

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
PENINSULAR GAS COMPANY for deferral and)	
amortization of environmental assessment and)	Case No. U-12138
remediation costs.)	
_____)	

At the March 16, 2004 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. J. Peter Lark, Chair
 Hon. Robert B. Nelson, Commissioner
 Hon. Laura Chappelle, Commissioner

ORDER

On September 21, 1999, Peninsular Gas Company (Peninsular) filed an application seeking Commission authorization to defer and amortize certain environmental assessment and remediation costs related to environmental contamination arising from the operation of a manufactured gas plant by a predecessor to Peninsular.

Pursuant to due notice, a prehearing conference was held on December 15, 1999, and an evidentiary hearing was held on June 22, 2000. In addition to Peninsular, the Charter Township of Calumet, the Commission Staff, and Attorney General Jennifer M. Granholm¹ participated in this case.

On February 17, 2004, Peninsular filed a request to withdraw the application. It states that it has entered into a settlement agreement with the Michigan Department of Environmental Quality

¹On January 1, 2003, Michael A. Cox replaced Jennifer M. Granholm as Attorney General.

regarding the contamination, which renders moot the accounting treatment for which Peninsular sought authority.

The Commission finds that Peninsular's request to withdraw its application should be granted, and the proceeding should be dismissed.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1909 PA 300, as amended, MCL 462.2 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 et seq.

b. This proceeding should be dismissed.

THEREFORE, IT IS ORDERED that the application of Peninsular Gas Company for deferral and amortization of environmental assessment and remediation costs is dismissed.

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.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ J. Peter Lark
Chair

(S E A L)

/s/ Robert B. Nelson
Commissioner

/s/ Laura Chappelle
Commissioner

By its action of March 16, 2004.

/s/ Mary Jo Kunkle
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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By its action of March 16, 2004.

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Suggested Minute:

“Adopt and issue order dated March 16, 2004 granting Peninsular Gas Company’s request to withdraw its application and dismissing this proceeding, as set forth in the order.”