

STATE OF NEW HAMPSHIRE
BEFORE THE SITE EVALUATION COMMITTEE

Docket No. SEC _____

**Joint Motion of Laidlaw Berlin BioPower, LLC and Berlin Station, LLC for Transfer and
Amendment of the Certificate of Site and Facility, and Notice of Change in Major
Contractor**

**TESTIMONY OF ROSS D'ELIA ON BEHALF OF LAIDLAW BERLIN BIOPOWER,
LLC AND BERLIN STATION, LLC**

1 **Q. Please state your name, title and business address for the record.**

2 A. My name is Ross D'Elia. I am President of HHP, Inc. HHP, Inc. is one of the
3 Richard Carrier group of companies (RCT). My business address is 14 Buxton Industrial Drive,
4 Henniker, NH.

5 **Q. Would you briefly summarize your educational background and**
6 **employment experience?**

7 A. I have an Associate of Applied Science (A.A.S) degree in forestry technology
8 from the University of New Hampshire, Thompson School of Applied Technology and thirty-
9 five years of experience in the forest products industries.

10 From 1979 to 1981 I owned and operated R&R Lumber in Peterborough, New
11 Hampshire. From 1981 to 1988 I worked as a fiber broker, managing in excess of 1 million tons
12 of fiber per year, for Connecticut Valley Chipping in Henniker, New Hampshire. Since 1989, I
13 have been the President of HHP, Inc., which is also located in Henniker, New Hampshire.

14 Richard Carrier and I purchased HHP, Inc. in 1989. HHP, Inc. is a fully integrated forest
15 products company with operations including a 50,000 square foot hardwood sawmill that saws
16 10 million board feet per year, chipping and debarking operations supplying six paper companies
17 in New England with 150,000 tons per year, and a pallet manufacturer supplying 400,000 pallets
18 to industries throughout New England. HHP is located on forty-five acres in Henniker. At
19 HHP, we utilize the latest technological advances in lumber handling, milling, chipping and
20 pallet construction to increase productivity and eliminate waste. HHP purchases \$11 million
21 annually of logs, pulp wood, and lumber from local landowners, loggers and other lumber
22 producers. HHP is the only New Hampshire hardwood sawmill and debarking and chipping
23 operation that has a chain of custody certification from the Forest Stewardship Council, an

1 independent, non-governmental, not-for-profit organization established to promote the
2 responsible management of the world's forests.

3 HHP has been part of the RCT group since 1989. I have worked with Richard Carrier
4 since 1985. I am presently part of the RCT senior management team where my role includes
5 helping to coordinate business strategy among the RCT companies. As part of the RCT group
6 we are able to provide a full range of forest products and related transportation services
7 throughout New England and eastern Canada. At HHP and all of the RCT companies, we are
8 committed to implementing and maintaining good forestry practices

9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to provide the Subcommittee with information
11 about RCT, the entity with which Laidlaw has proposed replacing Cousineau Forest Products, to
12 serve as fuel supplier for the Project.

13 **Q. Describe RCT's capabilities and experience in the forest industry.**

14 A. RCT was established in 1974. It is an environmentally conscious, integrated
15 forest products group of companies, all owned by Richard Carrier. RCT has large manufacturing
16 and service operations located in Milan, Henniker, Shelburne, and Brentwood, New Hampshire,
17 as well as numerous facilities throughout Maine and eastern Canada. RCT owns and operates
18 lumber mills, chipping facilities, timber holdings, pallet manufacturing, and landscape/mulching
19 operations, all of which are fully supported by an extensive forest product shipping and handling
20 distribution system. RCT holds in excess of 35,000 acres of timber in New Hampshire and
21 Maine.

22 The RCT group is comprised of over 10 operating entities in New Hampshire alone,
23 including two of the State's largest sawmills: Milan Lumber Co in Milan (located 9 miles from

1 Berlin) and HHP, Inc. in Henniker; a chipping company, R.J. Chipping Enterprises in Shelburne
2 (14 miles from Berlin); and a bark and mulch business, P.R. Russel Brentwood Distribution,
3 LLC, in Brentwood. RCT currently procures and transports in excess of 1.5 million tons of
4 woodchips annually (30,000 tons per week) to a diverse client base.

5 **Q. How does RCT distribute its various forest products?**

6 A. To effectively process and distribute the various forest products, RCT can call
7 upon its locally owned fleet of over 75 tractors and more than 150 specialized trailers, as well as
8 dozens of associated loading and processing heavy machinery and equipment. RCT provides
9 access to wood supply and trucking capabilities as well as extensive and diversified handling and
10 storage abilities.

11 **Q. How will RCT's integrated system of lumber mills, chipping facilities, timber
12 holdings, shipping and handling facilities, and transportation services assist it in procuring
13 and transporting wood to the Laidlaw Facility?**

14 A. RCT will create a streamlined process from harvesting biomass in the forest to
15 delivering it to the Facility. RCT has the capability to handle all aspects of the wood
16 procurement process, creating an efficient system for Laidlaw. RCT's various holdings in
17 hardwood sawmill, softwood sawmill, debarking and chipping operations, and reloading yards
18 allow the best use and highest market value of the wood generated by its logging operations. All
19 of RCT's logging operations generate a volume of low grade product that will not meet the
20 higher value products' specification but that must be extracted from the forest for silviculture and
21 financial reasons. This low grade product, which is essentially a byproduct of RCT's other
22 logging operations, will be used at the Laidlaw Facility.

1 **Q. Describe RCT’s commitment to forest sustainability.**

2 A. RCT’s livelihood is dependent on the sustainability of wood supply and on the
3 local forests remaining healthy and productive. As a result, RCT has a strong commitment to
4 responsible forestry and best management practices, including within its own staff of state-
5 licensed foresters, its woodlots, and as well as within its manufacturing operations.

6 For example, HHP is certified by the Forest Stewardship Council (a stringent, third-party
7 sustainability certifier). HHP’s forester, Donald Winsor, sits on the State Board of Licensure for
8 Foresters, in addition to past service with NHTOA, the American Tree Farm System, Project
9 Learning Tree, and other entities throughout his 35 year career. RCT will harness these
10 resources and experience to ensure compliance with the Certificate Sustainability conditions
11 (which are incorporated into the Fuel Supply Agreement).

12 **Q. Will RCT’s Fuel Supply Agreement with Laidlaw be materially consistent**
13 **with the draft Fuel Supply Agreement Laidlaw presented to the Subcommittee during the**
14 **hearing?**

15 A. Yes. The Fuel Supply Agreement between RCT and Laidlaw is materially the
16 same as the draft Fuel Supply Agreement Laidlaw presented to the Subcommittee during the
17 hearing, with two differences. The first change is that “mud season” is defined as “generally
18 occurring between March 15 and June 15 of each year” in the RCT Fuel Supply Agreement.
19 During mud season, RCT is required to have an additional forty-five days storage at off-site
20 locations. The second difference pertains to the security obligation. The stumpage collateral
21 package has been eliminated from the RCT Fuel Supply Agreement and replaced with a
22 performance bond requirement

1 **Q. Is RCT confident that it can procure an adequate supply of wood for**
2 **the Facility in compliance with the sustainability conditions required by the Certificate?**

3 A. Absolutely.

4 **Q. Does that conclude your pre-file testimony?**

5 A. Yes.