

**STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

PETITION OF GORHAM PAPER AND TISSUE, LLC FOR LICENSE TO CONSTRUCT
AND MAINTAIN A NATURAL GAS PIPELINE OVER AND ACROSS THE
ANDROSCOGGIN RIVER IN THE CITY OF BERLIN, NEW HAMPSHIRE

TO THE PUBLIC UTILITIES COMMISSION:

Gorham Paper And Tissue, LLC ("GPT"), hereby petitions the Public Utilities Commission ("Commission"), pursuant to RSA 371:17, for a license to construct and maintain a natural gas pipeline over and across the Androscoggin River in the City of Berlin, New Hampshire, and in support of its petition states as follows:

1. GPT, which has a business address of 72 Cascade Flats, Gorham, New Hampshire 03581, proposes to construct and operate a natural gas pipeline (the "Project") located in northern New Hampshire. The Project will supply GPT's paper mill, located in Gorham, New Hampshire (the "Gorham Mill") with natural gas as an alternative to the current use of No. 6 fuel oil currently used to fire the boilers that supply steam to the Gorham Mill's papermaking process.

2. GPT will contract with Portland Natural Gas Transmission System ("PNG") to furnish and install a 4" tap on the existing PNG 24" transmission line within the Public Service of New Hampshire ("PSNH") easement. PNG will perform wetland permitting associated with their work, perform the tap and provide appropriate fencing in the tap location upon completion.

3. GPT will contract with R.H. White Companies, Inc. to design and build the

Project. Cianbro Corporation will provide project oversight and management. Final design and engineering work for the Project is not yet complete. In order to facilitate review of the Project we attach preliminary documentation regarding the Project and anticipate provision of more fulsome location, design and engineering plans as they become available.

4. The natural gas pipeline will connect to the outlet flange of PNG's above ground check valve with 4" standard wall coated steel piping 36" below grade for approximately 1200-1400 linear feet to the proposed Metering and Regulating Station ("M&R Station"). (See Tab A for preliminary location plan.) The pipeline will be designed to supply natural gas ranging in pressure from a minimum of 500 psig to a maximum of 1,440 psig with a maximum flow rate of 6,850 Mscfd. The natural gas provided by PNG will be odorized.

5. The M&R Station will be located east of Shelby Street in Berlin, NH. The structure will be a single piece precast concrete building 12' x 32' x 10' with 2 single doors and a double door will be provided to house the metering and regulating system as well as the Data and Acquisition (DAC) room. The DAC room will be a General Purpose space with climate control and will house the Remote Terminal Unit ("RTU"). The metering and regulating portion of the building will be a Class I, Division 1 rated space with gas and flame detection. A vapor tight wall will separate the two sections of the building. The building will also be equipped with two roof-mounted blast hatches, door alarms and manual louvers for ventilation. Signals from the gas/flame detection and door alarms will be conveyed to the RTU.

6. After entering the M&R Station there is a valve designated as the main shut off valve located after the metering equipment, the pressure and temperature of the natural

gas will be measured and communicated to the M&R Station's RTU. A strainer will be provided at the station inlet and the measurement of the natural gas heating value will be facilitated thru the use of a composite gas sampler. PNG will use this sampler to calculate the heating value of natural gas. The natural gas will then be conveyed to a natural gas pre-heater to increase the temperature of the natural gas prior to pressure reduction. The pre-heater will be sized based on the maximum natural gas flow rate at the maximum M&R Station inlet pressure. Signals from the pre-heater, such as burner status, flame failure, and bath temperature will be communicated to the RTU.

7. Upon entering the M&R Station the natural gas will be metered with a rotary meter. The flow signal will be communicated to the RTU. The composite gas sampler will be installed just upstream of metering and located in the building. PNG will retrieve the gas cylinder on a monthly basis so that they can calculate the heating value of the natural gas. A bypass will be provided around the meter in the event meter maintenance needs to be performed.

8. Immediately downstream of metering, the natural gas will enter one of two regulator runs. Each regulator run will be configured with a Becker Super Monitor, and two Grove regulators in series. The first regulator will be set to reduce the natural gas pressure to approximately 500 psig; the second regulator will be set to further reduce the natural gas pressure to approximately 75 psig. The set pressure of the second stage regulator will be finalized during the design phase.

9. A pressure transmitter between the first and second stage regulators will be installed to monitor the interstage pressure. A pressure transmitter and temperature transmitter will be installed to monitor the final pressure and temperature. All three signals will be communicated to the RTU. Additionally, the pressure signals will be used to control

the Becker Super Monitors. In the event of a first or second stage regulator failure, the Becker Super Monitor valve assembly will shut down flow to the regulator run. Natural gas flow will be automatically diverted to the secondary regulator run to prevent interruption of service. Downstream of the second stage regulators the piping size will increase from 2" to 6", leave the building and proceed underground, transitioning to HDPE pipe. For cathodic protection, insulating flanges and polarization cell replacement kits will be installed as needed where transitions from underground to aboveground steel piping are made.

10. The piping system from the M&R Station inlet through the regulating run will be designed to a pressure/temperature rating of ANSI 600#; the transition to ANSI 150# pressure/temperature rating will be made downstream of each regulator run's block valve. The only exception to the ANSI 600# flange rating is for the natural gas preheater and the two overpressure protection devices (Becker supermonitors). The flanges on these components will be ANSI 900# class because the temperature of the heated gas may exceed the maximum temperature for ANSI 600# flanges at 1440 psig.

11. After leaving the M&R Station the 6" High Density Polyethylene (HDPE) SDR-11 Natural Gas (NG) service pipeline will travel approximately 3,600 feet in length and convey gas to the Gorham Mill at a minimum pressure of 30 psig with a maximum flow rate of 6,850 Mscfd. The pipeline will be joined by heat-fusion butt welds with electrofusion couplings as necessary to facilitate installation and the depth of cover will be 36". At the north end of the Gorham Mill, the HDPE pipeline will transition to steel below grade, rise 2 feet above grade, and end in flanges for connection by others. The pipeline will be foam pigged and pneumatically tested. The locations where the pipeline comes out of the ground will be guarded by fencing.

12. The pipeline route requires the crossing of the Androscoggin River via an existing abandoned railroad bridge approximately 300 foot in length. GPT owns the bridge and it is currently posted "No Trespassing." This is the "point-of-crossing." The abandoned railroad bridge is located in the City of Berlin, slightly upstream from the Berlin Municipal Wastewater Treatment Plant. (*See* Tab A.)

13. The pipeline mounted on the bridge will be 6" Schedule 40 steel pipe with corrosion protective coating. The pipeline will be mounted on rollers and support guides. Expansion joints with stainless steel bellows will be provided to accommodate thermal expansion and contraction of the steel pipe on the bridge. The pipes will be electrically isolated from the bridge by nonconductive rollers and supports. The pipeline will have non-conductive isolation flanges at each end of the bridge immediately before the pipeline descends to an underground trench condition. The buried steel portions of the pipeline will have sacrificial anode cathodic protection. GPT will contract with PNG to conduct a pressure test of the natural gas pipeline on a regularly scheduled basis. GPT will also complete a quarterly visual inspection of the pipeline over the bridge. The visual inspection will include ascertaining whether the pipe has been tampered with, that pipe brackets are secure and in place, and that the exterior coating is intact.

14. In the event of emergency, such as pipe break, the natural gas pipeline will be immediately isolated via the automatic valve in the M&R Station. The landfill gas pipeline will be manually shut down via a valve located on the upstream side of the bridge. All appropriate emergency agencies will be notified and response actions initiated.

15. In addition to the bridge, GPT owns the parcel of land on the west side of the bridge along the Androscoggin River. The land on the east side of the river is owned by

Great Lakes Hydro America, LLC ("GLHA"). GPT holds easement rights over GLHA's allowing for the construction of the natural gas pipeline pursuant to an Easement Agreement to Confirm and Supplement between Fraser H.H. LLC, the predecessor of the Gorham Mill, and GLHA, dated as of the 27th day of September, 2006 and recorded in the Coos County Registry of Deeds in Book 1190, Page 23, as supplemented by an Acknowledgment of Rights and Easements from GLHA dated May 12, 2011, copies of which are attached hereto. (See Tab B.)

16. The proposed crossing will have only minimal and temporary environmental impacts on the Androscoggin River during construction and will not affect the use and enjoyment of the river by the public. The pipeline will cross an existing, privately-owned, railroad bridge that no longer operates as a railway. GPT currently uses the bridge to support a pipe carrying water to the Gorham Mill. GPT contracted with Fisher Engineering, P.C. to review the October 1, 2010 Stephens Associates Report prepared for Northstar Industries, LLC ("Initial Bridge Report"), complete an evaluation of the safety of the bridge, and prepare a design for addressing each of the recommendations in the Initial Bridge Report. (See Tab C.) GPT will complete work necessary to ensure the bridge is structurally sound prior to completion of construction of the pipeline.

17. In the event of decommissioning the pipeline will be left in place following purging with inert gas.

18. Changing the fuel source from No. 6 fuel oil to natural gas as proposed will enable the Gorham Mill's efforts to run profitability. GPT's ability to operate the Gorham Mill and bring it up to full operation and employment levels hinges in large part on its confidence that the Project will be completed by September 26, 2011.

19. GPT and its representatives met with New Hampshire Department of Environmental Services ("DES") officials, including officials from the Air Resources

Division, the Solid Waste Division and the Wetlands Bureau to discuss all applicable environmental requirements. DES officials have informed GPT what DES approvals are necessary to construct and operate the Project. The Androscoggin Valley Refuse Disposal District obtained some of those approvals. GPT is working with DES to transfer or obtain all necessary DES approvals.

20. GPT and its representatives met with the City of Berlin ("City") which confirmed what local approvals are necessary. The City indicated that the Conditional Site Plan approval issued to the District for the pipeline project may be transferred to GPT. GPT also plans to submit a building permit application for the M&R Building.

21. GPT submits that the license petitioned for herein may be exercised without substantially affecting the rights of the public in the public waters of the Androscoggin River. The use and enjoyment by the public of the Androscoggin River will not be diminished in any material respect as a result of the pipeline crossing.

WHEREFORE, GPT respectfully requests that the Commission:

- a. Find that the license petitioned for herein may be exercised without substantially affecting the public rights in the public waters which are the subject of this petition;
- b. Grant GPT a license to construct and maintain a natural gas pipeline over and across the Androscoggin River in Berlin, New Hampshire, as specified in this petition; and
- c. Issue an Order Nisi and orders for its publication.

DATED at Portland, Maine this 10th day of June, 2011.

Respectfully submitted,

GORHAM PAPER AND TISSUE, LLC

By its attorneys,

DRUMMOND WOODSUM

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