

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

In the Matter of the Application of Summit Natural Gas)
Of Missouri Inc., for Permission and Approval and a)
Certificate of Convenience and Necessity to Construct,)
Install, Own, Operate, Maintain, and Otherwise Control) **File No. GA-2017-0016**
And Manage a Natural Gas Distribution System to)
Provide Gas Service in Various Counties as an)
Expansion of its Existing Certificated Areas.)

STAFF REPORT AND RECOMMENDATION

COMES NOW the Staff (“Staff”) of the Missouri Public Service Commission, (“Commission”) by and through counsel, and for its *Staff Report and Recommendation*, states as follows:

1. On July 22¹, Staff submitted its initial data requests to Summit Natural Gas of Missouri, Inc. (“Summit” or “Applicant”) in this matter. On August 2, Applicant requested until August 22 to respond to the initial data requests. Staff also submitted data requests to Applicant on July 29 and August 1.

2. On August 10, Applicant filed a Motion for Leave to Amend Application and three amended appendices which changed the areas for which Applicant seeks a certificate in this case and the estimated revenues associated with the requested areas. Applicant did not file a complete feasibility study with either its original or amended certificate request, and has sought a waiver from such filing requirement.

3. On August 12, the Missouri Propane Gas Association (MPGA) filed its *Application to Intervene*. The Commission granted MPGA’s application on August 31.

¹ All dates referred to herein occur in the year 2016.

4. On August 29, Staff filed its *Status Report* indicating that its investigation was still in progress.

5. On September 23, Staff filed its *Status Report* stating that additional discovery necessary for Staff to complete its recommendation was ongoing. The Commission ordered Staff to file a recommendation or status report no later than November 15.

6. On November 15, Staff filed its *Status Report* stating its recommendation would be submitted no later than November 18.

7. During Staff's investigation, Summit disclosed that it has been serving one hundred and fifty-five (155) gas utility service customers residing outside of Summit's certificated areas and Summit failed to obtain Commission approval in advance of construction in violation of statutes. Summit and Staff have worked together to identify all Summit customers receiving service outside of Summit's certificated service area. Some portions of the gas plant at issue were installed by Summit's predecessors, and Summit claimed to be unaware of the situation until bringing it to the Commission's attention through its application. Summit has submitted an application for a Certificate of Public Convenience and Necessity which would lawfully incorporate these customers into its certificated service area. In lieu of a complaint, Summit has agreed to forfeit the sum of Seventy-Five Thousand Dollars (\$75,000) to the Public School Fund of the State of Missouri, subject to the Commission's approval of the Stipulation and Agreement, attached hereto as *Attachment B*. Summit agrees not to seek or recover this forfeited sum in rates. Should Summit later discover that there are additional customers receiving service outside of Summit's certificated service area, it will notify Staff of the existence

of those customers and Staff will open an investigation and complaint, if necessary, on additional unidentified customers.

8. Staff has conducted a thorough investigation of the application and has prepared a Report and Recommendation, appended hereto as *Attachment A*, for the Commission's consideration and recommends approval of Summit's amended application.

9. In determining whether or not to grant such approval the Commission has traditionally applied the five "Tartan Energy Criteria" established in *In the Matter of Tartan Energy Company, et al.*, 3 Mo. PSC 3d 173, 177 (1994). These criteria are further explained in the attached Staff Memorandum, *Attachment A*, and incorporated by reference herein.

10. As explained in *Attachment A*, Staff conducted an investigation into Summit's request including, but not limited to, a review of the partial feasibility study information provided by Summit and an evaluation of its estimated capital costs and proposed operating expenses. Based upon this review, Staff has determined that Summit fulfills the requirements of the Tartan criteria.

11. Staff asserts that granting this CCN, as requested in Summit's amended application, is necessary or convenient for the public service subject to the conditions set forth below and in *Attachment A*.

12. Summit filed a *Motion for Waiver* from submitting a feasibility study with its amended CCN application. Commission Rule 4 CSR 240-3.205(1)(A)5 requires submission of a feasibility study containing plans and estimates for the cost of construction for a three (3) year period. Summit argues cause that it anticipates no

further construction in the areas where it seeks an area certificate. Summit provided Staff additional information through data requests similar to the information required in a feasibility study regarding the construction of gas plant to serve the Reeds Spring School District. Staff does not object to Summit's waiver request, as Summit has provided sufficient information to inform Staff of its gas plant construction plans.

WHEREFORE, Staff submits its Memorandum and recommends that the Commission enter an Order which:

- 1) Approves the Partial Stipulation and Agreement between Staff and Summit regarding the past provision of utility service to customers beyond its certificated area;
- 2) Approves of Summit's amended application and grant a certificate to serve the requested area in Barry, Daviess, Laclede, Lawrence, Pettis, Stone, Taney and Webster Counties, Missouri;
- 3) Directs the Company file revised tariff sheets reflecting this proposed CCN in this case within thirty (30) days of the Commission's Order approving this Application;
- 4) Instructs Summit to obtain MGE's consent in accordance with the terms of its Stipulation and Agreement in GA-2007-0168;
- 5) Instructs Summit to file an independent CCN should there be any attempt by customers holding right-of-way farm tap service request to install a multi-tap on their property.
- 6) Grants Summit's *Motion for Waiver* of the feasibility study requirements in 4 CSR 240-3.205(1)(A)5 for good cause.

Respectfully submitted,

/s/ Hampton Williams

Wm. Hampton Williams

Assistant Staff Counsel

Missouri Bar No. 65633

Attorney for the Staff of the

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

(573) 751-8517 (Telephone)

Hampton.Williams@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record on this 18th day of November, 2016.

/s/ Hampton Williams

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GA-2017-0016, Summit Natural Gas of Missouri, Inc.

FROM: Byron Murray, Tariff, Rate Design Section
Michael Rush, Procurement Analysis
Jennifer Grisham, Auditing

Natelle Dietrich / November 18, 2016
Commission Staff Division / Date

Hampton Williams / November 18, 2016
Staff Counsel's Office / Date

Mark Oligschlaeger / November 18, 2016
Auditing Section / Date

SUBJECT: Staff Recommendation To Approve Summit Natural Gas of Missouri, Inc. Application
For A Certificate Of Public Convenience And Necessity

DATE: November 18, 2016

On July 15, 2016, Summit Natural Gas of Missouri, Inc. ("SNGMO" or the "Company") filed an APPLICATION (Application) with the Commission requesting approval of a Certificate of Convenience and Necessity ("CCN") to construct, install, own, operate, maintain, and otherwise control and manage a natural gas distribution system. The CCN would be an expansion of SNGMO's existing certificated area in Barry, Daviess, Laclede, Lawrence, Pettis, Stone, Taney and Webster Counties, Missouri. SNGMO states that natural gas service is currently not offered in any of the areas for which it is seeking a CCN.

On July 19, 2016, The Commission issued an Order Directing Notice and Setting Intervention Deadline. The order allowed any interveners to file by August 19, 2016 and directed Staff to file either a status report or a recommendation no later than August 29, 2016.

On August 10, 2016, SNGMO filed a *Motion for Leave to Amend Application* ("Motion"). SNGMO requested to amend three appendices (Appendix A, B, and D) to provide a better estimate of the associated revenues for the revised requested CCN area. The Commission granted the Motion.

On August 12, 2016, Missouri Propane Gas Association ("MPGA") filed an *Application to Intervene*. On August 22, 2016, SNGMO filed a *Response in Opposition* to MPGA's *Application to Intervene*. On August 24, 2016, the Commission set a deadline for filing a reply to SNGMO's *Response in Opposition* no later than August 29, 2016.

On August 26, 2016, MPGA filed a *Reply* disputing SNGMO's assertion that the trade association's only interest in this matter is anticompetitive. MPGA points out that since its members may be adversely impacted through a loss of customers by a final decision of the Commission; it is interested in "fair competition on a level playing field." The Commission found MPGA's arguments to be persuasive. In

its *Application to Intervene*, MPGA established that its interest is different from that of the general public.

On August 29, 2016, the Commission ordered that no later than September 30, 2016, the Commission's Staff shall file either a recommendation or status report. Staff filed a status report requesting to file a recommendation or further status report no later than October 31, 2016. On October 13, 2016, the Commission issued its Order Setting Deadline for Filing Status Report or Recommendation no later than November 11, 2016. On November 11, 2016, Staff filed a Status Report announcing its intent to file a Recommendation no later than November 15, 2016. As directed in the Commission's August 29, 2016, *Order Setting Deadline for Filing*, Staff filed a Status Report On November 15, 2016 requesting until November 18, 2016 for the submission of Staff's recommendation.

SNGMO's requested expansion does not require any additional franchises or permits from municipalities, counties, or other authorities other than the usual and customary state highway, railroad and county road permits, which will be obtained prior to construction.

In evaluating applications for certificates of convenience and necessity, the Commission has frequently considered five factors first described in a Commission decision regarding an application for certificate of convenience and necessity filed by Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, Case No. GA-94-127 (Sept. 16, 1994). The Tartan factors, as they have become known, are: "(1) there must be a need for the service; (2) the applicant must be qualified to provide the proposed service; (3) the applicant must have the financial ability to provide the service; (4) the applicant's proposal must be economically feasible; and (5) the service must promote the public interest."

The Reeds Springs School District was previously being served with propane for heating purposes. The conversion to natural gas by SNGMO provided the school district with natural gas services that were not previously available in the area. The school district facilities being added to the service territory were within the campus. The conversion put all of the district's facilities on a single source of heating fuel; natural gas. SNGMO has the capacity to effectively deliver natural gas services to the school district facilities and the expanded area.

SNGMO provided a feasibility study for the conversion from propane to natural gas for the Reeds Springs School District. SNGMO requested a waiver for the complete feasibility study for the entire area of the requested expansion. SNGMO stated the feasibility study was not necessary because there would not be any construction since SNGMO is already providing service to customers in the area. SNGMO provided a description of the plans and specifications for the Reed Spring School District project. The total estimated cost of the projects associated with SGNMO's CCN application is ** _____ **. Pursuant to SNGMO's tariff, no customer deposit will be required. SNGMO requests to use its existing rates and regulations for natural gas service contained in its tariff. Since SNGMO is already providing service, it is qualified to provide the service in the area of requested expansion. The request for expansion also demonstrates a need for the service.

The Procurement Analysis Staff has reviewed the proposed expansion for any impacts, positive or negative, on SNGMO's existing customers regarding the adequacy of transportation capacity for peak day and supply planning. SNGMO provided information to Staff that the Company has contracted for additional capacity necessary for its expanded service area including Branson and Reeds Spring which is

sufficient to serve this area. The prudence of the underlying interstate pipeline contracts will be reviewed as part of the related Actual Cost Adjustment (“ACA”) review for the time period related to these costs.

The Auditing Staff reviewed the cost of service components comprising the estimated revenue requirement for SNGMO’s proposed Reeds Spring School project within the Branson Division. The feasibility analysis provided encompasses the total cost for the Reeds Spring School project; however, only two of the nine buildings involved are located within the CCN expansion territory. The other seven buildings are located within SNGMO’s existing service territory. The feasibility study submitted by SNGMO did not address other expansion areas for which approval is sought, as there will be no additional construction, plant installation, or financing necessary in order to provide service to these areas, as stated in Paragraph 3 of the application. In the opinion of the Auditing Staff, SNGMO has the financial ability to provide service within each proposed area of the CCN.

SNGMO’s feasibility analysis presents a 25-year projection of revenue and expenses for the Reeds Spring School project. Auditing Staff incorporated the projections included in the partial feasibility analysis to determine a cost of service for the end of the fifth year. The Auditing Staff used SNGMO’s weighted cost of capital using the capital structure and cost of debt as reported in their 3rd quarter Surveillance Report and the return on equity agreed to in SNGMO’s prior rate case, No. GR-2014-0086, in determining the estimated revenue requirement for this case.

There is an inherent risk that SNGMO’s actual financial results may differ significantly from the estimated results calculated by SNGMO and the Auditing Staff. In the Auditing Staff’s opinion, SNGMO’s risk of providing natural gas for the Reeds Spring School District is significantly less than in most gas utility applications to expand their service territories in that the Reeds Spring School District has already committed to taking gas from SNGMO, and in fact is receiving gas service currently. In the Auditing Staff’s opinion, the provision of service by SNGMO to the Reeds Spring School District is economically feasible.

In the course of its investigation, Staff discovered five SNGMO customers that were receiving service in a region where SNGMO only possesses a line certificate. In Case No. GA-2007-0168, Southern Missouri Natural Gas (SMNG), SNGMO’s predecessor, and Missouri Gas Energy (MGE) entered into a Stipulation and Agreement wherein SMNG agreed to not serve any customers from its line certificate, except to provide farm taps to customers “when necessary to obtain right-of-way for construction of the pipeline.” Further, the Stipulation and Agreement states, “North of Township 24N, such farm taps shall be constructed only with the written approval of MGE.” Four SNGMO customers are located north of 24N, and include ** _____

_____. **. Staff has requested that SNGMO produce documentation of the approvals from MGE, and understands that SNGMO is in the process of complying. MGE is not a party in this case. In addition, the easement agreement held by ** _____

_____, provides for the construction of “a maximum of two (2) natural gas multi-taps (each multi-tap can serve up to 20 residential customers)...” To date, it appears that this customer is only utilizing a farm tap and that no such multi-taps have been installed on the customer’s property.

Staff recommends continued use of detailed time coding for SNGMO employees in order to assign time to capital projects and to all expense items, corporate allocations and sales and promotion efforts in order to be reflected in subsequent rate cases. SNGMO should also fully abide by the provisions of the Uniform System of Accounts (USOA) – Gas Corporation (4 CSR 240-40.040), including the Gas Plant Instructions included therein.

Considering all facts relevant to Staff’s Tartan analysis, Staff recommends the approval of SNGMO’s amended application as in the public interest.

Staff has reviewed this Application and is of the opinion that granting this Application would be in the public interest for the following reasons:

1. SNGMO is currently providing the requested service under existing tariff provisions;
2. Extending gas service would not jeopardize natural gas service to the Company’s currently existing customers;
3. No customers who would receive gas utility service from SNGMO should the Commission approve the application have objected to this certificate request;
4. SNGMO anticipates using the customary state highway, railroad and county rights of way; and
5. No new franchises are required.

Therefore, Staff recommends approval of SNGMO’s amended application and that SNGMO be granted an area certificate to serve the requested area in Barry, Daviess, Laclede, Pettis, Stone, Taney and Webster Counties, Missouri. The attached map (*Appendix B Amended*) from Summit’s amended application identifies the requested sections in Barry, Daviess, Laclede, Pettis, Stone, Taney and Webster Counties, Missouri.

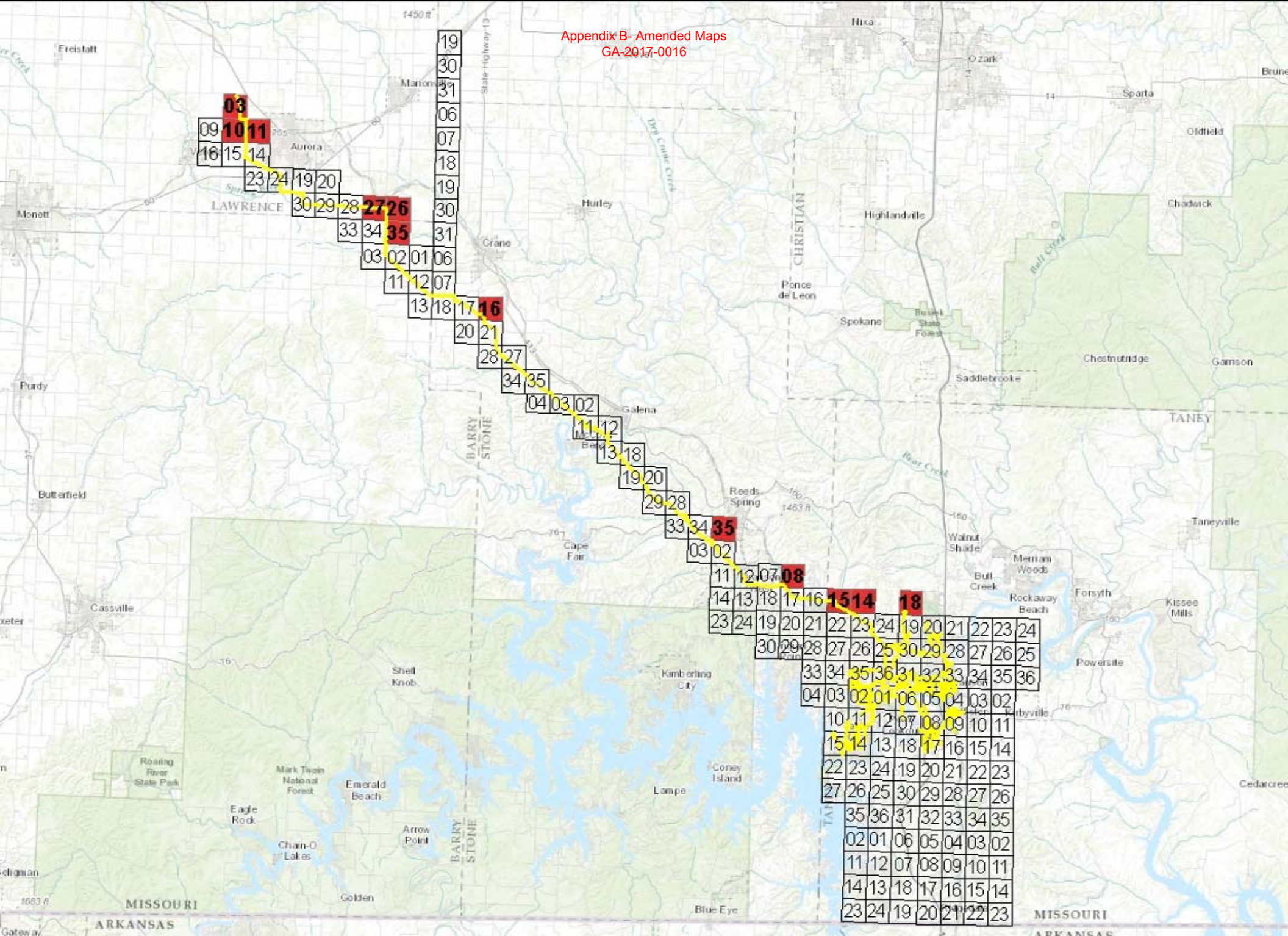
Staff recommends approval of a line certificate for the area being served in Lawrence County, Missouri. MGE currently holds an approved area certificate for Township 26N, Range 26W, Section 11, and approval would grant SNGMO a line certificate across the same section. The attached map (*Appendix B Amended*) from Summit’s amended application identifies the section in Lawrence County, Missouri for the line certificate. If approved, SNGMO should amend tariff Sheet No. 4J to add the line certificate section identification under the heading “Branson Route Only: Includes areas where the 8-inch line will be located but no local distribution service is anticipated.”

Staff also recommends the Company file revised tariff sheets reflecting this proposed CCN in this case within thirty (30) days of the Commission’s Order approving this Application.

Staff also recommends that the Commission instruct SNGMO to obtain MGE’s consent in accordance with the terms of its Stipulation and Agreement. Further, Staff recommends the Commission instruct SNGMO to file an independent CCN should the **_____** attempt to exercise the multi-tap term of their easement, or renegotiate such easement agreements with the **_____** to remove the multi-tap term altogether.

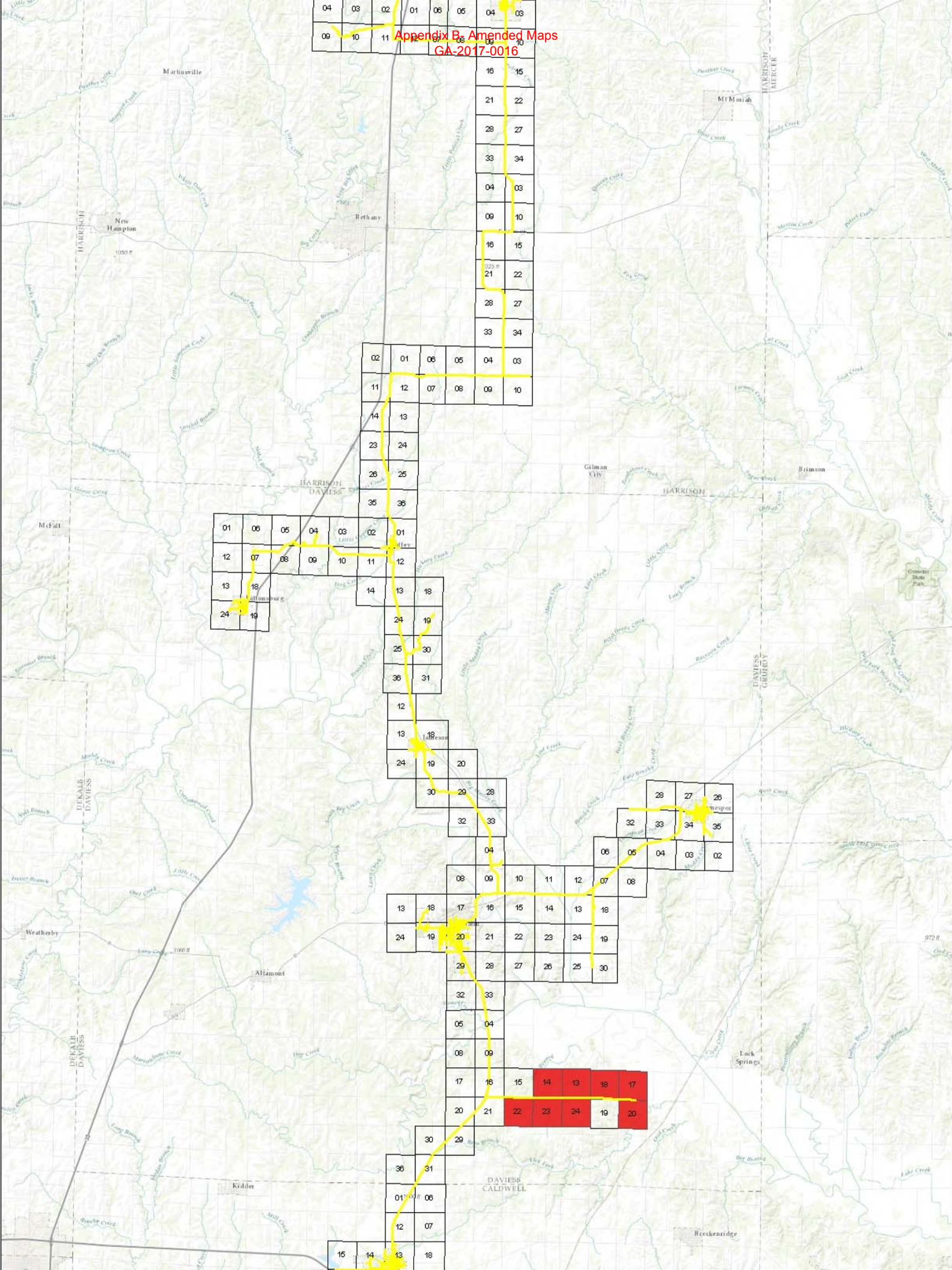
Staff has verified that this company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Appendix B- Amended Maps
GA-2017-0016

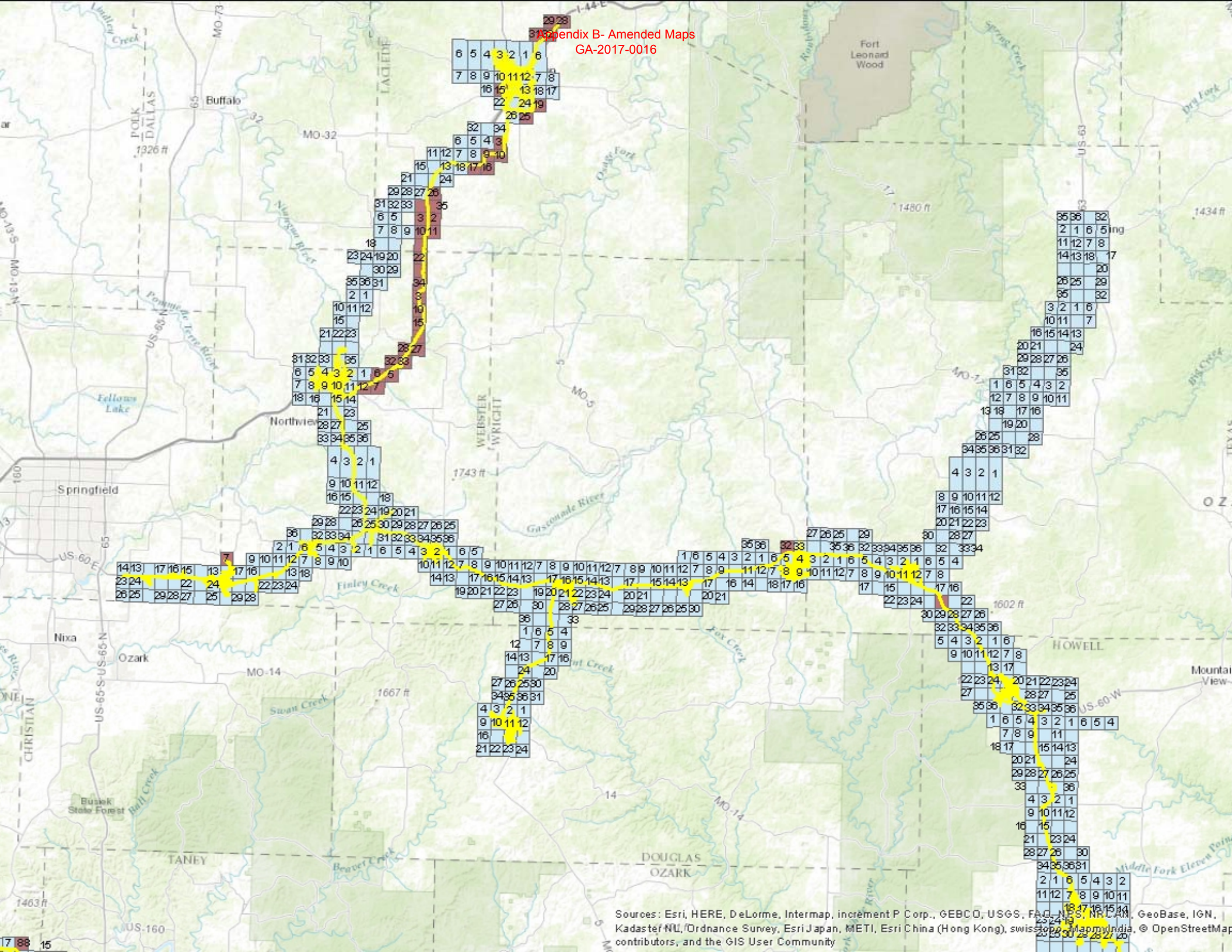


Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

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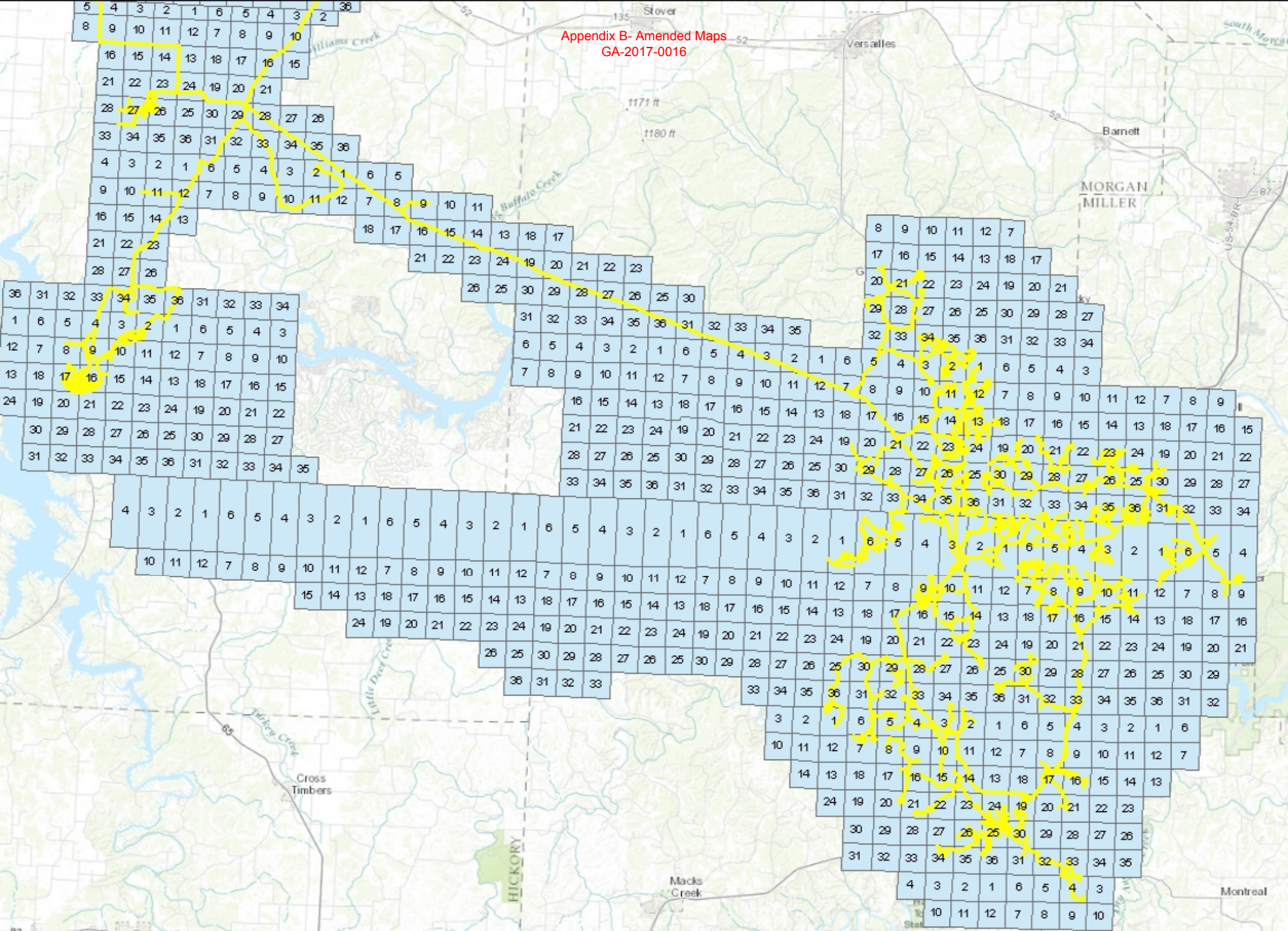


Appendix B- Amended Maps
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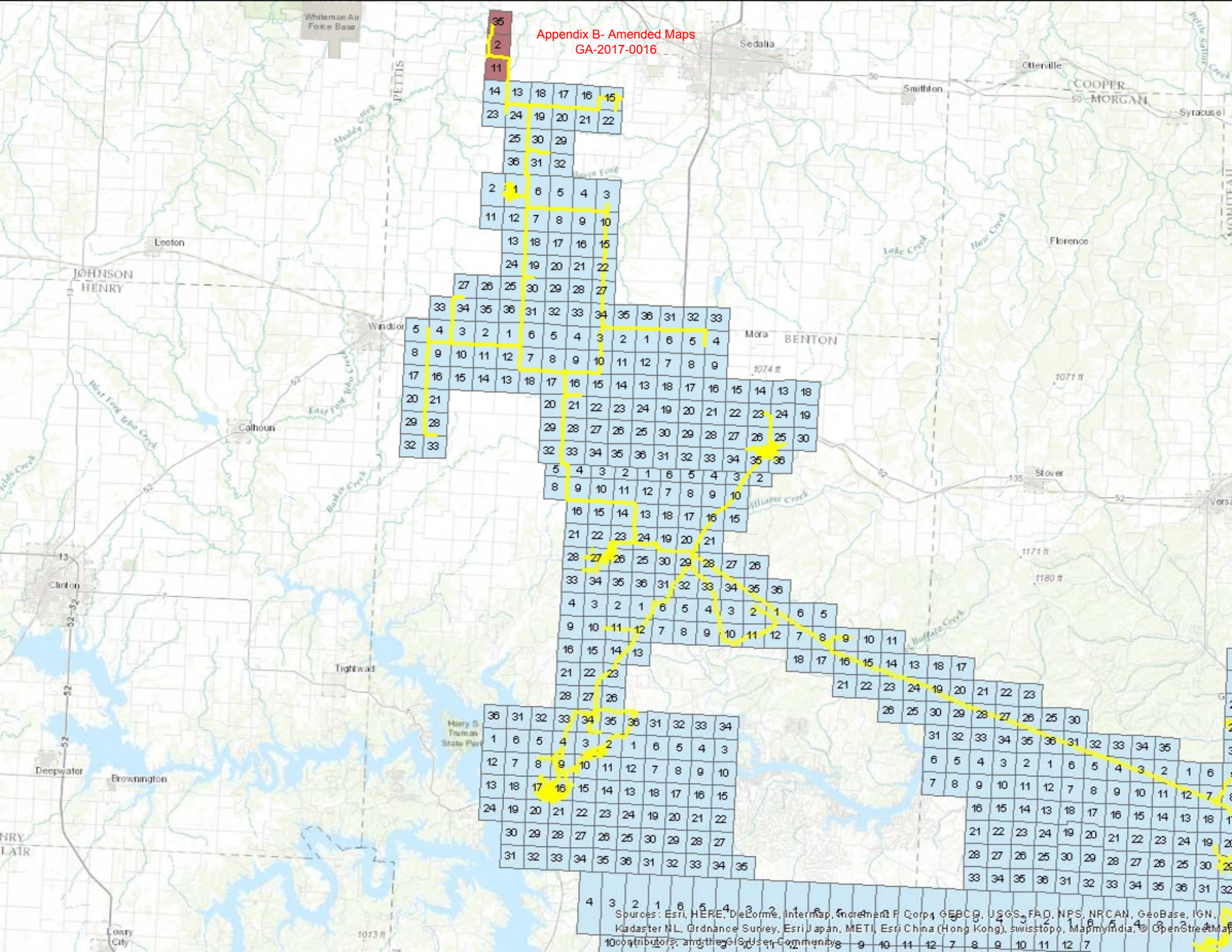
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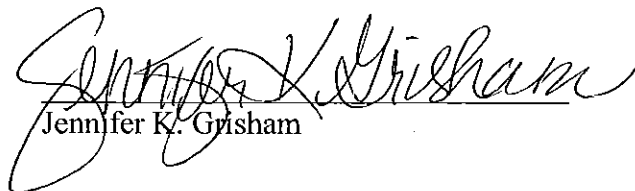
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AFFIDAVIT OF JENNIFER K. GRISHAM

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

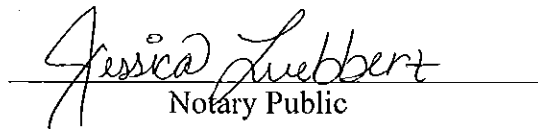
COMES NOW Jennifer K. Grisham and on her oath states that she is of sound mind and lawful age; that she contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to her best knowledge and belief.

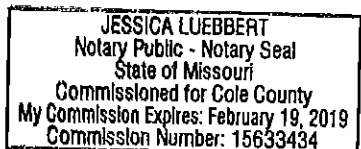
Further the Affiant sayeth not.


Jennifer K. Grisham

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 18th day of November, 2016.


Notary Public



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

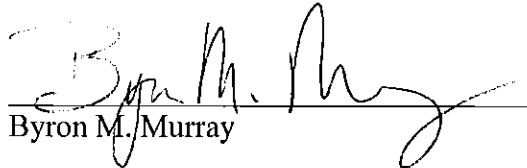
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Expansion of its Existing Certificated Areas)

AFFIDAVIT OF BYRON M. MURRAY

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

COMES NOW Byron M. Murray and on his oath states that he is of sound mind and lawful age; that he contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

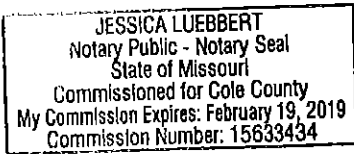
Further the Affiant sayeth not.


Byron M. Murray

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 18th day of November, 2016.


Notary Public



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AFFIDAVIT OF MICHAEL RUSH

STATE OF MISSOURI)
) ss
 COUNTY OF COLE)


COMES NOW Michael Rush and on his oath states that he is of sound mind and lawful age; that he contributed to the foregoing Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.


 Michael Rush

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 18th day of November, 2016.


 Notary Public

<p>JESSICA LUEBBERT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: February 19, 2019 Commission Number: 15633434</p>
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PARTIAL STIPULATION AND AGREEMENT

COME NOW Summit Natural Gas of Missouri, Inc. (“Summit”) and the Staff of the Missouri Public Service Commission (“Staff”) and, pursuant to Missouri Public Service Commission (“Commission”) Rule 4 CSR 240-2.115, request that the Commission approve this Partial Stipulation and Agreement (“Stipulation”) as a resolution of the issues that are specifically addressed herein. In support thereof, Summit and Staff state and agree as follows:

1. Summit acknowledges that Section 393.170.1, RSMo, states that no gas corporation shall begin construction of a gas plant without having first obtained the permission and approval of the commission. Summit acknowledges that Section 393.170.2, RSMo, states that no gas corporation shall exercise any right or privilege under any franchise without having obtained permission and approval from the commission. Summit acknowledges that Sections 393.130 and 393.140, RSMo, provide that a public utility shall serve customers within its certificated areas and Commission Rule 4 CSR 240-13.020(1) states that a public utility shall bill its residential customers in accordance with commission rules and its approved tariff.

2. Summit admits that it is a gas corporation, as defined by Section 386.020(18), RSMo, and is subject to the jurisdiction of the Commission.

3. Summit admits that it has constructed and installed gas plant for the purpose of providing, and has provided, utility service to customers outside its certificated service area without receiving Commission approval in advance of construction in violation of statutes. Summit states that a portion of the gas plant at issue was installed by Summit's predecessors and never effectuated through a certificate.

4. Summit admits that it has served and billed one hundred and sixty (160) persons or entities for natural gas utility service that were located outside the boundary of its certificated service area in violation of statutes. Attached hereto as Appendix A is a list of the identified persons and entities. Appendix A is identified as Highly Confidential as it contains specific customer information. 4 CSR 240-2.135(B)1. Summit and Staff have worked together to identify any and all Summit customers receiving service outside of Summit's certificated service area. Summit has submitted an application for a Certificate of Public Convenience and Necessity which would lawfully incorporate these customers into its certificated service area. Should Summit later discover that there are additional customers receiving service outside of Summit's certificated service area, it will notify Staff of the existence of those customers. Upon such notification, Staff may take any and all appropriate actions.

5. In lieu of a penalty, Summit agrees to forfeit the sum of Seventy-Five Thousand Dollars (\$75,000) to the Public School Fund of the State of Missouri. Payment of such sum shall be made in Fifteen Thousand Dollar (\$15,000) tranches.

The first payment of Fifteen Thousand Dollars (\$15,000) shall be due within seven (7) days after the effective date of a Commission order in File No. GA-2017-0016, approving this Stipulation and, thereafter, Fifteen Thousand Dollars (\$15,000) shall be paid annually, for a period of four years, from the effective date of such order.

6. Summit agrees not to seek or recover in rates this forfeited sum in rates.

7. Summit agrees to submit evidence of the above payments to File No. GA-2017-0016, when such payments are submitted.

8. (A) Staff agrees to not seek or support the imposition of penalties for the provision of service beyond its certificate area against Summit for the provision of, billing for, or other matters related to, utility service to the customers outside of its certificated area, identified in Appendix A.

(B) Staff agrees to not seek or support the imposition of penalties against Summit associated with Summit's failure to obtain Commission permission before construction and installation of gas plant outside its certificated service area in the areas covered by Summit's pending application for a Certificate of Public Convenience and Necessity.

(C) In the event that Summit fails to make the payments identified in paragraph 5 above, Staff's agreements set forth in sections (A) and (B) of this paragraph shall be void and Staff may take any actions against Summit and pursue any and all remedies provided by law. In the event it is discovered that Summit has constructed or installed gas plant outside its certificated service area and is providing or has provided service outside its certificated service area to additional customers after January 1, 2016 in which, Staff's agreements set forth in sections (A) and (B) of this

paragraph shall be void and Staff may take any actions against Summit and pursue any and all remedies provided by law.

GENERAL PROVISIONS

9. This Stipulation is being entered into for the purpose of disposing of the issues that are specifically addressed herein. In presenting this Stipulation, none of the signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any procedural principle, and none of the signatories shall be prejudiced or bound in any manner by the terms of this Stipulation, whether approved or not, in this or any other proceeding, other than a proceeding limited to the enforcement of the terms of this Stipulation, except as otherwise expressly specified herein. The signatories further understand and agree that the provisions of this Stipulation relate only to the specific matters referred to in this Stipulation, and no signatory waives any claim or right which it otherwise may have with respect to any matter not expressly provided for in this Stipulation.

10. This Stipulation has resulted from extensive negotiations and the terms hereof are interdependent. If the Commission does not approve this Stipulation in total, or approves it with modifications or conditions to which a signatory objects, then this Stipulation shall be void and no signatory shall be bound by any of its provisions. The agreements herein are specific to this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings except as otherwise noted herein.

11. If the Commission does not unconditionally approve this Stipulation without modification, and notwithstanding its provision that it shall become void, neither

this Stipulation, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any signatory has for a decision in accordance with Section 536.080, RSMo 2000, or Article V, Section 18, of the Missouri Constitution, and the signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

12. Staff enters into this Stipulation in reliance upon information provided to Staff by Summit and this Stipulation is explicitly predicated upon the truth of representations made by Summit.

13. If the Commission unconditionally accepts the specific terms of this Stipulation without modification, the signatories waive, with respect to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to the reading of the transcript by the Commission pursuant to Section 536.800.2, RSMo 2000; (4) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and (5) their respective rights to judicial review pursuant to Section 386.510, RSMo Supp. 2011. These waivers apply only to a Commission order respecting this Stipulation issued in this above-captioned proceeding and do not

apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this Stipulation.

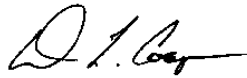
14. This Stipulation contains the entire agreement of the signatories concerning the issues addressed herein.

15. The intent of the signatories to this Stipulation has been fully and exclusively expressed in this document and the attachments appended hereto.

16. Acceptance of this Stipulation by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this Stipulation is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

WHEREFORE, the signatories respectfully request the Commission to issue an Order in this case approving this Stipulation and Agreement.

Respectfully submitted,

<p><u>/s/ Hampton Williams</u> Wm. Hampton Williams Assistant Staff Counsel Missouri Bar No. 65633 P.O. Box 360 Jefferson City, MO 65102 (573) 751-8517 (Telephone) Hampton.Williams@psc.mo.gov</p> <p>ATTORNEY FOR THE STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION</p>	<p>BRYDON, SWEARENGEN & ENGLAND P.C.</p> <p>By:</p> <p></p> <p>_____ Dean L. Cooper MBE# 36592 312 East Capitol Avenue P.O. Box 456 Jefferson City, MO 65102-0456 Telephone: (573) 635-7166 Facsimile: (573) 635-0427 E-mail:DCooper@brydonlaw.com</p> <p>ATTORNEY FOR SUMMIT NATURAL GAS OF MISSOURI, INC.</p>
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been sent by electronic mail this ___ day of November, 2016, to the parties to this case.

APPENDIX A
HAS BEEN DEEMED
HIGHLY CONFIDENTIAL
IN ITS ENTIRETY.