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**RETAIL ACCESS SERVICE RIDER – RIDER EC2**

**E1 INTRODUCTION**

This Rider is designed to express the terms and conditions associated with retail access service in the Detroit Edison Electric Choice Program, as well as provide information regarding the roles of the various market participants. This Rider includes the following sections:

Introduction and Definitions	Sec. 1
Customers	Sec. 2 - 10
Alternative Electric Suppliers	Sec. 11 - 18
Marketers	Sec. 19 - 21

- In the Detroit Edison Electric Choice Program, Detroit Edison will maintain a relationship and interact with at least three separate participants: The Customer, the Alternative Electric Supplier and the Marketer. One entity may be responsible for both the Alternative Electric Supplier and Marketer roles. Detroit Edison has separately defined the retail and wholesale functions behind electric supply in a competitive environment.

**E1.1 Availability**

Available for metered service in conjunction with Rate Schedule Nos. D1 through E5, inclusive, when the customer wishes to take power supply service from an Alternative Electric Supplier. This Rider is not available for unmetered service.

**E1.2 The Customer Role**

The Customer is the end-user of Power at one or more locations in the State of Michigan who has facilities connected to the Detroit Edison distribution system. Under retail access service, the Customer will conduct transactions with at least two entities - Detroit Edison and an Alternative Electric Supplier. The Customer is responsible for choosing an Alternative Electric Supplier.

Detroit Edison's principal requirement is that the Customer must already be connected to the Detroit Edison Distribution System as a Full Service Customer or meet the requirements for new Customers connecting to the Detroit Edison Distribution System. All Primary Customers and Secondary Customers with Customer Service Capacities greater than 300 kW must execute Customer Distribution Agreements with Detroit Edison.

**E1.3 The Alternative Electric Supplier Role**

An Alternative Electric Supplier is an entity that has obtained all the necessary legal approvals to sell retail electricity in Michigan.

The Alternative Electric Supplier buys products and services needed to provide power to Customers, combines these products and services in different marketing packages, and sells the packages to Customers. Alternative Electric Suppliers must meet all applicable statutory and regulatory requirements of Michigan and Federal law.

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## RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)

### E1 INTRODUCTION (CONTD)

#### E1.4 The Marketer Role

The Marketer is an entity that acts as a wholesale supplier; takes title to power and has FERC authorization to market energy services. FERC authorization allows the Marketer to use transmission systems to move power from the generator(s) to the distribution system. The Marketer is either a FERC-authorized power Marketer or a utility. As defined by FERC, in the context of this Rider, the Marketer is responsible for all Transmission-related responsibilities related to serving the retail access customers served by its supply. These include: scheduling energy, obtaining ancillary services, and paying energy imbalance charges. The Alternative Electric Supplier and Marketer functions may be handled by one entity or may be performed by different parties. Either way, both the Alternative Electric Supplier role and the Marketer role must be performed to complete delivery to a Customer.

#### E1.5 Definitions

**Aggregator** means an entity that combines the energy consumption of multiple Customers for the purpose of meeting minimum load criteria necessary for retail access service.

**Alternative Electric Supplier (AES)** means an entity that has obtained all the necessary approvals to sell retail electricity in Michigan, and is licensed by the Michigan Public Service Commission. An AES does not physically deliver electricity directly to retail Customers in the state.

**Commission** means the Michigan Public Service Commission.

**Customer** means, for purposes of retail access service, an entity with electrical load facilities connected to the Detroit Edison Distribution System that purchases or receives Power from an Alternative Electric Supplier and which Power is delivered to its Location(s) pursuant to this Rider. All Customers, regardless of the voltage level of the service, are considered to be connected to the Detroit Edison Distribution System.

**Customer Service Capacity** means the load carrying capability of the Detroit Edison metering installation at the Customer's site, based on the thermal limits of the meter and any associated transformers.

**Demand** means the amount of power required to meet the Customer's load, generally expressed in kilowatts or megawatts, at a given instant or averaged over a designated interval of time.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E1.5 Definitions (Contd)**

**Detroit Edison’s Distribution System** means facilities operated by Detroit Edison for the purpose of distributing electric power within Detroit Edison’s electric service territory, which are subject to the jurisdiction of the Commission.

**Distribution Contract Capacity** means the load carrying capacity in kilowatts of the Detroit Edison Distribution System necessary to meet a Customer’s maximum load requirements at a particular Location served under this Rider.

**Distribution Point of Delivery** means the point of interconnection between the Detroit Edison Distribution System and the Customer’s service location.

**Distribution Point of Receipt** means the point of interconnection between the ITC Transmission and Detroit Edison Distribution Systems.

**Effective Date** is the date at which responsibility for servicing a Customer Load transfers from the current supplier to the new supplier. The transfer occurs at the beginning (00:01 hours) of the Effective Date.

**Energy** in the context of this document the word energy refers to “electrical energy” and is measured in kilowatt-hours.

**Energy Meter** means a meter capable of measuring and recording energy on a kWh basis.

**Full Service** means the provision of regulated electric service including energy, transmission and distribution services; each provided by Detroit Edison.

**International Transmission Company (ITC) Transmission System** means facilities operated by ITC for the purpose of transmitting electric power within the Detroit Edison electric service territory which are subject to the jurisdiction of the Federal Energy Regulatory Commission.

**Interval Demand Meter** means a meter capable of measuring and recording kW demands and kVAR demands on a 30-minute integrated basis, as needed to bill the Customer and measuring energy on a kWh basis.

**Load** means any end-use device drawing energy from the electric system.

**Location** means each Customer facility whether owned or leased.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E1.5 Definitions (Contd)**

**Marketer** means an entity that:

- A generates, brokers, markets or otherwise procures power to be supplied to ITC at the Transmission Point of Receipt, obtains transmission services and with whom a Customer's Alternative Electric Supplier has arranged for the receipt of Power,
- B satisfies all applicable statutory and regulatory requirements of Michigan and Federal law, and
- C satisfies all applicable reciprocity requirements set forth in this Rider.

**MDMA or Meter Data Management Agent** is the party responsible for reporting a Marketer's aggregated customer loads, with distribution losses, to MISO to support settlement in the MISO hourly energy market.

**Midwest Independent Transmission System Operator (Midwest ISO or MISO) Tariff** means the Midwest ISO Tariff on file with the Federal Energy Regulatory Commission, as amended from time to time. The Tariff governs MISO's provision of regional transmission service and MISO's operation of an energy and ancillary services market.

**MISO** means the Midwest Independent Transmission System Operator

**Power** means a combination of the electric demand and energy requirements of the Customer.

**Reactive Demand** means the amount of reactive power required to meet the Customer's Load, generally expressed in kilovolt-amperes reactive (kVAR), at a given instant or averaged over a designated interval of time.

**Sink** means a unique four-character code assigned to a Marketer's Transmission Service Agreement by ITC which identifies a load.

**Transition Charge** is a surcharge for the recovery of costs associated with the implementation of retail access service and Detroit Edison's stranded costs arising from implementation of retail access service.

**Transmission Point of Delivery** means the point of interconnection between the ITC Transmission and Detroit Edison Distribution Systems.

**Transmission Point of Receipt** means the point on the ITC Transmission System where Power is received by ITC for delivery to the Transmission Point of Delivery.

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## RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)

### CUSTOMER SECTION

#### E2 TERMS AND CONDITIONS OF SERVICE

**E2.1** This Retail Access Service Rider sets forth the terms and conditions of service for the delivery of Power to a Customer, procured by an Alternative Electric Supplier and supplied by a Marketer. Such Power shall be initially received at a designated Transmission Point of Receipt and ultimately delivered to the Customer through the Detroit Edison Distribution System. This Rider also sets forth the rates and charges for services unique to customers taking Retail Access Service.

**E2.2** Power received by ITC for delivery to the Customer shall be transmitted across the ITC Transmission System to the Detroit Edison Distribution System in accordance with the rates, terms and conditions of service of the Midwest ISO Tariff.

**E2.3** A Customer's eligibility to take retail access service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts or tariffs with Detroit Edison. Rider No. 2 agreements between the Customer and Detroit Edison will remain in effect during service under this Rider. Rider No. 4 - "Resale of Service" is also available under this Rider.

**E2.4** A Customer will specify only one Alternative Electric Supplier (and the Alternative Electric Supplier shall specify only one Marketer) at any given time for the supply of Power to each Customer account or Customer Location.

**E2.5** Detroit Edison shall be required to complete all retail access enrollment activities required to place a Customer in "site-ready" status within the following timeframes:

- A Within 10 calendar days when no meter work is required for the Customer to take retail access service
- B Within 45 days when meter work is required

These deadlines do not require that Customers actually commence service within the specified timeframes; only that Detroit Edison has completed all activities required of it to place the Customer in "site-ready" status.

Customers shall be permitted to change Alternative Electric Suppliers. The changes will become effective at the completion of their normal billing cycle. Customers will be assessed a \$5 processing charge per account for each change. The change will be submitted to Detroit Edison electronically by the Customer's new Alternative Electric Supplier as a new enrollment.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E2 TERMS AND CONDITIONS OF SERVICE (CONTD)**

**E2.6 Multiple Meters at Non-Residential Locations**

- A Existing groupings of multiple meters into accounts at a location will be maintained in setting up new retail access accounts.
- B When multiple Interval Demand Meters are used within a single voltage level, Maximum Demand at that voltage level will be established by the highest coincident demand recorded for those meters.

**E2.7 Multiple Meters at Residential Locations**

Existing groupings of multiple meters into accounts at a location will be maintained in setting up new retail access accounts.

**E2.8 Metering**

- A All load served under this Rider shall be metered. The meter type shall be that which is appropriate to meter the customer's Power Supply requirements under the otherwise applicable rate schedule.
- B Non-Residential Secondary customers may elect to have interval metering installed, at their expense, in the place of standard demand/energy metering, and to have the interval metered data used for wholesale settlement in lieu of profiled data as provided for in Section E2.0.
- (1) Detroit Edison shall install the requested interval meter within 45 days of receiving the customer's request
  - (2) The customer must provide working telephony to the meter and Detroit Edison must be able to verify electronic communication with the meter prior to the customer taking service as an interval-metered customer.
  - (3) The minimum term for this interval-metered service is one year.
- C Metering equipment for Customers taking retail access service shall be furnished, installed, read, maintained and owned by Detroit Edison.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E2 TERMS AND CONDITIONS OF SERVICE (CONTD)**

**E2.9 Meter Reading**

- A All Customers with Interval Demand Meters shall have meter reading accomplished electronically through Customer-provided telecommunication links or other electronic data methods able to provide Detroit Edison the metering data necessary to bill the customer and conform to required metering accuracy. The Alternative Electric Supplier shall have direct access to meter data through the same means as Detroit Edison, once the Customer is enrolled, without any further documentation or permission from the Customer.

The Company shall commence interval-metered retail choice service upon installation of appropriate demand meters and verification of successful electronic communication with Detroit Edison's data collection system. If a Customer is not able to allow sharing of the telephone line, the Customer shall obtain a separate telephone line for such purposes and pay all charges in connection therewith.

Interval-metered customers with locations where the installation of land-line telephony is impractical may request Detroit Edison to install optional digital cellular telephony to the meter. Detroit Edison will furnish, own, install, activate, and maintain the digital cellular device for a monthly charge of \$45.00 to the customer. The minimum term for this optional service is one year. The customer is responsible for all charges from the cellular provider.

- B The Customer is responsible for assuring the performance of the telephone line. If the telephone line used for metering is out of service, Detroit Edison will retrieve the data manually for a fee of \$37/ month (one reading) after the first manual read.

In the event that the telephone line service at a Primary customer location is out for three consecutive months, the Customer's retail access service may be terminated and the Customer may be transferred to service under Detroit Edison's full requirement tariffs subject to the provisions of Section 5.3.

In the event that the telephone line service at a Secondary customer location with optional interval-metered service is out for three consecutive months, Detroit Edison may switch the customer to load-profiled Retail Access service. Customers so switched will be ineligible for the optional interval-metered service for a period of 12 months.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E2 TERMS AND CONDITIONS OF SERVICE (CONTD)**

- C A hardship exception may be made for cases where installation of both land-line and cellular telephony is impractical. The burden of proving hardship rests on the customer. Detroit Edison will not unreasonably withhold the granting of such exception and a customer may appeal Detroit Edison's decision to the MPSC. Customers who are granted the exception will have their interval meters read manually, once per month, at the time of Detroit Edison's billing, at an additional monthly cost of \$37.00/month.
- D For load-profiled customers, meters will be read by conventional means and the Customer will not be required to provide a telephone service.
- E The switch of a Customer's account from one supplier to another will normally take place on the scheduled meter reading date for that Customer (the Effective Date) and be based on the reading made that same day. If an actual meter reading is not made on the Effective Date, Detroit Edison will read the meter within five (5) business days of the date in which Detroit Edison determines that the scheduled actual meter reading has not occurred. The meter reading on the Effective Date will be determined on a pro rated basis based on the actual meter reading. Detroit Edison's failure to read meters in the time frames noted, through no fault of the Customer, shall not result in penalties of any type to the Customer. Except for actions outside the scope of Detroit Edison's control and storms or other events or occurrences that render the reading of meters physically impossible, customer's bills for Detroit Edison distribution services will be reduced by 1/30 for each day Detroit Edison meter reads are late past a three day grace period.

**E2.10 Meter Errors and Telephone Failures**

Billing where metering errors and malfunctions have taken place shall be performed as follows:

- A For Energy and non-Interval Demand Metered Customers where metered data is not available due to metering errors, malfunctions, or otherwise, the usage will be estimated using the procedures approved by the MPSC in Case No. U-14523 on August 4, 2005.
- B For Interval Demand Metered Customers where metered data is not available due to metering errors, malfunctions, or otherwise, the usage will be estimated using the available historical data for the Customer.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E2 TERMS AND CONDITIONS OF SERVICE (CONTD)**

- C Where incorrect billing results from calculation error discovered by either Detroit Edison, the Alternative Electric Supplier, or the Customer, the error will be corrected and revised bills for the Customer and the Alternative Electric Supplier will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by Detroit Edison shall be adjusted as provided for in the Residential, Commercial, and Industrial Billing Rules.
- D Liability for meter or calculation errors or malfunctions shall be assigned or apportioned to the appropriate party based on fault.

**E3 CHARACTER OF SERVICE**

**E3.1** Detroit Edison furnishes alternating current service at a nominal frequency of 60 hertz 24 hours a day, subject to interruption by tariff, by agreement, by advance notice, by accident or by other causes not under the reasonable control of Detroit Edison.

**E3.2** For Single-Phase Distribution Service, Detroit Edison provides service at differing voltages available in differing configurations within its service territory. These include, but are not limited to, single-phase secondary alternating current service at 120/240 volts. In some districts current is supplied from a Y- connected secondary network at 208Y/120 volts. Customers who are considering locating new load or who are considering adding load at an existing Location should contact Detroit Edison to determine what service is available at a particular Location to serve their Load.

**E3.3** For Three-Phase Distribution Service, Detroit Edison provides service at differing voltages available in differing configurations within its service territory. These include, but are not limited to, alternating current, three-phase service at nominal 4,800, 13,200, 24,000, 41,570 or 120,000 volts which may be transformed to lower voltages through Detroit Edison-owned transformation equipment. Where three-phase service is supplied at 480Y/277 volts through Detroit Edison-owned transformation equipment, the Customer must furnish any transformation for the supply of its 120/240 volt requirements. Customers who are considering locating new load or who are considering adding load at an existing Location should contact Detroit Edison to determine what service is available at a particular Location to serve their Load.

**E4 AVAILABILITY OF SERVICE**

**E4.1** A customer site with load connected to Detroit Edison's Distribution System through a metered delivery point capable of delivering the required power that meets the eligibility requirements set forth in Section 2.3 shall be eligible for Retail Access Service.

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D. G. Brudzynski  
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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E5. TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE**

**E5.1 Term**

**E5.1.1. RETAIL ACCESS SERVICE FOR NON-RETAIL CUSTOMERS**

Retail Access Service shall have a minimum term of two years subject to the provisions of Section 5.3. Upon completion of the initial term, retail access service shall continue on a month to month basis until terminated by the Customer or Detroit Edison with 30 days written notice. Any customer who elected retail access service prior to the Commission's final order in U-13808 will be subject to a minimum term of one year.

When more than 10% of the customer load in kWh for any of the three rate classes – residential, commercial, and industrial – is taking open access service, customers in that class must provide 60 days written notice.

If an Alternative Electric Supplier defaults, a Customer who returns to full service before the 30 or 60 days elapse shall pay the higher of the tariff rate or market based rate until Detroit Edison has received the benefit of 30 or 60 days notice, at which time the customer may elect to remain on full service for 12 months and pay tariff rates as provided for in Section 5.3. All other customers who fail to give less than 30 or 60 days notice are subject to Detroit Edison's ability to supply their requirements.

The terms of service associated with any previously contracted or newly initiated service are specified below:

Retail access service provided to new locations served by Detroit Edison shall be for an initial minimum term of five years over which time the minimum charges shall apply. Contributions in Aid of Construction for distribution facilities will be per tariff rate.

Service provided to existing locations shall be for the unexpired portion of any existing contract but not less than a term of one year over which time the minimum charges shall apply.

After the expiration of the contract minimum term for Retail Access Service, the contract shall be extended thereafter, from month-to-month.

Minimum charges shall be adjusted each year to recognize actual demand.

**E5.1.2 RETAIL SERVICE FOR RESIDENTIAL CUSTOMERS**

A Retail Access residential Customer shall commence Retail Access residential service in accordance with their billing cycle and shall be required to remain on Retail Access Service for a minimum of one full billing cycle. Upon written Notice of Return to Company Full Service, a Retail Access Customer taking Retail Access residential service may return to Company Full Service in accordance with their next bill cycle. A Retail Access Customer who returns to Company Full Service must remain on Company Full Service for a minimum of one year from the date of their return to Company Full service.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E5 TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE (CONTD)**

**E5.2 Commencement of Service**

E5.2.1 Retail access service shall be initiated by a Customer choosing an Alternative Electric Supplier and the subsequent submission of an electronic enrollment by the Alternative Electric Supplier on behalf of the Customer in a manner specified by Detroit Edison. Alternative Electric Supplier submission of the enrollment warrants that a valid contract with the prospective Customer exists. Detroit Edison shall be required to complete all open access enrollment activities required of it to get the enrollment to “site-ready” status within the timeframes specified in Section 2.5.

E5.2.2 Retail access service may not commence until metering has been installed as specified in this Rider or agreements related thereto and:

MISO has received from the Marketer an executed Transmission Service Agreement.

In addition, Detroit Edison must have received from the Alternative Electric Supplier:

- (i) the Alternative Electric Supplier’s warranty, that the Alternative Electric Supplier has obtained all necessary approvals authorizing the Alternative Electric Supplier to conduct business at each Location to be served, and
- (ii) the Alternative Electric Supplier’s warranty, that each enrollment submitted is in full compliance with requirements for enrollment, and is backed by proper authorization from the Customer allowing the Alternative Electric Supplier to enroll the Customer in retail access.

**E5.3 Return to Full Service**

A In addition to the written notice provided in Section E5.1, a Customer shall provide Detroit Edison with notice no later than December 1st if the Customer will be taking full service from Detroit Edison during the following summer. For this purpose, “summer” means Detroit Edison regularly scheduled billing periods beginning June 1st through September 30th. Customers who so notify Detroit Edison shall be obligated to take full service from Detroit Edison for twelve months and pay for such service at any tariff rate for which the customer qualifies.

If a Customer does not provide Detroit Edison with written notice prior to December 1st and then takes full service from Detroit Edison during the following summer, the Customer shall pay Detroit Edison the higher of (a) the applicable tariff energy prices plus 10% or (b) the Market Priced Power charges plus 10% until such time as the minimum two year commitment to retail open access service has been met and the December 1<sup>st</sup> written notice requirement has been met.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E5 TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE (CONTD)**

B Subject to the notice provisions of Section 5.3A, Customers that discontinue retail access service may return to Detroit Edison Full Service under the following conditions:

(i) Option 1 -- 12 Month Service Commitment

If the Customer commits to Detroit Edison Full Service for a minimum of 12 months, then the Customer may take service under any tariff rate for which the Customer qualifies. Any returning Customer that commits to remain on full service for the subsequent 12 months and then fails to do so will be back billed for the higher of the tariff rate or market-based rate.

(ii) Option 2 -- Short-Term Service

If the Customer chooses not to commit to Detroit Edison Full Service for a minimum of 12 months, then the Customer may take service under any tariff rate for which the Customer qualifies, with the tariff rate modified as follows:

The Power Supply Cost Recovery component, both base and adjustment factor, in any and all energy prices of the tariff, shall be subtracted from the energy prices and the Market Priced Power charge shall be added to the energy prices. The Market Priced Power charge shall reflect the current market value of energy, shall be based on visible indexes of electricity market prices plus reasonable charges for transmission and losses, and shall be calculated according to methods approved by the Michigan Public Service Commission. The Customer shall be billed the higher of the applicable tariff energy prices or the Market Priced Power charge.

The Customer may at any time return to retail access service or agree to take Detroit Edison Full Service for a minimum of 12 months.

(iii) Unless otherwise provided for and subject to other conditions in this Rider, a Customer may return to Detroit Edison Full Service under the provisions of Section 5.3 and subsequently go back to retail access service no more than once in any month.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E6 Billing and Payment**

**E6.1** Detroit Edison will bill the Customer for retail access service at the rates and charges outlined in Section 8.

**E6.2** The Customer shall pay Detroit Edison the amount billed on or before a due date established by Billing Rules approved by the Commission in cases U-10661 and U-11397. A late payment charge of 2%, not compounded, of the unpaid balance, net of taxes, shall be added to any bill which is delinquent and not in dispute.

**E6.3** The Customer shall retain the right to direct Detroit Edison to send the monthly bill to any third party, including the Alternative Electric Supplier.

**E6.4** Disconnection for Non-Payment

Customers will be subject to disconnection for non-payment of Detroit Edison distribution charges, that are not in dispute, in accordance with the rules described in Detroit Edison's Rules and Regulations, Section 2.5.

**E7 DISTRIBUTION CONTRACT CAPACITY**

**E7.1** All Interval Demand Metered Customers shall contract for an amount of capacity sufficient to meet the maximum requirements of all Load connected to the Detroit Edison Distribution System at the Customer's Location. The Distribution Contract Capacity will initially be set at the greater of: 1) the previously established Contract Capacity; 2) the previously established Distribution Contract Capacity; 3) the highest 30-minute integrated demand created during the previous 12 billing months at each voltage level (whether the Customer received service under this Rider or a Detroit Edison retail tariff or contract), for each Location. Any single 30-minute integrated reading of the Interval Demand Meter in any month that exceeds the Distribution Contract Capacity then in effect shall become the new Distribution Contract Capacity. Customers not having previously established service requirements shall contract with Detroit Edison for a specified Distribution Contract Capacity in kW sufficient to meet the maximum requirements for each location.

**E7.2** Detroit Edison will provide the necessary facilities to deliver electric power from its Distribution System at the Distribution Contract Capacity. Any incremental cost incurred by Detroit Edison to provide the necessary facilities to meet the Customer's increased demand for distribution services over the Distribution Contract Capacity existing when service commences under this Rider shall be the responsibility of the Customer. Once established, the Distribution Contract Capacity shall not decrease during the contract term unless there is a specific permanent reduction in connected load.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E8 RATES AND CHARGES**

Rates and charges for delivery are stated in the customer's applicable unbundled tariff.

**E8.1 Optional Interval-Metered Service**

Detroit Edison will charge Secondary customers who elect this optional interval metering service an additional fee per month for the meter and the costs of collecting and storing the interval data.

**The fee for this optional interval-metered service is:**

<b>Energy metered customers (D3)</b>	\$25.00/month
<b>Energy/demand metered customers (D4)</b>	\$20.75/month

**This charge is in addition to the customer's normal delivery charges.**

Active and enrolled Retail Access customers on the effective date of this Rider, who were previously required to install interval meters to take retail access service, may continue taking interval metered service under this optional service, without charge, until 24 months from the effective date of this Rider. Thereafter they will be charged the fee indicated above.

**E8.2 Optional Cellular Telephony for Interval-Metered Customers**

The charge for Detroit Edison's digital cellular alternative to land-line telephony, as described in Section E2.9A is \$45.00/month

The customer is responsible for all charges from the cellular provider.

**E8.3 Manual Meter Reading of Interval Meters**

Detroit Edison's charge for manually reading (downloading) the data from an interval meter is \$37.00/month for a single read, performed at the time of Detroit Edison billing. This charge applies to the second and subsequent ad-hoc meter reads necessitated by telephony failures and regular monthly reads for customers with the hardship exception as described in Section E2.9C.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E9 OTHER PROVISIONS**

**E9.1** Retail Access Customers will be subject to the relevant curtailment procedure contained in Detroit Edison's electrical Procedures, [Section C3](#). Detroit Edison shall give Retail Access Customers the same priorities in curtailment situations as it gives Full Service Customers.

**E9.2** All Points of Receipt for Power produced within the Detroit Edison retail service territory for delivery to Customers within that territory shall be considered as being points located on the ITC Transmission System.

**E9.3** All electric generation equipment connected in parallel with the Detroit Edison system must comply with the Detroit Edison Protective Relaying, Operating and Telemetry Guidelines for Independently Owned Generation and before operating such equipment must obtain certification, in writing, from Detroit Edison that the conditions outlined in the guidelines have been met.

**E9.4** Customer equipment must be operated so that voltage flicker and harmonics on the Detroit Edison Distribution System shall not exceed permissible limits established by Detroit Edison and by IEEE Standard 519, respectively. Failure to comply with this requirement may result in discontinuance of service to the Customer and disconnection of Customer's Load from the Detroit Edison system.

**E9.5** Redundant services requested by the Customer may be provided under separate agreement.

**E9.6** Detroit Edison's Rules and Regulations as currently in effect are incorporated by reference into this Rider to the extent applicable and, Rule C-2.2(2) notwithstanding, only to the extent not inconsistent with the terms of this Rider.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E10 ALTERNATIVE ELECTRIC SUPPLIER**

**E10.1** This Rider section outlines the rights and responsibilities of Alternative Electric suppliers and Detroit Edison when enrolling and serving Customers under retail access service. The Alternative Electric Supplier is the retail seller of electric supply to the Customer on Detroit Edison's Distribution System.

**E10.2** If an Alternative Electric Supplier or Marketer fails to pay amounts due Detroit Edison or otherwise fails to perform obligations undertaken in connection with service to a Customer, Detroit Edison will give the Customer notice of the Alternative Electric Supplier's or Marketer's default. If the Customer, its Alternative Electric Supplier, or its Marketer fails to pay amounts due Detroit Edison or otherwise fails to comply with the provisions of the applicable Tariffs or agreements with Detroit Edison, retail access service may be terminated. Unless the Customer, Alternative Electric Supplier or Marketer cures the default with Detroit Edison or the Customer changes its Alternative Electric Supplier, the Customer may be returned to Detroit Edison Full Service subject to the provisions of Section 5.3.

**E10.3** The Alternative Electric Supplier is responsible for all of the Alternative Electric Supplier charges associated with its Customers until retail access service is terminated.

**E10.4** Termination of retail access service to a Customer can be initiated by the Alternative Electric Supplier, the Customer or Detroit Edison. Alternative Electric Suppliers and Detroit Edison shall comply with the billing rules that govern the shut off of service, R 460.2101 et seq. and R 460.3903 et seq. except that instead of providing a notice of termination, Alternative Electric Suppliers shall provide a notice of return to full service.

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D. G. Brudzynski  
Vice President  
Regulatory Affairs  
  
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## **RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

### **E11 CREDITWORTHINESS**

There is no creditworthiness requirement for Alternative Electric Supplier 's unless the Alternative Electric Supplier is purchasing products or services from Detroit Edison. Alternative Electric Suppliers who purchase products or services from Detroit Edison must demonstrate and maintain current creditworthiness in an amount sufficient to cover anticipated charges for all those products or services. For unsecured credit, the Alternative Electric Supplier must provide three (3) years of audited financial statements, including notes, having an acceptable amount of positive tangible net worth, and meeting risk parameters derived from an analysis of its financial statements The Alternative Electric Supplier may provide alternative security or credit enhancement, such as a letter of guarantee, letter of credit or prepayment. Detroit Edison will use reasonable credit review procedures which may include, but are not limited to, review of the Alternative Electric Supplier's financial statements, verification that the Alternative Electric Supplier is not operating under state or federal bankruptcy laws, and has no pending lawsuits or regulatory proceedings or judgments outstanding which would have a material adverse affect on the Alternative Electric Supplier and its ability to perform its obligations. Affiliates of Detroit Edison must meet these same creditworthiness requirements.

The amount of creditworthiness required is equivalent to two months expected exposure.

Following 24 months of full and timely payment to Detroit Edison for service provided, an Alternative Electric Supplier shall be deemed to have sufficient credit to satisfy Detroit Edison's requirements.

### **E12 ELECTRONIC BUSINESS TRANSACTIONS**

**E12.1** Unless specified otherwise by Detroit Edison in a Commission-approved tariff, Alternative Electric Suppliers shall transact all business with Detroit Edison electronically.

**E12.2** Unless otherwise specified by Detroit Edison in a Commission-approved tariff, all payments made to Detroit Edison by the Alternative Electric Supplier will be made by electronic funds transfer to the Detroit Edison account.

### **E13 CONDITIONS PRECEDENT TO CUSTOMER ENROLLMENT**

The Alternative Electric Supplier will not be eligible to enroll Customers unless and until the following conditions precedent have been satisfied and continue to be satisfied:

**E13.1** The Alternative Electric Supplier has been granted a license by the Commission.

**E13.2** The Alternative Electric Supplier has demonstrated electronic communication and commerce capability, which meets Detroit Edison's standards and protocols as defined in tariffs approved by the Commission.

**E13.3** The Alternative Electric Supplier has an executed contract with a qualified Marketer, as evidenced in an executed Alternative Electric Supplier-Marketer Notice.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E14 CONDITIONS PRECEDENT FOR SERVING CUSTOMERS**

The Alternative Electric Supplier will not be permitted to serve or continue to serve Customers unless and until the following conditions precedent have been satisfied and maintained:

**E14.1** The Alternative Electric Supplier has satisfied and continues to satisfy all conditions in Section E13.

**E14.2** All required Customer metering equipment is in place and functioning properly.

**E14.3** All required telephony to the meter is in place and functioning properly (Interval-Metered Customers).

**E14.4** The Alternative Electric Supplier has complied with and continues to comply with all provisions of this Rider.

**E15 RATES AND CHARGES**

**E15.1** The Alternative Electric Supplier shall pay Detroit Edison the following:

A An Alternative Electric Supplier enrolling Customer(s) with the Complete Billing option shall pay Detroit Edison a one-time charge of \$5,000 for the Alternative Electric Supplier's initial rate-ready schedule set-up for up to sixty rates, regardless of the number of Customers electing this option.

B An Alternative Electric Supplier enrolling Customer(s) with the Complete Billing option shall pay Detroit Edison a monthly transaction charge of \$0.20 per Customer location billed under the Complete Billing option.

C An Alternative Electric Supplier enrolling Customer(s) with the Complete Billing option shall pay Detroit Edison \$1,000 per occurrence for each change request made by the Alternative Electric Supplier to its rate-ready schedule, regardless of the number of changes in the request or the number of Customers effected.

D Any other charges to the Alternative Electric Supplier for services provided by Detroit Edison will be negotiated on an individual case basis.

**15.2** Detroit Edison will provide two (2) Customer Billing options-Complete Billing by Detroit Edison and Separate Billing by Detroit Edison and the Alternative Electric Supplier. It is the responsibility of the Alternative Electric Supplier to identify on the Customer Enrollment Form which of these options the Customer has requested.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E15 RATES AND CHARGES (CONTD)**

**E15.3 Allocation of Partial Payments Under Complete Billing**

In the event the Customer submits a partial payment, the receipts will be applied as follows:

- all past due and current Detroit Edison distribution and distribution related charges
- past due and current Alternative Electric Supplier energy charges
- other Detroit Edison charges
- other Alternative Electric Supplier charges

Partial payments resulting from disputed charges shall be allocated first to undisputed charges in each of the above four categories and then to disputed charges in each of the above four categories.

**15.4** Detroit Edison will not pursue collection actions for any Alternative Electric Supplier.

**E16 DISPUTE RESOLUTION**

**E16.1** Detroit Edison will have no duty or obligation to resolve any complaints or disputes between or among Alternative Electric Suppliers and Marketers or any combination thereof, related to but not limited to switching Alternative Electric Suppliers, switching Marketers, termination of retail access service, Customer enrollment or Customer billing options.

**E16.2** In the event of a dispute between Detroit Edison and an Alternative Electric Supplier, including but not limited to “Events of Default,” the Parties may attempt, in good faith, to resolve the dispute amicably and promptly. If the dispute is not resolved in five (5) business days, the Parties may attempt to resolve the dispute by promptly appointing a senior representative of each Party to attempt to mutually agree upon a resolution. The two senior members shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either Party, be submitted to arbitration as provided in this section.

**E16.3** The dispute will be submitted for resolution in accordance with the American Arbitration Association (“AAA”) Commercial Arbitration Rules. The judgment rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the Parties.

**E16.4** If the parties are unable to agree on an arbitrator, the arbitrator shall be determined by AAA.

**E16.5** The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the Parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the Parties.

**E16.6** Nothing in this Section shall restrict the rights of either Party to file a formal complaint with an appropriate regulatory agency regarding any issue the adjudication of which lies within the exclusive jurisdiction of the regulatory agency.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E17 CUSTOMER PROTECTION**

**E17.1** Alternative Electric Suppliers shall warrant that the Customer has duly authorized the submitted enrollment and the Alternative Electric Supplier has complied with the provisions of 2000 P.A. 141 or any applicable commission rules developed pursuant to 2000 P.A. 141 to prevent slamming.

**E17.2** Detroit Edison provides Residential Customers with pending enrollments with an Alternative Electric Supplier, a 14-day notice period in which the Customer may cancel the enrollment before the switch is executed. If the Customer challenges the enrollment the switch transaction is cancelled, the affected Alternative Electric Supplier(s) are notified, and the enrolling Alternative Electric Supplier shall be assessed the \$5 switching fee instead of the Customer. If the Customer cancels an enrollment in error, the enrolling Alternative Electric Supplier's remedy is to discuss the situation with the Customer and submit a new enrollment.

Commercial and Industrial ROA Customers' right to cancel an enrollment shall be in accordance with the terms of their contract with their Alternative Electric Supplier(s).

**E17.3** A supplier must allow the Staff of the Commission an opportunity to review and comment on its residential contract(s) and residential marketing material at least five business days before the Supplier intends to use these contract(s) and marketing material in the marketplace.

**MARKETER SECTION**

**E18 REAL POWER LOSSES**

The Marketer used by the Alternative Electric Supplier is responsible for replacing losses associated with the delivery of power to the Customer's meter. The amount of Power delivered by Detroit Edison on the Detroit Edison Distribution System to the Customer's meter shall be adjusted using the following real power loss factors for distribution service:

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
Secondary	10.88%	11.95%	12.01%	10.23%
4.8/13.2 kV	6.61%	7.13%	7.37%	6.31%
24kV/41.6 kV	1.86%	2.09%	2.34%	1.90%
120 kV and above	0.55%	0.57%	0.57%	0.55%

Marketers must schedule and supply an amount of Power equal to its Customers' hourly usage x [(1 + D%) x (1 + T%)] to account for losses on the ITC Transmission and Detroit Edison Distribution System, where T% is the applicable loss factor posted on the Midwest ISO's OASIS and D% is the applicable loss factor from the table above.

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(Continued from [Sheet No. E-20.00](#))

## **RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

### **E19 OPTIONAL LOAD PROFILE MANAGEMENT SERVICE**

The Optional Load Profile Management Service (Load-Leading Service) is no longer available.

### **E20 HOURLY USAGE DATA TO SUPPORT MISO SETTLEMENT**

#### **E20.1 Meter Data Management Agent**

At the option of the Marketer, Detroit Edison will act as their Meter Data Management Agent (MDMA) for their customer loads within Detroit Edison's service area. The Marketer is under no obligation to take this service from Detroit Edison.

#### **E20.2 Hourly Usage Data for Interval-Metered Customers**

Hourly usage for Primary customers and Secondary customers taking optional interval-metered Retail Access service will be the customer's actual measured usage for each hour increment as recorded by the interval meter.

#### **E20.3 Hourly Usage Data for Customers Without Interval Meters**

Standard Retail Access service for Secondary customers is accomplished with Detroit Edison's standard metering for the customer class and type of service taken. There is no requirement for interval metering for Secondary customers.

Hourly usage data for these customers will be determined through the use of MPSC-approved load profiles that will be used to distribute the total usage in the billing period across all the hours in that billing period. The same MPSC-approved profiles must be used for all retail access customers in a given load profiling grouping whether or not Detroit Edison acts as the MDMA.

##### **A. Load Profiles**

Secondary customers will be assigned to one of twelve distinct customer groupings, based on customer class (Residential or Non-Residential), type of service (single-phase or three-phase), type of metering (energy only or energy and demand), historical usage characteristics (annual usage, load factor), and if three-phase energy-metered, by major SIC Code grouping (Manufacturing or Non-Manufacturing).

Customers will be assigned to a particular load profile based on their historic information in Detroit Edison's customer systems. Where insufficient history exists, the needed information to assign a profile will be estimated by Detroit Edison.

Customer assignments to a particular load profile will be reviewed annually to see if the customer's annual kWh usage or load factor for the last 12 months merits re-assignment to a different load profile group.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**E20 HOURLY USAGE DATA TO SUPPORT MISO SETTLEMENT (CONTD)**

The twelve load profile groupings are shown in the following table:

Profile	Customer Class	Profiles	Description
1	Residential (D1)	One	All Residential Customers (Current Residential Profile)
2	Secondary – Energy Metered (D3) - Single-Phase	One	Single-phase non-Residential Customers on energy-metered rates (D3) (Current Single-Phase Profile)
3	Secondary – Energy Metered (D3) - Three-Phase	Two - Manufacturing	Low Segment (0 – 256,255 kWh/Year)
4			High Segment (Over 256,255 kWh/Year)
5		Four - Non-Manufacturing	Low Segment (0-46,523 kWh/Year)
6			Medium-Low Segment (46,524 – 114,615 kWh/Year)
7			Medium-High Segment (114,616 – 277,400 kWh/Year)
8			High Segment (Over 277,400 kWh/Year)
9		Four by Annual Load Factor	40 – 49% Annual Load Factor
10			50 – 59% Annual Load Factor
11	60 – 69% Annual Load Factor		
12	70% or Greater Annual Load Factor		

B. Creation of Load Profiles

Historical profiles based on statistically representative cross-sections of Detroit Edison customers will be used to distribute measured monthly (billing cycle) usage across the hours in the month (billing cycle). The profiles are not modeled. They are based on actual hourly usage data collected from Interval Demand Meters installed on a sample set of Customers from each profile group to achieve a statistically accurate demand estimate of 80% ± 20% on an hourly basis during the on-peak hours.

The hourly usage value posted to the profile is simply the mean usage for that hour for all the customers in the relevant sample.

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**RETAIL ACCESS SERVICE RIDER – RIDER EC2 (CONTD)**

**20. HOURLY USAGE DATA TO SUPPORT MISO SETTLEMENT (CONTD)**

**C Availability of Load Profile Data**

Detroit Edison will post preliminary hourly data for each hour of a given usage day to a Detroit Edison web-site by the end of the first business day following the usage day. Revisions, if needed, will be posted within 10 working days.

When these load profiles are first implemented, Detroit Edison will publish one year's worth of historical data for each profile to assist suppliers' efforts to model the profile.

Detroit Edison will maintain a rolling 12 months of data on the usage web-site after initial implementation.

**D Review of Load Profile Performance**

Detroit Edison will continually monitor the performance of the load profiling methodology and will provide a report to the MPSC Staff and all parties to the Metering Collaborative within eighteen months of full implementation