

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 24, 2017

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APPLICATION OF

VIRGINIA NATURAL GAS, INC.

CASE NO. PUE-2016-00143

For a general increase in rates and for
authority to revise the terms and conditions
applicable to natural gas service

CORRECTING ORDER

On March 31, 2017, Virginia Natural Gas, Inc. ("VNG" or "Company"), filed with the State Corporation Commission ("Commission") an application pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") requesting authority to increase its rates and charges, effective September 1, 2017, and to revise other terms and conditions applicable to its gas service ("Application").

On April 20, 2017, the Commission issued an Order for Notice and Hearing ("Order") in this proceeding. In the first paragraph, the Order states: "VNG indicates that the proposed rates and charges are designed to increase the Company's annual non-gas base revenues by approximately \$41.1 million per year, which includes \$13.4 million currently being collected by the Company outside of base rates in a surcharge associated with its Steps to Advance Virginia's Energy plan ("SAVE Plan") pursuant to Code § 56-603 *et seq.*" The Order should have said that the Company proposes to increase its annual non-gas base revenues by approximately \$44.1 million.

Further, Ordering Paragraph (4) requires VNG to file a bond with the Commission and should have required the amount of the bond to be \$44.1 million.

Finally, Ordering Paragraph (7) of the Order requires VNG to publish notice in newspapers of general circulation throughout its service territory. This notice contains a similar error for the amount of the proposed increase.

Accordingly, IT IS ORDERED THAT:

(1) The sentence referenced above in the first paragraph of the Order hereby is amended to state the following: "VNG indicates that the proposed rates and charges are designed to increase the Company's annual non-gas base revenues by approximately \$44.1 million per year, which includes \$13.4 million currently being collected by the Company outside of base rates in a surcharge associated with its Steps to Advance Virginia's Energy plan ("SAVE Plan") pursuant to Code § 56-603 *et seq.*"

(2) Ordering Paragraph (4) hereby is amended to state the following: "On or before June 20, 2017, VNG shall file a bond with the Commission in the amount of \$44.1 million payable to the Commission and conditioned to insure the prompt refund by the Company to those entitled thereto of all amounts the Company shall collect in excess of such rates and charges as the Commission may finally fix and determine."

(3) The notice provision set forth in Ordering Paragraph (7) of the Order is corrected and amended to read as follows:

NOTICE TO THE PUBLIC OF
VIRGINIA NATURAL GAS, INC.'S
APPLICATION FOR A GENERAL INCREASE IN RATES AND
FOR AUTHORITY TO REVISE THE TERMS AND
CONDITIONS APPLICABLE TO NATURAL GAS SERVICE
CASE NO. PUE-2016-00143

On March 31, 2017, Virginia Natural Gas, Inc. ("VNG" or "Company"), filed with the State Corporation Commission ("Commission") an application pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") requesting authority to increase its rates and charges, effective September 1,

2017, and to revise other terms and conditions applicable to its gas service ("Application"). VNG indicates that the proposed rates and charges are designed to increase the Company's annual non-gas base revenues by approximately \$44.1 million per year, which includes \$13.4 million currently being collected by the Company outside of base rates in a surcharge associated with its Steps to Advance Virginia's Energy plan ("SAVE Plan") pursuant to Code § 56-603 *et seq.* VNG states the requested increase in annual non-gas base revenues reflects its costs and revenues for the test year ending September 30, 2016, the increase in the Company's average rate base since its last base rate increase in 2011, an updated capital structure and requested return on equity of 10.25%, and certain rate year adjustments that "can be reasonably predicted to occur" during the 12 months ending August 31, 2018 ("Rate Year"), as permitted by Code § 56-235.2.

VNG states that, since the 2011 Rate Case, it has made significant capital investments to improve the safety and reliability of its natural gas system. The Company represents that it will have invested more than \$453 million to improve the integrity and performance of its system from the beginning of 2012 through August 31, 2017. VNG projects that it will invest approximately \$77 million more during the Rate Year.

The Company states that its SAVE Plan was designed to facilitate the accelerated replacement of SAVE-eligible natural gas infrastructure and was implemented in 2012. VNG represents that it will have dedicated approximately \$148 million of its capital expenditures through August 31, 2017, to its SAVE Plan. The Company indicates that, until now, it has recovered SAVE Plan capital investments through a separate surcharge outside of base rates.

VNG states in its Application that, in the time since the 2011 Rate Case, it has experienced changes in its operating costs to meet and exceed new and expanded state and federal operational compliance standards, including growing its workforce and focusing on training and development. The Company indicates that its non-gas operations and maintenance ("O&M") expenses have increased by approximately \$12.9 million since the 2011 Rate Case and that this increase is primarily driven by safety and compliance as well as normal inflationary cost pressures. In its Application, the Company provides further detail on these and other O&M initiatives including: (i) implementation of a distribution integrity management program; (ii) expansion of the Company's Construction Operation Department; (iii) continued

emphasis on its Damage Prevention Department and expansion of educational programs and partnerships; (iv) implementation of an enhanced operator qualification program; and (v) increased work related to paving and maintenance to maintain critical infrastructure.

VNG represents that a typical residential customer with average usage will experience an average increase of \$7.98 per month under the proposed rates. The Company also proposes revisions to its Terms and Conditions and Schedules for Supplying Gas including: (i) providing an option for customers to request excess flow valves on existing gas service lines; (ii) a gas line extension offer for new customers; (iii) a revision to the timing and calculation of the true-up component in its purchased gas cost adjustment mechanism; and (iv) a new rate schedule and revisions to existing rate schedules.

Interested persons are encouraged to review the Application and supporting documents for the details of these and other proposals. While the total revenue that may be approved by the Commission is limited to the amount produced by the Company's proposed rates, TAKE NOTICE that the Commission may approve revenues, and adopt rates, fees, charges, tariff revisions, and terms and conditions of service that differ from those appearing in the Application and supporting documents and may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents.

The Commission entered an Order for Notice and Hearing that, among other things, permits the Company to place its proposed rates, charges, and terms and conditions of service into effect on an interim basis, subject to refund, effective September 1, 2017.

The Commission's Order for Notice and Hearing scheduled a public hearing at 10 a.m. on October 2, 2017, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Commission's Staff. Any person desiring to testify as a public witness should appear at the hearing location fifteen (15) minutes prior to the starting time of the hearing and contact the Commission's Bailiff.

Copies of the public version of all documents filed in this case are available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

Copies of the Company's Application and the Commission's Order for Notice and Hearing also may be inspected during regular business hours at each of the Company's business offices in the Commonwealth of Virginia. Copies of these documents also may be obtained, at no charge, by submitting a written request to counsel for the Company: Joseph K. Reid III, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219-3916. If acceptable to the requesting party, the Company may provide the documents by electronic means.

On or before September 25, 2017, any interested person may file written comments on the Company's Application with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Interested persons desiring to submit comments electronically may do so on or before September 25, 2017, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact disks or any other form of electronic storage medium cannot be filed with the comments. All such comments shall refer to Case No. PUE-2016-00143.

Any person or entity may participate as a respondent in this proceeding by filing a notice of participation on or before July 6, 2017. If not filed electronically, an original and fifteen (15) copies of a notice of participation shall be filed with the Clerk of the Commission at the address set forth above. A copy of the notice of participation shall be sent to counsel for VNG at the address set forth above. Pursuant to Rule 5 VAC 5-20-80, *Participation as a respondent*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent shall be represented by counsel as required by Rule

5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUE-2016-00143. For additional information about participation as a respondent, any person or entity should obtain a copy of the Commission's Order for Notice and Hearing.

The Commission's Rules of Practice may be viewed at the Commission's website: <http://www.virginia.scc.gov/case>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Hearing in this proceeding may be obtained from the Clerk of the Commission at the address set forth above.

VIRGINIA NATURAL GAS, INC.

- (4) All other provisions of the Order shall remain in full force and effect.
- (5) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Joseph K. Reid III, Esquire, Elaine S. Ryan, Esquire, and Jennifer D. Daglio, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219-3916; Erica L. McGill, Esquire, Southern Gas Company, Ten Peachtree Plaza, NE, Atlanta, Georgia 30309; and C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219-3424. A copy shall be delivered to the Commission's Office of General Counsel and Divisions of Public Utility Regulation, Utility Accounting and Finance, and Utility and Railroad Safety.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, APRIL 20, 2017

SEC-CLERK'S OFFICE
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APPLICATION OF

VIRGINIA NATURAL GAS, INC.

CASE NO. PUE-2016-00143

For a general increase in rates and for
authority to revise the terms and conditions
applicable to natural gas service

ORDER FOR NOTICE AND HEARING

On March 31, 2017, Virginia Natural Gas, Inc. ("VNG" or "Company"), filed with the State Corporation Commission ("Commission") an application pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") requesting authority to increase its rates and charges, effective September 1, 2017, and to revise other terms and conditions applicable to its gas service ("Application"). VNG indicates that the proposed rates and charges are designed to increase the Company's annual non-gas base revenues by approximately \$41.1 million per year, which includes \$13.4 million currently being collected by the Company outside of base rates in a surcharge associated with its Steps to Advance Virginia's Energy plan ("SAVE Plan") pursuant to Code § 56-603 *et seq.*¹ VNG states the requested increase in annual non-gas base revenues reflects its costs and revenues for the test year ending September 30, 2016, the increase in the Company's average rate base since its last base rate increase in 2011,² an updated capital structure and requested return on equity of 10.25%, and certain rate year adjustments that "can be

¹ Application at 1; Direct Testimony of Michael J. Morley at 11; Schedule 21.

² See *Application of Virginia Natural Gas, Inc., For an increase in base rates and for authority to revise the terms and conditions applicable to natural gas service pursuant to Chapter 10 (§ 56-232 et seq.) of Title 56 of the Code of Virginia*, Case No. PUE-2010-00142, 2011 S.C.C. Ann. Rept. 407, Final Order (Dec. 20, 2011) ("2011 Rate Case").

reasonably predicted to occur" during the 12 months ending August 31, 2018 ("Rate Year"), as permitted by Code § 56-235.2.³

VNG states that, since the 2011 Rate Case, it has made significant capital investments to improve the safety and reliability of its natural gas system.⁴ The Company represents that it will have invested more than \$453 million to improve the integrity and performance of its system from the beginning of 2012 through August 31, 2017. VNG projects that it will invest approximately \$77 million more during the Rate Year.⁵

The Company states that its SAVE Plan was designed to facilitate the accelerated replacement of SAVE-eligible natural gas infrastructure⁶ and was implemented in 2012.⁷ VNG represents that it will have dedicated approximately \$148 million of its capital expenditures through August 31, 2017, to its SAVE Plan.⁸ The Company indicates that, until now, it has recovered SAVE Plan capital investments through a separate surcharge outside of base rates.⁹

VNG states in its Application that, in the time since the 2011 Rate Case, it has experienced changes in its operating costs to meet and exceed new and expanded state and federal operational compliance standards, including growing its workforce and focusing on training and development. The Company indicates that its non-gas operations and maintenance

³ Application at 5.

⁴ *Id.* at 3.

⁵ *Id.*

⁶ Direct Testimony of Kerry R. Campbell, Jr. at 25.

⁷ See *Application of Virginia Natural Gas, Inc., For approval of a SAVE plan and rider as provided by Virginia Code § 56-604*, Case No. PUE-2012-00012, 2012 S.C.C. Ann. Rept. 393, Order Approving SAVE Plan and Rider (June 25, 2012).

⁸ Application at 3.

⁹ *Id.* at 3; Direct Testimony of Michael J. Morley at 10.

("O&M") expenses have increased by approximately \$12.9 million since the 2011 Rate Case and that this increase is primarily driven by safety and compliance as well as normal inflationary cost pressures.¹⁰ In its Application, the Company provides further detail on these and other O&M initiatives including: (i) implementation of a distribution integrity management program; (ii) expansion of the Company's Construction Operation Department; (iii) continued emphasis on its Damage Prevention Department and expansion of educational programs and partnerships; (iv) implementation of an enhanced operator qualification program; and (v) increased work related to paving and maintenance to maintain critical infrastructure.¹¹

VNG represents that a typical residential customer with average usage will experience an average increase of \$7.98 per month under the proposed rates.¹² The Company also proposes revisions to its Terms and Conditions and Schedules for Supplying Gas including: (i) providing an option for customers to request excess flow valves on existing gas service lines; (ii) a gas line extension offer for new customers; (iii) a revision to the timing and calculation of the true-up component in its purchased gas cost adjustment mechanism; and (iv) a new rate schedule and revisions to existing rate schedules.¹³

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that VNG should provide notice of its Application; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Company's Application; a procedural schedule should be established to allow interested persons an opportunity to file written or

¹⁰ Application at 4.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.* at 6.

electronic comments on the Company's Application or to participate in this proceeding as a respondent; and the Commission's Staff ("Staff") should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon. We also find that a Hearing Examiner should be appointed to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUE-2016-00143.

(2) As provided by Code § 12.1-31 and Rule 5 VAC 5-20-120, *Procedures before hearing examiners*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"),¹⁴ a Hearing Examiner is appointed to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.

(3) VNG may implement its proposed rates on an interim basis, subject to refund with interest, for service rendered on and after September 1, 2017.

(4) On or before June 20, 2017, VNG shall file a bond with the Commission in the amount of \$41.1 million payable to the Commission and conditioned to insure the prompt refund by the Company to those entitled thereto of all amounts the Company shall collect in excess of such rates and charges as the Commission may finally fix and determine.

(5) A public hearing on the Application shall be convened at 10 a.m. on October 2, 2017, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive into the record the testimony of public witnesses and evidence of the Company, any respondents, and the Commission's Staff. Any person desiring to offer testimony as a public witness need only appear at the hearing location fifteen

¹⁴ 5 VAC 5-20-10 *et seq.*

(15) minutes before the starting time of the hearing and identify himself or herself to the Commission's Bailiff.

(6) The Company shall make copies of its Application, as well as a copy of this Order for Notice and Hearing, available for public inspection during regular business hours at each of the Company's business offices in the Commonwealth of Virginia. A copy also may be obtained by submitting a written request to counsel for VNG, Joseph K. Reid III, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219-3916. If acceptable to the requesting party, the Company may provide the documents by electronic means. Copies of the public version of all documents filed in this case also shall be available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons may also download unofficial copies from the Commission's website:

<http://www.scc.virginia.gov/case>.

(7) On or before June 1, 2017, VNG shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's Virginia service territory:

NOTICE TO THE PUBLIC OF
VIRGINIA NATURAL GAS, INC.'S
APPLICATION FOR A GENERAL INCREASE IN RATES AND
FOR AUTHORITY TO REVISE THE TERMS AND
CONDITIONS APPLICABLE TO NATURAL GAS SERVICE
CASE NO. PUE-2016-00143

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2017, and to revise other terms and conditions applicable to its gas service ("Application"). VNG indicates that the proposed rates and charges are designed to increase the Company's annual non-gas base revenues by approximately \$41.1 million per year, which includes \$13.4 million currently being collected by the Company outside of base rates in a surcharge associated with its Steps to Advance Virginia's Energy plan ("SAVE Plan") pursuant to Code § 56-603 *et seq.* VNG states the requested increase in annual non-gas base revenues reflects its costs and revenues for the test year ending September 30, 2016, the increase in the Company's average rate base since its last base rate increase in 2011, an updated capital structure and requested return on equity of 10.25%, and certain rate year adjustments that "can be reasonably predicted to occur" during the 12 months ending August 31, 2018 ("Rate Year"), as permitted by Code § 56-235.2.

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emphasis on its Damage Prevention Department and expansion of educational programs and partnerships; (iv) implementation of an enhanced operator qualification program; and (v) increased work related to paving and maintenance to maintain critical infrastructure.

VNG represents that a typical residential customer with average usage will experience an average increase of \$7.98 per month under the proposed rates. The Company also proposes revisions to its Terms and Conditions and Schedules for Supplying Gas including: (i) providing an option for customers to request excess flow valves on existing gas service lines; (ii) a gas line extension offer for new customers; (iii) a revision to the timing and calculation of the true-up component in its purchased gas cost adjustment mechanism; and (iv) a new rate schedule and revisions to existing rate schedules.

Interested persons are encouraged to review the Application and supporting documents for the details of these and other proposals. While the total revenue that may be approved by the Commission is limited to the amount produced by the Company's proposed rates, TAKE NOTICE that the Commission may approve revenues, and adopt rates, fees, charges, tariff revisions, and terms and conditions of service that differ from those appearing in the Application and supporting documents and may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents.

The Commission entered an Order for Notice and Hearing that, among other things, permits the Company to place its proposed rates, charges, and terms and conditions of service into effect on an interim basis, subject to refund, effective September 1, 2017.

The Commission's Order for Notice and Hearing scheduled a public hearing at 10 a.m. on October 2, 2017, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Commission's Staff. Any person desiring to testify as a public witness should appear at the hearing location fifteen (15) minutes prior to the starting time of the hearing and contact the Commission's Bailiff.

Copies of the public version of all documents filed in this case are available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

Copies of the Company's Application and the Commission's Order for Notice and Hearing also may be inspected during regular business hours at each of the Company's business offices in the Commonwealth of Virginia. Copies of these documents also may be obtained, at no charge, by submitting a written request to counsel for the Company: Joseph K. Reid III, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219-3916. If acceptable to the requesting party, the Company may provide the documents by electronic means.

On or before September 25, 2017, any interested person may file written comments on the Company's Application with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Interested persons desiring to submit comments electronically may do so on or before September 25, 2017, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact disks or any other form of electronic storage medium cannot be filed with the comments. All such comments shall refer to Case No. PUE-2016-00143.

Any person or entity may participate as a respondent in this proceeding by filing a notice of participation on or before July 6, 2017. If not filed electronically, an original and fifteen (15) copies of a notice of participation shall be filed with the Clerk of the Commission at the address set forth above. A copy of the notice of participation shall be sent to counsel for VNG at the address set forth above. Pursuant to Rule 5 VAC 5-20-80, *Participation as a respondent*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent shall be represented by counsel as required by Rule

5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUE-2016-00143. For additional information about participation as a respondent, any person or entity should obtain a copy of the Commission's Order for Notice and Hearing.

The Commission's Rules of Practice may be viewed at the Commission's website: <http://www.virginia.scc.gov/case>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Hearing in this proceeding may be obtained from the Clerk of the Commission at the address set forth above.

VIRGINIA NATURAL GAS, INC.

(8) On or before June 1, 2017, VNG shall serve a copy of its Application and this Order for Notice and Hearing on the chairman of the board of supervisors and county attorney of each county and upon the mayor or manager (or equivalent official) and city or town attorney of every city and town in which VNG provides service in the Commonwealth of Virginia. Service shall be made by either personal delivery or first class mail to the customary place of business or residence of the person served.

(9) On or before June 15, 2017, VNG shall file proof of the notice and service required by Ordering Paragraphs (7) and (8), including the name, title, and address of each official served, with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

(10) On or before September 25, 2017, any interested person may file written comments on the Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (9). Any interested person desiring to file comments electronically may do so on or before September 25, 2017, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact disks or any other form of electronic storage

medium cannot be filed with the comments. All comments shall refer to Case No.

PUE-2016-00143.

(11) On or before July 6, 2017, any person or entity may participate as a respondent in this proceeding by filing a notice of participation. If not filed electronically, an original and fifteen (15) copies of a notice of participation shall be filed with the Clerk of the Commission at the address in Ordering Paragraph (9), and each respondent shall serve a copy of the notice of participation on counsel to VNG at the address set forth in Ordering Paragraph (6). Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent shall be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUE-2016-00143.

(12) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon the respondent a copy of this Order for Notice and Hearing, a copy of the Application, and all materials filed by the Company with the Commission, unless these materials already have been provided to the respondent.

(13) On or before August 10, 2017, each respondent may file with the Clerk of the Commission at the address set forth in Ordering Paragraph (9) and serve on the Staff, the Company, and all other respondents, any testimony and exhibits by which the respondent expects to establish its case, and each witness's testimony shall include a summary not to exceed one page. If not filed electronically, an original and fifteen (15) copies of such testimony and exhibits shall be filed with the Clerk of the Commission at the address set forth in Ordering

Paragraph (9). In all filings, respondents shall comply with the Commission's Rules of Practice, including, but not limited to: 5 VAC 5-20-140, *Filing and service*; 5 VAC 5-20-150, *Copies and format*; and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUE-2016-00143.

(14) The Staff shall investigate the Application. On or before August 29, 2017, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of testimony and exhibits concerning the Application, and each Staff witness's testimony shall include a summary not to exceed one page. The Staff shall serve a copy thereof on counsel to the Company and all respondents.

(15) On or before September 18, 2017, VNG shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. The Company shall serve a copy thereof on the Staff and all respondents. If not filed electronically, an original and fifteen (15) copies of such rebuttal testimony and exhibits shall be filed with the Clerk of the Commission at the address set forth in Ordering Paragraph (9).

(16) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories to parties or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) business days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically, or by facsimile, on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for

production is directed to the Staff.¹⁵ Except as modified above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(17) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Joseph K. Reid III, Esquire, Elaine S. Ryan, Esquire, and Jennifer D. Daglio, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219-3916; Erica L. McGill, Esquire, Southern Gas Company, Ten Peachtree Plaza, NE, Atlanta, Georgia 30309; and C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219-3424. A copy shall be delivered to the Commission's Office of General Counsel and Divisions of Public Utility Regulation, Utility Accounting and Finance, and Utility and Railroad Safety.

¹⁵ The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking "Docket Search," then "Search Cases," and entering the case number, PUE-2016-00143, in the appropriate box.