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June 25, 2015

VHPUC 26 JUN '15 AM 10:37

Debra Howland  
Executive Director  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429

Dear Ms. Howland,

I am contacting you to register Velcro USA Inc.'s support of proposed and potential future agreements between the local distribution companies in the state of New Hampshire and the Tennessee Gas Pipeline Company. Velcro USA Inc. operates two manufacturing facilities and employs over 750 people in New Hampshire. In order to maintain our position as a brand leader in a cost competitive global market, it is critical that we minimize the main contributors to our cost of manufacturing. Year after year, the rising cost of energy remains a key contributing factor that influences our business performance. As a large consumer of energy, the need for a reliable supply of electricity and natural gas at costs competitive to other regions within the country is vital for our business.

Velcro USA Inc. has taken numerous steps to proactively control our energy costs in New Hampshire, in an attempt to ensure our competitiveness. We have invested heavily in cost-effective energy efficiency projects at our facilities in Manchester and Somersworth. In addition, our Manchester facility operates a combined heat and power plant that utilizes natural gas as its primary fossil fuel, which gives us additional control over our electric, heating and industrial process costs. Despite these efforts, the cost of energy remains a chief concern for the company.

Over the past few years, we have seen an unprecedented level of price volatility in both the electric and natural gas markets, which we believe is due to the lack of natural gas capacity into the region, among other reasons. This volatility and high supply costs have had an adverse impact on our operations in New Hampshire. It is because of this experience over the past few years that we support firm agreements with any local distribution company in the region to help support the justification of the construction of new pipeline capacity into New England.

As one of the largest consumers of natural gas in the state of New Hampshire, we realize that any additional natural gas capacity into the region will assist with supply and demand economics of the natural gas commodity ultimately reducing natural gas costs. We urge the New Hampshire Public Utilities Commission to approve any reasonable agreement between the Tennessee Gas Pipeline Company and the New Hampshire local distribution companies that would support the construction of additional natural gas pipeline capacity into the region.

Sincerely,

**VELCRO USA INC.**

A handwritten signature in black ink that reads 'Scott M. Filion'.

Scott M. Filion  
President – Velcro Americas