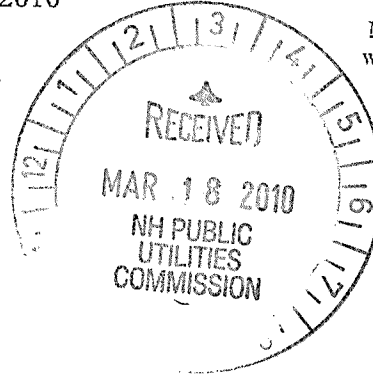




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March 12, 2010



Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit St, Suite 10  
Concord, N.H. 03301-2429

RE: DE 10-024 Renewable Energy Fund, Notice of Opportunity to Comment on Additional Renewable Energy Incentive Programs

Dear Ms. Howland:

On behalf of my client, The Aggregate Manufacturers of New Hampshire ("AMNH"), I would like to thank the Public Utilities Commission for the opportunity to file comments on future uses and allocations of money in the Renewable Energy Fund ("REF").

By way of background, AMNH is a trade association whose members include Boston Sand and Gravel Company, Manchester Sand, Gravel, & Cement Co., Inc., Ossipee Aggregates Corporation, Pike Industries, Brox Industries, Inc., and Aggregate Industries. These companies own and manage industrial sites that tend to be large parcels of land (e.g., hundreds to thousands of acres) that have been cleared, mined,<sup>1</sup> and reclaimed or are currently being mined and will be reclaimed in the future. As further explained below, reclaimed sites have the potential to be ideal sites for mid- to large-scale renewable energy projects.

AMNH strongly believes that the PUC should use some of the funds in the REF for renewable energy initiatives selected pursuant to a Request for Proposals (RFP) as set forth in PUC 2507.03. An RFP process would ensure that REF funds are allocated in a fair, equitable, and expeditious manner to different sectors of the state's economy and to various types of projects at different stages of development, including preliminary assessments of potential project sites, construction of new facilities, and upgrades/expansions at existing facilities.

It is troubling to AMNH that the Commission has not yet issued an RFP and has stated publicly that it has "no immediate plans" to do so, as it is inclined to fund additional rebate programs before issuing any RFPs.<sup>2</sup> First, the Commission's RPS Rule states that "The

<sup>1</sup> Mined sites are used for the excavation, quarrying and processing of sand, gravel and stone.

<sup>2</sup> Refer to the PUC's Annual Compliance Report to the Legislature dated October 1, 2009 and to Jack Ruderman's memo to the Energy Efficiency and Sustainable Energy Board dated January 5, 2010.

commission shall periodically issue a request for proposals for initiatives to be supported by the renewable energy fund.” (PUC 2507.03) While the word “periodically” is subject to interpretation, the RPS law (RSA 362-F, effective July 10, 2007) and the RPS rules (PUC 2500, effective June 3, 2008) were adopted in the context of public policy considerations and economic factors that favored immediate advancement of renewable initiatives. An RFP issued early-on would have provided an equal opportunity for all types of projects and initiatives located in New Hampshire to compete for grants from the REF.

AMNH is also concerned by the lack of an RFP because Ossipee Aggregates Corporation<sup>3</sup> (“OAC”) filed an application for grant money from the REF back on December 11, 2008 and received written correspondence from the PUC on January 11, 2009 indicating that the application would be looked at closely when the Commission approached issuing an RFP. Nothing was said in the correspondence that the RFP would be delayed indefinitely, and the political and policy climates seemed to support quite the opposite. OAC’s application sought a grant to help fund a preliminary assessment of the potential for a wind farm in Ossipee, New Hampshire. Had OAC been told that an RFP could take several years, the company certainly would have factored that information into its decision on whether and when to proceed.

OAC’s application, which is enclosed for your reference, presented the PUC with an opportunity to help fund a preliminary assessment of the potential for a wind farm on a unique and potentially promising site in Ossipee. As required by PUC 2507.03, the application included key information about the Applicant and the proposed preliminary wind assessment, along with a description of the likely benefits of the potential project and an explanation of why the Applicant believed (and still believes) that the proposed wind assessment qualified to receive a REF grant.

As mentioned earlier, aggregate companies own and manage large parcels of reclaimed land that have the potential to be ideal sites for mid- to large-scale renewable energy projects. OAC’s total site is approximately 1,800 acres, and several hundred acres have been reclaimed. It was on this part of the property that OAC wanted to determine the viability of a wind farm. OAC believed that if a wind farm on the site proved to be feasible, the renewable energy project would provide many benefits to the residents and businesses in Ossipee, neighboring communities, and the state. The benefits from any proposed project are to be considered by the PUC in determining an appropriate grant from the REF, and OAC set forth in its application the likely benefits of the proposed project.<sup>4</sup> These included benefits that OAC felt were unique to the company and the site, including factors such as:

- The neighbors and abutters to the OAC site are accustomed to industrial activity occurring on the site over the past 40+ years.

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<sup>3</sup> OAC is a wholly owned subsidiary of Boston Sand & Gravel Company. Boston Sand & Gravel Company’s other New Hampshire subsidiaries include New Hampshire Northcoast (“NHN”) Corporation (a short line railroad), located in Ossipee, New Hampshire and Manchester Sand, Gravel & Cement Co., Inc. (an aggregate production and real estate development company), located in Hooksett, New Hampshire.

<sup>4</sup> Refer to pages 2-4 of the application for a full discussion of the likely benefits.

- OAC, as well as the other subsidiaries of Boston Sand & Gravel Company, has a long and proven track record of working cooperatively and communicating effectively in the permitting of large development projects with all interested parties and regulators at the local, state and federal levels, and would utilize this same expertise in the permitting of this proposed project.
- The OAC site has been cleared, mined and reclaimed in accordance with the state's excavation and reclamation law, but remains largely deforested, which would likely minimize many of the environmental and wildlife permitting issues that arise on other sites which propose large areas of clear-cutting and/or other site-preparation activities.
- OAC's parent company, Boston Sand & Gravel, is committed to renewable energy projects and views them as an important part of its corporate environmental program. On December 9, 2008, Massachusetts state energy officials joined Boston Sand & Gravel to dedicate the company's new 109-kilowatt solar energy project. (See Attachment 1 to enclosure.) The project was partially financed through a rebate from Governor Patrick's Commonwealth Solar Program, and used locally-manufactured components and local installers. This solar photovoltaic array was the largest installed solar project at that time and is visible to commuters, helping to raise public awareness of solar power.
- The OAC site has viable transmission access. The New Hampshire Northcoast Railroad, another subsidiary of Boston Sand & Gravel, has a contiguous 43 mile rail corridor that runs from the OAC site south to Rollinsford where it intersects with the former Boston & Maine mainline. This railroad corridor also runs to the north in Ossipee, where it abuts the railroad right-of-way owned by the state. The NH rail corridor continues north to Conway. This would allow for connectivity to the grid from either the south or the north exclusively within OAC's own (or State of New Hampshire) rail corridor.

In the absence of regularly-issued RFPs, AMNH strongly believes that the PUC is missing important opportunities to consider proposals for a wide range of promising renewable energy projects located here in New Hampshire that would move the state closer to reaching near-term and long-term goals including, but not limited to, job creation and retention, increased property tax and business tax revenues, greater use of renewable energy, lower emissions, greater energy independence, and meeting the objectives of the Governor's "25-by-25" and carbon challenge initiatives.

In closing, AMNH appreciates the Commission's consideration of these comments and welcomes the opportunity to continue participating in DE 10-024. Thank you very much.

Sincerely,

  
Paul A. Worsowicz

Enclosures