

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)
WOLVERINE GAS & OIL COMPANY, INC., for)
authority to construct and operate the Hartland 36)
Project Pipelines in Livingston and Oakland counties.)
_____)

Case No. U-10850

At the August 17, 2000 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

OPINION AND ORDER

On June 22, 1995, Wolverine Gas & Oil Company, Inc., (Wolverine) filed an application,
pursuant to the provisions of 1929 PA 9, as amended, MCL 483.101 et seq.; MSA 22.1311 et seq.,
requesting authority to construct and operate the Hartland 36 Project Pipelines in Livingston and
Oakland counties. Wolverine and the Commission Staff (Staff) were the only participants in the
proceedings. By its November 28, 1995 order in this case, the Commission approved a settlement
agreement between Wolverine and the Staff, and granted the requested authority.

On May 1, 2000, KCS Michigan Resources, Inc. (KCS), the successor in interest to
Wolverine with regard to this pipeline project, filed a written request to amend the Commission's
November 28, 1995 order and to allow a revision to the respective routes of two pipelines involved
in the project. Notice of the request was concurrently provided to the Staff. Subsequently, on

June 27, 2000, KCS filed supplemental information confirming its acquisition of all rights-of-way along the revised pipeline routes.

Specifically, KCS seeks authority to change the routes of the Traylor 1-36 and GM 1-1 Pipelines in order to address concerns raised by residents and others located along Jeni Lane in Hartland Township, Livingston County. The proposed route changes, which would lengthen both pipelines by approximately 2,640 feet, would allow KCS to construct these lines to the west of the area in question. As revised, these pipelines would consist of 3-1/2 inch outer diameter lines extending approximately 1.5 miles from the Traylor 1-36 and the GM 1-1 Wells in the NE/4 of Section 1, T2N, R6E, Brighton Township to the Hartland 36 Natural Gas Conditioning Facility in the NW/4 of Section 36, T3N, R6E, Hartland Township, all in Livingston County.

KCS asserts that the proposed pipelines, when used in conjunction with the rest of the project's facilities, will allow for the transportation of natural gas to market by way of the existing gas transmission system. Moreover, KCS states that (as with the entire project that was approved by the Commission's November 28, 1995 order) the design, construction, testing, and operation of each of these pipelines along their revised routes will be in compliance with the Michigan Gas Safety Standards. KCS has also filed a map of the revised routes for these pipelines and an itemized cost estimate for the additional routing in the amount of \$108,970.

The Staff, which constitutes the only other participant in this case beyond KCS, has expressed no opposition to the request to change the routes for these two pipelines.

After reviewing KCS's request, the Commission finds that these two pipelines (if constructed and operated along their revised routes) will serve the public convenience and necessity, and that ex parte approval is appropriate. The Commission thus concludes that its November 28, 1995 order should be modified to reflect this finding.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1929 PA 9, as amended, MCL 483.101 et seq.; MSA 22.1311 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.; 1969 PA 165, as amended, MCL 483.151 et seq.; MSA 22.1332(1) 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 AACRS, R 460.17101 et seq.
- b. The Commission's November 28, 1995 order should be amended to reflect approval of revised routes for the Traylor 1-36 and GM 1-1 Pipelines.
- c. The map, amended routes, and type of construction of the Hartland 36 Project Pipelines should be approved.
- d. The pipelines are practicable in that they will provide an economic means of delivering natural gas to market.
- e. The pipelines will meet the requirements of the Michigan Gas Safety Standards if constructed, tested, and operated as proposed.
- f. The pipelines will serve the public convenience and necessity.
- g. The public interest will be adequately protected without the time and expense of a public hearing.

THEREFORE, IT IS ORDERED that:

- A. The Commission's November 28, 1995 order in this case is amended to reflect approval of revised routes for the Traylor 1-36 and GM 1-1 Pipelines, to be constructed as part of the Hartland 36 Project Pipelines.

B. KCS Michigan Resources, Inc., is authorized to construct and operate the Hartland 36 Project Pipelines in Livingston and Oakland counties, as proposed in the application filed on November 28, 1995 and modified on May 1, 2000, and subject to the requirements of 1929 PA 9, as amended, MCL 483.101 et seq.; MSA 22.1311 et seq.

C. The map, amended routes, and type of construction of the Hartland 36 Project Pipelines are approved.

D. Within 60 days after construction, KCS Michigan Resources, Inc., shall file a completion report including pressure test data and a map of the Hartland 36 Project Pipelines as constructed.

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

(S E A L)

/s/ John G. Strand
Chairman

By its action of August 17, 2000.

/s/ David A. Svanda
Commissioner

/s/ Dorothy Wideman
Executive Secretary

/s/ Robert B. Nelson Its
Commissioner

B. KCS Michigan Resources, Inc., is authorized to construct and operate the Hartland 36 Project Pipelines in Livingston and Oakland counties, as proposed in the application filed on November 28, 1995 and modified on May 1, 2000, and subject to the requirements of 1929 PA 9, as amended, MCL 483.101 et seq.; MSA 22.1311 et seq.

C. The map, amended routes, and type of construction of the Hartland 36 Project Pipelines are approved.

D. Within 60 days after construction, KCS Michigan Resources, Inc., shall file a completion report including pressure test data and a map of the Hartland 36 Project Pipelines as constructed.

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

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Commissioner By

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Suggested Minute:

“Adopt and issue order dated August 17, 2000 amending the Commission’s November 28, 1995 order in this case and approving revised routes for two of the Hartland 36 Project Pipelines, as set forth in the order.”