

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of)
THE DETROIT EDISON COMPANY)
for ratemaking authority to implement)
2000 PA 141)

Case No. U-12595

QUALIFICATIONS
AND
DIRECT TESTIMONY
OF
EDWARD L. FALLETICH

THE DETROIT EDISON COMPANY
QUALIFICATIONS OF EDWARD L. FALLETICH

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1 Q. Will you please state your name and business address?

2 A. My name is Edward L. Falletich. My business address is The Detroit Edison
3 Company, 2000 Second Avenue, Detroit, Michigan 48226.

4

5 Q. What is your present position with The Detroit Edison Company?

6 A. I am Director of Pricing in the Regulatory Affairs Department.

7

8 Q. Will you please summarize your formal educational background?

9 A. I graduated from Lawrence Institute of Technology in 1980 with a Bachelor of
10 Science degree in Electrical Engineering. I have also completed several
11 graduate-level business courses at Wayne State University.

12

13 Q. Have you completed any other courses of study?

14 A. Yes. I have completed Power Systems Engineering, Economic Analysis,
15 Public Utility Accounting, Rate Setting in Public Utilities, Marginal Costing, and
16 various other rate/pricing-related seminars.

17

18 Q. Are you a member of any technical or professional organizations?

19 A. Yes. I am the Detroit Edison representative on the EEI Economic Regulation
20 and Competition Committee.

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1 Q. Will you please summarize your business experience?

2 A. I joined Detroit Edison in 1969 in the Stores and Transportation Department.

3 In September 1970, I transferred to the Meter Department as a Single-Phase

4 Watthour Meter Tester and Group Work Leader.

5

6 In January 1974, I transferred to the Revenue Requirement Department as an

7 Engineering Technician. I performed various economic and financial studies,

8 including preparation of annual depreciation studies.

9

10 In June 1976, I was promoted to Associate Economic Analyst. I assisted in the

11 preparation of working capital, rate base, revenue deficiency, depreciation,

12 and income statement components.

13

14 In April 1979, I transferred to the Cost-of-Service Division as an Associate

15 Cost Analyst. My responsibilities included the preparation of cost-of-service

16 studies utilized in the Company's main electric rate filings.

17

18 In June 1980, I was promoted to Senior Cost Analyst within the Cost-of-

19 Service Division. I was involved in the preparation of the cost-of-service and

20 unit cost studies for both MPSC and FERC filings.

21

22 In October 1981, I transferred to the Rate Research Division of the Rate

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1 Department. As a Principal Rate Research Engineer, my responsibilities
2 included interpreting rules and regulations, and planning, developing, and
3 directing engineering and economic studies for rate design. In January 1984, I
4 assumed the position of Acting Supervisor of Rate Research.

5

6 In August 1988, I was appointed Supervisor of Product Pricing and Marketing
7 Issues. I was responsible for retail rate design, pricing policy/administration,
8 rules/regulations, and load research. I also began functioning as the regulatory
9 interface with external customers on pricing matters.

10

11 In July 1993, I was appointed to the position of Director of Pricing with overall
12 responsibility for Pricing, Cost-of-Service, Load Research, and Customer
13 Options. In February 1998, the Pricing organization was transferred to
14 Regulatory Affairs. I currently have responsibility for the Pricing function.

15

16 Q. Have you testified previously before the Michigan Public Service Commission
17 and the Federal Energy Regulatory Commission?

18 A. Yes. I submitted cost-of-service and rate design testimony in FERC Docket
19 Nos. ER81-213-000 and ER82-723-000. I have also testified in a number of
20 proceedings in Michigan. In Case No. U-6590-R I testified to the revenue
21 impact of lifeline rates. In Case No. U-7660 I testified to residential rate
22 design and rules/regulations. In Case Nos. U-8789 and U-10102, I testified to

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1 commercial, governmental, and industrial rates, standby, allocation schedules,
2 and billing determinants. In Case No. U-10646, I testified to the Special
3 Manufacturing Contracts. In Case No. U-11495, I testified to special contract
4 discounts and proposed Rider No. 10 revisions. In Case No. U-11726, I
5 provided rebuttal testimony in the Fermi 2 amortization proceeding. In Case
6 No. U-11956 I testified to lost margin and the allocation of transition charges.
7
8 I have also managed the following filings: Residential Rate Restructuring,
9 Michigan Residential Conservation Service Reconciliation, Insulation Outreach
10 Program reconciliation, Zero-Interest Loan Programs, Experimental
11 Cogeneration Alternative Rider No. R5.1, Interconnection Guidelines, Fermi 2
12 Phase-in filings, and the Rider No. R10 filing.

THE DETROIT EDISON COMPANY
DIRECT TESTIMONY OF EDWARD L. FALLETICH

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1 Q. Mr. Falletich, please describe the purpose of your direct testimony.

2 A. The purpose of my testimony is to provide a more detailed explanation of the
3 ratemaking treatment associated with the implementation of 2000 PA 141.

4 With the issuance of an Order in Case No. U-12478 the Company will include
5 a securitization charge on customers bills. With the issuance of an order in
6 this proceeding the Company will be able to implement the rate reductions and
7 program funding provided for by 2000 PA 141.

8

9 My testimony will describe the detailed tariff changes to incorporate both the
10 application of the Securitized Qualified Cost Charge (SQC Charge) in each
11 retail tariff and any rate reductions realized from savings associated with the
12 issuance of securitization bonds. The general structure of the application of
13 the SQC Charge and the implementation of any rate reductions was discussed
14 by Mr. G. F. Sasek in his testimony supporting the Company's Application for
15 a Financing Order filed on July 5, 2000 in Case No. U-12478. The SQC
16 Charge utilized in my testimony and any rate reductions are based on those
17 proposed in Case No. U-12478.

18

19 Q. Mr. Falletich, are you supporting any exhibits in this proceeding?

20 A. Yes. I am supporting Exhibit __ (ELF-1), entitled "Proposed Energy Charges."

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- 1 Q. Please summarize your recommendations regarding the application of the
- 2 SQC Charge and the implementation of rate reductions for each retail tariff.
- 3 A. My recommendations are as follows:
- 4
- 5 • The SQC Charge will be reflected as a separate surcharge for all metered
- 6 retail tariffs (including Electric Choice). This charge will be included in Rule
- 7 B-4.9(4), Surcharges and Credits. The charge will be applied to all metered
- 8 sales on an equal $\text{\$/kWh}$ basis.
- 9
- 10 • For residential tariffs, Rule B-4.9(4) will also include an adjustment equal to
- 11 the subtraction of the current SQC Charge from the initially implemented
- 12 SQC Charge ($\text{SQC}_{\text{initial}} - \text{SQC}_{\text{current}}$). This will, during the rate freeze period,
- 13 ensure that residential customers continue to receive the 5% rate reduction
- 14 mandated by 2000 PA 141.
- 15
- 16 • For all metered retail sales (excluding Electric Choice), the base rate energy
- 17 charge(s) will be reduced by an amount equal to the SQC Charge.
- 18
- 19 • For all unmetered tariffs, the SQC Charge will not be shown as a separate
- 20 line item. The Company will separately account for the amount of SQC
- 21 Charges collected based on each unmetered class' estimated sales.
- 22

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- 1 • Since 2000 PA 142 provides for the collection of securitization charges as a
2 non-bypassable charge, the SQC Charge will be shown as a separate line
3 item surcharge on all Electric Choice tariffs. For customers/marketers, etc.
4 who currently have approved bids equal to or greater than the SQC Charge,
5 the current approved bid amount will be reduced by an amount equal to the
6 SQC Charge. For those with approved bids less than the SQC Charge, the
7 SQC Charge will apply.
8
9 • Since residential rates have already received the 5% rate reduction
10 specified in 2000 PA 141 (effective June 5, 2000), the only changes required
11 are that each tariff includes the SQC Charge as a separate line item
12 surcharge with a corresponding equal decrease to the base energy
13 charge(s). The net result will be that each residential customer will continue
14 to realize the 5% rate reduction mandated by 2000 PA 141.
15
16 • The 5% rate reduction specified by 2000 PA 141 will be applied equally to all
17 commercial, governmental, and industrial classes, including the Special
18 Manufacturing Contracts (SMC) and Large Customer Contracts (LCC). No
19 reductions will be applied to Customer Choice tariffs. The 5% reduction will
20 be shown as a separate line item on each tariff and the reduction will be
21 applied to the total bill net of taxes.
22

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1 Q. Mr. Falletich, when do you propose your recommended tariff changes be
2 implemented?

3 A. The inclusion of the separate SQC Charge and any associated applicable rate
4 reductions should occur simultaneously on a service rendered basis with the
5 issuance of the securitization bonds so that the securitization proceeds can be
6 used to fund the requirements of 2000 PA 141.

7

8 Q. What is the connection of this case with an order in Case No. U-12478?

9 A. The Company will begin collection of the SQC Charge immediately upon
10 issuance of securitization bonds and such issuance is expected to occur 30 to
11 60 days following an order in Case No. U-12478. It is extremely important that
12 an order in this case be issued concurrent with an order in Case No. U-12478
13 or shortly thereafter so as to authorize the ratemaking necessary to implement
14 the provisions of 2000 PA 141.

15

16 Q. Please discuss in more detail how the SQC Charge will be reflected in
17 customers bills.

18 A. The SQC Charge will be shown as a separate and single line item surcharge.
19 The surcharge will represent the sum of the Securitization Bond Charge and
20 the Securitization Bond Tax Charge. This SQC Charge will be included in Rule
21 B-4.9(4), Surcharges and Credits.

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1 Q. Please explain the application of the SQC Charge to metered retail tariff
2 customer sales.

3 A. The application of the SQC Charge is shown on Exhibit ____ (ELF-1). The
4 base energy charge in each metered tariff is reduced by the amount of the
5 SQC Charge. The SQC Charge is then applied to metered customer sales as
6 a separate surcharge. My exhibit shows that the unbundling of the
7 securitization charge will have no impact on a customer's total energy charge.

8

9 Q. Please discuss the application of the SQC Charge to unmetered tariffs?

10 A. It is impractical to apply the SQC charge expressed on a ¢/kWh basis to
11 unmetered consumption. The Company nevertheless is collecting these costs
12 from unmetered customers. Therefore, these costs will be recorded
13 separately for payment to the Special Purpose Entity (SPE) by applying the
14 SQC Charge to the estimated sales amounts for these classes.

15

16 Q. Mr. Falletich, please discuss the application of the SQC Charge to Electric
17 Choice Tariffs.

18 A. The SQC Charge reflects the collection of costs necessary for repayment of
19 the securitization bonds and, per 2000 PA 142, is a non-bypassable charge.
20 This charge appropriately should be applied to Electric Choice customers.

21

22 Q. How are direct access customers/suppliers impacted by this charge during the

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1 direct access transition period (through 2001) where customers and/or
2 suppliers have successfully been awarded capacity based on their submitted
3 bids?

4 A. I would recommend that for existing successful bidders, bid amounts equal to
5 or greater than the SQC Charge, be reduced by the SQC Charge. The net
6 impact, for example, on a 1¢/kWh bid will be zero since the SQC Charge (as
7 proposed in Case No. U-12478) will be applied at 0.5005¢/kWh with the
8 remaining 0.4995¢/kWh recorded as the bidding charge. The SQC Charge
9 will be applied to customers bills, and the bid amount will be recovered from
10 the marketer/supplier or customer if applicable. For successful bidders at
11 amounts less than the SQC Charge, the SQC Charge will apply. Per 2000 PA
12 142, this charge is non-bypassable. For subsequent bidding blocks, I
13 recommend that the minimum bid be maintained at 0¢/kWh with the SQC
14 Charge applied to all electric choice customers. Beginning in 2002, with full
15 choice, all bid amounts expire and the then existing SQC Charge and any
16 other approved transition charges apply. Tariff EC1 – Experimental Retail
17 Access Service currently contains provisions for the recovery of SFAS
18 106/109 and Fermi 2. These provisions will be deleted and replaced with a
19 surcharge/credit provision referring to Schedule B4.9 for the recovery of the
20 SQC Charge.

21

22 Q. Mr. Falletich, will the base charges for Electric Choice customers also be

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1 reduced by the SQC Charge as you are recommending for other tariffs?

2 A. No. Since transmission and distribution assets have not been designated as
3 qualified costs, they are not being securitized. Since the savings associated
4 with securitization are generation related, they are therefore not assignable to
5 Electric Choice tariffs.

6

7 Q. Mr. Falletich, will the SQC Charge change over time?

8 A. Yes. The SQC Charge may change periodically subject to any future true-up
9 adjustments.

10

11 Q. With the rate freeze provided for in 2000 PA 141 will any further revisions to
12 the SQC charge be applied to customer bills?

13 A. Yes. Any future revisions to the SQC Charge, will apply to all customers bills in
14 the manner previously discussed in my testimony. However, I am proposing
15 for residential customers only, that an additional surcharge/credit adjustment
16 be included in Rule B-4.9(4) to maintain the 5% rate reduction mandated by
17 2000 PA 141. This adjustment will be equal to the subtraction of the current
18 SQC Charge from the initially implemented SQC Charge. For example, if the
19 initial proposed SQC Charge of 0.5005¢/kWh is changed to 0.5100¢/kWh in
20 the true-up mechanism, the SQC Charge for all customers (including
21 residential) will be billed at 0.5100¢/kWh. However, for residential tariffs
22 covered by the June 5, 2000 5% rate reduction and subsequent rate freeze, a

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1 surcharge/credit adjustment of a negative 0.0095¢/kWh will be reflected in Rule
2 B-4.9(4).
3

4 Q. Why are you not applying a similar adjustment for other tariff customers?

5 A. 2000 PA 141 [Sec. 10d. (1)] requires the implementation of a 5% residential
6 rate reduction, and per Sec 10d.(2), that such reduction will remain in effect
7 until December 31, 2003. Section 10d.(7) states that the Commission shall not
8 authorize any fees or charges that will cause the residential rate reduction
9 required under subsection (1) to be less than 5%. 2000 PA 141 contains no
10 such specific prohibition on rate changes for non-residential retail tariffs. For
11 non-residential retail tariffs, 2000 PA 141 creates a price freeze at May 1,
12 2000 levels unless prices are reduced through the issuance of securitization
13 bonds. The Act authorizes up to a 5% reduction for non-residential customers
14 but does not require a price freeze at the 5% reduction level. It only requires a
15 freeze at the May 1, 2000 level. Therefore, I recommend revised SQC
16 Charges apply to non-residential tariffs without any offsetting adjustment, with
17 the exception, that during the applicable freeze and price cap periods, the
18 revised SQC Charge shall not cause the non-residential price levels to exceed
19 the May 1, 2000 price levels.
20

21 Q. Mr. Falletich, could you please discuss your recommendations for the
22 implementation of any rate reductions resulting from securitization?

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1 A. Yes. 2000 PA 141 required a 5% rate reduction for residential customers
2 effective with the enactment of this legislation, and further states that any
3 savings above and beyond that necessary to achieve a 5% rate reduction for
4 all customers be next applied to a low income/energy efficiency fund (not to
5 exceed 2% of Commercial/Industrial revenues). Based on the Company's
6 filing in Case No. U-12478, sufficient savings exist to cover: (1) the residential
7 5% rate decrease, (2) the 5% rate decrease to remaining customers, (3) the
8 low-income/energy efficiency fund, and, (4) excess savings used to create a
9 qualified cost reserve fund to be applied against stranded and transition costs.
10 The Company's recommendation is that the existing 5% residential rate
11 reduction be maintained, and, assuming the proposed securitization levels in
12 Case No. U-12478, remaining commercial and industrial customers likewise
13 receive a 5% rate reduction. This 5% reduction would be applied to all
14 commercial and industrial customers (including contract customers) as a line
15 item percentage reduction to a customers' total bill net of taxes.

16

17 Q. Mr. Falletich, will the Company be issuing revised rate schedules?

18 A. Yes. After issuance of the securitization bonds by the SPE, the Company will
19 submit a revised Rule B-4.9, revised tariff sheets, and the appropriate SMC
20 and LCC contract amendments.

21

22 Q. Does this conclude your direct testimony?

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1 A. Yes. It does.

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of)
THE DETROIT EDISON COMPANY)
for ratemaking authority to implement)
2000 PA 141)

Case No. U-12595

EXHIBIT
OF
EDWARD L. FALLETICH

Case No.	U-12595
Exhibit No.	A- (ELF-1)
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Witness	E. L. Falletich

The Detroit Edison Company Proposed Energy Charges

(a) Tariff Sheet No.	(b) Rate Description	(c) Current Base Energy Charge (\$/kWh)	(d) Proposed Base Energy Charge (\$/kWh)	(e) SQC Charge (\$/kWh)	(f) Total of Base Energy Charge & SQC Charge (\$/kWh)
D1	Residential Service Rate				
	1st 17kWh per day	0.087100	0.082095	0.005005	0.087100
	excess kWh	0.101200	0.096195	0.005005	0.101200
D1a	Residential Farm Service				
	All kWh	0.091000	0.085995	0.005005	0.091000
D1.1	Interruptible Space-Conditioning				
	All kWh (Nov - May)	0.048500	0.043495	0.005005	0.048500
	All kWh (Jun- Oct)	0.075400	0.070395	0.005005	0.075400
D1.2	Residential Time of Day				
	On-Peak (Jun - Oct)	0.213700	0.208695	0.005005	0.213700
	Off-Peak (Jun - Oct)	0.037700	0.032695	0.005005	0.037700
	On-Peak (Nov - May)	0.203300	0.198295	0.005005	0.203300
	Off-Peak (Nov - May)	0.040600	0.035595	0.005005	0.040600
D1.3	Senior Citizen Residential				
	1st 10kWh per day	0.058400	0.053395	0.005005	0.058400
	excess kWh over	0.125500	0.120495	0.005005	0.125500
D1.4	Optional Residential TOD				
	All On-Peak	0.107100	0.102095	0.005005	0.107100
	All Off-Peak	0.058800	0.053795	0.005005	0.058800
D1.5	Res. Supplemental Space Htg.				
	All kWh	0.068400	0.063395	0.005005	0.068400
D1.7	Res. Space Conditioning, Water Htg., or Electric Vehicle TOD				
	On-Peak (Jun - Sep)	0.133500	0.128495	0.005005	0.133500
	Off-Peak (Jun - Sep)	0.037100	0.032095	0.005005	0.037100
	On-Peak (Oct - May)	0.067000	0.061995	0.005005	0.067000
	Off-Peak (Oct - May)	0.027600	0.022595	0.005005	0.027600

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Witness	E. L. Falletich

The Detroit Edison Company Proposed Energy Charges

(a) Tariff Sheet No.	(b) Rate Description	(c) Current Base Energy Charge (\$/kWh)	(d) Proposed Base Energy Charge (\$/kWh)	(e) SQC Charge (\$/kWh)	(f) Total of Base Energy Charge & SQC Charge (\$/kWh)
D2	Residential Space Heating				
	June through October				
	1st 17kWh per day	0.087100	0.082095	0.005005	0.087100
	excess kWh over 17 kWh per day	0.101200	0.096195	0.005005	0.101200
	November through May				
	1st 20kWh per day	0.087100	0.082095	0.005005	0.087100
	excess kWh over 20 kWh per day	0.069000	0.063995	0.005005	0.069000
D2a	Res. Space Htg. Farm Service				
	June through October				
	All kWh	0.091000	0.085995	0.005005	0.091000
	November through May				
	1st 20kWh per day	0.091000	0.085995	0.005005	0.091000
	excess kWh over 20 kWh per day	0.069000	0.063995	0.005005	0.069000
D3	General Service Rate				
	All kWh	0.099500	0.094495	0.005005	0.099500
D3.1	Unmetered General Service	(No changes; SQC recorded separately based on est. sales)			
D3.3	Interruptible General Service				
	All kWh	0.074900	0.069895	0.005005	0.074900
D3.4	Optional TOD General Service				
	All On-Peak kWh	0.160000	0.154995	0.005005	0.160000
	All Off-Peak kWh	0.080000	0.074995	0.005005	0.080000
D4	Large General Service				
	1st 200 kWh per kW of Billing Demand	0.063800	0.058795	0.005005	0.063800
	Any excess kWh	0.058300	0.053295	0.005005	0.058300
D5	Water Heating Service				
	Residential				
	Option1 - Sep. Meter - Controlled	0.049800	0.044795	0.005005	0.049800
	Option 2 - Comb. Meter - Controlled	0.049800	0.044795	0.005005	0.049800
	Option 3 - Sep. Meter - Uncontrolled	0.076800	0.071795	0.005005	0.076800
	Commercial				
	Option1 - Sep. Meter - Controlled	0.052400	0.047395	0.005005	0.052400
	Option 2 - Comb. Meter - Controlled	0.052400	0.047395	0.005005	0.052400
	Option 3 - Sep. Meter - Uncontrolled	0.080800	0.075795	0.005005	0.080800

Case No.	<u>U-12595</u>
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Witness	<u>E. L. Falletich</u>

The Detroit Edison Company Proposed Energy Charges

(a) Tariff Sheet No.	(b) Rate Description	(c) Current Base Energy Charge (\$/kWh)	(d) Proposed Base Energy Charge (\$/kWh)	(e) SQC Charge (\$/kWh)	(f) Total of Base Energy Charge & SQC Charge (\$/kWh)
D6	Primary Supply Rate				
	All On-Peak kWh	0.029600	0.024595	0.005005	0.029600
	All Off-Peak kWh	0.026600	0.021595	0.005005	0.026600
D6.1	Alternative Primary Supply Rate				
	1st 150 hours use	0.145200	0.140195	0.005005	0.145200
	Next 300 hours use	0.023100	0.018095	0.005005	0.023100
	Excess kWh	0.019200	0.014195	0.005005	0.019200
D6.2	Primary Space Conditioning Rate				
	1st 500 hours use	0.030000	0.024995	0.005005	0.030000
	Excess kWh	0.026000	0.020995	0.005005	0.026000
D8	Interruptible Supply Rate				
	All On-Peak kWh	0.029600	0.024595	0.005005	0.029600
	All Off-Peak kWh	0.026600	0.021595	0.005005	0.026600
D9	Outdoor Protective Lighting				
D10	All-Electric School Building				
	All kWh (Nov - May)	0.073800	0.068795	0.005005	0.073800
	All kWh (Jun - Oct)	0.090500	0.085495	0.005005	0.090500
E1	Municipal Street Lght. - Co. Owned				
	E1a/E1b/E1c	(No changes; SQC recorded separately based on est. sales)			
E1.1	Muni. Street Lght. - Muni. Owned				
	Primary energy	0.044500	0.039495	0.005005	0.044500
	Secondary energy	0.048500	0.043495	0.005005	0.048500
E2	Traffic And Signal Lights	(No changes; SQC recorded separately based on est. sales)			
E4	Primary Pumping Rate				
	All On-Peak kWh	0.035500	0.030495	0.005005	0.035500
	All Off-Peak kWh	0.032500	0.027495	0.005005	0.032500
E5	Secondary Pumping Rate				
	All kWh	0.085400	0.080395	0.005005	0.085400
R1.1/	Metal Melting/Process Heat				
R1.2	Secondary 1st 100 hours use	0.081500	0.076495	0.005005	0.081500
	Secondary excess kWh	0.040700	0.035695	0.005005	0.040700
	Primary 1st 100 hours use	0.069800	0.064795	0.005005	0.069800
	Primary excess kWh	0.033600	0.028595	0.005005	0.033600
	Subtransmission 1st 100 hours use	0.069200	0.064195	0.005005	0.069200
	Subtransmission excess kWh	0.032000	0.026995	0.005005	0.032000
	Transmission 1st 100 hours use	0.067800	0.062795	0.005005	0.067800
	Transmission excess kWh	0.031400	0.026395	0.005005	0.031400

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Exhibit No.	<u>A- (ELF-1)</u>
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Witness	<u>E. L. Falletich</u>

The Detroit Edison Company Proposed Energy Charges

(a) Tariff Sheet No.	(b) Rate Description	(c) Current Base Energy Charge (\$/kWh)	(d) Proposed Base Energy Charge (\$/kWh)	(e) SQC Charge (\$/kWh)	(f) Total of Base Energy Charge & SQC Charge (\$/kWh)
R3	Parallel Operation and Standby				
	Sched. D4, D6, D6.1, D8, E4- All kWh	0.029600	0.024595	0.005005	0.029600
	Sched. D3, D3.3, E5 - All kWh	0.099500	0.094495	0.005005	0.099500
R7	Greenhouse Lighting Service				
	All kWh	0.048500	0.043495	0.005005	0.048500
R8	Commercial Space Heating				
	November through May				
	1st 1,000 kWh per month	0.098000	0.092995	0.005005	0.098000
	Excess kWh over 1,000 per month	0.073700	0.068695	0.005005	0.073700
	June through October				
	All kWh	0.098000	0.092995	0.005005	0.098000
R10	Interruptible Supply Rider				
	Non-Power Supply Cost Charge	0.018500	0.013495	0.005005	0.018500
R11	Photovoltaic Service				
	D1, D1.2, D1.3, D1.4, D2 - All kWh	0.038000	0.032995	0.005005	0.038000
	D3, D4 - All kWh	0.030000	0.024995	0.005005	0.030000
	D10 - All kWh	0.020000	0.014995	0.005005	0.020000
ILP-1	Intelligent Link Project				
	Winter				
	Low price period	0.038000	0.032995	0.005005	0.038000
	Medium price period	0.095000	0.089995	0.005005	0.095000
	High price period	0.190000	0.184995	0.005005	0.190000
	Critical price period	0.475000	0.469995	0.005005	0.475000
	Summer				
	Low price period	0.047500	0.042495	0.005005	0.047500
	Medium price period	0.142500	0.137495	0.005005	0.142500
	High price period	0.237500	0.232495	0.005005	0.237500
	Critical price period	0.712500	0.707495	0.005005	0.712500

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Witness	E. L. Falletich

The Detroit Edison Company Proposed Energy Charges

(a) Tariff Sheet No.	(b) Rate Description	(c) Current Base Energy Charge (\$/kWh)	(d) Proposed Base Energy Charge (\$/kWh)	(e) SQC Charge (\$/kWh)	(f) Total of Base Energy Charge & SQC Charge (\$/kWh)
LCC	Large Customer Contracts				
	LCC8 Firm Service				
	All kWh	0.025000	0.019995	0.005005	0.025000
	LCC8 Interruptible Service				
	All kWh	0.025000	0.019995	0.005005	0.025000
	LCC - A&P				
	1st Energy Block	0.124000	0.118995	0.005005	0.124000
	2nd Energy Block	0.023000	0.017995	0.005005	0.023000
	3rd Energy Block	0.019000	0.013995	0.005005	0.019000
	LCC - McDonalds				
	1st 200 kWh per kW of Billing Dem.	0.063800	0.058795	0.005005	0.063800
	Any excess kWh	0.058300	0.053295	0.005005	0.058300
	LCC10 Firm Service				
	All kWh	0.025000	0.019995	0.005005	0.025000
	LCC10 Interruptible Service				
	Non-Power Supply Cost Charge	0.018500	0.013495	0.005005	0.018500
NCC	New Customer Contract				
	Firm Service				
	All On-Peak kWh	0.029600	0.024595	0.005005	0.029600
	All Off-Peak kWh	0.026600	0.021595	0.005005	0.026600
	Interruptible Service				
	Service at Primary	0.006500	0.001495	0.005005	0.006500
	Service at Subtransmission	0.005500	0.000495	0.005005	0.005500
	Service at Transmission	0.005000	-0.000005	0.005005	0.005000
SMC	Special Manufacturing Contracts				
	Firm Service				
	All kWh	0.021600	0.016595	0.005005	0.021600
	Interruptible Service				
	Non-Power Supply Cost Charge	0.018500	0.013495	0.005005	0.018500