

**FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426**

August 11, 2003

In Reply refer to:
Wisconsin Public Service Corporation
Docket No. ER03-152-000

Bruder, Gentile & Marcoux, L.L.P.
Attn: Antonia A. Frost, Esq.
Attorney for Wisconsin Public Service Corporation
1100 New York Avenue, N.W.
Suite 510 East
Washington, DC 20005-3934

Dear Ms. Frost:

1. On June 19, 2003, you filed on behalf of Wisconsin Public Service Corporation and Upper Peninsula Power Company an Offer of Settlement ("Settlement") which resolves all issues in this proceeding. The Federal Energy Regulatory Commission Trial Staff ("Trial Staff") and Upper Peninsula Transmission Dependent Utilities do not oppose the Settlement. Trial Staff's comments in support of the Settlement were filed on July 9, 2003. No other comments were filed. On July 22, 2003, the Settlement Judge certified the settlement to the Commission as uncontested.
2. The Settlement is in the public interest and is hereby accepted. The Commission's acceptance of this Settlement does not constitute approval of or precedent regarding any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of Section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).
3. As specified in Article 2.1 of the Settlement, the companies shall refund to each other, as appropriate, the difference between the amounts collected under the original rates and the amounts that would have been collected under the settlement rates, plus interest as calculated in accordance with 18 C.F.R § 35.19a of the Commission's regulations. Within 30 days of making such refunds, the companies shall file with the Commission a compliance refund report, and shall

furnish copies to the affected customers and to each state commission within whose jurisdiction the affected wholesale customers distribute and sell electric energy at retail.

4. This letter order terminates Docket No. ER03-152-000. A new subdocket will be assigned upon receipt of the required compliance refund report.

By direction of the Commission

Magalie R. Salas,
Secretary.

cc: All parties