# STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

### **Docket No. DG 17-198**

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

# Petition to Approve Firm Supply and Transportation Agreements and the Granite Bridge Project

### Liberty's Responses and Objection to the Petitions to Intervene

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (the "Company" or "Liberty"), through counsel, respectfully responds and objects to the petitions to intervene of Pipe Line Awareness Network for the Northeast, Inc. ("PLAN"), the Conservation Law Foundation ("CLF"), Repsol Energy North America Corporation ("Repsol"), ENGIE Gas and LNG, LLC ("ENGIE"), and the Concord, Manchester, and Nashua Chambers of Commerce ("the Chambers")

In support of this response and objection, the Company states as follows:
In this docket the Company asks the Commission to approve certain supply and

transportation contracts and to find prudent the Company's decision to approve certain suppry and Bridge Project as the best option to meet its future supply needs. Broadly stated, the questions to be addressed in this docket are "whether Liberty reasonably investigated and analyzed its longterm supply requirements and the alternatives for satisfying those requirements." Order of Notice at 2.

2. PLAN, CLF, Repsol, ENGIE, and the Chambers have sought intervention pursuant to RSA 541-A:32.

#### PLAN and CLF

3. PLAN and CLF are Massachusetts corporations who assert that they intend to advocate for the interests of their members who are Liberty customers in New Hampshire. Liberty objects to the intervention of PLAN and CLF, first, because the Office of the Consumer Advocate ("OCA") is statutorily authorized and directed to represent the interests of Liberty's residential customers: "the consumer advocate shall have the power and duty to petition for, initiate, appear or intervene in any proceeding concerning rates, charges, tariffs, and consumer services before any ... commission ... or regulatory body in which the interests of residential utility consumers are involved and to represent the interests of such residential utility consumers." RSA 363:28, II.

4. The OCA is participating in this docket and is more than capable of advocating for the interests of Liberty's residential customers that may be affected by orders in this docket. Participation of PLAN and CLF is redundant and could only lead to the "orderly and prompt conduct of the proceedings [being] impaired." RSA 541-A:32, I.

5. Second, Liberty objects because PLAN's and CLF's primary issues of concern relate to the potential environmental impact of the Granite Bridge Project. Those issues are irrelevant to this docket, which is an economic review of Liberty's proposals, but are appropriate to be presented to the Site Evaluation Committee. Liberty will need SEC approval for both the pipeline and the LNG facility. That is the appropriate forum for PLAN and CLF.

6. Third, as to CLF, Liberty further objects because its interests and goals are best addressed through the various energy efficiency dockets before the Commission. CLF is a consistent and persuasive participant in those dockets, which are better suited to decide the issues of importance to CLF. *See* CLF petition at 2-3.

2

7. Fourth, and in the alternative, Order No. 25,767 (Mar. 6, 2015) offers precedent for allowing member-organizations like PLAN and CLF to participate in a docket similar to the present matter, but it required proof that they have members who are Liberty customers. *Id.* at 3; *see* Transcript of Feb. 13, 2015, hearing in Docket No. DG 14-380 at 28. Liberty requests similar proof here and further asks the Commission to require PLAN and CLF to obtain affidavits from those member-customers attesting that they are Liberty customers and authorizing PLAN and CLF to participate in this docket on their behalf. PLAN and CLF assert that they represent their member-customer interests; it is reasonable to require proof.

8. Finally, Order No. 25,767 also limited the participation of PLAN to "the interests of its EnergyNorth-customer members in the prudence, justness and reasonableness of the Precedent Agreement and its associated costs, to EnergyNorth and its customers." *Id.* at 4. In the "supply path" docket, Docket No. DG 15-494, the Commission similarly limited the participation of PLAN and another member organization:

To ensure an orderly and focused proceeding, we condition PLAN's and the Coalition's participation to the interest of its EnergyNorth-customer members in the prudence, justness and reasonableness of the Supply Path Precedent Agreement and its associated costs, to EnergyNorth and its customers.

Order No. 25,861 at 4 (Jan. 22, 2016).

9. To the extent PLAN and CLF are allowed to intervene, especially given their stated interests in environmental issues – which are irrelevant here -- Liberty requests similar restrictions on the scope of their participation.

### **Repsol**

10. Liberty objects to Repsol having any participating in this docket because Repsol is a mere competitor of the Granite Bridge Project, a status that does not confer the right to intervene.

11. Following extensive negotiations with Liberty and the New England LDC Consortium, Repsol was unsuccessful in its offer to provide a least-cost supply service to Liberty and other LDCs. Repsol is a supplier to Liberty at Dracut, Massachusetts, and the Granite Bridge Project does not change that relationship. But Repsol is a primary, and one of the few, suppliers at Dracut, which already results in a supplier concentration risk for Liberty. A new incremental contract with Repsol (instead of the Granite Bridge Project) would increase the supplier concentration risk, which is already of concern to Liberty. A new incremental Repsol contract would also result in more customer payments to Repsol, at higher costs, rather than payments for lower cost supply for an in-state infrastructure project that creates local economic and job benefits.

12. Liberty suggests that Repsol's sole interest in this proceeding is to advocate for the defeat of the proposed LNG facility so that Repsol can maintain its market power as one of the only suppliers of service to Liberty at Dracut, or on the proposed Granite Bridge Pipeline Project.

13. As a prime example of Repsol's market power, and to underscore the benefits of Granite Bridge, if Liberty had access to the proposed LNG facility this past winter and used it to only replace what Liberty purchased from Repsol during the months of December 2017 and January 2018, Liberty would have realized significant savings. Absent the Granite Bridge Project, Repsol would continue to dominate the regional (i.e., Dracut) market, resulting in reduced competition and higher prices for customers.

14. The Commission has stated that being a competitor is not grounds for intervention. In Order No. 25,666 (May 14, 2014), two entities based their intervention request on the fact that they were "direct competitors to the proposed" project. The Commission found that "the intervenors have each failed to state a right, duty, privilege, or interest in this proceeding that would require us to grant intervention." *Id.* at 4.

4

15. Similarly, an order in this docket will not affect any "right, duty, privilege, or interest" of Repsol. The Commission will either approve or deny Liberty's contracts and its decision to proceed with the Granite Bridge Project. Repsol is not a party to any of the contracts and will not receive service from the pipeline and LNG facility (the project will only serve customers). Thus, nothing in any order from the Commission in this docket will affect Repsol's rights, duties, privileges, or interests. The fact that Repsol may sell less gas when Granite Bridge is operational does not confer upon it the right to intervene in this docket.

16. Nor does Repsol have any special expertise or industry knowledge that cannot be provided by the Company or by consultants and experts likely to be hired by Staff, the OCA, and other intervenors.

### **ENGIE**

17. ENGIE sought intervention on the grounds that it is a party to one of the contracts that is at issue in this docket, ENGIE petition at 2, but stated that the primary reason for its intervention is to protect its confidential information contained in Liberty's filing, and which is the subject of a motion for protective order: "Especially in light of the requested intervention of a competitor of ENGIE, ENGIE wishes to intervene to protect the confidentiality of its trade secrets and other confidential business information and avoid the competitive injury that would result from improper disclosure of the same." ENGIE Petition at 2.

18. As a party to a contract at issue in this docket, ENGIE satisfies the test for mandatory intervention set forth in RSA 541-A:32, I, and thus Liberty does not object to ENGIE's intervention. However, ENGIE should not have access to confidential information other than its own protected information, Liberty asks the Commission to limit ENGIE's intervention so as to preclude ENGIE from having access to all other confidential information.

## **The Chambers of Commerce**

19. The three chambers of commerce seek intervention to advocate for the interests of their members, many of whom are commercial customers of Liberty. Thus, Liberty does not object to their intervention. Liberty does not request an affidavit from the Chambers proving that the Chambers' members are Liberty customers because the Chambers' members are listed on each chamber's website and Liberty has confirmed that many of the members in each city are Liberty customers.

WHEREFORE, Liberty respectfully asks that the Commission:

- A. Deny CLF's and PLAN's petitions to intervene;
- B. In the alternative, allow CLF and PLAN to intervene on the condition that (1) they file affidavits of members who are Liberty customers in New Hampshire and who attest that PLAN and CLF are authorized to participate in this docket, and (2) that their participation is limited to the economic issues to be decided in this docket;
- C. Deny Repsol's petition to intervene;
- D. Grant ENGIE's petition to intervene, but limit its access to confidential information;
- E. Grant the intervention of the three chambers of commerce; and
- F. Grant such other relief as is just and reasonable and consistent with the public interest.

Respectfully submitted, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities

By its Attorney,

By:

Mullen

Date: March 8, 2018

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I hereby certify that on March 8, 2018, a copy of this motion has been forwarded to the service list.

By: \_\_\_\_\_\_ Michael J. Sheehan