

**STATE OF NEW HAMPSHIRE**  
**BEFORE THE SITE EVALUATION COMMITTEE**

**Docket No. SEC 2011-01**

**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**

**SUPPLEMENTAL 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.     What is the purpose of your supplemental testimony?**

6           A.     The purpose of my supplemental testimony is to provide answers to questions that  
7 were asked of the Cousineau Forest Products' witness, Mr. Richmond, during the August 2010  
8 Laidlaw public hearing. I understand that Counsel for the Public and members of the Site  
9 Evaluation Committee are likely to have many of the same questions for me and so I will answer  
10 those questions in this supplemental testimony to try to help make the proceeding more efficient.

11          **Q.     Have you reviewed the testimony of Curt Richmond from Cousineau Forest**  
12 **Products from the 2010 Laidlaw SEC public hearing?**

13          A.     I have reviewed all of Mr. Richmond's testimony except for the portions of his  
14 testimony that took place during confidential, non-public sessions.

15          **Q.     Do you agree with Mr. Richmond's testimony from the 2010 Laidlaw**  
16 **hearing?**

17          A.     Yes. However, let me make two points. First, I can offer no opinion on his  
18 testimony as it relates specifically to Cousineau's business operations. Second, much of his  
19 testimony dealt with the broad issue of adequacy of wood supply. My understanding is that topic  
20 is not part of this proceeding and Laidlaw has not asked me to speak to that issue.

1           **Q.     How will RCT's contract to serve as the fuel supplier for the Laidlaw project**  
2 **affect its current operations?**

3           A.     We generally expect little effect although it is possible the contract will enhance  
4 RCT's operations by providing its suppliers with a market for an additional forest product.

5           **Q.     Do you currently sell biomass to PSNH?**

6           A.     We currently sell bark to PSNH for use at Schiller Station. We do not sell whole  
7 tree wood chips to PSNH.

8           **Q.     How will the Laidlaw project affect the price of wood for the Schiller**  
9 **Station?**

10          A.     I do not believe that the Laidlaw project will affect the price of wood at Schiller.

11          **Q.     Do you currently sell biomass to wood fired plants ("WFP") in New**  
12 **Hampshire?**

13          A.     Currently we sell very little biomass to the WFPs in New Hampshire. We do sell  
14 some mill residues to the WFPs from HHP, Inc. in Henniker.

15          **Q.     How do you think the Laidlaw project will affect those WFPs?**

16          A.     The Laidlaw project will create a larger market for whole wood chips, which in  
17 turn should make more available to the WFPs. For many years there has been uncertainty with  
18 respect to the WFPs longevity and therefore suppliers have been reluctant to invest in the  
19 machinery necessary to pull tree tops and branches from the forest to make whole wood chips.  
20 The Laidlaw project will create certainty with respect for the demand for this product and  
21 encourage suppliers to invest and harvest tree tops and branches.

1           **Q.     What effect will the Laidlaw project have on the NewPage facility?**

2           A.     We currently serve as a supplier for the NewPage facility. The NewPage facility  
3 uses round wood and not whole tree wood chips. Therefore, it will not be in competition with  
4 Laidlaw for whole tree wood chips. In fact, I believe the Laidlaw project will complement the  
5 NewPage facility and the suppliers who provide it with round wood by creating demand for a  
6 complementary wood product in the region.

7           **Q.     How will RCT staff the Laidlaw project?**

8           A.     Initially, during the facility construction period, RCT personnel will meet with  
9 landowners to obtain contracts to buy wood from those landowners to ensure RCT is prepared to  
10 provide the Laidlaw facility with the volume of whole wood chips necessary to fuel the plant  
11 when it begins operating. RCT will use this time period to encourage landowners and suppliers  
12 to purchase the equipment necessary to become whole wood chip suppliers. RCT will do this by  
13 educating landowners on the Laidlaw project and financing opportunities.

14           Once the Laidlaw facility is operational, RCT will add one or two licensed foresters to its  
15 staff to monitor its fuel suppliers in the field. RCT will also staff the Laidlaw facility to handle  
16 all deliveries of fuel to the plant. The RCT employees at the Laidlaw facility will track the  
17 source and size of wood deliveries.

18           **Q.     Does RCT backhaul forest products?**

19           A.     Yes. RCT backhauls forest products on its various trucking routes between its  
20 operations in New England and Canada. Backhauling increases in the spring, when mud season  
21 prevents trucks from driving on many roads in the North Country.

1           **Q.     How much of the wood sold to Laidlaw do you expect will be procured in the**  
2 **North Country?**

3           A.     RCT expects that the majority of the whole tree chips used to fuel the Laidlaw  
4 plant will come from Coos and Grafton counties. Historically Coos and Grafton counties fueled  
5 the Berlin pulp mill and RCT expects to draw on those same forests. Once the infrastructure is  
6 back in place, RCT expects the majority of the whole wood chips to come from the North  
7 Country.

8           Some whole tree chips will be procured outside of Coos and Grafton counties,  
9 particularly in the spring/mud season, when trucks usage of certain roads is limited.

10          **Q.     Can you handle procuring the amount of wood needed by Laidlaw in**  
11 **compliance with the sustainability conditions?**

12          A.     Absolutely. As I have noted elsewhere, we already have substantial experience  
13 working with the various sustainability programs identified in the Sustainability Conditions.

14          **Q.     What will be RCT's protocol with respect to procuring wood from the local**  
15 **area for the Laidlaw project?**

16          A.     As I previously testified, RCT will comply with the sustainability conditions as  
17 required in Laidlaw's Certificate of Site and Facility. RCT's personnel at the facility will track  
18 the source of the fuel brought to the plant to ensure it is complying with the conditions of the  
19 Certificate.

1           **Q.     How can you ensure your suppliers will not change their procurement**  
2 **practices due to the increased demand for wood chips that will be caused by the Laidlaw**  
3 **project?**

4           A.     As I testified earlier, RCT has licensed foresters in the field to monitor its  
5 suppliers' procurement practices. Moreover, many of the suppliers we work with are  
6 accustomed to complying with sustainability conditions because many of our customers have  
7 sustainability provisions in place. For example, NewPage Corporation in Rumford, ME operates  
8 under the Sustainable Forestry Initiative. Our HHP facility in Henniker, NH is Forest  
9 Stewardship Council ("FSC") certified. FSC is a rigid third party sustainability certifier that  
10 mandates all of our suppliers adhere to sustainable forestry practices.

11           **Q.     What are RCT's practices with respect to invasive species and insects?**

12           A.     RCT complies with all laws and regulations regarding invasive species and  
13 insects. If RCT becomes aware of an issue with an invasive species or insect, it will quarantine  
14 the wood and notify the proper officials.

15           **Q.     How many deliveries per day do you expect at the Laidlaw facility?**

16           A.     I expect there will be roughly 100 trucks delivering wood to the Laidlaw facility  
17 each day.

18           **Q.     Will RCT use any construction debris wood for the Laidlaw facility?**

19           A.     No.

20           **Q.     Do your suppliers have exclusive agreements with you?**

21           A.     No.

1           **Q.    Do other companies you work with have sustainability conditions?**

2           A.    Yes. As I testified above, many of our customers have sustainability conditions.

3    We are therefore accustomed to complying with those conditions.

4           **Q.    Does this conclude your supplemental testimony?**

5           A.    Yes. I am happy to answer any additional questions at the public hearing.