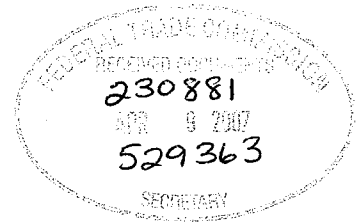


IN THE UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION



In the Matter of)
)
)
EQUITABLE RESOURCES, INC.,)
a corporation,)
)
DOMINION RESOURCES, INC.)
a corporation)
)
CONSOLIDATED NATURAL GAS)
COMPANY.)

Docket No. 9322

a corporation,)
)
and)
)
THE PEOPLES NATURAL GAS)

PUBLIC

a corporation,)
)
)

**ANSWER OF RESPONDENTS DOMINION RESOURCES, INC., CONSOLIDATED
NATURAL GAS COMPANY, AND THE PEOPLES NATURAL GAS COMPANY**

~~Howard E. Heller~~

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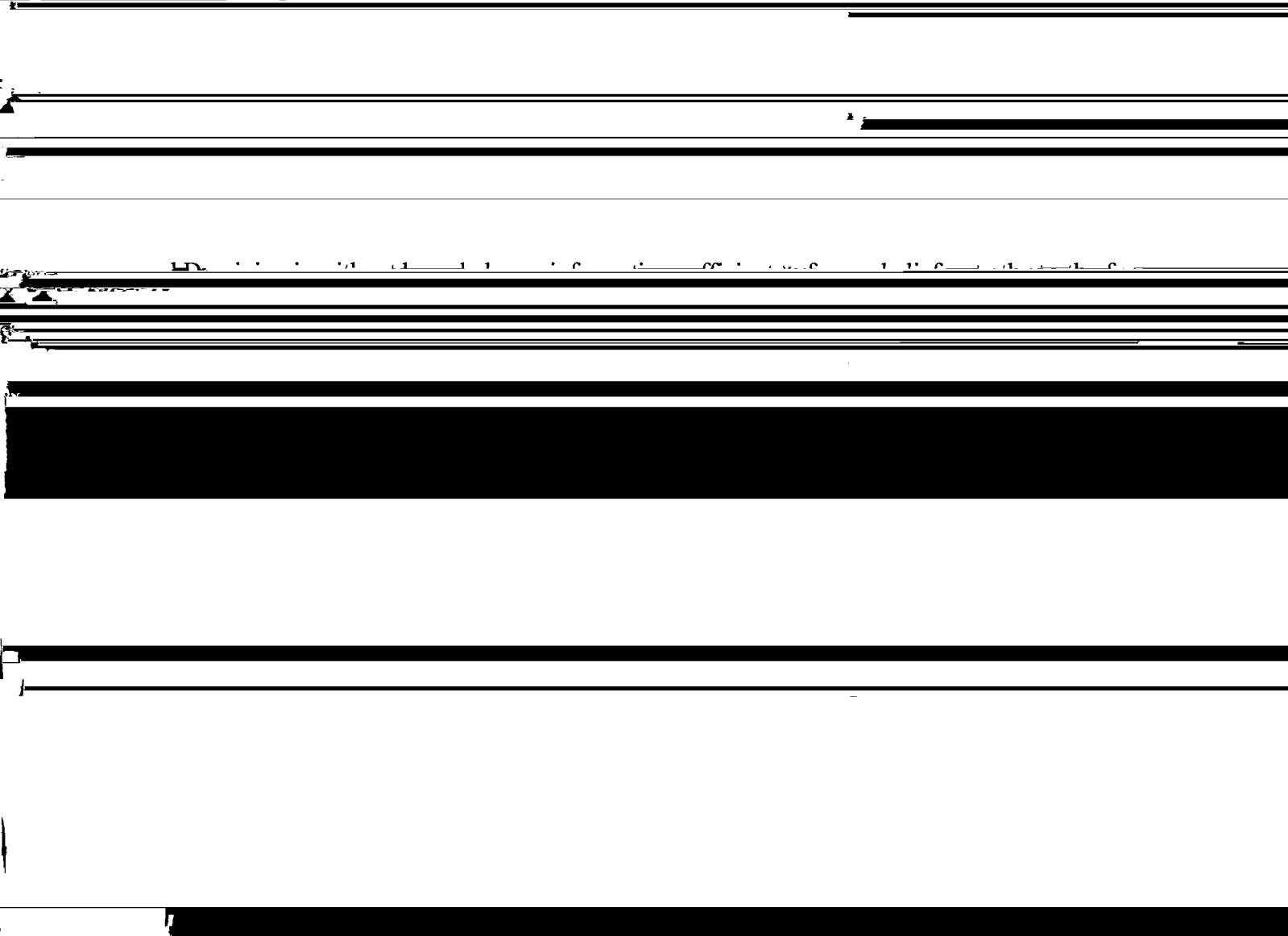
Counsel for: Dominion Resources, Inc.
Consolidated Natural Gas Company

Respondents Dominion Resources, Inc. (“DRI”), Consolidated Natural Gas Company (“CNG”), and The Peoples Natural Gas Company (“Peoples”), (collectively referred to as “Dominion”), by and through their attorneys, state as follows for their Answer and Affirmative Defenses to the Administrative Complaint (“Complaint”) filed by the Federal Trade Commission (“FTC”):

ANSWER

1. The allegations contained in Paragraph 1 relate to a defendant other than Dominion, and Dominion is without knowledge or information sufficient to form a belief as to the truth of these allegations.

2. The allegations contained in Paragraph 2 relate to a defendant other than Dominion.



in Pennsylvania, West Virginia, and Ohio and that CNOC is engaged in production, transportation

and retail marketing of natural gas in Pennsylvania, Virginia, West Virginia, Ohio, and other

18. Dominion admits that the allegations contained in Paragraph 18 of the Complaint reflect a partial description of certain methods by which LDCs receive and distribute natural gas but denies that it is a complete description of how LDCs receive natural gas and distribute it to end-users.

19. The allegations contained in Paragraph 19 of the Complaint are legal conclusions to which no response is required, but Dominion avers that LDCs in Pennsylvania are extensively

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natural gas distribution services from both Peoples and Equitable. Furthermore, Dominion is without knowledge or information sufficient to form a belief as to the truth of the remaining

discounts remain subject to the continuing oversight of the PUC and established Pennsylvania law which gives the PUC exclusive discretion to determine the extent of competition to be allowed between Pennsylvania public utilities. In all other respects, the allegations contained in

Paragraph 23 are denied.

24. Dominion admits that in some areas there have been a very small number of natural gas distribution customers for which Dominion and Equitable have been the only LDCs, and that Dominion also competes against Columbia Gas of Pennsylvania, Inc., T.W. Phillips Gas and Oil Co., and other companies to provide natural gas distribution services to certain customers. Dominion denies that Peoples has an unfettered right to “compete” in these areas. Limited competition exists in Pennsylvania as a form of regulated competition subject to the continuing oversight of the PUC and established Pennsylvania law. In all other respects, the allegations contained in Paragraph 24 are denied.

25. Dominion denies the allegations in Paragraph 25 of the Complaint.

26. Dominion denies the allegations in Paragraph 26 of the Complaint.

27. Dominion denies the allegations in Paragraph 27 of the Complaint.

28. Dominion denies the allegations in Paragraph 28 of the Complaint.

COUNT II

32. Except where specifically admitted above, the allegations contained in the Complaint are denied.

34. All allegations in the Complaint that are not specifically admitted herein are denied.

AFFIRMATIVE DEFENSES

CERTIFICATE OF SERVICE

IN SENATE, January 1, 1964. REPORT OF THE COMMISSIONER OF DOMESTIC AFFAIRS
