

STATE OF NEW HAMPSHIRE

Inter-Department Communication

NHPUC 16APR'19PM4:15

DATE: April 16, 2019
AT (OFFICE): NHPUC

FROM: Randall S. Knepper, P.E. 
Director, NHPUC Safety Division

SUBJECT: DG 17-068; Liberty Utilities (EnergyNorth Natural Gas) Corp.
d/b/a Liberty Utilities – Keene Division
Compressed Natural Gas System

TO: Debra Howland, Executive Director, NHPUC
Steve Frink, Director of Gas & Water Division
Lynn Fabrizio, Staff Attorney

Introduction and Background

In Order No. 26,065 (Oct. 20, 2017), the Commission approved the distribution of natural gas in Keene contingent upon the Commission's Safety Division review of the required final plans and completion of a field inspection of the proposed compressed natural gas (CNG) decompression unit and associated piping. Liberty provided its "plans and reports" to the Safety Division in November 2017, and the Safety Division provided its assessment of the 2017 Plan on October 5, 2018, finding that the Company needed to make a significant number of corrections and updates.

On November 14, 2018, a Secretarial Letter was issued to Liberty requesting a thorough status report be submitted by December 7, 2018, of the proposed Liberty conversion and related installations. On December 7, 2018, Liberty provided an update on the status of what Liberty refers to as "the temporary CNG" facility on Production Avenue in Keene and stated that an alternative site is being considered for a permanent CNG/LNG facility that would supply the remainder of the converted low pressure system. Liberty did not exclude the use of the Production Avenue site for the low pressure system conversion, but could not produce more definitive plans as of December 7, 2018.

Liberty provided supplemental information in a February 22, 2019, submittal that addressed recommendations in each section of the Safety Division's October 5, 2018, assessment of actions to be taken before the proposed CNG system is launched. The supplemental information titled "Liberty Utilities Keene CNG Response" (the "Response" or the "Plan") included the following:

1. Site and Decompression Skid Design
2. Pressure Test Schematics and Chart Records
3. Emergency
4. Operator Qualification and Operating Procedures

5. Maintenance
6. Public Awareness Plan
7. Conversion Plan- SOP
8. Marketplace records
9. 7 Day Storage Requirement

In its response, Liberty listed each “concern and recommendation” from the Safety Division’s 2018 report, including:

- 1) Page references to the initial 2017 Plan from where each concern and recommendation arose.
- 2) A brief description of the “Safety Division’s Comments”;
- 3) A description of the action Liberty has taken to address those comments to date; and
- 4) The specific citations to where corrections and updates can be found within the 2019 Plan.

Liberty also provided additional updated information in regards to the designation of distribution system critical valves. Liberty amended its plan regarding critical valves and submitted an updated plan in April 2019 that designated valves on each side of highways and inlets and outlets of the decompression skid as critical valves, as suggested by the Safety Division. In all, 11 valves are now considered “critical,” which require annual maintenance.

Liberty considers the entire 2019 Plan to be confidential but did not send redacted portions or portions marked as confidential pursuant to Puc 201.04 as part of the submittal.

The Safety Division reviewed each response provided by Liberty to address the Safety Division’s list of comments and recommendations and found each item to be adequately addressed.

On April 11, 2019, the Safety Division conducted an inspection of the Keene facility and found nothing that was out of compliance with Puc 500 rules or federal 49 CFR Part 192 regulations. This included a new chromatograph installed at the CNG facility

Staff did note that the recommended installation of a turbine meter¹ at the existing propane/air plant has been substituted with a more expensive ultrasonic gas meter with thicker flanges rated for 1,440 psig pipelines.

Conclusion

Staff finds that the 2019 Plan addresses the Safety Divisions assessment comments and further finds that the 2019 amended plan complies with Commission Order 26,065. The Safety Division recommends the Commission accept the supplemental information provided by Liberty. This allows the commencement of the proposed Monadnock Marketplace system conversion from propane-air to natural gas and begins the flow of natural gas. Please note that this recommendation is limited to Production Avenue, certain sections of Key Road, Ashbrook Road, and Ashbrook Court, which collectively are known as the Phase 1 conversion. Liberty has not submitted to the Safety Division any designs or associated procedures regarding Phase 2 through Phase 5.

¹ Page 59 of Staff Report dated October 5, 2018 recommended a turbine meter be installed for the Keene propane/air plant prior to natural gas being introduced into the system so that accurate measurements could be made of system flow send outs.

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