STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of **CONSUMERS ENERGY COMPANY** for a certificate of public convenience and necessity to construct and operate a revision to the route of Line 100B.

Case No. U-21179

At the March 3, 2022 meeting of the Michigan Public Service Commission in Lansing, Michigan.

> PRESENT: Hon. Daniel C. Scripps, Chair Hon. Tremaine L. Phillips, Commissioner Hon. Katherine L. Peretick, Commissioner

ORDER

On December 15, 2021, Consumers Energy Company (Consumers) filed an application, with supporting exhibits, pursuant to Public Act 9 of 1929, MCL 483.101 *et seq.* (Act 9), requesting that the Commission grant *ex parte* approval of the construction and operation of a proposed natural gas pipeline to replace and reroute the current Line 100B natural gas pipeline through Sleepy Hollow State Park (Sleepy Hollow) in Clinton County. Attached to the application are engineering specifications addressing the construction, testing, and operation of the pipeline; a map showing the proposed route of the pipeline; the estimated cost and revenue requirement for the pipeline; and an environmental assessment.

According to the application, the construction of the Mid-Michigan Pipeline includes a reroute of Line 100A in Sleepy Hollow away from the campground and beach area to allow for removal of the pipeline from areas heavily used by park attendees. The Commission approved the construction and operation of the Mid-Michigan Pipeline in the November 19, 2020 order in Case No. U-20618. Consumers states that Line 100B is a 26-inch natural gas pipeline that runs parallel to Line 100A through Sleepy Hollow. Consumers proposes to reroute Line 100B at the same time, and along the same route, as Line 100A.

Consumers states that rerouting Line 100B will remove the pipeline from the heavily used beach and campground areas and, as a result, will remove the need for the addition of a valve site due to the reroute being in a Class 2 area, which will save approximately \$1 million. Consumers states that the reroute will also result in less impact to park users in the event of future pipeline maintenance or remediation and will provide for more efficient and cost-effective maintenance of the pipelines in a single pipeline corridor. Consumers also states that Line 100B is currently buried deeper than normal in the park, and rerouting Line 100B will allow the pipeline to be brought to normal depth allowing for improved operations and maintenance. Consumers notes that the Michigan Department of Natural Resources and Consumers agreed on the reroute of Line 100A through Sleepy Hollow prior to Consumers' filing in Case No. U-20618, and subsequently also determined that it was preferable to reroute Line 100B parallel to Line 100A to avoid maintaining two pipeline corridors through the park.

Consumers states that, just as with the reroute of Line 100A through Sleepy Hollow, the Line 100B reroute will be approximately 1 ½ miles in length and run approximately a ½ mile from the current Line 100B route. The pipeline will be designed, constructed, and tested to qualify for a maximum allowable operating pressure of not less than 960 pounds per square inch gauge. Consumers states that the pipeline will be constructed in a manner that meets or exceeds applicable standards contained in the Michigan Gas Safety Standards and estimates the cost of the

project to be approximately \$12.98 million, the recovery of which the company states will be addressed in a general natural gas rate case?.

The Commission has reviewed the application and exhibits, including the environmental assessment, and finds the map, route, and type of construction are reasonable and should be approved, subject to such minor changes in location as Consumers may find necessary upon actual construction. The Commission finds that the reroute of Line 100B, when constructed and in operation, will serve the convenience and necessity of the public.

The Staff acknowledges that, although there will be minor impairment to the environment if the pipeline is constructed as proposed, there is no other feasible and prudent alternative to this impairment. According to the environmental assessment, attached to the application as Exhibit D, the proposed route is entirely within Sleepy Hollow and will parallel the existing reroute of Line 100A. Consumers anticipates using the open trench method to install the pipeline. All excavated materials will be separated and stockpiled temporarily within the pipeline work corridor and then backfilled after pipe installation. The trench will be backfilled to original grade and compacted, and all upland areas disturbed by construction activities will be seeded and mulched with a standard mix of perennial grasses, legumes, and a temporary cover mix. Wetlands will be restored with native wetland seed and revegetated to their original conditions, unless forested, and then will be converted with native seed to shrub scrub. Thus, there will not be wetland loss from the forested impacts but there will be a wetland type conversion.

After installation of the pipeline, land-use types will remain relatively unchanged, and it is anticipated that park activities will resume immediately upon completion of the pipeline. An inquiry with the Michigan Natural Features Inventory indicated that none of the vegetative communities along the pipeline route are believed to be critical habitat for rare, special concern, threatened, or endangered wildlife or plant species. A Soil Erosion and Sedimentation Control permit and Notice of Coverage through the Michigan Department of Environment, Great Lakes, and Energy will be required for the pipeline.

Having reviewed the application and environmental assessment, the Commission finds that allowing Consumers to construct and operate the proposed natural gas pipeline to replace and reroute the current Line 100B natural gas pipeline through Sleepy Hollow in Clinton County will serve the public convenience and necessity and is otherwise in the public interest. Consumers' construction and operation of the facilities in Clinton County will be in accordance with applicable standards and regulations including the Michigan Gas Safety Standards. In addition, given the proposed route, construction method, and mitigation steps Consumers has agreed to employ to minimize adverse environmental impacts, any environmental impairment caused by the proposed pipeline is *de minimis* and "consistent with the promotion of the public health, safety[,] and welfare in light of the state's paramount concern for the protection of its natural resources from pollution, impairment[,] or destruction." Mich State Hwy Comm v Vanderkloot, 392 Mich 159, 185; 220 NW2d 416 (1974), quoting MCL 691.1203, which has been replaced by MCL 324.1703. As such, the Commission finds that the proposed pipeline for which Consumers is seeking this Act 9 certificate complies with the provisions of MEPA as any environmental impairment caused by the proposed natural gas pipeline is *de minimis* and approval of the application is consistent with the promotion of public health, safety, and welfare in light of the state's paramount concern for the protection of its natural resources from pollution, impairment, or destruction. The Commission notes, however, that a finding of public convenience and necessity pursuant to Act 9 is not a determination that the proposed project complies with any other applicable statutes or

environmental reviews. Finally, the Commission further finds that *ex parte* approval of the application is appropriate because the application does not seek to increase rates.

THEREFORE, IT IS ORDERED that:

A. Consumers Energy Company is authorized to construct and operate the Line 100B reroute, as proposed in its application filed on December 15, 2021, and subject to the requirements of Public Act 9 of 1929, MCL 483.101 *et seq*.

B. The map, route, and type of construction of the Line 100B reroute as proposed by Consumers Energy Company are approved, allowing for minor changes/route deviations, where necessary and as described in this order.

C. Within 60 days after completion of construction, Consumers Energy Company shall file with the Commission a completion report including pressure test data and a map of the pipeline as constructed.

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. To comply with the Michigan Rules of Court's requirements to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at <u>mpscedockets@michigan.gov</u> and to the Michigan Department of the Attorney General – Public Service Division at <u>pungp1@michigan.gov</u>. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General – Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Tremaine L. Phillips, Commissioner

Katherine L. Peretick, Commissioner

By its action of March 3, 2022.

Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-21179

County of Ingham

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Brianna Brown being duly sworn, deposes and says that on March 3, 2022 A.D. she

electronically notified the attached list of this Commission Order via e-mail transmission,

to the persons as shown on the attached service list (Listserv Distribution List).

Brianna

Subscribed and sworn to before me this 3rd day of March 2022.

Angela P. Sanderson Notary Public, Shiawassee County, Michigan As acting in Eaton County My Commission Expires: May 21, 2024

Name	Email Address
Consumers Energy Company 1 of 2 Consumers Energy Company 2 of 2	
Gary A. Gensch Jr.	gary.genschjr@cmsenergy.com