

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Joint Application of)	
Utility Pipeline, Ltd., Cobra Pipeline)	Case No. 21-0803-GA-ATR
Company, Ltd., and Knox Energy)	
Cooperative Association to Substitute)	EXPEDITED RULING
Natural Gas Service and Transfer Assets)	REQUESTED
and Customers)	

EXPEDITED JOINT MOTION FOR A SUPPLEMENTAL PROCEDURAL SCHEDULE

Utility Pipeline, Ltd. (“UPL”), Knox Energy Cooperative Association (“Knox”), and Cobra Pipeline Company, Ltd. (“Cobra”) jointly move to supplement the procedural schedule adopted pursuant to the Commission’s Entry dated July 26, 2021. That Entry ordered, *inter alia*, that all interested parties file comments in this case no later than August 20, 2021. UPL, Knox, and Cobra respectfully request that the procedural schedule outlined in the Entry be expanded to provide that any response to comments be filed by August 27, 2021, and that any hearing in this case will take place no later than September 3, 2021. As explained in the accompanying memorandum in support of this motion, this accelerated procedural schedule is necessary to ensure a smooth transition from Cobra to Knox and UPL, and to avoid financial and operational complications that could arise in light of Cobra’s pending bankruptcy case.

UPL, Knox, and Cobra have asked Commission Staff, proposed intervenor Northeast Ohio Gas Corp. (“NEO”), and proposed intervenor Stand Energy Corp. (“Stand”) if any party objects to expedited consideration of this motion, for the reasons outlined in the attached memorandum. Stand has no objection to expedited consideration, and has indicated through its counsel that it does not object to the supplemental procedural scheduled requested by this joint motion. NEO has indicated that it will object to the proposed schedule. Counsel for Staff had not yet responded to UPL, Knox, and Cobra’s request as of the time of the filing of this joint motion.

Dated: July 30, 2021

Respectfully submitted,

/s/ David F. Proaño

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**MEMORANDUM IN SUPPORT OF EXPEDITED JOINT MOTION FOR A
SUPPLEMENTAL PROCEDURAL SCHEDULE**

I. INTRODUCTION

In light of the Commission’s Entry dated July 26, 2021, setting a deadline of August 20, 2021, for the filing of comments in this case, Utility Pipeline, Ltd. (“UPL”), Knox Energy Cooperative Association, Inc. (“Knox”), and Cobra Pipeline Company, Ltd. (“Cobra”) (collectively, the “Joint Applicants”) are respectfully requesting that the Commission supplement the procedural schedule to provide that any reply comments or supplemental testimony must be filed by August 27, 2021, and any hearing in this case should take place no later than September 3, 2021. This motion should be granted because a more definite procedural schedule will ensure that the Joint Applicants can put plans in place for a smooth transition of the Systems from Cobra to Knox and UPL. Furthermore, as the Joint Application indicated, there are important financial and operational concerns associated with extending this case beyond August 2021. (See Joint Application at 7, 15-16.)

UPL, Knox, and Cobra have asked Commission Staff, proposed intervenor Northeast Ohio Gas Corp. (“NEO”), and proposed intervenor Stand Energy Corp. (“Stand”) if any party objects to expedited consideration of this motion. See Ohio Adm.Code 4901-1-12(C) (“If any party objects to the issuance of such a ruling . . . any party may file a memorandum contra within seven days after the service of the motion, or such other period as the commission, the legal

director, the deputy legal director, or the attorney examiner requires.”) Stand has no objection to expedited consideration. NEO has indicated that it will object to the proposed schedule. Counsel for Staff has not yet responded to UPL, Knox, and Cobra’s request. Good cause exists for expedited ruling on this motion, because the normal briefing schedule outlined in Ohio Adm.Code 4901-1-12(B) would likely result in a ruling on this motion after the filing of initial comments on August 20, 2021. For planning purposes, and to ensure that the Joint Application proceeds in an efficient manner, an expedited ruling is appropriate.

II. LEGAL STANDARD

Ohio Adm.Code 4901-1-14 states, “The legal director, the deputy legal director, or an attorney examiner may rule, in writing, upon any procedural motion or other procedural matter.” Under Ohio Adm.Code 4901-1-12(C), “Any motion may include a specific request for an expedited ruling. The grounds for such a request shall be set forth in the memorandum in support.” The same rule further provides that “[i]f the moving party certifies that no party objects to the issuance of such a ruling, an immediate ruling may be issued. If any party objects to the issuance of such a ruling, or if the moving party fails to certify that no party has any objection, any party may file a memorandum contra within seven days after the service of the motion, or such other period as the commission, the legal director, the deputy legal director, or the attorney examiner requires.” *Id.*

III. ANALYSIS

A. Supplementing the procedural schedule as outlined in the motion will assist the parties in planning for a transition of services and ensure the continued safe operation of the Systems.

The procedural schedule outlined in the motion will assist the parties in presenting the issues raised by the Joint Application in an efficient fashion, which in turn will help to avoid financial and operational concerns associated with extending this case beyond August 2021.

(See Joint Application at 7, 15-16.) As outlined in the Joint Application, Cobra filed a motion with the Bankruptcy Court seeking authority to sell substantially all its assets through an auction process pursuant to 11 U.S.C. § 363. *In re Cobra Pipeline Co., Ltd.*, Case No. 19-1596, Dkt. No. 132 (Bankr. N.D. Ohio Mar. 5, 2021) (the “Sale Motion”). Cobra believes it has “sufficient cash, when combined with income from projected operating results through July 2021, to continue its operations through the closing of the sale envisioned by the timeline set forth” in the Sale Motion. *Id.* at ¶ 10. The Sale Motion envisioned a closing, subject to receipt of requisite Bankruptcy Court and Commission approvals, no later than July 31, 2021, in light of Cobra’s financial position. *See id.* at ¶ 9. Notwithstanding the language in the Sale Motion, the Asset Purchase Agreement provides for an automatic monthly extension of the July 31, 2021 closing date until either (1) the receipt of requisite Bankruptcy Court and Commission approvals, or (2) Cobra or UPL terminates the transaction as permitted by the Asset Purchase Agreement, which includes UPL’s right to terminate the transaction if Commission approval has not been received by January 31, 2022.

Cobra and Huntington subsequently entered into an agreed amendment to the Cash Collateral Order which extended the budget for Cobra’s operations through August 2021. *See* Bankr. Dkt. No. 156. It is not clear if, or for how long, Huntington would agree to further extend the budget for Cobra to use Huntington’s cash collateral beyond the existing August 2021 expiration of the Cash Collateral Order, further underscoring the urgency of a prompt determination by the Commission on the Joint Application in order to ensure a safe, reliable, and orderly transition of natural gas services. Moreover, as explained in the Joint Application and in testimony from UPL’s president, certain parts of the systems in question will need work within the next twelve to eighteen months. (Joint Application at 17; UPL Testimony A6.) Providing set

deadlines for all reply comments or supplemental testimony and any hearing will help to ensure that review of the Joint Application proceeds in an expedited manner in order to ensure the safe and reliable operations of the Systems.

In addition to these financial and operational issues, an expedited procedural schedule will allow the parties and their counsel to plan for the presentation of appropriate reply comments, including any supplemental testimony. That, in turn, will ensure that the Commission receives all of the relevant information relating to this Joint Application, and that the Commission will be in a position to rule on the Joint Application as soon as practicable.

B. Expedited consideration of the motion is appropriate.

The Joint Applicants have asked Commission Staff and proposed intervenor Northeast Ohio Gas Corp. (“NEO”) if either party objects to expedited consideration of this motion. *See* Ohio Adm.Code 4901-1-12(C) (“If any party objects to the issuance of such a ruling . . . any party may file a memorandum contra within seven days after the service of the motion, or such other period as the commission, the legal director, the deputy legal director, or the attorney examiner requires.”) Stand has no objection to expedited consideration, and has indicated through its counsel that it does not object to the supplemental procedural scheduled requested by this joint motion. NEO has indicated that it will object to the proposed schedule. Counsel for Staff had not responded to UPL, Knox, and Cobra’s request as of the timing of the filing of this joint motion. Good cause exists for expedited ruling on this motion, for substantially the same reasons that are behind the Joint Application’s request that the Commission “that the Commission approve this Joint Application as soon as practicable to ensure continued safe and reliable service to all customers.” (Joint Application at 2.) It is imperative that the case proceed in a timely and efficient fashion due to the facts discussed above, in testimony, and in the Joint

Application itself. Because the normal briefing schedule outlined in Ohio Adm.Code 4901-1-12(B) would likely result in a ruling on this motion after the filing of initial comments on August 20, 2021, the parties would have fewer than the seven days envisioned by the motion to file any reply comments or supplemental testimony. Certainty about the procedural schedule will ensure that the parties can plan appropriately, both in terms of this case and also in terms of Cobra's continued operations. Expedited consideration of the motion is therefore appropriate.

IV. CONCLUSION

For the foregoing reasons, the motion to supplement the procedural schedule, providing for reply comments or supplemental testimony by August 27, 2021, and any hearing no later than September 3, 2021, should be granted on an expedited basis.

Dated: July 30, 2021

Respectfully submitted,

/s/ David F. Proaño

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CERTIFICATE OF SERVICE

I certify that a true copy of the foregoing document was filed electronically using the Commission's Docketing Information System on July 30, 2021. Notice of this filing will be sent automatically via email to counsel for all parties.

Dated: July 30, 2021

/s/ David F. Proaño

David F. Proaño (0078838)

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Case No(s). 21-0803-GA-ATR

Summary: Motion for a Supplemental Procedural Schedule electronically filed by Mr. David F. Proano on behalf of Utility Pipeline, Ltd. and Knox Energy Cooperative Association, Inc. and Cobra Pipeline Company, Ltd.