

Summit Midstream Partners, LP
Form SC 13D/A
March 01, 2016

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Amendment No. 2 to

SCHEDULE 13D

(Rule 13d-101)

Under the Securities Exchange Act of 1934

Summit Midstream Partners, LP

(Name of Issuer)

Common Units

(Title of Class of Securities)

866142102

(CUSIP Number)

Andrew Singer

11943 El Camino Real

Suite 220

San Diego, California 92130

Telephone: 858-703-4400

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

February 29, 2016

Edgar Filing: Summit Midstream Partners, LP - Form SC 13D/A

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. o

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Edgar Filing: Summit Midstream Partners, LP - Form SC 13D/A

1	Names of Reporting Persons I.R.S. Identification Nos. of Above Persons (Entities Only)	
	Energy Capital Partners II, LLC	
2	Check the Appropriate Box if a Member of a Group	
	(a)	☐
	(b)	☐
3	SEC Use Only	
4	Source of Funds (See Instructions) OO	
5	Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Item 2(d) or 2(e) ☐	
6	Citizenship or Place of Organization Delaware	
	7	Sole Voting Power 0
	8	Shared Voting Power 32,853,438 (a)
	9	Sole Dispositive Power 0
	10	Shared Dispositive Power 32,853,438 (a)
11	Aggregate Amount Beneficially Owned by Each Reporting Person * 32,853,438 (a)	
12	Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ☐	
13	Percent of Class Represented by Amount in Row (11) 49.4%(b)	
14	Type of Reporting Person OO (Limited Liability Company)	

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

(a) Represents (i) 2,998,857 common units representing limited partner interests of the Issuer (Common Units) held directly by SMLP Holdings, LLC (SMLP Holdings), 151,160 Common Units held directly by Summit Midstream Partners, LLC (Summit) and 29,703,421 Common Units held directly by Summit Midstream Partners Holdings, LLC (SMPH), which cumulatively represent 49.4% of the outstanding Common Units. Summit is the sole member of SMPH. Energy Capital Partners II, LP and its parallel and co-investment funds (collectively, the ECP Funds), hold, in the aggregate, greater than a majority of the membership interests in Summit. Certain of the ECP Funds also collectively hold all of the membership interests in SMLP Holdings. Energy Capital Partners II, LLC (ECP II) is the general partner of the general partner of each ECP Fund that holds membership interests in Summit and SMLP Holdings and has voting and investment control over the securities held thereby. Accordingly, ECP II may be deemed to indirectly beneficially own the Common Units of the Issuer held by Summit, SMPH and SMLP Holdings.

Edgar Filing: Summit Midstream Partners, LP - Form SC 13D/A

(b) Based upon 66,472,494 Common Units outstanding as of February 16, 2016, as set forth in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Edgar Filing: Summit Midstream Partners, LP - Form SC 13D/A

- 1 Names of Reporting Persons
I.R.S. Identification Nos. of Above Persons (Entities Only)
- SMLP Holdings, LLC
- 2 Check the Appropriate Box if a Member of a Group
(a) ☐
(b) ☐
- 3 SEC Use Only
- 4 Source of Funds (See Instructions)
OO
- 5 Check Box if Disclosure of Legal Proceedings Is Required Pursuant to Item 2(d) or 2(e) ☐
- 6 Citizenship or Place of Organization
Delaware
- | | | |
|---|----|--|
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With | 7 | Sole Voting Power
2,998,857(a) |
| | 8 | Shared Voting Power
0 |
| | 9 | Sole Dispositive Power
2,998,857(a) |
| | 10 | Shared Dispositive Power
0 |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person *
2,998,857(a)
- 12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ☐
- 13 Percent of Class Represented by Amount in Row (11)
4.5%(b)
- 14 Type of Reporting Person
OO (Limited Liability Company)

(a) Represents 2,998,857 Common Units, or 4.5% of the outstanding Common Units.

(b) Based upon 66,472,494 Common Units outstanding as of February 16, 2016, as set forth in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Edgar Filing: Summit Midstream Partners, LP - Form SC 13D/A

Explanatory Note: This Amendment No. 2 amends and supplements the Schedule 13D (the "Schedule 13D") filed on behalf of Energy Capital Partners II, LLC and SMLP Holdings, LLC (collectively, the "Reporting Persons") with the Securities and Exchange Commission on February 1, 2016, as amended by Amendment No. 1 to Schedule 13D filed on February 12, 2016.

This Amendment No. 2 is being filed to report the acquisition of Common Units reported in Item 5(c) that resulted in an acquisition of beneficial ownership of Common Units in an amount equal to one percent or more of the Issuer's outstanding Common Units. The disclosure regarding the transactions reported in Item 5(c) below is incorporated herein by reference.

Information given in response to each item shall be deemed incorporated by reference in all other items, as applicable. All capitalized terms contained herein but not otherwise defined shall have the meanings ascribed to such terms in the Schedule 13D.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is hereby amended by adding the following paragraph at the end hereof:

In various open market purchases between February 12, 2016 and February 29, 2016, SMLP Holdings, which is a wholly owned subsidiary of certain of the ECP Funds, acquired an aggregate of 814,671 of the Issuer's outstanding Common Units for a total aggregate purchase price of \$12,049,080.23. The purchase of such Common Units was funded from cash contributed to SMLP Holdings by certain of the ECP Funds.

4. Purpose of Transaction

The first paragraph of Item 4 of this Schedule 13D is hereby amended and restated in its entirety as follows:

The Reporting Persons acquired the securities described in this Schedule 13D for investment purposes and they intend to review their investments in the Issuer on a continuing basis. The Reporting Persons may, at any time and from time to time, review or reconsider their position, change their purpose or formulate plans or proposals with respect thereto. ECP indirectly controls through Summit all of the membership interests of Issuer GP and has the power to elect all of the members of the board of directors of Issuer GP. Summit indirectly owns, operates and is developing various natural gas, crude oil and produced water-related midstream energy infrastructure assets in the Utica Shale in southeastern Ohio, the Bakken Shale in northwestern North Dakota, and the DJ Basin in northeastern Colorado. Summit also indirectly owns a 40% interest in a joint venture that is developing natural gas gathering infrastructure and a 40% interest in a joint venture that is developing condensate stabilization infrastructure in the Utica Shale in southeastern Ohio. On February 25, 2016, SMPH entered into a contribution agreement with the Issuer (the "Contribution Agreement"), pursuant to which the Issuer agreed to acquire substantially all of the equity interests in the entities holding the assets described above, including the equity interests in the joint ventures (collectively, the "2016 Drop Down Assets"). The transaction is expected to close in March 2016. The consideration to be paid by the Issuer to SMPH for the 2016 Drop Down Assets will consist of (i) a cash payment to SMP Holdings at initial close of \$360.0 million (the "Initial Payment") and (ii) a deferred payment to be paid in 2020 (the "Deferred Payment"). The Deferred Payment will be based on a 6.5x multiple of the average of 2018 and 2019 adjusted EBITDA from the 2016 Drop Down Assets, adjusted for the Initial Payment, and the capital expenditures incurred for and adjusted EBITDA from the 2016 Drop Down Assets during the deferral period. At the discretion of the board of Issuer GP, the Deferred Payment can be paid in cash, Common Units or a combination thereof. The foregoing description of the Contribution Agreement does not purport to be complete and is qualified in its entirety by reference to the Contribution Agreement filed as Exhibit 10.1 to the Issuer's Current Report on Form 8-K filed on March 1, 2016, which exhibit is incorporated in its entirety herein.

Item 5. Interest in Securities of the Issuer

Item 5 of this Schedule 13D is hereby amended and restated in its entirety as follows:

	ECP II	SMLP Holdings
(a) Amount beneficially owned	32,853,438(1)	2,998,857(2)
(b) Percent of Class (3)	49.4%	4.5%
(c) Number of shares as to which such person has:		
(i) Sole power to vote or to direct the vote:		2,998,857(2)
(ii) Shared power to vote or to direct the vote:	32,853,438(1)	
(iii) Sole power to dispose or to direct the disposition of:		2,998,857(2)
(iv) Shared power to dispose or to direct the disposition of:	32,853,438(1)	

(1) Represents 2,998,857 Common Units held directly by SMLP Holdings, 151,160 Common Units held directly by Summit and 29,703,421 Common Units held directly by SMPH, which cumulatively represent 49.4% of the outstanding Common Units. Summit is the sole member of SMPH. The ECP Funds, hold, in the aggregate, greater than a majority of the membership interests in Summit. Certain of the ECP Funds also collectively hold all of the membership interests in SMLP Holdings. ECP II indirectly controls each ECP Fund that holds membership interests in Summit and SMLP Holdings and has voting and investment control over the securities held thereby. Accordingly, ECP II may be deemed to indirectly beneficially own the Common Units of the Issuer held by Summit, SMPH and SMLP Holdings.

(2) Represents Common Units held directly by SMLP Holdings, or 4.5% of the outstanding Common Units.

(3) Based upon 66,472,494 Common Units outstanding as of February 16, 2016, as set forth in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

(c) The transactions effected by the Reporting Persons since the filing of the Schedule 13D are set forth on Schedule I attached hereto.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

The information provided or incorporated by reference in Item 4 is hereby incorporated by reference herein.

Item 7. Material to Be Filed as Exhibits

Edgar Filing: Summit Midstream Partners, LP - Form SC 13D/A

99.6 Contribution Agreement, dated as of February 25, 2016, by and among Summit Midstream Partners Holdings, LLC and Summit Midstream Partners, LP (Incorporated herein by reference to Exhibit 10.1 to SMLP's Current Report on Form 8-K dated March 1, 2016).

SIGNATURE

After reasonable inquiry and to the best of the undersigned's knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: March 1, 2016

Energy Capital Partners II, LLC

By: /s/ Christopher M. Leininger
Christopher M. Leininger
Managing Director and Deputy General Counsel

SMLP Holdings, LLC

By: /s/ Enoch O. Varner
Enoch O. Varner
Vice President

SCHEDULE I

Open Market Transactions by SMLP Holdings, LLC in the Securities of the Issuer

Date of Transaction	Number of Common Units Purchased	Weighted Average Price Per Common Unit	Price Range
February 12, 2016	12,500	14.39	14.00-14.99
February 12, 2016	43,483	15.08	15.00-15.20
February 16, 2016	59,025	16.18	15.70-16.50
February 17, 2016	90,978	16.06	15.77-16.41
February 18, 2016	60,262	15.64	15.28-16.05
February 19, 2016	91,678	15.49	15.19-15.71
February 22, 2016	34,486	16.31	15.75-16.72
February 22, 2016	2,800	16.81	16.75-16.86
February 23, 2016	36,613	16.19	15.90-16.52
February 24, 2016	59,627	15.80	15.25-16.05
February 25, 2016	46,492	13.17	12.57-13.56
February 25, 2016	21,100	13.92	13.57-14.55
February 25, 2016	15,885	14.97	14.58-15.57
February 25, 2016	1,400	15.86	15.69-16.05
February 26, 2016	84,877	12.89	12.70-13.00
February 29, 2016	153,465	13.12	12.82-13.53

The Reporting Persons undertake to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of Common Units purchased at each separate price within the ranges set forth above.