

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	)	Case No. U-12133
matters.	)	
_____	)	

At the August 26, 2003 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. J. Peter Lark, Chair
Hon. Robert B. Nelson, Commissioner
Hon. Laura Chappelle, Commissioner

OPINION AND ORDER

The Commission issued a series of orders in this docket in an effort to implement a customer education program consistent with the Customer Choice and Electricity Reliability Act, 2000 PA 141 (Act 141), MCL 460.10 et seq., in conjunction with the recommendations and negotiations of the CHOICE Advisory Council. On October 11, 2001, the Commission gave its final approval to an April 27, 2001 settlement agreement filed by the CHOICE Advisory Council that, among other things, constituted the regulatory basis for collection of an 18¢ per meter monthly surcharge for consumer education activities by certain electric utilities, including Edison Sault Electric Company (Edison Sault). However, in an order issued on April 17, 2003, the Commission prospectively suspended further collection of the 18¢ per meter monthly surcharge and directed each affected electric utility to submit a report regarding the amounts collected or expended during 2003, pursuant to the cost recovery mechanism. Each utility was also required to

file with its 2003 reconciliation report, an application proposing how it intended to use the funds collected pursuant to the CHOICE Advisory Council program to promote green power or how it intended to refund such funds to customers. In so doing, the Commission stated:

If a utility does not offer a green power option, or if a utility determines that spending all of the funds collected pursuant to the 18¢ per meter per month surcharge for that purpose is not reasonable or necessary, it may propose in its application a methodology to refund any unexpended funds to its customers.

April 17, 2003 order, Case No. U-12133, p. 6.

On August 1, 2003, Edison Sault filed an application seeking authority to refund one-half of the funds it has collected to its customers and, assuming that this Commission approves its application for authority to implement an experimental renewable energy rider (Case No. U-13850), to expend one-half of the funds to promote green power. Edison Sault proposed to use one-half of the \$65,343.42 it has collected, or \$32,671.71, to promote green power¹. Edison Sault's proposed green power promotion campaign would consist of a direct mailing enrollment campaign and a general advertising campaign. Edison Sault then proposed to refund the other half of the amounts collected from its customers pursuant to the 18¢ per meter monthly surcharge by application of a prospective one-time credit of \$1.52 per meter, including interest, for all customers that have a meter. Edison Sault estimated that it will apply these credits during the October 2003 billing cycle. This credit will be applied to all customers then existing, regardless of the length of time that they were customers, which means that customers that leave Edison Sault's system before the refund month will not receive a refund.

The Commission finds that Edison Sault's application should be granted. Edison Sault's proposal is reasonable and designed to promote green power while also returning a portion of the

¹In an order issued August 26, 2003 in Case No. U-13850, the Commission approved an application by Edison Sault to implement an experimental renewable energy rider.

surcharge to its customers through an administratively efficient method. Moreover, by acting quickly, the Commission ensures that virtually all of the customers that paid the 18¢ per meter monthly surcharge will receive a refund of one-half of that surcharge, and will also receive information about the benefits of green power.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 et seq.

b. Edison Sault's application for authority to use one-half of the 18¢ per meter monthly surcharge it has collected, or \$32,671.71, to promote green power, and to refund to its customers one-half of the collected surcharge, or \$32,671.71, with interest, should be granted.

THEREFORE, IT IS ORDERED that:

A. The application filed by Edison Sault Electric Company for authority to use one-half of the 18¢ per meter monthly surcharge it has collected, or \$32,671.71, to promote green power, and to refund to its customers one-half of the 18¢ per meter monthly surcharge it has collected, or \$32,671.71, including interest, is granted.

B. Edison Sault Electric Company shall provide the Commission with a report stating the billing cycle during which the credit of one-half of the surcharge was applied to its customers' bills, and also stating the total amount (including interest) credited to each customer's bill. This report shall be provided to the Commission within 30 days of the date that the billing cycle for which the credit is applied ends.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ J. Peter Lark

Chair

(S E A L)

/s/ Robert B. Nelson

Commissioner

/s/ Laura Chappelle

Commissioner

By its action of August 26, 2003.

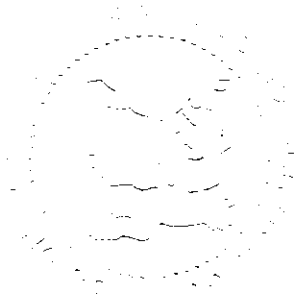
/s/ Robert W. Kehres

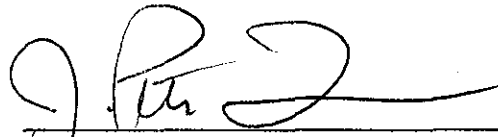
Its Acting Executive Secretary

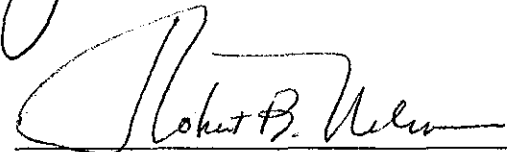
The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

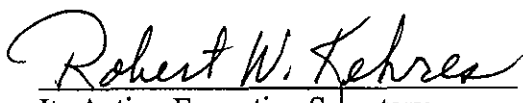



Chair


Commissioner


Commissioner

By its action of August 26, 2003.


Its Acting Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

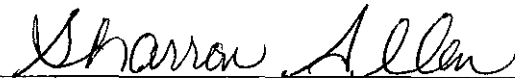
Case No. U-12133
Choice Advisory Council

County of Ingham)

Patricia A. Fronta being duly sworn, deposes and says that on August 26th 2003, A.D. she served a copy of the attached Commission orders by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.


Patricia Fronta

Subscribed and sworn to before me
this 26th day of August 2003


Notary Public, Ingham, County, Michigan
My Commission expires August 16, 2004

SERVICE LIST FOR DOCKET # U - 12133-
DATE OF PREPARATION: 08/21/2003

CASE #

MR. ROBERT L. MOL
ASSISTANT ATTORNEY GENERAL
SPECIAL LITIGATION
6520 MERCANTILE WAY, SUITE 2
LANSING MI 48910
ID MAIL

MS. PATRICIA S. BARONE
ASSISTANT ATTORNEY GENERAL
6545 MERCANTILE WAY, 2ND FLOOR
LANSING MI 48910
ID MAIL

MR. ROBERT A. STRONG
CLARK HILL PLC
255 S. WOODWARD AVE.
SUITE 301
BIRMINGHAM MI 48009

MR. RAYMOND E. MCQUILLAN
CONSUMERS ENERGY COMPANY
212 WEST MICHIGAN AVENUE
ROOM 1023
JACKSON MI 49201

MR. JOHN M. DEMPSEY
DICKINSON WRIGHT PLLC
215 S. WASHINGTON AVENUE, SUITE 200
LANSING MI 48933

MR. ALBERT ERNST
DYKEMA GOSSETT PLLC
124 W. ALLEGAN STREET
SUITE 800
LANSING MI 48933 1742

MR. JAMES D. FLORIP
GILLARD, BAUER, MAZUR, FLORIP,
SMIGELSKI AND GULDEN
109 EAST CHISHOLM STREET
ALPENA MI 49707 2817

MR. DANIEL L. STANLEY
HONIGMAN MILLER SCHWARTZ AND COHN
222 NORTH WASHINGTON SQUARE
SUITE 400
LANSING MI 48933 1800

MS. SHERRI A. WELLMAN
LOOMIS, EWERT, PARSLEY, DAVIS
& GOTTING, P.C.
232 S. CAPITOL AVE., SUITE 1000
LANSING MI 48933

MR. DANIEL E. NICKERSON, JR.
PSC ALJ DIVISION
6545 MERCANTILE WAY
LANSING MI 48911
ID MAIL

MR. BRUCE R. MATERS
THE DETROIT EDISON COMPANY
2000 SECOND AVENUE 688 WCB
DETROIT MI 48226

MR. ERIC J. SCHNEIDEWIND
VARNUM, RIDDERING, SCHMIDT & HOWLETT
THE VICTOR CENTER
201 N. WASHINGTON SQUARE, SUITE 810
LANSING MI 48933

ALL ELECTRIC ORDERS

PAGE: 1
DATE: 08/21/2003

DATABASE SERVICES
LEXIS NEXIS
P.O. BOX 933
DAYTON OH 45401-

MR. MICHAEL PETERS
MICHIGAN ELECTRIC COOPERATIVE
2859 W. JOLLY ROAD
OKEMOS MI 48864-

MR. PHILLIP CROSS
PUBLIC UTILITIES REPORTS, INC.
8229 BOONE BOULEVARD, SUITE 401
VIENNA VA 22182-

MS. MONICA MARTINEZ
SENATE DEMOCRATIC STAFF
ROMNEY BUILDING
LANSING ID MAIL

MR. JOHN PESTLE
VARNUM, RIDDERING, SCHMIDT & HOWLETT
BRIDGEWATER PLACE
P.O. BOX 352
GRAND RAPIDS MI 49501-0352

**ALTERNATIVE ELECTRIC
COMPANIES
6-30-03
(26)**

**AEP Ohio Commercial & Industrial Retail Co.
LLC, d/b/a AEP Retail Energy**
110 W. Michigan Ave., Ste. 1000A
Lansing, MI 48933

CMS MS&T Michigan LLC
One Jackson Square, Suite 1060
Jackson, MI 49201-2277

CMS Marketing, Services and Trading Co.
One Jackson Square, Suite 1060
Jackson, MI 49201-2277

Constellation NewEnergy, Inc.
22201 Greater Mack Avenue
St. Clair Shores, MI 48080

Cook Inlet Power, LP
200 East Big Beaver, Suite 168
Troy, MI 48083
ATTN: Hendricks Carroll

Dynegy Energy Services, Inc.
c/o Michigan Power Limited Partnership
5795 West 6th Street
Ludington, MI 49431

Dillon Energy Services, Inc.
21312 Mack Avenue
Grosse Pointe Woods, MI 48236

Dorman Energy, LLC
41000 Woodward Avenue, Suite 395E
Bloomfield Hills, MI 48304

Energy International Power Marketing Corp
22226 Garrison
Dearborn, MI 48124
ATTN: Rami Fawaz

*Returned
&
Remailed*

ElectricAMERICA
15901 Red Hill Avenue, Suite 100
Tustin, CA 92780

EMC Gas and Electric Company
21312 Mack Avenue
Grosse Pointe Woods, MI 48236

Engage Energy America LLC
(Formerly Engage Energy US, L.P.)
2200 - 425 1st SW
Calgary Alberta Canada T2P 3L8

Exelon Energy Company
Charles Foreman
2315 Enterprise Drive
Westchester, IL 60154

FirstEnergy Solutions
395 Ghent Road
Akron, OH 44333

Metro Energy, LLC
c/o Detroit Metropolitan Airport
Building Number 821
Detroit, MI 48242
ATTN: Linda S. Ackerman

Mirant America Retail Energy Marketing, LP
1155 Perimeter Center West
Atlanta, GA 30338

North American Energy, LLC
4121 Okemos Road, Suite 17
Okemos, MI 48864
ATTN: Robert C. Evans

Nicor Energy, LLC
1001 Warrenville Road, Suite 550
Lisle, IL 60532-4306

Nordic Electric, LLC
2010 Hogback Road, Suite 4
Ann Arbor, MI 48105

Nordic Marketing, LLC
2010 Hogback Road, Suite 4
Ann Arbor, MI 48105

Premier Energy Marketing L.L.C.
900 Victors Way
Ann Arbor, MI 48108
ATTN: Bruce Schlansker/George Deljevic

Quest Energy, LLC
173 Parkland Plaza, Suite B
Ann Arbor, MI 48103
ATTN: Mark Stiers

Sempra Energy Solutions
39555 Orchard Hill Place, Suite 600
Novi, MI 48375

Strategic Energy, L.L.C.
First Center Building
26911 Northwestern Hwy, Suite 300
Southfield, MI 48034

Wolverine Power Marketing Cooperative, Inc.
10125 West Watergate Road
P.O. Box 100
Cadillac, MI 49601

WPS Energy Services, Inc.
12935 S. West Bay Shore Dr., Ste. 400
Traverse City, MI 49684-5485

MR. DAN ROBERTS, MANAGER
ALGER DELTA COOPERATIVE
ELECTRIC ASSOCIATION
426 NORTH 9th STREET
GLADSTONE, MI 49837

MR. DONALD WOZNIAK, MANAGER
CLOVERLAND ELECTRIC COOPERATIVE
HIGHWAY M-28, P.O. BOX 97
DAFTER, MI 49724

MR. ANTHONY EARLEY, JR., PRESIDENT
& CHIEF OPERATING OFFICER
THE DETROIT EDISON COMPANY
2000 SECOND AVENUE
DETROIT, MI 48226

MR. GREG CLARK, GOV. AFFAIRS MGR.
AMERICAN ELECTRIC POWER COMPANY
110 W. MICHIGAN AVE., STE. 1000-A
LANSING, MI 48933-1603

MR. MICHAEL L. SWENSON, PRESIDENT/CEO
NORTHERN STATES POWER CO-WISCONSIN
1414 WEST HAMILTON AVENUE
P. O. BOX 8
EAU CLAIRE, WI 54702-0008

MR. THOMAS HAARALA, MANAGER
THE ONTONAGON COUNTY REA ASSOC.
500 J.K. PAUL STREET, P.O. BOX 97
ONTONAGON, MI 49953

SCOTT BRAEGER, GENERAL
MANAGER & CEO
TRI-COUNTY ELECTRIC CO-OP
7973 E. GRAND RIVER AVE.; P.O. BOX 379
PORTLAND, MI 48875

JIM CYRULEWSKI, MANAGER
MICHIGAN ELECTRIC POWER COORD. CTR
1901 S. WAGNER ROAD
ANN ARBOR, MI 48103

MS. ANN K. BURTON, PRESIDENT
ALPENA POWER COMPANY
310 NORTH 2ND AVENUE
ALPENA, MI 49707

MR. DAVID W. JOOS, PRESIDENT & CHIEF
EXEC, OFFICER, ELECTRIC
CONSUMERS ENERGY COMPANY
212 W. MICHIGAN AVENUE
JACKSON, MI 49201-2277

MR. DONALD SAWRUK, PRESIDENT
EDISON SAULT ELECTRIC COMPANY
725 E. PORTAGE AVENUE
SAULT STE. MARIE, MI 49783

PAUL J. BROWER, STATE PRESIDENT-MICH.
AMERICAN ELECTRIC POWER COMPANY
110 WEST MICHIGAN - SUITE 1000-A
LANSING, MI 48933-1603

MR. STEVEN L. BOEKMAN,
PRESIDENT & CEO
GREAT LAKES ENERGY COOPERATIVE
1323 BOYNE AVE.; P. O. BOX 70
BOYNE CITY, MI 49712-0070

MR. BRIAN BURNS, PRESIDENT & CEO
PRESQUE ISLE ELECTRIC & GAS
COOPERATIVE, INC.
19831 M-68 HIGHWAY; P.O. BOX 308
ONAWAY, MI 49765

MR. MICHAEL KRAUSE, GEN. MANAGER
THUMB ELECTRIC CO-OP
2231 MAIN ST., P.O. BOX 157
UBLY, MI 48475-0157

C. J. MELCHORS, MANAGER
BAYFIELD ELECTRIC COOPERATIVE, INC.
P. O. BOX 68
IRON RIVER, WI 54847

MR. DICK ABDON, CHAIRMAN & CEO
WISCONSIN ELECTRIC POWER COMPANY
231 WEST MICHIGAN
P.O. BOX 2046
MILWAUKEE, WI 53201

MR. DONALD PAHL INTERIM GEN. MGR.
CHERRYLAND ELECTRIC COOPERATIVE
5930 US-31 SOUTH, P.O. BOX 298
GRAWN, MI 49637

MR. ROBERT HANCE, PRESIDENT & CEO
MIDWEST ENERGY COOPERATIVE
901 EAST STATE STREET; P.O. BOX 127
CASSOPOLIS, MI 49031

MR. GARY ERICKSON, PRESIDENT & CEO
UPPER PENINSULA POWER COMPANY
600 LAKESHORE DRIVE; P.O. BOX 130
HOUGHTON, MI 49931-0130

MR. LARRY L. WEYERS, CHAIRMAN & CEO
WISCONSIN PUBLIC SERVICE CORP.
700 NORTH ADAMS; P.O. BOX 19001
GREEN BAY, WI 54307-9001

THOMAS W. STEVENSON, PRESIDENT & CEO
WOLVERINE POWER SUPPLY
10125 W WATERGATE RD., P.O. BOX 229
CADILLAC, MI 49601-0229

MR. EDWARD MARTIN, PRESIDENT & CEO
WABASH VALLEY POWER ASSOCIATION
722 NORTH HIGH SCHOOL ROAD
INDIANAPOLIS, IN 46214

Electric Mailing Labels

(23)

**Municipal Electric Utilities –
Unregulated by the MPSC
PAGE 1 OF 2**

City of Charlevoix

Edward Whitley, Superintendent
210 State Street, P.O. Box 550
Charlevoix, MI 49720-1345

Coldwater Board of Public Utilities

Dwight Woodman, Director
1 Grand Street
Coldwater, MI 49036

Daggett Electric Department

Keith Sorenson, Village President
Daggett, MI 49821-9999

City of Eaton Rapids

William LeFevre, City Manager
City Hall/200 S. Main
Eaton Rapids, MI 48827-1256

Grand Haven Board of Light & Power

Phil T. Trumpfheller, General Mgr.
1700 Eaton Drive
Grand Haven, MI 49417-2872

Hillsdale Board of Public Utilities

Rick Rose, Director
45 Monroe Street
Hillsdale, MI 49242-1236

Lansing Board of Water and Light

Joseph Pandey, Jr., General Manager
1232 Haco Drive, P.O. Box 13007
Lansing, MI 48901-3077

City of Marshall

Tom Tarkiewicz, Director
323 W. Michigan Avenue
Marshall, MI 49068-1547

Village of Baraga

Thomas Chatel, Village Manager
100 Hemlock Street, P.O. Box 290
Baraga, MI 49908-0290

Chelsea Electric and Water Department

Jack Myers, Village Manager
305 South Main Street, #100
Chelsea, MI 48118-1085

Croswell Light & Power Dept.

John Williams, Manager
120 E. Sanborn Ave., P.O. Box 197
Croswell, MI 48422-1224

Detroit Public Lighting Department

Mark Petty, Director
9449 Grinnell Avenue
Detroit, MI 48213

Escanaba Electric Department

Robert Headden, Superintendent
1711 Sheridan Road
Escanaba, MI 49829-1800

Harbor Springs Municipal Utility

Dennis Ory, Supervisor
170 Zoll Street
Harbor Springs, MI 49740-1513

Holland Board of Public Works

Tim Morawski, General Manager
625 Hastings Avenue
Holland, MI 49423-5427

Lowell Light and Power

Tom Richards, Manager
127 N. Broadway St., P.O. Box 229
Lowell, MI 49331-0229

Michigan South Central Power Agency

Jack P. Bierl, General Manager
P.O. Box 62, 720 Herring Road
Litchfield, MI 49252-0062

Newberry Water & Light Board

Keith Nantell, Superintendent
307 E. McMillan Ave., P.O. Box 493
Newberry, MI 49868-1550

Bay City Electric Light & Power

Eric C. Dean, Director
900 S. Water Street
Bay City, MI 48708-7098

Clinton Board of Public Works

Kevin Cornish, Village Manager
119 E. Michigan Avenue
Clinton, MI 49236

City of Crystal Falls

Charles C. Nordeman, City Manager
401 Superior Avenue
Crystal Falls, MI 49920-1424

Dowagiac Department of Public Services

Donald Hallowell, Director
241 S. Front Street, P.O. Box 430
Dowagiac, MI 49047-0430

City of Gladstone

Thomas E. White, Superintendent
1100 Delta Ave., P.O. Box 32
Gladstone, MI 49837-0032

Hart Hydro Electric

Robert Dodds, Superintendent
407 State Street
Hart, MI 49420-1228

Village of L'Anse

Roy Kemppainen, Village Manager
101 N. Main St., P.O. Box 166
L'Anse, MI 49946-1101

Marquette Board of Light and Power

David E. Hickey, Director
2200 Wright Street
Marquette, MI 49855

Negaunee Electric Department

Tom Manninen, City Manager
100 Silver Street, P.O. Box 70
Negaunee, MI 49866-1434

Niles Utilities Department

James Lehmkuhl, Utility Manager
322 E. Main St., P.O. Box 217
Niles, MI 49120-0217

**Municipal Electric Utilities –
Unregulated by the MPSC
PAGE 2 OF 2**

City of Petoskey

George Korthauer, City Manager
101 East Lake Street
Petoskey, MI 49770-2311

Sebewaing Light & Water Dept.

Jeffrey P. Schock, Superintendent
110 West Main
Sebewaing, MI 48759

Sturgis Municipal Electric Plant

Jerome Kisscorni, City Manager
130 N. Nottawa, P.O. Box 280
Sturgis, MI 49091

Wakefield Electric Light Dept.

Derald L. Whitley, City Manager
311 Sunday Lake Street
Wakefield, MI 49968

Norway Electric Department

Mark Isackson, City Manager
915 Brown Street, P.O. Box 99
Norway, MI 49870-1243

Portland Light and Power Board

Howard Penrod, City Manager
259 Kent Street
Portland, MI 48875-1458

South Haven Board of Public Works

Alan G. Vanderberg, City Manager
539 Phoenix Street
South Haven, MI 49090-1499

Traverse City Light & Power Dept.

Jeffrey Feldt, Executive Director
400 Boardman Avenue
Traverse City, MI 49684

Wyandotte Municipal Service Com.

Thomas M. Daly, General Manager
3005 Biddle Avenue
Wyandotte, MI 48192

Paw Paw Department of Public Services

John Ruiter, Director
111 E. Michigan Ave., P.O. Box 179
Paw Paw, MI 49079-0179

City of St. Louis

Dennis Collison, City Manager
108 W. Saginaw
St. Louis, MI 48880

Stephenson Utilities Department

Ken Marklein, Supervisor
W. 628 Samuel Street
Stephenson, MI 49887

Union City Electric Department

James E. Spencer, Superintendent
208 N. Broadway
Union City, MI 49094

Zeeland Board of Public Works

David Walters, Manager
350 E. Washington Avenue
Zeeland, MI 49464

PROOF OF SERVICE

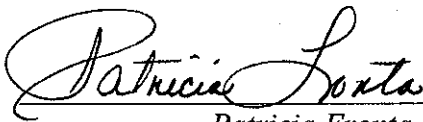
STATE OF MICHIGAN)

Case No. U-12133

County of Ingham)

Patricia A. Fronta being duly sworn, deposes and says that on September 4th 2003, A.D. she served a copy of the Commission Order by re-mailing copies thereof by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown below:

Energy International Power Marketing Corp
d/b/a PowerOne Corporation
6850 Haggerty
Canton, MI 48187
ATTN: Rami Fawaz



Patricia Fronta

Subscribed and sworn to before me
this 4th day of September 2003



Notary Public, Ingham, County, Michigan
My Commission expires August 16, 2004