

**THE STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DG 07-101**

**ORDER OF NOTICE**

On September 14, 2007, EnergyNorth Natural Gas, Inc. d/b/a KeySpan Energy Delivery New England (KeySpan or EnergyNorth) filed with the Commission a petition for approval of a firm transportation agreement with Tennessee Gas Pipeline Company (TGP) to provide EnergyNorth additional capacity of 30,000 MMBtu/day on the Concord Lateral, together with supporting testimony. The Concord Lateral is the northernmost branch pipeline off TGP's main line, originating in Dracut, Massachusetts and terminating in Concord. Under the agreement, TGP would construct the facilities necessary to render firm transportation service. Service would commence on the latter of November 1, 2009 or the date on which TGP is able to render service to KeySpan for a primary term of twenty years and KeySpan would incur an annual cost of \$4,380,000.

On August 21, 2006, KeySpan filed its 2006-2011 IRP in Docket DG 06-105, currently pending before the Commission, which identified a need for additional city-gate deliverability to meet projected customer demand. On February 7, 2007, Staff filed testimony in the KeySpan IRP proceeding stating that it did not believe the expansion of the Concord Lateral would be the least cost option to supply the incremental needs. On May 3, 2007, KeySpan informed Staff that it had determined that the least cost option for meeting the identified need was to contract for additional capacity on the Concord Lateral under the terms described above.

Staff and KeySpan subsequently agreed that it would be appropriate and in the public interest for the Commission to review KeySpan's analysis and make a determination of

prudence before it irrevocably committed to the proposed pipeline project. KeySpan may terminate the agreement with TGP if the Commission does not approve the agreement by February 28, 2008.

According to KeySpan's testimony, the Company investigated four alternatives to satisfy its resource need, the proposed agreement with TGP, the addition of LNG facilities, the addition of propane facilities, and implementation of demand-side management options. The Company concluded that the proposed agreement with TGP is the best alternative for cost and non-cost reasons.

The filing raises, inter alia, issues related to whether KeySpan's investigation and analysis of the alternatives for satisfying the resource need is reasonable and whether its entry into the long term agreement with TGP for additional pipeline capacity is prudent and in the public interest. In addition, in the event the Commission's investigation of the TGP agreement is not completed before February 28, 2008 and KeySpan elects not to terminate the agreement before that date, the filing raises the issue of who bears the risk of an imprudence finding.

Each party has the right to have an attorney represent them at their own expense.

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

**ORDERED**, that a prehearing conference, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on November 8, 2007 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin. Rule Puc 203.15 shall be considered; and it is

**FURTHER ORDERED**, that, immediately following the prehearing conference, KeySpan, the Staff of the Commission and any intervenors hold a technical session to review the petition and allow KeySpan to provide any amendments or updates to its filing; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.12, KeySpan shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than October 12, 2007, 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 November 8, 2007; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a petition to intervene with copies sent to KeySpan and the Office of the Consumer Advocate on or before November 5, 2007, such petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

**FURTHER ORDERED**, that any party objecting to a petition to intervene make said objection on or before November 8, 2007.

By order of the Public Utilities Commission of New Hampshire this ninth day of  
October, 2007.

A handwritten signature in cursive script, appearing to read "Debra A. Howland", is written over a horizontal line.

Debra A. Howland  
Executive Director & Secretary

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.

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Docket #: 07-101      Printed: October 09, 2007

**FILING INSTRUCTIONS:    PURSUANT TO N.H. ADMIN RULE PUC 203.02(a),**

**WITH THE EXCEPTION OF DISCOVERY, FILE 7 COPIES (INCLUDING COVER LETTER) TO:**

DEBRA A HOWLAND  
EXEC DIRECTOR & SECRETARY  
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21 SOUTH FRUIT STREET, SUITE 10  
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