



**STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION**

Docket No. DG 15-XXX

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities  
Petition for Expansion of Franchise to the Towns of Jaffrey, Rindge, Swanzey and Winchester,  
New Hampshire

**DIRECT TESTIMONY  
OF  
RICHARD G. MACDONALD**

October 9, 2015

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My Name is Richard G. MacDonald. My business address is 130 Elm Street, Manchester,  
4 New Hampshire, 03101-2716.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Liberty Utilities Service Corp. as the Director of Gas Operations for  
7 Liberty Utilities (EnergyNorth Natural Gas) Corp. (“EnergyNorth” or “the Company”).

8 **Q. On whose behalf are you testifying today?**

9 A. I am testifying on behalf of EnergyNorth.

10 **Q. Mr. MacDonald, please state your educational background and professional**  
11 **experience.**

12 A. In 1977, I received an Associate’s Degree in Applied Science in Industrial Electricity  
13 from the NH Community College in Nashua, NH. In 1997, I received an Associate’s  
14 Degree in Mechanical Engineering Technology from the New Hampshire Technical  
15 Institute in Concord, NH. In July of 2012, I assumed the position of Director Gas  
16 Operations for EnergyNorth. My responsibilities as Director include managerial oversight  
17 of all gas operations and construction processes.

1 From 1977 to 2000, I was employed by EnergyNorth Natural Gas, Inc. where I held  
2 various supervisory and managerial positions in gas operations. From 2000 to 2008, I  
3 was employed by KeySpan Energy Delivery where I was the Manager of Field  
4 Operations and Construction. In 2008, I accepted a position at National Grid as the New  
5 England Resource Planning Manager responsible for operating and maintenance work  
6 plans and capital construction project planning for the New England region and held this  
7 position until 2012.

8 **Q. Have you previously testified before this Commission?**

9 A. Yes, I testified in Docket No. DG 06-045, EnergyNorth's Petition for Termination of  
10 Propane Service to Kaunas Circle, Manchester, NH, as well as recent Cast Iron/Bare  
11 Steel docket, DG 13-149 and DG 14-041. I have also submitted prefiled testimony in  
12 DG 15-289, the docket where EnergyNorth is requesting approval to commence business  
13 as a gas utility in Lebanon and Hanover, and in DG 15-362, the docket where  
14 EnergyNorth is requesting approval to commence business as a gas utility in Pelham and  
15 Windham.

16 **Q. What is the purpose of your testimony today?**

17 A. My testimony discusses the Company's plans for constructing and operating a gas  
18 distribution system in the Towns of Jaffrey, Rindge, Swanzey and Winchester, New  
19 Hampshire, assuming the Company is awarded franchise rights for those municipalities.

1 **Q. Please provide a general description of the facilities that will be constructed.**

2 A. The Company will install gas mains and service lines, as described in Mr. Clark's  
3 testimony, to the initial anchor customers and lead residential and commercial customers.  
4 Such construction will include installation of plastic gas mains and service lines, which  
5 will be designed and sized appropriately to support the initial customer base, as well as  
6 expected growth from customers requesting service during or following construction.  
7 These facilities will be installed and maintained under EnergyNorth's existing  
8 maintenance and construction standards and in accordance with industry standards and all  
9 applicable codes and regulations, including the U.S. Department of Transportation's  
10 Pipeline and Hazardous Materials Safety Administration statutes and regulations, as well  
11 as the Puc 500 rules.

12 **Q. Please describe how the gas distribution systems will be constructed.**

13 A. The Company will issue a request for proposal (RFP) for the construction of the  
14 distribution systems, consistent with the established contracts in the other areas of  
15 EnergyNorth's service territory. We will explore options with existing contractors, RH  
16 White Construction, Inc., Midway Utility Contractors LLC and Mears Construction LLC  
17 and/or putting the project out to bid for several other qualified contractors. The current  
18 qualified companies under contract now with the Company have offices and/or staging  
19 areas within our service territories, we recently awarded multi-year long-term agreements  
20 with these companies, they have a longstanding history with EnergyNorth and their

1 employees have worked long term in the construction of gas facilities in New Hampshire.  
2 The contract strategy ultimately selected will depend largely on the scope and amount of  
3 work over the initial startup period and on the long-term growth estimates.

4 **Q. Has the Company constructed new distribution systems before?**

5 A. Yes. The Company has experienced internal sales and engineering support and  
6 experienced field operations personnel who perform the administration and oversight of  
7 the construction processes involved in the building of the underground distribution  
8 systems. In the last fifteen years, the Company has constructed major managed growth  
9 projects in the town of Londonderry, along Mammoth Road to New Hampshire Route  
10 102 to serve the commercial areas, in the town of Merrimack along Route 3 to serve the  
11 municipal buildings and schools and just recently in the town of Hudson to serve  
12 Continental Paving.

13 **Q. What is the time frame for construction of the distribution system?**

14 A. Construction of mains and services for the initial areas to be served can be completed in  
15 concurrence with the Northeast Energy Direct (NED) pipeline proposed “in service” date  
16 of November 2018. In the event that the NED pipeline is substantially delayed or not  
17 constructed, EnergyNorth will examine serving customers in the towns that are the  
18 subject of this Petition through liquefied natural gas (“LNG”) and compressed natural gas  
19 (“CNG”) and associated time frames for development.

1   **Q.    How will the Company support the safe operation of the plant and distribution**  
2   **system?**

3   A.    The distribution system will be constructed and operated in accordance with current  
4   established operating and maintenance standards and procedures, with which  
5   EnergyNorth has extensive experience. As noted above, in the event that the NED  
6   pipeline is substantially delayed or not constructed, EnergyNorth would examine serving  
7   customers in the towns that are the subject of this Petition through LNG and CNG,  
8   though this would not significantly change the standards and procedures for construction  
9   and operation. The location of operations personnel to support the day-to-day operation  
10   of the proposed gas facilities will be managed from our 80 Pearl Street operations facility  
11   in Keene.

12   **Q.    Will the Company conduct any outreach to the towns as part of the construction**  
13   **process?**

14   A.    Yes. The Company will meet with Jaffrey, Rindge, Swanzey and Winchester municipal  
15   and public works officials to determine the specific local requirements for utility use and  
16   occupancy within their public Rights-of-Way (ROWs), preferred routes for this project,  
17   and both short- and long-term goals for the gas distribution system within each of the  
18   towns. EnergyNorth has an excellent working relationship with the New Hampshire  
19   Department of Transportation (NHDOT) and will work closely with the state highway  
20   road agents and engineers to review and submit any NHDOT road permits for

1 construction. Since the Company coordinates its excavation and restoration activities for  
2 its utility maintenance and construction processes in 30 cities and towns across New  
3 Hampshire, we have extensive knowledge and experience to accomplish this effectively  
4 in a manner that is the least disruptive to local traffic, businesses and residences.

5 **Q. How will the Company meet the emergency response requirements of the**  
6 **Commission?**

7 A. The Company has the necessary resources reporting out of the Keene Operations facility  
8 as well as the relative proximity of the Manchester and Nashua operation centers to meet  
9 the current emergency response requirements of Puc 504.07. The monitoring of the gas  
10 system reliability and dispatching of emergency job orders will be supported by the  
11 Emergency Dispatch and Gas Control Center located at Liberty's Corporate office in  
12 Londonderry, New Hampshire.

13 **Q. Will the addition of this franchise area place any additional burden on existing**  
14 **resources that will impact service to EnergyNorth's existing customers?**

15 A. No, it will not. Gas dispatching, emergency response and customer related functions will  
16 be handled from the Company's Londonderry headquarters. Daily operational functions  
17 will be managed locally out of our 80 Pearl Street operations facility in Keene.

1   **Q.    Will the addition of this franchise area require additional employees?**

2    A.    Not at this time. Gas Operations at the start up can accommodate these towns with  
3       existing personnel due to the proximity of the Keene Division as well as the relative  
4       proximity of the Manchester and Nashua operation centers. Additional evaluations will  
5       be needed to determine internal resource requirements based on the growth forecasts for  
6       each of these towns. The Company will add personnel in the Keene Division to support  
7       operations with-in these towns as the customer base increases.

8   **Q.    Does this conclude your testimony?**

9    A.    Yes, it does.