

THE STATE OF NEW HAMPSHIRE

SUPREME COURT

2013 TERM

Case No. 2013-0504

COOS COUNTY COMMISSIONERS

on behalf of the

Unincorporated Places of DIXVILLE, N.H. and MILLSFIELD, N.H.

v.

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION

APPENDIX TO BRIEF OF THE AMICUS CURIAE
CITY OF BERLIN, NEW HAMPSHIRE

Submitted by:

Christopher L. Boldt, Esq. NHBA # 15301
Eric A. Maher, Esq. NHBA #21185
Donahue, Tucker, & Ciandella, PLLC
56 NH Route 25
P.O. Box 214
Meredith, NH 03253
(603)778-0686
emaher@dtclawyers.com
cboldt@dtclawyers.com

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PAYMENT IN LIEU OF TAX AGREEMENT
BETWEEN
THE CITY OF BERLIN, NEW HAMPSHIRE
AND BERLIN STATION, LLC

This payment in lieu of tax agreement is entered into on the 30th day of August, 2011 by and between the City of Berlin ("the City"), a city organized and existing under the laws of the State of New Hampshire, and Berlin Station, LLC, including its successors and assigns, (collectively "Berlin Station"), a limited liability company formed under the laws of the State of Delaware.

WHEREAS, Berlin Station has purchased in the City of Berlin the black liquor boiler originally owned by NAD and previous paper companies, and intends to construct, rebuild, and operate a wood-fired electric generation plant on the site. The tract or parcel of land, with buildings and improvements now existing or to be constructed thereon, located on the east side of the Androscoggin River, on the west side of Hutchins Street and on the north sides of Coos Street and Community Street in Berlin, Coos County, State of New Hampshire, being shown on plan of land entitled "ALTA/ACSM Land Title Survey prepared for Berlin Station, LLC, Tax Map 129, Parcel 54.001, including but not limited to the entire boiler, the entire turbine and turbine building, all boiler and turbine ancillary systems, all fuel handling systems, all site support systems, water, sewer, electricity and natural gas (if any) service equipment and facilities, all controls and instrumentation, all secondary infrastructure such as warehouses, office buildings, garages, wood processing operations and rail siding operations, etc., land and land improvements including site infrastructure associated with Berlin Station's intended renewable generation facility is referred to in this Agreement as the Berlin Station Property. To the extent that the Berlin Station Property is or will be taxable as real estate in the State of New Hampshire, and as such will be subject to *ad valorem* taxation by the City, it is intended to be subject to this Agreement.

WHEREAS, Berlin Station, LLC, formerly known as PJPD Holdings, LLC, owns the Berlin Station Property as herein described.

WHEREAS, pursuant to RSA Section 72:74, the governing body of the municipality in which a renewable generation facility is located may exempt renewable generation facilities from taxes otherwise due under RSA Section 72.

WHEREAS, the Facility described in Section 1 below when constructed will be a renewable generating facility within the meaning of RSA 72:74.

WHEREAS, the City Council of the City of Berlin, by motion made or resolution adopted July 25, 2011, approved and authorized the execution of this Agreement.

WHEREAS, this payment in lieu of tax agreement contains all the terms and conditions relative to all City, County, and School District *ad valorem* taxation of the Berlin Station Property.

NOW THEREFORE, in consideration of the foregoing and the covenants and conditions set forth below, the City and Berlin Station agree as follows:

1. The Project: Berlin Station intends to construct and operate a one-unit, nominal 75 MW gross electric capacity, wood-fired electric generation plant ("Facility") as part of the Berlin Station Property and to add new property and modifications as necessary to construct the Facility as proposed and approved by State of New Hampshire Site Evaluation Committee. . Any future co-located third party business taxable real estate on the parcel which is not used for or reasonably necessary to the Berlin Station's project generation of electricity will be subject to a future tax or agreement.
2. Term of Agreement. The term of this agreement is intended to cover the entire tax year starting 4/1/11 through the tax year beginning 4/1/2033. For 2011, the first tax bill in June will be ½ of the previous tax year (4/1/10 – 3/31/11). The second half bill in December 2011 will be in accordance with Article 3 of this document. For the tax year beginning 4/1/33, the first half tax bill will be based on Article 3 for June 2033. The second half tax bill in 2033 will be based on a new agreement, revised agreement, or a new ad valorem value. The term of this Agreement shall commence effective as of April 1, 2011 and shall end on June 15, 2033.
3. Annual Taxes Paid. Pursuant to RSA 72:74, the City hereby exempts from any all taxes that would otherwise be due under RSA 72, including local and municipal taxes, one hundred percent (100%) of the value of the Berlin Station Property. For purposes of this Agreement, local and municipal taxes shall mean any and all taxes levied by Coos County ("County"), the City of Berlin, the School District ("School District") or other taxing jurisdiction within or under the County or the City. "Local and Municipal Taxes" shall not include the utility property tax under RSA 83-F. In lieu of the ad valorem taxes that would otherwise be due and payable by Berlin Station to the City with regard to the Berlin Station Property, Berlin Station will pay the amounts set forth below, beginning effective as of December 15, 2011. The City will issue a bill to Berlin Station for the amounts payable under this agreement at the same time that it issues its tax bills to the other taxpayers in the City, and any late payments of the amounts due hereunder will be subject to interest at the rate set forth in RSA 76:13. The following table in this Agreement constitutes the minimum tax payments to be made (see Article 6) by Berlin Station and the dates for which they are to be made.

Year	Install.	Payment
2011	Dec	\$250,000
2012	June	\$250,000
2012	Dec	\$250,000
2013	June	\$250,000
2013	Dec	\$250,000
2014	June	\$250,000
2014	Dec	\$250,000
2015	June	\$250,000
2015	Dec	\$375,000

2016	June	\$375,000
2016	Dec	\$500,000
2017	June	\$500,000
2017	Dec	\$550,000
2018	June	\$550,000
2018	Dec	\$575,000
2019	June	\$575,000*
2019	Dec	\$625,000*
2020	June	\$625,000*
2020	Dec	\$675,000*
2021	June	\$675,000*
2021	Dec	\$700,000*
2022	June	\$700,000*
2022	Dec	\$750,000*
2023	June	\$750,000*
2023	Dec	\$800,000*
2024	June	\$800,000*
2024	Dec	\$850,000*
2025	June	\$850,000*
2025	Dec	\$950,000*
2026	June	\$950,000*
2026	Dec	\$1,000,000*
2027	June	\$1,000,000*
2027	Dec	\$1,100,000*
2028	June	\$1,100,000*
2028	Dec	\$1,150,000*
2029	June	\$1,150,000*
2029	Dec	\$1,200,000*
2030	June	\$1,200,000*
2030	Dec	\$1,300,000*
2031	June	\$1,300,000*
2031	Dec	\$1,400,000*
2032	June	\$1,400,000*
2032	Dec	\$1,500,000*
2033	June	\$1,500,000*
Total		\$34,000,000

* Denotes eligible for potential Additional Tax Payments as outlined in Article 6.

4. **Total Payments.** The amounts payable by Berlin Station pursuant to Article 3 of this Agreement shall be in lieu of any and all other City, local school, or county taxes or assessments of a similar nature relating to the Berlin Station Property, including but not limited to taxes on the value of real property, which includes the entire generation plant,

which would or could otherwise be assessed in any year covered by this Agreement against Berlin Station, any of its partners, or the owner of the Berlin Station Property.

5. Financial Closing and Survival of Power Purchase Agreement. The payment of taxes for the Berlin Station Property under this Agreement is based on and subject to the following: (i) the financial closing, which is the date when the funds to finance the construction and startup of the Facility become available to Berlin Station, has occurred; and (ii) the Amended and Restated Power Purchase Agreement dated May 18, 2011 with Public Service Company of New Hampshire, or its assignee, as it may be amended from time to time will be in full force and effect (PPA). If financial closing does not occur by September 1, 2011, this Agreement shall have no force and effect. If the Power Purchase Agreement is terminated at any time, this Agreement shall terminate as of the same date. If Berlin Station and the City of Berlin are unable to renegotiate this PILOT agreement, the Berlin Station Property shall thereafter be assessed in accordance with the ordinary assessment procedures applicable to other properties in the City.
6. Additional Taxes. If Berlin Station constructs any substantial addition to the Berlin Station Property or increases the rated capacity of the Facility significantly above 75 MW by 10% or more and the value of the Berlin Station Property is thereby materially increased, the City and Berlin Station shall negotiate in good faith an amendment to this Agreement to increase the amounts due pursuant to Article 3 above.

In addition to the fixed payments outlined in Article 3, Berlin Station shall pay the City an additional tax payment equal to 15% of the gross revenue per year, for the actual sale of any Renewable Energy Credits (RECs) that are (i) actually produced by or attributable to energy generated at the Facility, to a maximum of 100,000 RECs per year, delivered to the Delivery Point (as defined by ISO-NE), in excess of any and all RECs purchased by PSNH; and (ii) to the extent such RECs are thereafter sold to a bona fide third party purchaser, in each case through the method provided in the NEPOOL-GIS. Gross revenue for the purpose of this paragraph shall mean gross revenue less all applicable 3rd party sales commissions and handling charges. RECs meeting the criteria set forth in (i)-(ii) of this Section are termed "Qualifying RECs" (as defined under the PPA). Berlin Station shall pay the City 15% of the gross revenue as defined above, from Qualifying RECs up to 100,000 RECs per year. The obligation for such payments shall begin in the tax year of 4/1/2019 and continue to the end of this Agreement.

Berlin Station shall endeavor to sell all Qualifying RECs produced to qualified purchasers and shall maintain reasonably detailed records and documentation of all such Qualifying REC's sales and its related marketing efforts. For illustration purposes, the table below provides an indication of the payments to be made by Berlin Station for the Qualifying REC revenue to the City based on an independent 3rd party estimate of the future REC potential value. The table is neither a fixed payment nor fixed amount, but is intended to illustrate the approximate anticipated cash payments to the City. These payments are in addition to the fixed tax payments in Article 3 and shall be paid for six months in arrears on July 15th of each year for the previous six months, and January 15 of each year for the previous six months.


TAX YEAR	ASSUMED REC PRICE (\$/MWH)	ASSUMED QUALIFIED RECS	TOTAL EXCESS REVENUE	15% OF EXCESS REVENUE	TAX PAYMENT OVERRIDE
2019	\$31.49	100,000	\$3,149,000	\$472,350	\$472,350
2020	\$35.26	100,000	\$3,526,000	\$528,900	\$528,900
2021	\$37.64	100,000	\$3,764,000	\$564,600	\$564,600
2022	\$39.61	100,000	\$3,961,000	\$594,150	\$594,150
2023	\$38.22	100,000	\$3,822,000	\$573,300	\$573,300
2024	\$42.79	100,000	\$4,279,000	\$641,850	\$641,850
2025	\$41.82	100,000	\$4,182,000	\$627,300	\$627,300
2026	\$43.07	100,000	\$4,307,000	\$646,050	\$646,050
2027	\$44.36	100,000	\$4,436,000	\$665,400	\$665,400
2028	\$45.69	100,000	\$4,569,000	\$685,350	\$685,350
2029	\$47.06	100,000	\$4,706,000	\$705,900	\$705,900
2030	\$48.47	100,000	\$4,847,000	\$727,050	\$727,050
2031	\$49.92	100,000	\$4,992,000	\$748,800	\$748,800
2032	\$51.42	100,000	\$5,142,000	\$771,300	\$771,300
2033	\$52.96	100,000	\$5,296,000	\$794,400	\$794,400
TOTAL				\$9,746,700	\$9,746,700

7. Assignment. This PILOT Agreement shall inure to the benefit of and shall be binding upon the City, Berlin Station, and their respective successors and assigns. Berlin Station may assign, convey, and transfer all of its rights and interests in this Agreement to any entity which is a successor to Berlin Station or a successor owner of the Berlin Station Property, provided the City of Berlin is given written notice of the assignment.
8. Operating Conditions. This payment in lieu of taxes agreement is intended to be on a payment schedule which is not interrupted by normal operating events at the Facility, such as maintenance, breakdowns, unexpected outages, severe drought, power line disruptions, interference by other independent power producers and utility generation systems generating into the same grid, or any other activity or occurrence which may reduce the annual operating characteristics of the Facility, the amount of electricity generated, or the revenue generated. If significant disruptions, beyond normal operating events occur, this Agreement may be terminated as of the date of written notice to the City by Berlin Station. If Berlin Station and the City of Berlin are unable to renegotiate this PILOT agreement, the Berlin Station Property shall thereafter be assessed in accordance with the ordinary assessment procedures applicable to other properties in the City.


9. Entire Agreement This PILOT Agreement constitutes the entire understanding and agreement of the parties hereto with respect to a payment in lieu of taxes concerning the Berlin Station Property and any portion thereof, and supersedes any prior understandings, representations, or agreements, either written or verbal, by or between the parties with respect to the subject matter hereof. This PILOT Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall not be amended or altered except in writing signed by all parties hereto. This Agreement shall be governed by and construed under the laws of the State of New Hampshire.
10. Countersignature This Agreement may be executed in one or more counterparts and by facsimile, and may be signed by each party on a separate counterpart, each of which, taken together, shall be an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, THE PARTIES HERETO by their duly authorized officials have executed this Agreement as of the date first above written.

BERLIN STATION, LLC

by 
Robert Desrosiers, Director
Duly Authorized

CITY OF BERLIN, NEW HAMPSHIRE

by 
Patrick MacQueen, City Manager
Duly Authorized

SB 99, relative to the terms for payment in lieu of taxes for renewable generation facilities. Public and Municipal Affairs Committee. Ought to Pass with Amendment, Vote 5-1. Senator Burling for the committee.

Sen. Burling, Dist. 5 February 8, 2007 2007-0163s 10/05

Amendment to SB 99

Amend the bill by replacing all after the enacting clause with the following:

1 New Paragraph; Renewable Generation Facilities; Exception Added. Amend RSA 72:74, VI to read as follows:

VI. *Except as provided in paragraph VII*, no voluntary agreement entered into under this section shall be valid for more than 5 years; however, any such agreement may be renewed or amended and restated for any number of consecutive periods of 5 years or less.

VII. *The owner of a renewable generation facility and the governing body of the municipality in which the facility is located may agree to a term exceeding 5 years if such term is necessary for the financing of the project or is otherwise advantageous to both parties and both parties agree to such term.*

2 Effective Date. This act shall take effect 60 days after its passage.

SENATOR BURLING: Thank you, Madam President. Madam President, I move ought to pass with amendment on Senate Bill 99. Senate Bill 99 amends a statute that we passed just a year ago. It allows for voluntary agreements for payment in lieu of taxes for renewable generation facilities to be for a period the parties agree is necessary to meet the financing requirements of the project. This bill allows local governments and business persons who own renewable generation facilities to negotiate an extended pilot period so as to allow projects which are initially capital intensive, sufficient time to get off the ground. Please join me and the Public and Municipal Affairs Committee by voting Senate Bill 99 as amended, ought to pass.

Amendment adopted.

Senator Barnes offered a floor amendment.

Sen. Barnes, Dist. 17 February 21, 2007 2007-0352s 10/04

Floor Amendment to SB 99

Amend the title of the bill by replacing it with the following:

AN ACT relative to approval of the terms for payments in lieu of taxes for renewable generation facilities.

Amend the bill by replacing section 1 with the following:

1 Renewable Generation Facilities; Agreements. Amend RSA 72:74 to read as follows:

72:74 Payment in Lieu of Taxes.

I. The owner of a renewable generation facility and [the governing body of] the municipality in which the facility is located may, after [a duly noticed public hearing] *approval by majority vote of those present and voting at any annual or duly called special meeting of its legislative body*, enter into a voluntary agreement to make a payment in lieu of taxes. *An initial agreement may be entered into by the governing body of the town or city for a period which is less than a tax year, provided the agreement shall not be extended beyond the tax year or renewed unless approval is made by the legislative body.* A lessee of a renewable generation facility which is responsible for the payment of taxes on the facility may also enter into a voluntary agreement with the municipality in which the facility is located to make a payment in lieu of taxes, provided the lessee shall send by certified mail to the lessor written notice which shall state that the property of the lessor may be subject to RSA 80 should the lessee fail to make the payments required by the agreement. A copy of such notice shall be provided to the municipality in which the facility is located.

II. A renewable generation facility subject to a voluntary agreement to make a payment in lieu of taxes under this section shall be subject to the laws governing the utility property tax under RSA 83-F. Payments made pursuant to such agreement shall

satisfy any tax liability relative to the renewable generation facility that otherwise exists under RSA 72. In the absence of a payment in lieu of taxes agreement, the renewable generation facility shall be subject to taxation under RSA 72.

III. If a municipality that contains more than one school district receives a payment in lieu of taxes under this section, the proceeds shall be prorated to the districts in the same manner as local taxes are prorated to the districts, or in the case of a cooperative school district between the city or town and pre-existing school district.

IV.

The collection procedures in RSA 80 shall be used to enforce a voluntary agreement to make a payment in lieu of taxes authorized by this section.

V.

If a municipality enters into a voluntary payment in lieu of taxes agreement with an owner, or a lessee responsible for payment of taxes, of a renewable generation facility, the municipality, upon the request of the owner, or a lessee responsible for payment of taxes, of any other renewable generation facility located within the municipality, shall offer a comparable agreement to the owner or lessee of such facility. *The approval of any such agreement shall be as provided in paragraph I.*

VI. No voluntary agreement entered into under this section shall be valid for more than 5 years; however, any such agreement may be renewed or amended[, and restated] for [any number of consecutive] periods of 5 years or less, *provided approval is made by majority vote of those present and voting at any annual or duly called special meeting of the legislative body.*

2007-0352s

AMENDED ANALYSIS This bill requires approval by the legislative body of a town or city of voluntary agreements for payment in lieu of taxes for renewable generation facilities.

SENATOR BARNES: Thank you, Madam President. If you look in your bulletin, you'll see that there was a 5-1 vote. Well, I happen to be the one. And see my good friend Senator Burling wants to speak after I do, and I think that's terrific. I'm "the lone stranger" once again today, but that's okay. All I'm trying to do is let everyone know that I don't believe two people in a town can make this decision. And if you pass this, that could happen because there are many three-member board of selectmen throughout this state. And on a five-member board, you have three members. Now I know there's protection in there that you're going to hear from Senator Burling; however, maybe some of these guys play golf, maybe they play tennis, maybe they go to the beach together, maybe they go hunting quail in the woods. And we're all human beings, and we know how human beings act sometimes. I'm very concerned that two or maybe three people can make this decision. I think the bill is super. I have no problem with it. The only problem I have is that. So I brought this amendment forward. It says on line 11, "Approval by majority vote of those present and voting at any annual or duly called special meeting of its legislative body." "Legislative body" are the citizens of that town, not two members. Two individuals can make this decision. That's wrong in my opinion. And sitting on a board of selectmen, I know how it works. I've been there before, and I've seen things happen that I don't think should have happened. I think it should be up to the people in the town to make those decisions, to have the opportunity for it. And as we come down on line 13, "An initial agreement may be entered into by the governing body," those are the selectmen, "of the town or city for a period which is less than a tax year, provided the agreement shall not be extended beyond the tax year or renewed unless approval is made by the legislative body." All I'm trying to do is give that decision to the people of the town and not to two individuals who might have some sort of an interest that might not be up front. Thank you.

SENATOR ESTABROOK: Thank you, Senator. I just had a question because you mentioned two people. And the way I'm reading the bill, I thought I understood that the governing body of the municipality had to approve, and that's usually more than one person, isn't it?

SENATOR BARNES: The governing of the body could be the board of selectmen with three people. The members of three. Most of your —

SENATOR ESTABROOK: Right. So it's more than two, though. It's more than the one person from the company and the one ...

SENATOR BARNES: If you had three members — and my comment was "two people," two out of the three selectmen can make that decision. It can be a two-to-one vote.

SENATOR ESTABROOK: Thank you for clarifying that. I wasn't understanding which two you were referring to.

SENATOR BARNES: I'm referring to those two devils who might have an interest that might not be too transparent.

SENATOR ESTABROOK: Thank you.

SENATOR BURLING: Thank you, Madam President. Madam President, I rise to speak in opposition to the adoption of the pending motion to amend, and I'd like to explain. My learned colleague has raised an issue, but it's an issue that applies to the bill that we passed a year ago. What I'm asking the Pages to hand out is a sheet that shows existing law, and at the very bottom, the proposed amendment, which covers the projected term of the agreement. We discussed all of these issues about the authority of selectpersons to enter into these pilot agreements, in the adoption of the original bill relative to pilot agreements last term. And we focused on the importance of ensuring not only proper efficiency and decision-making, i.e., getting the selectmen to make a decision in a timely fashion, but also ensuring public notice. And if you look at the very top section, "The owner of a renewable generation facility and the governing body of the municipality in which the facility is located, may, after a duly noticed public hearing, enter into a voluntary agreement." We provided, and we thought this was very important at the time, for public notice so that the voters of the town in which a facility may be built would have a chance to stand up and say, "Hey, are you really paying attention to our interests?" And we were concerned about some of the questions about, shall we say, "insider dealing," and we felt, when we adopted this statute, that "public view" and public "review" of the whole proposal would tend to flesh those issues out. As I say, those were issues we decided last term. What's here, today, before us, is a recognition that in order to get some of these projects built — and I'll turn and face, once again, my dear friend Senator Gallus who has advocated so long and so hard for our attending to this need — if we want these things to get built, we have to be sensible about the business requirements of the people who are trying to build them. Selectpersons in various towns want these projects to come to them. They want the wind farm in the North Country. They want the renewable energy generation facility in Berlin and Groveton. These are things that need to be done. If you require either an interim agreement or a year's delay so that the entire town can vote on one of these proposals, it isn't going to happen. Realistically, it isn't going to happen. All of us know that the financing of a project to build a 75 megawatt energy plant in the North Country requires very fine tolerance, you know, arrangements with the capital lenders, with the bankers or private security firms who are putting up the money. What we have in place now, and will capture if we pass this bill, is a really smart proposal that will help get these things built. And for all of our interests in economic development and energy generation through renewables, this is a step we ought to take. Thank you very much. I'll be happy to answer any questions.

SENATOR BARNES: Thank you, Madam President. Would you believe, Senator Burling, and I know you do, because you're a smart fella, and you've been around local government. Would you believe that public hearings sound great in a piece of legislation, but when they actually happen, there are some boards of selectmen that say this to the citizens in the public hearing, and they don't pay attention anymore than we in this chamber sometimes listen to public hearings, and we come up here and do exactly the opposite what those public hearings have told us to do?

SENATOR BURLING: Senator, I'm going to respond to that question. It is a "would you believe," but it's a "would you believe" that, frankly, goes back to my days as a practicing attorney. There were moments when I sat in public hearings, listening to people make presentations, and if I saw the towns folk, let's say ten of them show up, and nine of the ten are really opposed, I'm going to go to my client and say, "You've got trouble brewing." If there is a true public hearing, issues are going to come out, light is going to get focused on the fine process of the deal, and people are going to get a chance to protect their interests. I believe in the balance of things, Senator. In the balance of things. It's all about balance, isn't it?

SENATOR BARNES: We talked about that earlier on the smoking bill.

SENATOR BURLING: Here we are again.

SENATOR BARNES: Balance.

SENATOR BURLING: Balance is what we're after. Public notice, public review, selectmen make the decision whether to enter into one of these pilot agreements. I think that is the best we can offer.

SENATOR BARNES: May I respond, Madam President? I'd like to respond, Senator Burling, that every town isn't fortunate enough to have a lawyer like you present to give guidance to the board of selectmen. There are some towns that aren't that fortunate. I have a second follow-up question, if you would ... it's a "would you believe," so it's going to be an easy one for you. Jesus, my train of thought, the train went off the tracks; that's what happens when ... that's what happens when you get to be an old man. You lucked out on that one.

SENATOR BURLING: Okay.

SENATOR ESTABROOK: Senator Burling. Senator, do you think if citizens, in particular, a municipality, shares Senator Barnes' concern about having just two people make a decision, that they would be best off moving to expand the number of people on their board of selectmen?

SENATOR BURLING: Absolutely. That would be one smart move.

SENATOR ESTABROOK: Thank you.

SENATOR KENNEY: A comment to Senator Estabrook. That's not a smart move. We've done that in Wolfeboro, and they're at each other. I'm trying to get to the root of what Senator Barnes is saying and to what Senator Burling is saying. 'Cause I come from a small town, and I've been a selectman, and I represent a lot of small communities in my area. And I guess this is - I guess the debate is between a governing body versus a legislative body. But in the town of Madison, we just had a gentleman who's a selectman that left for eight months to go to Iraq, and there was only two selectmen left behind. In that particular case, I would have agreed that it would probably be more prudent that this go to a legislative body rather than going to a governing body for the decision. To ask a question, what would you do in those types of situations?

SENATOR BURLING: Well, my own instinct is never let municipal government operate for a long period of time without a full slate of elected officials. Whether that requires a selectman going to Iraq to resign his post so another may serve. But what we're talking about here is a very important balance. Somebody comes to the Town of Madison and says, "I want to put up 50 windmills that will boost your tax base by," who knows, "50 million bucks." you want to have people in office who are prepared to deal, and deal intelligently, with the needs of that proposal. Otherwise, that proposal is going to Maine. And, frankly, we saw that happen last spring. So again, in the balance of protecting the public's right-to-know, and the public's right to control, I think the public hearing provision of the existing law provides sufficient protection. And to go to the legislative body must rule on everything, means that we aren't going to have any renewable facilities built in this state. Thank you.

SENATOR KENNEY: Follow-up. This is my last question. Would you agree that the volunteer selectmen and planning board members and other boards of the local government are volunteers and they don't necessarily have the expertise or understanding, in some cases, and therefore, probably would feel more reassured that it go to a legislative body in these types of critical decisions?

SENATOR BURLING: Well, actually, I wouldn't agree with that; that would be something that I would disagree with. If, again, I were one of the three selectpersons of the Town of Madison and somebody came with a 50 wind-generating plant, the first thing I would say is, "Where do we find counsel to advise us on how to manage one of these negotiations? We need somebody smart and capable to protect the interest of this town." And I would go looking for people who have some experience in this. When these renewable plants get built they will have a dramatic impact on the tax base of the community in which they are built. And my advice to local officials, volunteer or not would be: get yourself a good lawyer and figure out how to negotiate a good deal. I don't do that professionally any more, so I'm not shilling for my own job.

SENATOR KENNEY: Okay.

SENATOR FULLER CLARK: Senator Burling, it's been my experience, in working with the stakeholders for their renewable energy portfolio and centers here in New Hampshire, and I've heard from them time and time again, that a five-year limit is a financial hardship for them in terms of being able to go to a financial institution and get the investments that they need. Has that been your experience as well?

SENATOR BURLING: Well, it is certainly my experience that that's what I've heard. That it is critical to get to the term of these agreements measured by the term of the financing arrangement.

SENATOR FULLER CLARK: Follow-up? So that is the intent of your legislation, is to make it easier for these particular enterprises to get the investment dollars that they need to be able to go forward; am I correct?

SENATOR BURLING: Thank you, Senator. That is absolutely right.

SENATOR FULLER CLARK: One other follow-up question, if I may, of Senator Burling? Thank you. And thank you, Madam President. If with Senator Barnes' amendment, there was going to be — it would be unclear as to rather or not an agreement that had been made with the selectmen was permanent or not permanent until the next town meeting, which only occurs once a year, that it would make it much more difficult for those enterprises to get the support of the financial institutions so that by making that change, we would be putting an impediment in front of these initiatives going forward, in spite of the fact that the selectmen have given an initial agreement; is that true?

SENATOR BURLING: That's absolutely true.

SENATOR BARNES: The train got back on track.

SENATOR BURLING: The train got back on track.

SENATOR BARNES: And this might help Senator Fuller Clark on her conversation about this year delay. The year delay is at the extreme end of it, as you realize; it took me three months, it could be a month, it could be eleven months. My amendment has nothing to do with the five-year bit, as I said earlier, it's strictly to put this thing where I think it belongs and not in the hands of the selectmen. Now you, as a former practicing attorney, are well aware of the fact that if something of this magnitude came up in a town, that the selectmen or the townspeople could go to a very smart judge and ask for a special meeting so it wouldn't have to be delayed for that year, it could come up within 30 days of when that decision had to be reached. So this smoke screen that it might take a year, is phony-baloney; it can be done within 30 days after the decision, because I know there's no judge in the state on something as important as this, for the economy of the North Country or the South Country or the Central Country, wherever you might live, is going to say you can't have a special meeting. Is that correct?

SENATOR BURLING: Well, again, with all due respect, Senator, it's been my experience that that's not correct. I actually have been through a couple of business transactions in which the Superior Court judge said in June: I'm not going to give you permission to hold your special town meeting until October, because I don't think anybody's around paying attention, and the public needs to be present. That's simply not required to protect the voters from the consequence of this decision-making process. And I think it's such an impediment, Senator, it will mean that these plants don't get built.

SENATOR BARNES: You wouldn't mind me saying I highly disagree with you. I think that people have a vote to right on something as important as this. And with that, I will say thank you very much.

Senator Gottesman moved the question.

SENATOR LARSEN (In the Chair): The question has been moved, and I have two more speakers, Senator Clegg and Bragdon.

SENATOR CLEGG: Thank you, Madam President. I rise in support of the amendment. While I would like to believe what the previous speaker said, that the decision was made last term, I would like to remind him that if only he had said that on the smoking bill. Now, we talk about let's expand the board of selectmen. Okay, I come from a community that has five selectmen. So that means three people get to make a deal. And I can tell you that I don't trust them to make the right deal. We just had a public hearing in our community where we made a vote on the floor to allow the police chief to explain to us whether we needed two officers that were on the warrant article or not. After the local body spoke and said let the chief speak, the selectmen voted him not to speak, and that's what happens when you have the public hearing. They don't have to listen to you. In the case of Hudson, they refused to listen to you, and certainly we can vote them out the next election. The problem is, the biggest offender still has two years left on his term. I have to wait two years to get rid of him. So what does that mean? That means he can do a 20-year deal with two of his cohorts and I'm stuck as a taxpayer making up the difference. When this bill had a five-year term limit, it said I, as a taxpayer get to make a choice, and if I find that it's not a good choice, I'm only stuck with it for five years. Now, under this law, under this bill, without the amendment, I'm stuck with it forever: 20 years, 30 years, 50 years. If he makes a deal with the selectmen, that's the deal. I can't break it. So who's going to pick up the difference? I am. Every elderly person in my community who can barely pay their taxes now's going to have to pick it up. We can't keep cutting deals for certain sectors at the expense of the taxpayer. I don't know how many of you looked at the Cabela deal. There's an example of the stake. That piece of property was worth \$1.7 million. Last year, they wouldn't give us \$1.7 million. This year, they bought it for a million dollars. After they bought it for a million dollars, now they're trying to cut a deal with Hooksett so they can take \$4 million to build their road. So let's just say now if they're successful there, that's \$4.7 million to private industry, comes out of the taxpayer. And that doesn't include the \$3 million for the toll booth. So there's \$7.7 million. All for the good of who? And that, my friends, my colleagues, is what could happen with this. Somebody could come in, in my community for instance, with five selectmen, make friends with three, and stick me with a bill that I can't afford, my senior citizens can't afford, and no young family can afford, because we have no way for the legislative body to have a say. At least with Senator Barnes' amendment, the legislative body has the choice: yes, we want to take the chance; yes, we want to take the chance for 20 years; maybe we want to take the chance for ten years. Without Senator Barnes' amendment, we're sticking our constituents with a bill, possibly for the rest of their life. Thank you, Madam President.

SENATOR BRAGDON: I rise in support of the amendment, and I just think of my experience on a school board. And the RSA's we've established in this state are there for the protection of the taxpayer, especially when it's dealing with issues that will have a long-term impact on their tax rate, whether it be positive or negative. If we want to

build a new school, it requires not the vote of the school board to build a school, not a vote of 50 percent of the voters, but a vote of 60 percent or 66 percent of the voters. The reason being, you're committing the taxpayers of the town, for probably 20 years in the future, to an obligation. Now, clearly, local control is strong, and we don't want to have town meeting votes on where to put stop signs and stop lights, although in some cases in my town they would love to have that opportunity. But I think it works the same way on income. We're pursuing tuition agreements with surrounding school districts. We've been advised by our attorney that we need to have a vote of the school district to authorize a long-term tuition agreement that would actually reduce taxes in our town. But the RSA's seem to clearly favor, whenever there's any kind of long-term arrangement being entered into, and pardon the improper grammar there, that the vote of the people really needs to be there. And I share some of the concerns that things can happen that will commit people for a long period of time. I'm less concerned about one to five years, but this open-ended thing, really, I think, really needs to go to the voters to be consistent with what we've done with other RSA's. Thank you.

Recess. Out of recess.

The question is on the adoption of the floor amendment. A roll call was requested by Senator Clegg. Seconded by Senator Bragdon. The following Senators voted

Yes: Kenney, Roberge, Bragdon,

Clegg, Gatsas, Barnes, Letourneau, Downing, Fuller Clark. The following Senators voted No: Gallus, Reynolds, Sgambati, Burling, Cilley, Janeway, Odell, Kelly, Gottesman, Foster, Larsen, DeVries, D'Allesandro, Estabrook, Hassan.

Yeas: 9 - Nays: 15

Floor amendment failed.

MOTION OF RECONSIDERATION

Senator Hassan, having voted with the prevailing side, moved reconsideration of Floor Amendment 0352, whereby the floor amendment failed.

Adopted.

SB 99, relative to the terms for payment in lieu of taxes for renewable generation facilities.

The question is on the adoption of the Floor Amendment (0352). A roll call was requested by Senator Hassan. Seconded by Senator Fuller Clark.

The following Senators voted Yes: Kenney, Roberge, Bragdon, Clegg, Gatsas, Barnes, Letourneau, Downing.

The following Senators voted No: Gallus, Reynolds, Sgambati, Burling, Cilley, Janeway, Odell, Kelly, Gottesman, Foster, Larsen, DeVries, D'Allesandro, Estabrook, Hassan, Fuller Clark.

Yeas: 8 - Nays: 16

Floor amendment failed.

SENATOR BRAGDON: Thank you, Madam President. On the prior vote, the one we did just before this, what was the final tally?

SENATOR LARSEN (In the Chair): That, too, was 8 to 16. I stand corrected, the vote was 9 to 16 - 9 to 15.

The question is on the adoption of the bill as amended. A roll call was requested by Senator Burling. Seconded by Senator Sgambati. The following Senators voted

Yes: Gallus, Reynolds, Sgambati,

Burling, Cilley, Janeway, Odell, Roberge, Kelly, Gottesman, Foster, Larsen, DeVries, D'Allesandro, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Kenney, Bragdon, Clegg, Gatsas, Barnes, Letourneau, Downing.

Yeas: 17 - Nays: 7 Adopted. Ordered to Third Reading. SB 34, relative to eligibility for certain veteran disability plates. Transportation and Interstate Cooperation Committee. Inexpedient to Legislate, Vote 4-1. Senator Clegg for the committee.

Bill as Introduced

SB 99 - AS INTRODUCED

2007 SESSION

07-1179
10/08

SENATE BILL **99**

AN ACT relative to the terms for payment in lieu of taxes for renewable generation facilities.

SPONSORS: Sen. Burling, Dist 5

COMMITTEE: Public and Municipal Affairs

ANALYSIS

This bill allows for voluntary agreements for payment in lieu of taxes for renewable generation facilities to be for the period the parties agree is necessary for the financing of the project.

Explanation: Matter added to current law appears in *bold italics*.
Matter removed from current law appears ~~[in brackets and struck through.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Seven

AN ACT relative to the terms for payment in lieu of taxes for renewable generation facilities.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Renewable Generation Facilities; Payments in Lieu of Taxes. Amend RSA 72:74, VI to read as
2 follows:

3 VI. ~~[No]~~ A voluntary agreement entered into under this section shall be valid for ~~[more than~~
4 ~~5 years; however,]~~ *the number of years the owner of the renewable generation facility and*
5 *the governing body of the municipality in which the facility is located agree is necessary*
6 *for the financing of the project.* Any such agreement may be renewed or amended and restated
7 for any number of consecutive periods ~~[of 5 years or less]~~.

8 2 Effective Date. This act shall take effect 60 days after its passage.

CHAPTER 113
SB 99 - FINAL VERSION

02/22/07 0163s

2007 SESSION

07-1179
10/03

SENATE BILL **99**

AN ACT relative to the terms for payment in lieu of taxes for renewable generation facilities.

SPONSORS: Sen. Burling, Dist 5

COMMITTEE: Public and Municipal Affairs

ANALYSIS

This bill allows for voluntary agreements for payment in lieu of taxes for renewable generation facilities to be for the period the parties agree is necessary for the financing of the project.

.....

Explanation: Matter added to current law appears in *bold italics*.
 Matter removed from current law appears ~~[in brackets and struck through.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 118
SB 99 - FINAL VERSION

02/22/07 0163s

07-1179
10/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Seven

AN ACT relative to the terms for payment in lieu of taxes for renewable generation facilities.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 113:1 New Paragraph; Renewable Generation Facilities; Exception Added. Amend RSA 72:74,
2 VI to read as follows:

3 VI. *Except as provided in paragraph VII, no voluntary agreement entered into under*
4 *this section shall be valid for more than 5 years; however, any such agreement may be renewed or*
5 *amended and restated for any number of consecutive periods of 5 years or less.*

6 VII. *The owner of a renewable generation facility and the governing body of the*
7 *municipality in which the facility is located may agree to a term exceeding 5 years if such*
8 *term is necessary for the financing of the project or is otherwise advantageous to both*
9 *parties and both parties agree to such term.*

10 113:2 Effective Date. This act shall take effect 60 days after its passage.

11 Approved: June 11, 2007

12 Effective: August 10, 2007

Amendments

Sen. Burling, Dist. 5
February 8, 2007
2007-0163s
10/05



Amendment to SB 99

1 Amend the bill by replacing all after the enacting clause with the following:

2

3 1 New Paragraph; Renewable Generation Facilities; Exception Added. Amend RSA 72:74, VI to
4 read as follows:

5 VI. *Except as provided in paragraph VII*, no voluntary agreement entered into under
6 this section shall be valid for more than 5 years; however, any such agreement may be renewed or
7 amended and restated for any number of consecutive periods of 5 years or less.

8 VII. *The owner of a renewable generation facility and the governing body of the*
9 *municipality in which the facility is located may agree to a term exceeding 5 years if such*
10 *term is necessary for the financing of the project or is otherwise advantageous to both*
11 *parties and both parties agree to such term.*

12 2 Effective Date. This act shall take effect 60 days after its passage.

Committee Minutes

Public & Municipal Affairs Committee

Hearing Report

To: Members of the Senate
From: William M. Craig, *Legislative Aide*
Re: Hearing report on SB 99 – *relative to the terms for payment in lieu of taxes for renewable generation facilities.*

Hearing date: February 13, 2007

Members of the Committee Present: Senator Hassan, Dist 23; Senator Burling, Dist 5; Senator DeVries, Dist 18; Senator Sgambati, Dist 4; Senator Roberge, Dist 9; Senator Barnes, Dist 17

Members of the Committee Absent: None

Sponsor(s): Senator Burling, Dist 5

What the bill does: This bill allows for voluntary agreements for payments in lieu of taxes for renewable generation facilities to be for the period the parties agree is necessary for the financing of the project.

Who supports this bill: Senator Burling, Dist 5; Brian Kelly, Director of Development for Noble Environmental Power; Heidi Kroll, Granite State Hydro Power Association.

Who opposes this bill: No one spoke in opposition of this bill.

Summary of testimony received:

Senator Burling (prime sponsor)

- The senate has worked around this issue for three or four years.
- This is a further refinement to authorize communities and renewable generation facilities to the meet needs of both parties.
- Senator Burling read aloud a draft of an amendment with the following language:
 - "The owner of a renewable generation facility and the governing body of the municipality in which the facility is located may agree to a term exceeding five years if such term is necessary for the financing of the project or is otherwise advantageous to both parties and both parties agree to such terms."
 - This language will allow, for example, the developers of a new wood fired power plant in Cornish to, if necessary, request a 10 year pilot program.

- In response to a question from Senator Barnes, Senator Burling stated that this would not provide town selectmen with any additional budgetary authority.
- Senator Burling also stated that current statute allows for a public hearing in this regard.

Brian Kelly, Director of Development for Noble Environmental Power

- In the wind industry, tax statutes have been designed around the traditional industries.
- With the advent of renewable energy, some statutes will need to be tweaked slightly to level the playing field for wind industry.
- Wind energy is capital intensive in the early stages.
- The wind, of course, is free; however, a wind power plant costs twice as much to run as a conventional wood plant.
- SB 99 as amended would mean minor change to current financing.
- Financial companies look for certainty of financing.
- Currently, only five year periods are allowed.
- Because these plants are initially so expensive, five year financing does not give new plants time enough to get off the ground.
- Mr. Kelly recommends financing plans of 10 or 15 years.

Heidi Kroll, Granite State Hydro Power Association

- The Granite State Hydro Power Association is a non profit volunteer organization with 45 members who comprise 50 megawatts of power.
- Ms. Kroll's organization supports SB 99 as amended by Senator Burling.

Funding: Not applicable.

Future Action: Senator Burling moved to adopt the amendment. The motion was seconded by Senator DeVries. The Committee voted 4 to 2 to adopt the amendment. Senator Burling moved that bill be "Ought to Pass" as amended. The motion was seconded by Senator DeVries. The Committee voted 5 to 1 in support. Senator Burling will report the bill out of committee.

RHB

Date: February 13, 2007
Time: 9:25 a.m.
Room: LOB Room 103

The Senate Committee on Public and Municipal Affairs held a hearing on the following:

SB 99 relative to the terms for payment in lieu of taxes for renewable generation facilities.

Members of Committee present: Senator Hassan
 Senator Burling
 Senator DeVries
 Senator Sgambati
 Senator Roberge
 Senator Barnes

The Chair, Senator Margaret Wood Hassan, opened the hearing on SB 99 and invited the prime sponsor, Senator Burling, to introduce the legislation.

Senator Peter H. Burling, D. 5: Thank you, Madam Chair, members of the Committee. Good morning. For the record, my name is Peter Burling. I represent Senate District 5 and I'm here as the prime sponsor of SB 99.

PILOTS, payment in lieu of tax agreements, are an integral of our bringing new generation facilities to the State of New Hampshire. This is an issue around which we have worked over the last three or four years and what I'm bringing today is a further refinement that will allow, that will authorize communities and renewable generation facilities to reach payment in lieu of tax agreements that meet the needs of both communities.

Following consultation with people who know more about this subject than I, I bring an amendment, which I would like to offer to the Committee. The amendment really states much more clearly the concept that I'm trying to get across. The amendment is an amendment to RSA 72:74, VI, and adds a new section VII. The line that is amended in Section VI simply says "except as provided in paragraph VII, no voluntary agreement entered into under this section shall be valid for more than 5 years."

LHB

The new Section VII makes it possible for the owner of a renewable generation facility and the governing body of the municipality in which the facility is located to agree to a term exceeded five years if such term is necessary for the financing of the project or is otherwise advantageous to both parties and both parties agree.

The simple concept is, if I'm going to go to, let's say, Cornish and build a wood fired power plant which will benefit the community and the citizens in the community, but my financing package from the great firm of Hassan, Inc. requires me to have a ten-year pilot deal, I could go to the selectmen in Cornish and say, "My financing requires a ten-year term of the pilot. You guys are going to make out great because you're going to have a stable pilot income flow and you're going to have a wood fired power plant that is providing jobs and energy. This is in all of our best interests. But the exception to the five-year term is a narrowly defined requirement focused on the financing obligations that I need to get the plant built."

So, it is that that I bring to you. This is, for lots of reasons, timely and I hope you will agree to its passage.

Please see Amendment #2007-0163 submitted by Senator Burling, attached hereto and referred to as Attachment #1.

Senator Margaret Wood Hassan, D. 23: Senator Barnes?

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair. Senator Burling, I have a little bit of a problem with settlement. I have a little bit of a problem with three select people making that decision. I personally would like to see the legislative body, citizens of the town affected by it, do the voting. There could be a couple of people on that board that might have some interest in that facility and I don't think that's a good way to have three people making that decision for the whole community something of this magnitude. Personal opinion.

Senator Peter H. Burling, D. 5: I think I focused on the selectmen because they have such overwhelming power on the issue of taxation generally and, without being dramatic, it is impossible for me to understand how the legislative body of a community could get their arms around this particular issue and get it done in a timely fashion.

Senator John S. Barnes, Jr., D. 17: May I continue?

Senator Margaret Wood Hassan, D. 23: Yes, sir.

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Senator John S. Barnes, Jr., D. 17: We have a project ongoing in Raymond. The selectmen have some broad authority to do it, but we decided to take it to the voters and, with a lot of work and effort, we got the vast majority of the town to agree to it at the last election last year. Without doing that, people have weird thoughts.

People in our community made comments that Selectman Barnes owned the property up there and I had to make the statement that I only own my two acres, two and a half acres where I live and a little plot for five down at the cemetery. It was insinuated that I had some financial demons in this as a selectman and that's why I was pushing so hard for it.

I would rather have the citizens of the town make the decision. I think it puts three selectmen or five selectmen in a tough situation. I think they can be criticized. I just don't like three to five people making a decision that could be of great magnitude with a lot of money involved. This is a lot of money involved, could be a lot of money involved.

Senator Peter H. Burling, D. 5: If I may respond, it is not by way of reducing the importance of your point, but current law clearly does authorize the selectmen to enter into pilot agreements. What we're varying here is the term of the agreement where the financing package to get the property built. Would the concept of a public hearing requirement prior to final approval of an extended pilot?

Senator John S. Barnes, Jr., D. 17: That would help my concerns as long as the selectmen listen to the public hearing. The selectmen in Raymond sometimes say the heck with the citizens and I'm sure that happens around the rest of the state, too. As a matter of fact, that's a big campaign issue going on right now in town. We have public hearings, but we don't listen to what the public says. Public be damned, I guess, is what they have been saying to us.

Senator Peter H. Burling, D. 5: Well, I know there are people behind me who have real interest in this issue and I don't want to make a commitment. Perhaps what we could do is hold this under advisement and I could come back to you. Again, I would emphasize what we're doing here is. We're not authorizing the selectmen to do anything they don't already have the power to do.

Senator John S. Barnes, Jr., D. 17: I understand that.

RUB

Senator Peter H. Burling, D. 5: What we're doing is giving them authority to do a slightly longer term where their economic advantage or the terms of the financing will require.

Senator John S. Barnes, Jr., D. 17: I realize I might be a little tender on the subject. Maybe no one else feels that, but I'm still tender about it.

Senator Peter H. Burling, D. 5: The fact that it is a personal experience doesn't reduce its importance at all.

Senator Margaret Wood Hassan, D. 23: Any further questions for Senator Burling? Seeing none, thank you very much for your testimony. Brian Kelly please.

Brian Kelly: Good morning, Madam Chairman.

Senator Margaret Wood Hassan, D. 23: Good morning.

Mr. Kelly: Members of the Committee. My name is Brian Kelly. Sometimes you may have Bernard, but people generally call me Brian. I am the Director of Development for Noble Environmental Power, who is a company engaged entirely in the development, direction, operation, etc. of wood fired generation facilities. We are involved in such projects in the states of New York, Wyoming, Michigan and Texas and, more recently, we have been looking at potential developments in Vermont and New Hampshire. Of course, I'm here to talk about New Hampshire.

In the wind industry, the taxation statutes in many states at the moment have been designed around the traditional wind generation facilities such as fossil, coal, oil, gas and even nuclear plants, and with the advent today of renewable energy and, in this case, wood fired, there may be a need, in fact there will be a need, for some of those statutes to be tweaked slightly, if I may use that word, to provide a level playing field, so to speak, for the wind industry because the wind industry and renewable power in general is very capital intensive at the front end.

As you know, the wind is free, so we don't have a fuel payment to consider as we go along. But, the offset against that is that a wind powered plant costs approximately twice as much on an installed basis per kilowatt hour generated than with a conventional gas plant, for example. It is necessary for the wind industry to have some perhaps, as I said, some tweaks in legislation to put us on an equal footing with the other forms of generation.

JHB

The amendment, SB 99, an amendment to an existing statute, is one such case and it is a very minor change. For the purposes of financing. Financing companies very much insist upon having certainty of cash flows over a period of time while the investment is repaid. To that end, we have asked for and do support this SB 99 that it provide for that certainty – a five-year period which is in the existing legislation.

As my attorney has pointed out, there is a provision in the existing legislation, which SB 99 would modify that, after a duly noticed public hearing, to Senator Barnes' point, there is a provision for a public hearing in the existing legislation.

In any event, as I said, very simply, the financing companies and financial institutions who will put up the funds for the development of renewable energy facilities are very insistent in terms of certainty of cash flows. And, to that end a five-year pilot agreement, which is a payment in lieu of tax agreement would not be sufficient typically for the period of financing, which more typically would be in the order of ten to fifteen years. And, as we have asked for here, merely an amendment to the existing statute that would provide for the local government body and the developer to agree that the term of such a pilot agreement or payment in lieu agreement would be not necessarily limited to five years. It could be for whatever term is requested by the financial institution that is funding the development. There was some time back legislation here in New Hampshire, but I believe it was withdrawn and then last year, in 2006, it was replaced by HB 1758, which became the statute, the permanent statute.

As I said, this is merely an amendment to the statute that we're asking for to facilitate. It doesn't change the taxation structure or anything of that nature. It merely allows the developer, the company developing the project, and the local authorities to agree that the term of the pilot agreement could be whatever is required to satisfy the financing institution.

I thank you. That is all I have to say.

Senator Margaret Wood Hassan, D. 23: Thank you. Senator Barnes?

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair. Nice to see you again, Mr. Kelly.

Mr. Kelly: Thank you, Senator Barnes.

Senator John S. Barnes, Jr., D. 17: Did you bring the annual reports with you that you were going to show us?

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Mr. Kelly: I understood that they had been delivered to you.

Senator John S. Barnes, Jr., D. 17: I haven't seen mine.

Senator Margaret Wood Hassan, D. 23: I got one yesterday.

Mr. Kelly: I will look into that immediately.

Senator John S. Barnes, Jr., D. 17: Perhaps it is down on my desk. There is a lot of paperwork there.

Mr. Kelly: I know that I also promised that I would bring some photo simulations and I do have them in my computer here if I could pass it around.

Senator John S. Barnes, Jr., D. 17: I would love to see what you have there.

Mr. Kelly: Alright. Just give me one second here.

Senator Margaret Wood Hassan, D. 23: Is it easier to pass it around or is it easier for us to come up and take a look at it?

Mr. Kelly: Whichever you wish.

Senator John S. Barnes, Jr., D. 17: Let's go look.

Senator Margaret Wood Hassan, D. 23: I think it is easier for us to look at it.

Mr. Kelly: These are actually done to scale, precisely to scale. This is probably, perhaps three mile distance back from the ridge. You can see the wind turbines here in white. I just got this last night from the technicians and I haven't had a chance to print.

Senator Betsi DeVries, D. 18: Do you know the distance?

Mr. Kelly: The distance, I would say, in the order of three to five miles.

Senator John S. Barnes, Jr., D. 17: What is that? I see a McDonald's logo.

Mr. Kelly: I know Senator Barnes is very concerned, but we do not intend to put any logos on these turbines.

2/13

Senator Margaret Wood Hassan, D. 23: Can you blow up one of them?

Mr. Kelly: Do you mean make it larger?

Senator Margaret Wood Hassan, D. 23: Well, so that we can all see it.

Mr. Kelly: Let me see. I might have some other pictures here that I can get to. Just a second here. Less than a mile.

Senator Sheila Roberge, D. 9: Yeah, that's what I thought they looked like.

Senator John S. Barnes, Jr., D. 17: They look just like the ones in California. Just like those I saw out there in Palm Springs. Look like the same ones.

Mr. Kelly: It was in Palm Springs you saw them?

Senator Margaret Wood Hassan, D. 23: Okay. The record can reflect we're all back in our seats.

Mr. Kelly: Thank you all very much.

Senator Margaret Wood Hassan, D. 23: Thank you very much. No further questions, I take it, for Mr. Kelly. Heidi Kroll please.

Heidi Kroll: Good morning, Madam Chair and members of the Committee. My name is Heidi Kroll. I'm with Gallagher, Callahan & Gartrell and I'm here today on behalf of Granite State Hydro Power Association. The Association is a non-profit volunteer trade association of some of the very, very small hydro facilities here in New Hampshire that are emergent generation essentially. There are about forty-five members of the Association and, in total, they have about 50 megawatts of power. So, they are very small.

We are here in support of the amendment that Senator Burling has brought forth on SB 99. We appreciate the clarification that amendment brings basically to clarify that pilot agreements are not necessarily restricted to situations where they are necessary for financing. We were very supportive of the legislation that passed last year that the gentleman before me spoke about and, again, we appreciate the clarification just to make sure that, as the gentleman before was talking about, the financing really is critical to new facilities.

But, of course, there are existing renewable facilities here in New Hampshire that could also benefit from pilot agreements with the communities where those agreements are under five years or greater than five years. Again, these agreements are completely voluntary.

Again, going to your question, sir, the section of the statute begins by saying that the owner of a renewable generation facility and the governing body of the municipality in which the facility is located may, after duly noticed public hearing, enter into a voluntary agreement to make payment in lieu of taxes. So, this is completely voluntary and it has to be beneficial for the parties.

We do appreciate the clarification that Senator Burling has brought forth with this amendment. With that, I would end my testimony.

Senator Margaret Wood Hassan, D. 23: Senator Burling?

Senator Peter H. Burling, D. 5: So, just for the record clarification, what I had forgotten is that the existing statute, 72:74 has the public hearing requirement right in the first sentence.

Ms. Kroll: That is correct.

Senator Margaret Wood Hassan, D. 23: Senator Barnes?

Senator John S. Barnes, Jr., D. 17: Do you have a problem with the citizens of the town having a say in it other than the public hearing? Do you have a problem with the citizens of the community that is affected by this having a vote?

Ms. Kroll: I don't believe that our Association really has a position on that. What I can tell you is that last year, when this statute was being developed, the Municipal Association was very involved, the New Hampshire Municipal Association, was very involved in literally working word for word through the statute as it currently exists and I know that they were comfortable with the way it turned out. I don't want to speak on their behalf and it is really not a position that my client has.

Senator John S. Barnes, Jr., D. 17: Just a point, if I may.

Senator Margaret Wood Hassan, D. 23: Sure.

Senator John S. Barnes, Jr., D. 17: I respect the Municipal Association, but I also respect the people in the towns throughout the state that don't always agree with the Municipal Association.

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Mr. Kroll: Understood.

Senator John S. Barnes, Jr., D. 17: Some folks have had disagreements with some of the things that they agreed to.

Ms. Kroll: I would accept that.

Senator Margaret Wood Hassan, D. 23: I had a question, too, just following up on Senator Barnes' point. Your Association may not have discussed this, but do you have a sense of how it would affect the ability of the businesses who are trying to enter into this agreements to do that if they had to wait as long as a year for a town meeting to get a legislative vote on such agreement?

Ms. Kroll: Certainly, often in the business community, time is an important factor and opportunities could pass by if too much time is taken up. I understand that there is certainly a balance there between balancing the public interest and balancing the business considerations that are ongoing.

Really, the purpose of this general piece of legislation and the laws on the book was really to be enabling. If there is an opportunity where a renewable facility, whether they are existing or new, and the town can agree some sort of pilot agreement makes sense, it is to the benefit of both parties, then that opportunity should be allowed. I do agree with you that too much time may mean that opportunities pass.

Senator Margaret Wood Hassan, D. 23: Thank you. Senator Barnes?

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair. I just want to point out the fact that a year sounds kind of dangerous, but the chances are pretty darn good that it is not going to be anywhere near a year unless it is near the far end. If it is March 14th that it all of a sudden comes about. It could well be a matter of three months or as little as a month that they may have to wait for that hearing. But, again, important as this issue is, Madam Chair, a special meeting some judge could say that this is so important to the welfare that we will call a special meeting so that there will be no delay whatsoever.

Senator Margaret Wood Hassan, D. 23: And, in response to that.

Senator John S. Barnes, Jr., D. 17: Would you believe?

Senator Margaret Wood Hassan, D. 23: Would you believe, Senator Barnes, that I understand it could be as short as a month? I also understand that if

R213

on March 14th or 15th an opportunity for a business arose could be a problem and I think that's why the public hearing provision was put in there so that, rather than go to the expense of getting a special meeting called and having one, is to have a public hearing so that citizens could, in a timely way, weigh in on the issue. Would you believe that?

Senator John S. Barnes, Jr., D. 17: It is a question, Madam Chair. I'm sorry I'm so touchy. I think the amendment is great, but I do have a real concern with three people making an important decision like this. I have an awful problem with that and I don't think it is the way it should be.

Ms. Kroll: ...(inaudible)...

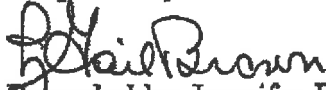
Senator John S. Barnes, Jr., D. 17: I don't know. I think what Peter, Senator Burling has here is very good. I think it is good for everybody concerned. I'm not fighting the situation; I'm fighting that one way where three people can make that decision.

I'm going to say what I was going to say. At a public hearing, what if fifty people show up from Cornish and forty-five of them say, "No way do we want this"? Now, two of the selectmen have an interest, perhaps in this business and they say, and they have the right to say, "The heck with you. We're going to do it anyway." The public hearing means nothing. It is just a big poof. It's a big phony baloney and people can vent their anger and their concerns, but it means absolutely nothing. The selectmen do not have to listen to the public hearing. They can ignore it until the next election when they might throw them out. But, while they are still there, they are in power.

Senator Margaret Wood Hassan, D. 23: Well, thank you for that comment. Let's hold that thought because I think the rest of the discussion is more appropriate for an executive session than in a question and answer forum. Are there any further questions for this witness? Seeing none, thank you very much. That's all I have as speakers on SB 99. Was there anybody else who wishes to speak? Okay. I am going to close the hearing on SB 99.

Hearing concluded at 9:30 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "L. Gail Brown".

Recorded by Jennifer Perry
Transcribed by L. Gail Brown
Secretarial Supervisor
7/31/07

1 Attachment

Sen. Burling, Dist. 5
February 8, 2007
2007-0163s
10/05

Attachment #1



Amendment to SB 99

1 Amend the bill by replacing all after the enacting clause with the following:

2

3 1 New Paragraph; Renewable Generation Facilities; Exception Added. Amend RSA 72:74, VI to
4 read as follows:

5 VI. *Except as provided in paragraph VII, no voluntary agreement entered into under*
6 *this section shall be valid for more than 5 years; however, any such agreement may be renewed or*
7 *amended and restated for any number of consecutive periods of 5 years or less.*

8 VII. *The owner of a renewable generation facility and the governing body of the*
9 *municipality in which the facility is located may agree to a term exceeding 5 years if such*
10 *term is necessary for the financing of the project or is otherwise advantageous to both*
11 *parties and both parties agree to such term.*

12 2 Effective Date. This act shall take effect 60 days after its passage.

Speakers

SENATE PUBLIC AND MUNICIPAL AFFAIRS COMMITTEE

Date: February 13, 2007 Time: 9 am Public Hearing on SB 99

SB 99 - relative to the terms for payment in lieu of taxes for renewable generation facilities.

IN FAVOR OF THIS BILL - Please check box that applies:

	SPEAK	NOT-SPEAK	NAME (Please print)	REPRESENTING
✓	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Brian Kelly	Noble Environmental Power
✓	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Heidi Kroll	Granite State Hydropower Assoc
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		
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	<input type="checkbox"/>	<input type="checkbox"/>		

Testimony

Submission A

February 20, 2007

Senator Peter Burling
State House
Concord, NH 03301

Re: Senate Bill 99

Dear Senator Burling,

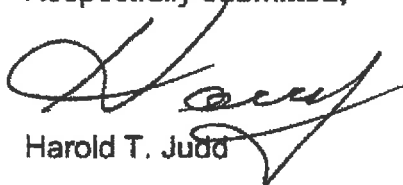
Enclosed please find a copy of the letter signed by the Selectmen of Lempster regarding Senate Bill 99. The Selectmen had wanted to present this at your committee hearing on the bill, but at the last minute were unable to attend.

As you can see from the letter, the Selectmen support both Senate Bill 99 and the amendment to the bill that was added last week.

At present Lempster is the only community in New Hampshire faced with the siting of a wind farm and I trust you and your colleagues will give the views of the elected officials of the town full consideration as this bill goes to a vote before the full Senate.

Thank you for considering the views of the Town.

Respectfully submitted,


Harold T. Judd

Enclosure



Business and Industry Association
New Hampshire's State Chamber of Commerce

122 North Main Street, Concord, NH 03301
Tel: 603.224.5388 • Fax: 603.224.2872 • Web: www.nhbia.org

Submission B

February 16, 2007

Senator Peter Burling
New Hampshire State Senate
20 Lang Road
Cornish, NH 03745-4209

RE: SUPPORT FOR FLOOR AMENDMENT 2007-0163s (SB 99)

Dear Senator Burling:

Last year the Business & Industry Association (BIA) supported a late-session amendment to HB 1758, which attempted to enable renewable energy facilities to enter agreements ("payments in lieu of taxes" (PILOT)) with municipalities relative to alternative property tax payments.

The BIA supported this amendment which passed into law because we believed then as we do now that it can serve as an incentive to the development of renewable energy facilities and is consistent with prior and existing state energy policy.

On February 22, you will be asked to vote on an amendment to SB 99 (2007-0163s). This amendment is intended to clarify last session's amendment to HB 1758 which capped PILOTs to 5 years or less. BIA supports the amendment to SB 99 because it provides more flexibility to municipalities and renewable energy facilities to reach a mutually beneficial and agreed upon outcome.

Furthermore, BIA believes that this housekeeping clarification will further encourage the development of renewable energy facilities in the state – and it is self-evident that renewable-home-grown power that utilizes resources indigenous to the state should be supported.

BIA believes that the passage of the amendment to SB 99 is consistent with numerous long-standing state policies, including the 2002 State Energy Plan and the state's energy policy law, RSA 378:37. These state policies call for diversity in the state's energy portfolio. This amendment removes the existing 5-year cap which can serve as an impediment to receiving financing for a renewable project. The passage of the amendment to SB 99 shows the state's commitment to renewable energy and the willingness of state government to encourage private-public partnership and cooperation.

The hope is that the passage of this amendment will help stimulate the state's renewable energy portfolio while minimizing pollution and lessening the state's dependence on energy derived from fossil fuels imported to the state. Not to mention, renewable energy is cleaner and more environmentally friendly than conventional electric generation.

BIA respectfully requests that you to support the floor amendment to SB 99 (2007-0163s) which will be voted upon by the you and your Senate colleagues on Thursday February 22.

Respectfully submitted,

Michael S. Giaimo, Esq.
Vice President, Energy and Environment

Voting Sheets

Senate Public & Municipal Affairs Committee

EXECUTIVE SESSION

Bill # SB 99

Hearing date: 2/13/07

Room: Room 108 LOB

Executive session date: 2/13

Motion of: OTP-A

VOTE: 5-1

Made by
Senator:

Hassan	<input type="checkbox"/>
Burling	<input checked="" type="checkbox"/>
DeVries	<input type="checkbox"/>
Sgambati	<input type="checkbox"/>
Roberge	<input type="checkbox"/>
Barnes	<input type="checkbox"/>

Seconded
by Senator:

Hassan	<input type="checkbox"/>
Burling	<input type="checkbox"/>
DeVries	<input checked="" type="checkbox"/>
Sgambati	<input type="checkbox"/>
Roberge	<input type="checkbox"/>
Barnes	<input checked="" type="checkbox"/>

*adopt
4-2
OTP-A
5-1
D163
Barnes
no*

Committee Member

Present

Reported out by

Senator Hassan, Chairman

☒

Senator Burling, Vice-Chair

☒

Senator DeVries

☒

Senator Sgambati

☒

Senator Roberge

☒

Senator Barnes

☒

Burling

*Amendments: D163

NOTES:

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: February 13, 2007

THE COMMITTEE ON Public and Municipal Affairs

to which was referred Senate Bill SB 99

AN ACT relative to the terms for payment in lieu of taxes for
renewable generation facilities.

Having considered the same, the committee recommends that the Bill:

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-1

AMENDMENT # 0163s

Senator Peter H. Burling
For the Committee

Jennifer Perry 271-3095

[Home](#)[Bill Status ◆](#)[Members ◆](#)[Calendars/Journals ◆](#)[Miscellaneous ◆](#)

SB99 Docket

[Next](#)[Prev](#)[Results List](#)[Main](#)[Bill Status](#)

Bill Title: relative to the terms for payment in lieu of taxes for renewable generation facilities.

<u>Date</u>	<u>Body</u>	<u>Description</u>
1/4/2007	S	Introduced and Referred to Public and Municipal Affairs; SJ 2, Pg.28
1/30/2007	S	Hearing; February 13, 2007, Room 103, LOB, 9:00 a.m.
2/1/2007	S	Hearing; == PLEASE NOTE ROOM CHANGE == February 13, 2007, Room 101, LOB, 9:00 a.m.; SC6
2/13/2007	S	Committee Report; Ought to Pass with Amendment{0163} [02/22/07]; SC8, Pg.6
2/22/2007	S	Committee Amendment{0163}, AA, VV; SJ 6, Pg.84
2/22/2007	S	Sen. Barnes Floor Amendment (New Title) {0352}, RC 9Y-15N, AF; SJ 6, Pg.84-85
2/22/2007	S	Sen. Hassan Moved Reconsideration on Floor Amendment (NT){0352}, MA, VV; SJ 6, Pg.85
2/22/2007	S	Sen. Barnes Floor Amendment (New Title) {0352}, RC 8Y-16N, AF; SJ 6, Pg.86
2/22/2007	S	Ought to Pass with Amendment {0163}, RC 17Y-7N, MA; OT3rdg; SJ 6, Pg.86
2/22/2007	S	Passed by Third Reading Resolution; SJ 6, Pg.87
3/28/2007	H	Introduced and Referred to Municipal & County Government; HJ 32, pg.1161
4/11/2007	H	Public Hearing: 4/17/2007 10:00 AM LOB 301
4/24/2007	H	Executive Session: 5/3/07 10:00 AM LOB 301
5/3/2007	H	Committee Report: Ought to Pass for May 16 (vote 12-0; CC)
5/16/2007	H	Ought to Pass: MA VV
5/31/2007	S	Enrolled; SJ 19, Pg.484
5/31/2007	H	Enrolled
6/12/2007	S	Signed by the Governor on 06/11/07; Eff. Date 08/10/07, Chapter 0113

[Next](#)[Prev](#)[Results List](#)[Main](#)[Bill Status](#)

Docket Abbreviations

Other Referrals

COMMITTEE REPORT FILE INVENTORY

SB99 ORIGINAL REFERRAL

RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED BY THE COMMITTEE SECRETARY AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMMITTEE SECRETARY WILL CONFIRM ALL ENTRIES CHECKED AND SIGN THIS INVENTORY.
5. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

☒ DOCKET (Submit only the latest docket found in Bill Status)

☒ COMMITTEE REPORT (For calendar and floor)

☒ HEARING REPORT (Written summary of hearing testimony, if produced)

☒ HEARING TRANSCRIPT (Verbatim transcript of hearing)

List attachments (testimony and submissions which are part of the transcript) by number [1 thru 4 or 1, 2, 3, 4] here: _____

☒ SIGN-UP SHEET

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

☒ - AMENDMENT # 0163 _____ - AMENDMENT # _____
_____ - AMENDMENT # _____ - AMENDMENT # _____

ALL AVAILABLE VERSIONS OF THE BILL:

☒ AS INTRODUCED _____ AS AMENDED BY THE HOUSE
☒ FINAL VERSION _____ AS AMENDED BY THE SENATE

☒ PREPARED TESTIMONY AND OTHER SUBMISSIONS (Which are not part of the transcript)

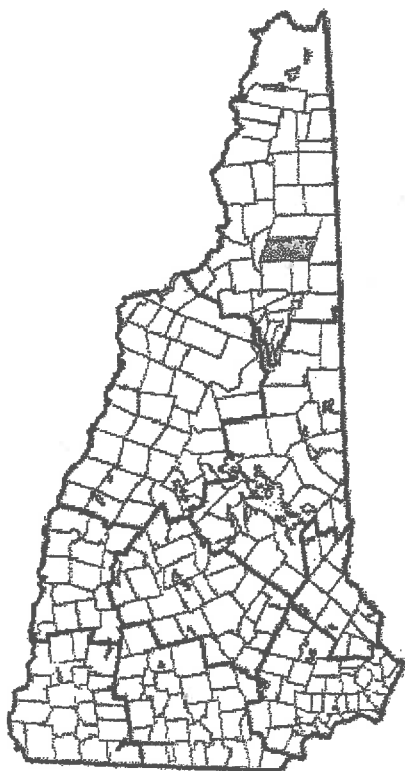
List by letter [a thru g or a, b, c, d] here: A & B

☒ EXECUTIVE SESSION REPORT

OTHER (Anything else deemed important but not listed above):

IF YOU HAVE A RE-REFERRED BILL, YOU ARE GOING TO MAKE UP A NEW FILE FOLDER WITH THE CHAIRMAN'S COPY OF THE BILL AND THE LATEST DOCKET AND KEEP THOSE FILES IN YOUR OFFICE. PLEASE KEEP YOUR MASTER SHEET CURRENT AS YOU CLOSE OUT YOUR FILES AND PROVIDE THE SECRETARIAL SUPERVISOR WITH A COPY WHEN COMPLETED.

DATE DELIVERED TO SENATE CLERK 8/9/07 Shail Brown
COMMITTEE SECRETARY



Berlin, NH

Community Contact

City of Berlin
Patrick MacQueen, City Manager
 168 Main Street, City Hall
 Berlin, NH 03570

Telephone
 Fax
 E-mail
 Web Site

(603) 752-7532
 (603) 752-8550
city_manager@berlinnh.gov
www.berlinnh.gov

Municipal Office Hours

Monday through Friday, 8:30 am - 4:30 pm

County
 Labor Market Area
 Tourism Region
 Planning Commission
 Regional Development

Coos
 Berlin NH Micro-NECTA
 Great North Woods
 North Country Council
 Coos Economic Development Corp.

Election Districts

US Congress
 Executive Council
 State Senate
 State Representative

District 2 (All Wards)
 District 1 (All Wards)
 District 1 (All Wards)
 Coos County District 3 (All Wards)

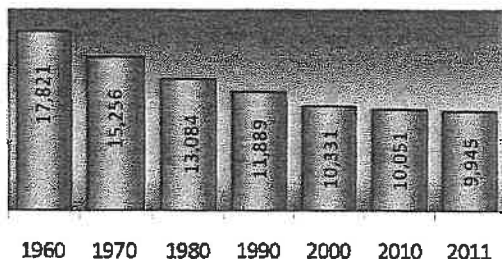
Incorporated: 1829

Origin: This community was first granted in 1771 as Maynesborough in honor of Sir William Mayne, an associate of Governor John Wentworth in the West Indies trade. The area was not settled by the original grantees, and the town was renamed Berlin in 1829 by new settlers originally from Berlin, Massachusetts. According to historical information from the City of Berlin website, the first attempt at building a sawmill powered by the river was in the early 1820s. This was the start of a booming lumber and paper business in Berlin, and at one time it was the largest newsprint supplier in the world. Berlin was incorporated as a city in 1897, and is the northernmost city in New Hampshire.

Villages and Place Names: Cascade, Berlin Mills

Population, Year of the First Census Taken: 73 residents in 1830

Population Trends: Berlin had the largest decrease in numeric population change over 51 years, with total change of 7,876, from 17,821 in 1960 down to 9,945 in 2011. The 2011 Census estimate for Berlin was 9,945 residents, which ranked 30th among New Hampshire's incorporated cities and towns.



Population Density and Land Area, 2010
(US Census Bureau): 163.1 persons per square mile of land area. Berlin contains 61.6 square miles of land area and 0.9 square miles of inland water area.



MUNICIPAL SERVICES

Type of Government	Manager & Council
Budget: Municipal Appropriations, 2012	\$13,268,719
Budget: School Appropriations, 2012	\$17,494,633
Zoning Ordinance	1964/09
Master Plan	2010
Capital Improvement Plan	Yes
Industrial Plans Reviewed By	Planning Board

Boards and Commissions

Elected:	City Council; School; Library
Appointed:	Planning; Zoning; Berlin Industrial Development Park Authority; Recreation; Water

Public Library Berlin Public

EMERGENCY SERVICES

Police Department	Full-time
Fire Department	Full-time
Emergency Medical Service	Commercial

Nearest Hospital(s)	Distance	Staffed Beds
Androscoggin Valley, Berlin	Local	25

UTILITIES

Electric Supplier	PSNH
Natural Gas Supplier	Liberty Utilities
Water Supplier	Berlin Water Works

Sanitation	Municipal
Municipal Wastewater Treatment Plant	Yes
Solid Waste Disposal	
Curbside Trash Pickup	Municipal
Pay-As-You-Throw Program	No
Recycling Program	Mandatory

Telephone Company	Fairpoint
Cellular Telephone Access	Yes
Cable Television Access	Yes
Public Access Television Station	Yes
High Speed Internet Service:	Business Yes
	Residential Yes

PROPERTY TAXES (NH Dept. of Revenue Administration)

2011 Total Tax Rate (per \$1000 of value)	\$31.70
2011 Equalization Ratio	113.9
2011 Full Value Tax Rate (per \$1000 of value)	\$40.78

2011 Percent of Local Assessed Valuation by Property Type

Residential Land and Buildings	62.5%
Commercial Land and Buildings	12.3%
Public Utilities, Current Use, and Other	25.2%

HOUSING (ACS 2007-2011)

Total Housing Units	5,040
Single-Family Units, Detached or Attached	2,895
Units in Multiple-Family Structures:	
Two to Four Units in Structure	1,691
Five or More Units in Structure	421
Mobile Homes and Other Housing Units	33

DEMOGRAPHICS

(US Census Bureau)

Total Population	Community	County
2011	9,945	32,688
2010	10,051	33,055
2000	10,331	33,156
1990	11,889	34,879
1980	13,084	35,014
1970	15,256	34,189

Demographics, American Community Survey (ACS) 2007-2011

Population by Gender			
Male	5,358	Female	4,768

Population by Age Group

Under age 5	566
Age 5 to 19	1,441
Age 20 to 34	1,749
Age 35 to 54	2,953
Age 55 to 64	1,297
Age 65 and over	2,120
Median Age	45.2 years

Educational Attainment, population 25 years and over

High school graduate or higher	79.6%
Bachelor's degree or higher	11.4%

INCOME, 2011 INFLATION ADJUSTED \$ (ACS 2007-2011)

Per capita income	\$20,418
Median 4-person family income	\$52,743
Median household income	\$38,107

Median Earnings, full-time, year-round workers

Male	\$41,915
Female	\$27,313

Families below the poverty level	10.3%
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LABOR FORCE (NHES - ELM)

Annual Average	2001	2011
Civilian labor force	5,008	4,344
Employed	4,631	3,948
Unemployed	377	396
Unemployment rate	7.5%	9.1%

EMPLOYMENT & WAGES (NHES - ELM)

Annual Average Covered Employment	2001	2011
Goods Producing Industries		
Average Employment	1,043	525
Average Weekly Wage	\$ 805	\$ 780
Service Providing Industries		
Average Employment	2,143	1,917
Average Weekly Wage	\$ 468	\$ 674
Total Private Industry		
Average Employment	3,186	2,442
Average Weekly Wage	\$ 578	\$ 697
Government (Federal, State, and Local)		
Average Employment	1,229	1,068
Average Weekly Wage	\$ 540	\$ 783
Total, Private Industry plus Government		
Average Employment	4,415	3,510
Average Weekly Wage	\$ 568	\$ 723

n = indicates that data does not meet disclosure standards

EDUCATION AND CHILD CARE

(NH Dept. of Education)

Schools students attend: **Berlin operates grades K-12**
 Career Technology Center(s): **Berlin High School**

District: SAU 3
 Region: 2

Educational Facilities	Elementary	Middle/Junior High	High School	Private/Parochial
Number of Schools	2	1	1	2
Grade Levels	K 1-6	7-8	9-12	K 1-12
Total Enrollment	619	232	441	45

2012 NH Licensed Child Care Facilities (DHHS – Bureau of Child Care Licensing): Total Facilities: 6 Total Capacity: 452

Nearest Community/Technical College: **White Mountains**
 Nearest Colleges or Universities: **Granite State College-Berlin**

LARGEST BUSINESSES**PRODUCT/SERVICE****EMPLOYEES****ESTABLISHED**

Androscoggin Valley Hospital	Health care services	409	1971
City of Berlin School System - SAU #3	Education	280	
Northern NH Correctional Facility	Correctional facility	198	2001
City of Berlin	Municipal services	125	1825
Northern Human Services	Behavioral health services	100	
Androscoggin Valley Home Care Services	Home care	80	1975
Coos County Family Health Services	Health services	80	
Northway Bank (fka Berlin City Bank)	Banking services	65	
Federal Correctional Institution (FCI Berlin)	Federal prison		

TRANSPORTATION (distances estimated from city/town hall)

Road Access US Routes
 State Routes 16, 110
 Nearest Interstate, Exit I-93, Exit 35
 Distance 43 miles

Railroad Canadian National/B&M
 Public Transportation NCT

Nearest Public Use Airport, General Aviation
Berlin Municipal Runway 5,200 ft. asphalt
 Lighted? Yes Navigation Aids? Yes
 Nearest Airport with Scheduled Service
Portland (ME) International Jetport Distance 100 miles
 Number of Passenger Airlines Serving Airport 7

Driving distance to select cities:
 Manchester, NH 147 miles
 Portland, Maine 98 miles
 Boston, Mass. 171 miles
 New York City, NY 380 miles
 Montreal, Quebec 179 miles

COMMUTING TO WORK

(ACS 2007-2011)

Workers 16 years and over
 Drove alone, car/truck/van 81.4%
 Carpooled, car/truck/van 10.7%
 Public transportation 0.0%
 Walked 2.4%
 Other means 1.7%
 Worked at home 3.8%
 Mean Travel Time to Work 19.3 minutes

Percent of Working Residents: ACS 2007-2011

Working in community of residence 88.9%
 Commuting to another NH community 9.3%
 Commuting out-of-state 1.7%

RECREATION, ATTRACTIONS, AND EVENTS

X Municipal Parks
 YMCA/YWCA
 Boys Club/Girls Club
 X Golf Courses
 Swimming: Indoor Facility
 X Swimming: Outdoor Facility
 Tennis Courts: Indoor Facility
 X Tennis Courts: Outdoor Facility
 X Ice Skating Rink: Indoor Facility
 X Bowling Facilities
 X Museums
 X Cinemas
 X Performing Arts Facilities
 X Tourist Attractions
 X Youth Organizations (i.e., Scouts, 4-H)
 X Youth Sports: Baseball
 X Youth Sports: Soccer
 Youth Sports: Football
 X Youth Sports: Basketball
 X Youth Sports: Hockey
 Campgrounds
 X Fishing/Hunting
 X Boating/Marinas
 X Snowmobile Trails
 Bicycle Trails
 X Cross Country Skiing
 X Beach or Waterfront Recreation Area
 Overnight or Day Camps

Nearest Ski Area(s): **Wildcat, Sunday River**

Other: **Northern Forest Heritage Park; Nansen Ski Jump; Historic Churches; Moose Tours; Hiking; Canoe/Kayak; Boat Tours; ATV Trails; Boom Piers, River fire**



ADMINISTRATIVE OFFICE
32 SOUTH MAIN STREET
CONCORD, NH 03301-4857



FOR IMMEDIATE RELEASE: September 17, 2013

New Hampshire's preliminary seasonally adjusted unemployment rate for August 2013 was 5.0 percent, a decrease of 0.1 percentage point from the July rate which remained at 5.1 percent after revision. The August 2012 seasonally adjusted rate was 5.7 percent.

Seasonally adjusted estimates for August 2013 placed the number of employed residents at 704,740, a decrease of 120 from the previous month and an increase of 4,770 from August 2012. The number of unemployed residents decreased by 650 over-the-month to 37,150. This was 4,980 fewer unemployed than in August 2012. From July to August 2013, the total labor force decreased by 770 to 741,890. This was a decrease of 210 from August 2012.

The unadjusted August 2013 unemployment rate for New Hampshire was 4.8 percent, a decrease of 0.3 percentage points from the July rate which remained at 5.1 percent after revision. The August 2012 unadjusted rate was 5.7 percent.

Nationally, the seasonally adjusted unemployment rate for August 2013 was 7.3 percent, a decrease of 0.1 percentage point from the July rate, and a decrease of 0.8 percentage points from the August 2012 rate. The national unadjusted rate for August 2013 was 7.3 percent, a decrease of 0.4 percentage points from the July rate, and a decrease of 0.9 percentage points from the August 2012 rate.

NOTE: State nonfarm employment estimates are available on our Internet Web site: www.nhes.nh.gov/elmi concurrent with this release. Local area unemployment rates are expected to be available on Thursday, September 26. All monthly data will continue to be published in the monthly newsletter *New Hampshire Economic Conditions*.

END

For further information, contact:
Economic and Labor Market Information Bureau
(603) 228-4124

NEWS RELEASE

DBS 1904
R-8/07

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TELEPHONE: (603) 224-3311

FAX (603) 228-4010

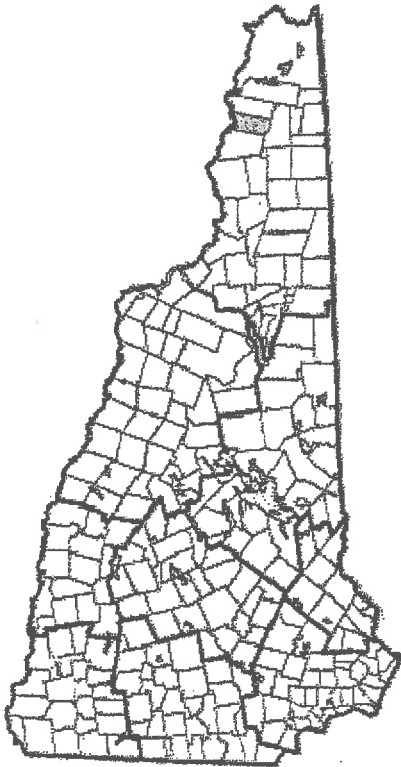
TDD/TTY ACCESS: RELAY NH 1-800-735-2964

www.nhes.nh.gov

New Hampshire Cities and Towns - Unemployment Rates for 2013

Released: September 26, 2013	2013												Annual Average
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	
Acworth Town	5.2%	5.6%	5.2%	7.1%	7.2%	3.9%	4.1%	5.0%	4.8%				
Albany Town	7.2%	5.2%	7.1%	7.2%	4.7%	5.3%	4.4%	4.9%					
Alexandria Town	6.5%	5.2%	5.1%	4.1%	4.6%	4.7%	4.0%	4.0%					
Allenstown Town	7.9%	7.0%	6.9%	5.2%	5.2%	5.1%	5.6%	5.9%					
Alstead Town	6.0%	5.4%	4.9%	3.7%	4.2%	4.6%	4.2%	4.5%					
Alton Town	7.0%	6.2%	5.5%	4.5%	4.4%	4.3%	3.8%	3.2%					
Amherst Town	5.3%	5.0%	5.1%	4.3%	4.5%	4.8%	5.1%	4.8%					
Andover Town	6.2%	5.6%	5.8%	5.1%	4.1%	4.3%	4.6%	3.9%					
Antrim Town	5.5%	5.3%	6.3%	5.9%	5.6%	6.1%	5.4%	5.9%					
Ashland Town	6.9%	6.4%	6.3%	6.3%	5.7%	5.0%	4.6%	4.4%					
Atkinson & Gilmanton A.G.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					
Atkinson Town	7.1%	6.3%	5.7%	5.8%	5.9%	6.2%	6.1%	5.5%					
Auburn Town	4.9%	4.5%	4.4%	3.5%	3.7%	3.6%	4.0%	4.0%					
Barnstead Town	6.6%	6.4%	5.8%	5.0%	4.8%	4.8%	5.5%	4.5%					
Barrington Town	6.2%	5.5%	5.6%	4.7%	4.6%	4.7%	5.1%	4.6%					
Bartlett Town	4.6%	4.9%	4.7%	4.6%	5.0%	3.9%	4.4%	3.9%					
Bath Town	4.4%	3.9%	4.3%	3.5%	3.4%	3.5%	4.9%	4.5%					
Bean's Grant	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					
Bean's Purchase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					
Bedford Town	4.8%	4.5%	4.4%	3.8%	4.3%	4.3%	4.6%	4.3%					
Belmont Town	7.8%	7.1%	6.6%	5.8%	5.0%	4.8%	4.7%	4.7%					
Bennington Town	6.2%	5.2%	6.7%	6.1%	5.5%	4.9%	6.4%	5.8%					
Benton Town	7.3%	8.2%	8.2%	5.8%	3.4%	4.2%	4.0%	3.3%					
Berlin City	10.5%	9.6%	9.1%	7.9%	6.9%	6.6%	6.9%	7.0%					
Bethlehem Town	4.7%	4.3%	4.9%	4.9%	4.0%	3.6%	3.1%	2.7%					
Boscawen Town	6.7%	6.4%	7.0%	5.8%	5.3%	5.5%	5.2%	4.9%					
Bow Town	4.7%	4.6%	4.6%	3.8%	4.6%	4.4%	4.8%	4.3%					
Bradford Town	6.3%	5.5%	4.8%	4.7%	4.7%	4.1%	4.9%	5.4%					
Brentwood Town	7.0%	6.3%	5.1%	5.8%	5.2%	5.6%	5.6%	5.5%					
Bridgewater Town	5.0%	4.6%	4.6%	3.2%	4.8%	4.6%	4.3%	4.2%					
Bristol Town	7.5%	6.6%	6.8%	5.0%	4.7%	4.6%	4.3%	4.2%					
Brookfield Town	6.4%	5.1%	5.1%	4.7%	4.0%	3.7%	3.1%	4.3%					
Brookline Town	5.2%	5.5%	6.0%	5.5%	5.9%	6.2%	5.4%	5.2%					
Cambridge Township	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					
Campton Town	6.7%	5.6%	4.9%	4.1%	4.7%	4.3%	4.2%	3.8%					
Canaan Town	5.2%	4.4%	4.5%	4.1%	3.5%	3.7%	3.8%	3.4%					

Colebrook, NH



Community Contact

Town of Colebrook
Becky Merrow, Town Manager
17 Bridge Street
Colebrook, NH 03576

Telephone
 Fax
 E-mail
 Web Site

(603) 237-4142
(603) 237-5089
b-merrow@myfairpoint.net
www.colebrook-nh.com

Municipal Office Hours

Monday through Friday, 7:30 am - 5 pm; Town Clerk:
Monday, 8 am - 4 pm, Wednesday, 1 pm - 3:30 pm,
Tuesday, Thursday, Friday, 8 am - 3:30 pm

County
 Labor Market Area
 Tourism Region
 Planning Commission
 Regional Development

Coos
Colebrook NH-VT LMA, NH Portion
Great North Woods
North Country Council
Coos Economic Development Corp.

Election Districts

US Congress
 Executive Council
 State Senate
 State Representative

District 2
District 1
District 1
Coos County District 1

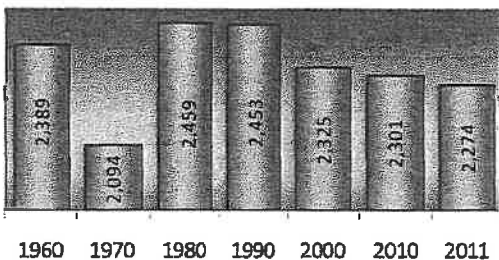
Incorporated: 1796

Origin: This territory was first granted to settlers in 1762 by Governor Benning Wentworth, who named it Dryden, after English poet and playwright John Dryden. Among them were Dutch settlers from New York, who were selected in an effort to colonize territory west of the Connecticut River. The New York government also wanted to colonize the territory, and as a result, settlers formed the independent state of Vermont. Dryden grantees failed to meet the prescribed terms, and in 1770, Governor John Wentworth regranted the area to Sir George Colebrooke, Chairman of the British East India Company, and three others. At that time, the town was renamed Colebrook.

Villages and Place Names: Kidderville, Upper Kidderville, Factory Village

Population, Year of the First Census Taken: 29 residents in 1790

Population Trends: Population in Colebrook decreased by 115, from 2,389 in 1960 to 2,274 in 2011. The 2011 Census estimate for Colebrook was 2,274 residents, which ranked 130th among New Hampshire's incorporated cities and towns.



Population Density and Land Area, 2010

(US Census Bureau): 56.5 persons per square mile of land area. Colebrook contains 40.7 square miles of land area and 0.2 square miles of inland water area.



MUNICIPAL SERVICES

Type of Government	Selectmen
Budget: Municipal Appropriations, 2012	\$3,445,663
Budget: School Appropriations,	Not Available
Zoning Ordinance	1957/10
Master Plan	1993
Capital Improvement Plan	Yes
Industrial Plans Reviewed By	Planning Board

Boards and CommissionsElected: **Selectmen; Planning; Cemetery; Library**Appointed: **Zoning; Conservation**Public Library **Colebrook Public****EMERGENCY SERVICES**

Police Department	Full-time
Fire Department	Volunteer
Emergency Medical Service	Full & part-time

Nearest Hospital(s)	Distance	Staffed Beds
Upper Connecticut Valley, Colebrook	Local	16

UTILITIES

Electric Supplier	PSNH; NH Electric Coop
Natural Gas Supplier	None
Water Supplier	Colebrook Water Works

Sanitation	Municipal
Municipal Wastewater Treatment Plant	Yes
Solid Waste Disposal	
Curbside Trash Pickup	Private
Pay-As-You-Throw Program	No
Recycling Program	Mandatory

Telephone Company	Fairpoint
Cellular Telephone Access	Limited
Cable Television Access	Limited
Public Access Television Station	Yes
High Speed Internet Service: Business	Yes
Residential	Limited

PROPERTY TAXES

(NH Dept. of Revenue Administration)

2011 Total Tax Rate (per \$1000 of value)	\$21.70
2011 Equalization Ratio	110.3
2011 Full Value Tax Rate (per \$1000 of value)	\$24.25

2011 Percent of Local Assessed Valuation by Property Type

Residential Land and Buildings	72.0%
Commercial Land and Buildings	18.2%
Public Utilities, Current Use, and Other	9.9%

HOUSING

(ACS 2007-2011)

Total Housing Units	1,419
Single-Family Units, Detached or Attached	764
Units in Multiple-Family Structures:	
Two to Four Units in Structure	237
Five or More Units in Structure	153
Mobile Homes and Other Housing Units	265

DEMOGRAPHICS

(US Census Bureau)

Total Population	Community	County
2011	2,274	32,688
2010	2,301	33,055
2000	2,325	33,156
1990	2,453	34,879
1980	2,459	35,014
1970	2,094	34,189

Demographics, American Community Survey (ACS) 2007-2011**Population by Gender**

Male	1,117	Female	1,050
------	-------	--------	-------

Population by Age Group

Under age 5	57
Age 5 to 19	268
Age 20 to 34	315
Age 35 to 54	584
Age 55 to 64	436
Age 65 and over	507
Median Age	49.5 years

Educational Attainment, population 25 years and over

High school graduate or higher	82.5%
Bachelor's degree or higher	22.8%

INCOME, 2011 INFLATION ADJUSTED \$

(ACS 2007-2011)

Per capita income	\$23,823
Median 4-person family income	\$56,500
Median household income	\$36,597

Median Earnings, full-time, year-round workers

Male	\$38,306
Female	\$31,080

Families below the poverty level

6.8%

LABOR FORCE

(NHES - ELM)

Annual Average	2001	2011
Civilian labor force	1,324	1,218
Employed	1,278	1,132
Unemployed	46	86
Unemployment rate	3.5%	7.1%

EMPLOYMENT & WAGES

(NHES - ELM)

Annual Average Covered Employment	2001	2011
Goods Producing Industries		
Average Employment	173	143
Average Weekly Wage	\$ 496	\$ 721
Service Providing Industries		
Average Employment	893	878
Average Weekly Wage	\$ 405	\$ 540
Total Private Industry		
Average Employment	1,066	1,021
Average Weekly Wage	\$ 420	\$ 566
Government (Federal, State, and Local)		
Average Employment	157	173
Average Weekly Wage	\$ 448	\$ 590
Total, Private Industry plus Government		
Average Employment	1,222	1,193
Average Weekly Wage	\$ 423	\$ 569

n = indicates that data does not meet disclosure standards

EDUCATION AND CHILD CARE

(NH Dept. of Education)

Schools students attend: **Colebrook operates grades K-12**
 Career Technology Center(s): **None in Region 01**

District: **SAU 7**
 Region: **1**

Educational Facilities	Elementary	Middle/Junior High	High School	Private/Parochial
Number of Schools	1		1	3
Grade Levels	P K 1-8		9-12	K 1-12
Total Enrollment	257		138	26

2012 NH Licensed Child Care Facilities (DHHS – Bureau of Child Care Licensing): Total Facilities: 4 Total Capacity: 186

Nearest Community/Technical College: **White Mountains**

Nearest Colleges or Universities: **Granite State College-Berlin**

LARGEST BUSINESSES**PRODUCT/SERVICE****EMPLOYEES****ESTABLISHED**

Upper Connecticut Valley Hospital	Health care services	143	1970
Colebrook School District	Education	90	1900
Town of Colebrook	Municipal services	48	1770
First Colebrook Bank	Banking services	40	1889
Codet	Stitching	33	1992

TRANSPORTATION (distances estimated from city/town hall)

Road Access US Routes 3
 State Routes 26, 145
 Nearest Interstate, Exit I-91 (VT), Exit 28; Aut-55 (QC), Exit 21
 Distance 49 miles; 43 miles

Railroad State owned line
 Public Transportation No

Nearest Public Use Airport, General Aviation
Gifford Field, Colebrook Runway 2,440 ft. turf
 Lighted? No Navigation Aids? No

Nearest Airport with Scheduled Service
Portland (ME) International Jetport Distance 129 miles
 Number of Passenger Airlines Serving Airport 7

Driving distance to select cities:
 Manchester, NH 179 miles
 Portland, Maine 128 miles
 Boston, Mass. 229 miles
 New York City, NY 387 miles
 Montreal, Quebec 130 miles

COMMUTING TO WORK

(ACS 2007-2011)

Workers 16 years and over
 Drove alone, car/truck/van 74.0%
 Carpooled, car/truck/van 9.6%
 Public transportation 0.0%
 Walked 11.4%
 Other means 3.3%
 Worked at home 1.6%
 Mean Travel Time to Work 17.2 minutes

Percent of Working Residents: ACS 2007-2011

Working in community of residence 82.5%
 Commuting to another NH community 2.3%
 Commuting out-of-state 15.2%

RECREATION, ATTRACTIONS, AND EVENTS

X Municipal Parks
 YMCA/YWCA
 Boys Club/Girls Club
 X Golf Courses
 X Swimming: Indoor Facility
 Swimming: Outdoor Facility
 Tennis Courts: Indoor Facility
 Tennis Courts: Outdoor Facility
 Ice Skating Rink: Indoor Facility
 X Bowling Facilities
 Museums
 Cinemas
 X Performing Arts Facilities
 X Tourist Attractions
 X Youth Organizations (i.e., Scouts, 4-H)
 X Youth Sports: Baseball
 X Youth Sports: Soccer
 Youth Sports: Football
 X Youth Sports: Basketball
 Youth Sports: Hockey
 X Campgrounds
 X Fishing/Hunting
 Boating/Marinas
 X Snowmobile Trails
 Bicycle Trails
 X Cross Country Skiing
 Beach or Waterfront Recreation Area
 Overnight or Day Camps

Nearest Ski Area(s): **Balsams Wilderness**

Other: **Shrine of Our Lady of Grace; Coleman State Park; Beaver Brook Falls; Outdoor Skating Facility**

U.S. Department of Commerce

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People Business Geography Data Research Newsroom Search

State & County QuickFacts

Coos County, New Hampshire

People QuickFacts	Coos County	New Hampshire
Population, 2012 estimate	32,098	1,320,718
Population, 2010 (April 1) estimates base	33,052	1,316,469
Population, percent change, April 1, 2010 to July 1, 2012	-2.9%	0.3%
Population, 2010	33,055	1,318,470
Persons under 5 years, percent, 2012	4.2%	5.0%
Persons under 18 years, percent, 2012	17.9%	20.8%
Persons 65 years and over, percent, 2012	20.8%	14.7%
Female persons, percent, 2012	48.9%	50.6%
White alone, percent, 2012 (a)	97.1%	94.4%
Black or African American alone, percent, 2012 (a)	0.6%	1.4%
American Indian and Alaska Native alone, percent, 2012 (a)	0.4%	0.3%
Asian alone, percent, 2012 (a)	0.8%	2.4%
Native Hawaiian and Other Pacific Islander alone, percent, 2012 (a)	Z	Z
Two or More Races, percent, 2012	1.4%	1.5%
Hispanic or Latino, percent, 2012 (b)	1.3%	3.0%
White alone, not Hispanic or Latino, percent, 2012	96.0%	91.9%
Living in same house 1 year & over, percent, 2007-2011	85.7%	88.8%
Foreign born persons, percent, 2007-2011	3.1%	6.2%
Language other than English spoken at home, percent age 5+, 2007-2011	12.8%	7.9%
High school graduate or higher, percent of persons age 25+, 2007-2011	84.5%	91.2%
Bachelor's degree or higher, percent of persons age 25+, 2007-2011	16.4%	33.1%
Veterans, 2007-2011	3,678	118,313
Mean travel time to work (minutes), workers age 16+, 2007-2011	22.8	26.0
Housing units, 2011	21,443	617,704
Homeownership rate, 2007-2011	71.8%	72.5%
Housing units in multi-unit structures, percent, 2007-2011	21.8%	25.4%
Median value of owner-occupied housing units, 2007-2011	\$133,200	\$250,000
Households, 2007-2011	14,860	514,868
Persons per household, 2007-2011	2.16	2.48
Per capita money income in the past 12 months (2011 dollars), 2007-2011	\$23,580	\$32,357
Median household income, 2007-2011	\$41,087	\$64,864
Persons below poverty level, percent, 2007-2011	13.0%	8.0%
Business QuickFacts	Coos County	New Hampshire
Private nonfarm establishments, 2011	891	37,031 ¹
Private nonfarm employment, 2011	9,806	554,001 ¹
Private nonfarm employment, percent change, 2010-2011	-1.5%	-1.5% ¹
Nonemployer establishments, 2011	2,409	102,712
Total number of firms, 2007	3,470	137,815
Black-owned firms, percent, 2007	F	0.5%
American Indian- and Alaska Native-owned firms, percent, 2007	S	0.4%
Asian-owned firms, percent, 2007	S	1.6%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.0%
Hispanic-owned firms, percent, 2007	F	1.0%
Women-owned firms, percent, 2007	S	25.8%

Manufacturers shipments, 2007 (\$1000)	295,901	18,592,406
Merchant wholesaler sales, 2007 (\$1000)	D	14,564,458
Retail sales, 2007 (\$1000)	602,906	25,353,874
Retail sales per capita, 2007	\$18,666	\$18,246
Accommodation and food services sales, 2007 (\$1000)	85,674	2,630,968
Building permits, 2012	70	2,296

Geography QuickFacts	Coos County	New Hampshire
Land area in square miles, 2010	1,794.89	8,952.65
Persons per square mile, 2010	18.4	147.0
FIPS Code	007	33
Metropolitan or Micropolitan Statistical Area	Berlin, NH- VT Micro Area	

1: Includes data not distributed by county.

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information

F: Fewer than 25 firms

FN: Footnote on this item for this area in place of data

NA: Not available

S: Suppressed; does not meet publication standards

X: Not applicable

Z: Value greater than zero but less than half unit of measure shown

Source: U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits
Last Revised: Thursday, 27-Jun-2013 14:28:11 EDT

CHAPTER 294

HB 1758 – FINAL VERSION

07Mar2006... 1009h

05/04/06 1892s

05/04/06 2196s

24May2006... 2267cofc

2006 SESSION

06-3024

03/09

HOUSE BILL **1758**

AN ACT classifying bio-oil, bio synthetic gas, and biodiesel as renewable energy sources and relative to taxation of renewable generation facilities.

SPONSORS: Rep. Cataldo, Straf 3; Rep. Essex, Hills 1; Rep. Ober, Hills 27; Sen. Flanders, Dist 7; Sen. Estabrook, Dist 21; Sen. Letourneau, Dist 19

COMMITTEE: Science, Technology and Energy

AMENDED ANALYSIS

This bill specifies that bio-oil, bio synthetic gas, and biodiesel are renewable energy sources for certain purposes.

This bill also authorizes the governing body of a municipality to enter into a payment in lieu of taxes agreement with the owner or lessee of a renewable generation facility.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

07Mar2006... 1009h

05/04/06 1892s

05/04/06 2196s

24May2006... 2267cofc

06-3024

03/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Six

AN ACT classifying bio-oil, bio synthetic gas, and biodiesel as renewable energy sources and relative to taxation of renewable generation facilities.

Be it Enacted by the Senate and House of Representatives in General Court convened:

294:1 Limited Electrical Energy Producers; Definitions; Bio-Oil, Bio Synthetic Gas, and Biodiesel Added. Amend RSA 362-A:1-a, I to read as follows:

I. "Bio-oil" means a liquid renewable fuel derived from vegetable oils, animal fats, wood, straw, forestry byproducts, or agricultural byproducts using noncombustion thermal, chemical, or biological processes, including, but not limited to, distillation, gasification, hydrolysis, or pyrolysis, but not including anaerobic digestion, composting, or incineration.

I-a. "Bio synthetic gas" means a gaseous renewable fuel derived from vegetable oils, animal fats, wood, straw, forestry byproducts, or agricultural byproducts using noncombustion thermal, chemical, or biological processes, including, but not limited to, distillation, gasification, hydrolysis, or pyrolysis, but not including anaerobic digestion, composting, or incineration.

I-b. "Biodiesel" means a renewable diesel fuel substitute that is composed of mono-alkyl esters of long chain fatty acids, is derived from vegetable oils or animal fats, and meets the requirements of the American Society for Testing and Materials (ASTM) specification D6751.

I-c. "Cogeneration facility" means a facility which produces electric energy and other forms of useful energy, such as steam or heat, which are used for industrial, commercial, heating, or cooling purposes.

294:2 Limited Electrical Energy Producers; Definitions; Small Power Production Facility; Bio-Oil, Bio Synthetic Gas, and Biodiesel Added. Amend RSA 362-A:1-a, X to read as follows:

X. "Small power production facility" means a facility which produces electric energy solely by the use, as a primary energy source, of biomass, waste, renewable resources, **bio-oil, bio synthetic gas, biodiesel**, or any combination thereof and which has a power production capacity which, together with any other facility located at the same site, as determined by the commission, is not greater than 30 megawatts.

294:3 Renewable Energy; Bio-Oil, Bio Synthetic Gas, and Biodiesel Added. Amend RSA 374-F:3, V(f)((3) to read as follows:

(3) For purposes of subparagraph (f), "renewable energy" means geothermal energy, tidal or wave energy, wind energy, solar thermal energy, photovoltaic energy, landfill gas energy, hydro energy, biomass energy, **energy generated from bio-oil, bio synthetic gas, and biodiesel as defined in RSA 362-A:1-a, I, I-a, and I-b**, or combusted municipal waste energy where mercury emissions are reduced to an emission rate of 0.028 milligrams per dry standard cubic meter or less corrected to 7 percent oxygen by volume on a dry basis, or at least 85 percent control efficiency.

294:4 Land Use Planning; Utility Structures; Reference Changed. Amend RSA 674:30, IV to read as follows:

IV. Except for small power production facilities, as defined in RSA 362-A:1-a, X, and cogeneration facilities, as defined in RSA 362-A:1-a, [I] I-c, owned and operated by a New Hampshire franchised utility, small power production facilities and cogeneration facilities shall not be considered to be public utilities under this section and may not petition the public utilities commission for an exemption from the operation of any regulation under this subdivision.

294:5 Purpose. High energy demand and tight supply are pushing energy prices, including the prices of oil, natural gas, coal, and electricity, to new records and increasing price volatility. The 2002 New Hampshire Energy Plan recognizes “energy’s central role in fulfilling our priorities of economic growth, environmental quality, and a diverse energy supply” and recommends consideration of energy policies and programs that include encouraging the development of cleaner, affordable alternative energy sources; utilizing our plentiful renewable natural resources; and reducing our dependence on foreign oil. (New Hampshire Energy Plan at 1-1.) Such policies are supported by HJR 2 (1981), a resolution to establish a state policy on energy, and by the state’s Energy Policy set forth in RSA 378:37 “to meet the energy needs of the citizens and businesses of the state at the lowest reasonable cost while providing for the reliability and diversity of energy sources; the protection of the safety and health of the citizens, the physical environment of the state, and the future supplies of nonrenewable resources; and consideration of the financial stability of the state’s utilities.” In order to promote the state’s energy policies as well as the public interest, the general court believes that impediments to preserving, expanding, and improving existing renewable generation facilities in the state, and to developing new renewable generation facilities in the state, should be reduced. Furthermore, the general court believes that practices, procedures, and methodologies related to property assessment for the purposes of taxation can be such an impediment. Therefore, the general court finds that it is desirable to reauthorize each municipality to enter into voluntary agreements with the owners of renewable generation facilities located in the municipality to make payments in lieu of taxes. Such tax policy is appropriate because renewable generation facilities differ from other utility property and traditional generation facilities, such as fossil fuel and nuclear plants. Specifically, many renewable generation facilities are very small and some renewable technologies like wind and hydroelectric facilities are weather-dependent and not able to operate at full output throughout the year. Furthermore, unlike other manufacturing operations, renewable generation facilities are considered utility property and are required to include all generation production equipment as taxable property. Unlike regulated utilities, renewable generation facilities are unable to recover their tax-related expenses through regulated rates.

294:6 New Subdivision; Exemption for Renewable Generation Facilities. Amend RSA 72 by inserting after section 72 the following new subdivision:

Payment in Lieu of Taxes for Renewable Generation Facilities

72:73 Definition of Renewable Generation Facility. In this subdivision, “renewable generation facility” means a facility which produces electric energy for resale solely by the use, as a primary energy source, of renewable energy as defined in RSA 374-F:3, V(f)(3), including the land, all rights, easements, and other interests thereto, and all dams, buildings, structures, and other improvements situated thereon which are necessary or incidental to the production of power at the facility.

72:74 Payment in Lieu of Taxes.

I. The owner of a renewable generation facility and the governing body of the municipality in which the facility is located may, after a duly noticed public hearing, enter into a voluntary agreement to make a payment in lieu of taxes. A lessee of a renewable generation facility which is responsible for the payment of taxes on the facility may also enter into a voluntary agreement with the municipality in which the facility is located to make a payment in lieu of taxes, provided the lessee shall send by certified mail to the lessor written notice which shall state that the property of the lessor may be subject to RSA 80 should the lessee fail to make the payments required by the agreement. A copy of such notice shall be provided to the municipality in which the facility is located.

II. A renewable generation facility subject to a voluntary agreement to make a payment in lieu of taxes under this section shall be subject to the laws governing the utility property tax under RSA 83-F. Payments made pursuant to such agreement shall satisfy any tax liability relative to the renewable generation facility that otherwise exists under RSA 72. In the absence of a payment in lieu of taxes agreement, the renewable generation facility shall be subject to taxation under RSA 72.

III. If a municipality that contains more than one school district receives a payment in lieu of taxes under this section, the proceeds shall be prorated to the districts in the same manner as local taxes are prorated to the districts, or in the case of a cooperative school district between the city or town and pre-existing school district.

IV. The collection procedures in RSA 80 shall be used to enforce a voluntary agreement to make a payment in lieu of taxes authorized by this section.

V. If a municipality enters into a voluntary payment in lieu of taxes agreement with an owner, or a lessee responsible for payment of taxes, of a renewable generation facility, the municipality, upon the request of the owner, or a lessee responsible for payment of taxes, of any other renewable generation facility located within the municipality, shall offer a comparable agreement to the owner or lessee of such facility.

VI. No voluntary agreement entered into under this section shall be valid for more than 5 years; however, any such agreement may be renewed or amended and restated for any number of consecutive periods of 5 years or less.

294:7 New Section; Limited Electrical Energy Producers; Payment in Lieu of Tax Agreements for Renewable Generation Facilities. Amend RSA 362-A by inserting after section 6 the following new section:

362-A:6-a Payment in Lieu of Tax Agreements for Renewable Generation Facilities. The owner, or a lessee responsible for payment of taxes, of a renewable generation facility and the municipality in which the facility is located may enter into a voluntary agreement to make a payment in lieu of taxes, pursuant to RSA 72:74.

294:8 Revenue Administration; Duties of Commissioner; Reference Added. Amend RSA 21-J:3, XIII to read as follows:

XIII. Equalize annually by May 1 the valuation of the property as assessed in the several towns, cities, and unincorporated places in the state including the value of property exempt pursuant to RSA 72:37, 72:37-b, 72:39-a, 72:62, 72:66, and 72:70, **and property which is the subject of a payment in lieu of taxes under RSA 72:74** by adding to or deducting from the aggregate valuation of the property in towns, cities, and unincorporated places such sums as will bring such valuations to the true and market value of the property, and by making such adjustments in the value of other property from which the towns, cities, and unincorporated places receive taxes or payments in lieu of taxes as may be equitable and just, so that any public taxes that may be apportioned among them shall be equal and just. In carrying out the duty to equalize the valuation of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

294:9 Applicability. Nothing in sections 5-9 of this act shall affect any existing agreement entered into under the prior RSA 362-A:6 between a qualifying facility and a city, town, or village district for payment in lieu of taxes. Sections 5-9 of this act shall apply to tax years commencing on or after April 1, 2006.

294:10 Effective Date.

I. Sections 5-9 of this act shall take effect April 1, 2006.

II. The remainder of this act shall take effect 60 days after its passage.

Approved: June 15, 2006

Effective: I. Sections 5-9 shall take effect April 1, 2006

II. Remainder shall take effect August 14, 2006