

# Concord Steam

*Steam and Power Generation*



**Concord Steam**  
P.O. Box 2520  
Concord, NH 03302-2520  
Fax: 603. 224. 7816  
Tel: 603. 224. 1461

January 7, 2016

Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
Walker Building  
21 South Fruit Street, Suite 10  
Concord, NH 03301

**Re: DG 14 - 233 Report on status of Repowering Concord Steam**

Dear Ms. Howland:

As ordered in 25-728, Concord is providing this status report.

New Plant/Repowering –

The State issued an RFP last spring to determine the cost/saving resulting from the conversion of the State buildings from steam to gas, and the response due date was September 23. Concord Steam submitted a proposal for a 10 year contract at a significantly reduce price from the present steam price. We are expecting the cost of steam to our customers to be 30% less than the present rate. This is primarily due to two reasons, the plant efficiency will improve significantly with the plant rebuild, and the revenue from thermal RECS, both of these will serve to reduce the cost of energy. We have been told that the State will not have the analysis of the RFP bids done until February/March at the soonest. Management has met with Executive Councilor Colin Van Ostern to express their concern that the State hasn't completed its review of the RFP's and sought his assistance in prompting the Department of Administrative Services to give consideration to Concord Steam's proposal.

The State has indicated that they may consider any proposal we bring them, but one of the State's long standing major concerns is that they not be the only entity that commits to a long term (10 yr) contract. To offset The State's concerns, we have been working with the School board, the City and several downtown building owners to develop long term contracts, contingent on the State staying a customer and the upgrades to the plant being completed. We have entered into a long term contract with the Concord School District, which is our second largest customer, and are working with the City to do the same. The contract was submitted on January 7<sup>th</sup> to the Commission for approval as a special contract



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Current Operations -

The State Fire Marshalls office has recently inspected the steam plant and found some life safety code issues. We have corrected the items that were identified during the visit and are waiting for the complete report to see if there is anything else. The report from the 12/11/15 visit is attached.

We received a draft of the renewal of our existing Permit to Operate from the NH Air Resources Division. The Company has concerns with some of the draft language and Company Staff will be meeting on January 20th with staff from NHARD to come up with final permit language.

There was a steam leak reported at the Legislative Office Building on December 30, 2015. The repair of that line requires that a significant number of customers be without steam while the repair is affected and therefore we have delayed the repair until such time that weather permits. The Company has plans to complete repairs on that line January 8, 2015.

Yours Truly,

A handwritten signature in black ink that reads "Peter Bloomfield". The signature is written in a cursive, flowing style.

Peter Bloomfield, PE  
President



STATE OF NEW HAMPSHIRE DEPARTMENT OF SAFETY

John J. Barthelmes, Commissioner

Division of Fire Safety

Office of the State Fire Marshal

J. William Degnan, State Fire Marshal



Office: 110 Smokey Bear Blvd., Concord, NH

Mailing Address: 33 Hazen Drive, Concord, NH 03305

PHONE 603-223-4289, FAX 603-223-4294 or 603-223-4295

TDD Access: Relay NH 1-800-735-2964 ARSON HOTLINE 1-800-400-3526

**FIRE & LIFE SAFETY INSPECTION REPORT**

**Date of Inspection:** December 11, 2015

**Inspection #** 2150082

**Occupancy:** Concord Steam Plant  
123 Pleasant Street  
(Industrial Occupancy-High Hazard)

**Owner:** Concord Steam Corporation

Dear Mark Saltzman,

This report details the findings of the inspection conducted on December 11, 2015. The building was inspected for compliance with the minimum standard for existing buildings in **NFPA 101, Life Safety Code, 2009 edition, and NFPA 1, Uniform Fire Code, 2009 edition, NFPA 70, 2011 edition**, as well as others. The building was inspected for fire and life safety concerns. Other problems with the building may need to be addressed that are outside the scope of this inspection. This report reflects the violations that I observed at the time of the inspection. Other violations may exist that were not observed at the time of the inspection.

Those in attendance at the time of inspection were: Concord Steam – Mark Saltsman, Vice President and “Jim” Safety Director, Concord Fire Department – Battalion Chief Sean Brown and Lt. Ken Kiehl, NHFMO – District Chief Danielle Cole, Investigator Adam Fanjoy, Engineering and Plans Review Section Chief Ron Anstey and Inspector Tom Humphrey.

As discussed at the time of inspection, the violations noted in **RED** pose an imminent danger to life safety and shall be immediately corrected if they have not already been addressed. A more comprehensive inspection letter will be provided at a later date.

**NFPA 101 Ch. 6.1.12.1\* Definition — Industrial Occupancy.** An occupancy in which products are manufactured or in which processing, assembling, mixing, packaging, finishing, decorating, or repair operations are conducted.

**NFPA 101 Ch. 6.2.2.4\* High Hazard Contents.** High hazard contents shall be classified as those that are likely to burn with extreme rapidity or from which explosions are likely.

**NFPA 101 Ch. 40.1.4.1.3\* High Hazard Industrial Occupancy.** High hazard industrial occupancies shall include the following:



## STATE OF NEW HAMPSHIRE DEPARTMENT OF SAFETY

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### **Division of Fire Safety** **Office of the State Fire Marshal** J. William Degnan, State Fire Marshal



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- (1) Industrial occupancies that conduct industrial operations that use high hazard materials or processes or house high hazard contents
- (2) Industrial occupancies in which incidental high hazard operations in low or ordinary hazard occupancies that are protected in accordance with Section **8.7** and **40.3.2** are not required to be the basis for overall occupancy classification.

### Violations

**NFPA 101 Ch. 7.10.1.5.1 Exit Access.** Access to exits shall be marked by approved, readily visible signs in all cases where the exit or way to reach the exit is not apparent to the occupants.

*Currently, not all the exit doors and exit access is designated with illuminated exit signs. Install or repair illuminated exit signage.*

**NFPA 1 Ch. 13.6.8.1.3.1 Fire Extinguishers** shall be conspicuously located where they are readily accessible and immediately available in the event of fire.

*The fire extinguishers shall be inspected manually or by means of an electronic monitoring device / system at a minimum of 30-day intervals. Make sure that all fire extinguishers are readily accessible and located where they are easily visible and able to be identified for use. Remove the items that were obstructing and partially covering the extinguishers in the furnace room.*

**NFPA 101 Ch. 40.2.9.1 Emergency Lighting.**

Emergency lighting shall be provided in accordance with Section 7.9, except as otherwise exempted by 40.2.9.2.

*Add emergency lighting units to provide enough light to satisfy the requirements of the code, make sure that they are in proper working order and are tested monthly with written documentation.*

**NFPA 1 Ch. 10.7.1.1 Fire Reporting.**

**10.7.1.1** The person discovering any unwanted fire, regardless of magnitude, shall immediately notify the fire department.

**10.7.1.3\***

The owner, manager, occupant, or any person in control of such building or premises, upon discovery of an unwanted fire or evidence of a previous unwanted fire that had apparently been extinguished, shall immediately notify the fire department.

*An active fire was discovered at the time of inspection. Report all fires to the Concord Fire Department.*



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**NFPA 70 Ch. 312.2 Damp and Wet Locations.**

In damp or wet locations, surface –type electrical enclosures shall be placed or equipped so as to prevent moisture or water from entering or accumulating within the cabinet.

*The electrical switchgear enclosure(s) in the generator area are not listed for damp / wet locations. It was observed that the electrical switchgear was exposed to steam and moisture.*



**NFPA 70, Ch110.26 (3) Personal Doors.**

Where electrical equipment rated 1200A or more that contains overcurrent devices, switching devices, or control devices is installed and there is a personal door(s) intended for entrance or egress from the working space shall be equipped with panic bars, pressure plates, or other devices that normally latched but open under simple pressure.

*The doors within your building in the generator room area do not meet this requirement. Install or repair doors.*

**NFPA 70, Ch 110.22 Clear Working Space Around Electrical Switch Gear, Disconnects, and Panelboards.**



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*It was observed that there was not the proper clear workspace in and around the electrical gear and electrical disconnects. Remove items and maintain proper clearances.*



**NFPA 70B, Ch. 6 Planning and Developing of an Electrical Preventive Maintenance (EPM) Program**

A program should be developed for a (EPM) program. The program should at a minimum consist of the following:

1. Compile a listing of all electrical equipment and systems.
2. Determine which electrical equipment and systems are most critical.
3. Develop a system for monitoring.
4. Determine the internal and/or external personnel needed to implement and maintain the EPM program.

*Conduct an Electrical Assessment. An effective electrical maintenance/testing program identifies and recognizes factors leading to deterioration. A well-administered testing program can prevent accidents, save lives, minimize costly breakdowns, and reduce unplanned outages.*

**7.1.10.1\* General.** Means of egress shall be continuously maintained free of all obstructions or impediments to full instant use in the case of fire or other emergency.



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*Clear all exits of impediments. Remove deadbolts and bars.*



**NFPA 101 Ch. 7.8.1.1\* Illumination of Means of Egress**

Illumination of means of egress shall be provided in accordance with Section 7.8 for every building and structure where required in Chapters 11 through 43. For the purposes of this requirement, exit access shall include only designated stairs, aisles, corridors, ramps, escalators, and passageways leading to an exit. For the purposes of this requirement, exit discharge shall include only designated stairs, aisles, corridors, ramps, escalators, walkways, and exit passageways leading to a public way.

*Illuminate all means of egress.*

**NFPA 101 Ch. 40.3.2.1-ch. 40.3.2.4 Protection from Hazards.**

All high hazard industrial occupancies, operations, or processes shall have approved, supervised automatic extinguishing systems in accordance with Section 9.7 or other protection appropriate to the particular hazard, such as explosion venting or suppression.

**40.3.2.2** Protection in accordance with 40.3.2.1 shall be provided for any area subject to an explosion hazard in order to minimize danger to occupants in case of fire or other emergency before they have time to use exits to escape.



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40.3.2.3 Activation of the fire-extinguishing or suppression system required by 40.3.2.1 shall initiate the required building fire alarm system in accordance with 40.3.4.3.4.

40.3.2.4 Hazardous areas in industrial occupancies protected by approved automatic extinguishing systems in accordance with Section 9.7 shall be exempt from the smoke-resisting enclosure requirement of 8.7.1.2

Install an approved, supervised automatic extinguishing system.

NH RSA 153:24 Penalty for Violation of Regulations:

Whoever shall violate any rule or regulation of the state fire marshal issued pursuant to RSA 153:5 or RSA 153:14 I, shall be guilty of a violation if a natural person, or guilty of a misdemeanor if any other person. Each offense shall constitute a separate violation. All penalties, fees, or forfeitures collected under the provisions of this chapter shall be paid into the treasury of the state.

If you believe that compliance with a stated code or rule provision item imposes an unreasonable hardship, you may apply for a variance from, or an exception to, the stated code or rule provision item, in writing, to the State Fire Marshal, in accordance with Saf-C 6006.03. Any alternative method of achieving compliance must provide protection that is equal to or exceeds the stated code or rule provision protection.

I ask that you provide me with a corrective action plan detailing the timeframe for completion of the repairs. Repairs that do not require planning and major expense should be completed as soon as possible. A re-inspection reviewing critical items may occur during the week December 21, 2015. I ask that you submit a written plan of action for the remaining issues to this office no later than January 30, 2016.

Respectfully,

Danielle Cole

District Chief Danielle Cole
NH State Fire Marshal's Office
Bureau of Investigations





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***FROM A NOTICE OF VIOLATION***

**Exceptions or Variances**

RSA 153:4-a I allows the State Fire Marshal to grant variances or exceptions to the State Fire Code.

( <http://www.gencourt.state.nh.us/rsa/html/XII/153/153-4-a.htm> )

Saf-C 6005.01 The title “Exceptions and Variances” provides the guidance and requirements for action by the State Fire Marshal to ensure the request provides a degree of safety substantially equivalent to the code section cited. ([http://www.gencourt.state.nh.us/rules/state\\_agencies/saf-c6000.html](http://www.gencourt.state.nh.us/rules/state_agencies/saf-c6000.html) )

Saf-C 6005.03 provides the format for application to the State Fire Marshal for a variance or exception.

( [http://www.gencourt.state.nh.us/rules/state\\_agencies/saf-c6000.html](http://www.gencourt.state.nh.us/rules/state_agencies/saf-c6000.html) )

**Appeals of decisions of the State Fire Marshal**

Any person aggrieved by the decision of the State Fire Marshal as provided above shall be entitled to a hearing with the Building Code review Board rules pursuant RSA 155-A:11 and conducted in accordance to Bcr 200.

( [http://www.gencourt.state.nh.us/rules/state\\_agencies/bcr200.html](http://www.gencourt.state.nh.us/rules/state_agencies/bcr200.html) )

( <http://www.gencourt.state.nh.us/rsa/html/XII/155-A/155-A-11.htm> )

Any person aggrieved by the decision of the Building Code Review Board shall be entitled to a hearing in Superior Court pursuant to RSA 155-A:12

( <http://www.gencourt.state.nh.us/rsa/html/XII/155-A/155-A-12.htm> )

( [http://www.gencourt.state.nh.us/rules/state\\_agencies/bcr200.html](http://www.gencourt.state.nh.us/rules/state_agencies/bcr200.html) ).



*State of New Hampshire*  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
OFFICE OF THE COMMISSIONER  
25 Capitol Street, Room 120  
Concord, New Hampshire 03301

VICKI V. QUIRAM  
Commissioner  
(603) 271-3201

JOSEPH B. BOUCHARD  
Assistant Commissioner  
Tel. (603) 271-3204

December 22, 2015

**VIA EMAIL and Certified Mail**

Peter Bloomfield  
Concord Steam Corporation  
123 Pleasant Street  
Concord, NH 03301

Subject: Fire & Life Safety Inspection Follow up Report December 11, 2015

Dear Mr. Bloomfield:

We are in receipt of, and reviewed, the results of the Fire and Life Safety Inspection follow up report conducted by the Office of the State Fire Marshal on December 11, 2015. See attached. The follow up inspection was conducted by District Chief Danielle Cole, members of the Concord Fire Department and staff from the Bureau of Facilities and Assets Management. The building was inspected as a follow up; the follow up inspection report reflects the violations that remain outstanding from the original inspection of February 17, 2015. See attached. Please reference the attached "Fire and Life Safety Inspection Report #2150082" for specific details of the violations outstanding that require correction action. Following the February 17, 2015 inspection, on behalf of the Department of Administrative Services (DAS), you were notified on June 3, 2015 (see attached) that failure to correct the deficiencies would be a default under the terms of the License for Use between Concord Steam and DAS. The December 11 Fire Marshal report specifically notes that prior deficiencies have not been corrected, as well as identifying additional deficiencies requiring correction.

In accordance with the License For Use, Section IX, Use of Premises, G "The Licensee will at all times during the existence of this Agreement, promptly observe and comply, at their sole cost and expense, with the provisions of all applicable federal, state and local laws, rules, regulations, and standards". Per Section XXVII, Compliance with Laws, etc.: "In connection with the performance of the Services set forth herein, the Licensee shall comply with all statutes, laws, regulations and orders of federal, state, county or municipal authorities which impose any obligations or duty upon the Licensee". We cannot allow these conditions to remain unresolved. These violations represent a threat to life and safety and pose a real threat to continuity of operations to your customers that depend on Concord Steam Corporation to heat their buildings. Time is of the

essence. It is expected that Concord Steam Corporation will correct these outstanding deficiencies and develop an internal process to prevent future occurrences of these or other similar findings.

Concord Steam Corporation has failed to take the corrective actions documented in the Fire and Life Safety Inspection Report dated February 17, 2015. As such Concord Steam was in default of our license for use agreement. You were notified on June 3, 2015 as required under License for Use, paragraph XIX. Default, that you were in default under the terms of the License for Use. More than sixty (60) days have elapsed subsequent to that notice and the deficiencies have not been cured, as evidenced by the December 11, 2015 Fire Marshal report. As a result, we make this request that Concord Steam Corporation immediately correct the deficiencies stated in the December 11, 2015 report. In addition, we request that Concord Steam Corporation provide the Department of Administrative Services and the State Fire Marshal with a copy of the action plan detailing the timeline to complete the required repairs within five (5) business days of receipt of this notice.

Failure of Concord Steam Corporation to complete the required corrective measures within five (5) business days of receipt of this notice will result in the Department of Administrative Services pursuing its remedies in law or in equity under the license, or any other remedy available in light of Concord Steam's status as a public utility. This notice does not limit or preclude the Fire Marshal or any other authority from any other or further action that can be required by law.

Respectfully submitted,



Michael P. Connor  
Deputy Commissioner

Attachment

Cc: John Degnan, State Fire Marshal  
Danielle Cole, District Chief, State Fire Marshal  
Debra Howland, Executive Director, Public Utilities Commission  
Pamela Walsh, Chief of Staff, Governor's Office  
Vicki Quiram, Commissioner, Administrative Services  
Stephen Lorentzen, Director, Plant and Property Management



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*Steam and Power Generation*

December 23, 2015

Michael Connor  
Deputy Commissioner  
Dept Administrative Services  
25 Capitol St  
Concord, NH 03301

Life and Safety Inspection

Dear Mr. Connor,

We will be meeting with the State Fire Marshalls office here at the plant on Dec 30. This is to address the areas covered in the most recent letter. We will go over all listed violations from both letters with them as we believe that some of the violations are incorrectly cited, and we will develop a schedule to correct the remainder.

We have already addressed all of the issues mentioned in the Feb 17 letter, and the violations have either been resolved, are in dispute or are scheduled to be resolved.

We will update you on the results of the meeting and we will provide the schedule of when the remaining violations will be corrected.

Sincerely,

Peter Bloomfield, president