BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of the Propriety of the)	
Rate Schedules for Natural Gas Service of)	File No. GR-2018-0230
Summit Natural Gas of Missouri, Inc.)	

SUMMIT NATURAL GAS OF MISSOURI, INC.'S RESPONSE TO ORDER SCHEDULING A CONFERENCE REGARDING PROCEDURES FOR CONSIDERATION OF AN ACCOUNTING AUTHORITY ORDER

COMES NOW, Summit Natural Gas of Missouri, Inc. ("SNGMO" or "the Company"), and for its response to the Commission's October 10 Order Scheduling a Conference Regarding

Procedures for Consideration of an Accounting Authority Order, states as follows:

1. No later than October 24, 2018, Summit shall file a report quantifying all impacts of the Tax Cuts and Jobs Act of 2017 potentially affecting natural gas service rates from January 1, 2018, going forward to the most current date available.

Response: On March 19, 2018 SNGMO filed its response to the Commission's Order dated February 21, 2018 in which it provided a revenue deficiency study showing that the Company was significantly underearning, even taking into consideration the lower tax rate from the Tax Cuts and Jobs Act of 2017 ("TCJA"). Attachment "Confidential Revenue Deficiency Study SNGMO v2" to this Response is an update to SNGMO's March 19, 2018 filing, where the net regulatory liability for excess ADIT has been updated to show the most recent information. If the Company's rates are lowered it would even further impair SNGMO's earnings. Consequently, the Company continues to contend that there is no cause to reduce revenue at this time.

2. No later than October 24, 2018, Summit shall file a report quantifying the financial impact of the amortization of its excess protected and unprotected ADIT from January 1, 2018 going forward to the most current date for which such financial information is available.

Response: Please see Attachment "Confidential Net Missouri Regulatory Liability" to this Response which quantifies the excess Accumulated Deferred Income Tax ("ADIT") as of December 31, 2017. The attachment demonstrates that the Company has protected excess ADIT of \$9,482,259 (liability) and unprotected ADIT of \$4,450,378 (asset). In addition, the Company has completed the average rate assumption method ("ARAM") for computing and normalizing excess protected ADIT. The annual amortization of the protected balance is shown on Attachment "MO ARAM" to this Response.

Respectfully submitted, SUMMIT NATURAL GAS OF MISSOURI, INC.

By: /s/ Paul Boudreau

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following counsel this 24th day of October, 2018:

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