Map of the Mount Washington Regional Airport showing the boundaries of the Whitefield Industrial Park and locations of current park tenants.
NH DRED give support to Whitefield Eco-Industrial Park

By Nancy Comeau

WHITEFIELD — The New 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 development 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 low-grade wood has decreased by 40 percent since the closing of the Berlin mills. The retention of the power plant in Whitefield’s forest-based 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 already 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.
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 the company because of its ready access to 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 bio-mass generating facility that is the cornerstone of the industrial park.

"(A plant) could be located within or attached to the power plant," said Steve Walker, owner of N.E. Wood Pellets. It would operate 24 hours a day, employing 15 to 25 people and could share the same process as the bio-mass plant, such as control panel operations.

Mr. Walker began his company several years ago as an energy costs continued to rise and homeowners were looking for a less expensive alternative to coal 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.

"If Whitefield has a plant, it may look at having a co-firing program with the power company," Mr. Walker said. That would mean burning the waste generated by the plant in the power company's facility.

"(The plant) would have to be on site to ensure that it is a viable venture," Mr. Walker said. The plant would also require a significant amount of space.

Mr. Walker's presentation was just one item on the agenda of the Whitefield Planning Group's monthly meeting. The group, which is an offshoot of the 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, a member of the group, "has been working on conversations between the community and the industrial park and Whitefield Power and Light to determine what the group has envisioned as an eco-industrial park which would be "ecologically congruent with the 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 are also being considered by the group. "People are talking about the community of Whitefield," Mr. Cross said. "They feel that the community has a need for good-paying jobs," said Peter Partridge, 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 (market)."

Currently, the plant, which is owned by Thermoc-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 plant's existing state to the Public Service of New Hampshire. When we started 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 the other Thermoc-EcoTech plants in other states, most particularly California, where it is primarily interested in the development of renewable energy. (The Whitefield plant produces up to 15 megawatts of power, while some of the California plants produce up to 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 owners will be purchasing it with that intention. 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 PSHN buyout.

Master Proposal

The 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 in the community, such as a community planning group.

In addition, the group would like to attract another "bio-fuels" facility that will provide between 15-megawatts of additional power to be added to that which is currently produced by 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 promised by Mr. Walker of N.E. Wood Pellets.) Whitefield Power and Light has a 50 ton per hour wood chip handling capacity that is not being fully utilized. Other businesses 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 Mills Pond plant and that David Presty intends to build a septic pipe manufacturing facility that will use recycled 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.
Groundbreaking Held For Plastics Plant

By Eleanor Mason
News Correspondent

There was plenty of hot coffee to go around at the 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 components. 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 grandmother 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.”
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 2002 Whitefield 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 19th, 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
Jim Cross              Jim Cross Consultant
Jeff Hays              North Country Council
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 over view 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.