

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF PNG)	
COMPANIES LLC, DRAKE MERGER SUB INC.,)	
AND DELTA NATURAL GAS COMPANY, INC.)	CASE NO.
FOR APPROVAL OF AN ACQUISITION OF)	2017-00125
OWNERSHIP AND CONTROL OF DELTA)	
NATURAL GAS COMPANY INC.)	

ORDER

On March 17, 2017, PNG Companies LLC (“PNG”), Drake Merger Sub. Inc. (“Drake”), and Delta Natural Gas Company, Inc. (“Delta”) (collectively “Joint Applicants”) jointly filed an application for approval by the Commission of the acquisition by PNG of ownership and control of Delta. The acquisition of ownership and control of Delta will result from the merger of Drake, a wholly owned subsidiary of PNG, with and into Delta, which will be the surviving corporation in the merger and will become a wholly owned subsidiary of PNG.

The acquisition of Delta by PNG is governed by KRS 278.020(6) and (7), and the latter subsection requires the Commission to adjudicate such applications within 60 days of filing, unless good cause exists to continue the application for an additional 60 days. Here, we find that an investigation of the proposed acquisition is necessary to determine its reasonableness, and that the investigation cannot be completed within 60 days of the filing date of the application. In addition, we find that a procedural schedule should be established to commence a review of the reasonableness of the proposed

transfer of control. That procedural schedule is attached as an Appendix to this Order and is incorporated herein.

IT IS THEREFORE ORDERED that:

1. Joint Applicants' request for approval of the proposed acquisition of ownership and control is continued for an additional 60 days from May 16, 2017, to July 15, 2017, pursuant to KRS 278.020(6).

2. The procedural schedule for processing the review of the proposed transfer of control is attached hereto as an Appendix and shall be followed in this case.

3. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8, and shall also file the original and six copies in paper medium. The original and six copies in paper medium shall be appropriately bound, tabbed and indexed.

4. All parties shall respond to any interrogatories or requests for production of documents that Commission Staff submits in accordance with the procedural schedule set forth in the Appendix.

5. a. Responses to requests for information shall include the name of the witness responsible for responding to the questions related to the information provided. The original and six copies in paper medium shall be appropriately bound, tabbed and indexed.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

f. Any party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

6. Any motion to intervene filed after April 3, 2017, shall show a basis for intervention and good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

7. Joint Applicants shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2)(b). In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov." At the time publication is requested, Joint Applicants shall forward a duplicate of the notice and request to the Commission.

8. At any public hearing on this matter, neither opening statements nor closing summarization of direct testimonies shall be permitted.

9. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video transcript shall be made of the hearing.

10. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

11. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission

ENTERED MAR 30 2017 KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:



Executive Director *for*

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00125 DATED **MAR 30 2017**

- Requests for intervention shall be filed no later than4/03/17
- Initial requests for information to Joint Applicants
shall be filed no later than4/07/17
- Joint Applicants shall file responses to
initial requests for information no later than.....4/19/17
- Supplemental requests for information to
Joint Applicants shall be filed no later than4/26/17
- Joint Applicants' responses to supplemental requests
for information shall be filed no later than5/05/17
- Intervenor Testimony, if any, in verified prepared form
shall be filed no later than.....5/10/17
- All requests for information to Intervenors shall be
filed no later than.....5/17/17
- Intervenors' responses to requests for information
shall be filed no later than.....5/26/17
- Joint Applicants' rebuttal testimony, if any, in
verified prepared form shall be filed no later than.....6/1/17
- Public Hearing to be held in Hearing Room 1
of the Commission's offices at 211 Sower Boulevard,
Frankfort, Kentucky, for the purpose of cross-examination
of witnesses of Joint Applicants and Intervenors at 9:00 a.m.
Eastern Daylight time.....6/8/17

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