

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of )  
**BISHOP ENERGY SERVICES, LLC,** ) Case No. U-16205  
for a license as an alternative gas supplier. )  
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At the April 27, 2010 meeting of the Michigan Public Service Commission in Lansing,  
Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman  
Hon. Monica Martinez, Commissioner  
Hon. Greg R. White, Commissioner

**OPINION AND ORDER**

On February 22, 2010, Bishop Energy Services, LLC (Bishop Energy), applied for a license to operate as an alternative gas supplier (AGS) within Michigan pursuant to 2002 PA 634 (Act 634), MCL 460.9 *et seq.* As part of its application, Bishop Energy provided information to demonstrate compliance with the AGS license requirements under Act 634 and under the Commission's March 12, 2003 order in Case No. U-13694 (March 12 order). That order established the AGS licensing procedure.

Act 634 requires an AGS to have the necessary financial, managerial, and technical capabilities to serve customers within the state of Michigan. The act also requires an AGS to maintain an office within the state. Under the March 12 order, the Commission Staff (Staff) must review the application of the AGS for conformance with the act and with the Commission's

orders. The Staff then must recommend appropriate action regarding that application to the Commission.

The Staff reviewed the license application and the information submitted by Bishop Energy and has recommended this company be granted a license to operate as an AGS.

The application shows that Bishop Energy has been a Michigan limited liability company since 1999 and is a marketer of natural gas with their office located in Midland, Michigan. Bishop Energy serves transportation natural gas customers in Michigan and throughout the Midwest and has done so successfully for many years. The Staff further notes that Bishop Energy served customers in the gas customer choice program prior to the establishment of the AGS licensing procedures.

Bishop Energy is registered with the Michigan Department of Energy, Labor & Economic Growth to do business in Michigan. The Staff reviewed Bishop Energy's personnel descriptions and histories and observes that Bishop Energy's key personnel have over 50 combined years of experience in the energy industry and in business management. Based upon that review, the Staff determined that Bishop Energy has sufficient experience and expertise to manage risk and to reliably supply natural gas in Michigan's gas customer choice market.

Based upon the information provided and the recommendation of the Staff, the Commission finds that Bishop Energy possesses the appropriate managerial and technical capabilities to serve customers within the state of Michigan.

In its review of Bishop Energy's financial statements for the two most recently audited years, the Staff found that the company's balance sheet and income statement were satisfactory. Bishop Energy has provided the Staff with a Letter of Credit of \$100,000. Based upon its review of the

financial statements and the satisfied bond requirement, the Staff determined that Bishop Energy's financial capabilities meet Act 634 requirements. The Commission agrees.

Act 634 requires Bishop Energy to maintain an office within the state of Michigan. Bishop Energy has an established office in Midland, Michigan. The Staff determined that Bishop Energy has complied with the Michigan-office requirements. The Commission agrees.

Based upon the submissions and all of the information provided, the Commission finds that Bishop Energy's request to be licensed as an AGS is reasonable and in the public interest, and that it should be approved. However, the grant of the license is conditioned upon compliance with all of the applicable provisions of Act 634, the Commission's orders and administrative rules, and each of the delivering natural gas utilities' tariffs. Failure to comply with any of these provisions may result in revocation of the license or other penalties.

THEREFORE, IT IS ORDERED that:

- A. Bishop Energy Services, LLC, is granted a license as an alternative gas supplier.
- B. Bishop Energy Services, LLC, shall comply with the regulatory requirements specified in 2002 PA 634, MCL 460.9 *et seq.*; the Commission's orders and administrative rules approved by the Commission; and each of the delivering natural gas utilities' tariffs.

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

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Orjiakor N. Isiogu, Chairman

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Monica Martinez, Commissioner

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Greg R. White, Commissioner

By its action of April 27, 2010.

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Mary Jo Kunkle, Executive Secretary