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October 31, 2000

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48911

Re: *Case No. U-12660/Presque Isle Electric & Gas Co-op
Electric Member Choice Program/Restructuring Plan
Required Statement by Presque Isle's Chief Executive Officer*

Dear Ms. Wideman:

Pursuant to Presque Isle Electric & Gas Co-op's October 3, 2000, filing in the above matter, enclosed please find original and four statements by its Chief Executive Officer confirming that it intends to voluntarily agree to provide an Electric Member Choice Program to its 1 MW members a year earlier than required, *i.e.*, on January 1, 2001; and that all necessary approvals from its Board of Directors have been obtained.

If there are questions or comments, do not hesitate to contact me.

Sincerely,

DYKEMA GOSSETT PLLC



Albert Ernst

enc:

cc: Bill Celio
Dennis Eicher, Jeff Laslie
Tom Stevenson, Craig Borr
Mike Peters
Marty Thomson, Byron Nolde

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PRESQUE ISLE ELECTRIC & GAS CO-OP

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October 24, 2000

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way, Ste. 7
Lansing, MI 48911

**MICHIGAN PUBLIC SERVICE
COMMISSION**

OCT 30 2000

FILED

Re: Case No. U-12660

**Presque Isle Electric & Gas Co-op
Electric Member Choice Program/Restructuring Plan
Required Statement By Presque Isle's Chief Executive Officer**

Dear Ms. Wideman:

On October 3, 2000, Presque Isle Electric & Gas Co-op ("Presque Isle") filed its Restructuring Plan in the above referenced matter, as required by the Commission's June 19, 2000 order in Case No. U-12464. Page 2 of Presque Isle's October 3, 2000 filing included the following:

While 2000 PA 141 does not require Presque Isle to provide an Electric Member Choice Program until January 1, 2002 (\$10x(1)), subject to the conditions set forth herein, Presque Isle *voluntarily* agrees to provide an Electric Member Choice Program to its 1 MW members a year earlier than required, i.e., on January 1, 2001. This agreement will be evidenced by a statement to be submitted by Presque Isle's Chief Executive Officer confirming the above. The statement will include an affirmation that all necessary approvals from Presque Isle's Board of Directors have been obtained. It is anticipated that the statement will be submitted to the Commission no later than November 1, 2000.

Subject to the conditions set forth below, this letter represents the promised statement by Presque Isle's Chief Executive Officer.

Presque Isle's *voluntary* agreement to provide an Electric Member Choice Program to its 1 MW members effective January 1, 2001, is conditioned on Presque Isle's existing all requirements power supplier, Wolverine Power Supply Cooperative, Inc. ("Wolverine") or a member of Wolverine, being eligible to



October 27, 2000

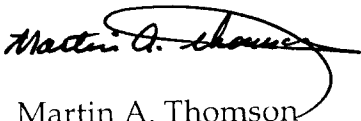
Page Two

participate in retail sales as a licensed AES. Upon information and belief, Wolverine or a member of Wolverine will soon be applying for an AES license pursuant to 2000 PA 141, §10a. In the event Wolverine or a member of Wolverine is prevented from participating as an AES, Presque Isle withdraws its agreement to voluntarily provide an Electric Member Choice Program to its 1 MW members effective January 1, 2001. Furthermore, in the event Presque Isle's Electric Member Choice Program is subject to substantial change, Presque Isle reserves the right to revise or withdraw this agreement.

It should be understood that Presque Isle's October 3, 2000 filing was the result of a collaborative effort with representatives of Great Lakes Energy Cooperative, HomeWorks Tri-County Electric Cooperative and Cherryland Electric Cooperative. Presque Isle realizes that there are significant regulatory and coordination issues to be addressed and, in many cases, Commission Staff feedback will be required. Presque Isle Realizes that the Electric Member Choice Program for its 1 MW members will necessarily evolve in this and related proceedings. However, Presque Isle has determined it appropriate to proceed with its Electric Member Choice Program to its 1 MW members effective January 1, 2001, if the Commission approves.

If there are questions or comments, do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin A. Thomson", with a stylized flourish extending from the end.

Martin A. Thomson
President & CEO

Copy: Bill Celio
Albert Ernst
Dennis Eicher
Jeff Laslie
Tom Stevenson
Craig Borr
Mike Peters