



TOWN OF WINCHESTER

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October 26, 2009

New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429



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Re: Docket #DE 09-067
Complaint of Clean Power Development, LLC (CPD) Against Public Service Of
New Hampshire (PSNH)

Dear Sir or Madam:

Please honor this request/petition to intervene submitted by the Town of Winchester, New Hampshire, as a municipality, and on behalf of our citizens and businesses.

The Town of Winchester is a rate payer to PSNH, as are most of our citizens and businesses. Our community is located in Cheshire County and over the years has seen heavy commercial business loss including A.C. Lawrence Leather Company, two paper mills, N.E. Box Company, Wood Flour Inc., and the Crestwoods Lumber Company, to name a few. This amounts to over 800 jobs lost. We are now the home of three Brownfield sites, one of which was a super fund project containing plus or minus 19 acres of commercial land. The loss of business has left us with a reduced tax base and limited prospect for economic revival.

Clean Power Development, LLC (hereinafter "CPD") approached town officials to discuss the feasibility of locating the biomass plant in our community. After several visits and public meetings, CPD optioned several parcels of land within Winchester and advanced considerable effort toward their plan to build a biomass energy plant including a thirty-mile radius wood forest study showing perhaps the most prime spot in all of New England for this renewable energy project. As in the Berlin situation, CPD has located next to our municipal wastewater plant and plans to reclaim that water as part of their supply requirement. Since they can use the entire effluent flow instead of going directly to the Ashuelot River, we may be converted to a zero discharge facility. There is also the possibility of using steam heat for some of our municipal buildings. CPD also intends to co-locate additional industry plus an agriculture growing operation nearby to the facility. The opportunities for more, and better jobs, and increased tax base are multiplied. CPD is also very much interested in assisting with

environmental mitigation and redevelopment of our largest Brownfield site, which is town owned.

Winchester officials, not being extremely familiar with biomass plant operations, decided to investigate further. Arrangements were made to first meet with the Tamworth Board of Selectmen and Town Administrator to get their perspective on the Pine Tree Biomass Plant in Tamworth, then visit and tour the plant.

What members of the select board, planning board, and economic development committee members heard was nothing but praise and full support of what Pine Tree has meant to their small community. They reported higher paying jobs for plant employees, and also for loggers and truckers. Restaurants, gas stations and other town businesses and businesses from surrounding towns have reported added income. We were told that the plant is very supportive of all community activities and has had a positive influence on good forestry management practices by paying premium prices to those that have plans in place.

The Town of Winchester is concerned that PSNH's actions are too far out of alignment with what is in the public interest. From our perspective, PSNH has a very narrow and self serving vision of how this state should address climate issues and dependence on fossil fuels and provide renewable generation capacity that best serves its customers while also meeting the other goals important to our state and local communities. Winchester feels strongly that all the positive aspects, as well as the negative, need to be figured into any cost analysis that a utility or the commission considers when valuing the merit of a new merchant power source. The Town of Winchester is concerned that CPD is not receiving fair or appropriate consideration by PSNH for CPD's energy proposal in Berlin, and that if this approach for determining who gets to build and what types of designs are appropriate are left to a self serving giant utility, then a CPD project of considerable merit and beneficial for Winchester will also receive the PSNH cold shoulder.

The Town of Winchester is also very concerned that the path PSNH is pursuing with an overly large 66 MW biomass plant in northern New Hampshire will have far reaching and limiting implications for the remainder of the State. The very considerable potential for multiple, smaller, more efficient, dispersed or decentralized biomass projects, wood pellet plants, and biomass fueled heating systems around the state are all put in jeopardy if one overly large PSNH backed facility in Northern New Hampshire draws all that potential and opportunity for a single, poorly thought out and inappropriate installation. The trucking costs alone for the fuel needed for the plant in northern NH would waste hundreds, if not thousands of gallons of diesel fuel daily for the miles returned home empty and goes against spirit of our state, and of our nations reducing its dependence on fossil fuel.

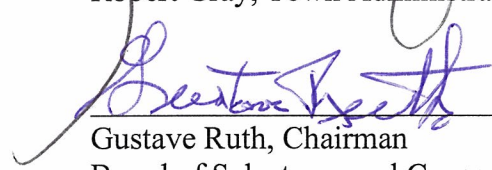
Perhaps this bad behavior on the part of PSNH will now serve notice to the legislature that completing the deregulation process is in our best interest as it is clear that PSNH will never give up being the spoiler related to the Merchant Power Industry, as long as there is any chance they can own additional generation capacity thereby stranding millions more in rate base subject to their substantial guaranteed annual rate of return.

The laws that New Hampshire adopted call for the State to get 25% of its energy from renewable resources such as biomass by 2025, but let us use common sense and accomplish this wisely.

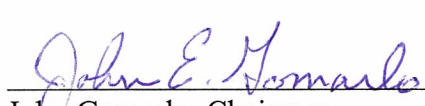
Respectfully submitted,



Robert Gray, Town Administrator



Gustave Ruth, Chairman
Board of Selectmen and Conservation Commission



John Gomarolo, Chairman
Revitalization Economic Development Committee

JG/irec