

NEW HAMPSHIRE · GAS UTILITIES · CAPITAL BRIEFING

New Hampshire's gas system is small, aging, and boxed in by winter. Your capital plan is where those pressures meet.

Only about one in five New Hampshire homes heat with gas — fuel oil and propane still dominate — and the state sits at the tail end of a constrained New England pipeline network. That leaves two investor-owned LDCs replacing aging main and defending long-lived investment against a shrinking heating base. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every decision.

137,092¹	~55%²	\$18.61³	~50%⁴
Natural gas customers served statewide in 2024 — a small base for a small-penetration state.	Share of New Hampshire's 2024 gas deliveries that went to electric power generation, not homes or businesses.	Average residential price per Mcf in 2025 — among the higher rates in the country.	Roughly half of New Hampshire households heat with fuel oil or propane; gas is a minority fuel.

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THE NEW HAMPSHIRE LANDSCAPE

Four forces are moving your project list at once

New Hampshire's gas sector is small, but the pressures on it are not. Aging pipe, winter supply limits, electrification, and rate-based recovery all reshape the capital plan you approved last year.

SYSTEM INTEGRITY — AGING PIPE & SAFETY

A small system, but old pipe in the ground

New Hampshire's gas mains are run entirely by two investor-owned LDCs — Liberty Utilities (EnergyNorth)⁵ and Unitil's Northern Utilities.⁶ Both operate the older cores of Manchester, Nashua, Concord and the Seacoast, where legacy cast-iron and unprotected bare-steel main — the pipe most associated with leaks — still has to be retired.

Under PHMSA's distribution integrity-management rules, that replacement is a multi-year, mandated obligation that competes with every other project for the same limited capital⁷

DECARBONIZATION — ELECTRIFICATION PRESSURE

A shrinking base to defend long-lived assets against

New Hampshire has not enacted a gas ban, and state energy policy now runs through the Department of Energy, created in 2021, which oversees least-cost planning and the ratepayer-funded NHSaves efficiency programs.⁸ But heat pumps are expanding quickly, and roughly half of homes already burn oil or propane, so gas has a smaller base to defend than in almost any other state.⁴

Declining throughput and a flat-to-shrinking customer count raise the stranded-asset question for any main investment expected to earn a return over 40–60 years.

SUPPLY — WINTER CONSTRAINTS & PRICE

At the end of a constrained New England pipe

New Hampshire sits at the tail of a pipeline-constrained New England network. On the coldest days gas for heating competes with gas for power generation, and the region leans on imported LNG through the Everett terminal near Boston — a fuel-security risk ISO New England has flagged for years.⁹

Rather than build its way out, Liberty canceled the roughly 27-mile Granite Bridge pipeline and its Epping LNG storage project in 2020, contracting instead for capacity on the interstate Tennessee Gas Pipeline.¹⁰ About 55% of gas delivered in the state now serves power plants² and residential customers already pay near \$18.61 per Mcf.³

CAPITAL RECOVERY — RATE-BASED, NOT AUTOMATIC

Every capital dollar goes in front of the PUC

The New Hampshire Public Utilities Commission sets rates as a quasi-judicial body.¹² Unlike many states, New Hampshire has no broad automatic infrastructure-replacement surcharge for gas; LDCs recover accelerated main replacement through base rates and step adjustments approved in rate cases¹²

That makes each program directly reviewable — and collides with an affordability limit, because a New Hampshire customer facing a rate increase can switch to oil, propane, or a heat pump.⁸

WHO RUNS NEW HAMPSHIRE'S GAS

Two investor-owned LDCs, no municipal gas, and an interstate lifeline

New Hampshire's retail gas is entirely investor-owned and PUC-regulated. There are no municipal or cooperative gas utilities; supply reliability rides on a handful of interstate pipelines and regional LNG.

Investor-owned gas LDCs

Rates & capital recovery regulated by the NH PUC

Liberty Utilities (EnergyNorth Natural Gas)	State's largest gas LDC · Manchester, Nashua, Concord & ~30 communities
Unitil — Northern Utilities	Seacoast NH (Portsmouth, Dover, Exeter, Somersworth) & southern Maine
Liberty Utilities — Keene	Isolated propane-air system, not connected to interstate pipes

Statewide, the two LDCs served 137,092 gas customers in 2024

Supply & interstate infrastructure

No municipal or cooperative gas in New Hampshire

Granite State Gas Transmission	Unitil-owned interstate pipeline feeding the Seacoast
Tennessee Gas Pipeline (Kinder Morgan)	Interstate capacity contracted after Granite Bridge was canceled
Portland Natural Gas Transmission System	Canadian supply routed through northern New England
Everett LNG import terminal (regional)	Winter backstop for New England's constrained pipes

New Hampshire has no municipal or cooperative gas utilities — all retail gas is investor-owned, so reliability depends on this interstate and LNG network.

Every capital dollar has to be defensible

New Hampshire recovers gas capital through rate cases, not an automatic surcharge — which means the burden of proof sits squarely on the utility.

New Hampshire Public Utilities Commission (PUC) adjudicates rates and capital recovery for Liberty EnergyNorth and Unitil Northern Utilities as a quasi-judicial body¹²

NH Department of Energy, created in 2021, holds policy, least-cost planning, and the NHSaves efficiency programs — the electrification lever that pulls load off the gas system⁸

No broad DSIC-style surcharge. New Hampshire recovers accelerated cast-iron and bare-steel main replacement through base rates and step adjustments set in rate cases, keeping each program directly reviewable¹²⁷

Active rate dockets. Both Liberty EnergyNorth and Unitil Northern Utilities have filed distribution rate cases at the PUC to recover system-integrity and modernization spending — approvals are contested, not automatic¹²

For New Hampshire gas, the money is mostly in the rate base

Federal gas-infrastructure grants exist, but New Hampshire's structure means most capital is recovered from ratepayers — which raises the bar on getting the sequencing right.

PHMSA NGDISM grants — ~\$196M/year (~\$1B over five years). The federal Natural Gas Distribution Infrastructure Safety & Modernization program funds main replacement — but eligibility is limited to *municipally- and community-owned* systems, which New Hampshire does not have¹³

Rate-based recovery is the primary channel. Because both LDCs are investor-owned, New Hampshire's gas capital is recovered almost entirely through PUC-approved rates and step adjustments rather than federal grants¹²

PHMSA state pipeline-safety base grants reimburse a large share of the PUC's inspection and enforcement program, supporting the distribution-integrity mandates the LDCs must meet¹³⁷

NHSaves efficiency & electrification programs are ratepayer-funded and, by design, shift heating load toward electricity and heat pumps — a structural headwind to gas throughput that capital plans have to price in⁸

NEW HAMPSHIRE'S GAS, IN BRIEF

Questions New Hampshire gas leaders are asking

Short, sourced answers — the same facts we dig into with utilities looking at their capital programs.

How many natural gas customers does New Hampshire have?

About 137,092 in 2024, served by two investor-owned LDCs — Liberty Utilities (EnergyNorth) and Unitil's Northern Utilities⁹⁵⁶

Do most New Hampshire homes heat with natural gas?

No. Fuel oil and propane lead, and only about one in five households heats with natural gas — one of the lowest gas-heating shares in the country⁴¹⁴

What happened to the Granite Bridge pipeline?

Liberty Utilities canceled the roughly 27-mile Granite Bridge pipeline and its planned Epping LNG storage facility in 2020, instead contracting for capacity on the interstate Tennessee Gas Pipeline¹⁰

Why are New Hampshire winters a gas-supply risk?

New Hampshire is at the end of a constrained New England pipeline network, so on cold days heating competes with power generation and the region relies on imported LNG through Everett — a winter fuel-security risk ISO New England has repeatedly flagged⁹¹¹

How do New Hampshire gas utilities recover infrastructure investment?

Mostly through PUC rate cases and step adjustments — the state has no broad automatic surcharge, and federal NGDISM grants are closed to its investor-owned LDCs.¹²¹³

How does Invizion help New Hampshire gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a main-replacement mandate, a winter-supply contract, or an electrification-driven throughput decline reshuffles your whole project list, re-sequence the portfolio automatically, and keep a defensible record of every trade-off for the PUC.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See how utilities keep capital plans current and defensible with Invizion.

Explore Invizion →