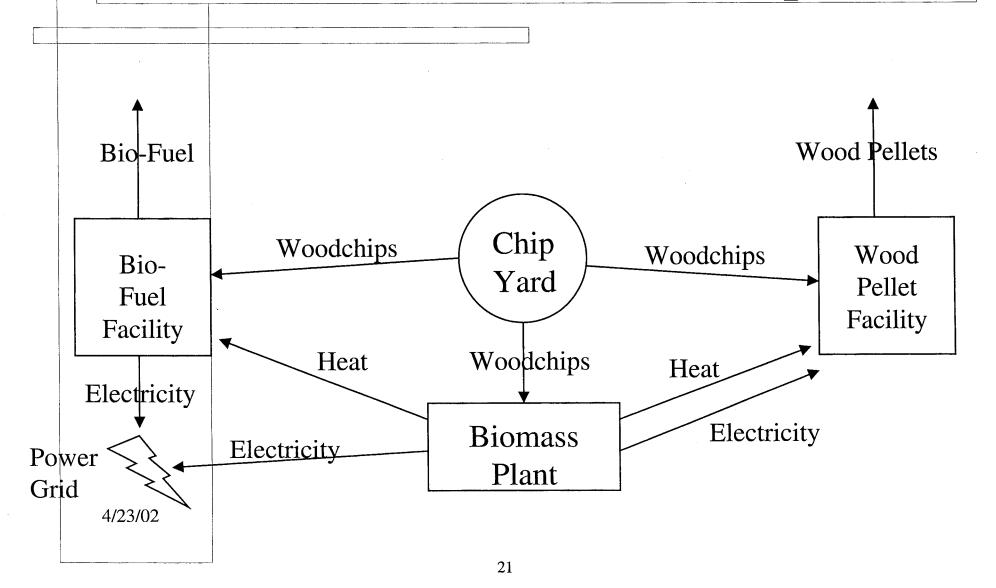


## Eco-Industrial Park Concept



Coös Count

### A6

### NH DRED give support to Whitefield Eco-Industrial Park

By Nancy Comeau WHITEFIELD —The Hampshire Department of Resources and Economic Development (NH DRED) has agreed to provide \$11,500 toward a \$23,000 development fund for Whitefield's Forest Products Eco-Industrial Park. The agreement hinges upon local and regional resources matching DRED's funding dollar for dollar. The Town of Whitefield has agreed to provide a cash match of \$1,500 and Business Enterprise Development Council (BEDCO) will provide a cash match of \$10,000.

In discussion of the funding at Whitefield's Monday night selectmen's meeting, Peter Corey of the Whitefield Planning Group said, "I fully support this. You know you have something going when the state willingly steps forward to support a project like this."

BEDCO, based in Berlin, will act as the fiscal agent and designee in administering the devel-

opment fund to support the establishment and implementation of the FP Eco-Industrial Park.

Contingent upon the signing of the funding contract by all three parties, James Cross, a consultant from Moultonborough, will be hired by BEDCO to develop a trends analysis to support overall development activities in the Eco-Industrial Park. Dennis Cote of BEDCO stated, "Mr. Cross' analysis will put the flesh on the bones of this project."

The goal of the analysis will be to "position the Park to secure additional tenants that will promote economic growth in the region, create linkages/synergies to the northern forest and the forest products sector, add value and create jobs." Mr. Cote expressed BEDCO's high interest in what he termed this very exciting project. He estimated the demand for lowgrade wood has decreased by 40 percent since the closing of the Berlin mills. The retention of the

power plant in Whitefield's forestbased energy complex is important to his company and the area.

At present, Dynamotive, a Vancouver-based publicly traded company is seeking a location for the investment of \$10 million to build a plant to manufacture BioOil. BioOil is produced through the high temperature pyrolysis of a biomass feedstock that could contain wood chips, bark, sawdust, dewatered papermill sludge and black liquor. BioOil is used as a replacement for hydrocarbon based fuels such as diesel. The location of Whitefield's Forest Products Eco-Industrial Park could be attractive to Dynamotive because of the feedstock already available from papermills, sawmills, and chip plants along with the allready in place biomass plant as a possible consumer of BioOil. The company wants a location that has a ready supply feedstock of at least 400 tons per day with a nearby consumer for the BioOil.

### Copy of a news article that appeared in the Coos County Democrat on 6/27/01.



### HOW THE WEEK WENT

Mosquitoes rule!!!

TWENTY-SIX PAGES 60¢

### Wood pellet producer eyes Whitefield Industrial Park

By Eileen Alexander WHITEFIELD—Two representatives from New England Wood Pellets visited Whitefield last week for

preliminary talks with the Whitefield Planning Group about the feasibility of constructing a wood-pellet manufacturing plant at the Whitefield Industrial Park. Whitefield is attractive to

Jaffrey company because of its ready access to the raw materials it needs to make the pellets namely wood—and because there is the possibility of tapping into the lower-cost electricity that is generated by Whitefield Power and Light, the 15-megawatt biomass generating facility that is the cornerstone of the industrial park.

"(A plant) could be locat-

ed within or attached to the power "plant," said Steve Walker, owner of N.E. Wood Pellets. It would operate 24 hours a day, employ 15 to 25 people, and could share some functions with the biomass plant, such as controlpanel operations.

Mr. Walker - began his company nine years ago as energy costs continued to rise and homeowners were looking for a less expensive alternative to oil or propane. His Jaffrey plant in southern New Hampshire has grown rapidly, so much so that he wants to build another facility to keep up with the demand and to allow him to explore markets outside of the New England area

(continued on Page 14)

### Wood pellets . . . . . . . . . . . . . . . continued from Page 1

Pellets are essentially one-quarter inch by three-quarter inch pieces of highly compressed wood fiber, compressed wood fiber, which contain very little moisture.

moisture.

The pellet-manufacturing process can accommodate whole trees all the way down to particles of wood dust. Cardboard and paper waste, including the presently unrecyclable polyathylane carada papers, can ethylene-coated papers, can also be used in addition to

wood to make the pellets.

Because the pellets can
be stored much like shelled
corn, new storage equipment is not needed and stanment is not needed and standard agricultural equipment can be used instead. The fuel is cleaner and more efficient to burn, said Mr. Walker, and is also less costly to store than oil or propane. The pellets cost roughly \$40 to \$60 per ton to produce ant including the roughly \$40 to \$60 per ton to produce, not including the raw materials £cost. The bagged product is sold for \$90 per ton, delivered, and produces 16.5 to 17 million BTUs of heat per ton.

Mr. Walker is looking at several sites in New Hampshire for a new plant, and is also investigating state and federal loans. The plant which would cost \$2.

plant, which would cost \$2 to \$4 million dollars to construct, will require a ready supply of 100,000 tons of feed stock of green wood. It will have a target market of residential users all the way residential users all the way up to commercial users like small greenhouses. Mr. Walker noted that Canada is currently exporting pellets to Sweden, but, he noted, the market is volatile.

If Mr. Walker decides to build in Whitefield, he will be looking at a 5 000 ecuracy.

be looking at a 5,000-square foot building to house dry foot building to house dryers, extruders and finished
product storage. Raw wood
storage would be outside
the plant. The finished product could be shipped by
truck or by rail in conventional rail cars. Rail service
will become available at the
industrial park this summer.

Eco-Industrial Park
Mr. Walker's presentation

Eco-Industrial Park
Mr. Walker's presentation
was just one item on the
agenda at the Whitefield
Planning Group's monthly
meeting. The group, which
is an offshoot of the
Whitefield Economic
Development Corporation Whitefield Economic Development Corporation, has been concentrating during the last couple of years on developing the industrial park with a focus on establishing a "forest products-oriented Eco-Industrial Park."

"The Whitefield Planning Group," said consultant Jim Cross, "is a vessel to hold conversations between the

Cross, "is a vessel to hold conversations between the community, the industrial park and Whitefield Power and Light." The group has envisioned an eco-industrial park which would be "ecologically congruent with the environment," said Mr. environment," said Mr. Cross, "and also ecologically congruent with the social community, providing jobs that could be filled by the people who live here now."

Forest-based businesses

he added, are not only good for the environment, but are consistent with the needs of

consistent with the needs of the community.

"The community of Whitefield has a need for good-paying jobs," said Peter Corey, a member of the planning group. "Fifty percent of the residents

commute outside of town every day for work. There has (also) been a genuine concern about the closure of the bio-mass plant and the effect (of its closure) on the low-grade timber (mar-

ket)."

Currently, the plant, which is owned by Thermo-EcoTech, is slated to be sold to AES, a multi-national energy production company, but the sale is subject to state and federal regulatory issues AES plans to sell the issues. AES plans to sell the plant's existing rate order to Public Service of New Hampshire When we started the process (of looking at

ed the process (of looking at an eco-industrial park), the plant wasn't for sale, explained Mr. Cross. "It was supposed to close in 2005."

AES is purchasing not only the Whitefield plant, but also other Thermo-EcoTech plants in other states, most particularly California, where it is primarily interested in the development rights owned by the opment rights owned by the plants. (The Whitefield plant produces just 15 megawatts or power, while some of the California plants produce

California piants produce
1,000 megawatts.)

Several things may happen once AES acquires the
Whitefield facility AES may
sell the plant to a third
party, in which case it will
remain in operation because
the new owner will be purthe new owner will be purchasing it with that inten-tion. If AES doesn't sell the local plant, then it will be looking at ways in which the plant can adapt to changing power markets. Right now, AES is evaluating what the Whitefield facility will be worth after the PSNH buyout.

Master Proposal Whitefield Planning Group has also written a Master Proposal outlining its vision and goals. The planners intend that there will be a formal successor organization to the current loosely woven group, as well as more community involvement, such as a community

planning group. In addition, the group would like to attract another would like to attract another bio-fuels, facility, that will provide fiveto.15 megawatts of additional power to be added to that which is cur-rently produced by Whitefield Power and Light.

Whitefield Power and Light.
"Our main asset is wood,"
said Mr. Cross. "We are hoping we will also have an
industrial wood pellet facility (such as that proposed by
Mr. Walker of N. E. WoodPellets)." Whitefield Power
and Light has a 50 tons per
hour wood chip handling
capacity that is not being,
fully utilized. Other businesses at the industrial park
could increase the number.

nesses at the industrial park could increase the number of trucks coming in, with chips going to WP&L and perhaps a wood pellet plant.

Mr. Cross noted that Cherry Mountain Lumber has purchased the old Miles Pond plant and that David Presby intends to build a septic plpe manufacturing facility that will use recycled plastic.

plastic.

The planning group has also been talking with legislators to try to incorporate "environmentally friendly legislation" into any new laws, such as requiring those who sell electricity to guarantee that 15 percent of their generation comes from renewable sources. renewable sources.

# tness Journal



Family Milestones - B3

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Vhitefield

## Froundbreaking Held For Plastics Plant

## Presby Plastics, Inc.

MANUFACTURER OF ENVIRO-SEPTIC LEAC



PHOTOS BY ELEANOR MAS

Iph Ross, left, in above photo, operating manager of the new Presby cs pipe plant now under construction in the Whitefield Industrial and David Presby, president of Presby Environmental Inc. and Presby Environmental

#### BY ELEANOR MASON

News Correspondent

There was plenty of hot coffee to go around at a kick-off celebration held Tuesday at the construction site of the Presby Plastics' new building in the Whitefield Industrial Park.

The cold temperatures and gray skies apparently did not chill the enthusiasm of the many supporters from the state, county and local level who came to join David Presby, president of Presby Environmental Inc. and its sister company, Presby Plastics, in a mid-winter update on the new plastics manufacturing plant.

At a time when many businesses are downsizing, Presby Environmental Inc. continues to prosper and grow. PEI was approved for a loan to build the new plastic pipe manufacturing facility in Whitefield as part of a \$1 million community development grant. The U.S. Department of Housing and Urban Development provided about \$10 million to the state's community development block program, according to Jeff Taylor, director of the Office of State Planning.

The \$1 million is a block grant from the state to the Coos Economic Development Corp. which will then provide a revolving loan to Presby. Under the terms of the loan, once the loan is fully repaid by Presby, the money will stay with the CEDC to provide more community development loans in the future.

The grant for the \$1 million project was approved in December 2001 by the New Hampshire Executive Council. Of the total grant, \$150,000 will go to improving roads and infrastructure within

the Whitefield Industrial Park.

The new plant will use high-tech computerized plastic extruders, corrugators and other equipment to manufacture corrugated plastic pipe from recycled plastic. The plant will also manufacture the Enviro-Septic leaching system and associated componets. The system, Presby claims, is an effective, inexpensive alternative to conventional septic systems and has gained wide acceptance in a number of New England states.

David Presby's sister, Kathy Presby, mother Rita Hamilton and his grand-mother Mary Presby were also on hand to wish him well. Mary, a spry 90-plus years old, says she's very excited about the new plant.

"I have been coming out here about every other day to watch the construction," she said. "This is so important to David and the rest of the family."

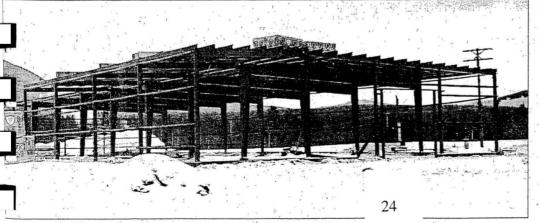
Representatives from the agencies and banks who helped the project grow from Presby's dream to the reality of a building in progress were in attendance. They included Peter Riviere, director of the Coos County Economic Development Corp.; Paul Denton, president of Northern Community Investment Corporation; Daphne Cassady, commercial lender of the Woodsville Guaranty Savings Bank; Peter Corey, Ken Russell, Frank Mai, Whitefield Economic Development Corp; Councilor Ray Burton, Carol Walker, Dave Keenan, Frank Sigler, Bruce Ralston and members of the Presby family gathered to take a look at the huge metal building beginning to rise in the field beside the Whitefield airport.

Presby said he reached into his own pocket last fall when he realized the funding was going to indeed come through.

Within six weeks, machinery will be going in, Presby added. The first test run will be held the first week in May if all goes as expected.

At least 50 new full-time, well-paying jobs will be created when the plant opens, Presby said, although he expects the number of jobs to grow to considerably more as the plant expands.

"We will hire local people because they are good workers and they are good people," he said. "You can't ask for more than that."



Excerpt from the 2001Whitefield Town Warrant showing Warrant Article #19. The article was initiated by the Whitefield Planning Group effort. The article passed overwhelmingly at the March town meeting and resulted later that year in the successful sale of 25 acres of industrial park land to Presby Plastics, Inc.

### INDUSTRIAL PARK LAND TRANSFER

19. To see if the Town will vote to transfer the industrial park land located on the Airport Road in the Town of Whitefield to the Whitefield Economic Development Corporation for the purpose of industrial and economic development within the Town of Whitefield either as a whole or periodically in conveyances of various parcels from the industrial park as deemed appropriate by the Board of Selectmen. The Selectmen recommend this article.

Excerpt from the 2002Whitefield Town Warrant showing Warrant Article #14. The article was initiated by the Whitefield Planning Group. The article enables the selectman to use proceeds from the sale of industrial park land to make improvements in park infrastructure. The amount of \$5000 represents the proceeds received prior to 12/31/01 from the sale of industrial park land to Presby Plastics, Inc. Next year the same article will appear on the warrant only the dollar amount will be changed to reflect the total proceeds received during 2002.

### INDUSTRIAL PARK INFRASTRUCTURE IMPROVEMENTS CAPITAL RESERVE

14. To see if the Town will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of Industrial Park Infrastructure Improvements, and to raise and appropriate the sum of Five Thousand Dollars (\$5,000) to be placed in this fund and to appoint the Selectmen as agents to expend from this fund under their sole discretion. This sum is to come from the December 31, 2001 fund balance (surplus). The Selectmen recommend this appropriation.

### **Sample WPG Meeting Minutes**

The Whitefield Planning Group met at 10:00 AM on June 19<sup>th</sup>, 2001 in the conference room at Whitefield Power and Light.

#### Attendees:

Eileen Alexander Coos County Democrat

Tom Benz Whitefield Power & Light

Sam Chase Whitefield Economic Development Corporation
Peter Corey Whitefield Economic Development Corporation

Ed Jeffrey New Hampshire Central Rail Road Woody Keeney New England Wood Pellet

Robert Lord RWL Inc.

Roger Martin Whitefield Economic Development Corporation

Paul Stinson AES

Christine Walker North Country Council Steve Walker New England Wood Pellet

Brian Young Construx, Inc.

### Agenda:

Welcome

Introductions

Purpose/Agenda Overview

Developments Regarding Plant Sale

Master Proposal Key Elements

Update On Initiatives Already Started

Update On New Initiatives

Report On Fund Raising Efforts

Lunch Break

Plant Tour

**Eco-Industrial Park Tour** 

### Status of Plant Sale:

Mr. Paul Stinson from AES provided an overview of the status of the proposed sale of Whitefield Power and Light to AES, Inc. The sale of the Whitefield facility is part of a multi-plant transaction. He described the regulatory process underway regarding the acquisition, and expressed the view that those proceedings would be concluded relatively shortly and that the deal would go forward.

Mr. Stinson stated that a process was underway to terminate the rate order under which the plant has been operating. He reported that there could be no certainty as to the outcome of that process, but that a result of some sort would likely be available in the October - November 2001 time frame.

Mr. Stinson reported that he has asked the staff of Whitefield Power to explore the possibility of running the plant on an intermittent basis. The intention would be to use the plant to produce power during periods of peak demand when market prices for electricity are higher than fuel costs, and to use purchased power from other sources to meet power obligations when the market price for electricity is lower than the cost of the fuel used to produce it. This approach represents a departure from the plant's role which has been to sell power at a single set price, and to run continuously. Mr. Stinson stated that flexibility was a key to the profitable operation of the plant. If satisfactory operating margins cannot be achieved AES may attempt to resell the facility.

### Report On Master Proposal:

Jim Cross provided an update on the Master Proposal that had been prepared since the last meeting. The purpose of the Master Proposal is to provide a coherent framework to steer the group's operational and fundraising activities.

The document had been reviewed with individual members of the Whitefield Economic Development Corporation, and was scheduled to be formally considered at the 6/20/01 meeting of that body.

Some key elements of the Master Proposal include:

Establishment of a Community Based Steering Committee:
The presumption is that the Whitefield Planning Group will go out of existence at some point in time, and that there will be a successor organization established under the administrative framework of the Whitefield Economic Development Corporation to oversee the operation of the Eco-Industrial Park. The Master Proposal provides for the establishment of an interim steering committee with broad community representation to assist in the development of guidelines for that successor organization, and to provide other kinds of support to bring it into existence.

Establishment of the Concept of an Energy Complex as a planning goal: The Master Proposal formalizes the concept that establishment of a diversified set of forest products based energy sources should be a key part of planning for the Eco-Industrial Park. Hopefully the energy complex will include the existing wood chip plant, but it may also include a biofuel plant and/or an industrial wood pellet plant.

Formalizing the Inclusion of Business Incubation as a planning goal: Business incubation has been part of the Whitefield Planning Group's discussions from the group's beginning. The Master Proposal identifies the need to start preparation for those services, and identifies that planning as an output of the proposed Community Based Steering Committee.

The master proposal also provides a framework of specific tasks to be carried out by Whitefield Planning Group, and a proposed budget for accomplishing those tasks. Copies of the master proposal can be obtained from Jim Cross.

#### **Biofuels Initiative:**

Jim Cross reported that contact is being maintained with Dynamotive Technologies, Inc. He reported discussions including the following points: Dynamotive is looking for opportunities in the US to participate in the construction of a 50-70 metric ton/day biofuel unit.

Units of that size require a staff of 4-5 persons.

The assumption is that blended wood chip would be purchased/transferred from the existing "A-Frame" at Whitefield Power and Light, and post processed for use by the biofuel plant.

Post processing would involve reducing particle size and lowering moisture content.

Post processed feedstock can be silo stored.

Liquid biofuel can be stored and used as a traditional fuel oil substitute, or used to drive a generating turbine.

Combined cycle turbine capacities of up to 15 Megawatts are available, and would be used to provide peaking capacity.

Biofuel facilities have a small "footprint."

Cost for a 50-70 metric ton unit (without turbine) may be in the neighborhood of US \$3 million.

More detail on Dynamotive's organization, technology, and examples of other biofuel projects located around the world can be found at www.dynamotive.com

To learn more about turbine packages designed to work with liquid bio-fuel, visit www.orenda.com/ames/ames\_biofuel/ames\_biofuel.html

### Wood Pellet Initiative:

Steve Walker and Woody Keeney from New England Wood Pellet provided an o verview of the current state of Industrial Wood Pellet technology. Some of the points they covered included the following:

A facility that yields about 50 US tons/day of product would be expected to consume about 100 US tons/day of whole tree chip.

Such a plant would cost in the neighborhood of \$2 - \$4 million to build. Fuel from a modern industrial wood pellet plant would have a delivered cost per million Btu about equivalent to the cost per million Btu of \$.80/gal

fuel oil or \$.60/gal propane.

Wood pellet is easy to handle and store. It can be handled by the same kinds of equipment used to move agricultural seed. Combustors for wood pellet fuel are available. They are more expensive than propane combustors, but less expensive than oil combustors.

(During the tour of the wood handing facilities of Whitefield Power and Light after the meeting, it was observed that a pellet plant built as part of an energy complex at Whitefield could easily be designed to use already installed wood handling and storage facilities, and possibly to share preprocessing and drying facilities required by a biofuel facility, should one be installed.)

For more information about New England Wood Pellet, visit their web site at www.pelletheat.com. Their site contains a link to the Pellet Fuels Institute which contains additional information about wood pellet.

### Fund Raising Activities:

Jim Cross reported that since the last meeting a letter of interest had been sent to Ben and Jerry's Foundation, and that a New Hampshire Charitable Foundation grant application had been completed but not submitted pending review of the Master Proposal and specific application by the Whitefield Economic Development Corporation. (That review was completed on Wednesday, 6/20/01.)

Additionally, three EDA funding proposals had been prepared as preliminary steps toward getting federal funds for continued infrastructure improvements on the park property. Jeff Hays, North Country Council Economic Development Director, gave us an update on the status and likely timing of those funding requests.

Since the last meeting help and guidance had also been received from Executive Councilor Ray Burton who facilitated contacts with Commissioner George Bald at NH DRED, and also with Mike Vlachic at Governor Shaheen's Office, the New Hampshire Business and Industry Association, and Public Service of New Hampshire's Economic and Community Development Manager.

Thanks are also due to Rich Lougee at Senator Gregg's office who has assisted with attempting to free up planning funds requested by BEDCO, and with a host of valuable suggestions.

### Next Meeting:

The next meeting of the Whitefield Planning Group is tentatively scheduled for 10:00 AM, Wednesday, July 18th.