UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Andrew N. Ferguson, Chairman**
Melissa Holyoak
Mark R. Meador

In the Matter of **QEP Partners, LP,** **a limited partnership,** **Quantum Energy Partners VI, LP,** **a limited partnership,** **Q-TH Appalachia (VI) Investment Partners LLC,** **a limited liability company, and** **EQT Corporation,** **a corporation.**	**DOCKET NO. C-4799**

ORDER DENYING PETITION TO REOPEN

Respondents QEP Partners, LP, Quantum Energy Partners VI, LP, and Q-TH Appalachia (VI) Investment Partners, LLC (collectively "Quantum") filed a petition on June 27, 2025, ("Petition") seeking to reopen and set aside the Commission's 2023 Decision and Order ("Order") issued in *In re QEP Partners, LP*.[1] Quantum argues that the Commission should reopen and set aside the Order based on changed conditions of fact—primarily that Quantum has since fulfilled its obligations under the Order to: (1) divest its voting shares in EQT Corporation ("EQT"), a competing natural gas producer in the Appalachian Basin; (2) amend its Purchase Agreement with EQT to eliminate a board interlock; and (3) dissolve a joint venture with EQT.[2] Quantum also argues that reopening and setting aside the Order would be in the public interest.[3]

For the reasons discussed below, the Commission denies Quantum's Petition. Quantum's compliance with the Order's requirements is not a changed condition of fact that would justify reopening and setting aside the Order. None of the arguments raised by the Petition show that the Order should be reopened and set aside.

[1] Decision and Order, *In re QEP Partners, LP*, Matter No. 2210212 (Oct. 10, 2023).
[2] Petition at 5–8.
[3] *Id*. at 8–10.

I. BACKGROUND

EQT is a producer of natural gas and operates primarily in the Appalachian Basin, a geological formation primarily located in Ohio, Pennsylvania, and West Virginia that is one of the world's largest natural gas reserves. Quantum is an investment firm focused on the energy industry. Its investment funds hold entities involved in natural gas production throughout the country, including in the Appalachian Basin.

On September 6, 2022, EQT and Quantum entered into a Purchase Agreement, pursuant to which EQT would acquire two Quantum entities involved in natural gas production in the Appalachian Basin, THQ Appalachia I Midco ("Tug Hill") and THQ-XcL Holdings I, LLC ("XcL Midstream").[4] In exchange, EQT agreed to pay Quantum approximately $5.2 billion, roughly half in cash and half in shares of EQT stock, amounting to up to 55 million shares.[5] The acquisition would give Quantum control approximately 11 percent of EQT's overall shares, making Quantum one of EQT's largest shareholders.[6] The Purchase Agreement also contemplated that EQT would facilitate the appointment of Quantum's CEO (or another Quantum designee) to EQT's Board of Directors effective upon consummation of the transaction.[7]

Aside from the Purchase Agreement, EQT and Quantum already were partners in a pre-existing joint venture, The Mineral Company ("TMC"), which was dedicated to purchasing Appalachian Basin mineral rights.[8] The joint venture required EQT to give TMC a right of first refusal prior to acquiring mineral rights in a specified region, while Quantum provided funding for the joint venture.[9] According to the Complaint, this arrangement gave Quantum access to EQT's confidential business information, including EQT's mineral acquisition plans.[10]

The Commission issued a Complaint in this matter on October 10, 2023, alleging that the Quantum-EQT Purchase Agreement violated Section 5 of the Federal Trade Commission Act ("FTC Act") and Section 8 of the Clayton Act.[11] The relevant line of commerce alleged in the Complaint was the production and sale of natural gas in the Appalachian Basin, including the acquisition of mineral rights for drilling.[12]

The Complaint alleged that the Purchase Agreement constituted an unfair method of competition in violation of Section 5 of the FTC Act because Quantum's acquisition of EQT stock created the opportunity and threat that the two companies would exchange competitively sensitive information, with the tendency to facilitate collusion or coordination.[13] Because the Purchase Agreement would make Quantum one of EQT's largest shareholders, the Complaint

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[4] Complaint, *In re QEP Partners, LP*, Matter No. 2210212, ¶ 2 (Oct. 10, 2023) ("Complaint").
[5] *Id.* ¶ 15.
[6] *Id.* ¶ 16.
[7] *Id.* ¶ 17.
[8] *Id.* ¶ 18.
[9] *Id.* ¶¶ 4, 19.
[10] *Id.* ¶ 4.
[11] *Id.* ¶¶ 50–51.
[12] *Id.* ¶¶ 21–23.
[13] *Id.* ¶ 47.

further alleged that Quantum would gain the ability to sway competitive decision-making within EQT, and the potential to access EQT's competitively sensitive information.[14] Moreover, the Quantum executive to be appointed to the EQT Board would receive confidential, competitively sensitive information from both companies and would have influence over their respective decisions, according to the Complaint.[15]

The Complaint alleged that even after the transaction, Quantum would continue to compete against EQT through another of its portfolio companies, HG Energy II, LLC.[16] Thus, the Complaint asserted that the Purchase Agreement would have also facilitated an illegal board appointment in violation of Section 5, and that the proposed board appointment would constitute an interlocking directorate in violation of Section 8 of the Clayton Act.[17]

The Complaint also alleged that the existing joint venture between EQT and Quantum, TMC, violated Section 5 of the FTC Act.[18] The Complaint alleged that TMC had the purpose, tendency, and capacity to facilitate coordination and posed an ongoing and incipient threat that competitors would directly communicate, solicit, or facilitate the exchange of competitively sensitive information.[19]

To settle the Complaint's allegations, Quantum and EQT consented to an order that, among other things, required: (1) EQT and Quantum to remove from the Purchase Agreement any right of a Quantum designee to serve on the EQT Board; (2) EQT and Quantum to prohibit any interlocking management between their companies; (3) Quantum to divest all EQT shares by a set deadline and to not exercise any voting rights attached to the shares; (4) prior approval for any future acquisition by Quantum of EQT shares; (5) termination of the TMC joint venture; (6) Quantum to provide annual antitrust compliance training to QEP Partners, LP personnel with managerial responsibility; and (7) Quantum and EQT to submit annual compliance reports to the Commission.[20]

The Commission accepted the proposed decision and order for public comment on August 16, 2023.[21] No public comments were filed. The Commission voted 3-0 to approve the Order on October 10, 2023. The Order's stated purpose is to ensure that Quantum and EQT operate independently of, and in competition with, each other, and to remedy the harm alleged in the Commission's Complaint.[22] The Order has a term of ten years and will terminate on October 10, 2033.[23]

After the Order was accepted for public comment, Quantum and EQT took steps to comply with its provisions. On August 21, 2023, the companies amended the Purchase

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[14] *Id.* ¶ 34.
[15] *Id.* ¶ 47.
[16] *Id.* ¶ 38.
[17] *Id.* ¶¶ 47–48.
[18] *Id.* ¶ 49.
[19] *Id.* ¶ 47.
[20] Order Sections II–IV, VI, XI, XV, and XVI.
[21] Proposed Decision and Order, *In re QEP Partners, LP*, Matter No. 2210212 (Aug. 16, 2023).
[22] Order Section XIX.
[23] *Id.* Section XX.

Agreement to remove EQT's obligation to facilitate Quantum's nomination of a designee to the EQT Board.[24] On February 22, 2024, they dissolved the TMC joint venture.[25] And on October 9, 2024, Quantum completed its divestiture of EQT shares.[26]

Even after taking these steps, however, Quantum still has obligations under the Order. Quantum cannot appoint any person to the EQT Board or have any of its partners, officers, employees, or agents serve simultaneously as an officer or director of EQT, or in any decision-making capacity of any EQT entity involved in natural gas production in the Appalachian Basin.[27] Quantum cannot acquire any EQT shares without the prior approval of the Commission, with certain exceptions.[28] Quantum cannot enter into an agreement not to compete with EQT, other than in connection with the sale of a business, assets, or company.[29] And Quantum must distribute a copy of the Order to new board members, officers, and directors; appoint an Antitrust Compliance Officer and conduct antitrust compliance training of persons with managerial responsibility at QEP Partners, LP; file annual compliance reports with the Commission; notify the Commission of certain changes to its business; and allow Commission staff access to facilities and persons related to compliance with the Order.[30]

On June 27, 2025, Quantum petitioned the Commission under Section 5(b) of the FTC Act[31] and Commission Rule 2.51[32] to reopen and set aside the Order.

II. QUANTUM'S PETITION

Quantum argues that changed conditions of fact require setting aside the Order. According to Quantum, the Order was premised on the information sharing and coordination risks stemming from three factual conditions which no longer exist: (1) Quantum's post-acquisition position as one of EQT's largest shareholders; (2) the contemplated EQT board seat for Quantum's CEO; and (3) the TMC joint venture.[33] Quantum states that "[t]he fact that the Order in this case required Quantum to undertake these actions does not diminish the resulting change in circumstances."[34] Quantum also asserts that two factors—the Commission's decision not to place conditions on a subsequent larger acquisition in the Appalachian Basin (Chesapeake Energy's 2024 acquisition of Southwestern Energy), and a decrease in natural gas prices in the Appalachian Basin—suggest that competition among natural gas producers in the Appalachian Basin is robust, which constitutes a changed condition of fact that supports reopening and setting aside the Order.[35]

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[24] See EQT Corp., Current Report (Form 8-K), Ex. 2.3 (Aug. 22, 2023).
[25] Petition Ex. D (Certification of Cancellation of The Mineral Company LLC).
[26] Petition Ex. C (email from E. Miller to FTC dated October 10, 2024).
[27] Order Section III.
[28] *Id*. Section VI.
[29] *Id*. Section VIII.
[30] *Id*. Sections XIV–XVIII.
[31] 15 U.S.C. § 45(b).
[32] 16 C.F.R. § 2.51.
[33] Petition at 6.
[34] *Ibid*.
[35] *Id*. at 8.

Quantum additionally claims that the public interest requires setting aside the Order for four reasons. First, Quantum states that the Order no longer serves the public interest because its purpose has already been achieved.[36] Quantum has fulfilled three of the requirements of the Order: divesting its EQT shares, dissolving the TMC joint venture, and removing EQT's obligation to facilitate Quantum's nomination to the EQT Board.[37] Second, Quantum argues that setting aside the Order would eliminate unnecessary costs and burdens to Quantum, which would allow for more efficient operations by the company, thus supporting economic investment in the Appalachian Basin.[38] Third, Quantum claims that "it is in the public interest to reward good faith compliance with Commission orders."[39] Finally, Quantum argues that the Complaint alleged a novel theory that the Purchase Agreement's "mere inclusion" of a requirement that EQT facilitate Quantum's nomination to the EQT Board would constitute a violation of Section 8 of the Clayton Act.[40]

The Commission placed the Petition on the public record for a thirty-day comment period, and it received three comments. One comment urged the Commission to maintain the Order without modification.[41] The other two comments, which were largely non-substantive, supported the Petition. The Petition is now ripe for disposition.

III. STANDARDS FOR REOPENING AND SETTING ASIDE

Section 5(b) of the FTC Act requires the Commission to reopen an order to consider whether it should be modified if the petitioner "makes a satisfactory showing that changed conditions of law or fact" so require.[42] A petitioner satisfies this standard if it identifies significant changes in circumstances and shows that the changes either eliminate the need for the order, or make continued application of it inequitable or harmful to competition.[43]

Section 5(b) also provides that the Commission may reopen and modify an order even in the absence of changed circumstances when the Commission determines that the public interest so requires.[44] Before the Commission determines whether to reopen an order, the petitioner must make an initial, prima facie "satisfactory showing" of how the modification would serve the public interest.[45]

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[36] *Ibid*.
[37] *Ibid*.
[38] *Id*. at 9.
[39] *Ibid*.
[40] *Id*. at 9–10.
[41] Comment by American Economic Liberties Project, Docket FTC-2025-0231 (Aug. 21, 2025), https://www.regulations.gov/comment/FTC-2025-0231-0004.
[42] 15 U.S.C. § 45(b).
[43] Order Reopening and Setting Aside Order, *In re Enbridge Inc.*, Matter No. 1610215, at 3 (Apr. 8, 2025) ("Enbridge Order").
[44] *Id*.
[45] 16 C.F.R. § 2.51(b); Enbridge Order at 3.

A petition to reopen and modify must be supported by evidence that is credible and reliable.[46] The petition may not be merely conclusory.[47] It must set forth specific facts demonstrating in detail (1) the nature of the changed conditions and the reasons why they require the requested modification, or (2) the reasons why the public interest would be served by the modification.[48] The petitioner must demonstrate, for example, that the purposes of the order could be achieved more efficiently or effectively with a modification; that the order in whole or part is no longer necessary; or that granting the petition would serve "some other clear public interest."[49] The petitioner must include in the petition all information and material that the petitioner wishes the Commission to consider.[50]

If, after determining that the petitioner has made the required showing, the Commission decides to reopen the order, the Commission will then consider and balance all the reasons for and against modification.[51] In no instance does a decision to reopen an order oblige the Commission to modify it, and the burden remains on the petitioner in all cases to demonstrate why the order should be reopened and modified.[52] The petitioner's burden is not a light one in view of the public interest in repose and the finality of Commission orders.[53]

IV. ANALYSIS

A. No Changes of Fact Justify Reopening and Setting Aside the Order

Quantum asserts that because it has sold its EQT shares, amended the Purchase Agreement so that Quantum will not place a designee on the EQT Board, and dissolved its joint venture with EQT, as required by the Order, "there is no longer any reason to be concerned about the potential harm to competition that formed the 'basic premise of the Order.'"[54] In support of its Petition, Quantum cites the Commission's recent decision in *In re Enbridge Inc*., which set aside a decision and order based on the petitioner's subsequent divestiture of its minority interest in a natural gas pipeline that allegedly gave it access to competitively sensitive information.[55] But the divestiture that preceded the *Enbridge* decision was unanticipated by the order and done voluntarily, unlike Quantum's actions here. In *Enbridge*, following the petitioner's acquisition of a minority interest in a pipeline that competed with one of its own pipelines, the Commission approved an order requiring Enbridge to establish firewalls to restrict access to competitively sensitive information and required Enbridge appointees to recuse themselves from relevant board votes.[56] The order did not require Enbridge to divest its interest in the competing pipeline, nor

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[46] Enbridge Order at 3; Order Reopening and Modifying Order, *In re DTE Energy Co.*, Matter No. 1910068, at 2 (Nov. 23, 2021).
[47] Enbridge Order at 3.
[48] 16 C.F.R. § 2.51(b)(1).
[49] Enbridge Order at 3.
[50] 16 C.F.R. § 2.51(b)(2).
[51] Enbridge Order at 3–4.
[52] *Id*. at 4; see also *United States v. Louisiana-Pacific Corp.*, 967 F.2d 1372, 1376–77 (9th Cir. 1992) (reopening and modification are independent determinations).
[53] Enbridge Order at 4.
[54] Petition at 6 (quoting Order Reopening and Setting Aside Order, *In re Johnson & Johnson*, Matter No. 0510050, at 4 (May 25, 2006)).
[55] Enbridge Order at 4.
[56] Decision and Order, *In re Enbridge Inc.*, Matter No. 1610215, at 7–10 (Mar. 22, 2017).

did the order anticipate that Enbridge would do so. Seven years later, on its own initiative and for reasons unrelated to the Commission's order, Enbridge divested its interest in the competing pipeline, which eliminated the horizontal overlap and obviated the underlying basis for the order.[57]

Here, by contrast, the Order anticipated that Quantum would divest its EQT shares, amend the Purchase Agreement, and dissolve its joint venture with EQT. Indeed, the Order required Quantum to do so.[58] The Order contained other provisions that were intended to remain in effect even after Quantum took those actions, including that the company obtain prior approval for future acquisitions of EQT shares, conduct annual antitrust compliance training, and submit annual compliance reports to Commission staff.[59] Accordingly, Quantum's actions are not "significant or unforeseeable changes in competitive conditions that would obviate the need for the remedy provided in the order or that would impose on [Quantum] any burden different from that contemplated when [Quantum] agreed to the order."[60] Quantum's compliance with the Order's requirements does not qualify as a changed condition of fact under Rule 2.51 that would justify reopening and setting aside the Order.

Quantum also asserts that the Order's prior approval requirement, which applies only to future acquisitions of EQT shares, is unnecessary because it "would not be able to replicate even a sliver of its prior ownership of EQT" without filing under the Hart-Scott-Rodino (HSR) Act and observing the waiting period.[61] It alleges that the current HSR filing threshold would amount to less than one percent of EQT's outstanding voting shares.[62] But Quantum does not point to any changed facts or circumstances to support its argument to remove the prior approval requirement except its divestiture of its EQT shares. The Order required Quantum to divest its EQT shares expeditiously and imposed a prior approval requirement that applies in the period following Quantum's divestiture until the Order's termination date.[63] The Order thus contemplated precisely these circumstances and nevertheless imposed the prior approval provision. Accordingly, Quantum fails to carry its burden to demonstrate changed facts that would justify modifying the prior approval requirement or any other part of the Order.

Nor is Quantum's allegation that the Commission took no action in connection with Chesapeake Energy's 2024 acquisition of Southwestern Energy a change of fact that supports reopening the Order. The Complaint did not allege that Quantum's acquisition of the EQT shares violated Section 7 of the Clayton Act. Rather, the Complaint alleged violations of Section 5 of the FTC Act and Section 8 of the Clayton Act.[64] Quantum's petition does not contend that the Chesapeake Energy acquisition raised similar concerns. Furthermore, as the Ninth Circuit

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[57] Enbridge Order at 4.
[58] Order Sections II, IV, and XI.
[59] *Id*. Sections VI, XV, and XVI.
[60] Opinion of the Commission, *In re Louisiana-Pacific Corp.*, 112 F.T.C. 547, 559 (Nov. 15 1989); see also *United States v. Louisiana-Pacific Corp.*, 967 F.2d 1372, 1377–78 (9th Cir. 1992) (affirming the Commission's denial of a petition for modification).
[61] Petition at 7.
[62] *Id*. at 7 n. 21.
[63] See Order Section VI.B (exempting from prior approval acquisitions of EQT shares that occur after Quantum's divestiture of shares and are received as consideration for an acquisition by EQT (1) of Quantum assets that operate exclusively outside the Appalachian Basin or (2) of assets that Quantum has an interest in but does not control).
[64] Complaint ¶¶ 49–51.

explained in affirming the Commission's denial of a petition to modify that raised similar arguments, "[i]n agreeing to the order, [the petitioner] waived the right to show the lawfulness of the acquisition. The fact that another company might eventually show a similar acquisition to be lawful was a sufficiently foreseeable event at the time [the petitioner] agreed to the consent order to preclude modification of the consent order on this basis."[65]

Finally, the reduction of natural gas spot prices in the market does not justify reopening the Order. The Order did not assume that spot prices would remain unchanged until the Order's expiration; price movement was an assumption necessarily built into the Order. Nor has Quantum shown that the reduction of natural gas spot prices eliminates the dangers alleged in the Complaint—an anticompetitive information exchange and an interlocking directorate—which the Order is designed to remedy.[66]

Quantum has not met its burden of showing that a change of fact requires reopening the Order. The Commission is not required to "reopen [its] final orders 'except in the most extraordinary circumstances.'"[67] The changes that Quantum alleges were all either anticipated when the Order was issued or were foreseeable at that time.

B. Reopening and Setting Aside the Order Is Not in the Public Interest

We also conclude that Quantum has not shown that the public interest requires reopening and setting aside the Order. Quantum raises four arguments as to why setting aside the Order would be in the public interest, but none of them is persuasive.

First, Quantum repeats the argument that because it fulfilled its obligations to amend the Purchase Agreement, terminated the joint venture with EQT, and divested the EQT shares, the Order's purpose has already been achieved.[68] For the same reason that these actions fail to show a change of fact, they also fail to show that it is in the public interest to set aside the Order. The Order, which Quantum agreed to, contains obligations that were intended to extend beyond the date Quantum took those actions.[69] Quantum has not provided any basis to conclude that the provisions of the Order that were intended to continue even after Quantum complied with its affirmative obligations no longer serve the public interest.

Second, Quantum asserts that setting aside the Order will support economic investment in the Appalachian Basin.[70] Quantum asserts that it typically builds companies from scratch, employing a "start-build-and-sell" strategy that increases competition.[71] But Quantum has not supported these assertions with credible and reliable evidence, which alone would justify

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[65] *United States v. Louisiana-Pacific Corp.*, 967 F. 2d at 1378.
[66] See, e.g., *United States v. Phelps Dodge Indus.*, 589 F. Supp. 1340, 1355 (S.D.N.Y. 1984) ("the incentives to collude will be at least as strong in a declining as in any other market.").
[67] *RSR Corp. v. FTC*, 656 F.2d 718, 721 (D.C. Cir. 1981) (quoting *Bowman Transp. v. Arkansas-Best Freight Sys.*, 419 U.S. 281, 296 (1974)).
[68] Petition at 8.
[69] *Supra* at 4.
[70] Petition at 9.
[71] *Ibid*.

rejecting this argument.[72] Moreover, Quantum has not explained how the remaining provisions of the Order, which generally relate to future dealings with EQT, would prevent it from starting, building, and selling future companies.

Quantum also asserts that the Order imposes unnecessary costs and burdens on Quantum because Quantum must individually engage with a large number of its portfolio companies as part of its compliance reporting and training obligations.[73] But Quantum consented to those requirements and their associated costs and burdens when it agreed to the Order. Furthermore, Quantum again fails to support this assertion with credible and reliable evidence.

Third, Quantum asserts that it is in the public interest to set aside the Order to reward good faith compliance with Commission orders "once their purpose is achieved."[74] Good faith compliance with an order is a basic legal requirement buttressed by the availability of civil penalties for failing to comply.[75] Here, Quantum's order compliance is ongoing; several obligations remain, the purposes of which have not yet been achieved. That *one* purpose of a Commission order may have been achieved following a company's ongoing compliance is not a sufficient basis to justify setting aside the rest of an order.

Finally, Quantum asserts that the Complaint "alleged a novel and unfounded legal theory that the mere inclusion of an obligation for one party to facilitate the nomination of an individual to a seat on its board violates Section 8 of the Clayton Act," and that setting the Order aside "supports the proper application of Section 8."[76] According to Quantum, "[u]nder the plain text of Section 8, no violation occurs until a person 'serves' on the boards of two competing companies."[77] But this argument does not address the fact that the Complaint also alleged violations of Section 5 of the FTC Act, which were based on the transaction's potential to facilitate a violation of Section 8 as well as the potential for anticompetitive information sharing arising from Quantum's acquisition of the EQT shares and the TMC joint venture.[78] Quantum does not contest the legal sufficiency of the Complaint's Section 5 claims, which are distinct from the Section 8 claim and provide an independent basis for each of the requirements of the Order. The Commission therefore need not determine whether Quantum's argument concerning the Section 8 claim has merit.

Quantum's arguments that setting aside the Order would further the public interest are unsupported and unconvincing. None of the public interest arguments made by Quantum meets the required showing under Rule 2.51(b).

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[72] See Enbridge Order at 3 ("this showing must be supported by evidence that is credible and reliable."); Order Reopening and Modifying Order, *In re DTE Energy Co.*, Matter No. 1910068, at 2 (Nov. 23, 2021); see also 16 C.F.R. § 2.51(b)(1) (requiring the petitioner to "set forth by affidavit(s) specific facts demonstrating in detail … [t]he reasons why the public interest would be served by the modification.").

[73] Petition at 9. Quantum also mischaracterizes its training obligations, which apply only to persons with managerial responsibility at QEP Partners, LP, not Quantum as a whole. Order Section XV.B.

[74] Petition at 9.

[75] See *United States v. Vitasafe Corp.*, 352 F.2d 62, 62 (2d Cir. 1965) (affirming district court's issuance of civil penalties and injunctive relief for violations of FTC consent order).

[76] Petition at 9–10.

[77] *Id*. at 10 (quoting 15 U.S.C. § 19(a)(1)).

[78] Complaint ¶¶ 3, 6, 32, and 47.

V. CONCLUSION

Quantum has failed to identify changed conditions of fact that justify reopening and setting aside the Order. It has likewise failed to establish that the public interest requires setting aside the Order.

Accordingly,

IT IS ORDERED that the Petition to Reopen the Order in Docket No. C-4799 be, and hereby is, denied.

By the Commission.

April J. Tabor
Secretary

SEAL:
ISSUED: September 30, 2025