

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of )  
**THE DETROIT EDISON COMPANY** and )  
**MICHIGAN CONSOLIDATED GAS COMPANY** )  
seeking a partial waiver of certain residential )  
billing rules. )  
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Case No. U-14851

At the December 6, 2011 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. John D. Quackenbush, Chairman  
Hon. Orjiakor N. Isiogu, Commissioner  
Hon. Greg R. White, Commissioner

**ORDER APPROVING WAIVER REQUEST**

On October 24, 2011, The Detroit Edison Company (Detroit Edison) and Michigan Consolidated Gas Company (Mich Con) filed a joint application requesting a waiver of certain rules as provided under 1999 AC, R 460.169(3) of the Consumer Standards and Billing Practices for Electric and Gas Residential Service (residential billing rules). R 460.169(3) provides:

Upon written request of a person, utility, or on its own motion, the commission may temporarily waive any requirements of these rules when it determines the waiver will further the effective and efficient administration of these rules and is in the public interest.

Detroit Edison and Mich Con request a one-year waiver of 1999 AC, R 460.117(1) which states that “[a] utility shall send a bill each billing month to its customers in accordance with approved rate schedules unless the utility and the customer agree to

another method of delivery.”<sup>1</sup> The applicants assert that they have over 150,000 customers whose monthly bills total less than \$30. According to the applicants, they annually send out over one million monthly bills for service under \$30. The applicants request Commission approval to bill customers on a three-month rolling period for accrued service charges less than \$30 per month.

Detroit Edison and Mich Con state that the pilot program approved by the Commission in 2007 has been successful and request an extension of the waiver of R 460.117(1). Detroit Edison and Mich Con claim that the waiver continues to be in the public interest, and in the interest of their customers, because the waiver will increase the efficiency of administration of the companies’ billing processes for the benefit of the applicants and their customers. The applicants add that customers requesting monthly bills, regardless of the amount of their billing total, may opt out of the three-month billing cycle and resume monthly billing.

The Commission finds that the applicants’ request for a temporary waiver is in the public interest and will further the effective and efficient administration of the residential billing rules. Therefore, the Commission finds that the applicants’ request should be granted for one year. The Commission also finds that Detroit Edison and Mich Con should continue to submit semi-annual updates to the Commission Staff on the progress of the program on June 7, 2012 and every six months thereafter during the duration of the waiver period.

The Commission finds that *ex parte* approval of the joint application is appropriate since the temporary waiver will not result in a rate increase to customers.

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<sup>1</sup>The Commission first approved a temporary waiver of R 460.117(1) in an order issued on December 18, 2007 in this docket. In that application, Detroit Edison and Mich Con requested a waiver of the rule in order to provide a pilot program for billing every three months customers whose bills totaled less than \$20 per month.

THEREFORE, IT IS ORDERED that:

A. The Detroit Edison Company's and Michigan Consolidated Gas Company's request for a temporary waiver of 1999 AC, R 460.117(1) is approved for a period of one year from the date of issuance of this order.

B. The Detroit Edison Company and Michigan Consolidated Gas Company shall submit semi-annual updates to the Commission Staff on the progress of the program on June 7, 2012 and every six months thereafter during the duration of the waiver period.

C. The Detroit Edison Company and Michigan Consolidated Gas Company shall provide notice in customer bills regarding the monthly billing provision.

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

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John D. Quackenbush, Chairman

By its action of December 6, 2011.

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Orjiakor N. Isiogu, Commissioner

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Mary Jo Kunkle, Executive Secretary

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Greg R. White, Commissioner