

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE COMMISSION'S
INVESTIGATION INTO ORWELL-TRUMBULL
PIPELINE COMPANY, LLC AND COBRA
PIPELINE COMPANY, LTD.

CASE NO. 17-2424-PL-COI

ENTRY

Entered in the Journal on December 6, 2017

I. SUMMARY

{¶ 1} The Commission directs the Ohio Attorney General's office to take any appropriate steps in the bankruptcy proceeding initiated by Orwell-Trumbull Pipeline Company, LLC in the United States Bankruptcy Court, Northern District of Ohio.

II. DISCUSSION

{¶ 2} Orwell-Trumbull Pipeline Company, LLC (OTP) and Cobra Pipeline Company, Ltd. (Cobra) (collectively, Companies) are pipeline companies under R.C. 4905.03 and public utilities as defined in R.C. 4905.02, and, as such, are subject to the jurisdiction of this Commission.

{¶ 3} R.C. Chapter 4905 enumerates the general powers of this Commission over public utilities. Specifically, R.C. 4905.04 states, in relevant part:

The public utilities commission is hereby vested with the power and jurisdiction to supervise and regulate public utilities and railroads [and] to require all public utilities to furnish their products and render all services exacted by the commission or by law * * *.

Additionally, R.C. 4905.06 grants the Commission general supervision over all public utilities within its statutory jurisdiction. This supervisory power encompasses the ability to examine a public utility and keep informed as to its general condition, capitalization, operation, and management with respect to the adequacy of its service and compliance with all laws and orders of the Commission.

{¶ 4} R.C. Chapter 4905 also sets forth certain statutory obligations of public utilities within the state. R.C. 4905.22, in pertinent part, provides:

Every public utility shall furnish necessary and adequate service and facilities, and every public utility shall furnish and provide with respect to its business such instrumentalities and facilities, as are adequate and in all respects just and reasonable.

{¶ 5} On November 21, 2017, in Case No. CV 14 822810, the Cuyahoga County Court of Common Pleas granted a motion filed by Park View Federal Savings Bank n/k/a First National Bank of Pennsylvania to appoint a receiver, effective October 30, 2017, over all property, both real and personal, owned by Richard M. Osborne, the Richard M. Osborne Trust, OTP, and certain other affiliated entities (collectively, Counterclaim Defendants), as well as any legal or beneficial interest owned, possessed, or held by any of the Counterclaim Defendants in or to Cobra. Under the terms of the Court's order, the appointed receiver is authorized, among other things, to take and have complete and exclusive possession, control, and custody of the receivership property, as well as to sell the receivership property free and clear of all liens and encumbrances by private sale, private auction, public auction, or by any other method deemed appropriate by the receiver, subject to Court approval, after notice and opportunity for a hearing.

{¶ 6} By Entry dated November 29, 2017, the Commission initiated an investigation of the Companies and directed the Ohio Attorney General's office to take any appropriate steps to protect the customers of the Companies in the receivership proceeding pending in the Cuyahoga County Court of Common Pleas.

{¶ 7} On December 5, 2017, OTP filed a notice to stay the proceeding before the Cuyahoga County Court of Common Pleas. OTP stated that it has filed a Chapter 11 Petition in Voluntary Bankruptcy in Case No. 17-17135 in the United States Bankruptcy Court, Northern District of Ohio.

{¶ 8} The Commission finds that the Ohio Attorney General's office should seek to intervene or take any other appropriate steps in OTP's pending bankruptcy proceeding and to seek any appropriate legal and equitable remedies necessary to maintain operations of OTP's pipeline system and ensure that service to the customers is not interrupted or terminated.

III. ORDER

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That the Ohio Attorney General's office seek to intervene or take any other appropriate steps in OTP's bankruptcy proceeding. It is, further,

{¶ 11} ORDERED, That the Ohio Attorney General's office seek any appropriate civil remedies for the protection of OTP's customers. It is, further,

{¶ 12} ORDERED, That a copy of this Entry be served upon all parties and interested persons of record.

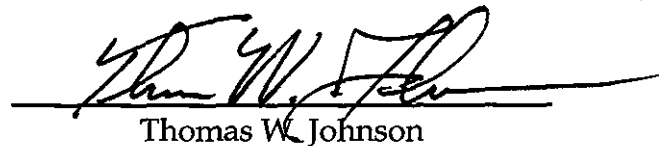
THE PUBLIC UTILITIES COMMISSION OF OHIO



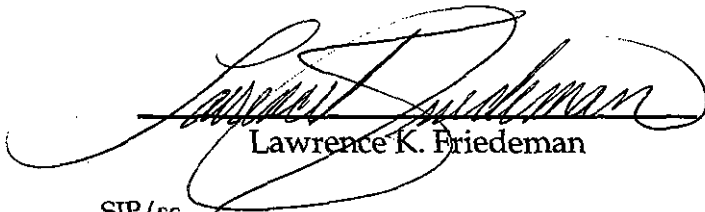
Asim Z. Haque, Chairman




M. Beth Trombold



Thomas W. Johnson



Lawrence K. Friedeman



Daniel R. Conway

SJP/sc

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Barcy F. McNeal
Secretary