

**ALTERNATIVE ELECTRIC SUPPLIER APPLICATION
FOR THE MICHIGAN PUBLIC SERVICE COMMISSION
RETAIL ACCESS PARTICIPATION AGREEMENT**

Michigan law, PA 286 of 2008, Section 10a(1)(a), provides that the Commission shall issue orders establishing that “no more than 10% of an electric utility’s average weather adjusted retail sales for the preceding calendar year may take service from an alternative electric supplier at any time.” On September 29, 2009, the Commission established procedures in Case No. U-15801 for implementation of Section 10a(1)(b)-(d) of Act 286 and opened dockets for all individual electric utilities’ filings. Electric utilities with choice sales during a month shall file this information in their 45-day report and shall post it on their website.

Michigan law, PA 295 of 2008, Section 23, requires that an alternative electric supplier (AES) file a proposed renewable energy plan (REP) with the Commission. On December 4, 2008 the Commission issued an order in Case No. U-15800, which required all AESs to file a REP with an opportunity for public comment on proposed plans. The Commission must approve or reject a filed plan within 90 days. A separate docket will be assigned for this filing after the license application is approved by the Commission. Section 173(1) of Act 295 requires the Commission to establish a statewide net metering program, which includes AES participation. On May 26, 2009, the Commission approved in Case No. U-15919, on an interim basis, the standard net metering application form, attached as Exhibit B in that order, for AES category 1 projects only.

Michigan law, PA 141 of 2000, requires that, prior to selling generation service to retail customers in Michigan, an AES must obtain a license from the Commission. A license can be obtained by satisfactory completion of this application form referred to as the Retail Access Participation Agreement. Within 90 days of the approval of an AES license by the Commission, an AES shall file its REP with the Commission.

The Commission’s terms and conditions must be adhered to by the applicant as a condition of maintaining a license. The applicant’s signature on this form attests to the accuracy of the information submitted and commits the applicant to adhere to the terms and conditions as set forth in the Commission’s order in Case No. U-11915.

Failure to provide accurate information on this form, to furnish any required supporting information including required affidavits, or to comply with the terms and conditions, can result in denial or revocation of a license. Upon approval of this application through an order issued by the Commission, the applicant will be licensed as an AES for purposes of selling electric generation services in Michigan.

1. Name, Michigan office address, and company website:	6. Specify type of provider (utility, marketer, utility affiliate, independent power producer):
2. Contact person or agent, telephone number, and e-mail:	7. Business affiliation (whether utility or other):
3. If principal place of business is outside Michigan, provide name, address, telephone number, and e-mail:	8. FERC authorization type(s) and number(s), if required:
4. Name, telephone number of 24-hour contact person for customers, and e-mail:	9. Broker’s name, address, telephone number, and e-mail (if applicable): (list all)
5. Type of legal entity (corporate, partnership, etc.):	10. Please list past or future planned name changes (if applicable):

11. Has the applicant or any predecessor of the applicant during your company's history:
- Mislead a potential customer into signing a contract;
 - Defaulted on a contract;
 - Did not abide by the terms of the contract;
 - Committed any violations of law or business ethics in connection with the provision of energy or energy-related products and services anywhere in the United States that resulted in a conviction or acceptance of a penalty for said behavior?

If the answer is yes to any of the above, please explain in detail. Subsequent violations must be disclosed within 30 days.

12. Submit, with this application or under separate cover if confidential:
- Certificate for Authority to Transact Business in Michigan (if Foreign Corp, LLC, LPC);
 - Audited financial statements of the applicant for its two most recent fiscal years or other documentation, by affidavit, providing detailed factual data pertaining to applicant's financial standing.
 - Provide the means for the required \$100,000 bond or letter of credit to ensure adequate service to customers in Michigan. (Draft language will be provided at a later date.)

13. A supplier must demonstrate that it has the necessary technical and managerial capabilities to ensure adequate service to customers in Michigan. Please provide the applicant's:
- Corporate/Company history with biographies of key personnel;
 - Safety record including any citations resulting from violations of any governmental or electric industry rule or regulation covering the sale of electric generation;
 - Service quality and reliability, including any violations or failures to perform on contracts or other obligations to sell or otherwise provide power.
 - In addition, applicant shall attach a separate affidavit that attests to:
 - (a) Applicant's technical ability to safely and reliably generate or otherwise obtain and deliver electricity and provide any other proposed services;
 - (b) The employees of the applicant that will be installing, operating and maintaining generation or transmission facilities within this state, or any entity with which the applicant has contracted to perform those functions within this state; and

- (c) List the requisite knowledge, skill, and competence to perform those functions in a safe and responsible manner in order to provide safe and reliable service.

PART II - COMPLIANCE COMMITMENT

A supplier must meet certain terms and conditions in order to retain its license as an Alternative Energy Supplier including: Financial Capability, Product/Service disclosure, Product/Service labeling and marketing practices, Customer enrollment, Customer confidentiality, Customer data requests, Customer involuntary service termination, Broker relationship, Reciprocity, State fee and revenue collection, Reporting, Customer education, and Service quality.

Suppliers shall be expected to fully comply with the provisions of this agreement as well as 2000 PA 141 and any Commission implementation orders related to this act. Failure to do so may result in revocation of the supplier's license to serve in accordance with the provisions of Section 10(c) of 2000 PA 141, leading to termination of the privilege to provide retail electric service in Michigan.

By signing this form the applicant and its representative: (1) certify that the information provided herein is accurate and complete, and (2) agree to abide by the provisions of this agreement.

Signature: _____ Date: _____

Name: _____ Title: _____

TERMS AND CONDITIONS ALTERNATIVE ELECTRIC SUPPLIER LICENSING PROGRAM

1. **Supplier information.** Applicant will apprise Commission staff of any change of its name, Michigan address, telephone number, and contact person or agent.
2. **Twenty-four hour contact.** A supplier or agent and telephone number must be made available at all times enabling communication between the customer and supplier. The supplier shall maintain an office within Michigan.
3. **FERC authorization.** Suppliers must obtain any authorizations required by the Federal Energy Regulatory Commission, including authorization to become registered as a Power Marketer, if required by law. A supplier must notify staff within 60 days of receiving any such authorization.
4. **Business practices and ethics disclosure.** Any violations of law or business ethics by the supplier or an agent of the supplier in connection with provision of energy or energy related products or services anywhere in the United States that results in a conviction or acceptance of a penalty for said behavior must be disclosed to the Commission within 30 days.

5. **Product/Service disclosure.** A supplier shall make available, to the extent available and practical, detailed information about the characteristic of the products and services offered, such as the owner, source(s), and fuel type(s) of energy that is in the supplier's portfolio.
6. **Product/Service labeling and marketing practices.** Suppliers must commit to following all state and federal laws, as well as Commission policies and practices that may be established to insure truthful representation of services is practiced in connection with the marketing and sale of electrical products and services in the Michigan retail access program.
7. **Customer enrollment.** Enrollment of customers in the Michigan retail access program must strictly follow the procedures established through the utility plans authorized by the Commission. Slamming (unauthorized switching) and cramming (unauthorized provision of additional service not requested by the customer) constitute serious offenses that may result in revocation of supplier license and/or other penalties.
8. **Customer confidentiality.** All information obtained by the supplier to provide service under this program concerning the customer and the customer's energy characteristics and use patterns is to be held in strict confidence. Such information may only be released to other parties upon supplier receipt of approval by the customer.
9. **Customer data requests.** Customers shall have the right to obtain supplier billing and energy usage data applicable to the customer that is in possession of the supplier.
10. **Customer involuntary service termination.** Involuntary customer service termination must comply with Section 10t of 2000 PA 141.
11. **Broker relationship.** Suppliers relying on the services of brokers must pledge a best faith effort to hold them to compliance with the relevant provisions of this agreement. Suppliers will be expected to identify aggregators they are associated with and shall supply the Commission with the broker's address, telephone number, name of a contact and business affiliation.
12. **State fee and revenue collection.** Suppliers will be required to collect all applicable state fees and charges levied on energy suppliers as a class of business providers, including those fees and charges established by the Commission to implement and enforce this program. Suppliers agree to collect and remit to local units of government all applicable users, sales, and use taxes.
13. **Reporting.**
 - a. Alternative electric suppliers shall report aggregated statistical data regarding their retail sales and wholesale transactions on a form provided by the Commission Staff and shall provide access to their books and records so that the Commission Staff can verify the accuracy of the reports. This information should be reported annually on the "Statistical Data Reporting Form".
 - b. Alternative electric suppliers shall file an annual report with the Commission summarizing the number and types of complaints received and their resolution. The

“Code of Conduct Report Form” is due to the Commission office by April 30 for the preceding year.

- c. Alternative electric suppliers shall file a proposed renewable energy plan with the Commission. A separate docket will be opened preceding a licensing order.
- d. The “Electric Interconnection and Net Metering Standards”, R 460.640, Rule 40, requires an AES to file annual net metering program report in a form to be determined by the Commission, not later than March 31 of each year. Also, a “Net Metering Application Form” is available for alternative electric suppliers to use for their customers who want to participate in a category 1 net metering project.

14. **Customer education.** Suppliers will be expected to participate in dissemination of information to the public to promote the retail choice program and otherwise inform the public about important aspects of participation to help customers make better informed decisions. Suppliers will also be expected to cooperate with such other information dissemination as the Commission determines to be in the public interest regarding the safe, reliable, and efficient supply of electricity services to Michigan consumers.

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