

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
ATLAS GAS & OIL COMPANY for)	
authority to construct and operate the)	Case No. U-15955
Blue Sky Pipeline in Antrim County.)	
_____)	

At the June 2, 2009 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

ORDER

On April 22, 2009, Atlas Gas & Oil Company (Atlas) filed an application, pursuant to the provisions of 1929 PA 9, MCL 483.101 *et seq.*, requesting authority to construct and operate the Blue Sky Pipeline. The proposed 0.7 mile 2-inch steel pipeline, will commence at Atlas' Blue Sky central processing facility (CPF) located in the NW/4 of SW/4 of SE/4 of Section 24, T31N, R8W, Central Lake Township, and proceed in an easterly direction to an interconnection with the Cedarline, LLC – Radec Pipeline located in the SW/4 of NE/4 of SW4 of Section 19, T31N, R7W, Echo Township in Antrim County. The Blue Sky Pipeline will be used to efficiently 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; a map showing the location of the pipeline; and an environmental assessment. The maximum

allowable operating pressure of the pipeline is 1440 pounds per square inch gauge and the cost of the pipeline is approximately \$100,000. The pipeline will be constructed, tested, and operated in a manner that exceeds the state and federal safety standards.

After reviewing the application and its exhibits, the Commission finds that the map, route, and type of construction of the Blue Sky Pipeline should be approved. The pipeline will serve the public convenience and necessity; it provides an economic means of delivering natural gas to market, and the Blue Sky Pipeline will meet the requirements of the Michigan Gas Safety Standards if constructed, tested, and operated as proposed. The public interest will be adequately protected without the time and expense of a public hearing, and *ex parte* approval is therefore appropriate.

THEREFORE, IT IS ORDERED that:

A. Atlas Gas & Oil Company is authorized to construct and operate the Blue Sky Pipeline in Antrim County as proposed in its application filed on April 22, 2009, and subject to the requirements of 1929 PA 9, MCL 483.101 *et seq.*

B. The map, route, and type of construction of the Blue Sky Pipeline are approved.

C. Within 60 days after construction, Atlas Gas & Oil Company shall file a completion report including pressure test data and a map of the Blue Sky Pipeline as constructed.

D. If Atlas Gas & Oil Company provides transportation for others it shall file with the Commission signed transportation contracts with producers who transport on its line and shall provide transportation in a nondiscriminatory manner.

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, under MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

Orjiakor N. Isiogu, Chairman

Monica Martinez, Commissioner

Steven A. Transeth, Commissioner

By its action of June 2, 2009.

Mary Jo Kunkle, Executive Secretary