

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 to Amend Petition

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (“EnergyNorth”), through counsel, respectfully moves the Commission to amend the petition filed in this docket to add the following requests for relief:

(1) that the Commission approve the contract with Tennessee Gas Pipeline (“the TGP Contract”);

(2) that the Commission allow the Company to withdraw its request to approve the Granite Bridge Project in light of the favorable terms of the TGP Contract; and

(3) that the Commission authorize EnergyNorth to collect the Granite Bridge Project Costs from customers as they were prudently incurred and were instrumental to obtaining the TGP Contract.

The Company asks the Commission not to open a new docket to review the TGP Contract and recovery of Granite Bridge Project costs because those issues comfortably fall within the scope of the original Order of Notice in this docket as the Company in this docket has reviewed various alternatives provided by Tennessee Gas Pipeline including the TGP Contract, rest on the substantial foundation of discovery and testimony already completed in this docket, and it is thus

in the interests of administrative efficiency to address the issues here.

In support of this motion, EnergyNorth represents as follows:

1. The petition filed in this docket requested that the Commission “find to be prudent the Company’s decision to build the Granite Bridge Project.” Petition at 5.

2. This motion asks the Commission to add two closely related issues to the current docket – the prudence of the Company’s decision to enter the TGP Contract and the prudence to have incurred costs to investigate, evaluate, and begin development of the Granite Bridge Project (the “Granite Bridge Project Costs”) and, thus be allowed to recover those costs.

3. In support of the substantive requests for a finding of prudence on these two issues, the Company attaches the Second Supplemental Testimony of Francisco C. DaFonte and William R. Killeen (the “Second Supplemental Testimony”). The Second Supplemental Testimony describes in detail why the TGP Contract is the least cost option to solve the resource shortfall identified in this docket, and presents the evidence on which the Commission should grant EnergyNorth authority to recover the Granite Bridge Project Costs.

4. In support of EnergyNorth’s motion to add these two issues to the existing docket, the Company incorporates the Second Supplemental Testimony for the facts relevant to this motion, and offers the following argument.

5. The first issue, the prudence of the Company’s decision to enter the TGP Contract, will center on a comparison of the costs of the TGP Contract against the estimated costs of the alternative, construction of the to-be-withdrawn Granite Bridge Project.

6. The second issue, the prudence of having incurred the Granite Bridge Project Costs, will focus on whether the costs incurred to investigate, analyze, and develop the Granite Bridge Project were reasonable based on the information available to the Company when

incurred.

7. Both of these issues belong in this docket because they fall comfortably within the scope of the Commission's February 8, 2018, Order of Notice. The Order of Notice informed the parties, the public, and potential intervenors of the issues raised in the Company's original petition:

The Supply/Transportation/Granite Bridge filing raises, inter alia, issues related to RSA 374:1 and 374:2 (public utilities to provide reasonably safe and adequate service at "just and reasonable" rates); RSA 374:4 (Commission's duty to keep informed of the manner in which all public utilities in the state provide for safe and adequate service); RSA 374:7 (Commission's authority to investigate and ascertain the methods employed by public utilities to "order all reasonable and just improvements and extensions in service or methods" to supply gas); RSA 378:7 (rates collected by a public utility for services rendered or to be rendered must be just and reasonable); and, by implication, the standards of RSA 378:28 (all utility plant to be included in permanent rates must be found by the Commission to be prudent, used, and useful). **These issues embrace, but are not limited to, the question of whether Liberty reasonably investigated and analyzed its long-term supply requirements and the alternatives for satisfying those requirements.**

February 8, 2018, Order of Notice, at 2 (emphasis added).

8. During the course of this docket the parties have thoroughly "investigated and analyzed" the prior (and more expensive) TGP options and the proposed Granite Bridge Project. The TGP Contract that is the subject of this motion is yet another, and closely related, "alternative[] for satisfying those requirements" that became available during the course of this docket, that the Company "reasonably investigated and analyzed," and that the Company has selected. Adding the TGP Contract to this docket is plainly within the Order of Notice's stated scope of "whether Liberty reasonably investigated and analyzed its long-term supply requirements," and thus should be addressed in this docket.

9. Similarly, EnergyNorth incurred the Granite Bridge Project Costs to investigate, analyze, and ultimately propose what was, through October 2019, the least cost option

to meet the Company's needs. Although the Commission no longer needs to determine the prudence of constructing the Granite Bridge Project given the TGP Contract, an examination of the costs incurred to present that proposal is plainly within the Order of Notice's statement that, "[t]hese issues embrace, but are not limited to, the question of whether Liberty reasonably investigated and analyzed its long-term supply requirements." Since the Granite Bridge Project Costs were incurred as the Company "investigated and analyzed its long term" needs, a prudence review of and approval to recover those costs is also squarely within the scope of this docket.

10. Finally, many of the facts and topics related to the prudence of both the TGP Contract and the Granite Bridge Project costs have already been the subject of extensive discovery, analysis, and testimony in this docket. Those topics include the Company's demand forecast, the estimated costs of the Granite Bridge Project, and the indicative pricing of the other TGP options. If the Commission denies this motion to amend and addresses the TGP Contract and Granite Bridge Project Costs in a new docket, there would be a need for substantial, and unnecessary, repetition of discovery and testimony, and associated waste of time, to build the appropriate record in that new docket.

11. Therefore, since the TGP Contract and the Granite Bridge Project Costs plainly fall within this docket's consideration of "whether Liberty reasonably investigated and analyzed its long-term supply requirements and the alternatives for satisfying those requirements," the Commission should grant this motion to amend.

12. Counsel provided a draft of this motion to the active participants in this docket, seeking only their assent to amending the petition, and explicitly not their position on the merits of the new requests. The Office of the Consumer Advocate and the United Steelworkers of America, Local 12012, assent to the relief requested. Commission Staff, Pipeline Awareness

Network, and Conservation Law Foundation object.

WHEREFORE, Liberty respectfully requests that the Commission:

- A. Grant this motion to amend the petition as follows:
 - i) To add EnergyNorth's request for approval of the TGP Contract;
 - ii) To add EnergyNorth's request for authority to recover the Granite Bridge Project Costs; and
 - iii) To withdraw EnergyNorth's request to approve the Granite Bridge Project;
- B. Grant such other relieve as the Commission deems just and reasonable.

Respectfully submitted,
Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a
Liberty Utilities
By its Attorney,



Date: July 31, 2020

By: _____
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Certificate of Service

I hereby certify that on July 31, 2020, a copy of this motion has been electronically forwarded to the service list in this docket.



Michael J. Sheehan