STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION
NOTICE OF HEARING
FOR THE ELECTRIC CUSTOMERS OF
DTE ELECTRIC COMPANY
CASE NO. U-17689

- On August 5, 2014, the Michigan Public Service Commission (Commission) issued an Order requiring DTE Electric Company (DTE Electric) to file a proposal by October 6, 2014, to modify the existing cost allocation methods and rate design methods that have been used to set existing rates. The Commission's Order was issued pursuant to Public Act 169 of 2014. The Commission will review DTE Electric's September 17, 2014 application to revise its cost allocation and rate design methods used to set rates pursuant to Public Act 169 of 2014 and the Commission order. In compliance with the Commission order, DTE proposes that production cost allocation be based on 100% demand 4 CP allocation (4CP 100-0-0) and transmission cost allocation be based on 100% demand 12 CP allocation (12CP 100-0-0). Additionally, DTE Electric is proposing a new primary rate class that will replace DTE Electric's existing Rate Schedules D6, D6.1 and D7, a change in the class definitions for customer voltage levels and a change in cost assignment for uncollectible expenses. The proposed impact would be:

- **AN INDUSTRIAL CLASS CUSTOMER'S AVERAGE ELECTRIC BILL MAY BE DECREASED BY APPROXIMATELY 5% PER MONTH IN 2015 AND THEREAFTER.**

- **A COMMERCIAL CUSTOMER'S AVERAGE ELECTRIC BILL IS EXPECTED TO BE VIRTUALLY UNCHANGED (PLUS OR MINUS 1%) PER MONTH IN 2015 AND THEREAFTER.**

- **A RESIDENTIAL CUSTOMER'S AVERAGE ELECTRIC BILL MAY BE INCREASED BY APPROXIMATELY 4% PER MONTH IN 2015 AND THEREAFTER. FOR THE TYPICAL RESIDENTIAL CUSTOMER THAT USES 650 KWH PER MONTH, THE OUTCOME OF THIS PROCEEDING MAY RESULT IN AN AVERAGE ELECTRIC BILL INCREASE OF $4.25 PER MONTH.**

- If the Commission approves its request; DTE Electric's proposal will not result in an increase in annual revenues for the company but will alter the rates charged customers in the residential, commercial and industrial rate classes.

- The information below describes how a person may participate in this case.

- You may call or write DTE Electric Company, One Energy Plaza, Detroit, Michigan 48226, (800) 477-4747, for a free copy of its application. Any person may review the application at the offices of DTE Electric Company.

- The first public hearing in this matter will be held:

DATE/TIME: October 17, 2014 at 10:00 a.m.

This hearing will be a prehearing conference to set future hearing dates and decide other procedural matters.

BEFORE: Administrative Law Judge Sharon L. Feldman

LOCATION: Constitution Hall, 525 West Allegan, Lansing, Michigan

PARTICIPATION: Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 241-6160 in advance to request mobility, visual, hearing or other assistance.

The Commission will hold a public hearing to consider DTE Electric's September 17, 2014 application proposing revisions to the existing cost allocation methods and rate design methods that have been used to set existing rates that meet both of the conditions set forth in MCL 460.11(3)(a) and (b).

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at: michigan.gov/mpscedockets. Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to: mpscedockets@michigan.gov. If you require assistance prior to e-filing, contact Commission staff at (517) 241-6180 or by email at: mpscedockets@michigan.gov.

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by October 10, 2014. (Interested persons may elect to file using the traditional paper format.) The proof of service shall indicate service upon DTE Electric's attorney, Michael J. Solo, Jr., One Energy Plaza, Detroit, Michigan 48226.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Commission's Rules of Practice and Procedure R 460.17315 and R 460.17335. Requests for further information on adjournment should be directed to (517) 241-6060.

A copy of DTE Electric's request may be reviewed on the Commission's website at: michigan.gov/mpscedockets, and at the office of DTE Electric Company. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at (517) 241-6180.

The Utility Consumer Representation Fund has been expanded for the purpose of aiding in the representation of utility customers in 2014 PA 169 proceedings. Contact the Chairperson, Utility Consumer Participation Board, Department of Licensing and Regulatory Affairs, P.O. Box 30004, Lansing, Michigan 48909, for more information.

Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; 1982 PA 304, as amended, MCL 460.6j et seq.; 2014 PA 169, as amended; MCL 460.11 et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 et seq.

Case No. U-17689
September 22, 2014