



State of New Hampshire

HOUSE OF REPRESENTATIVES
33 North State Street
Legislative Office Building, Room 304
Concord, NH 03301-6334

Robert E. Introne
Chairman
Herbert D. Richardson
Vice Chairman

TEL: (603) 271-3396
TDD Access: Relay NH 1-800-735-2964

COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

New Hampshire Site Evaluation Committee
Pamela G. Monroe, Administrator
21 South Fruit Street, Suite 10
Concord, NH 03301

October 30, 2015

Dear Site Evaluation Committee:

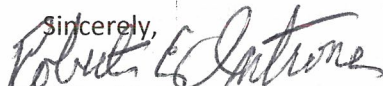
Recently, along with other members of the NH House Science Technology and Energy Committee, I met with representatives of the Sea-3 propane facility to discuss a wide range of issues associated with the energy and fuels market in New Hampshire. As you are aware, the Sea-3 facility in Newington, NH is preparing to make a significant capital investment in their plant that will address the very real need for propane storage in our state. In order to move forward with this project, they are requesting that the Site Evaluation Committee (SEC) grant them an exemption from the full adjudicated proceeding. I would urge the SEC to grant this request and help this project move forward.

Over the past several winters, New Hampshire has experienced real propane shortfalls and challenging constraints in supply. The impacts on New Hampshire families and businesses are critical; as a state we must be able to ensure that we have an adequate and reliable energy infrastructure. The 23 million gallon propane storage facility that Sea-3 operates is an important hedge against what has become a just in time delivery structure, that is too unreliable to bet our future on. Because of an abundance of domestic, low cost propane that is delivered by rail, the Sea-3 facility can be the important storage solution that we need.

In addition to addressing the need to invest in adequate storage capability, the Sea-3 project will also allow for lower cost domestically produced propane to come into the NH market and help lower the costs of heating homes and powering our businesses. Some of these lower energy costs related to domestic supply are already being seen in the form of lower cost natural gas, but unfortunately, more than 180 communities in New Hampshire do not have access to these lower cost supplies. Our hope is that once the SEA-3 project is completed, the facility will have the ability to bring in lower cost fuel and the ability to transport and store it in the most economical fashion.

For many years the SEC law has included the ability to grant exemptions so long as the developer has met some basic requirements. When the Legislature reformed the SEC law in 2014 these exceptions provision were left in place and they seem to be met by this project. We would urge the Committee to move to a decision in the case soon, to ensure that our regulatory process is responsive to project needs and signals that New Hampshire has a sitting process that can work.

Thank you for your consideration of this matter.

Sincerely,

Robert Introne
Chairman