

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF  
COLORADO**

DOCKET NO. 13A\_\_G

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IN THE MATTER OF THE APPLICATION OF NIOBRARA NATGAS LLC FOR APPROVAL OF AN APPLICATION GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR A DESIGNATED SERVICE TERRITORY AND FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT FACILITIES TO PROVIDE NATURAL GAS TRANSMISSION AND LOCAL DISBRIBUTION SERVICE

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**VERIFIED APPLICATION**

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Comes now Niobrara NatGas LLC (Niobrara or the Company) by its attorneys Rothgerber Johnson & Lyons LLP, and pursuant to §40-5-101, C.R.S. and Rules 4002, 4101 and 4102 of the Commission's Rules Regulating Gas Utilities and Pipeline Operators, 4 CCR723-4, and submits this application for approval of a certificate of public convenience and necessity (CPCN) for the provision of natural gas local distribution service in a new service territory and for a CPCN to construct and operate natural gas local distribution and transmission facilities and in support thereof states as follows:

1. The name of the applicant is Niobrara NatGas LLC. Applicant is located at 2725 Rocky Mountain Avenue, Suite 400, Loveland Colorado 80538, telephone number 970-612-4100, email address: [www.craig@harrisonresource.com](mailto:www.craig@harrisonresource.com). Applicant will conduct operations under the name Niobrara NatGas LLC.

2. The name, address, telephone number, facsimile number and email address of the applicant's representatives to whom all inquiries concerning the application should be made is as follows:

Mark A. Davidson  
Rothgerber Johnson & Lyons LLP  
1200 17th Street, Suite 3000  
Denver, CO 80202  
303-623-9000 (T)  
303-623-9222 (F)  
[mdavidson@rothgerber.com](mailto:mdavidson@rothgerber.com)

Craig Harrison  
Niobrara NatGas LLC  
2725 Rocky Mountain Ave. Suite 400  
Loveland, CO 80538  
970-612-4100 (T)  
970-612-4106 (F)  
[craig@harrisonresource.com](mailto:craig@harrisonresource.com)

3. Niobrara agrees to answer all questions propounded by the Commission or its staff concerning the application.

4. Niobrara will permit the Commission or any member of its staff to inspect its books and records as part of the investigation into this application.

5. Niobrara understands that if any portion of the application is found to be false or to contain material misrepresentations, any authorities granted pursuant to the application may be revoked upon Commission order.

6. Niobrara is a new entrant into Colorado natural gas utility market. This application seeks a CPCN from the Commission for the provision of natural gas transmission and distribution service to serve a one square mile area known as the Niobrara Energy Park (the Park). Attached hereto as Exhibit 1 is a map showing the location of the Niobrara Energy Park in north central Colorado. By this application, Niobrara seeks Commission authority to serve the Niobrara Energy Park with natural gas service as a local distribution company. Attached hereto as Exhibit 2 is a territorial description of the Niobrara Energy Park which is the designated service territory within which Niobrara seeks a CPCN to provide natural gas local distribution service to prospective customers located within the park.

In addition to the service territory CPCN sought pursuant to Rule 4101, by this application Niobrara seeks a CPCN to construct the necessary transmission and distribution facilities to serve the Park service territory pursuant to Rule 4102. Attached hereto as Exhibit 3 is a map showing the internal local distribution service proposed by Niobrara in this application. Attached hereto as Exhibit 4 is a map showing the prospective routes by which natural gas transmission service would be provided to the

Niobrara Energy Park with varying points of interconnection depending upon the route chosen for the transmission service.

7. Attached hereto as Exhibit 5 and filed under seal, is a copy of a Statement of Net Worth (Statement) in lieu of the most recent audited balance sheet, income statement, statement of retained earnings and statement of cash flows. To the extent that a waiver of Rule 4022(b)(IX) is required for the Commission to accept the Statement of Net Worth in lieu of the other financial records, Niobrara requests such a waiver. As can be seen from the Statement, Mr. Harrison is the sole owner of Niobrara Energy Park LLC. The financial resources reflected on Exhibit 5 will be available to finance construction of the proposed natural gas transmission and distribution facilities to serve the Niobrara Energy Park. These materials are confidential and are filed under seal with the application.

8. In the event that this application is set for hearing, applicant respectfully requests that the hearing at the Commission's offices in Denver, Colorado.

9. By signing the application Niobrara understands that:

A. The filing of the application does not by itself constitute approval of the application.

B. If the application is granted, Niobrara shall not commence operations until it complies with applicable Commission rules and with any conditions established by the Commission granting the application.

C. If a hearing is held, Niobrara shall present evidence at the hearing to establish its qualifications to undertake the provision of natural gas transmission and local distribution service as more fully described.

10. Attached hereto as Exhibit 6 are the organizational documents of Niobrara NatGas LLC.

11. Attached hereto as Exhibit 7 is a copy of the names, business addresses and titles of each member of Niobrara NatGas LLC.

12. At present there are no affiliated companies that conduct business with the applicant.

13. The name and address of Niobrara's Colorado agent for service of process:

The Corporation Company

1675 Broadway, Suite 1200

Denver, Colorado 80202

303-629-2500

Facts in Support of this Application

14. The Niobrara Energy Park is proposed to be one of the nation's first hybrid natural gas and renewable energy data center parks. It is contemplated that located in the energy park could be data centers, renewable energy generation facilities in the form of photovoltaic solar, natural gas fuel cells and conventional natural gas fired generation. These facilities will provide primary electric service to data center customers and other park tenants that are supplied with electricity by the electric generation facilities. There may also be opportunities to sell excess electricity to the existing utility grid. The current zoning of the Park allows for nine separate parcels distributed between and around a primary inner loop road and surrounding perimeter loop road. Lot sizes and configuration in the concept master plan allow for data centers of various sizes, manufacturing and energy generation uses coordinated around a site substation and a site microgrid concept.

It is anticipated that a microgrid for the transmission of electricity from the natural gas generation facilities, as well as solar arrays, will provide reliable, economical and safe electric service to the data centers who are the target customers through the microgrid and natural gas distribution service within the Park. With the Park located approximately 2.3 miles south of the Cheyenne Gas Hub, access to the natural gas commodity is readily available for service to the Park.

By this application, Niobrara seeks authority from the Commission to construct transmission facilities from the Cheyenne Gas Hub to the Park and approval of local natural gas distribution facilities within the confines of the Park. In addition to providing local natural gas distribution service for customer facilities within the Park, Niobrara will be able to provide the natural gas fired generation facilities with fuel for the purpose of generating electricity to serve the data centers and other prospective customers within the Park. Attached hereto as Exhibit 8 is a list of Allowed Commercial and Industrial Uses within the Park showing the variety of possible operations permitted.

The park has environmental 1041 waivers for a 200 megawatt natural gas fired electric generation facility. Attached hereto as Exhibit 9 is a description of the many opportunities for the Niobrara Energy Park prepared for Niobrara by CH2M Hill which outlines in more detail the numerous advantages that the Park has for establishment of a regional computer data center and other potential businesses.

The facilities necessary to serve the Park would consist of a 12 inch transmission line providing natural gas transmission service from the Cheyenne Gas Hub to the Park. An appropriately sized distribution pipeline facility within the Park will provide the necessary fuel supply to the proposed natural gas fired generation facilities as well as natural gas distribution service to the buildings and facilities located within the Park.

15. Niobrara NatGas LLC is not affiliated with any other utility which holds authority duplicating in any respect the territory sought in this application.

16. There are presently no natural gas public utilities or other entities of like character providing similar service in or near the area involved in the Application. The closest existing potential natural gas service providers are Xcel Energy and Atmos Energy which are respectively nine and eight miles distant from the nearest boundary of the Park. Attached hereto as Exhibit 10 is a map showing the location of the existing Xcel Energy and Atmos Energy facilities and their relation to the Park.

17. Attached hereto as Exhibit 11 is a copy of a feasibility study showing the estimated investment in the facilities to provide natural gas distribution service to the proposed electric generation facility to be located within the Park. While these estimates are preliminary, they have been thoroughly vetted with the help of CH2M Hill. In addition, the pipeline alternatives to the Cheyenne Gas Hub attached hereto as Exhibit 4 show varying routes and lengths of natural gas transmission facilities necessary to reach the park from the Cheyenne Gas Hub.

18. It is anticipated that construction of the natural gas transmission facilities and related distribution facilities to be built upon Commission approval of this application would begin on or around the third quarter of 2015. It is anticipated that the construction schedule will last approximately 18 months with a proposed in service date of first quarter of 2017.

19. Since the proposed service territory has no current natural gas transmission or distribution service available to it, nor any facilities from the Cheyenne Gas Hub to and within the Park for its specific use, no alternatives have been studied to the proposed transmission and distribution facilities for which the CPCNs are sought herein.

**Wherefore**, for all the foregoing reasons, Niobrara NatGas LLC respectfully requests that the Commission grant it a Certificate of Public Convenience and Necessity to construct the necessary transmission and distribution facilities to enable it to provide natural gas transmission and distribution service to the Niobrara Energy Park as more fully described herein and for a Certificate of Public Convenience and Necessity to service the Niobrara Energy Park service territory as more fully described in this application and its accompanying exhibits.

Respectfully submitted this 8<sup>th</sup> day of April, 2013.

ROTHGERBER JOHNSON & LYONS LLP

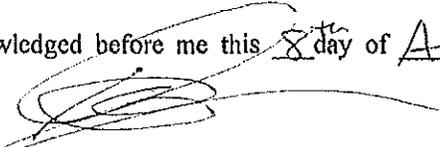


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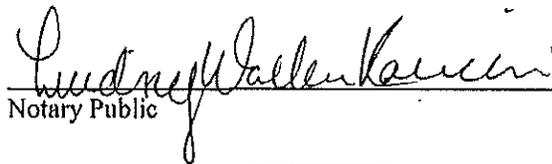
**ATTORNEYS FOR  
NIOBRARA NATGAS LLC**

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF Larimer        )

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of April, 2013, by  
Craig Harrison, owner Niobrara NatGas LLC.

  
\_\_\_\_\_  
Craig Harrison, Owner

Witness my hand and official seal.  
My commission expires: 7/26/2014

  
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Notary Public

LINDSEY WALKER KALICKI  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20064028981  
MY COMMISSION EXPIRES 07/26/2014