

Good Morning Committee members, guests and the Robbins Family. My name is Robert Linkletter. Along with my brothers Richard and Bruce, we are the owners of Athens Energy; Maine Woods Pellet Company, and Linkletter and Sons. My family has been working in the woods for over 53 years. Our company structure, by design goes from stump to customer. With the recent completion of Athens Energy the puzzle is complete.

The idea for Athens Energy was conceived four years ago when we had a very low temperatures and very high electrical costs. Athens Energy was built on the same site as the pellet company so that we are able to utilize a multitude of equipment for both companies.

Time was spent traveling to Sweden and British Columbia to observe the operation of existing power plants. CHP is prevalent in other countries where they have been utilizing biomass in their electric portfolio for many years. We found each situation to be different and built to best serve their host and user companies. With this research we were able to shape a plan to best suit our needs.

Athens Energy is an 8.5 megawatt C.H.P. that delivers not only power, but 9,000,000 Btu's/hr of hot water and 36,000,000 Btu's/hr of hot air to Maine Woods Pellet which is used in the drying of pellet stock. The new CHP provides stability for the pellet company by mitigating the cost of drying frozen wood in the winter months and allowing us to run at full speed during the months when pellets are in most demand. It will also allow us to expand production in the future, which we hope will increase job creation.

Athens Energy is an Organic Rankine Cycle, which is different than most CHP's. The ORC boiler and turbine medium is oil not water. Water is only used to cool the oil so that it can be reheated. Since operations began a year ago we have seen boiler efficiencies in the 30's and calculating the use of the waste heat it puts our efficiency at approximately 62%.

Athens Energy has been a boost for loggers, truckers, land owners, part suppliers and many other local businesses within a hundred miles of Athens. Currently

Athens Energy purchases waste bark and chips from 21 sawmills. The CHP model, if spread across Maine, could truly be a shot in the arm for the economic growth and stability of Maine's forestry industry. Also, if situated correctly, could truly benefit rural Maine.

We have a great resource in Maine, our woods. It is imperative to utilize every bit of it. We must have a market for the biomass generated from the logging operation. This keeps the woods floor cleaner, not only for faster regeneration but also reduces fire hazard.

The idea of a CHP is based on a stable long term power purchase agreement with utilities. This along with stable R.E.C.'s from states recognizing the value of base loaded renewable power is crucial. The two programs we were able to take advantage of in building Athens Energy were the new market tax credits and investment tax credits. These programs were essential to getting the power plant built.

During this huge undertaking we were bound to encounter some pitfalls. From the power purchase agreement, to the interconnection agreement, the electrical connection to the first power to the grid the learning curve was daunting. From the financing, transportation and construction during the winter months in rural Athens at times these steps seemed never-ending. With the prize in site, at the end we have persevered.

So are CHP's an efficient approach to reducing energy costs? I believe that they not only reduce energy costs, but they also could stabilize those costs for years to come. Additionally, they will also promote many internal efficiencies between the host and user companies. They also promote efficiencies in companies such as sawmills who don't have to landfill their waste bi-products.

In closing, I believe my experience with CHP's has been positive. The marriage with other businesses will help control energy costs, the disposal of waste bi-products, job creation, energy efficiencies and is a win-win for the State of Maine, Maine businesses both existing and future.

Thank you for allowing me to share my thoughts with the committee this morning.