

## THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION  
OF COBRA PIPELINE COMPANY, LTD  
FOR AN INCREASE IN ITS RATES AND  
CHARGES.

CASE NO. 16-1725-PL-AIR

IN THE MATTER OF THE APPLICATION  
OF COBRA PIPELINE COMPANY, LTD  
FOR AN EMERGENCY INCREASE IN ITS  
RATES AND CHARGES.

CASE NO. 18-1549-PL-AEM

### ENTRY

Entered in the Journal on December 7, 2018

{¶ 1} Cobra Pipeline Company, LTD (Cobra or the Company) is a pipeline company as defined by R.C. 4905.03 and a public utility as defined by R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 2} On August 15, 2016, Cobra filed an application in Case No. 16-1725-PL-AIR (*Rate Case*), in response to the Commission's Opinion and Order in Case No. 14-1654-GA-CSS, et al. In its Opinion and Order, the Commission directed Cobra and any other pipeline companies owned or controlled by Richard M. Osborne to file applications, pursuant to R.C. Chapter 4909, to determine just and reasonable rates that include charges for firm and interruptible transportation services and rates for shrinkage. *In re Complaint of Orwell Natural Gas Co. v. Orwell-Trumbull Pipeline Co., LLC*, Case No. 14-1654-GA-CSS, et al., Opinion and Order (June 15, 2016) at ¶ 77.

{¶ 3} An amended abbreviated application was filed by Cobra on September 26, 2016. Cobra proposed a test year ending December 31, 2015, and a date certain of December 31, 2015.

{¶ 4} On April 13, 2018, Staff filed a written report of its investigation in the *Rate Case*.

{¶ 5} By Entry dated May 1, 2018, the attorney examiner established a procedural schedule to assist the Commission in its review of Cobra's application, as amended.

{¶ 6} On June 22, 2018, the evidentiary hearing was continued at Cobra's request and rescheduled to commence on September 5, 2018.

{¶ 7} By Entry dated August 24, 2018, the attorney examiner granted a motion for continuance of the evidentiary hearing filed by Orwell Natural Gas Company, Northeast Ohio Natural Gas Corp., and Brainard Gas Corp. (collectively, Gas Companies). The hearing was rescheduled to begin on September 10, 2018.

{¶ 8} The evidentiary hearing in the *Rate Case* began on September 10, 2018, and concluded on September 11, 2018. At the conclusion of the hearing, the parties agreed upon a briefing schedule, with initial and reply briefs due on October 26, 2018, and November 16, 2018, respectively.

{¶ 9} R.C. 4909.16 provides that, when the Commission deems it necessary to prevent injury to the business or interests of the public or of any public utility of this state in case of any emergency to be judged by the Commission, it may temporarily alter, amend, or, with the consent of the public utility concerned, suspend any existing rates, schedules, or order relating to or affecting any public utility or part of any public utility in this state.

{¶ 10} On October 15, 2018, Cobra filed an application, in Case No. 18-1549-PL-AEM (*Emergency Rate Case*), seeking an emergency increase in its rates and charges for natural gas transportation service, pursuant to R.C. 4909.16. In the application, Cobra states that it is in urgent need of rate relief and requests that the Commission schedule a hearing as soon as possible. Cobra asserts that its financial status has deteriorated dramatically during the two years since the *Rate Case* was filed and that the Company has experienced both a decrease in revenues and an increase in expenses. Noting that its

current rates do not provide sufficient revenue to cover the cost of its operations, Cobra seeks authority to establish a temporary surcharge that would be applicable to the demand charge on firm service, the unauthorized daily overrun charge on firm service, and the commodity charge on interruptible service. Cobra proposes that the surcharge would be applied to all of its transportation customers' bills until either: the Commission issues an order in the *Rate Case* that reflects the Company's current status and disregards the 2015 test year that was established two years ago; or the Commission directs Cobra to file a new rate case that reflects the Company's current status and the Commission issues an order in the new rate case. Cobra submits that the current status of the Company will demonstrate that a much larger increase than the requested surcharge is warranted.

{¶ 11} On October 15, 2018, Cobra also filed a motion requesting consolidation of the *Rate Case* and the *Emergency Rate Case*. In support of its motion, Cobra argues that consolidation of the two cases is appropriate, given the common and interrelated issues between the proceedings, and will enable the efficient and expeditious administration and resolution of both matters. To ensure that there is no prejudice if the proceedings are consolidated, Cobra requests that the parties to the *Rate Case* be joined as parties to the *Emergency Rate Case*. No memoranda contra the motion for consolidation were filed.

{¶ 12} The attorney examiner finds that Cobra's unopposed motion for consolidation of the above-captioned cases is reasonable and should be granted. Additionally, the attorney examiner finds that the Gas Companies and Stand Energy Corporation, which are parties to the *Rate Case*, should also be granted party status in the *Emergency Rate Case*.

{¶ 13} In order to facilitate the Commission's review of Cobra's application for an emergency rate increase, the attorney examiner finds that the following procedural schedule should be established:

- (a) Motions to intervene in the *Emergency Rate Case* should be filed by December 21, 2018.
- (b) Cobra should file direct expert testimony in support of its application for emergency rate relief by December 24, 2018.
- (c) Staff should file a report of its investigation addressing Cobra's application for emergency rate relief by January 7, 2019.
- (d) Direct expert testimony on behalf of intervenors and Staff should be filed by January 7, 2019.
- (e) The evidentiary hearing on Cobra's application for an emergency rate increase will commence on January 10, 2019, at 10:00 a.m. in Hearing Room 11-D at the offices of the Commission, 180 East Broad Street, 11th Floor, Columbus, Ohio 43215.

{¶ 14} It is, therefore,

{¶ 15} ORDERED, That Cobra's motion for consolidation of these proceedings be granted. It is, further,

{¶ 16} ORDERED, That the parties to the *Rate Case* be deemed parties to the *Emergency Rate Case*. It is, further,

{¶ 17} ORDERED, That the procedural schedule set forth in Paragraph 13 be adopted. It is, further,

{¶ 18} ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

s/Sarah Parrot

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By: Sarah J. Parrot  
Attorney Examiner

NJW/sc

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**Case No(s). 16-1725-PL-AIR, 18-1549-PL-AEM**

Summary: Attorney Examiner Entry granting Cobra's motion for consolidation, directing that the parties to the Rate Case be deemed parties to the Emergency Rate Case, and setting forth the procedural schedule in accordance with Paragraph 13 - electronically filed by Sandra Coffey on behalf of Sarah Parrot, Attorney Examiner, Public Utilities Commission of Ohio