

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DG 23-xxx

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty
Winter 2023–2024 Cost of Gas and Summer 2024 Cost of Gas

DIRECT TESTIMONY

OF

LUKE W. SANBORN

August 21, 2023



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1 **I. INTRODUCTION**

2 **Q. Please state your name, job title, and job description.**

3 A. My name is Luke W. Sanborn. I am the Manager, Environment, for Liberty Utilities
4 Service Corp. (“LUSC”). I am responsible for overseeing the management, investigation,
5 and remediation of manufactured gas plant (“MGP”) sites for Liberty Utilities
6 (EnergyNorth Natural Gas) Corp. d/b/a Liberty (“Liberty” or the “Company”), as well as
7 operational environmental compliance, including air and waste permitting, wetlands
8 permitting, and protection and spill response.

9 **Q. Please describe your educational and professional background.**

10 A. I hold a Bachelor of Science in Environmental Engineering from the University of New
11 Hampshire, and a Master of Liberal Arts in Sustainability and Environmental
12 Management from the Harvard University Extension. I am a Professional Engineer
13 registered in the State of New Hampshire. I have been employed by LUSC since August
14 29, 2022, managing the investigation and remediation of Liberty’s MGP sites. Prior to
15 my employment at LUSC, I had been a consultant for 17 years assisting clients with
16 various environmental compliance and environmental remediation projects. In addition, I
17 worked at a power generating facility with the responsibility of environmental
18 compliance for 1.5 years.

19 **Q. What is the purpose of your testimony?**

20 A. The purpose of my testimony is to discuss the status of Liberty’s site investigation and
21 remediation efforts at various MGP sites in New Hampshire, to briefly describe the

1 MGP-related activities performed by the various contractors and consultants, to discuss
2 the costs for which the Company is seeking rate recovery, and to describe the status of
3 the Company’s efforts to seek reimbursement for MGP-related liabilities from third
4 parties. My testimony is intended to update the information provided by the Company in
5 prior cost of gas proceedings. The costs associated with these investigations and
6 remediation efforts and certain of the amounts recovered from third parties are included
7 in the schedules and other data prepared by Mr. Culbertson and Mr. Yusuf as part of the
8 Local Distribution Adjustment Charge (“LDAC”) portion of the Company’s cost of gas
9 filing.

10 **II. STATUS OF INVESTIGATION AND REMEDIATION ACTIVITIES**

11 **Q. Please briefly describe the status of each of the Company’s MGP sites.**

12 A. Consistent with past practice, the description of the status of investigation and
13 remediation efforts at each site, as well as the various efforts to recover the site
14 investigation and remediation costs from third parties, are summarized in materials
15 included in the Company’s filing in Schedule 3.

16 **Q. Please briefly describe the status of the Company's remediation efforts at the Lower
17 Liberty Hill site in Gilford and any significant events over the past year at that site.**

18 A. The project has been completed since December 2015. The site is stable, and the grass is
19 mowed twice a year. The Notice of Activity and Use Restriction (“AUR”) was approved
20 by the New Hampshire Department of Environmental Services (“NHDES”) and recorded
21 at the Belknap Registry of Deeds in February 2017. The groundwater wells are

1 monitored and sampled once a year per the Groundwater Management Permit that was
2 obtained from NHDES in May 2017 and renewed in 2023.

3 **Q. Please briefly describe the status of the Company's remediation work at the**
4 **Manchester MGP.**

5 A. Groundwater monitoring is ongoing twice a year pursuant to the Groundwater
6 Management Permit for this site. Two dense non-aqueous phase liquid (DNAPL)
7 monitoring and recovery wells were installed at the site in November 2022 to further
8 evaluate the potential presence of recoverable DNAPL. The next phase of DNAPL
9 monitoring and recovery is proposed to include installation of wells downgradient from
10 the site. In addition, excavation and management of MGP-impacted soil was performed
11 in July 2022 associated with a sinkhole repair located outside of the northeastern corner
12 of the LNG area. Pavement was removed in the vicinity of the sinkhole, and
13 approximately 12 tons of soil was excavated and shipped offsite for proper disposal.

14 **Q. Please briefly describe the status of the Company's remediation work at the**
15 **Concord MGP.**

16 A. The Company continues to move toward a remedy for the MGP-impacted “Concord
17 Pond” site on the parcel known as Healy Park. In 2020, the City and the Company
18 finalized an access agreement that gives Liberty access for the pre-design investigation
19 (PDI) fieldwork, the construction of the remedy, and subsequent maintenance of the
20 capped area after its completion. Pre-design field investigations commenced in 2021 to
21 develop the final design of a wetland and subaqueous cap, per the Remedial Action Plan

1 approved by NHDES. Based on the results of the PDI, additional data collection tasks
2 are warranted to evaluate the source and nature of NAPL discharges to the pond in
3 relation to the stormwater drainage system. The additional data will be used to inform
4 the final design remedy. Construction of the design remedy is likely to occur in 2025.

5 In 2017, the Company received approval from NHDES on a near-bank sediment
6 sampling program in the Merrimack River, or Monitored Natural Recovery (“MNR”).
7 This program involves annual sediment sampling for contaminants and river bathymetry
8 studies to monitor both the chemical and physical behavior of sediments that may have
9 been impacted by coal tar wastes. The plan involved five annual samplings, the last of
10 which was conducted in October 2021. NHDES accepted the results of the MNR
11 program, along with the recommendation to undergo a confirmatory sampling in October
12 2023 to determine if any additional future sample events in the river are needed.

13 As for the Gasholder site, the City of Concord and the Company jointly prepared a report
14 in 2019 that details various use options for the Gasholder site on the east side of the
15 highway, including costs for various scenarios ranging from cleaning and fortifying the
16 holder structure for public entry to the demolition of the structure. In response to
17 Liberty’s communication that the gasholder needed to be demolished, as the condition of
18 the structure raised safety concerns, the City Council established a working group in
19 2020, comprised of representatives of the City Council, City Staff, Liberty, and the New
20 Hampshire Preservation Alliance (“NHPA”), and charged with exploring the viability of
21 a plan to stabilize and preserve the holder house structure.

1 The working group discussions resulted in a plan for the NHPA to raise funds to stabilize
2 the holder house and manage the relevant construction, and for Liberty to seek
3 Commission approval to contribute up to the estimated costs of demolition and
4 remediation beneath the holder house, as the least cost option for customers. The City,
5 the NHPA, and Liberty met with Commission Staff in February 2021 and obtained
6 Staff’s preliminary support for the plan, provided Liberty can demonstrate that the
7 Company’s contribution toward the stabilization of the holder house is less than the
8 estimated costs of demolition and remediation that would otherwise have been incurred.

9 In October 2021, the NHPA and Liberty signed a formal Emergency Stabilization
10 License Agreement to provide for the repairs to the holder house (the “Agreement”).
11 Under the Agreement, NHPA is responsible for the engineering and construction of the
12 stabilization work. Under the Agreement, Liberty agreed to allow NHPA access to the
13 site to perform the work and to contribute one-half of the stabilization costs, capped by
14 the amount Liberty would otherwise have spent to demolish the gasholder, investigate
15 beneath the gasholder for further contamination, and remedy any contamination found.
16 That is, absent the stabilization work that NHPA completed in the summer of 2022,
17 Liberty would have incurred those demolition-related costs. The NHPA completed the
18 stabilization work in July 2022. Liberty completed the estimate to demolish the holder
19 house and investigate and remedy any contamination beneath the holder footprint in
20 December 2022 to serve as the cap of Liberty’s contribution toward stabilization. The
21 New Hampshire Department of Energy supported this approach in Direct Testimony of
22 Gas Director Faisal Deen Arif submitted in June 2023.

1 In this docket, Liberty is seeking recovery of the costs Liberty contributed toward the
2 stabilization work that was performed in 2022 and is seeking approval to contribute
3 toward the further stabilization costs up to the amount of the demolition estimate.

4 **Q. Please briefly describe the status of the Company's remediation work at the Nashua**
5 **MGP site.**

6 A. In May 2019, the NHDES accepted details of a cap design for the central portion of the
7 property, and construction was planned for 2020, in conjunction with a capital paving
8 project for this property. In August 2021, the Facilities Management team started the
9 project at the site to remove defunct subsurface and aboveground infrastructure in
10 preparation to pave the entire property. In fall 2022, installation was completed of an
11 engineered cap approved by the NH Department of Environmental Services (NHDES)
12 Waste Site Bureau over approximately one-third of the site beneath the newly paved
13 surface where old Holder #2 is situated, as a remedy for the MGP site. (It has been
14 determined that it is technically infeasible to remove the contents of the holder as a
15 critical high-pressure gas main passes through it). Soil management of excavated
16 materials was challenging as MGP waste and asbestos-containing soil exist onsite, further
17 complicated by an NHDES-permitted stormwater handling system installation and the
18 installation of a new impoundment for the propane day tank. Installation of these
19 improvements were also completed in fall 2022.

20

1 **Q. What other MGP investigation and remediation activity has the Company**
2 **undertaken in the last year?**

3 A. No other MGP investigation and remediation activity has occurred in the last year.

4 **III. STATUS OF INSURANCE COVERAGE LITIGATION**

5 **Q. Have there been any recent significant developments in the Company's efforts to**
6 **seek contribution from its insurance carriers in the past year?**

7 A. No. Insurance recovery efforts are complete with respect to all the Company's former
8 MGP sites.

9 **Q. What environmental remediation efforts do you anticipate for the remainder of**
10 **2023 and 2024?**

11 A. At the Manchester MGP site, the Company will continue remediation of localized areas
12 of contamination on-site as well as install additional NAPL recovery and monitoring
13 wells downgradient from the site. Discussions will continue with the City regarding
14 storm drain improvements for a deteriorated drainage pipe along the western boundary of
15 the property. This work will be coordinated with the design for the railroad overpass that
16 is planned by the City as part of the "RAISE Manchester" project. At the Concord Pond
17 site, the Company will conduct additional investigation and assessment activities, and
18 continue to develop the final design of a subaqueous cap. Construction of the remedy is
19 estimated to occur in 2025. The monitoring of near-bank sediments will resume in
20 October 2023 per the NHDES-approved Monitored Natural Recovery plan. At the
21 Nashua MGP site and the Concord MGP site, activities are expected to consist of

1 groundwater monitoring. All sites are also now in the monitoring phase, so groundwater
2 monitoring will occur at all of them under their respective Groundwater Management
3 Permits.

4 **Q. Does this conclude your direct testimony?**

5 A. Yes, it does.