

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Joint Application of )  
Energy West, Incorporated, Brainard Gas )  
Corporation, Northeast Ohio Natural Gas ) Case No. 08-1196-GA-UNC  
Corporation and Orwell Natural Gas )  
Company for Approval of the Transfer of )  
Stock. )

FINDING AND ORDER

The Commission finds:

- (1) On October 29, 2008, Energy West, Incorporated ("Energy West"), Brainard Gas Corporation ("Brainard"), Orwell Natural Gas Company ("Orwell") and Northeast Ohio Natural Gas Corporation ("Northeast") (together "joint applicants") filed a joint application for approval of a transfer of stock pursuant to Sections 4905.05 and 4905.06, Ohio Revised Code. The joint applicants also filed a motion for a protective order regarding portions of the stock transfer documents.
- (2) Brainard, Northeast and Orwell are public utilities and natural gas companies pursuant to Sections 4905.02 and 4905.03, Revised Code, and are therefore subject to Commission jurisdiction under Sections 4905.04, 4905.05 and 4905.06, Revised Code.
- (3) Northeast Ohio is a wholly owned subsidiary of Great Plains Natural Gas Company ("Great Plains") and Orwell is a wholly owned subsidiary of Lightning Pipeline Company, Inc. ("Lightning"). Great Plains and Lightning are owned primarily by the Richard M. Osborne Trust. Mr. Richard M. Osborne is sole trustee of this trust. Mr. Osborne is also chief executive officer and chairman of the board of Energy West.
- (4) Energy West is a Montana corporation operating as a public utility in the states of Montana, Wyoming, Maine and North Carolina. Its stock is publicly traded. Energy West has entered into a Stock Purchase Agreement with the owners of all of the issued and outstanding stock of Brainard, Lightning, and Great Plains. The preliminary purchase price for these shares of stock is

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\$34,304,000.00, subject to adjustment based on changes in the actual number of active customers as of the closing date.

- (5) The joint applicants state in their application that Energy West has the requisite managerial, technical and financial resources to continue the effective operations of Brainard, Northeast Ohio and Orwell. Moreover, they state that there will be no adverse effect on any of these natural gas companies and that there will be no transfer of any of the property, plant or assets of Brainard, Northeast Ohio or Orwell. In addition, the joint applicants affirm that there will be no change in any rates as a result of this transfer of stock. The joint applicants further state that the transfer of stock will not result in a decline in the quality or character of service presently provided to the customers of Brainard, Northeast and Orwell. Thus, according to the joint applicants, the transfer of stock will be seamless and transparent to the customers.
- (6) The Commission has jurisdiction over the instant stock transfer by virtue of Sections 4905.05 and 4905.06, Revised Code, to ensure that the new owner possesses the financial and technical capabilities necessary to continue to provide adequate service and that the potential transfer of ownership will not harm the public interest. See *In the Matter of the Joint Application of Dominion Energy, Inc., Dominion Cleveland Steam Distribution, LLC and Dominion Cleveland Chilled Water Distribution, LLC Transferors and CT Acquisitions I Inc., Transferee, for Approval of the Transfer of Stock*, Case No. 04-1179-HT-UNC, Finding and Order (September 1, 2004).
- (7) The Commission has reviewed the joint application and finds that the transfer of stock is reasonable and should be approved. Energy West possesses the financial and technical capabilities necessary to continue to provide adequate service. We also conclude that the transfer of ownership will not harm the customers of Brainard, Orwell or Northeast.
- (8) The joint applicants have requested that, pursuant to Rule 4901-1-24, Ohio Administrative Code (O.A.C.), the Commission issue a protective order holding confidential the redacted portions of the stock purchase agreement that are appended to the application. The joint applicants state that these portions contain information regarding customer accounts, pending litigation and other competitively sensitive information.

- (9) Upon review, the Commission finds that there is good cause to grant a protective order for the information filed under seal in this docket. Pursuant to Rule 4901-1-24(F), O.A.C., the information should receive protected status and remain under seal for the 18-month period from the issuance of this Finding and Order.

It is, therefore,


ORDERED, That the transfer to Energy West, Incorporated, of the issued and outstanding stock of Brainard Gas Corporation; Great Plains Natural Gas Company and its wholly owned subsidiary Northeast Ohio Natural Gas Corporation; and Lightning Pipeline Company, Inc., and its wholly owned subsidiary Orwell Natural Gas Corporation be approved. It is, further,

ORDERED, That the joint applicants' motion for a protective order is granted as set forth in Finding (9). It is, further,

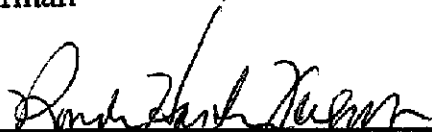
ORDERED, That nothing in this Finding and Order shall be binding on the Commission in any subsequent investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

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

  
Valerie A. Lemmie

  
Cheryl L. Roberto

SP:sm

Entered in the Journal

DEC 03 2008



Renee J. Jenkins  
Secretary