

FILE

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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

2008 AUG 22 PM 4:34

In the Matter of the Application of)
Suburban Natural Gas Company for)
Authority to Abandon Service Pursuant)
To Ohio Revised Code Sections)
4905.20 and 4905.21.)

PUCO

Case No. 08-947-GA-ABN

**MOTION TO INTERVENE AND MEMORANDUM IN SUPPORT
OF THE VILLAGE OF DESHLER**

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August 22, 2008

(C26196:)

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MOTION TO INTERVENE OF THE VILLAGE OF DESHLER

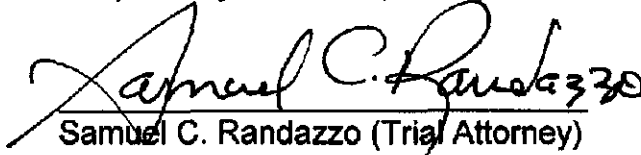
The Village of Deshler ("Deshler") hereby respectfully moves the Public Utilities Commission of Ohio ("Commission"), pursuant to Section 4903.221, Revised Code, and Rule 4901-1-11, Ohio Administrative Code, for leave to intervene in the above-captioned matter with the full powers and rights granted by the Commission, specifically by statute or by the provisions of the Ohio Administrative Code, to intervening parties.

On August 1, 2008, Suburban Natural Gas Company ("Suburban") filed an abandonment application that proposes to affect its public utility obligations to consumers inside and outside certain municipalities, including Deshler.

As demonstrated further in the Memorandum in Support attached hereto and incorporated herein, Deshler has a direct, real, and substantial interest in the issues and matters involved in the above-captioned proceedings, and is so situated that the disposition of these proceedings may, as a practical matter, impair or impede its ability to protect that interest. Deshler believes that its participation will not unduly prolong or delay this proceeding and that it will significantly contribute to the full development and equitable resolution of the factual and other issues in this proceeding. The interests of Deshler will not be adequately represented by other parties to the proceeding and, as such, Deshler is entitled to intervene with the full powers and rights granted by the

Commission, specifically by statute and by the provisions of the Ohio Administrative Code, to intervening parties.

Respectfully submitted,

A handwritten signature in black ink, reading "Samuel C. Randazzo". The signature is fluid and cursive, with the last name "Randazzo" being more prominent and ending in a stylized flourish.

Samuel C. Randazzo (Trial Attorney)

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Attorneys for the Village of Deshler

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MEMORANDUM IN SUPPORT

Deshler is a municipality located in Henry County, Ohio. Deshler owns, or has rights, in a natural gas delivery system that is presently used and operated by Suburban to provide public utility service to consumers in northwest Ohio. Suburban's use of such natural gas delivery system to discharge its public utility obligations was originally enabled pursuant to a lease arrangement between Suburban and the municipalities that own the system. Pursuant to the original lease arrangement, Suburban is presently providing public utility service to consumers located within and outside the municipalities that own the system at rates and charges approved by the Commission.

On August 1, 2008, Suburban filed an Application¹ to abandon service to Deshler and the Villages of Hamler, Holgate, Hoytville, and Malinta. From the Application, and as discussed below, it appears that Suburban is also proposing to abandon facilities. It asserts that the Commission should approve the proposed abandonment because two of the lessor-municipalities (Deshler and Holgate) have not entered into a new lease with Suburban. Suburban alleges that the delivery system serving Deshler and the other lessor-municipalities was designed and constructed as an integrated transmission system that is most effectively and efficiently operated as a whole, complete and

¹ Suburban previously filed an Application to abandon service in Case No. 93-0279-GA-ABN.
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integrated unit, and the transmission system is served through a single interconnection point. Suburban claims that it owns the interconnection although the original lease between the municipalities states that property and plant additions to the delivery system owned by the municipalities become the property of the lessor-municipalities. The Village of McComb, Ohio ("McComb") was originally a lessor-municipality like Deshler but its lease was previously terminated and McComb made alternative arrangements to obtain a gas supply to meet the needs of its citizens. Given McComb's earlier termination of the lease and alternative arrangements for natural gas supply, it is not clear from Suburban's Application or otherwise just how the failure of any individual community to enter into a new lease with Suburban affects Suburban's physical ability to continue to meet its public utility obligations.

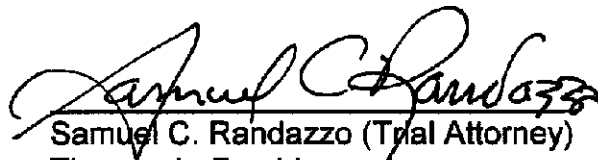
Suburban's Application indicates that it is willing to work with the affected communities to ensure an orderly transition if the Commission should permit Suburban to abandon its service and facilities. Clearly, coordination and constructive attitudes will be necessary if the Commission approves Suburban's Application. The fact that Suburban uses the leased system to serve customers located outside the lessor-municipalities means that Suburban will need to identify how these customers' needs will be met even if the lessor-villages might make alternative arrangements to serve customers located within their borders. Prior to any transfer of the leased system, Suburban should also be working proactively to provide the lessor-communities with detailed maps as well as accurate information about the condition of the leased system, including information Suburban has on prone-to-fail risers². These actions on the part

² See Suburban's Application in Case No. 07-0689-GA-AIR.
{C26196}

of Suburban may work to permit the affected parties to work through and resolve the somewhat novel issues raised by Suburban's Application.

In any event, Suburban's Application directly affects the interests of Deshler and its citizens and Deshler has a real and substantial interest in this proceeding. Therefore, Deshler urges the Commission to grant its request to intervene in this proceeding with the full powers and rights granted by the Commission, specifically by statute and by the provisions of the Ohio Administrative Code, to intervening parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Samuel C. Randazzo", is written over a horizontal line.

Samuel C. Randazzo (Trial Attorney)

Thomas L. Froehle

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Attorneys for the Village of Deshler

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Motion to Intervene and Memorandum in Support of the Village of Deshler* was served upon the following parties of record this 22nd day of August 2008, via first class mail, postage prepaid.


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