

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
THE DETROIT EDISON COMPANY for	)	
amendment and extension of its experimental	)	Case No. U-12252
space conditioning, water heating, and electric	)	
vehicle time of day service rate.	)	
_____	)	

At the February 9, 2000 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER APPROVING APPLICATION

On December 16, 1999, The Detroit Edison Company (Detroit Edison) filed an application for authority to amend and extend its experimental space conditioning, water heating, and electric vehicle time of day service rate (rate D1.7). The application requested that the rate be made permanent and that the availability of the rate, which is currently limited to 3,000 customers, be increased to 5,000.

Detroit Edison currently provides electric service to over 2,600 residential customers under rate D1.7. Seventy-five to eighty percent of these customers utilize this service for geothermal heating and cooling systems. Detroit Edison states that it is supportive of geothermal systems for

their environmental benefits and because of their load characteristics. It believes that geothermal systems are environmentally clean and are four times as efficient as conventional systems.

Detroit Edison also believes that continuing rate D1.7 on a permanent basis and expanding the availability to 5,000 customers is appropriate for two reasons. First, existing customers have performed their economic evaluations and made their purchase decisions based on the continued existence of rate D1.7. Second, continuing this rate and expanding its availability support the future growth of geothermal systems, which provide environmental benefits as well as improved load characteristics when compared to conventional air conditioners.

Further, because the proposal does not increase any customer's rates, the Commission may approve it without providing notice or an opportunity for a hearing, pursuant to MCL 460.6a(1); MSA 22.13(6a)(1).

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACSR, R 460.17101 et seq.
- b. The proposed amendment and extension of the rate D1.7 is reasonable and in the public interest, and should be approved.
- c. Ex parte approval of the application is appropriate.

THEREFORE, IT IS ORDERED that:

A. The Detroit Edison Company is authorized to extend the operation of its residential service rate D1.7 on a permanent basis.

B. The Detroit Edison Company is authorized to increase the availability limit of its residential service rate D1.7 from the current limit of 3,000 customers to a new limit of 5,000 customers.

C. The Detroit Edison Company shall file with the Commission, within 30 days, revised tariff sheets that reflect the authority granted by this order in substantially the same form as the attached Exhibit A.

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; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

(S E A L)

/s/ John G. Strand

Chairman

By its action of February 9, 2000.

/s/ David A. Svanda

Commissioner

/s/ Dorothy Wideman
Its Executive Secretary

/s/ Robert B. Nelson
Commissioner

THEREFORE, IT IS ORDERED that:

A. The Detroit Edison Company is authorized to extend the operation of its residential service rate D1.7 on a permanent basis.

B. The Detroit Edison Company is authorized to increase the availability limit of its residential service rate D1.7 from the current limit of 3,000 customers to a new limit of 5,000 customers.

C. The Detroit Edison Company shall file with the Commission, within 30 days, revised tariff sheets that reflect the authority granted by this order in substantially the same form as the attached Exhibit A.

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MICHIGAN PUBLIC SERVICE COMMISSION

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Suggested Minute:

“Adopt and issue order dated February 9, 2000 approving the extension and expanded availability of The Detroit Edison Company’s rate for space conditioning, water heating, and electric vehicle service, as set forth in the order.”