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June 7, 2006

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Re: MPSC Case No. U-14707
Withdrawal of Intervenors' First Issue from Consideration in This PSCR Case

Dear Judge Nickerson, Ms. Wellman & Gentlemen:

In our Initial Brief, Intervenors raised the issue of whether WEPCo is charging its Michigan tariff customers for any costs which are used to serve the Michigan Municipal Utility and WPPI loads and, if so, whether WEPCo should be required to offset any of its revenues from those sales against those costs. For the reasons set forth in their Initial Brief, Intervenors believe that this is a serious issue which merits thorough and appropriate consideration.

Upon further reflection, however, Intervenors believe that this issue can be more thoroughly and appropriately explored in the context of a PSCR reconciliation case. Accordingly, Intervenors are withdrawing from consideration in this PSCR Plan case the first issue set forth on pages 2 through 7 of our Initial Brief.

Very truly yours,

FRASER TREBILCOCK DAVIS & DUNLAP, P.C.

Thomas J.
Waters

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