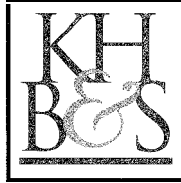


BRIAN W. COYER

Of course!

direct telephone 517-483-6679

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KNAGGS, HARTER, BRAKE & SCHNEIDER EC.

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October 3, 2000

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing, Michigan 48909

Re: The Detroit Edison Company, Case No. U-12595

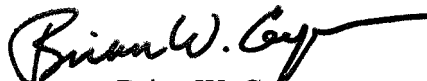
Dear Ms. Wideman:

Please find enclosed for filing, the original and four (4) copies of the Petition to Intervene of Michigan Community Action Agency Association. In accordance with the Notice of Hearing, this document has been filed electronically on the Commission's website. A Proof of Service is also enclosed.

If you have any questions regarding this filing, please do not hesitate to contact me. Thank you.

Very truly yours,

KNAGGS, HARTER, BRAISE & SCHNEIDER, P.C.



Brian W. Coyer

BWC/blr

Enclosure

cc: Parties of Record

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the Application of THE
DETROIT EDISON COMPANY for a
Financing Order

Case No. U-12478

PROOF OF SERVICE

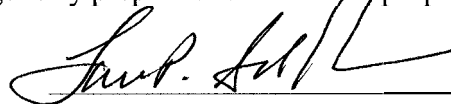
STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

I, Lawrence P. Schneider, being duly sworn, depose and say that on October 3, 2000,
I served a copy of the Petition to Intervene of Michigan Community Action Agency Association
upon:

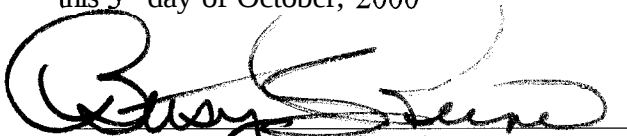
SEE ATTACHED SERVICE LIST

Service was accomplished via electronic mail and by placing same in a United States mail
depository, enclosed in envelopes bearing postage fully prepaid and addressed properly.

Subscribed and sworn to before me
this 3rd day of October; 2000



Lawrence P. Schneider



Betsy L. Reeve, Notary Public
Eaton County, Michigan Acting in Ingham County, Michigan
My Commission Expires: November 24, 2003

U-12595 SERVICE LIST

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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 14 1

Case No. U-12595

**PETITION TO INTERVENE OF
MICHIGAN COMMUNITY ACTION AGENCY ASSOCIATION**

The Michigan Community Action Agency Association (“MCAAA”), by and through its attorneys, Knaggs, Harter, Brake & Schneider, P.C., petitions for leave to intervene in the captioned proceeding, pursuant to Rule 201 of the Michigan Public Service Commission’s (“MPSC” or “Commission”) Rules of Practice and Procedure, 1992 AACSR 460.17201, and the Commission’s July 5, 2000 Notice of Hearing. In support of this petition, MCAAA states as follows:

Statement of Interest And Grounds For Intervention

1. MCAAA is a Michigan nonprofit corporation established on a membership basis. Its constituent members are Community Action Agencies (“CAAs”) operating throughout Michigan. MCAAA coordinates and supports the work of the CAAs, whose purpose is to promote economic and social opportunities through which persons in poverty can achieve greater independence, dignity and self-sufficiency. MCAAA functions to provide a statewide network of support for the CAAs, which operate in each county.

2. MCAAA’s membership includes 30 CAAs in Michigan, as well as the Inter-Tribal Council of Michigan, which administers similar programs to the native American population. A list of MCAAA’s members is attached to this petition.

3. In Michigan, CAAs carry out designated functions under the Michigan Economic and Social Opportunity Act of 1981; 1981 PA 230; MCL 400.1101 *et seq.* (“Act 230”).

Section 8 of Act 230; MCL 400.1108, provides for the designation of public or nonprofit private agencies as CAAs in geographic service areas. Section 9; MCL 400.1109 states that a CAA shall serve as a primary advocate for the reduction of the causes, conditions and effects of poverty, and to provide social and economic opportunities that foster self sufficiency for low income persons. CAAs are authorized to engage in a broad scope of activities to carry out the intent of Act 230.

4. CAAs carry out their function through: (a) the creation of opportunities for participation by low-income citizens; (b) advocacy of the concerns of low income persons; (c) service programs; and (d) the statewide support of over 30,000 volunteers each year from the communities and the private sector.

5. MCAAA and its member CAAs operate service programs throughout the state. These include Head Start, low-income weatherization, surplus commodity distribution, employment/training programs, senior and youth services, home repair and rehabilitation and administration of Federal Emergency Management ("FEMA") funds to assist low income households. These programs, in particular weatherization and FEMA, can and do involve assistance in payment of utility bills, including bills from The Detroit Edison Company ("DECo").

6. Each CAA operates in a service area defined by the CAA and the local communities and governmental units approving its activities under Act 230. The MCAAA-member CAAs located in the DECo service area serve many low income persons who are electric service customers of that utility. These customers will be directly affected by the Commission's decision in this proceeding.

Statement of Issues And Positions

7. The Michigan Legislature has taken steps to restructure Michigan's electric industry through the passage of 2000 PA 141 ("Act 141" or "PA 141") and 2000 PA 142 ("Act 142" or "Act 142"). Among the numerous provisions enacted, the Legislature authorized the Michigan Public Service Commission to establish a Low-Income and Energy Efficiency Fund ("Fund") financed with "excess savings" from securitization under PA 142 and to be administered by the Commission. Because MCAAA's constituent clientele are Michigan's low-income residential ratepaying citizens, for whom energy efficiency and protections against shut-offs are vital, MCAAA has a profound interest in any case which addresses the Fund.

8. Specifically, Section 10d(6) of PA 141 establishes a fund for low-income shutoff protection and for energy efficiency programs as follows:

(6) If securitization savings exceed the amount needed to achieve a 5% rte reduction for all customers, then, for a period of 6 years, 100% of the excess savings, up to 2% of the electric utility's commercial and industrial revenues, shall be allocated to the low-income and energy efficiency fund administered by the commission. 'The commission shall establish standards for the use of the fund to provide shut-off and other protection for low-income customers and to promote energy efficiency by all customer classes. The commission shall issue a report to the legislature and the governor every 2 years regarding the effectiveness of the fund.

9. Section 10i of PA 142 provides that an electric utility can file an application to allow recovery of "certain qualified costs through securitization bonds" and provides that the Commission shall conduct an "expedited contested case proceeding" to act upon the utility's application within 90 days. If DECo applies for securitization relief, "excess savings" from securitization are to be devoted to the Fund. PA 141 and PA 142, read together, require that

residential ratepayers receive a 5% rate reduction, which can be financed by securitization savings, and that the remaining savings are “excess savings” to be directed to the Fund.

10. On July 5, 2000, DECo filed its application in U-12478 requesting authority to securitize certain regulatory assets and other qualified costs which, if approved by the Commission, would permit DECo to securitize at least \$1.8 billion of regulatory assets and other qualified costs. After providing a 5% reduction for residential rates and further reducing all rates, DECo identified approximately \$50 million in “excess savings” for allocation to the Low-Income and Energy Efficiency Fund. MCAAA has intervened and is participating in U-12478 to assist the Commission in determining DECo’s just and reasonable allocation to the Low-Income and Energy Efficiency Fund.

11. In U-12478, MCAAA has taken the position that PA 141, Section 10d(6), requires the Commission and the parties to review DECo’s claimed securitization savings to determine the accuracy of such claims and the amount to be provided in the Fund as well as the standards by which such a fund will be administered. MCAAA has further taken the position that the parties and the Commission may use U-12478 to establish standards for the use of the fund “to provide shut-off and other protection for low-income customers and to promote energy efficiency by all customer classes” as intended by the Legislature.

12. On September 1, 2000 DECo filed an Application in this case (U-12595) “to describe the ratemaking necessary to implement the rate reductions and fund the program requirements of Section 10(d) of Act 141.” DECo’s Application further indicates that it has provided a 5% rate reduction for residential customers, intends a 5% rate reduction for all customers, and expects to apply additional savings from securitization to “a low-income/energy efficiency fund (not to exceed 2% of Commercial/Industrial revenues).” In addition, DECo expects that

securitization savings will permit “the creation of a qualified cost reserve fund to be applied against future-incurred stranded and transition costs.” DECo’s Application, “given the unique provisions of Act 141, that the Commission “provide for Notice and an expedited proceeding” to consider DECo’s proposal.

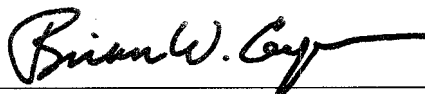
13. MCAAA takes the position that the Commission should conduct an expedited contested case review of DECo’s Application, utilize this proceeding to establish a Low-Income and Energy Efficiency Fund, and to set rules and guidelines for the operation of such a Fund. MCAAA further states that the minimum amount to be allocated to such a Fund would be the amount of \$50 million proposed in U-12478 and that the Commission should consider the positions of the parties on the administration of such a Fund to assure the low-income protection and energy efficiency enterprises mandated by the Legislature.

WHEREFORE, MCAAA respectfully requests that the Commission grant this Petition and admit it to these proceedings as a full party with all the participatory rights afforded to parties in Commission proceedings.

Respectfully submitted,

MICHIGAN COMMUNITY ACTION
AGENCY ASSOCIATION

By Its Attorneys,
Knaggs, Harter, Brake & Schneider, P.C.



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517-482-1659/FAX 517-482-2689

DATED: October 3, 2000