

3. Market Assessment

The communities of Hanover and Lebanon are located in the Upper Valley adjacent to the Connecticut River and bordering Vermont. Liberty Utilities is the local electric distribution company for these communities and has an operations center located at 407 Miracle Mile, Lebanon. Having an established presence in the communities provides Liberty Utilities a unique perspective on the economy and culture of the region. Our largest key accounts are actively managed by the Electric Key Account Manager. This involves constant contact via phone and site visits to meet the business needs of those customers. This can involve upgrades to existing electrical service due to production increases, energy efficiency upgrades to the facility and available rebates, billing and service questions, or just general conversations regarding their business and related energy cost impacts. These ongoing relationships provide insight into the regional and business culture. Businesses and residents understand the impact energy costs can have to financial health of a company, as well as household economics. However, they also have a keen understanding of the role energy plays in the environment and will fully understand the benefits of natural gas when compared with current alternative fuel choices in heating their homes and powering their businesses.

The communities of Hanover and Lebanon have a large and diversified mix of businesses. These range from educational institutions like Dartmouth College, to health care providers such as Dartmouth Hitchcock Medical Center and Alice Peck Hospital, to manufacturers and processors such as Hypertherm and Kleen Laundry, aggregate and asphalt companies, to small family-owned businesses. Market research indicates a potential annual load for these communities to be approximately 3.4 million dekatherms, and the potential customer base of approximately 9,225 customers. Section II D will demonstrate the financial opportunity associated with the Hanover and Lebanon expansion.

Population trends are also on the rise in these communities, which bodes well for future expansion into the region. Population trends for the communities are as follows: