

IR 15-124 Second Set of Staff Questions for TGP

August 3, 2015

Instructions for responses: Please e-mail responses in PDF format by **August 12, 2015** to alexander.speidel@puc.nh.gov; responses will be promptly posted to the NHPUC website here: http://puc.nh.gov/Electric/Investigation_into_Potential_Approaches_to_Mitigate_Wholesale_Electricity_Prices.html

1. Exhibit A to TGP's responses to Staff's Initial Questions states that the Kinder-Morgan Board Approved a \$3.3 billion investment in the Northeast Energy Direct (NED) project's "market path" segment from Wright, New York, to Dracut, Massachusetts. Please provide the levelized annual cost associated with the \$3.3 billion investment and specify the carrying charge rate used to calculate that annual cost.
2. The London Economics June 20, 2015 report on ECRC cost/benefit analysis filed in Maine Docket No. 2014-00071 makes reference to "Wright to Dracut" and "Wright to downstream of Dracut" firm transportation rates for the NED project. Is the "Wright to downstream of Dracut" rate the rate for firm transportation service on both the NED Market Path and TGP's existing 200 line in New England? If no, please distinguish between the "Wright to Dracut" and "Wright to downstream of Dracut" firm transportation services and rates. Also, please identify the primary delivery point(s) for the "Wright to downstream of Dracut" transportation route and clarify whether each gas generator directly served by TGP's existing system must pay the "Wright to downstream of Dracut" rate to gain firm access to low cost Marcellus supplies.
3. Ref. Initial Comments of TGP, June 2, 2015, Figure 5. To the extent TGP directly serves generators located in Connecticut and Rhode Island, please clarify whether the "Wright to downstream of Dracut" rate applies to such generators. If not, please provide the applicable firm transportation rate for generators in Connecticut and Rhode Island.
4. Ref. Initial Comments of TGP, June 2, 2015, Figure 5. Please clarify whether the "Wright to downstream of Dracut" rate will apply to generators served by the NED project and located in the Mass Hub area. If not, please provide the applicable firm transportation rate for generators in Mass Hub area.
5. Regarding Figure 39-Project reservation (FT)costs - in the London Economics June 20, 2015 report on ECRC cost/benefit analysis, please provide the unredacted "Wright to Dracut" and "Wright to downstream of Dracut" reservation charges in Dth/day for the NED project. Please also provide the associated contract terms.
6. Figure 33-Type of product offered - in the London Economics June 20, 2015 report on ECRC cost/benefit analysis indicates that FT for the NED project will be provided on a rateable basis. However, in response to Initial Question 12, TGP states that the NED project will offer a no-notice transportation service. Please provide the corresponding no-notice "Wright to Dracut" and "Wright to downstream of Dracut" reservation charges in Dth/day and explain how TGP expects to provide that service including the facilities it intends to use.
7. TGP claimed in in Maine Docket No. 2014-00071 that because Spectra and PNGTS projects do not offer direct access to the Marcellus and Utica regions, both will incur 3rd party transmission charges to reach a New England delivery point. Please provide all support for that claim.

8. TGP's response to Initial Question 27 states that it regularly delivers significant volumes into the Algonquin system at the Mahwah, New Jersey and Mendon, Massachusetts interconnects. Please provide the total volume of gas delivered by TGP to Algonquin in 2014 and the volume that was delivered to gas generators directly served by Algonquin in 2014. Also, provide the number of gas generators directly served by Algonquin in 2014 that received gas supplies from TGP.
9. TGP's response to Initial Question 25 states that it directly serves 18 gas-fired generating facilities including Ocean State Power and Milford Power. Those two facilities also appear on Algonquin's list of generators directly connected to its system. Please address this apparent discrepancy.
10. TGP's response to Initial Question 25 identified the gas generators that TGP directly serves. Two generators, Windsor Locks and Capital District, are not listed in ISO-NE's CELT report. Are these generators listed in the report under different names? Also, please clarify whether Rhode Island State Energy goes by the acronym RISEP.
11. TGP's response to Initial Question 1 states that based on the 30-inch design, TGP could make approximately 750,000 Dth/day of pipeline capacity available to EDCs. What is the equivalent generation capacity in MW that could receive firm transportation service from such pipeline capacity? Also, please provide the underlying calculation and assumptions.
12. TGP has stated that the primary receipt point for the NED project is Wright, NY. Please provide an estimate of the average spot market price of natural gas (\$/MMBtu) at that receipt point (or the nearest representative liquid trading point if data for the receipt is not available) for the period from April 1, 2014 through March 31, 2015. Please identify the data source and provide the daily data used to calculate the average.
13. In discussions with Staff, Spectra said that the combination of the AIM, Atlantic Bridge and Access Northeast projects will significantly reduce, if not eliminate, the constraints on the Algonquin system. Assuming the NED project does not go ahead, does TGP believe such pipeline expansions will reduce the constraints on TGP's existing system? Similarly, assuming Access Northeast project does not go ahead, does TGP believe the NED project will reduce the constraints on the Algonquin system? Please explain your answers and quantify the bottleneck reductions.
14. What was the average daily demand for gas in MMBtus on TGP's system during the 2014/15 winter?