FILE

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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

RESPONSE OF SUBURBAN NATURAL GAS COMPANY TO MOTIONS TO INTERVENE OF KNG ENERGY, INC. AND THE VILLAGE OF DESHLER

Suburban Natural Gas Company ("Suburban"), the applicant in this proceeding does not oppose the Motions to Intervene filed in this proceeding, by KNG Energy, Inc. ("KNG") and the Village of Deshler, Ohio ("Deshler"). ¹

Suburban does desire to respond, however, to certain statements contained in those respective Motions and Memoranda in Support ("Motions"). First, at page 3 of its Memorandum in Support, KNG indicates its understanding that "[u]pon information and belief, Hamler and Hoytville, have, in fact, entered into new leases with Suburban." While Hamler and Hoytville may have executed new lease agreements, Suburban, for the reasons set forth in its Application, has not executed the same. Accordingly, Suburban's service obligations and rights under the lease expire upon the expiration of the existing leases. Second, the KNG Memorandum in Support, at pp. 5 and 6, questions the appropriateness of the Application under RC §§4905.20 and 4905.21, implying it is for "transfer". While Suburban would note at this point there is no proposed "transfer" to another utility (except one might argue by operation of the lease termination) this Commission has recognized transfers of assets may be under 4905.20 and 4905.21 according to the circumstances. In any event, the Commission's jurisdiction has been

¹ Lack of response to any factual allegation or legal conclusions contained in the Motions should not be construed as Suburban's agreement thereto.

² See e.g. In the Matter of Application of the Joint Petition of Northeast Ohio Natural Gas Corporation and Columbia Gas of Ohio, Inc. for Approval to Transfer Certain Natural Gas Service Assets and Customers Served Trough those Assets, Entry Dec. 5, 2007, PUCO Case No. 07-767-GA-ATR at paragraph (11).

properly invoked and may be exercised. Accordingly, Suburban's application is to abandon service and is appropriately filed.

Lastly, Deshler seems to raise questions, at page 4 of its Memorandum, regarding a few customers outside corporate limits. Obviously, the effect of the lease terminations on all customers served by the combined systems will be an issue to be addressed in this proceeding.

In conclusion, Suburban welcomes the constructive participation of both KNG and Deshler, as well as the other Villages, in this proceeding.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the preceding Response of Suburban Natural Gas Company to Motions to Intervene of KNG Energy, Inc. and the Village of Deshler, Ohio was served this 5th day of September, 2008 upon the following parties by Regular U.S. Mail.

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