

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>PRESQUE ISLE ELECTRIC &amp; GAS CO-OP</b>	)	
for a certificate of public convenience and	)	Case No. U-12310
necessity relative to Alcona Township.	)	
_____	)	

In the matter of the application of	)	
<b>PRESQUE ISLE ELECTRIC &amp; GAS CO-OP</b>	)	
for a certificate of public convenience and	)	Case No. U-12311
necessity relative to Caledonia Township.	)	
_____	)	

In the matter of the application of	)	
<b>PRESQUE ISLE ELECTRIC &amp; GAS CO-OP</b>	)	
for a certificate of public convenience and	)	Case No. U-12312
necessity relative to Hawes Township.	)	
_____	)	

At the June 19, 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

**ORDER APPROVING SETTLEMENT AGREEMENT**

On February 3, 2000, Presque Isle Electric & Gas Co-op (Presque Isle) filed applications, pursuant to the provisions of 1929 PA 69, as amended, MCL 460.501 et seq.; MSA 22.141 et seq., requesting certificates of public convenience and necessity to extend its facilities and to provide

natural gas service in Alcona, Caledonia, and Hawes townships, which are all located in Alcona County.

A prehearing conference was held on March 7, 2000 before Administrative Law Judge James N. Rigas at which time the cases were consolidated. Presque Isle, Michigan Consolidated Gas Company, and the Commission Staff participated in the proceedings. Subsequently, the parties submitted a settlement agreement resolving all issues in these cases.

According to the terms of the settlement agreement, a copy of which is attached as Exhibit A, the parties agree that (1) Presque Isle has obtained the requisite franchises to provide natural gas service in the townships, (2) Presque Isle has demonstrated its ability to obtain adequate gas supplies to meet the current and projected demand of its customers, (3) providing Presque Isle with certificates of public convenience and necessity for the townships will benefit the public interest, and (4) the requested certificates of public convenience and necessity should be granted, subject to the conditions specified in the settlement agreement.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1929 PA 69, as amended, MCL 460.501 et seq.; MSA 22.141 et seq.; 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.; 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 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. The exhibits to the settlement agreement are not attached to copies of this order.

B. Presque Isle Electric & Gas Co-op is granted certificates of public convenience and necessity authorizing it to construct, operate, and maintain natural gas distribution facilities to provide natural gas service in Alcona, Caledonia, and Hawes townships, all of which are located in Alcona County.

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/ John G. Strand

Chairman

( S E A L )

/s/ David A. Svanda

Commissioner

/s/ Robert B. Nelson

Commissioner

By its action of June 19, 2000.

/s/ Dorothy Wideman

Its Executive Secretary

THEREFORE, IT IS ORDERED that:

A. The settlement agreement, attached as Exhibit A, is approved. The exhibits to the settlement agreement are not attached to copies of this order.

B. Presque Isle Electric & Gas Co-op is granted certificates of public convenience and necessity authorizing it to construct, operate, and maintain natural gas distribution facilities to provide natural gas service in Alcona, Caledonia, and Hawes townships, all of which are located in Alcona County.

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

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Chairman

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Commissioner

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Commissioner

By its action of June 19, 2000.

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Its Executive Secretary

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**PRESQUE ISLE ELECTRIC & GAS CO-OP** )  
for a certificate of public convenience and )  
necessity relative to Alcona Township. )  
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Case No. U-12310

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for a certificate of public convenience and )  
necessity relative to Caledonia Township. )  
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Case No. U-12311

In the matter of the application of )  
**PRESQUE ISLE ELECTRIC & GAS CO-OP** )  
for a certificate of public convenience and )  
necessity relative to Hawes Township. )  
\_\_\_\_\_ )

Case No. U-12312

Suggested Minute:

“Adopt and issue order dated June 19, 2000 approving the settlement agreement and granting Presque Isle Electric & Gas Co-op authority to construct, operate, and maintain natural gas distribution facilities in Alcona, Caledonia, and Hawes townships, all of which are located in Alcona County, as set forth in the order.”