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September 24, 2001

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**Via First Class Mail
and Electronic Case Filing**

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

**Re: In the matter of the application of Detroit Edison Company to unbundle its
retail electric rates
Case No. U-12966**

Dear Ms. Wideman:

Enclosed for filing regarding the above-captioned matter please find the original and four copies of ***Reply to Exceptions to Proposal For Decision***. Also enclosed is the original ***Proof of Service***.

If you have any questions, please contact me. Thank you for your assistance.

Very truly yours,

John M. Dempsey

JMD/mds
Enclosure

C o u n s e l l o r s A t L a w

DETROIT BLOOMFIELD HILLS LANSING GRAND RAPIDS ANN ARBOR
WASHINGTON, D.C.

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application)
THE DETROIT EDISON COMPANY)
to unbundle its retail electric rates)
_____)

Case No. U-12966

PROOF OF SERVICE

STATE OF MICHIGAN)
)
COUNTY OF INGHAM)

Mindy D. Smith, being first duly sworn, deposes and says she is employed as a secretary at Dickinson Wright PLLC, that she caused a copy of ***Reply to Exceptions to Proposal For Decision***, to be served via email and by placing same in envelopes addressed to the parties on the attached list at their respective addresses, with proper first-class postage affixed thereto, and by causing the same to be deposited in a mail receptacle maintained by the United States Government in Lansing, Michigan on the 24th day of September, 2001.



Mindy D. Smith

Subscribed and sworn to before me,
a Notary Public in and for said County,
this 24th day of September, 2001.



Deann Baillargeon, Notary Public
Ingham County, Michigan
My Commission Expires: 2/16/03

SERVICE LIST
CASE NO. U-12966

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Detroit Edison Company

The Detroit Edison Company

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STATE OF MICHIGAN

BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of	)	
	)	BOH Docket No. 2001-1172
The application of The Detroit	)	
Edison Company to unbundle	)	MPSC Case No. U-12966
its retail electric rates	)	

REPLY TO EXCEPTIONS TO PROPOSAL FOR DECISION

The National Energy Marketers Association (NEM) hereby files this Reply to Exceptions to Proposal for Decision of Detroit Edison Company (Detroit Edison) dated September 13, 2001. NEM urges the Commission to reject the Exceptions set forth by Detroit Edison and to accept the recommendations of Administrative Law Judge Stump that Detroit Edison's application be dismissed and a new application be required.

Detroit Edison proposes to use a bill message to communicate Retail Access Service Tariff charges to customers to satisfy the mandates of Section 10b(2) of Act 141. NEM submits that this proposal clearly falls short of compliance with Section 10b(2) which explicitly required that, "each electric utility shall file an application with the commission to unbundle its existing commercial and industrial rate schedules and separately identify and charge for their discrete services."

NEM asserts that in order for consumers to see and respond to accurate price signals unbundled rates must be implemented. Detroit Edison must furnish unbundled embedded cost information that is sufficiently detailed to transparently quantify and provide sufficient information about each product, service, information or technology currently being provided by the utility such that the costs of competitive areas are capable of being identified and properly priced by the competitive marketplace.

Detroit Edison must fully disclose a breakout of each cost center so that the marketplace will have a fully transparent understanding of what each consumer is

paying for each product, service, information and technology that is currently bundled in its regulated rates. In failing to file unbundled rates, Detroit Edison is depriving market participants of the information necessary to foster development of a competitive retail market.

Detroit Edison should not be permitted to claim compliance with Act 141 simply by providing a bill message with RAST charges. This is not in furtherance of the clear requirements of Section 10b(2). For this reason NEM urges the Commission to require Detroit Edison to submit a new application setting forth fully unbundled rates.

Respectfully submitted,

A handwritten signature in black ink that reads "Craig G. Goodman /sg". The signature is fluid and cursive, with a large, stylized "G" and a clear "sg" at the end.

Craig G. Goodman, Esq.
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Dated: September 24, 2001.

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