

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Cobra)
 Pipeline Co., LTD. for Approval of Tariffs) Case No. 05-1558-PL-ATA
 and to Become a Pipeline Company/Public)
 Utility.)

FINDING AND ORDER

The Commission finds:

- (1) Pursuant to Sections 4905.02, 4905.03(A)(7), and 4905.30, Revised Code, Cobra Pipeline Co., LTD. (Cobra), filed an application on December 19, 2005, seeking Commission authorization to operate as an intrastate pipeline company in Ohio subject to the Commission's regulation. Cobra is a limited liability company based in Mentor, Ohio.
- (2) According to the application, an affiliate of Cobra is under contract to purchase more than 200 miles of pipelines and related appurtenances from Columbia Gas Transmission Corporation and these assets will be owned by Cobra. In its application, Cobra also provided documentation on its technical, financial, and managerial capabilities needed to operate the pipeline system, including a service area map, list of receipt and firm delivery points, pro forma financial information, and a proposed tariff. Cobra indicated that it will operate, maintain, and transport natural gas through its systems to natural gas retail suppliers, local distribution companies and all other customers on a non-discriminatory open-access basis. Cobra also seeks Commission approval of its proposed tariff. In its proposed tariff, Cobra stated that the "rates and charges for transportation services will be established pursuant to contracts submitted to the Commission for approval under Section 4905.31, Revised Code."
- (3) On March 17, 2006, the Ohio Oil and Gas Association (OOGA) filed a motion to intervene.
- (4) On August 21, 2006, Cobra filed an amended tariff which, among other things, specifically identified the demand charges, commodity charge, unauthorized daily overrun charge for firm

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transportation customers, and commodity charges for interruptible transportation service.

- (5) On December 8, 2006, OOGA filed a protest to the amended tariff and a notice of discovery.
- (6) By entry of December 18, 2006, OOGA's motion to intervene was granted. The December 18, 2006 entry also scheduled a prehearing settlement conference for January 17, 2007.
- (7) The prehearing settlement conference was held as scheduled; however, the parties failed to resolve this matter and requested additional time to continue negotiations.
- (8) On June 13, 2007, the parties filed a stipulation and recommendation (stipulation) that resolves all of the outstanding issues between the parties and provides a revised tariff. In the stipulation, the parties noted that periodic status updates on discussions between Cobra and OOGA were provided to the staff and the attorney examiner throughout this case. In general, the stipulation sets forth agreed upon modifications to Cobra's proposed tariff in the areas of shrinkage rate, firm transportation, overrun charge, interruptible commodity charge, and the processing and compression charge. The parties request that the Commission approve the tariff as modified. OOGA also notes that, conditioned upon that approval, it agrees to withdraw its protest in this proceeding.
- (9) Upon review of the application and tariff, as attached to the stipulation, the Commission finds that Cobra has provided documentation demonstrating that it has the requisite technical, financial, and managerial capability needed to become a pipeline company. The Commission further finds that approval of the stipulation is reasonable and in the public interest. In addition, we believe that the proposed tariff, as attached to the stipulation, does not appear to be unjust or unreasonable.
- (10) We note that while we are approving the application of Cobra to become a regulated intrastate pipeline company, we are not approving any purchase of pipeline by Cobra or any affiliate of Cobra. Finally, Cobra shall be subject to the Commission's

jurisdiction to inspect, for the purpose of the public safety, all gas and natural gas pipelines owned, operated, or controlled by the applicant, in accordance with Section 4905.06 and 4905.90 through 4905.96, Revised Code.

It is, therefore,

ORDERED, That the application for Cobra to operate as an intrastate pipeline company in Ohio subject to the Commission's regulation is approved. It is, further,

ORDERED, That the proposed tariff, as attached to the stipulation, be approved. It is, further,

ORDERED, That Cobra is authorized to file in final form four complete copies of its tariff consistent with the findings of this finding and order. Cobra shall file one copy in this case docket, and one copy in its tariff docket (or may make such filing electronically, as directed in Case No. 06-900-AU-WVR). The remaining two copies shall be designated for distribution to the Commission staff. It is, further,

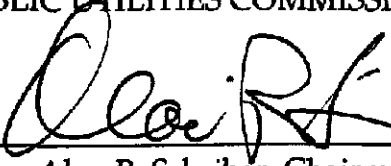
ORDERED, That the effective date of the proposed tariff shall be a date not earlier than both the date of this finding and order and the date upon which four complete copies of final tariff are filed with the Commission. The new tariff shall be effective for services rendered on or after such effective date. It is, further,

ORDERED, That nothing in this decision shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule or regulation of the Cobra Pipeline Co., LTD. It is, further,

ORDERED, That Cobra shall be subject to the Commission's jurisdiction to inspect, for the purposes of the public safety, all gas and natural gas pipelines that it owns, operates, or controls in accordance with Sections 4905.06 and 4905.90 through 4905.96, Revised Code. It is, further,

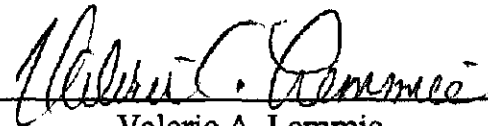
ORDERED, That a copy of this finding and order be served upon all parties of record.

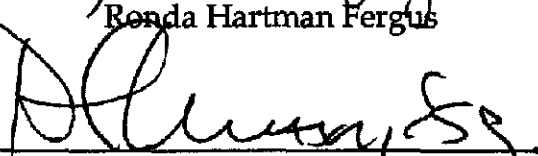
THE PUBLIC UTILITIES COMMISSION OF OHIO


Alan R. Schriber, Chairman


Paul A. Centolella


Ronda Hartman Fergus

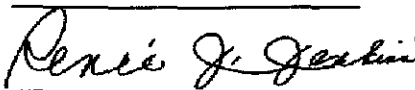

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Entered in the Journal

JUN 27 2007


Renee J. Jenkins
Secretary