

ECM-Eastern Construction Management, LLC. Construction Managers ♦ Consultants ♦ Estimators ♦ Schedulers

17-Sept-2009

Thomas B. Getz Chairman, NH PUC 21 South Fruit Street, Suite 10 Concord, NH 03301

Re: Docket No. 09-067

Dear Mr. Getz,

The issue of biomass power development in the Berlin, NH area is of great concern to the Berlin community, the regional environment, the forest industry as well as Eastern Construction Management, LLC.

Laidlaw Energy Group has acquired the existing Babcock & Wilcox boiler that was at one point part of the now defunked paper mill. It is Laidlaw's intent to revamp and convert the boiler so it may be used for the production of electricity via a biomass fuel source. The proposed electrical output capacity as stated by Laidlaw would be 65 megawatts.

There exist a variety of issues concerning the Laidlaw plan. Laidlaw Berlin has stated that they will consume approximately 700,000 tons of biomass per year to operate the facility. This quantity of biomass consumption is in direct contradiction to published reports indicating that the harvesting of biomass at these levels would be detrimental to the regional environment. The result of such consumption will surely increase the demand for wood chips and thus increase the price per ton, as a direct result the Timber Harvesting industry will be forced to chip whole logs which would otherwise be suitable for pulp, dimensional lumber and hardwood saw logs. This method of timber harvesting is a gross underutilization of the valuable environmental resource that exists within the North Country. Furthermore, if the price of biomass fuel increases as a result of increased demand it will likely force the closing of three smaller facilities located in Tamworth, Bethlehem, and Whitefield.

Additionally, the proximity of the Laidlaw plant to the newly constructed elderly housing facility located directly across the river would not lend itself to providing a quiet and peaceful existence to the ageing residence living within the facility. The noise generated directly and indirectly by the operation of the facility would be alarming at best to the residence. Further, the cooling towers that would have to be constructed would be virtually at ground level to the City of Berlin, the emission of ground level steam would create a multitude of issues including ground level fog and excessive icing during the winter months posing a substantial hazard to the community.

It is our belief that a more practical facility proposed by Clean Power Development, LLC would be beneficial to the local community as well as the regional environment. Clean Power Development would like to construct a 29 megawatt facility in Berlin. CPD has selected property that is located in close proximity to the existing Berlin wastewater treatment plant. The CPD plant would have the ability to provide steam to various manufacturing facilities located within a reasonable proximity, this asset would allow these facilities to expand their current manufacturing capacity and spur growth for the City of Berlin. Studies indicate that the establishment of a biomass facility of the size proposed by CPD would be beneficial in creating additional employment in the area as well as maintaining a healthy balance in the biomass fuel availability the regional environment can sustain.

The Clean Power Development project is a shovel ready project that would provide hundreds of desperately needed job to the citizens of the North Country. Unfortunately, the CPD projects is being held up by Public Service of New Hampshire. PSNH refuses to negotiate a Power Purchase Agreement with CPD even though legally they are obligated to do so. CPD has file suit thru the Public Utilities Commission (Docket # 09-067) and needs immediate resolution to this long outstanding issue so that they may move forward with the project thus providing greatly needed relief to the citizens of the State of New Hampshire. Eastern Construction Management would be please to further discuss this most important issue with you directly. We would appreciate the opportunity to meet and discuss additional issues we feel to be relevant to this most vital project.

Regards,

Christopher H. Hodge, President ECM-Eastern Construction Management, LLC <u>c.hodge@easternconstructionmanagement.com</u>