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DELIVERED VIA EMAIL & US MAIL

Linda J. Butler
Licensing and Compliance Specialist, Div. of Technical Services
Maine Department of Environmental Protection
17 State House Station
Augusta, ME 04333-0017

RE: MRC Letter of Support for WMDSM Application for a Determination of Public Benefit

Dear Ms. Butler:

The MRC provides this letter in support of Waste Management Disposal Services of Maine, Inc. (WMDSM's) application for a public benefit determination for their Phase 14 expansion. While MRC is committed to maximizing the reduction, reuse, recycling and processing of waste, it recognizes the fundamental support role landfills can play in supporting consistency with Maine's regional solid waste collection, storage, transportation and processing infrastructure and the rungs higher than landfilling in Maine's waste management hierarchy.

The MRC represents 115 Maine municipalities, which have entered into long term 15-year agreements with Fiberight/Coastal to accept and process MSW at the new advanced recycling and processing facility under construction in Hampden, Maine. The MRC member communities also have options on five 5-year extensions, meaning the total long-term contract horizon for the Hampden facility extends for a sum of 40 years.

In early 2015, MRC entered into a Development Agreement with its chosen project development partner and began to prepare an application for state regulatory approvals of the new processing facility. Prerequisite to filing its application was the need to have an agreement in place for disposal of bridge and bypass MSW and processing residuals. In August of 2015, MRC signed a ten-year disposal agreement with WMDSM for disposal of all bridge and bypass MSW and process residuals produced in connection with the transition to and long-term operation of the project. The WMDSM agreement for cost-effective landfill disposal for residuals and material not suitable for processing at the facility is a critical element of the success of our facility which will recycle and process into energy products of value up to 145,000 tons of MSW annually while minimizing the amount of residual material landfilled by weight of 70 to 80%.

The first 10 years of this service arrangement may well depend upon additional available capacity contemplated by the pending PBD application. Moreover, our existing 10-year agreement provides options for an extension of up to an additional 10 years. The additional capacity contemplated by the PBD application would be necessary to implement that extension. This long-term contract relationship between MRC and WMDSM allows for MSW from our region to be managed in a manner wholly consistent with the state's waste management hierarchy, the current version of Maine Materials Management Plan for materials management and it meets our projects immediate, short term and long-term capacity needs.

WMDSM has always worked constructively with MRC and Fiberight. Following the signing of the disposal agreement with WMDSM in 2015, it has been since amended on more than one occasion to support the closing of the financing to construct the advanced recycling and processing facility in Hampden. This is a real testament their commitment to the long-term success of our project and the advancement in recycling, processing and organics recovery and utilization that will be realized.

In addition, WMDSM has also worked with MRC to address our bridge MSW in a way that is responsive to our communities' needs. Due to delay in our new facility coming on line, it became necessary to direct bridge MSW to Norridgewock. Due to acute equipment limitations and geographical constraints for a number of the MRC Communities, direct delivery to Crossroads would have been a severe level of service and economic burden for local, regional collection, storage and transportation of MSW. WMDSM worked with the MRC to implement an innovative swap agreement whereby part of our service area could dispose of MSW at a local facility. This arrangement was critical to ensure that our collection, storage and transportation of MSW did not become inconsistent with long-standing historical management practices. MRC looks forward to its continued work with WMDSM to transition our member communities to maximum recycling and processing MSW, at the soonest possible time, at the new advanced recycling and processing facility under construction in Hampden, Maine.

We believe the Crossroads Landfill plays an important role in the long-term success of our facility, as well as the ability of the State to manage the waste disposal needs of its businesses and residents. It is critical that WMDSM be able to continue to do so beyond 2024, when its existing capacity is projected to be fully utilized.

Sincerely yours,

Gregorý A. Lounder Executive Director

Copies: MRC Board of Directors Jeff McGown, WMDSM