

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>PRESIDIUM ANTRIM WEST, LC</b> , for authority	)	
to construct and operate the County Line Extension,	)	Case No. U-16442
C1-12 Extension, and Glacier Extension Pipelines	)	
in Manistee County.	)	
_____	)	

At the October 14, 2010 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman  
Hon. Monica Martinez, Commissioner  
Hon. Greg R. White, Commissioner

**ORDER**

On August 30, 2010, Presidium Antrim West, LC (Presidium), filed an application, pursuant to the provisions of 1929 PA 9, MCL 483.101 *et seq.*, (Act 9) seeking authority to construct and operate: 1) the County Line Extension Pipeline; 2) the C1-12 Extension Pipeline; and 3) the Glacier Extension Pipeline in Pleasanton Township, Manistee County, Michigan. Each proposed pipeline is an extension of the Pleasanton 26 Pipeline, previously authorized by the Commission's January 13, 2009 order in Case No. U-15749.

County Line Extension Pipeline

The approximately 14,800 foot County Line Extension Pipeline is constructed of SDR 17, PE 3408 pipe and is graduated from 6 inches to 12 inches. The County Line Extension Pipeline originates at the outlet of the County Line Weber A4-10 well located in the NE/4 of Section 10,

T24N-R15W, Pleasanton Township. From the point of origin, the County Line Extension Pipeline proceeds in a generally southeasterly direction to an existing collection line located in the NW/4 of Section 11. At this point, gas from the County Line Extension Pipeline is co-mingled into the existing Bellefluer collection line servicing an existing well located in the Bellefluer Project. The gas is then transported southwesterly to the Reed Booster Facility # 3142 located in the NE/4 of Section 15, Pleasanton Township where it is processed and sent to sales via the Pleasanton 26 Pipeline. The County Line Extension Pipeline is designed to operate at a maximum allowable pressure of 100 pounds per square inch gauge (psig).

#### C1-12 Extension Pipeline

The proposed 2,930 foot C1-12 Extension Pipeline is constructed of 4 inch SDR17, PE 3408 pipe. The C1-12 Extension Pipeline originates at the outlet of the Wallaker Project Reed C1-12 well in the SW/4 of Section 12, T24N-R15W, Pleasanton Township, and proceeds in a westerly direction into the Bellefluer Project to an existing collection line located in the SE/4 of Section 11. At that point, the C1-12 Extension Pipeline joins the County Line Extension Pipeline described above. The C1-12 Extension Pipeline is designed to operate at a maximum allowable pressure of 100 psig.

#### Glacier Extension

The proposed 6,240 foot Glacier Extension Pipeline will be constructed of 8 inch SDR 11, PE 3408 pipe and will eventually be extended to approximately 7,570 feet in length. The Glacier Extension Pipeline originates at the outlet of the Glacier Project Powers B1-7 well in the NW/4 of Section 7, T24N-R14W, Springdale Township, Manistee County, and will proceed in a westerly direction to the proposed C1-12 Extension Pipeline. At this point, the pipeline will be graduated down to 4 inch SDR 17, PE 3408 pipe. This pipeline will initially service the Glacier Powers B1-7

and future wells in the Glacier Project. The pipeline is designed to operate at a maximum allowable pressure of 125 psig,<sup>1</sup> but Presidium intends to operate the pipeline at a maximum allowable pressure of 100 psig until it constructs the extension line for the future Wallaker Collection Pipeline.<sup>2</sup>

Attached to the application are engineering specifications covering the construction, testing, and operation of the pipelines to demonstrate compliance with the Michigan Gas Safety Standards; a map showing the location of the three extension pipelines; a construction cost estimate; a 5-year projection of revenues and expenses; and an environmental assessment. The construction cost of the three pipelines totals approximately \$264,000. The pipelines will be constructed, tested, and operated in a manner that meets and exceeds the applicable state and federal safety standards. Rights-of-way have been acquired for all private lands in which the pipeline will be installed, and copies of the private rights-of-way were filed as exhibits to the application. Presidium states that the pipelines will initially serve only its own wells, but that in the event that a third party desires to transport gas on these pipelines, Presidium will provide transportation services on a non-discriminatory basis in compliance with Act 9 and file the executed transportation agreements and a tariff with the Commission.

After reviewing the application and its exhibits, the Commission finds that the map, route, and type of construction of the County Line Extension Pipeline, the C1-12 Extension Pipeline, and the

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<sup>1</sup>Pursuant to R 192.121 and R 192.123 of the Michigan Gas Safety Standards, the maximum allowable operating pressure of the pipeline is limited to 125 psig.

<sup>2</sup>According to Presidium's application, in the event that capacity is reached in the proposed C1-12 Extension Pipeline as a result of development of the Glacier project, Presidium will construct a parallel 8 inch SDR 11, PE 3408 extension line to continue to the SE/4 of Section 11 for a connection with the future proposed Wallaker Collection Pipeline. The C1-12 Extension Pipeline will remain in place and operationally serve the Wallaker Unit's Reed C1-12 well. Presidium is not requesting an Act 9 certificate for the Wallaker Collection Pipeline at this time.

Glacier Extension Pipeline should be approved. The pipelines will serve the public convenience and necessity; they provide an economic means of delivering natural gas to market, and the County Line Extension Pipeline, the C1-12 Extension Pipeline, and the Glacier Extension Pipeline will meet the requirements of the Michigan Gas Safety Standards if constructed, tested, and operated as proposed. The public interest will be adequately protected without the time and expense of a public hearing, and *ex parte* approval is appropriate.

THEREFORE, IT IS ORDERED that:

A. Presidium Antrim West, LC, is authorized to construct and operate the County Line Extension Pipeline, the C1-12 Extension Pipeline, and the Glacier Extension Pipeline, in Pleasanton Township, Manistee County, Michigan, as proposed in its application filed on August 30, 2010 and amended by this order, and subject to the requirements of 1929 PA 9, MCL 483.101 *et seq.* and 1969 PA 165, MCL 483.151 *et seq.*

B. The map, route, and type of construction of the County Line Extension Pipeline, the C1-12 Extension Pipeline, and the Glacier Extension Pipeline are approved.

C. Within 60 days after construction, Presidium Antrim West, LC, shall electronically file a completion report including pressure test data and a map of the as-constructed County Line Extension Pipeline, C1-12 Extension Pipeline, and Glacier Extension Pipeline.

D. If Presidium Antrim West, LC, provides transportation for others, it shall file with the Commission signed transportation contracts with producers who transport on its line and shall provide transportation in a nondiscriminatory manner.

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.

MICHIGAN PUBLIC SERVICE COMMISSION

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Orjiakor N. Isiogu, Chairman

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Monica Martinez, Commissioner

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Greg R. White, Commissioner

By its action of October 14, 2010.

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Mary Jo Kunkle, Executive Secretary

# P R O O F   O F   S E R V I C E

STATE OF MICHIGAN    )

Case No. U-16442

County of Ingham        )

Mignon Middlebrook being duly sworn, deposes and says that on October 14, 2010 A.D. she served a copy of the attached Commission orders by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.

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Mignon Middlebrook

Subscribed and sworn to before me  
This 14<sup>th</sup> day of October 2010

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Gloria Pearl Jones  
Notary Public, Ingham County, MI  
My Commission Expires June 5, 2016

Service List U-16442

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