THE STATE OF NEW HAMPSHIRE BEFORE THE PUBLIC UTILITIES COMMISSION

Northern Utilities, Inc. DG 14-

Petition For Authority To Operate In the Town of Brentwood and To Cross State Waters and Lands

NOW COMES Northern Utilities, Inc. ("Northern" or "the Company") and, pursuant to RSA 374:22, RSA 374:26 and RSA 371:17, petitions the New Hampshire Public Utilities Commission ("Commission") for authority to operate as a public utility in the Town of Brentwood and a license to construct and maintain a new natural gas distribution main under, over and across public waters and lands owned by the State of New Hampshire, in the event the Commission determines such license is necessary. In support of this Petition, Northern states as follows:

Request for Authority to Expand Franchise Area

- 1. Northern is a public utility providing natural gas service to over 28,000 customers in 23 municipalities in the southeastern and seacoast regions of New Hampshire. Northern owns and operates natural gas distribution facilities regulated by the Commission within franchise areas previously approved by the Commission, including the Town of Exeter.
- 2. In order to serve two new large industrial customers in the Town of Brentwood, Northern seeks to overlay and extend its existing distribution main from an interstate natural gas pipeline through the Town of Exeter into the Town of Brentwood, as shown on the map submitted herewith as Exhibit A. The proposed new main would be 4.2 miles long and would pass by many existing residences and businesses. If the

natural gas main is extended into Brentwood, Northern will aggressively pursue potential customers along the area of the new main. The proposed expansion also creates the potential for future expansion to serve other large customers such as the Rockingham County Complex in Brentwood and Exeter High School in Exeter.

- 3. Northern will construct, operate and maintain the gas main and associated structures in accordance with all federal and state requirements, including but not limited to the New Hampshire Department of Transportation ("NHDOT") "Utilities Accommodation Manual" (February 2010 edition), as well as any applicable municipal regulations. Upon the Commission's approval of this petition, Northern would obtain all necessary regulatory permits and approvals before commencing construction, including those required from NHDOT and the New Hampshire Department of Environmental Services ("NHDES").
- 4. Northern has contacted the Towns of Exeter and Brentwood to inform them of the proposed main expansion and understands that they are supportive of the project. Letters of support from the two towns are submitted herewith as Exhibits B and C.
- 5. The Company has the requisite financial, technical and managerial capability to own and operate the expanded natural gas main that is the subject of this petition and to provide natural gas service within the new franchise area of the Town of Brentwood. Northern has been a regulated public utility for many years during which time it has provided safe and reliable natural gas service at just and reasonable rates to its customers in the southeastern and seacoast regions of New Hampshire. New customers

served as the result of the proposed franchise expansion will receive service under the same terms and conditions as Northern's other customers.

6. Granting the operating authority requested in this petition would be for the public good because, among other things, it would enable two large businesses to utilize natural gas instead of other fuels that are more expensive, thereby reducing operating costs and creating the potential for economic development. Because one of these customers is a national corporation, reduced energy costs at its Brentwood facility could lead to expanded operations in New Hampshire rather than other locations. In addition, the main expansion would provide other businesses and residences in the area with an alternative fuel source and could lead to further development. Additional information supporting the position that expanding Northern's operating areas is in the public good is set forth in the prefiled testimony of Cindy L. Carroll, submitted herewith.

State Water and Land Crossings

7. RSA 371:17 provides that, whenever construction of a pipeline over, under or across any water or land owned by the state, is necessary for meeting the reasonable requirements of service to the public, a public utility must petition the Commission for a license. The new distribution line would cross one small stream and NH Route 101 at two locations, as shown on Exhibit A. The stream, Bloody Brook in Exeter, New Hampshire, is not classified as public waters by NHDES and, therefore, does not require a license from the Commission. The stream crossing, which would involve Horizontal Directional Drilling ("HDD") for approximately 300 linear feet under the stream and within wetlands, would be subject to environmental review under state law by NHDES and under local ordinances.

- 8. The new distribution line would also cross a public road in two locations. The first road crossing would involve HDD for approximately 1,500 linear feet under Route 101. The second road crossing would involve trenching for approximately 200 linear feet on Pine Road within an overpass that crosses over Route 101. Both crossings are subject to review and approval by NHDOT under RSA 231:184 and RSA 236:9, statutes concerning jurisdiction over use of highways and public grounds by gas companies. Northern has begun the process of obtaining approval from NHDOT for the highway crossings, as well as any necessary excavations within highway rights of way.
- 9. Although it appears that no license from the Commission is needed for the above-described crossings, in the event that the Commission determines that it must issue a license under RSA 371:17 for either the road crossings or the stream crossing, or both, Northern seeks to obtain such license through the filing of this petition. Northern submits that it is necessary, in order to meet the reasonable requirements of providing natural gas distribution services to new customers in Brentwood, for the Commission to issue a license to construct and maintain the new distribution line across, under and over the stream, and Route 101 as indicated in Exhibit A. The natural gas main cannot be extended to the Town of Brentwood without such crossings.
- 10. Northern submits that the Commission license may be exercised without substantially affecting public rights in affected lands. Excavation activities will be temporary and limited in scope, will be subject to environmental review and supervision/approval by NHDOT and/or the towns. Public use of waterways and roadways would not be adversely affected. Because the new line will be completely

buried, there will be no impact on public rights to use and enjoy any public waters or state owned land.

- 11. If the Commission determines that a public water or land crossing license is not required, Northern will nonetheless provide the required 10 day prior notice to the Commission's safety division before installation under roads and public waters. *See* Puc 506.02(e).
- 12. Because it is anticipated that there will be no disagreement over the granting of the within Petition, and because Northern wishes to commence construction of the new gas main as soon as possible, the Company respectfully submits that the Petition may be granted without a hearing through an order *nisi*, consistent with past Commission practice. *See Energy North Natural Gas, Inc.*, DG 00-010, Order No. 23, 406 (Feb. 14, 2000).

WHEREFORE, Northern respectfully requests that the Commission:

- A. Find that the operating authority requested in this Petition pursuant to RSA 374:22 is for the public good;
- B. Grant Northern authority to expand its operations to provide natural gas service as a public utility within the Town of Brentwood;
- C. To the extent that a license is required under RSA 371:17, find that the license for construction and maintenance of a natural gas distribution pipeline under, over and across public waters and state highways/lands as proposed may be exercised without substantially affecting public rights in such lands;

- D. To the extent required, grant Northern a license to construct and maintain a natural gas distribution line under, over and across public waters and state lands, as proposed;
- E. Issue an order *nisi* and orders for publication with regard to the proposed franchise expansion and crossings; and
- F. Grant such other relief as may be appropriate.

Respectfully submitted,

NORTHERN UTILITIES, INC.

By its Attorneys, Orr & Reno, P.A.

Dated: June 6, 2014

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Certificate of Service

I hereby certify that on this 6th day of June, 2014, a copy of this Petition has been sent by electronic mail to the Office of Consumer Advocate.

Susan S. Geiger

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