

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

In the matter of the Application of Summit Natural Gas of )  
Missouri Inc. for Authority to Participate in a )  
Corporate Restructuring which will result in the ) File No. GO-2019-0216  
Taking and Holding of all of its Capital Stock )  
by a Newly-Formed Subsidiary of Summit Utilities, Inc. )

**RESPONSE OF SUMMIT NATURAL GAS OF MISSOURI, INC.  
TO STAFF RECOMMENDATION**

COMES NOW Summit Natural Gas of Missouri, Inc. (the “Company”), by and through its undersigned counsel, and for its response to Staff’s February 22, 2019, Recommendation in this case, states:

1. On January 24, 2019, the Company filed its Application for an Order Declaring the Commission Lacks Jurisdiction to Review the Proposed Corporate Restructuring or, in the Alternative, Approving the Proposed Restructuring, and a Request for Waiver of Notice and Motion for Expedited Consideration (“Application”)

2. Thereafter, on February 22, 2019, the Commission’s staff (“Staff”) filed its recommendation in this case. In summary, Staff recommends that the Commission consider the Application on its merits and approve it subject to one condition. Staff does not oppose the Company’s request for expedited consideration or its request for waiver of pre-filing notice.

3. Without regard to whether the proposed transaction is a “reorganization” within the meaning of §393.250 RSMo., the Company no longer contests the Commission’s authority to review and approve the described transaction based on an order of the Commission issued in 2005 in its Case No. GO-2005-0120 approving a stipulation and agreement (“Agreement”) to the effect

that Summit Utilities, Inc., (f/k/a CNG Holdings, Inc.) would not “pledge MGU<sup>1</sup> equity as collateral or security for the debt of CNG Holdings, or any of its subsidiaries . . . without Commission approval.”<sup>2</sup> In disposing of this case, the Application should be viewed as a request by the Company that the Commission approve the pledge of the Company’s common equity to secure debt financings through the Midco subsidiary in accordance with the terms of the Agreement.

4. The Company does not object to Staff’s request that the Commission condition its approval of the Application on Staff’s access to Summit Utilities, Inc.’s books, records and information being no less after the creation of Midco than Staff’s access before the creation of Midco.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

/s/ Paul A. Boudreau

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<sup>1</sup> “MGU” was an abbreviation for Missouri Gas Utilities whose current name is Summit Natural Gas of Missouri, Inc.

<sup>2</sup> The specifics of this topic are addressed on page 2 of the Staff Recommendation.

**CERTIFICATE OF SERVICE**

I hereby certify that, on this 26<sup>th</sup> day of February 2019, the foregoing document was filed in EFIS, and that a copy of the same was sent via electronic mail to counsel for the Staff of the Commission and the Office of the Public Counsel.

/s/ Paul A. Boudreau