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DETROIT, MICHIGAN

June 8, 2000

VIA: HAND DELIVERY

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48909

Re: Consumers Energy Company,
Case No. U- **12430**

Dear Secretary Wideman:

Enclosed for filing is an original and four (4) copies of Michigan Gas Utilities' Notice of Intent to Participate as Respondent or, in the Alternative, Petition to Intervene. Also enclosed is a Proof of Service.

Very truly yours,

HONIGMAN MILLER SCHWARTZ AND COHN



Richard J. Aaron

Enclosure

cc: Mr. John Richard (w/encl.)
Mr. Reg Whalon (w/encl.)

RJA/lss
LAN_A\70337.1

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for a Certificate of Public Convenience)
and Necessity to Render Natural Gas)
Service in Martin Township,)
Allegan County, Michigan.)
_____)

Case No. U-12430

**MICHIGAN PUBLIC SERVICE
FILED**

NOTICE OF INTENT
TO PARTICIPATE AS RESPONDENT
OR, IN THE ALTERNATIVE,
PETITION TO INTERVENE

JUN 7 2000

COMMISSION

Michigan Gas Utilities, a division of UtiliCorp United Inc. ("MGU"), doing business in the state of Michigan, by its attorneys, Honigman Miller Schwartz and Cohn, files this Notice of Intent to Participate as Respondent in this matter, pursuant to Rules 10 1 and 60 1 of the MPSC's Rules of Practice and Procedure, R 460.17101, 460.1760 1. In the alternative, MGU Petitions to Intervene in this proceeding. In support of its right to participate as a respondent, MGU states as follows:

1. MGU is a public utility engaged in the business of purchasing, storing, transporting, distributing and selling natural gas to the public in, inter alia, Martin Township, Allegan County, Michigan. MGU owns or operates in Martin Township, Allegan County, Michigan, equipment or facilities for providing, transmitting, delivering, or furnishing gas to the public for compensation.

2. Applicant Consumers Energy Company ("Consumers") has filed an application seeking a certificate of public convenience and necessity for construction and operation of gas distribution facilities in certain sections of Martin Township, Allegan County, Michigan.

3. MGU is a “Respondent” within the meaning of Rule 101(f), and entitled to participate in this proceeding brought pursuant to 1929 PA 69, as amended, MCL 460.501 et seq. (“Act 69”). MGU renders service in Martin Township, Allegan County, Michigan, similar to that service proposed by Applicant Consumers, within the terms of Act 69.

In support of its alternative petition to intervene, MGU states as follows:

I. Statement of Interest

4. MGU is a public utility engaged in the business of purchasing, storing, transporting, distributing and selling natural gas to the public in southern and western portions of the lower peninsula of the state of Michigan. MGU presently serves approximately 151,000 customers, including about 139,000 residential customers, 12,000 commercial and small industrial customers, and over 200 large volume sales and transportation customers. Such customers are located in over 50 cities and villages and in 93 townships located in the southern and western portions of Michigan between Lake Erie on the east and Lake Michigan on the west.

5. MGU's gas distribution system and Consumer's distribution systems both extend into Martin Township in Allegan County, Michigan. MGU has long served in Martin Township. Consumers renders service in Sections 1, 13 and 24 of the township, as well. As MGU's franchise is non-exclusive, there is nothing improper about Consumers serving this area. However, Consumers should serve customers only if it is cost-effective to serve them. One utility should not be permitted to pipe an area merely to preempt service by a competing utility.

6. Because MGU has traditionally rendered service in Martin Township, it is appropriate that Consumers has sought a certificate of public convenience and necessity to serve additional customers in Martin Township, pursuant to Act 69.

II. Grounds of Intervention

7. MGU requests leave to intervene in this matter pursuant to Rule 201 of the Rules of Practice and Procedure before the MPSC, R 460.17201. MGU is a real party in interest by virtue of its direct financial interest in the form of lost revenues if Consumers is permitted to serve customers within MGU's franchised service territory. MGU is directly impacted if Consumers is permitted to extend facilities within the Township to the exclusion of MGU.

III. Statement of Position

8. MGU believes that due to the relative position of Consumer's and MGU's existing lines, as well as other factors affecting the immediate area, it may be more cost-effective for Consumers to render service to portions of Martin Township although it would be feasible for either utility to render such service.

9. However, MGU's position is that any other location within the township either may not be cost-effective for Consumers to serve or MGU's service to that area would be more cost-effective. It is also MGU's position that any service must recognize safe operations of both company's facilities within the same sections of the Township.

10. MGU does not object to Consumers rendering service to customers desirous of gas service if Consumers can serve such customers without subsidy from its other customers.

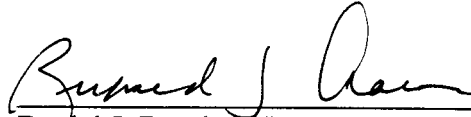
11. MGU would participate in this proceeding to describe its own cost estimates to serve Martin Township and to examine Consumer's cost calculations.

WHEREFORE, MGU requests that MGU be allowed to participate as a respondent or, in the alternative, the MPSC grant MGU's leave to intervene as a party to these proceedings.

Respectfully submitted,

HONIGMAN MILLER SCHWARTZ AND COHN

Dated: June 8, 2000

A handwritten signature in dark ink, appearing to read "Daniel J. Demlow", is written over a horizontal line.

Daniel J. Demlow (P-12666)

Richard J. Aaron (P-35605)

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Lansing, MI 48933-1 800

(5 17) 484-8282

Attorneys for:

MICHIGAN GAS UTILITIES, A DIVISION
OF UTILICORP UNITED INC.

LNS01/70221.1

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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CONSUMERS ENERGY COMPANY)
for a Certificate of Public Convenience)
and Necessity to Render Natural Gas)
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Case No. U-12430

PROOF OF SERVICE

Lori Smith, being first duly sworn, deposes and says that on June 8, 2000, Michigan Gas Utilities' Notice of Intent to Participate as Respondent or, in the Alternative, Petition to Intervene was served upon the following parties by hand delivery.

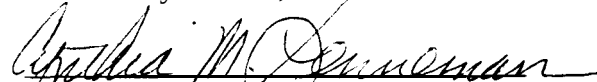
William W. Derengoski, Esq.
Assistant Attorney General
6545 Mercantile Way, Ste. 1.5
Lansing, MI 48911

Raymond E. McQuillan, Esq.
Consumers Energy Company
2 12 W. Michigan Avenue, Room M- 1082
Jackson, MI 49201



Lori Smith

Subscribed and sworn to before me
this 8th day of June, 2000


Cynthia M. Lenneman, Notary Public
"Clinton County, Acting in Ingham
My commission expires: 2-20-03
LAN_A\70357.1