NH Municipal Pipeline Coalition

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July 21, 2015

Chairman Martin P. Honigberg
Debra Howland, Executive Director and Secretary
NH Public Utilities Commission
21 S. Fruit Street – Suite 10
Concord, NH 03301

Re: DG 14-380 Liberty Precedent Agreement

Dear Chairman Honigberg and Ms. Howland:

We represent 14 New Hampshire towns affected by the proposed Northeast Energy Direct ("NED") high-pressure gas pipeline project. Given the project's potential impact on our communities, we have been closely following developments regarding Liberty's request for approval of its Precedent Agreement with Tennessee Gas Pipeline Company ("Tennessee"), including the New Hampshire PUC Staff's recent Settlement recommendation.

This letter urges the Commission to reject the Settlement as ill-advised and undertake a full review of the facts and merits of the case.

We believe:

- The capacity of the NED pipeline far exceeds the utility needs of New England (such that taking of private and public land for NED is more for the benefit of its owners than the benefit of New England gas consumers);
- The "need" for this project is better addressed by competing projects that would require less taking of private and public land; and
- The proposed pipeline route will dramatically impact protected conservation land, watersheds, and aquifers.

Any New England need for additional energy sources to meet peak demand may be met by other proposed resources. Several companies have proposed projects to bring more natural gas to New England. These include Spectra's Access Northeast project to increase gas supplies to power plants by .9 Bcf/day, and Portland Natural Gas Transmission System's project to increase gas supplies by up to 500,000 Dth/day in the region. Taken together, the capacity of these proposed pipelines far exceeds New England's projected energy needs. These viable alternatives have a similar "in service" dates to NED.

Moreover, the Spectra and Portland Natural Gas projects actually use existing gas pipeline rights of way. Kinder Morgan inaccurately describes the NED pipeline as mostly "co-located" with an existing power line easement owned by Eversource. The term co-location falsely implies the pipeline will be entirely within the power line right of way, and thus have little impact on adjacent land. This is not the

case. For technical reasons, the pipeline must be adjacent to, not under, the 350,000 volt powerline. Kinder Morgan must acquire approximately 100 feet of land *parallel* to the existing powerline easement. Therefore, the "co-location" of the pipeline has the same impact on private and public lands as it would if not co-located.

In addition, the NED project will more deeply and directly impact communities, wetlands and aquifers on the route than other project proposals. Trees will be cut and rivers tunneled under. Required blasting may damage wells, aquifers and buildings. Proposed compressor stations will be located near schools and businesses. Sensitive wetlands will be impacted by construction and excavation and the long-term persistent and harmful application of herbicides, among other methods, to control vegetative growth. Public policy should discourage projects that heavily impact conservation lands, water resources, and environmentally sensitive areas – especially when viable alternatives exist.

Significantly as well, expert testimony in this case has been highly critical of Liberty's proposal. For example, Staff sponsored the testimony of Ms. Whitten who unequivocally recommended that the Commission deny Liberty's Petition. Ms. Whitten characterized Liberty's proposal as not "least cost", "speculative", "not supported", and based not upon "industry standards", but instead upon an "aggressive single-scenario demand forecast that would leave the Company with substantial excess capacity that it would not completely absorb or grow into over the life of the contract." Whitten Testimony at 54-56. Other experts in the case have similarly submitted testimony indicating that Liberty's proposal was not least cost and that other alternatives were better solutions for New Hampshire ratepayers. All experts recommended that the Commission reject Liberty's proposal as filed.

In short, we believe that the proposed NED pipeline does not benefit New Hampshire or Liberty's customers. We urge you to reject the Staff's Settlement offer. The "need" NED is attempting to address can be accomplished in a much less disruptive way, in as timely a fashion, through other projects that use existing pipeline rights of way.

Sincerely,

Tad Putney
Town Administrator
Brookline

Susan Silverman
Member, Board of Selectmen
Fitzwilliam

Brian McCarthy
Town Administrator
Pelham

Charlie Moser
Member, Board of Selectmen
Mason

Kelley Collins
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Jason Hoch
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