

unreasonable. The Complainants' evidence indicates that Southwest Gas collects revenues that exceed its annual costs by approximately \$16.9 million.

In light of the evidence presented by the Complainants, it appears that Southwest Gas has been earning returns far in excess of levels that the FERC has found to be just and reasonable. The MPSC therefore implores the Commission to reduce Southwest Gas' rates.

III. BASIS FOR INTERVENTION

The MPSC is an agency of the State of Michigan, created by 1939 Pub. Acts 3, Mich. Comp. Laws Ann. § 460.1 *et seq.* As the Michigan regulatory agency having jurisdiction and authority to control and regulate rates, charges, and conditions of service for the retail sale of electricity in the State, the MPSC is a "state commission" as defined in 16 U.S.C. § 796(15) and 18 C.F.R. § 1.101(k) (2006). Ratepayers in the state of Michigan receive natural gas from the Panhandle Eastern Pipe Line Company, LP system which in turn has a natural gas storage contract with Southwest Gas. Accordingly, the MPSC has an interest in this proceeding and hereby provides its notice of intervention pursuant to 18 C.F.R. § 385.214(a)(2) (2006).

IV. CONCLUSION

WHEREFORE, the Michigan Public Service Commission hereby provides notice of its intervention.

Respectfully submitted,

**THE MICHIGAN PUBLIC SERVICE
COMMISSION**

MICHAEL A. COX
Attorney General

Patricia S. Barone (P29560)
David A. Voges (P25143)
Assistant Attorneys General
Public Service Division
6545 Mercantile Way, Suite 15
Lansing, MI 48911
Telephone: (517) 241-6680
Fax: (517) 241-6678

/s/ Kelly A. Daly
David D'Alessandro
Kelly A. Daly
Special Assistant Attorneys General
Stinson Morrison Hecker LLP
1150 18th Street, N.W., Suite 800
Washington, DC 20036-3816
Telephone: (202) 785-9100
Fax: (202) 785-9163

CERTIFICATE OF SERVICE

I hereby certify that I have this day served copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 9th day of November, 2006.

/s/ Kelly A. Daly