

January 31, 2001

Michigan Public Service Commission
P.O. Box 30221
Lansing, Mi. 48909

Attn: Chair. Laura Chappelle

Re: Michcon request for Rate Increase

Dear Chair. Chappelle:

I find that the reasons given by Michcon for a rate increase are ludicrous at best. Living in northern Michigan I must look at all the gas wells in my area of the state. Grand Traverse County along with Otsego, Antrim, Charlevoix, Emmet and Kalkaska Counties are gas well heaven.

There has really been no change in the transmission lines for natural gas other than increasing the number of wells and consequently the amount of gas flowing through these transmission lines. Gas Leases have been in place for years. So where does the increase cost come from?

Further, I've enclosed a copy of Michcon's Select Program wherein Michcon solicited us (customers) that if consumers joined their program, the price of natural gas would remain at a fixed price of 29.5¢ per ccf from January, 1999 through December, 2001. Now they come looking for not just a price increase but increase the price to 52.5¢ per ccf. (that is almost an 80% increase). How does Michcon substantiate and justify this increase ?

I feel you and the other Commissioners should lookout for the many residents and taxpayers of Michigan and hold Michcon to their commitments (as outlined in the enclosed brochure) and after December, 2001 Michcon can again request a rate increase with a more realistic request. (e.g. if you went to restaurant and ordered their best steak for the price shown on the menu but you were presented a bill for double the menu price, what would you tell the restaurant owner?)

Please say no the rate increase....remember, Michigan is a major source of natural gas....there is no need to import from anywhere else.... many Michigan residents lost out to the gas exploration companies, when they were forced to grant leases or rights of way to well drillers and the transmission lines. We need your common sense and Just say no....the Politicians can get their financial contributions elsewhere. Thank you....


Walter Bogucki
565 South Creek Ct.
Traverse City, Mi. 49686

Questions?

Call us at 1-877-831-3375
or visit www.michcon.com

MICHIGAN PUBLIC
SERVICE COMMISSION

1-800-292-9555

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michcon

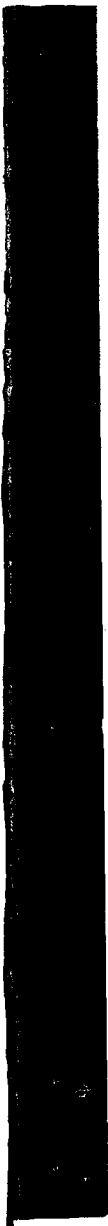
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*MichCon's
Select Program*

michcon

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MichCon has been serving the energy needs of Michigan residents and businesses for the past 150 years. As a leader in the changing energy industry, MichCon has long supported customer choice. We believe the ability to choose a gas supplier will ultimately provide customers with the best value for their energy dollars. To that end, we are now launching **MichCon's Select Program**.

During the three-year Select Program, you can choose a different natural gas supplier or continue to buy your natural gas from MichCon. MichCon believes that supporting energy choice benefits our customers no matter what your decision is. That's because your actions today will help determine how customers buy gas in the future.

During the first year of the Select Program, up to 75,000 customers can choose a different supplier. In the second and third years, the number of customers allowed to participate will increase.

It's Your Choice

You use natural gas for heating, cooking, drying clothes, providing hot water when needed, and more. Currently MichCon buys and stores this gas for your use, delivering it to your home as you need it. Your gas bill includes a

charge for supplying the gas and a charge for delivering it to your home.

During MichCon's Select Program, **if you choose another supplier**, that company will buy your gas and charge you a price that you negotiate with the supplier. MichCon will still deliver the gas to your home. Your new bill will include a charge from the supplier for buying the gas and a charge from MichCon for delivering the gas.

MichCon will handle the billing and will still respond if you have a gas leak, security issues or other service needs. MichCon will ensure that you continue to receive safe, reliable service.

If you are **not interested** in switching natural gas suppliers, **there is nothing for you to do**. As a valued customer, MichCon will happily continue to supply your natural gas and provide other services as we have for nearly 150 years.

Interested?

If you want **more information** about MichCon's Select Program, **look at the easy-to-read chart enclosed**. If you have questions, call the Select Hotline at **1-877-831-3375** or visit our web site at **www.michcon.com**.



State of Michigan
John Engler, Governor

Department of Consumer & Industry Services
Kathleen M. Wilbur, Director

Public Service Commission

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Web Site: cis.state.mi.us/mpsc

Commissioners
Laura Chappelle
David A. Svanda
Robert B. Nelson

February 9, 2001

Walter Bogucki
565 South Creek Court
Traverse City, MI 49686

Re: Case No. U-12766, Michigan Consolidated Gas Company

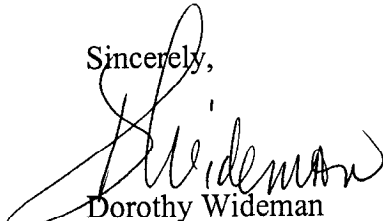
Dear Mr. Bogucki:

Thank you for writing and expressing your concerns about the increase in gas rates proposed by Michigan Consolidated Gas Company.

The Commission has received other letters that oppose the proposed rate increases. The evidentiary hearing phase of this case is underway. The Commission will issue its decision and order after carefully reviewing the record and the established facts.

Your letter has been placed in our file for this case and is available to the Commission for review. We have also sent a copy of your letter to all parties to Case No. U-12766.

Sincerely,



Dorothy Wideman
Executive Secretary

c: Parties to Case No. U-12766
Gas Division
Docket file