

**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)
for Summit LDC Holdings, LLC to Pledge)
SNGMO's Capital Stock as Security in)
Regard to Certain Indebtedness)

File No. GF-2025-0207

STIPULATION AND AGREEMENT

COME NOW Summit Natural Gas of Missouri, Inc. ("SNGMO" or "Company"), and the Staff of the Missouri Public Service Commission ("Staff") (collectively, the "Parties"), by and through counsel, and for their *Stipulation and Agreement* in this matter hereby state as follows to the Missouri Public Service Commission ("Commission"):

1. On January 17, 2025, SNGMO filed an application requesting authorization to issue private placement notes of long-term indebtedness (the "Application"), expedited treatment of the application, and a waiver of the 60-day notice requirement; SNGMO is a wholly-owned subsidiary of Summit LDC Holdings, LLC ("Summit LDC"), which is a wholly-owned subsidiary of Summit Utilities, Inc. On January 24, 2025, the Commission issued its *Order Directing Staff to File Recommendation*, which set a March 24, 2025, deadline for Staff to file a Recommendation or alternative pleading regarding SNGMO's Application requesting authority to issue private placement notes of long-term indebtedness. Staff submitted an alternative pleading indicating it could file a recommendation on or by May 2, 2025.

2. The Parties have since reached this *Stipulation and Agreement*, which, if approved, would resolve all issues in this matter. Counsel for the Office of the Public Counsel has indicated to the Parties that it does not oppose this Stipulation and Agreement.

FINANCING TERMS

3. The Approvals found below contemplate that Summit LDC will issue financing having the following characteristics:

Type of Issue: Summit LDC to issue private placement notes evidencing ** [REDACTED] ** of long-term indebtedness through private placement secured by its pledge of the capital stock of its subsidiaries, including SNGMO.

Purpose of Issue: Summit LDC proposes to use the proceeds from the issuance of private placement notes to refinance a portion of the existing Credit Facility. The purpose of the refinancing is to extend maturities and take advantage of lower interest rates.

Amount: ** [REDACTED] **

Term: ** [REDACTED] **

Rate: ** [REDACTED] **

APPROVALS

4. Based upon the Financing Terms described above and the Additional Terms described below, the Parties agree and recommend that the Commission issue an Order waiving the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) for good cause shown and authorizing Summit LDC to:

- A. Issue private placement notes evidencing ** [REDACTED] ** of long-term indebtedness through private placement secured by its pledge of the capital stock of its subsidiaries, including SNGMO;
- B. Enter into, execute, deliver and perform the necessary arrangements or other documents necessary to effectuate the transactions described herein; and

- C. Take such other actions as may be necessary to complete the subject transactions.

ADDITIONAL TERMS

5. The Approvals identified above shall be conditioned on the following

Additional Terms:

- A. That nothing in the Commission's order shall be considered a finding by the Commission of the value of this transaction for rate making purposes, and that the Commission reserve the right to consider the rate making treatment to be afforded the financing transaction and its impact on cost of capital, in any future proceeding;
- B. That nothing in the Commission's order shall be considered a finding by the Commission regarding debt instruments relating to Purchased Gas Adjustment (PGA) or Actual Cost Adjustment (ACA);
- C. That the proposed financing will not be secured by a lien on any of SNGMO's operational properties;
- D. That the sum of existing indebtedness pledging the capital stock of Summit LDC's subsidiaries, including SNGMO, plus any new private placement debt ** [REDACTED] ** issued pursuant to this Stipulation and Agreement shall not exceed ** [REDACTED] **;
- E. That the proceeds from the ** [REDACTED] ** of debt authority shall be used for Summit LDC's investment in the following subsidiaries: Summit Natural Gas of Missouri, Colorado Natural Gas Company and AOG Corporation;
- F. That the Company shall file with the Commission, within sixty (60) days of the closing of the calendar quarter in which Summit LDC issued the authorized debt, SNGMO shall file evidence that Summit LDC used the proceeds from the debt issuance as outlined in the Application. This evidence shall include, but not be limited to the Summit LDC'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 issued the debt approved pursuant to the Commission's Authority;
- G. That the Company shall file with the Commission, within thirty (30) days of the issuance of any related financing authorized pursuant to a Commission order in this proceeding, a report including the amount of secured indebtedness issued, the date of issuance, the interest rate (initial rate if variable), the maturity date, redemption schedules or special terms (if any), the use of proceeds, estimated expenses, and any loan or indenture agreement concerning each issuance. In addition, the Company shall provide an analysis—including, but not limited to,

indicative pricing information provided by investment banks—demonstrating that the terms of the issued debt were the most reasonable at the time;

- H. That the Company shall file with the Commission any information concerning communication with credit rating agencies concerning any such issuance; and
- I. That the Commission's grant of authority shall expire on December 31, 2025 for the transactions requested in this application.

GENERAL PROVISIONS

6. Unless otherwise explicitly provided herein, none of the Parties shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any method of cost of service or valuation determination or cost allocation, rate design, revenue recovery, or revenue-related methodology. Except as explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation in this or any other proceeding.

7. This Stipulation has resulted from negotiations among the parties, and the terms hereof are interdependent and non-severable. If the Commission does not approve this Stipulation unconditionally and without modification, or if the Commission approves the Stipulation with modifications or conditions to which a party objects, then this Stipulation shall be void and none of the Parties shall be bound by any of the agreements or provisions hereof.

8. In the event the Commission accepts the specific terms of this Stipulation without condition or modification, the Parties waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §386.500, and their respective rights to judicial review pursuant to §386.510. These waivers apply only to a Commission order approving this Stipulation without condition or

modification issued in this proceeding and only to the issues that are resolved hereby. These waivers do not apply to any issues explicitly not addressed by this Stipulation. The Parties agree that any and all discussions, suggestions, or memoranda reviewed or discussed, related to this Stipulation shall be privileged and shall not be subject to discovery, admissible in evidence, or in any way used, described or discussed.

WHEREFORE, the Parties respectfully request that the Commission issue an order approving all of the specific terms and conditions of this *Stipulation and Agreement*, and for such other and further relief as the Commission considers just and reasonable under the circumstances.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

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**ATTORNEYS FOR STAFF OF THE PUBLIC
SERVICE COMMISSION**

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were mailed, electronically mailed, or hand-delivered to all counsel of record on this 25th day of April, 2025.

/s/ Alexandra Klaus