

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION



Re: Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities

Docket DG 15-____

Petition for Expansion of Franchise to Towns of Pelham and Windham, New Hampshire and Waiver of the Tariff Filing Requirement Pursuant to Puc 1603.02(a)

NOW COMES Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (the "Company" or "EnergyNorth") by and through its attorneys, Rath, Young and Pignatelli, P.A., and petitions the New Hampshire Public Utilities Commission (the "Commission") to grant it franchises to serve in the towns of Pelham and Windham, New Hampshire, pursuant to RSA 374:22 and 26. In addition, the Company seeks a waiver of Puc 1603.02(a) to the extent it requires the filing of the Company's tariff as part of its request for the new franchises. In support hereof, the Company states as follows:

1. EnergyNorth is the largest gas distribution utility in New Hampshire, serving approximately 90,000 customers in 31 municipalities across the state. By this petition, EnergyNorth requests Commission approval to expand its franchise areas to the towns of Pelham and Windham, New Hampshire where it proposes to serve customers under the existing terms and conditions of its tariff as it applies to the Company's customers (with the exception of that portion of the tariff that applies to its Keene Division).

2. As described in the prefiled direct testimony of William J. Clark, the Company seeks franchises to serve throughout Pelham and Windham where it anticipates bringing natural gas distribution service to the majority of the commercial corridor along Route 38 and Route

111, to town buildings and schools, and to approximately 2,500 residential customers. The location of the proposed distribution system is depicted in Attachments WJC-1 and WJC-2 to Mr. Clark's testimony. The Company began exploring potential service to Windham in 2013 after being contacted by the Town's Local Energy Committee which had expressed interest in natural gas service. The Company subsequently began discussing the potential for gas service with Town officials in Pelham given that it could be served off the same system.

3. If this franchise petition is approved, the Company would use its existing contractors to construct the distribution system, all in accordance with applicable federal and state standards, including 49 C.F.R. Part 192 and the Puc 500 rules. The Company has conducted preliminary engineering assessments of the routes through each of the Towns, and has determined that it will need to construct a gas main underneath Beaver Creek in Pelham. The Company will be seeking a license pursuant to RSA 371:17 to construct and maintain a gas pipeline beneath the creek in the near future.

4. As with existing customers within the Nashua-Manchester corridor of the Company's system, customers within Pelham and Windham would be served off of the Concord Lateral. In order to bring service to Pelham and Windham, Tennessee Gas Pipeline, which owns the Concord Lateral, would construct an interconnection with the Company's newly constructed distribution system. The Company anticipates that it could begin construction of the distribution system as early as the spring of 2016, with service being available as early as the summer or fall of 2016, bringing low cost natural gas to customers in time for the 2016-17 heating season.

5. The Company's managerial, technical and financial ability to serve customers within these towns is evidenced by its current ability to serve approximately 90,000 other customers throughout the state. As Mr. MacDonald explains in his testimony, Pelham and

Windham customers would be served from the Company's existing Nashua gas operations crews. The Company has in place customer service, sales and marketing, gas procurement, energy efficiency, regulatory and finance operations, all of which would support service to customers from these towns.

6. The Company proposes to serve customers in Pelham and Windham under the existing terms and conditions of its tariff. Customers would be charged the same cost of gas rates as existing customers given that they would be served using the same sources of gas. The Company does not anticipate charging customers to construct line extensions given that its preliminary calculations show that the amount of distribution revenue that it will receive will satisfy the payback periods of 6 and 8 years for commercial and residential customers, respectively, for the cost of construction. *See Clark Testimony at 7.*

7. Puc 1603.02(a) provides that “[a]t the time of proposing an initial franchise, a utility shall propose a tariff and file the tariff with the commission.” As discussed in the prefiled direct testimony of Steven E. Mullen, the Company is requesting that the same terms and conditions of service for existing EnergyNorth customers (excluding the customers of the Keene Division who are served pursuant to a separate tariff) apply to any new customers in Pelham and Windham. EnergyNorth's tariff has is available on the Company's website (http://www.libertyutilities.com/east/gas/saving/gas_rates.html) and on the Commission's website (<http://www.puc.nh.gov/Regulatory/companies-regulated-tariffs.htm#gas>). Due to its size and the fact that it has already been approved for service to EnergyNorth customers, the Company respectfully requests a waiver of this filing requirement. Granting such a waiver meets the requirements of Puc 201.05 because it is in the public interest to conserve paper resources by not providing a copy of the entire tariff when there would be extremely limited changes to it

(merely the addition of the names of the towns), it is available electronically, and it would be onerous to provide the copies. In addition, granting this waiver will not disrupt the orderly or efficient resolution of this matter before the Commission, as the parties can rely on the existing electronic tariff to provide any needed information.

8. The expansion of the Company's franchise to Pelham and Windham is in the public good because it will bring low cost natural gas to two more municipalities within the State, thereby providing more fuel choice to consumers consistent with the State's draft Energy Plan. Businesses and individual homeowners switching to natural gas will have the opportunity to install high efficiency heating equipment which will be beneficial to those currently using less fuel efficient, older technology. In addition, the Company anticipates that bringing natural gas to the towns will facilitate economic development to the extent a lower cost fuel is available. Further, the Company anticipates interconnecting the Pelham-Windham system to its existing systems in Hudson, Londonderry, and Derry in the future, which will also serve to enhance reliability of those systems.

9. For these reasons, and those stated in its prefiled testimony, the Company requests that the Commission find the proposed expansions in the public good and grant the Company permission to serve throughout Pelham and Windham.

WHEREFORE, EnergyNorth respectfully requests that the Commission:

- A. Grant the Company franchises to serve within the Towns of Pelham and Windham;
- B. Grant the Company's request for a waiver of Puc 1603.02(a) and;
- C. Grant such other relief as is just and reasonable and consistent with the public interest.

Respectfully submitted,

LIBERTY UTILITIES (ENERGYNORTH
NATURAL GAS) CORP. D/B/A LIBERTY
UTILITIES

By Its Attorneys,

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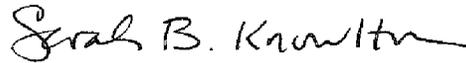
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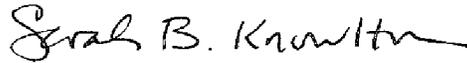
By:



Sarah B. Knowlton, Esquire

Certificate of Service

I hereby certify that on August 31, 2015 a copy of this Petition has been forwarded to the Consumer Advocate.



Sarah B. Knowlton