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May 7, 2013

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 and 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 and A-2013-2353651; **Prehearing Memorandum of Snyder Brothers, Inc.**

Dear Secretary Chiavetta:

I am enclosing for filing with the Pennsylvania Public Utility Commission the Prehearing Memorandum of Snyder Brothers, Inc. in the above-captioned proceeding.

As shown by the attached Certificate of Service, all parties of this proceeding are being served. The Prehearing Memorandum was filed electronically with the Commission on this date.

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

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
May 7, 2013  
Page 2

With regards, I am

Very truly yours,



Carl J. Zwick  
*Counsel to Snyder Brother, Inc.*

CJZ/jlb  
Enclosures

cc: Administrative Law Judge, Honorable Mark A. Hoyer (via E-mail and First-Class Mail)  
Certificate of Service  
File

**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 of Equitable	:	
Gas Company, LLC and PNG Companies,	:	
LLC, (2) to Merge Equitable Gas Company,	:	
LLC with Peoples Natural Gas Company	:	Docket Nos. A-2013-2353647
LLC, (3) to Transfer Certain Storage and	:	A-2013-2353649
Transmission Assets of Peoples Natural Gas	:	A-2013-2353651
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	:	

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**PREHEARING MEMORANDUM OF  
SNYDER BROTHERS, INC**

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Pursuant to Administrative Law Judge (“ALJ”) Mark A. Hoyer’s Prehearing Conference Order, issued on April 24, 2013, Snyder Brothers, Inc. (“Snyder Brothers”) hereby submits this Prehearing Memorandum in the above-captioned proceeding.

**I. HISTORY OF THE PROCEEDING**

On March 18, 2013, Peoples Natural Gas Company LLC (“PNG”), its affiliate Peoples TWP, LLC (“TWP”), and Equitable Gas Company (“Equitable”) (collectively, “Joint Applicants”), jointly filed the above-captioned matters with the Pennsylvania Public Utility Commission (“PUC” or “Commission”) seeking, *inter alia*, approval of PNG’s and TWP’s

indirect affiliate(s) to acquire substantially all of Equitable, in exchange for a monetary payment together with the assignment of PNG's storage and transportation facilities to Equitable's federally-regulated affiliate.

On April 12, 2013, Snyder Brothers submitted a Petition to Intervene. A description of Snyder Brothers is set forth in Paragraph 4 of its Petition to Intervene.

A Prehearing Conference has been scheduled in this proceeding for May 9, 2013.

## **II. ANTICIPATED ISSUES AND SUB-ISSUES**

Snyder Brothers continues to evaluate the Joint Applicants' proposed merger and expects to continue to do so throughout the course of this proceeding while fully participating as a party. Snyder Brothers' preliminary review of the Joint Applicants' filing indicates the need for Commission investigation into at least the following issues, namely, whether:

a. the proposed transfer of storage and transportation assets from PNG to Equitable's affiliate could negatively impact the currently-favorable conditions on the PNG system;

b. the proposed transfer of storage and transportation assets from PNG to Equitable's affiliate could have a material and significant impact on the costs of natural gas suppliers operating on the PNG system;

c. the resultant impact of increasing costs of natural gas suppliers operating on the PNG system could negatively affect Snyder Brothers' business and customer contracts and reduce Snyder Brothers' ability to provide low-cost supply to consumers in the future;

d. the proposed asset transfer, as well as the attendant changes to business requirements, could hinder the development of customer choice on PNG's system and the broader market, because new suppliers could be less desirous to enter the market; and

e. the proposed transaction could negatively impact Snyder Brothers as a producer of and investor in natural gas in the Commonwealth.

Snyder Brothers anticipates pursuing these issues during this proceeding and reserves the right to raise further issues and to respond to all matters raised by other parties.

### **III. PROPOSED WITNESSES**

Snyder Brothers is still evaluating whether it will call any witnesses in this proceeding. To the extent Snyder Brothers determines to call one or more witnesses and submit testimony in this proceeding, Snyder Brothers will promptly inform the ALJ and other parties of the details of any such witness(es) and testimony. Notwithstanding whether Snyder Brothers calls any witnesses, however, Snyder Brothers reserves the right to participate in this proceeding and serve discovery on the Joint Applicants and other parties; cross-examine witnesses of the Joint Applicants and other parties; submit briefs to the Commission on issues of concern; and submit exceptions and reply exceptions, as necessary, to the Commission.

### **IV. PROPOSED SCHEDULE AND DISCOVERY RULES**

Snyder Brothers will cooperate with the ALJ and parties at the Prehearing Conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any ALJ directives. Snyder Brothers shares the belief of other parties that the proposed procedural schedule circulated by the Joint Applicants is too aggressive and does not provide adequate time for parties to properly evaluate the proposed merger and its resultant impacts.

**V. POSSIBILITY OF SETTLEMENT**

Snyder Brothers is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

HOPKINS HELTZEL LLP

By



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*Counsel for Snyder Brothers, Inc.*

Dated: May 7, 2013

**CERTIFICATE OF SERVICE**

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Dated this 7<sup>th</sup> day of May, 2013, at DuBois, Pennsylvania.