

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
THE DETROIT EDISON COMPANY to extend the)
customer reliability option of its standard contract)
rider No. R-10.)
_____)

Case No. U-12437

At the April 17, 2001 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Laura Chappelle, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER APPROVING APPLICATION

On May 16, 2000, The Detroit Edison Company (Detroit Edison) filed an application requesting approval to extend the customer reliability option of its standard contract rider No. R-10. This option expired December 31, 1999. In its application, which was amended on June 1, 2000, Detroit Edison seeks authority to extend the option to December 31, 2001.

Detroit Edison states that extension of this option will assist R-10 customers in the transition to a restructured electric industry by providing them an opportunity to explore alternative sources of power not otherwise available to Detroit Edison. It says that R-10 customers that are able to take service from a third-party supplier under Detroit Edison's direct retail access program will be able to explore power supply alternatives through 2001 in anticipation of full retail access and the potential to negotiate and obtain longer term or larger volume retail access power supply.

After reviewing the application, the Commission finds that Detroit Edison's proposal is reasonable and in the public interest. The Commission reaches this conclusion because the expiration of the option is timed to coincide with the onset of full retail open access. The Commission will not approve any similar application once retail open access is available to all customers. Further, the Commission finds that ex parte approval of the application is appropriate because it will not result in an increase in the rates, charges, or cost of service for Detroit Edison's customers.

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.; 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 AACCS, R 460.17101 et seq.
- b. Detroit Edison's proposal is reasonable and in the public interest, and should be approved.
- c. Ex parte approval of the application is appropriate.

THEREFORE, IT IS ORDERED that:

- A. The Detroit Edison Company's application requesting authority to extend the customer reliability option of its rider No. R-10 to December 31, 2001 is approved.
- B. The Detroit Edison Company shall file, within 30 days, four sets of tariff sheets incorporating this modification, as shown on Exhibit A attached to this order.

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/ Laura Chappelle
Chairman

(S E A L)

/s/ David A. Svanda
Commissioner

/s/ Robert B. Nelson
Commissioner

By its action of April 17, 2001.

/s/ Dorothy Wideman
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

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By its action of April 17, 2001.

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Suggested Minute:

“Adopt and issue order dated April 17, 2001 authorizing The Detroit Edison Company to extend the customer reliability option of its standard contract rider No. R-10, as set forth in the order.”