

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,	)	
to implement a voluntary electric supplier licensing	)	
program.	)	Case No. U-11915
_____	)	

At the March 2, 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

ORDER

On October 6, 2008, Governor Jennifer M. Granholm signed into law the "Clean, Renewable, and Efficient Energy Act," 2008 PA 295, MCL 460.1001 *et seq.* (Act 295). The Commission implemented Act 295 pursuant to a temporary order issued on December 4, 2008. Act 295 requires alternative electric suppliers (AES) in Michigan to file renewable energy plans (REP) with the Commission. Section 23 of Act 295 sets forth REP requirements. Act 295 also establishes a statewide net metering program and requires the Commission to promulgate net metering rules.

After the REP is filed, the Commission shall provide an opportunity for public comment and shall approve, with any changes consented to by the AES, or reject the REP within 90 days from the date the plan is filed with the Commission.

In light of these new requirements for electric providers, the licensing application form, which was originally approved by the June 19, 2000 order in Case No. U-11915, and the licensing

process for AESs must be amended. The Commission Staff revised the licensing application form and procedures for prospective suppliers to use in applying for licenses, attached as Exhibit 1. The application form(s) shall be available through the Commission and on the Commission's website at www.michigan.gov/mpsc.

THEREFORE, IT IS ORDERED that the revised licensing application form and procedures for prospective alternative electric suppliers to use in applying for licenses, attached as Exhibit 1, is 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

Orjiakor N. Isiogu, Chairman

Monica Martinez, Commissioner

Greg R. White, Commissioner

By its action of March 2, 2010.

Mary Jo Kunkle, Executive Secretary

**ALTERNATIVE ELECTRIC SUPPLIER APPLICATION
FOR THE MICHIGAN PUBLIC SERVICE COMMISSION
RETAIL ACCESS PARTICIPATION AGREEMENT**

Michigan law, PA 286 of 2008, Section 10a(1)(a), provides that the Commission shall issue orders establishing that “no more than 10% of an electric utility’s average weather adjusted retail sales for the preceding calendar year may take service from an alternative electric supplier at any time.” On September 29, 2009, the Commission established procedures in Case No. U-15801 for implementation of Section 10a(1)(b)-(d) of Act 286 and opened dockets for all individual electric utilities’ filings. Electric utilities with choice sales during a month shall file this information in their 45-day report and shall post it on their website.

Michigan law, PA 295 of 2008, Section 23, requires that an alternative electric supplier (AES) file a proposed renewable energy plan (REP) with the Commission. On December 4, 2008 the Commission issued an order in Case No. U-15800, which required all AESs to file a REP with an opportunity for public comment on proposed plans. The Commission must approve or reject a filed plan within 90 days. A separate docket will be assigned for this filing after the license application is approved by the Commission. Section 173(1) of Act 295 requires the Commission to establish a statewide net metering program, which includes AES participation. On May 26, 2009, the Commission approved in Case No. U-15919, on an interim basis, the standard net metering application form, attached as Exhibit B in that order, for AES category 1 projects only.

Michigan law, PA 141 of 2000, requires that, prior to selling generation service to retail customers in Michigan, an AES must obtain a license from the Commission. A license can be obtained by satisfactory completion of this application form referred to as the Retail Access Participation Agreement. Within 90 days of the approval of an AES license by the Commission, an AES shall file its REP with the Commission.

The Commission’s terms and conditions must be adhered to by the applicant as a condition of maintaining a license. The applicant’s signature on this form attests to the accuracy of the information submitted and commits the applicant to adhere to the terms and conditions as set forth in the Commission’s order in Case No. U-11915.

Failure to provide accurate information on this form, to furnish any required supporting information including required affidavits, or to comply with the terms and conditions, can result in denial or revocation of a license. Upon approval of this application through an order issued by the Commission, the applicant will be licensed as an AES for purposes of selling electric generation services in Michigan.

1. Name, Michigan office address, and company website:	6. Specify type of provider (utility, marketer, utility affiliate, independent power producer):
2. Contact person or agent, telephone number, and e-mail:	7. Business affiliation (whether utility or other):
3. If principal place of business is outside Michigan, provide name, address, telephone number, and e-mail:	8. FERC authorization type(s) and number(s), if required:
4. Name, telephone number of 24-hour contact person for customers, and e-mail:	9. Broker’s name, address, telephone number, and e-mail (if applicable): (list all)
5. Type of legal entity (corporate, partnership, etc.):	10. Please list past or future planned name changes (if applicable):

11. Has the applicant or any predecessor of the applicant during your company's history:
- Mislead a potential customer into signing a contract;
 - Defaulted on a contract;
 - Did not abide by the terms of the contract;
 - Committed any violations of law or business ethics in connection with the provision of energy or energy-related products and services anywhere in the United States that resulted in a conviction or acceptance of a penalty for said behavior?

If the answer is yes to any of the above, please explain in detail. Subsequent violations must be disclosed within 30 days.

12. Submit, with this application or under separate cover if confidential:
- Certificate for Authority to Transact Business in Michigan (if Foreign Corp, LLC, LPC);
 - Audited financial statements of the applicant for its two most recent fiscal years or other documentation, by affidavit, providing detailed factual data pertaining to applicant's financial standing.
 - Provide the means for the required \$100,000 bond or letter of credit to ensure adequate service to customers in Michigan. (Draft language will be provided at a later date.)
13. A supplier must demonstrate that it has the necessary technical and managerial capabilities to ensure adequate service to customers in Michigan. Please provide the applicant's:
- Corporate/Company history with biographies of key personnel;
 - Safety record including any citations resulting from violations of any governmental or electric industry rule or regulation covering the sale of electric generation;
 - Service quality and reliability, including any violations or failures to perform on contracts or other obligations to sell or otherwise provide power.
 - In addition, applicant shall attach a separate affidavit that attests to:
 - (a) Applicant's technical ability to safely and reliably generate or otherwise obtain and deliver electricity and provide any other proposed services;
 - (b) The employees of the applicant that will be installing, operating and maintaining generation or transmission facilities within this state, or any entity with which the applicant has contracted to perform those functions within this state; and

- (c) List the requisite knowledge, skill, and competence to perform those functions in a safe and responsible manner in order to provide safe and reliable service.

PART II - COMPLIANCE COMMITMENT

A supplier must meet certain terms and conditions in order to retain its license as an Alternative Energy Supplier including: Financial Capability, Product/Service disclosure, Product/Service labeling and marketing practices, Customer enrollment, Customer confidentiality, Customer data requests, Customer involuntary service termination, Broker relationship, Reciprocity, State fee and revenue collection, Reporting, Customer education, and Service quality.

Suppliers shall be expected to fully comply with the provisions of this agreement as well as 2000 PA 141 and any Commission implementation orders related to this act. Failure to do so may result in revocation of the supplier's license to serve in accordance with the provisions of Section 10(c) of 2000 PA 141, leading to termination of the privilege to provide retail electric service in Michigan.

By signing this form the applicant and its representative: (1) certify that the information provided herein is accurate and complete, and (2) agree to abide by the provisions of this agreement.

Signature: _____ Date: _____

Name: _____ Title: _____

TERMS AND CONDITIONS ALTERNATIVE ELECTRIC SUPPLIER LICENSING PROGRAM

1. **Supplier information.** Applicant will apprise Commission staff of any change of its name, Michigan address, telephone number, and contact person or agent.
2. **Twenty-four hour contact.** A supplier or agent and telephone number must be made available at all times enabling communication between the customer and supplier. The supplier shall maintain an office within Michigan.
3. **FERC authorization.** Suppliers must obtain any authorizations required by the Federal Energy Regulatory Commission, including authorization to become registered as a Power Marketer, if required by law. A supplier must notify staff within 60 days of receiving any such authorization.
4. **Business practices and ethics disclosure.** Any violations of law or business ethics by the supplier or an agent of the supplier in connection with provision of energy or energy related products or services anywhere in the United States that results in a conviction or acceptance of a penalty for said behavior must be disclosed to the Commission within 30 days.

5. **Product/Service disclosure.** A supplier shall make available, to the extent available and practical, detailed information about the characteristic of the products and services offered, such as the owner, source(s), and fuel type(s) of energy that is in the supplier's portfolio.
6. **Product/Service labeling and marketing practices.** Suppliers must commit to following all state and federal laws, as well as Commission policies and practices that may be established to insure truthful representation of services is practiced in connection with the marketing and sale of electrical products and services in the Michigan retail access program.
7. **Customer enrollment.** Enrollment of customers in the Michigan retail access program must strictly follow the procedures established through the utility plans authorized by the Commission. Slamming (unauthorized switching) and cramming (unauthorized provision of additional service not requested by the customer) constitute serious offenses that may result in revocation of supplier license and/or other penalties.
8. **Customer confidentiality.** All information obtained by the supplier to provide service under this program concerning the customer and the customer's energy characteristics and use patterns is to be held in strict confidence. Such information may only be released to other parties upon supplier receipt of approval by the customer.
9. **Customer data requests.** Customers shall have the right to obtain supplier billing and energy usage data applicable to the customer that is in possession of the supplier.
10. **Customer involuntary service termination.** Involuntary customer service termination must comply with Section 10t of 2000 PA 141.
11. **Broker relationship.** Suppliers relying on the services of brokers must pledge a best faith effort to hold them to compliance with the relevant provisions of this agreement. Suppliers will be expected to identify aggregators they are associated with and shall supply the Commission with the broker's address, telephone number, name of a contact and business affiliation.
12. **State fee and revenue collection.** Suppliers will be required to collect all applicable state fees and charges levied on energy suppliers as a class of business providers, including those fees and charges established by the Commission to implement and enforce this program. Suppliers agree to collect and remit to local units of government all applicable users, sales, and use taxes.
13. **Reporting.**
 - a. Alternative electric suppliers shall report aggregated statistical data regarding their retail sales and wholesale transactions on a form provided by the Commission Staff and shall provide access to their books and records so that the Commission Staff can verify the accuracy of the reports. This information should be reported annually on the "Statistical Data Reporting Form".
 - b. Alternative electric suppliers shall file an annual report with the Commission summarizing the number and types of complaints received and their resolution. The

“Code of Conduct Report Form” is due to the Commission office by April 30 for the preceding year.

- c. Alternative electric suppliers shall file a proposed renewable energy plan with the Commission. A separate docket will be opened preceding a licensing order.
- d. The “Electric Interconnection and Net Metering Standards”, R 460.640, Rule 40, requires an AES to file annual net metering program report in a form to be determined by the Commission, not later than March 31 of each year. Also, a “Net Metering Application Form” is available for alternative electric suppliers to use for their customers who want to participate in a category 1 net metering project.

14. **Customer education.** Suppliers will be expected to participate in dissemination of information to the public to promote the retail choice program and otherwise inform the public about important aspects of participation to help customers make better informed decisions. Suppliers will also be expected to cooperate with such other information dissemination as the Commission determines to be in the public interest regarding the safe, reliable, and efficient supply of electricity services to Michigan consumers.

P R O O F O F S E R V I C E

STATE OF MICHIGAN)

Case No. U-11915

County of Ingham)

Mignon Middlebrook being duly sworn, deposes and says that on March 2, 2010 A.D. she served a copy of the attached Commission orders by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.

Mignon Middlebrook

Subscribed and sworn to before me
This 2nd day of March 2010

Gloria Pearl Jones
Notary Public, Ingham County, MI
My Commission Expires June 5, 2016

Service List U-11915

Attorney General of Michigan
Special Litigation Division, 7th Fl.
525 W. Ottawa Street
P.O. Box 30212
Lansing MI 48909

David C. Champion
Champion & Company LPA
3296 W. Market Street
Fairlawn OH 44333

Kenneth P. Frankland
1137 Alton Road
East Lansing MI 48823

Ronald E. Russell
Russell & Russell PC
5211 Delta River Drive
Lansing MI 48906

John A. Ponitz
John A. Ponitz P.C.
24170 Sherwood
Center Line MI 48015

Stephen O. Schultz
Fahey Schultz Burzych Rhodes PLC
4151 Okemos Road
Okemos MI 48864

Glen A. Schmiede
Foster Swift Collins & Smith PC
313 S. Washington Square
Lansing MI 48933

William G. Youatt
1558 Haslett Road
P.O. Box 189
Haslett MI 48840-0189

Michael J. Sheridan
Sheridan Larson
3035 S. Ellsworth Road
Suite 144
Mesa AZ 85212

P R O O F O F S E R V I C E

STATE OF MICHIGAN)

Case No. U-11915

County of Ingham)

Lisa Felice being duly sworn, deposes and says that on March 2, 2010 A.D. she served a copy of the attached **Commission Order (Commission's Own Motion) via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).

Lisa Felice

Subscribed and sworn to before me
this 1st day of March 2010

Sharron A. Allen
Notary Public, Ingham County, MI
My Commission Expires August 16, 2011

ontrea@CHARTERMI.NET	The Ontonagon County Rea. Assoc.
akb@ALPENAPOWER.COM	No Name Available
jbedford@ALPENAPOWER.COM	No Name Available
Jackie.Seghi@CONSTELLATION.COM	No Name Available
hendersond@DTEENERGY.COM	No Name Available
Ldalessandris@FES.COM	No Name Available
Nbaharuddin@FES.COM	No Name Available
rlferguson@INEGRYSGROUP.COM	No Name Available
arana@MICHIGAN.GOV	No Name Available
djtyler@MICHIGANGASUTILITIES.COM	No Name Available
kerriw@TEAMMIDWEST.COM	No Name Available
meghant@TEAMMIDWEST.COM	No Name Available
dbraun@TECMI.COOP	No Name Available
vobmgr@UP.NET	Village of Baraga
ron.cerniglia@DIRECTENERGY.COM	Direct Energy Business/Direct
Energy Service	
info@VILLAGEOFCLINTON.ORG	Village of Clinton
jepalinc@CMSENERGY.COM	CMS Energy Resource Mgt Co
Jayne@HOMEWORKS.ORG	Tri-County Electric Co-Op
mkappler@HOMEWORKS.ORG	Tri-County Electric Co-Op
patessner@HOMEWORKS.ORG	Tri-County Electric Co-Op
psimmer@HOMEWORKS.ORG	Tri-County Electric Co-Op
aurora@FREEWAY.NET	Aurora Gas Company
frucheyb@DTEENERGY.COM	Citizens Gas Fuel Company
dwjoos@CMSENERGY.COM	Consumers Energy Company
mpscfilings@CMSENERGY.COM	Consumers Energy Company
dsawruk@EDISONSAULT.COM	Edison Sault Electric Company
lbaatz@EDISONSAULT.COM	Edison Sault Electric Company
stephen.bennett@EXELONCORP.COM	Exelon Energy Company
kdc Curry@AEP.COM	Indiana Michigan Power Company
jim.vansickle@SEMCOENERGY.COM	SEMCO Energy Gas Company
kay8643990@YAHOO.COM	Superior Energy Company
ronan.patterson@WE-ENERGIES.COM	Wisconsin Electric Power Company
tharrell@CHARTERINTERNET.COM	Alger Delta Cooperative
patti.williams@BAYFIELDELECTRIC.COM	Bayfield Electric Cooperative
tonya@CECELEC.COM	Cherryland Electric Cooperative
sfarnquist@CLOVERLAND.COM	Cloverland Electric Cooperative
sboeckman@GLENERGY.COM	Great Lakes Energy Cooperative
mkrause@AIRADVANTAGE.NET	Thumb Electric Cooperative
rnuss@NISOURCE.COM	Energy USA- TPC Corp
rami.fawaz@POWERONECORP.COM	PowerOne Corp
cjmiszuk@FES.COM	FirstEnergy Solutions Corp.
llopez@LIBERTYPOWERCORP.COM	Liberty Power Delaware (Holdings)
jlehmkuhl@NILESMI.ORG	Niles Utilities Department
kmarklein@STEPHENSON-MI.COM	Stephson Utilities Department
fzimmer@CITYOFMARSHALL.COM	Marshall Electric Dept. (Union
City)	
ktozzini@USGANDE.COM	Michigan Gas and Electric
sharonkr@PIEG.COM	Presque Isle Electric & Gas
Cooperative, INC	
tsobeck@PIEG.COM	Presque Isle Electric & Gas Co-op
igoodman@COMMERCEENERGY.COM	Commerce Energy
dhaubensak@CORNERENERGY.COM	Cornerstone Energy
mpscfilings@DTEENERGY.COM	DTE Energy
brian.hoeger@EXELONCORP.COM	Exelon Energy
vnguyen@MIDAMERICAN.COM	MidAmerican Energy
rarchiba@FOSTEROIL.COM	My Choice Energy

cborr@WPSCI.COM
(Wolverine Po
donald.reck@XCELENERGY.COM
cityelectric@ESCANABA.ORG
crystalfallsmgr@HOTMAIL.COM
felichel@MICHIGAN.GOV
bday@SPARKENERGY.COM
nsilvestri@UNIVERSALENERGY.CA
Corporation
tomwhite@GLADSTONEMI.COM
daustin@IGSENERGY.COM
hkingerski@MXENERGY.COM
pnewton@BAYCITYMI.ORG
aallen@GHBLP.ORG
sbn@LBWL.COM
jreynolds@MBLP.ORG
erice@TCLP.ORG
chall@CMSENERGY.COM
dmzwitte@CMSENERGY.COM
jonesj@DTEENERGY.COM
bschlansker@PREMIERENERGYONLINE.COM
rcarrier@SEL.COM
nroehrs@STLOUISMI.COM
shelm@AMERICANPOWERNET.COM
zach.halkola@TRAXYS.COM
ttarkiewicz@CITYOFMARSHALL.COM
rroller@BAARDENERGY.COM
kunklem@MICHIGAN.GOV
ElectricDept@PORTLAND-MICHIGAN.ORG
blefevere@CI.EATON-RAPIDS.MI.US
ham557@GMAIL.COM
gbass@SEMPRASOLUTIONS.COM
AKlaviter@INTEGRYSENERGY.COM
jcasadont@BLUESTARENERGY.COM
galvin@LAKESHOREENERGY.COM
doug.gugino@REALGY.COM
mrunck@VEENERGY.COM
jfrench@WYAN.ORG
kmaynard@WYAN.ORG
rboston@SEMPRASOLUTIONS.COM
jgriffith@CI.STURGIS.MI.US
pbeckhusen@MUNI.CBPU.COM
akinney@HILLSDALEBPU.COM
rjrose@HILLSDALEBPU.COM
mrzwiers@INTEGRYSGROUP.COM
Power/Wisconsi
dczarnecki@CHARTERINTERNET.COM
davidw@BPW.ZEELAND.MI.US

Spartan Renewable Energy, Inc.

Xcel Energy
City of Escanaba
City of Crystal Falls
Lisa Felice
Spark Energy Gas, LP
Universal Gas & Electric

City of Gladstone
Interstate Gas Supply Inc
MxEnergy Inc.
Bay City Electric Light & Power
Grand Haven Board of Light & Power
Lansing Board of Water and Light
Marquette Board of Light & Power
Traverse City Light & Power
CMS ERM Michigan LLC
CMS ERM Michigan LLC
Metro Energy LLC
Premier Energy Marketing LLC
Strategic Energy LLC
City of Saint Louis
American PowerNet Management, L.P.
U.P. Power Marketing, LLC
City of Marshall
Nordic Marketing of Michigan.com
Mary Jo Kunkle - MPSC
City of Portland
City of Eaton Rapids
Lowell S.
Royal Bank of Scotland
Integrays Energy Service, Inc WPSES
BlueStar Energy Services
Lakeshore Energy Services
Realgy Energy Services
Volunteer Energy Services
Wyandotte Municipal Services
Wyandotte Municipal Services
Sempra Energy Solutions
City of Sturgis
Coldwater Board of Public Utilities
Hillsdale Board of Public Utilities
Hillsdale Board of Public Utilities
Mich Gas Utilities/Upper Penn

Negunee Department of Public Works
Zeeland Board of Public Works