

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
JORDAN DEVELOPMENT COMPANY, L.L.C.,)	
for authority to construct and operate the)	Case No. U-13965
Herban 12-16 Pipeline in Manistee County.)	
_____)	

At the January 22, 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 APPROVING APPLICATION

On December 1, 2003, Jordan Development Company, L.L.C., (Jordan) filed an application, pursuant to 1929 PA 9, as amended, MCL 483.101 et seq., requesting authority to construct and operate the Herban 12-16 Pipeline.

The proposed pipeline will consist of a 3½ inch outer diameter line approximately 0.75 miles long, extending from Jordan’s Herban 12-16 Well southeasterly to an interconnection with the Springdale 16 Facility, all in Section 16, T24N, R14W, Springdale Township, Manistee County.

The pipeline will be used to transport natural gas to market by way of the existing gas transmission system.

Attached to the application are engineering specifications covering the construction, testing, and operation of the pipeline to demonstrate compliance with the Michigan Gas Safety Standards and a map showing the location of the pipeline. The maximum allowable operating pressure of the

pipeline will be 3,000 pounds per square inch gauge, and its estimated cost is approximately \$28,500.

After reviewing the application, the Commission finds that the pipeline will serve the public convenience and necessity and that ex parte approval is appropriate.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1929 PA 9, as amended, MCL 483.101 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 165, as amended, MCL 483.151 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. The map, route, and type of construction of the Herban 12-16 Pipeline should be approved.
- c. The pipeline is practicable in that it will provide an economic means of delivering natural gas to market.
- d. The pipeline will meet the requirements of the Michigan Gas Safety Standards if constructed, tested, and operated as proposed.
- e. The pipeline will serve the public convenience and necessity.
- f. The public interest will be adequately protected without the time and expense of a public hearing.

THEREFORE, IT IS ORDERED that:

- A. Jordan Development Company, L.L.C., is authorized to construct and operate the Herban 12-16 Pipeline in Manistee County, as proposed in its application filed on December 1, 2003 and subject to the requirements of 1929 PA 9, as amended, MCL 483.101 et seq.
- B. The map, route, and type of construction of the Herban 12-16 Pipeline are approved.

C. Within 60 days after construction, Jordan Development Company, L.L.C., shall file a completion report including pressure test data and a map of the Herban 12-16 Pipeline as constructed.

D. If in the future the Herban 12-16 Pipeline is operated as a common carrier for third-party gas, appropriate filings must be made with the Commission concerning rates and contracts.

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 January 22, 2004.

/s/ Mary Jo Kunkle
Its Executive Secretary

C. Within 60 days after construction, Jordan Development Company, L.L.C., shall file a completion report including pressure test data and a map of the Herban 12-16 Pipeline as constructed.

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Suggested Minute:

“Adopt and issue order dated January 22, 2004 granting Jordan Development Company, L.L.C., authority to construct and operate the Herban 12-16 Pipeline in Manistee County, as set forth in the order.”