

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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|-------------------------------------------|---|------------------|
| In the matter of the application of       | ) |                  |
| <b>THE DETROIT EDISON COMPANY</b>         | ) |                  |
| for approval of its experimental electric | ) | Case No. U-16406 |
| vehicle tariff.                           | ) |                  |
| _____                                     | ) |                  |

At the August 10, 2010 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman  
Hon. Monica Martinez, Commissioner  
Hon. Greg R. White, Commissioner

**OPINION AND ORDER**

On July 20, 2010, The Detroit Edison Company (Detroit Edison) filed an application requesting that the Commission approve its proposed experimental electric vehicle tariff.

In its application, Detroit Edison indicated that it is in the process of evaluating customer utilization of electric vehicles throughout its electric service territory and specifically, the operational effects of using electric vehicles, the customer and ratepayer benefits of utilizing off-peak charging of these vehicles, and the associated infrastructure requirements to facilitate charging these vehicles.

Detroit Edison explained that, to facilitate this evaluation, it is proposing an experimental electric vehicle tariff that will be made available on an optional basis to a maximum of 2,500 residential customers seeking separately-metered service for the sole purpose of charging licensed electric vehicles. Most customers enrolled for service under the tariff will receive a separate meter

that is capable of recording the energy used to charge the electric vehicles and the time of day that the charging occurs. Detroit Edison proposed that eligible customers be provided two rate options: one that provides a lower rate for charging during off-peak hours (all hours other than between 9:00 AM and 11:00 PM Monday through Friday), and another that provides for a monthly flat fee of \$40 per vehicle.

Detroit Edison requested approval **to**, through December 31, 2012, at the customer's option: (1) fund up to \$2,500 for the separately metered circuit including the approved charging station; or (2) if the approved charging station is provided by the manufacturer, Detroit Edison will fund up to \$2,500 for the separately metered circuit and the installation of the charging station. Customers who opt for this equipment will be required to execute an agreement with the company that specifies terms and conditions regarding the use of such equipment.

Detroit Edison requested that the Commission approve the experimental electric vehicle tariff and authorize deferral of costs through the use of Account 186 (Miscellaneous Deferred Debits). The company further requested assured recovery of the deferred costs in a subsequent general rate case. The deferred recovery of the expense incurred to provide and install the equipment referenced above and the deferral period of this expense would be from the time the experimental electric vehicle tariff is approved by the Commission until the time the expense is included in a subsequent general rate case. Detroit Edison is not requesting any change in the rates or cost of service to other customers.

The Staff reviewed Detroit Edison's application and agrees with the company's proposal, except for the recovery of deferred costs.

The Commission finds that the proposed experimental electric vehicle tariff is reasonable and in the public interest, and should be approved. However, the monthly flat-fee option shall be

limited to 250 customers. A statistically significant sample of the customers receiving the flat-fee option shall receive demand meters for purposes of analyzing charging patterns. The Commission authorizes, for ratemaking purposes, the deferred accounting of the expense incurred to install the equipment referenced above until the time the expense is included in a subsequent general rate case. With respect to Detroit Edison's request for the deferred costs recorded to Account 186 (Miscellaneous Deferred Debits), the Commission agrees with this accounting treatment. However, the Commission defers its decision on recovery of these costs until the company's next general rate case. The Commission finds that approving the proposed tariff and accounting authority does not result in any change in the rates or cost of service to other customers. Thus, approval of the experimental electric vehicle tariff may be authorized by the Commission without notice or hearing as provided by MCL 460.6a.

THEREFORE IT IS ORDERED that:

A. The Detroit Edison Company's experimental electric vehicle tariff D1.9 is approved for service rendered on and after August 11, 2010.

B. The Commission authorizes, for ratemaking purposes, the deferred accounting of the expense incurred to install the equipment referenced above until the time the expense is included in a subsequent general rate case.

C. Within 30 days, The Detroit Edison Company shall file with the Commission tariff sheets consistent with Exhibit A 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.

MICHIGAN PUBLIC SERVICE COMMISSION

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Orjiakor N. Isiogu, Chairman

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Monica Martinez, Commissioner

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Greg R. White, Commissioner

By its action of August 10, 2010.

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Mary Jo Kunkle, Executive Secretary

**EXHIBIT A**

M.P.S.C. No. 10 - Electric  
The Detroit Edison Company

Original Sheet No. D-\_\_\_\_\_

**RATE SCHEDULE NO. D1.9**

**EXPERIMENTAL ELECTRIC VEHICLE RATE**

**AVAILABILITY OF SERVICE:** Available on an optional basis to residential customers desiring separately metered service for the sole purpose of charging licensed electric vehicles. Installations must conform to the Company's specifications. A statistically significant sample of participants will receive demand meters. Service under this tariff is limited to 2,500 customers.

**HOURS OF SERVICE:** 24 Hours

**CURRENT, PHASE AND VOLTAGE:** Alternating current, single-phase, nominally at 240 volts, three wire. In certain city districts, alternating current is supplied from a Y connected secondary network from which 208 volts, three-wire service may be taken

**CONTRACT TERM:** Open order, terminable on three days' notice by either party. Where special services are required, the term will be as specified on the applicable contract rider.

**MINIMUM CHARGE:** The Service Charge plus any applicable per meter per month surcharges.

**LATE PAYMENT CHARGE:** See Section C4.8.

**OPTION 1: TIME OF DAY PRICING**

**Full Service Customers:**

**Power Supply Charges:**

**Energy Charge:**

14.0¢ per kWh for all On-peak kWh

3.5¢ per kWh for all Off-peak kWh

**On-Peak Hours:** All kWh used between 9 am and 11 pm Monday through Friday.

**Off-Peak Hours:** All other kWh used.

**Delivery Charges:**

**Service Charge:** \$1.95 per month

**Distribution Charge:** 4.195¢ per kWh for all kWh

**Surcharges and Credits:** As approved by the Commission. See Sections C8.5 and C9.8.

**Retail Access Service Customers:**

**Residential Delivery Charges:**

**Service Charge:** \$1.95 per month

**Distribution Charge:** 4.195¢ per kWh for all kWh

**Surcharges and Credits:** As approved by the Commission. See Sections C8.5 and C9.8.

Issued \_\_\_\_\_, 2010  
D. G. Brudzynski  
Vice President  
Regulatory Affairs  
Detroit, Michigan

Effective for service rendered on  
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Issued under authority of the  
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In Case No. U-16406

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**RATE SCHEDULE NO. D1.9 (CONTD)**

**EXPERIMENTAL ELECTRIC VEHICLE RATE**

**OPTION 2: MONTHLY FLAT FEE**

*Monthly Fee: \$40 per month per vehicle.*

*Surcharges and Credits: Included in monthly flat fee.*

*The monthly flat-fee option shall be limited to 250 customers. A statistically significant sample of the customers receiving the flat-fee option shall receive demand meters for purposes of analyzing charging patterns.*

**SPECIAL TERMS AND CONDITIONS:**

*Service under this rate must be supplied through a separately metered circuit and approved electric vehicle charging equipment. Installations must conform with the Company's specifications.*

**Electric Vehicle Supply Equipment (EVSE) Option:**

*Through December 31, 2012, Detroit Edison will, at the customer's option, provide and install the required separately metered circuit including the approved charging station (if not otherwise provided) up to a cost of \$2,500.*

*Customers who elect the EVSE Option must execute a contract with Detroit Edison that specifies the terms and conditions of the agreement.*

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