

**State of New Hampshire
Public Utilities Commission**

DG 14-901

**Liberty Utilities' Petition for Approval of Special Contract and Lease with Innovative
Natural Gas, LLC d/b/a iNATGAS**

**Petition to Intervene of Clean Energy
Dated April 24, 2014**

Clean Energy respectfully petitions for full party intervenor status to the referenced proceeding being heard before the New Hampshire Public Utilities Commission.

1. On April 4, 2014, Liberty Utilities, Inc. filed with the New Hampshire Public Utilities Commission a petition for approval of a Special Contract between Liberty and Innovative Natural Gas, LLC d/b/a iNATGAS ("iNATGAS") and also sought approval of a lease between Liberty and iNATGAS, for the purpose of constructing and operating a CNG filling and fueling facility in Concord, New Hampshire on utility property. In addition, Liberty asked the Commission to expedite approval of the Special Contract and Lease Agreement to accommodate iNATGAS' intent to be operational by the upcoming 2014-2015 winter heating season.
2. According to the filing, the feasibility of the project was dependent on iNATGAS leasing land from Liberty on which it will locate a CNG fueling station, and Liberty must charge iNATGAS a rate in excess of the current tariffed rate for firm transportation customers in order for Liberty to recover the utility's investment in the project from iNATGAS.
3. Since 1997, Clean Energy has been a national leader in providing compressed, liquefied, and renewable natural gas for transportation use, as well as, providing bulk natural gas supplies for commercial and industrial customers.
4. Clean Energy's principal place of business is 4675 MacArthur Court, Suite 800, Newport Beach, CA 92660 with a regional office at 49 South Main Street, Suite 205, Concord, NH 03301. Clean Energy is a publicly traded company on NASDAQ (ticker symbol CLNE).
5. In 2013, Clean Energy purchased land at 10 Cooperative Way, Pembroke, NH 03275 to construct a compressed natural gas (CNG) fueling and bulk CNG trailer filling facility ("the Pembroke Facility"). Clean Energy owns and will operate the Pembroke Facility when fully operational within the next 60 days. The Pembroke Facility is located approximately 1.5 miles by road from the subject leasehold contemplated in the Liberty filing.
6. Clean Energy has an agreement with NG Advantage of Milton, VT, whose principal business is to provide bulk CNG for use by commercial, industrial, and institutional customers throughout New England, including New Hampshire. Under this agreement, NG Advantage will purchase large quantities of CNG from the Pembroke Facility to fill bulk CNG trailers for delivery to their customers.
7. Clean Energy questions Liberty's assertions that the iNATGAS lease and the utility's investment in the compression station is prudent and in the public interest. Provision of CNG

for vehicles has been a competitive enterprise for many years, and the emerging bulk CNG business in New England has multiple unregulated players investing in CNG refueling infrastructure and supplying bulk CNG to commercial, industrial, and institutional customers.

8. In fact, Clean Energy is one of over eighty non-utility enterprises serving the Natural Gas Vehicle (“NGV”) refueling infrastructure market. Clean Energy and its competitors offer a range of services to such customers, from simply providing maintenance on an existing station owned by the customer, up to construction, ownership, and operation of the compression infrastructure, as well as a range of services in between. Like its competitors, Clean Energy’s share of the market has been earned based on its own efforts rather than the benefits of being a monopoly public utility. The existing market for providing CNG refueling infrastructure and CNG bulk services is competitive, and growing.

9. Under this Special Contract, the New Hampshire ratepayer will subsidize the compression facility, and if the Liberty facility or iNATGAS fails, the ratepayer will shoulder the financial risks of this nascent and speculative market; not to mention the operational risks and hazards associated with the fueling and filling facility.

10. Liberty Utilities is a monopoly provider of natural gas distribution in its service territory. As such, Liberty wields enormous market power combined with an advantage in its low cost of capital, access to captive customers, and the associated brand equity and marketing advantages. Liberty’s proposal to enter the CNG refueling infrastructure and emerging CNG bulk business will displace not only businesses already serving the New Hampshire market, but will also stifle the entry of new competitors; competitors that would have otherwise maximized the very benefits claimed by Liberty’s filing without any risk to the ratepayer.

11. To best preserve a competitive marketplace in New Hampshire, Liberty’s parent company should form an unregulated affiliate that would maintain an arm’s length relationship to the regulated utility and compete in the CNG for vehicles and CNG bulk space using shareholder dollars. Clean Energy would welcome fair competition with Liberty’s parent company.

12. Clean Energy’s petition to intervene is out of time due to the extraordinary short window provided to file. We believe the Commission should grant Clean Energy full party intervenor status due to our substantial financial and competitive interests in the proceedings and their outcome, as well as, the close proximity of the Pembroke Facility to the proposed leasehold. In addition to the hearings, we also believe the Commission should provide adequate opportunity for all parties to provide open and reply comments on Liberty Utilities proposal before the Commission arrives at a decision on the matter.

Respectfully submitted,
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