

Peggy Huard
13 David Drive
Hudson, NH 03051
603-578-9346

State of New Hampshire
Office of Consumer Advocate
21 S. Fruit Street
Suite 18
Concord, NH 03301

RE: NH Public Utilities Commission
Docket # 14-380
Liberty Utilities Petition for Approval for a Firm Transportation Agreement with
Tennessee Gas Pipeline Corporation, LLC

July 6, 2015

Dear Ms. Chamberlain,

It is my opinion that **LIBERTY UTILITIES** should not be issued approval of a Firm Transportation Agreement with **TENNESSEE GAS PIPELINE CORPORATION, LLC** as requested in their petition on 12/31/14 with the New Hampshire Public Utilities Commission (Docket # 14-380).

LIBERTY UTILITIES is a subsidiary of **ALGONQUIN POWER AND UTILITIES CORPORATION** (Wikipedia)

Address of **ALGONQUIN POWER AND UTILITIES CORPORATION** is 354 David Road, Oakville, Ontario L6J2X1 Canada.

ALGONQUIN POWER AND UTILITIES CORPORATION stock is traded on the Toronto Stock Exchange. Various reports are required to be filed and are available at sec.gov.

The goal of a publically traded company like **ALGONQUIN POWER AND UTILITIES CORPORATION** is profit/shareholder return and pension contributions. **RESIDENTIAL RATES** are therefore unduly inflated for this purpose, not need.

The financial reports for 12/31/14, available at Bloomberg.com, show a net profit of \$35 MILLION to be distributed to the common shareholders of **ALGONQUIN POWER AND UTILITIES CORPORATION (APUC)**.

"On November 24, 2014, **APUC** announced its agreement to participate in a natural gas pipeline transmission project in partnership with **KINDER MORGAN LIMITED PARTNERSHIP. LIBERTY UTILITIES** (Pipeline & Transmission) Corp., a wholly owned subsidiary of **APUC**, and **KINDER**

MORGAN LIMITED PARTNERSHIP have agreed to form a new entity ("**Northeast Expansion LLC**") to undertake the development, construction and ownership of a 30-inch or 36-inch natural gas transmission pipeline to be located between Wright, New York and Dracut, Massachusetts. The project is scalable up to 2.2 billion cubic feet per day (Bcf/d), and the pipeline capacity will be contracted with local distribution utilities, and other customers, to help ease constraints on natural gas supply in the northeast U.S. and help ensure much needed reliability to the power-generation grid. It is anticipated that the project will receive a Federal Energy Regulation Commission ("**FERC**") certificate in the fourth quarter of 2016, with commercial operations occurring by late 2018. Under the agreement, APUC will initially subscribe for a 2.5% interest in **Northeast Expansion LLC** with an opportunity to increase its participation up to 10%. The total capital investment opportunity for **APUC** could be up to U.S. \$400 million, depending on the final pipeline configuration and design capacity." (Form 40F dated 3/31/15 @ sec.gov)

The stated need appears to be excessive and not for the purpose indicated. **RESIDENTIAL RATES** actual need are being unduly inflated for profit/shareholder return and profit contribution.

TENNESSEE GAS PIPELINE COMPANY, LLC, a **KINDER MORGAN** subsidiary.

There have been many false statements made in the proposal send to FERC by **TGP/KINDER MORGAN** for the proposed pipeline project that would transport the natural gas claimed to be needed in the petition from **LIBERTY UTILITIES** NH PUC DOCKET # 14-380. The representatives from these companies at the meetings with the public have made many false statements as well. The likelihood of FERC approving this proposed project is unknown. There is still a significant amount of work that **TGP/KINDER MORGAN** needs to do to complete the FERC process including providing many missing pieces of important information that FERC has requested.

Both **KINDER MORGAN** and **TENNESSEE GAS PIPELINE** have past associations with energy and financial fraud as well as political/public corruption.

KINDER MORGAN/TENNESSEE GAS PIPELINE not only lacks integrity, but has caused significant harm and even deaths due to their continued negligence. (Wikipedia-TENNESSEE PIPELINE and KM Form 10K for 12/31/14 @ sec.gov) These incidents are the ones that have been reported and disclosed. Their own public filing states, "From time to time, despite our best efforts, our pipelines experience leaks and ruptures. These leaks and ruptures may cause explosions, fire,

and damage to the environment, damage to property and/or personal injury or death. In connection with these incidents, we may be sued for damages caused by an alleged failure to properly mark the locations of our pipelines and/or to properly maintain our pipelines. Depending upon the facts and circumstances of a particular incident, state and federal regulatory authorities may seek civil and/or criminal fines and penalties.”

KINDER MORGAN is a publically traded, Texas company, founded in 1997 by Richard Kinder, currently CEO and one of the top executive shareholders at **KINDER MORGAN**. **KINDER MORGAN** was formerly **ENRON LIQUID PIPELINE COMPANY (ELPC)**, a subsidiary of **ENRON** Corporation. **RICHARD KINDER** purchased ELPC with William Morgan in 1996. Richard Kinder had been president and Chief Operating Officer of ENRON until 1996, where he was 1 of 3 top executive shareholders. Until his departure from ENRON in 1996, Richard Kinder had worked with Kenneth Lay, Enron executive deemed to have lead corruption scandal responsible for collapse of Enron and financial crisis in 2001.

KINDER MORGAN executive Steven Kean is also a former executive and shareholder in ENRON CORPORATION. This is not disclosed in his biography on Kinder Morgan’s website. In 2001, Steven Kean was named as one of many defendants in a class action suit for violations of the Federal Securities Laws against purchasers of ENRON securities. He is one of many defendants, along with other executives and public accounting firm, Arthur Anderson, accused of insider trading causing substantial loss to shareholders. These executives were charged with making several false statements causing the stock to be traded at an inflated price allowing these executives to dump their stock at these inflated prices. While Steven Kean was not one of the executives that were later imprisoned, he disposed of his stock for \$5M during the time in question. There have been announcements and speculation that Steven Kean will replace Richard Kinder upon his retirement.

While Richard Kinder had left ENRON at the time in question and is not named in this lawsuit, he was the third highest ranking executive/manager shareholder, in 1996, his last year with Enron. I have yet to find information on how and at what price he disposed of this stock at. There is also controversy over the business structure that **KINDER MORGAN** operates under, **master limited partnerships**. The growth and greed of **KINDER MORGAN** is following the same patterns as the growth and later demise of **ENRON**.

For a period of four years leading up to the collapse of ENRON, numerous political committees were receiving sizeable contributions from ENRON, many single ones at \$50-100 TH each! These contributions would have been paid out of profits that belonged to the shareholders and were being paid to various political committees that were affiliated with the national committees of each party. These political committees are used to illegally influence elections and legislation.

Financial and energy fraud (fraudulent market manipulations/capped retail electricity prices/illegal shutdowns of pipelines) by Enron caused **California Electricity Crisis** and contributed to demise of Enron in 2001. (Wikipedia-California Electricity Crisis)

Enron had a secret role in creating artificial power shortages in California, helping to trigger an energy crisis in 2000 and 2001 which cost residents billions of dollars in surcharges. (theguardian.com 02/04/05)

KINDER MORGAN has made numerous acquisitions over many years, including El Paso Corporation (EPC) in 2012, creating the largest midstream energy company in North America. EPC owned the largest natural gas pipeline system including subsidiary Tennessee Pipeline Company. KINDER MORGAN just recently merged with EL PASO CORPORATION in November of 2014 with final merger and dissolution on 1/1/15.

EPC was also involved in energy fraud in the 2000 and 2001 California energy crisis. FERC investigated and later indicted EPC energy trader for making false energy trades.

It appears from all of the information and evidence available that Kinder Morgan is following in Enron's footsteps with the same negligence, fraud and corruption.

There are NUMEROUS political committees that use whatever means possible to pull in contributions and unethically uses this exorbitant amount of money to influence elections and legislation. Each committee uses a different corrupt scheme. The trail to these political committees and this PUBLIC CORRUPTION are found in publically disclosed reports available at fec.gov (Federal Election Commission).

This PUBLIC CORRUPTION is running, following and is a HUGE part of Kinder Morgan, the energy industry, this proposed pipeline project and this petition filed by LIBERTY UTILITIES. The energy industry including KINDER MORGAN/TGP and LIBERTY UTILITIES have enjoyed the rewards from this PUBLIC CORRUPTION for many years, pushing people off their land and destroying precious lives and land.

EXAMPLE OF POLITICAL CONTRIBUTION MADE AND PUBLIC CORRUPTION ASSOCIATED WITH THEM

KENNETH LAY

Kenneth Lay made \$250,000 in contributions to the Republican National Committee, a perpetual committee that organizes the PUBLIC CORRUPTION in WASHINGTON, DC. This committee often transfers money to the state and local party committees to saturate the campaigning for the party choice. They also lobby behind legislation. Kenneth Lay also contributed numerous small amounts to ENRON Political Action Committee as well as numerous contributions to other candidates for various elections. All of these committees are continuously used to unethically swing the elections as the corrupt parties and lobbyists desire.

El PASO Corporation and El Paso Energy Services

El Paso Corporation and El Paso Energy Services also made numerous large contributions for a total of over \$1M over a period of years leading up the energy crisis in 2001 and continued to make several large ones into 2002. Many of these contributions were made to the Republican National Committees and related subcommittees.

RICHARD AND NANCY KINDER

Richard and Nancy Kinder, Kinder Morgan (KM) and Kinder Foundation (KF) made the following large, political contributions over the most recent years. (**fec.gov**)

➤ 5/10/12 Nancy Kinder (KF) to Texas Conservatives Fund	\$100,000
➤ 7/30/12 Nancy Kinder (KF) to Texas Conservatives Fund	50,000
➤ 10/24/14 Nancy Kinder (KF) to American Crossroads	100,000
➤ 04/30/13 Richard Kinder (KM) to JAN PAC	10,000
➤ 5/31/00 Richard Kinder (KME)>RNC State Elections Comm.	240,000

- ❖ **Texas Conservatives Fund** is a Republican SuperPAC that ran \$5.8 MILLION in advertisements opposing Texas Republican, David H. Dewhurst in the 2012 Senatorial Election. Texas Senator Ted Cruz won this election. Only ONE major vendor, **SRH Media**, benefited from this campaign, earning \$5.7M out of the \$5.8M spent on advertising. (**fec.gov** and **opensecrets.org**) Ted Cruz has announced his candidacy for the 2016 Presidential election.
- ❖ **American Crossroads** is a Republican SuperPAC created to advertise both for and against opposing candidates for the House and Senate race in 2014. \$22 Million was raised by this SuperPAC for this race. \$15M was paid to **Main Street Media Group** and \$4M to **Mentzer Services Inc.** (**fec.gov** and **opensecrets.org**)
- ❖ **JanPAC** is a Republican SuperPAC. It is affiliated with Arizona's Republican governor, Jan Brewer. JanPac advertised for and against mostly Arizona, House and Senatorial Candidates as well as for Presidential candidate, Mitt Romney. (**opensecrets.org**)
- ❖ American Crossroads, Texas Conservatives Fund and JANPAC all filed a letter with the Federal Election Commission to raise funds in UNLIMITED amounts, "consistent with US Court of Appeals for the District of Columbia decision in *Speech Now vs FEC*. Both intended on making INDEPENDENT expenditures.

Kinder Foundation funded projects including Bush Center. Richard Kinder campaigned for Bush and McCain.

FERC COMMISSIONERS

Four out of the five commissioners for the Federal Energy Regulatory Commission made contributions to political committees. These commissioners are appointed by the president. FERC is the government oversight that has the authority to issue a certificate of public convenience and necessity. These contributions are a conflict of interest and many were made to many of our federally elected officials that are involved in PUBLIC CORRUPTION, including our own Senator, Jeanne Shaheen.

LIBERTY UTILITY ATTORNEY-SUSAN KNOWLTON

In 2009, Susan Knowlton was employed by McLane Law firm. She made a \$250 political contribution to the Anne McLane Kuster/Kuster for Congress committee. Attorney Knowlton left McLane Law Firm in July of 2011 to work as legal counsel for PSNH and then went onto become legal counsel for Liberty Utilities in July of 2012. While the size of the contribution is small and isolated, it shows her support for and participation in the political corruption that controls elections and legislation.

ENERGY COMPANIES

Numerous energy companies contributed over \$10 MILLION combined over a period of years leading up to the energy crisis in 2001 and continue to make large contributions today. They were contributed to a variety of political committees.

A TEXAS energy company, Clayton Williams Energy, Inc. made a one time contribution of \$1 MILLION to American Crossroads in 2012 and \$100 TH in 2014. **American Crossroads** is a Republican SuperPAC created to advertise both for and against opposing candidates for the House and Senate race in 2014.

Another energy company, Murray Energy Corporation made a \$300 TH contribution in 2014 to KENTUCKIANS FOR STRONG LEADERSHIP.

LABOR UNIONS

The worker's union following the proposed project is, LIUNA, LABORERS' INTERNATIONAL UNION OF NA On 9/30/14 LIUNA made a political contribution to HOUSE MAJORITY PAC for \$475,000!!!!!!

HOUSE MAJORITY PAC in turn spends hundreds of thousands of dollars to advertise/campaign for AND against numerous federal candidates all over the country. The majority of the expenditures (hundreds of thousands) from this PAC go to a company called Waterfront Strategies. This company has a mysterious origin and is believed to be an internal branch of GMMB, a company receiving the majority of the campaign funds from the Obama campaign committee!! Million dollar donors to this PAC are Michael Bloomberg and Fred Eychaner.

There are also numerous other labor unions that contribute to these controversial political committees, including the UTILITY WORKERS UNION OF AMERICA. This union in turn contributes/transfers money to candidate and state and national party committees to help manipulate the elections.

On the website of LIBERTY UTILITIES, there is a company called ACCENTURE, LLP listed in companies able to provide natural gas aggregation services. Their address is listed as 161 North Clark Street, Suite 2300, from Chicago, IL 60601. Obama for America, principal campaign committee for Obama's presidential campaign rented office space from a company named Accenture located in Chicago, Illinois. In researching Accenture with the 2008 presidential election, I found that it was a division of Arthur Anderson, formally called Arthur Anderson Consulting. Arthur Anderson was the accounting firm for Enron and was dissolved because of its involvement with the Enron fraud and corruption. In January, 2001, Arthur Anderson Consulting had changed their name to Accenture before the collapse of Enron and Arthur Anderson, and Accenture was able to survive through the scandal.

Due to this past and continuing negligence, fraud and public corruption, it is most apparent that these companies cannot be relied on for the accuracy of the estimates made in the petition presented to the New Hampshire Public Utilities Commission and should be denied.

Residential rates have been over inflated in the past sure to both energy and financial fraud. How can we be certain that it is not happening again, when all signs show that it is.

Please be advised that I have forwarded this complaint to the United States Department of Justice/Federal Bureau of Investigation as well.

Please contact me if you need further information.

Sincerely,

Peggy Huard

Peggy Huard

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