

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the approval of a code of conduct	)	
for CONSUMERS ENERGY COMPANY and	)	Case No. U-12134
THE DETROIT EDISON COMPANY.	)	
_____	)	

At the January 23, 2001 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Laura Chappelle, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER

On June 5, 2000, Public Act 141 of 2000, the Customer Choice and Electricity Reliability Act (Act 141), MCL 460.10 et seq.; MSA 22.13.(10) et seq., took effect. Subsection 10a(4) of Act 141 directed the Commission to issue, within 180 days, an order establishing a code of conduct for all electric utilities regulated by the Commission and for all alternative electric suppliers. On December 4, 2000, the Commission issued an order in this case adopting a code of conduct designed to promote fair competition in Michigan by establishing measures to prevent cross-subsidization, information sharing, and preferential treatment between a utility's regulated and unregulated services, whether those services are provided by the utility or its affiliated entities. Pursuant to the December 4, 2000 order, each utility or alternative electric supplier was given 90 days from that date to file its respective code of conduct compliance plan.

On January 3, 2001, The Detroit Edison Company, Consumers Energy Company, and the Michigan Electric Cooperative Association (collectively, the industry) submitted a joint request for immediate interim relief. Specifically, the industry requested, among other things, that the Commission extend the deadline for filing code of conduct compliance plans.

According to the joint request, preparation for compliance with the code of conduct is a complex undertaking that will require industry members to (1) relocate facilities, equipment, and employees, (2) overhaul sales, marketing, and promotional activities, (3) re-evaluate and reformulate financings, and (4) revise myriad internal procedures. Moreover, the joint request continues, numerous petitions for rehearing, reconsideration, and clarification of the Commission's December 4, 2000 order are anticipated and the resolution of those petitions will likely take until at least mid-February 2001.¹ According to the industry, this would leave insufficient time to develop and submit all necessary compliance plans by the currently-established deadline of March 5, 2001. The industry therefore proposes that the Commission revise the first sentence of Section VI of the code of conduct, extend the filing deadline set forth in that section, and give each electric utility and alternative electric supplier until 90 days following the Commission's final order on all motions for rehearing, reconsideration, and clarification to file their respective compliance plans.

The Commission has reviewed the industry's joint request for immediate interim relief and finds that its proposal to extend the filing deadline set forth in Section VI of the code of conduct should be granted in part. Specifically, it concludes that the utilities and alternative electric suppliers should be given additional time to submit their code of conduct compliance plans. Never-

¹As anticipated by the industry, several petitions for rehearing, reconsideration, and clarification of the Commission's December 4, 2000 were ultimately submitted in this case. Responses to those petitions are due January 24, 2001.

theless, the Commission further concludes that granting the industry 60 days following issuance of the Commission's upcoming order on rehearing, reconsideration, and clarification to file their compliance plans should be adequate.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.
- b. The industry's joint request for immediate interim relief should be granted, in part.
- c. Section VI of the code of conduct should be revised to provide each electric utility and alternative electric supplier until 60 days following issuance of the Commission's upcoming order on rehearing, reconsideration, and clarification.

THEREFORE, IT IS ORDERED that:

- A. The joint request for immediate interim relief submitted on January 3, 2001 by The Detroit Edison Company, Consumers Energy Company, and the Michigan Electric Cooperative Association is granted, in part.
- B. Section VI of the code of conduct adopted by the Commission's December 4, 2000 order is revised to provide that each electric utility and alternative electric supplier shall have until 60 days following issuance of the upcoming order on rehearing, reconsideration, and clarification in this case to file its respective code of conduct compliance plan.

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

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ Laura Chappelle
Chairman, abstaining.

(S E A L)

/s/ David A. Svanda
Commissioner

/s/ Robert B. Nelson
Commissioner

By its action of January 23, 2001.

/s/ Dorothy Wideman
Its Executive Secretary

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

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman, abstaining.

Commissioner

Commissioner

By its action of January 23, 2001.

Its Executive Secretary

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Suggested Minute:

“Adopt and issue order dated January 23, 2001 granting, in part, the joint request for immediate interim relief and extending the schedule for filing code of conduct compliance plans, as set forth in the order.”