

POWER SUPPLY COST RECOVERY

PSCR Factors:

All rates for metered electric service shall include an amount up to the Power Supply Cost Recovery (PSCR) Factor for the specified billing period as set forth below. The PSCR Factor includes an increase or decrease of 0.0104 mills per kWh for each full 0.01 mill increase or decrease in the projected annual power supply costs above or below a cost base of 41.71 mills per kWh, rounded to the nearest one-hundredth of a mill per kWh. The projected power supply costs per kWh shall equal the total projected annual net power cost divided by the projected annual net system energy requirements. Net system energy requirements shall be the sum of net generation and net purchased and interchange power.

An amount not exceeding the PSCR Factor for each month shall be placed into effect in the first billing cycle of that month and shall continue in effect until the first billing cycle of a subsequent month for which a subsequent PSCR Factor becomes operative.

The PSCR Factor shall be applicable to the following Rate Schedules:

<u>Class of Service</u>	<u>Rate Schedule No.</u>
Residential	Rg 1 and Rg 2
General Secondary	Cg 1, Cg 2, Cg 3, Cg3C and Cg 5
General Primary	Cp 1, Cp 2, Cp 3, Cp 4, Schedule A & Cp LC
Lighting	Ms 1, Ms2, Ms3, GL1
Other	Mg 1, DS 1
ERER 1, ERER 3	
100% Renewable power	No adjustment for PSCR
50% Renewable power	(1-.50) x PSCR factor applicable to rate schedule customer is served under. Customer pays 50% of PSCR factor.
25% Renewable power	(1-.25) x PSCR factor applicable to rate schedule customer is served under. Customer pays 75% of PSCR factor.
ERER 2	
Kilowatt-hour in excess of nominated block	PSCR factor applicable to rate schedule customer is served under.
Customer Generating System	CGS Category 1

<u>Month</u>	<u>2010 Plan Year PSCR Factor (\$ per kWh)</u>	<u>Prior Year's Factor (\$ per kWh)</u>	<u>Maximum Authorized 2010 PSCR Factor (\$ per kWh)</u>	<u>Actual Factor Billed (\$ per kWh)</u>
Jan 2010	(.00024)	.00057	.00033	.00033
Feb 2010	(.00024)	.00057	.00033	.00033
Mar 2010	(.00024)	.00057	.00033	.00033
Apr 2010	(.00024)	.00057	.00033	.00033
May 2010	(.00024)	.00057	.00033	.00033
Jun 2010	(.00024)	.00057	.00033	.00033
Jul 2010	(.00024)	.00057	.00033	.00033
Aug 2010	(.00024)	.00057	.00033	.00033
Sep 2010	(.00024)	.00057	.00033	.00033
Oct 2010	(.00024)	.00057	.00033	.00033
Nov 2010	(.00024)	.00057	.00033	.00033
Dec 2010	(.00024)	.00057	.00033	.00033

Parentheses indicate a credit factor. Should the Company apply lesser factors than those above or if the factors are later revised pursuant to commission orders or 1982 PA 304, the Company will notify the commission if necessary and file a revision of the above list.

(Continued on Sheet No. D-4.00)

Issued *February 11, 2010*
 R.A. Draba
 Vice-President,
 Milwaukee, Wisconsin

Effective for bills rendered for
 the 2010 Plan year

Issued under authority of
 Section 6j(9) of 1982 PA304
 For implementing in
 Case No. U-16034

POWER SUPPLY COST RECOVERY
(Continued From Sheet No. D-3.00)

PSCR Factors (Contd):

Annual Reconciliation:

All power supply revenues received by the Company, whether included in base rates or collected pursuant to a PSCR clause, shall be subject to annual reconciliation with the cost of power supply. Such annual reconciliations shall be conducted in accordance with the reconciliation procedures described in section 6j(12) to (18) of 1939 PA 304, as amended, including the provisions for refunds, additional charges, deferral and recovery, and shall include consideration by the commission of the reasonableness and prudence of expenditures charged pursuant to any PSCR clause in existence during the period being reconciled.

Monthly Reports:

Not more than 45 days following the last day of each month in which a PSCR Factor has been applied to customer's bills, the Company shall file with the commission a detailed statement for that month of the revenues recorded pursuant to the PSCR Factor and the allowance for cost of power supply included in the base rates established in the latest commission order for the Company and the cost of power supply.

Previous Year (2009) PSCR Factors:

<u>Month</u>	<u>2009 Plan Year PSCR Factor (\$ per kWh)</u>	<u>Authorized PSCR Reconciliation Factor (\$ per kWh)</u>	<u>Maximum Authorized 2009 PSCR Factor (\$ per kWh)</u>	<u>Actual Factor Billed (\$ per kWh)</u>
Jan 2009	0.00636	0.00174	0.00810	0.00491
Feb 2009	0.00636	0.00174	0.00810	0.00491
Mar 2009	0.00636	0.00174	0.00810	0.00477
Apr 2009	0.00270	0.00207	0.00477	0.00207
May 2009	0.00270	0.00207	0.00477	0.00207
Jun 2009	0.00270	0.00207	0.00477	0.00207
Jul 2009	0.00270	0.00207	0.00477	0.00207
Aug 2009	0.00270	0.00207	0.00477	0.00207
Sep 2009	0.00270	0.00207	0.00477	0.00207
Oct 2009	0.00270	0.00207	0.00477	0.00477
Nov 2009	0.00270	0.00207	0.00477	0.00477
Dec 2009	0.00270	0.00207	0.00477	0.00477

Issued *December 15, 2009*
R.A. Draba
Vice-President,
Milwaukee, Wisconsin

Effective for *bills rendered for
the 2009 Plan year*

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Michigan Public Service Commission
dated *March 5, 2009*
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