



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

DG 14-091

Liberty Utilities/iNATGAS Special Contract and Lease

Staff's Data Requests – Set 1

Date Request Received: 4/8/14
Request No. Staff 1-16

Date of Response: 4/17/14
Respondent: William J. Clark

REQUEST:

Ref. Clark Testimony, Bates p. 10, lines 5-7. If the lease and special contract are approved in 30 days, when would the project be operational? Why did the company target the 2014-15 heating season? What would happen if the project's in service date was delayed?

RESPONSE:

If the lease and special contract are approved in 30 days, Liberty expects the station to be operational by November of 2014. Liberty targeted the 2014-2015 heating season in order to start earning a return on its investment as soon as possible. If the special contract and lease is approved in 30 days the long lead time items, such as the compressors, could be ordered this spring. Site preparation, gas and electrical service work and marketing efforts could begin. With the station under construction it will be more effective for iNATGAS to market the station to transporters who are actively signing up CNG customers. If site preparation work was not complete by the winter and long lead items were not expected to be shipped until after the construction season, then the station would be delayed until spring of 2015. Liberty and iNATGAS would have already been investing capital dollars that they would not be able to earn a return on for another 3-6 months.