

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**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**

**SUPPLEMENTAL ORDER OF NOTICE**

On December 22, 2017, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (Liberty) filed a petition for approval of certain contractual arrangements and for Commission findings regarding the prudence of a number of proposed investments, including: (1) a delivered supply contract with ENGIE Gas & LNG, LLC; (2) a precedent agreement with Portland Natural Gas Transmission System (PNGTS) for firm transportation capacity; (3) the construction of an in-state pipeline (the Granite Bridge Pipeline), extending from an existing gas pipeline in Stratham to the existing Concord Lateral gas pipeline in Manchester; and (4) the construction of an on-system liquefied natural gas storage facility (the Granite Bridge LNG facility) to be located in Epping adjacent to New Hampshire State Route 101.

On November 16, 2018, Liberty filed a Motion to Amend the Procedural Schedule in this proceeding to facilitate a supplemental submission with updated construction cost estimates for the Granite Bridge Pipeline and the Granite Bridge LNG Facility (collectively, the Granite Bridge Project) to be filed by January 31, 2019. The Commission issued a secretarial letter on December 5, 2018, granting suspension of the procedural schedule. On January 30, 2019, Liberty filed a Second Motion to Amend the Procedural Schedule to set March 15, 2019, as the

revised deadline for Liberty to make its supplemental filing. A secretarial letter granting the further suspension of the procedural schedule was issued on February 7, 2019.

On March 15, 2019, Liberty submitted Supplemental Direct Testimony of Francisco C. DaFonte and William R. Killeen, with associated attachments and a Motion for Confidential Treatment of certain information in the filing. The amended filing included significant increases in the cost estimates for construction of the Granite Bridge Project, including a \$58 million (53 percent) increase in the projected cost to construct the pipeline and a \$45 million (22 percent) increase in the projected cost to construct the LNG Facility, for an overall increase of \$102 million (33 percent). The revised levelized cost estimates for the Project are \$17.6 million per year for the pipeline and \$28.8 million per year for the LNG Facility, reflecting annual increases of \$5.2 million (42 percent) for the pipeline and \$2.2 million (8 percent) for the LNG Facility. The combined levelized cost estimates increased by \$7.4 million (19 percent), from \$39 million to \$46.4 million. In addition, the amended filing included a memorandum of understanding (MOU) with Calpine Corporation (Calpine) for a multiyear peaking service associated with the Granite Bridge Project, and proposed a customer benefit guarantee whereby Liberty would not seek recovery of the value of peaking service provided under the MOU regardless of whether the Company is successful in executing an agreement with Calpine or another third-party. In its amended filing, Liberty also noted certain changes in the proposed route of the Granite Bridge Pipeline, including an initiation point located in Exeter rather than Stratham, thereby shortening the length of the pipeline by 0.5 mile. According to the amended filing, the Granite Bridge Project engineering and project design are approximately 30 percent complete. The original petition, the amended filing, and other docket filings, other than any information for which

confidential treatment is requested of or granted by the Commission, are or will be posted to the Commission's website at <http://www.puc.state.nh.us/Regulatory/Docketbk/2017/17-198.html>.

The amended filing raises, inter alia, the same issues raised by Liberty's initial filing related to: safe and adequate service at "just and reasonable" rates, pursuant to RSA 374:1 and RSA 374:2; the Commission's duty to keep informed of the manner in which all public utilities in the state provide for safe and adequate service, pursuant to RSA 374:4; the Commission's authority to investigate and ascertain the methods employed by public utilities to supply gas, pursuant to RSA 374:7; the justness and reasonableness of rates collected for service rendered by a public utility, pursuant to RSA 378:7; and the requirement that all utility plant to be included in permanent rates must be found by the Commission to be prudent, used, and useful, pursuant to RSA 378:28. Those issues embrace, but are not limited to, the question of whether Liberty reasonably investigated and analyzed its long-term gas supply requirements and alternatives for satisfying those requirements. The amended filing includes substantial changes in the overall cost of project construction, as well as an MOU with Calpine, which constitute major amendments to the original petition filed in 2017 and warrant supplemental public notice and opportunity for public comment and intervention pursuant to Puc 203.10.

**Based upon the foregoing, it is hereby**

**ORDERED**, that Liberty, the Staff of the Commission, the Office of the Consumer Advocate, and any Intervenors hold a Technical Session to review the amended filing on April 25, 2019; and it is


**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, Liberty shall publish a copy of this Supplemental Order of Notice no later than April 10, 2019, in a newspaper with general circulation in those portions of the state in which operations are

conducted, publication to be documented by affidavit filed with the Commission on or before April 22, 2019; and it is

**FURTHER ORDERED**, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Liberty and the Office of the Consumer Advocate on or before April 22, 2019, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities, or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rules Puc 203.17; and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before April 25, 2019.

By order of the Public Utilities Commission of New Hampshire this third day of April, 2019.

  
Debra A. Howland  
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.