

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the complaint and application)	
for tariff amendment of CLEVELAND-CLIFFS)	
INC. et al against WISCONSIN ELECTRIC POWER)	Case No. U-15039
COMPANY for approval of a transitional primary rate.)	
_____)	

In the matter of the application of)	
WISCONSIN ELECTRIC POWER COMPANY,)	
d/b/a WE ENERGIES, for authority to increase)	
retail electric rates, establish a new tariff for large)	Case No. U-15071
customers with a minimum non-firm capacity of 50)	
megawatts, and related approvals.)	
_____)	

At the October 12, 2006 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. J. Peter Lark, Chairman
Hon. Laura Chappelle, Commissioner
Hon. Monica Martinez, Commissioner

ORDER COMBINING DOCKETS

On September 8, 2006, Cleveland-Cliffs, Inc., Empire Iron Mining Partnership (by its managing agent The Cleveland-Cliffs Iron Company (CCIC), a wholly owned subsidiary of Cleveland-Cliffs), and Tilden Mining Company (by its managing agent CCIC), (collectively, Cleveland-Cliffs *et al*), filed a pleading styled as a complaint and application for an amendment to the tariffs of Wisconsin Electric Power Company (Wisconsin Electric) seeking an order from the Commission approving a transitional primary rate (TPR) rider effective January 1, 2008, the

availability of which would be limited to loads with more than 50 megawatts of demand that are currently served under a power purchase agreement rather than the utility's general tariffs.

On September 28, 2006, Wisconsin Electric filed an application to increase its rates for the retail sale of electricity, including a request for partial and immediate rate relief, as well as a request for authority to implement new and revised tariff rates. Specifically, Wisconsin Electric stated that the company was "proposing a new tariff for large customers with a minimum non-firm capacity of 50 megawatts" ...and ..."that this tariff will be available to existing special contract customers, Empire Iron Mining Partnership and Tilden Mining Company ...at the expiration of the Mines' contracts, effective January 1, 2008." Application, p. 2.

Given the parallel paths that these two matters will take, the Commission finds that these dockets should be combined. Further, to ensure that the common goal of these applications, the creation of a new tariff applicable to large customers with a minimum non-firm capacity of at least 50 megawatts, is ripe for decision before expiration of Cleveland-Cliffs *et al*'s special contracts, the Commission directs that the administrative law judge establish a nine-month schedule for these cases to enable the Commission to issue a final order in these proceedings on or before July 12, 2007.

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 dockets in these proceedings should be combined.

c. The administrative law judge assigned to these proceedings should be directed to establish a nine-month schedule to enable the Commission to issue a final order in these matters on or before July 12, 2007.

THEREFORE, IT IS ORDERED that:

A. The dockets in these proceedings shall be combined.

B. The administrative law judge assigned to these proceedings shall establish a nine-month schedule to enable the Commission to issue a final order in these matters on or before July 12, 2007.

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/ Laura Chappelle

Commissioner

/s/ Monica Martinez

Commissioner

By its action of October 12, 2006.

/s/ Mary Jo Kunkle

Its Executive Secretary

c. The administrative law judge assigned to these proceedings should be directed to establish a nine-month schedule to enable the Commission to issue a final order in these matters on or before July 12, 2007.

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B. The administrative law judge assigned to these proceedings shall establish a nine-month schedule to enable the Commission to issue a final order in these matters on or before July 12, 2007.

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

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

By its action of October 12, 2006.

Its Executive Secretary