

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of CLOVERLAND)	
ELECTRIC COOPERATIVE for authority to)	
reconcile renewable energy plan costs associated)	Case No. U-16353
with the plan approved in Case No. U-15816,)	
for the period ended December 31, 2010.)	

SETTLEMENT AGREEMENT

On July 25, 2011, Cloverland Electric Cooperative (Cloverland) filed an application for authority to reconcile its Renewable Energy Plan (REP) for the period that ended December 31, 2010.

For the 12-month period that ended December 31, 2010, Cloverland's REP did not include a request for a renewable energy surcharge pursuant to Section 45 of 2008 PA 295 or changes to the expenses recovered through the Power Supply Cost Recovery mechanism pursuant to Section 47 of 2008 PA 295, and no renewable energy surcharges were applied to Cloverland's customers in 2010. Thus, Cloverland reported no collections and no expenditures.

Cloverland acquired Edison Sault Electric Company in 2010. The Commission approved this acquisition in an order issued April 27, 2010 in Case U-16035.

At the prehearing conference on October 6, 2011, Administrative Law Judge Theresa A. Sheets presiding, Cloverland presented proof of service of the mailing of the Notice of Hearing on all cities, incorporated villages, townships, and counties in its service area, and also presented an affidavit evidencing the requisite publication of the notice.

Only the Michigan Public Service Commission Staff (Staff) and Cloverland participated in the proceedings. No other parties attempted to intervene or otherwise participate. This proceeding was conducted as a contested case matter pursuant to Chapter 4 of the Administrative Procedures Act of 1969, 1969 PA 306.

It is the opinion of Cloverland and Staff that this Settlement Agreement will promote the public interest, will aid the expeditious conclusion of this case, and will minimize the time and expense which would otherwise have to be devoted to this matter by the Commission and the parties. This Settlement Agreement is for the purpose of final resolution of this case and all provisions of same are dependent upon all other provisions contained herein.

This Settlement Agreement is submitted pursuant to Section 78 of the Administrative Procedures Act of 1969, as amended (1969 PA 306, § 78; MCL 24.278). By this Settlement Agreement, Cloverland and Staff hereby agree and stipulate as follows:

1. Cloverland's 2010 Renewable Energy Annual Report satisfies the requirements of 2008 Public Act 295.
2. For the 12-month period that ended December 31, 2010, Cloverland was not authorized to charge, nor did it collect, a renewable energy surcharge. Thus, there are no revenues or expenditures to reconcile.
3. Cloverland and Staff jointly recommend that the Commission issue its Order Approving Settlement Agreement.
4. This Settlement Agreement has been made for the sole and express purpose of reaching compromise among the positions of the signatory parties without

prejudice to their rights to take new and/or different positions in other proceedings. If the Commission approved this Settlement Agreement without modification, neither the parties to this Settlement Agreement nor the Commission shall make any reference to or use of the Settlement Agreement or the order approving it as a reason, authority, rationale, or example for taking any action or position or making any subsequent decision in this case or any other case or proceeding; provided, however such reference or use may be made to enforce the Settlement Agreement and order.

5. Section 81 of the Administrative Procedures Act of 1969 is waived by the signatories.

Dated: November 1, 2011

MICHIGAN PUBLIC SERVICE COMMISSION
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Dated: November 1, 2011

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