

**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 amend and extend the term)	
of its existing Credit Agreement, and to extend the term)	File No. GF-2018-0041
of its outstanding secured indebtedness of \$100,000,000)	
with the issuance of one or more new promissory notes)	

APPLICATION AND REQUEST FOR WAIVER

COMES NOW Summit Natural Gas of Missouri, Inc. ("SNGMO" or the "Company"), by and through its undersigned counsel, pursuant to §§393.180 and 393.190, RSMo, and Missouri Public Service Commission ("Commission") Rules 4 CSR 240-2.060, 2.080, 3.220 and 4.020(2)(B), and, for its application for authority to refinance \$100,000,000 of existing senior secured indebtedness, states as follows:

THE APPLICANT

1. SNGMO is a wholly-owned subsidiary of Summit Utilities, Inc., and is a corporation duly incorporated under the laws of the State of Colorado with its principal office located at 7810 Shaffer Parkway, Suite 120, Littleton, Colorado 80127. A copy of a certificate of the Missouri Secretary of State showing that SNGMO is authorized to do business in Missouri as a foreign corporation was submitted to the Commission in Case No. GA-2012-0285, and is incorporated herein by reference in accordance with Commission Rule 4 CSR 240-2.060(1)(G). Other than cases that have been docketed at the Commission, SNGMO has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court within the past three (3) years that involve customer service or rates. SNGMO has no annual report or assessment fees that are overdue.

2. SNGMO conducts business as a “gas corporation” and a “public utility” as those terms are defined at § 386.020, RSMo, and provides natural gas service in the Missouri counties of Benton, Caldwell, Camden, Daviess, Douglas, Greene, Harrison, Howell, Laclede, Miller, Morgan, Pettis, Stone, Taney, Texas, Webster and Wright, subject to the Commission’s jurisdiction as provided by law.

3. All correspondence, communications, notices, orders and decisions of the Commission with respect to this matter should be sent to the undersigned counsel and:

Summit Utilities, Inc.
ATTN: Matthew Kaply
Senior Director, Regulatory Affairs
2 Delorme Drive
Yarmouth, ME 04096
Telephone: (207) 465-6744
Email: mkaply@summitnaturalgas.com

4. The Company seeks an order from the Commission granting it authority to amend and restate its Amended and Restated Credit Agreement, dated as of January 28, 2013, by and among SNGMO, CoBank, ACB (“CoBank”), as administrative agent, and the other lenders from time to time party thereto, as amended (the “Existing Credit Agreement”), to refinance the outstanding secured indebtedness of \$100,000,000 thereunder with the issuance of one or more new promissory notes, all as more fully described below.

5. A Secretary’s Certificate evidencing that the Company’s Board of Directors has authorized the proper officers of the Company to do all things necessary to enter into the transactions described in this Application is included as **Appendix 1** and incorporated herein by reference.

TRANSACTION DETAIL

AMEND AND RESTATE EXISTING CREDIT AGREEMENT

6. In its *Order Authorizing Issuance of Debt*, dated December 19, 2012, in File No. GF-2013-0261, the Commission authorized the Company to issue \$100,000,000 of long-term, senior secured indebtedness under the terms of a Credit Agreement.

7. In its *Order Granting Application*, dated December 9, 2015, in File No. GF-2016-0095, the Commission granted the Company's request to amend its Credit Agreement to extend the maturity of the indebtedness outstanding thereunder to December 31, 2017.

8. With this Application, the Company seeks the Commission's approval to, among other things, amend and restate the Existing Credit Agreement to reflect a different lender syndicate and to refinance the indebtedness thereunder, with new indebtedness having a maturity date no later than December 29, 2020, bearing a commercially reasonable interest rate, and having such other terms as are determined by the Company (the Existing Credit Agreement as so amended, the "Proposed Credit Agreement").

9. Subject to the Commission's approval, the Company plans to amend and restate the Existing Credit Agreement and refinance the \$100,000,000 senior secured term loan issued thereunder. Under the Proposed Credit Agreement, the principal amount of the indebtedness will not change, and CoBank will continue to act as the sole Administrative Agent and Lead Arranger for a syndicate of financial institutions and other entities, including CoBank, as lenders. Without a refinancing or extension, the indebtedness under the Existing Credit Agreement will mature on December 31, 2017. A copy of the Proposed Credit Agreement in substantially final form is attached as Appendix 2HC.

10. The Company would use the proceeds of the new indebtedness under the Proposed Credit Agreement to refinance its outstanding indebtedness under the Existing Credit Agreement, which matures on December 31, 2017.

11. Attached as **Appendix 3HC** is a Summary of Terms and Conditions dated as of October 6, 2017, which outlines the principal terms of the Proposed Credit Agreement, including the interest rate and applicable fees. In addition to refinancing the indebtedness under the Existing Credit Agreement, the Proposed Credit Agreement would also include usual and customary terms for security for the term loans made thereunder, closing conditions, representations and warranties, financial and other covenants, events of default and other common lending features. The proposed Term Loan would not increase the amount of the Company's outstanding long-term indebtedness.

12. In connection with the proposed amendments to the Existing Credit Agreement, the Company would amend and restate the existing (1) General Security Agreement (as amended, the "**GSA**"), and (2) Mortgage, Security Agreement, Assignment of Profits and Proceeds, Financing Statement and Fixture Filing (as amended, the "**Mortgage**"), copies of which are attached hereto as **Appendix 4**, and **Appendix 5**, respectively. Under the GSA and Mortgage, the Company would grant to the lenders, or a collateral agent for the benefit of the lenders, a first-priority lien on all or substantially all of the properties it owns currently and any properties it may subsequently acquire, including its certificates of convenience and necessity. In connection with the proposed amendments to the Existing Credit Agreement, Summit Utilities, Inc. would amend and restate the existing Pledge Agreement, under which it would grant to the lenders, or a collateral agent for the benefit of the lenders, a first-priority lien on all of its present and future equity interest in the Company.

FILING REQUIREMENTS AND RELATED MATERIALS

13. The Company's audited financial statements as at and for the twelve-month period ended December 31, 2016 are attached hereto as **Appendix 6HC**, and made a part hereof for all purposes. Adjusted financial statements showing the *pro forma* effect of the proposed financing are attached hereto as **Appendix 7HC**, and made part hereof for all purposes.

14. Subjecting, or continuing to subject, the Company's properties to the liens granted under GSA and Mortgage and the Company's capital stock to the lien granted under the Pledge Agreement will not be detrimental to the public interest, and in fact will be beneficial to the public interest because the public health, safety and welfare will be served by the Company's ability to refinance the existing indebtedness. Granting the authority requested will be transparent to the Company's customers, and the proposed refinancing should not cause any adverse impact on customer service or rates.

15. The proposed refinancing will have no material impact on the tax revenues of the political subdivisions in which the Company's properties are located.

16. No amount of the indebtedness under the Proposed Credit Agreement is subject to the fee schedule set forth in §386.300 RSMo 2016, because it represents a refinancing or extension of outstanding secured indebtedness. [See, 4 CSR 240-3.220(1)(F)]

17. As noted in paragraph 4 above, the Company's primary purpose for amending and restating the Existing Credit Agreement and entering into the Proposed Credit Agreement is to refinance the outstanding secured indebtedness under the Existing Credit Agreement. There would be no net increase in the amount borrowed. As such, Applicant requests that the Commission waive the requirement to file a five-year capitalization expenditures schedule as

contemplated by 4 CSR 240-3.220(1)(G) because such information is not pertinent to the matters contemplated by this Application.

WHEREFORE, the Company requests that the Commission approve this Application, and issue an order that:

(a) Authorizes the Company to enter into, execute and deliver the proposed amendments to the Existing Credit Agreement and to refinance \$100,000,000 of senior secured indebtedness issued thereunder, with new indebtedness having a maturity date no later than December 29, 2020, bearing a commercially reasonable interest rate, and having such other terms as are determined by the Company;

(b) Authorizes the Company to subject, or continue to subject, its property, works and system, including its certificates of convenience and necessity, to the liens of the Mortgage and the GSA to secure its obligations under the Proposed Credit Agreement;

(c) Authorizes Summit Utilities, Inc. to pledge, or to continue to pledge, all of its current and future equity interest in the Company to secure the obligations under the Proposed Credit Agreement;

(d) Authorizes the Company to enter into, execute, deliver and perform the promissory notes, loan and security agreements, and all other documents, agreements, instruments and certificates that the Company deems necessary or appropriate to effect the transactions described in this Application;

(e) Authorizes the Company to take such other actions as may be reasonably incidental, necessary or appropriate to complete the transactions described in this

Application; and

(f) Waives, for good cause shown, the filing requirement of 4 CSR 240-3.220(1)(G).

[This space intentionally left blank]

Respectfully submitted,

Paul A. Boudreau

Paul A. Boudreau MBE# 33155
Dean L. Cooper MBE# 36592
BRYDON, SWEARENGEN & ENGLAND P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
Facsimile: (573) 635-0427
paulb@brydonlaw.com
dcooper@brydonlaw.com

**ATTORNEYS FOR SUMMIT NATURAL GAS
OF MISSOURI, INC.**

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been sent by electronic mail this 12th day of October 2017, to:

Office of the General Counsel
Missouri Public Service Commission
Governor State Office Building
Jefferson City, Missouri 65101
staffcounsel@psc.mo.gov

Office of the Public Counsel
Governor State Office Building
Jefferson City, Missouri 65101
opc@ded.mo.gov

Paul A Boudreau