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November 20, 2013

Ms. Mary Jo Kunkle
Michigan Public Service Commission
4300 W. Saginaw Highway
P.O. Box 30221
Lansing, MI 48909

Re: Case No. U-17473

Dear Ms. Kunkle:

Attached for paperless electronic filing is Energy Michigan's Reply Brief. Also attached is a Proof of Service indicating service on counsel.

Thank you for your assistance in this matter.

Very truly yours,

VARNUM,^{LLP}

Eric J. Schneidewind

EJS/mrr

cc: ALJ
parties

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for a Financing Order Approving the)
Securitization of Qualified Costs)

Case No. U-17473

REPLY BRIEF OF ENERGY MICHIGAN

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I. Introduction and Summary of Position

A. Introduction.

This Reply Brief is filed by Varnum, LLP on behalf of Energy Michigan, Inc. ("Energy Michigan") in response to the Initial Briefs of the Michigan Public Service Commission Staff ("Staff" or "MPSC Staff"), Consumers Energy Company ("Consumers" or "Consumers Energy"), the Association of Businesses Advocating Tariff Equity ("ABATE") and the Attorney General of Michigan ("AG"). Failure to address any issues or positions advocated by parties to this matter other than the issues or positions addressed in this Reply Brief should not be construed as agreement with those issues or positions.

B. Summary of Position.

1. Reply to MPSC Staff and ABATE.

Energy Michigan agrees with MPSC Staff that the Commission must approve a securitization cost recovery rate design which allocates coal plant production costs in a way that both "reflects current ratemaking methodologies used for base rates" and which "...results in [bundled and ROA] customers indifferent as to whether the coal plant costs

are recovered as proposed in Case U-17453 or through securitization." This goal can be achieved in conformance with Michigan's current mandate for cost of service rates if the coal plant production costs are allocated to each rate class on a cost of service basis and then the resulting securitization charges are assigned only to customers that are assigned production costs within the various rate classes. This type of allocation of production costs is contained in the attached Schedule from the recent Consumers Energy Base Rate U-17087. See Attachment 1.

Using this approach, all rates would be allocated based on cost of service, and the customers within each class benefiting from these production facilities would pay their appropriate share of the costs. ROA customers who did not benefit from the coal plants would not pay any securitization costs.

Energy Michigan agrees with ABATE that the coal plant costs are not stranded costs because the decision to retire the plants was based on an economic calculation, not on inability to recover the costs in a competitive market. Indeed, the pending Accounting Case U-17453 which could also provide recovery of coal plant costs proves there is a means for Consumers to recover such costs under current market conditions, whatever those are.

Finally, if the Commission does not want to assign separate rates within a class to reflect responsibility for production costs (bundled customers paying all costs, ROA paying none) the Commission can use a credit or offset to uniform securitization charges which would relieve ROA customers from the burden of those charges in the same way that existing Consumers Rate E-1 customers are relieved of similar burdens.

2. Reply to Consumers Energy.

Consumers has argued that securitization charges must be non-bypassable for all customers including ROA customers. However, Commission case precedent in U-13715 dictates otherwise. That case considered the exact same argument presented by the same

Witness Torrey and rejected the Consumers position. The Commission ordered that ROA customers be exempted from production related environmental costs. In the alternative, MPSC Staff has testified that credits or offsets to securitization charges which are currently used to exempt Rate E-1 customers could also be used for ROA customers. Meyers, 2 Tr 433-38.

Consumers Energy has also failed to demonstrate that the subject coal plant costs are indeed qualified costs. Indeed, the pending Case U-17453 proves that such costs could be recovered under current market conditions, whatever they are. Also, Consumers has failed to show that the coal plant costs when merged with all other production costs would not produce an overall market price that is uncompetitive with current alternatives. The burden of proof is on Consumers and Consumers has failed its burden.

Finally, Consumers on the one hand claims that the coal plant costs have magically changed into regulatory assets which can be qualified costs (without showing that the costs could not be recovered in a competitive market) and on the other hand argues that ROA customers should pay for such costs because the facilities benefit or had benefited ROA customers through backup power or lowering current market prices. Consumers is trying to have it both ways by arguing that the plants both are and are not production related. Clearly, the retired plants are production assets. Even assuming for the sake of argument that Consumers' argument had merit, which it does not, it would also mean that ROA customers benefitted the system by bringing additional generation onto the system. Therefore, consistent with Consumers' logic, ROA customers provided an uncompensated benefit to the utility default service customers in the way of backup power and lowering market prices, for which they should compensate the ROA customers. That Consumers asks the Commission to recognize one side of a two-way claimed benefit only highlights that this argument and line of reasoning has no merit and must be rejected.

II. Reply To MPSC Staff and ABATE Regarding Rate Design

A. Position of MPSC Staff and ABATE.

ABATE has argued through its witness, James Selecky, that the allocation of securitized costs to rate classes should be based on the last Commission approved production allocator with costs recovered from various customers within a rate class based on a uniform surcharge. Mr. Selecky argued that the Consumers Energy proposal to implement a uniform / kWh surcharge to collect securitization costs from all customers, including ROA customers, is contrary to Act 286. ABATE Brief, p. 30.

The MPSC Staff "...believes that securitization costs should be allocated to each rate class based on the most recent Commission approved production allocation and then spread to customers within the class based upon a uniform kWh charge. The assets requested for securitization are production assets and are currently being recovered based on a production allocation. Staff supports a surcharge methodology that allocates costs on a similar fashion to [the] method by which Consumers rates are set. Using this methodology would result in all customers being indifferent with respect to whether the costs are recovered as proposed in Case U-17453 or through securitization. As such, Staff recommends that if the Commission approves securitization of any amount, that it adopt a surcharge methodology that reflects current ratemaking methodologies used for base rates. Conversely, if the Commission rejects this approach, Staff recommends denying the Application for securitization. Staff Brief, p. 30-31.

B. Energy Michigan Reply.

1. Securitization rate design.

Energy Michigan agrees with MPSC Staff that the Commission must approve a securitization cost recovery rate design which allocates production costs in a way "that reflects current ratemaking methodologies used for base rates". Id. To ensure that result the Commission must specifically state that the resulting equal kWh securitization

charges applied to a rate class would be assigned only to customers that are assigned production costs within the various rate classes. Energy Michigan has no objection to the uniform surcharge advocated by ABATE provided that the surcharge applies only to customers who were assigned production costs within the rate class.

The attached Schedule from final Commission Order U-17087 approving rate case settlement for the Consumers base rates (May 15, 2013) illustrates this point. Attachment 1. The Schedule approving recovery of Power Supply by revenues shows the revised revenue requirement assigned to each class and the rates within each class used to recover those revenues. Thus, for the primary class, full service customers are assigned various levels of production costs by rate but all ROA primary class customers are assigned no production cost because they do not use production facilities. The same result is true with residential class and secondary class full service and ROA customers as well. Because ROA customers do not use production facilities, they are not assigned production costs and they should not pay production related charges as was the case with the power supply revenue Schedule from the U-17087 Order, Attachment 1.

As noted by Staff, there is only one way to leave all customers indifferent with respect to whether the [coal plant retirement] costs are recovered as proposed in Case U-17453 or through securitization: that is to allocate the securitization costs to each class on a cost of service basis and then collect those costs only from full service customers who would pay similar costs if approved in Case U-17453 and collected through conventional rates. Staff Brief, p. 31. Conventional Cost of Service ratemaking practices have not and, properly never will, charge ROA customers for production facilities which they do not use.

MCL 460.11(1) provides that as of October 2013, the electric rates charged in Michigan by utilities with more than one million customers must be equal to the cost of service. Energy Michigan Witness Zakem has testified that because ROA customers do not use power produced by Consumers Energy production facilities, they cannot be charged the cost of such facilities. Energy Michigan Brief, p. 12. Consumers Energy agrees that

adoption of a cost of service basis for calculating securitization charges would result in exempting ROA customers from such charges. Consumers Brief, p. 48.

2. Treatment of Retired Plants as Stranded Cost.

Energy Michigan agrees with ABATE that the undepreciated coal plant balances cannot be considered stranded costs. As noted by both ABATE (page 4-5) and Energy Michigan (Brief, pages 11-12) and the AG (Brief, page 16), the undepreciated coal plant assets are not properly considered stranded costs because the decision to retire these plants was based purely on an economic calculation that the cost of refitting and continuing to run the plant would be more than purchasing the same amount of power or building a new power plant. The existence of competition, particularly in a state where competition is limited to 10%, was irrelevant to this decision. *Id.*

If the retired plant costs are not stranded costs, Consumers has claimed that they are regulatory assets. ABATE Brief, p. 5. However, in order to qualify for regulatory asset treatment, Consumers has the burden of proof that the retired plant cost cannot be recovered in a competitive market.

Consumers cannot meet this burden of proof for two reasons: First, the most likely outcome of the pending Case U-17453 would result in recovery of the retired plant costs in the current energy market environment. If the Consumers Application in that matter is granted, and there is no reason to believe that it will not be granted, it will be clear proof that retired coal plant costs can be recovered in the current market environment however that environment may be characterized. Second, Consumers has not shown that the retired coal plant costs are not competitive when taken as a part of all Consumers generation. Energy Michigan Brief, p. 5. It is clear, in isolation, that any Consumers company asset or portion of a power plant could be shown to be uncompetitive if sold or evaluated on a line-item basis or as a separate matter. However, assessing the market value of isolated assets ignores the concept of netting assest with positive and negative current market values. Supporting this concept is the regulatory policy against engaging

in single-issue ratemaking, which is what Consumers asks the Commission to do here. Consequently, when the overall cost of Consumers power output is taken as a whole, including the retired assets, the resulting costs may well be competitive in current and future power markets. Consumers has never made a showing to the contrary.

The existence of Case U-17453 and progress toward completion of that matter is clear proof that Consumers believes and has every reason to believe that the retired coal plant costs can be recovered within the current market even without resorting to securitization as a means of collecting those costs.

3. Alternatives to Cost Based Securitization Charges.

As noted above, both ABATE and MPSC Staff favor allocation of the retired plant costs to each class on the base of cost of service principals and then recovery of such costs within each class through uniform surcharges however Staff points out that such recovery must be "on a similar fashion or method by which Consumers rates are set [to achieve] a result in which all customers are indifferent with respect to whether the costs are recovered as proposed in Case U-17453 or through securitization." Staff Brief, p. 31.

As noted above, one way to achieve this result would be through using the production revenue recovery schedule included in the last Consumers Energy Rate Case U-17087 which would recover all allocated production costs within a rate class from bundled customers, with no recovery from ROA customers who were not assigned production costs. This approach would be both cost based and consistent with current MPSC practice, a practice that would be followed in Case U-17453. Zakem, 2 Tr 61.

However, if the Commission wishes to adopt uniform securitization charges for all customers within a rate class, including ROA customers, to recover production costs, then another method is available. The Commission could assess uniform securitization charges to both bundled service and to ROA customers but provide a rate credit to offset such charges on behalf of the ROA customers because they do not use Consumers Energy

production facilities. This approach has been used by the Commission to offset the impact of securitization charges for Consumers Energy Rate E-1 and was described, in concept by the Commission in Case U-13715 as a means of relieving ROA customers of the burden of securitization charges. Meyers, 2 Tr 432-38.

Use of a credit to offset securitization charges would be consistent with MPSC Order U-13715, leave ROA customers indifferent regarding whether securitization or conventional accounting treatment were used and would comply with cost of service principals in terms of the impact achieved.

Conclusion

The MPSC Staff has set forth the proper goal to be achieved in this case for collection of any approved securitization charges: the surcharge methodology must "allocate costs on a similar fashion to [the] method by which Consumers rates are set. Using this methodology would result in all customers being indifferent with respect to whether the costs are recovered as proposed in Case U-17453 or through securitization. As such, Staff recommends the Commission approve securitization in any amount, that it adopt a surcharge methodology that reflects current ratemaking methodologies used for base rates." Staff Brief, p. 31.

This Staff description of a desirable outcome in this case can be achieved if the coal plant production costs are allocated to the various rate classes using a production allocator consistent with that proved in the Consumers most recently contested rate case and the securitization charges resulting are assigned only to customers that are assigned production costs within the various rate classes. A Schedule from Case U-17087 showing allocation of production costs within in each rate class is attached to illustrate the desired and legal outcome. Attachment 1.

III. Reply to Consumers Energy

A. Non-bypassability.

1. Consumers position.

Consumers claims that any securitization charges resulting from this proceeding must be uniform and payable by all customers including ROA customers. Consumers states that PA 142 requires all customers regardless of the identify of their generation supplier to pay securitization charges. Consumers also claims that there cannot be exemptions from the resulting securitization charges without impairing financeability of the securitization issue and that exclusion of a major customers class such as ROA would make the securitization issue unfinanceable. Consumers Brief, p. 9-14.

Interestingly, Consumers does not explain why exemption of the E-1 rate class from the burden of paying securitization charges through use of an offset credit didn't make previous issues of securitization bonds unfinanceable. Meyers, 2 Tr 433-38.

2. Reply to Consumers.

As noted above, Consumers Rate E-1 is literally exempted from payment of securitization charges through offsetting credits approved by the Commission. Meyers, 2 Tr 433-38. Also, the Commission itself in Order U-13715 found that it would be possible and appropriate to exempt ROA customers from payment of production related securitization charges. U-13715, June 2, 2003, p. 58-60. Order U-13715, therefore found that either exemption of ROA customers from any payment for production charges or use of an offset to such production charges would be appropriate. Id.

Also, the Consumers discussion of securitization does not include consideration of the new requirements contained in MCL 460.11(1) for cost of service rates. These requirements were imposed fully eight years after the initial securitization legislation in PA 142 was enacted. The 2008 amendments in PA 286 contain the above referenced cost of service requirement for rates but also limited competition to 10% of the Consumers

Energy sales. Both of these new developments serve to buttress the Commission's reasoning in Case U-13715 that exemption of ROA customers from production related securitization charges or offsetting securitization charges with credits for such customers would be feasible particularly in light of the availability of a true up mechanism which could be used to adjust securitization charge rates to cover any shortfalls of revenue. *Id.* In the face of these tools and Commission precedent, the Testimony of Consumers witnesses to the contrary is self-serving and directly contradicts both Michigan statute law and Commission precedent. As such, the Consumers Testimony should be given no weight whatsoever.

If the Commission needs to harmonize Consumers' claim that PA 142 mandates that all customers be liable for securitization charges with the PA 286 cost of service mandate, this outcome can be achieved by using cost of service methods to allocate securitized production costs (such as those requested in this case) to each customer class and then, to customers within each rate as well. The result would be that while all customer rates would be liable for payment of securitization charges, the actual allocation of such costs would result in ROA customers who do not use production facilities paying nothing and full service customers paying the entire amount because they do use production facilities. Thus, all customers would be liable for securitization charges but the cost of service allocation methodology would reduce the burden of ROA customers to zero.

Further, as noted by Energy Michigan, charging ROA customers for production costs frustrates competition in violation of Michigan's statutory requirements and the clear language of the Commission in Case U-13715, June 2, 2003 at page 60. In that case, the Commission expressed concern about the impact on competition that would occur if ROA customers were forced to pay for Consumers power supply costs. Energy Michigan Brief, p. 5, 9-10.

Finally, the Commission should carefully consider the precedent created by the Consumers request to allocate retired production facility costs to ROA customers. This precedent is dangerous because it creates the unlimited potential to destroy competition.

Energy Michigan Witness Zakem has noted that without sharply limiting the production cost that can be securitized and collection of those costs, virtually any Consumers Energy asset including office buildings, distribution, etc., could be securitized and the costs of that asset collected from ROA customers. Energy Michigan Brief, p. 5. Approval of this tactic could give Consumers the clear ability to destroy competition in violation of Michigan law.

B. The Consumers Coal Plant Investment Are Not Qualified Costs.

1. Consumers position.

Consumers Energy attempts to refute the Testimony of Alex Zakem that it should only securitize assets capable of operating and producing power. Consumers claims that the purpose of securitization is to recover the cost of uneconomic assets. Consumers points to a list of securitization cases covering mostly "transition recovery" and some storm costs. Consumers claims that PA 142 does not require property to be stranded costs just that those costs should be unlikely to be collected in a competitive market. Consumers Brief, p. 25-27.

2. Energy Michigan reply.

The existence of pending Case U-17453 covering the same assets proposed for securitization in this case proves that Consumers' production costs relating to the retired coal plants can indeed be recovered in the current market whether the market is competitive or not. Moreover, there is no proof in the Consumers Testimony that the Michigan market is indeed competitive or that, when taken together as a whole, Consumers would not be able to recover the cost of the retired coal plants as part of their overall power cost structure. Energy Michigan Brief, p. 4-5, 11.

The list of securitization cases cited by Consumers in its Brief relate mostly to transition costs and therefore literally consist almost entirely of production facilities. This fact supports the arguments of Mr. Zakem.

C. Design of Securitization Charges.

1. Consumers position.

Consumers claims that ROA customers must pay securitization charges because it is necessary to achieve a AAA credit rating, that the coal plants have served all customers including ROA customers in the past and are part of the provider of last resort backup and that Clean Air Act requirements are forcing this outcome and those requirements benefit all customers including ROA. Consumers Brief, p. 46-47.

Consumers claims that exemption of ROA customers from securitization charges conflicts with the requirement of PA 142 that such charges be non-bypassable and that, as regulatory assets, the retired coal plant costs are no longer production costs subject to the requirements of PA 286 § 11(1). Consumers Brief, p. 28. Finally, Consumers claims that unlike examples from Case U-13715 the retired coal plant assets are not environmental related and therefore do not come under the language of the Commission in that case finding that attempted recovery of such costs from ROA customers would amount to a double recovery because the ROA customer would have to pay once for the environmental cost of its own supplier and then again for environmental costs incurred by Consumers Energy.

2. Energy Michigan response.

The Consumers arguments about the impact on financeability of exempting ROA customers from securitization charges are simply not credible. This is because Consumers does not explain why it is currently possible to exempt Rate E-1 from securitization charges via a credit or why the Commission does not have the authority to specifically

authorize exemption or credits for ROA customers. Meyers, 2 Tr 433-38; Energy Michigan Brief, p. 8-9.

Also, on the one hand, Consumers argues that ROA customers should pay for retired plant costs because they benefited from these plants through backup and market supply. Later, Consumers claims that the subject assets are no longer production related (therefore falling under MCL 460.11(1)) but rather are regulatory assets that are not production related. Consumers' arguments lose credibility by trying to have it both ways with its arguments: the coal plant assets are production costs. Neither argument conforms to Commission precedent or laws governing the Commission. Moreover, since MISO dispatches all generation to serve all load, ROA power suppliers and other utilities provide the same benefits to Consumers bundled customers that Consumers claims ROA customers receive from Consumers. Energy Michigan Brief, p. 6-7.

Conclusion

Despite widely conflicting claims, it is possible to harmonize many of the arguments of Consumers Energy, ABATE, Staff and Energy Michigan on the subject of securitization rate design.

There can be no debate that production costs are lawfully required to be recovered on the basis of cost of service allocations. If those cost of service allocations are made both to each class and within each rate based on use of production assets (in exact conformance with both the practice and the exact figures adopted by the Commission in Rate U-17087, see Attachment 1) then all customers, ROA and bundled, will be subject to securitization charges yet the allocation of those charges within each rate will proceed according to cost of service principals. The result would be, for this securitization case as with the last Consumers Energy rate case, that the final securitization charges would vary according to each class and rate within that class by the cost of service with bundled customers paying the full cost for production assets they use and ROA customers paying nothing for production assets that ROA customers do not use.

This outcome would achieve the Staff's correct goal that all customers in this case, both ROA and bundled, should be indifferent as to whether retired coal plant costs are recovered by conventional ratemaking in Case U-17453 or in this securitization case. This would be because allocation of retired coal plant costs both to each class and to the individual customers within each rate in the class would mean that bundled customers would pay the production related surcharges and ROA customers would not as was the case in U-17087.

IV. Relief Requested.

WHEREFORE, Energy Michigan respectfully requests that the Commission:

1. Reject the Consumers request to securitize certain assets related to generating plants; or
2. Assign securitization charges only to customers that are assigned production costs within the various rate classes; or
3. Use a credit or offset to hold ROA customers harmless from the approved securitization charges.

Respectfully submitted,

Varnum,^{LLP}
Attorneys for Energy Michigan, Inc.

November 20, 2013

By: _____
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MICHIGAN PUBLIC SERVICE COMMISSIONPRIVILEGED AND CONFIDENTIAL
PREPARED FOR SETTLEMENT DISCUSSIONSCase No.: U-17087
Settlement \$89 Million
Transmission 12 CP 50/25
Production 4 CP 50/25/25
CE Allocation
0**Consumers Energy Company****Summary of Present and Proposed Revenues by Rate Schedule****Power Supply Revenues**

Line No.	Description	(a)	(b)	(c)	(d)	(e)
		Sales MWh	Present Revenue \$000	Proposed Revenue \$000	Difference Revenue \$000	Percent
Bundled Service						
Residential Class						
1	Residential Service RS	12,365,842	\$ 1,105,629	\$ 1,088,760	\$ (16,869)	(1.5)
2	Residential Time-of-Day RT	42,558	3,257	3,446	189	5.8
3	Residential Small Farm RF					
4	Residential Space Heating RH					
5	Residential Electric Vehicle REV	753	45	48	3	7.4
6	Res. Dynamic Price RSDP	-	-	-	-	NA
7	Res. Dynamic Price Rebate RSDPR	-	-	-	-	NA
8	Total Residential Class	12,409,153	1,108,931	1,092,254	(16,677)	(1.5)
Secondary Class						
9	Secondary Energy-only GS	3,185,763	286,963	299,160	12,198	4.3
10	Agricultural GSA					
11	Sec. Energy Dynamic Price GSDP	-	-	-	-	NA
12	Secondary Demand GSD	4,186,967	357,953	381,149	23,196	6.5
13	Agricultural GSDA					
14	Sec. Demand Dynamic Price GSDDP	-	-	-	-	NA
15	Total Secondary Class	7,372,730	644,915	680,309	35,394	5.5
Primary Class						
16	Primary Energy-only GP	1,206,685	100,031	105,146	5,115	5.1
17	Pri. Energy Only Agricultural Rate GPA					
18	Pri. Energy Dynamic Price GPDP	-	-	-	-	NA
19	Primary Demand GPD	9,477,406	765,227	750,152	(15,076)	(2.0)
20	Primary Metal Melting Pilot MMPP	333,554	18,733	19,342	608	3.2
21	Primary Time of Use Pilot GPTU	340,536	24,974	25,508	534	2.1
22	Large Customer Pri Demand Rate GPLD					
23	Large Economic Development E-1	2,246,916	106,416	167,908	61,493	57.8
24	Total Primary Class	13,605,097	1,015,381	1,068,055	52,674	5.2
Lighting & Unmetered Class						
25	Metered Lighting Service GML	8,641	458	481	23	5.0
26	Unmetered Lighting Service GUL	150,394	7,564	8,432	868	11.5
27	Unmetered Exp. Lighting GU-XL	-	-	-	-	NA
28	Unmetered Service GU	102,672	7,655	7,770	115	1.5
29	Total Lighting & Unmetered Class	261,707	15,677	16,683	1,006	6.4
Self-generation Class						
30	Small Self-generation GSG-1	-	-	-	-	NA
31	Large Self-generation GSG-2	51,767	4,834	-	(4,834)	(100.0)
32	Total Self-Generation Class	51,767	4,834	-	(4,834)	(100.0)
33	Total Bundled Service	33,700,454	\$ 2,789,739	\$ 2,857,302	\$ 67,563	2.4
ROA Service						
Residential Class						
34	Residential Service RS	-	\$ -	\$ -	\$ -	NA
35	Residential Time-of-Day RT	-	-	-	-	NA
36	Total Residential Class	-	-	-	-	NA
Secondary Class						
37	Secondary Energy-only GS	39,017	-	-	-	NA
38	Secondary Demand GSD	216,539	-	-	-	NA
39	Total Secondary Class	255,556	-	-	-	NA
Primary Class						
40	Primary Energy-only GP	43,990	-	-	-	NA
41	Primary Demand GPD	3,635,059	-	-	-	NA
42	Total Primary Class	3,679,049	-	-	-	NA
43	Total ROA Service	3,934,605	\$ -	\$ -	\$ -	NA
44	Total Bundled and ROA Service	37,635,059	\$ 2,789,739	\$ 2,857,302	\$ 67,563	2.4

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for a financing order)
approving the securitization of qualified costs)
_____)

Case U-17473

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

Monica Robinson, the undersigned, being first duly sworn, deposes and says that she is a Legal Secretary at Varnum LLP and that on the 20th day of November, 2013, she served a copy of the Energy Michigan's Reply Brief upon those individuals listed on the attached Service List by email at their last known addresses.

Monica Robinson

SERVICE LIST U-17473

Hon. Sharon Feldman
Administrative Law Judge
(Discovery Proof of Service only)

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