sq Ste 400
Lansing MI 48933
Phone: 517-377-0714
Fax: 517-484-8286
e-mail: dls@honigman.com

Michigan Electric Cooperative Assn.

Albert Ernst
DYKEMA GOSSETT PLLC
800 Michigan National Tower
Lansing MI 48933
Phone: 517-374-9155
Fax: 517-374-9191
e-mail: aernst@dykema.com

Unicom Energy, Inc.

John M Dempsey
DICKINSON WRIGHT PLLC
215 S. Washington Sq Ste 200
Lansing, MI 48933
Phone: 517-487-4763
Fax: 517-487-4700
e-mail: jdempsey@dickinson-wright.com

Energy Michigan

Eric J Schneidewind
VARNUM RIDDERING SCHMIDT
201 N Washington Sq Ste 210
Lansing MI 48933
Phone: 517-428-6237
Fax: 517-428-6937
e-mail: ejschneidewind@vrsh.com

ABATE

Robert A LeFevre
CLARK HILL PLC
2455 Woodlake Cir
Okemos MI 48864
Phone: 517-381-9193
Fax: 517-381-0268
e-mail: rlefevre@clarkhill.com

Robert A W Strong

CLARK HILL PLC

255 S Old Woodward Ave 3rd Flr

Birmingham MI 48009

Phone: 248-642-9692

Fax: 248-642-2174

e-mail: rstrong@clarkhill.com**Attorney General**

Assistant Attorney General

G Mennen Williams Bldg 6th Floor

525 West Ottawa Street

Lansing MI 48913

MPSC Staff

Patricia S Barone

Assistant Attorney General

MICH PUBLIC SERVICE COMMISSION

6545 Mercantile Way Ste 15

Lansing MI 48911

Phone: 517-334-7650

Fax: 517-334-7655

e-mail: baronep@ag.state.mi.us**Administrative Law Judge**

Hon Daniel E Nickerson

MICH PUBLIC SERVICE COMMISSION

6545 Mercantile Way Ste 14

Lansing MI 48911

Phone: 517-241-6060

Fax: 517-241-6061

e-mail: Daniel.E.Nickerson@cis.state.mi.us