Community EFSEC Advisory Committee 961 Main Street Berlin, NH 03570 603-752-2733

March 10, 2010

Thomas S. Burack, Chairman New Hampshire Site Evaluation Committee c/o New Hampshire Department of Environmental Services 29 Hazen Drive, P.O. Box 95 Concord, New Hampshire 03302-0095

Dear Chairman Burack:

The Community EFSEC Advisory Committee ("CEAC") is a local Berlin community committee which was organized by the Androscoggin Valley Economic Recovery Corporation ("AVER") as a non-board community committee. AVER had formed a similar committee to work on the Berlin Federal Prison project and has been engaged in numerous other economic and community development projects. The CEAC is an all volunteer committee and a list of its members is attached as Exhibit A. Once formed, the CEAC developed its Statement of Purpose attached as Exhibit B.

The CEAC held public meetings and worked for approximately nine months to develop a list of recommended stipulations and general recommendations for the Laidlaw biomass project as it relates to the community. Attached as Exhibit C is a list of the recommendations as approved by CEAC. The CEAC negotiated extensively with Laidlaw in developing these recommendations and it is our understanding that we are in general agreement regarding their content. Also, attached are before and after simulated photographs which pertain to Appearance Issue #1. The CEAC approved all recommended stipulations unanimously (16-0) except for Community Benefit Issues recommendations #7 and #10, and County and State Wide Issues #2 and #3 which were approved by all except one committee member (15-1).

These results will be presented to the Berlin City Council and to the Coos County Commissioners and are available to other interested parties as well. It is our understanding that the Berlin City Council and the Coos County Commissioners will use them as input to their intervener positions. Please contact us if there are any questions. Thank you.

Chairman

Max Makaitis

Mara

Jay Poulin

Secretary

Exhibit A.

COMMUNITY EFSEC ADVISORY COMMITTEE

Committee Member Volunteers:

- 1. Scott Coulombe
- 2. Paul Cusson
- 3. John Gallus (ex-officio member)
- 4. Paul Grenier
- 5. Steve Griffin
- 6. Dick Huot
- 7. Russ Keene
- 8. Barry Kelly
- 9. Ryan Landry
- 10. Max Makaitis
- 11. Sally Manikian
- 12. Tom McCue
- 13. Robbie Munce
- 14. Jay Poulin
- 15. Sylvia Poulin
- 16. Lucie Remillard
- 17. Racheal Stuart

City staff invited as informational participants.

- 1. Pat MacQueen, City Manager
- 2. Pam Laflamme, City Planner

Press and public invited with general public postings.

- 1. Barbara Tetreault, Berlin Daily Sun
- 2. Erik Eisele, Berlin Reporter

Exhibit B.

COMMUNITY EFSEC ADVISORY COMMITTEE STATEMENT OF PURPOSE

The Community EFSEC Advisory Committee will work to identify community issues, including the community's environmental, economic development and social concerns, develop and negotiate recommended stipulations and other necessary information related to the Mill Site biomass plant EFSEC review process, which stipulations should protect and benefit the community while at the same time creating long term jobs and economic development in the community. The recommendations of the committee will be provided directly to the Berlin City Council, the Coos County Commissioners, the Energy Facilities Site Evaluation Committee and available to all other interested parties.

Exhibit C.

Community EFSEC Advisory Committee Recommended Stipulations.

I. APPEARANCE ISSUES

Community EFSEC Advisory Committee ("CEAC")

- 1. The CEAC recommends that upon completion of the biomass plant, that the physical appearance of the project, including buildings and landscaping (including evergreen trees), be at least as attractive as the photo simulations (attached) provided by representatives of Laidlaw. (Photo simulations of before and after can also be found at www.homelandlaidlaw.com.)
- **2.** The CEAC recommends and Laidlaw has agreed to place all electrical/transmission lines under ground out of sight.

II. NOISE, AIR AND WATER QUALITY ISSUES

- 1. All noise, air quality, odor and water quality issues will adhere to the City of Berlin Zoning Ordinance, Article XVIII, Sections 17, Performance Standards and the City of Berlin Code of Ordinances, Chapter 10.5, Article II. To the extent that a specific noise, air quality or water quality issue is not addressed herein or is deemed inadequate by the State of New Hampshire then New Hampshire state standards shall be applicable.
- 2. To the extent permitted by law, Laidlaw will have strobe light back up safety signals installed for quiet nighttime operation of yard equipment in addition to the beeper back up signals for daytime operation.
- 3. Laidlaw will not allow wood fuel deliveries between the hours of 9:00 pm to 5:00 am weekdays. Laidlaw will not allow wood fuel deliveries before 9:00 am on Saturdays. No wood fuel deliveries will be allowed on Sundays. Laidlaw will keep the delivery gates locked during all prohibited hours and will post a sign on the gate detailing the allowed delivery times. However, Laidlaw will be allowed deliveries to the facility Saturdays starting at 5:00 am instead of 9:00 am only during the approximate six week period when road bans are in effect which bans require truckers to drive on frozen roads. (This ban on certain roads results in loggers having to work night shifts and to deliver their loads before the sun starts melting roadways in early morning.)

- **4.** On site chipping and debarking operations noise will be mitigated by having the equipment enclosed and operated in a sound protecting enclosed building. The equipment will be powered by an electric motor rather than a combustion engine.
- 5. All noise issues, including generator, plant air or steam intake or exhaust, yard operations and truck traffic noise will be mitigated so as to be consistent with the limits contained in the City of Berlin's Performance Standards and Noise Ordinance.
- 6. The biomass facility will only be allowed to burn "clean" wood chips as defined by the NH Renewable Portfolio Standard (RSA 362-F:2(II)): "Biomass fuels" means plant-derived fuel including clean and untreated wood such as brush, stumps, lumber ends and trimmings, wood pallets, bark, wood chips or pellets, shavings, sawdust and slash, agricultural crops, biogas, or liquid biofuels, but shall exclude any materials derived in whole or in part from construction and demolition debris.
- 7. The site will be designed to prevent truck queuing on the street, provide for smooth flow of on-site traffic, and efficient off loading of trucks (multiple truck dumpers). In addition to this basic design concept, the facility will insure that trucks adhere to the State of New Hampshire idling practices: *New Hampshire* rules (Env-A 1101.05 and Env-A 11.01.06) prohibit idling of any dieselpowered motor vehicle for more than five minutes when the temperature is above 32°F, or 15 minutes when the temperature is below 32°F, with the following exceptions: • When the temperature is below -10°F; • When a diesel-powered motor vehicle is forced to remain motionless because of traffic conditions or mechanical difficulties over which the operator has no control; • When a diesel-powered motor vehicle is being used as an emergency motor vehicle; • When a diesel engine is providing power takeoff for refrigeration, lift gate pumps or other auxiliary uses, or supplying heat or air conditioning necessary for passenger comfort in those vehicles intended for commercial passenger transportation; • When a diesel-powered motor vehicle is being operated by a mechanic for maintenance or diagnostic purposes; or •When a diesel-powered motor vehicle is being operated solely to defrost a windshield.
- **8.** The biomass facility will manage and mitigate dust created from its operations by adhering to the following "Best Management Practices for Fugitive Dust":

Best Management Practices to Prevent Fugitive Dust

The primary potential sources of fugitive dust from biomass facilities fall into the following categories:

1. Dust generated by the rotating tires of vehicles traveling on facility roadways and material handling areas.

- 2. Dust generated by high wind conditions from surface 'fines' on storage piles and elevated conveyors;
- 3. Dust generated from open air transfer points of materials between processing locations (e.g. off-loading of wood chips, front end loader drops, conveyor transfer points).

Laidlaw is integrating design elements into the project and operating procedures that will prevent fugitive dust emissions using a plan of "Best Management Practices" (BMP). Brief descriptions of the measures that will be implemented are below.

Dust from Roadways and Other Driving Surfaces

- All facility roadways will be paved.
- Vehicle speed limits will be limited and enforced to reduce dust generation from vehicle travel on the paved surfaces within the site.
- Periodic cleaning of site roadways by mechanical sweeping or functionally equivalent methods.

Dust from Wood Chip Handling and Transfer Points

- All vehicles delivering wood chips to the facility will have loads covered until the time of actual off-loading.
- All off-loading of delivery trucks will be onto a paved area
- Fuel processing such as chipping, screening and grinding (hogging) will be performed within enclosed buildings.
- All conveyors will be enclosed to prevent exposure of material to wind.
- Water sprays will be available at transfer points in the event that fuel conditions become overly dry or climate conditions warrant further dust suppression.

Dust from Wood Fuel Storage Piles

- The facility will minimize the 'fines' content of the fuel by proper specifications developed for acceptable fuel deliveries by fuel suppliers. No large quantities of sawdust or other fines will be accepted that would eventually be a significant part of the fuel piles.
- Water sprays will be available in the vicinity of the wood chip piles to dampen the surface of the pile, if needed should a condition of dry, windy weather cause the generation of fugitive dust.

III. TRUCK TRAFFIC ISSUES

1. The energy facility site will be designed to provide sufficient onsite truck queuing and parking areas to avoid truck parking or backups onto city streets.

- 2. Laidlaw will not allow wood fuel deliveries between the hours of 9:00 pm to 5:00 am weekdays. Laidlaw will not allow wood fuel deliveries before 9:00 am on Saturday. No wood fuel deliveries will be allowed on Sundays. Laidlaw will keep the delivery gates locked during all prohibited hours and will post a sign on the gate detailing the allowed delivery times. However, Laidlaw will be allowed deliveries to the facility Saturdays starting at 5:00 am instead of 9:00 am only during the approximate six week period when road bans are in effect which bans require truckers to drive on frozen roads. (This ban on certain roads results in loggers having to work night shifts and to deliver their loads before the sun starts melting roadways in early morning.)
- **3.** Laidlaw will work with the City to develop truck traffic safety and routing procedures and policies to design the safest and best route to and from the plant while travelling in the City of Berlin.
- **4.** Laidlaw will develop a truck delivery policy which will be communicated to all truck drivers for the safe and environmentally conscious truck operation in the City of Berlin. This delivery policy will include a provision which will clearly state that any trucks that repeatedly violate any safety, noise, air quality or dust related requirements (including all applicable provisions contained in the RECOMMENDED STIPULATIONS NOISE, AIR AND WATER QUALITY section) will be prohibited from delivering wood to the site.

IV. COMMUNITY BENEFITS

1. Laidlaw will, at its expense, create a fifty foot wide (more or less where space physically allows) naturalized, mixed hardwoods and evergreens, green belt screen along its entire property line except for its boundary with the North American Dismantling site. Included in the fifty foot wide green belt will be a river walk along the Androscoggin River and an ATV/Snowmobile trail along the Hutchins/Coos street site boundary. Laidlaw will, at its expense, build a ten foot wide "River Walk" within the 50' buffer to accommodate walkers and joggers along the entire length of the Androscoggin River including the construction of any boardwalks and other features that are required in order to make the River Walk handicapped accessible. Laidlaw will use water permeable materials in constructing the River Walk whose surface would be suitable to allow wheelchair use. Laidlaw will provide a 50'-wide permanent easement centered on, and for the construction, use, and maintenance of, a multi-use pathway "River Walk" to the City of Berlin and provided that, after completion, the City will assume maintenance expenses and liability for the River Walk Park. Laidlaw will provide a 15' wide easement along Hutchins and Coos Streets as shown on Draft Conceptual Plan dated February 2, 2010 for ATV and Snowmobile trail use as prepared by the engineering firm of ESS Group, Inc. Any construction work,

maintenance costs and liability issues related to the ATV/Snowmobile trail will be at the expense of and the responsibility of the ATV/Snowmobile clubs and/or other third parties. Laidlaw, at its expense will remove the old barb wire fence and erect a new black, vinyl coated, chain link fence without barbed wire along the entire perimeter of the site inside of the River Walk Park along the Androscoggin River and inside of the ATV and Snowmobile trail. Laidlaw and the engineering firm of ESS Group, Inc. will continue to work with the Community EFSEC Advisory Committee to finalize a detailed landscape plan which will include all of the above elements.

- 2. Laidlaw agrees to sponsor local events and social activities for the benefit of the community. The facility operating budget will include an account for local sponsorship and this account will be budgeted each year commensurate with the financial performance of the energy facility and proportionately consistent with other major community sponsors. Other than as conceptually outlined above, the amount of such sponsorships and donations as well as the receiving party will be determined by the owners of the facility. Laidlaw has already sponsored events and donated to youth hockey. Laidlaw will continue to be a community sponsor before, during and after construction of the energy facility.
- **3.** Laidlaw will provide plant and site tours in order to help educate the general public and to foster an understanding of the benefits of green alternative biomass energy.
- **4.** Laidlaw will provide, at materially below market prices, excess heat, hot water and/or steam energy to help encourage the development of their site and other nearby properties. Laidlaw is already contractually committed to provide hot water to the Gorham paper mill and all additional potential users will be subject to the availability of excess energy as determined by engineering studies.
- 5. To the extent that qualified help is available locally, Laidlaw will place its priority on hiring local workers both for the construction phase of the project as well as for employment of jobs in operating the plant when completed. During the construction phase, Laidlaw will require all construction contractors to list all job openings with the NHWORKS office for recruiting purposes. Laidlaw will work with the local New Hampshire Works office, the White Mountains Community College and/or other applicable local organizations to achieve as much local hiring and recruiting as possible.
- **6.** To the extent possible, Laidlaw will use its best efforts to purchase wood fuel from local owner/operators before purchasing them from outside the community. Laidlaw will make every effort to acquire wood fuel in a manner that minimizes the average transportation distance in order to reduce the environmental impact and to acquire the maximum amount from local and regional suppliers.

- 7. Laidlaw, at its expense, will build a seventeen space community parking lot on Community Street near the intersection with Coos Street and provide an easement for same to the City of Berlin provided that the City assumes the cost of maintenance and liability associated with such parking lot.
- **8.** Laidlaw, working with local educational institutions, will establish an ongoing student intern program where students interested in alternative energy would have an opportunity to work and learn about the biomass energy facility.
- **9.** Whether or not a Payment In Lieu of Taxes is negotiated with Laidlaw is the exclusive right and responsibility of the City of Berlin.
- 10. Neither the 50 Mw McNeil biomass plant in Burlington, VT, visited by some of our committee members, nor the proposed Clean Power plant in Berlin, NH were required to have a decommissioning and dismantling plan in place for the removal of the facilities at the end of there useful lives. Our committee was not aware of any other biomass facilities which were required to have such a plan in place. In order not to create an unfair financial burden on this facility and not to place it in an uncompetitive pricing situation, it is recommended that Laidlaw not be required to have an end of life decommissioning and dismantling plan. However, because of Berlin's recent history of paper mill closings, there were committee members and Berlin residents alike that are concerned about the potential of a failed and abandoned biomass plant or an abandoned biomass plant at the end of its useful life.

V. COUNTY AND STATE WIDE ISSUES

- 1. The Northern Loop transmission upgrade is a complex state wide issue that is currently being addressed by the North Country Transmission Commission and our committee chooses to defer this issue. The Community EFSEC Advisory Committee supports the upgrade of the Northern Loop transmission line to the maximum 400 Mw capacity. This upgrade would help to develop and grow the alternative energy industry, including potential wind, hydro and biomass energy facilities, and help create "green jobs" in the community.
- 2. The Community EFSEC Advisory Committee has chosen to defer the wood basket sustainability issue to the Coos County Commissioners and the New Hampshire Site Evaluation Committee. We do not have the technical expertise to address the complex environmental, economic, employment, price impact and other factors involved. The Community EFSEC Advisory Committee is of the opinion that the Coos County Commissioners and the New Hampshire Site Evaluation Committee should be reasonably assured that the long term biomass usage by this facility will be sustainable and renewable.

3. The existing subsurface environmental concerns at the Laidlaw biomass plant site are best handled by and deferred to the New Hampshire Department of Environmental Services and the New Hampshire Site Evaluation Committee. Laidlaw has represented that they will manage all excavations and excavated materials in accordance with New Hampshire DES standards.



Existing view from Site 3



Proposed view from Site 3



Existing View looking from Baseball Field



Proposed View looking from Baseball Field



Existing view from Grafton Street



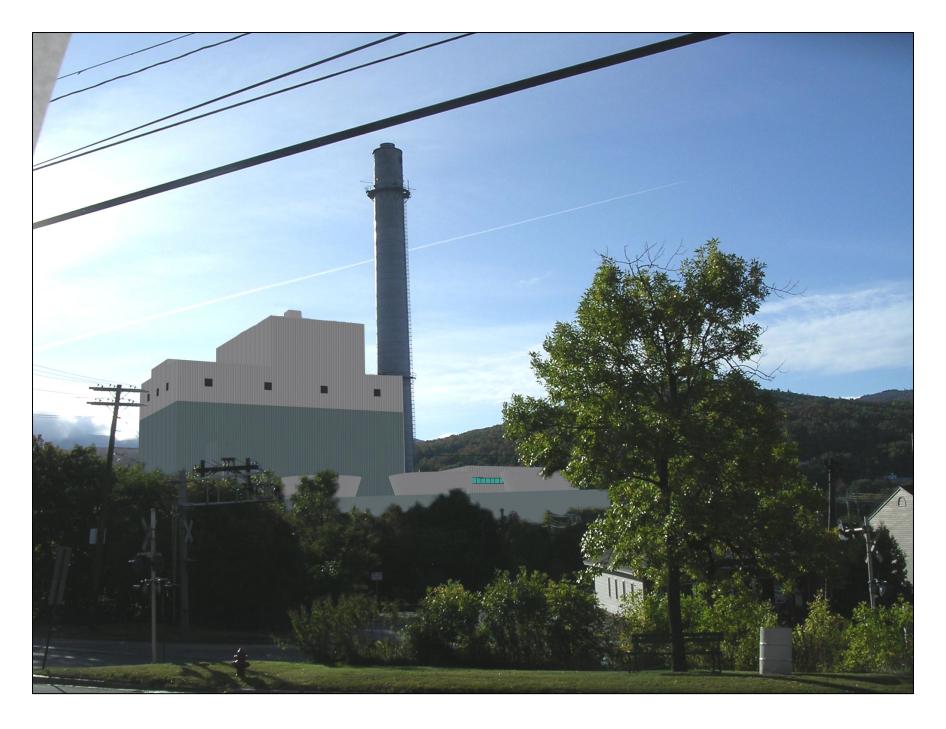
Proposed view from Grafton Street



Existing view from Saint Anne's Church



Proposed view from Saint Anne's Church



Proposed view from Saint Anne's Church (With Leaf Cover)