#### THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

#### **Docket No. DG 17-152**

### LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP., d/b/a LIBERTY UTILITIES

**Least Cost Integrated Resource Plan** 

## <u>CONSERVATION LAW FOUNDATION'S REPLY TO LIBERTY UTILITIES'</u> <u>OBJECTION TO CLF'S MOTION</u>

Conservation Law Foundation ("CLF") offers the following reply to Liberty Utilities' ("Liberty") May 20, 2019 objection to CLF's Motion to Find Supplemental Filing Non-Compliant.

Liberty's objection ignores the plain meaning of the Least Cost Integrated Resource Planning ("LCIRP") statute RSA 378:38, and fails to allow the New Hampshire Public Utilities Commission ("Commission") to ensure that the energy needs of New Hampshire citizens and businesses will be met "at the lowest reasonable cost while providing for the reliability and diversity of energy sources..." RSA 378:37.

The Commission should reject Liberty's objection and find Liberty's filing to be noncompliant. The Commission should disallow any major project proposal, including the Granite Bridge project, until Liberty has submitted a LCIRP that complies with New Hampshire law.

Liberty's objection ignores clear statutory requirements. New Hampshire law requires utilities to submit LCIRPs and requires those plans to include an assessment of the plan's integration with the Clean Air Act and other environmental laws, as well as an assessment of the plan's "long- and short-term environmental, economic, and energy price and supply impact on the state." RSA 378:38.

Liberty acknowledges that it only compared natural gas options other natural gas options. Objection at 3. This fails on its face to provide an analysis that can ensure New Hampshire citizens and businesses can meet their energy needs "at the lowest reasonable cost while providing for the reliability and diversity of energy sources…" RSA 378:37. Instead, the comparison advanced by Liberty virtually ensures New Hampshire citizens and businesses will be robbed of any ability to transition to cleaner and lower-cost energy resources.

By providing such a narrow and limited assessment, Liberty's plan, on its face, fails to address "the long- and short-term environmental, economic, and energy price and supply impact on the state." RSA 378:38. It entirely disregards an assessment that addresses "the reliability and diversity of energy sources" or one that "maximizes the use of cost effective energy efficiency and other demand side resources." RSA 378:37.

By way of comparison, if a balanced diet is required that provides a reliable and diverse supply of food that is cost-effective, Liberty's assessment would only address the calories provided by meat, and would only compare its supply of meat to other supplies of meat. If vegetables or starches were part of a reliable, diverse and cost-effective food supply, they simply would be ignored.

Liberty seeks to support its overly narrow view of the statutory requirements by relying on a faulty interpretation of this Commission's decision in the Northern Utilities LCIRP proceeding. *Northern Utilities*, Docket No. DG 15-033, Order No. 26,027 (June 19, 2017). In that proceeding, the Commission accepted a more limited, transitional LCIRP, and directed

2

Northern Utilities "to address all of the statutory elements of RSA 378:38 in its next LCIRP in sufficient detail so that reviewing parties may evaluate the plan against the relevant statutory standards." *Id.* at 6.

The Commission provided clear guidance as to what would be required in the next LCIRP. It stated that the next LCIRP will require "more detailed evidence of reliability, environmental, economic, and health related impacts." *Id.* It also stated that the utility "has the burden to meet the requirements of RSA 378:38, and to demonstrate that its planning process results in the adoption of least cost options that meet the standards articulated in RSA 378:39 by which the Commission is required to evaluate the plan." *Id.* 

Rather than provide the additional information and analysis required by the statute and the Commission in its *Northern Utilities* decision, Liberty seeks to limit the statutory requirements to only those that were allowed under the transitional LCIRP. Liberty's LCIRP followed the *Northern Utilities* decision and must meet the requirements set forth in the Commission's decision and the statute. The Commission cannot accept Liberty simply ignoring clear Commission direction and clear statutory requirements.

In particular, what Liberty claims is a "reasonable interpretation" (Objection at 3) actually fails entirely to address an explicit statutory requirement. Liberty seeks to alter the *Northern Utilities* decision by making the evaluation of least cost options apply only to evaluation of "least cost [natural gas] options." Objection at 3. This may be convenient for Liberty, but it entirely eliminates a key statutory requirement that the LCIRP actually evaluate the overall demand for gas in the utility's service territory. RSA 378:38.

3

Liberty cannot simultaneously evaluate the demand for gas in its territory while at the same time eliminating an assessment of any other energy supply or demand side resources. That assessment is critical to determining the demand for gas.

The overly narrow scope of an LCIRP advanced by Liberty fails to meet statutory requirements and fails to follow the clear direction set forth by the Commission in the *Northern Utilities* case. The Commission should reject Liberty's objection, grant CLF's motion, find Liberty's filing to be non-compliant, and disallow any major project proposal, including the Granite Bridge project, until Liberty has submitted a LCIRP that complies with New Hampshire law.

Respectfully submitted,

CONSERVATION LAW FOUNDATION

By its attorneys,

<u>s/Sandra Levine</u>

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May 28, 2019

# **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Appearance has, on this 28<sup>th</sup> day of May, 2019, been sent by email to the service list in Docket No. DG 17-152.

1 Johanne S. Van Rossum 0