

ATTORNEYS AT LAW

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April 16, 2013

**VIA ELECTRONIC FILING** 

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor Harrisburg, PA 17120

Re: Joint Application of Peoples Natural Gas Company LLC, Peoples TWP, LLC and Equitable Gas Company, LLC for All of the Authority and the Necessary Certificates of Public Convenience (1) to Transfer All of the Issued and Outstanding Limited Liability Company Membership Interest of Equitable Gas Company, LLC to PNG Companies, LLC; (2) to Merge Equitable Gas Company, LLC with Peoples Natural Gas Company LLC; (3) to Transfer Certain Storage and Transmission Assets of Peoples Natural Gas Company LLC to Affiliates of EQT Corporation; (4) to Transfer Certain Assets Between Equitable Gas Company, LLC and Affiliates of EQT Corporation; (5) for Approval of Certain Ownership Changes Associated with the Transaction; (6) for Approval of Certain Associated Gas Capacity and Supply Agreements; and (7) for Approval of Certain Changes in the Tariff of Peoples Natural Gas Company LLC;

Docket Nos. A-2013-2353647; A-2013-2353649; A-2013-2353651

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Petition to Intervene of the United States Steel Corporation ("U. S. Steel") in the above-referenced matter.

This document was filed electronically with the Commission on this date. All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact me if you have any questions concerning this filing.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By

Derrick Price Williamson

Barry A. Naum

BAN/lhi Enclosures

c:

Office of Administrative Law Judge (via First Class Mail) Certificate of Service

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West Virginia

**North Carolina** 

Pennsylvania

Virginia

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of Peoples Natural Gas Company LLC, Peoples TWP LLC and Equitable Gas Company, LLC For All of the Authority and the Necessary Certificates of Public Convenience (1) to Transfer All of the Issued and: Outstanding Limited Liability Company Membership Interest in Equitable Gas Company, LLC to PNG Companies, LLC; (2) to Merge Equitable Gas Company, LLC with Peoples Natural Gas Company LLC; (3) to Docket Nos. A-2013-2353647 Transfer Certain Storage and Transmission Assets of A-2013-2353649 Peoples Natural Gas Company LLC to Affiliates of EQT A-2103-2353651 Corporation; (4) to Transfer Certain Assets Between Equitable Gas Company, LLC and Affiliates of EQT Corporation; (5) for Approval of Certain Ownership Changes Associated with the Transaction; (6) for Approval: of Certain Associated Gas Capacity and Supply

# PETITION TO INTERVENE OF UNITED STATES STEEL CORPORATION

### TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to 52 Pa. Code Sections 5.71 through 5.74, United States Steel Corporation ("U. S. Steel" or "Petitioner") hereby files this Petition to Intervene in the above-captioned proceeding. In support thereof, U. S. Steel states as follows:

1. Petitioner is U. S. Steel.

Agreements; and (7) for Approval of Certain Changes in

the Tariff of Peoples Natural Gas Company LLC

2. The name and address of Petitioner's attorneys are:

Derrick Price Williamson Barry A. Naum SPILMAN THOMAS & BATTLE, PLLC 1100 Bent Creek Boulevard, Suite 101 Mechanicsburg, PA 17050 Phone: (717) 795-2742

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Counsel to U. S. Steel consents to service of documents by electronic mail at the e-mail addresses above.

- 3. On March 19, 2013, Peoples Natural Gas Co LLC ("Peoples"), Peoples TWP LLC ("Peoples TWP"), and Equitable Gas Company ("Equitable") (collectively, the "Joint Applicants") filed with the Pennsylvania Public Utility Commission ("PUC" or "Commission") a Joint Application seeking Commission approval for a number of transactions associated with a planned merger of Equitable with and into Peoples. In addition to the proposed merger itself, the Joint Applicants also seek approval of, among other things, agreements between affiliates of both Peoples and Equitable that would transfer certain natural gas storage and transmission facilities and other assets between Joint Applicants and these affiliates.
- 4. U. S. Steel, headquartered in Pittsburgh, Pennsylvania, is an integrated steel producer with major production operations in the United States, Canada, and Central Europe, and an annual raw steelmaking capability of 29.3 million net tons. U. S. Steel manufactures a wide range of value-added steel sheet and tubular products for the automotive, appliance, container, industrial machinery, construction, and oil and gas industries. Controlling the costs associated with the production of steel, including the considerable energy costs related to its operations, is of critical importance to U. S. Steel. In that regard, U. S. Steel consumes over 8 million Mcf of natural gas in Pennsylvania on an annual basis. Accordingly, the cost, reliability, and quality of natural gas supplies and services are issues of significant concern to U. S. Steel.
- 5. U. S. Steel employs over 5,400 full-time employees at its numerous facilities in and around Allegheny County, Pennsylvania, including its Clairton Coke Plant, Irvin Plant, Edgar Thomson Plant, and McKeesport Tubular Operations facility. These operations are all

located within Equitable's service territory, making U. S. Steel one of the largest, if not the single largest, customer on the Equitable system. U. S. Steel currently takes natural gas delivery service from Equitable pursuant to a negotiated delivery supply agreement under Equitable's existing Rate Schedule DDS, and certain U.S. Steel facilities receive natural gas supply from EQT Energy, LLC, an Equitable affiliate that is also prospectively impacted by the proposed merger. Additionally, U. S. Steel's Clairton, Irvin, and Edgar Thomson facilities are located adjacent to the existing Peoples service territory.

- 6. The Joint Application raises many issues of concern for U. S. Steel. Among other things, the proposed merger may impact the natural gas delivery reliability, customer service, and quality of service that U. S. Steel currently receives. Furthermore, although the Joint Application cites a number of affirmative "benefits" and "savings" that the proposed merger may produce for the Joint Applicants and its customers, the Joint Applicants make no specific commitment to credit retail rates to the potential benefit of U. S. Steel and other customers. The Joint Application also raises significant questions related to the impact of the merger on the competitive Pennsylvania natural gas market. U. S. Steel intends to actively participate in this matter to address these and other relevant issues.
- 7. The proposed merger and resolution of the attendant issues may directly affect the interests of U. S. Steel. U. S. Steel's interests are not adequately represented by existing participants in the case. Further, given the substantial economic and employment benefit that U. S. Steel provides throughout Allegheny County and the surrounding region, including within the service territories of the Joint Applicants, U. S. Steel's interests in this case are of such a nature that its participation is in the public interest. See 52 Pa. Code § 5.72(a)(2) & (3).

<sup>&</sup>lt;sup>1</sup> See Joint Application, ¶ 29.

WHEREFORE, United States Steel Corporation respectfully requests that the Commission grant this Petition to Intervene and provide United States Steel Corporation with full party status in this proceeding.

Respectfully submitted,

By

Derrick Price Williamson (Pa. Attorney I.D. #69274)

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Counsel to United States Steel Corporation

Dated: April 16, 2013

## **VERIFICATION**

I, Barry A. Naum, Counsel to United States Steel Corporation, hereby state that the facts set forth in the foregoing Petition to Intervene are true and correct to the best of my knowledge, information, and belief. I understand that the statements made herein are made subject to 18 Pa.C.S. § 4904 (pertaining to unsworn falsification to authorities).

Date: April 16, 2013

Barry A. Naum

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Application of Peoples Natural Gas Company LLC,
Peoples TWP LLC, and Equitable Gas Company, LLC
for All of the Authority and the Necessary Certificates
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Outstanding Limited Liability Company Membership
Interest of Equitable Gas Company, LLC to PNG
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Corporation; (5) for Approval of Certain Ownership Changes Associated with the Transaction; (6) for Approval of Certain Associated Gas Capacity and Supply Agreements; and (7) for Approval of Certain Changes in the Tariff of Peoples Natural Gas Company LLC Docket Nos. A-2013-2353647

A-2013-2353649 A-2013-2353651

#### CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the following parties to this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant).

### VIA FIRST CLASS MAIL

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Barry A. Naum

Dated: April 16, 2013