

Richard Husband
10 Mallard Court
Litchfield, NH 03052

July 20, 2015

Debra Howland Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord New Hampshire 03301

RE: DG14-380
Petition for Approval of Long-Term Firm Transportation Agreement

Dear Ms. Howland:

This Public Utilities Commission (“PUC”) proceeding concerns a petition for approval of a firm transportation agreement between Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (“Liberty Utilities”) and the Tennessee Gas Pipeline Company, LLC (“TGPC”). The agreement relates to the so-called “NED” (short for “Northeast Energy Direct”) high-pressure gas pipeline project proposed by the Kinder Morgan Company (“KM”) and TGPC (collectively, “KM/TGPC”). This project is being rammed through the federal approval process with an application for certification by the Federal Energy Regulatory Commission (“FERC”) expected in just two to three months, despite the fact that a UNH poll at the end of May found that only 16% of New Hampshire citizens polled believed that they were “very familiar” with it. This is the number most favorable to advocates of the NED pipeline—not any of the numbers pertaining to the advertised “benefits” of the project actually committed to New Hampshire (those numbers would all be zeroes)—the 84% of New Hampshire citizens who are not yet up to speed on what is going on. With adequate time to assess the NED project, New Hampshire residents would likely reject it by a vast majority.

If certified by FERC, KM/TGPC will have the ability to begin taking land by federal eminent domain for clear-cutting a generally 110-135 feet-wide path, for a three-foot in diameter *transmission* pipe, through more than 70 miles of southern New Hampshire, impacting at least 18 towns, hundreds of residences, tens of thousands of lives, sensitive conservation areas and water resources—without hooking up to a single home or business: contrary to a common misconception, the NED pipeline will *not* be a local delivery line. Before exiting New Hampshire with the vast bulk of gas for use outside of the state, it will substantially deprive homeowners of the use, enjoyment and value of their properties, lower town tax bases, create town response costs and problems, disturb and damage the environment (including, potentially, the water aquifers for at least five towns)—but leave no energy benefits for the state we could not obtain far less painfully elsewhere. Contrary to the pro- NED project argument that the pipeline will result in “cheaper” energy for New Hampshire citizens, the project is proposed to be funded by increased electric rates, and those with knowledge in the field contend that approval of the pipeline will actually increase the price of natural gas.

We are only watching this approaching train wreck because Massachusetts wisely and loudly said: “We don’t want it!”

The PUC itself really should be taking a longer, closer look at the impact of the underlying KM/TGPC NED project on New Hampshire, and correspondingly allow concerned citizens time to raise issues that should be considered in this proceeding, before making a final determination on approval of the petition before it. The less than eight months this proceeding has been pending is not nearly enough to assess a matter of such magnitude to New Hampshire and so many of its citizens—particularly where there is clearly no “urgent need” to reach a final decision in the matter, especially as heating oil is projected to remain inexpensive, or potentially drop in price this winter, and become more available with the anticipated lifting of the Iran sanctions.

The PUC Staff has recommended approval of a settlement agreement essentially approving the petition in this proceeding. If the NED pipeline were the best alternative to meet actual New Hampshire energy needs, this would be understandable. But this is clearly not the case. The proposed settlement agreement the PUC Staff supports would only provide New Hampshire with 100,000 dth/d from the 2.2 billion cubic feet of transmission capacity of the pipeline. Three experts in this proceeding—including the PUC Staff’s own expert, Melissa Whitten—have cited numerous flaws in the arguments behind the NED pipeline, with one or more finding that the pipeline’s capacity is excessive for the actual need and/or not cost-effective. See, e.g., pages 10, 11 and 17 of Whitten testimony under Tab 32 of the documents filed in this proceeding (noting a number of flaws, including excessive capacity) and page 5 of the testimony of Office of Consumer Advocate expert Dr. Pradip Chattopadhyay, under Tab 33 of the documents filed in this proceeding (“... I find that the Company has not adequately demonstrated that the contract in question is reasonably cost-effective.”); see generally testimony of John A. Rosenkranz, expert for Pipe Line Awareness Network for the Northeast, Inc., under Tabs 34 and 36 of the documents filed in this proceeding. (excessive, alternatives not properly considered, costs of pipeline understated and savings overstated, etc.). Liberty Utilities’ own expert, Francisco C. DaFonte, confirms that the company is completely noncommittal about expanding service to the vast unserved areas of New Hampshire to ensure that our citizens receive any real benefit from the pipeline. See p. 7 of DaFonte testimony under Tab 1 of the documents filed in this proceeding (noting only that pipeline presents “potential” for expansion).

In short, the expert testimony submitted in this proceeding is not at all supportive of the petition before the PUC.

Nor are FERC comments on the NED pipeline.

In a May 15, 2015 letter responding to draft reports provided in support of the pipeline, located at the URL <http://www.nofrackedgasinmass.org/notgp/wp-content/uploads/2015/05/FERCtoKMcritique.pdf>, FERC itself suggested, on page 37, that the project is excessive. Noting that the pipeline will provide 2.2 billion cubic feet of constant transmission capacity, whereas it has been projected that New England needs only 1.1 to 1.6 billion cubic feet of additional capacity to meet its needs—and then only on about 40 cold winter days a year--FERC went on to note that two pipelines by the Spectra group already in the works will transport a total of about .56 billion cubic feet of gas per day toward New England’s needs, and another 1 billion cubic feet per day can be “funneled” from another source, Access NorthEast. Between AccessNorthEast and Spectra, then, over 1.5 billion cubic feet of additional capacity is available without resort to the NED pipeline—and there are other proposed pipelines in the works.

Spectra and AccessNortheast are partnering to meet New Hampshire and New England's energy needs, and are already ahead of the NED project in key areas. Spectra is not proposing a 70-mile pipeline through New Hampshire, will rely on established pipeline routes and will have far less impact on property owners and sensitive conservation and environmental areas than the NED pipeline. The only thing the excess NED pipeline capacity will supply is a disincentive to invest in the renewable sources of energy that New Hampshire and the rest of New England need to focus on.

While it is true that the PUC is only considering a transmission agreement and not the NED pipeline itself, the PUC's decision will go a long way in determining whether the pipeline goes forward. Without the requested PUC approval, the pipeline project will likely stall; with approval, the PUC may pave the way for the laying of the line. The PUC should not ignore this reality in reaching its decision.

I am involved in this proceeding not because I am in the path of the NED pipeline, but because my Town of Litchfield is, and when we held our initial meeting to discuss the pipeline's impact on residents, one noted:

"You work your whole lifetime for retirement, then this."

That stuck with me.

The PUC's decision in this proceeding is not just about energy and money and businesses—it concerns the future of a great many individuals as well. The PUC should not ignore this reality, either.

Thank you for your time and courtesy, Director Howland. Please forward this letter on to the appropriate PUC individuals for consideration with respect to the pending petition.

Sincerely,



Richard Husband