Consumers Energy

A CMS Energy Company

General Offices:
212 West Michigan Avenue
Jackson, MI 49201
Tel: (517) 788-0550
Fax: (517) 788-0768

*Washington Office:
1016 - 16th Street, NW
Washington, DC 20036
Tel: (202) 293-5795
Fax: (202) 293-5367

Writer's Direct Dial Number: (517) 788-0677
Writer's E-mail Address: remcquillan@cmsenergy.com

LEGAL DEPARTMENT

DAVID A MIKELONIS
Senior Vice President
And General Counsel

James E Brunner
William M Lange*
Jon R Robinson
Arunas T Udrys
Assistant General
Counsel

David E Barth
Francis X Berkemeier
H Richard Chambers
James W Dempsey
John P Dickey
Ann F Goodman
Deborah Ann Kile
Roger K Krakusin
Eric V Luoma
Wendy A McIntyre
Raymond E McQuillan
Deborah A Moss*
Mirče Michael Nestor
Robert M Neustifter
David A Pell
Vincent P Provenzano
Susan L Rasmussen
Catherine M Reynolds
John C Shea
P Lani Staley
Charlotte A Walls
Michael G Wilson
Attorney

November 15, 2000

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

Re: Case No. U-12715; In the Matter of the Application of Consumers Energy Company for a Certificate of Public Convenience and Necessity to Render Natural Gas Service in Alabaster Township, Iosco County, Michigan

Dear Ms. Wideman:

Please find enclosed for filing an original and four copies of "**Application**" of Consumers Energy Company. An original proof of service is also enclosed. This filing is also being sent electronically. Thank you for your attention to this matter.

Sincerely,

Raymond E. McQuillan

CC: David Champion, Esq

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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 Alabaster Township, Iosco County, Michigan	)	Case No. U- 12715

APPLICATION

Consumers Energy Company ("Applicant") files this Application for a Certificate of Public Convenience and Necessity, pursuant to the requirements of 1929 PA 69, as amended; MCL 460.501 et seq.; MSA 22.141 et seq., ("Act 69") and states:

1. Applicant is a public utility engaged, among other things, in the distribution and sale of natural gas to more than 1,322,000 residential, commercial and industrial customers in the lower peninsula of the State of Michigan.

2. Applicant's gas business is subject to the jurisdiction of the Michigan Public Service Commission ("Commission") pursuant to certain provisions of 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 (MCL 460.1 et seq.; MSA 22.13(1) et seq.), and 1929 PA 69, as amended, (MCL 460.501 et seq.; MSA 22.141 et seq.). Pursuant to said statutory provisions, the Commission has power and jurisdiction to regulate various aspects of Applicant's gas utility business.

3. Applicant wishes to serve customers on US-23 in Section 34 by a main extension from existing facilities in Whitney Township, Arenac County. The project will include 7,300 feet of 2-inch main to provide service to about 45 residences. A drawing showing Consumers Energy's existing facilities and proposed extension is attached as Exhibit A.

4. Michigan Consolidated Gas Company ("MichCon") is currently selling gas in Alabaster Township. Its closest facilities are believed to be about 2 miles away for the termination point of the proposed project. MichCon's nearest facilities are depicted on Exhibit A.

5. Applicant has received a franchise and consent from Alabaster Township (Ordinance No. 2000-7-2) on July 10, 2000 to serve Alabaster Township, which is attached as Exhibit B.

6. Applicant has sufficient supplies of gas and adequate facilities to enable it to render the proposed service in Alabaster Township, Iosco County without impairing its ability to continue to meet service obligations to its existing service territory.

7. Construction and operation of natural gas facilities in Alabaster Township, Iosco County, Michigan will be in accordance with applicable standards and regulations, including the Michigan Gas Safety Code.

8. Applicant represents that the proposed extension of its natural gas distribution facilities and the rendering of public utility service as described in this Application, are required by the public convenience and necessity.

WHEREFORE, Applicant respectfully requests that the Commission grant the following relief:

1. Accept this Application for filing;

2. Promptly issue a Notice of Hearing pursuant to Act 69 and the Commission's requirements, scheduling an early hearing date for this Application;

3. Determine that the public convenience and necessity requires the construction, operation and maintenance of a natural gas service line and the provision of gas service by Applicant as described in this Application;

4. Issue to Applicant an appropriate Act 69 Certificate of Public Convenience and Necessity; and

5. Grant Applicant such further relief as may be lawful and proper.

Respectfully submitted,

CONSUMERS ENERGY COMPANY

Dated: November 15th, 2000

By: _____
Francis A. Ernst, Jr.
Executive Director of Rates
And ESBU Planning

By: _____
Raymond E. McQuillan (P-24100)
Attorney for Consumers Energy Company
Business Address:
212 West Michigan Avenue
Jackson, Michigan 49201
(517) 788-0677

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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VERIFICATION

STATE OF MICHIGAN)
)SS
COUNTY OF JACKSON)

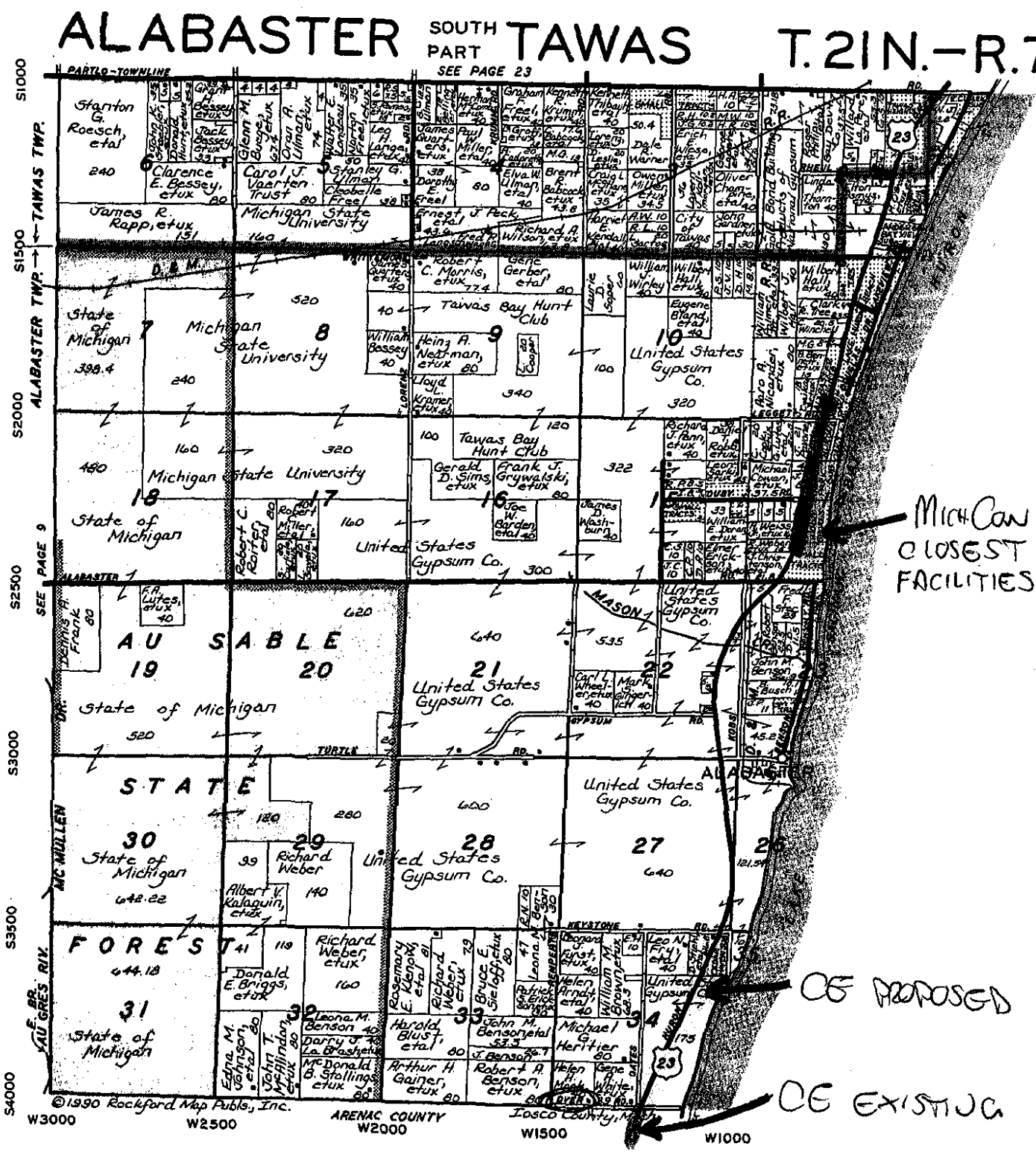
Francis A. Ernst, Jr., being first duly sworn, deposes and says that he is Executive Director Rates and ESBU Planning of Consumers Energy Company; that he has read the foregoing Application by him subscribed for and on behalf of said Applicant; that he knows the contents thereof to be true except to matters of information and belief which he believes to be true; and he is authorized to subscribe to said Application on behalf of Consumers Energy Company.

Francis A. Ernst, Jr.
Executive Director of Rates
and ESBU Planning

Subscribed and sworn to before me this 15th day of November, 2000.

Sammie B Dalton
Notary Public, Jackson County, Michigan
My Commission Expires: 01/04/04

ap1100-1-82f


ALABASTER SOUTH PART TAWAS T. 21N.—R. 7E.
SEE PAGE 23
PARTLO-TOWNLINE
ALABASTER TWP. ← TAWAS TWP.
SEE PAGE 9
S1000
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ARENAC COUNTY
Iosco County, Mich.
© 1990 Rockford Map Publs., Inc.
AU SABLE
STATE
FOREST
MASON
TURTLE RD.
GYPSUM RD.
KEYSTONE RD.
MC MULLEN
E. BR. AU GRES RIV.
Michigan State University
State of Michigan
United States Gypsum Co.
Tawas Bay Hunt Club
MICH CAN CLOSEST FACILITIES
CE PROPOSED
CE EXISTING

ORDINANCE NO. 1002

CONSUMERS ENERGY COMPANY GAS FRANCHISE ORDINANCE

AN ORDINANCE, granting to CONSUMERS ENERGY COMPANY, its successors and assigns, the right, power and authority to lay, maintain and operate gas mains, pipes and services on, along, across and under the highways, streets, alleys, bridges, waterways, and other public places, and to do a local gas business in the TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, for a period of thirty years.

THE TOWNSHIP OF ALABASTER ORDAINS:

SECTION 1. GRANT, TERM. The TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, hereby grants to the Consumers Energy Company, a Michigan corporation, its successors and assigns, hereinafter called the "Grantee," the right, power and authority to lay, maintain and operate gas mains, pipes and services on, along, across and under the highways, streets, alleys, bridges, waterways, and other public places, and to do a local gas business in the TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, for a period of thirty years.

SECTION 2. CONSIDERATION. In consideration of the rights, power and authority hereby granted, said Grantee shall faithfully perform all things required by the terms hereof.

SECTION 3. CONDITIONS. No highway, street, alley, bridge, waterway or other public place used by said Grantee shall be obstructed longer than necessary during the work of construction or repair, and shall be restored to the same order and condition as when said work was commenced. All of Grantee's pipes and mains shall be so placed in the highways and other public places as not to unnecessarily interfere with the use thereof for highway purposes.

SECTION 4. HOLD HARMLESS. Said Grantee shall at all times keep and save the Township free and harmless from all loss, costs and expense to which it may be subject by reason of the negligent construction and maintenance of the structures and equipment hereby authorized. In case any action is commenced against the Township on account of the permission herein given, said Grantee shall, upon notice, defend the Township and save it free and harmless from all loss, cost and damage arising out of such negligent construction and maintenance.

SECTION 5. EXTENSIONS. Said Grantee shall construct and extend its gas distribution system within said Township, and shall furnish gas to applicants residing therein in accordance with applicable laws, rules and regulations.

SECTION 6. FRANCHISE NOT EXCLUSIVE. The rights, power and authority herein granted, are not exclusive. Either manufactured or natural gas may be furnished hereunder.

SECTION 7. RATES. Said Grantee shall be entitled to charge the inhabitants of said Township for gas furnished therein, the rates as approved by the Michigan Public Service Commission, to which Commission or its successors authority and jurisdiction to fix and regulate gas rates and rules

regulating such service in said Township, are hereby granted for the term of this franchise. Such rates and rules shall be subject to review and change at any time upon petition therefor being made by either said Township, acting by its Township Board, or by said Grantee.

SECTION 8. REVOCATION. The franchise granted by this ordinance is subject to revocation upon sixty (60) days written notice by the party desiring such revocation.

SECTION 9. MICHIGAN PUBLIC SERVICE COMMISSION, JURISDICTION. Said Grantee shall, as to all other conditions and elements of service not herein fixed, be and remain subject to the reasonable rules and regulations of the Michigan Public Service Commission or its successors, applicable to gas service in said Township.

SECTION 10. EFFECTIVE DATE. This ordinance shall take effect upon the day after the date of publication thereof; provided, however, it shall cease and be of no effect after thirty days from its adoption unless within said period the Grantee shall accept the same in writing filed with the Township Clerk. Upon acceptance and publication hereof, this ordinance shall constitute a contract between said Township and said Grantee.

We certify that the foregoing Franchise Ordinance was duly enacted by the Township Board of the TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, on the 10TH day of JULY, 2000.

Stephanie Wentworth, Township Supervisor

Attest:

Shirley Coles, Township Clerk

ACCEPTANCE

TO THE TOWNSHIP BOARD OF THE TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN:

The CONSUMERS ENERGY COMPANY, hereby accepts the franchise granted to it by your Township Board, on the 10 day of JULY, 2000, which said franchise is entitled as follows:

> AN ORDINANCE, granting to CONSUMERS ENERGY COMPANY, its successors and assigns, the right, power and authority to lay, maintain and operate gas mains, pipes and services on, along, across and under the highways, streets, alleys, bridges, waterways, and other public places, and to do a local gas business in the TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, for a period of thirty years.

CONSUMERS ENERGY COMPANY

By s/ Carl L. English
President and CEO
Natural Gas Strategic Business Unit

Dated: 7/10, 2000.

CLERK CERTIFICATION

STATE OF MICHIGAN)
: ss.
COUNTY OF IOSCO)

I, Shirley J. Coles, Township Clerk of the TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, DO HEREBY CERTIFY that the annexed is a true and correct copy of the ordinance granting CONSUMERS ENERGY COMPANY, a gas franchise, as adopted by the Township Board at a regular meeting on the 10th day of July, 2000.

I FURTHER CERTIFY that the acceptance, a copy of which is attached hereto, was filed with me as Township Clerk, on the 9th day of July, 2000; that I have compared the attached copies with the original records in my office, and that the same are true and correct transcripts therefrom.

I FURTHER CERTIFY that a copy of the foregoing ordinance was published, as appears by proof thereof on file in my office, in the Iosco County Herald News, a newspaper circulated in the TOWNSHIP OF ALABASTER, IOSCO COUNTY, MICHIGAN, on the 19th day of July, 2000; and that all of said proceedings were regular and in accordance with all legal requirements.

Shirley J. Coles
Shirley Coles, Township Clerk

Dated: 8-2-, 2000

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 Alabaster Township, Iosco County Michigan	))))))	Case No. U-12715

PROOF OF SERVICE

STATE OF MICHIGAN)
) SS
COUNTY OF JACKSON)

Carolyn S. Hinton, being first duly sworn, deposes and says that she is employed in the Legal Department of Consumers Energy Company; that she served a copy of the "**Application**" upon David Champion, Esq, Michigan Consolidated Gas Company, 500 Griswold Street, Detroit, MI 48226 at the address listed therein by depositing the same on November 15, 2000, in the United States mail in the City of Jackson, Michigan with first-class postage thereon fully paid.

Carolyn S. Hinton

Carolyn S. Hinton

Subscribed and sworn to before me this 15th day of November, 2000.

Sammie B. Dalton

Sammie B. Dalton
Notary Public, Jackson County, Michigan
My Commission Expires: 01/04/04