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May 7, 2010

Thomas S. Burack, Chairman
Site Evaluation Committee
N.H. Department of Environmental Services
29 Hazen Road
Concord, NH 03302

Re: Laidlaw Berlin BioPower, LLC – SEC Docket No. 2009-02

Dear Chariman Burack:

Based on discussions that took place at the May 5, 2010 Technical Session, Laidlaw has amended page 92 of its Application and page 7 of Michael B. Bartoszek's testimony. For the Committee's convenience and for ease in identifying the amended testimony, I enclose an original and 18 copies of the following:

- Page 92 of the Application in redline format
- Page 92 of the Application as amended
- Pages 7-8 of Michael B. Bartoszek's testimony in redline format
- Pages 7-8 of Michael B. Bartoszek's testimony as amended

If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Barry Needleman".

Barry Needleman

Enclosures

cc: Service List (via electronic mail)

capital required to construct the Project. In a leveraged lease arrangement of this type, the cash flows of the Project, which will be supported by a long-term power purchase contract with an investment grade rated utility, support debt financing for the Project while the lessor provides the equity capital.

The capital structure of the Project is expected to be comprised of approximately \$80 million of debt and \$30 million of equity. The debt financing is expected to be provided by various institutional investors. The equity capital will be provided by PJPD. While PJPD may enter into one or more transactions to fund all or a portion of its equity commitment, as is often done in such leveraged lease transactions to further enhance the lessor's returns, PJPD has committed to providing this funding in the Development Agreement and has sufficient resources to fund its capital commitment if need be.

The principals and employees of HLE have extensive experience in the various areas necessary to take a project from conceptual stage through commercial operations. HLE's principals and employees have substantial experience in financing large capital projects in the power and other sectors and in the negotiation of material contracts, due diligence and financial modeling necessary to obtain project financing.

HRE's team has developed and arranged financing for other alternative energy projects, including the development in 2004 of the \$235 million Fibrominn project. In addition, that project was financed using the same structure and process that will be used to finance the Berlin Project. Homeland subsidiaries are currently actively working on biomass projects in North Carolina, Arkansas, Mississippi and Maryland, with other projects planned for Alabama, Texas and other states. Homeland is lead by Rupert Fraser, its President & CEO. Mr. Fraser and his family have successfully built and operated three alternative energy projects in the UK similar to those in Benson, Minnesota.

The ongoing operations of the Project will largely be supported by the cash flows generated from a long-term Power Purchase Agreement ("PPA") that is being finalized with Public Service Company of New Hampshire ("PSNH") pursuant to an executed Letter of Intent. The PPA is an essential element of the Project's financial viability and will be the dominant positive factor in securing the debt financing. Under the PPA, PSNH will purchase 100% of Project electric output and capacity for a period of 20 years. ~~As a hedge against rising fuel prices, the energy price will be adjusted based on the Project's cost of biomass fuel pursuant to the terms of the PPA. The Project will have incentives to acquire fuel at competitive prices.~~ -In addition, during the PPA term, 100% of the available renewable energy certificates that qualify for compliance under the New Hampshire renewable portfolio standard will be sold to PSNH. The price for RECs is based on the New Hampshire Alternative Compliance Payment.

(6) A statement of assets and liabilities of the applicant

LBB's statement of assets and liabilities can be found in Appendix O.

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2 sectors and in the negotiation of material contracts, due diligence and financial modeling
3 necessary to obtain project financing.

4 Homeland's team has substantial experience in the development, and operation of both
5 traditional and alternative fuel projects. See [http://www.homelandrenewableenergy.com/hre-](http://www.homelandrenewableenergy.com/hre-team.html)
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7 energy projects, including the development in 2004 of a \$235 million biomass power plant in
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2 price for such RECs is based on the New Hampshire Alternative Compliance Payment.
3 Similar to the Committee's course of action in Granite Reliable Power, LLC (Decision Granting
4 Certificate of Site and Facility With Conditions, July 15, 2009, Docket No. 2008-04), the
5 Applicant would be willing to accept a certificate condition that prohibits the commencement of
6 construction until all construction financing is in place.

7 **Q: Does this conclude your pre-filed testimony?**

8 **A: Yes, but I would be happy to answer any questions.**

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