

RATH YOUNG PIGNATELLI

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Please reply to: Concord Office

September 3, 2010

Hand Delivered

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

RE: Exemption Application of Androscoggin Valley Regional Refuse Disposal District

Dear Mr. Burack:

On behalf of the Androscoggin Valley Regional Refuse Disposal District ("AVRRDD"), enclosed for filing and docketing are an original and seven copies of an Application for Exemption from the Approval and Certificate Requirements of RSA 162-H. The Application relates to a proposed project to construct and operate the Mt. Carberry Landfill Methane Gas and Natural Gas Pipeline Project located in northern New Hampshire, which will supply a paper mill, located in Gorham, New Hampshire with blended landfill gas and natural gas, to be used to fire boilers that supply steam to the mill's papermaking process. A diskette containing an electronic version of the Application is also enclosed.

As further explained in the Application, AVRRDD anticipates that construction will need to commence by the end of September and, therefore, AVRRDD wishes to obtain all necessary permits by that time. To the extent the Committee's resources allow, we would greatly appreciate any effort that can be made to accommodate this need.

AVRRDD respectfully requests that correspondence relating to the Application be directed to:

Charles G. Willing, Jr., Esq.
Rath, Young and Pignatelli, P.C.
One Capital Plaza
Concord, NH 03302-1500

National Impact. Uniquely New Hampshire.

Rath, Young and Pignatelli, P.C.
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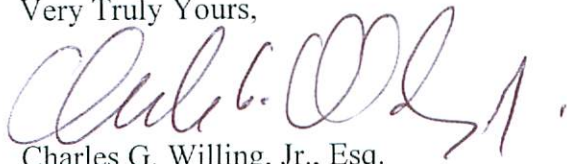
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Very Truly Yours,



Charles G. Willing, Jr., Esq.

Enclosure

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STATE OF NEW HAMPSHIRE
BEFORE THE
SITE EVALUATION COMMITTEE

Docket No. _____

APPLICATION FOR EXEMPTION

FROM

THE APPROVAL AND CERTIFICATE REQUIREMENTS

OF RSA CHAPTER 162-H

NOW COMES the Androscoggin Valley Regional Refuse Disposal District, a body politic and corporate and public instrumentality of the state carrying out a public purpose and organized under RSA 53-B (“AVRRDD”), and, pursuant to RSA 162-H:4, IV, respectfully submits an Application for Exemption for a certain landfill gas project from the Approval and Certificate Requirements of RSA Chapter 162-H. In support of this Application, AVRRDD states as follows:

1. AVRRDD is proposing to construct and operate the Mt. Carberry Landfill Methane Gas and Natural Gas Pipeline Project (the “Project”) located in northern New Hampshire. The Project will supply a paper mill, located in Gorham, New Hampshire (the “Gorham Mill”) with blended landfill gas (“LFG”) and natural gas, replacing No. 6 fuel oil currently used to fire boilers that supply steam to the Gorham Mill’s papermaking process.
2. AVRRDD currently collects and flares LFG at the Mt. Carberry Landfill (the “Landfill”) located in Success, New Hampshire. AVRRDD will compress, dehydrate and pipe LFG to a natural gas metering and pressure regulation station (“M&R Station”) on AVRRDD-owned property in Berlin. The M&R Station will be located close to the existing Portland

Natural Gas Transmission System (“PNGTS”) pipeline. Natural gas will be tapped off of the PNGTS pipeline, then delivered to and decompressed at the M&R Station. The LFG will be mixed with natural gas on the outlet side of the M&R Station, then mixed LFG and natural gas will be delivered to the Gorham Mill. The Project will be owned by AVRRDD and will be located in Success, Berlin, and Gorham, New Hampshire (see Figure 1, a plan prepared by AVRRDD’s consultant, Northstar Industries).

3. The Project will consist of the following components:
 - a. An LFG Processing Facility (compressor, dehydration unit, and LFG meter) at the eastern end of the Project in Success;
 - b. An approximately 11,300-foot-long buried 8-inch-diameter High Density Poly Ethylene (HDPE) LFG pipeline from the Landfill to the M&R Station in Berlin;
 - c. The M&R Station, at which natural gas will be metered, then regulated to a lower pressure;
 - d. An approximately 350-foot-long, 2-inch diameter lateral pipeline from the existing PNGTS mainline pipeline to the M&R Station;
 - e. An approximately 470-foot-long 8-inch-diameter HDPE mixed LFG and natural gas pipeline from the M&R Station to the Androscoggin River;
 - f. An approximately 300-foot-long 8-inch-diameter segment of coated steel pipeline crossing the abandoned railroad bridge over the Androscoggin River; and
 - g. An approximately 2,500-foot-long, 8-inch-diameter HDPE mixed LFG and natural gas pipeline from the west end of the Androscoggin River crossing to the Gorham Mill.
4. AVRRDD will sell 100% of the LFG it collects to the Gorham Mill at a price and

on terms being negotiated between the parties. AVR RDD anticipates an agreement with a 10-year initial term, with the possibility of extensions by the Gorham Mill. The mill owners will purchase natural gas directly from one or more natural gas suppliers, tapped off of the PNGTS transmission line and delivered through the Project. Thus, AVR RDD will sell only LFG (not natural gas) to the Gorham Mill, but will own the entire Project (having constructed the Project at its own cost) up to an interconnection point just outside the walls of the Gorham Mill.

5. The Gorham Mill currently employs about 240 people. The current owner of the mill, Fraser N.H. LLC ("Fraser"), is in bankruptcy in Canada and Delaware along with several corporate affiliates. Fraser is trying to sell the Gorham Mill. One prospective buyer group, led by MerchantBanc, is proposing to purchase the Gorham Mill and keep it operating on the condition that it be connected to a supply of natural gas and LFG to replace No. 6 fuel oil at the mill, and that it bear none of the capital costs for the Project. AVR RDD is willing to step forward and build the Project, subject to terms and conditions acceptable to AVR RDD, at an estimated cost of \$4.6 million. The MerchantBanc group would pay for retrofits to the boilers inside the Gorham Mill so that the boilers may accept LFG and natural gas.

6. Fraser has stated to AVR RDD that the Gorham Mill is losing approximately \$600,000 per month. Changing fuel sources as proposed would allow the Gorham Mill to be profitable. The MerchantBanc group's decision to buy the Gorham Mill and retain most of the 240 employees hinges in large part on their confidence that the Project will be constructed in the next six months. AVR RDD anticipates that the sale of the Gorham Mill and the execution of contracts between the mill owner and AVR RDD could take place in the month of September. To meet the schedule being requested by the MerchantBanc group, AVR RDD wishes to obtain all necessary permits and approvals by the end of September or as soon thereafter as possible.

7. The Project is environmentally beneficial. LFG is primarily composed of methane, which is a potent greenhouse gas that contributes significantly to global warming if released into atmosphere. Thus, the destruction of LFG from this Landfill helps mitigate global warming. Once the Project is developed, LFG and natural gas will replace No. 6 fuel oil currently used to fire boilers at the Gorham Mill, which will significantly improve air emissions from the Gorham Mill. In addition, the installation of the processing facility and M&R Station and pipelines will be minimally disruptive to the environment. A large portion of the pipeline will be buried adjacent to an existing gravel road and leachate line, and will cross the Androscoggin River over an existing, but abandoned, railroad bridge. Wetland impacts are minimal.

8. Environmental impacts are subject to comprehensive regulation by the New Hampshire Department of Environmental Services (“DES”). AVRRDD and its representatives have met with DES officials, including officials from the Air Resources Division, the Solid Waste Division and the Wetlands Bureau, to discuss all applicable DES requirements. DES officials have informed AVRRDD what DES approvals are necessary to construct and operate the Project. AVRRDD has obtained some of those approvals and is in the process of obtaining others.

9. AVRRDD has also met with staff of the New Hampshire Public Utilities Commission (the “PUC”) to discuss a petition for authority to install a pipeline over public water under RSA 371 and to confirm that the PUC will not attempt to regulate AVRRDD as a “public utility” within the meaning of RSA 362:2. AVRRDD is in discussions with the PUC about safety-related standards that might apply to the Project.

10. AVRRDD is also seeking approvals from other state agencies, and has received two project reviews, one dated July 22, 2010 from the New Hampshire Division of Historical Resources confirming that there are no historic properties affected by the proposed Project, and

another dated August 16, 2010 from the New Hampshire Natural Heritage Bureau, finding that no rare species or natural communities are expected to be impacted by the proposed Project.

11. AVRRDD has obtained approvals from each of the municipalities in which components of the Project will be located (Success, Berlin and Gorham), including but not limited to approvals by the planning boards of Coos County (Success), Berlin and Gorham.

12. The Project is economically beneficial to the State of New Hampshire, in particular the Berlin-Gorham region. Keeping the mill operating will help save up to 240 jobs at the Gorham Mill and up to two thousand jobs in the region. The New Hampshire Department of Resources and Economic Development strongly supports this Project.

13. The Project will be located entirely on property owned by AVRRDD, Great Lakes Hydro America, LLC ("Great Lakes"), and Fraser. Great Lakes and Fraser support the Project, and AVRRDD is in discussions to obtain necessary easements for the Project from those parties. The Project is broadly supported in the local community because it will help save many jobs.

14. The proposed Project qualifies for exemption from the provisions of RSA 162-H because:

- a. Existing statutes and rules provide adequate protection of the objectives of RSA 162-H:1;
- b. AVRRDD's Project will be considered by New Hampshire Department of Environmental Services, the New Hampshire Public Utilities Commission, officials of Berlin, Gorham and Success and several other agencies or entities, and the objectives of RSA 162-H:1 can be met through the actions of those governmental agencies or entities;
- c. The local community is broadly supportive of the Project; and
- d. All environmental impacts or effects are adequately regulated by other federal,

state, or local statutes, rules, or ordinances.

WHEREFORE, AVRRDD respectfully requests:

- A. Exemption from the Certificate of Site and Facility requirement of RSA 162-H:5 for the proposed Project; and
- B. Such other and further relief as may be just and expedient.


Respectfully submitted,

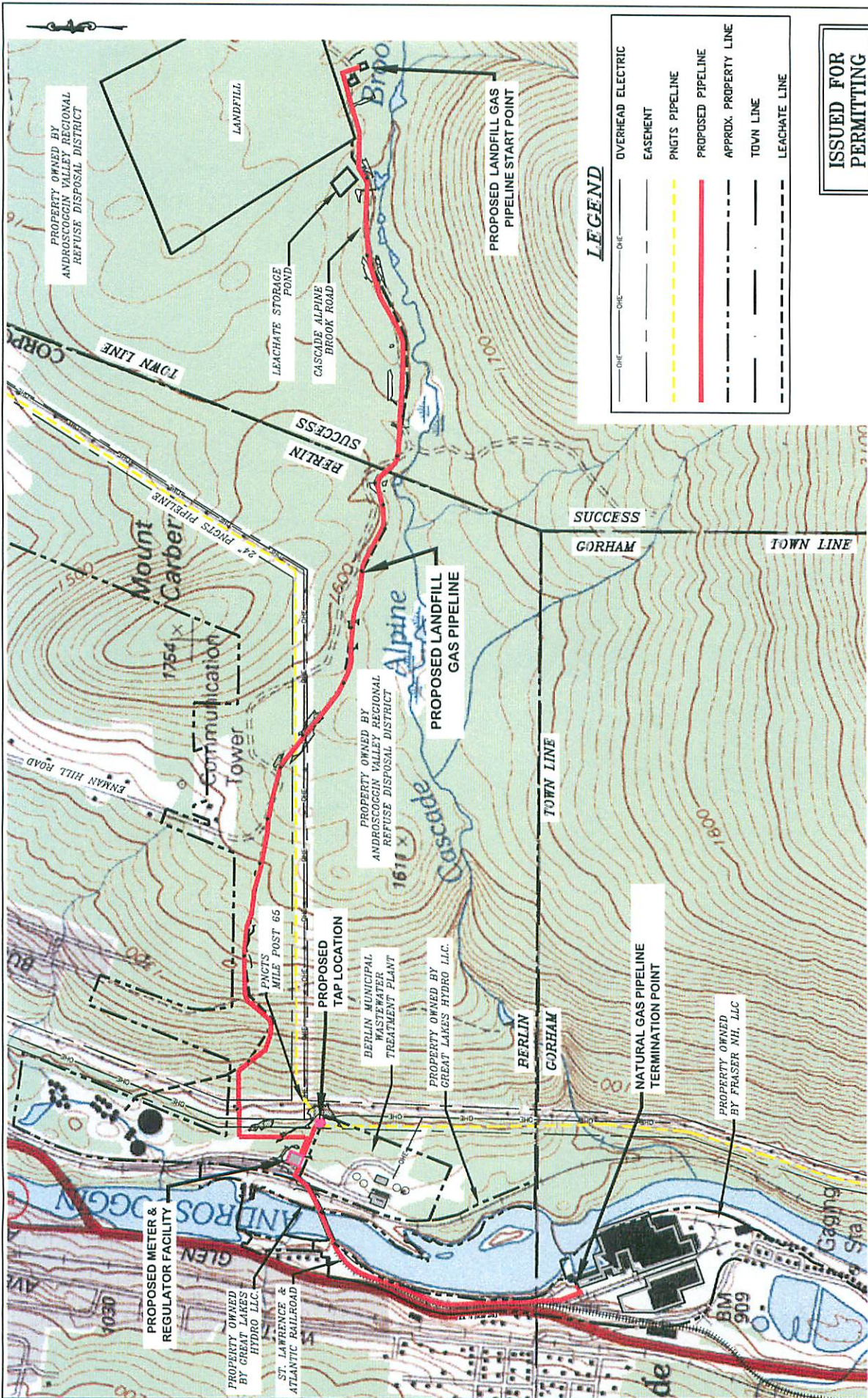
**ANDROSCOGGIN VALLEY REGIONAL
REFUSE DISPOSAL DISTRICT**

By their attorneys,

RATH, YOUNG AND PIGNATELLI, P.C.

Date: September 3, 2010

By: 
Charles G. Willing, Jr., Esquire
One Capital Plaza, P.O. Box 1500
Concord, NH 03302-1500
Ph. (603) 226-2600



LEGEND

—	OVERHEAD ELECTRIC
- - -	EASEMENT
- - -	PNIGS PIPELINE
- - -	PROPOSED PIPELINE
- - -	APPROX. PROPERTY LINE
- - -	TOWN LINE
- - -	LEACHATE LINE

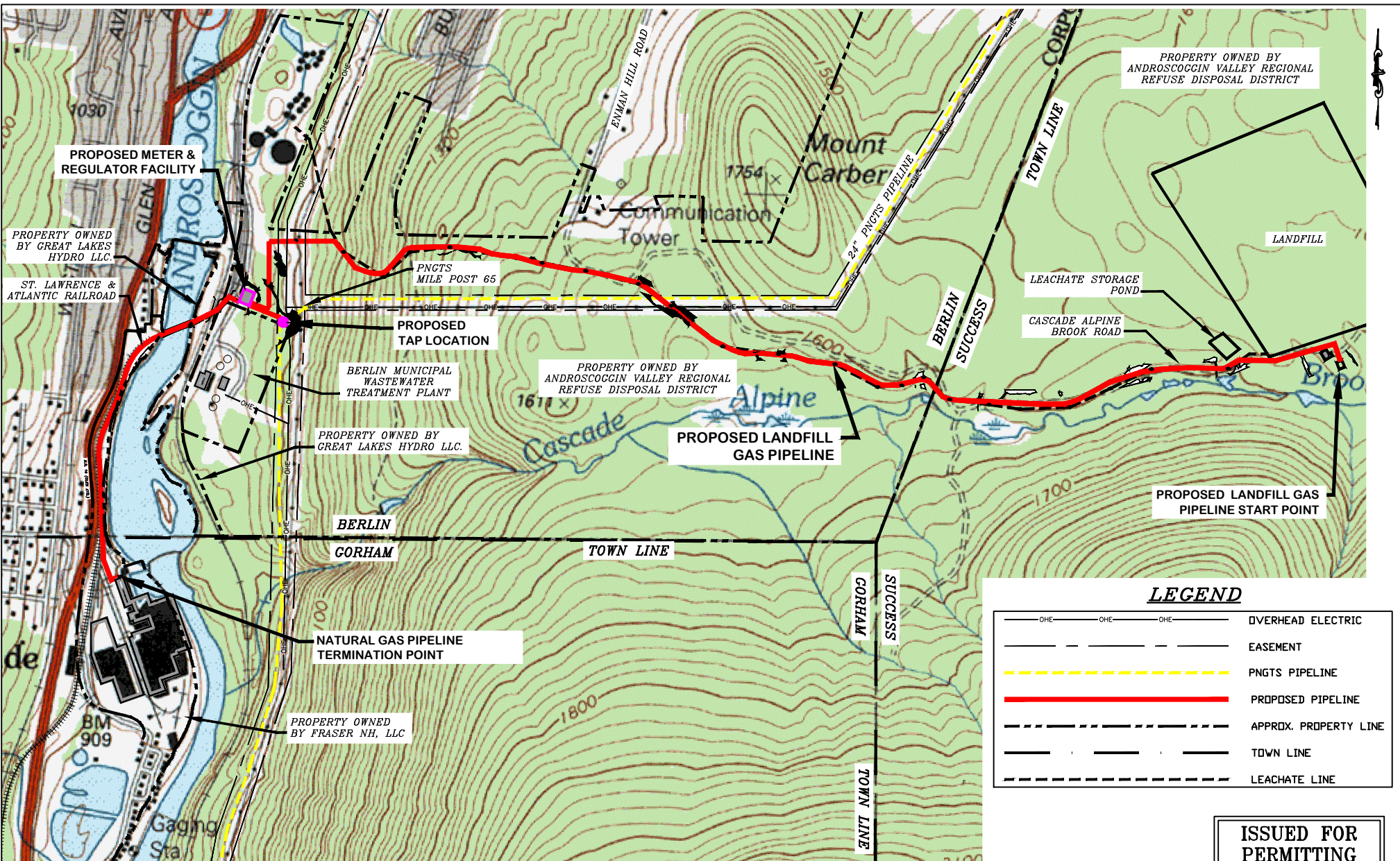
ISSUED FOR PERMITTING

PRELIMINARY FOR INFO ONLY



FIGURE 1

FILENAME: FIGURE 1 LAST UPDATE: 8/11/10 TIME: 3:40P CAM		PIPELINE OVERVIEW USGS BACKGROUND NATURAL GAS PIPELINE LATERAL FROM A.V.R.R.D.D. TO FRASER NH, LLC GORHAM, NH	
PROJECT NO. AVD-0003 BY C. MAGUIRE CHK'D A. GANTHIER	DATE 8/11/10 DATE 8/11/10	DESIGN APPROVAL REMARKS REVISIONS	
THIS DRAWING IS ENTRUSTED TO THE RECIPIENT ESPECIALLY AND MAY CONTAIN INFORMATION THAT IS PROTECTED BY US PATENT # 6,877,946-233242E, PRE-FABRICATED, MODULAR NATURAL GAS DISTRIBUTION SYSTEMS. IT SHALL NOT BE REPRODUCED IN WHOLE OR PART, OR MADE ACCESSIBLE TO THIRD PARTIES WITHOUT THEIR WRITTEN CONSENT APPROVAL FROM NOR-ESTAS INDUSTRIES, INC.		NORTHSTAR ENGINEERING 200 WINDYBROOK STREET • LITTLETON, CO 80120	
DWG NO. FIGURE 1 SCALE 1" = 1,200'		REV. A	



PROPERTY OWNED BY ANDROSCOGGIN VALLEY REGIONAL REFUSE DISPOSAL DISTRICT

PROPERTY OWNED BY GREAT LAKES HYDRO LLC.

ST. LAWRENCE & ATLANTIC RAILROAD

BERLIN MUNICIPAL WASTEWATER TREATMENT PLANT

PROPERTY OWNED BY GREAT LAKES HYDRO LLC.

NATURAL GAS PIPELINE TERMINATION POINT

PROPERTY OWNED BY FRASER NH, LLC

PROPERTY OWNED BY ANDROSCOGGIN VALLEY REGIONAL REFUSE DISPOSAL DISTRICT

LEACHATE STORAGE POND

CASCADE ALPINE BROOK ROAD

PROPOSED LANDFILL GAS PIPELINE START POINT

LEGEND

—OHE—	OVERHEAD ELECTRIC
- - - - -	EASEMENT
- - - - -	PNGTS PIPELINE
—————	PROPOSED PIPELINE
- - - - -	APPROX. PROPERTY LINE
—————	TOWN LINE
- - - - -	LEACHATE LINE

ISSUED FOR PERMITTING

PRELIMINARY FOR INFO ONLY

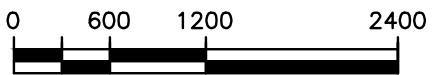


FIGURE 1

FILENAME: FIGURE 1		LAST UPDATE: 8/11/10 TIME: 3:40P CAM		SCALE, FEET		FIGURE 1	
BY	CAM	ISSUED FOR PRELIMINARY FOR INFO ONLY!	THIS DRAWING IS ENTRUSTED TO THE RECIPIENT PERSONALLY AND MAY CONTAIN INFORMATION THAT IS PROTECTED BY US PATENT #6,176,046:PORTABLE, PRE-MANUFACTURED, MODULAR NATURAL GAS DELIVERY STATIONS. IT SHALL NOT BE REPRODUCED IN WHOLE, OR PART, OR MADE ACCESSIBLE TO THIRD PARTIES WITHOUT PRIOR WRITTEN CONSENT FROM NORTHSTAR INDUSTRIES, INC.	PIPELINE OVERVIEW USGS BACKGROUND		PROJECT NO. AVD-0003	
CHKD	A EMB			NATURAL GAS PIPELINE LATERAL FROM A.V.R.R.D.D. TO FRASER NH, LLC GORHAM, NH		BY C. MAGUIRE DATE 8/11/10	
DATE	8/11/10					CHK'D A. GONTHIER DATE 8/11/10	
BY						A. GONTHIER PROJECT MANAGER	
CHKD		DESIGN APPROVAL				NORTHSTAR INDUSTRIES 128 MERRIMACK STREET • METHUEN, MA 01844	
DATE						DWG NO. FIGURE 1	
REVISIONS		REMARKS				SCALE 1"=1,200'	
						REV. A	