

SECURITIES AND EXCHANGE COMMISSION

FORM U-57

Notification of foreign utility company status

Filing Date: **1997-12-18**
SEC Accession No. **0000950124-97-006508**

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FILER

MCN ENERGY GROUP INC

CIK: **837579** | IRS No.: **382820658** | State of Incorpor.: **MI** | Fiscal Year End: **1231**
Type: **U-57** | Act: **35** | File No.: **073-00059** | Film No.: **97740506**
SIC: **4924** Natural gas distribution

Business Address
*500 GRISWOLD ST
DETROIT MI 48226
3132565500*

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

FORM U-57

NOTIFICATION OF FOREIGN UTILITY COMPANY STATUS

Filed under section 33(a) of the
Public Utility Holding Company Act of 1935, as amended

BHOTE KOSHI POWER COMPANY PRIVATE LIMITED

(Names of foreign utility companies)

MCN ENERGY GROUP INC.
500 Griswold Street
Detroit, Michigan 48226

(Name and Address of filing company)

Please send a copy of all notices and correspondence concerning this
Notice to:

Daniel L. Schiffer
MCN Energy Group Inc.
500 Griswold Street
Detroit, Michigan 48226

ITEM 1

State the name of the entity claiming foreign utility company status, its business address, and a description of the facilities used for the generation, transmission and distribution of electric energy for sale or for the distribution at retail of natural or manufactured gas. To the extent known, identify each person that holds five percent (5%) or more of any class of voting securities of the foreign utility company and describe the amount and nature of the interest.

MCN Energy Group Inc., a Michigan corporation ("MCN"), acting on behalf of Bhote Koshi Power Company Private Limited ("BKPC") a private limited liability company organized and existing under the Nepalese Company Act, 2021, hereby notifies the Commission, pursuant to Section 33(a) of the Act and Rule 57 thereunder, that BKPC is a foreign utility company within the meaning of Section 33(a) of the Act.

Name and Business Address:

Bhote Koshi Power Company Private Limited
 KHA 1-960
 Kalimati, Tahachal
 Kathmandu, Nepal

Description of Facilities:

The jurisdictional facilities consist of a 36MW hydroelectric power project currently being developed and constructed in the Sindhupalchok District in Nepal.

Ownership

BKPC is currently owned by four shareholders, Panda of Nepal, a corporation organized and existing under the laws of the Cayman Islands, RDC of Nepal, a corporation organized and existing under the laws of the Cayman Islands, Himal International Power Corporation Pvt. Ltd., a corporation organized and existing under the laws of Nepal, and International Finance Corporation, an international organization established by Articles of Agreement among its member countries. Their current ownership interests are as follows:

<TABLE>

<S>	<C>
Panda of Nepal	75%
RDC of Nepal	5%
Himal International Power Corporation Pvt. Ltd.	10%
International Finance Corporation	10%

Total	100%

ITEM 2

State the name of any domestic associate public-utility company and, if applicable, its holding company, and a description of the relationship between the foreign utility company and such company, and the purchase price paid by any such domestic associate public-utility company for its interest in the foreign utility company.

As noted above, Panda of Nepal is the owner of 75% of the issued and outstanding shares of BKPC. Panda of Nepal is in turn wholly owned by Panda Bhote Koshi, a Cayman Islands exempted company. Panda Bhote Koshi is itself owned by Panda Global Energy Company, a Cayman Islands exempted company, and by MCNIC Nepal Limited, a Cayman Islands exempted company. Panda Global Energy Company owns 100% of the Class A capital stock and MCNIC Nepal Limited owns 100% of the Class B capital stock of Panda Bhote Koshi, pursuant to a shareholders agreement which provides for shared control of Panda Bote Koshi. MCNIC Nepal Limited is an indirect wholly owned subsidiary of MCN. MCN is a public utility company incorporated in Michigan and a public utility holding company exempt from registration by order under section 3(a)(1) of the Act. MCN owns 100% of two public utility companies in Michigan, Michigan Consolidated Gas Company and Citizens Gas Fuel Company, each of which is a Michigan corporation. MCN also owns a one percent general and 46.5 percent limited partnership interest in a public utility company in Missouri, Southern Missouri Gas Company, L.P., a Missouri limited partnership. BKPC is consequently an "affiliate" of MCN and an "associate company" of each of Michigan Consolidated Gas Company, Citizens Gas Fuel Company and Southern Missouri Gas Company, L.P. No portion of the purchase price of BKPC was paid directly by any domestic public utility company.

State certifications, as required under section 33(a)(2) of the Act, have been received from the following state commissions and are attached hereto:

Michigan
Missouri

SIGNATURE

The undersigned company has duly caused this statement to be signed on its behalf by the undersigned thereunto duly authorized.

MCN Energy Group Inc.

By: /s/ Dan Schiffer

Name: Dan Schiffer

Title: Senior Vice President

Dated: December 18, 1997

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EXHIBIT INDEX

Exhibit 99.A - Michigan Certification

Exhibit 99.B - Missouri Certification

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
 MCN ENERGY GROUP, INC., a Michigan)
 corporation, for certification pursuant to) Case No. U-11373
 Section 33(a)(2) of the Public Utility Holding)
 Company Act of 1935.)
 _____)

At the September 12, 1997 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman
 Hon. John C. Shea, Commissioner
 Hon. David A. Svanda, Commissioner

ORDER

On April 30, 1997, MCN Energy Group, Inc., (MCN) filed an application for certification pursuant to Section 33(a)(2) of the Public Utility Holding Company Act of 1935 (PUHCA), 15 USC 79z-5b.

MCN is a diversified energy holding company with natural gas markets and investments throughout North America. Its operations include both utility and non-utility activities. MCN's utility subsidiaries serving Michigan customers are Michigan Consolidated Gas Company (Mich Con) and Citizens Gas Fuel Company. MCN Investment Corporation (MCNIC), a subholding company of MCN, owns subsidiaries that engage in businesses involving oil, natural gas, and power generation.

In its March 10, 1997 order in Case No. U-11322, and the July 31,

1997 order in Case No. U-11457, the Commission granted MCN's requests for certification that the Commission has the authority and resources to protect ratepayers subject to its jurisdiction and intends to exercise that authority with regard to MCN's proposed investments in certain electric generating facilities in India totaling \$210 million.

MCN states that it may from time to time make additional investments in energy-related projects in India. MCN requests that the Commission grant certification for up to \$500 million in additional equity investments throughout India. MCN believes that additional investments in India will involve substantially similar issues and Commission resources would be saved by approving its request. MCN states that it will make no single investment that is greater than \$100 million and that it will provide the Commission with 30 days' notice of all investments in increments of \$50 million of the \$500 million requested. MCN represents that the \$500 million investment accounts for about 8% to 11% of MCN's total assets.

MCN states that any investment project will operate separately from MCN and its United States-based subsidiaries and that customers of those subsidiaries will see no change in their day-to-day utility services and rates. MCN asserts that investments in India will not harm MCN's financial viability, will not affect tax revenues of Michigan political subdivisions, and will not be contrary to the public interest.

MCN states that it will not seek to recover from its Michigan customers the direct or indirect costs of its investments in India. In addition, MCN commits to providing access to books and records reasonably necessary for the Commission to exercise its jurisdiction. MCN acknowledges that the requested

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certification does not constitute approval of the proposed investment or a finding that the investment is reasonable.

MCN represents that it is exempt from regulation under PUHCA. MCN further represents that future investments may be in foreign utilities as defined by PUHCA and will be exempt from regulation under PUHCA if every state commission having jurisdiction over the electric or gas rates of an affiliated utility company certifies that the state commission has the authority and resources to protect the utility's ratepayers and that it intends to exercise that authority. MCN therefore requests that the Commission grant that certification with respect to Mich Con.

After review of the application, the Commission finds that ex parte approval is appropriate. The Commission concludes that it should grant the certification for investments in international projects, primarily in India, while reserving the right to prospectively revoke it, as PUHCA permits, and on the condition that Mich Con not seek to recover from its

ratepayers any direct or indirect costs of the investment in foreign utilities. Furthermore, the granting of the certificate is not approval or endorsement of the transaction. Finally, as the Commission has required in connection with the prior certifications, MCN and its affiliates shall provide the Commission at least 30 days' notice of the intent to make additional foreign investment or to increase MCN's interest in projects in India.

The Commission FINDS that:

(1) Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et. seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA

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3.560(101) et seq.; 15 USC 79z-5b; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACRS, R 460.17101 et seq.

(2) With respect to the transactions described in MCN's application, the Commission has the authority and resources to protect ratepayers subject to its jurisdiction and intends to exercise that authority.

(3) Ex parte approval is appropriate.

THEREFORE, IT IS ORDERED that the Commission grants the certification requested by MCN Energy Group, Inc., pursuant to 15 USC 79z-5b. With respect to the transaction described in the application, the Commission has the authority and resources to protect rate payers subject to its jurisdiction and intends to exercise that authority.

The Commission reserves jurisdiction and may issue further orders as necessary.

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MICHIGAN PUBLIC SERVICE COMMISSION

/s/John G. Strand

Chairman

(S E A L)

/s/John C. Shea

Commissioner

/s/David A. Svanda

Commissioner

By its action of September 12, 1997.

/s/Dorothy Wideman

Its Executive Secretary

MISSOURI PUBLIC SERVICE COMMISSION

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
573-526-5695 (TT)
<http://www.ecodev.state.mo.us/psc/>

October 15, 1997

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: MCN Corporation
d/b/a/ MCN Energy Group Inc.

Dear Gentlemen:

MCN Corporation d/b/a MCN Energy Group Inc. ("MCN"), doing business in the state of Missouri as a public utility through its operating subsidiary, Southern Missouri Gas Company, L.P. ("SMGC"), has advised this Commission that MCN requests the Commission to grant MCN certification for up to \$500 million in additional equity investments primarily in India.

MCN has filed or will file a Notification of Foreign Utility Company Status with the Securities and Exchange Commission under Section 33 of the Public Utility Holding Company Act of 1935, as amended ("PUHCA" or the "ACT"), in respect to the additional investments. In connection therewith, MCN will file with this Commission a copy of its Notifications to the Securities and Exchange Commission. MCN has asked this Commission to provide you with the certification contemplated by the applicable provisions of the PUHCA.

The Missouri Public Service Commission has jurisdiction over the retail natural gas rates of SMGC in the state of Missouri and hereby certifies that it has the authority and resources to protect the ratepayers subject to its

jurisdiction and that the Commission intends to exercise its authority with respect to MCN's proposed \$500 million in additional equity investments, primarily in India. The Commission notes that this certification may be revised or withdrawn prospectively as to any future acquisition.

In making this certification, this Commission is relying on the belief that the Securities and Exchange Commission will enforce all sections of PUHCA which govern MCN's proposed investments for which it has jurisdiction.

Sincerely,

/s/ Cecil I. Wright

Cecil I. Wright
Executive Secretary
(573) 751-3048

Attachments

cc: Mr. Robert Wason
Securities and Exchange Commission
Office of Public Utility Regulation
Division of Investment Management
450 Fifth Street, N.W.
Washington, D.C. 20549

Mr. William K. McCrackin
Vice Chairman and Chief Financial Officer
c/o Jamie Fields
MCN Energy Group Inc.
500 Griswold Street
Detroit, Michigan 48226

Mr. James M. Fischer
Attorney at Law
101 West McCarty Street
Suite 215
Jefferson City, Missouri 65101

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; MSA 22.45.