



## FERC Intervene Throttle 1980 Progress Out

After receiving what appeared to be a "green light" last month, a proposed coal gasification plant near Beulah, faces a new potential hurdle.

In petitions filed last Friday, the Federal Energy Regulatory Commission has been asked to rehear its decision to approve a financing plan for the \$1.2 million project.

Filing the petitions were the state public service commissions of New York and Michigan; the Office of Consumers Council in Ohio, a state agency representing consumers in rate cases; and the General Motors Corp. of Detroit, Mich.

The plant, which would convert coal into synthetic natural gas, has been proposed by a consortium, known as Great Plains Gasification Associates, of five major pipeline companies that serve about one-third of the nation's natural gas consumers.

Included in the consortium are Peoples Gas Company of Chicago; Columbia Gas System Inc. of Wilmington, Del.; Tenneco and Transco Companies Inc., both of Houston; and American Natural Resources Co. of Detroit and its subsidiary ANG Coal Gasification Co. of Bismarck.

"We are not in a position to comment until our attorneys and the partnership companies have a chance to review the specifics (of the petitions) in detail," ANG director Joel Melarvie of Bismarck said Thursday.

In November, the FERC voted to classify the Great Plains plant as a "research and development demonstration project" which would give the

Finally, the New York commission failed "to limit (of the project) to the lower." It said the commission to allow a 13 per cent return "extremely generous in relative absence of risk in sponsors."

The Michigan PSC also FERC's approval of the cost to "finance the project charge during construction."

What makes the surcharge particularly inappropriate, a spokesman said, is that the "very few benefits to the Michigan." He said the "coal gasification) is proven." "Michigan consumers will insignificant amount of project, certainly not enough paying a surcharge."

"Once the plant becomes useful, the cost of gas shows costs of construction, but not he said.

The Michigan PSC also said in its order, "failed to adequately elements necessary to maintain monitoring system and guard." The commission monitor the project's cost "prudence with which the built."

It also requested the commission "clarify and restrict the order designating the project

Ray Eisenbels, Beulah electrician, took advantage of the spring-like weather to enjoy a tour on his three-wheeler. The weather has been beautiful, so nice that some people have petitioned to have the Bowl Games moved to sunny North Dakota. Major concerns about the fine weather are a lack of snow cover to protect grass cover and to provide moisture for spring planting.