

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
PENINSULAR GAS COMPANY for a reconciliation)	
of its gas cost recovery revenues and expenses for)	Case No. U-10983-R
the 12-month period ending December 31, 1996.)	
_____)	

At the August 25, 1997 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman
 Hon. John C. Shea, Commissioner
 Hon. David A. Svanda, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On March 19, 1997, Peninsular Gas Company (Peninsular) filed an application, with supporting testimony and exhibits, seeking reconciliation of its gas cost recovery (GCR) revenues and expenses for the 12-month period ended December 31, 1996.

Pursuant to due notice, a prehearing conference was held on May 7, 1997 before Administrative Law Judge Frank V. Strother. Peninsular and the Commission Staff participated in the proceedings.

Subsequently, the parties submitted a settlement agreement resolving all issues in this case.

According to the settlement agreement, attached as Exhibit A, Peninsular underrecovered \$202,299.29, including interest and the elimination of the balance in its refund liability account, during its 1996 GCR plan year. The settlement further provides that Peninsular should be authorized to roll this underrecovery into its current GCR plan in accordance with its standard refunding procedures.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 300, as amended, MCL 462.2 et seq.; MSA 22.21 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1982 PA 304, as amended, MCL 460.6h et seq.; MSA 22.13(6h) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.

b. The settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved.

B. Peninsular Gas Company shall be authorized to roll into its current GCR plan its gas cost underrecovery of \$202,299.29, including interest and a credit for the balance in its refund liability account.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

John G. Strand
Chairman

(S E A L)

John C. Shea
Commissioner

David A. Svanda
Commissioner

By its action of August 25, 1997.

Dorothy Wideman
Executive Secretary

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

By its action of August 25, 1997.

Executive Secretary

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Case No. U-10983-R

Suggested Minute:

“Adopt and issue order dated August 25, 1997 approving the settlement agreement and authorizing Peninsular Gas Company to reconcile its gas cost recovery revenues and expenses for the 12-month period ended December 31, 1996, as set forth in the order.”