

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

\*\*\*\*\*

In the matter of the application of	)	
<b>THUMB ELECTRIC COOPERATIVE</b>	)	
for a power supply cost recovery reconciliation	)	Case No. U-11798-R
proceeding for the 12-month period ended	)	
December 31, 1999.	)	
_____	)	

At the July 6, 2000 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**ORDER APPROVING SETTLEMENT AGREEMENT**

On March 20, 2000, Thumb Electric Cooperative (Thumb) filed an application, with supporting testimony and exhibit, for a power supply cost recovery (PSCR) reconciliation proceeding for the 12-month period ended December 31, 1999.

Pursuant to due notice, a hearing was held on June 20, 2000 before Administrative Law Judge Daniel E. Nickerson, Jr. Thumb and the Commission Staff participated in the proceedings. Subsequently, the parties entered into a settlement agreement resolving all issues.

The settlement agreement, attached as Exhibit A, states that Thumb undercollected \$244,917 for the 12-month period ended December 31, 1999. The settlement agreement provides for collection of the \$244,917 undercollection from its customers by application of a surcharge of

approximately 2.70 mills per kilowatt hour during the billing months of July 2000 through February 2001, to be reconciled in March 2001.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1982 PA 304, as amended, MCL 460.6h et seq.; MSA 22.13(6h) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACRS, R 460.17101 et seq.

b. The settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved.

B. Thumb Electric Cooperative's collection of the \$244,917 undercollection from its customers shall be by application of a surcharge of approximately 2.70 mills per kilowatt hour in the billing months of July 2000 through February 2001, to be reconciled in March 2001.

C. Thumb Electric Cooperative shall file, within 30 days, four sets of tariff sheets essentially the same as those attached to the settlement agreement.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand  
Chairman

( S E A L )

/s/ David A. Svanda  
Commissioner

/s/ Robert B. Nelson  
Commissioner

By its action of July 6, 2000.

/s/ Dorothy Wideman  
Its Executive Secretary

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

---

Chairman

---

Commissioner

---

Commissioner

By its action of July 6, 2000.

---

Its Executive Secretary

In the matter of the application of )  
**THUMB ELECTRIC COOPERATIVE** )  
for a power supply cost recovery reconciliation )  
proceeding for the 12-month period ended )  
December 31, 1999. )  
\_\_\_\_\_ )

Case No. U-11798-R

Suggested Minute:

“Adopt and issue order dated July 6, 2000 approving the settlement agreement and authorizing Thumb Electric Cooperative to reconcile its power supply revenues and expenses for the 12-month period ended December 31, 1999, as set forth in the order.”