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Attorney

July 23, 2001

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

**Re: Case No. U-12990**  
**1. Withdrawal Of Request For Declaratory Order And**  
**2. Request For Minute Action**

Dear Ms. Wideman:

On June 22, 2001, Consumers Energy Company ("Consumers") and Michigan Gas Storage Company ("MGSCo") jointly requested the Michigan Public Service Commission ("MPSC") to issue a declaratory ruling ("joint Request"), pursuant to Rule 701 of the MPSC's Rules of Practice and Procedure, R460.17701, indicating that the rates, service and facilities of MGSCo are subject to the regulatory jurisdiction of the MPSC. Since then, the Michigan Attorney General ("AG") has filed a response to the joint Request. In that response the AG questioned the appropriateness of the requested declaratory order and requested hearings before such a declaratory order is issued.

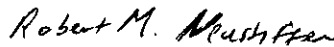
In the interest of avoiding unnecessary argument over whether a declaratory order is an appropriate vehicle for the relief requested in the joint Request and in order to remove any question that hearings are called for in this matter, Consumers and MGSCo hereby withdraw their request for declaratory order. Instead they ask merely that the Commission approve and sign a letter in the form attached to this letter as Exhibit A in a minute action. A formal declaratory order is not required in this matter. In fact, approval by minute action was used by the Commission in September of 1958 when Consumers requested such a certification letter from the Commission. That certification, issued by minute action, was accepted by the Federal Power Commission in Docket No. G-16511. 20 FPC 769 (1958).

Consumers and MGSCo respectfully request that the Commission approve such a minute action at its earliest convenience. A draft letter, a draft minute action and draft order are attached for the Commission's convenience

Respectfully submitted,



H. Richard Chambers  
Attorney for Consumers Energy Company

  
*by RC with permission*

Robert M. Neustifter  
Attorney for Michigan Gas Storage Company

CC: Those indicated on attached Proof of Service

\_\_\_\_\_, 2001

Mr. David P. Boergers, Secretary  
Federal Energy Regulatory Commission  
Dockets Room, Room 1A  
888 First Street, N.E.  
Washington, DC 20426

**RE: MICHIGAN GAS STORAGE COMPANY**

Dear Mr. Boergers:

By this letter, the Michigan Public Service Commission ("MPSC") certifies that the natural-gas (a) rates, (b) service and (c) facilities of Michigan Gas Storage Company ("MGSCo") are subject to the regulatory jurisdiction of the MPSC. Upon the issuance of an exemption from the provisions of the Natural Gas Act and the rules and regulations, of the Federal Energy Regulatory Commission ("FERC") issued pursuant thereto, as requested by MGSCo in its forthcoming application to the FERC, the MPSC will exercise such jurisdiction.

\_\_\_\_\_  
Hon. Laura Chappelle, Chairman

\_\_\_\_\_  
Hon. David A. Svanda, Commissioner

\_\_\_\_\_  
Hon. Robert B. Nelson, Commissioner

Consumers Energy Company/  
Michigan Gas Storage Company

Case No. U-12990

“Adopt and issue minute item dated July 25, 2001 approving the attached letter regarding regulation of the rates, service and facilities of Michigan Gas Storage Company.

MICHIGAN PUBLIC SERVICE COMMISSION

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Laura Chappelle, Chairman

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David A. Svanda, Commissioner

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Robert B. Nelson, Commissioner

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Dorothy Wideman, Executive Secretary

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

|                                            |   |                       |
|--------------------------------------------|---|-----------------------|
| In the Matter of a Request for a           | ) |                       |
| Declaratory Ruling Regarding the           | ) |                       |
| Regulation of the Rates, Service and       | ) | MPSC Case No. U-12990 |
| Facilities of Michigan Gas Storage Company | ) |                       |
| _____                                      | ) |                       |

At the \_\_\_\_\_, 2001 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Laura Chappelle, Chairman  
Hon. David A. Svanda, Commissioner  
Hon. Robert B. Nelson, Commissioner

**OPINION AND ORDER**

On June 22, 2001, Consumers Energy Company and Michigan Gas Storage Company jointly filed a Request for Declaratory Order. On July 18, 2001, the Michigan Attorney General filed a response, questioning the need for hearings before issuing such an order. On July \_\_\_\_\_, 2001, the applicants jointly filed to withdraw their request for declaratory order and instead requested approval of a related minute action. In light of the fact that there is no longer any party seeking the issuance of a declaratory order in this case, it is appropriate that the original request should be dismissed.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1909 PA 300, as amended (MCLA 462.2 et seq.); 1919 PA 419, as amended (MCLA 460.54 et seq.); 1929 PA 9, as amended (MCLA 483.101 et seq.) and 1939 PA 3, as amended (MCLA 460.1 et seq.).
- b. The request for declaratory order should be dismissed without prejudice.

THEREFORE, IT IS ORDERED that the application filed jointly by Consumers Energy Company and Michigan Gas Storage Company is dismissed without prejudice.

The Commission reserves jurisdiction and may issue further order 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

(SEAL)

/s/ Laura Chappelle  
Chairman

By its action of \_\_\_\_\_, 2001.

/s/ David A. Svanda  
Commissioner

/s/ Dorothy Wideman  
Its Executive Secretary

/s/ Robert B. Nelson  
Commissioner

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of a Request for a Declaratory Ruling )  
Regarding the Regulation of the Rates, Service )  
And Facilities of Michigan Gas Storage Company )  
\_\_\_\_\_)

Case No. U-12990

PROOF OF SERVICE

STATE OF MICHIGAN     )  
                                  ) SS  
COUNTY OF JACKSON    )

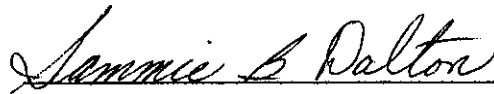
Sammie B. Dalton, being first duly sworn, deposes and says that she is employed in the Legal Department of Consumers Energy Company; that she served an electronic copy of a letter, and its attachments, addressed to Ms. Dorothy Wideman and dated July 23, 2001 upon the persons listed below at the e-mail addresses listed:

David A. Voges, Esq.  
Assistant Attorney General  
6545 Mercantile Way, Suite 15  
Lansing, MI 48911  
E-Mail: vogesd@ag.state.mi.us

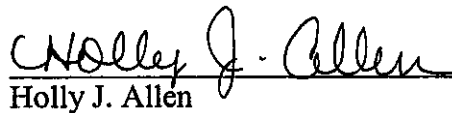
Robert A. W. Strong, Esq.  
Clark Hill PLC  
255 S. Woodward Ave., Third Floor  
Birmingham, MI 48009  
E-Mail: rstrong@clarkhill.com

Donald E. Erickson, Esq.  
Assistant Attorney General  
6520 Mercantile Way, Suite 2  
P. O. Box 30218  
Lansing, MI 48909  
E-Mail: ericksond@ag.state.mi.us

these documents were also mailed to the addresses listed above by depositing the same on July 23, 2001, in the United States mail in the City of Jackson, Michigan with first-class postage thereon fully paid.

  
\_\_\_\_\_

Subscribed and sworn to before me this 23<sup>rd</sup> day of July, 2001.

  
\_\_\_\_\_

Holly J. Allen  
Notary Public, Jackson County, Michigan  
My Commission Expires: 05/01/06