

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 21st day of April, 2022.

In the matter of the Application of Summit)
Natural Gas of Missouri, Inc. (SNGMO) for)
Authority for Summit LDC Holdings, LLC to) **File No. GF-2022-0216**
Pledge SNGMO's Capital Stock As Security)
in Regard to Certain Indebtedness.)

ORDER APPROVING FINANCING APPLICATION

Issue Date: April 21, 2022

Effective Date: May 1, 2022

On February 16, 2022, Summit Natural Gas of Missouri, Inc. (SNGMO) submitted an application requesting financing authorization for its parent company, Summit LDC Holdings, LLC to issue additional indebtedness secured by a pledge of SNGMO's capital stock. SNGMO states that the purpose of the new indebtedness is to take advantage of historically low interest rates, increase capacity for capital expenditures, fund a portion of incurred winter storm costs, and fund working capital needs. SNGMO also requests expedited treatment of its application.

On April 7, 2022, the Staff of the Commission (Staff) filed a recommendation that the Commission approve the application, subject to three conditions. SNGMO filed a response to Staff's recommendation stating that it accepts the proposed conditions. SNGMO also filed a response stating that Public Counsel (OPC) proposed some additional conditions, and SNGMO did not object to the additional conditions, which were included in SNGMO's response. More than ten days have passed since Staff filed its recommendation and no other responses to Staff's recommendation have been filed.

The Commission has reviewed and considered SNGMO's verified application, Staff's recommendation, and SNGMO's responses. The Commission finds that it is in the public interest to grant SNGMO's application. The Commission will require SNGMO to comply with the conditions requested by Staff and OPC. As required by Section 393.200, RSMo, the Commission finds that the proposed issuance of debt securities is or will be reasonably required for the purposes specified in the application and that such purposes are not in whole, or in part, reasonably chargeable to operating expenses or to income.

SNGMO filed an affidavit pursuant to Commission Rule 20 CSR 4240-4.017(1)(D) stating that it has had no communication with the office of the Commission within the preceding 150 days regarding any substantive issue likely to be in this case. Therefore, the Commission will waive the 60-day filing requirement of Commission Rule 20 CSR 4240-4.017(1). SNGMO requests expedited treatment, asking that any order take effect on or before May 8, 2022. The Commission finds it reasonable to make this order effective in less than 30 days, so that this order is effective prior to SNGMO's requested date.

THE COMMISSION ORDERS THAT:

1. SNGMO's request for expedited treatment is granted.
2. The 60-day filing requirement of Commission Rule 20 CSR 4240-4.017(1) is waived for this application.
3. SNGMO's financing application filed on February 16, 2022, is granted subject to the following conditions:
 - (a) Nothing in the Commission's order shall be considered a finding by the Commission of the value of this transaction for rate making purposes, which includes, but is not limited to the capital structure, and that the Commission reserves the right to consider the rate making treatment to be afforded these transactions, and their effect on the cost of capital in future rate cases;

- (b) The proposed financing will not be secured by a lien on any of SNGMO's operational properties;
- (c) The total amount of indebtedness pledging the capital stock of its subsidiaries, including the Applicant, shall not exceed \$460 million;
- (d) The proceeds from the up to \$460 million of debt authority shall be used for Summit LDC Holdings, LLC's investment in the following subsidiaries: Summit Natural Gas of Missouri, Colorado Natural Gas Company and AOG Corporation;
- (e) Within 30 days of the issuance of debt pursuant to the Commission's Authority, SNGMO shall file the final terms and conditions of any debt issued pursuant to the Commission's Authority;
- (f) Within 60 days of the closing of the calendar quarter in which Summit LDC Holdings, LLC issued the authorized debt, SNGMO shall file evidence that Summit LDC Holdings, LLC used the proceeds from the debt issuance as outlined in SNGMO's original application, as supplemented herein. This evidence shall include, but not be limited to the Summit LDC Holdings, LLC's quarterly financial statements (to include at least the balance sheet, income statement and statement of cash flows) for the quarter in which Summit LDC Holdings, LLC issued the debt approved pursuant to the Commission's Authority; and,
- (g) The Commission's Authority for the transactions requested in this Application shall terminate on December 31, 2023.

4. SNGMO is authorized to execute all documents and take all actions necessary for the above-described transactions.

5. This order shall become effective on May 1, 2022.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Rupp, Coleman, Holsman, and
Kolkmeier CC., concur.

Clark, Senior Regulatory Law Judge


STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission,
at Jefferson City, Missouri, this 21st day of April, 2022.





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

April 21, 2022

File/Case No. GF-2022-0216

**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.