



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF PUBLIC HEARING AND EXTENSION OF TIME TO FILE WRITTEN COMMENTS

D.P.U. 16-05

May 23, 2016

Petition of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, for Approval of Firm Gas Transportation and Storage Agreements with Algonquin Gas Transmission Company, LLC, pursuant to G.L. c. 164, § 94A.

---

On January 15, 2016, Massachusetts Electric Company (“MECo”) and Nantucket Electric Company (“Nantucket Electric”), each d/b/a National Grid (collectively, “National Grid” or “Companies”) filed a petition with the Department of Public Utilities (“Department”) for approval, pursuant to G.L. c. 164, § 94A and to the requirements set forth in Investigation by the Department of Public Utilities Into the Means to Add Natural Gas Delivery Capacity to the New England Region, D.P.U. 15-37 (2015), of gas transportation and storage services agreements between the Companies and Algonquin Gas Transmission Company, LLC (“Algonquin”).

Specifically, National Grid is seeking approval of: (1) a firm gas transportation and storage contract for a Maximum Daily Total Quantity (“MDQ”) of 100,000 MMBtu/day of pipeline capacity and a Maximum Daily Withdrawal Quantity (“MDWQ”) of 80,000 MMBtu/day from storage, for a total Maximum Daily Transportation Quantity (“MDTQ”) of 180,000 MMBtu/day, between MECo and Algonquin for a primary term of 20 years; and (2) a firm gas transportation and storage contract for an MDQ of 500 MMBtu/day of pipeline capacity and an MDWQ of 400 MMBtu/day from storage, for a total MDTQ of 900 MMBtu/day, between Nantucket Electric and Algonquin for a primary term of 20 years (together, the “Agreements”). The Agreements involve Algonquin’s expansion of its pipeline capacity to provide incremental access to natural gas supplied from the Marcellus (Pennsylvania, West Virginia, Ohio, New York) and Utica (New York, Pennsylvania, Ohio, and West Virginia and extends under adjacent parts of Ontario and Quebec in Canada and Kentucky, Maryland, Tennessee, and Virginia in the United States) shale basins to the New England region, and the construction of a new liquefied natural gas (“LNG”) facility in Acushnet, Massachusetts. The overall project is known as the Access Northeast Project (“ANE Project”). The first phase of the ANE Project is expected to go into service on November 1, 2018. The Department has docketed this petition as D.P.U. 16-05.

National Grid also seeks approval of parameters for an electric reliability service program to administer the release of pipeline and storage capacity that the Companies would acquire pursuant to the Agreements. National Grid would release its pipeline and storage capacity in accordance with an electric reliability service tariff (“ERS tariff”) that is subject to Federal Energy Regulatory Commission (“FERC”) approval. Pursuant to the ERS tariff, National Grid would provide priority release of pipeline and storage capacity to gas-fired electric generators in the New England region.

The Companies also seek approval of transportation and storage contracts tariffs (“LGTSC tariffs”) that allow the Companies to recover from their retail ratepayers the costs associated with the Agreements. In addition, National Grid seeks approval of a financial incentive linked to the Agreements equal to 2.75 percent of the annual fixed contract payments.

A copy of the petition and accompanying exhibits are available for inspection during regular business hours at National Grid’s offices, 40 Sylvan Road, Waltham, Massachusetts. In addition, a copy of the petition and accompanying exhibits are available for inspection during regular business hours at the Department’s offices. Further, the filing also is available on the Department’s website (insert docket number 16-05) at:

<http://web1.env.state.ma.us/DPU/FileRoom/Dockets/DocketbyNumber>

The Department has previously held two public hearings to receive comments on the Companies’ petition. On March 10, 2016, the Department held a public hearing at its offices in Boston, Massachusetts. On May 3, 2016, the Department held a public hearing at Stoughton High School in Stoughton, Massachusetts. **The Department will conduct a third public hearing to receive comments on the Companies’ petition on Tuesday, June 14, 2016, at 5:00 p.m. at The Berkshire Athenaeum, Pittsfield’s Public Library, One Wendell Avenue, Pittsfield, MA 01201.**

Additionally, the Department has extended the deadline to file written comments in this docket until Friday, June 17, 2016. An original and one copy of all written comments must be filed with Mark D. Marini, Secretary, Department of Public Utilities, One South Station - 5<sup>th</sup> Floor, Boston, Massachusetts 02110, not later than the close of business on the dates noted above. One copy of all written comments must also be sent to the Companies’ counsel, John K. Habib, Esq. and Jessica C. Buno, Esq., Keegan Werlin LLP, 265 Franklin Street, Boston, Massachusetts 02110, and by email: [jhabib@keeganwerlin.com](mailto:jhabib@keeganwerlin.com) and [jbuno@keeganwerlin.com](mailto:jbuno@keeganwerlin.com).

Further, in addition to paper filings with the Department, all documents should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to [dpu.efiling@state.ma.us](mailto:dpu.efiling@state.ma.us) and the Hearing Officer, [David.J.Gold@state.ma.us](mailto:David.J.Gold@state.ma.us); or (2) on CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 16-05); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to

contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website, with access as provided above.

For further information regarding the Petition, please contact counsel for the Companies, John K. Habib, Esq. and Jessica C. Buno, Esq., Keegan Werlin LLP, 225 Franklin Street, Boston, Massachusetts 02110, (617)-951-1400. Any person desiring further information regarding this notice should contact David J. Gold, Hearing Officer, Department of Public Utilities, at (617) 305-3500.