STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held by telephone and internet audio conference on the 21st day of April, 2021.

In the Matter of the Application of Summit Natural Gas of Missouri, Inc. (SNGMO) for Authority for Summit LDC Holdings, LLC to Pledge SNGMO's Capital Stock as Security in Regard to Certain Indebtedness	)))))	**File No. GO-2021-0257**

ORDER GRANTING APPLICATION AND WAIVER OF 60-DAY NOTICE

Issue Date: April 21, 2021 Effective Date: May 21, 2021

On February 11, 2021,[1] Summit Natural Gas of Missouri, Inc. ("SNGMO"), a wholly-owned subsidiary of Summit LDC Holdings, LLC ("Summit Holdings") filed an application requesting that the Commission grant Summit Holdings authority to enter into additional indebtedness secured by its pledge of the capital stock of its subsidiaries, including the applicant, SNGMO (Application). The Application stated its purpose was to take advantage of historically low interest rates and increase capacity for capital expenditures and working capital needs. SNGMO also requested a waiver of the 60-day notice rule found at 20 CSR 4240-4.017(1). On February 11, the Commission issued its Order Directing Staff Recommendation. On March 12, the Commission's Staff filed its recommendation. On April 9, SNGMO filed its Response to Staff Recommendation and Agreement with Additional Conditions (Response). Therein SNGMO agreed to Staff's Recommendation and to additional conditions requested by the Office of Public Counsel

[1] All date citations will be to 2021 unless otherwise stated.

(OPC). SNGMO's response stated counsel for Staff had indicated that Staff did not object to OPC's additional conditions.

SNGMO's application requests authority to authorize Summit Holdings to issue up to $100 million in additional indebtedness, secured by its pledge of capital stock of its subsidiaries, including SNGMO. In its recommendation, Staff concluded it was reasonable for Summit Holdings to take advantage of current low interest rates. Also on the basis of confidential data request responses, Staff concluded that Summit Holdings has a reasonable need for raising up to $100 million in debt.

Staff recommended that the Commission approve the Application and Request for Waiver submitted in this case subject to the following conditions, which include those agreed upon between SNGMO, Staff and OPC:

1. That nothing in the Commission's order shall be considered a finding by the Commission of the value of this transaction for ratemaking purposes, which includes, but is not limited to, the capital structure, and that the Commission reserves the right to consider the ratemaking treatment to be afforded these transactions, and their effect on the cost of capital in future rate cases;

2. That the proposed financing will not be secured by a lien on any of SNGMO's operational properties;

3. That the proceeds from the up to $100 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;

4. That 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;

5. That 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

6. That the Commission's Authority for the transactions requested in this Application shall terminate on December 31, 2023.

Other than SNGMO's response stating and agreeing to Staff's and OPC's recommendations, no other responses to Staff's recommendation have been received. The Commission has reviewed and considered SNGMO's verified application, Staff's verified recommendation, and SNGMO's response. Based on the Commission's review of these pleadings, the Commission finds that SNGMO's proposed transaction is not detrimental to the public interest and concludes that the application should be approved subject to Staff's and OPC's reasonable conditions. As required by Section 393.200, RSMo, 2016, it is the Commission's decision that the proposed issuance of debt securities is reasonably required for the purposes specified in the application.

Further, the Commission finds good cause exists to grant SNGMO's request for a waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1).

THE COMMISSION ORDERS THAT:

1. Summit Natural Gas of Missouri, Inc.'s motion for waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1) is granted.

2. Summit Natural Gas of Missouri, Inc.'s application filed on February 11, 2021 is granted subject to the conditions recommended by the Staff of the Commission and the Office of Public Counsel, as set out in the body of this order.

3. Nothing in this order shall be considered a finding by the Commission of the value of this transaction for ratemaking purposes, which includes, but is not limited to, the capital structure, and the Commission reserves the right to consider the ratemaking treatment to be afforded these transactions and their effect on the cost of capital in future rate cases.

4. This order shall be effective on May 21, 2021.

5. This case shall close on May 22, 2021.

BY THE COMMISSION

Morris L. Woodruff
Secretary

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

Graham, 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, 2021.

Morris L. Woodruff
Secretary

Digitally signed by MOPSC
DN: CN=MOPSC, O=MOPSC, OU=[illegible], E=kim.happy@psc.mo.gov, C=US
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MISSOURI PUBLIC SERVICE COMMISSION

April 21, 2021

File/Case No. GO-2021-0257

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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.