

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of )  
**EDISON SAULT ELECTRIC COMPANY** )  
for a waiver from certain provisions of the )  
residential billing rules. )  
\_\_\_\_\_ )

Case No. U-14851

At the December 4, 2007 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman  
Hon. Monica Martinez, Commissioner  
Hon. Steven A. Transeth, Commissioner

**ORDER APPROVING WAIVER REQUEST**

On October 4, 2007, Edison Sault Electric Company (Edison Sault) filed an application in this docket requesting a waiver of R 460.113(1), as provided under R 460.169(3) of the Consumer Standards and Billing Practices for Electric and Gas Residential Service (residential billing rules).

On November 7, 2007, Edison Sault filed an amended application.

R 460.169(3) provides:

Upon written request of a person, utility, or on its own motion, the commission may temporarily waive any requirements of these rules when it determines the waiver will further the effective and efficient administration of these rules and is in the public interest.

R 460.113(1) provides:

Except as specified in this rule, a utility shall provide all residential customers with an actual monthly meter reading as defined in R 460.102. A utility may estimate a meter reading only if an actual meter reading cannot be obtained by any reasonable or applicable method described in R 460.102. If a utility cannot obtain

an actual meter reading, then the utility shall maintain records of the efforts made to obtain an actual meter reading and its reasons for failure to obtain an actual meter reading.

Edison Sault states that it currently reads most of its customers' meters on a bi-monthly basis and estimates bills for the months that the meters are not read. Edison Sault asserts that it rarely has customer inquiries about estimated reads and that there have been no formal complaints regarding its estimated billing, or any other of its billing practices, filed with the Commission over the past five years. Edison Sault estimates that monthly meter reading would increase annual costs per customer by \$19.00 the first year and \$13.00 every succeeding year.

If the Commission grants the requested waiver, Edison Sault asserts that it will continue to read "high-use" meters on a monthly basis and that it will not charge interest or penalties on late payments of estimated bills. In addition, Edison Sault shall inform customers annually that it performs bi-monthly meter reads. Customers who prefer monthly reads may opt to perform self reads and report meter readings to Edison Sault with a postage paid, pre-addressed card or may opt to have estimated reads at zero usage and be billed for two months of actual usage when the meter is read.

The Commission finds that Edison Sault's request for a waiver is reasonable and meets the standard for a waiver set forth in R 460.169(3). The Commission confirms that there have been few, if any, complaints filed with the Commission concerning Edison Sault's meter reading procedures. Moreover, Edison Sault's estimated billing procedures, as shown in Attachment A to the amended application, are appropriate and will assure reasonable billing accuracy. The Commission finds that Edison Sault's request for a waiver of R 460.113(1) should be granted for one year along with its request for approval of its billing estimation procedures under R 460.113(2). If

Edison Sault wishes to extend the waiver, it may apply for another waiver within one year of the date of this order.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, MCL 460.551 *et seq.*; 1909 PA 300, MCL 462.2 *et seq.*; 1919 PA 419, MCL 460.51 *et seq.*; 1939 PA 3, MCL 460.1 *et seq.*; 1969 PA 306, MCL 24.201 *et seq.*; and the Commission's Rules of Practice and Procedure, 1999 AC, R 460.17101 *et seq.*

b. The waiver of R 460.113(1) for Edison Sault should further the effective and efficient administration of the residential billing rules and is in the public interest.

c. The waiver requests should be approved.

THEREFORE, IT IS ORDERED that:

A. Edison Sault Electric Company's request for a waiver of R 460.113(1) is granted for one year effective on the date of this order.

B. Edison Sault Electric Company's meter reading estimating conditions and procedures, as set forth in Attachment A to its application, are approved.

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, under MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ Orjiakor N. Isiogu  
Chairman

( S E A L )

/s/ Monica Martinez  
Commissioner

/s/ Steven A. Transeth  
Commissioner

By its action of December 4, 2007.

/s/ Mary Jo Kunkle  
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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Chairman

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Commissioner

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Commissioner

By its action of December 4, 2007.

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Its Executive Secretary

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Suggested Minute:

“Adopt and issue order dated December 4, 2007 granting the request filed by Edison Sault Electric Company for a waiver of R 460.113(1) of the residential billing rules and approving Edison Sault Electric Company’s estimated billing procedures, as set forth in the order.”