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February 19, 2016

Ms. Barcy F. McNeal, Secretary Public Utilities Commission of Ohio 180 E. Broad St., 11th Floor Columbus, OH 43215-3793

Re:

Case No. 15-1508-GA-ATR

Southeastern Natural Gas Company

Status Report on Contacts with Two Customers Served by the Roberts Line Request for Approval of Transfer of Assets and Customers to Madison Energy

Cooperative Association

Dear Ms. McNeal:

I am writing to provide a status report to the Commission and Staff with respect to the recent contact made with two customers located near Mt. Perry, Ohio whose service from Southeastern Natural Gas Company has been provided via the Roberts Line, a field line. Those customers were proposed to have natural gas service discontinued last year. This letter is also intended to request that the Commission approve the pending transfer of certain lines and customers from Southeastern Natural Gas Company to Madison Energy Cooperative Association ("MECA") which was filed on August 26, 2015. The application in Case No. 15-1508-GA-ATR has nothing to do with the Roberts Line.

Southeastern is a natural gas company and a public utility, authorized to do business in Ohio since 1985 and that it serves approximately 1,500 customers in Athens, Morgan, Perry and Union counties, Ohio. On or about August 17, 2015 12 letters were hand delivered by Southeastern personnel to 12 customers of Southeastern advising them that natural gas service via the Roberts Line would be discontinued as of November 30, 2015. Each of the 12 customers also received a check for \$750 to assist with conversion to an alternate fuel.

Southeastern continues to believe that Sections 4905.20 and 4905.21, Revised Code do not apply to the situation where a natural gas company such as Southeastern is removing or exchanging abandoned field lines. The reasons supporting this belief were set out in the October 7, 2015 filing, the October 14, 2015 application for rehearing, and my letter of November 6, 2015.

However, in continuing to work with and cooperate with the Staff and in compliance with the Commission's directive, Southeastern sent another letter to the 12 affected customers served by the Roberts Line notifying them that service would continue until this matter was reviewed by the Commission. Since that time eleven of the 12 August, 2015 checks have already been cashed by customers. The one check that remains uncashed is from a customer who may no longer live in the area. Southeastern has been unable to ascertain the customer's whereabouts.



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At the Staff's request, Southeastern representatives attended a meeting with the Staff on January 12, 2016. As requested by the Staff, Southeastern has reached out to two customers who have cashed their checks, but have concerns about the discontinuance of natural gas service. Mr. Andy Duckworth, the president of Southeastern, has contacted both by telephone and explained that Southeastern will <u>not</u> take the Roberts Line out of service this winter and will provide additional time and assistance to these customers until this summer to complete the conversion process. Both customers understand that it will not be possible to continue to receive natural gas service through the Roberts Line beyond the summer of 2016. However, Southeastern has explained to both customers that it will work with them, will try to assist them and coordinate the timing of the discontinuance of service with their conversion to other energy types, such as propane or electricity. Southeastern is committed to keeping the process moving and to work toward a resolution and will contact both customers again this spring. Although it continues to believe that Sections 4905.20 and 4905.21, Revised Code do not require the filing of an abandonment application involving the Roberts Line, Southeastern will file an abandonment application for the Roberts Line in another case at the appropriate time as suggested by the Staff.

The Staff's September 30, 2015 letter was filed in Case No. 15-1508-GA-ATR. Such a letter should have been filed in a new case. Southeastern never intended to transfer the Roberts Line and the customers near Mt. Perry, Ohio to Madison Energy Cooperative Association. The Roberts Line and the customers that were served by the Roberts Line have nothing to do with the assets and customers that are being proposed to be transferred from Southeastern to Madison Energy Cooperative Association in Case No. 15-1508-GA-ATR.

Southeastern has responded to all pending Staff data requests in Case No. 15-1508-GA-ATR. No one has intervened in this case. The proposed transfer of assets and customers from Southeastern to Madison Energy Cooperative Association is ready for decision. As explained before, the Roberts Line was never proposed to be transferred from Southeastern to MECA. The Commission should approve the proposed transfer of assets and customers from Southeastern to Madison Energy Cooperative Association without delay.

Thank you for your consideration.

Sincerely yours,

Stephen M. Howard

Attorney for Southeastern Natural Gas Company

SMH/jaw

cc: Tom McNamee

John Williams Barb Bossart This foregoing document was electronically filed with the Public Utilities

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Summary: Report Status Report electronically filed by Mr. Stephen M Howard on behalf of Southeastern Natural Gas Company