

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	)	Case No. U-22055
necessity to construct and operate the Salem	)	
Mainline 2 replacement pipeline.	)	
_____	)	

At the July 16, 2026 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Shaquila Myers, Commissioner

ORDER

On March 3, 2026, Consumers Energy Company (Consumers) filed an application in this case, with supporting exhibits, pursuant to Public Act 9 of 1929 (Act 9), MCL 483.101 *et seq.*, 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 Salem Mainline 2 16-inch natural gas pipeline in Allegan County, Michigan. Attached to the application are a map showing the proposed route of the pipeline; engineering specifications addressing the construction, testing, and operation of the pipeline; a cost estimate for the pipeline; and an environmental impact report.

In its application, Consumers proposes to construct and operate 4,013 feet of 16-inch diameter steel pipeline to replace and reroute the current Salem Mainline 2 pipeline in Sections 15, 22, 23, 26, and 27, T4N, R13W, Salem Township, Allegan County, Michigan. According to the

application, the current Salem Mainline 2 pipeline, manufactured in 1960s and with a wall thickness of 0.469 inches, operates above 30% of the specified minimum yield strength. Pursuant to federal Pipeline Hazardous Materials Safety Administration rules, this segment of Consumers' natural gas system would need to have its maximum allowable operating pressure (MAOP) reconfirmed to have records that are traceable, verifiable, and complete; however, reconfirming the pipeline would require a new hydrotest of the segment that may reach 125% of MAOP, and the location of the current pipeline is not suitable for hydrotesting because of the aging metallurgy, high test pressures, environmentally sensitive wetlands, and a nearby residential neighborhood. Consumers further states that the current pipeline segment also does not meet the company's Class 3 design standard of 150% of MAOP and requires both the pipeline wall thickness and grade to be increased to achieve the design safety factor. Consumers thus proposes replacing this segment with a new pipeline built to current engineering standards to increase the safety and reliability of the pipeline and to support successful hydrotesting. Consumers also proposes adjusting the route of the pipeline to the west by about 40 feet on average but increasing it to 75 feet as the pipeline approaches 140th Avenue. Consumers states that this route adjustment will remove the active pipeline from traversing through a residential neighborhood and will return the pipeline to farmland, which will reduce public impact if future work is needed on the pipeline.

Application, pp. 1-3.

Consumers states that the proposed pipeline will be designed to qualify for an MAOP of 1,800 pounds per square inch gauge and will be constructed in accordance with the Michigan Gas Safety Standards and applicable federal, state, and local laws and regulations. Consumers further states that the entirety of the proposed pipeline will be located on property where the company has the necessary rights to construct the pipeline and that it is thus not necessary for the company to

secure any additional rights-of-way (ROWs) in constructing the proposed pipeline. Consumers states that it will obtain all permits necessary for the construction and operation of the proposed pipeline; estimates the cost of the project to be approximately \$6.1 million, recovery of which will be addressed in a general natural gas rate case; and anticipates performing construction in 2026.

Id., pp. 3-4.

The Commission has reviewed the application and exhibits, including the environmental impact report, and finds that 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 proposed 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. According to the environmental impact report, attached to the application as Exhibit D, Consumers' construction methods, environmental procedures, and mitigation measures are intended to meet or exceed applicable federal, state, and local environmental protection and erosion control specifications and practices. Further, Consumers will obtain all environmental permits and approvals required to complete the project from the appropriate governing agency; most of the impacted wetlands will be restored to their original contour; and a gravel pad area will require the conversion of wetlands to uplands, which will be mitigated through the purchase of wetland bank credits. Consumers will implement a soil erosion and sedimentation control plan to minimize impacts to soils and protect adjacent properties; the company will follow its unanticipated discovery plan to ensure any cultural resources identified during construction are

protected; and best management practices during construction of the proposed project will avoid and minimize any potential impacts to sensitive resources.

Having reviewed the application and environmental impact report, the Commission concludes that, given the proposed route, construction methods, and mitigation steps that 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).

The Commission finds that the filed application and exhibits support the required agency review and environmental obligations of the Commission that arise from Michigan’s 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 finds that *ex parte* approval of the application is appropriate because the application does not seek to increase rates and does not require the acquisition of any new ROWs. As noted in the company’s application, recovery of costs for this project will be addressed in a general natural gas rate case. Application, p. 4. The Commission further notes that, consistent with the Commission’s Tribal Involvement Guide, the Commission’s Tribal Liaison sent an application overview, and invitation for informal consultation, to all of Michigan’s Native American Tribes, and no Michigan Tribe submitted comments or requested consultation regarding this application.

THEREFORE, IT IS ORDERED that:

A. Consumers Energy Company is authorized to construct and operate the Salem Mainline 2 replacement pipeline as proposed in its application, 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 proposed pipeline are approved, allowing for minor route deviations where necessary; however, Consumers Energy Company shall not begin construction until all necessary permits have been acquired.

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

D. If Consumers Energy Company 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 LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheacl@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

Katherine L. Peretick, Commissioner

Shaquila Myers, Commissioner

By its action of July 16, 2026.

Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

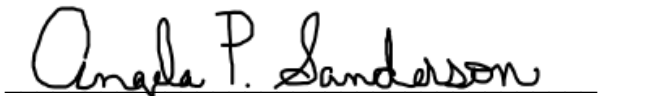
Case No. U-22055

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on July 16, 2026 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 16th day of July 2026.


Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-22055

Name	On Behalf Of	Email Address
Consumers Energy Company (1 of 2)	Consumers Energy Company	mpsc.filings@cmsenergy.com
Consumers Energy Company (2 of 2)	Consumers Energy Company	kelly.hall@cmsenergy.com
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