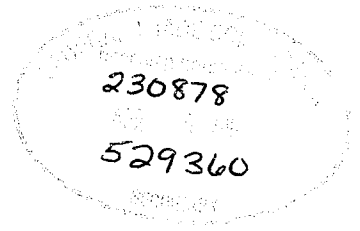


**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**



In the Matter of

EQUITABLE RESOURCES, INC.,
DOMINION RESOURCES, INC.,
CONSOLIDATED NATURAL GAS
COMPANY, and THE PEOPLES
NATURAL GAS COMPANY.

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Docket No. 9322
PUBLIC

**ANSWER OF RESPONDENT EQUITABLE RESOURCES, INC. TO THE FEDERAL
TRADE COMMISSION'S ADMINISTRATIVE COMPLAINT**

Under 16 C.F.R. § 3.12, Respondent Equitable Resources, Inc. ("Equitable"), by and through its attorneys, hereby answers as follows the Administrative Complaint ("Complaint") filed by the Federal Trade Commission ("FTC").

I. THE PARTIES AND JURISDICTION

A. Equitable Resources, Inc.

1. Equitable admits the allegations contained in Paragraph 1.
2. Equitable admits the allegations contained in Paragraph 2.
3. Equitable admits the allegations contained in Paragraph 3.
4. The allegations contained in Paragraph 4 are legal conclusions to which no response is required.

DEFENSES

FIRST DEFENSE

The actions of respondent Equitable challenged in the Administrative Complaint are immunized from application of the Sherman, Clayton and Federal Trade Commission Acts by reason of the state action antitrust doctrine insofar as all of the actions that are the subject of the allegations contained within the FTC's Administrative Complaint were undertaken pursuant to a clearly articulated and affirmatively expressed policy of the Commonwealth of Pennsylvania, acting through the Pennsylvania Public Utility Commission, and are subject to active supervision by the state.

SECOND DEFENSE

The Complaint, in whole or in part, fails to state a claim upon which relief can be granted.

THIRD DEFENSE

The Complaint fails to comply with Section 5(b) of the Federal Trade Commission Act, 15 U.S.C. § 45(b), because the issuance of the Administrative Complaint and the contemplated relief are not in the public interest.

FOURTH DEFENSE

The acquisition will result in substantial merger-specific efficiencies that far outweigh any alleged anticompetitive effects and, as a result of the applicable regulatory system, will benefit consumers.

FIFTH DEFENSE

The alleged market definitions fail as a matter of law.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing ANSWER OF RESPONDENT EQUITABLE RESOURCES, INC. TO THE FEDERAL TRADE COMMISSION'S ADMINISTRATIVE COMPLAINT was served on April 9, 2007, upon the following persons:

By Hand

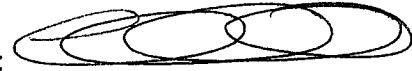
Donald S. Clark, Secretary
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