S T A T E O F M I C H I G A N

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of **CONSUMERS ENERGY COMPANY** for authority to increase its rates for the distribution of natural gas and for other relief.	)))))	Case No. U-13000

E R R A T A

The Commission's order in Case No. U-13000, issued November 7, 2002, requires the following corrections to six tariff provisions that were attached to the order as Exhibit A:

(1) On Sheet No. B-45.00, the returned check charge set forth in Rule B6.2(G) should be changed to $15.00. It was incorrectly set forth as $25.00.

(2) On Sheet No. B-48.00, the charge set forth in Rule B6.3 to cover the cost of an employee's visit to the premises to collect an arrearage to avoid an immediate shutoff should be changed to $10.00. It was incorrectly set forth as $20.00.

(3) On Sheet No. B-59.00, the word "property" that appears in the second paragraph of Rule B10.2(A)(1) should be changed to the word "properly".

(4) On Sheets Nos. B-59.10 and B-59.20, Rules B10.2(A)(3) and B10.2(B)(2) should be deleted and the references to proportional refunds should be deleted from Rule B10.2(C)(2).

(5) On Sheet No. B-60.00, the words "to an existing structure with gas service" should be inserted between the words "facilities" and "is" in the third paragraph of Rule B11.A.

(6) On Sheet No. F-10.00, the language of the paragraph entitled "**Term and Form of Contract**" that is applicable to transportation service rates should be revised to read as follows:

> All service under this rate shall require a written contract with a minimum term of one year and month-to-month thereafter, which must be approved by an officer of the Company or a duly authorized agent

before it shall be binding upon the Company. A customer is eligible to request a return to sales rates 12 months from the date that the customer commenced taking service under the Transportation Service Rate Schedule. A customer requesting a return to sales service must provide the Company with a minimum of 12 months written notice of the customer's intent to return to sales rates. For purposes of the notice requirement, notice must be delivered to and received by the Company. The burden is on the customer to establish that notice has been given. The Company reserves the right to deny return to sales rates subject to the Company's Controlled Service Rule B3.

Corrected tariff sheets reflecting all of the above revisions are attached to this errata.

MICHIGAN PUBLIC SERVICE COMMISSION

D Wideman

Dorothy Wideman
Its Executive Secretary

November 22, 2002
Lansing, Michigan

B6.2 Bills and Payments (Contd)

B. Meter Reads and Estimated Bills

The Company shall schedule meters to be read on approximately a monthly basis and will attempt to read meters in accordance with such schedule.

When the Company is unable to obtain an actual meter reading, the bill shall be estimated on the basis of past service records, adjusted, as may be appropriate. Where past service records are not available or suitable for use, such billing shall be based upon whatever other service data are available. Each such account shall be adjusted as necessary each time an actual meter reading is obtained.

C. Customer Meter Reads

Bills rendered for gas service for periods for which readings were not obtained shall have the same force and effect as those based upon actual meter readings. Any customer may read his/her own meter and send the readings to the Company on appropriate forms which shall be provided by the Company.

D. Responsibility for Payment

The customer is responsible for the payment of bills until service is ordered shut off or terminated and the Company has had reasonable time to secure a final meter reading.

E. Due Date

The Company shall allow each residential customer a period of not less than 17 calendar days, and a nonresidential customer a period of not less than 21 calendar days, from the date the bill was transmitted to pay in full.

If a bill remains unpaid and not in dispute five days after its due date, the Company shall then have the right to issue to the customer a notice of intent to shut off service ten days or more after issuance of the notice.

F. Late Payment Charge

The Company shall assess a late payment charge as authorized by the Company's Gas Rate Schedule.

G. Returned Checks

A check remitted as a bill payment and returned or an authorized prepayment not honored by the bank or financial institution against which it is drawn shall be rebilled to the customer's account. A *$15.00* charge shall be assessed to the customer for processing a check or an authorized prepayment returned by a bank or other financial institution for reason of insufficient funds, account closed, no account and similar situations, excluding bank or financial institution errors.

B6.3 Restoration of Service (Contd)

Where service has been shut off for reasons as outlined in Rule B2.3, Use of Service, a meter relocation charge, if applicable, and assessed in accordance with Rule C5.55, Charges for Meter Relocation, shall be collected from the customer whose service was shut off. The Company shall charge the customer for relocating the meter, based on the Company's current cost.

The restoration charge and meter relocation charge, if applicable, shall be billed to the customer and shall be paid before service is restored.

If the customer about to be shut off for nonpayment elects to pay the energy arrears in full at the time of the disconnection, the Company employee shall be authorized to accept the payment. In addition to full payment of arrears, a *$10.00* charge shall be paid by the customer for sending the employee to the customer's premises.

In the case of shutoff of service, the Company shall restore service only after the customer has paid all applicable charges authorized by its Gas Rate Schedule, subject to the customer's right to dispute such charges as set forth in Rules C1-C7, Consumer Standards and Billing Practices for Residential Customers, and Rule D1, Commercial and Industrial Billing Practices.

A customer who orders a termination and a restoration of service at the same premises within a 12-month period shall be billed a "turnon" charge of $45.

B7. MAIN EXTENSIONS

Rule B7 has been superseded by Rule B11, however, customers taking service under main and/or service line extension projects initiated pursuant to Rules B7 and/or B8 will pay the charges applicable under those rules.

B7.1 Extension Policy

A. General

When the Company is reasonably assured of the permanence of service, and application is made for gas service which requires the extension of the Company's existing distribution mains within its service area, the Company shall make such extensions under the terms of Paragraph B below. This main extension policy is subject to Rule B2.4, Unusual Facility Requirements.

Each distribution main extension financed in part by customers shall be a separate, distinct unit and any further extension thereof shall have no effect upon the agreements under which such extension is constructed. The unrefunded portion of the deposit at the end of five years shall accrue to the Company. The amounts, if any, to be refunded shall be determined in accordance with the provisions of this rule.

B10.1 GAS COST RECOVERY CLAUSE (Cont'd)

C. Billing

(1) In applying the Gas Cost Recovery Factor, per Mcf or dekatherm, any fraction of 0.01 cent shall be rounded to the nearest 0.01 cent.

(2) Each month the Company shall include in its rates a Gas Cost Recovery Factor up to the maximum authorized by the Commission as shown on Sheet No. E-3.00. For months in which the Michigan Public Service Commission has not approved a specific Gas Cost Recovery Factor, the Company may include an appropriate Gas Cost Recovery Factor in its rates if authorized by law to do so.

(3) The Gas Cost Recovery Factor shall be the same per Mcf or Ccf for each billed customer. The factor shall be placed into effect in the first billing cycle of each monthly billing period and shall continue in effect throughout all cycles in each monthly billing period.

(4) The Gas Cost Recovery Factor shall appear on all customer bills.

D. General Conditions

(1) At least 15 days prior to a billing month for which the GCR factor to be billed is to differ from that currently in effect, the Company shall notify the Public Service Commission Staff as to the actual factor to be billed to its customers in the subsequent month.

(2) This Gas Cost Recovery Clause is authorized by the provisions of 1982 PA 304. A copy of that act is available for public inspection at each business office of the Company. The Company shall provide a copy of the act to any customer upon request.

B10.2 Standard Refund Procedures for Gas Cost Recovery and Other Supplier Refunds

A. Receipt of Refunds by the Company

(1) Supplier Refunds

By April 15 of each year, the Company shall notify the Michigan Public Service Commission Staff of any pipeline or other supplier refunds (other than a routine billing adjustment) received during the prior twelve months ended March 31. The notification shall be in the form of a letter, and include:

(a) The amount of each refund, including interest.
(b) The date each refund was received.
(c) The source and reason for each refund.
(d) The period covered by each refund (historical refund period).

Additionally, if any portion of any pipeline or other supplier refund is properly allocable to non-GCR customers, this amount, along with any calculations of deductions wherefrom for Company Use and Lost and Unaccounted-For Gas, shall also be included in the written notification.

Failure of the Company to report a refund to the Michigan Public Service Commission Staff by the April 15 deadline shall result in an interest penalty of 50% over the normal authorized rate of return on common equity for the period of time that the utility fails to comply with the refund notification requirement.

B10.2 Standard Refund Procedures for Gas Cost Recovery and Other Supplier Refunds (Contd)

A. Receipt of Refunds by the Company (Contd)

(2) Gas Cost Recovery (GCR) Plan Reconciliation

Over/(under)-recovery amounts arising from the annual GCR Reconciliation shall be reported in accordance with the provisions of 1982 PA 304.

B. Refund Allocation

(1) Supplier Refunds

Gas supplier refunds shall normally be allocated in their entirety to GCR sales customers. Where appropriate, supplier refunds shall be allocated between GCR and Non-GCR customers on the basis of actual consumption during the historical refund period.

Deductions for Company Use and Lost and Unaccounted-For volumes may be made from the portion of the refund allocable to transportation customers based upon the actual percentages for Company Use and Lost and Unaccounted-For during the historical refund period.

C. Refund Pass-Through

(1) To GCR Customers [Roll-in Methodology]

All supplier refunds allocable to GCR customers shall be reflected as adjustments to the GCR Cost of Gas Supply in the month received and should be included in "Purchased and Produced." Adjustments to prior year's GCR under- or over-recoveries and any Commission-ordered disallowances associated with a prior GCR period, along with all other refund liabilities will be reflected separately below the cost of gas sold line for the month of effect, in order that they may be included in the month-to-month rolling over/(under)-recovery balance for purposes of interest calculation, but without their affecting the costing of Company-Use and Lost & Unaccounted-for Gas.

The Company shall maintain records as to the source amount, and timing of each roll-in component.

Interest shall be accrued on the month-to-month rolling over/(under)-recovery balance at the rates specified in 1982 PA 304.

B10.2 Standard Refund Procedures for Gas Cost Recovery and Other Supplier Refunds (Contd)

C. Refund Pass-Through (Contd)

(2) To Non-GCR Customers [Traditional Methodology]

All Non-GCR customer refund liabilities shall be credited to a refund liability account to accrue interest until such time as these monies are authorized to be refunded. The interest rate for pipeline refunds, and unrefunded balances shall be Consumers' authorized rate of return on common equity.

Application for distribution of Non-GCR customer refund liabilities shall be included in Consumers' annual GCR reconciliation filing.

(3) Distribution of Non-GCR Customer Refunds in General

(a) Data Retention

Consumers shall maintain individual customer consumption data for a minimum period of four years. In addition, the last known address of each customer who has left Consumers' system shall be maintained for the same time period.

(b) Refund Distribution Period

The refund distribution period shall correspond to the period used to allocate the refund liability except when the allocation period exceeds the 48-month retention period for individual customer consumption data.

In the event that the refund allocation period covers time periods beyond the 48-month data retention period, a more current period for which data is available may be used as the refund distribution period.

When multiple refunds are being considered in the same refund proceeding, refund liability amounts allocated to each respective rate class may be aggregated and the sum distributed using the most logical refund distribution period.

(c) Current Customers

Refunds shall be made to current customers based upon their consumption at any location in the Company's service territory during the refund distribution period. Bill credits shall appear as a separate line item on the bill and be identified as a refund. Rights to any portion of a refund shall not vest until a refund amount has been credited to a customer's bill or a refund check to a past customer is negotiated.

B11. CUSTOMER ATTACHMENT PROGRAM

A. Purpose

The Company proposes to make extension of its gas mains and/or service lines from time to time, at its own cost, to serve applicants whose requirements will not disturb or impair the service to prior users or will not require an expenditure out of proportion to the revenue obtainable therefrom.

The Company reserves the right to delay or deny a request for service under this rule, if fulfilling such a request could, in the Company's opinion, create conditions potentially adverse to the Company or its customers. Such conditions may include, but are not limited to, safety issues, system operating requirements or capital constraints. The provisions under this Rule are in addition to the existing rules and tariffs for customer gas service.

When relocation or modification of Company facilities to an existing structure with gas service is requested or made necessary by the customer, all costs for the relocation or modification shall be charged to the requesting party.

B. Customer Contribution

A customer contribution shall be required *prior to construction* equal to the *following components*: Connection Fee plus any applicable Fixed Monthly Surcharge *or lump sum payment* plus any Excessive Service Line Fee *plus any Direct Charges. Direct Charges include, but are not limited to, any specific license fees, inspection fees, or rights of way fees charged by any political subdivision for any construction provided under this rule, and are to be paid the Company.*

Any written communication from the Company regarding construction activity and its associated contribution due from the customer, unless specified otherwise in the document, shall have an expiration date of 60 days from the date issued. If either the customer or the Company takes no action by that time, the Company shall have the right to withdraw the proposal or modify the conditions under which it was made.

C. Payment of Customer Contribution

The Connection Fee, Direct Charges *and the Excessive Service Line Fee are payable in lump sum at the time the service agreement is executed by the customer. The Connection Fee is non-refundable. The* Direct Charges and *Excessive Service Line Fee* are *refundable if the service line has not been installed. If the service line has been installed, the* Direct Charges and *Excessive Service Line* Fees are *non-refundable.*

Transportation Service Rate (Continued)
(Rates ST, LT, and XLT)

A customer's ATL shall be 8.5% of the Customer's ACQ unless the customer contracts for a different percent in accordance with the following table. The Transportation Charge shall be adjusted as follows:

Authorized As a % of ACQ Tolerance Level	*Transportation Charge Adjustment*
6.5%	*$(0.0420) Per Mcf*
7.5%	*$(0.0210) Per Mcf*
8.5%	*No Change*
9.5%	*$0.0210 Per Mcf*
10.5%	*$0.0420 Per Mcf*

The monthly injection of gas into the customer's ATL and additional *CSQ,* if any, shall be *at the customer's discretion except in* September and October *when any monthly injections in excess of the customer's CSQ plus 1.43% of the customer's ACQ,* will be charged the Load Balancing Charge.

Excess Pipeline Costs Surcharge

This surcharge shall be assessed to the customer.

Due Date and Late Payment Charge

The due date of the customer's bill shall be 21 days from the date of mailing. A late payment charge of 2% of the unpaid balance outstanding, net of taxes, shall be assessed to any bill that is not paid in full on or before the due date shown thereon.

General Terms and Conditions

This rate is subject to all general terms and conditions shown on Sheet No. E-1.00 of the Company's Gas Rate Schedule.

Term and Form of Contract

All service under this rate shall require a written contract with a minimum term of one year and month-to-month thereafter, which must be approved by an officer of the Company or a duly authorized agent before it shall be binding upon the Company. A customer *is* eligible to request a return to sales rates *12 months from the date that the customer commenced taking service under the Transportation Service Rate Schedule. A customer requesting a return to sales service* must provide ***the Company with*** a minimum of 12 months written notice of *the customer's* intent to return to sales rates. *For purposes of the notice requirement, notice must be delivered to and received by the Company. The burden is on the customer to establish that notice has been given.* The Company reserves the right to deny return to sales rates subject to the Company's Controlled Service Rule B3.

PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-13000
(Errata)

County of Ingham)

Gloria P. Jones being duly sworn, deposes and says that on November 22, 2002, A.D. she served a copy of the attached order, by mailing copies thereof by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.

Gloria Pearl Jones

Subscribed and sworn to before me
this 22nd day of November 2002

Catherine H Bewers

Notary Public, Eaton County, Michigan
Acting In Ingham County
My Commission expires November 22, 2004

SERVICE LIST FOR DOCKET # U - 13000- CASE #
DATE OF PREPARATION: 11/22/2002

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ALL RATE CASE ORDERS FOR THE 10 LARGEST UTIL

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