

Commission has authority under Ind. Code §§ 8-1-2-48 and 8-1-2-58 to investigate matters involving the management of public utilities, including a change in a utility's management. Therefore, the Commission has jurisdiction over Snow and Ogden and the subject matter of this proceeding.

2. **Petitioner's Characteristics.** Snow and Ogden is an investor-owned natural gas utility with its principle office located at 3823 South A, Richmond, Indiana. Snow and Ogden provides natural gas utility service to approximately 22 residential gas customers in Henry County, Indiana. Snow and Ogden obtains its natural gas through a perpetual gas lease to two wells, which are part of the Trenton gas fields located in Henry County, Indiana.

3. **Relief Requested.** Snow and Ogden requests that the Commission acknowledge Joe Ramsey's acquisition of 100% of Snow and Ogden's outstanding stock from Kent and Sandra House.

4. **Petitioner's Case-In-Chief.** Joe Ramsey, President and sole stock owner of Snow and Ogden, testified that on November 1, 2011, he acquired all of Snow and Ogden's outstanding stock from Kent and Sandra House through a Stock Purchase Agreement. Mr. Ramsey manages and operates Snow and Ogden. He is responsible for Petitioner's financial, billing, and regulatory affairs and oversees the operation and maintenance of the system.

Mr. Ramsey said he completed a four-year plumbing and pipefitter apprenticeship program at Local Union 661 in Muncie, Indiana, which he started in 1984. The course covered the state plumbing code, the state gas plumbing code, welding, underground pipe work, overhead pipe work, and industrial pipe work. Mr. Ramsey testified that he has twenty-five years of experience in pipefitter construction, pipelines, and steam operation, including five years as a plumbing contractor. Over the past three years, he has worked as a licensed real estate agent. Mr. Ramsey said that through managing his own plumbing contractor business and working as a real estate agent, he gained management, business operation, and customer service experience that has prepared him to manage and operate Snow and Ogden. Mr. Ramsey testified that his twenty-five years of industrial pipefitting experience provided him with an understanding of the schedule required to maintain gas facilities, including underground piping, controls and regulations, and pressure reducers, and the practical experience and knowledge necessary to properly maintain Snow and Ogden's facilities.

Mr. Ramsey testified that he plans to enroll and complete Utility Safety and Design, Inc. ("USDI") operating courses in order to become licensed to perform installations and maintenance. At the Evidentiary Hearing, Mr. Ramsey clarified that he hired USDI to create a written operator qualification plan, which has been completed. In February 2013, Mr. Ramsey plans to begin the Midwest Energy Association ("MEA") courses, which should require two to three months to complete. After the MEA courses are completed, USDI will perform a field evaluation. Until he completes the USDI courses, Mr. Ramsey said that licensed contractors will be used to perform installations and maintenance, including preventative gas well maintenance.

Mr. Ramsey testified that Kent E. Honse has provided consulting services to Snow and Ogden related to the operation of its business and maintaining compliance with Indiana statutes

and rules. Mr. Ramsey said that funds for improvements and operation will be financed through equity contributions and Snow and Ogden's revenues. Due to the small size of the company and the inability to obtain outside financing at a reasonable rate, Mr. Ramsey said it is the preference of Snow and Ogden to obtain equity rather than debt financing. Mr. Ramsey testified that currently Snow and Ogden does not maintain any debt or financing. Snow and Ogden has annual revenues between \$18,000 and \$24,000. Snow and Ogden's expenses include annual costs for routine maintenance of approximately \$1,500, administrative overhead costs, and costs associated with walking the line and performing minor maintenance at the well head.

At the Evidentiary Hearing, Mr. Ramsey provided evidence regarding his personal financial health and the financial health of Snow and Ogden. Mr. Ramsey said that Snow and Ogden will continue to timely file the company's 2012 Class C – D Private Gas Utility Annual Report and that he will hire an accountant with requisite utility accounting experience to assist him in preparing Snow and Ogden's 2012 financial information.

Mr. Ramsey also testified that Snow and Ogden submitted a 2011 Pipeline Safety Report and that no safety issues were reported. He further testified that he is not aware of any outstanding safety or compliance issues at Snow and Ogden. When questioned about a September 14, 2011 letter from the Commission's Pipeline Safety Division to Snow and Ogden's former owners, Mr. Ramsey said that he could not locate a copy of the letter in Petitioner's books and records. However, Mr. Ramsey testified that Snow and Ogden is in compliance with all state and federal pipeline safety codes and that safety and compliance are of utmost importance to Snow and Ogden.

5. OUCC's Case-in-Chief. Bradley E. Lorton, a Utility Analyst in the OUCC's Natural Gas Division, testified in support of the relief sought by Snow and Ogden. Mr. Lorton noted that Mr. Ramsey has 25 years experience as an industrial pipefitter in construction, pipelines, and steam operation. Mr. Lorton testified that the OUCC believes that Mr. Ramsey has sufficient business and technical experience to manage a small company. Mr. Lorton stated that because Mr. Ramsey has no previous experience running a gas utility, the OUCC is encouraged that Mr. Ramsey retained the previous owners on a contract basis to provide consulting and other managing services and intends to complete operating courses with USDI to become licensed and to perform installation maintenance. Mr. Lorton stated the OUCC recommends that the Commission acknowledge Mr. Ramsey's acquisition of Snow and Ogden. However, Mr. Lorton expressed the OUCC's concern with the lateness of Petitioner's filing and believes the matter should have been brought to the Commission's attention prior to the stock acquisition.

6. Discussion and Findings. The Commission has statutory authority to review and consider the effects of a change in control or management of a public utility as the result of a stock transaction. The Commission has broad authority under Ind. Code § 8-1-2-58 to investigate the activities of public utilities. Further, the Commission has specific statutory authority to review and investigate the activities of public utility management under Ind. Code § 8-1-2-48. The Commission can require public utilities to report when a majority of their stock is transferred. Upon receiving a report of a transfer of a majority interest in ownership of public utility stock, the Commission may make such inquiry as it deems appropriate. If the results of

that inquiry raise concerns regarding the new management of the public utility, the Commission may initiate an investigation.

Mr. Ramsey submitted evidence demonstrating his managerial, financial, and technical ability to run Snow and Ogden. Mr. Ramsey has extensive pipefitting experience and is taking steps to obtain further education in pipeline safety and maintenance. In the meantime, Mr. Ramsey is making appropriate use of experienced contractors to assist him in managing and maintaining the utility. Therefore, based on the evidence, we find that Mr. Ramsey has the managerial, financial, and technical ability to own and operate Snow and Ogden.

We conclude that Mr. Ramsey's acquisition of all of Snow and Ogden's stock should be acknowledged and the records of the Commission should reflect his ownership of Snow and Ogden. Mr. Ramsey shall be responsible for ensuring the utility submits any requisite reports to the Commission, including the utility's Annual report, which is due by April 30th of each year. Beginning 30 days after the effective date of this Order, Mr. Ramsey may contact the Commission's Natural Gas Division staff for assistance with reporting requirements and to learn more about the Commission's small utility procedures.

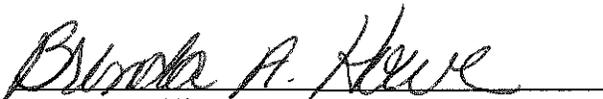
IT IS, THEREFORE, ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION THAT:

1. Joe Ramsey's acquisition of 100% of the stock of Snow and Ogden Gas Co., Inc. is acknowledged by the Commission, and the records of the Commission shall reflect his ownership of the Snow and Ogden stock.
2. Joe Ramsey is authorized to own, control, operate, and manage Snow and Ogden consistent with the finding in Paragraph 6 above.
3. This order shall be effective on and after the date of its approval.

ATTERHOLT, BENNETT, LANDIS, MAYS AND ZIEGNER CONCUR:

APPROVED: MAR 14 2013

**I hereby certify that the above is a true
and correct copy of the order as approved.**



**Brenda A. Howe
Secretary to the Commission**