**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Commission’s Investigation into Ohio Rural Natural Gas Co-op and Related Matters | )  )  ) | Case No. 16-1578-GA-COI |

**OHIO RURAL NATURAL GAS CO-OP AND LUDLOW NATURAL GAS COMPANY, LLC’S MOTION TO EXTEND THE AUGUST 12, 2017 DEADLINE CONTAINED IN THE ATTORNEY EXAMINER’S ORDER OF AUGUST 2, 2017**

NOW COME Ohio Rural Natural Gas Co-op (“ORNG”) and Ludlow Natural Gas Company, LLC (“Ludlow”), and respectfully move the Public Utilities Commission of Ohio (“PUCO” or “Commission”) to enter an Order extending the August 14, 2017 deadline by which Ludlow is to transfer all of its assets and operations to an unaffiliated third party, which deadline was established by the Attorney Examiner’s Entry issued on August 2, 2017, which modified the deadline contained in the Commission’s April 17, 2017, Finding and Order. Ludlow and ORNG respectfully request that the August 14, 2017 deadline be extended to October 2, 2017. Movants have contacted counsel Staff regarding this request, and there is no objection to the concept of an extension. The reasons for granting this Motion are set forth in the attached Memorandum in Support, which is incorporated by reference herein.

Respectfully submitted,

/s/ Michael D. Dortch

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**MEMORANDUM IN SUPPORT**

On April 17, 2017, the Public Utilities Commission of Ohio (“PUCO” or “Commission”) issued a Finding and Order (the “Finding & Order”) which approved and adopted in its entirety the Stipulation and Recommendation (the “Stipulation”) filed by Ohio Rural Natural Gas Co-op (“ORNG”), Ludlow Natural Gas Company, LLC (“Ludlow”), and Staff on April 14, 2017. Pursuant to the Stipulation as adopted by the Finding and Order, on or before July 15, 2017, Ludlow (which now owns and operates all of the ORNG Co-op assets at issue in this case) was to “sell or transfer its assets and operations to a person or entity approved by the Commission,” which “person or entity shall have no affiliation with Richard Osborne, ORNG, Ludlow, or another entity affiliated with Richard Osborne.” (Finding & Order, at 6.) On July 14, 2017, ORNG and Ludlow (together, “Movants”) filed a Motion to extend the deadline contained in Finding & Order until and including August 31, 2017. On July 18, 2017, the Attorney Examiner granted Movants until July 31, 2017, in which to comply with the foregoing terms of the Finding and Order. Movants then filed for an second extension of time to comply with the Finding and Order, until and including August 14, 2017, which the Attorney Examiner granted through a August 2, 2017 entry (the “Entry”).

Since filing the last request for an extension of time, on August 15, 2017, Movants, UPL and Knox Energy Cooperative Association (“Knox”) filed a joint Application for Transfer of Assets and Substitution of Service (the “Application”). The Application seeks this Commission’s authority to transfer all of Ludlow’s assets subject to the Finding and Order to UPL/Knox. The Application also seeks the Commission’s authority to transfer all of Ludlow’s natural gas service customers to UPL/Knox. Neither UPL nor Knox has any affiliation with Richard Osborne, ORNG or Ludlow, and UPL/Knox is already known to this Commission to provide natural gas distribution service to Ohio consumers in the safest and most reliable manner possible. Thus, once the Application is approved, the requirements of the Finding & Order will have been met.

As the Commission is aware, while the Application has been filed, it did not have the parties’ purchase agreement attached. UPL/Knox and Ludlow had been working in good faith and as quickly as possible to attempt to comply with the August 14, 2017 deadline contained in the Entry, but simply did not have sufficient time to complete final versions of the transactional documents. While the parties have agreed to the principal material terms of their deal, they are still negotiating the finer points of the agreement. As is the case with any large transaction, it takes time for final transactional documents to be drawn, with drafts having to circulate both to the parties’ counsel and to their corporate decision-makers.

The parties have demonstrated that they are working in good faith to close the transaction and have made significant progress thereto by filing the Application and continuing their discussions to iron out the details of the transactional documents. In addition, Staff has been in contact with UPL/Knox and counsel for Movants and appears satisfied that the parties are working in good faith to complete the final transactional documents. Further, the Commission can rest assured that UPL continues to manage and operate Ludlow’s natural gas distribution system, providing Ludlow’s customers with safe and reliable natural gas service.

For the foregoing reasons, Ludlow and ORNG respectfully request that this Commission enter an Order extending the deadline for the transfer of Ludlow’s assets and operations to an unaffiliated third party from August 14, 2017, to October 2, 2017.

Respectfully submitted,

/s/ Michael D. Dortch

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**CERTIFICATE OF SERVICE**

The PUCO’s e-filing system will serve notice of this filing upon counsel for the for the Complainant, the Ohio Consumers’ Council, and the Staff of the Public Utilities Commission of Ohio.

Further, I hereby certify that a true and accurate copy of the foregoing was served upon counsel for Staff of the Public Utilities Commission this 6th day of September, 2017, by electronic mail:

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