STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of CLOVERLAND ELECTRIC COOPERATIVE'S compliance filing relative to the restructuring plan required by 2000 PA 141 and the Commission's June 19, 2000 opinion and order in Case No. U-12464.

Case No. U-12656

PREHEARING CONFERENCE

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Proceedings had in the above-entitled matter before Daniel E. Nickerson, Jr., J.D., Administrative Law Judge, at the Michigan Public Service Commission, 6545 Mercantile Way, Lansing, Michigan on Monday, January 29, 2001.

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APPEARANCES:

DYKEMA GOSSETT PLLC
By ALBERT ERNST, J.D and
CHRISTINE MASON SONERAL, J.D.
800 Michigan National Tower
Lansing, Michigan 48933-1707

Appearing on behalf of Cloverland Electric Cooperative

MICHAEL A. NICKERSON, J.D.
Assistant Attorney General
6545 Mercantile Way, Suite 15
Lansing, Michigan 48911

Appearing on behalf of the Commission Staff

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MICHIGAN PUBLIC SERVICE COMMISSION
FILED
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Lansing, Michigan

Monday, January 29, 2001

9:00 A.M.

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JUDGE NICKERSON: On the record.

Good morning. This is the date set for a prehearing conference before the Michigan Public Service Commission in Docket Number U-12656. That's on the application of Cloverland Electric Cooperative for approval of its plan to implement Public Act 141 of 2000.

My name is Daniel Nickerson. I'm an Administrative Law Judge.

Let's take appearances of counsel for the record, please.

MS. MASON SONERAL: Good morning, your Honor.

Christine Mason Soneral and Albert Ernst of Dykema Gossett PLLC on behalf of Cloverland Electric Cooperative.

MR. NICKERSON: Michael Nickerson, Assistant Attorney General, on behalf of the Michigan Public Service Commission staff.

JUDGE NICKERSON: All right. Thank you for your appearances this morning.

Notice requirements.

MS. MASON SONERAL: Yes, your Honor.

Those notice requirements have been met. I have an affidavit demonstrating that the notices were published in Country Lines quarterly magazine. I also have a proof of mailing showing that on January 8, 2001 the notice of hearing was sent to all cities, villages, townships and counties in Cloverland Electric's service area.

Mr. Nickerson has already reviewed these.

JUDGE NICKERSON: Any comments?

MR. NICKERSON: No comments. We've seen them, your Honor.

JUDGE NICKERSON: All right. The notices are accepted for filing.

Thank you, Ms. Soneral.

Any other preliminary matters before we discuss scheduling?

MR. NICKERSON: Nothing, your Honor.

MR. ERNST: One semi procedural matter, your Honor, which relates to the fact that Mr. Nickerson and I have discussed the broad parameters of the case. And I think it's in our collective judgment that every issue, legal issue, save one, we should be able to come to an agreement and hopefully we'll have a settlement.

The only issue, and I'm not going to

define the issue except to say it relates to aggregation under the statute and let's just leave it at that -- but Mr. Nickerson and I believe it would be appropriate to submit motions, cross motions for summary disposition. And so we would propose to file those on February 14, 2001 and have responses due February 26, 2001 so that you can issue a ruling on that issue which would be dispositive at least as to that issue.

Mr. Nickerson and I have agreed to get together to make sure we're addressing the same issue. And he and I will do that informally off the record. And I guess if we can't come to agreement, we'll file motions for summary disposition as to different issues. But I think we'll be able to come to agreement on the issue.

So other than that I have no procedural matters.

JUDGE NICKERSON: All right. Thank you, Mr. Ernst.

MR. NICKERSON: Nothing to add other than that's the schedule that's been proposed, your Honor.

JUDGE NICKERSON: So you're agreeable with filing the motions by February 14th and responses by February 26th?

MR. NICKERSON: As agreeable as I can be under the circumstances, yes.

JUDGE NICKERSON: Thank you.

Now, I understand there's a proposed schedule with regard to the remainder of the issue.

MR. NICKERSON: Yes, your Honor.

JUDGE NICKERSON: Would you like to state it for the record.

MR. NICKERSON: Please.

MS. MASON SONERAL: Do you want me to state it?

MR. NICKERSON: I thought he was going to state it. I'm sorry.

MS. MASON SONERAL: The cooperatives will file on March 19, 2001.

Motions to strike will be due April 10, 2001.

Cross-examination of the co-op will be done on April 12, 2001.

Staff and any intervenors will file on April 27, 2001.

Rebuttal will be due May 11, 2001.

Motions to strike will be filed May 15, 2001.

Cross-examination of staff and any intervenors will be done on May 17, 2001.

Briefs will be due May 31, 2001. Reply

briefs due June 12, 2001.

And the proposal for decision will be issued on or about July 15, 2001.

JUDGE NICKERSON: Off the record.

(There was a discussion off the record.)

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JUDGE NICKERSON: All right. On the record.

Ms. Soneral, we discussed moving the cross of the cooperative from April 12th to April 13th at 9:00 A.M. Is that agreeable to the parties?

MS. MASON SONERAL: That is, your Honor.

MR. NICKERSON: Yes, your Honor.

JUDGE NICKERSON: Any other adjustments to the schedule?

MR. NICKERSON: Nothing.

MS. MASON SONERAL: No.

JUDGE NICKERSON: I would note for the record that the full schedule that was provided to me indicates seven-day or best efforts turnaround on discovery. Is that agreeable to the parties?

MR. NICKERSON: Yes.

MS. MASON SONERAL: That is.

MR. ERNST: And I might note we have engaged in significant exchange of information.

JUDGE NICKERSON: And would one of the parties please define for me "best efforts."

MR. NICKERSON: That degree of effort that typifies everything that Mr. Ernst and I engage in doing.

JUDGE NICKERSON: Excuse me, Mr. Nickerson. I would like to hear Mr. Ernst's definition of best efforts.

MR. ERNST: I think it means a good faith effort to respond on a timely basis. And we have never had a problem with the Michigan staff with that.

JUDGE NICKERSON: So if you can get it done sooner than seven days, would you object or does it mean something else?

MR. ERNST: It means if you can get it done within seven days, you do, but not necessarily to get it in earlier than that.

JUDGE NICKERSON: Is that agreeable?

MR. NICKERSON: It is.

MR. ERNST: If staff had a reason that they needed something quicker than that, we would accommodate.

JUDGE NICKERSON: Thank you, Mr. Ernst.

Anything else with regard to schedule? All right. The schedule as indicated by Ms. Soneral is

adopted.

Anything else for the record?

All right. We are adjourned.

(At 9:40 A.M., the hearing was adjourned to 9:00 A.M., Friday, April 13, 2001.)

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C E R T I F I C A T E

I, Donna-Christine Sell, do hereby certify that I reported stenographically the foregoing proceedings had in the within-entitled matter, being Case No. U-12656, before Daniel E. Nickerson, J.D., Administrative Law Judge, at the Mercantile Building, Lansing, Michigan, on Monday, January 29, 2001; and that the foregoing transcript constitutes a true and correct transcript of my said stenographic notes.

Dated: January 30, 2001