

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DOCKET NO. DG 18-XXX

**LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
D/B/A LIBERTY UTILITIES**

Petition to Approve Renewable Natural Gas Supply and Transportation Contract

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (“EnergyNorth” or the “Company”), through counsel, respectfully petitions the New Hampshire Public Utilities Commission to approve an *RNG Supply and Transportation Agreement* between the Company and RUDARPA, Inc.

In support of this Petition, the Company represents as follows:

1. North Country Environmental Solutions, Inc. (“NCES”) owns a landfill in Bethlehem, New Hampshire, the closed portion of which naturally generates a large quantity of methane, appropriately called landfill gas. When cleaned, landfill gas can become what is known as renewable natural gas, or RNG. RNG is “pipeline quality” gas that will be compressed and injected into a natural gas utility’s distribution system, or transported to other locations to be used in place of natural gas. The methane being produced at NCES’s Bethlehem landfill is now being flared.

2. RUDARPA, Inc., is a company that installs and operates the equipment that cleans landfill gas to become RNG. RUDARPA has an agreement with NCES to buy all the available landfill gas from the Bethlehem site with the intent of creating RNG.

3. The *RNG Supply and Transportation Agreement* (Agreement”) at issue in this petition is between RUDARPA and Liberty, under which Liberty agrees to buy all the RNG produced by RUDARPA from the landfill gas at the NCES facility. The Agreement calls for Liberty to pay a set price for the RNG so long as RUDARPA owns the cleaning facility, and to pay a lower price if Liberty purchases the facility. Liberty will acquire the facility at a price stated in the Agreement if RUDARPA produces RNG that meets defined quantity and quality metrics.

4. The Agreement is specifically conditioned on Commission approval.

5. The RNG prices called for in the Agreement are competitive with incremental gas supplies at both the higher price called for in the early years of the contract, and with the lower contract price combined with the revenue requirement for the facility purchase. Not counting the value of Thermal Renewable Energy Credits that may be available, the Agreement’s RNG pricing is higher than summer pipeline supplies, lower than incremental winter supplies, and only slightly higher on an annual basis, based on current market conditions.

6. Liberty intends to use the RNG to serve two large customers who have signed letters of intent (one in Keene and one on Liberty’s main system), and Liberty has the option of using the balance to serve other customers in Keene, customers in the Hanover/Lebanon franchise area, or to be injected into Liberty’s pipeline distribution system.

7. The quantity of gas called for during the early years in the agreement would represent approximately 6 percent of Liberty’s annual sales volumes.

8. The details of the project and the RNG agreement are in the following testimony and exhibits that are filed with this petition:

- Direct Testimony of William J. Clark and Mark E. Saltsman, with attachments;
- Direct Testimony of David Cox, with attachment; and
- Direct Testimony of Kristine Wiley, with attachment.

9. Due to the investment called for in the Agreement and that the RNG supply would be a new component of the Company's cost of gas, Liberty requests and the Commission has authority to review and approve the Company's decisions in advance pursuant to RSA 374:1, RSA 374:2, and RSA 378:7 (the requirement that utilities provide safe and adequate service at just and reasonable rates), RSA 374:3 (the Commission's right of general supervision over utilities), RSA 374:4 (the Commission's duty to keep informed), RSA 374:5 and 374:7 (the requirement that utilities provide advance notice of plans for substantial capital improvements, and Commission's authority to investigate and approve such plans). *See Liberty Utilities (EnergyNorth Natural Gas) Corp.*, Order No. 25,822 (Oct. 2, 2015) (approving 20-year capacity contract); *Northern Utilities, Inc.* Order No. 22,288, 81 NH PUC 648 (Feb. 29, 2008) (approving a contract that would enable construction of an affiliate-owned LNG facility).

10. The Company believes that its decision to enter the Agreement is prudent and in the public interest, and thus Liberty asks the Commission to approve the Agreement.

WHEREFORE, EnergyNorth respectfully asks the Commission to:

- Approve the RNG Supply and Transportation Agreement; and
- Grant any other relief that the Commission deems necessary, just, and reasonable to implement the relief sought above.

Respectfully submitted,
Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a
Liberty Utilities

By its Attorney,



Date: September 6, 2018

By:

Michael J. Sheehan, Esq. #6590
116 North Main Street
Concord, NH 03301
Telephone (603) 724-2135
Michael.Sheehan@libertyutilites.com

Certificate of Service

I hereby certify that on September 6, 2018, a copy of this Petition has been forwarded to the Office of the Consumer Advocate.



Michael J. Sheehan