

REDACTED

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

OCA Technical Session Data Requests - Set 1

Date Request Received: 5/7/21
Request No. OCA TS 1-2

Date of Response: 5/20/21
Respondent: Francisco C. DaFonte

REQUEST:

Refer to the Company's response to OCA 1-14, "Confidential Attachment OCA 1-14.b.xlsm." The analyses in the EXCEL file only reflects the levelized annual costs associated with EnergyNorth's on-system investments. Please include the costs associated with the payments made to TGP in the analyses to determine the levelized annual costs overall associated with the two options (Nashua-Manchester and Londonderry). Assume that the TGP contracts are renewed at the \$0.14 per Dth per rate beyond the twentieth year. Also, adjust the depreciation rate to include the cost of removal for both options. Provide the live EXCEL file(s) associated with this analyses. Clearly list the assumptions made to reflect the changes relative to what entails in "Confidential Attachment OCA 1-14.b.xlsm."

RESPONSE:

Please refer to Confidential Attachment OCA TS 1-2.xlsm for the requested analysis.

Assumption changes to Confidential Attachment OCA 1-14.xlsm are marked in grey in Confidential Attachment OCA TS 1-2.xlsm and include:

- Incorporate TGP annual contract costs for (i) the Nashua-Manchester option of approximately [REDACTED] million (calculated as 40,000 Dth per day multiplied by the rate of [REDACTED] per Dth, multiplied by 365 days) for years 1 through 20 and \$2.0 million (calculated as 40,000 Dth per day multiplied by the rate of \$0.14 per Dth, multiplied by 365 days) beyond the twentieth year; and (ii) the Londonderry option of approximately \$2.0 million (calculated as 40,000 Dth per day multiplied by the rate of \$0.14 per Dth, multiplied by 365 days) for all years
- Depreciation rate for mains increased from 60 years (1.67%) to 1.92% to reflect the Commission-approved depreciation rate for mains, which includes the net salvage value.

The information marked above is confidential third-party cost estimates for TGP to upgrade the Concord Lateral, which information is protected from disclosure by RSA 91-A:5, IV, as "confidential, commercial, or financial information" of a third party. TGP provided this estimate to Liberty under the terms of a non-disclosure agreement which requires the Company to

maintain its confidentiality. Liberty sought confidential treatment of the TGP information in the Motion for Protective Order filed at the outset of this docket.

Confidential Attachment OCA TS 1-2.xlsm contains the above third party pricing and the model itself is proprietary information of the Company's consultant, ScottMadden Management Consultants. Specifically, ScottMadden developed and refined the model over a number of years and its competitive position would be harmed if other firms had unrestricted access to these files. The entirety of Confidential Attachment OCA TS 1-2.xlsm is thus "confidential, commercial, or financial information" protected from disclosure by RSA 91-A:5, IV.

Therefore, pursuant to RSA 91-A:5, IV and Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of the above information and of Confidential Attachment OCA TS 1-2.xlsm and will submit a motion seeking confidential treatment prior to the final hearing in this docket. Since the above figures are embedded in Confidential Attachment OCA TS 1-2.xlsm, and since the model itself is confidential, a redacted version of Confidential Attachment OCA TS 1-2.xlsm will not be provided.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
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OCA Technical Session Data Requests - Set 1

Date Request Received: 5/7/21
Request No. OCA TS 1-3

Date of Response: 5/20/21
Respondent: Francisco C. DaFonte

REQUEST:

Refer to DR 2 above. Please conduct the same analyses assuming that the investment cost associated with the on-system enhancements by EnergyNorth for both options are 30% higher. Provide the live EXCEL file(s) associated with the analyses.

RESPONSE:

This question is based on the flawed premise that the Company's investment costs would increase in isolation. Specifically, the factors that would increase the Company's investment costs associated with the on-system enhancements by 30% - namely labor and material costs – would similarly increase TGP project costs associated with the Nashua-Manchester capacity option.

Subject to that caveat, please refer to Confidential Attachment OCA TS 1-3.xlsm for the requested analysis. Assumption changes to Confidential Attachment OCA 1-14.xlsm are marked in grey in Confidential Attachment OCA TS 1-3.xlsm and include:

- Changes requested in OCA TS 1-2
- Increase in investment cost associate with the on-system enhancements of 30%

Confidential Attachment TS 1-3.xlsm contains confidential third-party cost estimates for TGP to upgrade the Concord Lateral, which information is protected from disclosure by RSA 91-A:5, IV, as “confidential, commercial, or financial information” of a third party. TGP provided this estimate to Liberty under the terms of a non-disclosure agreement which requires the Company to maintain its confidentiality. Liberty sought confidential treatment of the TGP information in the Motion for Protective Order filed at the outset of this docket.

Also, Confidential Attachment OCA TS 1-3.xlsm itself is a proprietary model created by the Company's consultant, ScottMadden Management Consultants. Specifically, ScottMadden developed and refined the model over a number of years and its competitive position would be harmed if other firms had unrestricted access to these files. The entirety of Confidential

Attachment OCA TS 1-3.xlsm is thus “confidential, commercial, or financial information” protected from disclosure by RSA 91-A:5, IV.

Therefore, pursuant to RSA 91-A:5, IV and Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of the above information and of Confidential Attachment OCA TS 1-3.xlsm and will submit a motion seeking confidential treatment prior to the final hearing in this docket. Since the confidential pricing is embedded in Confidential Attachment OCA TS 1-3.xlsm, and since the model itself is confidential, a redacted version of Confidential Attachment OCA TS 1-3.xlsm will not be provided.

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

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Petition for Approval of a Firm Transportation Agreement with
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OCA Technical Session Data Requests - Set 1

Date Request Received: 5/7/21
Request No. OCA TS 1-4

Date of Response: 5/20/21
Respondent: Francisco C. DaFonte

REQUEST:

Refer to DR 2 above. Please conduct the same analyses assuming that the investment cost associated with the on-system enhancements by EnergyNorth for both options are 50% higher. Provide the live EXCEL file(s) associated with the analyses.

RESPONSE:

This question is based on the flawed premise that the Company's investment costs would increase in isolation. Specifically, the factors that would increase the Company's investment costs associated with the on-system enhancements by 50% - namely labor and material costs – would similarly increase TGP project costs associated with the Nashua-Manchester capacity option.

Subject to that caveat, please refer to Confidential Attachment OCA TS 1-4.xlsm for the requested analysis. Assumption changes to Confidential Attachment OCA 1-14.xlsm are marked in grey in Confidential Attachment OCA TS 1-4.xlsm and include:

- Changes requested in OCA TS 1-2
- Increase in investment cost associate with the on-system enhancements of 50%

The table below provides a summary of the requested analysis relative to the requested analyses provided in the responses to OCA TS 1-2 and OCA TS 1-3. As shown, the Londonderry option is the lower cost alternative as compared to the Nashua-Manchester option in all three scenarios.

	Nashua-Manchester Option	Londonderry Option
OCA TS 1-2	\$8.3 million	\$6.5 million
OCA TS 1-3	\$8.8 million	\$7.8 million
OCA TS 1-4	\$9.1 million	\$8.7 million

Confidential Attachment OCA TS 1-4.xlsm contains confidential third-party cost estimates for TGP to upgrade the Concord Lateral, which information is protected from disclosure by RSA 91-A:5, IV, as “confidential, commercial, or financial information” of a third party. TGP provided

this estimate to Liberty under the terms of a non-disclosure agreement which requires the Company to maintain its confidentiality. Liberty sought confidential treatment of the TGP information in the Motion for Protective Order filed at the outset of this docket.

In addition, Confidential Attachment OCA TS 1-4.xlsm itself is a proprietary model and thus “confidential information” of the Company’s consultant, ScottMadden Management Consultants. Specifically, ScottMadden developed and refined the model over a number of years and its competitive position would be harmed if other firms had unrestricted access to these files. The entirety of Confidential Attachment OCA TS 1-4.xlsm is thus “confidential, commercial, or financial information” protected from disclosure by RSA 91-A:5, IV.

Therefore, pursuant to RSA 91-A:5, IV and Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of Confidential Attachment OCA TS 1-4.xlsm and will submit a motion seeking confidential treatment prior to the final hearing in this docket. Since the above figures are embedded in Confidential Attachment OCA TS 1-4.xlsm, and since the model itself is confidential, a redacted version of Confidential Attachment OCA TS 1-4.xlsm will not be provided.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

Staff Technical Session Data Requests - Set 1

Date Request Received: 5/5/21
Request No. Staff TS 1-6

Date of Response: 5/20/21
Respondent: William Killeen

REQUEST:

Please provide the annual amount of the Calpine/Granite Ridge fixed payments and commodity sales and payments, for 2015 through 2020.

RESPONSE:

The annual amount of the Calpine/Granite Ridge fixed payments and commodity sales and payments for 2015 through 2020 are shown in the table below.

Calendar Year	2015	2016	2017	2018	2019	2020
Demand	██████████	██████████	██████████	██████████	██████████	██████████
Variable	██████████	██████████	██████████	██████████	██████████	██████████
Total	██████████	██████████	██████████	██████████	██████████	██████████

The information marked above is “individual customer data ... that can identify, singly or in combination, that specific customer,” RSA 363:37, I, and is thus protected from disclosure by RSA 363:38 and RSA 91-A:5, IV. Therefore, pursuant to those statutes and Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information and will submit a motion seeking confidential treatment prior to the final hearing in this docket.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
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PLAN Data Requests - Set 1

Date Request Received: 4/5/21
Request No. PLAN 1-10

Date of Response: 4/19/21
Respondent: William R. Killeen

REQUEST:

For the highest sendout day for each of the last three winter seasons, please provide (a) EnergyNorth's actual receipts at each TGP meter, (b) propane peaking production by plant, (c) LNG peaking production by plant, and (d) the quantity delivered to the Granite Ridge power plant.

RESPONSE:

Please see Confidential Attachment PLAN 1-10.xlsx for the requested information.

Confidential Attachment PLAN 1-10.xlsx contains "individual customer data ... that can identify, singly or in combination, that specific customer," RSA 363:37, I, and is thus protected from disclosure by RSA 363:38 and RSA 91-A:5, IV. Therefore, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information and will submit a motion seeking confidential treatment prior to the final hearing in this docket.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

Staff Technical Session Data Requests - Set 1

Date Request Received: 5/5/21
Request No. Staff TS 1-7

Date of Response: 5/20/21
Respondent: Francisco C. DaFonte

REQUEST:

Please explain how Liberty tracks, investigates, and resolves customer issues of high efficiency burners not working on propane-air. Provide documentation of customer complaints related to issues with high efficiency burners when served with propane-air, including the nameplate make/model of equipment, age, makes/models of other appliances, duration of the issue.

RESPONSE:

As this investigative process for customer propane issues relates to Liberty's large customers, the Business and Community Development account manager is notified by the Gas Control department when propane air injection is scheduled out of the Manchester plant. The Business and Community Development account manager notifies the large customer accounts that have typically incurred problems with their heating equipment ([REDACTED]) about the planned propane air injection. Upon completion of injection, the Business and Community Development account manager either proactively reaches out to these key accounts or is contacted by them with issues that are a result of the injection. The Business and Community Development account manager logs the issue in a shareable Excel document with the customer account number, customer name, date and duration of the issue, and a description of the issue during propane injection (please see Confidential Attachment Staff TS 1-7.1.xlsx). The Business and Community Development account manager will notify Gas Control and Customer Metering Services of these issues that are a result of the propane air injection. The nameplate make/model of the equipment and age is unknown.

As this investigative process relates to residential customers, the Company has previously addressed this process in its response and attachment to OCA 3-1 in Docket DG 17-198, which documents are provided here as Attachment Staff TS 1-7.2 and Attachment Staff TS 1-7.3.xlsx, respectively.

The information marked above and in Confidential Attachment Staff TS 1-7.1.xlsx consists of "individual customer data ... that can identify, singly or in combination, that specific customer," RSA 363:37, I, and is thus protected from disclosure by RSA 363:38 and RSA 91-A:5, IV. Therefore, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential

Docket No. DG 21-008 Request No. Staff TS 1-7 (Redacted)

treatment of this information and will submit a motion seeking confidential treatment prior to the final hearing in this docket.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

Staff Data Requests - Set 1

Date Request Received: 3/29/21
Request No. Staff 1-3

Date of Response: 4/16/21
Respondent: William R. Killeen

REQUEST:

Ref. Bates p. 12, Description of the TGP Contract. Please provide a detailed description of the major components of the Liberty/Calpine contract for capacity on the EnergyNorth lateral connecting TGP and Calpine facility.

RESPONSE:

The existing Gas Transportation Agreement (GTA) between Liberty and Calpine/Granite Ridge consists of the following detailed commercial terms:

- The GTA is a 20-year contract that commenced on September 14, 2001, and is set to expire on September 14, 2021. Liberty and Calpine are in the process of negotiating a new GTA that would replace the existing GTA upon its expiration.
- The GTA required Liberty/EnergyNorth to construct a 2.7 mile 16-inch pipeline connecting Tennessee Gas Pipeline's Concord Lateral to the then proposed Granite Ridge Energy Center (GREC).
- The GTA provides that Liberty shall deliver up to 130,000 Dth per day to the GREC at pressures correlating to Tennessee's delivery pressures to the interconnect of Liberty's pipeline with Tennessee.
- Calpine pays a two-part rate consisting of: (i) a Fixed Demand Charge (FDC); and (ii) a Variable Commodity Rate (VCR) per Dth for every Dth of natural gas transported in excess of [REDACTED]. The FDC and the VCR [REDACTED].

The current FDC is approximately \$ [REDACTED] per year and the current VCR is approximately \$ [REDACTED] per Dth.

The information marked above is confidential third party pricing information that is "confidential, commercial, or financial information" protected from disclosure by RSA 91-A:5, IV, and for which the Commission granted protective treatment in the docket approving the

Docket No. DG 21-008 Request No. Staff 1-3 (Redacted)

GTA, Order No. 23,661 (March 23, 2001). Therefore, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information and will submit a motion confirming confidential treatment prior to the final hearing in this docket

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

OCA Data Requests - Set 1

Date Request Received: 4/8/21
Request No. OCA 1-14

Date of Response: 4/22/21
Respondent: Francisco C. DaFonte

REQUEST:

Refer Testimony of Francisco C. DaFonte and William R. Killeen, Bates page 26, line 11 to Bates page 27, line 5.

- a. Please explain how the levelized annual costs are calculated.
- b. Please provide the live excel models associated with the calculations of the levelized annual costs

RESPONSE:

- a. The levelized annual costs were calculated by ScottMadden, Inc. using their proprietary levelized rate model. The model requires many inputs including depreciation expense, O&M expense, rate of return, taxes, etc.
- b. The proprietary model is provided as Confidential Attachment OCA 1-14.b.xlsm.

Confidential Attachment OCA 1-14.b.xlsm contains proprietary information of the Company's consultant, ScottMadden, Inc. Specifically, ScottMadden has developed and refined the model over a number of years for work with its clients. ScottMadden's competitive position would be harmed if other firms had unrestricted access to these files. Therefore, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information and will submit a motion seeking confidential treatment prior to the final hearing in this docket. Confidential Attachment OCA 1-14.b.xlsm is being provided in electronic working spreadsheet (Microsoft Excel) format. Redacted versions will not be provided.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

Staff Data Requests - Set 1

Date Request Received: 3/29/21
Request No. Staff 1-2

Date of Response: 4/16/21
Respondent: William R. Killeen

REQUEST:

Ref. Bates p. 12, Description of the TGP Contract. Please provide a description of the major components of Liberty/TGP contract no. 52694 and a copy of the contract.

RESPONSE:

Liberty does not have a contract with TGP with that referenced number. Liberty assumes Staff is referring to Liberty/TGP Contract No. 72694, a copy of which is provided as Confidential Attachment Staff 1-2. This contract has the following major components:

- Contract Total Quantity (“TQ”): 30,000 Dth per day
- Receipt Point: Dracut, Massachusetts
- Delivery Point: Laconia, New Hampshire
- Rate: As this contract required expansion facilities to be built on the Concord Lateral and FERC approval, a Negotiated Rate Agreement was required. The Negotiated Rate Agreement includes a monthly reservation rate of \$██████/Dth, plus the maximum applicable commodity rates currently effective in the TGP tariff for FT-A service defined as Zone 6 to Zone 6; plus all additional charges and surcharges as per TGP’s then-current Tariff for FT-A service.
- In-Service Date: November 1, 2009
- Term: The primary term is 20 years through October 31, 2029, with renewal rights per Article III, Section 10.4 of the General Terms and Conditions of TGP’s FERC Gas Tariff.

Other than the expansion terms and Negotiated Rate Agreement noted above, TGP Contract No. 72694 is a standard gas transportation agreement for use under TGP’s FT-A rate schedule, therefore all of the industry standard terms and conditions apply as contained in TGP’s FERC-approved tariff.

The marked information above and in Confidential Attachment Staff 1-2 is confidential pricing information that is third party pricing information that is “confidential, commercial, or financial

information” protected from disclosure by RSA 91-A:5, IV. Therefore, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information and will submit a motion confirming confidential treatment prior to the final hearing in this docket.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
Tennessee Gas Pipeline Company, LLC

Conservation Law Foundation Data Requests - Set 2

Date Request Received: 5/7/21
Request No. CLF 2-3

Date of Response: 5/20/21
Respondent: William R. Killeen

REQUEST:

Please provide the rates for all of Liberty's contracts with Tennessee Gas Pipeline that are listed in Liberty's response to data request CLF 1-21 (Contract Nos.: 523; 8587; 2302; 632; 11234; 72694; 95346; and 42076).

RESPONSE:

The demand (or reservation) charges and variable (or commodity) charges for the various contracts on TGP are shown below.

RESERVATION CHARGES			MONTHLY
			DEMAND
			RATE
<u>CONTRACT #</u>		<u>MDQs</u>	<u>(\$/Dth/month)</u>
Ctr #8587		25,407	17.08207109
Ctr #632		15,265	7.1645
Ctr #11234		9,039	6.9764048
Ctr #2302		3,122	6.2957
Ctr #95346		4,000	6.2957
Ctr #72694		30,000	
Ctr #42076		20,000	4.1818
Ctr#523		21,844	1.3094
		1,560,391	0.0179
COMMODITY CHARGES			TOTAL
			COMMODITY
			RATE
<u>CONTRACT #</u>			<u>(\$/Dth)</u>
Ctr #8587	Z0-Z6	7,035	0.2939
	Z1-Z6	14,561	0.2563
	Z4-Z6	3,811	0.1002
Ctr #632	Z4-Z6	15,265	0.1002
Ctr #11234	Z4-Z6	7,082	0.1002
	Z5-Z6	1,957	0.076
Ctr #2302	Z5-Z6	3,122	0.076
Ctr #95346	Z5-Z6	4,000	0.076
Ctr #72694	Z6-Z6	30,000	0.032
Ctr #42076	Z6-Z6	20,000	0.032
Ctr#523	W/D	21,844	0.0087

The figure marked above is a negotiated rate and is thus confidential third-party pricing, which information is protected from disclosure by RSA 91-A:5, IV, as “confidential, commercial, or financial information” of a third party. Therefore, pursuant to RSA 91-A:5, IV and Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of the above information and will submit a motion seeking confidential treatment prior to the final hearing in this docket.

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

DG 21-008

Petition for Approval of a Firm Transportation Agreement with
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OCA Data Requests - Set 1

Date Request Received: 4/8/21
Request No. OCA 1-13

Date of Response: 4/22/21
Respondent: Francisco C. DaFonte

REQUEST:

Refer Testimony of Francisco C. DaFonte and William R. Killeen, Bates page 25, line 3 to Bates page 26, line 10.

- a. Please provide all supporting assessment, analyses, work papers (live EXCEL format), etc. for each of the on-system enhancement described in this section.
- b. Please provide all supporting analyses, work papers (live EXCEL format), etc. for each of the cost estimates for the on-system enhancement cited in this section.
- c. Please explain how the company would address any cost overruns.
- d. Please indicate what design stages (30%, 70% or some other stage) do the estimates obtained for the two alternative discussed are at currently? Do the estimates include any markups to account for possible cost overruns?
- e. Please provide the Company's assessment of whether the TGP's quoted price on Nashua/Hudson Loop could still be effective if the Commission finds that the Manchester/Nashua alternative is preferable? If not, please elaborate.

RESPONSE:

- a. Please see the Company's response to Staff 1-5 and Confidential Attachment OCA 1-13.
- b. Please see the Company's response to Staff 1-5 and Confidential Attachment OCA 1-13.
- c. Cost overruns, if any, would be addressed at the time the Company files for rate recovery specific to these projects.
- d. Currently, the cost estimates are based on a 30% engineering design. Based on the American Association of Cost Engineers (AACE) cost classification system, a 30% engineering design is considered a Class 3 estimate. Typical accuracy ranges for Class 3 estimates are -20% to +30%.
- e. The Company does not feel that the TGP cost estimate to loop the Hudson Lateral would still be effective given that the estimate was provided over a year ago. Also, please see the Company's response to PLAN 1-16.

Confidential Attachment OCA 1-13 is a “cost estimate report” prepared by Liberty’s contractor and contains pricing estimates for the on-system enhancements described in the above-referenced section of the DaFonte/Killeen testimony. It also contains the details, assumptions, and analysis in support of those estimates. This information is also one subject of the Company’s Motion for Confidential Treatment filed at the outset of this docket (the testimony contains the high level numbers supported by Confidential Attachment OCA 1-13). This information is “confidential, commercial or financial information” protected from disclosure by RSA 91-A:5, IV. *See Union Leader Corp. v. New Hampshire Housing Finance Authority*, 142 N.H. 540 (1997). Therefore, pursuant to that statute and Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information and will submit a motion seeking confidential treatment prior to the final hearing in this docket.