**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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| 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 |

**THIRD INTERIM ORDER GRANTING PETITIONS TO WITHDRAW PETITIONS TO INTERVENE AND UNOPPOSED PETITION TO WITHDRAW SETTLEMENTS; AND CLOSING THE RECORD**

On March 19, 2013, Peoples Natural Gas Company LLC (“Peoples”), Peoples TWP LLC (“Peoples TWP”), and Equitable Gas Company, LLC (“Equitable”) (hereinafter collectively referred to as the “Joint Applicants”) filed a Joint Application with the Pennsylvania Public Utility Commission (“Commission”) requesting all necessary approvals pursuant to Sections 1102(a)(3), 1317(d), 2102(a), and 2204(e)(4) of the Public Utility Code (“Code”), 66 Pa.C.S. §§ 1102(a)(3), 1317(d), 2102(a), and 2204(e)(4), authorizing and approving: (1) the transfer of 100% of the issued and outstanding limited liability company membership interests in Equitable, an indirect subsidiary of EQT Corporation (“EQT”), to PNG Companies LLC (“PNG”), an indirect subsidiary of SteelRiver Infrastructure Fund North America LP (“SRIFNA”); (2) the merger of Equitable with Peoples, a wholly-owned subsidiary of PNG, and the operation of Equitable as an operating division of PNG; (3) the transfer of certain storage and transmission assets of Peoples to EQT; (4) the transfer of certain assets and/or the exchange of certain services between EQT and Equitable; (5) certain PNG ownership changes associated with the transaction; (6) the associated gas capacity, storage, interconnects, leases, and supply service agreements among Peoples, Peoples TWP, Equitable, and/or EQT set forth in the Joint Application; and (7) certain changes in Peoples’ tariff necessary to carry out the transactions (hereinafter, collectively the “Transaction”).

Petitions to Intervene were filed by several parties including the Retail Energy Supply Association and Dominion Transmission, Inc. Both of the aforementioned parties filed petitions to withdraw from this proceeding. No objections to said petitions to withdraw were filed by any party to this proceeding and the same are granted in the ordering paragraphs to follow because granting said petitions to withdraw is in the public interest. *See*, 52 Pa.Code § 4.94.

An evidentiary hearing was held on September 11, 2013. The parties in attendance moved their respective testimonies and exhibits into the record and the same were admitted, subject to a Protective Order. The remaining Citizens for Pennsylvania’s Future (“PennFuture”) Issues were litigated at the evidentiary hearing. As a result of settlement discussions, the Joint Applicants, the Commission’s Bureau of Investigation and Enforcement (“I&E”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), Pennsylvania Independent Oil & Gas Association (“PIOGA”), Dominion Retail, Inc. and Interstate Gas Supply, Inc. (“NGS Parties”), Snyder Brothers, Inc. (“Snyder Brothers”) and United States Steel Corporation (“US Steel”) reached a settlement in principle prior to the September 11, 2013 evidentiary hearing that fully resolved all issues related to the Transaction (“Transaction Issues”), except for PennFuture’s proposal that the Joint Applicants be required to implement a five-year, $220 million demand side management (“DSM”) plan as a condition of the Commission’s approval of the Transaction (“PennFuture Issues”).[[1]](#footnote-1) On September 25, 2013, a Joint Petition for Approval of Non-Unanimous Settlement executed by the Joint Applicants, I&E, OCA, OSBA, PIOGA, NGS Parties, Snyder Brothers and US Steel was filed.

Following the conclusion of the evidentiary hearing, the Joint Applicants and PennFuture continued to engage in additional settlement discussions in an effort to resolve the remaining PennFuture Issues. On October 2, 2013, a Joint Petition for Approval of Settlement between the Joint Applicants and Citizens for Pennsylvania’s Future was filed. I directed the parties to these settlements to confer to discuss the two settlement agreements (Joint Petition for Approval of Non-Unanimous Settlement and Joint Petition for Approval of Settlement between the Joint Applicants and Citizens for Pennsylvania’s Future) for the purpose of consolidating them into one joint petition for my consideration and the consideration of the Commission. The parties agreed to do so and on October 7, 2013, a Joint Petition for Settlement of All Issues (hereinafter referred to as “Settlement”) was filed.[[2]](#footnote-2)

On October 7, 2013, the Joint Applicants filed an Unopposed Petition to Withdraw Settlements pursuant to Section 5.94(a) of the Pennsylvania Public Utility Commission’s (“Commission”) regulations, 52 Pa.Code § 5.94(a) and requested that the Joint Petition for Approval of Non-Unanimous Settlement filed on September 25, 2013, and the Joint Petition for Approval of Settlement Between the Joint Applicants and Citizens for Pennsylvania’s Future filed on October 2, 2013, be withdrawn in their entirety and replaced with the Joint Application for Settlement of All Issues filed on October 7, 2013. The petition is unopposed and all parties waived their right to object to the petition. The Unopposed Petition to Withdraw Settlements is granted in the ordering paragraphs below. *See*, 52 Pa.Code § 4.94.

There are no further hearings scheduled in this proceeding.

THEREFORE,

IT IS HEREBY ORDERED:

1. That Dominion Transmission Inc.’s petition to withdraw Petition to Intervene is granted.

2. That Retail Energy Supply Association’s petition to withdraw Petition to Intervene is granted.

3. That the Unopposed Petition to Withdraw Settlements filed by the Joint Applicants on October 7, 2013 is granted.

4. That the Joint Petition for Approval of Non-Unanimous Settlement filed on September 25, 2013 is withdrawn in its entirety.

5. That the Joint Petition for Approval of Settlement between the Joint Applicants and Citizens for Pennsylvania’s Future filed on October 2, 2013 is withdrawn in its entirety.

6. That the records at Docket No. A-2013-2353647, Docket No. A-2013-2353649 and Docket No. A-2013-2353651 are closed.

Dated: October 31, 2013 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mark A. Hoyer

Administrative Law Judge

1. Penn State University (“PSU”), Peoples Equitable Merger Intervenors (“PEMI”), Utility Workers Union of America Local 666 (“UWUA”), International Brotherhood of Electrical Workers Local 1956 (“IBEW”), United Steelworkers, and PennFuture were not parties to the settlement of the Transaction Issues but did not oppose the settlement of the Transaction Issues. [↑](#footnote-ref-1)
2. I&E, OCA, OSBA, PIOGA, NGS Parties, Snyder Brothers, US Steel, PSU, PEMI, UWUA, IBEW, and United Steelworkers are not parties to the settlement of the PennFuture Issues but do not oppose the settlement of the PennFuture Issues. PSU, PEMI, UWUA, IBEW, United Steelworkers and PennFuture are not parties to the settlement of the Transaction Issues but do not oppose the settlement of the Transaction Issues. [↑](#footnote-ref-2)