

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)	
UP POWER MARKETING LLC for a)	Case No. U-14594
license as an alternative electric supplier.)	
_____)	

At the October 25, 2007 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

ORDER

On August 16, 2005, the Commission granted UP Power Marketing LLC (UP Power) a conditional alternative electric supplier (AES) license under the Customer Choice and Electricity Reliability Act, sections 10 to 10cc of 1939 PA 3, MCL 460.10 to 460.10cc (the Act). UP Power’s license was restricted to selling retail power to operations at White Pine Copper Refinery, Inc. (Refinery), in White Pine, Michigan. The conditional AES license waived the bond or letter of credit requirement and also exempted UP Power from some of the Commission’s AES reporting requirements.

The Act requires that the Commission ensure that an AES has the necessary financial, managerial, and technical capabilities; is capable of meeting safety requirements for electric operations; and complies with all other lawful obligations. Additionally, by the June 19, 2000 order in Case No. U-11915, each AES is required to maintain an office within Michigan.

On June 21, 2007, UP Power submitted a supplemental filing to expand its retail base beyond the Refinery to include providing electricity to non-affiliate industrial and commercial entities in Michigan. The Commission Staff (Staff) is responsible to review the application and make a recommendation regarding license applications. The Staff has reviewed the supplemental information submitted by UP Power and recommends that the Commission grant this company a license to operate as an AES with the current conditions removed.

The Staff's review of the supplemental filing determined that UP Power will be expected to provide the Commission annual reports, which include the statistical data report, environmental disclosures, and code of conduct reports. UP Power has agreed to comply with these requirements. UP Power provided the Staff with a surety bond in the amount of \$100,000. Based on the supplemental filing, the Staff has determined that UP Power meets the requirements of the Act and Case No. U-11915.

The Commission finds that approval of the supplemental application is in the public interest. On numerous occasions, the Commission has found that competition can be advantageous to the citizens of the state. Approval of the request for an amended AES license will expand the opportunities for competition. The supplemental application should be approved. The grant of this amended AES license is conditioned on compliance with all applicable provisions of the statute and the Commission's orders. Failure to comply fully may result in revocation of the license or other penalties. The grant of a license is conditioned upon the provision of service to customers within a reasonable time. Failure to do so may result in revocation of the license.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1909 PA 106, MCL 460.551 *et seq.*; 1919 PA 419, MCL 460.51 *et seq.*; 1939 PA 3, MCL 460.1 *et seq.*; 1969 PA 306, MCL 24.201 *et seq.*; and the Commission's Rules of Practice and Procedure, 1999 AC, R 460.17101 *et seq.*
- b. UP Power has satisfied the statutory requirements to obtain an amended AES license.

THEREFORE, IT IS ORDERED that:

- A. UP Power Marketing LLC is granted an amended license as an alternative electric supplier.
- B. UP Power Marketing LLC shall operate as an alternative electric supplier in compliance with the regulatory requirements specified in the Customer Choice and Electricity Reliability Act, 1939 PA 3, MCL 460.10 *et seq.*, and the Commission's orders.

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

(S E A L)

/s/ Orjiakor N. Isiogu

Chairman

By its action of October 25, 2007.

/s/ Monica Martinez

Commissioner

/s/ Mary Jo Kunkle
Its Executive Secretary

/s/ Steven A. Transeth
Commissioner

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 106, MCL 460.551 *et seq.*; 1919 PA 419, MCL 460.51 *et seq.*; 1939 PA 3, MCL 460.1 *et seq.*; 1969 PA 306, MCL 24.201 *et seq.*; and the Commission's Rules of Practice and Procedure, 1999 AC, R 460.17101 *et seq.*

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

By its action of October 25, 2007.

Commissioner

Its Executive Secretary

Commissioner

P R O O F O F S E R V I C E

STATE OF MICHIGAN)

Case No. U-14594

County of Ingham)

E. David Lechler being duly sworn, deposes and says that on October 25,2007, A.D. he served a copy of the attached Notice of Hearing by mailing copies thereof by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.

E. David Lechler

Subscribed and sworn to before me
this 25th day of October 2007

William Brandon
Notary Public – State of Michigan
County of Ingham
My Commission expires January 14, 2013
Acting in the County of Ingham

SERVICE LIST FOR DOCKET # U - 14594-
DATE OF PREPARATION: 10/25/2007

CASE #

UP POWER MARKETING LLC
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