RETAIL ACCESS SERVICE RIDER – RIDER EC2

INTRODUCTION

This Rider is designed to express the terms and conditions associated with retail access service in the DTE Electric Choice Program, as well as provide information regarding the roles of the various market participants. This Rider includes the following sections:

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- In the DTE Electric Choice Program, DTE Electric will maintain a relationship and interact with at least three separate participants: The Customer, the Alternative Electric Supplier and the Marketer. One entity may be responsible for both the Alternative Electric Supplier and Marketer roles. DTE Electric has separately defined the retail and wholesale functions behind electric supply in a competitive environment.

E1.1 Availability

Available for metered service in conjunction with Rate Schedule Nos. D1 through R16, excluding R3, when the customer wishes to take Power Supply Service or Energy Service from an Alternative Electric Supplier, unless the customer is currently participating in any DTE tariffs, programs or contractual relationships that limit their ability to elect Retail Access Service. This Rider is not available for unmetered service.

E1.2 The Customer Role

The Customer is the end-user of Power at one or more locations in the State of Michigan who has facilities connected to the DTE Electric distribution system. Under retail access service, the Customer will conduct transactions with at least two entities – DTE Electric and an Alternative Electric Supplier. The Customer is responsible for choosing an Alternative Electric Supplier.

The Customer must already be connected to the DTE Electric Distribution System as a Full Service Customer or meet the requirements for new Customers connecting to the DTE Electric Distribution System. All Primary Customers and Secondary Customers with Customer Service Capacities greater than 300 kW must execute Customer Distribution Agreements with DTE Electric.

E1.3 DTE Electric Role

For Retail Access Service, DTE Electric is the provider of retail delivery service from the Point of Receipt to the Point of Delivery, distributing electric power within DTE’s Electric service territory under the jurisdiction of the Commission. DTE Electric also provides Utility Capacity Service to Retail Access Customers requiring Capacity Service from the Company.

Continued on Sheet No. E-2.00)
E1 INTRODUCTION (Contd.)

E1.4 The Alternative Electric Supplier Role

An Alternative Electric Supplier is an entity that has obtained all the necessary legal approvals to sell retail electricity in Michigan.

The Alternative Electric Supplier buys products and services needed to provide power supply or energy to Customers, combines these products and services in different marketing packages, and sells the packages to Customers. Alternative Electric Suppliers must meet all applicable statutory and regulatory requirements of Michigan and Federal law.

E1.5 The Marketer Role

The Marketer is an entity that acts as a wholesale supplier; takes title to power and has FERC authorization to market energy services. FERC authorization allows the Marketer to use transmission systems to move power from the generator(s) to the distribution system. The Marketer is either a FERC-authorized power Marketer or a utility. As defined by FERC, in the context of this Rider, the Marketer is responsible for all Transmission-related responsibilities related to serving the retail access customers served by its supply. These include: scheduling energy, obtaining ancillary services, and paying energy imbalance charges. The Alternative Electric Supplier and Marketer functions may be handled by one entity or may be performed by different parties. Either way, both the Alternative Electric Supplier role and the Marketer role must be performed to complete delivery to a Customer.

E1.6 Definitions

**Advanced Electric Meter** means a digital electric meter that has the capability to measure, record and transmit energy usage in kWh, 30-minute integrated energy demand in kW and 30-minute integrated reactive demand in kVAR via a secure communication network.

**Aggregator** means an entity that combines the energy consumption of multiple Customers for the purpose of meeting minimum load criteria necessary for retail access service.

**Alternative Electric Supplier (AES)** means an entity that has obtained all the necessary approvals to sell retail electricity in Michigan, and is licensed by the Michigan Public Service Commission. An AES does not physically deliver electricity directly to retail Customers in the state.

**Automated Metering Infrastructure (AMI) meter** means a digital electric meter that has the capability to measure and record energy usage in kWh and energy demand in kW and transmit that data via secure radio frequency to DTE Electric.

**Capacity Service** means supplying sufficient generating resources that have the capability to serve the power requirements of Customers.
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E1.6 Definitions (Contd.)

Commission means the Michigan Public Service Commission.

CPNode means a MISO-designated Commercial Pricing Node that is used to aggregate hourly meter usage data by Marketer to support settlement in the MISO hourly energy market.

Customer means, for purposes of retail access service, an entity with electrical load facilities connected to the DTE Electric Distribution System that purchases or receives Power Supply Service or Energy Service from an Alternative Electric Supplier and which Power Supply Service or Energy Service is delivered to its Location(s) pursuant to this Rider. All Customers, regardless of the voltage level of the service, are considered to be connected to the DTE Electric Distribution System.

Customer Service Capacity means the load carrying capability of the DTE Electric metering installation at the Customer’s site, based on the thermal limits of the meter and any associated transformers.

Demand means the amount of power required to meet the Customer’s load, generally expressed in kilowatts or megawatts, at a given instant or averaged over a designated interval of time.

Distribution Contract Capacity means the load carrying capacity in kilowatts of the DTE Electric Distribution System necessary to meet a Customer’s maximum load requirements at a particular Location served under this Rider.

Distribution Point of Delivery means the point of interconnection between the DTE Electric Distribution System and the Customer’s service location.

Distribution Point of Receipt means the point of interconnection between the ITC Transmission and DTE Electric Distribution Systems.

DTE Electric’s Distribution System means facilities operated by DTE Electric for the purpose of distributing electric power within DTE’s Electric service territory, which are subject to the jurisdiction of the Commission.

Effective Date is the date at which responsibility for providing Power Supply Service, Utility Capacity Service or Energy Service to a Customer transfers from the current provider to the new provider. The transfer occurs at the beginning (00:01 hours) of the Effective Date.

Energy in the context of this document the word energy refers to “electrical energy” and is measured in kilowatt-hours.

Energy Service means supplying the Power requirements of a Customers load.
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E1.6 Definitions (Contd.)

Full Service means the provision of regulated electric service including Power Supply Service, transmission and distribution services; each provided by DTE Electric.

International Transmission Company (ITC) Transmission System means facilities operated by ITC for the purpose of transmitting electric power within the DTE Electric service territory which are subject to the jurisdiction of the Federal Energy Regulatory Commission.

Legally Authorized Person means a person that has legal documentation or legal authority to enroll a Residential or Non-Residential customer into a binding contract. A Legally Authorized Person includes, but is not limited to, an individual with power of attorney or a corporate agent authorized to enter into contracts on a corporation’s behalf.

Load means any end-use device drawing energy from the electric system.

Location means each Customer facility whether owned or leased.

Marketer means an entity that:

A generates, brokers, markets or otherwise procures power to be supplied to ITC at the Transmission Point of Receipt, obtains transmission services and with whom a Customer’s Alternative Electric Supplier has arranged for the receipt of Power,

B satisfies all applicable statutory and regulatory requirements of Michigan and Federal law, and

C satisfies all applicable reciprocity requirements set forth in this Rider.

MDMA or Meter Data Management Agent is the party responsible for reporting a Marketer’s aggregated customer loads, with distribution losses, to MISO to support settlement in the MISO hourly energy market.

Midcontinent Independent System Operator (Midcontinent ISO or MISO) Tariff means the Midcontinent ISO Tariff on file with the Federal Energy Regulatory Commission, as amended from time to time. The Tariff governs MISO’s provision of regional transmission service and MISO’s operation of an energy and ancillary services market.

MISO means the Midcontinent Independent System Operator.

Power means a combination of the electric demand and energy requirements of the Customer.

Power Supply Service means supplying both Capacity and Energy Service.

(Continued on Sheet No. E-5.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E1.6 Definitions (Contd.)

Reactive Demand means the amount of reactive power required to meet the Customer’s Load, generally expressed in kilovolt-amperes reactive (kVAR), at a given instant or averaged over a designated interval of time.

Sink means a unique four-character code assigned to a Marketer’s Transmission Service Agreement by ITC which identifies a load.

Standard Demand/Energy Meter means an analog meter that has the capability to measure and record energy usage in kWh and energy demand in kW for customers taking service under certain rate schedules.

State Reliability Mechanism ensures reliability of the electric grid in Michigan and requires all electric providers (including AESs) to annually demonstrate to the Commission that they have sufficient capacity resources to serve their electric load in the planning period four years into the future.

State Reliability Mechanism Capacity Charge is a retail rate designed to recover DTE Electric’s cost of providing capacity service.

Transmission Point of Delivery means the point of interconnection between the ITC Transmission and DTE Electric Distribution Systems.

Transmission Point of Receipt means the point on the ITC Transmission System where Power is received by ITC for delivery to the Transmission Point of Delivery.

Utility Capacity Service means capacity service provided by DTE Electric to retail access customers.

CUSTOMER SECTION

E2 TERMS AND CONDITIONS OF SERVICE

E2.1 This Retail Access Service Rider sets forth the terms and conditions of service for the delivery of Power Supply Service or Energy Service to a Customer, procured by an Alternative Electric Supplier and supplied by a Marketer. Such Power shall be initially received at a designated Transmission Point of Receipt and ultimately delivered to the Customer through the DTE Electric Distribution System. This Rider also sets forth the rates and charges for services unique to customers taking Retail Access Service.

E2.2 Power Supply Service or Energy Service received by ITC for delivery to the Customer shall be transmitted across the ITC Transmission System to the DTE Electric Distribution System in accordance with the rates, terms and conditions of service of the Midcontinent ISO Tariff.

E2.3 A Customer’s eligibility to take retail access service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts or tariffs with DTE Electric. Rider No. 2 agreements between the Customer and DTE Electric will remain in effect during service under this Rider. Rider No. 4 - “Resale of Service” is also available under this Rider.

(Continued on Sheet No. E-6.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E2 TERMS AND CONDITIONS OF SERVICE (Contd.)

E2.4 A Customer will specify only one Alternative Electric Supplier (and the Alternative Electric Supplier shall specify only one Marketer) at any given time for the supply of Power Supply Service or Energy Service to each Customer account or Customer Location.

E2.5 DTE Electric shall be required to complete all retail access enrollment activities required to place a Customer in “site-ready” status within 10 calendar days:

A This deadline does not require that Customers actually commence service within the specified timeframe; only that DTE Electric has completed all activities required of it to place the Customer in “site-ready” status.

Customers shall be permitted to change Alternative Electric Suppliers. The changes will become effective at the completion of their normal billing cycle. Customers will be assessed a $5 processing charge per account for each change. The change will be submitted to DTE Electric electronically by the Customer’s new Alternative Electric Supplier as a new enrollment.

E2.6.1 Metering

A All load served under this Rider shall be metered. The meter type shall be that which is appropriate to meter the customer’s Power Supply requirements under the otherwise applicable rate schedule.

B Metering equipment for Customers taking retail access service shall be furnished, installed, read, maintained and owned by DTE Electric.

C Customers who desire to expand load at their facility, where expand means to connect new load through an existing meter, but are not eligible to expand the retail access service load at their facility above the Cap on Choice Participation in accordance with the procedures adopted by the MPSC in Case No. U-15801 on September 29, 2009, must install separate metering, at their expense, in order to measure and bill the Full Service portion of their facility load. The separate metering requirement will be waived if the installation of separate metering is impractical. Under this waiver, both retail access and Full Service loads will be estimated based on the metered load of the facility.

E2.6.2 Multiple Meters at Non-Residential Locations

A Existing groupings of multiple meters into accounts at a location will be maintained in setting up new retail access accounts.

B When multiple Advanced Electric Meters are used within a single voltage level, Maximum Demand at that voltage level will be established by the highest coincident demand recorded for those meters.

(Continued on Sheet No. E-7.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E2 TERMS AND CONDITIONS OF SERVICE (Contd.)

E2.6.3 Multiple Meters at Residential Locations

Existing groupings of multiple meters into accounts at a location will be maintained in setting up new retail access accounts.

E2.7 Meter Reading

A All Customers with Advanced Electric Meters shall have meter reading accomplished through a secure communication network to provide DTE Electric the metering data necessary to bill the customer and conform to required metering accuracy. The Alternative Electric Supplier shall have direct access to meter data through the same means as DTE Electric, once the Customer is enrolled, without any further documentation or permission from the Customer.

B The switch of a Customer’s account from one supplier to another will normally take place on the scheduled meter reading date for that Customer (the Effective Date) and be based on the reading made that same day. If an actual meter reading is not made on the Effective Date, DTE Electric will read the meter within five (5) business days of the date in which DTE Electric determines that the scheduled actual meter reading has not occurred. The meter reading on the Effective Date will be determined on a pro rated basis based on the actual meter reading. DTE Electric’s failure to read meters in the time frames noted, through no fault of the Customer, shall not result in penalties of any type to the Customer. Except for actions outside the scope of DTE Electric’s control and storms or other events or occurrences that render the reading of meters physically impossible, customer’s bills for DTE Electric distribution services will be reduced by 1/30 for each day DTE Electric meter reads are late past a three day grace period.

E2.8 Meter Errors

Billing where metering errors and malfunctions have taken place shall be performed as follows:

A For Customers without Advanced Electric Meters where metered data is not available due to metering errors, malfunctions, or otherwise, the usage will be estimated using the procedures approved by the MPSC in Case No. U-14523 on August 4, 2005.

B For Customers with Advanced Electric Meters where metered data is not available due to metering errors, malfunctions, or otherwise, the usage will be estimated using the available historical data for the Customer.
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E2.8  Meter Errors (Contd)

C  Where incorrect billing results from calculation error discovered by either DTE Electric, the Alternative Electric Supplier, or the Customer, the error will be corrected and revised bills for the Customer and the Alternative Electric Supplier will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by DTE Electric shall be adjusted as provided for in the Residential, Commercial, and Industrial Billing Rules.

D  Liability for meter or calculation errors or malfunctions shall be assigned or apportioned to the appropriate party based on fault.

E3  CHARACTER OF SERVICE

E3.1  DTE Electric furnishes alternating current service at a nominal frequency of 60 hertz 24 hours a day, subject to interruption by tariff, by agreement, by advance notice, by accident or by other causes not under the reasonable control of DTE Electric.

E3.2  For Single-Phase Distribution Service, DTE Electric provides service at differing voltages available in differing configurations within its service territory. These include, but are not limited to, single-phase secondary alternating current service at 120/240 volts. In some districts current is supplied from a Y-connected secondary network at 208Y/120 volts. Customers who are considering locating new load or who are considering adding load at an existing Location should contact DTE Electric to determine what service is available at a particular Location to serve their Load.

E3.3  For Three-Phase Distribution Service, DTE Electric provides service at differing voltages available in differing configurations within its service territory. These include, but are not limited to, alternating current, three-phase service at nominal 4,800, 13,200, 24,000, 41,570 or 120,000 volts which may be transformed to lower voltages through DTE Electric-owned transformation equipment. Where three-phase service is supplied at 480Y/277 volts through DTE Electric-owned transformation equipment, the Customer must furnish any transformation for the supply of its 120/240 volt requirements. Customers who are considering locating new load or who are considering adding load at an existing Location should contact DTE Electric to determine what service is available at a particular Location to serve their Load.

E4.  TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE

E4.1  Term

E4.1.1  Retail Access Service For Non-Residential Customers

Retail Access Service shall have a minimum term of two years subject to the provisions of Section E5.3. Upon completion of the initial term, retail access service shall continue on a month to month basis until terminated by the Alternative Electric Supplier, the Customer or DTE Electric.

The Alternative Electric Supplier may terminate Retail Access Service by submitting an electronic drop request.

(Continued on Sheet No. E-9.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E4. TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE

E4.1 Term (Contd.)

The Customer may initiate termination of Retail Access Service by notifying their Alternative Electric Supplier, by notifying DTE Electric in writing, or by contacting the Electric Choice Customer Center.

Termination of Retail Access Service will not be less than one (1) business day before the next scheduled meter reading date. The effective date for termination of Retail Access Service shall be the next scheduled meter reading date occurring not less than one (1) business day after the submission of the termination request to DTE Electric.

When more than 10% of the customer load in kWh for any of the three rate classes – residential, commercial, and industrial – is taking open access service, customers in that class must provide 60 days written notice.

If an Alternative Electric Supplier defaults, a Customer who returns to full service before the 30 or 60 days elapse shall pay the higher of the tariff rate or market based rate until DTE Electric has received the benefit of 30 or 60 days notice, at which time the customer may elect to remain on full service for 12 months and pay tariff rates as provided for in Section E5.3. All other customers who fail to give less than 30 or 60 days notice are subject to DTE Electric’s ability to supply their requirements.

The terms of service associated with any previously contracted or newly initiated service are specified below:

Retail access service provided to new locations served by DTE Electric shall be for an initial minimum term of five years over which time the minimum charges shall apply. Contributions in Aid of Construction for distribution facilities will be per tariff rate.

Service provided to existing locations shall be for the unexpired portion of any existing contract but not less than a term of one year over which time the minimum charges shall apply.

After the expiration of the contract minimum term for Retail Access Service, the contract shall be extended thereafter, from month-to-month.

Minimum charges shall be adjusted each year to recognize actual demand.

Beginning June 1, 2018 all ROA customers may be subject to a State Reliability Mechanism Capacity Charge. This charge shall not apply to ROA customers for any planning year in which their Alternative Electric Supplier can demonstrate to the Commission that it can meet its capacity obligations.

(Continued on Sheet No. E-10.00)
E4 TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE (Contd.)

E4.1 Term (Contd.)

If a state reliability mechanism capacity charge is required to be paid in the planning year beginning June 1, 2018, or any of the three subsequent planning years, due to the Alternative Electric Supplier not meeting its capacity obligations, then the capacity charge is applicable for each of those planning years. Any capacity charge required to be paid any time after the first initial four year period shall be applicable for a single year. The planning year is defined as being June 1 through the following May 31 of each year. The capacity charge paid by ROA customers will be the same amount as a Full Service Customer.

E4.1.2 Retail Access Service For Residential Customers

A Retail Access residential Customer shall commence Retail Access residential service in accordance with their billing cycle and shall be required to remain on Retail Access Service for a minimum of one full billing cycle. Upon notice of termination of Retail Access Service as specified in Section E5.1.1, a Retail Access Customer taking Retail Access residential service may return to Company Full Service in accordance with their next bill cycle. A Retail Access Customer who returns to Company Full Service must remain on Company Full Service for a minimum of one year from the date of their return to Company Full Service.

Beginning June 1, 2018 all ROA customers may be subject to a State Reliability Mechanism Capacity Charge. This charge shall not apply to ROA customers for any planning year in which their Alternative Electric Supplier can demonstrate to the Commission that it can meet its capacity obligations.

If a capacity charge is required to be paid in the planning year beginning June 1, 2018, or any of the three subsequent planning years, due to the Alternative Electric Supplier not meeting its capacity obligations, then the capacity charge is applicable for each of those planning years. Any capacity charge required to be paid any time after the first initial four year period shall be applicable for a single year. The planning year is defined as being June 1 through the following May 31 of each year. The capacity charge paid by ROA customers will be the same amount as a Full Service Customer.

E4.2 Commencement of Service

E4.2.1 Retail access service shall be initiated by a Customer choosing an Alternative Electric Supplier and the subsequent submission of an electronic enrollment by the Alternative Electric Supplier on behalf of the Customer in a manner specified by DTE Electric. Alternative Electric Supplier submission of the enrollment warrants that a valid contract with the prospective Customer exists. DTE Electric shall be required to complete all open access enrollment activities required of it to get the enrollment to “site-ready” status within the timeframes specified in Section E2.5.

E4.2.2 Retail access service may not commence until metering has been installed as specified in this Rider or agreements related thereto and:

(Continued on Sheet No. E-11.00)
E4 TERM, COMMENCEMENT OF SERVICE AND RETURN TO FULL SERVICE (Contd.)

E4.2 Commencement of Service (contd)

MISO has received from the Marketer an executed Transmission Service Agreement.

In addition, DTE Electric must have received from the Alternative Electric Supplier:

(i) the Alternative Electric Supplier’s warranty, that the Alternative Electric Supplier has obtained all necessary approvals authorizing the Alternative Electric Supplier to conduct business at each Location to be served, and

(ii) the Alternative Electric Supplier’s warranty, that each enrollment submitted is in full compliance with requirements for enrollment, and is backed by proper authorization from the Customer allowing the Alternative Electric Supplier to enroll the Customer in retail access.

E4.3 Return to Full Service

A In addition to the notice of termination provided in Section E5.1, a Customer shall provide DTE Electric with written notice no later than December 1st if the Customer will be taking full service from DTE Electric during the following summer. For this purpose, “summer” means DTE Electric regularly scheduled billing periods beginning June 1st through September 30th. Customers who so notify DTE Electric shall be obligated to take full service from DTE Electric for twelve months and pay for such service at any tariff rate for which the customer qualifies.

If a Customer does not provide DTE Electric with written notice prior to December 1st and then takes full service from DTE Electric during the following summer, the Customer shall pay DTE Electric the higher of (a) the applicable tariff energy prices plus 10% or (b) the Market Priced Power charges plus 10% until such time as the minimum two year commitment to retail open access service has been met and the December 1st written notice requirement has been met.

B Subject to the notice provisions of Section E5.3A, Customers that discontinue retail access service may return to DTE Electric Full Service under the following conditions:

(i) Option 1 -- 12 Month Service Commitment

If the Customer commits to DTE Electric Full Service for a minimum of 12 months, then the Customer may take service under any tariff rate for which the Customer qualifies. Any returning Customer that commits to remain on full service for the subsequent 12 months and then fails to do so will be back billed for the higher of the tariff rate or market-based rate.

(ii) Option 2 -- Short-Term Service

If the Customer chooses not to commit to DTE Electric Full Service for a minimum of 12 months, then the Customer may take service under any tariff rate for which the Customer qualifies, with the tariff rate modified as follows:

(Continued on Sheet No. E-12.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E4.3 Return to Full Service (Contd)

The Power Supply Cost Recovery component, both base and adjustment factor, in any and all energy prices of the tariff, shall be subtracted from the energy prices and the Market Priced Power charge shall be added to the energy prices. The Market Priced Power charge shall reflect the current market value of energy, shall be based on visible indexes of electricity market prices plus reasonable charges for transmission and losses, and shall be calculated according to methods approved by the Commission. The Customer shall be billed the higher of the applicable tariff energy prices or the Market Priced Power charge.

The Customer may at any time return to retail access service or agree to take DTE Electric Full Service for a minimum of 12 months.

(iii) Unless otherwise provided for and subject to other conditions in this Rider, a Customer may return to DTE Electric Full Service under the provisions of Section E5.3 and subsequently go back to retail access service no more than once in any month.

E5 Billing and Payment

E5.1 DTE Electric will bill the Customer for retail access service at the rates and charges outlined in Section E7.

E5.2 The Customer shall pay DTE Electric the amount billed on or before a due date established by Billing Rules approved by the Commission in cases U-10661 and U-11397. A late payment charge of 2%, not compounded, of the unpaid balance, net of taxes, shall be added to any bill which is delinquent and not in dispute.

E5.3 The Customer shall retain the right to direct DTE Electric to send the monthly bill to any third party, including the Alternative Electric Supplier.

E5.4 Disconnection for Non-Payment

Customers will be subject to disconnection for non-payment of DTE Electric distribution charges that are not in dispute, in accordance with the rules described in DTE Electric’s Rules and Regulations, Section B4.

E6 DISTRIBUTION CONTRACT CAPACITY

E6.1 All Customers requiring an Advanced Electric Meter shall contract for an amount of capacity sufficient to meet the maximum requirements of all Load connected to the DTE Electric Distribution System at the Customer’s Location. The Distribution Contract Capacity will initially be set at the greater of: 1) the previously established Contract Capacity; 2) the previously established Distribution Contract Capacity; 3) the highest 30-minute integrated demand created during the previous 12 billing months at each voltage level (whether

(Continued on Sheet No. E-13.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E6 DISTRIBUTION CONTRACT CAPACITY (Contd.)

the Customer received service under this Rider or a DTE Electric retail tariff or contract, for each Location. Any single 30-minute integrated reading of the Advanced Electric Meter in any month that exceeds the Distribution Contract Capacity then in effect shall become the new Distribution Contract Capacity. Customers not having previously established service requirements shall contract with DTE Electric for a specified Distribution Contract Capacity in kW sufficient to meet the maximum requirements for each location.

E6.2 DTE Electric will provide the necessary facilities to deliver electric power from its Distribution System at the Distribution Contract Capacity. Any incremental cost incurred by DTE Electric to provide the necessary facilities to meet the Customer’s increased demand for distribution services over the Distribution Contract Capacity existing when service commences under this Rider shall be the responsibility of the Customer. Once established, the Distribution Contract Capacity shall not decrease during the contract term unless there is a specific permanent reduction in connected load.

E7 RATES AND CHARGES

Rates and charges for delivery are stated in the customer’s applicable tariff.

E7.1 Optional Advanced Electric Metered Service

The Optional Advanced Electric Metered Service is no longer available.

E8 OTHER PROVISIONS

E8.1 Retail Access Customers will be subject to the relevant curtailment procedure contained in DTE Electric's electrical Procedures, Section C3. DTE Electric shall give Retail Access Customers the same priorities in curtailment situations as it gives Full Service Customers.

E8.2 All Points of Receipt for Power produced within the DTE Electric retail service territory for delivery to Customers within that territory shall be considered as being points located on the ITC Transmission System.

E8.3 All electric generation equipment connected in parallel with the DTE Electric system must comply with the DTE Electric Protective Relaying, Operating and Telemetering Guidelines for Independently Owned Generation and before operating such equipment must obtain certification, in writing, from DTE Electric that the conditions outlined in the guidelines have been met.

E8.4 Customer equipment must be operated so that voltage flicker and harmonics on the DTE Electric Distribution System shall not exceed permissible limits established by DTE Electric and by IEEE Standard 519, respectively. Failure to comply with this requirement may result in discontinuance of service to the Customer and disconnection of Customer’s Load from the DTE Electric system.

E8.5 Redundant services requested by the Customer may be provided under separate agreement.

(Continued on Sheet No. E-14.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E8 OTHER PROVISIONS (Contd.)

E8.6 DTE Electric’s Rules and Regulations as currently in effect are incorporated by reference into this Rider to the extent applicable and, Rule C-2.2(2) notwithstanding, only to the extent not inconsistent with the terms of this Rider.

E9 ALTERNATIVE ELECTRIC SUPPLIER

E9.1 This Rider section outlines the rights and responsibilities of Alternative Electric suppliers and DTE Electric when enrolling and serving Customers under retail access service. The Alternative Electric Supplier is the retail seller of Power Supply Service or Energy Service to the Customer on DTE Electric’s Distribution System.

E9.2 If an Alternative Electric Supplier or Marketer fails to pay amounts due DTE Electric or otherwise fails to perform obligations undertaken in connection with service to a Customer, DTE Electric will give the Customer notice of the Alternative Electric Supplier’s or Marketer’s default. If the Customer, its Alternative Electric Supplier, or its Marketer fails to pay amounts due DTE Electric or otherwise fails to comply with the provisions of the applicable Tariffs or agreements with DTE Electric, retail access service may be terminated. Unless the Customer, Alternative Electric Supplier or Marketer cures the default with DTE Electric or the Customer changes its Alternative Electric Supplier, the Customer may be returned to DTE Electric Full Service subject to the provisions of Section E4.2.

E9.3 The Alternative Electric Supplier is responsible for all of the Alternative Electric Supplier charges associated with its Customers until retail access service is terminated.

E9.4 Termination of retail access service to a Customer can be initiated by the Alternative Electric Supplier, the Customer or DTE Electric. Alternative Electric Suppliers and DTE Electric shall comply with the billing rules that govern the shut off of service, R 460.1624 et seq. and R 460.136 et seq. except that instead of providing a notice of termination, Alternative Electric Suppliers shall provide a notice of return to full service.

E10 CREDITWORTHINESS

There is no creditworthiness requirement for Alternative Electric Supplier’s unless the Alternative Electric Supplier is purchasing products or services from DTE Electric. Alternative Electric Suppliers who purchase products or services from DTE Electric must demonstrate and maintain current creditworthiness in an amount sufficient to cover anticipated charges for all those products or services. For unsecured credit, the Alternative Electric Supplier must provide three (3) years of audited financial statements, including notes, having an acceptable amount of positive tangible net worth, and meeting risk parameters derived from an analysis of its financial statements The Alternative Electric Supplier may provide alternative security or credit enhancement, such as a letter of guarantee, letter of credit or prepayment. DTE Electric will use reasonable credit review procedures which may include, but are not limited to, review of the Alternative Electric Supplier’s financial statements, verification that the Alternative Electric Supplier is not operating under state or federal bankruptcy laws, and has no pending lawsuits or regulatory proceedings or judgments outstanding which would have a material adverse effect on the Alternative Electric Supplier and its ability to perform its obligations. Affiliates of DTE Electric must meet these same creditworthiness requirements.

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RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E10 CREDITWORTHINESS (Contd.)

The amount of creditworthiness required is equivalent to two months expected exposure.

Following 24 months of full and timely payment to DTE Electric for service provided, an Alternative Electric Supplier shall be deemed to have sufficient credit to satisfy DTE Electric’s requirements.

E11 ELECTRONIC BUSINESS TRANSACTIONS

E11.1 Unless specified otherwise by DTE Electric in a Commission-approved tariff, Alternative Electric Suppliers shall transact all business with DTE Electric electronically.

E11.2 Unless otherwise specified by DTE Electric in a Commission-approved tariff, all payments made to DTE Electric by the Alternative Electric Supplier will be made by electronic funds transfer to the DTE Electric account.

E12 CONDITIONS PRECEDENT TO CUSTOMER ENROLLMENT

The Alternative Electric Supplier will not be eligible to enroll Customers unless and until the following conditions precedent have been satisfied and continue to be satisfied:

E12.1 The Alternative Electric Supplier has been granted a license by the Commission.

E12.2 The Alternative Electric Supplier has demonstrated electronic communication and commerce capability when purchasing products or services from DTE Electric, which meets DTE Electric’s standards and protocols as defined in tariffs approved by the Commission.

E12.3 The Alternative Electric Supplier has an executed contract with a qualified Marketer, as evidenced in an executed Alternative Electric Supplier-Marketer Notice.

E13 CONDITIONS PRECEDENT FOR SERVING CUSTOMERS

The Alternative Electric Supplier will not be permitted to serve or continue to serve Customers unless and until the following conditions precedent have been satisfied and maintained:

E13.1 The Alternative Electric Supplier has satisfied and continues to satisfy all conditions in Section E13.

E13.2 All required Customer metering equipment is in place and functioning properly.

E13.3 The Alternative Electric Supplier has complied with and continues to comply with all provisions of this Rider.

(Continued on Sheet No. E-16.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E14 RATES AND CHARGES

E14.1 The Alternative Electric Supplier shall pay DTE Electric the following:

A An Alternative Electric Supplier enrolling Customer(s) with the Complete Billing option shall pay DTE Electric a one-time charge of $6,600 for the Alternative Electric Supplier’s initial rate-ready schedule set-up for up to sixty rates, regardless of the number of Customers electing this option.

B An Alternative Electric Supplier enrolling Customer(s) with the Complete Billing option shall pay DTE Electric a monthly transaction charge equal to the United States Postal Service first-class mail letter rate, weight not over one ounce, for each customer account billed under the Complete Billing option.

C An Alternative Electric Supplier enrolling Customer(s) with the Complete Billing option shall pay DTE Electric $1,300 per occurrence for each change request made by the Alternative Electric Supplier to its rate-ready schedule, regardless of the number of changes in the request or the number of Customers affected.

D Any other charges to the Alternative Electric Supplier for services provided by DTE Electric will be negotiated on an individual case basis.

E14.2 DTE Electric will provide two (2) Customer Billing options-Complete Billing by DTE Electric and Separate Billing by DTE Electric and the Alternative Electric Supplier. It is the responsibility of the Alternative Electric Supplier to identify on the Customer Enrollment Form which of these options the Customer has requested.

E14.3 Allocation of Partial Payments Under Complete Billing

In the event the Customer submits a partial payment, the receipts will be applied as follows:

• First, all deposit balances to DTE Electric and DTE Gas Company (“DTE Gas”);

• Second, all past due and current balances for regulated services, e.g. electric full service, electric distribution service, natural gas services (including Gas Choice), fees, late payment charges, etc., to DTE Electric and DTE Gas;

• Third, all past due and current balances for non-regulated services, e.g. appliance service program, to DTE Electric and DTE Gas; and

• Finally, all past due and current charges pertaining to the Complete Billing option to the Alternative Electric Supplier.

(Continued on Sheet No. E-17.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E14.3 Allocation of Partial Payments Under Complete Billing (Contd)

Partial payments resulting from disputed charges shall be allocated first to undisputed charges in each of the above four categories and then to disputed charges in each of the above four categories.

14.4 DTE Electric will not pursue collection actions for any Alternative Electric Supplier.

E15 DISPUTE RESOLUTION

E15.1 DTE Electric will have no duty or obligation to resolve any complaints or disputes between or among Alternative Electric Suppliers and Marketers or any combination thereof, related to but not limited to switching Alternative Electric Suppliers, switching Marketers, termination of retail access service, Customer enrollment or Customer billing options.

E15.2 In the event of a dispute between DTE Electric and an Alternative Electric Supplier, including but not limited to “Events of Default,” the Parties may attempt, in good faith, to resolve the dispute amicably and promptly. If the dispute is not resolved in five (5) business days, the Parties may attempt to resolve the dispute by promptly appointing a senior representative of each Party to attempt to mutually agree upon a resolution. The two senior members shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either Party, be submitted to arbitration as provided in this section.

E15.3 The dispute will be submitted for resolution in accordance with the American Arbitration Association ("AAA") Commercial Arbitration Rules. The judgment rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the Parties.

E15.4 If the parties are unable to agree on an arbitrator, the arbitrator shall be determined by AAA.

E15.5 The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the Parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the Parties.

E15.6 Nothing in this Section shall restrict the rights of either Party to file a formal complaint with an appropriate regulatory agency regarding any issue the adjudication of which lies within the exclusive jurisdiction of the regulatory agency.

E16 CUSTOMER PROTECTION

E16.1 Alternative Electric Suppliers shall warrant that the Customer has duly authorized the submitted enrollment and the Alternative Electric Supplier has complied with the provisions of 2000 P.A. 141 or any applicable commission rules developed pursuant to 2000 P.A. 141 to prevent slamming.
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E16 CUSTOMER PROTECTION

E16.2 The maximum early termination fee for residential contracts of one year or less shall not exceed $50. The maximum early termination fee for residential contracts of longer than one year shall not exceed $100.

E16.3 It is the Alternative Electric Suppliers responsibility to have a current valid contract with the customer at all times. Any contract that is not signed by the customer or Legally Authorized Person shall be considered null and void. Only the customer account holder or Legally Authorized Person shall be permitted to sign a contract. An Alternative Electric Supplier and its agent shall make reasonable inquiries to confirm that the individual signing the contract is a Legally Authorized Person. For each customer, an Alternative Electric Supplier must be able to demonstrate that a customer has made a knowing selection of the Alternative Electric Supplier by at least one of the following verification records:

1) An original signature from the customer account holder or Legally Authorized Person.
2) Independent third party verification with an audio recording of the entire verification call.
3) An e-mail address if signed up through the Internet.

The Commission or its Staff may request a reasonable number of records from an Alternative Electric Supplier to verify compliance with this customer verification provision, and in addition, may request records for any customer due to a dispute.

E16.4 An Alternative Electric Supplier must distribute a confirmation letter to residential customers by U.S. mail. The confirmation letter must be postmarked within seven (7) days of the customer or Legally Authorized Person signing a contract with the Alternative Electric Supplier. The confirmation letter must include the date the letter was sent, the date the contract was signed, the term of the contract with end date, the fixed or variable rate charged, the unconditional cancellation period, any early termination fee, the Alternative Electric Supplier’s phone number, the Commission’s toll-free number and DTE Electric’s emergency contact information.

E16.5 DTE Electric provides Residential Customers with pending enrollments with an Alternative Electric Supplier, a 14-day notice period in which the Customer may cancel the enrollment before the switch is executed. If the Customer challenges the enrollment the switch transaction is cancelled, the affected Alternative Electric Supplier(s) are notified, and the enrolling Alternative Electric Supplier shall be assessed the $5 switching fee instead of the Customer. If the Customer cancels an enrollment in error, the enrolling Alternative Electric Supplier’s remedy is to discuss the situation with the Customer and submit a new enrollment.

Commercial and Industrial ROA Customers’ right to cancel an enrollment shall be in accordance with the terms of their contract with their Alternative Electric Supplier(s).

(Continued on Sheet No. E-19.00)
E16.6 A supplier must allow the Staff of the Commission an opportunity to review and comment on its residential contract(s) and residential marketing material at least five business days before the Supplier intends to use these contract(s) and marketing material in the marketplace.

**MARKETER SECTION**

E17 REAL POWER LOSSES

The Marketer used by the Alternative Electric Supplier is responsible for replacing losses associated with the delivery of power to the Customer’s meter. The amount of Power delivered by DTE Electric on the DTE Electric Distribution System to the Customer’s meter shall be adjusted using the following real power loss factors for distribution service:

<table>
<thead>
<tr>
<th></th>
<th>1st Quarter</th>
<th>2nd Quarter</th>
<th>3rd Quarter</th>
<th>4th Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary</td>
<td>10.88%</td>
<td>11.95%</td>
<td>12.01%</td>
<td>10.23%</td>
</tr>
<tr>
<td>4.8/13.2 kV</td>
<td>6.61%</td>
<td>7.13%</td>
<td>7.37%</td>
<td>6.31%</td>
</tr>
<tr>
<td>24kV/41.6 kV</td>
<td>1.86%</td>
<td>2.09%</td>
<td>2.34%</td>
<td>1.90%</td>
</tr>
<tr>
<td>120 kV and above</td>
<td>0.55%</td>
<td>0.57%</td>
<td>0.57%</td>
<td>0.55%</td>
</tr>
</tbody>
</table>

Marketers must schedule and supply an amount of Power equal to its Customers’ hourly usage $x \left(1 + D\%\right)$ to account for losses on the DTE Electric Distribution System, where $D\%$ is the applicable loss factor from the table above.

E18 HOURLY USAGE DATA TO SUPPORT MISO SETTLEMENT

E18.1 Meter Data Management Agent

At the option of the Marketer, DTE Electric will act as their Meter Data Management Agent (MDMA) for their customer loads within DTE Electric’s service area. The Marketer is under no obligation to take this service from DTE Electric.

E18.2 Hourly Usage Data for Customers With Advanced Electric or AMI Meter Reads

Hourly usage will be the customer’s actual measured usage for each hour increment as recorded by the Advanced Electric or AMI meter.

(Continued on Sheet No. E-20.00)
RETAIL ACCESS SERVICE RIDER – RIDER EC2 (Contd.)

E18 HOURLY USAGE DATA TO SUPPORT MISO SETTLEMENT (contd.)

E18.3 Hourly Usage Data for Customers Without Advanced Electric or AMI Meter Reads

Hourly usage data for customers without Advanced Electric or AMI meter reads will be determined through the use of CPNode profiles. For each CPNode, profiles are developed based on 12 months of historical hourly usage and temperature data to determine the load in kWh for every MW of enrolled capacity.

Residential customers electing to opt out of AMI metering installation will have profiled data used for MISO energy market settlement.