STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)	
LAMBDA ENERGY RESOURCES LLC)	
for an Act 9 certificate of public convenience and)	Case No. U-21335
necessity to construct the Greenwood Transmitter)	
pipeline in Oscoda County, Michigan.)	
)	

At the March 24, 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 November 15, 2022, Lambda Energy Resources LLC (Lambda) filed an application, pursuant to Public Act 9 of 1929 (Act 9), MCL 483.101 *et seq.*, and the Commission's rules for the Production and Transmission of Natural Gas, Mich Admin Code, R 460.851 *et seq.*, requesting that the Commission grant *ex parte* approval of a certificate of public convenience and necessity for the construction and operation of the Lambda Greenwood Transmitter pipeline (Greenwood Transmitter). The application was accompanied by supporting exhibits, including a map of the Greenwood Transmitter, an environmental impact assessment, and easements showing Lambda as the holder of certain property rights for use in the construction and operation of the Greenwood Transmitter. On December 14, 2022, Lambda filed supplemental exhibits, and on February 2, 2023, Lambda filed an amended exhibit.

According to the application, the Greenwood Transmitter will provide necessary transportation of natural gas from the Ott-State Greenwood 1-8 Central Production Facility (Greenwood CPF) to the DCP Midstream Lovells Extension Gas Gathering System (Lovells GGS), indicating that in the absence of the Greenwood Transmitter the natural gas produced at the Greenwood CPF would not have a path to processing and to the market and would thus result in waste. The application further states that the Greenwood Transmitter will be a 4-inch diameter, coated steel, high pressure transmitter pipeline, running approximately 6,570 feet in length in South Greenwood Township, Oscoda County, Michigan, from the Greenwood CPF to the Lovells GGS located on the north side of County Road 608. Application, pp. 2-3.

In the application, Lambda states that the Greenwood Transmitter will be operated in compliance with the Michigan Gas Safety Standards and 49 CFR 192, that it will transport only Lambda's natural gas, and that no third-party shippers are expected to use the Greenwood Transmitter at this time. Lambda further states that all property rights necessary to the construction and operation of the Greenwood Transmitter have been acquired, including easements for property owned by third parties. Lambda further proposes to begin construction of the Greenwood Transmitter as soon as practicable, with an anticipated in-service date in 2023. Application, pp. 2-3.

The Commission has reviewed the application and exhibits, including the environmental impact assessment, and finds that the map, route, and type of construction are reasonable and should be approved, subject to such minor changes in location as Lambda may find necessary

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¹ In further detail, according to the map for the Greenwood Transmitter, attached to the application as Exhibit A, the pipeline will be located in Sections 7 and 18, T27N, R1W, South Greenwood Township, Oscoda County, Michigan.

upon actual construction. The Commission finds that the Greenwood Transmitter, 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 Greenwood Transmitter is constructed as proposed, there is no feasible and prudent alternative to this impairment. As stated in the environmental impact assessment, attached to the application as Exhibit B, there are no known sites of environmental contamination within a mile of the Greenwood Transmitter, no concerns related to threatened and endangered species, no expectation of any negative impacts to groundwater resources, and no anticipated long-term impact on air quality because of construction emissions. Regarding construction methods, traditional trenching methods will be utilized for installation, with horizonal drilling methods to prevent disturbance of Griffin Road and four wetland areas identified, along with stockpiled topsoil to be spread and disturbed areas to be leveled and sloped to match the area's topography and seeded upon completion of construction activities. The environmental impact assessment concludes that no significant adverse environmental impact will be caused by the construction, operation, and/or maintenance of the Greenwood Transmitter, as proposed, and that, based on landowner agreements, there is no feasible or prudent alternative to the proposed pipeline route.

Having reviewed the application and environmental impact assessment, the Commission concludes that, given the proposed route and construction and restoration methods utilizing best management practices that Lamba has established will be used to minimize adverse environmental impacts, any environmental impact caused by the Greenwood Transmitter 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 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 application are appropriate because construction and operation of the Greenwood Transmitter will not result in increased rates or costs to utility customers and does not require the acquisition of any new rights-of-way.

THEREFORE, IT IS ORDERED that:

A. Lambda Energy Resources LLC is authorized to construct and operate the Lambda Greenwood Transmitter pipeline as proposed in the company's application filed on November 15, 2022, 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 Greenwood Transmitter as proposed by Lambda Energy Resources LLC are approved, allowing for minor route deviations where necessary; however, Lambda Energy Resources LLC shall not begin construction until all necessary permits have been acquired.

C. Within 60 days of completion of construction, Lambda Energy Resources LLC shall file a completion report, including pressure test data and a map of the pipeline as constructed.

- D. If Lambda Energy Resources 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 426.26. 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 pungp1@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 March 24, 2023.

Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)	
		Case No. U-21335
County of Ingham)	

Brianna Brown being duly sworn, deposes and says that on March 24, 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 24th day of March 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-21335	

Valerie J.M. Brader	Lambda Energy Resources LLC	valeriejackson@rivenoaklaw.com valerie@rivenoaklaw.com valeriejackson@rivenoaklaw.com