



STATE OF MICHIGAN

FILED

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

AUG 2-1 1999

In the matter of the application of)
SEMCO ENERGY GAS COMPANY)
for a certificate of public convenience)
and necessity to construct facilities in and)
render natural gas service in Section 7 of Mendon)
Township, St. Joseph County, Michigan)

**MICHIGAN PUBLIC
SERVICE COMMISSION**

Case No. U-12100

APPLICATION

SEMCO Energy Gas Company ("SEMCO Gas") pursuant to §§ 2 and 3 of 1929 PA 69 ("Act 69"), as amended MCL 460.501 et seq.; MSA 22.141 et seq., files this Application with the Michigan Public Service Commission ("Commission") seeking a certificate of public convenience and necessity to operate and construct facilities in and render natural gas service in Section 7 of Mendon Township, St. Joseph County, Michigan, and in support thereof represents:

1. SEMCO Gas is a Michigan corporation with its principal offices located at 405 Water Street, Port Huron, Michigan, and is engaged as a public utility in the business of supplying natural gas to the public in its various service areas in the state of Michigan.

2. SEMCO Gas seeks a certificate of public convenience and necessity from the Commission for construction and operation of natural gas distribution facilities in Section 7 of Mendon Township, St. Joseph County, as shown on Attachment A, and to provide natural gas service to customers located along the path of the facilities.

3. Presently, Michigan Gas Propane Company (an affiliate of SEMCO Gas) owns a propane gas distribution system which serves Kline's Resort in Section 7 of Mendon Township as shown on Attachment A. That distribution system was built in compliance with the standards

for natural gas distribution systems set forth in the Michigan Gas Safety Code.

4. Consumers Energy Company (“Consumers”) owns and operates natural gas distribution facilities to the west of Kline’s Resort as shown on Attachment A.

5. SEMCO Gas intends to (i) acquire the existing propane distribution system serving Kline’s Resort; (ii) have facilities constructed to connect that system to Consumers’ facilities; (iii) purge and modify the system and end-user facilities to use natural gas; (iv) become a customer of Consumer to get natural gas to the meter at the beginning of the system; and (v) to distribute and provide natural gas service to customers in Kline’s Resort.

6. As part of an application filed pursuant to §3 of Act 69, the applicant must show it “has secured the necessary consent or franchise” from the appropriate municipality. Attachment B is a copy of the ordinance enacted by the Township of Mendon on June 3, 1999 granting SEMCO Gas a franchise to construct facilities and provide natural gas service in Section 7 of the Township.

7. SEMCO Gas represents that its construction and operation of facilities in Section 7 of Mendon Township is pursuant to customers’ requests for service. SEMCO Gas concludes that the proposed construction and operations will serve the public convenience and necessity.

8. SEMCO Gas represents that the distribution facilities are and will be, constructed and will be operated in accordance with the Michigan Gas Safety Code.

WHEREFORE, SEMCO Energy Gas Company respectfully requests that a certificate of public convenience and necessity be issued granting it authority to construct and operate distribution facilities and render natural gas service in Section 7 of Mendon Township, St. Joseph County, Michigan,

Respectfully submitted,

SEMCO ENERGY GAS COMPANY

August 27, 1999

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