

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
WISCONSIN PUBLIC SERVICE CORPORATION)	
for approval of revisions to charges and conditions)	Case No. U-11663
of service in its gas transportation contract with)	
Menominee Paper Company.)	
_____)	

At the April 28, 1998 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman
Hon. John C. Shea, Commissioner
Hon. David A. Svanda, Commissioner

ORDER APPROVING REVISIONS TO THE TRANSPORTATION AGREEMENT

On April 1, 1998, Wisconsin Public Service Corporation (WPS Corp) filed an application, pursuant to 1929 PA 9, as amended, MCL 483.101 et seq.; MSA 22.1311 et seq., seeking approval of agreed upon changes to the charges and conditions of service found in its existing gas transportation agreement with Menominee Paper Company.

WPS Corp represents that the revised agreement (attached to the application) differs from the existing agreement by (1) adding a pooling provision, (2) changing the definition of "day" and "month," (3) including a provision covering peak day back-up and annual supply back-up service, (4) substituting a monthly 5% rollover provision for the previously existing cash-out, (5) revising daily balancing service break points and rates, (6) updating the unauthorized use charges, and

(7) adding a provision covering intraday gas nominations. According to WPS Corp, the new agreement was negotiated at arm's length and willingly executed by the transportation customer. Further, WPS Corp represents that the changes reflected in the new agreement were made to be consistent with WPS Corp's gas transportation tariff and transportation agreements approved by the Commission in Case No. U-11581, and will not affect its system sales tariffs and charges.

After reviewing the application and the revised agreement, the Commission finds that the proposed revisions are reasonable and in the public interest, and that ex parte approval is appropriate. This ex parte approval is based on WPS Corp's representations that the changes found in the new transportation agreement will not increase the cost of service to any system sales customer and that the parties to the agreement protected their own interests and reached a mutually beneficial bargain.

The Commission FINDS that:

- a. Jurisdiction is pursuant to 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 AACS, R 460.17101 et seq.
- b. The revised transportation agreement should be approved.
- c. The public interest will be adequately protected without the time and expense of a public hearing.

THEREFORE, IT IS ORDERED that the revised transportation agreement between Wisconsin Public Service Corporation and Menominee Paper Company, which is attached to the application, is approved.

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.

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MICHIGAN PUBLIC SERVICE COMMISSIO

/s/ John G. Strand
Chairman

(S E A L)

/s/ John C. Shea
Commissioner

/s/ David A. Svanda
Commissioner

By its action of April 28, 1998.

/s/ Dorothy Wideman
Its Executive Secretary

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Suggested Minute:

“Adopt and issue order dated April 28, 1998 approving revisions to the gas transportation contract between Wisconsin Public Service Corporation and Menominee Paper Company, as set forth in the order.”