

11 Hillside Drive
Nashua, NH 03064
April 23, 2012

Ms. Debra Howland, Executive Director & Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03302



Subject: Public Comments – Order of Notice DG 11-040 – National Grid
Gas Utility Service

Dear Ms. Howland:

This letter is to inform the Commission of difficulty obtaining new residential gas service from the local utility, National Grid, which is being sold to Algonquin Power and Utilities Corporation. Specifically, the problems are a lack of information in response to inquiries for new installation and the prior installation history on Hillside Drive in Nashua.

Lack of information:

National Grid provided the following information when asked about availability of gas service and the installation cost for 11 Hillside Drive:

| Year of Request | Quoted Cost |
|-----------------|-------------|
| 2010 | \$9,800 |
| 2012 | \$32,000 |

The quoted cost was given by telephone and there was no follow up with written information on how this cost was calculated or details about the installation process.

Prior installation history:

The use of 'shortest distance' practice by a prior gas utility owner has created a precedent that could allow several property owners on Hillside Drive to avoid the cost of a gas 'main extension' when installing gas service.

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Hillside Drive, located off of Hills Ferry Road in north Nashua, is one of three streets that form a block shaped like a triangle. Due to this block shape four properties (24 Hillside Drive, 20 Hillside Drive, 18 Hillside Drive and 16 Hillside Drive) have boundaries on both Hillside Drive and Milk Street. Please see the attached drawing "Gas Distribution Hillside Drive" for detail described below.

In 1977 a new house constructed at 24 Hillside Drive connected to the gas line on Milk Street since no gas line was available on Hillside Drive. This property is not a corner lot - instead it is next to the actual corner shown by the 'X' on the attached drawing.

Later, in 1998, gas service was installed at 19 Hillside Drive, directly across the street from 24 Hillside Drive, and a main extension from Hills Ferry Road was required.

This example shows how the shortest distance practice caused extra installation requirements for 19 Hillside Drive, even though gas service had already been installed across the street years before.

In the future the three remaining properties on Hillside Drive with boundaries on Milk Street (20 Hillside Drive, 18 Hillside Drive and 16 Hillside Drive) all could connect to the gas line on Milk Street eliminating the possibility these properties would pay the cost of a main extension.

Conclusions:

The information National Grid fails to provide for new residential service installation affects the ability to understand and plan for costs, contract obligations, and other construction details. Even though the tariff contains information, an average person should not be expected to read and interpret this complex document. Additionally, a potential customer may want to have an independent review of any construction requirements or contract before deciding to commit to installing gas service.

Connection using the shortest distance practice on Hillside Drive discriminates because it is a benefit available only to properties with boundaries on Milk Street. The lower installation cost due to location is unavailable to other properties on Hillside Drive.

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The Commission should consider requesting the following as a response to these problems:

- A. Replies to initial requests for new residential gas connection should be made in writing by the utility and contain information on costs, risks, construction restrictions, and other conditions. The writing for this material should be at the average reader level.
- B. The utility should be required to provide a sample contract for review if a contract is required for a new installation.
- C. The Commission should prohibit the practice of shortest distance gas installation for properties with boundaries on both Hillside Drive and Milk Street in Nashua. Any new gas service installation on Hillside Drive should be done by extending the gas main in the street on Hillside Drive.
- D. If prohibiting shortest distance installation is not possible, then the Commission should order a cost deduction for any installation on Hillside Drive requiring a gas main extension that must pass by 20 Hillside Drive, 18 Hillside Drive and 16 Hillside Drive. This deduction should be for the portion of the cost to install the gas main extension on Hillside Drive past these three properties.

Sincerely,



Steven M. Lapinskas

Enclosure

