

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

Docket No. DG 17-198

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.  
D/B/A LIBERTY UTILITIES

Petition to Approve Firm Supply and Transportation Agreements  
and the Granite Bridge Project

**Motion for Leave to File Sur-Reply**

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (“EnergyNorth” or the “Company”), through counsel, respectfully requests the New Hampshire Public Utilities Commission (“Commission”) for leave to file the enclosed sur-reply in response to objections filed by the Commission Staff (“Staff”), Conservation Law Foundation (“CLF”), and Calpine Corporation (“Calpine”) to the Company’s Motion to Amend Petition filed on July 31, 2020, in the above-captioned docket (“Motion”). EnergyNorth submits this request to enable it to have a fair opportunity to address new, substantive arguments raised by Staff, CLF, and Calpine in opposition to the Motion and to ensure that the Commission’s decision regarding the Company’s proposals in this docket are based on accurate factual information.

EnergyNorth is entitled to a review on the merits in this docket of the issues raised in the Motion. The response filed by Staff not only objects to the Motion but is also, in effect, a motion to dismiss certain of the Company’s proposals before EnergyNorth is allowed an opportunity to present its case to the Commission. In essence, Staff requests a predetermination on the merits of the Company’s requests for relief, thereby preempting the Company from presenting its proposals to the Commission for consideration on the merits. By allowing the Company to file a sur-reply to the various objections, the Commission will assure fairness and a complete record for its

decision-making process. In addition, this request will not cause any delays because the procedural schedule for this matter was previously suspended. Since the Motion seeks approval of a newly available, lower cost solution to the Company's capacity needs. Therefore, it is in the interest of customers for the Commission to allow the Company's sur-reply to enable full evaluation of the proposals in the Motion based on full information.

In support of this request to file a sur-reply, EnergyNorth states as follows:

1. EnergyNorth submitted its petition in this matter on December 22, 2017, requesting approval and/or determination of (a) a delivery supply contract with ENGIE Gas & LNG, LLC; (b) a precedent agreement with Portland Natural Gas Transmission System ("PNGTS"); (c) that it would be prudent to build the in-state Granite Bridge Pipeline; and (d) that it would be prudent to build the on-system Granite Bridge liquefied natural gas ("LNG") facility (collectively, the Granite Bridge Pipeline and Granite Bridge LNG facility are referred to herein as the "Granite Bridge Project").

2. This proceeding is a companion filing to the Company's 2017 Least Cost Integrated Resource Plan ("LCIRP") and seeks to meet a capacity need identified in the LCIRP.

3. Following a change in circumstances, the Company filed its Motion seeking to amend its petition to add the following requests for relief: (a) Commission approval of a contract with Tennessee Gas Pipeline (the "TGP Contract"); (b) Commission leave to withdraw the Company's request for a determination that moving forward with the Granite Bridge Project is prudent; and (c) Commission approval to collect certain costs incurred related to investigation of the Granite Bridge Project as prudent and instrumental in negotiating the TGP Contract. With its Motion, EnergyNorth provided detailed support for this amendment, including a full explanation of the change in circumstances as presented in the Second Supplemental Testimony of Francisco

C. DaFonte and William R. Killeen.

4. Following submission of the Motion, Calpine Corporation (“Calpine”) filed a petition to intervene in this matter on August 7, 2020. The Company does not oppose Calpine’s petition to intervene.

5. Together with its Petition to Intervene, Calpine included a preliminary objection to the Motion and requested additional time to formally respond to the Motion within fourteen days after its Petition to Intervene is ruled upon.

6. Staff and CLF filed responses to the Motion on August 10, 2020, that set forth their objections to the Motion.

7. The procedural schedule for this matter was suspended on October 18, 2019. Allowing this sur-reply will have no adverse impacts on the schedule for this proceeding.

8. EnergyNorth has reviewed the objections to its Motion and finds that the objections raise new issues of fact and law and/or contain false or misleading statements regarding the Company’s proposals. The Company should be afforded an opportunity to file a sur-reply to enable it to address these new issues and correct the record.

9. For example, Staff and CLF argue that the TGP Contract has not been considered in this docket, ignoring that evaluation of the Granite Bridge Project has always included an evaluation of potential alternatives. Additional capacity on TGP’s pipeline was the only alternative to the Granite Bridge Project and thus has always been under consideration in this proceeding.

10. The responses also include new issues such as: (1) Staff’s assertion that the Commission should preempt consideration of the Company’s request for authorization to recover the costs associated with evaluation of the Granite Bridge Project; (2) Calpine’s assertions that the

Company's amended proposal will repurpose the Granite Ridge Lateral pipeline resulting in safety and reliability impacts for Calpine; and (3) CLF's arguments regarding adequate notice to interested parties.

11. The Commission should allow the Company to respond to these new issues because it will assist the Commission in reaching its determination on the Motion. This proceeding has been pending before the Commission for more than two years and has included substantial efforts by the Company, Staff, and other parties to evaluate the Granite Bridge Project and alternatives. As a result, any determination on the Company's Motion should be based on consideration of all relevant issues. Bifurcation of this proceeding or dismissal of the Motion without consideration of all relevant facts and arguments will result in duplicative efforts, further delays, a decision based on incomplete information, and place considerable risk on the Company's ability to meet the needs of existing and future customers.

12. The Company further notes that the scope of this docket has always included assessment of the Granite Bridge Project in comparison to available alternatives, and therefore the Motion does not represent a scope change. As described in the Company's proposed sur-reply, a transportation agreement with TGP, such as the one now proposed for approval, was always the alternative to the Granite Bridge Project. A comparison of these options in 2017 when the Company submitted its initial filing resulted in a determination that the Granite Bridge Project was the lower-cost option. However, changed circumstances have resulted in the TGP Contract now being the lower-cost alternative by a substantial margin, and thus led to the Motion.

13. Lastly, in its sur-reply, the Company seeks to clarify for the record that even if additional notice is necessary to ensure that all interested parties are on notice of this change in circumstances, such additional notice would not require the opening of a new docket. CLF's

arguments regarding notice appears to confuse the purpose of this proceeding with a proceeding before the Site Evaluation Committee. No siting board approval is necessary because the TGP Contract requires no construction – EnergyNorth has contracted for existing capacity that recently became available. Thus, CLF’s arguments regarding notice to property owners are irrelevant.

WHEREFORE, EnergyNorth respectfully requests that the Commission:

- A. Grant leave for consideration of the enclosed sur-reply; and
- B. Grant such other relief as is just and equitable.

Respectfully submitted,  
LIBERTY UTILITIES (ENERGYNORTH NATURAL  
GAS) CORP. D/B/A LIBERTY UTILITIES

By its Attorney,



Date: August 19, 2020

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**Certificate of Service**

I hereby certify that on August 19, 2020, a copy of this motion has been electronically forwarded to the service list in this docket.

A handwritten signature in black ink, appearing to read "M. Sheehan", is positioned above a horizontal line.

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Michael J. Sheehan