

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

November 26, 2018 - 11:15 a.m.
Concord, New Hampshire

NHPUC 12DEC'18 9:31

RE: **DG 18-092**
LIBERTY UTILITIES (ENERGYNORTH
NATURAL GAS) CORP. d/b/a
LIBERTY UTILITIES:
Petition for a License to Construct
and Maintain a Natural Gas Pipeline
Beneath the Ashuelot River in Keene.
(Hearing on the merits)

PRESENT: Chairman Martin P. Honigberg, Presiding
Commissioner Kathryn M. Bailey
Commissioner Michael S. Giaimo

Sandy Deno, Clerk

APPEARANCES: **Reptg. Liberty Utilities (EnergyNorth**
Natural Gas) Corp. d/b/a
Liberty Utilities:
Michael J. Sheehan, Esq.

Reptg. Terry Clark:
Richard M. Husband, Esq.

Reptg. Ashuelot River Local Advisory
Committee (ARLAC):
Barbara Skuly

Reptg. PUC Staff:
Paul B. Dexter, Esq.
Randall Knepper, Dir./Safety Division
Paul Kasper, Asst. Dir./Safety Div.
Bill Ruoff, Safety Division

Court Reporter: Steven E. Patnaude, LCR No. 52



CERTIFIED
ORIGINAL TRANSCRIPT

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RANDALL KNEPPER

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P R O C E E D I N G

1
2 CHAIRMAN HONIGBERG: Good morning,
3 everyone. We're here in Docket DG 18-092,
4 which is a Petition for a Crossing License from
5 Liberty (EnergyNorth Natural Gas). This is a
6 hearing on the merits.

7 Before we do anything else, let's
8 take appearances.

9 MR. SHEEHAN: Good morning,
10 Commissioners. Mike Sheehan, for Liberty
11 Utilities (EnergyNorth Natural Gas).

12 MR. HUSBAND: Attorney Richard
13 Husband, for Terry Clark, intervenor.

14 MS. SKULY: Barbara Skuly, with
15 Ashuelot River Local Advisory Committee.

16 MR. DEXTER: Paul Dexter, for the
17 Commission Staff.

18 CHAIRMAN HONIGBERG: How are we
19 proceeding this morning? Mr. Sheehan.

20 MR. SHEEHAN: Thank you. We have
21 marked a number of exhibits, started over the
22 weekend and, frankly, finished a few minutes
23 ago. And I will walk through those, with
24 the -- obviously the parties can pipe up after

1 I identify them if I don't characterize them
2 correctly.

3 Otherwise, we just -- the Company did
4 file a Motion for Confidential Treatment over
5 the weekend of the discovery responses. There
6 are a few confidential pieces of information.
7 So, according to Puc 203.08, we filed a motion
8 to confirm that confidentiality. Briefly,
9 there were two dollar figures in discovery of a
10 bid to do the HDD involved in this crossing,
11 and have a Company estimate to do another
12 alternate project that we will talk about in
13 testimony.

14 We ask that those numbers remain
15 confidential, because, if the Commission
16 approves this, we will have to go out to bid.
17 And if those numbers are public, it may
18 negatively influence the bid amounts.

19 And the other third piece of
20 confidential information is a map of our
21 distribution system in Keene. It is the
22 Company's practice to keep that confidential,
23 and that's recited in the motion, and it is
24 also an exhibit here that we've asked to be

1 confidential. And we also filed a redacted
2 version of that map.

3 So, that's the Motion for
4 Confidential Treatment that was filed.

5 CHAIRMAN HONIGBERG: Let's stop
6 there. We haven't seen that motion. As I
7 think Staff and the Company certainly know,
8 motions for confidential treatment, the things
9 that are the subject of those motions are held
10 as confidential until all rights regarding them
11 are exhausted. So, people may disagree and
12 you'll be able to file something.

13 But, for now, we're going to be
14 treating them as confidential. So, if they are
15 used during the hearing, if there are
16 references to them in the hearing, we'll have
17 to work out with the stenographer and make sure
18 that there's no one in the room who shouldn't
19 be seeing confidential information.

20 That's your understanding as well,
21 Mr. Sheehan?

22 MR. SHEEHAN: Correct.

23 CHAIRMAN HONIGBERG: Mr. Husband,
24 Ms. Smith [Skuly?], Mr. Dexter, everybody else

1 understands that?

2 MR. DEXTER: Yes.

3 MR. HUSBAND: I do.

4 CHAIRMAN HONIGBERG: Ms. Smith, do
5 you understand what I just said?

6 MS. SKULY: Skuly. Yes.

7 CHAIRMAN HONIGBERG: "Skuly", sorry.
8 I don't know why I wrote "Smith". "Because I'm
9 I'd idiot", is the short answer.

10 What do you got next, Mr. Sheehan?

11 MR. DEXTER: Before we leave the
12 question of confidentiality, I have --

13 CHAIRMAN HONIGBERG: I'm glad you're
14 going to turn to that topic, and not the other
15 topic I just broached.

16 Go ahead, Mr. Dexter.

17 MR. DEXTER: On the question of
18 confidentiality, I have not had a chance to
19 read the motion in detail. But I was hoping
20 that the Company today could provide some
21 greater detail regarding the protecting the
22 disclosure of the map.

23 And I should start by saying that
24 Staff doesn't have any objection to the

1 protection of the figures that Mr. Sheehan
2 talked about. That makes perfect sense.

3 But if this is an appropriate time?

4 CHAIRMAN HONIGBERG: I mean, I don't
5 think we're going to argue and resolve the
6 Motion for Confidentiality. If you -- you are
7 free to file something in response, work with
8 the Company on limiting the request, if that's
9 a more efficient way to proceed. But, for now,
10 it's going to be treated as if it's
11 confidential, and we'll work out whatever
12 logistics we have to during the hearing.

13 Mr. Sheehan.

14 MR. SHEEHAN: The other piece of this
15 hearing is witnesses. As a crossing petition,
16 we did not file testimony, as is the custom.
17 Given the course this case has taken, we do
18 intend to put two witnesses on the stand. Both
19 these witnesses were subjected to discovery
20 requests, several rounds, and two tech sessions
21 where they were present answering questions.
22 So, there's no surprise to them or what they're
23 going to say. So, we will propose to put
24 Mr. Rokes and Mr. Mills on the stand.

1 I understand others are planning to
2 do the same, but I'll leave that to them to
3 indicate who they're calling to say what.

4 So, I would, if now is a good time to
5 walk through the exhibits briefly to identify
6 them, or would you rather -- we could also do
7 that through the witnesses when they're on the
8 stand?

9 CHAIRMAN HONIGBERG: Well, I am going
10 to want you to go through the exhibits. But
11 let's find out who the other witnesses are,
12 just so we have it all in mind.

13 Mr. Husband, we're going to be
14 hearing from Ms. Martin today, is that correct?

15 MR. HUSBAND: Correct. I did submit
16 written testimony for Ms. Martin. To the
17 extent that you would like to have her sit on
18 the stand and ask questions, you're quite
19 welcome.

20 CHAIRMAN HONIGBERG: I expect that
21 others, if not us, --

22 MR. HUSBAND: Right.

23 CHAIRMAN HONIGBERG: -- will have
24 questions for her. And is Ms. Martin your only

1 witness?

2 MR. HUSBAND: Yes.

3 CHAIRMAN HONIGBERG: Ms. Skuly, do
4 you have any witnesses you intend to call?

5 MS. SKULY: Well, I'm not sure, but I
6 intend to speak. So, am I the witness?

7 CHAIRMAN HONIGBERG: Depends on what
8 you're planning on doing. Are you going to be
9 offering factual information or opinions based
10 on your experience or expertise?

11 MS. SKULY: And based on the exhibits
12 that I have submitted.

13 CHAIRMAN HONIGBERG: It may just be
14 that you intend to argue based on those.

15 MS. SKULY: All right.

16 CHAIRMAN HONIGBERG: I'm not sure.

17 MS. SKULY: Yes.

18 CHAIRMAN HONIGBERG: Maybe at a
19 break, you and Mr. Dexter and Mr. Sheehan and
20 Mr. Husband can talk through what will make the
21 most sense as to how to present whatever it is
22 you want to present.

23 MS. SKULY: Okay.

24 CHAIRMAN HONIGBERG: And then, Mr.

1 Dexter, who are we going to be hearing from
2 from Staff?

3 MR. DEXTER: It will be Paul Kasper
4 and Randy Knepper from the Safety Division.

5 CHAIRMAN HONIGBERG: Okay. Thank
6 you.

7 Mr. Sheehan, let's talk exhibits.

8 MR. SHEEHAN: Sure. You have in
9 front of you 12 exhibits, and there has not
10 been agreement yet that they will be admitted,
11 but we certainly agree to mark them.

12 Exhibit 1 is the -- it's not in front
13 of you in paper, that was the version of the
14 plan attached in the original filing. So, it's
15 in the docketbook. And it is up on the screen
16 we'll have available, if necessary.

17 Exhibit 2 is the Shoreland Permit.
18 Exhibit 3 is another version of the plan
19 showing what's been called "Option B". There
20 was discussion in the tech session, if we
21 could, that we may have to slightly alter the
22 route of the crossing. So, we've drawn that on
23 Exhibit 3.

24 Exhibit 4 is the same drawing again

1 that shows both options side-by-side, so the
2 Commission can see the difference. Exhibit 5-A
3 and 5-B is a distribution map of Keene, the
4 whole city, and then a blow-up showing the
5 relevant area. And it's 5 that is -- A and B
6 that is confidential.

7 Those are the Liberty exhibits. And
8 Exhibits 2, 3, 4, and 5 are marked in a header
9 on the -- the typed header on the documents
10 themselves.

11 Exhibits 6, 7, and 8 --

12 CHAIRMAN HONIGBERG: Stop. Hang on.

13 MR. SHEEHAN: Sure.

14 CHAIRMAN HONIGBERG: I think we're
15 going to have to understand what's going on
16 with 5 again. Because I have what looks like
17 an unredacted document labeled "5-A", that's a
18 two-sided document.

19 MR. SHEEHAN: Correct.

20 CHAIRMAN HONIGBERG: And then I have
21 a redacted 5-B, is that what I'm looking at?

22 MR. SHEEHAN: Correct. They are the
23 same document; one confidential, one redacted.

24 CHAIRMAN HONIGBERG: Oh, okay. So,

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1 5-A is the unredacted version, 5-B is the
2 redacted. Got it. Thank you.

3 MR. SHEEHAN: Yes. Mr. Clark is
4 offering Exhibits 6, 7, and 8; 6 is a data
5 response, 7 is written comments of Ms. Martin,
6 8 is prefiled Testimony of Ms. Martin.

7 And Exhibits 9, 10, 11 are being
8 offered by the Committee, ARLAC; and 9 is --
9 we've been calling it an "Email exchange
10 between Ms. Skuly and a representative of DES",
11 Exhibit 10 is a Keene Sentinel article, and
12 Exhibit 11 is in the form of -- it's titled
13 "Testimony of Ms. Skuly".

14 And then Exhibit 12 that's been
15 marked is Staff's recommendation filed last
16 week.

17 (The documents, as described,
18 were herewith marked as
19 **Exhibit 1** through **Exhibit 12**,
20 respectively, for
21 identification.)

22 CHAIRMAN HONIGBERG: Okay. Thank
23 you.

24 Just based on what I've seen so far,

1 my inclination then, with respect to Ms. Skuly,
2 is that she's probably a witness. So, you're
3 probably going to be offering what you're going
4 to offer as testimony under oath, given what
5 you've filed and how you've presented it.

6 All right. Anything else we need to
7 know before we start?

8 MR. SHEEHAN: That's all I have.

9 CHAIRMAN HONIGBERG: So, we have two
10 witnesses who are ready to go. Why don't we
11 have them go to the witness box.

12 Mr. Husband, Ms. Skuly, and Mr.
13 Dexter, anything else we need to talk about
14 before the witnesses get sworn in?

15 MS. SKULY: No.

16 MR. DEXTER: Staff has nothing.

17 MR. HUSBAND: None from my
18 perspective.

19 CHAIRMAN HONIGBERG: Thank you. Off
20 the record.

21 *[Brief off-the-record discussion*
22 *ensued.]*

23 CHAIRMAN HONIGBERG: Mr. Patnaude.

24 (Whereupon **Andrew Mills** and

[WITNESS PANEL: Mills|Rokes]

1 **Stephen Rokes** were duly sworn by
2 the Court Reporter.)

3 CHAIRMAN HONIGBERG: Mr. Sheehan.

4 MR. SHEEHAN: Thank you.

5 **DIRECT EXAMINATION**

6 **ANDREW MILLS, SWORN**

7 **STEPHEN ROKES, SWORN**

8 BY MR. SHEEHAN:

9 Q Mr. Mills, could you please identify yourself
10 and your position with the Company.

11 A (Mills) My name is Andrew Mills. I graduated
12 with a Bachelor's degree in Mechanical
13 Engineering from Norwich University in 2013. I
14 also possess my engineering training
15 certification from the State of Vermont. For
16 the past year and a half, I have been the
17 Planning Engineer for Liberty Utilities. Prior
18 to that, for three and a half years, I was also
19 doing planning engineering with a previous gas
20 company.

21 Q And has all your experience been in gas
22 planning?

23 A (Mills) I was a gas engineer, which is more
24 design fieldwork for a bit of my period at the

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[WITNESS PANEL: Mills|Rokes]

1 start with my other previous employer and with
2 Liberty Utilities, until the previous planning
3 engineers took other roles elsewhere.

4 Q Were you involved in the filing that's in front
5 of us today, the proposed crossing of the
6 Ashuelot River in Keene?

7 A (Mills) Yes, I was.

8 Q And at a high level, what work did you do
9 related to this proposed crossing?

10 A (Mills) I conducted numerous site visits. I
11 did the plan that you have up and is the
12 initial plan, design plan of the crossing. I
13 outreached to drilling companies to get initial
14 bids and did all the estimates within this
15 case.

16 Q Did you have communications with the City of
17 Keene related to this crossing?

18 A (Mills) As typical with all complex projects,
19 we have high-level meetings/discussions with
20 the City to iron out any kinks or any planned
21 work they have, and then worked out best
22 placement of our gas main to address conflicts,
23 future conflicts, and stay out of their way.

24 Q And what department within the City of Keene

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[WITNESS PANEL: Mills|Rokes]

1 would you be speaking with?

2 A (Mills) We generally speak with the City
3 Engineer.

4 Q After the filing of this Petition, were you
5 involved in responding to data requests and
6 attending technical sessions?

7 A (Mills) Yes. I responded to all -- every
8 single data request we had in some capacity,
9 and I was at each of the tech sessions.

10 Q Mr. Rokes, your name and your position with the
11 Company.

12 A (Rokes) Yes. My name is Steve Rokes. I'm the
13 Operations Manager for Keene.

14 Q How long -- how long have you been the
15 Operations Manager from Keene, either that
16 title or a similar title with prior companies?

17 A (Rokes) Operations Manager for approximately
18 four years. And I've worked in the Keene
19 system, gas system, through various owners for
20 18 years.

21 Q And what involvement did you have in the
22 preparation, if any, of the Petition and the
23 documents related to this crossing?

24 A (Rokes) I just assisted Andrew with some of the

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[WITNESS PANEL: Mills|Rokes]

1 data for history, the types of pipe and
2 materials and things involved with the
3 crossing.

4 Q And are you familiar with the distribution
5 system in Keene?

6 A (Rokes) Yes.

7 Q And you have worked, as you say, on that
8 system, with that system, for 18 years?

9 A (Rokes) Correct.

10 Q Mr. Mills, I've put on the screen, and we'll go
11 through them, the five documents, five exhibits
12 that the Company marked. The ones up on the
13 screen now is Exhibit 1, which was the drawing
14 attached to the original Petition. Do you
15 recognize that?

16 A (Mills) I do.

17 Q And the first page shows a map with the
18 location of the crossing?

19 A (Mills) Yes, a high-level overview of the
20 proposed work.

21 MR. SHEEHAN: Everyone gets to see me
22 work with a mouse for the next hour.

23 CHAIRMAN HONIGBERG: Let's go off the
24 record for just a second.

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[WITNESS PANEL: Mills|Rokes]

1 *[Brief off-the-record discussion*
2 *ensued.]*

3 CHAIRMAN HONIGBERG: All right. You
4 may proceed.

5 BY MR. SHEEHAN:

6 Q Mr. Mills or Mr. Rokes, could you give us
7 some -- well, first of all, the red line
8 drawn -- or, the purple line drawn on this map
9 is the proposed -- location of the proposed
10 crossing, is that correct?

11 A (Mills) That is correct.

12 Q And the two red circles are what?

13 A (Mills) The proposed tie locations, tie
14 locations to existing gas main.

15 Q Could either of you give us some landmarks on
16 this map or this aerial view of where we are in
17 Keene and what other -- just to orient the
18 Commission to where we are?

19 A (Rokes) Yes. Down to the south would be the
20 Wal-Mart shopping plaza and the rotary at Route
21 101 and Route 10. The red circle to the east
22 would be near Waliers Chevrolet, a car
23 dealership in town. And the other tie-in
24 point, if I'm correct, is at the Pearl Street

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[WITNESS PANEL: Mills|Rokes]

1 intersection with Island Street.

2 Q And the labeling of the Ashuelot River is --
3 runs under the purple line, is that correct?

4 A (Rokes) Correct.

5 Q And it actually travels in this direction
6 *[indicating]*, up towards what is labeled
7 "Liberty Utilities"?

8 A (Rokes) Yes.

9 Q And that label "Liberty Utilities" is marking
10 what?

11 A (Rokes) That is our Business Office and
12 Operations Center.

13 Q And is the Company's production facility in
14 this photograph?

15 A (Rokes) I think it's, yes, just to the north a
16 little bit, approximately where you have your
17 pointer, I believe.

18 A (Mills) It's actually one street away. At the
19 top, center of the map, it's -- that's it, yup.
20 Right there.

21 Q So, what my pointer is on right now are some of
22 the tanks that are at the propane production
23 facility, is that correct?

24 A (Rokes) Yes. That's the propane-air production

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1 facility.

2 Q Okay. The second page of Exhibit 1 is a
3 drawing showing -- let me ask you. This is a
4 drawing that is located where the purple line
5 was on the prior page?

6 A (Mills) Yes. So, that is, basically, a more
7 detailed image zoomed in with showing all the
8 other utilities in the area with records we
9 received from telecom, sewer, water, and
10 basically anything we witnessed in the field
11 when we were conducting the initial drawing to
12 kind of scope out this phase of the project.

13 Q And the purple line on this page, Page 2 of 2,
14 is that the proposed location of the crossing?

15 A (Mills) That is the exact proposed location of
16 the crossing.

17 Q And where will the -- explain to me how the
18 Company installs this pipe. The pipe is going
19 underneath the river, is that correct?

20 A (Mills) That is correct.

21 Q How would, if I were to be watching that site
22 for the next -- if you were to start
23 construction today for the next week, what
24 would I see?

[WITNESS PANEL: Mills|Rokes]

1 A (Mills) So, if we were in construction today,
2 we would have a -- basically, it's called a
3 "horizontal directional drilling rig", that
4 would set up on the eastern end, right where
5 you see that -- it's labeled "HDD PIT -
6 CONTRACTOR TO MODIFY AS REQUIRED". That is a
7 sending pit, where they basically take a
8 drilling rig, and they set it up there, and
9 they take steel rods and they drill a hole
10 underneath the river, and all the way through,
11 following that purple line, until it reaches
12 the other end, on the western end, which is
13 also a receiving part, there's an HDD pit on
14 that end as well.

15 Once the drill reaches that end of the
16 pipe traveling under the river, it will --
17 basically, we'll hook on a big -- our normal
18 gas -- plastic gas main, and it will back-ream.
19 So, it will pull our gas main back through the
20 hole they just created, underneath the river,
21 back to the machine.

22 Q So, the drilling rig goes past number one,
23 drills a hole to the other end, grabs the pipe,
24 and then pulls the pipe through?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) Yes. So, the initial hole is smaller
2 than the second hole. So, when you're pulling
3 the pipe back through the hole, it actually
4 becomes larger as well.

5 Q And the distance of this drill, from when it
6 goes underground until when it pops back out at
7 the other end, roughly how far is that?

8 A (Mills) Roughly 720 feet.

9 Q And the river crossing itself, when it goes
10 beneath the river, is roughly in the center of
11 that 720 feet?

12 A (Mills) More or less, yes.

13 Q Were there any complicating factors in the
14 design of this route?

15 A (Mills) There were. We're doing our best to
16 avoid the bridge structure itself and try to
17 stay within the public right-of-way.
18 Unfortunately, looking at radiuses of the
19 drill, you can't turn the drill terribly fast,
20 so you have to curve it slowly to dodge
21 structures.

22 It was going to be very difficult to do
23 that and stay within the public right-of-way.
24 So, we looked at -- there's actually, right on

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[WITNESS PANEL: Mills|Rokes]

1 where the river takes that kind of turn to the
2 left, it's actually a city park. So, one of
3 the options we were -- our primary option was
4 to obtain an easement from the City of Keene to
5 drill through that park.

6 Q Let me just stop you there. From the road
7 itself, up to the curve of the river, you're
8 saying this whole lot here *[indicating]*, where
9 the writing is, is a city park?

10 A (Mills) Correct.

11 Q Okay.

12 A (Mills) So, by going through that, we could
13 lessen the radius of the drill path, which
14 makes it, pulling the pipe back, easier, less
15 stress on the pipe, which is in line with good
16 practice of drilling, and we could stay a
17 decent distance away from the bridge
18 foundations, not putting any chance of causing
19 any harm to the bridge.

20 Q And that's the route that is proposed in the
21 Petition?

22 A (Mills) Correct. And in some of the later
23 exhibits, it's labeled as "Option A".

24 Q And is that the preferred route that the

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[WITNESS PANEL: Mills|Rokes]

1 Company would like to take?

2 A (Mills) It is.

3 Q And as you say, most of the route is within a
4 state or a road right-of-way, except for a
5 small piece that is beneath the city park?

6 A (Mills) Correct. All but -- the majority is in
7 the city -- existing city public right-of-way.

8 Q And for the short distance where it's beneath
9 the city park, it is beneath the city park,
10 correct?

11 A (Mills) Correct. And we won't need any
12 physical digging within the city park for the
13 project.

14 Q But we would need a easement from the City
15 granting us the right to go beneath that
16 section of the park?

17 A (Mills) Correct. Which is a custom whenever --
18 *[Court reporter interruption.]*

19 **CONTINUED BY THE WITNESS:**

20 A (Mills) Which is the same, is our custom when
21 we put gas main on private property.

22 BY MR. SHEEHAN:

23 Q I've now clicked on Exhibit 2, which is what?

24 A (Mills) So, at the same time we filed the

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[WITNESS PANEL: Mills|Rokes]

1 initial river crossing petition with the
2 Commission, we also, at the same time, filed a
3 environmental permit, which is required when I
4 believe you're working near rivers. This we
5 have attached is the approval of the said
6 environmental application with New Hampshire
7 DES.

8 Q I've now clicked on Exhibit 3. I'll show you
9 the second page. Exhibit 3 looks like Exhibit
10 1. Tell us what's different about it.

11 A (Mills) So, based on input from Staff, we
12 basically added some more detail to the plan.
13 There was one or two typos that I,
14 unfortunately, made in the initial filing that
15 have since been corrected. And basically, what
16 you see are station numbering. Staff requested
17 that we label each station, basically, where
18 were -- each station number reflects a point
19 where we're crossing another utility.

20 So, if you actually scroll down to,
21 basically, the side view of the project, each
22 of those station numbers correspond to a
23 existing utility crossing. So, we, in this
24 proposed drill path, I believe we're crossing

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[WITNESS PANEL: Mills|Rokes]

1 four, four or five different utilities all
2 labeled and correspond to a station number.

3 Q And these are the utilities with a water pipe
4 or a sewer pipe or the like?

5 A (Mills) One is a proposed storm water pipe the
6 City intends on upgrading, the other is a sewer
7 communication duct, and a water main.

8 Q Otherwise, is the route in Exhibit 3 the same
9 route that was initially proposed in Exhibit 1?

10 A (Mills) It is.

11 Q I've now clicked on Exhibit 4. Which again
12 looks pretty similar to Exhibits 1 and 3.
13 Again, tell me what is different.

14 A (Mills) So, just to clarify a few things and
15 make it easier for everyone to see, we've made
16 a drawing that shows Option A and Option B on
17 one map, and we showed the area that we are
18 requesting an easement from the City of Keene.

19 Q So, the easement area would be the black
20 checkmarked area --

21 A (Mills) Correct.

22 Q -- labeled "Easement", correct?

23 A (Mills) Yes. The proximate dimensions.

24 Q And tell us why there's an Option A and Option

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[WITNESS PANEL: Mills|Rokes]

1 B. Is Option A the route you've described as
2 depicted in Exhibits 1 and 3?

3 A (Mills) Yes.

4 Q What is Option B?

5 A (Mills) Option B is a -- I'll call that a
6 "backup plan". In the tech session, Mr. Terry
7 Clark expressed that the City of Keene may not
8 grant us an easement. Since we are the gas
9 operator, the franchise owner in the City of
10 Keene, we came up with an alternative option
11 that keeps us with 100 percent in the city
12 public right-of-way.

13 Q So, Option B is the route the Company would
14 take if it did not get the right to go under
15 the city park?

16 A (Mills) Correct.

17 Q And both Options A and B depicted on Exhibit 4
18 that's up on the screen now?

19 A (Mills) Yes.

20 Q And which is which?

21 A (Mills) So, Option -- they're a little bit hard
22 to see, if you could zoom in for me a little
23 bit. So, Option A is kind of the more northern
24 pipe route that swings us out into the city

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[WITNESS PANEL: Mills|Rokes]

1 park. Option B is kind of the more southern,
2 close to the bridge. The reason why it's the
3 alternative option is it puts up underneath the
4 bridge wing walls. Bridge wing walls are still
5 well beneath them. But, generally, when we
6 have HDD applied, we try to stay outside the
7 bridge structure.

8 Q So, both Options A and B are in purple on this
9 document, correct?

10 A (Mills) Correct.

11 Q Option A is further towards the top of the page
12 and travels through the hash marked easement
13 area?

14 A (Mills) Correct.

15 Q And Option B runs just below the easement area?

16 A (Mills) Yes.

17 Q And as you said, Option B goes under the "wing
18 walls" of the bridge. What are "wing walls" of
19 a bridge?

20 A (Mills) A bridge wing wall is just a means, is,
21 basically, as the river comes in, it's to keep
22 the dirt back. It's more of a -- think of it
23 as a "retaining wall", the best description of
24 it.

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[WITNESS PANEL: Mills|Rokes]

1 Q Is it something different than a bridge
2 foundation?

3 A (Mills) Yes. The bridge foundation is more of
4 a structural component to the bridge, that
5 physically supports the bridge structure itself
6 and the vehicular traffic and pedestrian
7 traffic over it.

8 Q And is there a difference in the depth into the
9 ground that the wing wall is as compared to the
10 foundation?

11 A (Mills) Yes. I don't have the exact depths in
12 front of me. But the pilings go down 100 plus
13 feet. The wing wall only extends roughly
14 10 feet below grade.

15 Q How far underground will the pipe be when it --
16 if we were to choose Option B, how far to the
17 wing wall would the pipe be?

18 A (Mills) Five (5) to 7 feet, at minimum.

19 Q And that would be shown in the side view at the
20 bottom of this and the other diagrams, is that
21 correct?

22 A (Mills) It's not -- so, the bottom of this
23 diagram only reflects Plan A. I don't know if
24 we have the other drawing or that just shows

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[WITNESS PANEL: Mills|Rokes]

1 Plan B, that drawing, I don't know if we have
2 it.

3 So, this drawing shows the bridge
4 abutments. And if you were to zoom in, it has
5 the distance that we are below the bridge
6 abutment right on it. You can barely see it.
7 So, I think on one side it says "17 feet" and
8 the other side is "24 feet".

9 Q This says "19", "17", and "24"?

10 A (Mills) Yes.

11 Q So, the 19 is beneath the bridge abutments?

12 A (Mills) Correct.

13 Q Seventeen (17), in the middle, is the distance
14 beneath the river?

15 A (Mills) Correct.

16 Q And the "24", on the right-hand side, is again
17 the distance beneath the other abutments?

18 A (Mills) Yes.

19 Q And these are all from Exhibit 3, is that
20 correct?

21 A (Mills) Correct. And the depths of the
22 abutments are based on the bridge design plans
23 that the City of Keene provided us.

24 Q So, Option B was a route that the Company could

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[WITNESS PANEL: Mills|Rokes]

1 take if it did not get the easement. Is Option
2 B a safe route to take?

3 A (Mills) It is. It has a slightly -- there is a
4 very, very minute chance that you could
5 undermine the bridge wing wall that we would be
6 on the hook for repairing it. So, obviously,
7 that's why it's Option B and not Option A.

8 Q Otherwise, is there any change in the location
9 of the pits for the entry and the exit of the
10 drill?

11 A (Mills) No.

12 Q Any other change in the process of installing
13 Option A versus Option B?

14 A (Mills) None.

15 Q It's simply a slightly different path beneath
16 the river?

17 A (Mills) Correct. The only minor thing is we
18 definitely would monitor the wing wall with a
19 little bit more -- I guess we'd keep an eye on
20 it. Make sure it doesn't crack, the
21 foundation -- the concrete doesn't have any
22 visual defects before and after.

23 Q Now, can you tell us why Liberty is proposing
24 this crossing?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) The main -- the first reason is
2 reliability. It is good engineering practice
3 to have multiple feeds to serve any number of
4 customers downstream. Currently, the
5 downstream customers of this pipe are served by
6 one main across the river. I'll let Steve talk
7 to the flooding of that river in a little bit.
8 But that pipe is on a bridge, and it's near the
9 end of its service life.

10 MR. SHEEHAN: And if I may interject.
11 Mr. Chairman, this is the confidential
12 document. We don't have a problem showing it
13 in the hearing room today. The concern is
14 copies of it being distributed. So, I've
15 talked to our engineering people. Again, the
16 reason for the confidentiality is to have a map
17 out there where people could go find where the
18 pipe is at particular locations. Frankly,
19 we're not concerned about that risk in this
20 context.

21 So, we're not asking that those who
22 haven't signed an NDA or otherwise should be
23 excluded from this discussion.

24 CHAIRMAN HONIGBERG: You just don't

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[WITNESS PANEL: Mills|Rokes]

1 want them leaving with copies of it?

2 MR. SHEEHAN: Correct. And they
3 don't have copies. They have been provided the
4 redacted version. So, they don't have copies
5 in their possession, but they will be able to
6 watch as we walk through this presentation.

7 CHAIRMAN HONIGBERG: Okay.

8 BY MR. SHEEHAN:

9 Q So, Mr. Mills or Mr. Rokes, I've put up Exhibit
10 5-A, which is the confidential version of what?

11 A (Mills) That is the entire Keene distribution
12 map, showing all of -- everywhere there's a red
13 line we have a gas main on that street.

14 Q And I zoomed in to where I believe the crossing
15 is, but tell me, have I?

16 A (Mills) You have. It's a small gap, basically,
17 in the center of your screen where the pipes
18 don't connect.

19 Q Where I am circling the mouse right now, is
20 that correct?

21 A *(No verbal response).*

22 Q Yes?

23 A (Mills) Yes.

24 Q Could you give us some other landmarks here?

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[WITNESS PANEL: Mills|Rokes]

1 Where is the production facility?

2 A (Mills) The production facility is, basically,
3 one block due north, right where your cursor is
4 right now. You see a bunch of concentrated
5 pipes, because there's a lot of pipes
6 crisscrossing our production facility.

7 Q And the crossing will travel from this
8 [indicating], the end of this red line on
9 Winchester Street, to the beginning of a red
10 line traveling the same lateral direction where
11 my cursor is now, is that correct?

12 A (Mills) That is correct.

13 Q What is the pipe that is going vertically right
14 in the gap between the two pipes that you want
15 to connect?

16 A (Mills) So, currently, Keene has two different
17 distribution pressures. They upgraded the
18 center pipe that runs north-south down to
19 Island Pond to five pounds a number of years
20 ago, in order to support a new load in the
21 Monadnock Marketplace. That has an MAOP, max
22 operating -- allowable operating pressure, of
23 five pounds. While the rest of the Keene
24 distribution system is low pressure, with an

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[WITNESS PANEL: Mills|Rokes]

1 MAOP of 13.8 inches for PVC pipeline.

2 Q And how does 13.8 inches translate into pounds?

3 A (Mills) It's roughly a half a pound.

4 Q So, the pipe that goes vertically through the
5 crossing area is the high pressure line?

6 A (Mills) Correct.

7 Q And it starts at the production facility, goes
8 through the crossing area, then travels west,
9 and the far west piping is at the Monadnock
10 Marketplace?

11 A (Mills) It is.

12 Q And just for reference, below that is
13 Production Avenue, where the temporary CNG skid
14 now sits?

15 A (Mills) That is correct.

16 Q So, when you do the -- if the Company is
17 allowed to install the crossing through this
18 gap on a east-west direction, what will happen
19 to that high pressure line traveling through?

20 A (Mills) We won't even touch it. It will
21 continue on its course and remain unaffected.

22 Q So, you will be either under it or over it?

23 A (Mills) Correct. I think, currently, we're
24 looking at going under it.

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[WITNESS PANEL: Mills|Rokes]

1 Q You also testified, when I asked you the
2 reasons for the crossing, you said the main
3 reason was reliability, and you referenced how
4 a number of customers are served by a single
5 feed. Who are those customers on the map?
6 Where shall we find those customers?

7 A (Mills) So, basically, that's -- a single feed
8 right now is fed from the West Street river
9 crossing of the Ashuelot River. Roughly,
10 Bridge Court is roughly where the river --
11 that's just west of the river crossing. So,
12 everything west of that point is fed by that
13 one main. And that includes Pearl Street,
14 Crescent Street, West Street, all those streets
15 you see.

16 Q So, right where the map, Exhibit 5, says
17 "Bridge Court", the river crosses roughly where
18 the "CT" is in "Court", is that correct?

19 A (Mills) That is correct.

20 Q And from that point, "downstream", as you say,
21 are all fed by that single crossing at the West
22 Street Bridge?

23 A (Mills) Correct. And it's roughly 107
24 customers.

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[WITNESS PANEL: Mills|Rokes]

1 Q And so, I'll scroll down the map, it shows a
2 number of customers up in the northwest
3 direction, and the customers in the south
4 direction that bring us back towards the
5 location of the crossing, is that correct?

6 A (Mills) Yes.

7 Q The second page of 5-A is a less-than-clear
8 blow-up of what we were just looking at. And
9 there's a yellow highlight, that indicates
10 what?

11 A (Mills) That is roughly where the Ashuelot
12 River resides.

13 Q And again, it shows the West Street crossing
14 the river right by Bridge Court, and it shows
15 the river going beneath the area where we
16 propose the crossing, is that correct?

17 A (Mills) That is correct.

18 Q So, you say there's a reliability reason to
19 having a second crossing at Winchester Street,
20 and that reliability reason is what? What do
21 you mean by a "reliability" reason?

22 A (Mills) So, basically, it doesn't provide a
23 complete redundancy. But having that second
24 pipe at Winchester Street, down to a specific

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[WITNESS PANEL: Mills|Rokes]

1 temperature, not to our design day, which is
2 minus 6 degrees Fahrenheit in Keene, but up to
3 about 10, 10-15 degrees, if we were to lose the
4 West Street pipe, we could still support all
5 the downstream customers off the crossing
6 proposed in this hearing.

7 Q So, instead of the gas traveling over West
8 Street south into this neighborhood and
9 northwest into the other neighborhood, the gas
10 could flow from the proposed crossing to those
11 areas?

12 A (Mills) Yes.

13 Q And you had some qualification to that,
14 10 degrees versus minus 6 degrees. What did
15 you mean by that?

16 A (Mills) So, based on sound distribution design,
17 we design our gas distribution system to
18 accommodate a kind of "worst case" temperature
19 scenario. This is based on historical weather.
20 For this, we use the Manchester Airport, since
21 that's where we have the longest history of
22 weather data for New Hampshire. So, based on
23 that, looking back 25 years, Natural Grid, and
24 they were part of a -- did a write-up and a

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[WITNESS PANEL: Mills|Rokes]

1 study, and found that the average daily
2 temperature never basically falls, in that 25
3 year, an average, once every 25 years we should
4 hit that minus 6 degree design day temperature.

5 Q And you said the new crossing would allow
6 redundancy, but not all the way down to that
7 minus 6 degrees?

8 A (Mills) That is correct.

9 Q And why is that?

10 A (Mills) Because it's a slightly smaller pipe,
11 and it doesn't tie into the full-size West
12 Street 8-inch cast iron, instead ties into a
13 6-inch plastic pipe.

14 Q So, it's a slightly smaller pipe. So, there's
15 redundancy, but not complete redundancy?

16 A (Mills) That is correct.

17 Q What are other for -- are there other reasons
18 for the proposed crossing at Winchester Street?

19 A (Mills) Yes. There's a few. First of all, we
20 already mentioned "redundancy". It also
21 provides us other options, if we want to
22 perform repair or replacement work on the
23 existing crossing of West Street. Right now,
24 since it is the single sole feed to those

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[WITNESS PANEL: Mills|Rokes]

1 customers, we can never take it off-line.

2 In the summer, and if anyone else wants to
3 do work on that bridge in the future, we could
4 shut it down in the summer, allow them to do
5 their work, and then turn it back on.

6 Q We could shut down only if we had the new
7 crossing?

8 A (Mills) Yes.

9 Q If we didn't have the new crossing, and needed
10 to do work on West Street, how will that
11 happen?

12 A (Mills) So, we have actually conducted repair
13 work in the past. I don't know if, Steve, can
14 you talk about how you guys had to do the
15 repair last time?

16 A (Rokes) Excuse me, yes. I believe it was 2004,
17 we rebuilt the pipe coming through the bridge
18 abutments on the West Street Bridge river
19 crossing. And that required, because we
20 couldn't shut it down, take it off-line to do
21 this, we had to build a bypass that ran across
22 the sidewalk. So, we had to shut down a lane
23 of traffic in the pedestrian crossing on that
24 side and shift it to the other side of the

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[WITNESS PANEL: Mills|Rokes]

1 road, and have continuous 24/7 security on the
2 site while those pipes were left there until
3 the work was completed.

4 Q And roughly how long did that particular
5 project take?

6 A (Rokes) I believe it was about a week to a week
7 and a half.

8 Q So, for that week or so, there was a bypass on
9 the sidewalk while the pipe underneath the
10 bridge was being repaired?

11 A (Rokes) Correct.

12 Q And either of you, is that -- if the proposed
13 crossing is built, what would be the process
14 for doing any future work on the West Street
15 Bridge?

16 A (Mills) So, any future -- if we have the
17 proposed crossing installed and flowing gas, we
18 could easily disconnect the West Street feed,
19 shut it down on both sides, and allow our
20 redundant feed in the summer, when we have
21 capacity, to backfeed the system, provide
22 continuous service to all the existing
23 customers, and conduct our repair work with the
24 gas basically turned off, which is always safer

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[WITNESS PANEL: Mills|Rokes]

1 to work in a gas-free environment than a
2 gaseous environment.

3 Q And is there a cost difference for the -- for
4 doing repairs on the West Street Bridge,
5 between doing it using a bypass without the new
6 crossing or doing it by shutting it off because
7 you do have the new crossing? Is there a cost
8 difference in doing repairs those two different
9 ways?

10 A (Mills) Yes. So, the main cost difference in
11 that, obviously, if we can shut it down, we
12 don't have to put the above-ground bypass in
13 place, and therefore we don't need the 24/7
14 security.

15 Q And I don't want you to say the numbers,
16 because those are confidential. Have you done
17 an estimate comparing the cost of -- looking at
18 the cost of such a shutdown/bypass repair?

19 A (Mills) Yes. In a couple different repair
20 options, depending on if we have the feed in
21 place, if we don't have the feed in place, we
22 try to look at every option to prudently spend
23 the ratepayer capital.

24 Q And there's also an estimated cost for the

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[WITNESS PANEL: Mills|Rokes]

1 proposed Winchester Street Project as well, is
2 that correct?

3 A (Mills) Yes.

4 Q And again, without using actual dollars, can
5 you give us an order of magnitude of the
6 difference or the similarity between those
7 costs?

8 A (Mills) Yes. So, depending -- it all depends
9 on which kind of repair, replace, insert method
10 you choose for the West Street Bridge. But, if
11 we have the Winchester Bridge installed, and we
12 go with inserting the West Street Bridge with a
13 smaller pipe, because you can't insert the same
14 size pipe, it was about 10 to \$15,000 more.
15 And that's all together. So, either looking at
16 just replacing the West Street Bridge in kind,
17 versus inserting the West Street and installing
18 the new pipe under Winchester Street, which
19 gives us more reliability as well.

20 Q So, if I understood you correctly, doing the
21 proposed crossing, and inserting West Street,
22 was around \$10,000 more than just doing a
23 theoretical repair on West Street?

24 A (Mills) It's actually a complete replace in

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[WITNESS PANEL: Mills|Rokes]

1 kind.

2 Q Okay. Which means take out the existing pipe
3 and put in new pipe?

4 A (Mills) Yes.

5 Q Mr. Rokes, is there any concern on your part,
6 being the Manager of Keene, for the condition
7 of the West Street crossing?

8 A (Rokes) Well, there's always been concern, due
9 to the fact that it is a one-way feed, and it's
10 the only way to service the customers on the
11 west side of town. As I think I mentioned in
12 the tech session, I was, early on in my career,
13 early 2000s, I had to stand at the bridge
14 during a storm when the water level was high,
15 and there were concerns about losing the
16 bridge, which, of course, would take out our
17 pipe that's attached to the bridge. And I had
18 to stand there to turn the gas valve off
19 feeding across the bridge, if it were to go
20 down.

21 Q Do you know how old the piping is that crosses
22 the West Street Bridge?

23 A (Rokes) We believe it was installed when the
24 bridge was, which was 1966.

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[WITNESS PANEL: Mills|Rokes]

1 Q And that's roughly 50 years ago. Is that --
2 what would be the expected life of the pipe --
3 let me start over. What type of pipe material
4 is crossing the West Street Bridge now?

5 A (Rokes) It's an 8-inch steel.

6 Q And is there a life expectancy of an 8-inch
7 steel pipe?

8 A (Rokes) Andrew could probably answer that
9 better than I.

10 A (Mills) Yes. So, a typical steel on a bridge
11 is about 50 to 60 years, what we've seen how
12 long they last, based on past experiences.

13 Q And is it reasonable to conclude that we may
14 need to replace that West Street Bridge pipe in
15 the relatively near future?

16 A (Mills) Yes. And just when we had the repair
17 on it a few years ago -- or, about ten years
18 ago, that it's telling us that it's starting to
19 be near the end of its life. And, eventually,
20 it won't be cost-effective to repair it
21 anymore.

22 A (Rokes) Just to clarify, when we did the repair
23 in 2004, it was just the pipes through the
24 abutments of either side of the bridge, the

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[WITNESS PANEL: Mills|Rokes]

1 east and west sides. So, the original pipe
2 that was supported and hanging from the bridge,
3 that's probably about 80 feet of pipe, that was
4 not replaced.

5 Q Have you had a chance to review Ms. Martin's
6 testimony that was filed this morning?

7 A (Mills) I did briefly.

8 Q And do you have a couple comments that you'd
9 like to make based on what Ms. Martin has said
10 in her testimony?

11 A (Mills) Yes. There were a few quick things
12 that stood out to me. I think she may have
13 misunderstood the pipe sizing on the West
14 Street Bridge that we mentioned in the tech
15 session. She quotes it as "6-inch". It's
16 actually 8-inch cast iron that currently exists
17 on West Street. The 6-inch plastic I think
18 she's referring to is the pipe that's on
19 Winchester Street.

20 A (Rokes) Or Pearl Street.

21 A (Mills) Or Pearl Street, yes.

22 Q And would that change in the size of pipe in
23 her testimony affect any of the conclusions she
24 made about what could be done at West Street?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) Yes. So, she, in her testimony, when
2 we do talk about "inserting 6-inch", she's
3 under the assumption that it's 6-inch on the
4 other side, so there's no risk -- no risk in
5 capacity in downsizing the pipe. Since it's
6 actually 8-inch on the other side, by putting a
7 6-inch, basically, restriction on the gas
8 stream, it curtails the amount of downstream
9 capacity we can provide to customers west of
10 the bridge.

11 Q Stated differently, is there a -- is there
12 reason you can't simply, and putting aside the
13 redundancy piece of the Company's rationale,
14 could the Company simply insert a new pipe, a
15 new plastic pipe, inside the existing steel
16 pipe that crosses West Street?

17 A (Mills) No. Based on the rough load profile of
18 the downstream customers, if we had a design
19 day condition, as previously mentioned, of the
20 negative 6 degrees Fahrenheit, there is a risk
21 we would have a small customer outage from not
22 having enough pressure downstream of the
23 bridge.

24 Q And roughly how many customers are downstream

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1 of that bridge?

2 A (Mills) 107.

3 Q And do you know the -- well, strike that.

4 Mr. Rokes, are you aware of any growth on this
5 section, potential growth on this section of
6 the system?

7 A (Rokes) There is a potential growth, a proposed
8 fast-food restaurant has been proposed on the
9 west side of the bridge, near the -- out near
10 the highway, Route 12 crossing. Yes, right in
11 that area.

12 Q Somewhere where I have my cursor now?

13 A (Rokes) Yes. Just slightly to the east of
14 that.

15 Q And do you know where in the process that
16 proposed fast-food restaurant is, as far as
17 conversations with Liberty or approvals with
18 the City?

19 A (Rokes) The conversation with Liberty was that
20 they were hoping to be constructing this year,
21 but they did not obtain all necessary permits
22 from the City. And they're expecting to start
23 that project in the Spring of 2019.

24 Q Do you have a basic estimate of the magnitude

[WITNESS PANEL: Mills|Rokes]

1 of use that such a customer would have on the
2 system?

3 A (Rokes) The expected load, gas load for that,
4 would be approximately 2.5 million Btus.

5 Q And can you give us an order of magnitude of
6 how that would compare to the 107 customers
7 that are now on that section of the system?

8 A (Rokes) That would be similar to adding
9 approximately 25 residential customers or homes
10 to the system.

11 Q Mr. Mills, would an insert have any ability to
12 serve that additional load?

13 A (Mills) No.

14 Q Is the Company able to serve that additional
15 load through the proposed crossing?

16 A (Mills) Yes. And if I can walk back, I said
17 "no", but it could provide service, basically,
18 it could provide service, but it would,
19 basically, right now at 10 to 15 degrees we
20 would start to lose customers, that temperature
21 would get warmer if we insert. So, it would be
22 like 20 to 25. I haven't conducted the exact
23 analysis, but 10 to 15 degrees warmer we'd have
24 an outage temperature I was referring to.

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[WITNESS PANEL: Mills|Rokes]

1 Q This exchange started with comments that you
2 had about Ms. Martin's testimony, and one was
3 the size of the pipe crossing the bridge. Are
4 there any other pieces that you wanted to
5 comment on?

6 A (Mills) Yes. I think her calculations based on
7 the restriction of 6-inch are -- the numbers,
8 her math is right. Unfortunately, not being
9 familiar with gas, she used PVC piping. And
10 per Part 192, we're not allowed to use PVC pipe
11 as a gas carrier.

12 Q What do we use?

13 A (Mills) We use high-density polyethylene --
14 *[Court reporter interruption.]*

15 **BY THE WITNESS:**

16 A (Mills) So, we can't use PVC. We use
17 high-density polyethylene or medium-density
18 polyethylene.

19 BY MR. SHEEHAN:

20 Q And would that affect the calculations
21 contained in this section of Ms. Martin's
22 testimony that I have up, which is Page 5?

23 A (Mills) Yes. So, from what I looked at, she
24 went to the Engineering ToolBox, which is an

[WITNESS PANEL: Mills|Rokes]

1 online website that lists PVC internal
2 diameters. Our medium-density polyethylene is
3 actually slightly smaller internally, internal
4 area, than PVC pipe.

5 Q Which means less gas could flow through the
6 same nominal size pipe?

7 A (Mills) Yes.

8 Q Any other comments that you wanted to raise?
9 About the heating/nonheating customers?

10 A (Mills) Yes. So, she mentioned that we have
11 "54 heat" -- I think she refers to them as
12 "heat only". That is kind of a factually
13 incorrect statement. In Keene, we have
14 tariffs. We have a non-heat tariff and a heat
15 tariff. We know that 54 customers are on the
16 heat tariff. That does not mean they also
17 don't have cooking, hot water, --

18 Q Let me stop you there. A "heat tariff" means
19 what?

20 A (Mills) They use gas for heat.

21 Q And what would a "non-heat tariff" mean?

22 A (Mills) It means they don't use gas for heat.

23 Q And what are the kinds of things a non-heat
24 customer could be using gas for?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) The two principal things are hot water
2 and cooking service.

3 Q And I think Ms. -- one point of Ms. Martin's
4 testimony is, that with relatively few non-heat
5 customers, it would be easy to shut them down
6 in the summer to do a repair. Is that how you
7 interpreted it?

8 A (Mills) Yes.

9 Q And why is that not appropriate, in your view?

10 A (Mills) Because, since we don't track what the
11 heat customers do besides heating with their
12 gas, there's an untold amount of those specific
13 customers that may have hot water and a stove
14 as well.

15 MR. SHEEHAN: Thank you. Those are
16 all the questions I have.

17 CHAIRMAN HONIGBERG: Mr. Husband,
18 questions for the panel?

19 MR. HUSBAND: Yes. Thank you.

20 **CROSS-EXAMINATION**

21 BY MR. HUSBAND:

22 Q Mr. Mills, at the technical session in
23 November, you stated that the West Street
24 Bridge pipe is not currently leaking, is that

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[WITNESS PANEL: Mills|Rokes]

1 correct?

2 A (Mills) As of the last leak survey, it is not.

3 Q Okay. And that is the pipe that's at issue in
4 this proceeding that you claim has to be
5 repaired or replaced, correct?

6 A (Mills) That is -- the proposed crossing is the
7 Winchester Street HDD, the reliability of that
8 provides reliability to West Street.

9 Q But part of the reason why you wanted to add
10 the crossing to Winchester Street is because
11 you, being Liberty, claim that the West Street
12 Bridge pipe has to be repaired or replaced,
13 isn't that correct?

14 A (Mills) It allows us an easier means to repair
15 and replace it. And, yes, it does need to be
16 repaired or replaced in the near future.

17 Q In the near future, but could you quantify that
18 a little more closely? Is it months? Years?

19 A (Mills) If it leaks tomorrow, we're going to do
20 it tomorrow. If it -- otherwise, probably one
21 to three years.

22 Q And is that going to be part of -- isn't
23 Liberty also replacing some eight plus miles of
24 old pipeline in the City of Keene alone?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) I think that number is correct.

2 Q And is that pipeline of roughly the same life
3 expectancy as the pipe on the West Street
4 Bridge that is at issue?

5 A (Mills) The eight miles I believe you are
6 referring to is a cast iron pipe, is that
7 correct?

8 Q I believe so, yes.

9 A (Mills) The cast iron pipe, by all means, is
10 past its service life. EnergyNorth, we have
11 active replacement programs to replace all cast
12 iron pipes in the system. Since Keene was
13 recently incorporated into the EnergyNorth
14 tariff, we hope to take part in the CIBS
15 Program and use that money in Keene and get
16 accelerated recovery, thus replacing the cast
17 iron.

18 Q So, all of the cast iron pipe in Keene, which
19 you said is probably eight miles or more, is in
20 need of replacement right now?

21 A (Mills) Yes. And we actively replace footage
22 every year of it.

23 Q Okay. This particular crossing at issue
24 here -- strike that. What is the diameter and

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[WITNESS PANEL: Mills|Rokes]

1 composition, being cast iron or steel or
2 whatever, of the main line feeding the 8-inch
3 West Street crossing?

4 A (Mills) It varies. But, up to that point, it's
5 either 8-inch cast iron or I believe 12-inch
6 steel, if you backtrack all the way to plant,
7 the gas plant.

8 Q So, what would be the main on the other side?

9 A (Mills) On the west side of the West Street
10 Bridge?

11 Q Yes.

12 A (Mills) That would be 8-inch cast iron.

13 Q And if -- what is the diameter and composition
14 of the mains on the 8-inch side of the crossing
15 that feeds the 107 current customers? Is that
16 the east side you already testified to?

17 A (Mills) Yes. So, the bridge right now, just to
18 clarify and hopefully can get this all clear,
19 is the bridge itself is a steel crossing where
20 it crosses the river directly, on both sides it
21 ties into an existing 8-inch cast iron main.

22 Q All right. So, in terms of the feed into the
23 107 customers, is there any pipeline
24 restrictions smaller than 8-inch?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) No. It gets smaller as you get further
2 to the end of the system, but there's less and
3 less customers on it at that point.

4 Q Okay. But I'm talking about feeding into it,
5 as opposed to the output?

6 A (Mills) Oh, no. It's either bigger or 8-inch.

7 Q All of the pipelines leading into the West
8 Street Bridge pipe?

9 A (Mills) Yes.

10 Q What is the length of the West Street Bridge
11 pipe that's there now?

12 A (Rokes) Approximately 100 feet, slightly
13 longer.

14 Q And what is the length of the proposed
15 Winchester Street pipe going across?

16 A (Mills) Roughly 720 feet.

17 Q Are the design day requirements that you spoke
18 of earlier based on the capacity of a 6-inch?
19 Strike that. They're based on the capacity of
20 an 8-inch pipeline, as you discussed?

21 A (Mills) The design -- the capacity of the pipes
22 is determined by the usage of the downstream
23 customers. So, based on --

24 *[Court reporter interruption.]*

1 BY THE WITNESS:

2 A (Mills) So, based on the 107 customers
3 downstream, they have a particular gas usage
4 that we have historical data on. Based on that
5 usage, they need an 8-inch pipe on that bridge
6 crossing.

7 CHAIRMAN HONIGBERG: All right.

8 We're going to go off the record for a minute.

9 *[Brief off-the-record discussion*
10 *ensued.]*

11 CHAIRMAN HONIGBERG: All right. You
12 may proceed.

13 MR. HUSBAND: Sorry about that.

14 BY MR. HUSBAND:

15 Q Is there any extent to which the current pipe
16 at the West Street Bridge could be reduced
17 without reducing its capacity so low as to run
18 into design day requirement issues?

19 A (Mills) Not with the existing material that's
20 currently approved under Part 192.

21 Q Sorry, that last part again?

22 A (Mills) So, basically, material per the Federal
23 Pipeline Safety Division, there's approved
24 material, coated steel, plastic pipe, that

[WITNESS PANEL: Mills|Rokes]

1 we're approved to use to carry gas pipe. Based
2 on that list of approved material, there is
3 not.

4 Q Okay. But say there was a hypothetical
5 material out there that could be sized exactly
6 to fit the pipe. How much could the capacity
7 of the current pipe be reduced and still meet
8 design day needs? To what size pipe?

9 A (Mills) That's a hypothetical that I haven't
10 looked into.

11 Q Could it be reduced at all? It's an 8-inch.
12 Could it be reduced by 10 percent?
13 Twenty percent?

14 A (Mills) I suppose there is some minute
15 percentage it could be reduced. But I don't
16 want to quote numbers, because I haven't done
17 that, that calculation.

18 Q And you're not able to say whether it would be
19 at least 10 percent or more?

20 A (Mills) No. Because when I -- we have a
21 program called "Synergy Gas", which I used to
22 size the pipe, and I have an existing list of
23 materials, which are our plastic pipe and our
24 steel pipe, and I plug it into that, and I

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[WITNESS PANEL: Mills|Rokes]

1 basically know "Would 8-inch steel work?" Yes.

2 Q And you didn't think the analysis of how much
3 the pipe could possibly -- or, the capacity
4 could be reduced was important, simply because
5 there were pipes out there that would
6 accommodate that kind of --

7 A (Mills) Yes. The process of getting pipe
8 material approved is a -- it takes years. So,
9 no, I did not.

10 Q All right. But, if what we're really concerned
11 here with is the capacity of the pipe, if the
12 capacity or the demand on the pipe could be
13 reduced by something like weatherization or
14 energy efficiency needs that reduce the demand,
15 whether or not you could get a pipe that would
16 be the right size to accommodate that new
17 reduction in demand, you could still put an
18 insertion in there and meet that demand,
19 couldn't you?

20 A (Mills) I suppose, if enough load was reduced
21 on the West Street side, there is a -- probably
22 a possibility of 6-inch plastic being able to
23 support that load.

24 Q And you didn't do the calculation to figure out

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[WITNESS PANEL: Mills|Rokes]

1 what that reduction would be?

2 A (Mills) I did not.

3 Q Do your design day requirements include
4 capacity for projected growth in customers in
5 order to track the supply?

6 A (Mills) They do not, no.

7 Q Do the design day requirements account for
8 anticipated investment in energy
9 efficiency/weatherization projects by the 107
10 affected customers?

11 A (Mills) They do not.

12 Q It would be possible to construct a temporary
13 bypass for the proposed Winchester Street
14 crossing, if necessary, wouldn't it?

15 A (Mills) It would.

16 Q If the West Street crossing is shut down for
17 repair, how would a coincident interruption in
18 service on the proposed Winchester Street
19 crossing be addressed?

20 A (Mills) Can you repeat that?

21 Q If you installed the Winchester Street pipe
22 crossing, and then that had to be repaired or
23 replaced, how would you address that?

24 A (Mills) Okay. So, if that had to be repaired,

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[WITNESS PANEL: Mills|Rokes]

1 then we'd still hopefully have the now repaired
2 or replaced West Street crossing, and that
3 would be the other backfeed. So, basically, by
4 having two crossings, either one could come off
5 line in the summer and allow a repair to
6 either/or.

7 Q Could you do a bypass of the Winchester?

8 A (Mills) You could do a bypass on the bridge,
9 the same way we would have to do it on the West
10 Street Bridge.

11 Q And would that be across the water?

12 A (Mills) That would be on the bridge deck, like
13 it would be for West Street. So, yes.

14 MR. HUSBAND: If you would give me
15 just a minute please?

16 CHAIRMAN HONIGBERG: Uh-huh.

17 MR. HUSBAND: I think I'm almost
18 done.

19 *[Short pause].*

20 BY MR. HUSBAND:

21 Q Can you try and explain it a little better, and
22 maybe it's my misunderstanding, as to why I
23 think you said that the Winchester Street
24 crossing would only be 10 or \$15,000 more for

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[WITNESS PANEL: Mills|Rokes]

1 the whole project than the West Street Bridge
2 crossing?

3 A (Mills) Yes. So, if we have the Winchester
4 Street pipe in place, we can insert. Inserting
5 is a far cheaper option, because we don't need
6 to do a structural analysis of the bridge, we
7 don't have to hang any pipe, we don't need to
8 bring in an outside engineering firm to confirm
9 the bridge can support a new steel pipe, since
10 the steel there is probably a lesser quality
11 steel and lesser weight. So, sound engineering
12 practice is to have a structural engineer come
13 in and confirm that the bridge can support the
14 weight we would be adding to the structure,
15 which adds an additional cost.

16 Inserting is a cheaper option. Our
17 internal crews can all do that in-house, and we
18 don't have to bring in any outside engineering
19 firm, and all we need is a Shoreland Permit
20 from New Hampshire DES.

21 Q If either of you know, doesn't Liberty --
22 didn't Liberty report over \$2 million worth of
23 unaccounted for gas that was, in part, due to
24 leaks last year?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) I don't know the exact amount. But
2 unaccounted for gas isn't 100 percent leaks.
3 It's a number that includes purging, venting
4 regulators. A portion of it is leaks. But the
5 entire, whatever the figure you just mentioned,
6 is not all leaks.

7 Q Okay. But you will agree that there is a
8 significant percentage of unaccounted for gas
9 that is lost by Liberty in New Hampshire, some
10 of which amounts to leaks each year?

11 MR. SHEEHAN: Objection, to
12 relevance.

13 MR. HUSBAND: Well, the relevance is
14 you're replacing a pipe that's not leaking, and
15 you have leaking pipes throughout the state.
16 It goes to necessity.

17 WITNESS MILLS: I think --

18 CHAIRMAN HONIGBERG: Wait. Hang on.
19 That doesn't -- that doesn't go to the
20 necessity of this pipe. It may dictate
21 activity elsewhere, but it doesn't --

22 MR. HUSBAND: It calls into question
23 whether this is really necessary.

24 CHAIRMAN HONIGBERG: No. I think it

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[WITNESS PANEL: Mills|Rokes]

1 goes to whether they would be better off
2 spending their money elsewhere replacing leaky
3 pipe, I think is the point you want to make,
4 isn't it?

5 MR. HUSBAND: That's a good point,
6 too.

7 CHAIRMAN HONIGBERG: Sustained.

8 MR. HUSBAND: All right. Thank you.
9 No further questions.

10 CHAIRMAN HONIGBERG: Ms. Skuly, do
11 you have questions for the panel?

12 MS. SKULY: Yes. I just would like
13 one clarification.

14 BY MS. SKULY:

15 Q On Exhibit 3, at the bottom of the photo it has
16 "Project Description". That's on Exhibit 3,
17 right? I'm looking at the photo the for the.

18 A (Mills) The first page, Mike.

19 Q Okay. If I can read that, because it's really
20 tiny. But it describes the project as the
21 drilling "750 feet of HDPE under the
22 Ashuelot" --

23 CHAIRMAN HONIGBERG: Slow down. Slow
24 down.

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[WITNESS PANEL: Mills|Rokes]

1 MS. SKULY: Oh, I'm sorry. Yes. I
2 apologize.

3 BY MS. SKULY:

4 Q "High-density drilling of 727" -- I can't read
5 this too well, "of 8-inch" --

6 CHAIRMAN HONIGBERG: Ms. Skuly, it's
7 up on the screen now. It might be easier to
8 see up there.

9 MS. SKULY: Well, maybe. Okay.

10 CONTINUED BY MS. SKULY:

11 Q -- "HDPE under Ashuelot River in the vicinity
12 of the Winchester Street Bridge. 110 of 8-inch
13 MDPE to [tie into] the existing 6-inch PE on
14 Pearl Street and 4-inch cast iron on Winchester
15 Street. An initial" -- oh, "Install small
16 amount of 4-inch PE to come" -- no, "to cross
17 road to the" --

18 CHAIRMAN HONIGBERG: The word is
19 "tie".

20 MS. SKULY: Okay.

21 CHAIRMAN HONIGBERG: "Tie into".

22 CONTINUED BY MS. SKULY:

23 Q -- "to tie into existing 4-inch cast iron main
24 on eastern end of project."

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[WITNESS PANEL: Mills|Rokes]

1 So, this is a little confusing to me,
2 because you're going from 8-inch to 6-inch to
3 4-inch, but yet, when you describe trying to
4 insert a pipe on West Street with a 6-inch, you
5 talk about creating a constriction there. And
6 then that's all, I'm assuming, going into
7 another cast iron pipe off of West Street.

8 So, how is it a constriction on West
9 Street and not here?

10 A (Mills) So, there will be a slight restriction
11 in the near term here. But the 4-inch cast
12 iron, as previously noted, we plan to replace
13 all of the cast iron in Keene. At that time,
14 we'll upgrade the size of the pipe to provide
15 additional capacity to support the new
16 customers that we keep getting -- we get
17 requests for every day to go onto the Keene
18 system.

19 Q But, in the meantime then, you are going from
20 larger to smaller, which you say you want to
21 avoid doing on West Street?

22 A (Mills) That is, in the near term, yes. But
23 when I have both crossings in place, a slight
24 restriction in the near term there isn't an

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[WITNESS PANEL: Mills|Rokes]

1 issue.

2 A (Rokes) Yes. It's not really a restriction by
3 adding the Winchester Street, because we have
4 nothing there right now as there is. So, some
5 of the pipe is smaller, and then it's going to
6 larger pipe, but it's making a connection and a
7 loop there, which provides us more capacity.

8 Q So, it's not going into 4-inch and 6-inch
9 pipes?

10 A (Mills) So, we looked at, just to clarify, we
11 did look at HDD and 6-inch PE. And based on
12 historical data and cost -- a high-level cost
13 estimate, when you take the HDD rig out, the
14 cost difference between 6- and 8-inch is less
15 than a couple dollars a foot. So, just in case
16 we ever need a larger pipe there in the future,
17 it's easier to install it now, figure for the
18 crossing, than to have to go back and install a
19 new pipe in 10 to 20 years, because we
20 installed a 6-inch pipe that was too small.

21 Crossing a river or any large kind of
22 obstruction like this is an expensive
23 undertaking. So, we generally try to prevent
24 having to do it multiple times.

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[WITNESS PANEL: Mills|Rokes]

1 MS. SKULY: Thank you.

2 CHAIRMAN HONIGBERG: That's all you
3 got?

4 MS. SKULY: Yes.

5 CHAIRMAN HONIGBERG: Mr. Dexter.

6 MR. DEXTER: Thank you.

7 BY MR. DEXTER:

8 Q I wanted to ask some questions first about the
9 West Street existing crossing. If I understood
10 your testimony, is it correct that you intend
11 to insert a new pipe into the existing West
12 Street Bridge pipe?

13 A (Mills) That is correct, if the crossing in
14 this Petition is approved.

15 Q Is approved?

16 A (Mills) Is approved.

17 Q And when would that take place?

18 A (Mills) It's a budget line item. The goal is
19 next year. But, if City work eats away at the
20 budget, in order to keep up with City paving,
21 replacement, drainage, all that's the normal
22 everyday tasks, it will be pushed, maybe a year
23 or maybe two.

24 Q Is that method of inserting the plastic pipe

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[WITNESS PANEL: Mills|Rokes]

1 something that would require a docket similar
2 to this one, in your view, a bridge crossing
3 docket?

4 A (Mills) Not that I'm aware of, because I
5 believe that the crossing dockets allow us to
6 repair or replace in kind, I think this
7 crossing. I'm not 100 percent positive on
8 that. I would need to consult Mike.

9 CHAIRMAN HONIGBERG: Yes. You
10 probably don't want to be answering legal
11 questions beyond that.

12 BY MR. DEXTER:

13 Q When you talked about design day planning, you
14 mentioned a "6-degree Fahrenheit" temperature.
15 Could you explain a little bit more what that
16 is?

17 A (Mills) I said "minus 6 degrees".

18 Q "Minus 6 degrees".

19 A (Mills) So, when you look at historical data,
20 and the gas demand of a customer is based on
21 the temperature outside. So, at colder
22 temperatures, people use more gas to heat their
23 homes. So, based on historical weather data,
24 negative 6 is like that 1-in-25 incident that

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[WITNESS PANEL: Mills|Rokes]

1 could occur, and we design for that.

2 Basically, we have enough capacity in the
3 system to serve all customers at minus 6
4 degrees Fahrenheit.

5 Q And over what period of time does that minus 6
6 degrees Fahrenheit persist?

7 A (Mills) So, that is the daily average
8 temperature. So, it basically could be -- it's
9 not a single day of minus 6. It's probably a
10 couple sustained days where the average daily
11 temp is minus 6 degrees.

12 Q And when was the last time Liberty experienced
13 a design day situation in Keene?

14 A (Mills) In Keene, I don't know. I know the
15 larger EnergyNorth market came very close last
16 year.

17 Q And in one of the exchanges you had mentioned a
18 situation where that temperature where you
19 started to lose customers would go "higher", I
20 think is what you said. Could you explain that
21 again please?

22 A (Mills) Yes. So, obviously, I'll try to --
23 basically, the temperature -- the temperature,
24 a warmer temperature means less gas demand.

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[WITNESS PANEL: Mills|Rokes]

1 So, by adding load, that gas demand at minimum
2 temp goes higher and higher, in order to,
3 basically, less -- people need less heat, so we
4 have more capacity.

5 I can't think of a better way to explain
6 it.

7 Q So, if you were to experience a design day
8 situation, does that automatically mean that
9 your customers would not be able to be served?

10 A (Mills) So, currently, I could say with good
11 confidence that, at minus 6 degrees Fahrenheit,
12 we have enough capacity to serve all existing
13 customers in this new market.

14 Q And that includes the 107 customers that we've
15 been talking about today?

16 A (Mills) Yes.

17 Q Now, you testified a couple of times to the
18 benefits of having redundancy in a particular
19 neighborhood. Is that right?

20 A (Mills) A particular neighborhood, a system,
21 yes.

22 Q Yes. Is that something that's unusual in the
23 gas distribution business or is that fairly
24 typical?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) That's typical. We try to loop our
2 systems as much as possible.

3 Q Are there other situations in Keene that you
4 know of where there isn't redundancy?

5 A (Mills) This is the largest customer area that
6 exists in Keene that does not have redundancy.

7 Q And of the 107 customers that you spoke about,
8 what roughly is the breakdown between
9 residential and commercial customers?

10 A (Rokes) I don't know the breakdown between
11 residential and commercial.

12 Q Do you know if there are any large commercial
13 customers included in that 107?

14 A (Rokes) I don't believe there's any large
15 commercial customers.

16 Q Earlier or just a few minutes ago you testified
17 that you would do this sleeving method if the
18 Petition for the Winchester Bridge was
19 approved, is that right?

20 A (Mills) Yes.

21 Q If the Winchester Bridge was not approved, what
22 actions would the Company take?

23 A (Mills) We'd have to conduct a structural
24 analysis of the bridge, and possibly replace

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[WITNESS PANEL: Mills|Rokes]

1 the 8-inch steel main that's there with a new
2 coated 8-inch steel line under the bridge.

3 Q And that's West Street Bridge you're talking
4 about?

5 A (Mills) That is the West Street Bridge,
6 correct.

7 Q And when would that take place?

8 A (Mills) Probably in the same timeframe as we --
9 if we were to insert.

10 Q And what timeframe is that?

11 A (Mills) That's the one to three years.

12 Q One to three years. Was there any analysis
13 done towards putting a second bridge -- a
14 second pipe on the West Street Bridge, as
15 opposed to the Winchester Street?

16 A (Mills) We didn't do an analysis of putting it
17 "on the bridge". I went on-site with one of
18 the other engineers at Liberty Utilities, Brian
19 Frost, and we tried to find sites we could
20 economically set up the HDD rig. But, due to
21 business congestion and limited right-of-way --
22 City-owned right-of-way, it would be difficult
23 to set up an HDD rig to drill another pipe
24 underneath the river.

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[WITNESS PANEL: Mills|Rokes]

1 Q So, even up at West Street, you investigated
2 the HDD, which is the horizontal directional
3 drilling, is that right?

4 A (Mills) Yes.

5 Q And do you view that as a preferable method,
6 versus adding a second pipe over the West
7 Street Bridge?

8 A (Mills) Yes. Mainly, as Steve mentioned
9 earlier in his testimony, the flooding, where
10 we almost lost -- we could have lost the
11 bridge, when we HDD, it provides it underneath
12 the river, so it's not susceptible to anything
13 that were to happen to the bridge.

14 Q Now, talking about the proposed crossing for a
15 moment, is the HDD generally a preferred method
16 for new pipeline river crossings?

17 A (Mills) It depends on the bridge. In this
18 case, the bridge has a slight curve to it, so
19 it's hard to hang a pipe on it. And then we'd
20 have to bring in a structural engineer, which
21 Liberty does not have on staff, that adds
22 costs. Looking at the whole cost justification
23 and safety of the pipe, we're far safer from a
24 system perspective having the pipe beneath the

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[WITNESS PANEL: Mills|Rokes]

1 riverbed instead of on the bridge.

2 Q Why is it safer to have the pipe underground
3 versus on the bridge?

4 A (Mills) As I mentioned just a few minutes ago,
5 the flooding that Keene has experienced, that
6 bridge is susceptible to being taken out by a
7 flood as well.

8 Q Are there any other reasons that it would be
9 safer to have the pipe underneath the river,
10 rather than on the bridge, that you can think
11 of?

12 A (Mills) If anyone were to tamper with a pipe
13 under a bridge, it's a lot easier to assess for
14 the general public than if it's 10 feet below
15 the river bottom.

16 Q Is your proposed method expected to cause any
17 disruption to the river?

18 A (Mills) No.

19 Q There's been some talk in the technical
20 sessions and in the data requests about a
21 "frac-out". Could you explain what that is
22 please.

23 A (Mills) So, part of the horizontal directional
24 drilling is they use bentonite to basically

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[WITNESS PANEL: Mills|Rokes]

1 support the hole as the drill goes through.
2 Bentonite is a clay mixture. It's non-toxic.
3 It comes in, basically, it looks like concrete
4 bags. They mix it with water. Generally, it's
5 City municipal water, but sometimes, if the
6 river is right there, they use river water. It
7 has a whole DES permitting process. So,
8 generally, in the past, in Keene, we've used
9 municipal water, and they sometimes set up a
10 meters or they find out it's so little that
11 they don't care the amount of water we use.

12 So, that bentonite, in a "frac-out", as
13 you termed, is when the bentonite bubbles up
14 through the ground and comes out the ground,
15 because there's too much pressure in that
16 fluid.

17 Q And is it anticipated that a frac-out would
18 happen in this operation?

19 A (Mills) No. I briefly spoke with one of the
20 HDD contractors, and based on the soil
21 conditions, that they don't believe that's an
22 issue.

23 Q Do you know how common an issue it is in HDD
24 drilling?

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[WITNESS PANEL: Mills|Rokes]

1 A (Mills) I do not.

2 Q Are there any steps that you could take to
3 minimize a frac-out?

4 A (Mills) Yes. So, geotechnical analysis of the
5 soils is a key, because then you know how much
6 pressure the soil can support. Luckily, in
7 this case, being so close to the bridge, we
8 have the bore -- the geotechnical analysis done
9 by the State when they built the bridge.

10 Q And did you review that analysis that the State
11 did?

12 A (Mills) Yes.

13 Q And what did that analysis show?

14 A (Mills) I don't have it in front of me, but it
15 showed it was a sandy/silty soil.

16 Q And is that positive -- a positive attribute
17 for what you're doing?

18 A (Mills) It's not. We prefer a thicker soil.
19 But, just because we know it, we know how much
20 pressure the soil -- we can put on the
21 bentonite mixture, to basically reduce the risk
22 or mitigate it to the utmost possibility of
23 making a frac-out.

24 Q In the event of a frac-out, what procedures

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[WITNESS PANEL: Mills|Rokes]

1 would be followed by the Company?

2 A (Mills) General practice is to shut down the
3 drill immediately and call New Hampshire DES.
4 And then we go about putting curtains up to
5 contain the frac-out, if it were in the river.
6 Or, even on land, we'd put up a silt fence to
7 contain any of the frac-out material.

8 Q Would that prevent you from completing the
9 crossing?

10 A (Mills) There is a possibility, yes. We'd have
11 to pull back and attempt to cross, either go
12 deeper, which more pressure in the soil
13 prevents a frac-out as well, or we, depending
14 on if we're close to the end, sometimes in
15 consultation with DES, if we're 10-15 feet
16 away, we'll just punch through and finish the
17 crossing. Because the risk of fracking out a
18 little bit, if we could contain the frac-out
19 material, that is sometimes the preferred
20 method, than to redo the crossing completely.

21 Q What's the proposed timeframe for this
22 construction at this point?

23 A (Mills) At this point in time, it was planned
24 for this year. But, hopefully, Spring of 2019,

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[WITNESS PANEL: Mills|Rokes]

1 if it were to be approved in the next 30 to --
2 30 days.

3 MR. DEXTER: That's all the questions
4 Staff has. Thank you.

5 CHAIRMAN HONIGBERG: Commissioner
6 Bailey.

7 BY CMSR. BAILEY:

8 Q Just following up on that last line. Can you
9 explain to me again how you contain a frac-out
10 in the water of the river?

11 A (Mills) So, they're called "turbidity
12 curtains". They're basically, if you've seen a
13 bridge crossing done, they have those big
14 orange curtains that you see in the water,
15 that's what they put up and it contains the
16 frac-out material in a small area of the river.

17 Q And do you put that up as a preventative
18 measure or do you put it up if you have a
19 frac-out?

20 A (Mills) We put it up -- we have them on-site,
21 but we would only put them up if there's a
22 frac-out, because you don't know where the
23 frac-out could occur. It could occur anywhere
24 along the drill path. It generally occurs

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[WITNESS PANEL: Mills|Rokes]

1 where the drill head is at that time, but you
2 never know.

3 Q Mr. Rokes, you've been with the Company for 18
4 years you said?

5 A (Rokes) Yes.

6 Q And this pipe was installed when you were --
7 before you were employed there?

8 A (Rokes) Yes. The West Street Bridge?

9 Q Yes.

10 A (Rokes) Yes. It was believed to be 1966, when
11 the bridge was constructed.

12 Q Okay. So, why has it not been important prior
13 to this to have a redundant crossing?

14 A (Rokes) I'm not sure, to be honest with you. I
15 didn't -- and I was not Operations Manager long
16 before Liberty took over, there was another
17 manager in place. We do our regular surveys on
18 the bridge for leaks and structural integrity.
19 And we found it to be, you know, sufficient and
20 okay. It passes those surveys from quarter to
21 quarter.

22 Q And now, the position is that the existing
23 pipeline on the bridge is at the end of its
24 useful life, because there's going to become a

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[WITNESS PANEL: Mills|Rokes]

1 point in time where it isn't cost-effective to
2 do further repairs, is that --

3 A (Mills) That is a correct statement.

4 Q Okay. And so, even though it's not leaking
5 today, based on the age of the pipe, you, as an
6 engineer, expect that there will need to be
7 further repairs in the future?

8 A (Mills) Yes. And we want to prevent an
9 emergency repair. So, we try to stay out ahead
10 of these things.

11 Q Okay. Do you have a copy of Ms. Martin's
12 testimony with you?

13 A (Mills) I do.

14 Q Can you look at Page 9?

15 A (Mills) Okay.

16 Q Is the sentence on Line 20 through 22 that says
17 "Also, the Keene system, as it exists, cannot
18 expand service to significantly more customers
19 without replacing all of the cast iron pipes
20 and increasing operating pressures throughout
21 the system", is that accurate?

22 A (Mills) I would not deem it accurate, no. The
23 cast iron system, they have shed customers,
24 they have added customers over the years. I

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[WITNESS PANEL: Mills|Rokes]

1 don't know what the max customer count Keene
2 ever had. But it all depends on where that new
3 customer wants to come onto the system.
4 Obviously, we have different pipe sizes
5 depending on what part of the city you're in.

6 Really, so, yes, there's additional
7 capacity in the low pressure system, as a
8 general point of view, to add customers.

9 Q Okay. The existing pipe that serves 107
10 customers, does that have any excess capacity
11 for your design day?

12 A (Mills) It does have some. And that's why we
13 were going to approve the fast-food restaurant
14 that was mentioned earlier to be able to come
15 on to the system.

16 Q So, you could serve that customer with the
17 existing pipe?

18 A (Mills) Yes.

19 Q Do you expect more growth in that area?

20 A (Mills) It is, there is a commercial area
21 downstream of that pipe. There's also the
22 Keene schools. There's a lot of residential
23 customers west of that point. So, I think, if
24 we're able to beat out the -- if we're the

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[WITNESS PANEL: Mills|Rokes]

1 cheapest fuel, I would expect there to be
2 growth in that area, yes.

3 Q And those potential new customers wouldn't be
4 served off of the newer high pressure line that
5 is going to serve the Monadnock Region?

6 A (Mills) At some point, the entire system is
7 going to be, hopefully, a 60-pound distribution
8 system. Initially, if they came on in the next
9 couple of years, no, they would be served off
10 this low pressure pipe.

11 Q So, if the Monadnock Project were completed,
12 would you need this crossing?

13 A (Mills) Yes.

14 Q Why? I mean, you just said "eventually,
15 everybody will be served by that system".

16 A (Mills) Yes. So, the existing cross -- so,
17 that's a high pressure -- there's two different
18 distribution systems in Keene right now.
19 That's the high pressure system. This is the
20 low pressure system. Any phased conversion
21 approach, which you mentioned the natural gas
22 conversion, I think you're referring to the
23 Monadnock Market, that's going to take three to
24 seven years. And even if we get that on line,

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[WITNESS PANEL: Mills|Rokes]

1 we still only have one feed across the river.
2 And if that is our source of supply, we
3 definitely want two feeds. In case we were to
4 lose one of them, we don't want to leave
5 everything -- that would be everything to the
6 east, instead of the west.

7 Q So, would this crossing be able to support the
8 high pressure system in the future?

9 A (Mills) Yes.

10 CMSR. BAILEY: Okay. I think that's
11 all I have. Thank you.

12 WITNESS MILLS: Thank you.

13 CHAIRMAN HONIGBERG: Commissioner
14 Giaimo.

15 CMSR. GIAIMO: Good afternoon.

16 WITNESS MILLS: Good afternoon.

17 (Witness Rokes nodding in the
18 affirmative).

19 BY CMSR. GIAIMO:

20 Q Currently, what are Liberty's options when an
21 interruption occurs affecting the customers
22 west of the river?

23 A (Mills) Basically, it would be a shut-down and
24 a re-light of every individual customer, if we

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[WITNESS PANEL: Mills|Rokes]

1 were to lose that feed across the river.

2 Q Hasn't happened though?

3 A (Mills) It has not. We have come close, but it
4 has not happened.

5 Q Under your proposal, how would Liberty propose
6 to mark aboveground signs and how would Liberty
7 monitor to ensure that those signs aren't
8 tampered with and remain visible?

9 A (Mills) So, we get the leak survey of all pipe
10 annually. As part of that annual leak survey,
11 we would -- obviously, we'd make sure those
12 signs were in place and marked properly.

13 Q So, once a year?

14 A (Mills) Correct.

15 Q With respect to Ms. Martin's proposal and
16 testimony, does the Company think that the EE
17 and weatherization options identified by her
18 would work?

19 A (Mills) I think there is a possibility it would
20 work. But we can't force customers to
21 weatherize and add efficiency to their homes.
22 We offer it as an energy incentive program.
23 I'm not super familiar with that program
24 myself.

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[WITNESS PANEL: Mills|Rokes]

1 But my understanding is that customers
2 have to put up money, basically, and we match a
3 contribution, which that weatherization is
4 approved by the Commission. And otherwise, I
5 think she's proposing we basically give them
6 money, as opposed to repairing the crossing.

7 I think that would need its own separate
8 docket. I'm not -- Mike, if you can -- you're
9 more familiar with the weatherization programs
10 than I am.

11 MR. SHEEHAN: You can answer the
12 questions the best you can.

13 MR. HUSBAND: Well, I object. I
14 don't think Attorney Sheehan should be
15 testifying.

16 CHAIRMAN HONIGBERG: Mr. Sheehan just
17 told the witness to give the best answer he
18 could, so --

19 MR. HUSBAND: Okay.

20 BY CMSR. GIAIMO:

21 Q Do you know if the "54" person number
22 identified is possible?

23 A (Mills) The "54" person customer was, I
24 believe, a number I provided in one of the

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[WITNESS PANEL: Mills|Rokes]

1 Clark data requests. The "54" refers to
2 customers that are on the heat tariff for
3 Keene.

4 Q Okay. The Company, what it sounds like, is the
5 Company has not done specific analysis with
6 respect to growth, is that correct?

7 A (Mills) Correct.

8 Q Okay. But you are predicting a certain amount
9 of growth?

10 A (Mills) Yes. I think there's the Business
11 Development team, and their whole theory is,
12 when we convert the system to natural gas,
13 they're going to see a significant amount of
14 growth to the customers in Keene. I believe
15 their projections are part of another docket.

16 Q Okay. And your expecting, at least in the
17 short term, the addition of one fast-food
18 restaurant, which what I heard was basically
19 the equivalent of 25 residential customers? Is
20 that correct?

21 A (Mills) Yes.

22 Q Okay. In your initial filing, the Company was
23 hoping for something to be concluded as of
24 September 2018. Obviously, that date has come

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[WITNESS PANEL: Mills|Rokes]

1 and gone. And what I thought I heard you say
2 was that you're hoping for Spring of 2019, but
3 that is conditioned on receiving approval over
4 the next 20 to 30 days?

5 A (Mills) Yes. So, the reason for that is I've
6 got to re-bid the project to the HDD
7 contractors, and they're a very busy group of
8 companies. So, the earlier I can get on their
9 schedule, the cheaper and the more available
10 they are. The further we get into '19, people
11 book their time and it becomes difficult to
12 schedule their work.

13 Q So, you're not, *per se*, hamstrung, you just
14 think that it would potentially take a few more
15 months then?

16 A (Mills) Yes. Or, they'd be busy, they'd be
17 completely booked. Massachusetts, they're the
18 same -- they do work in all of New England.
19 So, they're -- a lot of people have accelerated
20 replacement programs in those states as well.
21 So, the volume of work they're doing makes it
22 difficult to schedule their time. Not just in
23 New Hampshire, but in other states as well.

24 Q Okay. All right. But it's not a

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[WITNESS PANEL: Mills|Rokes]

1 customer-specific situation that you need the
2 additional capacity to serve one or two
3 customers. You have one big customer coming,
4 but you can -- what I've heard is you can serve
5 them with your existing infrastructure?

6 A (Mills) Yes. And then we're pretty much at
7 capacity.

8 Q Okay. Can you talk a little bit about the
9 "minus 6-degree" threshold? It seems quite
10 conservative.

11 A (Mills) It is. Design day is a condition that
12 we really never want to hit. It's "worst case"
13 scenario. It's based on, as I said, historical
14 weather. The thing being is, no outage is
15 acceptable in the Company's opinion at any
16 temperature. So that, based on historical
17 data, we chose that temperature, and we may hit
18 it once in 25 years, but we'll be able to
19 maintain all the customers.

20 Q Okay. And you said "we almost approached it
21 last winter".

22 A (Mills) Correct.

23 Q How about the polar vortex Winter of 2013-14?

24 A (Mills) I was just starting in the industry, I

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[WITNESS PANEL: Mills|Rokes]

1 don't know exactly.

2 Q So, I guess, as you can see what I'm suggesting
3 is, if you have two instances in the last five
4 years, I don't know, the "1-in-25" issue is
5 something --

6 A (Mills) Yes. It's something we evaluate all
7 the time. It may be time to relook at and
8 possibly lower that temperature.

9 Q Okay. Did I hear you correctly that, with an
10 insert as proposed by Ms. Martin, that would
11 likely result in constraints happening, and
12 whether that's 15 to 20 degrees warmer than the
13 minus 6 number?

14 A (Mills) Yes. If we don't have the second pipe
15 in place.

16 CMSR. GIAIMO: Okay. That's all I
17 have. Thank you.

18 BY CHAIRMAN HONIGBERG:

19 Q Mr. Mills, a couple of questions about the
20 construction process from any of the exhibits,
21 whether it's 1 or 3 or 4. Where will the pits
22 be located from which the work will be done at
23 either end?

24 A (Mills) So, if you see the drawing, the little

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[WITNESS PANEL: Mills|Rokes]

1 rectangular boxes, that's exactly where the
2 pits will be.

3 Q And what is at the locations of those pits?

4 A (Mills) They're, basically, grass. Oh, one is
5 an island right now. We looked at it. It's
6 out of the way, and we can conduct it there
7 safely. And the other is right in front of the
8 Chevrolet dealership, off-road and, basically,
9 on the edge of the sidewalk.

10 Q Okay. The "off-road" question was what I was
11 getting at. Are you going to have to shut down
12 any roads during the construction? And if so,
13 for how long?

14 A (Mills) So, there is, basically, on the western
15 edge, when we are pulling the pipe backwards
16 into the ground, we may have to have a detour
17 around Pearl Street, where the Pearl and Island
18 Street come together. It's like a -- it's a
19 weird intersection, it's a four-way
20 intersection. There's a little road right
21 there that comes across and connects to
22 Winchester Street. When we're pulling the pipe
23 back into the pit, there will be a period of
24 time, probably a half a day, where that pipe is

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[WITNESS PANEL: Mills|Rokes]

1 physically blocking the road. And we briefly
2 discussed it with the fire department, to make
3 sure that we're not preventing emergency
4 vehicle traffic.

5 Q And at the other end, you don't anticipate
6 needing to close roads near the Chevrolet
7 dealer?

8 A (Mills) None. The only thing that may be
9 interrupted is a sidewalk. But we'll have a
10 flagger in place to assist anyone getting
11 across to the other side of the street and the
12 sidewalk on the opposing side.

13 Q And if that were necessary, for how long would
14 that be?

15 A (Mills) The drill process, it all depends on
16 speed. But that could be three to four days.

17 Q New topic. You said that this is the only area
18 within Keene that has no redundancy for a river
19 crossing. Are there other places within the
20 Liberty system where you have river crossings,
21 but only one, and no redundancy?

22 A (Mills) So, there are a few, but they all have
23 very -- they have lesser customer amounts, less
24 than 100 customers downstream of that crossing.

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[WITNESS PANEL: Mills|Rokes]

1 So, it's easy re-light some if anything were
2 ever to happen. And generally, they're HDD and
3 not hanging on a bridge. And as I had
4 mentioned, HDD is a safer location for the
5 pipe.

6 Q Knowing the geographic of Concord better than I
7 know the rest of your system, where are your
8 river crossings in Concord?

9 A (Mills) I believe, ooh, they are mostly on the
10 state roads where we cross the river. Some of
11 them are drilled, some of them are hanging on a
12 bridge. I believe, in Concord, there are
13 three, maybe four crossings of the Merrimack.
14 I think it's the Merrimack. Yes, it's the
15 Merrimack.

16 Q It is the Merrimack. And you think they're in
17 State rights-of-way?

18 A (Mills) That's my understanding.

19 CHAIRMAN HONIGBERG: Okay. I think
20 the rest of my questions were answered.

21 Mr. Sheehan, do you have any further
22 questions for your witnesses?

23 MR. SHEEHAN: Just a couple
24 follow-up.

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REDIRECT EXAMINATION

BY MR. SHEEHAN:

Q The Chairman just asked if we have any customers that had a single feed. I believe your testimony was "there are pockets of less than 100 customers that may be fed by a single feed", is that correct?

A (Mills) Yes.

Q And in Keene, in particular, this one crossing would provide a second feed for the largest number that still has a single feed?

A (Mills) Yes.

Q And if we were to look at the Keene map, we could probably find a few dead-ends where there's a single feed to the ends of some parts of the system?

A (Mills) Yes. And I believe they all have less than 25 customers on them. And they generally don't cross rivers.

Q And on the energy efficiency piece, I think there was a question, if, theoretically, we could reduce demand enough to allow the West Street crossing to serve existing customers and growth, that's theoretically possible, correct?

[WITNESS PANEL: Mills|Rokes]

1 A (Mills) Yes. It's theoretically possible.

2 Q But, of course, that does not address the
3 redundancy issue?

4 A (Mills) Correct.

5 Q And last, you talked about the timing of an
6 order and a construction season that the HDD
7 contractors are difficult to find and schedule
8 the longer we wade into next year, is that
9 correct?

10 A (Mills) That is correct. Generally, their
11 availability is more during the first half of
12 the year than the second half, just because of
13 replacement projects elsewhere.

14 Q And will price change as well?

15 A (Mills) So, their pricing fluctuates
16 significantly, and they basically up-charge.
17 When they're really busy, they submit high
18 bids. When they're not really busy, they
19 submit low bids.

20 Q So, it's an advantage to getting to them sooner
21 rather than later pricewise?

22 A (Mills) Yes.

23 MR. SHEEHAN: That's all I have.

24 Thank you.

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1 CHAIRMAN HONIGBERG: All right.

2 Thank you, gentlemen. I think you can probably
3 stay where you are, because we're going to
4 break for lunch.

5 We will come back as close to an hour
6 from now as we can. Off the record.

7 *[Brief off-the-record discussion*
8 *ensued.]*

9 CHAIRMAN HONIGBERG: All right.

10 While we were off the record, Ms. Skuly asked a
11 question about -- well, why don't you
12 articulate the question again while we have the
13 stenographer recording things.

14 MS. SKULY: Because of my
15 unfamiliarity with this procedure, it occurred
16 to me, after I had asked my questions of
17 Liberty Utilities, that the two concerns that
18 we had, that I present in Exhibit 11, could
19 have been addressed during this time. And my
20 question is, am I correct in that? Or, is
21 there a better time to address those?

22 CHAIRMAN HONIGBERG: If I understand
23 what you're saying correctly, you were
24 wondering whether you would appropriately make

1 your presentation of what you want to say while
2 these two witnesses are here, on the stand? Or
3 is it -- or, alternatively, are you suggesting
4 that you had other questions you wanted to ask
5 these two witnesses?

6 MS. SKULY: The former.

7 CHAIRMAN HONIGBERG: That's what I
8 thought. You're going to have an opportunity
9 to make your presentation probably after
10 Ms. Martin testifies. And at that time you'll
11 be testifying yourself about whatever it is
12 you're going to testify. But I haven't looked
13 at Exhibit 11, so I don't know what's in it.
14 But you're going to be testifying about what
15 you think we need to know, and others may ask
16 you questions about it at that time. And you
17 can do however many issues you're prepared to
18 do at that time.

19 MS. SKULY: Okay. Thank you.

20 CHAIRMAN HONIGBERG: And if you have
21 further questions about it, I suggest you speak
22 with one of the lawyers in the room, probably
23 Mr. Dexter or Mr. Husband, about process like
24 that.

1 MS. SKULY: Thank you.

2 CHAIRMAN HONIGBERG: Okay. So, now
3 we're off the record, and we'll be back in an
4 hour.

5 *(Lunch recess taken at about*
6 *12:54 p.m. and the hearing*
7 *resumed at 2:02 p.m.)*

8 CHAIRMAN HONIGBERG: All right. Are
9 we ready to hear from Ms. Martin?

10 MR. HUSBAND: Yes, we are. Thank
11 you.

12 Excuse me. Should I have her
13 identify exhibits? Should I go up there
14 initially or --

15 CHAIRMAN HONIGBERG: I'm sorry. What
16 are we talking about? I don't understand the
17 question.

18 MR. HUSBAND: I have three exhibits.
19 And I was just wondering if it's okay to go up,
20 to have her identify them before I come back?
21 I know you prefer to have me seated when I ask
22 questions.

23 CHAIRMAN HONIGBERG: As long as
24 everybody can hear you from up there, you can

[WITNESS: Martin]

1 do it there.

2 MR. HUSBAND: Well, I'll just give
3 them to her then. Hello, Ms. Martin.

4 CHAIRMAN HONIGBERG: Hold on. Wait.
5 Wait. She needs to be sworn in.

6 (Whereupon **Patricia A. Martin**
7 was duly sworn by the Court
8 Reporter.)

9 CHAIRMAN HONIGBERG: Mr. Husband, you
10 may proceed.

11 MR. HUSBAND: Thank you.

12 **PATRICIA A. MARTIN, SWORN**

13 **DIRECT EXAMINATION**

14 BY MR. HUSBAND:

15 Q Ms. Martin, would you please take a look at
16 what has been marked as "Exhibit 6", and tell
17 me if you can identify this document?

18 A Yes. This is from the Clark dataset requests.
19 And, okay, --

20 Q Have you seen this document before?

21 A I have.

22 Q And have you used it recently for anything?

23 A Yes, I did. I did it -- I looked at it in
24 terms of challenging whether or not the smaller

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[WITNESS: Martin]

1 diameter pipe would be acceptable.

2 Q Would you take a look at what has been marked
3 as "Exhibit 7" please, and tell me if you can
4 identify that exhibit?

5 A Yes. This is my testimony.

6 Q This is your public comments?

7 A My comments, yes. My public comments.

8 Q That you submitted in this proceeding?

9 A Yes, I did.

10 Q And then, finally, would you take a look at
11 Exhibit 8 please, and tell me if you can
12 identify that document?

13 A This is my testimony for today.

14 Q This is your sworn written testimony for this
15 proceeding?

16 A Yes, it is.

17 Q And do you adopt that sworn testimony as your
18 testimony?

19 A I do.

20 Q All right. Thank you. You listened to
21 Liberty's testimony earlier today, correct?

22 A Correct.

23 Q You were in this room during the whole time
24 that Liberty testified?

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[WITNESS: Martin]

1 A Yes, I was.

2 Q And do you have any comments in response to
3 Liberty's testimony?

4 A I do. So, I, obviously, do not have a map of
5 the existing distribution system. But, in the
6 technical session on November 8th, I understood
7 one of the participants from ARLAC to note that
8 the connection, the 8-inch connection,
9 connected to 6 inches, he thought or he said,
10 on either side. And though, it turns out that
11 that was wrong, based on the testimony I heard
12 today, the Winchester Street crossing would
13 connect to 6 inches, a 6-inch feed on one side
14 and a 4-inch feed on the other.

15 Q Pardon me, I'll stop you there. What leads you
16 to say that?

17 A Based on Exhibit 3 or Exhibit 4, and the note
18 that Ms. Skuly pointed out earlier.

19 Q At the bottom of Exhibits 3 and 4?

20 A Right.

21 Q Where it talks about --

22 A It says "Horizontal directional drilling
23 720 feet of HDPE under Ashuelot River in
24 the" --

{DG 18-092} {11-26-18}

[WITNESS: Martin]

1 Q That's good enough for now.

2 A Okay.

3 Q Thank you.

4 A So, basically, if that's a redundant line, then
5 it can only provide whatever is available
6 through the 6-inch feed or potentially even the
7 4-inch feed. So, it could never be truly
8 redundant for the West Street crossing, if
9 that, in fact, is 8 inches all the way from
10 end-to-end.

11 Q And why is that?

12 A Because it's, you know, --

13 Q Because it's a loop?

14 A It's a loop, right.

15 Q Do you have any additional comments based on
16 Liberty's testimony?

17 A I guess the only other thing that I would say
18 is that, you know, that those smaller diameter
19 pipes won't really matter much if they ever do
20 fully upgrade their system and are able to go
21 to the higher pressure, because they will be
22 able to push plenty of gas through the system,
23 even with the reduced diameter pipeline. So, I
24 don't see, if they could feed the 107 customers

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[WITNESS: Martin]

1 with that Winchester Street crossing, then they
2 should be able to feed the customers with the
3 smaller diameter connection between -- on West
4 Street, across the bridge.

5 Q And that's because that reduced-size connection
6 anywhere in the looped system is going to
7 constrict --

8 A Correct.

9 Q -- the customer demand for the 107 customers
10 accordingly?

11 A Correct. And the other thing I would like
12 to -- can I point out something?

13 Q Please.

14 A The other thing I'd like to point out is that
15 that West Street Bridge, I looked at the latest
16 inspection report on it. And it's listed in
17 good condition. And there's also a map that
18 shows the -- all the other bridges in Keene,
19 several of which are red-listed or
20 yellow-listed. And so, the likelihood of that
21 bridge being replaced, and especially since
22 City Councilor Terry Clark also noted that the
23 2019 to 2026 capital plan does not include any
24 plans for replacing or working on that West

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[WITNESS: Martin]

1 Street Bridge. My feeling is that, further
2 down the line, by 2026, if Liberty has
3 pressurized -- gotten to a single pressure for
4 the system, they should be able to find other
5 crossing points.

6 Q Okay. And do you have any additional comments
7 to supplement the written testimony that's
8 marked as "Exhibit 8"?

9 A That's it. Thank you.

10 MR. HUSBAND: I have no further
11 questions.

12 CHAIRMAN HONIGBERG: Ms. Skuly, do
13 you have questions for Ms. Martin?

14 MS. SKULY: None at this time.

15 CHAIRMAN HONIGBERG: This is your
16 time, so --

17 MS. SKULY: No. No. Thank you.

18 CHAIRMAN HONIGBERG: Okay.
19 Mr. Sheehan, do you have questions?

20 MR. SHEEHAN: Yes.

21 **CROSS-EXAMINATION**

22 BY MR. SHEEHAN:

23 Q Ms. Martin, I notice from your testimony that
24 you have a degree in Electrical Engineering?

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[WITNESS: Martin]

1 A I do.

2 Q And I notice that your work experience involved
3 computers and circuitry?

4 A It does.

5 Q Have you any experience in designing gas
6 pipeline systems?

7 A None at all.

8 Q And do you have any experience in -- work
9 experience or expertise in figuring out gas
10 flow through different size pipes?

11 A Not gas flows. However, my work as an
12 electrical engineer specifically was with
13 designing portable computers and low-power
14 circuit design.

15 Q You testified the bridge -- West Street Bridge
16 was reported to be in good condition. But do
17 you have anything to dispute Liberty's
18 witnesses saying the pipe is 50 years old?

19 A I do not.

20 Q And do you have anything to dispute the fact
21 that 50 years for that pipe is roughly its life
22 expectancy?

23 A I don't dispute that at all.

24 Q Do you dispute that a second feed to a

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[WITNESS: Martin]

1 neighborhood is a good thing in gas engineering
2 planning?

3 A I imagine it is.

4 MR. SHEEHAN: Okay. Thank you. I
5 have nothing further.

6 CHAIRMAN HONIGBERG: Mr. Dexter, do
7 you have any questions?

8 BY MR. DEXTER:

9 Q Ms. Martin, do you know whether or not the gas
10 customers in Liberty's Keene Division can avail
11 themselves currently of the energy efficiency
12 programs of which you spoke in your testimony?

13 A I believe they can.

14 MR. DEXTER: Thank you. That's all I
15 have.

16 CHAIRMAN HONIGBERG: Commissioner
17 Bailey.

18 CMSR. BAILEY: No questions.

19 CHAIRMAN HONIGBERG: Commissioner
20 Giaimo.

21 CMSR. GIAIMO: Good afternoon. How
22 are you?

23 WITNESS MARTIN: Good. Thank you.

24 BY CMSR. GIAIMO:

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[WITNESS: Martin]

1 Q Part of your recommendation is to look at
2 energy efficiency and weatherization. Have you
3 approached the customers or your -- the people
4 that live in Keene to see if there is, in fact,
5 an interest in energy efficiency or
6 weatherization?

7 A Not formally, no.

8 CMSR. GIAIMO: Okay. Thank you.

9 CHAIRMAN HONIGBERG: That was
10 actually the question I was going to ask. So,
11 I have no other questions.

12 Mr. Husband, do you have any
13 follow-up for Ms. Martin?

14 MR. HUSBAND: Thank you. A couple.

15 **REDIRECT EXAMINATION**

16 BY MR. HUSBAND:

17 Q Ms. Martin, in your background, education,
18 experience, do you have training in the
19 mathematical skills you used to make the
20 calculations concerning the pipeline that you
21 discussed in your testimony?

22 A Yes, I do.

23 Q Do you feel that you're qualified to make those
24 calculations?

[WITNESS: Martin]

1 A I feel they were pretty elementary
2 calculations, and, yes, I do.

3 Q Pretty elementary to someone with your
4 engineering degree?

5 A Yes.

6 MR. HUSBAND: Thank you.

7 CHAIRMAN HONIGBERG: All right.
8 Thank you, Ms. Martin. I think you can return
9 to your seat.

10 Ms. Skuly, I think you're up.

11 *[Short pause.]*

12 CHAIRMAN HONIGBERG: Mr. Dexter, are
13 you in any way going to assist Ms. Skuly in
14 getting herself started here?

15 MR. DEXTER: I had not planned to,
16 Mr. Chairman. But I could, if you'd like?

17 CHAIRMAN HONIGBERG: I think it would
18 be helpful to her to do that.

19 MR. DEXTER: Sure. Good afternoon,
20 Ms. Skuly.

21 CHAIRMAN HONIGBERG: We need to have
22 her sworn in.

23 (Whereupon **Barbara Skuly** was
24 duly sworn by the Court

[WITNESS: Skuly]

1 Reporter.)

2 CHAIRMAN HONIGBERG: Go ahead, Mr.

3 Dexter.

4 **BARBARA SKULY, SWORN**

5 **DIRECT EXAMINATION**

6 BY MR. DEXTER:

7 Q Ms. Skuly, would you state your name for the
8 record please.

9 A I'm Barbara Skuly.

10 Q And would you indicate on whose behalf you're
11 testifying here today?

12 A I'm testifying in behalf of the Ashuelot River
13 Local Advisory Committee. I have been a member
14 since 1994, and I have been Chair of the
15 Committee since 2000.

16 Q And what role does the Committee play?

17 A The Committee had been formulated in '94 as
18 part of the New Hampshire Rivers Management
19 Protection Program, with the idea that the
20 local committee would advise New Hampshire DES
21 on issues related to the river.

22 Q And have you been in discussion with the
23 Committee over the proposal that Liberty has
24 made in this case?

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[WITNESS: Skuly]

1 A Yes. All information has been discussed with
2 the full board before any decisions have been
3 made as to our stance.

4 Q And my understanding is that you wanted to have
5 three exhibits included in this case, is that
6 right?

7 A Yes.

8 Q And the first one is Exhibit 9, is that
9 correct?

10 A Correct.

11 Q Could you describe what's been marked for
12 "Exhibit 9" please?

13 A I provided Exhibit 9 because of the concern
14 that our concerns regarding the environment and
15 the river could not be addressed by the PUC.
16 And what this represents is a string of e-mails
17 between myself and Ted Diers, who is
18 Administrator for the Water Management bureau
19 of DES. Where he clearly states that "Neither
20 Shoreland nor Wetlands would have oversight of
21 the actual boring or drilling portion of the
22 project." And while Liberty Utilities --

23 Q I want to interrupt you for a second, because I
24 couldn't understand the word that you said

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[WITNESS: Skuly]

1 before "drilling". You said --

2 A "Boring". "Boring". "Boring".

3 Q I'm sorry.

4 A B-o-r-i-n-g.

5 Q Boring?

6 A "Boring".

7 Q Yes. Go ahead. I'm sorry.

8 A Liberty Utilities have received a Shoreland
9 Permit, but that jurisdiction is very limited.
10 It basically just oversees the impacts in the
11 drill entry and exit locations. So, it doesn't
12 really cover any concerns that might occur with
13 the actual drilling process. And Mr. Diers had
14 stated that the PUC would be the appropriate
15 location for us to address our concerns.

16 Q And what exactly are the concerns that you want
17 to express today?

18 A Our concerns were submitted to the PUC in July
19 of this year. But, at this point, safety was a
20 big issue and possible eruptions into the
21 streambed of the river and the impact on the
22 aquatic biota and the health of the river.

23 I have since also submitted Exhibit 10,
24 which is an article in the Sentinel, and I

[WITNESS: Skuly]

1 realize that's a secondary source. However, it
2 addresses some concerns about the reliability
3 of the utility to follow through on the
4 procedures and protocol that they have
5 established.

6 During discovery, Liberty Utilities had
7 provided an O&M manual information to describe
8 what protocols they do undertake for drilling.
9 Again, given the history, where it appears
10 Liberty had been fined just within the last
11 year, because they did not follow their own
12 documentation procedures, I question their
13 reliability in following their procedures for
14 the high density drilling. And feel that it
15 would be important that there be a separate
16 assigned monitor to oversee the activity
17 happening if the drilling does proceed.

18 CHAIRMAN HONIGBERG: Hold on, Mr.
19 Dexter. Off the record.

20 *[Brief off-the-record discussion*
21 *ensued.]*

22 CHAIRMAN HONIGBERG: Sorry. We can
23 go back on, Mr. Dexter.

24 MR. DEXTER: Yes.

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[WITNESS: Skuly]

1 BY MR. DEXTER:

2 Q Ms. Skuly, I want to direct your attention to
3 the document that's been marked as "Exhibit 11"
4 in this case.

5 A Yes.

6 Q And I guess I would call it a "memorandum" or
7 "testimony" that you put together. Do you have
8 that in front of you?

9 A Yes, I do.

10 Q Could you explain what that is and -- well, let
11 me ask you first, did you write this?

12 A Yes, I did.

13 Q Okay. Could you explain the contents of that
14 testimony?

15 A The contents basically list two existing
16 concerns and opinion that, if proper oversight
17 is not employed during the drilling, that there
18 might be harm to the public's right to a clean
19 and healthy river.

20 So, the first concern is that PUC be the
21 agency that oversees that this will indeed be
22 done in a proper and safe manner, and ensuring
23 and protecting the attributes of the river.

24 The second item has to do with reliability

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[WITNESS: Skuly]

1 of Liberty Utilities to follow their own
2 procedures. And the hope that there would be a
3 separate, individual person assigned to monitor
4 activities during the drilling, who would be
5 able to have an understanding of the potential
6 risks and manage situations that may cause
7 environmental damage.

8 Q And you've mentioned a couple of times a
9 "separate person". Could you explain what you
10 mean by "separate"? Separate and apart from
11 who or from what?

12 A Well, someone who would be assigned with the
13 expertise to understand the procedure, an
14 engineer, or someone experienced in the HDD,
15 who would be able to be sure that all of the
16 procedures that Liberty has stated as their
17 mode of operation do indeed get followed, to be
18 sure that there is no mess up.

19 MR. DEXTER: Thank you. Mr.
20 Chairman, I had intended to ask Ms. Skuly one
21 question, I guess which would be more in the
22 nature of cross-examination than direct, which
23 I just did.

24 Is it appropriate to do that now or

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[WITNESS: Skuly]

1 should I wait until it circles back to me?

2 CHAIRMAN HONIGBERG: I will leave
3 that to you, Mr. Dexter. If you want to do it
4 now, you can do it now, or --

5 MR. DEXTER: I think it would be more
6 efficient if I just did it now.

7 CHAIRMAN HONIGBERG: Go ahead.

8 **CROSS-EXAMINATION**

9 BY MR. DEXTER:

10 Q Ms. Skuly, I wanted to ask you if you had a
11 chance to review the document that's been
12 marked as "Exhibit 12", which is a memo that
13 the Commission Staff's Safety Division
14 submitted in this case on November 21st?

15 A I am guessing that what I had reviewed is
16 indeed Exhibit 12. I had seen an e-mail for
17 the Safety Division's report, which I am
18 guessing is indeed Exhibit 12.

19 Q Sure. And I can show it to you if there's any
20 doubt.

21 CHAIRMAN HONIGBERG: Well, why don't
22 we make sure that we're talking about the same
23 document.

24 *(Atty. Dexter showing document)*

[WITNESS: Skuly]

1 to the witness.)

2 BY THE WITNESS:

3 A Yes, it is.

4 BY MR. DEXTER:

5 Q Okay. So, part way into that document there
6 are a list of conditions that the Safety
7 Division has listed -- let me back up and let
8 me rephrase that question please. Could you
9 turn to Page 3 of the document.

10 A Yes.

11 Q Bates Page 003 at the bottom. The paragraph
12 entitled "Safety Division Staff Review
13 Conclusions and Conditions" reads "The Safety
14 Division approval of Liberty's petition under
15 RSA 371:17 and 371:20 with the following
16 conditions:" And then it lists six conditions.
17 Do you see those?

18 A Yes, I do.

19 Q If the Company were to comply with those six
20 conditions, would that satisfy the concerns
21 that you raised in Exhibit 11?

22 A My concern has to do with Item (e) under that
23 list, which would be the fifth item:

24 "Continuous monitoring for possible hydro

[WITNESS: Skuly]

1 fracture situations shall be provided during
2 the HDD operation."

3 Again, I think this continuous monitoring
4 has to be someone specifically assigned to just
5 monitor, and not be involved in the actual
6 process. So that that would be their whole
7 purpose, is to make sure that procedures are
8 indeed followed as they are outlined. And
9 that, if there are any issues that should be
10 developed -- that should develop during the
11 procedure, that they could stop the drilling
12 and assure that things are taken care of in an
13 environmentally sound manner.

14 MR. DEXTER: Thank you. That's all
15 the questions I had. Unless, Ms. Skuly,
16 there's something you'd like to add that I
17 didn't cover?

18 WITNESS SKULY: No.

19 CHAIRMAN HONIGBERG: Mr. Husband, do
20 you have any questions for Ms. Skuly?

21 MR. HUSBAND: No thank you. I have
22 no questions.

23 CHAIRMAN HONIGBERG: Mr. Sheehan?

24 MR. SHEEHAN: Thank you.

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[WITNESS: Skuly]

1 BY MR. SHEEHAN:

2 Q Ms. Skuly, the second tech session we had you
3 were not present.

4 A Yes.

5 Q But there were a few gentlemen there from
6 ARLAC, is that correct?

7 A Right.

8 Q And if I recall, one of them had a fair amount
9 of experience with the HDD process.

10 A Correct.

11 Q I apologize, I don't remember his name.

12 A That would be Gus Merwin.

13 Q Last name?

14 A Merwin, M-e-r-w-i-n.

15 Q Would it satisfy your concern if the Company
16 simply said to Mr. Merwin "You're welcome to
17 hang around the drilling process, wearing the
18 proper equipment"?

19 A No.

20 Q Why not?

21 A Because that's not someone -- I mean, he does
22 have a good deal of experience, but this is not
23 his profession at this point in time. And I
24 think it needs to be a professional who is well

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[WITNESS: Skuly]

1 geared in understanding what's happening.

2 MR. SHEEHAN: I have no further
3 questions.

4 CHAIRMAN HONIGBERG: Commissioner
5 Bailey.

6 BY CMSR. BAILEY:

7 Q If Mr. Merwin had the authority to halt the
8 operations, would that make a difference? Or
9 do you think -- do you have an environmental
10 firm in mind or --

11 A I don't have a firm in mind. But I don't
12 think -- I personally don't know exactly how
13 current Mr. Merwin's, you know, information
14 base is. I think it's pretty good. But I
15 would like to see someone who's actively
16 involved with this process, who has a current
17 understanding of the science and the
18 technology, to be overseeing exactly each
19 procedure as it's going along.

20 Q And would that be somebody from DES or --

21 A No. No, no. It would probably be an engineer,
22 or whoever does, you know, the HDD drilling.
23 But separate from the actual contractor, and
24 separate from Liberty, who would make sure that

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[WITNESS: Skuly]

1 these procedures are indeed being followed.

2 Q Have you ever, in your experience with the
3 River Protection Committee, been involved in an
4 HDD drill before?

5 A We haven't been directly involved. There was a
6 drilling under the river in West Swanzey to put
7 a water pipeline under the river. And that
8 would have been a number of years ago --
9 whoosh -- more than ten.

10 Q Okay. So, an environmental monitor at that
11 time may or may not --

12 A May or may not have been, right.

13 CMSR. BAILEY: Okay. Thank you.

14 CHAIRMAN HONIGBERG: Commissioner
15 Giaimo.

16 CMSR. GIAIMO: Good afternoon.

17 BY CMSR. GIAIMO:

18 Q I'm looking at Exhibit 11.

19 A Yup.

20 Q And on the second page, last paragraph: "Given
21 the project's proximity to the river and
22 groundwater".

23 A Yes.

24 Q Can you help me out? Is there specific

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[WITNESS: Skuly]

1 groundwater? Are there specific wells that is
2 at play here? Is it that the water will cycle
3 into wells? Just fill me in a little bit.

4 A Right. The concern here is this is a very
5 porous material with a high water table, so
6 that they will be drilling through the water
7 table. And any time you go through a water
8 table, there's always the possibility of
9 contamination.

10 Liberty has stated that the drilling is so
11 fast that there's very little possibility, I
12 believe this is my understanding anyway, that
13 there is very little possibility of actual
14 contamination from the drilling process. And
15 at this point, the drilling process -- the
16 contamination could occur through the leaking
17 of hydraulic fluids or petroleum products
18 through the surface of the land and down into
19 the aquifer, which is a high-yield aquifer.

20 Q So, in my own layman's terms, there could -- it
21 could leach into groundwater, groundwater
22 sources in the area. That's the concern?

23 A It could, from the top. Sounds like not likely
24 with the actual drilling, when they penetrate

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[WITNESS: Skuly]

1 the water table. Again, that's based on what I
2 heard Liberty say.

3 CMSR. GIAIMO: Thank you.

4 CHAIRMAN HONIGBERG: I have no
5 questions for Ms. Skuly.

6 Is there anything, in light of the
7 questions you've been asked, that you want to
8 supplement or respond to?

9 WITNESS SKULY: I think not.

10 CHAIRMAN HONIGBERG: Well, then thank
11 you for your testimony. You can return to your
12 seat.

13 WITNESS SKULY: Thank you.

14 CHAIRMAN HONIGBERG: Mr. Dexter, I
15 think your witnesses are up next, correct?

16 MR. DEXTER: I believe so. Thank
17 you.

18 CHAIRMAN HONIGBERG: Mr. Patnaude.

19 (Whereupon **Paul Kasper** and
20 **Randall Knepper** were duly sworn
21 by the Court Reporter.)

22 CHAIRMAN HONIGBERG: Mr. Dexter.

23 **PAUL KASPER, SWORN**

24 **RANDALL KNEPPER, SWORN**

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DIRECT EXAMINATION

BY MR. DEXTER:

Q Starting with the gentleman closest to me,
would you please identify yourself for the
record.

A (Knepper) I'm Randy Knepper. I am the Director
of Safety for the Public Utilities Commission.

Q And the gentleman to your left, would you do
the same.

A (Kasper) My name is Paul Kasper. And I'm the
Assistant Director of Safety and Security at
the PUC.

Q Mr. Knepper, would you give us a brief
description of your educational and
professional background please.

A (Knepper) I'm a Registered Engineer for the
State of New Hampshire, a Mechanical and Civil
degree. I've worked with utilities my entire
life, which is probably -- my working career
probably spans over close to 30 years, more or
less. Worked with electrical utilities, water
utilities, gas utilities. I think I'm familiar
with most of the topics that we discussed
today.

[WITNESS PANEL: Kasper|Knepper]

1 Q And, Mr. Kasper, would you do the same please.

2 A (Kasper) My professional experience has been
3 about 36 years in the electric utility
4 industry, primarily underground systems. I
5 have a Bachelor's degree from Northeastern
6 University in Management Information Systems,
7 and a Master's from Lesley University in
8 Management. I primarily did integrations of
9 systems for the electric world. And at one
10 point, in the year 2000, I went into the
11 consulting world, and I worked for a consulting
12 firm. I did an integration of an electric
13 commuter rail control system with a new train
14 announcement system.

15 Q And how long have you been with the Public
16 Utilities Commission?

17 A (Kasper) I've been with the New Hampshire PUC
18 since April 13th, 2018.

19 Q And is this your first time testifying before
20 the Commission?

21 A (Kasper) That's correct.

22 Q I'd like to direct both of your attentions to
23 the document that's been marked as "Exhibit 12"
24 in this proceeding. It's a memorandum from the

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[WITNESS PANEL: Kasper|Knepper]

1 Safety Division concerning the Petition at
2 hand.

3 Mr. Kasper, it indicates that the memo was
4 prepared by you, is that correct?

5 A (Kasper) That's correct.

6 Q Do you have any corrections you'd like to make
7 to the memo or updates or anything of that
8 nature?

9 A (Kasper) Yes, I do. I noticed that there was a
10 typo error. On Page 3, under "Safety Division
11 Staff Review Conclusions and Conditions", it
12 should have read "The Safety Division supports
13 approval of Liberty's petition".

14 Q So, you would insert the word "supports" after
15 "The Safety Division"?

16 A (Kasper) Correct.

17 Q And that would explain why, when I read that
18 sentence earlier, it sounded a little awkward?

19 A (Kasper) Yes.

20 Q Mr. Knepper, did you have any role in preparing
21 this memo?

22 A (Knepper) Yes, I reviewed it, and when Paul was
23 putting it together.

24 Q And did you give ultimate sign-off on the memo?

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[WITNESS PANEL: Kasper|Knepper]

1 A (Knepper) Yes, including the typo.

2 Q And I'll direct these questions to either one
3 of you who would like to answer. Could you
4 give us a brief summary of the contents of the
5 memo please?

6 A (Kasper) After review of Liberty's Petition,
7 the conclusion and the conditions we came to
8 was that it was primarily to provide an
9 additional loop for the gas distribution system
10 in Keene. Which is prevalent in the utility
11 industry, whether water, electric, gas, to have
12 loop schemes. It provides a safer and a more
13 reliable service to customers.

14 And reading their Petition, it appeared
15 that somewhere down the road the West Street
16 Bridge in Keene needs to probably be repaired,
17 and the gas main going across the West Street
18 Bridge probably needs to be replaced. So, it
19 certainly looked like a viable option to have a
20 loop scheme using the Winchester Street
21 crossing.

22 A (Knepper) I'd like to add that we also kind of
23 paid heed to the Commission's Order of Notice
24 to just look at the safety function, the safety

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[WITNESS PANEL: Kasper|Knepper]

1 aspects, and the functional use of the river.
2 And we did not delve too much into
3 environmental issues and energy efficiency, and
4 some of those other things that were discussed
5 today.

6 Q Earlier I pointed out the six conditions that
7 you recommended in connection with your
8 support. Could you comment on those conditions
9 please?

10 A (Kasper) Doing research on HDD, and what -- we
11 actually have a book that we had looked --
12 read. And there really is not a firm, I guess,
13 description of how, the conditions to use HDD.
14 But this is a good practicing guideline, which
15 seems to be concurrent with what, you know, you
16 can find through doing research, that there is
17 no federal standard for HDD.

18 But I don't know if --

19 Q Did you want to add something, Mr. Knepper?

20 A (Knepper) Well, I can go through these, (a)
21 through (f), if that's helpful?

22 Q Yes.

23 A (Knepper) So, on Bates Page 003, under the
24 section where it says "Safety Division Staff

[WITNESS PANEL: Kasper|Knepper]

1 Review...Conditions", these are conditions that
2 we would offer to the Commission to consider,
3 if they were to do an approval, to impose some
4 conditions that go with that approval. It's up
5 to the Commission to include these or not.

6 So, the first one, (a), is just to make
7 sure that, you know, if you say you're going to
8 put an 8-inch pipe in, and you're not coming
9 back and put a 40-inch pipe in, or you're not
10 putting it in a different location than what
11 you have petitioned for or shown or have
12 stated. That's a standard condition that we
13 apply with many utilities.

14 The second one is to incorporate the North
15 American Society for Trenchless Technology's
16 Horizontal Directional Drilling Good Practices
17 Guideline, the fourth edition is a 2017
18 edition. When I first started looking at HDD
19 guidelines, at the time I first started doing
20 it, they only had the second edition. And so,
21 this is the latest one that they have. And
22 within that guideline is a lot of areas to look
23 at when you're doing horizontal drilling.

24 Q Can I interrupt you there for a second, Mr.

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1 Knepper?

2 A (Knepper) Yes.

3 Q Is that Practices Guideline (4th edition) that
4 you just referenced, is that the book that
5 Mr. Kasper was just talking about?

6 A (Knepper) That is the book.

7 Q And that's the same thing that Mr. Kasper was
8 just referring to?

9 A (Knepper) Correct.

10 Q Okay.

11 A (Knepper) That is the same.

12 Q Thank you.

13 A So, because there is no definite standard
14 within our PUC rules about a horizontal
15 directional drilling, and there isn't a lot in
16 Part 192, and considering that as a
17 construction technique, all you have now is
18 best practices. So, there is no standard
19 that's incorporated in any of the regulations.
20 So, we thought it was wise to include that as a
21 condition.

22 In number (c) there, that we wanted to
23 make sure that they will operate and maintain
24 the crossing once it's in there, and that they

[WITNESS PANEL: Kasper|Knepper]

1 need to conform to the most recent editions of
2 192. So, if they put a high-density
3 polyethylene pipe in, and it's of such-and-such
4 a material, and find out that material later
5 on, in 15 years, is no good and you have to
6 replace it, then we would want them to follow
7 that.

8 So, Part 192 is -- it's not a standard,
9 it's updated every five years, it's continually
10 being amended by the federal government. And
11 it is a minimal requirement.

12 Under Part (d), we would like Liberty to
13 put above ground markers for identification
14 that there is a pipeline on either side of the
15 river. That is not a requirement within the
16 Safety. You have to do it for transmission
17 lines. But we think this is a distribution
18 line, it makes sense. And it's something that
19 we have required of Liberty to do in other
20 locations.

21 We also believe that that pipe has to be
22 part of the Underground Damage Prevention
23 System, and so you have to be able to locate it
24 in the future, whether it goes under a river or

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[WITNESS PANEL: Kasper|Knepper]

1 under land, so you need some sort of locate --
2 locatability for that pipe. And traditionally,
3 it's done with tracer wire. But we didn't see
4 anything in the Petition that mentioned that.

5 (e) is something we've already talked
6 about, continuous monitoring during the HDD
7 operation. So, what I mean by that is probably
8 not what other people mean by that, or what the
9 Safety Division means is we expect Liberty to
10 have somebody on-site to monitor that when the
11 drilling operation is occurring, because the
12 person is usually on one side of the river, and
13 they can't necessarily see all aspects of it if
14 there were a frac-out to occur. So that can be
15 a Liberty employee. It can be a contractor.
16 But someone should be on-site besides just the
17 driller themselves.

18 We've done -- we thought that was a good
19 measure to put in, because, if a frac-out is to
20 occur, you want to be able to recognize it as
21 quickly as possible, so that there is minimal
22 disruption to the waters and environmental side
23 effects.

24 And then (f) is we think that you should

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[WITNESS PANEL: Kasper|Knepper]

1 have some containment measures so that --
2 already set up, if there is a start of
3 something there, if something does occur, I
4 think we've heard on the stand today that they
5 talked about a turbidity curtain would be
6 placed on the sides. The whole idea is to not
7 have to go and wait somewhere else and to wait
8 for that stuff to arrive. If something were to
9 occur, that they could be implemented quickly.

10 Those procedures and what that is all has
11 to be detailed out. And at this point in time,
12 Liberty has not. They probably will, once they
13 select a contractor and use some of the
14 existing practices that are both in the -- that
15 we've recommended, as well as what the
16 contractor has used before.

17 And then, the last one, you need to have
18 some cleanup procedures implemented, so that,
19 if you do, you need to contact both us, at the
20 PUC, and DES, so that we're aware that the HDD
21 operation is going to begin, and if there was a
22 problem to occur.

23 We may or may not be on-site when this
24 occurs, when the drill is. We may try to be

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[WITNESS PANEL: Kasper|Knepper]

1 there. But our demands are pretty large.
2 There's a lot of projects going on in the state
3 at the same time, and we have a very small
4 staff. So, we'll try to coordinate to be
5 there. We've been there for other HDD drills,
6 but not all. And we see a very small
7 percentage of the activity that Liberty does on
8 a daily basis.

9 So, those are the clarifications of (a)
10 through (f).

11 Q You both listened to the testimony of Liberty's
12 witnesses today, is that correct?

13 A (Knepper) Yes.

14 A (Kasper) Yes.

15 Q And do you have any concerns or comments you'd
16 like to make about what you heard this morning?

17 A (Kasper) I do not, no.

18 A (Knepper) Yes. Just my only -- when we looked
19 at the "public need", you'll see it above it on
20 that Page 3, those are the things that we
21 considered as far as "public need". We did not
22 get into analyzing how much gas you need on a
23 design degree day or what the capacity is of
24 the system. We rarely do that on these river

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[WITNESS PANEL: Kasper|Knepper]

1 crossings or land crossings. And I don't
2 believe that is kind of what the Commission has
3 asked us to do on this or any other ones in the
4 past.

5 So, we do believe that it will add
6 reliability. We did go and look through
7 Liberty's systems to see how many other towns
8 had river crossings or major rivers that went
9 through the cities that either, you know, broke
10 the city into quadrants or bisected it. And we
11 found that there was many in Nashua,
12 Manchester, and Concord.

13 To answer Commissioner Honigberg's
14 question about Concord. It's the Sewalls Falls
15 Bridge, it's the Manchester Street Bridge, and
16 it's the Bridge Street or Loudon Road Bridge
17 where they cross. All those are on bridges
18 themselves. They are not HDD drilled.

19 Q And finally, is this issuing recommendations on
20 river crossings something that your division
21 does on a regular basis?

22 A (Knepper) It seems like so, yes.

23 Q And based on your experience and based on the
24 testimony that you heard from Liberty today,

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[WITNESS PANEL: Kasper|Knepper]

1 does that in any way change the recommendation
2 that you put forth in the memo of
3 November 21st?

4 A (Knepper) No. Paul, do you want to answer?

5 A (Kasper) No. Just I didn't see anything that,
6 you know, that we have written since I've been
7 here about maybe two other crossings for the
8 electric utilities, that both went under, that
9 were horizontal drilling, under Lake
10 Winnepesaukee. And again, it was to provide,
11 you know, dual feeds to different islands,
12 again, for reliability purposes, and to
13 replace, you know, aging infrastructure. So,
14 it didn't, reading their Petition, just didn't
15 seem anything out of the ordinary.

16 MR. DEXTER: Thank you. That's all
17 the questions I have.

18 CHAIRMAN HONIGBERG: Mr. Husband, do
19 you have questions for the panel?

20 MR. HUSBAND: Thank you. Yes. A few
21 please.

22 **CROSS-EXAMINATION**

23 BY MR. HUSBAND:

24 Q Whichever gentleman has Exhibit 12 handy, and

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[WITNESS PANEL: Kasper|Knepper]

1 feels qualified to answer this question.
2 Looking at (d) on Page 3, "Liberty shall use
3 above ground pipeline markers". My question
4 is, will any of these markers be required in
5 the Keene park itself that the pipeline is
6 going to run through?

7 A (Knepper) I'd have to look at the drawing
8 closely to see if it's actually going to fall
9 within the park itself.

10 MR. DEXTER: May I provide the
11 witness exhibits?

12 CHAIRMAN HONIGBERG: Sure, if it
13 would help Mr. Knepper answer the question.

14 *(Atty. Dexter handing documents*
15 *to Witness Knepper.)*

16 **BY THE WITNESS:**

17 A (Knepper) So, a marker is no more than
18 two inches in diameter. So, they're not very
19 large. They're about three feet tall. They
20 will have their -- typically, they will have
21 Liberty Utilities, their emergency number. And
22 they're typically made of plastic. So that
23 someone has an idea that there is a pipeline
24 there.

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[WITNESS PANEL: Kasper|Knepper]

1 Thanks. I was hoping for the screen.

2 CHAIRMAN HONIGBERG: Let's go off the
3 record for a minute.

4 *[Brief off-the-record discussion*
5 *and short pause.]*

6 **CONTINUED BY THE WITNESS:**

7 A (Knepper) So, it looks like, in that easement
8 area, to the west side, that could be in the
9 park. I don't know if there's an embankment
10 going up to that that includes that easement or
11 not. But we would try to get it as close to
12 the water as possible. And there would be
13 another one on the east side, typically, in the
14 embankment as well.

15 BY MR. HUSBAND:

16 Q Thank you. Mr. Knepper and Mr. Kasper, both of
17 you were here today for all of the witnesses'
18 testimony, correct?

19 A (Kasper) That's correct.

20 Q And you heard the discussion about redundancy
21 by all the witnesses?

22 A (Knepper) That's correct.

23 Q Are there feeds -- well, strike that. The
24 testimony I believe was that there are feeds in

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[WITNESS PANEL: Kasper|Knepper]

1 Keene that do not -- that are not redundant,
2 correct?

3 A (Knepper) Sure.

4 Q And I believe that the testimony was there's --
5 they're currently now only to pockets of
6 customers of less than 107 customers. Is that
7 the testimony you heard?

8 A (Knepper) That's what I heard from Liberty,
9 yes.

10 Q Okay. Are you familiar with whether all of the
11 number of customers in Keene that are receiving
12 redundant service at this time?

13 A (Knepper) I'm not so sure by "redundant
14 service". I'd have to see the system map,
15 probably have to refresh it to look at it.
16 But --

17 Q Well, if --

18 A (Knepper) I mean, there's lots of areas that
19 are radial, radially fed. So, you know, lots
20 of streets that are one-way fed. Not really
21 sure what you're asking.

22 Q So, lots of streets only have one-way feeds?

23 A (Knepper) Sure. Even on this, after you cross
24 the river, you're crossing a highway, you

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[WITNESS PANEL: Kasper|Knepper]

1 know --

2 Q So, overall, there are a lot of Keene customers
3 that are not now receiving redundant feeds,
4 correct?

5 A (Knepper) Well, if you look at the majority of
6 the customers, they are looped already within
7 there, if you look on the map that's on the
8 monitor. So, the majority of them are looped.
9 But that you can see that there's ones where
10 they're not.

11 Q Right. And the PUC does not require redundancy
12 as a necessary part of pipeline planning, does
13 it?

14 A (Knepper) As a "necessary"? We think it's a
15 good practice. Because one of our overriding
16 statutes is safety and adequacy and
17 reliability, and redundancy is part of the
18 adequacy determination. And so, in any of the
19 utilities that we oversee, we try to meet that.
20 And to do that without having -- they try to
21 eliminate radial systems whenever they can,
22 depending upon a cost/benefit test.

23 Q Right. It's a good goal to achieve, but the
24 PUC does not currently have any rules,

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[WITNESS PANEL: Kasper|Knepper]

1 regulations, requirements that you're aware of
2 that require all customers to have redundant
3 feeds?

4 A (Knepper) That's correct.

5 Q And, in fact, throughout New Hampshire, Liberty
6 has numerous customers that are currently not
7 on -- not receiving redundant feeds, is that
8 correct?

9 A (Knepper) Sure.

10 Q In relation to the West Street crossing, you
11 heard the testimony today. What is your
12 understanding of what the main is on the West
13 Street crossing, what size it is?

14 Well, strike that. Do you have a
15 different understanding than what the testimony
16 was of Liberty today about the size of mains?

17 A (Knepper) I believe they said West Street
18 crossing is an 8-inch main going across the
19 bridge. That's West Street right now. And
20 there's various sizes on both sides of that.
21 But the crossing of the river itself is with an
22 8-inch main attached to the bridge.

23 Q And Liberty is proposing a loop feed for the
24 107 customers. Is that what you understand?

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[WITNESS PANEL: Kasper|Knepper]

1 A (Knepper) Yes. If you connect Westminster
2 Street to -- from the propane-air system, and
3 you connect it across the street, --

4 CHAIRMAN HONIGBERG: Winchester.

5 WITNESS KNEPPER: What?

6 CHAIRMAN HONIGBERG: Winchester.

7 WITNESS KNEPPER: Winchester, I'm
8 sorry. Did I say "Westminster"? My apologies.
9 Winchester Street.

10 **CONTINUED BY THE WITNESS:**

11 A (Knepper) -- would form a loop that's not
12 currently there. So, yes. That would form a
13 loop system.

14 BY MR. HUSBAND:

15 Q And then, the loop system as proposed, if there
16 is a -- wouldn't the capacity of 107 customers
17 be limited by the smallest main in that loop?

18 A (Knepper) So, capacity -- it's not as simple as
19 that, I guess. So, right? You need to know
20 where your loads are distributed along a
21 distribution system. And so, if you had all
22 your load at the end, then the answer to that
23 is "yes". But, because loads are distributed
24 along the way, the answer is "it's not as

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[WITNESS PANEL: Kasper|Knepper]

1 simple as that." You usually will run a model.
2 And then it gets even more complex, when you
3 have a loop system, because you get much more
4 capacity out of a loop, even with the smaller
5 pipes, than you do with larger pipes going one
6 way.

7 Q Would these 107 customers not be at the end of
8 the service with this loop?

9 A (Knepper) So, I'm not really sure when you say
10 "at the end of the service". So, if I'm
11 looking at the map, I see --

12 Q Well, if I could stop you there. I'm going by
13 what your definition is when you just said "end
14 of service". I believe I'm just adopting your
15 words, if I --

16 A (Knepper) Yes. So, the end of the system, if
17 you had all your load at the end of the system,
18 and you could take your 4-inch pipe, 8-inch
19 pipe, 12-inch pipe, 6-inch pipe, and do
20 hydraulics to determine an equivalent pipe.
21 But, because it's not that way, loads are
22 distributed along the way, you can't just
23 easily do that. And hopefully, Liberty is not
24 doing that.

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[WITNESS PANEL: Kasper|Knepper]

1 And then, when you compound it by putting
2 loops in between where those distributed loads
3 are, your capacity changes, and it usually
4 increases.

5 Q Do you believe that the 107 customers at issue
6 here are going to receive the full capacity of
7 an 8-inch pipeline?

8 A (Knepper) I don't know. I did not look at that
9 analysis.

10 Q And what factors would impact on that analysis?

11 A (Knepper) What factors would --

12 Q Why might they not receive an 8-inch pipeline
13 worth of capacity?

14 A (Knepper) I don't know, I don't view it the way
15 you're asking the question. It's really not
16 that important to me whether they put a 6-inch
17 pipe, a 12-inch pipe, an 8-inch pipe, it really
18 doesn't matter to me as to what the capacity
19 is. It's up to Liberty to determine what the
20 incremental capacity to gain is by putting
21 those in. I'm guessing it's going to be very
22 small, because, when you look at that short
23 length of pipe, 700 feet, over something that
24 is, you know, thousands of feet, it's probably

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[WITNESS PANEL: Kasper|Knepper]

1 not going to be that great of an impact.

2 But I can't say I've done the analysis,
3 because I haven't done that kind of a
4 calculation.

5 Q That wasn't part of your job in relation to
6 this project?

7 A (Knepper) No. And, in fact, I rarely do that
8 here at the Commission for any of the projects.
9 We would only do something like that if we felt
10 that the project was millions and millions and
11 millions of dollars and required that kind of
12 review, and the Commission would ask us to do
13 that kind of review, so that there was some
14 sort of -- they felt some sort of comfort in
15 doing that.

16 But we're not staffed to be able to review
17 every piece of pipe that's put in by Liberty
18 Utilities, or any other utility, in terms of
19 network modeling.

20 MR. HUSBAND: No. Thank you. I
21 understand. I just wanted to confirm that.

22 I have no further questions.

23 CHAIRMAN HONIGBERG: Ms. Skuly, do
24 you have questions for the panel?

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[WITNESS PANEL: Kasper|Knepper]

1 MS. SKULY: Yes, I do.

2 BY MS. SKULY:

3 Q Mr. Knepper, in October -- well, Liberty
4 Utilities is currently attempting to phase out
5 propane and move to natural gas. So,
6 October 3rd, the Safety Committee provided a
7 report regarding Phase 1 of that project. And
8 attached to that report was a possible
9 violation and a fine. Could you describe the
10 circumstances surrounding the fine?

11 A (Knepper) So, I'm quite familiar with the fine,
12 because I wrote it. And it was attached as an
13 appendix to the October 3rd report. But it had
14 to do with pressure testing the compressed
15 natural gas piping that they had installed from
16 the compression skid up to I'd say a fence
17 line, I guess, is where it stops now. There is
18 no compressed natural gas that goes into the
19 distribution system right now. It goes up to a
20 valve that's closed.

21 So, that Notice of Probable Violation was
22 written when we reviewed the procedures that
23 Liberty had spec'd out and to see if they were
24 followed, and found that there was many

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[WITNESS PANEL: Kasper|Knepper]

1 instances that they did not follow the
2 procedure. The procedure was very specific.
3 It was unusual for Liberty. It's much more
4 specific than their typical ones. And so, it
5 required a lot of other things that they
6 typically don't do. And we found that they
7 didn't do some of those, those requirements.

8 That being said, we also checked it
9 against the federal minimum regulations, and it
10 did meet the pressure testing regulations set
11 by the federal government. So, if -- but we
12 hold them to the standard of what they write,
13 what they memorialize, what they say. That's
14 what they should be doing.

15 MS. SKULY: Thank you.

16 CHAIRMAN HONIGBERG: That's it?

17 Mr. Sheehan, you have questions for the panel?

18 MR. SHEEHAN: Just a couple. Thank
19 you.

20 BY MR. SHEEHAN:

21 Q Part of Mr. Mills' testimony described what we
22 have called "Option A" and "Option B", which
23 are the two routes the pipe could take from the
24 same regulator pits. Does the Safety Division

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[WITNESS PANEL: Kasper|Knepper]

1 have -- let me back up. And what Mr. Mills
2 testified to was, if the Company could not get
3 an easement for Option A, and had to straighten
4 the path slightly to install Option B, would
5 that change the Staff's Safety Division
6 recommendation if we had to move to Option B?

7 A (Knepper) It does not, for me.

8 A (Kasper) It just may require to take a closer
9 look at Option B.

10 Q In response to ARLAC's request for someone to
11 monitor the drill itself, as I think Mr.
12 Knepper testified, certainly, the contractor
13 doing the HDD will be present, and certainly a
14 Liberty employee will be present, or so you've
15 recommended to make sure that a Liberty
16 employee would be present. Isn't it also true,
17 as you suggested, your staff may be there, may
18 not be there, but that's a possibility as well,
19 correct?

20 A (Knepper) It's possible. But we would have to,
21 you know, be coordinated ahead of time. We'd
22 have to know the date and time. Often these
23 things don't occur on the dates that they say
24 that they're going to happen. And so, a lot of

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[WITNESS PANEL: Kasper|Knepper]

1 times we don't get out there when that occurs.
2 And so, our job is not to hold up construction,
3 our job is to observe it when we can.

4 But, you know, we have to be in 50
5 communities. There's different activities
6 going on all the time. And we're kind of
7 picking and choosing what we can get to.

8 Q And the last question, there's been some
9 discussion about, generally, about pipelines
10 crossing rivers on bridges and pipelines
11 crossing beneath rivers, and there's certainly
12 been examples of both. Is there a preference
13 from the Safety Division whether a river
14 crossing should be done on a bridge or under
15 river, all things being equal?

16 A (Knepper) I don't think it's up for us to
17 determine what the method is that someone uses.
18 They all have their benefits, and there are
19 also disadvantages. If you're on a bridge,
20 you'd have more environmental checks, corrosion
21 checks later. You have to make sure that the
22 loadings are okay, make sure the rollers are
23 still aligned. You've got to make sure your
24 coatings are not degraded, things like that.

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[WITNESS PANEL: Kasper|Knepper]

1 They're also harder to get at to look at
2 sometimes, depending upon the bridge itself and
3 the span.

4 Horizontal drilling is used mostly because
5 they take away of the environmental aspects.
6 They don't have to get wetland permits, as
7 we've heard from before. That the DES tends to
8 prefer that. And a lot of people use it
9 because it's a quicker way of doing things.
10 Horizontal drilling tends to also be probably
11 more expensive, because it's not somebody that
12 they just have on staff. They have go out and
13 hire people, go out and get bids and all that.

14 So, there's a lot of pluses and minuses.
15 I'm not sure if there's any one way that we
16 prefer. I think it's up to the company.

17 MR. SHEEHAN: Okay. Thank you.

18 That's all I have.

19 CHAIRMAN HONIGBERG: Commissioner
20 Bailey.

21 BY CMSR. BAILEY:

22 Q Mr. Knepper, have you observed a HDD operation?

23 A (Knepper) Yes.

24 Q Many times?

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[WITNESS PANEL: Kasper|Knepper]

1 A (Knepper) Yes.

2 Q Is it usual that there's an environmental
3 engineer, separate and apart from the company
4 or the PUC Staff, that's monitoring these
5 operations?

6 A (Knepper) It's -- I'm sorry, say that again.

7 Q Have you observed -- I'll change the question.
8 Have you observed a separate environmental
9 engineer present at these kinds of operations?

10 A (Knepper) Most of the time we have not.

11 Q Okay. Have you ever?

12 A (Knepper) On the job sites that we've been out
13 to, we have not seen that.

14 CMSR. BAILEY: Okay. Thank you.
15 That's all I have.

16 CHAIRMAN HONIGBERG: Commissioner
17 Giaimo.

18 CMSR. GIAIMO: Just one question
19 following up on that.

20 BY CMSR. GIAIMO:

21 Q So, given your limited resources, do you
22 endorse what I think is Ms. Skuly's
23 recommendation, that a third party, an
24 independent environmental consultant, with

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[WITNESS PANEL: Kasper|Knepper]

1 requisite hydraulic and drilling expertise, to
2 make sure that everything goes properly, and to
3 be present to monitor the drilling process?

4 A (Knepper) Well, it all depends on if they have
5 the authority to enforce things or not, people,
6 typically, listening to people who have the
7 authority to enforce things. So, I think
8 that's dependent. I don't know if they have to
9 be an environmental engineer or not.

10 I'd want someone at least there present.
11 So, when somebody is doing the operation,
12 someone can say "hey, this isn't going the way
13 it's supposed to. Just we're seeing some
14 fracking out, some bubbling occurring."

15 We witnessed quite a few HDD drills when
16 UNH was putting their 14-mile line in. I'd say
17 about a good two or three miles of that was
18 horizontally drilled. So, they went underneath
19 highways, they went under rivers, they went
20 under wetlands, long drills. This is a very
21 short drill. This shouldn't take very long.

22 I just think somebody should be present
23 on-site. It's a condition that we haven't put
24 on others. But, given the hearing, we thought

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[WITNESS PANEL: Kasper|Knepper]

1 it was a good -- a good condition that we could
2 apply here. What the qualifications of that
3 individual are, I'm not so sure.

4 Q Do you have any idea how long it would take, I
5 thought I heard something earlier, but do you
6 have any idea how long the 700-foot -- that's
7 the right length, correct, 700-foot drill would
8 take? How long it would take?

9 A (Knepper) I'm guessing, two days tops. So, the
10 other remaining part of the days are to do, you
11 know, you have to dig your vaults, you have to
12 do tie-ins, you do the other aspects of it,
13 some of it's prepping.

14 But, if you're actually talking about when
15 the actual drill is going through, I thinking
16 it can probably be done, but it all depends on
17 what you hit, right? So, if you hit some rock
18 in between, now all of a sudden your two days
19 has turned into ten days.

20 Q Okay. So, being a half -- glass half-full sort
21 of person right now, what I thought I heard you
22 say earlier was that you would be amenable, to
23 the extent that you had resources, to
24 coordinate with the Company to be there to the

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[WITNESS PANEL: Kasper|Knepper]

1 extent possible. Is that accurate?

2 A (Knepper) If it fits into our schedule, we
3 would try to. But we may be away, training in
4 Oklahoma or something and not available.
5 There's a lot of things that come up that we're
6 just not there. And the Commission can always
7 ask us to be on-site as well.

8 CMSR. GIAIMO: Okay. Thank you.

9 BY CHAIRMAN HONIGBERG:

10 Q A number of people have alluded to the
11 qualifications of someone who could provide
12 continuous monitoring. And you, yourself, I
13 think, Mr. Knepper, just said you don't know
14 what the qualifications should be. But what
15 does a person need to know? What do they need
16 to be able to identify? If you told me to go
17 out and monitor that, I wouldn't even know what
18 I was looking at.

19 So, what would someone need to know to
20 monitor this appropriately?

21 A (Knepper) So, typically, we're going to look at
22 the procedure, we're going to review the
23 procedure with the operator. You would look to
24 see what his expectations are. You look to see

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[WITNESS PANEL: Kasper|Knepper]

1 what his drilling profile that he's entered in.
2 You look to see what his expectation is before
3 it goes along. And you have discussions while
4 you're there on-site. And it's slow. You
5 know, you're giving up a day of your time
6 watching this thing going on there.

7 And most of the time, their accuracies are
8 pretty good. They can come out to, you know,
9 they project a spot in the floor, and they will
10 come out, you know, within inches of where they
11 said they were going to be. So, it's usually
12 pretty good.

13 The concerns that I would have on this
14 project is, I want to make sure that the other
15 utilities are clearly identified so that
16 they're not hit. And that those clearances
17 are -- that they're actually, you know, what
18 they say they're going to be. And also, we'd
19 probably go back and look at the logs
20 themselves of the -- the boring logs that they
21 have done and things like that.

22 Q And that was helpful. But I want to go back
23 to, what qualifications or knowledge base does
24 the person need to have to be able to monitor

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[WITNESS PANEL: Kasper|Knepper]

1 this appropriately?

2 A (Knepper) You know, I can't tell you that there
3 is a set of criteria that I can point to, you
4 know. We've done it ourselves. Are we
5 qualified to do it? We do it, because it's
6 part of the construction that we're overseeing.
7 We, and up in Loudon, when they were working up
8 on 106, they had to cross two river crossings.
9 We've done it -- we do it every day for when
10 they cross driveways, and just crossing streets
11 they do horizontal drilling. So, it's not
12 something that we're -- I wouldn't say we've
13 gone to school and studied for it. There are
14 no qualifications.

15 Q Well, but I accept the premise of what you're
16 saying, that you and other members of the
17 Safety Division are qualified. I think, for
18 the most part, I think we would all agree with
19 that. But there's a lot of other people who
20 work at the Commission, most of whom do not
21 have your background and experience, or the
22 experience of the people in the Safety
23 Division. And I doubt we would want to send an
24 auditor, or someone from the Business Office,

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[WITNESS PANEL: Kasper|Knepper]

1 or one of the lawyers, who know nothing about
2 anything practical.

3 So, again, I mean, if we're going to go
4 outside the Commission, and outside the
5 Company, do we need to get someone with
6 particular qualifications? Or, alternatively,
7 would we be better off saying to the Company
8 "you are responsible for this, and for having
9 someone with the proper qualifications on-site,
10 at all times, with the independent authority to
11 stop things"?

12 A (Knepper) I think the latter is the way to go.

13 Q All right. A different topic, and I think this
14 is going to be for you, Mr. Kasper, because I
15 think the question was directed to you and you
16 answered it: "What would happen if the Company
17 said "Option B looks like the better option"?"
18 And you said you'd "need to take a closer look
19 at Option B." Can you be a little bit more
20 specific about what you would do that you
21 haven't already done, if Option B became the
22 operative approach?

23 A (Kasper) I guess I would want to take a closer
24 look at the drawing, and just to see, because

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[WITNESS PANEL: Kasper|Knepper]

1 it is going under that wing. I concentrated --
2 when I wrote this, I concentrated on Option A.

3 Q When did you become aware of Option B?

4 A (Kasper) The last tech session, was what,
5 November 8th, I believe, they talked of Option
6 B. But there was no specific at that time.

7 Q So, is this the first time you've seen the
8 schematics of it?

9 A (Kasper) That I've really started to look at
10 Option B.

11 CHAIRMAN HONIGBERG: Okay. And I
12 don't have anything else.

13 Mr. Dexter, do you have anything
14 further for the panel?

15 MR. DEXTER: Yes. I'd like to ask a
16 follow-up question.

17 **REDIRECT EXAMINATION**

18 BY MR. DEXTER:

19 Q Mr. Kasper, if you were to go back to the
20 office and look at the drawings that have been
21 submitted for Option B, how long do you think
22 it would take you to make any revisions, if
23 any, to your memo that was submitted?

24 A (Kasper) Probably maybe a couple of days, just,

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[WITNESS PANEL: Kasper|Knepper]

1 you know, a day to look at it.

2 MR. DEXTER: I don't know what the
3 appropriate format would be for that. But I
4 think it would be helpful if Mr. Kasper were
5 given that opportunity. Maybe we could reserve
6 an exhibit for either an updated memo or a
7 statement that he reaffirms the original memo.

8 CHAIRMAN HONIGBERG: I agree with
9 that. Mr. Sheehan, I think you probably agree
10 with that, too.

11 What we're going to do is set aside
12 Exhibit 13?

13 MS. DENO: Yes.

14 CHAIRMAN HONIGBERG: For a record
15 request from Mr. Kasper, or Mr. Knepper,
16 someone from the Safety Division, to provide
17 information or a recommendation regarding
18 Option B.

19 **(Exhibit 13 reserved)**

20 MR. DEXTER: Thank you. That's all I
21 have.

22 CHAIRMAN HONIGBERG: All right. I
23 think that's the last of the witnesses. So, I
24 think you gentlemen can return to your seats,

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1 or stay there, if you prefer.

2 With the exception of Exhibit 13, I
3 think we're ready to strike ID on Exhibits 1
4 through 12. I will note that the proposed
5 exhibit list that we were given, once you get
6 past 7, doesn't actually match up with the way
7 they were marked. So, I think the proposed
8 exhibit list is not an official document. The
9 exhibits are what the exhibits are as they were
10 marked and identified. So, 1 through 12 are
11 in, and we're waiting to get 13 from the Safety
12 Division.

13 Is there anything else we need to
14 do -- well, actually, there is one thing I want
15 to do, since we're a hearing on the merits.
16 Are there any members of the public here who
17 wish to provide public comment?

18 *[No verbal response.]*

19 CHAIRMAN HONIGBERG: All right. So,
20 with that, I think the last thing to do is have
21 the parties sum up. We will go in the
22 following order: We'll go Mr. Husband,
23 Ms. Skuly, Mr. Dexter, and then Mr. Sheehan.

24 Mr. Husband, why don't you start us

1 off.

2 MR. HUSBAND: Thank you very much,
3 Mr. Chairman.

4 *[Court reporter interruption.]*

5 MR. HUSBAND: Sorry about that.
6 Thank you, everyone, for allowing us to come in
7 here, and you spent your whole day on this, and
8 we really appreciate that.

9 Obviously, from what I've submitted
10 in the testimony that we've presented, you can
11 understand that Mr. Clark's position is that
12 this proposed new pipeline crossing is not
13 necessary, it doesn't meet the standards.
14 There are definitely alternatives that could be
15 undertaken. We've discussed the weatherization
16 and energy efficiency one. Today there are
17 other things that could be looked at, it sounds
18 like they haven't been. There is also really a
19 derth of evidence showing that there is any
20 need to repair or replace this pipeline.

21 So, while I do thank Liberty for its
22 time and assisting us in understanding what it
23 is doing through the discovery process here,
24 Mr. Clark does take exception to the claim that

1 there is a necessity for this pipeline, and
2 does not believe that the standards have been
3 met to approve the Petition in this proceeding.

4 CHAIRMAN HONIGBERG: Thank you, Mr.
5 Husband. Ms. Skuly.

6 MS. SKULY: Yes. I would like to
7 thank you for the opportunity to provide input
8 during this hearing. I also want to thank the
9 Safety Division for their recommendations,
10 which I think are quite applicable and strong.

11 Again, given the history of the
12 Company, I would reinforce the need for the
13 monitoring, a person dedicated simply to
14 monitor and not be involved in the actual
15 drilling.

16 CHAIRMAN HONIGBERG: Thank you,
17 Ms. Skuly. Mr. Dexter.

18 MR. DEXTER: Thank you. Staff
19 supports the proposing -- the crossing as
20 proposed, with the caveat that the Safety
21 Division will take a closer look at Option B
22 and comment on that in what's going to be
23 Exhibit 13.

24 The Safety Division has testified

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1 that the justifications for the need for the
2 project, including the redundancy to the
3 particular neighborhood, is sound engineering
4 practices and typical in gas utility planning.

5 There has been testimony that the
6 pipe will not interfere with the safe use of
7 the river or enjoyment of the river during the
8 construction or after.

9 And for those reasons, Staff supports
10 the Petition.

11 CHAIRMAN HONIGBERG: Thank you,
12 Mr. Dexter. Mr. Sheehan.

13 MR. SHEEHAN: Thank you. The Company
14 also thanks the participants for a -- although
15 a contested, a cordial process.

16 We believe we have satisfied the
17 requirements as set out in the statute. But,
18 as we find in the recent order in this docket,
19 that we have to show -- address the issues of
20 public safety and public functional use, along
21 with the need. The need is clearly satisfied
22 by the redundancy issue.

23 And second, it is satisfied by the
24 better way of repairing the Bridge [West?]

1 Street Bridge when that time comes. No one
2 contests that there's a 50 year-old pipe on
3 that bridge that should be repaired before it
4 fails, not after. And this repair will be much
5 easier with the redundancy. But, again, that's
6 only the secondary issue. So, we've satisfied
7 the "need" requirement.

8 We've also shown, by the distance
9 that the drilling pits will be from the river,
10 and the fact there will be no disturbance of
11 the ground between each drilling pit. That
12 there will be no interaction with the public,
13 except for some minor traffic issues where
14 those pits are, as Mr. Rokes described. And
15 so, there's no hinderance of the public
16 functional use of the area.

17 As far as public safety, I guess we
18 could call the monitor in a public safety
19 context, although it's not quite public safety,
20 but it's certainly close. We respectfully push
21 back a little on the need for an independent
22 monitor. It's an extra cost to the project.
23 And it is a precedent that shouldn't be applied
24 to crossings.

1 We have no objection to the
2 conditions the Safety Division recommended.
3 They do recommend a person designated to
4 monitor. And whether it's Mr. Mills, or
5 somebody from the Company who is knowledgeable,
6 who has clear authority to stop things if they
7 go awry, should be sufficient.

8 Remember that it is in the Company's
9 very strong interest to make sure this goes
10 well. And if there's any hint of a problem
11 during the process, we will be the first to
12 stop and make the appropriate calls and take
13 the appropriate actions. The last thing we
14 need is a problem with this project, or any
15 project like this.

16 So, with that being said, we ask
17 that -- and the final request is that you
18 approve both Option A and Option B, pending
19 Staff's update in Exhibit 13, so that, should
20 we need Option B, we don't have to return here.

21 With that, we ask that you approve
22 the Petition as filed, with Option B included.

23 CHAIRMAN HONIGBERG: All right.
24 Thank you very much, Mr. Sheehan.

1 With that, we will close the record,
2 with the exception of Exhibit 13, adjourn the
3 hearing, and take the matter under advisement.

4 ***(Whereupon the hearing was***
5 ***adjourned at 3:19 p.m.)***

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