

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 January 29, 2020

I. SUMMARY

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

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} 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, Orwell-Trumbull Pipeline Company, LLC (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 the above-captioned investigation of Cobra and OTP and directed the Ohio Attorney General's office to take any appropriate steps to protect customers in the receivership proceeding pending in the Cuyahoga County Court of Common Pleas.

{¶ 7} On September 25, 2019, Cobra filed a Chapter 11 Petition in Voluntary Bankruptcy in Case No. 19-15961 in the United States Bankruptcy Court, Northern District of Ohio.

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

III. ORDER

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That the Ohio Attorney General's office be authorized to take any appropriate steps in Cobra's bankruptcy proceeding. It is, further,

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

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

COMMISSIONERS:

Approving:

Sam Randazzo, Chairman

M. Beth Trombold

Lawrence K. Friedeman

Dennis P. Deters

SJP/mef

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Case No(s). 17-2424-PL-COI

Summary: Entry that the Commission directs the Ohio Attorney General's office to take any appropriate steps in the bankruptcy proceeding initiated by Cobra Pipeline Company, LTD in the United States Bankruptcy Court, Northern District of Ohio. electronically filed by Docketing Staff on behalf of Docketing