

Richard Husband  
10 Mallard Court  
Litchfield, NH 03052

February 23, 2018

**VIA E-MAIL (Executive.Director@puc.nh.gov and puc@puc.nh.gov)**

Debra Howland Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord New Hampshire 03301

**RE: DG 17-198**

**Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities  
Petition to Approve Firm Supply, Transportation Agreements and the Granite  
Bridge Project**

Dear Ms. Howland:

Please consider this a request for information pursuant to Puc 104 and Puc 201.07.  
Please also file this letter as a public comment letter.

Specifically, please consider this a request for **unredacted** copies of all documents which the petitioner submitted in support of its petition, as identified in paragraph 2 of the petitioner's Motion for Protective Order filed in this matter. For the reasons set forth in the Opposition of the Office of Consumer Advocate to Motion for Protective Order, which are incorporated in full herein by reference, the petitioner's motion for protective order must be denied and unredacted copies made public.

Particularly when Liberty Utilities is seeking to pass along the **\$310 million+ bill** for its proposed pipeline (\$110 million) and LNG facility in Epping (\$201.7 million) to ratepayers, citizens are entitled to review the entirety of the claimed support for the project—not just the petitioner's cherry-picked offerings. How else can ratepayers and other citizens—including potential intervenors—fairly evaluate the petitioner's claims?

For example, on page 16 of 22 of its filed Direct Testimony of Timothy S. Lyons, Liberty Utilities directs the reader to its Exhibit TSL-3 for a "summary" of certain projected annual operating expenses for just the \$110 million pipeline. *See* page 16 of 22 at [https://www.puc.nh.gov/Regulatory/Docketbk/2017/17-198/INITIAL%20FILING%20-%20PETITION/17-198\\_2017-12-22\\_ENGI\\_PDTESTIMONY\\_LYONS.PDF](https://www.puc.nh.gov/Regulatory/Docketbk/2017/17-198/INITIAL%20FILING%20-%20PETITION/17-198_2017-12-22_ENGI_PDTESTIMONY_LYONS.PDF). However, the only version of Exhibit TSL-3 that is made available to the public, the redacted version, provides virtually no information of value:

### Levelized Cost Analysis: Granite Bridge Pipeline

Granite Bridge Pipeline	Year	Year	Year	Year	Year	Year
Financial Analysis	2021	2030	2040	2060	2070	2075
Years	1	10	20	40	50	55
<b>Total Cost of Facility Investment</b>						
Revenues to Achieve ROE						
O&M Expense	626,583	748,824	912,813	1,356,391	1,653,434	1,825,524
Uncollectible Expense						
Depreciation Expense						
Property Taxes						
Property Insurance						
Interest Expense						
Return Requirement						
Income Taxes						
Total Cost						
PV of Total Cost						
<b>NPV of Total Cost</b>						
<b>Levelized Carrying Cost</b>						
Initial Investment	\$ 109,993,165					
Levelized Carrying Charge	11.68%					
Rate Base						
Equity						
Debt						
Return on Equity	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%

Likewise, on page 19 of 22 of its Direct Testimony of Timothy S. Lyons, Liberty Utilities directs the reader to its Exhibit TSL-4 for a “summary” of certain projected annual operating expenses for just its \$201.7million proposed LNG facility. See page 16 of 22 at [https://www.puc.nh.gov/Regulatory/Docketbk/2017/17-198/INITIAL%20FILING%20-%20PETITION/17-198\\_2017-12-22\\_ENGI\\_PDTESTIMONY\\_LYONS.PDF](https://www.puc.nh.gov/Regulatory/Docketbk/2017/17-198/INITIAL%20FILING%20-%20PETITION/17-198_2017-12-22_ENGI_PDTESTIMONY_LYONS.PDF). However, the only version of Exhibit TSL-4 that is made available to the public, the redacted version, is, again, useless:

REDACTED  
Docket No. DG 17-XXX  
Exhibit TSL-4  
Page 1 of 1

**Levelized Cost Analysis: LNG Facility**

Granite Bridge LNG Facility Financial Analysis	Year 2022	Year 2031	Year 2041	Year 2051	Year 2061
	1	10	20	30	40
<b>Total Cost of Facility Investment</b>	[REDACTED]				
Revenues to Achieve ROE	[REDACTED]				
O&M Expense	[REDACTED]				
Uncollectible Expense	[REDACTED]				
Depreciation Expense	[REDACTED]				
Property Taxes	[REDACTED]				
Property Insurance	[REDACTED]				
Interest Expense	[REDACTED]				
Return Requirement	[REDACTED]				
Income Taxes	[REDACTED]				
Total Cost	[REDACTED]				
PV of Total Cost	[REDACTED]				
<b>NPV of Total Cost</b>	[REDACTED]				
<b>Levelized Carrying Cost</b>	[REDACTED]				
Initial Investment	\$ 201,706,990				
Levelized Carrying Charge	13.90%				
Rate Base	[REDACTED]				
Equity	[REDACTED]				
Debt	[REDACTED]				
Return on Equity	9.50%	9.50%	9.50%	9.50%	9.50%

Especially as Liberty Utilities’ projections assign a 55-year life span for the pipeline, and 40-year life span for the LNG facility, [see pp. 15 and 19 of 22](#), meaning **the pipeline will have to be used until at least 2076 and the facility will have to be used until at least 2062 for ratepayers to avoid stranded costs**,<sup>1</sup> the petitioner’s proposal should be viewed with a public microscope—not public blinders: if New Hampshire intends to act responsibly in the face of climate change, abide by its commitment as a member of the [Under2Coalition](#) to reduce greenhouse gas emissions to near net-zero by 2050, and adhere to the requirements under [R.S.A. 378:37](#) to protect the environment and health and safety of citizens in the State’s energy choices, the pipeline and LNG facility will have to be abandoned long before the end of their projected lifetimes.

If Liberty Utilities is, indeed, offering a good deal to ratepayers, they need to see it. What is the utility hiding? Why are citizens being asked to buy a nearly one-third of a billion dollar pig in a poke?

This issue needs to be addressed, and immediately. The case has an intervention deadline of March 7, 2018, and the petitioner’s improper secretion of the purported underlying support for its petition is chilling public scrutiny and intervention involvement. If Liberty Utilities’ motion for confidential treatment is not denied with sufficient time before the deadline to allow potential intervenors a fair review of the unredacted materials at issue, the intervention deadline should be extended to a reasonable time beyond March 7<sup>th</sup> to allow the same.

I would certainly prefer to leave the decision here with the Public Utilities Commission (“PUC”). However, given (i) the urgency of the situation, (ii) the fact that the PUC has yet to address the issue although utility’s routinely hide their filings under motions for confidential treatment, and (ii) the PUC has actually blatantly avoided deciding the matter,<sup>2</sup> **I am respectfully notifying the PUC that I cannot wait too long before seeking relief in court if the PUC does not decide the matter.**

---

<sup>1</sup> The pipeline is not projected to be operational until late 2021, while the facility will not be running before 2022, at the earliest (both likely subject to the usual delays). *See* page 11 of 104 of the Direct Testimony of William R. Killeen and James M. Stephens at

[https://www.puc.nh.gov/Regulatory/Docketbk/2017/17-198/INITIAL%20FILING%20-%20PETITION/17-198\\_2017-12-22\\_ENGI\\_PDTESTIMONY\\_KILLEEN\\_STEPHENS.PDF](https://www.puc.nh.gov/Regulatory/Docketbk/2017/17-198/INITIAL%20FILING%20-%20PETITION/17-198_2017-12-22_ENGI_PDTESTIMONY_KILLEEN_STEPHENS.PDF).

<sup>2</sup> In [PUC Docket DE 16-241](#), the “Access Northeast” pipeline approval case, Eversource Energy filed the usual utility motion for confidential treatment with its petition on February 18, 2016. I objected to confidential treatment by letter and request for the redacted materials filed just six days later. Only 11 days after the filing, the Consumer Advocate objected to the motion for confidential treatment. In May, 2016, a petition signed by 16 New Hampshire committees, groups and other organizations petitioned the PUC to deny the request for confidential treatment and disclose the secreted information. *See* [https://www.puc.nh.gov/Regulatory/Docketbk/2016/16-241/COMMENTS/16-241\\_2016-05-14\\_NH\\_COMMITTEES\\_GROUPS\\_ORGS\\_COMMENT.PDF](https://www.puc.nh.gov/Regulatory/Docketbk/2016/16-241/COMMENTS/16-241_2016-05-14_NH_COMMITTEES_GROUPS_ORGS_COMMENT.PDF). Nevertheless, the PUC never decided the motion for confidential treatment, despite promising to address it at some time in its final decision issued nearly eight months after the propriety of the motion was raised (it was obviously a moot point at that point, anyway). *See* bottom of page 15 at [https://www.puc.nh.gov/Regulatory/Docketbk/2016/16-241/ORDERS/16-241\\_2016-10-06\\_ORDER\\_25950.PDF](https://www.puc.nh.gov/Regulatory/Docketbk/2016/16-241/ORDERS/16-241_2016-10-06_ORDER_25950.PDF).

Thank you for your time and courtesy.

Sincerely,

/s/Richard Husband  
Richard Husband

cc: Donald Kreis, Consumer Advocate  
F. Ann Ross, Esquire