

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>WISCONSIN PUBLIC SERVICE CORPORATION</b>	)	Case No. U-12741
for approval of natural gas transportation tariffs.	)	
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At the February 5, 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

**ORDER APPROVING APPLICATION**

On December 5, 2000, Wisconsin Public Service Corporation (WPS Corp) filed an application seeking approval of a natural gas transportation tariff.

In its application, WPS Corp represents that it currently provides retail natural gas sales service to its Michigan customers pursuant to its Commission-approved gas rate book, Tariff M.P.S.C. No. 4-Gas, and that because the rate book does not include a natural gas transportation tariff, all transportation services are provided pursuant to special contracts. WPS Corp represents that it currently has 11 special contract customers taking transportation service in Michigan. The application goes on to state that, over the last several years, interest in transportation service has increased and WPS Corp has found itself negotiating more and more special transportation contracts. WPS Corp represents that because of this increase in demand, administering these

contracts has become more time consuming and administrative efficiency can be achieved by incorporating natural gas tariffs into its existing rate book.

WPS Corp therefore proposes the adoption of the natural gas transportation tariffs attached as Exhibit A. WPS Corp represents that these transportation tariffs are patterned after tariffs on file with the Wisconsin Public Service Commission. WPS Corp further represents that the tariffs set forth in Exhibit A reflect changes to the utility's existing gas curtailment plan that are necessary to accommodate the proposed transportation tariffs.

In its application, WPS Corp also requests authority to seek to change annually, if necessary, the "Take-or-Pay," "Peak Day Backup Service and Annual Supply Service," and "Daily Balancing Service" rates as set forth in its proposed transportation tariffs. WPS Corp proposes to make these annual changes, if necessary, as part of its annual gas cost recovery (GCR) filing.

WPS Corp further represents that because the adoption of its proposed gas transportation tariffs will necessitate the termination of its existing special transportation contracts, all 11 of its transportation customers in Michigan have been contacted and advised of this application. Nevertheless, WPS Corp represents that because its request does not increase customers' rates, notice and a hearing are not necessary.

After a review of WPS Corp's application and proposed gas transportation tariffs, the Commission finds that incorporation of those proposed tariffs into WPS Corp's Michigan gas rate book is appropriate. The Commission further finds that WPS Corp may propose changes to the "Take-or-Pay," "Peak Day Backup Service and Annual Supply Service," and "Daily Balancing Service" rates set forth in those tariffs as part of its annual GCR plan filings. Finally, because granting the relief sought in WPS Corp's application will not increase the cost of service to its customers, ex parte approval is appropriate.

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 AACCS, R 460.17101 et seq.

b. The proposed transportation tariffs, as set forth in Exhibit A attached to this order, are reasonable and in the public interest, and should be approved.

c. WPS Corp should be authorized to propose changes to the "Take-or-Pay," "Peak Day Backup Service and Annual Supply Service," and "Daily Balancing Service" rates for its gas transportation customers as part of its annual GCR plan filings.

d. Ex parte approval is appropriate.

THEREFORE, IT IS ORDERED that:

A. Wisconsin Public Service Corporation is authorized to incorporate into its Commission-approved gas rate book the gas transportation tariffs attached to this order as Exhibit A.

B. The tariffs set forth on Exhibit A shall take effect April 1, 2001.

C. Wisconsin Public Service Corporation shall file, within 30 days, tariff sheets that are essentially the same as those attached to this order as Exhibit A.

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/ Laura Chappelle  
Chairman

( S E A L )

/s/ David A. Svanda  
Commissioner

/s/ Robert B. Nelson  
Commissioner

By its action of February 5, 2001.

/s/ Dorothy Wideman  
Its Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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Chairman

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Commissioner

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By its action of February 5, 2001.

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Suggested Minute:

“Adopt and issue order dated February 5, 2001 adopting Wisconsin Public Service Corporation’s proposed gas transportation tariffs, as set forth in the order.”