

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of)	
DE SAEGHER ENERGY, LLC,)	
for a certificate of public convenience and necessity)	Case No. U-21289
to construct and operate a natural gas pipeline, the)	
DSG RNG Pipeline, in Gratiot County, Michigan.)	
_____)	

At the February 23, 2023 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 July 25, 2022, De Saegher Energy, LLC (De Saegher) filed an application, with supporting exhibits, pursuant to Public Act 9 of 1929 (Act 9), MCL 483.101 *et seq.*, requesting *ex parte* approval for a certificate of public convenience and necessity (CPCN) to construct, own, and operate a natural gas pipeline (the DSG RNG pipeline) in Gratiot County, Michigan. On January 16, 2023, De Saegher filed an amended application.¹

As stated in the amended application, the proposed DSG RNG pipeline will consist of two four-inch steel pipelines, approximately 12,600 feet in total length, and will operate in Section 14

¹ In the amended application, in addition to its request for a CPCN, De Saegher also requests that the settlement agreement filed on December 8, 2022, be removed from the docket. Amended application, p. 5 (based on natural sorting order). Given this request, no further discussion about the now-removed settlement agreement is needed. Mich Admin Code, R 792.10406(4).

of New Haven Township, T10N, R4W, Gratiot County, from a digester at De Saegher Dairy Farm to an interconnect with DTE Energy Company's (DTE's) ABC 24-inch pipelines. The amended application indicates that the pipeline is intended to transport renewable natural gas (RNG) recovered from the company's own digester in the most efficient and cost-effective means to the market, thereby reducing greenhouse gas emissions from the farm, and to provide natural gas to the company's dairy operations. The amended application further indicates that the pipeline is anticipated to serve only the company's digester, negating the need for an initial rate, but that if other RNG producers in the vicinity of the pipeline desire to transport their gas on the DSG RNG pipeline, De Saegher will provide transportation services in compliance with Act 9 and will file the executed transportation agreements with the Commission. Amended application, pp. 1-4.

Per the amended application, the pipeline will be constructed entirely on private property mostly owned by the company and on property upon which DTE holds an easement. The amended application further provides that De Saegher has acquired permits for the use of public roads and road easements, along with permits for crossing county drains; there will be no construction within the road right of ways; any deviations to the proposed route of the pipeline will be minor, as described in the amended application, and with the consent of private landowners; and all necessary construction permits will be acquired prior to construction and operation of the pipeline. The amended application also indicates that the proposed pipeline will be constructed, tested, and operated in a manner that meets or exceeds Michigan Gas Safety Standards; sets forth several declarations made by the company, including specifications that will be completed by the company before, during, and after construction; and references an attached environmental impact report, which, per the company, concludes that the overall impact of the proposed pipeline will be minimal. Amended application, pp. 2-4.

The Commission has reviewed the application, as amended, and the exhibits attached thereto, including the environmental impact report, and finds that the map, route, and type of construction are reasonable and should be approved, subject to minor deviations in location that De Saegher may find necessary during actual construction, as described in the amended application. The Commission finds that the DSG RNG pipeline, when constructed and in operation, will serve the convenience and necessity of the public.

The Commission finds 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. As confirmed by the environmental impact report, attached to the amended application as Exhibit D, the proposed route and installation methods of the pipeline will have the least environmental impact for the transportation of RNG from the company's dairy digester.

Having reviewed the amended application and environmental impact report, the Commission concludes that, given the proposed route, construction methods, permitting, and restoration techniques that De Saegher 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).

The filed amended application and exhibits support the required agency review and environmental obligations of the Commission that arise from the Michigan Environmental Protection Act, MCL 324.1701 *et seq.* The Commission notes, however, that a finding of public

convenience and necessity pursuant to Act 9 does not determine that the proposed project complies with any other applicable statutes or environmental reviews.

The Commission further finds that *ex parte* review and approval of the amended application are appropriate because no additional property rights are required to construct the proposed pipeline and because the amended application does not seek to increase rates for utility customers.

THEREFORE, IT IS ORDERED that:

A. De Saegher Energy, LLC, is authorized to construct, own, and operate the DSG RNG pipeline, as proposed in the company's amended application filed on January 26, 2023, 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 DSG RNG pipeline as proposed by De Saegher Energy, LLC, are approved, allowing for minor route deviations, where necessary and as described in the company's amended application; however, De Saegher Energy, LLC, shall not begin construction until all necessary permits have been acquired.

C. Within 60 days after completion of construction, and in accordance with the amended application, De Saegher Energy, LLC, shall file a completion report containing an "as built" map of the constructed pipeline and pressure test data.

D. If De Saegher Energy, LLC, provides transportation for others, it shall file with the Commission signed transportation contracts and shall provide transportation in a nondiscriminatory manner.

E. Upon abandonment or deactivation, the pipeline shall be abandoned in accordance with the Michigan Gas Safety Standards, MCL 483.151 *et seq.*

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 requirement 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 mpscedockets@michigan.gov and to the Michigan Department of Attorney General – Public Service Division at pungpl@michigan.gov. 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 February 23, 2023.

Lisa Felice, Executive Secretary


PROOF OF SERVICE

STATE OF MICHIGAN)

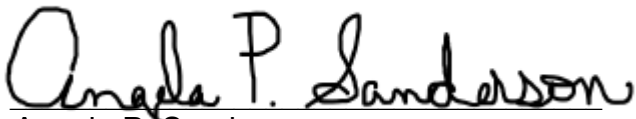
Case No. U-21289

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on February 23, 2023 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 Brown

Subscribed and sworn to before me
this 23rd day of February 2023.



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

Service List for Case: U-21289

Name	On Behalf of	Email Address
Craig A. Miller	DeSaegher Energy LLC	craig.miller@yahoo.com
DeSaegher Energy LLC	DeSaegher Energy LLC	wdmplc@wdmplc.com
Gary L. Worman	DeSaegher Energy LLC	gary@wdmplc.com
Michael J. Orris	MPSC Staff	orrism@michigan.gov