

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,)	
to make an administrative determination regarding)	
the proper classification of transmission and)	
distribution facilities of WOLVERINE POWER)	Case No. U-13862
SUPPLY COOPERATIVE, INC. , and to submit)	
findings to the Federal Energy Regulatory)	
Commission.)	
_____)	

At the April 28, 2005 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. J. Peter Lark, Chairman
Hon. Robert B. Nelson, Commissioner
Hon. Laura Chappelle, Commissioner

REVISED ADMINISTRATIVE DETERMINATION

On August 26, 2003, the Commission issued an administrative determination regarding its opinion of the appropriate division between the transmission and local distribution facilities of Wolverine Power Supply Cooperative, Inc. (Wolverine), pursuant to the criteria set forth by the Federal Energy Regulatory Commission (FERC) in its Order No. 888.¹

¹Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, Order No. 888, 61 Fed Reg 21,540; FERC Stats & Regs, Regulations Preambles January 1991 to June 1996 ¶ 31,036 (1996). Thereafter, the FERC issued Order No. 888-A, which addressed requests for rehearing of Order No. 888 and reaffirmed the FERC's findings regarding the jurisdictional delineation between transmission and local distribution facilities. 62 Fed Reg 12,274; III FERC Stats and Regs ¶ 31,048, at pp. 30,181-82, 30,335-46 (1997).

On December 15, 2004, Wolverine submitted a supplemental analysis of the issues discussed in the August 26, 2003 administrative determination. Wolverine requested that the Commission accept its supplemental analysis and take such further action as the Commission finds appropriate.

After considering the matter, the Commission solicited comments from interested parties regarding the merits of the supplemental analysis prepared by Wolverine. From January 28, 2005 to date, the Commission has received nearly 50 separate letters, comments, and exhibits from Wolverine, Consumers Energy Company (Consumers), customers of both utilities, the Commission Staff (Staff), and other interested persons.

On April 20, 2005, the Staff filed its final comments. In so doing, the Staff stated:

Based upon its review of the extensive data supplied in this case, and the need for participation in regional bulk power transfer, and for purposes of moving this case forward and limited to the facts in this case, Staff recommends the Commission find that those Wolverine facilities listed in Exhibit 1 perform a transmission function and are properly classified as transmission facilities. The Wolverine facilities listed in Exhibit 2 should not be classified as transmission facilities.

In summary, the following facilities should be included, and classified as transmission:

1. All Wolverine 138 kV looped line facilities
2. All Wolverine 138 kV transmission stations
3. All Wolverine 138-69 kV interconnection facilities
4. All Wolverine 69 kV looped line facilities
5. All Wolverine 69 kV stations and equipment except excluded facilities

The following facilities should be excluded from transmission designation because of their primary use and function:

1. All 69 kV radial lines
2. All 69 kV line switches at radial taps serving distribution substations
3. All 69 kV breaker/recloser stations on radial lines
4. All generation step-up facilities
5. All 69 kV transmission stations with only two looped line terminations (no matter how many radial lines terminate at the station)

Staff final comments, pp. 2-3.

On April 21, 2005, in response to the Staff's filing and exhibits, both Wolverine and Consumers filed statements of non-objection.

Based on these considerations and consistent with our previous orders applying the seven factor test, the Commission concludes that the Staff's April 20, 2005 recommendations should be adopted.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 et seq.

b. The Staff's April 20, 2005 recommendations, which are attached to this order as Exhibit A, should be adopted.

c. The Commission's revised administrative determination should be submitted to the FERC for its consideration.

THEREFORE, IT IS ORDERED that the Commission's Executive Secretary shall transmit a copy of the Commission's revised administrative determination in this proceeding to the Federal Energy Regulatory Commission.

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

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ J. Peter Lark

Chairman

(S E A L)

/s/ Robert B. Nelson

Commissioner

/s/ Laura Chappelle

Commissioner

By its action of April 28, 2005.

/s/ Mary Jo Kunkle

Its Executive Secretary

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

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

By its action of April 28, 2005.

Its Executive Secretary

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EXHIBITS OF
MPSC STAFF'S FINAL COMMENTS

April 20, 2005

Exhibit 1
Wolverine Power Cooperative
Included Transmission Facilities

Included Transmission Line Segment	Length in Miles	Voltage (kV)
Advance - Advance D	0.91	69
Advance - Elmira	16.26	69
Advance - Wilson	4.70	69
Advance D - East Jordan Jct.	4.66	69
Airport - Posen	16.21	69
Alba - Mancelona	4.51	69
Allendale - Blendon	2.11	69
Alpine - Gaylord	3.41	69
Altona - Hinton Jct.	4.70	69
Altona - Vestaburg	19.52	69
Atlanta - Avalon	12.16	69
Avalon - Hillman	9.58	69
Bagley - Gaylord OCB	3.32	69
Baldwin - Plains Jct.	6.94	69
Baseline Jct. - Lemon Jct.	2.39	69
Bass Lake - Brethren	18.11	69
Blendon - Fairview	7.49	69
Boyne City - Petoskey	10.48	69
Burnips - Drenthe Jct.	11.30	69
Burnips - Goodwin Jct.	13.09	69
Burnips - Lowell Jct.	39.05	69
Cadillac - Leroy	19.30	69
Canada Creek - Atlanta	13.84	69
Casnovia - Cedar Springs	10.45	69
Casnovia - Sternberg	19.39	69
Cedar Springs - Howard City	14.88	69
Cheboygan - Mullet Lake	9.38	69
Chester - Mulliken Jct.	9.18	69
Chester - Vermontville	10.69	69
Coffax - Walkerville	2.36	69
Copemish - Brethen	10.81	69
Copemish - Karlin Jct.	13.59	69
Crawford - Vestaburg	8.99	69
Deerfield - Winn Jct.	7.04	69
East Bay - Potter	4.32	69
East Jordan Jct. - Graves Crossing	7.14	69
Eden - Crystal Valley Jct.	7.45	69
Elmira - Alpine	3.61	69
Fairview - Drenthe Jct.	1.10	69
Fowler - Essex Jct.	4.71	69
Fowler - Westphalia Jct.	10.13	69
Garfield - TCL&P tie	3.72	69
Gaylord - Johannesburg Jct.	7.43	69
Gaylord Plant - Bagley	4.00	69
Goodwin Jct. - Wayland	4.58	69
Grand Haven - Osipoff	2.94	69
Grand Traverse - Grawn	5.21	69
Graves Crossing - Alba	4.72	69
Grawn - Garfield Jct.	7.68	69
Grawn - Karlin Jct.	6.61	69
Hart - City of Hart	3.92	69
Hart - Walkerville	9.49	69
Hastings - Gun Lake Jct.	5.61	69
Hawks - Hagensville Jct.	7.43	69
Hersey - Altona	24.02	69
Hersey - Leroy	14.59	69
Hersey - Leroy Jct.	3.05	69
Hersey - Lincoln Jct.	4.02	69
Hersey - Osceola Jct.	3.51	69
Hersey - Paris Jct.	13.96	69
Hesperia - Rodgers	8.76	69
Hinton Jct. - Pierson Jct.	9.25	69
Howard City - Pierson Jct.	9.14	69

Exhibit 1
Wolverine Power Cooperative
Included Transmission Facilities

Included Transmission Line Segment	Length in Miles	Voltage (kV)
Kalkaska MPPA - Kalkaska Jct.	5.58	69
Kewadin - Milton	3.45	69
Lake County - Bass Lake	8.35	69
Lake County - Fountain Jct.	6.25	69
Lewiston - Atlanta	12.02	69
Lewiston - Johannesburg Jct.	10.19	69
Lincoln Jct. - Baldwin	16.47	69
Mancelona - Westwood	6.70	69
Martin - Weidman	8.37	69
Martiny - Osceola Jct.	10.69	69
Middleville Jct. - Wayland	10.69	69
Millersburg - Hawks	9.53	69
Mullet Lake - Fingerboard Jct.	9.75	69
New Era Jct. - Lemon Jct.	1.15	69
Newaygo - Casnovia	9.86	69
North Shade - Essex Jct.	3.88	69
North Shade - Vestaburg	19.29	69
Oden - Pellston	11.05	69
Odessa - Middleville Jct.	19.79	69
Odessa - Sebewa Jct.	3.37	69
Onaway - Canada Creek	9.08	69
Osipoff - Allendale	14.53	69
Paris Jct. - Brohman Jct.	14.73	69
Pellston - Cheboygan	18.43	69
Petoskey - Oden	5.24	69
Plains Jct. - Colfax	10.24	69
Plains Jct. - Star Lake	7.02	69
Portland - Lowell Jct.	20.82	69
Portland - Mulliken Jct.	6.40	69
Portland - Sebewa Jct.	6.85	69
Portland - Westphalia Jct.	8.73	69
Posen - Hagensville Jct.	6.37	69
Potter - Grand Traverse 69	2.24	69
Redwood - Baseline	5.56	69
Redwood - Crystal Valley Jct.	5.18	69
Redwood - Hart	1.77	69
Scottville - Eden	6.12	69
Scottville - Victory Jct.	2.21	69
Shelby - New Era Jct.	4.21	69
Shelby - Rodgers	5.00	69
South Boardman - Cadillac	28.03	69
South Boardman - East Bay	15.93	69
South Boardman - Kalkaska MPPA	4.33	69
Star Lake - Lake County	7.72	69
Sternberg - Grand Haven	9.67	69
Tower - Fingerboard Jct.	2.63	69
Tower - Millersburg	12.31	69
Tower - Onaway	4.82	69
Vermontville - Hastings	23.53	69
Victory Jct. - Fountain Jct.	6.96	69
Wayland - Bradley	0.03	69
Wayland - Gun Lake Jct.	5.58	69
Weidman - Deerfield	9.70	69
Westwood - Kalkaska Jct.	6.95	69
White Cloud - Brohman Jct.	8.09	69
White Cloud - Hesperia	22.12	69
White Cloud - Newaygo	12.99	69
Wilson - Boyne City	3.04	69
Winn Jct. - Crawford	0.71	69
Airport 138 - METC (double circuit = 1.32)	2.64	138
Alba 138 - METC	0.36	138
Atlanta - Airport 138	30.62	138
Bradley Tie 138	0.51	138

Exhibit 1
Wolverine Power Cooperative
Included Transmission Facilities

Included Transmission Line Segment	Length in Miles	Voltage (kV)
Lake County - Pere Marquette 138	18.37	138
Livingston - Atlanta 138	31.17	138
Vestaburg Tie 138 (double circuit = 3.01)	6.02	138
Redwood Tie 138	0.75	138
Total	1,185.64	
Included Transmission Substations		
Advance Transmission		
Airport Transmission and Interconnection		
Alba Transmission and Interconnection		
Altona Transmission		
Atlanta Transmission		
Blendon Transmission and Interconnection		
Bradley Interconnection		
Burnips Transmission		
Cadillac Transmission		
Casnovia Transmission		
Gaylord Transmission 69 and 138		
Grand Traverse Transmission and Interconnection		
Grawn Transmission		
Hersey Transmission		
Lake County Transmission		
Livingston Interconnection		
Oden Transmission and Interconnection		
Pere Marquette Interconnection		
Plains Junction Transmission		
Portland Transmission		
Redwood Transmission and Interconnection		
South Boardman Transmission		
Sternberg Transmission and Interconnection		
Tower Transmission		
Vestaburg Transmission and Interconnection		
White Cloud Transmission		
Atlanta Switching Station		
Burnips Switching Station		
Hersey Switching Station		
Portland Switching Station		
Tower Switching Station		
Vestaburg Switching Station		
Wayland Switching Station		

Exhibit 2
Wolverine Power Cooperative
Excluded Transmission Facilities

Excluded Radial Line Segment	Length in Miles
Altona - Morley	10.28
Bagley Tap	0.08
Bass Lake - Wolf Lake	11.10
Beaver Lake - Hillman	13.12
Black Lake - Hammond Bay	12.78
Brohman Tap	1.34
Brooks Tap	3.22
Canadian Lakes Tap	1.00
Carson City Tap	5.63
Chester - Eaton Rapids	18.41
Colfax Tap	0.08
Copemish - Thompsonville	8.86
Deerfield Tap	0.02
Drenthe Tap	0.24
East Bay - Bates	5.89
East Jordan - Eastport	11.42
East Jordan Jct - East Jordan	2.17
Eastport - Barnard	9.93
Fairview - Zeeland	0.56
Fingerboard Tap	6.58
Fountain Tap	6.41
Fowler - Greenbush	9.04
Garfield Junction - Lake Leelanau	16.93
Goodwin Tap	0.37
Grand Ledge Tap	3.86
Graves Crossing - Central Lake	7.90
Grawn - Lake Ann	12.55
Grawn Tap	0.06
Hagensville Tap	5.70
Harbor Springs - West Traverse	10.64
Harbor Tap	3.31
Hartwick to Marion	9.71
Hayes Tap	11.85
Hersey Tap	0.03
Hinton Tap	0.42
Interlochen Tap	1.05
Johannesburg Tap	6.84
Kalkaska Tap	2.13
Karlin Tap	0.15
Lebanon Tap	4.66
Leroy to Hartwick	9.70
Leroy to Tustin	7.67
Lewiston - Lovells	15.19
Lincoln Extension	8.13
Lowell Tap	5.28
Middleville Tap	0.42
New Era Tap	0.07
Newaygo Tap	0.02
Osceola Tap	0.74
Otsego Tap	7.76
Paris Tap	1.26
Pellston - Cross Village	9.08
Pierson Tap	1.87
Posen - Grand Lake	9.89
Reynolds Tap	0.01
Sebewa Tap	0.01
Secor Tap	0.04
Silver Lake Tap	6.28
South Boardman - Fife Lake	7.95
Stickney - Riverton	6.51
Suttons Bay Tap	2.62
Timberlee Tap	0.36
Tower - Black Lake	4.21

**Exhibit 2
Wolverine Power Cooperative
Excluded Transmission Facilities**

Excluded Radial Line Segment	Length in Miles
Victory Tap	4.95
Weare Tap	4.72
Weidman - Stevenson	11.45
Westphalia Tap	3.87
Westwood - Clam River	11.42
Westwood - Manistee	11.93
Winn Tap	3.16
Total Miles	392.89
Excluded Stations	
Chester	
North Shade	
Weidman	
Fairview	
Grand Haven	
Grand Haven North	No Wolverine records
Osipoff	No Wolverine records
Rodgers	
Scottville	
Bass Lake	
Copemish	
Garfield Recloser Station	
Westwood Recloser Station	
Graves Junction Recloser Station	
East Jordan Junction Recloser Station	
Gaylord Breaker Station	
Lewiston Recloser Station	
Posen Breaker Station	
Posen Recloser Station	
Black Lake Recloser Station	
Pellston	
Petoskey	
Zeeland	
Additional Excluded Facilities	
Generation step up facilities	
69 kV line switches associated with distribution radials	