

1 STATE OF NEW HAMPSHIRE

2 SITE EVALUATION COMMITTEE

3
4 **July 6, 2011** - 10:16 a.m.
5 Berlin City Hall
6 168 Main Street
7 Berlin, New Hampshire

8 RE: SEC DOCKET NO. 2011-003
9 **Petition of Gorham Paper & Tissue,**
10 **LLC, for an Exemption from the**
11 **Application and Certificate**
12 **Requirements of RSA 162-H.**
13 **(Public Informational Hearing**
14 **and Deliberations)**

15	PRESENT:	SITE EVALUATION SUBCOMMITTEE:
16	Thomas Burack, Commissioner	Dept. of Environmental Services
17	(Presiding as Chairman)	
18	Thomas B. Getz, Chairman	N.H. Public Utilities Comm.
19	(Vice Chairman of the SEC)	
20	Robert Scott, Director	Air Resources Division - DES
21	Harry Stewart, Director	Water Division - DES
22	Clifton Below, Commissioner	N.H. Public Utilities Comm.
23	Amy Ignatius, Commissioner	N.H. Public Utilities Comm.
24	Elizabeth Muzzey, Director	Div. of Historical Resources
	Brad Simpkins, Director	Div. of Forests & Lands - DRED
	Joanne Morin, Director	Office of Energy & Planning
	George Bald, Commissioner	Dept. of Resources & Econ. Dev.
	Glenn Normandeau, Exec. Dir.	N.H. Fish & Game Department
	Randy Knepper, Director	Safety Division - PUC

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26 **Counsel for the Committee:** Michael Iacopino, Esq.
27 (Brennan, Caron, Lenehan...)

28 **COURT REPORTER:** STEVEN E. PATNAUDE, LCR No. 52

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APPEARANCES:

Counsel for the Applicant: Joanna B. Tourangeau, Esq.
(Gorham Paper & Tissue) (*Drummond Woodsum*)

Counsel for the AVRRDD: Chuck Willing, Esq.
(Androscoggin Valley Reg. Refuse Disposal District) (*Rath, Young & Pignatelli*)

OTHER APPEARANCES NOTED:

John Harrington (Patriarch Partners)

Dick Arnold (Gorham Paper & Tissue)

Andy Hartford (Gorham Paper & Tissue)

Jim Richards (Cianbro)

Jared Whitney (R.H. White)

Sharon Gauthier (AVRRDD)

Paul Schmidt (CMA)

Richard A. Shinay, Esq. (Drummond Woodsum)

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P R O C E E D I N G

CHAIRMAN BURACK: Good morning, ladies and gentlemen. Welcome to a public hearing of the New Hampshire Energy Facilities Site Evaluation Committee. My name is Tom Burack, and I serve as Commissioner of the Department of Environmental Services. And, in that capacity, pursuant to RSA 162-H, I also serve as Chairman of this Committee. Before we get started, I would just like to ask those who have cellphones with them either to please turn them off or set them to vibrate.

We are here today for a public information hearing and deliberative session in Docket Number 2011-03 regarding the request of Gorham Paper & Tissue, LLC, to allow modifications to the exemption from the requirements of RSA 162-H that was granted to the Androscoggin Valley Regional Refuse Disposal District. On December 29, 2010, in Docket Number 2010-02, the Site Evaluation Committee, which we will refer to as the "Committee", granted an exemption from the application and certificate requirements of RSA 162-H to Androscoggin Valley Regional Refuse Disposal District, which we will refer to as the "District", for the site and construction and operation of a blended landfill gas, otherwise known as "LFG", and natural gas energy project, which included

{SEC 2011-003} {07-06-11}

1 the following components: (1) a landfill gas processing
2 facility and associated compressor dehydration unit,
3 flares, and LFG meter at the eastern end of the Mount
4 Carberry Landfill, located in Success, Coos County; (2) a
5 natural gas metering and pressure regulation station,
6 known as an "M&R Station", on District property located in
7 Berlin, Coos County, and near the existing Portland
8 Natural Gas Transmission System, known as the "PNGTS
9 Pipeline"; (3) an approximate 11,300 foot long buried
10 8-inch diameter high density polyethylene, "HDPE", LFG
11 pipeline from the landfill to the M&R Station in Berlin;
12 (4) an approximate 350 foot long 2-inch diameter lateral
13 pipeline from the existing PNGTS mainline pipeline to the
14 M&R Station; (5) an approximate 470 foot long 8-inch
15 diameter HDPE mixed LFG and natural gas pipeline from the
16 M&R Station to the Androscoggin River; (6) an approximate
17 300 foot long 8-inch diameter segment of coated steel
18 pipeline crossing the abandoned railroad bridge across the
19 Androscoggin River; and (7) an approximate 2,500 foot long
20 8-inch diameter HDPE mixed LFG and natural gas pipeline
21 from the west end of the Androscoggin River, crossing to
22 the Gorham Paper Mill. We refer to all of these
23 components taken together as "the Project".

24 On June 10, 2011, Gorham Paper & Tissue,

{SEC 2011-003} {07-06-11}

1 LLC, which we will refer to as "GPT", filed a letter with
2 the Committee updating the Committee on modifications to
3 the Project, and seeking confirmation that GPT could rely
4 on the exemption granted to the District in Docket Number
5 2010-02. In its filing, GPT reported the following
6 substantial modifications to the Project: (1) GPT has
7 completed its purchase of the former Fraser Paper Mill
8 located in Gorham, Coos County, New Hampshire, which we
9 will refer to as "the Mill", and proposes to install and
10 own the natural gas pipeline, the M&R Station, and all
11 parts of the pipeline transiting from the PNGTS pipeline
12 to the Mill. Originally, the District planned to
13 construct, install, and own the entire pipeline. (2)
14 Rather than delivering blended LFG and natural gas to the
15 Mill through a single pipeline, GPT now proposes to
16 construct two separate pipelines delivering natural gas
17 and LFG separately. (3) The LFG pipeline will be owned in
18 part by GPT and in part by the District. And (4), in its
19 supplemental submission of July 1, 2011, GPT also advises
20 that there have been some modifications concerning the M&R
21 Station. First, the LFG pipeline will not run through the
22 M&R Station. Second, the location of the M&R Station has
23 been shifted to an area that is roughly 200 feet to the
24 north, in order to avoid certain steep slopes in the area.

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1 The proposed modifications to the
2 Project are substantially different than contemplated by
3 the original exemption and require that the Committee
4 determine whether the Project, as modified, continues to
5 qualify for exemption from the application and certificate
6 process of RSA 162-H. The proposed facilities will
7 collect and transport LFG and natural gas in Success and
8 Berlin and deliver LFG and natural gas to the mill located
9 in Gorham via two separate pipelines and associated
10 facilities. All of the proposed facilities are located
11 within Coos County, New Hampshire.

12 The siting, construction, and operation
13 of such facilities are usually regulated by the Site
14 Evaluation Committee in an integrated fashion and require
15 a Certificate of Site and Facility. However, under
16 certain circumstances, the Committee has the authority to
17 exempt a proposed project from its regulation. The
18 District was granted an exemption in Docket Number
19 2010-02. When the Committee chooses to grant an
20 exemption, the Applicant must still comply with all state
21 and local regulations and obtain all necessary permits and
22 licenses from the appropriate federal, state, and local
23 agencies.

24 In this docket, we must consider the

{SEC 2011-003} {07-06-11}

1 proposed modifications to the Project, both in design and
2 in ownership, and determine whether the Project, as
3 modified, should continue to be exempted from the
4 requirements of RSA 162-H. The Committee's authority to
5 hold this hearing is set forth in 162-H, Section 4, IV.

6 Notice of this public informational
7 hearing was served upon the public by publication in the
8 New Hampshire Union Leader on June 24, 2011 and in the
9 Daily Sun on June 24, 2011. No written comments or
10 objections have been received from members of the public
11 to date.

12 We will begin the public informational
13 hearing on this application with introduction of the
14 Committee members. We will then hear a presentation by
15 the Applicant. Following that presentation, the Committee
16 members and Staff will have the opportunity to pose
17 questions to the Applicant. Thereafter, the public will
18 be permitted to pose questions to the Applicant. If you
19 have a question for the Applicant, we ask that you please
20 write your question down on a card and hand it to Counsel
21 for the Committee, Mike Iacopino. We will try to organize
22 all the questions by subject matter and present them to
23 the Applicant in an organized fashion. Once we have asked
24 all of the questions that the public may have, we will

1 then take public statements or comments on the
2 Application. Now, please make your public statements as
3 succinct as possible and please try not to be repetitive.
4 You can sign up to make a public statement on the sheet
5 provided at the door.

6 Once public input is complete, the
7 Committee may then deliberate and consider whether an
8 exemption from the statutory process should be granted to
9 the Applicant.

10 So, we will first have the Committee
11 members introduce themselves. We will then take
12 appearances from the Applicant and its representatives.
13 Once we have completed the appearances, Ms. Tourangeau,
14 you may start with your presentation.

15 So, with that, I'd like to ask the
16 Committee members if they would please introduce
17 themselves.

18 DIR. MORIN: My name is Joanne Morin.
19 I'm the Director of the Office of Energy & Planning.

20 CMSR. BALD: I'm George Bald,
21 Commissioner of Department of Resources & Economic
22 Development.

23 DIR. SIMPKINS: Brad Simpkins, with the
24 Division of Forests & Lands.

1 DIR. MUZZEY: Elizabeth Muzzey, Director
2 of the Division of Historical Resources.

3 VICE CHAIRMAN GETZ: Tom Getz, Chairman
4 of the Public Utilities Commission.

5 CMSR. IGNATIUS: Amy Ignatius, a
6 Commissioner with the Public Utilities Commission.

7 MR. KNEPPER: Randy Knepper. I'm the
8 Director of Safety for the Public Utilities Commission.

9 DIR. SCOTT: I'm Bob Scott with the Air
10 Resources Division of the Department of Environmental
11 Services.

12 DIR. STEWART: Harry Stewart, Water
13 Division Director, Department of Environmental Services.

14 CMSR. BELOW: Clifton Below, one of the
15 Public Utility Commissioners.

16 DIR. NORMANDEAU: I'm Glenn Normandeau,
17 the Director of the Fish & Game Department.

18 CHAIRMAN BURACK: To my immediate right
19 is Michael Iacopino, who serves as legal counsel to the
20 Committee for purposes of this proceeding.

21 And, I'd now like to turn the floor over
22 to Chairman Getz to deal with a procedural matter
23 involving the Public Utility Commission.

24 VICE CHAIRMAN GETZ: Yes. This is a

1 motion for the members of the Commission. And, I move
2 that we designate Randy Knepper as the engineer from the
3 Public Utilities Commission to serve on this Committee.
4 So moved.

5 CMSR. IGNATIUS: Second.

6 CMSR. BELOW: I concur.

7 VICE CHAIRMAN GETZ: The motion carries.

8 CHAIRMAN BURACK: Very well. Thank you
9 very much. Okay. Attorney Tourangeau.

10 MS. TOURANGEAU: First, I want to make
11 sure that you can hear me. Am I amplified? Great. Good
12 morning, Commissioner Burack, members -- esteemed members
13 of the Committee, and Staff Attorney Iacopino. I'm Joanna
14 Tourangeau, from Drummond Woodsum, here this morning on
15 behalf of Gorham Paper & Tissue. And, I'm going to take a
16 little time to introduce the whole group that's here with
17 me, so that you can feel free to answer questions when we
18 get to that part.

19 From Patriarch Partners, we have John
20 Harrington. From Gorham Paper & Tissue, we have Dick
21 Arnold, Andy --

22 MR. HARTFORD: Hartford.

23 MS. TOURANGEAU: -- Hartford, sorry.

24 From Cianbro, we have Jim Richards. And, Cianbro is the

1 entity that is overseeing the construction of the
2 pipeline. And, from R.H. White, we have Jared Whitney,
3 which is the design/build contractor for the Project.
4 Also here today, I'm sure you know these folks already,
5 but I did want to point out that there is a group from the
6 Androscoggin Valley Regional Refuse Disposal District here
7 as well, and that's Sharon Gauthier and Chuck Willing.
8 And, I'm sorry, --

9 MR. SCHMIDT: Paul Schmidt.

10 MS. TOURANGEAU: -- Paul Schmidt, from
11 CMA, their engineer. So, there's quite a group here to
12 talk about the Project. As Commissioner Burack indicated,
13 we have made some changes to the Project in order to
14 address the economic issues surrounding our ownership and
15 operation of the mill, in order to address the -- its
16 inability to operate at a profit without change in the
17 fuel that is fueling the boilers. And, I will have folks
18 from the mill talk a little bit more about what those
19 impacts are on the economics side. And, the major
20 engineering and structural changes in the Project were
21 also outlined. We are essentially proposing to exempt our
22 construction of 5,000 feet of pipeline, which runs from a
23 tap into the PNG transmission line, then over the
24 Androscoggin Valley -- the District's land to an M&R

1 Station, where it will be metered and regulated. And,
2 then, south roughly -- roughly southwesterly, I don't
3 know, a couple hundred feet maybe, at most, where it will
4 join with the landfill gas line that was initially
5 proposed to come from the landfill, that will later be
6 activated. And, at that point, south of the M&R Station,
7 the trench that we are opening for the 5,000 feet of
8 natural gas pipeline will also include a separate pipeline
9 to later be activated and join the extension of the
10 landfill gas pipeline from the landfill, and that trench
11 will thereafter run to the mill roughly 3,000 feet. And,
12 I'm sure the engineering team will correct me if I'm wrong
13 on the numbers there.

14 The two separate pipelines will give us
15 additional flexibilities with regard to which fuels we're
16 using, and they will also allow for construction of the
17 Project at a much quicker pace, given that we're doing
18 only the 5,000 feet run, instead of the originally
19 proposed over 11,000 foot run.

20 That's all I have. I think that
21 Commissioner Burack did a great job summarizing our
22 proposal. If Dick would be willing to get up and talk
23 about the economic impacts. And, then, I will have Jared
24 Whitney and Jim Richards get up and give a little bit more

1 detail on the engineering and design for the pipeline.

2 MR. ARNOLD: Good morning. And, thank
3 you, Joanna. Commissioner and members of the Committee,
4 it's a pleasure being here this morning to talk about
5 Gorham Paper & Tissue and the gas pipeline, and how it
6 strategically fits with our plans to rebuild the business
7 in Gorham, New Hampshire. I want to ask John Harrington
8 to come up and give you a brief overview of why we've done
9 some things that we've done, in terms of taking over the
10 pipeline.

11 But, prior to that, I think I need to
12 acknowledge Sharon Gauthier and the District. I think,
13 without their efforts over the last year, in what they
14 have done in laying the groundwork for this gas pipeline
15 and landfill gas pipeline, Patriarch and the Gorham Mill
16 could not have achieved what they have achieved in the
17 last eight weeks, since the purchase.

18 So, I think, you know, just a status of
19 the start-up. Within a five-week period, we did restart
20 one of the machines in Gorham, even though we were on oil,
21 making a towel product and bringing up to 100 people back
22 to work. I think it was a boost that the area needed, in
23 terms of economic development.

24 I think the pipeline, as John will talk

1 about, is an important ingredient and an important part of
2 our future here, as we look at our competitiveness as a
3 paper mill, not only locally, but globally.

4 So, again, we've run well. We have a
5 ramp-up plan that we're following. And, I think, over the
6 next three or four months, the gas line plays a crucial
7 part of that ramp-up plan. And, I'll let John talk about
8 the importance of that. Thank you.

9 MR. HARRINGTON: Good morning.

10 CHAIRMAN BURACK: Good morning.

11 MR. HARRINGTON: Thank you for the
12 opportunity to address you. My name is John Harrington.
13 I work for Patriarch Partners. My role within Patriarch
14 is I am responsible for a certain amount of companies, six
15 or seven. I'm responsible for the investment that we make
16 in those companies and for the performance of the
17 operations. When Lynn Tilton of Patriarch became
18 interested in this mill, she asked me to come up and take
19 a look at it and a due diligence process.

20 And, since we bought Old Town about two
21 and a half years ago, I'm also responsible for Old Town,
22 it's one of the companies. I brought Dick with me, and
23 Dick is now president not only of Old Town, but he's
24 president of Gorham Paper & Tissue.

1 And, a few things became apparent
2 immediately. And, one is that the mill is not viable on
3 oil. And, two, that the District and Sharon had really
4 done a tremendous amount of the legwork in providing a
5 solution for the mill to get it onto gas. But, in doing
6 proformas and trying to take a look at the investment that
7 we needed to make, the fact of the matter is, running this
8 thing on oil at about \$100 a barrel, and running it on
9 natural gas at the current, that we expect to be able to
10 buy natural gas at, is about a million dollars a month.

11 And, so, the investment in this, you
12 know, we're looking at somewhere around a \$60 million
13 investment to make the mill viable. And, it's critical
14 that we get onto gas. And, I just can't, if I'm
15 responsible for that investment, and, you know, I have a
16 great appreciation for what the District has done, but I
17 can't take that responsibility and allow the District to
18 run with it. I need to take control of that project
19 myself. And, there's reasons for that. You know, you
20 look at the investment in the gas line, and say it's three
21 and a half or \$4 million, but the fact is it's costing me
22 a million dollars a month of additional investment because
23 I'm running oil. And, we made the decision to start the
24 mill. I think it's the proper decision. We understand

1 we're going to lose money at least through getting onto
2 gas. But, if that gas line goes five months, it's costing
3 me a lot of money. If it goes an additional month, it's
4 costing me a lot more money. And, I need to invest that
5 money into -- into equipment and infrastructure that will
6 make the mill profitable, not burn it up the smoke stack.

7 So, I felt that, if I was going to go to
8 Lynn and say "you should buy this thing", I needed to take
9 responsibility for that. And, one is, I like to have
10 control. But, mainly, it's because, as a private company,
11 we have the ability to react much faster than Sharon does
12 with her committees. You know, if I have a problem, I can
13 throw money at it very quickly. And, time is of the
14 essence here. We need to have it, obviously, safe. We
15 have to be in compliance with all the rules. But a lot of
16 problems can be fixed with money quickly. And, if it's
17 costing me a million dollars a month, I need to have
18 control to do that.

19 So, I went to Lynn and I said, you know,
20 "There's a few things. Willis said don't buy the mill
21 unless you're going to invest in a tissue machine." But,
22 I also said, "If we're going to do it, we need to take
23 control of this project." And, that's why we did it.
24 And, I think it was the right decision.

1 And, you know, we're still working with
2 the District, we continue -- we plan to continue to. We
3 plan on taking their gas on a priority basis. But the
4 natural gas line piece of it, I need to take control of
5 that. And, so, that's the genesis of that decision.

6 The second big change here, and I'm not
7 an engineer, so, if you have questions, you're going to
8 have to address it to someone smarter than me, but the
9 original design had one gas line. And, so, it brought a
10 mixture of gas, natural gas and landfill gas, into the
11 mill. And, that made the controls of the boiler a little
12 more complicated. It restricted the mill on what it could
13 do. I mean, you can burn, I understand the mixture of
14 this, at least what I'm being told, is you're looking at a
15 mixture from somewhere between 100 percent landfill to
16 100 percent natural gas. And, you can get away with that
17 on a boiler, but you're making very special guns and very
18 special one-off control systems, which adds time and
19 complexity to it.

20 But it also restricts the mill on being
21 able to, say, put in a tissue machine. And, I want to
22 have a gas-fired hood in it. And, those things are
23 designed to run on natural gas. They're not designed to
24 run on landfill gas. And, I need guarantees on this

1 machine. So, if I need to put in a tissue machine, I need
2 to have a source of natural gas at the mill. And, so, and
3 this really didn't come from me, it comes from Dick and
4 his engineers, but they came back and said, you know, "we
5 looked at the design, but the fact is, we don't think it
6 works for the mill. The mill needs to have both. We can
7 take the landfill gas, we can run it to it, and burn it,
8 we can come up with a special burner and just run it in
9 the boiler, it shouldn't be a problem. And, then run the
10 rest of it on natural gas."

11 So, those are the two big decisions, I
12 think, or one of those decisions that creates another
13 issue. But that's the reasoning, at least since it were
14 my decisions, that that's my reasoning for it, and I
15 believe the facts I have are correct.

16 So, I can answer any questions on those
17 two decisions. On any of the technical stuff, we have a
18 big crew here, so they can answer those.

19 CHAIRMAN BURACK: Chairman Getz.

20 VICE CHAIRMAN GETZ: One question about,
21 when you said the -- it's "going to cost you a million
22 dollars a month" --

23 MR. HARRINGTON: The difference between
24 gas and oil, at running three machines, is a million

1 dollars a month, just the differential. It's a big
2 number. So, when you look at that and you go through the
3 calculations, and I sat down and I did it, and I said "oh,
4 jeez." I go -- what becomes a critical part of the
5 investment here, because that differential is part of my
6 investment in this gas line, as long as I'm deciding to
7 start up the mill and get people back to work. You know,
8 if it drags on two or three months, I just felt it was so
9 critical and such a big number, and so critical to the
10 viability of the mill, that I needed to take that over,
11 and not me, but, you know, the mill and its staff, and
12 we've hired someone to oversee that and report to us.
13 Because I felt that I could manage it better, have the
14 resources to do that, and I can react quicker to
15 inevitable problems.

16 VICE CHAIRMAN GETZ: I was just unclear
17 on whether it was a million dollar savings or a million
18 dollars on the gas.

19 MR. HARRINGTON: It's a million dollar
20 savings.

21 CHAIRMAN BURACK: Any other questions?
22 Commissioner Ignatius.

23 CMSR. IGNATIUS: Thank you. You said
24 that there would, at some point, the landfill gas/methane

1 portion could be completed and brought in, but that's a
2 later phase, I take it. Is that right?

3 MR. HARRINGTON: I believe that's driven
4 by buying the compressor up there. I mean, we're going to
5 run the -- since we have to run the pipe, we'll run both
6 pipes. They will tie into them as fast as they can. As
7 soon as they can tie into it, we'll start burning it.

8 CMSR. IGNATIUS: So, are there any
9 deadlines? I know you've got a deadline of late September
10 for construction and completion of the natural gas line.

11 MR. HARRINGTON: You're getting into
12 schedules, you're going to have someone else up here.

13 CMSR. IGNATIUS: Okay.

14 MR. HARRINGTON: I'd be happy to answer
15 it, but I'd be guessing. But we have people who can
16 answer that.

17 CMSR. IGNATIUS: All right. We'll get
18 to that in a moment.

19 MR. HARRINGTON: Okay.

20 CMSR. IGNATIUS: And, just another
21 general question. You said that, although the new tissue
22 machine is designed for natural gas and you wouldn't want
23 to "complicate it" with any kind of a blend, there are
24 other things you could use the methane gas to do. What

1 would you use that gas for?

2 MR. HARRINGTON: I wouldn't. We'd just
3 burn it in the boiler. My understanding of it is that
4 it's -- the best thing to do with that stuff is put it in
5 the boiler, because the boiler is very forgiving. And, we
6 can bring in a gun, design it just for that, and just burn
7 it. We're not going to mix the natural gas and the
8 landfill gas at all, which was the original intent. We'd
9 run a gun just for the landfill gas. And, we design guns
10 which are really off the shelf for natural gas. And, it
11 takes more than one gun to run a boiler. So, -- yes, sir.

12 MR. KNEPPER: Would the boiler be used
13 to produce steam for part of the process --

14 MR. HARRINGTON: Yes.

15 MR. KNEPPER: -- or for heating the
16 facility or --

17 MR. HARRINGTON: The facility -- the
18 boilers are used just to produce steam. There's no power
19 platform down there right now. And, the steam goes to, in
20 the wintertime, heat the mill and, obviously, for process
21 steam on the machines.

22 CMSR. BELOW: Could you just detail how
23 the ownership is changing from the original proposal to
24 this? As I understand it, you will own the natural gas

1 pipeline. The M&R Station as well?

2 MR. HARRINGTON: That's right. The
3 original, and I guess there was another issue here, we
4 never got far enough in it. You know, the original plan
5 was that the District would own it all. And, they were
6 going to use government funding, some, to pay for it.
7 And, we sat down with Sharon, I think once, fairly early
8 on, and took a look at some of the restrictions based on
9 that. And, I know there were some potential problems. We
10 never really flushed them all out. But some government
11 money wants the same rights as a senior lender, and senior
12 lenders don't like to give up those rights. And, so,
13 there may have been some problems there. But the fact is
14 that, when we -- we decided to take it over anyways.

15 And, so, what we thought is, we would
16 take over the natural gas. And, I think it had some
17 easement issues helping us there, too. But we would take
18 that over, we would pay for it out of our own nickel. We
19 would control that. We would also run -- and that was the
20 original decision. It was only after we decided to do
21 that and took a look at it that we decided "gee, we need
22 two lines." And, so, we are also going to pay for that
23 second line, running it or digging the trench and put a
24 second line in.

1 CMSR. BELOW: And, the landfill gas line
2 will be part owned by the District and the mill, is that
3 correct?

4 MR. HARRINGTON: I believe it will. But
5 I don't know where that line is. I believe they're going
6 to own it from the landfill, down into wherever they
7 connect, which is probably near the M&R Station. And,
8 we're going to run it from the M&R Station in.

9 CMSR. BELOW: So, you'll go ahead and
10 run it from near the M&R Station to the mill.

11 MR. HARRINGTON: We're going to run it
12 in. And, when they hook up to it, then we're in business.

13 CMSR. BELOW: So, you'll own the portion
14 that crosses the bridge and comes down to the mill?

15 MR. HARRINGTON: Yes. Yes, we will.

16 CMSR. BELOW: Good. Thank you.

17 MR. HARRINGTON: Any other questions for
18 me?

19 CHAIRMAN BURACK: Director Scott.

20 DIR. SCOTT: I don't know if you
21 directly can answer this, but I was curious the
22 interactions you've had with the local government?

23 MR. HARRINGTON: It's been very positive
24 in all.

1 DIR. SCOTT: Have there been a --

2 MR. HARRINGTON: At least my interaction
3 with it, the local government has been -- they have been
4 very supportive.

5 DIR. SCOTT: But, as far as a specific
6 thing, going with two pipelines, *etcetera*, has that gone
7 through any kind of public hearing locally or Planning
8 Board?

9 MR. HARRINGTON: It's tonight.

10 DIR. SCOTT: I'm sorry?

11 MR. HARRINGTON: Okay. That's the
12 meeting we're going to tonight.

13 DIR. SCOTT: Okay. There's a meeting
14 tonight scheduled?

15 MR. HARRINGTON: Yes.

16 DIR. SCOTT: All right.

17 CHAIRMAN BURACK: Can you tell us what
18 board or boards of the City of Berlin you will be meeting
19 with tonight and are there any other meetings scheduled
20 with the City boards?

21 MR. HARRINGTON: Someone else can answer
22 that.

23 CHAIRMAN BURACK: Okay. Thank you.

24 MS. TOURANGEAU: I'll hop up. Tonight,

1 at 6:30, we'll be back here meeting with the City of
2 Berlin Planning Board. We are essentially redoing all of
3 the permitting that the District did for the initial
4 Project that you granted a waiver for. We have -- we're
5 back in front of the PUC for our portion of the Project,
6 which is mainly the bridge, the bridge crossing, but also
7 the entire 5,000 foot run from the intersection with the
8 PNG transmission line and the M&R Station. We are getting
9 Wetlands Permits. We've already gotten, I believe, an air
10 license for using natural gas in the boilers.

11 Essentially, using natural gas is just a lot easier, in
12 terms of a permitting process, than the mixed blend was,
13 because it's a lot more understandable on the permitting
14 side. But we are doing, with the change in ownership and
15 the slight change in the Project, we are redoing all of
16 the permitting process, essentially from scratch. We have
17 gotten reissued Alteration of Terrain waivers. We have
18 gotten determinations of no impacts from the Division of
19 Historical Resources and the Bureau of Natural Heritage.
20 And, we are also getting building permits from the Town of
21 Gorham and the City of Berlin. Those are in process as
22 well.

23 CHAIRMAN BURACK: Director Scott.

24 DIR. SCOTT: And, just to clarify. So,

1 the 6:30 Planning Board meeting tonight, that's a publicly
2 noticed meeting?

3 MS. TOURANGEAU: Correct. And, it is a
4 hearing of -- the public hearing of the Planning Board on
5 our site plan application for the pipeline, and all of the
6 project which is in the City of Berlin, which is all but
7 400 -- roughly 400 feet of the pipeline, which is on mill
8 property in the Town of Gorham.

9 DIR. SCOTT: Well, have you received any
10 adverse comments?

11 MS. TOURANGEAU: None. Not at all. We
12 have had incredible response at the state level. At the
13 municipal level, it has really been, I think I met with
14 the City initially two and a half weeks ago, maybe three
15 weeks ago, and we were able to get on their agenda for
16 Fourth of July week. It's been an incredible response.

17 DIR. SCOTT: Great. Thank you.

18 CHAIRMAN BURACK: Commissioner Getz.

19 VICE CHAIRMAN GETZ: Yes. I'm not sure
20 who would address this.

21 MS. TOURANGEAU: Yes.

22 VICE CHAIRMAN GETZ: But I have a
23 question about the construction and operation of the meter
24 and regulation plant. What's different on the original

1 proposal and what's different as opposed to what's being
2 proposed now? So, I don't know if --

3 MS. TOURANGEAU: That's a great segue,
4 actually, into a presentation from Jim Richards at Cianbro
5 on the design and engineering piece of the Project. And,
6 he'll walk you through where the pipeline goes and what
7 the changes in construction are. Okay?

8 VICE CHAIRMAN GETZ: Okay.

9 MS. TOURANGEAU: Thank you.

10 CHAIRMAN BURACK: Thank you.

11 MR. RICHARDS: Good morning. I'm Jim
12 Richards with Cianbro. This is Jared Whitney with R.H.
13 White. Before we get started going over the Project,
14 Jared will go over that, I'll try to hold up a map so
15 everybody can actually see where the line is and what the
16 changes are.

17 I wanted to address the schedule
18 question. Right now, we're in the midst of finalizing
19 most all of our design work. R.H. White is working with
20 several engineering firms to do that. We're hoping to
21 have that done within two weeks. At that point in time,
22 we're hoping to have all our permits and everything else
23 in order so we can start construction. That's going to be
24 about the 24th of July, I think was the original intent,

1 right, Jared? That will start on some of the 6-inch
2 piping, and also on the M&R Station foundations, that goes
3 on for roughly six weeks. Our ultimate goal was to have
4 the construction work completed by September 19th. I
5 think that was about the date. And, we'd have a week for
6 a start-up commissioning phase. And, then, we're hoping
7 to have gas on line by September 26th.

8 So, in general, that's what our schedule
9 is right now. Obviously, there's a lot to do. There's a
10 lot of engineering/procurement things, but things are
11 looking pretty good right now for that. And, that,
12 obviously, is the natural gas portion of that. And,
13 Sharon and her group is working on the other portion
14 there. Their schedule's a little bit different, but
15 they're also having good success, too.

16 So, in general, that's the schedule. Is
17 there any other questions on scheduling or --

18 CMSR. IGNATIUS: Just in general, it
19 sounds like there's no hard date on the landfill gas
20 portion. But is that expected to be within six months?
21 Within two years? I mean, any kind of rough sense of what
22 you're projecting?

23 MS. GAUTHIER: We're expecting to go on
24 line sometime in March.

1 CMSR. IGNATIUS: March.

2 MS. GAUTHIER: And, that's due to the
3 long lead time --

4 (Court reporter interruption.)

5 MS. GAUTHIER: We're expecting to go on
6 line somewhere in March of next year. And, that is due to
7 the long lead time on the landfill side for the equipment.

8 CMSR. IGNATIUS: Thank you.

9 CHAIRMAN BURACK: If I may just follow
10 up on that, Director Gauthier. Is it the expectation that
11 the actual pipeline itself would be installed this summer,
12 during this construction season?

13 MS. GAUTHIER: We hope to have the
14 pipeline installed as soon as they complete the Mill
15 Project, which will probably be the end of September/early
16 October, when they would start installing the pipeline.
17 The landfill has ordered the landfill gas pipe already.

18 CHAIRMAN BURACK: So, it would be the
19 same contractor, the same engineers, same contracting
20 team, under a separate contract with the District to
21 perform that portion of the pipeline?

22 MS. GAUTHIER: Correct.

23 CHAIRMAN BURACK: Thank you. Other
24 questions at this point? Are we ready to proceed to see

1 the site plan? All set?

2 (No verbal response)

3 VICE CHAIRMAN GETZ: Please proceed,
4 Mr. Richards.

5 MR. RICHARDS: Hopefully, I can find a
6 good spot where we can at least look at some of this. I'm
7 not sure where it appears best. Jared can kind of go
8 through it, and I'll try to point out where we're at.

9 MR. WHITNEY: So, we had a contract to
10 install the gas piping.

11 CHAIRMAN BURACK: You may need to hold
12 it up a little bit higher.

13 MR. WHITNEY: So, we'll be doing the
14 interconnect piping between the TransCanada tap location
15 and the mill, and also for the landfill gas pipeling --
16 piping at the M&R site all the way to the mill.
17 TransCanada/PNGTS will be performing the tap at their
18 mainline, 24-inch.

19 CHAIRMAN BURACK: Can you just show us
20 on the plan where the mainline is located?

21 MR. RICHARDS: The mainline runs down
22 this property right here. And, the actual tap is behind
23 the existing Berlin --

24 (Court reporter interruption.)

1 MR. RICHARDS: The tap location is
2 behind the Berlin wastewater treatment plant. It's right
3 off of the PNGTS main run, which is located along the
4 power lines.

5 MR. WHITNEY: PSNH power lines.

6 MR. RICHARDS: PSNH power line. That is
7 in this location right here (indicating), the "Proposed
8 Tap Location". PNGTS/TransCanada will perform the actual
9 tap. And, they will come up with a valve and a check
10 valve, and they will leave it at a flange, and they will
11 own that little section of line, which is probably about
12 20 feet of pipe. And, that's --

13 MR. WHITNEY: And, that's the point
14 where we'll pick up the construction of a 4-inch line,
15 approximately 1,200 feet, to the M&R Station.

16 MR. RICHARDS: That starts right here
17 (indicating), and runs right along this, and goes through
18 a piece of Clean Power Development's property, back onto
19 the District property, and up to a location where an M&R
20 Station is located.

21 MR. WHITNEY: And, that route will be
22 essentially following what I assume to be an old logging
23 road or access from PSNH. It's got some brush, so we'll
24 be clearing that, installing the 4-inch pipeline.

1 CHAIRMAN BURACK: And, again, what's the
2 -- the length of that line is how much?

3 MR. WHITNEY: Approximately 1,200 feet.
4 Then, the M&R Station itself will consist of a precast
5 concrete building. It will be 12 feet by 32 feet, and
6 just short of 10 feet high. The gas pipeline, 4-inch,
7 will enter the building. It will be metered, run out to a
8 gas heater, approximately 15 feet from the building, there
9 will be a concrete slab for that. And, that's
10 approximately 10 by 30. The gas will be heated, returned
11 to the building, inside it will be regulated. There will
12 be monitoring valves to watch for over-pressurization or
13 under-pressurization, should something happen to the line,
14 they can shut the system down.

15 The pipeline will be increased to 6-inch
16 -- excuse me, I should have said 2-inch piping inside the
17 metering station. It will be increased to 6-inch pipe, it
18 will exit the building, go below grade, and then run
19 approximately 1,100 feet to the bridge itself. It will
20 rise -- that's going to follow Shelby Street, across Great
21 Lakes Hydro property, and then to the bridge. It will
22 rise up with steel pipe across the bridge, will be
23 expansion joint, rollers, supports, *etcetera*, and then go
24 back below grade to return to 6-inch HDP. And, it will

1 follow 6-inch HDP all the way to the mill. It will rise
2 up above grade again with steel, flange, for a connection
3 by others to bring it into the mill and run to the
4 boilers.

5 Along side of that line would be the
6 6-inch HDP line for the landfill gas pipeline. And, that
7 will be connecting to the District's pipeline at the edge
8 of the M&R Station site, and just paralleling the natural
9 gas line all the way to the building, to the mill.

10 CMSR. BELOW: Is that 6-inch or 4-inch?
11 I thought somewhere it said 4-inch, but --

12 MR. WHITNEY: We are running high
13 pressure steel from the TransCanada line, that's 4-inch,
14 to the M&R, and reduce to 2-inch inside the building.

15 CMSR. BELOW: I meant the landfill gas?

16 MR. WHITNEY: The landfill gas will be
17 6-inch the whole way.

18 CMSR. BELOW: The whole way. Okay.
19 Thank you.

20 MR. RICHARDS: Yes. The portion that
21 we're doing in this phase of the Project --

22 (Court reporter interruption.)

23 MR. RICHARDS: The portion that we're
24 taking care of in this phase of the work, the landfill gas

1 line will start right about here (indicating), right next
2 to the M&R Station. It doesn't show the rest of the run
3 up to the landfill, but that's the direction it goes.

4 MR. WHITNEY: Any particular questions?

5 MR. KNEPPER: Is there a reason why
6 PNGTS doesn't own the line right up to the meter, the
7 metering station?

8 MR. WHITNEY: We are not contracting
9 with them directly. I don't know if somebody from the
10 mill can answer.

11 MR. RICHARDS: They will do -- PNGTS
12 will do things different ways. On this contract or this
13 agreement, they elected to just put in the tap. And, they
14 will own just that tap location. Now, PNGTS -- or, Gorham
15 Paper is going to contract with PNGTS to operate the line
16 from the main line, right through to the outlet of the
17 meter to the first shut-off valve. So, PNGTS will
18 actually operate that portion of the line. And, they will
19 have their communication equipment that they will also
20 operate, too, for their signals.

21 CHAIRMAN BURACK: Could you again show
22 us on the map itself which portion would be contracted for
23 PNGTS to operate?

24 MR. RICHARDS: It is difficult to

1 actually see that. But what it is is, from this tap
2 location, this 1,200 feet of line, which is the 4-inch
3 line, and as it goes into the M&R Station it goes through
4 a meter, and then, at the outlet of the meter, there will
5 be an automatic shut-off valve. They will actually
6 operate from that shut-off valve. So, there's probably
7 10 feet of pipe inside the station that they would
8 operate.

9 CHAIRMAN BURACK: Then, who would
10 actually operate the M&R Station?

11 MR. RICHARDS: We're actually
12 contracting or are taking bids for a company to operate
13 the remaining part of that piece there.

14 (Court reporter interruption.)

15 CHAIRMAN BURACK: Could you just again
16 state your name for the record.

17 MR. ARNOLD: Yes. I'm Dick Arnold.
18 And, I'm the President of Gorham Pulp & Tissue. I think
19 there's a lot of agreements going on, trust me. I mean,
20 the M&R Station is Gorham Paper & Tissue. The pipelines
21 from the M&R Station are Gorham Paper & Tissue. Okay?
22 Whether we operate them or we contract out the operating,
23 that decision hasn't been made yet, you know. And, we're
24 also negotiating with the District on the landfill gas

1 purchase agreement and whether the same people that
2 operate the gas pipeline also operate the gas line up to
3 the landfill. So, there's a lot of issues. So, from a
4 public standpoint, a lot of those open issues that we
5 still have left to resolve. But we are working on all of
6 those agreements.

7 The only agreement that we have with
8 Portland Gas today is the hot tap and ownership or
9 delineation up until the check valve. We do not have a
10 formal agreement from the check valve to the M&R Station.
11 Conceptually, their responsibility will be to operate
12 that, plus we'll probably contract with them of certain
13 portions inside the metering station. But there's no
14 signed contract. So, if you asked me if I have signed a
15 contract today, the answer is "no". But those are all
16 conceptual things.

17 One thing about the schedule is we have
18 many parallel things going on, including the restart of
19 the mill. We have a boiler conversion project that needs
20 to be done by the 26th of September, which takes the
21 natural gas, as well as the landfill gas, and burns it
22 into the two boilers that we've designated. You know, so,
23 a lot of the parallel things, we're working with the
24 District on agreements, we're working with Portland Gas on

1 agreements, we're working with a lot of agreements
2 ongoing. So, conceptually, we can talk. But,
3 definitively, if you asked for a signed agreement today,
4 we could not produce that.

5 So, again, I think our focus today is to
6 get the message across that, other than adding a landfill
7 gas line all the way to the mill as a second line, the
8 conceptual part of the Project has not changed from
9 December. Okay? The ownership and things have changed,
10 because, as John talked about, we wanted to take control
11 of the Project, because that really impacts the long-term
12 viability of the mill, from the tissue machine, to the
13 start-up of the paper machines.

14 So, again, you know, I just wanted to
15 clarify that. And, clarifying, you know, the different
16 roles. It is a design/build contract, where R.H. White is
17 responsible for the design and building of the M&R
18 Station, all the way through, actually, from the check
19 valve of the hot tap of Portland Gas. Cianbro is our
20 Project Manager, and is responsible for the
21 implementation, not only of the design, but of the
22 constructability of it and the start-up of it. So, just
23 kind of clarifying, there's a lot of people up here, and
24 just wanted to clarify that. Okay.

1 CHAIRMAN BURACK: Director Morin, do you
2 have a question?

3 DIR. MORIN: I just had a quick
4 question. Do you already have an agreement worked out
5 with the Clean Power Development property?

6 MR. ARNOLD: There's one person we
7 haven't introduced. Richard Shinay is another of our
8 lawyers. And, he's dealing with the multiple easements,
9 property rights, and everything. So, anything on property
10 easements and that, although Rick didn't want to talk
11 today, he's got to come up and address that.

12 CHAIRMAN BURACK: Mr. Shinay, if you
13 could just spell your name for us as well please.

14 MR. SHINAY: Yes. My name is Rick or
15 Richard Shinay, S-h-i-n-a-y. Used to be pronounced
16 "Shee-ni". When my grandfather came here from
17 Czechoslovakia in 1909, he started working at the Madison
18 Paper Mill, but since pronounced "Shin-nay". I'm an
19 attorney with Drummond Woodsum, the same firm as Joanna is
20 with. And, I've been handling all of the real estate and
21 real estate-related matters, not only on this project, but
22 the underlying acquisition of the mill back in May.

23 As Joanna has explained, and Jim has
24 amplified, the line will start from the existing Portland

1 Natural Gas line, which is in the same easement corridor
2 over the District's property as the Public Service Company
3 of New Hampshire's utility line. They have a joint use
4 agreement regarding the use of that corridor that permits
5 the connection of additional lateral gas lines from the
6 current main line to the -- to other properties. And, the
7 District and PSNH and Portland Gas are working on
8 finalizing what will essentially amount to a consent under
9 that joint use agreement, to allow not only this tap, but
10 also the crossing by the District's landfill line across
11 the easement corridor. So, that's the first stretch.

12 The second stretch will extend across
13 the northeasterly corner of Clean Power's property, which
14 surrounds the City's wastewater treatment facility on
15 three sides. We've been working through representatives
16 to obtain an easement from Clean Power Development for
17 that stretch. That easement is in their hands. And, they
18 are reviewing it. One of the issues that they were,
19 obviously, concerned about was "where would the final
20 location of the line be?" And, that location really
21 wasn't fully finalized, in fact, still is somewhat
22 dependent on where the final tap ends up. But, within a
23 few feet, one way or another, we have finalized that
24 route. So, they have that easement, and we're waiting for

1 them to get back to us with any comments.

2 The next stretch, I don't know how much
3 you wanted to talk about --

4 DIR. MORIN: Well, then, you're not
5 expecting a problem with them?

6 MR. SHINAY: No. No.

7 DIR. MORIN: They're being cooperative
8 in getting that easement?

9 MR. SHINAY: We do not anticipate any
10 issues beyond the usual back-and-forth that lawyers go
11 through when they're drafting easement agreements. But,
12 no, I do not anticipate any problems with that easement.

13 And, then, of course, the next stretch
14 of the line, including the M&R building, will be on the
15 District's property. And, I'm working with Peter Imse,
16 who represents --

17 (Court reporter interruption.)

18 MR. SHINAY: I'm sorry. Peter Imse,
19 I-m-s-e, with Sulloway & Hollis. Peter is real estate
20 counsel to the District. And, he and I are working on the
21 easement agreement that will be necessary from the
22 District to Gorham Paper, to deal with those parts of the
23 line, including the M&R building, that will be an access
24 route to the line that will be on the District's property.

1 And, again, that's -- we haven't finalized that yet,
2 because we were still working on the final location. But,
3 in fact, I was in contact with Peter on the way up this
4 morning from Portland. And, he is -- expects to have a
5 draft of the easement to me by the end of the week. So,
6 that's that stretch.

7 The next stretch runs across the
8 property of Great Lakes Hydro, to the existing abandoned
9 railroad bridge. The bridge is owned by the mill. And,
10 as you probably know, there are already other pipelines on
11 it. The Gorham Paper has easement rights across Great
12 Lakes' property, which were originally set forth in an
13 easement agreement between Great -- to Gorham Paper's
14 predecessor, Fraser NH, and Great Lakes Hydro America, to
15 allow, among other installations across Great Lakes'
16 property, the installation of gas lines. And, prior to
17 the closing of the recent acquisition, we obtained a
18 relatively simple document from Great Lakes, where they
19 essentially said "yes, we agree that the rights you have
20 across our property include the right to install gas
21 lines, subject to final approval as to location."

22 And, Jim will be meeting with Great
23 Lakes Hydro's representatives the next couple of days,
24 probably as soon as people's schedules can get

1 coordinated, to show them where the final location is
2 going to go. We don't anticipate any issues. It's
3 essentially the same location for that stretch where it
4 was going to be last year with the District's project,
5 when the District was handling this. And, it essentially
6 runs across the existing old railroad train bridge.

7 So, all of the rights that are necessary
8 for the installation of the line, from the gas line to the
9 bridge, are in place or in process. And, of course, once
10 it's on the bridge, and across the river, it's all on
11 Gorham Paper's land. So, we don't need any easements from
12 ourselves.

13 DIR. MORIN: Great. Thank you.

14 CHAIRMAN BURACK: Attorney Tourangeau.

15 MS. TOURANGEAU: I think that's all we
16 had. If folks have any general questions, I'd be happy to
17 answer them, or to turn it back to the Commission.

18 CHAIRMAN BURACK: I have some further
19 questions regarding the operation of the M&R Station.
20 Attorney Tourangeau, can you help us understand what
21 regulatory entity essentially governs or oversees the
22 operation of M&R stations of this kind? In other words,
23 who's the regulator here for that operation?

24 MS. TOURANGEAU: Do you mean in terms of

1 initial permitting for construction? That would be --

2 CHAIRMAN BURACK: No. I mean, in terms
3 of the actual operation. In other words, is this
4 something that's regulated by FERC? Is this something
5 that's regulated by the Public Utilities Commission? Who
6 sets what the qualifications are for the people who
7 actually operate an M&R station?

8 MS. TOURANGEAU: Certainly, we will be
9 obtaining a -- we are applying for, in front of the PUC,
10 for permitting associated with the construction and
11 operation of this Project. We are not, to my knowledge,
12 applying to FERC. I have them seeking confirmation from
13 them that this is not a jurisdictional project.

14 CHAIRMAN BURACK: Again, part of what
15 drives this question, and maybe Dick Arnold can answer
16 this, is there was talk about either contracting with a
17 separate entity to run an M&R station, or possibly having
18 employees of the mill run this M&R station. One's
19 understanding as a layman is that there must be some
20 technical complexities involved and significant safety
21 issues associated with an M&R station.

22 And, so, what I'm really trying to get
23 to is, we need to have the confidence, if we're going to
24 issue an exemption, that all of those regulatory issues

1 are being appropriately addressed by another entity. And,
2 I'm trying to understand what that entity is that actually
3 regulates that. How we have assurance that, whether it's
4 a separate contractor or employees of the mill, that they
5 are, in fact, qualified to run that station in a safe
6 manner?

7 MS. TOURANGEAU: Well, let's talk first
8 to -- let's provide some clarity, I think, around what
9 exactly will be going on in the M&R Station. And, I think
10 that you -- you can do that as well, because I think it's
11 --

12 MR. ARNOLD: Not really.

13 MS. TOURANGEAU: -- it's a little bit
14 simpler than what you may be thinking. There's a -- well,
15 one of you guys want to talk in terms of --

16 MR. ARNOLD: Let's talk about the
17 regulatory side first. Okay?

18 MS. TOURANGEAU: Okay.

19 MR. ARNOLD: And, again, Dick Arnold,
20 from Gorham. From the direction and regulatory
21 standpoint, we need to build an M&R station per the
22 specifications of the gas company, which is TransCanada.
23 They will not let us and they will not give us gas or
24 allow gas to pass into that unless it's built specifically

1 in accordance with their specifications. They have a
2 local rep. here that we are talking with to basically
3 operate that for a lump-sum value. We haven't finalized
4 that agreement today, okay?

5 As far as power and maintenance of the
6 heating and ventilating system and that part of it, that
7 will probably be a Gorham responsibility. We need to
8 subcontract out to someone, but Gorham has the
9 capabilities of doing that. But the specific regulatory
10 requirements of that M&R Station, we are building and we
11 will operate in accordance with TransCanada.

12 MR. HARRINGTON: And they have sign-off
13 on that.

14 MR. ARNOLD: And they have sign-off on
15 that. And, our contract with them, beyond the original
16 letter authorizing them to identify the location of the
17 tap, order long-lead items and things of that is in the
18 works today. We just haven't finalized everything. But
19 that's our intent.

20 CHAIRMAN BURACK: Thank you. Chairman
21 Getz, you had a question?

22 VICE CHAIRMAN GETZ: Yes. I'm just
23 trying to understand the state of affairs, when the
24 Committee approved the exemption originally, --

1 MR. ARNOLD: Yes.

2 VICE CHAIRMAN GETZ: -- versus where we
3 are now. So, there was an M&R station originally
4 contemplated. And, --

5 MR. ARNOLD: I don't believe anything's
6 changed, in my mind.

7 MR. HARRINGTON: Not at the M&R --

8 MR. ARNOLD: Not the M&R Station --

9 VICE CHAIRMAN GETZ: There's too many
10 people talking. He's never going to get this --

11 MR. ARNOLD: From our opinion, in
12 discussion, is nothing has changed from the operation of
13 the M&R Station. I mean, the initial agreement we have
14 with Portland Gas, and the draft agreement we're working
15 on, were originally made out to the District. We just
16 took those, and basically said "okay, we are now going to
17 be the contracting party." And, that's what we're working
18 with. We signed the initial authorization, that the
19 District -- taking over from the District, and we're
20 working on the same agreement that the District was
21 working on. So, from my perspective, nothing has changed
22 in that concept.

23 Have we worked out all the details with
24 Portland Gas -- I mean, TransCanada? No. We haven't.

1 That's all part of it. We're waiting for feedback from
2 them on the total cost of the tap and things of that
3 nature.

4 VICE CHAIRMAN GETZ: So, from your view,
5 you're stepping into their shoes --

6 MR. ARNOLD: Yes.

7 VICE CHAIRMAN GETZ: -- and subject to
8 the same requirements that they had from TransCanada, in
9 terms of how the M&R Station would be built?

10 MR. ARNOLD: Yes.

11 CHAIRMAN BURACK: Other questions?
12 Commissioner Ignatius.

13 CMSR. IGNATIUS: Well, similarly, in
14 looking at the original ruling of this Committee and how
15 things have changed, that the run from the tap to the M&R
16 Station, has that changed in terms of who's responsible
17 for operation?

18 MR. ARNOLD: No.

19 CMSR. IGNATIUS: So, was Portland
20 Natural Gas never intending to be -- never contracted
21 under the old plan to be responsible for that?

22 MR. ARNOLD: The delineation of
23 ownership, which is from the check valve on, is Gorham
24 Paper & Tissue. The operational concept has not changed.

1 There was a figure thrown out there that it was a \$60,000
2 per year charge. Again, we need to continue that
3 discussion with Portland Gas, once we get through the
4 engineering phase and the final cost of what the tap will
5 be. What we've contracted to R.H. White is to take from
6 that check valve and run it to the M&R Station. The only
7 change is that the original was a 2-inch, in concept.
8 Portland Gas felt it better to be 4-inch. And, they felt
9 the tap better in a different location. So, instead of
10 700 feet of pipe or whatever the original is or was, there
11 is now 1,200 feet of pipe that goes across Clean Energy
12 property that Rick has arranged the easement. But the
13 concept has not changed, except the length and size of the
14 original pipeline.

15 CMSR. IGNATIUS: Well, I think we,
16 Commissioner Burack alluded to a moment ago, I think what
17 is at the heart of concerns that I have, and I suspect a
18 number of people here have, is that the issues of safety
19 and construction -- design, construction, and operation
20 are significant when you're dealing with natural gas.
21 Everybody would agree with that.

22 MR. ARNOLD: Yes, it is. Yes.

23 CMSR. IGNATIUS: I know you're taking it
24 very seriously. I'm not suggesting you aren't. The

1 status of those controls is a little loose right now.
2 You've acknowledged that you're still thinking about
3 different options?

4 MR. ARNOLD: Yes.

5 CMSR. IGNATIUS: Who would run different
6 portions, who might be under contract, who might be
7 employees, and that it's not all finalized yet. And, I
8 don't want our conversation to get lost in questions and
9 answers where we fail to ask the right question. And, I'm
10 thinking a certain stretch of pipeline, and I said it the
11 wrong way, so you're answering a different stretch for M&R
12 versus coming off the tap, because they all have potential
13 for --

14 MR. ARNOLD: Yes, they do.

15 CMSR. IGNATIUS: -- a problem?

16 MR. ARNOLD: Yes. And, ultimately,
17 Gorham Paper & Tissue is the responsible party. We'll
18 contract out to the appropriate people that are qualified.
19 We run high pressure natural gas into the Old Town
20 facility. Again, it was designed for a gas turbine, which
21 is much higher pressure than we'll ever see in Gorham.
22 The pressure going into the Gorham mill is about 30 PSI.
23 So, again, from the owner's standpoint, Patriarch,
24 Patriarch already has the expertise in Old Town, Maine.

1 We have three registered engineers, of course, they're all
2 registered in Maine. But we take natural gas and we burn
3 natural gas today.

4 The landfill gas, of course, isn't as
5 high pressure coming off the landfill. So, again, we
6 have, from a company standpoint, procedures, protocols,
7 regulations that we have to follow in Old Town, Maine.
8 Part of the attractiveness of utilizing shared expertise
9 and shared services between the Old Town mill and the
10 Gorham mill is that you don't have to go out and re-invent
11 the wheel. We already have that in place. We already
12 have the risk mitigation plans. We already have those
13 things as Patriarch, as Old Town, as Gorham.

14 So, I assure you, even though it may
15 sound that things are a little loose, it's more from a
16 contracting standpoint and not a risk mitigation
17 standpoint.

18 CMSR. IGNATIUS: Well, I know there are
19 a lot of specific questions on safety issues that our
20 Safety Engineer, Mr. Knepper, will have for you, and
21 whoever best to answer. Let me just ask you another, just
22 a general one. Do you have an internal deadline that you
23 must have made a decision about, whether you're
24 contracting things out or not, before you hit a

1 construction date? Are there any other prior dates? At
2 what point does it go from "we're thinking about the best
3 option" to "we have made the decision on how these things
4 are going to go", from a safety and design and, really,
5 oversight point of view?

6 MR. ARNOLD: A lot of that depends on
7 feedback from the TransCanada, as they review preliminary
8 designs and final designs from R.H. White. The original
9 schedule, of course, was to begin construction later this
10 month. That's dependent on TransCanada Pipeline signing
11 off, us finalizing the agreement with the TransCanada
12 Pipeline Company, on terms of responsibilities. That's
13 dependent on us finalizing an agreement with the District
14 on the sale of landfill gas. And, I think, to a lesser
15 extent, on signing off on all the easements. So, what
16 we're looking at is beginning construction July 27th, from
17 what they tell me. So, we would like to have all those
18 agreements in place by then.

19 CMSR. IGNATIUS: Would you like to or
20 you must, from your perspective?

21 MR. ARNOLD: If we don't, how can I best
22 put it? I just spent another million dollars of the
23 owner's money. That's not going to sit well. So, yes,
24 that's basically my deadline. I have two deadlines, that,

1 to start construction, because there's about eight weeks
2 of construction and commissioning. And, the second thing
3 is, the second deadline is to start up on natural gas,
4 which is September 26th.

5 CMSR. IGNATIUS: I think I was asking a
6 different question and I wasn't very clear. I know you
7 have a sort of financial imperative to get moving sooner,
8 yes, I get that. The other --

9 MR. ARNOLD: If you don't, I'll let John
10 come back up and reiterate the importance of this. But,
11 yes.

12 CMSR. IGNATIUS: We can see him making
13 faces behind you, you can't.

14 MR. ARNOLD: That's why.

15 CMSR. IGNATIUS: The other question I
16 had, though, is, is it -- are you able to begin
17 construction at any date prior to those agreements being
18 in place or is that a prerequisite for construction?

19 MR. ARNOLD: That is, in my mind, a
20 prerequisite for construction. If we don't get sign-off
21 on TransCanada, we don't have a design, to be honest with
22 you. And, we will not let R.H. White begin construction
23 until I'm comfortable that TransCanada has signed off, and
24 that we don't spend eight weeks building and then eight

1 weeks tearing down, because we overlooked something.

2 CMSR. IGNATIUS: Thank you.

3 MR. ARNOLD: So, you know, I'm kind of
4 looking at, based on the engineering schedule and the
5 procurement schedule, is within the next two or three
6 weeks everything has to be finalized. If we don't
7 finalize the District's contract, they don't start. So,
8 you know, Sharon is politely pushing us, "I need this
9 done, so I can issue my contract", which is a big part of
10 it. So, when you look at the next two or three weeks, a
11 lot of the legal and agreement issues will be finalized.

12 CMSR. IGNATIUS: Thank you.

13 CHAIRMAN BURACK: Mr. Knepper.

14 MR. KNEPPER: And, I know you can't
15 speak for TransCanada. But I guess one of the questions
16 in my mind is, since it sounds like the M&R Station is
17 going to be designed to their specifications that they
18 have for their company if they were building them, they're
19 telling you to put a -- take a 2-inch pipeline and make it
20 a 4-inch pipeline, I assume they're also specifying the
21 material. I guess my question is, and since they have to
22 operate and they own the pipeline within New Hampshire,
23 the 24-inch pipeline that's running throughout Berlin, did
24 you ever discuss the scenario where they actually own that

1 pipeline, the lateral and the station, and then you take
2 it downstream? Because, from what you described, it
3 sounds like you have experience with lower pressure
4 pipelines going to your facilities, but not ones
5 necessarily running at 1,440 pounds. Those are the -- if
6 not the highest, the second highest pressure pipelines in
7 our state. And, they do require a little bit of expertise
8 that even local distribution companies, you know, aren't
9 necessarily accustomed with, let's say. And, so, was that
10 ever discussed or not? It seems to me that -- that seems
11 to me, because they would -- that would take care of not
12 only the initial design and construction, but the
13 long-term operation and maintenance of that, of that
14 section.

15 MR. ARNOLD: We've had discussions with
16 them about being the alternative builder. We've had
17 discussions with them about being the operator through the
18 M&R Station. We just haven't finalized that. And, it's a
19 document that's being reviewed today. Our initial
20 document with TransCanada was engineering, determining the
21 tap location, and ordering long-lead items. That's the
22 extent of our two-page agreement, which was exactly the
23 same as they had with the District. The next agreement
24 will be a little bit more extensive, and that's under

1 review today, on both sides, with our legal counsel, as
2 well as theirs.

3 So, yes. It is something that we are
4 strongly considering.

5 MR. HARRINGTON: Just to be clear, none
6 of this is a change --

7 CHAIRMAN BURACK: Could you step
8 forward?

9 MR. ARNOLD: John, you've got to come
10 up. You've got to come up.

11 MR. HARRINGTON: I mean, none of this is
12 a change. This whole M&R Station, the pipeline, the high
13 pressure pipeline, the arrangement with the gas company,
14 how it's going to be operated, we haven't changed any of
15 that. We are implementing the plans that the District
16 had. And, I understand, you said it's "a little bit
17 soft". But, you know, the fact is, it's an aggressive
18 schedule. I think we have a good project manager. I
19 think we're working through all these issues. The fact
20 is, I don't know of any -- any problems. You know, all
21 contracts take time. The lawyers have to have their
22 billing hours. Excuse me. You know? But I don't see of
23 any hurdles. But the fact is, we're doing things in
24 parallel, because we're under an aggressive schedule.

1 So, if there are issues, you know, the
2 change is, we're running one -- we're running two
3 pipelines. Everything else, and the location has changed
4 a little bit on the M&R Station, I suspect that would have
5 happened whether we did it or not, you know, whether the
6 District was doing it or whether we were doing it. That
7 was simply they needed to find a convenient place for it,
8 and the place that was originally picked was probably on
9 the side of a hill. And, so, they found a better spot.
10 And, the tap location has changed. But the fact is, it
11 would have changed anyways. It's dictated by the gas
12 company. We had no ability to, we would have put it in a
13 different spot, had we had the choice. They say "this is
14 where it is", and you say "yes, sir", because that's how
15 you deal with the gas company.

16 As for the technical specifications, I
17 can't answer that. But I did go to a meeting with the gas
18 company. And, they're very clear. They want to review
19 the plans all the way to the building. If it's not to
20 their specs, they will not open the valve. They're
21 dictating the entire specification of the building of the
22 gas pipeline from their tap, all the way in. Thank you.

23 CHAIRMAN BURACK: Director Scott.

24 DIR. SCOTT: Good morning again. When

1 the Committee issued the original exemption, we, to our
2 estimation, we judged that, between state and local
3 government, that the Project was being monitored and
4 regulated already, and we didn't need to take
5 jurisdiction. Again, based on the changes that are being
6 talked about, is there any areas where you're aware of
7 that, between the state and local government, that is not
8 being -- would not be monitored or regulated?

9 MS. TOURANGEAU: No. And, again, the
10 changes that we're talking about here are relatively
11 minor. The biggest changes, from the perspective of us
12 taking over this Project, are the change in ownership from
13 the District to Gorham Paper & Tissue for 5,000 feet of
14 line, and the change from just south of the M&R Station,
15 that's closer to the mill, from a single pipeline carrying
16 mixed landfill and natural gas, to two parallel pipelines,
17 one carrying natural gas and one carrying landfill gas.
18 So, those are separated and not mixed.

19 MR. KNEPPER: I have a technical
20 question.

21 CHAIRMAN BURACK: Go ahead, please,
22 Mr. Knepper.

23 MR. KNEPPER: In reading the June 10th
24 submittal, it states that the pipeline, from the tap to

1 the M&R Station, will be "1,200 feet." And, then, it
2 looks like, on June 28th, another submittal said that the
3 M&R Station was moving "[approximately] 200 feet to the
4 north".

5 MS. TOURANGEAU: That's correct.

6 MR. KNEPPER: So, does that mean that
7 the pipeline is now 1,400 feet?

8 MS. TOURANGEAU: The overall length of
9 the pipeline we're saying is "around 5,000 feet".

10 MR. KNEPPER: Yes.

11 MS. TOURANGEAU: The portion to the M&R
12 Station from the tap, which is just natural gas line, is,
13 I think in my two letters to the Commission has changed
14 from "approximately 1,200 feet" to "approximately
15 1,400 feet". But the actual length is?

16 MR. WHITNEY: Twelve hundred.

17 MS. TOURANGEAU: Twelve hundred feet.
18 It was always an estimate, as we were working out the
19 exact location of the tap, which is being dictated by the
20 gas company.

21 MR. IACOPINO: But wasn't the original
22 plan for that lateral was only 350 feet of 2-inch pipe,
23 and now it's 1,200 feet? Is that -- am I correct in
24 understanding that's the change that's been made?

1 MS. TOURANGEAU: I don't believe that.

2 CHAIRMAN BURACK: I see we have a number
3 of nodding heads. Would one of you gentlemen please stand
4 up and address this, introduce yourself.

5 MR. WHITNEY: Three hundred fifty feet
6 of 2-inch pipe --

7 (Court reporter interruption.)

8 MR. WHITNEY: I'm sorry. My
9 understanding is the original plan by the District was
10 that the lateral would be 350 feet of 2-inch pipe. And,
11 then, now that's changed to 1,200 feet of, I guess, four.
12 So, from when R.H. White had become involved in the
13 Project, it was originally just under 700 feet, and that
14 extended another 500 feet, to approximately the 1,200 feet
15 in total now.

16 CHAIRMAN BURACK: Would you introduce
17 yourself please, sir.

18 MR. SCHMIDT: I'm Paul Schmidt. I'm
19 with CMA Engineers representing the District. And, I was
20 involved in the -- as you recall, in the presentation of
21 the last, the original application. The original
22 application that was filed was for 350 feet from the tap
23 to the M&R Station. But, at the time of the hearing, we
24 submitted additional information, at that point the length

1 was 675 feet. So, --

2 CHAIRMAN BURACK: Thank you.

3 MR. SCHMIDT: So, it is another -- now
4 we're at 1,200 feet, because the tap moved and the M&R
5 Station moved a little bit from the last hearing.

6 CHAIRMAN BURACK: Thank you. That's
7 helpful. Mr. Knepper, do you have further questions for
8 any of these presenters?

9 MR. KNEPPER: The only, I guess it's for
10 Mr. Harrington, is the only other line that you're
11 accustomed to being the owner and the operator of, of a
12 pipeline, is that in Maine, this Old Town, Maine facility?

13 MR. HARRINGTON: It's the only one I'm
14 involved with right now.

15 MR. KNEPPER: It's the only one that --

16 MR. HARRINGTON: Old Town Fuel & Fiber.

17 MR. KNEPPER: I'm sorry?

18 MR. HARRINGTON: Old Town Fuel & Fiber,
19 in Old Town, Maine.

20 MR. KNEPPER: Okay.

21 MR. HARRINGTON: It's a pulp mill. But
22 they have converted their kiln over to natural gas about a
23 year and a half ago, and then they converted the recovery
24 boiler auxiliary fuel to natural gas a year ago or so.

1 They also have a gas turbine on the site that's natural
2 gas.

3 MR. KNEPPER: In that case, the gas
4 turbine would be used for electricity?

5 MR. HARRINGTON: The gas turbine was --
6 it was intended to, it's a nine and a half megawatt gas
7 turbine. It doesn't have a reboiler on it, so, it's not
8 operating right now.

9 CHAIRMAN BURACK: Commissioner Ignatius.

10 CMSR. IGNATIUS: A couple of questions,
11 and Mr. Harrington, Mr. Arnold, whoever best to answer,
12 please hand off to each other. I was looking at the
13 original order of this Committee, December 29th, 2010.
14 And, I just want to be sure I'm understanding what the
15 plans are. We've talked a lot about TransCanada having
16 standards that it will review for the M&R Station. The
17 original order made reference to the M&R Station being
18 designed and constructed in accordance with PNGTS pipeline
19 requirements. And, it doesn't talk about "TransCanada".

20 MR. HARRINGTON: Aren't they the same?
21 They're the same. I'm sorry.

22 CMSR. IGNATIUS: Okay. That helps. I
23 should know that.

24 MR. HARRINGTON: At least I think they

1 are.

2 CMSR. IGNATIUS: Okay. And, so, that's
3 the M&R Station, as well as the pipeline itself, both will
4 have standards that TransCanada is reviewing and will --

5 MR. HARRINGTON: They review all the
6 plans, and they require that. So, they have a sign-off on
7 them.

8 CMSR. IGNATIUS: Okay. And, then, a
9 little later in the order it says "the lateral pipeline
10 will be owned by PNGTS." That is a change, is it not?

11 MR. HARRINGTON: I'm not sure of the
12 definition of a "lateral pipe". They are owning a pipe
13 from the tap to a flange valve.

14 CMSR. IGNATIUS: Okay. And, is that --
15 that's a relatively short run, is it not?

16 MR. HARRINGTON: I believe it's 20 feet
17 or so.

18 CMSR. IGNATIUS: Okay.

19 MR. HARRINGTON: I don't know if that's
20 what the lateral pipe is or not.

21 MR. KNEPPER: I think, my interpretation
22 was that the lateral is the lateral coming off the main
23 line, running to the M&R Station.

24 MR. HARRINGTON: In which case, if that

1 was the original intent, then that's a change. But I
2 think that's being dictated by them. We don't care who
3 owns it.

4 CMSR. IGNATIUS: All right.

5 CHAIRMAN BURACK: Director Knepper, did
6 you have a further question, or Mr. Knepper?

7 MR. KNEPPER: I guess for the District,
8 I'm assuming the natural gas line is going to be odorized
9 from PNGTS through their odor that they inject into the
10 pipeline. Will the landfill gas lines be odorized as
11 well?

12 MR. SCHMIDT: Similar to the last time
13 we had the original hearing at this, we, the District, and
14 I think the same question was asked at that time. And, at
15 this point, we would have the same answer, the District is
16 prepared to odorize it, if that's what's determined is
17 necessary. And, we do anticipate meeting with, and as
18 everybody knows, the PUC has jurisdiction of the gas line
19 crossing the mill, and we do anticipate, as part of that
20 PUC process, detailed discussions about the need for
21 odorization. We'd like to still have that. And, we're
22 not prepared at this point to commit to doing that. But,
23 if the determination is that it's necessary, the District
24 is prepared to odorize, subject to, you know, PUC's

1 review.

2 CHAIRMAN BURACK: Thank you.

3 MR. SCHMIDT: Yes.

4 CHAIRMAN BURACK: Director Muzzey.

5 DIR. MUZZEY: I have a question about
6 the former railroad bridge. In your previous application,
7 there was some repairs anticipated for that bridge.

8 MS. TOURANGEAU: Uh-huh.

9 DIR. MUZZEY: That were outlined in a
10 report by Stevens Engineering?

11 MS. TOURANGEAU: Correct.

12 DIR. MUZZEY: Is the plan now to
13 complete those repairs during this six-week summer
14 construction season?

15 MS. TOURANGEAU: We have also submitted
16 a statement of work from Cianbro. And, we hired a new
17 bridge engineer, Joel Fisher I believe is his name. And,
18 he completed engineered drawings, which I have submitted,
19 and a copy of the statement of work, which details all of
20 the repairs that will be completed. I have a bunch of
21 copies of that right here, too, if that would be helpful?

22 DIR. MUZZEY: Sure.

23 MS. TOURANGEAU: And, the statement of
24 work is on top and the plans are underneath. And, my

1 understanding, and I'm no engineer, Cianbro can speak to
2 this better than I can, but my understanding is that the
3 repairs that are being completed address the issues that
4 were raised in the report that was completed on behalf of
5 the District in the prior application, I believe it was by
6 a company called "Stevens & Associates", or something like
7 that.

8 DIR. MUZZEY: Could we just get a quick
9 summary of all of the construction going on?

10 MS. TOURANGEAU: Absolutely.

11 DIR. MUZZEY: Thank you.

12 CHAIRMAN BURACK: And, while the
13 engineer is coming, I just want to do some housekeeping
14 here. We have two different documents, is it two or one
15 document here that's all stapled together?

16 MS. TOURANGEAU: It should be one
17 document. With a statement of work on top, which is a
18 list that was prepared by Jim of the work that is being
19 done, and then the two pages on the back were completed by
20 Joel Fisher, and those are the engineered drawings which
21 show those repairs that are detailed on the list that's on
22 the front.

23 CHAIRMAN BURACK: Very good. Let's
24 label this as "Applicant's Exhibit 1".

1 (The document, as described, was
2 herewith marked as **Applicant's Exhibit 1**
3 for identification.)

4 MS. TOURANGEAU: And, that should be in
5 the hard materials and the electronic materials that
6 you've already received, I believe.

7 DIR. MUZZEY: Do you remember whether
8 that was the first or second submission, because I was
9 having trouble --

10 MS. TOURANGEAU: It would have been part
11 of the second submission.

12 DIR. MUZZEY: Is my first submission?

13 MS. TOURANGEAU: Correct.

14 DIR. MUZZEY: I don't --

15 MS. TOURANGEAU: No?

16 DIR. MUZZEY: I don't believe it was
17 with mine. But perhaps --

18 MS. TOURANGEAU: It may have just gone
19 --

20 (Court reporter interruption.)

21 MS. TOURANGEAU: It may have just gone
22 to the PUC then. I'm sorry.

23 DIR. MUZZEY: If you could just give us
24 a quick summary.

1 MR. RICHARDS: Yes.

2 DIR. MUZZEY: Or even if this is the
3 same as what was suggested by Stevens.

4 MR. RICHARDS: It's relatively the same.
5 We had Joel Fisher, from Fisher Engineering, who actually
6 went out. We did a review with him of the structure
7 itself, just a general review, make sure we didn't see
8 anything else that was deteriorated or something we should
9 fix. There are -- I had written up a "Scope of Work" on
10 the first page that kind of summarizes what's on the
11 drawings.

12 The biggest things right now, the east
13 abutment needs to be resurfaced and needs to be repaired.
14 There's a lot of deterioration on the concrete. So, that
15 is one of the structures that's -- probably 70 percent of
16 the work is on that. There's a U-Bolt connection, there's
17 many U-Bolt connections on that bridge, there's only one
18 of them that you actually look at and it's deteriorated
19 past probably its useful life. So, that needs to be
20 repaired. There is a lateral strut that's, basically, I
21 think an inch and a half rod, probably 10 feet long, that
22 has some deterioration on it. That will be totally
23 replaced. We're going to clean off the vegetation from
24 all of the abutments, just to make sure that we examine

1 underneath that, to make sure there's not any other
2 issues. There's a utility bridge on the bridge that has
3 two connections that are cracked. They're not, you know,
4 they're only angle iron frames that are probably two or
5 three feet wide with a leg on them, and there's two spots
6 along that 300 that we're seeing that we have to repair.
7 There are some old pipe brackets that are on that utility
8 bridge in the same location that the new line is going to
9 go. We're going to remove all those pipe brackets, I
10 believe there's 19 of them, and we're going to do an
11 inspection under those brackets, to make sure there's no
12 other cracked welds or structural damage to that, to that
13 utility structure.

14 I'm trying to think. I think that was
15 -- I think we found, out of that whole bridge, we found
16 four rivets that are gone, out of I don't know how many
17 rivets, probably a million. But we're, obviously, going
18 to keep an eye on them, and we will replace those. Those
19 are the biggest repairs on that.

20 DIR. MUZZEY: And, that's very similar
21 to what Stevens recommended as well.

22 MR. RICHARDS: Right.

23 DIR. MUZZEY: And, you anticipate this
24 happening during the six-week summer construction season?

1 MR. RICHARDS: Yes. Yes.

2 DIR. MUZZEY: Thank you.

3 MR. RICHARDS: Yes.

4 CHAIRMAN BURACK: Are there other
5 questions from the Committee members? Director -- I'm
6 sorry, Commissioner Ignatius.

7 CMSR. IGNATIUS: I want to be sure I
8 understand the pipeline pressures at various points. And,
9 so, maybe we take it from the pipeline itself and the tap.
10 It's coming off of the PNGTS pipeline at what pressure?

11 MR. WHITNEY: It will be a max operating
12 pressure of 1,440 PSI.

13 CMSR. IGNATIUS: It then goes at that
14 pressure to the M&R Station, correct?

15 MR. WHITNEY: Yes.

16 CMSR. IGNATIUS: And, at the M&R
17 Station, it's stepped down. Can you describe it?

18 MR. WHITNEY: It's two-stage, two sets
19 of regulators. It will be dropped to initially at 500
20 PSI, and then down to approximately 75, up to maybe 85
21 PSI. And, the outlet pressure at the mill will be
22 approximately -- it will be a minimum of 30 PSI.

23 CMSR. IGNATIUS: So, how do we get --
24 wait a minute. We're at the M&R Station, and that's where

1 those two levels of step-downs occur?

2 MR. WHITNEY: Yes. So, it goes from the
3 maximum of 1,440, down to 500, down to 75 to 85, we're
4 working out the details there now, you know, the design.
5 And, it will run at -- I don't want to call it the "max
6 operating pressure", but the regular operating pressure,
7 which is 75 to 85 PSI, and then deliver at a minimum of 30
8 PSI at the mill.

9 CMSR. IGNATIUS: So, how does it -- how
10 does it drop --

11 MR. WHITNEY: Friction in the pipeline.

12 CMSR. IGNATIUS: Okay. So, as it runs
13 from -- coming out of the M&R Station and the heating
14 process and all that, it's now down to, let's say, between
15 75-85, and takes off again, crosses the bridge, and gets
16 to the mill, it will, of its own, without any further
17 regulator, will be down to 30?

18 MR. WHITNEY: It will be a minimum of
19 30. I don't have the -- I don't know the exact outlet
20 pressure at this point, but it will be a minimum of 30
21 PSI. I believe, when we were running the numbers, we were
22 again playing with what we were going to regulate the
23 second stage regulator at. If it was in the 70 to 75
24 range, I think it was going to deliver at around 35 PSI.

1 CMSR. IGNATIUS: All right. And, the
2 experience at the Old Town -- did I get that right?

3 MR. WHITNEY: Old Town Fuel & Fiber.

4 CMSR. IGNATIUS: -- mill, how do those
5 pressures compare?

6 MR. ARNOLD: I believe, with the gas
7 turbine, it comes off a compressor station at about 230
8 PSI.

9 CMSR. IGNATIUS: And, then, does it go
10 through a similar sort of just kind of friction --

11 MR. ARNOLD: It runs throughout the
12 whole mill at about 230, and then it reduces at each of
13 the boilers through pressure regulating stations, similar
14 to the M&R Station.

15 CMSR. IGNATIUS: Thank you. So, you --
16 I think Mr. Knepper asked you this, that you don't have
17 any direct experience with the kind of high pressure,
18 1,400 level pressure pipeline?

19 MR. ARNOLD: No. Not coming off the
20 main line, like TransCanada, no.

21 CMSR. IGNATIUS: And, you don't operate
22 an M&R Station anything similar to that, that takes that
23 high pressure and steps it down?

24 MR. ARNOLD: I'm not too sure what the

1 main line is outside the mill. It's operated by Bangor
2 Gas, out of Bangor, Maine.

3 CMSR. IGNATIUS: Have you experience in
4 constructing facilities that use pressure -- pressure at
5 the level of 1,400?

6 MR. ARNOLD: No.

7 CMSR. IGNATIUS: So, the pipes
8 themselves, the wells, the taps, the whatever, obviously,
9 I'm not a technical person, I don't know.

10 MR. ARNOLD: But we run high pressure
11 boilers in the 900 to 1,000 PSI range that are regulated
12 by State agencies in Maine. So, all our boiler people are
13 registered for high pressure boiler operations, which is
14 of gas.

15 CMSR. IGNATIUS: The people doing the
16 construction of the line itself, will they be people who
17 have experience constructing pipes of that level of
18 pressure?

19 MR. ARNOLD: Yes. R.H. White actually
20 operates the Rochester Landfill gas line and has built
21 these lines. So, we have no worries about their
22 qualifications in installing the high pressure part, as
23 well as the low pressure parts.

24 CMSR. IGNATIUS: And, R.H. White you

1 said operates another landfill gas line, although a moment
2 ago there was talk that the landfill gas coming out of
3 this landfill is not nearly at that pressure. It's also a
4 very small landfill. Is the pressure that the R.H. White
5 folks have commensurate with the 1,440 level?

6 MR. ARNOLD: I don't know. Jared, can
7 you answer that?

8 MR. WHITNEY: Operationally, is that the
9 question?

10 CMSR. IGNATIUS: Well, the construction
11 of it first, and then the actual operation of it.

12 MR. WHITNEY: I'd have to go back to my
13 company to pull actual records of what jobs we've done in
14 that range. But we do gas work all around New England for
15 all of the gas companies. So, I'd have to go back and
16 pull you an example in that pressure range. But, yes, we
17 have the qualifications to handle the work. And, we will
18 be testing with TransCanada. All of our welders will be
19 qualified under their operating procedures and following
20 their own procedures and specifications.

21 CMSR. IGNATIUS: Thank you.

22 CHAIRMAN BURACK: Director Knepper, did
23 you have something further?

24 MR. KNEPPER: I'd like to follow up on

1 Commissioner Ignatius. The landfill gas is going to come
2 out of the landfill at what pressure?

3 MR. WHITNEY: Still the final
4 determination on that, however, it's going to be
5 approximately 30 PSI.

6 MR. KNEPPER: And, by the time it gets
7 down to the Gorham Paper Mill, it will be what pressure?

8 MR. WHITNEY: Minimum of 20 PSI.

9 MR. KNEPPER: Okay. So, start at 30,
10 end at 20. So, that will size the --

11 (Court reporter interruption.)

12 MR. KNEPPER: That will size the
13 pipeline, the pressure loss will determine what that
14 pipeline size is. And, that one's going to be entirely
15 out of a high density polyethylene?

16 MR. WHITNEY: Except for when it
17 transitions above grade.

18 MR. KNEPPER: Except for when it
19 transitions above on the bridge, and then back down to
20 polyethylene?

21 MR. WHITNEY: Correct, sir.

22 MR. KNEPPER: Okay. One of the -- I
23 believe, if I'm reading it correctly in the submission, it
24 does say "GPT will contract with Portland Natural Gas to

1 conduct a pressure test of the natural gas pipeline on a
2 regularly scheduled basis." That kind of confused me. Do
3 you know what that means?

4 MR. WHITNEY: I'll turn that over. On
5 the operational end of it, we're not involved with this
6 stage, so --

7 MR. ARNOLD: Excuse me. Repeat the
8 question please.

9 MR. KNEPPER: This says "GPT will
10 contract with Portland Natural Gas to conduct a pressure
11 test of the natural gas pipeline on a regularly scheduled
12 basis." I'm familiar with them doing a pressure test,
13 just a single one-time pressure test. Is that what you --
14 is that your understanding or not? It's not happening,
15 you're not pressure testing the line annually, let's say,
16 just a one-time strength test, is that correct?

17 MR. ARNOLD: Well, I think the
18 constructability is tested as part of the acceptance, as
19 well as the welding procedures. What document are you
20 reading? Would that be the Project summary?

21 MS. TOURANGEAU: Probably.

22 MR. ARNOLD: Yes.

23 MS. TOURANGEAU: Yes.

24 MR. WHITNEY: Yes. If TransCanada ends

1 up operating that segment of the line, for the integrity
2 management of the line, do operational testing of it at
3 the required scheduled intervals. So, there will
4 certainly be a pressure test upon completion of
5 construction to verify the integrity of the line, and then
6 --

7 MR. KNEPPER: Oh. All right. So,
8 you're referring to any integrity management protocols
9 that might be applicable?

10 MR. WHITNEY: Yes. Correct.

11 MR. KNEPPER: I know what that means, so
12 --

13 CHAIRMAN BURACK: Thank you,
14 Mr. Knepper. Are there any further questions from members
15 of the Committee for the Applicant or the District at this
16 time?

17 (No verbal response)

18 CHAIRMAN BURACK: If not, my
19 understanding is that there are no members of the public
20 who have questions, but I just want to confirm that? I'm
21 sorry, these are questions from the public? Could you
22 please bring them forward here. Thank you.

23 CHAIRMAN BURACK: A first question here
24 for the Applicant: Can you help us understand what

1 security, such as cameras, would be provided at the
2 abandoned railroad bridge crossing over the Androscoggin
3 River for the natural gas line? Are there any other
4 security measures being taken?

5 MS. TOURANGEAU: I'm not aware of any.
6 But I will let the design/build folks speak to that. I do
7 know that, where the pipe comes out of the ground, and
8 then goes back into the ground on the other side of the
9 bridge, will be fenced. But those are the only security
10 measures that I am aware of.

11 MR. WHITNEY: We haven't anticipated
12 providing any kind of camera or video surveillance. We do
13 intent to -- we've had discussions about fencing off both
14 ends of the bridge, to eliminate any human access, vehicle
15 access.

16 CHAIRMAN BURACK: Will there be signage
17 placed along various portions of the buried pipeline, to
18 identify the fact that there is, in fact, a buried line
19 there?

20 MR. WHITNEY: Yes. We had planned on
21 putting the plastic gas pipeline markers along the
22 pipeline route.

23 CHAIRMAN BURACK: And, again, I'm sure
24 this is in the record somewhere, but what's the depth at

1 which the line generally is going to be buried?

2 MR. WHITNEY: Thirty-six inches.

3 CHAIRMAN BURACK: Thirty-six inches
4 below ground, below the surface?

5 MR. WHITNEY: Yes.

6 CHAIRMAN BURACK: Thank you. Next
7 question: Will the natural gas pipeline be buried in all
8 of the locations within Berlin, other than the areas where
9 it's coming up to cross the bridge and then coming up at
10 the M&R Station or at the mill itself?

11 MR. WHITNEY: Correct. It will be
12 buried at all locations, except the connection to the
13 TransCanada tap, coming in and out of the building, the
14 section of pipeline between the M&R building and the
15 heater will be above grade. And, all other locations,
16 except the bridge, will be below grade.

17 CHAIRMAN BURACK: And, in the event that
18 there were to be a rupture or somehow a piercing of this
19 line in some location, generally, what would occur? What
20 mechanisms are in place to shut off gas and what would the
21 process be for addressing that?

22 MR. WHITNEY: The natural gas line will
23 have, inside the M&R Station, a valve, monitoring valve,
24 capable of shutting off flow at any over pressurization or

1 under pressurization. So, should a gas main break occur
2 downstream of the M&R Station, that valve will shut down
3 the system, the natural gas system. The landfill gas
4 system will have a manual valve in the vicinity of the M&R
5 site, to be able to -- as part of the operational
6 procedure that Dick had mentioned, crews will be
7 dispatched and shut down the system from there, or at the
8 landfill.

9 CHAIRMAN BURACK: Thank you. Would we
10 be correct in understanding that the M&R Station could
11 also be called a "step-down station"? Is that another
12 term that might be used to describe the M&R Station? Or,
13 is the step-down just one of the functions that occurs
14 within the M&R Station?

15 MR. WHITNEY: I haven't -- I'm not
16 familiar with the "step-down" term. It's a metering and
17 regulating facility. So, the gas is being regulated. The
18 pressure is being "stepped down" is my terminology.

19 CHAIRMAN BURACK: Thank you. This is
20 probably a question for the folks from Patriarch or the
21 mill itself: Can you clarify for us whether there is an
22 agreement on the quantity of natural gas, as well as the
23 landfill gas that's going to be available to the mill?
24 And, then, are there price agreements or understandings at

1 this time?

2 MR. ARNOLD: We're working with several
3 gas providers on agreements of natural gas. And, there
4 are several of them. The group we use in Old Town is
5 Shell to provide our gas. We're talking to them, as well
6 as others. On the landfill gas, conceptually, we have had
7 discussions with the District. That's one of the things
8 the District needs, prior to releasing R.H. White to
9 construct their line, we need to finalize the landfill gas
10 agreement. And, details of that will become public, as
11 the District is a public entity. At this time, I think
12 it's too early to discuss it publicly.

13 CHAIRMAN BURACK: Thank you very much.

14 MR. IACOPINO: And, the last question
15 that was asked is, is Counsel for the Public playing a
16 role in this proceeding? And, we did not specifically
17 request them to play a role. And, I know that the
18 Attorney General's Office is aware of the proceeding.
19 But, obviously, we can't speak for their office.

20 CHAIRMAN BURACK: Are there any other
21 questions at this time from members of the public?

22 (No verbal response)

23 CHAIRMAN BURACK: Attorney Willing?

24 MR. WILLING: I just wanted to make a

1 comment at an appropriate time.

2 CHAIRMAN GETZ: Yes. We're going to get
3 to public statements, again, they would be intended for
4 members of the public. But, if the parties would also
5 care to make any kind of a public statement or closing
6 statement, I would be happy to entertain those. Attorney
7 Tourangeau?

8 MS. TOURANGEAU: I think we're all set.
9 But I thank you all for your time and consideration. I
10 appreciate it.

11 CHAIRMAN BURACK: Thank you. Attorney
12 Willing.

13 MR. WILLING: My name is Chuck Willing.
14 I'm an attorney with Rath, Young & Pignatelli representing
15 the District. And, I just wanted to say, on behalf of the
16 District, that we are 100 percent supportive of what GPT
17 is proposing. And, we've enjoyed to date a very positive
18 working relationship with them, and we expect that to
19 continue.

20 Just one other side comment. In the
21 course of the questioning, a couple of discrepancies with
22 regard to the pipeline to PNGTS and that sort of thing
23 arose. And, I just wanted to give some perspective on
24 that. When we were engaged with PNGTS last fall, it was

1 in a very preliminary way. We really just had a handful
2 of conversations with them over the phone. It did not get
3 into a lot of project detail. Mr. Harrington is exactly
4 correct that, had we proceeded forward with our project,
5 the tap would have moved and other changes would have
6 ended up being made as those discussions became more
7 mature. And, so, we don't view it as a true change from
8 what we would have done, really. It just reflects the
9 fact that, even though they don't have all of their
10 agreements in place with PNGTS, they've advanced the ball
11 quite a bit from where we had it.

12 CHAIRMAN BURACK: Thank you very much,
13 Mr. Willing.

14 CMSR. IGNATIUS: May I ask one question,
15 Mr. Willing. I understand the switch in the location of
16 the tap, and it may move a few feet either way, it might
17 have happened anyway, and I'm not concerned about that. I
18 do wonder, though, if we misconstrued something the first
19 time or if there's a more significant change. Looking
20 back at the original order in December, that says that the
21 -- and I'll just read it, "The lateral pipeline has not
22 yet been precisely located but is expected to run between
23 340 and 675 feet to the M&R Station. See responses,
24 Page 5. The lateral pipe will be owned by PNGTS." Is

1 that -- were we correct in that order?

2 MR. WILLING: That was our understanding
3 at the time. As if we had -- and that was just based on
4 conversations with them over the phone. Once -- they have
5 now been to the site, seen the location, and talked to all
6 the parties about how the layout would have happened, I
7 imagine that would have changed, and we would have come
8 back to you with, you know, a further information
9 submittal and, you know, the process would have run its
10 course from there. And, we certainly would have been
11 talking about that with the PUC in the context of safety
12 discussions.

13 CMSR. IGNATIUS: And, the reason I come
14 back to it is, because if that's the pipeline, and we
15 don't have to worry about the exact footage, but it's, you
16 know, 500 feet, 700, whatever it is, is the high pressure
17 1,440 PSI portion of this project?

18 MR. WILLING: Uh-huh.

19 CMSR. IGNATIUS: Thank you.

20 CHAIRMAN BURACK: Anything else at this
21 time from members of the Committee?

22 (No verbal response)

23 CHAIRMAN BURACK: If not, I will close
24 the public information hearing in this docket, and would

1 propose to proceed to deliberative session. Before doing
2 that, I just want to ask whether members of the Committee
3 need a very brief comfort break? Do we need that or is
4 everybody ready to proceed?

5 (No verbal response)

6 CHAIRMAN BURACK: Okay. Let's proceed
7 then to deliberate on this matter. Again, the issue
8 before us is really the issue that arises under RSA
9 162-H:4. And, I will just read in for the record, so that
10 everybody is aware of the considerations that have to be
11 taken into account, essentially, what the governing
12 statute is here. And, again, this is under RSA 162-H, IV,
13 "Powers" -- Section 4, "Powers of the Committee". And,
14 specifically, Section IV reads as follows: "In cases
15 where the committee determines that other existing
16 statutes provide adequate protection of the objectives of
17 RSA 162-H:1, the committee may, within 60 days of
18 acceptance of the application, or filing of a request for
19 exemption with sufficient information to enable the
20 committee to determine whether the proposal meets the
21 requirements set forth below, and after holding a public
22 informational hearing in a county where the energy
23 facility is proposed, exempt the applicant from the
24 approval and certificate provisions of this chapter,

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1 provided that the following requirements are met: (a)
2 Existing state or federal statutes, state or federal
3 agency rules or municipal ordinances provide adequate
4 protection of the objectives of RSA 162-H:1; (b) A review
5 of the application or request for exemption reveals that
6 consideration of the proposal by only selected agencies
7 represented on the committee is required and that the
8 objectives of RSA 162-H:1 can be met by those agencies
9 without exercising the provisions of RSA 162-H; (c)
10 Response to the application or request for exemption from
11 the general public indicates that the objectives of RSA
12 162-H:1 are met through the individual review processes of
13 the participating agencies; and (d) All environmental
14 impacts or effects are adequately regulated by other
15 federal, state, or local statutes, rules, or ordinances."

16 So, again, that's the governing statute.
17 We originally reviewed this matter, the underlying matter,
18 in I believe it was Docket Number 2010-002. And, we now
19 have before us some revisions to this matter.

20 So, just with that as background, I
21 would welcome, again, just some preliminary discussion of
22 the issues here before we actually take a motion. Anybody
23 like to begin the discussion? Director Muzzey.

24 DIR. MUZZEY: I think the pressing need

1 of this project remains very clear, and the value that it
2 will present to the communities is very clear as well. My
3 only question is project definition. In that, when we
4 reviewed this in December, it was from the landfill, all
5 the way down to the metering station and to the mill.
6 And, my question is, are we -- is the Project still
7 defined as coming from the landfill to the metering
8 station or are we going from the TransCanada shut-off to
9 the mill at this point? In some of our information
10 submitted, there was a statement that "The Project no
11 longer includes the landfill section of the Project." So,
12 that's why I pose that question.

13 MR. IACOPINO: My understanding of the
14 petition -- my understanding of the petition is that the
15 changes are all lower down the pipeline. And, that's why
16 our focus has been there. As I understand it, the plan,
17 at least according to this, for the landfill gas pipeline,
18 is to still begin with the appropriate equipment at the
19 landfill and come down where you all went and visited in
20 the District's application. And, in that proceeding,
21 they're still coming down there.

22 Now, my understanding, the change is
23 that that particular landfill pipeline will not go through
24 the metering station now, but will continue on to the

1 mill, but not be metered, because it's not going to be
2 blended, is my understanding. The other difference is
3 that there is a significantly longer lateral, and by
4 "lateral" I mean coming off of the pipe and going to the
5 metering station. And, then, again, we're going to have
6 two lines going into the mill, instead of the one. Those
7 -- that's my understanding of this thing. I don't think
8 the overall project definition has actually been changed,
9 I think there are -- I don't believe that the overall
10 project definition has changed, but there appears to be
11 some substantial changes within that definition. In other
12 words, the footprint probably hasn't changed, but there's
13 been some movement within it.

14 DIR. MUZZEY: So, we won't be seeing the
15 landfill line come back to us for an exemption as well.
16 We're doing both today?

17 CHAIRMAN BURACK: Well, I think,
18 effectively, we have already exempted the original
19 proposal, the original landfill gas pipeline. And, what
20 we're really being asked to do here, I believe, is to --
21 the original exemption remains in place, and what we're
22 being asked to do effectively is to modify that exemption
23 by saying that additional components or changed components
24 would also be exempted.

1 DIR. MUZZEY: Okay.

2 MR. IACOPINO: I think the language that
3 is hanging folks up is, in the letter of June 10th,
4 there's a statement in the last full paragraph that "The
5 landfill gas pipeline to the area of the M&R Station is
6 not a part of the project."

7 DIR. MUZZEY: Right.

8 MR. IACOPINO: That petition comes from
9 Gorham Paper & Tissue. And, that may be their view of it.
10 They're not responsible for that part of the project, but
11 I think that the Committee has looked at the Project as a
12 whole for both petitions.

13 CHAIRMAN BURACK: Director Scott.

14 DIR. SCOTT: In our original exemption
15 for the Project, we, obviously, ruled that the Project met
16 the requirements of 162-H:4 -- 162-H:4 were met. And, I
17 see nothing with the changes that would change that
18 estimation in my view. Again, I think we've established
19 that the individual state agencies have jurisdiction to
20 monitor and regulate this, as well as there's been no
21 change in the local government either, as far as their
22 ability to look at these things. And, again, we've heard
23 testimony just this morning that there's a publicly
24 noticed Planning Board meeting at 6:30 today here. So,

1 based on that, I see no -- no reason to change our
2 judgment, our original judgment.

3 CHAIRMAN BURACK: Other? Director
4 Normandeau.

5 DIR. NORMANDEAU: I'll just say that I
6 agree with Director Scott. And, if, in fact, we were
7 looking at this for the first time, as opposed to looking
8 at it as a change, I would still feel that all the
9 mechanisms are in place to take care of the issues at
10 hand.

11 CHAIRMAN BURACK: Thank you, Director
12 Normandeau. Other comments?

13 MR. KNEPPER: I guess my --

14 CHAIRMAN BURACK: Director Knepper, or
15 Mr. Knepper.

16 MR. KNEPPER: My observation, and that's
17 kind of where we were really trying to focus this
18 discussion on, is where ownership and operation start and
19 end, and responsibilities, because those are the points
20 that dictate whether it's a state agency that does a
21 review or a federal agency that does a review. And, so,
22 moving those points makes a big difference into what
23 scheme of regulations it fits into. So, it is important
24 to make sure we have clear definition as to those points,

1 because I think that's what these, you know, H:4, these
2 (a), (b), (c) and (d) refer to. And, so, it is important,
3 if it falls under state things, then you can put sort of
4 conditions on the exemption, versus not putting conditions
5 on the exemption.

6 CHAIRMAN BURACK: And, based on your
7 understanding at this point of the facts in this
8 proceeding, is it your understanding then, Mr. Knepper,
9 that the Public Utilities Commission would, in the first
10 instance, have regulatory authority over all aspects of
11 the pipeline or only some aspects of the pipeline?

12 MR. KNEPPER: The way it's presented
13 now, I believe the Public Utilities Commission would have
14 regulatory. Before, I believe I considered the lateral
15 part of a federal interstate. And, I haven't heard if
16 there's a determination whether FERC is required or not.
17 I believe they're still in the process of that,
18 determining that. So, that's kind of left a little bit
19 ambiguous.

20 If it becomes an intrastate transmission
21 line and then a distribution line, those would fall within
22 our purview. If it's an interstate, part of the PNGTS
23 system, then that does not, that lateral portion would
24 not. And, so, that's where the distinction is different.

1 CHAIRMAN BURACK: But, in either case,
2 there would be a regulatory agency, either at the state or
3 federal level, that would have jurisdiction over the
4 operation and maintenance of, as well as the construction
5 specifications of the lines?

6 MR. KNEPPER: Yes. But I believe the
7 difference is is that this Site Evaluation Committee does
8 that balance between the environmental and the other
9 aspects of the project, and that those other federal
10 regulatory agencies may not. So, that's where I think the
11 little -- the quirk is.

12 CHAIRMAN BURACK: Thank you. Director
13 Scott.

14 DIR. SCOTT: Just to follow up on the
15 discussion. I think it is clear, though, that the
16 Department of Environmental Services does have clear
17 jurisdiction over the environmental -- regardless of what
18 happens over the environmental issues here. So, I believe
19 it would just be the safety issues that would be in play
20 here, whether it was the federal or the state level, I
21 think.

22 MR. KNEPPER: Yes, I think that's right.

23 CHAIRMAN BURACK: Thank you. Other?
24 Chairman Getz.

1 VICE CHAIRMAN GETZ: In comparing this
2 to the previous petition, I think, and that it was stated
3 earlier by one of the speakers, conceptually, the proposal
4 is substantially the same. So, -- and I think the
5 underlying issue, from my perspective, is that an
6 exemption is merited. There are some differences. And, I
7 think some of them have just been discussed, about where
8 federal versus state jurisdiction over the safety issues
9 may or may not apply. It sounds like there are some
10 issues that need to be worked out. Earlier, I think it
11 seemed a little clearer about where PNGTS would be
12 directly involved, they may or may not be involved through
13 some contracts. So, I would be inclined to favor the
14 exemption.

15 We may want to think about a condition
16 or a delegation under 162-H:4, III, that says "The
17 committee may delegate authority to monitor the
18 construction or operation of any energy facility", and
19 then, in this case, it says "granted a certificate to such
20 agency or official represented on the committee as it
21 deems appropriate." Wanted to think about whether, given
22 that there's a need -- we need more definition as they
23 work through some of their contractual arrangements,
24 whether it might make sense to designate Mr. Knepper to

1 monitor the construction and operation, and to make sure
2 that the steps that are taken are consistent with the
3 appropriate natural gas pipeline engineering standards,
4 and report back to us to the extent that that's not the
5 case. I think that may be one way of addressing some of
6 the lack of finality that we're presented with.

7 CHAIRMAN BURACK: And, we may be getting
8 a little ahead of ourselves here, but I would just offer
9 the observation. That my understanding of the statute is
10 that, if we grant an exemption, effectively, we have said
11 "you are exempt from having to come to the Site Evaluation
12 Committee", and the notion of delegation, really, pursuant
13 to the statute, applies when we don't issue an exemption,
14 but actually issue a certificate. There may be some
15 mechanism in between there that would, for example, issue
16 an exemption with a -- effectively with a request that the
17 Committee be kept apprised of further developments in the
18 proceeding and we be provided with copies of documents, so
19 that we can effectively monitor it, but it's not actually
20 in the form of a formal delegation. And, that might be
21 one way that we could address the concerns that you
22 expressed.

23 VICE CHAIRMAN GETZ: Basically, I guess
24 it would be framed as a "conditional exemption" then is

1 what you're saying?

2 CHAIRMAN BURACK: Well, effectively. I
3 mean, it's something that we could come back, I suppose,
4 and revisit, based upon new information at a later time.
5 But I'm not sure that the statute necessarily contemplates
6 -- contemplates that. I'm not sure, Attorney Iacopino,
7 whether, historically, we have ever issued an exemption
8 with conditions associated with it?

9 MR. IACOPINO: I don't recall any
10 executory conditions ever being issued by the Committee in
11 an exemption case. In the past, however, we have required
12 the filing of "as built" plans, once a project was
13 completed, with regard -- even where we had an exemption.
14 And, that might be helpful going forward. Obviously, it's
15 not helpful today, in determining whether or not you all
16 should exempt this project. But it might be helpful in
17 the future for the issues raised by Mr. Knepper to have
18 "as built" plans that also contain on them not just where
19 the design/build project actually wound up, but also who
20 owns -- who owns and who is responsible for the operation
21 of each section.

22 But I do agree that, well, we haven't
23 ever conditioned an exemption in the manner in which you
24 speak that I can think of.

1 CHAIRMAN BURACK: Director Scott, did
2 you have something?

3 DIR. SCOTT: Yes. It's more of a
4 question. I'm trying to understand the need for that.
5 What I thought I heard was, whether it's the state or
6 federal level, the safety issues will be regulated.
7 There's no gap there that -- I'm not trying to put any
8 words in anybody's mouth. My understanding is there is no
9 gap there. What is the -- I'm trying to understand, what
10 is the concern that we would need that? Are we concerned
11 that there would be a gap there? That we wouldn't have
12 jurisdiction as a state, but the Feds would not come in
13 and do their job, is that the concern?

14 VICE CHAIRMAN GETZ: I think the
15 distinction is between the legal gap and the practical
16 on-the-ground gap of number of inspectors and who would
17 actually look at what, when. Because, at the federal
18 level, there are not nearly that -- as many inspectors at
19 the Department of Transportation nationwide to look at,
20 realistically, a very small project from what would be
21 their perspective.

22 DIR. SCOTT: So, maybe, if I could,
23 maybe one way to do this, rather than order something
24 additional, perhaps we grant an exemption with a request

1 in it, I understand I don't know how binding that would
2 be, that the Project report those statuses to Mr. Knepper
3 or the Committee.

4 CHAIRMAN BURACK: Director Morin.

5 DIR. MORIN: As follow up to this
6 conversation, could you just explain to me, there is a PUC
7 process, that there is some jurisdiction over that has
8 started. So, wouldn't that, the kind of thing we're
9 looking for, be more appropriate to be part of a request
10 and requirements out of the PUC process that's underway?

11 VICE CHAIRMAN GETZ: The PUC process
12 that's underway only goes to the crossing.

13 DIR. MORIN: Okay. That's what I didn't
14 understand.

15 VICE CHAIRMAN GETZ: In terms of the
16 actual filing that's made with the Commission.

17 MR. KNEPPER: Yes. Right now, the only
18 filing that's been made is for the application to cross
19 the Androscoggin River with the Public Utilities
20 Commission.

21 DIR. MORIN: Okay.

22 MR. KNEPPER: We've had some discussion
23 with, I guess, the District originally, and we had some
24 informal discussions with the construction and design

1 agencies now. But there is no formal petition that they
2 have to file. So, there is no process for that.

3 CHAIRMAN BURACK: So, you're telling us
4 then that there is a formal process for the pipeline over
5 the river itself, the portion of the pipeline over the
6 river itself. But, with respect to the PUC, technically,
7 you have -- you have regulatory authority over the portion
8 of the pipeline that is not FERC-regulated, but you do not
9 have a formal process for exercising that authority, is
10 that what you're telling us?

11 MR. KNEPPER: Gas operators, okay, and,
12 in this case, the operator would be GPT, don't have to
13 come before us on proposing construction projects. Okay?
14 Construction projects go on every day in this state.
15 We're not staffed appropriately to be able to review those
16 kind of things. What typically happens is, when someone's
17 getting into this that is a little bit unfamiliar with
18 doing this as an everyday business, they will seek our
19 guidance on some of the issues that they may be less
20 familiar with. And, so, we try to help out in that
21 regard. You know, "These are our expectations. These are
22 the things that we will look for when we go to do
23 inspections."

24 If you can give that information up

1 front, it helps the designers of it, it helps everybody
2 that's trying to prepare for it, the things they can be
3 looking for, and they can build that right into the
4 process.

5 You know, this, the hard thing about our
6 Site Evaluation Committee, when you're doing a
7 design/build process, that's the difficulty, because not
8 all the parts of the equation are known. And, so, as
9 they're going forward with their parallel processes of
10 trying to get many steps accomplished in putting this
11 puzzle together, you know, that's where the finality of
12 some of these things aren't here. And, that would help,
13 in giving us the guidance, that we could tell them certain
14 things.

15 So, for instance, you know, they talked
16 about the "odorization". Certainly, odorization would be
17 a requirement before the Public Utilities Commission.
18 Although, they're not saying that they are necessarily
19 going to, but that would be definitely a concern.

20 CHAIRMAN BURACK: But, again, that's a
21 matter that the PUC will have an opportunity to consider
22 and make a determination on, is that correct, in the
23 odorization issue?

24 MR. KNEPPER: Yes. But it would be much

1 easier if you can get that expressly done up front,
2 because the equipment can be ordered and things can be
3 done right now.

4 CHAIRMAN BURACK: Understood. But the
5 issues that we're discussing here and presenting here are
6 no different, really, than the issues that we were
7 considering when we were looking at the exemption
8 originally, correct, in terms of jurisdiction and the
9 PUC's authority? The PUC's authority today is the same
10 now as it was then, correct?

11 MR. KNEPPER: Yes. Our authority has
12 not changed.

13 CHAIRMAN BURACK: Right. Okay. So,
14 again, you've indicated that there have been preliminary
15 discussions and communications with the Applicant and the
16 PUC, between the parties there. And, that my
17 understanding of what we heard is there's an expectation
18 on the part of the Applicant that they will be having
19 further communications and conversations with the PUC
20 before they actually commence construction and complete
21 their entire design process, and then commence
22 construction. That's your understanding as well?

23 MR. KNEPPER: That would be my
24 understanding, yes.

1 CHAIRMAN BURACK: Okay. Other thoughts,
2 observations? Commissioner Ignatius.

3 CMSR. IGNATIUS: Thank you. I was
4 supportive of an exemption in the first proceeding. And,
5 one of the aspects of that that was of comfort was that
6 the high pressure portion of the Project was under the
7 ownership of PNGTS that is in the business of doing that.
8 That has changed. And, I am troubled by that. I think
9 the exemption still makes sense in every other way.
10 Mr. Harrington said "We don't care who owns that lateral",
11 you know, just sort of needs to get done. And, you know,
12 the ideal situation would be a decision that it would go
13 back to having PNGTS as the owner of the high pressure
14 portion. It sounds as though that's a possibility in the
15 discussions, but nowhere to a decision point yet.

16 The fact that there will be review of
17 the construction plans for the pipeline, for the M&R
18 Station itself, for the sort of operational issues that
19 come as a result of those facilities, is very positive.
20 And, that people, clearly, in the Project are taking it
21 seriously. And, it's not the same as putting in a water
22 main or something like that.

23 I think it's critical that copies of all
24 agreements be filed with the SEC as soon as they are

1 finalized. And, I think it would be beneficial for our
2 Safety Division to review those agreements and review the
3 construction plans before construction begins. It sounds
4 like we may be in a little bit of a vague area on how far
5 our authority could go if we're going to be issuing an
6 exemption, as opposed to our normal authority if we had
7 the case before us with full jurisdiction.

8 I don't think it serves anyone's
9 purposes to deny an exemption because we want additional
10 information, and we want to make sure that there's clarity
11 in safety issues. To delay it, by refusing the exemption
12 and going through a full-blown proceeding, doesn't seem to
13 serve anyone's interests, from the Committee, to the
14 people of Berlin, to the mill itself. So, I'm not urging
15 that.

16 I think, certainly, the Applicant has
17 the ability to agree to things, even if we don't have the
18 ability to compel that to happen. So, some of the things
19 that we've been talking about, filing of agreements and
20 things that might be in the form of conditions in a normal
21 course, I think are certainly within the ability of the
22 Applicant to say "yes" to.

23 And, if -- this may be out of line, but
24 one thought is that we take a break, we let the Applicant

1 have a chance to talk, having heard the things that we're
2 concerned about. See if they have any further input they
3 want to give before we take a vote. Mr. Chairman, you may
4 think that's not an appropriate step, and I'll defer to
5 you, but that's my thought.

6 CHAIRMAN BURACK: That's helpful. And,
7 I've been having a similar sidebar conversation here with
8 Counsel for the Committee. I also want to be mindful of
9 time pressures that members of the Committee may be under.
10 And, I'm aware that there are some that will probably
11 leave fairly shortly. But we certainly have to have a
12 quorum. So, if there are any of you who do need to leave
13 in the very near term, if you would just let Attorney
14 Iacopino and me know.

15 Before we actually take a break, maybe I
16 can get -- Attorney Tourangeau and Mr. Harrington, if you
17 need some time to take a break and discuss this, certainly
18 I fully respect that and understand that. But, I think,
19 as you're hearing from the deliberations here, that the
20 basic concerns of the members of the Committee revolve
21 around just having assurance that the safety issues are
22 being appropriately addressed and reviewed by a regulatory
23 agency, preferably by the Safety Division of the Public
24 Utilities Commission, and that the -- that there be some

1 public disclosure of the agreements that are occurring.
2 Recognizing that some of these agreements may actually be
3 confidential agreements that you would assert would be
4 subject to nondisclosure under our state Right To Know
5 Statute.

6 So, I think the basic question for you
7 would be, would you be prepared to consider, effectively,
8 voluntarily providing certain information to the
9 Committee, following the issuance of an exemption, as
10 different things develop and are finalized? And, also,
11 would you be prepared, effectively, voluntarily to agree
12 that you would consult with the Public Utilities
13 Commission Safety Division about the safety issues related
14 to the pipeline, have their review and input before you
15 move forward? Those are the basic questions.

16 MR. HARRINGTON: First of all, I'd like
17 to thank the Committee for addressing this issue, because
18 it is very important to us. The first issue, I don't
19 think we have any issue in providing you information. I
20 do have an issue with providing information that requires
21 some approval back and can delay it. And, obviously, we
22 have issues with confidentiality. And, what I provide to
23 you I believe becomes public. I'm not going to provide my
24 gas contract and the pricing on that and certain things.

1 So, I'm going to have to run everything through the
2 lawyers.

3 But, from a general point of view, we
4 want to work with everyone. We have a goal here to get
5 this mill up and running. We're not trying to do anything
6 on a secret basis. We're going to comply with every
7 regulation, whether they're state or federal. You know,
8 from that -- that I wasn't aware of this change in
9 ownership of that, whatever you call it, the spur.
10 However, the fact is, it will be operated by a qualified
11 operator and in compliance with the law. And, we're going
12 to contract that out.

13 So, from an information flow, we'll
14 provide you what you want. If you can just provide us a
15 list, as long as -- you know, I hate to get into redoing
16 all the engineering, but I understand some of the issues
17 on the high pressure pipeline. Though, I don't think it's
18 that high pressure. But, you know, it's higher than what
19 we're used to, but, the fact is, I'm not operating it. I
20 may own it, but I'm not going to go out there and test it.
21 We'll hire people to do that who are qualified to do that.

22 The second issue was with consultation
23 with the PUC. We will consult with whatever regulatory
24 agencies there are that have concerns here. I don't want

1 to open it up to everyone in the world, and I don't want
2 to over -- it's hard to keep all these regulatory agencies
3 in line. But, you know, if they have authority over this
4 project, obviously, we would consult with them and comply
5 with their requirements, as we have to do with everything.

6 So, I'm not sure if I've addressed your
7 questions satisfactorily?

8 CHAIRMAN BURACK: Would there be any
9 concerns on your part with providing an "as built" plan,
10 once the construction is completed, including explanation
11 or delineation of who owns which portions of the pipeline
12 on the ground, and also who, at least initially, what
13 entity or entities are responsible, either directly or
14 contractually, for the operation and management --

15 MR. HARRINGTON: We have no problem with
16 providing that information.

17 CHAIRMAN BURACK: Mr. Arnold.

18 MR. ARNOLD: I guess the question I
19 would have would be, what entity do we coordinate things
20 with? Is it the PUC, along with the bridge work? Is it
21 DES? I mean, that's what can get confusing. I mean, as
22 you can imagine, we're going in multiple directions. So,
23 I think, as John said, we'll provide you what you need to
24 have a comfortable level on safety and operation and

1 construction and so on. But is there a designee that we
2 can work with? Because, definitely, working begins today,
3 it doesn't begin in two weeks. It begins today. If I've
4 got to make decisions, along with John and Patriarch, in
5 three weeks on agreements, it's immediate.

6 And, just, and this isn't to sound
7 negative, but one of the reasons that we got away from the
8 public's funding of this portion is, because of the stuff
9 you can get into that can create delays. So, I think,
10 along with our agreement to work with the SEC, we need
11 agreement that we're going to work immediately and get
12 that response. And, that's one of the obstacles we have
13 with TransCanada, is they're big enough where they can do
14 what they want. And, we have to stay on top of them every
15 week, every week.

16 So, you know, definitely, we're used to
17 working with agencies, we're used to it being very
18 collaborative, being very open, with a lot of things,
19 except financial information, which is more sensitive.
20 So, --

21 CHAIRMAN BURACK: Thank you. Attorney
22 Tourangeau.

23 MS. TOURANGEAU: Can I just hop up for a
24 second to clarify for everyone that I think what you're

1 asking for is "as built" plans that delineate ownership
2 and operation of each portion of the pipeline, including
3 the M&R Station, that we're going to own and operate? I
4 mean, that the 5,000 feet from the PNG tap to the mill,
5 you want each section labeled with ownership and
6 operation, is that correct?

7 CHAIRMAN BURACK: I think that's what
8 we're asking for, effectively.

9 MS. TOURANGEAU: And, I certainly would
10 think that that level of detail from our contracts would
11 -- absolutely we could disclose. I have some concern
12 about disclosing the contracts themselves, because they
13 will absolutely contain confidentiality provisions. I
14 don't know whether we could even redact enough to make
15 them submissible in that form. But we can certainly
16 provide synopses of those, and a map that provides that
17 information we can certainly provide.

18 And, if you're imagining, in terms of
19 submission of that "as built" plan, submission to the
20 general SEC service list, if you will, then, or just to
21 you, with the copies for the Commission, I think, having
22 some clarity around that submission process would be
23 helpful as well.

24 CHAIRMAN BURACK: Okay. That's very

1 helpful. Thank you.

2 Are we ready at this point to begin to
3 craft a motion and make a decision here?

4 (No verbal response)

5 CHAIRMAN BURACK: Okay. It sounds like
6 we are headed towards a motion to exempt, exempt the
7 Project, as revised, from, pursuant to RSA 162-H:4, IV,
8 from complying with the requirements of RSA 162-H. With
9 an understanding that there are certain submittals that we
10 would be requesting, and that there is consultation that
11 we would be asking for, specifically with the Safety
12 Division of the Public Utilities Commission as really the
13 designee for the SEC for all purposes relating to the
14 construction and operation of the pipeline itself. Is
15 that a fair summary of where we are?

16 (No verbal response)

17 CHAIRMAN BURACK: Okay. Does somebody
18 want to make a motion to that effect? And, then, we can
19 take a second. Director Scott.

20 DIR. SCOTT: So moved.

21 CHAIRMAN BURACK: Okay. Is there a
22 second?

23 (Dir. Muzzey indicating by raising her
24 hand.)

1 CHAIRMAN BURACK: A second from Director
2 Muzzey. Okay. Now we need to put the meat on these bones
3 here, okay? So, I think we should talk now about the
4 specific documents that we would ask to have submitted to
5 the Committee. Anybody want to suggest what those might
6 be? If not, I'm happy to put something forward here.
7 Director Stewart.

8 DIR. STEWART: Yes. I think it's the
9 "as built", the "as built", with ownership identified. I
10 think that's as straightforward as that. Now, PUC may
11 want some monthly reports or something on construction.
12 But, as far as that ownership issue, I think that's what
13 it is. I mean, the line from the pressure -- the big line
14 to the metering station is going to be built the same,
15 under the same standards, irrespective of who the owner
16 is. And, it's really just the pipeline. So, I think that
17 that's -- the "as built" ownership plan would cover the
18 issue.

19 CHAIRMAN BURACK: Does that include, and
20 I believe that Attorney Tourangeau was mentioning this or
21 mentioned this, a description, at least based on what the
22 Project looks like upon completion and commencement of
23 operation, who the actual entities are who are responsible
24 for operation and maintenance of the different sections of

1 the line?

2 CMSR. BELOW: Right.

3 DIR. STEWART: That that would be the
4 intent.

5 CHAIRMAN BURACK: That would be
6 included. So, it's the ownership, as well as identifying
7 who the owner --

8 DIR. STEWART: Right.

9 CHAIRMAN BURACK: -- who the -- either
10 the direct operators or the contracted operators are of
11 each portion of the line.

12 CMSR. BELOW: With some kind of synopsis
13 of the contracts that create that operational
14 responsibility. You know, understanding there's
15 confidential business information that could be left out
16 of the synopsis.

17 CHAIRMAN BURACK: And, we would be
18 asking for those documents to be submitted to whom? To
19 the SEC or to the PUC's Safety Division?

20 CMSR. BELOW: Perhaps one copy to the
21 SEC and one copy to the Safety Division of the PUC.

22 CHAIRMAN BURACK: Director Scott.

23 DIR. SCOTT: Would it also be -- this is
24 a question. Would it also be helpful, in that submission,

1 for those segments of the line that the Project designate
2 who they think has regulatory authority for the safety
3 issues? Or, is that asking them to --

4 MR. IACOPINO: You mean, on the "as
5 built"?

6 DIR. SCOTT: Yes.

7 MR. IACOPINO: I think, at least for the
8 time they have an "as built" plant, they will know. They
9 should.

10 MR. KNEPPER: They will ask us.
11 Everybody asks us. They always ask us. Our intent is not
12 to extend any authority that we don't have, not to expand
13 powers. But we just need to be clear, and we're very --
14 I'm going to try to be as clear as I can to the parties,
15 that "here's where we -- our regulation begins and ends,
16 here's where we don't have any authority."

17 So, I don't think that they have to put
18 that in. We'll let them know, I think. But, for the
19 people on this Committee, I mean, the things that we will
20 ask will, you know, are things that we consider is not
21 just building something, it's "if there were a rupture,
22 how is the emergency going to be handled? What's the time
23 frame that you expect something? Where is people coming
24 from?" Those kind of things are part of usually an

1 operational agreement that is made with someone to take
2 care of those things. "Are you expecting just the local
3 fire department to be the responder or are you going to
4 have your own personnel, whether they be subcontracted or
5 not, you know, to be able to be there 24 hours a day, type
6 of thing?"

7 And, so, there's a lot of aspects.
8 That's just the emergency plan. There's a maintenance
9 plan that goes around. There's a qualification of --
10 operator qualification plan that usually is there.
11 There's an integrity management component that we have
12 referred to previously. So, all of those have become kind
13 of components of it. And, as long as they're mentioned in
14 the agreements, then I think that would be good. If
15 they're left out, then it becomes difficult.

16 There isn't -- there are other people
17 within the state that do that, that own pipelines and
18 subcontract that out. So, it's not a first. And, they
19 have all of those parts of the plan written in their
20 agreements. So, we would expect that to occur.

21 MR. IACOPINO: Mr. Knepper, can I just
22 ask you, you're not expecting all of those documents are
23 to be filed with the SEC? That's just something that's in
24 --

1 MR. KNEPPER: No.

2 MR. IACOPINO: -- your process, you'll
3 be going through that?

4 MR. KNEPPER: That would be part of our
5 review process. So, I wanted to kind of let people know
6 what that is.

7 CHAIRMAN BURACK: Okay. Thank you.
8 And, again, that's a process that you can conduct in a
9 rapid fashion, provided that the parties are being
10 responsible in providing to you the documents that are
11 necessary and the information you need, is that correct?

12 MR. KNEPPER: Yes. For instance, if a
13 contractor wants to, let's say, they're in the PSNH
14 right-of-way and they wanted to install some more power
15 lines. I want to make sure that that underground line
16 that's just been installed has been marked out, so that
17 nobody is accidentally, you know, doing damage to it,
18 those type of things. Those are all little components
19 that I want to make sure are included in those agreements.

20 CHAIRMAN BURACK: Very good. Okay. Is
21 there anything else that the Committee members feel should
22 be part of an order here?

23 (No verbal response)

24 CHAIRMAN BURACK: If not, I'm going to

1 ask Attorney Iacopino to summarize for us the motion we
2 have before us. We'll ask Director Scott, who made the
3 motion initially and Director Muzzey to affirm that that,
4 in fact, is their motion. And, we will then take a vote.

5 MR. IACOPINO: As I understand the
6 motion as it exists right now, the motion would be to
7 exempt the Project, as revised, from the requirements of
8 RSA 162-H, and that that exemption is conditioned upon the
9 filing of the following documents with the Safety
10 Division, with one copy to the Safety Division of the PUC
11 and one copy to the Site Evaluation Committee: Number
12 one, an "as built" plan identifying ownership and
13 operational responsibilities. And, number two, a synopsis
14 of all contracts creating the ownership and operational
15 responsibilities designated in the "as built" plan.

16 That's what I understand the request --
17 the motion to be at this point.

18 CMSR. BELOW: Just to further clarify, I
19 think that the notion in the motion incorporates that the
20 Applicant be exempted from the approval and certificate
21 provisions of the chapter.

22 MR. IACOPINO: I said "requirements of
23 RSA 162-H".

24 CMSR. BELOW: Right.

1 MR. IACOPINO: But, yes. "To be
2 exempted from the application and certificate requirements
3 of RSA 162-H."

4 CHAIRMAN BURACK: Attorney Tourangeau,
5 do you have a question or comment for us?

6 MS. TOURANGEAU: I just would like for
7 there to be clarity regarding the portion of the Project
8 you're discussing on the "as built" plan. So that the
9 issue that you raised with regard to the Project that's
10 covered by the waiver is clear. Whether you want "as
11 built" for the 5,000-foot section that we're modifying
12 now or if you want to wait for "as built" of the entire
13 Project, which includes the landfill line, which won't be
14 done until March?

15 CHAIRMAN BURACK: Commissioner Below.

16 CMSR. BELOW: Well, I'd suggest that it
17 be for the segments of the pipeline as they're built. So,
18 to the extent you get the first phase done, file that.
19 And, then, the second phase, which, understandably, is
20 perhaps under the other certificate, but it's still part
21 of the same Project, that I think we would request that
22 the District also provide similar information for the
23 portion that it does in Phase II, when it's built, when
24 it's completed. And, I would suspect that you'll just be

1 indicating that upstream of the completion of Phase I,
2 that's going to be owned and the responsibility of the
3 District. But, for some reason that's different, you
4 know, that could be indicated.

5 CHAIRMAN BURACK: Just a question for
6 the District. Would you be comfortable with a request
7 that copies of "as built" plans be submitted, once the
8 Project has been completed, your phase of the Project?

9 MS. GAUTHIER: Yes, we would.

10 CHAIRMAN BURACK: You would? Thank you.
11 Commissioner Ignatius.

12 CMSR. IGNATIUS: One question to
13 clarify. I think the discussions have included the idea
14 of a consultative role with the Safety Division along the
15 way. The requirement of "as built" is at the point of
16 completion. And, I'm not sure, in the draft of the motion
17 that Mr. Iacopino read, whether it included that notion
18 that it isn't simply upon completion that things are
19 submitted, but that going forward there be this
20 consultative relationship to review information and have a
21 speedy response from the Safety Division back to the
22 Applicant. I don't take that to mean an approval process,
23 but that there be the ability for some give-and-take, for
24 feedback, and sort of constructive relationship in hearing

1 each other out if there is any disagreement about any of
2 the plans that the Applicant has or the Safety Division's
3 view of them.

4 Separate from that is the review process
5 on the bridge crossing that's already docketed. And, that
6 is -- it remains unchanged.

7 CHAIRMAN BURACK: Attorney Iacopino, do
8 you have some suggested language for us to address that as
9 part of this motion?

10 MR. IACOPINO: Why don't I try again.

11 CHAIRMAN BURACK: Okay.

12 MR. IACOPINO: The motion as I hear it,
13 has been discussed by everybody, is that the motion is to
14 exempt the Project, as revised, from the application and
15 certificate requirements of RSA 162-H, subject to the
16 Applicant's or developer's responsibility to consult
17 during design and construction with the Public Utilities
18 Commission's Safety Division, and upon completion of each
19 portion of the Project that the developer file an "as
20 built" plan, with identified ownership and operational
21 responsibility, as well as a synopsis of the contracts
22 that created those responsibilities.

23 CMSR. BELOW: And, maybe you could just
24 insert, where you say "operational responsibility",

1 "ownership and operational responsibility", "for each
2 segment of the pipeline".

3 MR. IACOPINO: Got it.

4 CMSR. BELOW: Or "each segment of the
5 facility".

6 CHAIRMAN BURACK: And, again, just to,
7 I'm not sure how the order would read here, I think the
8 understanding is the portions of the Project for which GPT
9 is responsible would be covered by their submittals and
10 their consultation roles, and the portions for which the
11 District is responsible will be covered by their
12 consultation roles and the District's -- and their
13 responsibility to file an "as built" plan. Is that
14 understood? Presumably, this is all facilitated by the
15 fact that we have an engineering firm in common, which
16 will make it a lot easier to make sure that the plans line
17 up and that sort of thing.

18 CMSR. BELOW: Sounds good.

19 DIR. SCOTT: I concur with it.

20 CHAIRMAN BURACK: You concur with what's
21 been discussed here. Director Muzzey, you're comfortable
22 with this?

23 (Dir. Muzzey nodding head in the
24 affirmative.)

1 MR. IACOPINO: Sure.

2 CHAIRMAN BURACK: I'm just going to ask
3 for one more recitation of the motion here and make sure
4 we all understand what we're voting on.

5 MR. IACOPINO: The motion is to exempt
6 the Project, as revised, from the application and
7 certificate requirements of RSA 162-H, subject to the
8 following: That the developer shall consult with the PUC
9 Safety Division during the design and construction
10 process. That's number one. And, number two, that each
11 developer shall file an "as built" plan identifying
12 ownership and operational responsibilities for each
13 segment of the facility. Number three, that each
14 developer shall file a synopsis of the contracts that
15 created that responsibility. And, number four, that each
16 developer, and when I say "each developer", I mean the
17 Division and GPT, and that each of them will file one copy
18 of these documents with the SEC and one copy with the PUC
19 Safety Division.

20 CHAIRMAN BURACK: Director Scott, that
21 is your motion, is that correct?

22 DIR. SCOTT: Yes.

23 CHAIRMAN BURACK: That is the motion
24 that you seconded, Director Muzzey?

1 DIR. MUZZEY: Yes, it is.

2 CHAIRMAN BURACK: Very good. Thank you.

3 (Chairman Burack conferring with Mr.
4 Iacopino.)

5 CHAIRMAN BURACK: We don't need a roll
6 call vote, we'll just do this by hands. All in favor,
7 please raise your hand?

8 (Multiple members indicating by show of
9 hands.)

10 CHAIRMAN BURACK: All opposed?

11 (No indication given.)

12 CHAIRMAN BURACK: Any abstentions?

13 CMSR. BALD: I abstain, just --

14 (Court reporter interruption.)

15 CHAIRMAN BURACK: Go ahead, Commissioner
16 Bald.

17 CMSR. BALD: I'm abstaining that my
18 interaction with the Company over the past couple of
19 months, actually, it's been shorter than that, but I just
20 want to make sure there's no conflict of interest. So, I
21 am abstaining.

22 CHAIRMAN BURACK: Very well. Thank you.
23 So, the vote is, effectively, unanimous, with one
24 abstention. The Committee will work with counsel as

1 expeditiously as possible to get an order and amended
2 certificate drafted, reviewed, and -- amended order
3 granting exemption -- an order granting the exemption, I
4 should say. There is no certificate being issued here.
5 And, we will work to get that out as expeditiously as we
6 can. Attorney Iacopino, do you have any sense as to what
7 that time frame might be?

8 (Brief off-the-record discussion with
9 the court reporter regarding production
10 of the transcript.)

11 CHAIRMAN BURACK: All right. We will
12 provide counsel as quickly as we can with what our
13 projected schedule is. If this is going to be problematic
14 for the Project in any fashion, certainly let us know.
15 And, we have to see if there is something we can do -- you
16 gave us a date of July 27th, I believe. That's the date
17 by which you hope to have everything else wrapped up, is
18 that correct?

19 MS. TOURANGEAU: Yes.

20 CHAIRMAN BURACK: Okay. We will do
21 everything we can to have a decision, a written decision
22 issued and out by not later than that date. Commissioner
23 Below.

24 CMSR. BELOW: Well, the important thing

1 is we have taken the action. The order will just
2 memorialize what has been done.

3 CHAIRMAN BURACK: That is correct.
4 Anything else to come before us today?

5 (No verbal response)

6 CHAIRMAN BURACK: If not, thank you all,
7 and we stand adjourned.

8 (Whereupon the public informational
9 hearing and deliberations were
10 adjourned at 12:50 p.m.)
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