

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Re: KeySpan Energy Delivery New England
2006 Integrated Resource Plan

DG 06-105

Post Hearing Brief of KeySpan Energy Delivery New England

I. Introduction

This docket was opened in August 2006 when KeySpan Energy Delivery New England (“KeySpan” or “the Company”) submitted its 2006 integrated resource plan (“IRP”) for review by the Commission. Just ten months earlier, the Commission approved a settlement in the Company's 2004 IRP Proceeding (DG 04-133) in which the Commission staff (“Staff”) and the Company reached agreement on specific modifications to the Company's IRP process.

The central issue in dispute in the current case is simple—should the Commission approve the Company's 2006 IRP if it complied with the approved settlement in the 2004 IRP Proceeding? The Company believes that (1) the evidence in this case unambiguously demonstrates that its 2006 IRP complies with the settlement in the 2004 proceeding and (2) it would be contrary to the public interest to reject the 2006 IRP for any of the reasons posited by Staff. The Company also recognizes, however, that during the course of this proceeding several additional considerations have been identified that, although beyond the scope of the 2004 settlement, Staff believes should appropriately be part of the gas IRP process.

Given the focus in this proceeding on past differences coupled with the limited opportunity at the January 9, 2008 hearing to fully address the appropriate standards for gas IRP filings, the Company believes that the Commission would not be well served by limiting itself to the record in the current proceeding to establish requirements for future gas IRP filings. Therefore, the Company requests that the Commission (1) reaffirm the importance of the settlement process by upholding the settlement it approved in KeySpan's 2004 IRP Proceeding and (2) address the issue of what should constitute the elements of gas integrated resource planning in the Company's future filings by ordering the parties to reconvene in a structured collaborative process to resolve their remaining differences. In particular, the Company recommends that the Commission convene an independently mediated collaborative that would be required to complete its work in no longer than six months, with periodic reports to the Commission on the parties' progress. The Company strongly believes that such a renewed effort is likely to yield a comprehensive agreement that will have more lasting value than one that comes from a litigated proceeding, and represents to the Commission that it is prepared to show flexibility in its position in order to achieve such a result.

This brief will (1) summarize the Company's position regarding the significance of the settlement approved by the Commission in the 2004 IRP Proceeding, (2) demonstrate that Staff's argument that the Company did not adequately comply with the prior settlement is inconsistent with the position it took in its direct and surrebuttal testimony and therefore is an insufficient basis to reject the Company's current IRP, and (3) propose an independently mediated collaborative process for developing comprehensive filing requirements for the Company's next IRP.

II. It Would Not Be In The Public Interest To Judge The Company's 2006 IRP By Standards That Go Beyond Those Approved In The 2004 IRP Proceeding.

As the Commission has repeatedly stated:

N.H. Code Admin. Rules Puc 203.20(b) provides that the Commission shall approve disposition of any contested case by settlement "if it determines that the result is just and reasonable and serves the public interest." *See also* RSA 541-A:31, V(a). In general, the Commission encourages parties to attempt to reach a settlement of issues through negotiation and compromise "as it is an opportunity for creative problem-solving, allows the parties to reach a result more in line with their expectations, and is often a more expedient alternative to litigation." [Citations omitted.] However, even where all parties enter into a settlement agreement, the Commission cannot approve it "without independently determining that the result comports with applicable standards." [Citation omitted.]

See, e.g., National Grid plc (DG 06-107), slip op. at 68 (2007). The Staff does not dispute that the Commission made such an independent determination in the 2004 IRP Proceeding, and a review of Commission Order No. 24,531 resolving that docket amply demonstrates that it did just that. Thus, if the Company's 2006 IRP filing is consistent with the settlement approved in the 2004 proceeding, it "comports with applicable standards" and should be accepted by this Commission. The Staff's proposal in this docket that the Commission should expand those standards, at least with regard to the Company's 2006 IRP, would plainly undermine the parties' expectations when they entered into, and the Commission approved, the 2004 IRP settlement. Such an outcome would not be in the public interest.

- A. The Staff's position that the 2004 IRP settlement does not define the scope of the 2006 IRP filing requirements does not comport with the history of the 2004 IRP Proceeding and would be inconsistent with good Commission practice.

The Staff relies on three basic arguments for its position that the prior approved settlement should not define the scope of the IRP required to be filed in this docket.

First, the Staff relies on its own consultant's report ("the Liberty Report") from the 2004 IRP Proceeding. Second, Staff argues that the Commission should look to a settlement from a docket ten years earlier to supplement the approved settlement from DG 04-133. Third, at the January 2008 hearing and in its subsequent brief, Staff argued that, even if the settlement in the 2004 IRP Proceeding does define the required scope of the filing in this case, the Commission should find that the Company's IRP did not *sufficiently* comply the requirements of that agreement. For the reasons set forth below, the Commission should reject all three arguments, and order the parties to reconvene in an independently mediated collaborative to determine the proper scope of future IRP filings.

1. The history of the settlement of the 2004 IRP Proceeding demonstrates that the settlement in that case was intended to identify all of the changes the Company would be required to make to its IRP process.

The September 5, 2007 joint prefiled testimony of Mr. Silvestrini, Ms. Arangio and Mr. Poe (Exh. 2)¹ sets forth in detail the relevant history of the settlement that gave rise to the Company's IRP filing in this docket. As the Commission is aware, that settlement was the culmination of two vigorously contested proceedings. The first,

¹ Although the joint prefiled testimony of Mr. Silvestrini, Ms. Arangio and Mr. Poe was entitled "Direct Testimony" because it was the initial testimony filed on behalf of the Company, it was submitted in response to the initial testimony submitted by Mr. McCluskey on February 7, 2007. The Company's initial case in this docket was represented by its IRP filing, which was submitted in August 2006. Thereafter, Mr. McCluskey submitted his initial testimony, to which the Company responded in September. Mr. McCluskey then submitted surrebuttal testimony in November 2007, and the Commission conducted a hearing on January 9, 2008.

DG 03-160, concerned a Staff investigation of gas dispatch decisions by the Company. The second was a consolidated proceeding, DG 04-133/DG 04-175, the relevant portion of which related to the sufficiency of the Company's 2004 IRP filing.

The settlement that concluded the 2004 IRP Proceeding was a carefully worded agreement that set forth the changes the Company would be required to make to its IRP process. The agreement identified nine specific modifications to the 2004 IRP process that the Company agreed to make when it filed its next IRP in 2006. Exh. 2 at 4; Exh. 5 (DG 04-133). Particularly when one considers the highly contested nature of the 2004 docket, the plain meaning of the language of the agreement compels one to conclude that the parties intended, and the Commission understood, that if KeySpan's 2004 IRP filing were modified as set forth in the settlement, its 2006 IRP would be accepted as setting forth a reasonable planning process.

Staff's position in this case relies extensively on its characterization of the Liberty Report,² which was submitted by Staff in DG 04-133. Even if one were to accept Staff's characterization of that report at face value,³ Staff has failed to address the fact that the Liberty Report was the Staff's *litigation position* in the 2004 IRP Proceeding. It did not constitute findings by the Commission after a contested hearing—a critical distinction. At the hearing on the 2004 IRP settlement, the Company's counsel specifically stated:

I'd start by noting for the record that the Company was provided a copy of the Liberty report, and we appreciated the opportunity to discuss that with

² The Liberty Report was prepared by Messrs. John Adger and Yavuz Arik of Liberty Consulting, which was engaged by the Commission to act as the Staff's consultant.

³ The Company emphatically disagrees with Staff's efforts to characterize the Liberty Report in this proceeding, but does not believe that reopening the issues from DG 04-133 in this proceeding would shed any meaningful light on how to resolve the issues currently in dispute.

Liberty and the Staff and the Consumer Advocate. But we, at no time, did any discovery that related to that report....[W]hile it provides a basis for finding that the Settlement is in the public interest, [it] would not be precedential in any way in terms of the Commission taking further action without separate proceedings on anything that the Commission was considering.

Our view is, as was stated by Mr. Silvestrini, that there are a number of areas of that report that we don't agree with. And, we don't think that should be of concern to the Commission in approving the ultimate settlement, because the nature of the settlement is that you started with differences and found a way to resolve them.

Transcript ("Tr.") (DG 04-133) at 103-4. It could not have been clearer that the Liberty Report was being included in the record as background information only, and not as findings that could be relied on in a future proceeding.

If this was not sufficient to make clear that the parties' agreement was represented by the terms of the settlement approved by the Commission, rather than other external documents, Section II.F.4 of the settlement provided:

This Settlement Agreement constitutes the entire agreement between the Staff and Parties regarding the subject matter hereof. All previous discussions, communications and correspondence regarding the subject matter hereof are superseded by the execution of this agreement.

This provision, as is typical of an "integration clause" or "merger clause" in any agreement, was intended to set forth the parties' understanding that the Commission would look to the settlement, and the settlement only, to determine the scope of the parties' agreement. For the Commission to now go beyond the terms of the settlement and incorporate portions of the Liberty Report in reaching a determination in this proceeding would be improper and inconsistent with the settlement it previously approved. The Company believes that that was not the Commission's intention or

understanding when it approved the prior settlement, and does not believe it should accept Staff's invitation to do so now.

Staff's effort to look beyond the prior settlement agreement and return to portions of its litigation position in the 2004 IRP Proceeding would be inconsistent with the purpose of having entered into a settlement in the first place and, if accepted, would do great harm to the Commission's traditional dispute resolution process. If a party to a settlement may subsequently rely on its prior litigation position to expand the terms of a settlement, rather than relying on the substance of the settlement itself, it will be necessary in the future for parties to put their full litigation position into the record and cross examine opposing parties on their litigation positions, even if they have already settled the case. The problems with such an approach, and the toll it would take on the Commission's conduct of its own business, are self-evident.

It is particularly noteworthy that, in the 2004 IRP Proceeding, because the Staff chose to put the Liberty Report into the record, the Company took what steps it could to make clear that it disagreed with the report's findings and conclusions. Not only did the Company's counsel state the Company's understanding that the Liberty Report would not be relied upon in future proceedings, Mr. Silvestrini (the Company's witness regarding the settlement) specifically testified that the Company disagreed with numerous aspects of the report.

[T]here are a number of areas where we disagree with the conclusions of the Liberty report. And, I can summarize at least a few of those areas here.

Tr. (DG 04-133) at 55. Mr. Silvestrini's testimony made clear that his testimony was not intended to set forth each and every disagreement that the Company had with the report. Notwithstanding KeySpan's concerns, Mr. Silvestrini noted that the Company had agreed

to modify its IRP process as set forth in the settlement because it believed that doing so would contribute to a better working relationship with Staff. *Id.* at 76. Even a casual reader of the transcript, let alone those who were present for the hearing itself, would be struck by the fact that the settlement in the 2004 IRP Proceeding was exceedingly difficult to reach and was not intended to impose requirements beyond those expressly agreed to. Staff's suggestion in this docket that the prior settlement was not intended to be comprehensive or that it should now be expanded to include matters that not only were not addressed in the settlement, but in some cases were not even discussed in the Liberty Report, is contrary to the record in that docket.

In addition to the language from Section II.F.4 quoted above, the Staff's consultants in the 2004 IRP Proceeding unambiguously stated their support for the final settlement as written. After the title page of their presentation to the Commission at the hearing, the very first slide was entitled in bold lettering "**We support the settlement.**" See Appendix 1 (which is an excerpt from Exh. 6 in this case (Exh. 26 in DG 04-133)).⁴

And in his live testimony, Mr. Adger reiterated:

[O]ur first point is we support the settlement. To us, an important outcome of the review was to shine a spotlight on some areas that need additional attention. And we presented those, a discussion of those in the narrative form in the last chapter of our report. And, those things are well covered in the Settlement Agreement. So, we think that everything is on its way to resolution.

Tr. (DG 04-133) at 14. The second slide of the presentation listed "**Additional work to be done**", and identified several tasks, one of which was "Revising the Company's Integrated Resource Plan". Those revisions are unmistakably set forth in the settlement

⁴ It should be noted that the Assistant Director of the Commission's Gas and Water Division separately testified that he also supported the settlement as reasonable and in the public interest. Tr. (DG 04-133) at 91.

agreement. Staff's suggestion that something beyond that was intended or is now appropriate is simply unfounded.

Given that neither Mr. Adger's testimony nor the Liberty Report so much as mentioned the concept that KeySpan would be subject to the same IRP process as is imposed on PSNH or other electric utilities, Staff's position that the Commission should now read such a requirement into the settlement or should supplement the settlement in such a manner has no foundation.

2. The Commission should not rely on a settlement from a 1995 proceeding in resolving this case, given that there is a subsequent settlement that was expressly intended to establish the filing requirements for this specific case.

The Staff's position in this docket is also based on the argument that, rather than looking to the settlement in the 2004 IRP Proceeding, the Commission should rely on a settlement from an IRP docket that occurred approximately ten years earlier, DE 95-189, as the basis for determining the requirements applicable to the Company's 2006 IRP. The Staff's brief sets forth a lengthy history of IRP in New Hampshire, including the statute imposing IRP requirements on electric utilities, orders regarding IRPs filed by various electric utilities over the years and a step by step recounting of IRP filings and settlements by KeySpan's predecessor and Northern Utilities ten years ago. Staff's brief, however, fails to explain the relevance of any of the prior settlements or orders, given the existence of a subsequent settlement that directly addresses the issues in this case. There is simply no legal basis for resurrecting a settlement that is more than ten years old, particularly given that it was not even indirectly referred to in the 2004 IRP Proceeding or the Commission's order resolving that proceeding.

Staff's argument in reliance on the settlement from DE 95-189 fails to address certain critical facts. First, as Staff amply demonstrated in its brief, after the settlement in DE 95-189, the IRP process for gas utilities had a hiatus of several years, indicating at least implicitly that the Commission understood that the 1995 settlement had been superseded to some extent. *See Staff Brief* at 10. Second, the current IRP process arose directly out of a specific proceeding—DG 03-160—in which the Company (again in a settlement) agreed to begin the IRP process anew. Third, although the Staff's brief provides a detailed recounting of the history of integrated resource planning in New Hampshire (particularly for electric utilities), it fails to give any weight whatsoever to the fact that the Legislature has never authorized an IRP process for gas utilities or given any indication that if such a process were implemented it should mirror the process required for electric utilities.

In some cases, it would be reasonable for the Commission to look to prior decisions involving other utilities for guidance on how it should rule, but here the Commission issued a ruling on the specific issues before it less than a year before the IRP in this case was filed. In light of that order, it is wholly irrelevant what the Commission decided in the half dozen or so prior cases involving Public Service Company of New Hampshire, Northern Utilities or other utilities (including EnergyNorth Natural Gas for that matter) that Staff now urges the Commission to rely on.

It is also worth noting that, although Staff also relied on NARUC's 1993 *Primer on Gas Integrated Resource Planning* to support its argument that it would be unreasonable for the Commission not to require Staff's proposed changes to the Company's IRP process, that document (which predated most of the changes that have

occurred as a result of restructuring of the gas industry) supports just the opposite conclusion—namely, that such changes are not critical to a determination that the Company’s planning process “comports with applicable standards.” Among other things, the NARUC primer includes the following statements:

Some states have adopted formal gas IRP regulations *with mixed success*; regulators of adopting states were influenced by the electric industry’s IRP paradigm and tried to transfer that approach to the gas industry.

Exh. 10 at xvii. (Emphasis added.)

Integrated resource planning for gas LDCs *is one approach* for state PUCs to consider in addressing the challenges of gas industry restructuring.

Id. (Emphasis added).

Others involved in the gas industry believe that there are significant drawbacks to gas IRP regulatory processes. They conclude that significant differences between electric and gas utilities mean that the benefits captured by a formal IRP proceeding are likely to be small and will not justify the additional transaction costs of such a process. They are generally supportive of some IRP objectives (e.g., fair consideration of supply- and demand-side options, development of appropriate evaluation criteria for DSM programs) but conclude that the regulatory process associated with addressing IRP objectives should be far less complex and costly than approaches typically used for electric IRP.

Id. at xix.

Perhaps most important, general reference to prior settlements and proceedings in the manner suggested in Staff’s brief will not lay a firm foundation for future IRP filings by the Company. Instead, filing requirements will remain uncertain because the Company will not know with which settlements or proceedings it should comply. To provide clarity for Staff and the Company and improve the effectiveness of gas IRP for customers moving forward—the Commission’s ultimate objective—the Company urges the Commission, as discussed in Section III below, to convene a collaborative process to

reach agreement on what constitutes adequate gas integrated resource planning for the future.

3. KeySpan's 2006 IRP fully complied with the 2004 IRP settlement, and therefore it should be accepted as filed.

Because the Company recognized that Staff expected full compliance with the settlement from the 2004 IRP proceeding, it included a separate section in the 2006 IRP that detailed all of the requirements of the prior settlement and specified how the 2006 filing complied with them. Specifically, Section VI of the 2006 IRP stated:

On August 19, 2005, the Company, the Commission Staff and the Office of the Consumer Advocate entered into a Settlement to resolve outstanding issue[s] in dockets DG 04-133 and DG 04-175 which was approved by the Commission in Order No. 24,531 dated October 12, 2005. The Settlement requires the Company to incorporate certain information into this IRP filing. This section identifies the information to be included and documents the Company's compliance with the Settlement terms.

Exh. 1 at VI-1.

Prior to the January 9 hearing in this docket, at no time did the Staff so much as suggest that the 2006 filing did not comply with the 2004 settlement. To the contrary, not once, but twice, Staff indicated in prefiled testimony that the 2006 IRP complied with the requirements of the settlement.

The purpose of my testimony is to present the Staff's position on whether, as discussed in EnergyNorth Natural Gas, Inc.'s ("ENGI or Company") 2006 Integrated Resource Plan ("IRP"), ENGI's planning processes are adequate and whether the IRP addresses the IRP-related issues set forth in the Settlement Agreement approved in Order No. 24,531 (2005). *My testimony concludes that the IRP addresses the issues in Order No. 24,531.* However, it also concludes, among other things, that the Company does not have a formal plan to meet at least cost the projected incremental increase in customer demand over the planning period.

Exh. 8 at 2. (Emphasis added.) Other than that brief reference, Staff's testimony makes no mention whatsoever of the requirements of the 2004 settlement, but rather discusses

other historical IRP-related requirements concerning the electric industry and the Liberty Report, and explains why Staff believes the KeySpan 2006 IRP does not measure up to those standards. A fair reading of this testimony would lead any reasonable reader to the conclusion that Staff did not dispute that the Company had complied with the 2004 IRP settlement.

If there were any doubt what Staff intended by its initial testimony, Staff submitted surrebuttal testimony just over a month before the January hearing. Because the Company's testimony (which was filed in response to Staff's original testimony) set forth the Company's position that it had complied with the prior settlement and that such compliance should be sufficient, Staff again addressed the issue of the Company's compliance with the prior settlement and order.

Q. DID THE COMPANY EXPLAIN WHY IT BELIEVES [ELECTRIC UTILITY IRP] REQUIREMENTS SHOULD NOT BE USED TO CONTROL THE INFORMATION INCLUDED IN A NATURAL GAS COMPANY IRP?

A. Yes, the Company made two basic arguments. The first is that the 2006 IRP was submitted in compliance with the settlement agreement in Docket DG 04-133 and therefore the terms of that agreement should control the content of the filing....

Q. DO YOU AGREE WITH THE COMPANY'S FIRST ARGUMENT?

A. I agree that the 2006 IRP addresses the issues required in Order No. 24,531. I do not agree, however, that the 2006 IRP is therefore sufficient. *Inclusion of the changes to the IRP specified in the DG 04-133 settlement agreement means that the Company has satisfied the terms of the settlement agreement in that regard.*

Exh. 9 at 4. (Emphasis added). The prefiled testimony then discusses Staff's position as to why the settlement agreement was not intended to set forth a comprehensive agreement of changes to the 2004 IRP that might be required. Again, nowhere does the

testimony indicate that the changes actually made by the Company were insufficient to comply with the settlement agreement "in that regard." The Company believes that a fair reading of Staff's surrebuttal testimony, just as with its initial testimony, would lead one to conclude that Staff's position was that the Company's filing complied with the items required by the 2004 settlement, but that Staff believed the Company should be required to go further. Based on that belief, the Company conducted no discovery on the issue of compliance with the 2004 settlement.⁵

It was not until Mr. McCluskey's live testimony on January 9 that the Company learned for the first time that Staff had expanded its position, and was arguing that the Company's 2006 IRP had *nominally* complied with the 2004 settlement but had not done so *sufficiently*. The presentation of this argument and Mr. McCluskey's testimony in support of it, should be given no weight by the Commission because (1) it is inconsistent with Staff's prior prefiled testimony and (2) basic fairness and due process require that the Staff provide reasonable notice to the Company prior to such a significant change in or expansion of its previously stated position. The Company should have been given an opportunity to conduct discovery on Staff's new position that the Company's compliance with the prior settlement was insufficient and it should have been given an opportunity to prepare a response. If the Staff now believes that the Company's IRP not only should go beyond the terms of the prior settlement but also did not comply with that settlement in the first place, the record in this case is simply inadequate to reach such a conclusion.

⁵ The Company did conduct extensive discovery on other issues that were identified in Staff's testimony.

III. The Commission Should Order the Staff and Parties to Participate in a Collaborative Process to Devise Comprehensive IRP Filing Requirements for the Company's Next IRP.

In this proceeding, the Staff has consistently expressed the view that the gas IRP process should be similar to that for electric utilities and, therefore, should be more extensive than the process approved by the Commission in the 2004 IRP Proceeding. However, the Company does not believe that the record in this proceeding is adequate to determine what changes should be made to the IRP process going forward, particularly given the contentious and incomplete nature of the presentations at the January hearing and the focus on past compliance rather than future requirements.

It is noteworthy that the 2006 IRP filing was only the fourth IRP filing by the Company over the last thirteen years and that in response to each filing by the Company, Staff has presented a case for, and the Company has agreed to, additional or different requirements for future filings. Given the lack of a clear historical policy directive of the kind that exists for the electric industry, the Company believes that, in the interests of clarity and efficiency, it is important to reach agreement on comprehensive standards that will apply to the Company's future IRP filings.

The Company believes that the differences expressed between Staff and the Company on issues raised in the current proceeding would be better resolved through a collaborative approach, rather than through litigation. For example, consider the issue of demand side management ("DSM"). The Company strongly supports the Commission's emphasis on demand side management ("DSM") and its efforts to expand DSM programs where cost-effective to minimize the need for new supply-side resources. In fact, taking advantage of all cost-effective energy efficiency opportunities for both gas and electricity

customers is a cornerstone of National Grid’s vision for the role of utilities moving forward in an environment of increasing concern about the rising costs of energy and the environmental impacts that result from its production, use and delivery. The “issue” between the parties is not whether DSM should play a role in IRP filings, but instead how best to ensure that the Company can most effectively pursue gas demand side opportunities to the benefit of its customers.

Rather than attempting to use the record as it currently exists in this docket to establish comprehensive IRP standards for the Company’s next IRP filing, the Company recommends that the Commission order the Staff and parties to participate in a collaborative process with the assistance of an independent mediator to be selected by the Commission, with input from the Company, Staff and the Office of Consumer Advocate. Specifically, the Company provides the following proposal for the Commission’s consideration and modification, as the Commission determines to be appropriate:

- Staff and the parties be ordered to convene within six weeks of the Commission’s order in this proceeding to conduct a collaborative process to establish comprehensive IRP filing standards that will be applicable indefinitely to the Company unless and until modified by the Commission.

Within three weeks of the Commission’s order, Staff and the Company shall identify up to four individuals, experienced in gas IRP standards, who are available to act as an independent mediator for the collaborative process. The Staff, the Company and the Office of Consumer Advocate may inform the Commission of their preference for, or any concerns regarding, selection of any of the named individuals. The Commission shall select one of the named individuals to serve as mediator, and the mediator shall be engaged by the Company.

- At the outset of the collaborative process, the participants shall establish a schedule of meetings that is intended to culminate in a final agreement within six months from commencement of the collaborative process.
- To ensure that the collaborative process moves toward a prompt conclusion, the mediator shall submit brief written reports to the Commission regarding the

status of the work undertaken by the participants at the end of the first, third, fifth and sixth months of the collaborative process.

- The collaborative process shall be conducted as a continuation of the current proceeding.

IV. Conclusion

The Staff, Company and Office of Consumer Advocate share a common goal of ensuring that gas customers are well served by the utility's planning process and that it leads to reasonable and cost-effective decisions to meet anticipated customer load. Although the parties' dispute in this case may initially create the false impression that only one approach or the other can be found to be a reasonable approach to integrated resource planning for gas utilities, the Commission's approval of the settlement in the 2004 IRP proceeding and the settlement from the 1995 docket cited by Staff demonstrate the contrary, as does the 1993 NARUC primer relied on by Staff. There are multiple reasonable approaches to resource planning, and the task at hand is to develop a process that meets current policy goals, establishes a clear and reasonable resource planning process that benefits customers and can be efficiently and effectively implemented by the Company in future proceedings.

For the foregoing reasons, the Company urges the Commission to find that the 2006 IRP complies with the Commission's order in the 2004 IRP Proceeding, and order the parties to convene in a collaborative process consistent with the Company's proposal set forth above to establish IRP standards for future filings by the Company.

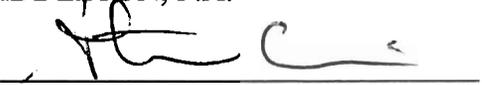
Respectfully submitted,

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April 18, 2008

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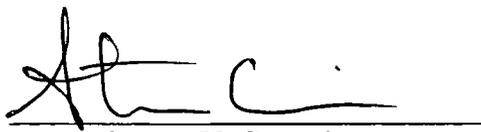
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CERTIFICATE OF SERVICE

I hereby certify that a copy of this Post-Hearing Brief has been forwarded to
Meredith A. Hatfield, Esq.

Dated: April 18, 2008


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Providing consulting services in the regulatory,
telecommunications, and energy sectors



We support the settlement

- Focuses on areas that need additional attention
- Puts NH PUC Staff in strong position to complete work begun in these dockets





Providing consulting services in the regulatory,
telecommunications, and energy sectors



Additional work to be done:

- Planning for the peak
- Preparing to bring the Gas Supply function in-house
- Revising the Company's Integrated Resource Plan

Our presentation focuses on the first two areas.