Exhibit No. 20
Date 9-6-01 Case No. GM-2001-585
Reporter KF

discounted transportation rate is justified because alternative providers investigated by the project sponsor — Renaissance Trust — have shown the financial ability and business incentives to serve the plant, which would "exclude this significant gas load from MichCon's system."

Based on "significant operating restrictions reflected in the [contract], site competition from other readily available natural-gas pipelines and the substantial natural-gas requirements of the Renaissance Power Project, MichCon believes that it is commercially and operationally prudent to provide an alternative transportation rate," the utility told the Michigan Public Service Commission. The proposed contract is between MichCon and Dynegy Marketing and Trade, which is supplying the gas to affiliate Renaissance Trust.

Under the terms of the 20-year contract, MichCon will collect a monthly service charge of $2,100, and a volumetric rate of 15.7¢/Mcf for the first 7.5 Bcf of annual use and 11.5¢/Mcf for any additional volumes. Dynegy Marketing and Trade has guaranteed MichCon a minimum revenue commitment, in three-year increments, of $3,532,500. That commitment begins on the first day of the month in which the plant's commercial operation date occurs, and it applies to each successive three-year period.

In addition, because the contract is for transportation of the plant's full natural gas requirement, if Renaissance Trust opts to use an alternative fuel it must pay MichCon an amount equal to the volumetric equivalent of the alternate fuel multiplied by 15.7¢.

MichCon would have its interconnection and metering facilities in place by the later of Oct. 15 or when Renaissance Trust requires service for testing the facility. The Dynegy unit will construct and operate nine miles of 20-inch-diameter pipeline linking the plant to the MichCon system.

The contract also identifies the parties' rights to terminate the agreement and provides that in the event of termination, MichCon will provide — if asked — transportation services within the framework of its standard LT-2 rate schedule for big shippers. That service would be provided for a period of five years at a rate of 23¢/Mcf for all volumes transported.

Dismissing protest of distributor, FERC approves direct service in Kansas

Over the objections of distributor Kansas Gas Service, the Federal Energy Regulatory Commission authorized Williams Gas Pipelines Central to directly serve a residence in Kansas. The volumes involved — 20 Dt/day on a firm basis and perhaps more on an interruptible basis – are somewhat large for residential use, and that was the point behind Kansas Gas' protest, FERC related in its July 16 order.

The residence is owned by Dennis Langley, who, according to Williams' application, is willing to reimburse the pipeline for the $25,644 cost of installing facilities to serve his home. Like the Kansas Gas protest, the Kansas Corporation Commission filed comments asserting that 20 Dt/day is an unusually large amount of gas to be used in a home, according to FERC.

Kansas Gas noted that Williams filed a virtually identical application last year to serve Quivira Realty, which is owned by Langley, but the pipeline withdrew the application after Kansas Gas protested. The distributor claimed that the latest application involves facilities that would not serve Langley's residence alone and it sought a hearing from FERC.

In response, Langley submitted an affidavit stating that the sole purpose of the facilities is to meet the fueling needs of his residential complex, FERC said. That complex includes a building of 17,000 square feet and an attatched building of 2,000 square feet, and the gas would be used for air conditioning, space and water heating, outdoor natural gas lighting and heating of a man-made pond, Langley said.

FERC's order found that Kansas Gas' protest did not warrant a hearing. The fact that Williams filed a virtually identical application to serve a business owned by Langley "is not dispositive," FERC said. More importantly, "neither Kansas Gas nor the KCC have provided any information controverting Langley's affidavit," the order concluded.

RATES

Intermountain Gas rate hike OK'd; LDC pleased by Idaho PUC decision

Intermountain Gas can recover about $5.9 million of the $9.4-million revenue increase it sought, the Idaho Public Utilities Commission said last week.

Residential customers will see an increase of about $2.23/month, and commercial customers will see an increase of $6.04/month, Intermountain Gas said.

The company originally sought to recover $27.1 million, but a softening in gas prices and an increase in gas drilling led Intermountain Gas to cut that request to $9.4 million.

The revenue increase is needed, the company said, to recover costs it has already paid to buy gas on the wholesale market. Mike Huntington, the company's vice president of marketing, said they were delighted with the commission's decision.

PUC staff recommended that the commission continue to defer the $9.5 million, plus interest, until next year. The staff estimated that market conditions would allow the company to recover the entire amount when it applies for its annual purchase gas adjustment next year.

Due to decreased wholesale gas prices, staff estimated the company could see a rate decrease next year of about 20%. Deferring the $9.5 million would reduce that decrease to about 14% next year and freeze rates at current levels this year, the staff reasoned.

But the commission disagreed, saying that by recovering $5.9 million now, ratepayers would save about $300,000 in interest payments and protect that $5.9 million from possible fluctuations in the market. "Immediate recovery of these costs will avoid the accrual of additional interest and prevent further mortgaging of future rates," the PUC said.

The commission decided that about $3.5 million of Intermountain Gas's total request should be deferred until more documentation of gas purchases made during the