

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

PETITION OF ANDROSCOGGIN VALLEY REGIONAL REFUSE DISPOSAL DISTRICT
FOR LICENSE TO CONSTRUCT AND MAINTAIN A GAS PIPELINE OVER AND
ACROSS THE ANDROSCOGGIN RIVER IN THE CITY OF BERLIN, NEW HAMPSHIRE

TO THE PUBLIC UTILITIES COMMISSION:

The Androscoggin Valley Regional Refuse Disposal District ("AVRRDD"), a body politic and corporate and public instrumentality of the state carrying out a public purpose and organized under RSA 53-B, hereby petitions the Public Utilities Commission ("Commission"), pursuant to RSA 371:17, for a license to construct and maintain a 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. AVRRDD, which has a business address of 15 Mt. Forist St., P.O. Box 336, Berlin, New Hampshire 03570, is proposing to construct and operate the Mt. Carberry Landfill Methane Gas and Natural Gas Pipeline Project (the "Project") located in northern New Hampshire. The Project will supply a paper mill, located in Gorham, New Hampshire (the "Gorham Mill") with blended landfill gas ("LFG") and natural gas, replacing No. 6 fuel oil currently used to fire boilers that supply steam to the Gorham Mill's papermaking process.

2. AVRRDD currently collects and flares LFG at the Mt. Carberry Landfill (the "Landfill") located in Success, New Hampshire. AVRRDD will compress and pipe LFG to a natural gas metering and pressure regulation station ("M&R Station") on AVRRDD-owned property in Berlin. The M&R Station will be located close to the existing Portland Natural Gas Transmission System ("PNGTS") pipeline. Natural gas will be tapped off of the PNGTS pipeline and delivered to and decompressed at the M&R Station. The LFG will be mixed with

natural gas on the outlet side of the M&R Station. Mixed LFG and natural gas will then be delivered across an abandon railroad bridge that crosses the Androscoggin River, and then to the Gorham Mill. The Project will be owned by AVR RDD and will be located in Success, Berlin, and Gorham, New Hampshire (see Figure 1, a plan prepared by AVR RDD's consultant, Northstar Industries).

3. The Project will consist of the following facilities:

- a. An LFG Processing Facility (compressor, dehydration unit, and LFG meter) at the eastern end of the Project in Success;
- b. An approximate 11,300-foot-long buried 8-inch-diameter High Density Poly Ethylene (HDPE) LFG pipeline from the Landfill to the M&R Station in Berlin;
- c. The M&R Station, at which natural gas will be metered, then regulated to a lower pressure;
- d. An approximate 350-foot-long, 2-inch diameter lateral pipeline from the existing PNGTS mainline pipeline to the M&R Station;
- e. An approximate 470-foot-long 8-inch-diameter HDPE mixed LFG and natural gas pipeline from the M&R Station to the Androscoggin River;
- f. An approximate 300-foot-long 8-inch-diameter segment of coated steel pipeline crossing the abandoned railroad bridge over the Androscoggin River; and
- g. An approximate 2,500-foot-long, 8-inch-diameter HDPE mixed LFG and natural gas pipeline from the west end of the Androscoggin River crossing to the Gorham Mill.

4. AVR RDD will sell 100% of the LFG it collects to the Gorham Mill at a price and on terms being negotiated between the parties. AVR RDD anticipates an agreement with a 10-year initial term, with the possibility of extensions by the Gorham Mill. The mill owners will

purchase natural gas directly from one or more natural gas suppliers, tapped off of the PNGTS transmission line and delivered through the Project. Thus, AVR RDD will sell only LFG (not natural gas) to the Gorham Mill, but will own the entire Project (having constructed the Project at its own cost) up to an interconnection point just outside the walls of the Gorham Mill.

5. The Gorham Mill currently employs about 240 people. The current owner of the mill, Fraser N.H. LLC ("Fraser"), is in bankruptcy in Canada and Delaware along with several corporate affiliates. Fraser is trying to sell the Gorham Mill. One prospective buyer group, led by MerchantBanc, is proposing to purchase the Gorham Mill and keep it operating on the condition that it be connected to a supply of natural gas and LFG to replace No. 6 fuel oil at the mill, and that it bear none of the capital costs for the Project. AVR RDD is willing to step forward and build the Project, subject to terms and conditions acceptable to AVR RDD, at an estimated cost of \$4.6 million. The MerchantBanc group would pay for retrofits to the boilers inside the Gorham Mill so that the boilers may accept LFG and natural gas.

6. Fraser has stated to AVR RDD that the Gorham Mill is losing approximately \$600,000 per month. Changing fuel sources as proposed would allow the Gorham Mill to be profitable. The MerchantBanc group's decision to buy the Gorham Mill and retain most of the 240 employees hinges in large part on their confidence that the Project will be constructed in the next six months. AVR RDD anticipates that the sale of the Gorham Mill and the execution of contracts between the mill owner and AVR RDD could take place in the month of September. To meet the schedule being requested by the MerchantBanc group, AVR RDD wishes to obtain all necessary permits and approvals by the end of September.

7. As referenced above, the Project contemplates installing an approximately 300-foot section of steel pipeline to convey gas across the Androscoggin River on an abandoned

railroad bridge. 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 Figure 1 attached, p.6).

8. The bridge, and the parcel of land on the west side of the bridge along the Androscoggin River, is owned by Fraser. The land on the east side of the river is owned by Great Lakes Hydro America, LLC (“Great Lakes”). AVR RDD is negotiating easements for the Project with each of Fraser and Great Lakes. Both Fraser and Great Lakes support the Project.

9. The proposed crossing will have minimal temporary environmental impacts on the Androscoggin River during construction and will not affect the use and enjoyment of the river by the public as the pipeline will cross an existing, privately-owned, railroad bridge that no longer operates as a railway. The bridge is currently being used by Fraser to support a pipe carrying water to the Gorham Mill.

10. AVR RDD and its representatives have met with 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 AVR RDD what DES approvals are necessary to construct and operate the Project. AVR RDD has obtained some of those approvals and is in the process of obtaining others.

11. AVR RDD has obtained approvals from each of the municipalities in which components of the Project will be located (Success, Berlin and Gorham), including but not limited to approvals by the planning boards of Coos County (Success), Berlin and Gorham.

12. AVR RDD 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, AVRRDD 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 AVRRDD a license to construct and maintain a 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 Concord this 3rd day of September, 2010.

Respectfully submitted,

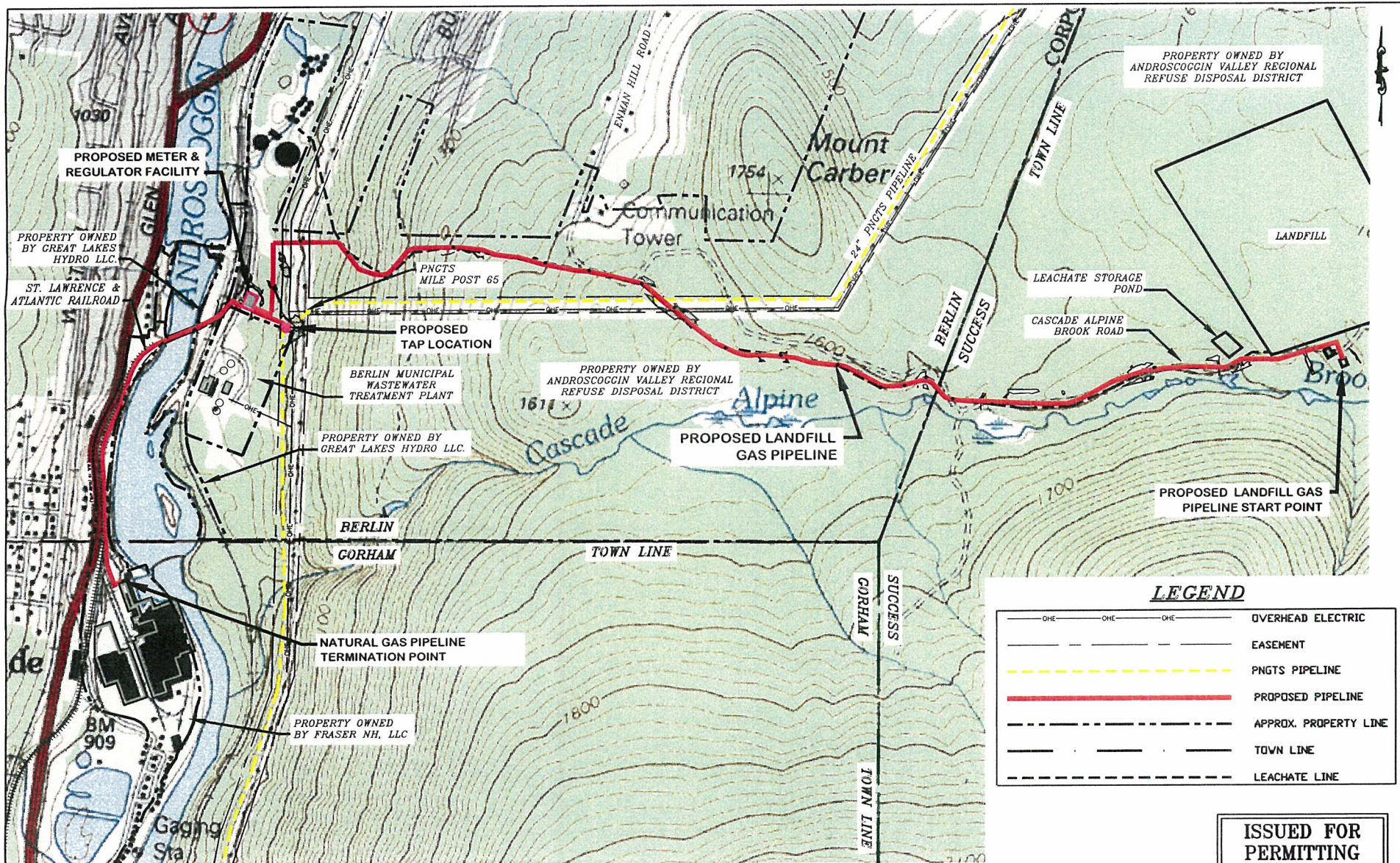
**ANDROSCOGGIN VALLEY REGIONAL
REFUSE DISPOSAL DISTRICT**

By their attorneys,

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By: 

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LEGEND

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- - -	EASEMENT
- - - - -	PNGTS PIPELINE
—	PROPOSED PIPELINE
- - - - -	APPROX. PROPERTY LINE
- - - - -	TOWN LINE
- - - - -	LEACHATE LINE

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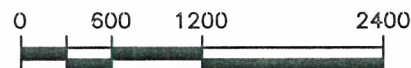


FIGURE 1

FILENAME: FIGURE 1

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