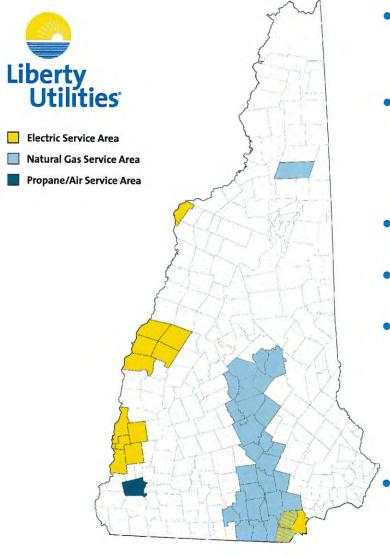


By New Hampshire. For New Hampshire.

Project Overview

Candia - 1/22/2018

About Liberty Utilities



- 91,000 gas customers in 31 communities (I-93 Corridor)
- 43,000 electric customers in 21 communities (Salem area and Upper Valley / CT River)
- Headquartered in Londonderry
- 340 employees
- Natural gas customers served via interstate pipelines, 3 liquefied natural gas (LNG) and 4 propane storage facilities
 - 5 customer walk-in centers (Concord, Lebanon, Salem, Londonderry & Keene)

Liberty Utilities

Granite Bridge Overview

Granite Bridge is a \$340 million natural gas pipeline and storage project designed to serve the residents and businesses of New Hampshire.

Pipeline

- 27 mile pipeline between Stratham and Manchester
- Located completely within NHDOT right-of-way along Route 101
- Use an "Energy Infrastructure Corridor"

Storage Facility

- 2 BCF liquefied natural gas (LNG) tank
- Located on 140 acre site in Epping (adjacent to Route 101)
- Full containment facility with state-of-the-art safety systems



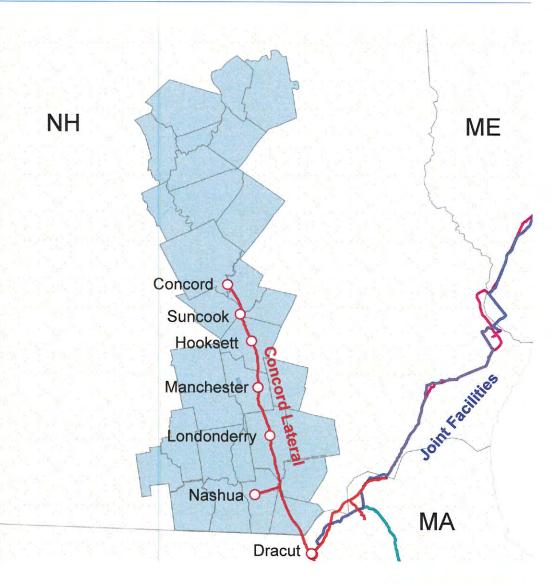
Needed Infrastructure Investment

Concord Lateral provides natural gas to southern and central New Hampshire

Concord Lateral has reached capacity

Without additional infrastructure:

- Limited natural gas supply
- Restricted economic growth
- Increased reliance on other heating fuels





Granite Bridge Pipeline

New 16" pipeline linking existing infrastructure

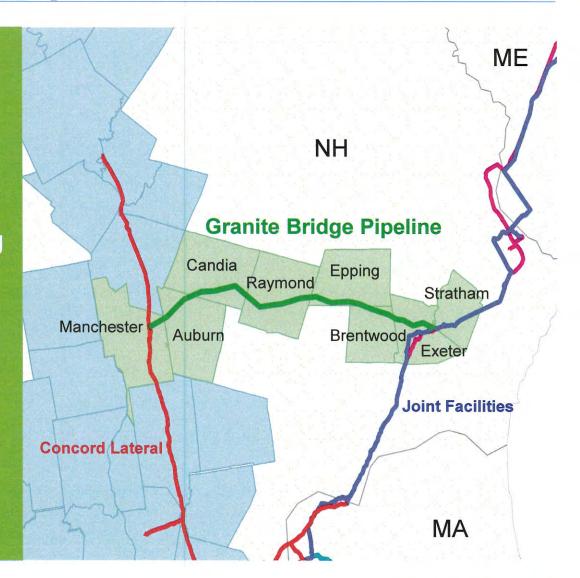
950 psi - maximum allowable operating pressure (MAOP)

750 psi - typical operating pressure

Utilize an Energy Infrastructure Corridor – NHDOT right-of-way

No eminent domain or FERC preemption

Lowest cost option to meet customers' needs





Granite Bridge Pipeline – Candia

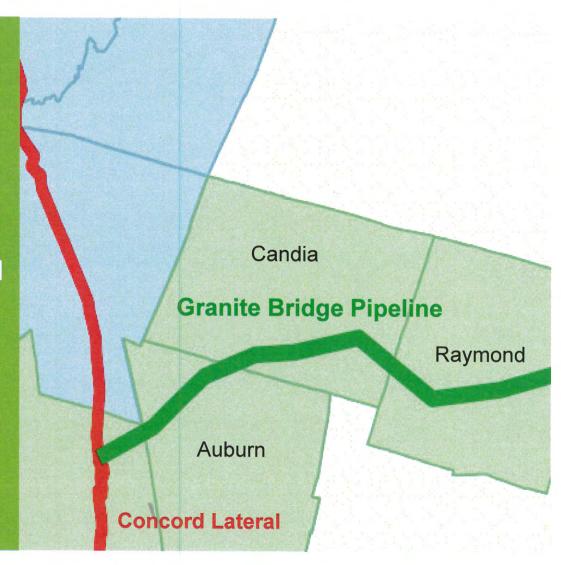
5.06 miles of 16" pipe

Located completely in NHDOT right-of-way

Northside of Route 101 West

Minimizes environmental impact and disruption to private and town property

Both lanes of Route 101 will stay open during high volume commuting





Commitment to Safety

The safety of our customers, employees and the public is our highest priority and a core value of Liberty Utilities

- LNG storage has been safely used for over 70 years to serve customers
- Granite Bridge has been designed to achieve the highest level of safety:
 - Full x-ray of all pipeline welds, inspections at fabrication mill
 - Pipeline buried 48" underground, within NHDOT right-of-way
 - Pipeline inspections would exceed federal requirements
 - Pipeline tested to 150% of maximum allowed operating pressure before being placed into service
 - Full containment LNG storage tank (tank within a tank)
 - Impoundment areas to contain liquid, in unlikely event of a release
 - On-site automatic fire protection and safety systems
 - 24/7 on-site and remote (Londonderry) monitoring & control of storage facility and pipeline
 - Coordination and training with first responders



Benefits to Candia

- Access to natural gas service for businesses and residents of Candia
 - Granite Bridge pipeline creates opportunity for new natural gas service in Candia – Exit 3
- Minimize impact to private and town property
 - Use of Route 101 Energy Infrastructure Corridor minimizes environmental and private property disturbance
- Increased Property Tax Revenues

\$26.31
2017 Candia Tax Rate

\$550,000
(Increased Property Tax – Year 1)

\$15 million
(Increased Property Tax – Project Life)



By New Hampshire. For New Hampshire.

Additional low-cost natural gas supply for New Hampshire

- New natural gas supply will only be used to serve customers in New Hampshire
- Lowest cost alternative to provide additional supply
- On average, over the past five years, natural gas has been 27% less expensive than oil and 60% less expensive than propane¹

Support economic development

- Access to natural gas is a critical component to support economic growth
- Unserved towns would have potential for natural gas service
- Create over 330 direct full time construction jobs and 15 permanent jobs

Minimizes environmental and private property impacts

- No eminent domain, reviewed by New Hampshire agencies
- Uses an Energy Infrastructure Corridor
- Located within NHDOT right-of-way along Route 101



Regulatory Review Process

- New Hampshire Public Utilities Commission (NHPUC) reviews the project economics and need
 - Evaluate projected customer needs
 - Determine if project is least-cost option
- Site Evaluation Committee (NHSEC) reviews project siting
 - Determine if Liberty Utilities has the financial, technical, and managerial capability to construct and operate the facilities
 - Determine if the project will adversely impact:
 - aesthetics
 - historic sites
 - air and water quality
 - the natural environment
 - public health and safety



Next Steps / Timeline

Initial outreach to communities and key stakeholders (Early-to-Late November) Public announcement of the project (December 4) Filing for NHPUC approval of project economics (December 22) Continued Public Outreach File Application with NHSEC (3rd / 4th Quarter) NHPUC Decision Continued Public Outreach 2019 NHSEC Decision **Construction Commences** Continued Public Outreach Continued Construction Continued Public Outreach 2021 Pipeline Construction Concludes Pipeline In-Service Continued Public Outreach 2022 LNG Storage Facility Construction Concludes LNG Storage Facility In-Service



Thank You

For more information:

- www.granitebridgenh.com
- info@granitebridgenh.com





What is Natural Gas?

Natural gas is an odorless, naturally occurring fuel primarily composed of methane. Natural gas is lighter than air and has been used by customers to heat their homes and businesses for over 200 years.

What is LNG?

When natural gas is cooled to -260°F it turns into a liquid. As a liquid, LNG is 1/600th the volume of natural gas vapor, which allows large amounts of natural gas to be stored in specially designed tanks. In its liquid state, LNG is not flammable or explosive.

LNG is widely used across the country, particularly in the Northeast and New England, by natural gas distribution companies, like Liberty Utilities, to serve their customers primarily during peak winter periods. There are 48 LNG storage facilities in New England and 118 in the United States.

Is LNG Storage safe?

Yes. LNG has been safely used and transported for over 70 years. LNG is not stored under high pressures. If exposed to the environment, LNG would rapidly warm to its gaseous state and evaporate, leaving no residue on water or soil.

LNG is stored in specially designed tanks, which can safely contain the cold liquid.

Granite Bridge would use a full containment tank system, the most robust system. A full containment storage tank system is an inner tank surrounded by a second tank, able to contain all the LNG, in the unlikely event there is an issue with the inner tank.

Where will the natural gas for **Granite Bridge come from?**

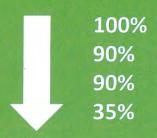
The Granite Bridge pipeline would connect to the PNGTS / Maritimes Joint Facilities pipeline in Stratham. Connecting to this pipeline will allow us to access additional natural gas supplies in Ontario and Eastern Canada.

Where would the natural gas supply be used?

100% of the natural gas being transported and stored as part of Granite Bridge would be used by customers in New Hampshire.

Natural Gas Emissions Comparison*

- Sulphur (SOx) Emissions
- Particulate Matter
- Nitric Oxide and Nitrogen Dioxide (NOx) Emissions
- Carbon Dioxide (CO₂) Emissions



Economic Benefits

- Pipeline and LNG supply will only be used to serve customers in New Hampshire
- · Lowest cost alternative to provide additional supply
- \$340 million investment in New Hampshire's infrastructure
- Natural gas is lowest cost heating fuel
- · Access to natural gas is a critical component to support economic growth
- Over 330 direct full time construction jobs
- 15 permanent full-time positions

Savings to Customers

Compared to available alternatives over 20 years

\$240 million

Savings from LNG Storage Facility compared to alternative supply contracts

\$710 million

Savings from new pipeline compared to upgrading existing infrastructure

\$950 million

Total project savings

Reduced Air Emissions

Sulphur (SOx)

Particulate matter (PM)

Nitrogen Dioxide (NOx)

Carbon Dioxide (CO2)

Environmental Benefits

- Provides more residents and businesses with access to award winning energy efficiency programs
- Reduced air and greenhouse gas emissions
- Located within NHDOT right-of-way along Route 101 - minimizes environmental disturbance

Community Benefits

- Over \$200 million estimated total state and local property tax revenue for all communities, over the life of the project
- Potential new natural gas service to towns along Route 101

100%

90%

90%

35%

- No eminent domain, reviewed by New Hampshire agencies
- Uses Energy Infrastructure Corridor Minimizes private property and environmental impacts
- Retirement of 50 year old propane facilities
- Reduces propane and LNG truck traffic



Will Granite Bridge be safe?

Yes. Properly constructed and maintained liquefied natural gas (LNG) storage facilities and natural gas pipelines have excellent safety track records.

The design and construction of pipelines and storage facilities are strictly regulated and the monitoring of proper maintenance is overseen by state and federal agencies.

Granite Bridge will meet and exceed all required safety requirements.

The safety of our customers, employees and the public is our highest priority and a core value of Liberty Utilities.

Design, Construction, Monitoring

- Full x-ray of all pipeline welds, inspections at fabrication mill
- Pipeline buried 48" underground, within NHDOT right-of-way
- Pipeline inspections would exceed federal requirements
- Full containment LNG storage tank (tank within a tank)
- Impoundment areas designed to help contain liquid, in unlikely event of a release
- On-site automatic fire suppression and safety systems
- 24/7 on-site and remote (Londonderry) monitoring & control of storage facility and pipeline
- Coordination and training with first responders

LNG has been safely used and transported for over 70 years.

There are 48 LNG storage facilities in New England, 118 in the United States

24/7 Monitoring and Control

Trained Liberty Utilities employees will be on-site monitoring and controlling the LNG Storage Facility 24 hours a day, 7 days a week.

The Granite Bridge Pipeline and the LNG Storage Facility will also be remotely monitored and can be controlled from our Control Room in Londonderry.

What is a full containment tank system?

There are several different types of LNG storage tanks. Single, double and full containment storage tanks all meet federal safety requirements.

We chose the most robust tank design, known as a full containment tank system.

A full containment LNG storage tank system is a free standing inner tank surrounded by a second free standing tank, designed to hold the entire liquid capacity of the inner tank.

Essentially, a full containment storage tank system is a tank housed within another tank.

This ensures the highest level of safety and adds an additional layer of complete containment, in the unlikely event of an LNG release.

The tank will be located in an abandoned quarry with 30' high walls that would create an additional level containment, in the unlikely event of a release from both the inner and outer tanks.

Regulatory Oversight

Granite Bridge will be reviewed, inspected and must be approved by several state and federal agencies, including the NHPUC Safety Division, the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the NH Site Evaluation Committee.

Our Commitment to Safety

Liberty Utilities has a long history of safely operating natural gas pipelines and LNG and propane storage facilities.

For the past 45 years our three LNG facilities have provided safe and reliable service to our customers in New Hampshire. While smaller than Granite Bridge, these facilities function, and must be monitored and maintained, in much the same way as the Granite Bridge LNG storage facility.

In 2016 we completed a project to upgrade an existing high pressure natural gas distribution line in Loudon, which brings natural gas from Concord to customers in the Lakes Region. This project involved installing a new 12-inch natural gas line within the NHDOT right-of-way along Route 106, the construction methods and work required for Granite Bridge would be very similar to this project.



Project Overview

Granite Bridge is a \$340 million local natural gas pipeline and storage project, proposed by Liberty Utilities, which would use a designated Energy Infrastructure Corridor to bring additional natural gas supply to residents and businesses in southern and central New Hampshire.

Granite Bridge Pipeline

of Transportation's (NHDOT) right-of-way along Route 101 and would link together two existing Manchester and Stratham.

LNG Storage Facility

Granite Bridge would also feature a liquefied natural gas (LNG) storage facility, which would be located in the town of Epping. This storage facility would provide customers with increased reliability and reduced exposure to high winter natural gas prices.

Project Need

New Hampshire's economy depends on a reliable supply of energy. The state's existing natural gas infrastructure has reached capacity, which will hinder growth unless it is expanded. Granite Bridge would provide long-term access to safe, reliable, clean natural gas, which would promote job creation and economic development, while reducing energy costs in New Hampshire.

Granite Bridge Benefits

Additional natural gas supply would only be used to serve customers in New Hampshire

Natural gas is less expensive than other heating fuel options

Over \$200 million estimated total state and local property tax revenue, over the life of the project

Increased access to award winning energy efficiency programs

Reduced air and greenhouse gas emissions

Over 330 direct full time construction jobs

Minimizes private property impacts

Retirement of 50 year old propane facilities

Safety

Granite Bridge has been designed to achieve the highest level of safety:

- Full containment LNG storage tank (tank within a tank)
- In the unlikely event of a release, impoundment areas are designed to contain the liquid
- On-site automatic fire protection and safety systems
- 24/7 on-site and remote (Londonderry) monitoring & control
- Full x-ray of pipeline welds / fabrication mill inspections
- Pipeline buried 48", within NHDOT right-of-way
- Coordination and training with first responders

LNG Storage Facility

- Located within 140 acre site in Epping
- Total facility footprint 15 acres
- Designed to liquefy, store and vaporize natural gas
- Full containment LNG storage tank system able to store 2 BCF of LNG
- Approximately 150' 170' high, 200' diameter
- Would be filled when prices are low and drawn upon when prices are high
- Lowest cost supply option for customers
- 48 LNG storage facilities in New England, 118 in United States

Epping Raymond Fremont Brentwood

Savings to Customers Compared to Alternatives Over 20 years

\$240 million

Savings from LNG Storage Facility compared to alternative supply contracts

\$710 million

Savings from new pipeline compared to upgrading existing infrastructure

\$950 million

Total project savings

Granite Bridge Pipeline

- New 16" pipeline linking existing infrastructure
- Located in NHDOT right-of-way along Route 101
- Utilizes an Energy Infrastructure Corridor
- 27 miles, 750 psig typical operating pressure
- No eminent domain or FERC preemption
- Lowest cost option to meet customers needs

