

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * *

**In the matter of the application of)
Wisconsin Public Service Corporation, Upper)
Peninsula Power Company and Michigan Gas)
Utilities Corporation for waivers from, and/or)
declarations regarding the applicability of the Code)
of Conduct and Affiliate Transaction Guidelines and)
related approvals to support services provided by)
Integrys Business Support, LLC)
_____)**

Case No. U-15325

QUALIFICATIONS AND DIRECT TESTIMONY OF
BRIAN BALLINGER
MICHIGAN PUBLIC SERVICE COMMISSION

September 21, 2007

QUALIFICATIONS OF BRIAN BALLINGER
CASE NUMBER U-15325
PART I

Docket 07-0361
Exhibit 4.3

1 Q. Please state your name, address and occupation.

2 A. My name is Brian Ballinger and my business address is 6545 Mercantile Way,
3 Lansing, Michigan 48909. I am employed by the Michigan Public Service
4 Commission (MPSC) as the Supervisor of the Financial Analysis and Customer
5 Choice Section in the Regulated Energy Division.

6 Q. Please outline your academic training.

7 A. I graduated with a B.A. degree in Economics from Olivet College in May 1974
8 and in December 1979 I received a M.B.A. degree in Finance from Central
9 Michigan University. The course requirements for my M.B.A. were completed at
10 Central Michigan University and Michigan State University. In addition to my
11 academic training I have attended the annual regulatory studies program
12 sponsored by the National Association of Regulatory Utility Commissioners at
13 Michigan State University. Over the years, I have attended public utility
14 economics seminars held in Washington, Denver, Chicago, Indianapolis, and
15 corporate finance seminars held in New York, Detroit and Lansing.

16 Q. Please describe your professional background.

17 A. After graduating with my B.A. degree in 1974 I was employed by the Michigan
18 Department of Labor as an Economist. As an Economist for the Labor
19 Department I conducted statistical and economic analysis for several labor market
20 areas and analyzed the impact of employment and unemployment on those local
21 labor market areas.

22 In February 1977 I started at the MPSC, as an Economist in the Financial
23 Analysis Section of the Technical Services Division. Responsibilities in that

QUALIFICATIONS OF BRIAN BALLINGER
CASE NUMBER U-15325
PART I

Docket 07-0361
Exhibit 4.3

1 Section increased overtime and included: 1) Preparing monthly financial reports
2 on the earnings of the regulated utilities to the Commission; 2) Preparing expert
3 testimony as to the cost of capital for utility companies in rate case proceedings;
4 3) Preparing expert testimony on economic and financial issues involving utility
5 companies regulated by the MPSC in contested rate proceedings; 4) Providing
6 technical expertise to the Commission on various aspects of regulation; 5)
7 Researching and developing economic or financial responses on regulatory issues
8 of interest to the MPSC; 6) Administration of the Alternative Electric Suppliers
9 (AES) Choice Program; and 7) Review of the Utility's requirements under Public
10 Utilities Holding Company Act.

11 In November 2002 I became Supervisor of the Market Monitoring and
12 Enforcement Section in the Commission Operations Division of the Michigan
13 Public Service Commission. As a result of a re-organization in May 2004, I
14 became the Supervisor of the Financial Analysis Section in the Regulated Energy
15 Division. The duties within the section include such areas as; providing expert
16 testimony on capital structure and cost of capital; providing expert testimony in
17 securitization requests and the true-up of previous securitization cases; providing
18 the administration of all decommissioning applications and review of the
19 decommissioning funds; providing expertise in Code of Conduct proceedings;
20 performing market power analysis; providing review of applications for authority
21 to recover implementation costs; collecting all financial annual and monthly
22 reports that the utility companies are required to file; collecting revenue
23 information from each regulated utility for the purpose of compiling the annual

QUALIFICATIONS OF BRIAN BALLINGER
CASE NUMBER U-15325
PART I

Docket 07-0361
Exhibit 4.3

1 Public Utility Assessment; collecting the information for the annual Uncollectible
2 Expense Account; providing administration of the electric and natural gas
3 Customer Choice Programs; and providing various other financial, economic and
4 quantitative analysis related to the Commission's responsibilities as necessary. I
5 supervise five staff members in the Financial Analysis and Customer Choice
6 Section.

7 Q. Have you previously presented testimony?

8 A. Yes. I have presented evidence and testimony leading to recommendations on the
9 cost of capital and other issues in over sixty utility rate proceedings before the
10 MPSC. The most recent case in which I presented testimony and exhibits on
11 behalf of Staff was in Consumers Energy's natural gas Case U-14547. Some
12 other recent cases in which I have been involved include Consumers Palisades
13 Nuclear Plant Case U-14992, Consumers electric case U-14347, Michigan
14 Consolidated Gas Company's Case U-13898, Detroit Edison's electric rate case
15 U-13808, and Consumers Energy's securitization request in docket U-13715.

16 I have also testified three times before the Federal Energy Regulatory
17 Commission (FERC) in Washington D.C. The latest docket in which I testified at
18 FERC was in the Michigan Gas Storage Company Docket RP-290-000 in 1997.

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

Docket 07-0361
Exhibit 4.3

1 Q. What is the purpose of your testimony in this proceeding?

2 A. The purpose of my testimony is to provide a recommendation to the Commission
3 on the application in Case No. U-15325, filed by Wisconsin Public Service
4 Corporation (WPS Corp), Upper Peninsula Power Corporation (UPPCO) and
5 Michigan Gas Utilities Corporation (MGU) (collectively referred to as “Joint
6 Applicants” or the “Companies”), requesting waivers and/or declarations
7 regarding the applicability of the Code of Conduct and Affiliated Transaction
8 Guidelines.

9 Q. Are you sponsoring an Exhibit in this proceeding?

10 A. No. I am not sponsoring any Exhibits.

11 Q. Are the Joint Applicants part of a holding company corporation?

12 A. Yes. The Joint Applicants were subsidiaries of the holding company WPS
13 Resources Corporation, but on February 21, 2007 the proposed merger of WPS
14 Resources Corporation and Peoples Energy Corporation became effective and its
15 name was changed to Integrys Energy Group. Integrys is the 100% direct or
16 indirect owner of six regulated utility companies with operations in four
17 Midwestern states. Three of these six regulated utilities operate in Michigan,
18 WPS Corp, UPPCO and MGU. Integrys wholly owned subsidiary, Integrys
19 Energy Services, Inc., also operates non-regulated or non-utility business
20 operations. Integrys Business Support, LLC (Integrys Support) is a new
21 centralized service company, which was formed as a limited liability company
22 and is a wholly owned subsidiary of WPS Corp. An organization chart was
23 provided by Companies’ witness Linda Kalas as Exhibit A-1 (LMK) pages 1-3. It

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

1 is my understanding that discussions have been held with the Wisconsin
2 Commission Staff regarding their concern that Integrys Business Support, LLC
3 will be a subsidiary of WPS Corp. To address the Wisconsin Commission Staff
4 concerns on this corporate structure, Integrys Energy Group, the parent company,
5 is willing to move the service company, Integrys Business Support, from a
6 subsidiary under WPS Corp to a subsidiary of Integrys Energy Group, so it will
7 now be a sister subsidiary company to the regulated companies. This change is
8 acceptable and preferred by the Michigan Public Service Commission Staff.

9 Q. Are you recommending the approval of any costs related to support services
10 provided by Integrys Business Support, LLC to the Joint Applicants?

11 A. No. Staff is not approving any costs or the allocation methodology for any costs
12 to the service company in this application. The issue of costs will be decided in
13 future rate case applications before this Commission and the Companies have the
14 burden of proof to present evidence that all costs for support services are
15 reasonable and equitably allocated.

16 Q. Are you recommending approval of any asset transfers or accounting entries for
17 any such asset transfers?

18 A. It is my understanding that at this time that no assets will be transferred from
19 either MGU, UPPCO or from WPS Corp located in Michigan, but such asset
20 transfers may occur in the future after Integrys Support becomes operational.
21 Therefore, the Companies are reminded that before any assets transfers may occur
22 MGU and UPPCO are required per Affiliate Transaction Guidelines, in cases U-
23 13470 and U-13497 respectively, to notify the Commission in writing within

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

1 thirty days prior to any transfer to non-utility affiliates any utility assets or
2 property exceeding a fair market value of \$100,000.

3 Q. Does Integrys Support plan on borrowing money from any of the regulated
4 affiliates?

5 A. Integrys Support will not borrow money from its Michigan regulated affiliates,
6 but anticipated requiring Client Companies to make deposits based on the
7 expected lag between Integrys Support incurring costs and receiving
8 reimbursements under service agreements. It is my understanding that an
9 agreement has been reached with the Wisconsin Commission Staff and the
10 companies will not be making deposits to Integrys Support and Integrys Support
11 will use some form of short term debt. Section II F of the Michigan Public
12 Service Commission's Code of Conduct (Code) prevents an electric utility or
13 alternative electric supplier from financing or co-signing loans for affiliates. No
14 waiver is being requested by the Joint Applicants and Staff does not recommend
15 any such waiver for the Joint Applicants in respect to this section of the Code.

16 Q. Before you address the waivers and/or declarations requested by Joint Applicants
17 please discuss the support services which Integrys Support plans on providing.

18 A. Integrys Support will provide (or arrange to provide) fourteen different
19 administrative and general services, per pages 4 and 5 of the Joint Application, to
20 its regulated and non-regulated affiliates. The Affiliate Interest Agreement (AIA),
21 attached as Exhibit A-5 (LMK-5) to Company witness Linda Kallas testimony
22 provides the services that are planned to be provided to the utility operating
23 companies, including the pricing provision and cost allocation methodology, and

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

Docket 07-0361
Exhibit 4.3

1 the recovery of all Integrys Support cost of providing such services. Staff does
2 not object to the pricing of the services proposed or the cost allocation
3 methodologies contained in the Affiliated Interest Agreement (AIA) at this time,
4 but the burden will be on the Companies to provide support for all costs and
5 allocation methodology in a future rate proceeding. Staff is aware of proposed
6 changes to the AIA by the Illinois Commission Staff in Docket No. 07-0361. I
7 have reviewed the proposed changes and I find them acceptable and reasonable.
8 The Illinois Staff also recommends that the Companies file a final AIA in the
9 docket at the Illinois Commission sixty days after all regulatory pre-approvals for
10 Integrys Support to become operational are obtained. The MPSC Staff
11 recommends that the revised AIA be filed in this case at the same time it is filed
12 at the other state commissions.

13 Q. Does Staff have concerns on some of the planned services to be provided by
14 Integrys Support to the Joint Companies?

15 A. Yes. The planned services of Gas Engineering and Gas Supply for MGU and
16 WPS Corp present some concerns, but need not be addressed in this case. The
17 Companies will have to present their evidence that the costs are the same or lower
18 than if services had been performed by the Companies in future proceedings. The
19 Companies have stated that Integrys Support will not own any gas storage assets,
20 or gas supply or pipeline transportation contracts and these contracts will continue
21 to be owned separately by the utility that contracted for those services or that own
22 the storage asset and each gas utility will continue to select and maintain its own
23 supply portfolio. However, Integrys Support will manage the various commodity

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

Docket 07-0361
Exhibit 4.3

1 and capacity contracts. Staff's perception of this arrangement causes some
2 concern, but as long as MGU can present evidence in future proceedings that they
3 have not been monetarily impacted by the support services provided, Staff has no
4 objection to such services being provided by Integrys Support.

5 Q. Has WPS Corp requested waivers from the Code of Conduct (Code) in the past?

6 A. Yes. In case U-12134 the current electric Code of Conduct was established and
7 the Commission specifically granted waivers to WPS Corp and UPPCO for
8 services provided to American Transmission Company (ATC) for sections II.A,
9 II.B, II.C, II.D, II.E, III.A, and III.C in a October 3, 2002 order because FERC
10 regulations applied. WPS Corp also requested waivers of sections II.A, II.B, II.C,
11 II.D, II.E, and III.C for services provided to unregulated affiliates in Michigan. In
12 the October 3, 2002 Commission order in Case U-12134 the Commission did not
13 grant any of the requested waivers for WPS Corp for services provided to
14 unregulated affiliates. However, the Commission did grant a waiver of section
15 II.A, II.D, and II.E to WPS Corp and UPPCO for services provided to customers
16 and unaffiliated third parties. In a petition for rehearing the Commission in an
17 order in Case U-12134 dated January 21, 2003 granted WPS Corp waivers for
18 services provided to unregulated affiliates for sections II.A, II.D, and II.E, but
19 denied waiver request for sections III.A and III.C. because insufficient
20 justification was provided with the request for a waiver.

21 Q. Would you please address the Companies specific request for waivers and
22 declarations for Integrys Support to commence shared services operation?

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

1 A. Yes. WPS Corp and UPPCO are requesting declaratory rulings or waivers from
2 the Commission pursuant to sections II.B, II.D, II.E, III.C, IV.A, IV.B, and IV.C
3 of the Code. Addressing the Companies first waiver request from section II.B of
4 the Code; this section of the Code explicitly prohibits a utility from subsidizing
5 the business of its unregulated affiliates and other separate entities. The
6 Commission and Staff are very concerned about cross-subsidization between
7 regulated and unregulated operations of a utility and affiliates and transfer pricing
8 between a utility and its subsidiaries or affiliates in which they may engage in
9 business practices with one another, with risk that the utility will be charged
10 prices in excess of market prices. That is why the Commission established the
11 Code in the first place. As previously stated this Commission has previously
12 denied waivers to WPS Corp for section II.B of the Code in the past, however,
13 Staff believes that the Companies have presented sufficient justification in their
14 request of a waiver in this case for services from an affiliated centralized service
15 company. Staff sees potential benefits of a centralized service company, which
16 include a better audit trail, cost saving as the result of synergies, efficiency and
17 transparency for the allocation of shared costs between the six regulated utilities
18 across the four state jurisdictions. The AIA requires that services will be charged
19 at cost using a “zeroed out” cost center methodology and allocated using either
20 direct billing or allocation factors. The Company has stated the charges will not
21 result in direct or indirect subsidization of regulated or unregulated affiliates or
22 any other entity. Staff believes that there has to be only one AIA in all the state
23 jurisdictions, as a change in the AIA in one state could cause impacts, if it not

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

1 adopted by all the regulatory jurisdictions. A different allocation methodology in
2 each jurisdiction could result in cross-subsidization for utility services provided
3 by Integrys Support. The AIA has a series of checks and balances to ensure that
4 costs are properly allocated so subsidization does not occur. In addition to the
5 perceived benefits of a centralized service company federal and state laws and
6 requirements will continue to be followed, therefore Staff recommends that a
7 waiver be granted to section II.B of the Code. Staff will further scrutinize all cost
8 determinations and allocation methodologies contained in the AIA in the
9 Companies future rate case proceeding.

10 Q. Please continue with WPS Corp and UPPCO's request for a waiver of section II.D
11 of the Code.

12 A. Section II. D of the Code states that an electric utility and its affiliates or other
13 entities within its corporate structure shall not share facilities, equipment, or
14 operating employees. The Commission has previously granted a waiver to section
15 II. D of the Code in the past, after detailed information was provided explaining
16 the nature of the businesses, on condition that the companies adhere to the
17 remaining provisions of the Code, including maintaining separate books and
18 accounts for regulated and unregulated operations, and properly and fully allocate
19 the costs of providing services between regulated and unregulated operations.
20 Staff believes that a centralized service company should provide economics of
21 scale and result in lower future costs to the regulated utilities. I recommend a
22 waiver to section II.D of the Code because I believe that safeguards are in effect,
23 such as a separate Non-Regulated Affiliate Interest Agreement (NRAIA), which

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

Docket 07-0361
Exhibit 4.3

1 governs the transactions between Integrys Support and Integrys unregulated or
2 non-utility affiliates, FERC's authority and regulation over a service company
3 requiring an annual report per an established uniform system of accounts (USOA)
4 that Staff is very familiar with, FERC's cost standard for services and goods, the
5 Financial Accounting and Reporting and Records Retention Requirements Under
6 the PUHCA 2005 and a Wisconsin order that Integrys Support can not become an
7 unregulated profit center for shareholders. In addition, all services are provided
8 only one way by Integrys Support, which means there are no services being
9 provided by the Companies back to Integrys Support. Further Staff does not
10 believe that allowing this waiver will inhibit the development or functioning of a
11 competitive market. The realignment of Integrys Support to a subsidiary of the
12 parent from a subsidiary of WPS Corp would also support Staff's
13 recommendation that a waiver be granted for section II. D of the Code.

14 Q. Please continue with WPS Corp's and UPPCO's request for a waiver of section
15 II.E of the Code.

16 A. The Commission has granted a waiver to section II.E of the Code in the past to
17 WPS Corp and UPPCO, which states that an electric utility's employees and the
18 operating employees of its affiliates or other entities within its corporate structure
19 shall function independently of each other and maintain separate offices. The
20 centralized service company of Integrys Support will provide services to both
21 regulated and unregulated companies and will be housed in the same offices, so
22 Staff believes that the granting of this waiver should contain a commitment by the
23 Companies that the sharing of all competitive sensitive information will be

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

Docket 07-0361
Exhibit 4.3

1 prohibited, so such information could not be used to inhibit the competitive
2 electric or natural gas market in Michigan. A realignment of Integrys Support to
3 a subsidiary under the parent company provides additional support for a waiver to
4 this section of the Code.

5 Q. Please continue.

6 A. WPS Corp and UPPCO have committed to notify the Commission per section
7 II.G of the Code of the transfer of employees between the utility and any of its
8 affiliates. Attachment A to the application lists 41 employees to be transferred to
9 Integrys Business Support. The employees will physically remain in Michigan
10 and will be transferred in name only to the new service corporation.

11 Q. WPS Corp and UPPCO requests a waiver/declaration that the pricing provisions
12 of the AIA comply with section III.C of the Code.

13 A. Section III.C of the Code covers how services, products, or property are priced
14 going to and coming from the electric utility and affiliates. The Commission did
15 not grant a waiver to WPS Corp or UPPCO in case U-12134 for this section of the
16 Code and it stated in an October 3, 2002 order that “This provision represents a
17 fundamental regulatory pricing requirement, and is one of the most effective tools
18 for preventing ratepayer subsidization of a utility’s unregulated operations.”
19 However, the Commission did grant a waiver of section III.C to Northern States
20 Power Company-Wisconsin (NSP-W) because of unintended consequence of
21 preventing NSP-W from simultaneously complying with existing rules and orders
22 at the Securities and Exchange (SEC). Section 2.1 of the AIA requires that all
23 services provided by Integrys Support be provided at cost and Section 1.4 of the

1 AIA provides that affiliates need not receive services from Integrys Support if the
2 all-in costs of services is above market price. The FERC has rules that determine
3 how the cost of services provided by Integrys Support will be allocated to
4 affiliates, which have to be followed. The PUHCA 2005 shifted responsibility
5 from the SEC to the FERC and the Companies will have to comply with FERC
6 requirements. The same is true for property assets transferred, as the FERC
7 USOA for centralized service companies requires that all assets transferred be
8 recorded at net book cost. Staff believes that the FERC requirements provide
9 protections and address the purpose of the Code for section III.C and recommends
10 that a waiver be granted.

11 Q. Please discuss WPS Corp and UPPCO's request for a waiver to section IV.A of
12 the Code.

13 A. The purpose of section IV.A of the Code is not to allow the sharing of electric
14 customer information to affiliates. Integrys Support will need customer
15 information to perform billing and other services and commits to only using such
16 information for services provided to WPS Corp and UPPCO and will not share
17 such information with other non-regulated affiliates or entities. Unregulated
18 affiliates will not have access to such information to gain any advantage over
19 competitors in the competitive market. Without a waiver the Companies state that
20 that Integrys Support would not be able to perform services to the utility and all
21 efficiency or economics of scale associated with a centralized service company
22 would be lost. Staff sees benefits to a centralized service company and

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

1 recommends that the Companies be provided a waiver to this section of the Code
2 for customer information sharing.

3 Q. Please continue with WPS Corp and UPPCO's request for a waiver for section
4 IV.B of the Code.

5 A. Section IV.B of the Code is to prevent the sharing of customer information to
6 affiliates without prior written approval. The electric customer information
7 requested to be provided to Integrys Support will not be shared with any other
8 affiliate and is necessary for the centralized service company, Integrys Support, to
9 perform services for the regulated utilities. To obtain the written permission of
10 each electric customer would be almost impossible, so benefits of the centralized
11 service company would not be gained. Staff recommends the granting of the
12 waiver for section IV.B of the Code.

13 Q. Please respond to WPS Corp and UPPCO's request for wavier to section IV.C of
14 the Code.

15 A. The purpose of section IV.C of the Code is to allow all competitors to the same
16 customer information provided to an affiliate. The Companies commit to only
17 sharing customer information with Integrys Support and will not intentionally
18 share such information with any competitors. Staff believes that the services
19 provided by a centralized service company are in the public interest and Integrys
20 Support is prohibited by the AIA from sharing the information with third parties.
21 Therefore, Staff recommends the granting of the waiver for section IV.C of the
22 Code.

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

1 Q. Please address the waivers/declaration that MGU and UPPCO request per the
2 Affiliate Transaction Guidelines.

3 A. In case U-13470, MGU is subject to Affiliate Transaction Guidelines and UPPCO
4 in case U-13497 adopted similar guidelines. Number nine of the Affiliate
5 Transaction Guidelines in the MGU case U-13470 allows a utility to file a request
6 for a waiver from any provision of these guidelines and the Commission may
7 grant a waiver if good cause is shown. Staff is addressing jointly MGU and
8 UPPCO's request of a waiver/declaration to item number six of the Affiliated
9 Transaction Guidelines, which requires that all services and supplies provided by
10 non-regulated entities be at market price or 10% over the fully allocated cost,
11 whichever is less. The AIA requires that services be charged at cost and no
12 services have to be taken if the all-in costs are above the market value, so only
13 services can be performed that are below the market value and the AIA is in
14 compliance of the Guidelines. Further, as discussed previously, Integrys Support
15 services are subject to FERC regulations and Wisconsin state law. Staff believes
16 a centralized service company will provide lower costs through economics of
17 scale, with better audit transparency and efficiency and recommends a waiver be
18 granted to item number six of MGU and UPPCO's Affiliated Transaction
19 Guidelines.

20 Q. Does that complete your testimony?

21 A. Staff believes that the Companies have provided justification for the requested
22 waiver requests to the Code and Affiliate Transaction Guidelines through detailed
23 testimony and exhibits in this case that supports the operation of a centralized

DIRECT TESTIMONY OF BRIAN BALLINGER
CASE NUMBER U-15325
PART II

Docket 07-0361
Exhibit 4.3

1 service company and the granting of the requested waivers. The Commission will
2 continue to have access to all the books and records of the holding company and
3 each of its affiliates. The centralized service company will be providing an annual
4 report to the Commission that is filed according to the USOA per the FERC
5 requirements and internal audits will be conducted regularly. FERC regulations
6 and state jurisdiction laws will remain in effect for the service company. The
7 granting of the requested waivers in this case although substantial will be replaced
8 by adherence to FERC rules and regulations and the Companies will continue to
9 adhere to the remaining sections of the Code and the Affiliate Transaction
10 Guidelines. Provisions in the AIA allow for continued review of the cost
11 allocation methodology and Staff recommends that the requested waivers be
12 approved. This completes my direct filed testimony.

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

STATE OF MICHIGAN)
)
County of Ingham) Case No. U-15325

PROOF OF SERVICE

Cindy Stephens, being duly sworn, deposes and says that on September 21, 2007, A.D. she served a copy of the attached MPSC Testimony, by mailing copies thereof by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.

Cindy Stephens

Subscribed to before me this
21st day of September, A.D., 2007

Notary Public Ingham County, Michigan
My Commission expires August 16, 2011

Service List

Case No. U-15325

Mr. Gary Erickson
Michigan Gas Utilities
899 S. Telegraph Road
Monroe, MI 48161

Mr. Mark D. Eyster
6545 Mercantile Way
Lansing, MI 48911

Ms. Sherri A. Wellman
Miller, Canfield, Paddock and Stone
One Michigan Avenue
Suite 900
Lansing, MI 48933

Mr. Larry Weyers
Wisconsin Public Service Commission
700 North Adams Street
P.O. Box 19001
Green Bay, MI 54307

Mr. Tom Meinz
Upper Peninsula Power Company
500 N. Washington Street
P.O. Box 357
Ishpeming, MI 49849-0357

Ms. Kristin M. Smith
Asst. Atty. General
6545 Mercantile Way, Suite 15
Lansing, MI 48911

Mr. Paul M. Collins
Miller, Canfield, Paddock and Stone
One Michigan Avenue
Suite 900
Lansing, MI 48933

Ms. Lori A. Ruedinger
Director – Cost Budget Forecasts
Integrus Business Support LLC
700 N. Adams Street
Green Bay, WI 54301