

Electric Choice Supplier Handbook
Chapter 8: Marketer Billing and Settlements

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8.0 Marketer Billing and Settlements

As of April 1, 2005, the Midwest Independent Transmission System Operator (MISO) became the operator of the wholesale bulk power transmission system or electric system in the Midwest. As the operator, they are now responsible for Marketer settlement calculations and invoicing. Detroit Edison provides MISO with hourly kWh consumption data used for settlement purposes and billing. MISO is a regional transmission organization (RTO) that supports the constant availability of electricity in 15 U.S. states and the Canadian province of Manitoba. This responsibility is carried out by ensuring the reliable operations of nearly 94,000 miles of interconnected high voltage power lines that support the transmission of more than 100,000 MW of energy in the Midwest.

As a fully integrated regional transmission organization, the non-profit Midwest ISO assures industry consumers of unbiased regional grid management and open access to transmission facilities under Midwest ISO's supervision. Midwest Independent Transmission System Operator is an essential link in the safe, cost-effective delivery of electric power across much of North America.

For more information, please visit the MISO website at <http://www.midwestiso.org>. It provides information about:

- How to determine charges for service, including Daylight Savings Time (DST)
- What charges appear on the bill
- The bill settlement process

8.1 Detroit Edison Settlements Beyond the MISO Settlement Period

Detroit Edison submits the consumption data on day 7, day 14, day 55 and one final time at day 105 when the MISO settlement period closes. By day 105 estimated consumption data should have been replaced with actual data. If a customer is rebilled beyond the 105 day period, there is a chance that the rebilled kWh will be different than the originally billed kWh. If the rebilled kWh is greater than what was originally billed then the Marketer owes Detroit Edison: if the rebilled kWh is less than what was originally billed then Detroit Edison owes the Marketer. The Marketer Reconciliation Process addresses

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the difference between what was billed by MISO to the Marketer versus what should have been billed.

For example, for a period beyond the 105 or more days on the MISO bill, a reconciliation is needed. Each rebilled Marketer hourly value is recalculated using (1) the appropriate hourly Locational Marginal Pricing (LMP), (2) appropriate loss factor and (3) rebilled kWh hourly value; and then compared to the actual MISO value to determine the hourly credit/refund. The process is repeated for all hours involved, compared with what was actually billed by MISO to the Marketer, and then summed up resulting in an overall credit or refund.