



Celebrating 100 years of New Hampshire's working forests

September 13, 2011

Ms. Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

NHPUC SEP15'11 PM12:01

RE: Docket# DE 11-184

Dear Secretary Howland,

The New Hampshire Timberland Owners Association (NHTOA) represents timberland owners and New Hampshire's forest products industry. NHTOA members own and manage over one million acres of timberland and are involved in all aspects of timber harvesting, transportation and processing. On behalf of the NHTOA I am writing in support of the agreement being considered in docket# DE 11-184 as this agreement clears the way for the development of new biomass markets in New Hampshire and provides a much needed short-term power purchase agreement for five of the existing biomass power plants.

Biomass power plants and their utilization of low-grade wood is critical to the health of our forests and forest products industry. According to United States Forest Service's Forest Inventory Data (FIA data) almost two-thirds of all standing timber in New Hampshire is considered "low-grade", meaning it is not suitable for the production of lumber. Without markets to utilize this low-grade timber it is impossible for landowners to justify timber stand improvement (e.g. timber stand weeding and thinning) which will improve the vigor and overall quality of the forest.

In addition to forest health, biomass markets are an important part of the state's rural economy. I have attached a copy of a document that quantifies the economic impact of forestland, the forest products industry including biomass. This report shows that the New Hampshire forest products industry contributes \$1.14 billion annually to the economy with another \$1.12 billion coming from forest-based recreation and tourism. Biomass plays an important role in the entire industry, including sawmills as biomass harvesting operations are an important part of the state's overall wood (including log) supply system.

Thank you for the opportunity to write in support of the proposed agreement and I would be happy to answer any questions you, the Commissioners or your staff may have.

Sincerely,



Jasen A. Stock
Executive Director

Attach.

The Economic Importance of New Hampshire's Forest-Based Economy, 2011