

THE DETROIT EDISON COMPANY (DE)
WHOLESALE POWER SALES TARIFF
(WPS-2)

1.0 Definitions

The following terms shall have the specified meaning when used in this Tariff or in a Service Agreement:

- 1.1 **Commission:** The Federal Energy Regulatory Commission.
- 1.2 **Customer:** An entity that executes a Service Agreement under this Tariff.
- 1.3 **Service Agreement:** The initial agreement and any supplements thereto entered into by a Customer and DE for service under this Tariff.
- 1.4 **Tariff:** This Wholesale Power Sales Tariff as it may be amended and/or superseded from time to time.
- 1.5 **Transaction:** An individual transaction scheduled pursuant to this Tariff and a Service Agreement.

2.0 Availability

- 2.1 This Tariff is available for purchases of electric energy and/or capacity from DE.
- 2.2 No entity affiliated with DE is eligible for service under this Tariff.

3.0 Character of Service

DE may provide capacity and/or energy under this Tariff in varying amounts, at varying levels of firmness or priorities of service, for varying periods of service, and in accordance with varying delivery schedules, as agreed to between the Customer and DE.

4.0 Rates

4.1 The rates for purchases under this Tariff shall be as agreed to by the Customer and DE.

4.2 Detroit Edison shall obtain any necessary transmission and ancillary services on its transmission system for a sale, exchange or other transaction under this Tariff under its open access transmission tariff or under other applicable open access transmission tariffs covering the use of Detroit Edison's transmission system, and shall have a service agreement under such transmission tariff on file with the Commission covering such transaction. When DE obtains transmission service under such open access transmission tariff for sales under this Tariff, it will separately state the prices for wholesale generation, transmission and ancillary services.

5.0 Service Agreements

5.1 Prior to the commencement of service to a new customer, DE and each new Customer will execute a Service Agreement. DE will file a copy of the executed Service Agreement with the Commission.

5.2 DE may refuse, at its sole discretion, to enter into a Service Agreement or Transaction under this Tariff. DE is under no obligation to execute a Service Agreement to provide service hereunder.

5.3 Acceptance of service by the Customer pursuant to a Service Agreement commits the Customer to the provisions of this Tariff and to the terms of the Service Agreement.

6.0 Expansion of Facilities

DE will have no obligation under this Tariff or any Service Agreement executed hereunder to plan its system or to enlarge or modify its facilities in order to provide or maintain energy and/or capacity sold hereunder.

7.0 Revisions to Tariff

DE may file revisions to this Tariff with the Commission. Nothing contained in this Tariff shall be construed as affecting or limiting in any way the right of DE to unilaterally file with the Commission for a change in any aspect of this Tariff under Section 205 or 206 of the Federal Power Act pursuant to the Commission's Rules and Regulations promulgated thereunder.

8.0 Effective Date

This Tariff shall be effective on the date established by the Commission.

9.0. Resale of Transmission Rights

DE may sell, assign, or transfer to the Customer all or a portion of DE's rights to the use of the transmission system of a transmission provider that DE has reserved for its own use under a service agreement with the transmission provider, or has acquired from another customer of the transmission provider, including capacity that DE has reserved or acquired for its own use on its own transmission system under DE's Transmission Tariff or the Joint Transmission Tariff of Consumers Energy Corporation and DE. The price, terms, and conditions of such transmission resale service shall be as set forth in Schedule A to this Tariff.

FORM OF SERVICE AGREEMENT

This Service Agreement, dated as of _____, is entered into by and between The Detroit Edison Company ("Company") and _____ ("Customer"), pursuant to the Company's Wholesale Power Sales Tariff, FERC Electric Tariff No. 3 WPS-2 ("Tariff").

Each transaction hereunder shall be carried out under terms and conditions as agreed upon by the Company and Customer in accordance with the terms and conditions of the Tariff.

IN WITNESS WHEREOF, Company and Customer have caused this Service Agreement to be executed by their respective authorized officials as of the date first above written.

THE DETROIT EDISON COMPANY

CUSTOMER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

WHOLESALE POWER SALES SCHEDULE A
RESALE TRANSMISSION SERVICES

1. Duration
 - 1.1 This schedule shall continue in effect throughout the duration of the Tariff of which it is a part, unless and until changed pursuant to the Tariff.
2. Services To Be Rendered
 - 2.1 DE may sell, assign, or transfer to the Customer all or a portion of DE's rights to the use of the transmission system of a transmission provider that DE has reserved for its own use under a service agreement with the transmission provider, or has acquired from another customer of the transmission provider, including capacity that DE has reserved or acquired for its own use on its own transmission system under DE's Transmission Tariff or the Joint Transmission Tariff of Consumers Energy Corporation and DE.
3. Eligibility
 - 3.1 In order to be eligible for resale transmission services, the Customer must be an Eligible Customer as that term is defined in the Transmission Tariff of the transmission provider from whom the transmission service to be transferred was originally obtained.
4. Terms and Conditions of Service
 - 4.1 Except as to the price, the terms and conditions under which DE will resell transmission rights to the Customer will be the terms and conditions governing the original grant of transmission service rights by the transmission provider.
 - 4.2 When DE resells capacity it has reserved or acquired for its own use on the DE transmission system under either DE's Transmission Tariff or the Joint Transmission Tariff of Consumers Energy Corporation and DE, DE will continue to comply with all of the non-rate terms, conditions, and requirements of said Transmission Tariff.
 - 4.3 The curtailment priority of transmission service resold under this section of the Tariff will be consistent with the Transmission Tariff pursuant to which DE obtained the transmission service being resold, provided that DE may

resell as non-firm point-to-point transmission service capacity that it purchased on a firm point-to-point basis.

5. Compensation

- 5.1 DE will sell transmission rights to the Customer at a price not to exceed the highest of (a) the original price paid by DE; (b) the applicable transmission provider's maximum rate on file at the time of the sale to the Customer for service of the same duration; or (3) DE's own opportunity costs, capped at the applicable transmission provider's cost of expansion at the time of DE's sale of the transmission rights to the Customer.
- 5.2 DE will not recover opportunity costs on an incremental basis in connection with the resale of transmission rights without first receiving Commission approval pursuant to a filing under Section 205 of the Federal Power Act.

6. Records

- 6.1 DE will keep such records as may be needed to provide a clear history of all resales of transmission capacity under this schedule that DE has reserved or acquired for its own use on its own transmission system or the transmission systems of other transmission providers. DE will retain the original copies of all such records.