

August 18, 2020

VIA ELECTRONIC MAIL ONLY

Mark D. Marini Department of Public Utilities One South Station, Second Floor Boston, MA 02110

RE:

D.P.U. 20-59

Joint Petition of Eversource Energy, Eversource Gas of Massachusetts, and Bay State Gas Company d/b/a Columbia Gas of Massachusetts and Settlement Agreement

Dear Secretary Marini:

On behalf of the Town of Longmeadow, Massachusetts, please find enclosed for filing Longmeadow's Petition to Intervene, Notice of Appearance of Counsel, and Certificate of Service in the above-referenced proceeding.

Thank you for your attention to this matter.

Sincerely.

Richard A Kanoff

Enclosures

Cc:

Sarah Spruce, Hearing Officer (sarah.spruce@mass.gov)

Peter Ray (peter.ray@mass.gov)

Matthew C. Campbell, Esq. (mcambell@keeganwerlin.com)

Prince Lobel Tye LLP
One International Place

Suite 3700

Boston, MA 02110

TEL: 617 456 8000 FAX: 617 456 8100

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF PUBLIC UTILITIES

Joint Petition of Eversource Energy, NiSource Inc., Eversource Gas of Massachusetts, and Bay State Gas Company d/b/a Columbia Gas of Massachusetts for Approval for (1) Sale of Bay State Gas Company to Eversource Energy; and (2) a Settlement Agreement Resolving the Proposed Sale and Two Pending Department Investigations Into the Merrimack Valley Incident

D.P.U. 20-59

PETITION TO INTERVENE OF THE TOWN OF LONGMEADOW

Pursuant to 220 C.M.R. § 1.03 and the Notice of Filing and Public Hearing, the Town of Longmeadow, Massachusetts ("Longmeadow" or the "Town") hereby petitions the Department of Public Utilities (the "Department") to intervene as a full party in the above-captioned docket. As grounds therefor, Longmeadow states as follows:

1. Longmeadow is an incorporated Massachusetts municipality located at 20 Williams Street, Longmeadow, Massachusetts. Longmeadow is located in the Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("Bay State") service territory and is a ratepayer of Bay State, as are numerous Longmeadow residents and businesses.

Background

2. On July 2, 2020, Eversource Energy ("Eversource"), Eversource Gas Company of Massachusetts ("Eversource Gas"), NiSource Inc. ("NiSource"), and Bay State (collectively "Companies") filed a petition with the Department for approval of the sale of substantially all of Bay State's assets to Eversource. Eversource intends to assign its rights under the proposed sale to Eversource Gas Company of Massachusetts ("EGMA").

- 3. On July 2, 2020, the Companies with the Office of the Attorney General ("AG"), the Department of Energy Resources ("DOER") and the Low-Income Weatherization and Fuel Assistance Program Network (collectively "Settling Parties") filed a proposed settlement agreement and joint motion for approval of the settlement that would resolve both the proposed sale and the Department's pending investigations in Bay State Gas Company, D.P.U. 19-140 and Bay State Gas Company, D.P.U. 19-141 in the instant case ("Joint Motion"). In the Joint Motion, the Settling Parties request approval of the Settlement Agreement pursuant to G.L. c. 164, §§ 94 and 96. See Joint Motion for Approval of Settlement Agreement, generally.
- 4. On July 24, 2020 the Department issued a Notice of Filing and Public Hearing ("Notice of Filing"), and set forth a schedule for interventions and for a public hearing. This Petition to Intervene is timely submitted pursuant to the Notice of Filing.
- 5. Pursuant to G.L. c. 164, § 96, the Department is required to review and approve the acquisition and undertake a detailed examination of "whether the acquisition of the resource is consistent with the public interest." As part of its review of whether a proposed transaction is in the public interest, the Department applies a "net benefits" test and reviews a number of factors including, inter alia, effect on the quality of service, societal costs, economic development, long term strategies that will assure a reliable and cost effective energy delivery system and other customer service related factors. See Joint Petitioners' Settlement Explanatory Statement at 4-5. Longmeadow's interests, as set forth below, are fully aligned with the Department's standard of review for petitions seeking approval of purchase and sale of assets pursuant to § 96.
- 6. In its submittal, Settling Parties ask the Department to approve the merger and the proposed settlement, stating that the Settlement Agreement "is designed to produce substantial

net benefits for Bay State Gas customers." <u>Id.</u> at 5, <u>see also</u> Settlement Agreement at 3-42. As part of its proposed net benefits, the Settlement Agreement includes, in addition to rate benefits, "numerous provisions relating to clean energy and charting a path forward for environmental sustainability." Joint Petitioners' Settlement Explanatory Statement at 5. These specific benefits include: (i) a Clean Energy Business Case analysis whereby EGMA and NSTAR Gas (together "Eversource Gas") will "prepare and submit an analysis of potential decarbonization strategies that may be implemented in relation to the reduction of GHG emissions associated with the sale and distribution of natural gas"; (ii) energy efficiency measures whereby EGMA commits to saving goals, budgets and term sheet commitments applicable to Bay State in the Three-Year Energy Plan; (iii) a Heat Pump incentive program whereby EGMA supports the commencement of a new program through the 2022-2024 energy plan "to provide targeted outreach and enhanced electrification incentives for customers in the municipalities affected by the Northampton moratorium"; (iv) gas demand response program whereby EGMA will initiate a gas demand response program that includes up to 2,000 customers for a term of three years, starting November 1, 2021 and (v) the EGMA heat pump pilot program "for residential gas heating customers in EGMA's service territory". Id. at 5-7; see also Settlement Agreement at 31-34; Settlement Appendix 1, 6. In addition, the Settling Parties propose a Comprehensive Safety Assessment and Implementation Plan that "will accomplish the thorough investigation, evaluation and review of all aspects of EGMA's operation" including among other things, (i) review of the distribution system to identify supply needs given current supply portfolio, (ii) assessment of system requirements and supply and demand forecasts and balances, (iii) analysis of existing portfolios for diversity, flexibility, reliability, risk exposure, mismatch of supply entitlements vs. demands by areas, (iv) review of upstream options (lateral

expansion/pipeline expansion, contracts with other shippers holder capacity and (v) potential for environmental improvements. Settlement Agreement at 4-7, 10-11; Settlement Appendix 1 at 1.

7. In short, in its filing, the Settling Parties present the Settlement Agreement as providing substantial net benefits to EGMA's customers and more directly, to existing Bay State customers, including Longmeadow, with respect to, among other things, rate implications, clean energy strategies and mechanisms, and distribution and supply resource requirements.

Standard of Review

8. The Department may "allow any person showing that he may be substantially and specifically affected by the proceeding to intervene as a party in whole or any portion of the proceeding, and allow any other interested person to participate by presentation of argument orally or in writing, or for any other limited purpose." See G.L. c. 30A, § 10(4); see also 220 C.M.R. § 1.03(1); Bay State Gas Company d/b/a Columbia Gas of Massachusetts, Hearing Officer Ruling on Petitions to Intervene, D.P.U. 15-39, at 7 (May 15, 2015); Boston Edison Co., D.P.U. 96-23, at 10 (citations omitted). As is set forth below, as a municipality, municipal ratepayer and with citizen ratepayers, Longmeadow is substantially and specifically affected by the proceeding, has unique interests that cannot be raised by any other petitioner, and fully meets the standard for full party intervention. The Town has a unique interest in protecting public safety, health, welfare and environment of its citizens.

Longmeadow Will Be Substantially and Specifically Affected

9. Longmeadow will be substantially and specifically affected by the terms of the Settlement Proposal and the outcome of this proceeding. As noted, the Settling Parties state that the Settlement Agreement would "provide net benefits" to customers including rate benefits, expanded access programs to reduce energy use, evaluations and development of

"decarbonization strategies" to reduce emissions associated with gas use, and specific analysis of gas supply, including a "review of the distribution system".

- 10. Longmeadow and its residents and businesses are among the "customers" to which the Settlement Agreement refers; as such, Longmeadow will be affected any rate implications of the Settlement Agreement and by any development of programs and strategies as set forth in the Settlement Agreement, including any possible impacts from the proposed Clean Energy Business Case strategies and the Comprehensive Safety Assessment and Implementation Plan. Accordingly, Longmeadow will be substantially and specifically impacted by programs and measures and choices that the EGMA may make on its behalf in the development and implementation of Settlement Agreement programs.
- in Longmeadow. This expansion, the Longmeadow Supply Strategy Project, involves, among other things, a three mile expansion of the distribution system in the Town. Columbia Gas of Massachusetts, D.P.U. 19-135, Exh. 2019 Long Range Forecast and Supply Plan, at 84, fn. 47. Bay State has stated it is in the "early phases" of this project and underscored its commitment to "engage with its municipal partners, community members, customers and other stakeholders as part of its process." The process would provide Columbia Gas/Bay State with the "opportunity to review the benefits of the project, the impact of alternatives considered and the planned environmental protections..." See Columbia Gas of Massachusetts, D.P.U. 19-135, Exh. D.P.U 2-6, at 2.

¹ The Supply Strategy Project may also include a new "point of delivery" to be constructed by Tennessee Gas Pipeline, LLC with associated infrastructure to be constructed by Bay State. <u>See</u> D.P.U. 19-135, Exh. D.P.U. 1-19.

Although likely not intended as such, this proceeding represents the beginning of 12. the process referenced by Bay State. The specific programs referenced in the Settlement Agreement as implemented and developed will allow for an analysis/assessment of existing Bay State projects, including the Longmeadow Supply Strategy Project. If the Settlement Agreement is to be meaningful to customers, ongoing projects must be evaluated as part of any implementation of the Clean Energy Business Case and Comprehensive Safety Assessment and Implementation Plan. Information gleaned from Settlement Agreement programs will doubtless be used to evaluate existing and future supply options, distribution system requirements, demand response opportunities, and energy efficiency measures. The results of these analyses will presumably inform ongoing and future planning for EGMA's customers, including Longmeadow and other former Bay State service territory customers, and be used to develop and assess future supply resources and associated distribution systems that may be deployed by EGMA to serve its customers, including Longmeadow. All of these ongoing initiatives may impact and affect the specific supply choices that Bay State had planned and more specifically impact the existing Bay State proposals to expand gas infrastructure in Longmeadow. It is quite likely that upon further review, the Longmeadow Supply Strategy Project would not be required as planned given the results of the evaluations and programs proposed in this case.² Accordingly, Longmeadow has a direct and substantial interest in the Settlement Agreement as proposed and the specific programs under consideration.

² Longmeadow submits that any ongoing plans with respect to the Longmeadow Supply Strategy Project should be deferred pending further evaluations and analysis as set forth in the Settlement Agreement and requests that any proposals to proceed be subject to such further review. Longmeadow believes it is inconsistent with the net benefits of the Settlement Agreement to expand infrastructure in the Town without the analyses as set forth in the Settlement Agreement with respect to the Clean Energy Business Case and the Comprehensive Safety Assessment and Implementation Plan.

- impacted by the Settlement Agreement. Longmeadow, as a ratepayer town, will be impacted by the rate implications of the proposal. Moreover, Longmeadow has an interest in this case to ensure that EGMA fully reviews, as part of its implementation of the proposed studies and evaluations, Bay State's unwise policy choice to develop the Longmeadow Supply Strategy Project. Any failure to evaluate the Longmeadow Supply Strategy Project as part of the Settlement Agreement would expose the Town to avoidable costs, economic damage and risks from the construction of unnecessary gas infrastructure in the Town. Longmeadow would be prejudiced if it was not allowed to fully participate in this case.
- proceedings as a matter of course. See, e.g., The Berkshire Gas Company, Interlocutory Order, D.P.U. 15-178 (2016) (the Towns of Montague and Lenox were allowed to intervene in a related proceeding regarding the Supply Path). See also Aquarian Water Company, Order, D.P.U. 11-43 (2012) (the Towns of Oxford and Hull were allowed to intervene in a proceeding where they were ratepayers of the petitioner and therefore subject to proposed rate increases); and Robinson v. Dep't of Public Utils, 416 Mass. 668, 674, at fn. 2 (1993) (noting that the Department allowed the City of Boston, the Town of Chester, the Town of Monson, and the Town of Palmer, among others, to intervene); and Western Massachusetts Electric Company, Order, D.P.U. 10-70 (2011) (the City of Easthampton and the Town of Springfield were allowed to intervene in a proceeding where they were municipal ratepayers of the petitioner's service territory). Accordingly, under well-established Department precedents, and given the facts presented, Longmeadow is specifically and substantially affected and warrants status as a full intervenor.

15. In addition, Longmeadow's interests are not adequately represented by any third party. The Attorney General is focused on protecting the interests of ratepayers and has wide discretion in deciding how best to manage the complex, often competing interests in any given case. The Town will represent unique interests from its perspective as a municipality in Bay State's territory responsible for the health, safety and welfare of its citizens as taxpayers (and as ratepayers) including the economic development in the Town.

16. Longmeadow requests the right to participate as a full intervenor, in all aspects of this case, including, as it deems necessary, the presentation of testimony, cross-examination of witnesses, and presentation of arguments. Longmeadow is substantially and specifically affected by this proceeding, and neither the Attorney General nor any third party will adequately represent its interests.

Conclusion

Accordingly, for the above-described reasons, the Town respectfully requests that the Department grant its Petition to Intervene as a full party in this proceeding.

TOWN OF LONGMEADOW

By its attorneys,

Richard A. Kanoff (rkanoff@pricelobel.com)

Michael Thompson (mthompson@princelobel.com)

Prince Lobel Tye LLP

One International Place, Suite 3700

Boston, MA 02110

Telephone: 617-456-8132

Date: August 18, 2020

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

Joint Petition of Eversource Energy, NiSource Inc., Eversource Gas of Massachusetts, and Bay State Gas Company d/b/a Columbia Gas of Massachusetts for Approval for (1) Sale of Bay State Gas Company to Eversource Energy; and (2) a Settlement Agreement	D.P.U. 20-59
Resolving the Proposed Sale and Two Pending Department Investigations Into the Merrimack Valley Incident))))

NOTICE OF APPEARANCE OF COUNSEL

On behalf of the Town of Longmeadow, please enter the appearance of Richard A. Kanoff and Michael Thompson in the above captioned matter.

TOWN OF LONGMEADOW

By its attorneys,

Richard A. Kanoff Michael Thompson Prince Lobel Tye LLP

One International Place, Suite 3700

Boston, MA 02110

Telephone: 617-456-8132 rkanoff@pricelobel.com mthompson@princelobel.com

Date: August 18, 2020

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

Joint Petition of Eversource Energy, NiSource Inc., Eversource Gas of Massachusetts, and Bay State Gas Company d/b/a Columbia Gas of Massachusetts for Approval for (1) Sale of Bay State Gas Company to Eversource Energy; and (2) a Settlement Agreement Resolving the Proposed Sale and Two Pending Department Investigations Into the Merrimack Valley Incident	D.P.U. 20-59 D.P.U. 20-59
)

CERTIFICATE OF SERVICE

I hereby certify that on this day I have served a copy of the Petition to Intervene, Notice of Appearance, and Certificate of Service via electronic mail each person designated by the Massachusetts Department of Public Utilities for the above-captioned proceeding in accordance with Notice of Filing and Public Hearing.

Richard A. Kanoff

Prince Lobel Tye LLP

One International Place, Suite 3700

Richard A. Kareff

Boston, MA 02110

Telephone: 617-456-8132 Facsimile: 617-456-8100

Date: August 18, 2020