

KRAVITZ, BROWN & DORTCH, LLC

Attorneys at Law

Justin M. Dortch
dial: 614-545-5371
dfax: 614-464-2002
jdortch@kravitzllc.com

65 East State Street - Suite 200
Columbus, Ohio 43215-4277
614-464-2000
fax 614-464-2002

August 17, 2021

Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: *In The Matter Of The Joint Application of Utilities Pipeline, LTD., Cobra Pipeline Company, LTD., and Knox Energy Cooperative Association, Inc. to Substituted Natural Gas Services and Transfer Assets and Customers - Case No. 21-803-GA-ATR*

To Whom It May Concern,

The Public Utilities Commission of Ohio (“Commission”) issued a Case Scheduling Entry, dated July 26, 2021, in the above captioned matter (“Entry”). The Entry required Cobra Pipeline Company, LTD (“Cobra”) to work with the Commission in order to draft and send letter to Cobra’s customers to inform those customers of this proceeding (“Letter”) by August 6, 2021. The Entry also required that a copy of the Entry be sent with the Letter.

Cobra complied with the Entry by sending the Commission approved Letter and a copy of the Entry to the following customers on August 5, 2021:

- a) Brainard Natural Gas;
- b) Cumberland Gas Marketing;
- c) Exelon Generation Company;
- d) Gas Natural Resources;
- e) Gatherco, Inc.;
- f) Interstate Gas Supply;
- g) Mayfair Energy Solutions, LLC;
- h) Northeast Ohio Natural Gas;
- i) Orwell Natural Gas;
- j) Stand Energy Corporation;
- k) Stonebridge Operating Co.;
- l) Volunteer Energy Services; and

m) West Geauga Local Schools.

This list of customers constitutes all of Cobra's customers as required by the Entry. A copy of the Letter and the Entry are attached herein. Each customer was provided this information by US Mail.

Please feel free to contact me if you have any questions. I can be reached via email at jdortch@kravitzllc.com or via telephone at 614-545-5371.

Sincerely,

Justin M. Dortch

**NOTICE TO CUSTOMERS OF
COBRA PIPELINE COMPANY, LTD.**

Dear Customer:

This letter is to notify customers of Cobra Pipeline Company, LTD (Cobra), that on July 16, 2021, Cobra, Knox Energy Cooperative Association, Inc. (Knox), and Utility Pipeline, Ltd. (UPL) filed a joint application, Case No. 21-803-GA-ATR, with the Public Utilities Commission of Ohio (PUCO) requesting, among other things, that the PUCO authorize Cobra's sale of the Holmesville, North Trumbull, and Churchtown distribution systems, and natural gas taps for certain Grain Dryer Farm/Nursery Customers (Systems), to UPL and the transfer of customers currently served on these Systems to Knox.

Currently, Cobra is in Chapter 11 bankruptcy. The United States Bankruptcy Court for the Northern District of Ohio has approved Cobra's sale of its Systems and substantially all of its other assets used in the operation to its business to UPL, and UPL's subsequent assignment of the Systems to Knox, pending regulatory approval by the PUCO. If the application is approved by the PUCO, Knox will become owner of these Systems and Cobra's customers will become customers of Knox, a not-for-profit, member-owned cooperative.

Knox is a non-profit, customer-owned cooperative formed in 1998 to bring gas service to rural communities. Knox currently serves approximately 21,000 members in Ohio and Pennsylvania, and is governed by a Board of Trustees that is elected by the membership. The Board of Trustees of Knox consists of members that are using gas on the Knox pipeline systems. Any member is eligible to run for election and serve on the Board. See www.utilitypipelineltd.com/service-providers/knox-energy for more information.

UPL is a privately owned corporation involved in pipeline construction and utility operation formed in 1995.

You can view the application, other related documents and PUCO Orders by visiting the PUCO's online docket at <http://dis.puc.state.oh.us/> and entering 21-0803 in the "Case Lookup" box on the top right of the page. If you have additional questions regarding this matter, you may call Cobra at **440-255- 1945** or the PUCO at **(800) 686-7826**. You may also file written comments in Case No. 21-803-GA-ATR. The comments should state the above-captioned case number and be addressed to the Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus, Ohio 43215-3793. Electronic and facsimile options for filing comments are also available. Persons or entities seeking to file comments may contact the PUCO Docketing Division for assistance.

Sincerely,

Cobra Pipeline Co, LTD

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE JOINT
APPLICATION OF UTILITY PIPELINE, LTD.,
COBRA PIPELINE COMPANY, LTD., AND
KNOX ENERGY COOPERATIVE
ASSOCIATION, INC. TO SUBSTITUTE
NATURAL GAS SERVICE AND TRANSFER
ASSETS AND CUSTOMERS.

CASE NO. 21-803-GA-ATR

ENTRY

Entered in the Journal on July 26, 2021

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

{¶ 2} On September 25, 2019, Cobra filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code as Case No. 19-15961 in the United States Bankruptcy Court, Northern District of Ohio.

{¶ 3} On July 16, 2021, Cobra, Utility Pipeline, Ltd. (UPL), and Knox Energy Cooperative Association, Inc. (Knox) (jointly, Joint Applicants) filed a joint application to substitute natural gas service and transfer assets and customers. Contemporaneously, the Joint Applicants filed the direct testimonies of three individuals, each of whom is an official with one of the above respective entities, to support the application. According to the application, Cobra is currently in Chapter 11 bankruptcy, and the United States Bankruptcy Court for the Northern District of Ohio has approved Cobra's sale of the Holmesville, North Trumbull, and Churchtown natural gas pipeline systems and natural gas taps for certain rural farms and a nursery (collectively, Systems), along with substantially all of its other assets used in operation of its business, to UPL and has approved UPL's subsequent assignment of these Systems to Knox, pending any required regulatory approval by the Commission. Consequently, the joint application requests that the Commission authorize the transfer of assets and customers from Cobra to UPL, to approve UPL's subsequent assignment of the assets and customers to Knox, and to approve the substitution of natural

gas service by UPL and Knox for Cobra. Joint Applicants explain that UPL is a limited liability corporation engaged in the business of providing natural gas distribution management and operations services to natural gas utilities and natural gas cooperatives providing services in several states, including Ohio. Knox is a member-owned, not-for-profit corporation that is operated exclusively for its members and is engaged in the business of supplying natural gas to its members within Ohio. Therefore, Joint Applicants assert that, in accordance with R.C. 4905.02 and 4905.04, the Commission does not have jurisdiction over UPL or Knox except for gas pipeline safety purposes. Generally, the Joint Applicants describe that Knox will own the Systems, while UPL will manage and operate the Systems on Knox's behalf, pursuant to a management agreement between the two entities. According to Joint Applicants, this situation is not an abandonment of service by Cobra under R.C. 4905.20 and 4905.21, because cessation of service by Cobra is synchronously accompanied with uninterrupted and adequate service by UPL and Knox, nonregulated entities.

{¶ 4} R.C. 4905.20 provides that no public utility furnishing services within this state shall abandon any gas line or any portion thereof, or the service rendered thereby that has once been used for public business, except as provided in R.C. 4905.21. R.C. 4905.21 provides that any public utility wishing to abandon all or any part of its lines must file an application with the Commission and obtain authorization to abandon service prior to such abandonment.

{¶ 5} The Commission has previously found that transactions where customers move from service by a regulated utility to service by a nonregulated entity are not tantamount to an abandonment of service or facilities and are not subject to Commission review under R.C. 4905.20 and 4905.21. *In re Northern Industrial Energy Development, Inc. and Knox Energy Cooperative Association, Inc.*, Case No. 05-1267-GA-ATR, Finding and Order (Dec. 14, 2005); *In re Columbia Gas of Ohio, Inc.*, Case No. 04-1417-GA-ATR, Finding and Order (Feb. 2, 2005). In such cases, the Commission has found it appropriate to exercise its authority pursuant to R.C. 4905.05 and 4905.06 to ensure that the proposed transfer results

in uninterrupted and adequate service to the utility's existing customers. *In re Ohio Edison Co.*, Case No. 99-955-EL-ATR, Finding and Order (Nov. 18, 1999).

{¶ 6} At this time, the attorney examiner finds it appropriate to allow Cobra's customers and any other interested persons or entities an opportunity to file comments regarding the joint application. Accordingly, any interested persons or entities may file comments in this docket by August 20, 2021. The comments should state the above-captioned case number and be addressed to the Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus, Ohio 43215-3793. Electronic and facsimile options for filing comments are also available. Persons or entities seeking to file comments may contact the Commission's Docketing Division for assistance.

{¶ 7} Furthermore, Cobra is directed to send a letter of notice with an attached copy of this Entry, by August 6, 2021, to all of its customers. Cobra should also file, in this docket, confirmation of the mailing of the letter of notice and attached Entry to customers, along with a list of the customers to which the notice was provided. By July 29, 2021, Cobra should provide the Director of the Commission's Service Monitoring and Enforcement Department its proposed draft of the letter, as attached to the joint application, for review and approval prior to Cobra sending the letter to customers.

{¶ 8} It is, therefore,

{¶ 9} ORDERED, That all interested persons or entities wishing to file comments regarding the joint application do so no later than August 20, 2021. It is, further,

{¶ 10} ORDERED, That, in accordance with Paragraph 7, by July 29, 2021, Cobra provide the Director of the Commission's Service Monitoring and Enforcement Department its draft letter for review and approval, and by August 6, 2021, Cobra send such letter with an attached copy of this Entry to all customers, as well as file confirmation of the mailing of the letter along with a customer list. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/Matthew J. Sandor

By: Matthew J. Sandor
Attorney Examiner

JRJ/kck

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

7/26/2021 9:28:10 AM

in

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

Summary: Attorney Examiner Entry ordering that all interested persons or entities wishing to file comments regarding the joint application do so no later than August 20, 2021 and ordering that, in accordance with Paragraph 7, by July 29, 2021, Cobra provide the Director of the Commission's Service Monitoring and Enforcement Department its draft letter for review and approval, and by August 6, 2021, Cobra send such letter with an attached copy of this Entry to all customers, as well as file confirmation of the mailing of the letter along with a customer list. electronically filed by Kelli C. King on behalf of Matthew Sandor, Attorney Examiner, Public Utilities Commission of Ohio

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

8/17/2021 3:23:36 PM

in

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

Summary: Notice Cobra Pipeline Company, LTD's Notice of Mailing electronically filed by Mr. Justin M Dortch on behalf of Cobra Pipeline Company, LTD