

MICHIGAN OPERATIONAL IMPLEMENTATION COSTS

	Total
One-time Costs:	
Choice Program Development Costs	\$697,000
System Development Costs	\$324,000
Ongoing Costs:	
Total Customer Choice Program Management Costs through 2007 (inflated at 2.5% annually)	\$775,000
Total Operations Costs through 2007 (inflated at 2.5% annually) (includes Customer Support, Service Provider Support, Load Profiling Processing, Settlement Processing, MSP/MDMA Certification, and Employee Education)	\$1,597,000
Total System Costs through 2007 (inflated at 2.5% annually): Integration, Maintenance, and Processing Costs	\$5,064,000
Total	<u>\$8,457,000</u>

Restructuring Implementation (RI)
Michigan - Planned Milestones by Sequence

Exhibit A-____(TJR-2)
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Item#	Date	AEP (EDU)	Market Data Clearing House (MDCH)	AES (Alternate Energy Supplier)
1	*6/5/01	Submit Filing to MPSC		
2	*7/6/01	Receive Rebuttal to Company's Filing from MPSC		
3	*7/19/01	Submit Motions to Strike		
4	*7/26/01	Hearings Begin		
5	Q3/01	MPSC order received		
6	Q3/01	Bill insert - What is Choice & How to Switch		
7	Q3/01	Initialize Michigan in MDCH, CIS, MV90, MTS, ...	Initialize Michigan in MDCH (LIZ...)	
8	Q4/01	Choice website (provider portion) operational		Begin marketing to retail customers
9	Q3/01	Prepared to receive provider registration forms from AES	←	Provider registration begins/ MPSC AES Licensing
10	Q4/01	Provide pre-enrollment list to registered AES	→	Receive pre-enrollment list
11	Q4/01	Provider Handbook available on website	←	Able to access Provider Handbook
12	Q4/01	Update Provider Certification Batch Schedule on web page	Provider Certification (Level 2/Phase 1) begins	← AES begin EDI Certification →
13	Q4/01	File final compliance tariffs		
14	Q4/01	Overview training (CSC/B&C) (MI Specifics)		
15	Q4/01	Switch training (CSC) (MI Specifics)		
16	Q4/01	Bill Insert - Unbundled Bill Format		
17	Q4/01	Choice website (customer portion) operational		
18	Q4/01	SD Id added to bill; message added to bill; (full cycle achieved 13-Dec-00)		
19	Q4/01			Final date for MPSC certification to allow 1/2/02 energy flow
20	Q4/01	Complete data migration testing (CIS to MDCH)	← Complete data migration testing →	
21	Q4/01	E2E Testing (Switching) complete	← E2E Testing (Switching) complete →	
22	Q4/01	Implement production release updates, for MI specifics		
23	Q4/01			Must have begun registration process with AEP to allow 1/2/02 energy flow
24	Q4/01	Standard agreements (AEP/AES, Transmission, E-Commerce) complete		
25	Q4/01	Send provider registration forms to MDCH	→ Receive/process provider registration forms	
26	Q4/01	Load new Standard Service and Open Access Distribution Service tariffs for Michigan		

Restructuring Implementation (RI)
Michigan - Planned Milestones by Sequence

Exhibit A-____(TJR-2)
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Item#	Date	AEP (EDU)	Market Data Clearing House (MDCH)	AES (Alternate Energy Supplier)
27	Q4/01	Data Migration: CIS & MV-90 data to MDCH	Receive & Load CIS & MV-90 data	
28	Q4/01	Customer switch requests may begin (if provider fully certified/registered)	Customer switch requests may begin (if provider fully certified/registered)	Customer switch requests may begin (if provider fully certified/registered)
29	Q4/01	CIS messages	Begin to process all CIS messages daily	
30	Q4/01		Forward usage history back to AES	Request usage history
31	Q4/01	Finalize all agreements for 1/02/02 flow		Finalize all agreements for 1/01/02 flow
32	Q4/01		EDI Level 2, Phase 2 (billing) complete	EDI Level 2, Phase 2 (billing) complete
33	Q4/01	Billing training (B&C) (MI specifics)		
34	12/19/01	End MDCH Certification testing	End MDCH Certification testing batch for 1/2/02 effective sw's	Final date to achieve EDI Level 2 certification to allow 1/2/02 energy flow
35	12/28/01	Receive/Send first forecast of AES Loads (daily)	Produce/provide first forecast of AES Loads (daily)	Receive first forecast
36	12/28/01	Receive schedule for 1/2/02 energy flow		Submit schedule for 1/2/02 energy flow
37	1/1/02	Competitive Electrons Flow		Competitive Electrons Flow
38	1/2/02	Produce first unbundled bill		
39	1/2/02	Dual & EDU consolidated billing begins [off-cycle & finals until 1/30]	Dual & EDU consolidated billing begins [off-cycle & finals until 1/30]	
40	1/4/02		Provide first backcast (for January 1st)	Receive first backcast
41	1/31/02	First process "full-cycle" bill-ready data from AES via MDCH (Competitive energy first shows on bill)	First process "full-cycle" bill-ready data from AES via MDCH (Competitive energy first shows on bill)	First process "full-cycle" bill-ready data from AES via MDCH (Competitive energy first shows on bill)
43	2/2/01	End of first three-day window for receipt of AES charges		
42	2/2/02	Obtain first initial invoice determinants [January energy]		
44	2/7/02	First initial settlement invoice (January energy)	First initial settlement invoice (January energy)	Receive first initial settlement invoice (January energy)
45	3/15/02	First final settlement invoice (January energy)	First final settlement invoice (January energy)	Receive first final settlement invoice (January energy)