

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Summit Natural Gas)
Of Missouri Inc., for Permission and Approval and a)
Certificate of Convenience and Necessity to Construct,)
Install, Own, Operate, Maintain, and Otherwise Control) **File No. GA-2017-0016**
And Manage a Natural Gas Distribution System to)
Provide Gas Service in Various Counties as an)
Expansion of its Existing Certificated Areas)

SECOND AMENDED PARTIAL STIPULATION AND AGREEMENT

COMES NOW Summit Natural Gas of Missouri, Inc. (“Summit”) and the Staff of the Missouri Public Service Commission (“Staff”) and, pursuant to Missouri Public Service Commission (“Commission”) Rule 4 CSR 240-2.115, request that the Commission approve this Second Amended Partial Stipulation and Agreement (“Stipulation”) as a resolution of the issues that are specifically addressed herein. In support thereof, Summit and Staff state and agree as follows:

1. Summit acknowledges that Section 393.170.1, RSMo, states that no gas corporation shall begin construction of a gas plant without having first obtained the permission and approval of the Commission. Summit acknowledges that Section 393.170.2, RSMo, states that no gas corporation shall exercise any right or privilege under any franchise without having obtained permission and approval from the Commission. Summit acknowledges that Sections 393.130 and 393.140, RSMo, provide that a public utility shall serve customers within its certificated areas and Commission Rule 4 CSR 240-13.020(1) states that a public utility shall bill its residential customers in accordance with Commission rules and its approved tariff.

2. Summit admits that it is a gas corporation, as defined by Section 386.020(18), RSMo, and is subject to the jurisdiction of the Commission.

3. Summit admits that it has constructed and installed gas plant for the purpose of providing, and has provided, utility service to customers outside its certificated service area without receiving Commission approval in advance of construction in violation of statutes. Summit states that a portion of the gas plant at issue was installed by Summit's predecessors and never effectuated through a certificate.

4. Summit admits that it has served and billed one hundred and sixty (160) persons or entities for natural gas utility service that were located outside the boundary of its certificated service area in violation of statutes. Attached hereto as Appendix A is a list of the identified persons and entities. Appendix A is identified as Highly Confidential as it contains specific customer information. 4 CSR 240-2.135(B)1. Summit and Staff have worked together to identify any and all Summit customers receiving service outside of Summit's certificated service area. Summit has submitted an application for a Certificate of Public Convenience and Necessity which would lawfully incorporate these customers into its certificated service area. Should Summit later discover that there are additional customers receiving service outside of Summit's certificated service area, it will notify Staff of the existence of those customers. Upon such notification, Staff may take any and all appropriate actions.

5. In lieu of a penalty, Summit agrees to pay the sum of Seventy-Five Thousand Dollars (\$75,000) to the Public School Fund of the State of Missouri. Payment of such sum shall be made in Fifteen Thousand Dollar (\$15,000) tranches. The first payment of Fifteen Thousand Dollars (\$15,000) shall be due within seven (7) days after the effective date of a Commission order in File No. GA-2017-0016

approving this Stipulation and, thereafter, Fifteen Thousand Dollars (\$15,000) shall be paid annually, for a period of four years, from the effective date of such order.

6. Summit agrees not to seek or recover this sum in rates.

7. Summit agrees to submit evidence of the above payments to File No. GA-2017-0016, when such payments are submitted.

8. (A) Staff agrees to not seek or support the imposition of penalties for the provision of service beyond its certificate area against Summit for the provision of, billing for, or other matters related to, utility service to the customers outside of its certificated area, identified in Appendix A.

(B) Staff agrees to not seek or support the imposition of penalties against Summit associated with Summit's failure to obtain Commission permission before construction and installation of gas plant outside its certificated service area in the areas covered by Summit's Certificate of Public Convenience and Necessity granted on April 13, 2017, in File No. GA-2017-0016.

(C) In the event that Summit fails to make the payments identified in paragraph 5 above, Staff's agreements set forth in sections (A) and (B) of this paragraph shall be void and Staff may take any actions against Summit and pursue any and all remedies provided by law. In the event it is discovered that Summit has constructed or installed gas plant outside its certificated service area and is providing or has provided service outside its certificated service area to additional customers after January 1, 2016, Staff's agreements set forth in sections (A) and (B) of this paragraph shall be void and Staff may take any actions against Summit and pursue any and all remedies provided by law.

9. Summit agrees to provide all notifications identified herein to the Office of the Public Counsel.

GENERAL PROVISIONS

10. This Stipulation is being entered into for the purpose of disposing of the issues that are specifically addressed herein. In presenting this Stipulation, none of the signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any procedural principle, and none of the signatories shall be prejudiced or bound in any manner by the terms of this Stipulation, whether approved or not, in this or any other proceeding, other than a proceeding limited to the enforcement of the terms of this Stipulation, except as otherwise expressly specified herein. The signatories further understand and agree that the provisions of this Stipulation relate only to the specific matters referred to in this Stipulation, and no signatory waives any claim or right which it otherwise may have with respect to any matter not expressly provided for in this Stipulation.

11. This Stipulation has resulted from extensive negotiations and the terms hereof are interdependent. If the Commission does not approve this Stipulation in total, or approves it with modifications or conditions to which a signatory objects, then this Stipulation shall be void and no signatory shall be bound by any of its provisions. The agreements herein are specific to this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings except as otherwise noted herein.

12. If the Commission does not unconditionally approve this Stipulation without modification, and notwithstanding its provision that it shall become void, neither

this Stipulation, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any signatory has for a decision in accordance with Section 536.080, RSMo 2000, or Article V, Section 18, of the Missouri Constitution, and the signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

13. Staff enters into this Stipulation in reliance upon information provided to Staff by Summit and this Stipulation is explicitly predicated upon the truth of representations made by Summit.

14. If the Commission unconditionally accepts the specific terms of this Stipulation without modification, the signatories waive, with respect to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2, RSMo 2000; (4) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and (5) their respective rights to judicial review pursuant to Section 386.510, RSMo Supp. 2011. These waivers apply only to a Commission order respecting this Stipulation issued in this above-captioned proceeding and do not

apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this Stipulation.

15. This Stipulation contains the entire agreement of the signatories concerning the issues addressed herein.

16. The intent of the signatories to this Stipulation has been fully and exclusively expressed in this document and the attachments appended hereto.

17. Acceptance of this Stipulation by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this Stipulation is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

18. It is intended that the terms of this Second Amended Partial Stipulation and Agreement replace the Partial Stipulation and Agreement filed with the Commission on November 18, 2016 and the Amended Partial Stipulation and Agreement filed with the Commission on December 15, 2016.

19. The Office of the Public Counsel, while not a signatory to this agreement, does not oppose the terms of this Stipulation.

WHEREFORE, the signatories respectfully request the Commission issue an Order in this case approving this Second Amended Partial Stipulation and Agreement.

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil
Missouri Bar No. 33825
P. O. Box 360
Jefferson City, MO 65102
(573) 526-4887 (Telephone)
(573) 751-9285 (Fax)
Email: jeff.keevil@psc.mo.gov

Attorney for the Staff of the
Missouri Public Service Commission

BRYDON, SWEARENGEN &
ENGLAND P.C.

/s/ Dean L. Cooper

Dean L. Cooper MBE# 36592
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
Facsimile: (573) 635-0427
E-mail: DCooper@brydonlaw.com

Attorney for Summit Natural Gas
of Missouri, Inc.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 9th day of May, 2017.

/s/ Jeffrey A. Keevil