

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
SEMCO ENERGY GAS COMPANY for a	)	
certificate of public convenience and necessity to	)	Case No. U-12512
construct facilities and provide natural gas service in	)	
Akron, Columbia, Elmwood, and Almer townships,	)	
Tuscola County.	)	
_____	)	

At the November 2, 2000 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. David A. Svanda, Commissioner
Hon. Robert B. Nelson, Commissioner

ORDER APPROVING SETTLEMENT AGREEMENT

On June 30, 2000, SEMCO Energy Gas Company, a division of SEMCO Energy, Inc.,
(SEMCO) filed an application, pursuant to the provisions of 1929 PA 69, as amended,
MCL 460.501 et seq.; MSA 22.141 et seq., requesting a certificate of public convenience and
necessity to construct facilities and provide natural gas service in Akron, Columbia, Elmwood, and
Almer townships, Tuscola County.

Pursuant to due notice, a prehearing conference was held on September 7, 2000 before
Administrative Law Judge Barbara A. Stump. SEMCO, Consumers Energy Company, and the
Commission Staff participated in the proceedings.

Subsequently, the parties submitted a settlement agreement resolving all issues in this case.

According to the terms of the settlement agreement, attached as Exhibit A, the parties agree that (1) SEMCO holds currently effective franchises to provide natural gas service in Akron, Columbia, Elmwood, and Almer townships, Tuscola County, (2) the settlement agreement provides a procedure for future extensions of gas service within these townships that is reasonable and in the public interest, and (3) a certificate of public convenience and necessity should be granted to SEMCO to provide natural gas service in Akron, Columbia, Elmwood, and Almer townships, Tuscola County.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1929 PA 69, as amended, MCL 460.501 et seq.; MSA 22.141 et seq.; 1909 PA 300, as amended, MCL 462.2 et seq.; MSA 22.21 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.
- b. The settlement agreement is reasonable and in the public interest, and should be approved.

THEREFORE, IT IS ORDERED that:

- A. The settlement agreement, attached as Exhibit A, is approved.
- B. SEMCO Energy Gas Company, a division of SEMCO Energy, Inc., is granted a certificate of public convenience and necessity to construct facilities and provide natural gas service in Akron, Columbia, Elmwood, and Almer townships, Tuscola County, consistent with the provisions of the settlement agreement.

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; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand
Chairman

(S E A L)

/s/ David A. Svanda
Commissioner

/s/ Robert B. Nelson
Commissioner

By its action of November 2, 2000.

/s/ Dorothy Wideman
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

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By its action of November 2, 2000.

Its Executive Secretary

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_____)

Case No. U-12512

Suggested Minute:

“Adopt and issue order dated November 2, 2000 approving the settlement agreement and granting SEMCO Energy Gas Company a certificate of public convenience and necessity to construct facilities and provide natural gas service in Akron, Columbia, Elmwood, and Almer townships, Tuscola County, as set forth in the order.”