

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

THIRD ENTRY ON REHEARING

Entered in the Journal on November 6, 2019

I. SUMMARY

{¶ 1} The Commission grants the application for rehearing filed by Cobra Pipeline Company, LTD on October 11, 2019, for the purpose of further consideration of the matters specified in the application for rehearing.

II. DISCUSSION

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

{¶ 3} On August 15, 2016, Cobra filed its 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.

{¶ 4} An amended abbreviated application was filed by Cobra on September 26, 2016.

{¶ 5} On July 7, 2017, Cobra filed correspondence indicating that, in compliance with R.C. 4909.42, it was submitting a bond, in order to institute its proposed rates. Staff filed a letter in response on August 11, 2017. Cobra filed a reply to Staff on August 18, 2017.

{¶ 6} By Entry dated April 11, 2018, the Commission determined that the time frames set forth in R.C. 4909.42 for the fixation of rates are not applicable with respect to pipeline companies and, thus, Cobra was not authorized under the statute to implement its proposed rates. Accordingly, the Commission directed Cobra to reinstate its Commission-approved rates and refund to customers any amounts collected in excess of those rates.

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

{¶ 8} 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.

{¶ 9} On May 10, 2018, Cobra filed an application for rehearing of the April 11, 2018 Entry.

{¶ 10} By Entry on Rehearing dated June 6, 2018, the Commission granted Cobra's application for rehearing for the purpose of further consideration of the matters specified in the application for rehearing.

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

{¶ 12} 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, NEO). The hearing was rescheduled to begin on September 10, 2018.

{¶ 13} The evidentiary hearing in the *Rate Case* began on September 10, 2018, and concluded on September 11, 2018.

{¶ 14} 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.

{¶ 15} By Entry dated December 7, 2018, the attorney examiner established a procedural schedule to assist the Commission in its review of Cobra's application for an emergency rate increase. The attorney examiner also granted Cobra's unopposed motion for consolidation of the above-captioned cases.

{¶ 16} On January 7, 2019, Staff filed its review and recommendations regarding Cobra's request for an emergency rate increase.

{¶ 17} The evidentiary hearing in the *Emergency Rate Case* was held on January 10, 2019.

{¶ 18} On September 11, 2019, the Commission issued an Opinion and Order, finding that Cobra failed to demonstrate that its existing rates and charges are insufficient to provide adequate net annual compensation and return on its property used and useful in the provision of its services. The Commission also determined that Cobra failed to sustain its burden of proof to demonstrate that emergency rate relief should be granted. On that same date, the Commission also issued a Second Entry on Rehearing, denying Cobra's application for rehearing of the April 11, 2018 Entry and directing that customers receive a refund of any amounts paid in excess of Commission-approved rates.

{¶ 19} R.C. 4903.10 states that any party who has entered an appearance in a Commission proceeding may apply for a rehearing with respect to any matters determined therein by filing an application within 30 days after the entry of the order upon the Commission's journal.

{¶ 20} On October 11, 2019, Cobra filed an application for rehearing. Cobra states that it “applies for rehearing of the Entry and Orders,” as issued by the Commission on September 11, 2019. NEO filed a memorandum contra Cobra’s application for rehearing on October 21, 2019.

{¶ 21} The Commission believes that sufficient reason has been set forth by Cobra to warrant further consideration of the matters specified in the application for rehearing. Accordingly, the application for rehearing filed by Cobra should be granted.

III. ORDER

{¶ 22} It is, therefore,

{¶ 23} ORDERED, That the application for rehearing filed by Cobra on October 11, 2019, be granted for further consideration of the matters specified in the application for rehearing. It is, further,

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

COMMISSIONERS:

Approving:

Sam Randazzo, Chairman
M. Beth Trombold
Lawrence K. Friedeman
Daniel R. Conway
Dennis P. Deters

SJP/kck

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

Summary: Entry Third Entry on Rehearing that the Commission grants the application for rehearing filed by Cobra Pipeline Company, LTD on October 11, 2019, for the purpose of further consideration of the matters specified in the application for rehearing. electronically filed by Docketing Staff on behalf of Docketing.