

Dear New Hampshire Public Utilities Commission:

Regarding DG 14-380: Liberty made use of SENDOUT(R) simulation software (Analysis) to arrive at their current figure of cost merit erroneously.

The Analysis was performed in December 2014 (FDC-3), and is now obsolete and incorrect as of July 2015. Kinder Morgan changed their NED project in July of 2015. The project change has altered the cost per cubic foot of natural gas significantly and is not reflected in the Analysis. Surpluses are also erroneously presented and are still available for export (due to lack of subscriptions currently) as a typical contingency that should render larger volatility and pricing in domestic versus export global competition, not reflected in the Analysis. Surplus and overbuild usually penalizes the consumer.

Liberty's claim of NED being \$537 Million dollars (neglecting time-value of money over the time period of integration) less than competing projects cannot be claimed due to (but not limited to) this massive change in NED project scope.

Prima facie, there are seemingly incongruous discrepancies in the modeling methodologies - chosen - (emphasis added) for the Analysis rendering the simulations as dubious, erroneous or misleading. Regardless, the simulations contradict Liberties' own testimony.

Since NED is directly and explicitly encumbered in testimony from Liberty, NED MUST BE CONSIDERED for the ramifications of New Hampshire and rate payers.

The Analysis does not include effects of NED to New Hampshire businesses, residents (inclusive of effects to children), drinking water, endangered species, and eminent domain condemnation of 800 +/- households with 1000s of human livelihoods and their inhabitants (farms, home businesses, bed and breakfasts, tourism, retiree sole nest eggs as their primary real-estate, et cetera).

For basic example, if the cost of the pipeline is \$4B, with New Hampshire taking the brunt of the most mileage of pipe of all the New England States (71 miles of pipeline), coupled with Liberty's purporting of \$537M in savings, the net effect is that it will cost New Hampshire rate payers some \$2B +/- integrated (without excessive calculus and time-value of money) over the time period specified, less the \$537M in so-called savings. This can render a net cost to New Hampshire in the \$1.4B range. This analysis is omitted but is critical in consideration.

Further, Liberty does not include the basic engineering premise that in order to "tap" off the NED pipeline, west of Nashua, to supply customers in Nashua as a redundancy measure, that there are significant capital expenditures (usually at the cost of the rate payers) for regulator stations to reduce pressure from the 1000+ psi service pressure of the NED pipeline to city gate distribution and customer service pressures.

While Liberty or Kinder Morgan (Tennessee Gas et al.) may enjoy the benefits of errors and omissions insurance (or equivalent instruments and vehicles), the Public does not enjoy nor appreciate the potential exercise of these liberties by Liberty or Kinder Morgan as Tennessee Gas et al.

Please render the incomplete, erroneous or deceptive Settlement Agreement by Liberty of DG 14-380 as DENIED.

Our Best Thanks,  
C.Mack / Engineer