The Detroit Edison Company
2000 2nd Ave., Detroit, MI 48226-1279
Tel: 313.235.8000

Detroit Edison
A DTE Energy Company

December 16.1999

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48909-7721

Re: **MPSC Case No: U-12250**
Application for Extension of Rates of R12

Dear Ms. Wideman:

Please find enclosed for filing with the Commission an original and four copies of Detroit Edison's Application for Extension of Rates. Also enclosed are two additional copies, which I ask to be stamped and returned in the envelope I have enclosed.

Thank you,

Very truly yours,

Kathryn Westman

Kathryn L. Westman

KLWsb
Enc.

cc: Patricia Barone, Esq.
Donald Erickson, Esq.
Wm. R. Ralls, Esq.
Clinton A. Vince, Esq.
Richard Butterworth, Esq.
Daniel J. Demlow, Esq.
Eric J. Schneidewind, Esq.
David L. Shaltz, Esq.
Robert A. W. Strong, Esq.
Harvey J. Messing, Esq.

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of THE DETROIT EDISON COMPANY for amendment and extension of the R12 customer capacity release rider.	)))))	Case No: U-12250

APPLICATION FOR EXTENSION OF RATES

THE DETROIT EDISON COMPANY ("Applicant" or "Company") files this application for amendment and extension of a certain existing customer capacity release rider, and in support thereof states:

1. Applicant is a Michigan corporation with offices at 2000 Second Avenue, Detroit, Michigan and is engaged in the supply of electric service to retail customers in southeastern Michigan subject to the jurisdiction of the Michigan Public Service Commission ("Commission").

2. Applicant currently can make payments to customers under the existing voluntary Standard Contract Rider No. 12 – Capacity Release – when they reduce load at the request of the Company.

3. Pursuant to the terms of the Commission's order in Case No. U-11686, the two year Rider 12 is set to expire December 31, 1999.

4. Detroit Edison has evaluated the option of continuing the availability of Standard Contract Rider No. 12 ("CCRR") in light of the December, 1999 termination date and the continually changing electric power market and believes that an extension of Rider R12 through December 31, 2002 is warranted.

5. The existing CCRR had no customer participation in 1998 and 1999 although there was a great deal of customer interest.

6. Detroit Edison believes it can attract customer participation from the CCRR by making the Rider more flexible by providing an option to the Company to waive the 1,000 MW and 50% load requirements where separate metering is available.

7. Strategic use of these customer resources will promote economic efficiency and assist Applicant's load management efforts, both of which are in the best interest of its ratepayers.

8. Extending the CCRR and amending the terms and will not result in an increase in the cost of service to Applicant's customers at this time and may be approved without notice and hearing as provided by MCL 460.6a; MSA 22.13(6a).

WHEREFORE, Applicant requests that the Commission approve ex parte the attached Customer Capacity Release Rider No. 12 as expeditiously possible.

Respectfully submitted,

THE DETROIT EDISON COMPANY

Larry G. Garberding
Executive Vice-President
And Chief Financial Officer

Kathryn L. Westman P22213
Legal Department
2000 Second Avenue. 688 WCB
Detroit, MI 48226
(313) 235-8477

Dated: December 15, 1999

STANDARD CONTRACT RIDER No. 12
CAPACITY RELEASE

AVAILABILITY OF SERVICE: Available to customers desiring a voluntary capacity release payment for loads not less than 1,000 kW at a single location. The customer must reduce load by at least 50% of the normal load of the facility At the option of the Company, the 1,000 kW and 50% minimum loads may be waived when the load is separately metered. This rider is effective for service rendered on or after May 15, 1998.

TERMS OF SERVICE: Customers will be requested to curtail load with not less than l-hour notice from the Company. The customer shall be provided, whenever possible, notice in advance of probable reduction request and estimated duration of reduction. Load reduction reauests are at the discretion of the Company.

PAYMENT TERMS: The customer will bid a price in ¢/kWh for each load reduction that they include in the program. While there is no specified cap (in ¢/kWh) for the bid, the Company reserves the right to reject bids. The Company will pay the customer for all such load reduced at the bid price. A customer's bid may be revised no more than twice a month. A revised bid must be submitted to the Company prior to 1 1:00 a.m. on Thursday in order for it to be in effect on the following Monday. The Company will first request customers with the lowest bid price to reduce load, and, if necessary will subsequently make the request to higher bid prices.

All individual customer information, including bid prices, will be kept confidential.

CALCULATION OF LOAD REDUCTION: Load reduction will be verified by metered quantities whenever possible. Where the amount of load reduction is not directly metered, the Company and the customer will mutually agree on calculation methods. The customer shall agree to provide information in order to make such calculations.

No payment will be made for load reduction required by Emergency Electrical Procedures as defined under Rule B-3.7.

SPECIAL TERMS AND CONDITIONS: Special metering is at the option and expense of the customer. The customer is required to provide the Company with notification methods to be used and provide the Company with current customer personnel responsible for such notification of load reduction requests.

TERM: This rider expires December 31, 2002.

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