



Richard G. Verney
Chairman and Chief Executive Officer

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November 13, 2015

Martin P. Honigberg, Chair
NH Site Evaluation Committee
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: Proposed Site Evaluation Committee Rules Rejected by JLCAR on 10/15/15

Dear Chairman Honigberg:

On behalf of Monadnock Paper Mills, Inc. (MPM), thank you for the opportunity to comment on the Site Evaluation Committee's (SEC's) proposed administrative rules. MPM has been following this rulemaking process and filed comments on November 7, 2014 in response to the SEC's request for public input on the draft rules. MPM also filed written testimony on October 13, 2015 with JLCAR, in which I indicated that I am very troubled by the proposal for new SEC rules, as the proposal incorporates many provisions designed to prohibit proposed energy infrastructure projects rather than objectively evaluate them.

MPM urges you to amend the proposed rules so that references to the "public interest" standard are consistent with the statutory language and the legislative intent and do not introduce other standards that the Legislature did not approve. MPM also urges you to amend the rules so that references to a "cumulative impacts" test only apply to proposed wind projects, again to be consistent with the statutory language and legislative intent.

By way of background, Monadnock Paper Mills is a family owned business in Bennington, New Hampshire. We are proud to be the oldest continuously operating paper mill in the United States, dating back to 1819, especially in light of the high cost of doing business in New Hampshire and the significant challenges facing the paper industry. The Mill provides over 170 good-paying jobs in the Monadnock Region and supports the local and state economies in various ways, not only by paying the salaries of many local citizens and supporting local charities, but by paying a significant amount in property and business taxes.

Energy costs are a significant portion of our overall costs and have a major impact on our ability to compete in the worldwide market. MPM has taken important steps to reduce its energy costs by investing significant sums in energy efficiency and on-site small-scale hydro generation.

Nevertheless, the Mill still purchases substantial amounts of electricity and oil in the competitive market to run its operations. Thus, it is critical for us that there be a fair and balanced method to evaluate new energy alternatives proposed in New Hampshire that allows for the development of much-needed infrastructure while providing for public participation.

The final SEC rules must be consistent with legislative intent. The rulemaking proceeding is not an opportunity to go beyond existing statutes or legislative policies. MPM opposes provisions in the proposed rules that erect substantial hurdles to the development of new energy infrastructure and that exceed the SEC's statutory authority. Examples in the proposed rules include, but are not limited to, use of a "net benefit" standard (rejected by the Legislature) as a means of defining "public interest" and use of a "cumulative impacts" test applied to *all* energy facilities (also rejected by the Legislature). These and other provisions proposed in the SEC rules will make it much more difficult, expensive, and perhaps even impossible to build new energy infrastructure in New Hampshire that is clearly needed as part of an "all of the above" energy strategy.

If New Hampshire is to remain "open for business," MPM urges you to amend the SEC proposed rules. Thank you for the opportunity to be heard on these important issues.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard G. Verney".

Richard G. Verney
Chairman and Chief Executive Officer