

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>THE ONTONAGON COUNTY RURAL</b>	)	
<b>ELECTRIFICATION ASSOCIATION</b> for authority to	)	
reconcile renewable energy plan costs associated with	)	Case No. U-16329
the plan approved in Case No. U-15819 for the	)	
period ended December 31, 2010.	)	
_____	)	

At the October 20, 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 SETTLEMENT AGREEMENT**

On July 26, 2011, The Ontonagon County Rural Electrification Association (Ontonagon) filed an application for authority to reconcile its renewable energy plan (REP) costs and revenues for the period ended December 31, 2010.

A prehearing conference was held on September 27, 2011 before Administrative Law Judge Mark E. Cummins. The Commission Staff also participated in the proceedings. Subsequently, the parties submitted a settlement agreement resolving all issues in the case.

According to the terms of the settlement agreement, attached as Exhibit A, the parties agree that the Commission should approve Ontonagon’s application for authority to reconcile REP costs associated with the plan approved in Case No. U-15819 for the period ended December 31, 2010. The parties further agree that for the 12-month period ended December 31, 2010, Ontonagon was

not authorized to charge, nor did it collect, a renewable energy surcharge, and there are no revenues or expenditures to reconcile within the 2010 REP reconciliation.

The Commission finds that the settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved.

B. The Ontonagon County Rural Electrification Association's application for authority to reconcile renewable energy plan costs associated with the plan approved in Case No. U-15819 for the period ended December 31, 2010 is approved.

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

\_\_\_\_\_  
John D. Quackenbush, Chairman

By its action of October 20, 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

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of ONTONAGON )	
COUNTY RURAL ELECTRIFICATION )	
ASSOCIATION for authority to reconcile )	
renewable energy plan costs associated )	Case No. U-16329
with the plan approved in Case No. U-15819, )	
for the period ended December 31, 2010. )	
_____ )	

**SETTLEMENT AGREEMENT**

On July 26, 2011, Ontonagon County Rural Electrification Association (Ontonagon) 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, Ontonagon'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 Ontonagon's customers in 2010. Thus, Ontonagon reported no collections and no expenditures.

At the prehearing conference on September 27, 2011, Administrative Law Judge Mark E. Cummins presiding, Ontonagon 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 Ontonagon 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 Ontonagon 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, Ontonagon and Staff hereby agree and stipulate as follows:

1. Ontonagon'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, Ontonagon was not authorized to charge, nor did it collect, a renewable energy surcharge. Thus, there are no revenues or expenditures to reconcile.
3. Ontonagon 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: October 10, 2011

Kristin M.  
Smith

Digitally signed by Kristin M. Smith  
DN: cn=Kristin M. Smith, o=Michigan  
Attorney General, ou=Public Service  
Division, email, c=US  
Date: 2011.10.11 10:09:49 -04'00'

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MICHIGAN PUBLIC SERVICE COMMISSION  
STAFF

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Dated: October 10, 2011

Bret A. Totoraitis

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Date: 2011.10.10 09:18:12 -04'00'

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ONTONAGON COUNTY RURAL  
ELECTRIFICATION ASSOCIATION

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