DELAWARE RIVERKEEPER NETWORK

RECEIVED
JUN - 8 2015
DNREC Hearing Officer

June 4, 2015

Mr. Kevin Coyle
DNREC Planning Section
89 Kings Highway
Dover, Delaware 19901

RE: Green Recovery Technologies, Inc. Request for a Coastal Zone Act Status Decision

Dear Mr. Coyle,

Green Recovery Technologies, Inc. (GRT) is seeking a Status Decision under the Delaware Coastal Zone Act (7 Del Code, Ch. 70) to determine if a Coastal Zone Act Permit is required to construct and operate a facility in the Riveredge Industrial Park, New Castle. The coastal areas of Delaware are critical areas in terms of quality of life, and the Coastal Zone Act is one of the most important environmental laws in the state. It specifically restricts industrial development, and therefore any facility that might potentially impact this important resource should be thoroughly investigated before permitting decisions are made. Furthermore, there should be an obligation to restore coastal zone habitats associated with any industrial activity permitted in the coastal zone.

GRT's application indicates that it intends to separates proteins and lipids from poultry processing wastewater "sludge" for use in the pet food industry. The "dissolved air flotation" waste from poultry plant wastewater is ranked as an environmental hazard and therefore, trucking this waste into the coastal zone opens up the potential for environmental accidents that could be irreversibly detrimental to the coastal ecosystem. Although the application focuses on this waste, the company has efforts underway to assemble a network of suppliers for the operation which are not explicitly listed in the application.

Although we support the development of recycling or re-use type technologies, we are not sure that these industrial facilities with unproven technologies are appropriate for the coastal zone. To the extent that new industrial activity is allowed in the coastal zone, even the repurposing of existing facilities, compensatory mitigation should be required to offset authorized impacts through restoration of other coastal zone habitats. Thank you for your consideration and we look forward to reviewing any additional data and information you may obtain about this project.

Sincerely,

Maya K. van Rossum

Maya K. van Rossum
the Delaware Riverkeeper

DELAWARE RIVERKEEPER NETWORK
925 Canal Street, Suite 3701
Bristol, PA 19007
Office: (215) 369-1188
fax: (215)369-1181
drn@delawareriverkeeper.org
www.delawareriverkeeper.org

Vest, Lisa A. (DNREC)

From: Vest, Lisa A. (DNREC)
Sent: Monday, June 08, 2015 9:21 AM
To: Coyle, Kevin F. (DNREC); 'christine@delawareriverkeeper.org'
Cc: Cherry, Philip J. (DNREC)
Subject: RE: Coastal Zone Act Permit Public Hearings RE: Green Recovery Technologies, LLC

Dr. Arnott –

This will acknowledge receipt of the Delaware Riverkeeper Network's comments with regard to GRT's CZA Permit Application. I have placed the same in my files, and will be sure to identify them on the record at the time of the public hearing on June 17th.

As always, thank you for your consideration and participation in DNREC's public hearing process.

Lisa A. Vest
Public Hearing Officer
State of Delaware - DNREC
89 Kings Highway
Dover, DE 19901
(302) 739-9042
Fax: (302) 739-1174

When one tugs at a single thing in nature, he finds it attached to the rest of the world. - John Muir

NOTE: The views and/or opinions of the authors expressed herein do not necessarily state or reflect those of the Department of Natural Resources and Environmental Control and/or the State of Delaware

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From: Coyle, Kevin F. (DNREC)
Sent: Monday, June 08, 2015 9:16 AM
To: 'christine@delawareriverkeeper.org'
Cc: Cherry, Philip J. (DNREC); Vest, Lisa A. (DNREC)
Subject: FW: Coastal Zone Act Permit Public Hearings RE: Green Recovery Technologies, LLC

Dr. Arnott – We will see that the Delaware Riverkeeper Network comments are entered into the record at the public hearing for GRT's CZA permit application on June 17th. Please let me know if you have any additional questions or comments. Thank you.

Kevin F. Coyle, AICP CEP
Principal Planner

DNREC, Division of Energy and Climate
1203 College Park Drive, Suite 101
Dover, DE 19904
302.739.9071

302.739.1840
Kevin.Coyle@state.de.us

Delaware Division of ENERGY & CLIMATE

From: Chris McLaughlin Arnott [mailto:christine@delawareriverkeeper.org]
Sent: Thursday, June 04, 2015 5:04 PM
To: Coyle, Kevin F. (DNREC)
Subject: Coastal Zone Act Permit Public Hearings RE: Green Recovery Technologies, LLC

The Delaware Riverkeeper Network will be unable to attend the public hearing scheduled for June 17, 2015 but would like to submit the attached comment letter for consideration in the Coast Zone Act Permit Decision.

Thank you in advance for your consideration.

Sincerely,
Chris Arnott, Ph.D.
Research Associate
Delaware Riverkeeper Network

Fiske Exh. #1

Vest, Lisa A. (DNREC)

From: Coyle, Kevin F. (DNREC)
Sent: Tuesday, June 16, 2015 8:20 AM
To: Vest, Lisa A. (DNREC)
Cc: 'dorseyfiske@gmail.com'
Subject: FW: GRT Comment 2015
Attachments: GRT Comment 2015.docx

RECEIVED
JUN 16 2015
DNREC Hearing Officer

Lisa – As Hearing Officer for the GRT CZA Permit Application public hearing, would you please enter Ms. Dorsey Fiske's comments into the public record? Thank you.

Kevin F. Coyle, AICP CEP
Principal Planner

DNREC, Division of Energy and Climate
1203 College Park Drive, Suite 101
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302.739.9071
302.739.1840
Kevin.Coyle@state.de.us

Public comments received pre-hearing (pre-6.17.15)

Delaware Division of ENERGY & CLIMATE

From: dorseyfiske@gmail.com [mailto:dorseyfiske@gmail.com]
Sent: Monday, June 15, 2015 11:15 PM
To: Coyle, Kevin F. (DNREC)
Subject: GRT Comment 2015

Dear Mr. Coyle:

Please find attached the comments I am submitting re the Coastal Zone Act permit application of Green Recovery Technologies. The public hearing is to take place on Wednesday, June 17, at six o'clock.

Sincerely yours,

Anne Dorsey Fiske

Comments to DNREC re the CZA permit request by Green Recovery Technologies (submitted 6/15/15):

According to Bloomberg Business, GRT "operates a plant that separates proteins and lipids from poultry processing wastewater sludge for use in the pet food industry." GRT plans to employ a closed-loop process which, they have assured DNREC in their Coastal Zone Permit application, "has been tested and determined to be safe and effective via pilot-scale trials. The system was designed with the assistance of licensed Professional Engineers" and "will **ultimately** yield an inherently safe system." The first and commonly used definition in the Merriam-Webster Dictionary for ultimately" is "in the end; eventually." That prospect for when the process will be safe is far too indefinite for GRT to receive a CZA permit. The second meaning is: "at the most basic level: in the central or most important way." It seems that GRT is attempting to muddy the waters by making it unclear which definition they are using. **I request that DNREC require them to spell out what they are claiming by the use of that word; there is a 180 degree difference in the two meanings.**

It is clear from their description that this is a brand-new process. A process which has never before been fully implemented should **not** be given a permit to operate in the sensitive Coastal Zone, especially when, by GRT's own admission, there is no necessity for the plant to be in the Coastal Zone at all. GRT does not need to be near the river; in fact, the plant could be situated anywhere in Delaware, including Greenville, where the address 3704 Kennett Pike is listed online for them. Apparently they just found a cheap site to settle on.

The Coastal Zone Act serves as a vital protection for Delaware's coastline. Permits that negate it should be granted only if there is a compelling reason to do so. That is not true of GRT's request. One permit unnecessarily given sets an unfortunate precedent for other requests of the same kind. Because our coastal areas are critical for Delaware's future – for our quality of life as well as for tourism and recreation businesses – the Coastal Zone Act seeks to completely prohibit the construction of new heavy industry there. GRT should site their plant in Greenville or at some other inland location. Their operation should not be in the Coastal Zone next to New Castle, which is the northernmost point of the Bayshore area, a critical part of Delaware's plan for water tourism.

Another problem with this permit is a dubious method of business operation that was employed by GRT, highlighted in comments sent to DNREC last fall by Mark Martell, President of the Delaware Audubon Society. Mr. Martell cannot be characterized as merely a bird-lover: he has master's degrees in business administration and taxation, manages liquidity for several Delaware entities through his own corporation, and previously served in the treasury departments of Columbia Gas and Astra Merck in Wilmington.

Commenting on the fact that GRT installed their equipment last year before their application had been acted upon – a very risky action unless they had been given an illicit green light -- Mr. Martell wrote: "Green Recovery Technologies' representative had mentioned that their ownership group have essentially gambled on getting a Coastal Zone Permit, that there was no direct or tacit approval to go ahead and install their operating equipment in advance of receiving their permit. In the world of venture capital, that is considered extremely foolish (well, let's call it stupid) to expend funds on leasing or purchasing capital equipment without all the operating permits in hand. Given that the four principals in the business appear to be well-educated angel investors with a history of green start-up processing companies, this flies in the face of logic. It is Delaware Audubon's opinion that DEDO must have provided GRT with some measure of comfort, given the exchange of pollution emission reduction credits. If this assertion is true, then as a check on the DEDO, DNREC should deny the permit for this reason alone."

I hope that DNREC will deny this permit for any number of reasons, of which the ones I have cited are only a few; more have been instanced in comments by Green Delaware and the Delaware Aududon Society, among others.

Sincerely yours,

Anne Dorsey Fiske
dorseyfiske@gmail.com
302-328-5303

26 East Third Street
New Castle, DE 19720

Longhurst Exh. #1

VALERIE J. LONGHURST
Majority Leader
STATE REPRESENTATIVE
15th District

HOUSE OF REPRESENTATIVES
STATE OF DELAWARE
LEGISLATIVE HALL
DOVER, DELAWARE 19901

COMMITTEES
Ethics, Chair
House Administration, Chair
House Rules, Chair
Legislative Council
Telecommunications/Internet
& Technology

June 17, 2015

Secretary David Small
Delaware Department of Natural Resources and Environmental Control
89 Kings Highway
Dover, DE 19901

Dear Secretary Small:

I'm writing to voice my support for Green Recovery Technologies application for a Coastal Zone permit. I do this after careful consideration, knowing that our Coastal Zone Act has played a critical role in protecting our coast line since it was enacted in 1971.

I recently visited Green Recovery Technologies facility on Lukens Drive and was impressed by the lack of impact the facility has on the surrounding area and by the minimal nature of the process. I was also pleasantly surprised to find that the product brought to the facility was essentially odor free and well contained. Similarly, the refined product shipped from the plant had little odor and is well contained.

To me, GRT is a great example of a manufacturing facility that has been used innovation to create a business, while also being a good steward of the environment.

Based on what I observed during my visit to the facility, I fully support the granting of a Coastal Zone permit for Green Recovery Technologies.

Thank you for your consideration.

Sincerely,

Valerie Longhurst

Rep. Valerie Longhurst

P.O. Box 326, Delaware City, DE 19706
Cell: 302-562-6640 House Offices: Dover: 302-744-4351
Wilmington: 302-577-8476 Email: Valerie.Longhurst@state.de.us

Schultz exh. - 1

comments closed on July 2015

Green Recoveries Technology Application for a Coastal Zone Permit
LEAGUE OF WOMEN VOTERS OF DELAWARE
June 17, 2015

Thank you for this opportunity to speak relative to Green Recovery Technology's re-application for a permit to operate in the Coastal Zone. As you may know, the League diligently monitors activity in the Coastal Zone in support of the Coastal Zone Act, and we are grateful for this public process which allows our views to be heard.

This project would refine and reprocess already-processed poultry industry waste into feed ingredients which might otherwise be spread on farmland or find its way into waterways. Use of the last of the U.S. poultry industry's arsenical drugs (nitarsone) will be discontinued at the end of this year, so that in 2016 it will be a non-issue for GRT. However, although arsenical (and therefore potentially carcinogenic) drugs for poultry are being phased out in this country, their use is currently common outside the borders of the U.S. It is crucial that GRT limit its feedstock to sources within the U.S.

Although the feedstock is currently projected to come from out of state, it has the potential to aid in making more environmentally friendly our own Delaware poultry industry.

Members of the League have visited the GRT site and have seen and smelled the intake feedstock product. It is innocuous on both counts. The feedstock material enters the plant in closed containers, and is opened when it's time for processing. However, should the loose feedstock or the resulting ~~pet~~ animal food ingredients, through any kind of processing or administrative failure, find its way to any space outside the building, the League would have a negative reaction, and would oppose the entire GRT operation.

We observe for the record that the plant was built prior to the granting of a Coastal Zone permit by the Secretary of the Department of Natural Resources and Environmental Control. This is in conflict with the regulations, 6.0 "Permits must be obtained prior to any land disturbing or construction activity." Although the facility building was already in existence, one might argue that considerable construction activity has occurred in preparing the equipment for operation. This infraction in itself does not appear to the League to be a deal breaker, though it suggests a certain level of disrespect for the permitting process, and it is, unfortunately, potentially precedent-setting.

The incomplete safety information which we had earlier noted appears now to be in order. The column titled "Offset Sufficiency" of Attachment 13, Coastal Zone Environmental Impact Offset Matrix" has not been completed by DNREC, as we observed in our earlier statement. We note that an MSDS for dimethyl ether has

been included in this application, and that descriptions of hazards and safety measures related to rendered poultry fat are described.

The League notes that though Attachment 13 lists environmental impacts and their offsets, again DNREC has not required offsets for the CO2 emissions. The Delaware Economic Development Office has granted 7 tons of offsets, but that 7 tons covers only NOx emissions (5 tons) and CO emissions (2 tons). Offsets for 3 tons of CO2 emissions are not included, nor is mention made in the text of the application concerning an offset requirement for this material. This omission, of course, is not due to a violation on the part of the applicant, but appears to have been a policy decision on the part of DNREC. Though these natural gas-generated boiler CO2 emissions are not huge in terms of total Coastal Zone CO2 emissions, we would like to see official recognition on the part of DNREC that CO2 is a pollutant. A study by the Yale Project on Climate Change Communication indicates 77% of Delawareans say that CO2 should be regulated as a pollutant.[1] Paragraph 7004, part (b) (12), of the Coastal Zone Act, requires an environmental impact statement which includes "probable air pollution," implying that all air pollutants should be regulated.[2] Section 9.1.1 of the Regulations require offsets for any "negative environmental impacts."[3] Surely CO2 emissions should be included in this category.

All in all, however, the League finds that the emissions described in this application are relatively minor.

Although DNREC has failed to implement the Regulations' Goals and Indicators, the League supports DNREC's pursuit of a project which would measure and regulate both water and air emissions on a statewide basis, a kind of "Goals and Indicators" for the entire state.[4]

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[1] Yale Project on Climate Change Communication, 2014 http://environment.yale.edu/poe/v2014/

[2] Coastal Zone Act, Title 7 of the Delaware State Code http:delcode.delaware.gov/title7/c070/index.shtml

[3] Coastal Zone Act Regulations http://www.dnrec.delaware.gov/Admin/CZA/Cocuments/Coastal%20Zone%20regulations.pdf

[4] Such a process was described by Philip Cherry (DNREC) in a presentation to the Delaware Nature Society's Advocacy Committee in May, 2015, and by Philip Cherry and Secretary Small (DNREC) to the LWVDE Land Use/Transportation Committee in April, 2015.

DC Add. Doc. Coh

DELAWARE AUDUBON SOCIETY
Chapter of National Audubon
Plaza 273
56 W. Main Street, Suite 212A
Christiana, DE 19702
www.delawareaudubon.org
302-292-3970

June 17, 2015

To: Lisa Vest, DNREC Hearing Officer

Cc: David Small, DNREC Secretary
Ali Mirzakhalili, Director, Division of Air Quality
Philip Cherry, Director, Division of Energy and Climate

From: Amy Roe, Ph.D., Conservation Chair

Re: Green Recovery Technologies, LLC Coastal Zone Act Permit and Air Pollution Permit public hearings

Delaware Audubon Society respectfully submits the following comments into the hearing record for Green Recovery Technologies, LLC's Coastal Zone Act Permit and Air Pollution Permit. The company is seeking permits to operate a facility at 42 Lukens Drive in the Riveredge Industrial Park, New Castle to chemically separate proteins and fats from poultry waste for use in animal feed products. Because both public hearings for a Coastal Zone Act Permit and Air Pollution Permit are held at the same location on the same evening, we submit our comments on both permits jointly.

We submit into the hearing record (enclosed) the public comments by the Delaware Audubon Society from the Coastal Zone Act Permit comment period in 2014 and we ask DNREC to transfer the entire hearing record, including oral testimony and written comments from 2014, into the hearing records for both the Coastal Zone Act Permit and Air Pollution Permit.

Coastal Zone Act Permit:

We ask DNREC to hold the hearing record for the Coastal Zone Act Permit open for an additional thirty days to provide an opportunity for our consideration of all testimony submitted into the record at the public hearing.

We ask that DNREC deny this Coastal Zone Act Permit for Green Recovery Technologies LLC. In addition to the reasons purported below in our public comments enclosure from 2014, we ask DNREC to deny this permit on the following grounds:

1. The permit does not provide guarantees to the surrounding community that their quality of life will not be harmed by offensive odors and does not include provisions

if odors become offensive in the future. The location of this facility is a short distance from a residential community. Maintaining quality of life for neighboring communities from the consequences of manufacturing is an important consideration in the Coastal Zone Act that has been ignored by this Permit.

The recent experience of Peninsula Compost LLC should serve as a cautionary tale for DNREC of the potential for offensive odors to disrupt quality of life in the community over an extended period of time from animal waste processing facilities. The public must be assured that enforcement procedures that include clear legal authority to take action to address any problems that occur and very specific measureable criteria of when actions shall be taken are in place to prevent a similar occurrence at this facility.

2. The project uses experimental technology that is inappropriate for manufacturing in the Coastal Zone and could be subject to change without public notice or modifications to their Coastal Zone Act Permit.

3. DNREC's Coastal Zone Act Regulations lack a mechanism for quantifying indicators and properly evaluating appropriate offsets. We contend that the offsets included in the draft Permit are inadequate for a new manufacturing facility within the Coastal Zone. DNRECs selection of indicators appears to be arbitrary and capricious in light of no measureable indicators despite their requirement under the regulations. The only air pollution offsets proposed in the draft Permit are NOx credits provided by DEDO for a 1:3 ratio to NOx emissions. There is no clear description of the origin of these "credits" and how their use is a net improvement in the environmental quality of the coastal zone, which is a requirement under DNREC regulations (I.1.d). There are no other offsets for the other air pollutants that will be emitted.

Air Pollution Permit:

We ask DNREC to cancel the Air Pollution Permit hearing pending the outcome of the Coastal Zone Act Permit proceedings. An Air Pollution Permit cannot be considered without the appropriate land use approvals for the facility. Without a Coastal Zone Act Permit, it is improper for DNREC to proceed with finalizing any Air Pollution Permit. At such a time in the future, if a Coastal Zone Act Permit is granted, an Air Pollution Permit hearing process can begin.

DELAWARE AUDUBON SOCIETY

Chapter of National Audubon
Plaza 273
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www.delawareaudubon.org
302-292-3970

11/10/14

Lisa A. Vest
Public Hearing Officer
State of Delaware - DNREC
89 Kings Highway
Dover, DE 19901

Dear Ms. Vest,

This letter represents the official comments of the Delaware Audubon Society as it relates to the Coastal Zone Act Permit Application for Green Recovery Technologies ("GRT") at 42 Lukens Drive, New Castle, DE 19720.

What this nascent start-up company desires to do may be net beneficial for the global environment. Our arguments have nothing to do with this component of their business plan. Further, this is not a so-called "NIMBY" argument where we simply say we like this project, but just not in Delaware.

For Delaware Audubon Society, our arguments against this proposal relates to what we see are multiple flaws that bears closer scrutiny. These flaws are ultimately fatal in our recommendation against this business proposition in our Coastal Zone, they are identified below:

1) This company appears to have been given a green light by Delaware's government in some form or fashion, in advance of their seeking a Coastal Zone Permit. This is nothing short of egregious if accurate and true, and if not accurate, highly questionable.

2) The principals of this company represent angel investors that are taking significant precautions to hedge their losses in the event this start up fails for one reason or another.

3) The principals of this company have had exposure to other non-related business failings that bear consideration before extending a Coastal Zone Operating permit.

4) The business has stated that they have no logistical reason to be close to the Delaware River in terms of refuse management or water considerations, so our recommendation would be relocation outside of the Coastal Zone to where the company is currently headquartered in Greenville.

5) The citizens of New Castle have suffered through historical DNREC and DEDO gambles for companies that purport to be green while their waste products and business processes result in tremendous amounts of odor they have been forced to bear.

Each of these arguments is fleshed out below for your consideration:

1) Green Recovery Technologies' representative had mentioned that their ownership group have essentially gambled on getting a Coastal Zone Permit, that there was no direct or tacit approval to go ahead and install their operating equipment in advance of receiving their permit. In the world of venture capital, that is considered extremely foolish (well, let's call it stupid) to expend funds on

leasing or purchasing capital equipment without all the operating permits in hand. Given that the four principals in the business appear to be well educated angel investors with a history of green start up processing companies, this flies in the face of logic. It is Delaware Audubon's opinion that DEDO must have provided GRT with some measure of comfort, given the exchange of pollution emission reduction credits. If this assertion is true, then as a check on the DEDO, DNREC should deny the permit for this reason alone, or the citizens and environmental groups reviewing this project will ultimately surmise that this was a back door deal done away from the public eye, with your permit hearing appearing to be nothing more than dotting those i's and crossing those t's.

2) Before the State should ever allow a business to operate within our sensitive Coastal Zone, it should require a thorough and independent series of background checks be performed on the business history and the principals behind the business proposal. This particular project has multiple flaws that bring into question the services it is going to provide and the location in which they are providing them.

    a. This unique poultry processing business, at the outset, is not catering to Delmarva chicken processors, but processors from as far away as the Carolinas. That represents the first of many flags. Why would any business, especially a start-up business, increase transportation costs for source materials by establishing their start-up hundreds of miles away from their raw materials?
    b. Local chicken processors, a major industry in Delaware, when interviewed by the local press have said that they see no current need for this company's services.
    c. That being said, DEDO, if not DNREC, should consider the principals in any start up business and consider their experience in developing a new venture before ever considering rendering operating permits especially in Delaware's Coastal Zone. There are multiple considerations that the State should evaluate:
        i. Public or Private Corporation
        ii. Limited Liability Provisions from LLC's and LLP's
        iii. Insurance Coverages
        iv. Business Experience of owners and senior operators
        v. Background checks on principals
        vi. Financial wherewithal and size of investment

In the case of GRT, here is what we can glean from public records:

Principals: Kenneth L. Laubsch, Bruce J. Rudin, Seth Neubardt, Peter M. Witherell

Here is what we are able to glean from public filings:

a) They established an LLC to protect themselves and limit their risk
b) They sold only $500k of equity, to 2 investors in August of 2013
http://form-d.findthebest.com/l/133227/Green-Recovery-Technologies-LLC
c) They have an office at Suite 210 located at 3704 Kennett Pike, Greenville, DE 19807
http://www.stoltzusa.com/documents/Greenvillepross.pdf

In terms of biographies, this is what we can see in public search engines:

Kenneth L. Laubsch – Boeing Chief Engineer apparently working on this:

http://www.isopolar.com/wp-content/uploads/2013/03/Kenneth-Laubsch-presentation-The-SkyHook-HLV-A-Heavy-Lift-Short-Haul-Vertical-Transportation-System.pdf

Interestingly, he apparently belongs to a club called: "Sustainable Agriculture Investors" on Linked In:

Bruce Rudin: = Spine surgeon at First State Orthopaedics
Seth Neubardt – Spine surgeon at Brain and Spine Surgeons of New York
Peter M. Witherell – Anesthesiologist with SpineCare Delaware

I would imagine that these Spine doctors are friends and fellow investors. Two of the doctors appeared to have interned together at Albert Einstein.

In the world of angel investing, these guys have somehow come together to start this new business, and I would imagine that they have met someone who has the vision for this new business. However, that person seems to be anonymous. Their website doesn't provide an "About us" that would show who their operating officers are and their requisite technical backgrounds. In fact, to further add to that puzzle, they are currently advertising for a Director of Research and Development position. Strikes me as highly odd, in that I would have assumed they had the requisite R&D visionaries on staff.

They are taking a cautious approach. They have floated a larger share proposal for $5,000,000 but have only put $500,000 in to-date it appears. That's another red flag.

3) In performing background checks on the principals of the business, it appears that Bruce Rudin and Ken Laubsch have both taken recent stabs at launching new businesses seemingly unrelated to their own technical backgrounds. Peter Witherell and Seth Neubardt don't appear to have dabbled into investing outside of their respective medical fields, though Neubardt holds multiple medical patents.
    a. Bruce Rudin can be found in Delaware apparently starting up another entity with the help of $600,000 in government loans that appears to have shut down:

The commercialization initiative of the Center has enabled the licensing of a chemical engineering process invented at the university. It has resulted in the formation of Modular Carpet Recycling, Inc. (MCR), a new startup business to exploit an Auburn University technology to recover nylon from used carpets. This business was incorporated in June 2007. The recycling plants will keep waste carpet from going to landfills and produce 99+% pure nylon; this green technology will reduce the need for crude oil which is the raw material for virgin nylon. About 5 billion pounds of waste carpets are sent to landfills each year. The company has raised about $3 million in private capital (fully subscribed). *Contact:swamidas@auburn.edu*

Governor Jack Mitchell (Delaware) opens Modular Carpet Recycling Plant in Delaware

From left to right - Bruce Rudin; Alan Levin, Secretary of the Delaware Economic Development Office; Dori Connor, Delaware Senator; Christopher Coons, New Castle County Executive; Ron Simonetti, CEO and founder of Modular Carpet Recycling; Frank Hurd, Chairman of the Carpet America Recovery Effort; Governor Jack Markell
(source: Delaware Economic Development Office)

http://www.eng.auburn.edu/center/twc/techtransfer/Delaware%20Economic.pdf
http://dedo.delaware.gov/dedo_pdf/NewsEvents_pdf/press/NewsEvents_pdf_press_2010/MCR_Establishes_Corp_Hdqrts.pdf
http://www.cdrecycler.com/cdr-july-august-delaware-is-home-to-new-carpet-recycling-plant.aspx
http://www.greentechmedia.com/articles/read/a-new-source-of-oil-old-carpet
http://gtp.autm.net/startup/view/122
https://carpetrecovery.org/wp-content/uploads/2014/04/Ron_Simonett_Presentation.pdf
http://dedo.delaware.gov/dedo_pdf/NewsEvents_pdf/minutes/2011/April25_2011_CDF_Meeting.pdf
http://dedo.delaware.gov/NewsEvents/NewsEvents_stories/NewsEvents_stories_ExpandedProduction.shtml?Stories
http://www.ecostratesfs.com/about-us.html

If you follow all the above links, it appears Bruce Rudin must have been an angel investor in this business that is now gone. DEDO has no public reports locatable that reveals a failure to repay the loan. DEDO touts MCR as a success story on their website. However, Ron Simonetti is now at a new venture outside of Delaware and he was the CEO. The address for MCR now reveals a new entity called V& N Corp, and they have no voice mail on their phone line to leave a message. MCR is no longer listed on 239 Lisa Drive. Further, as recently as 2011 it was apparent that MCR was already failing to meet financial targets for their loan and were asking for loan extensions. If there was time to perform a FOIA on DEDO, I believe it would reveal a complete failure of MCR to gain traction here in Delaware and most likely a default on the loan. A cursory look at the Division of Corporations for MCR reveals an expired registered agent, which suggests the entity may have shut down entirely. Their web address on original press releases no longer functions.

We do know that MCR had received a Coastal Zone Permit to operate (CZA 382P) as well.

b. Ken Laubsch apparently has started up multiple ventures and given that he has more of an investment background than the other three spine doctors, I would imagine he is the CEO for a reason for the new enterprise. He has a very skilled background at Boeing and as noted earlier, belongs to an investment club that focuses on sustainable agricultural startup investments.

The issue for Mr. Laubsch is that in the public record we find another failed entity he has served on the Board of Directors for – Cleanfield Alternative Energy Inc, the parent entity of Cleanfield Energy Corp, a former Toronto Stock Exchange (symbol AIR):

http://investing.businessweek.com/research/stocks/private/person.asp?personId=102268976&privcapId=234107883
https://www.google.com/finance?cid=7655462
http://www.bloomberg.com/apps/news?pid=conewsstory&tkr=BA:US&sid=aC83pWmRsdnI

Through the public SEDAR filing database in Canada, the last public notice from this entity follows:

CLEANFIELD CLARIFIES ITS DEFAULT WITH RESPECT TO ITS CREDIT FACILITY TORONTO, ONTARIO

–

February 27, 2013

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On February 22, 2013, the Board of Directors of Cleanfield Alternative Energy Inc.
("Cleanfield" or "Company")
(TSX VENTURE: AIR)
Announced that it had triggered an event of default as defined in Section 8.1(e) of the Trust

Indenture dated July 31, 2008 related to its senior secured debt. Cleanfield's Board passed a resolution on February 22, 2013, to either wind---up or liquidate the Company and its subsidiary, Cleanfield Energy Corp. This resolution triggered the event of default. Due to A failed financing commitment; Cleanfield does not currently have any funding options to Repay the secured credit amount of $1,475,000, when the credit facility is due in July 2013. The Debt is secured by a first charge security interest over all the assets of Cleanfield and its subsidiary, Cleanfield Energy Corp. Furthermore, because of Cleanfield's lack of positive cash flows, its inability to secure additional working capital and weakened demand for the Company's products, the Company is unable to properly operate. Cleanfield is currently in Discussions with the secured credit facility's trustee who is considering alternatives for the Company. Cleanfield holds intellectual property and tax loss carryforwards.

Tony Verrelli, the CEO, left in May 2013 shortly after this announcement shutting down the company: https://www.linkedin.com/pub/tony-verrelli/7/a92/1a9

4) The question here is one of siting. We understand that the angel investors want to limit their risk of investment capital and desire to find inexpensive space along a well-traveled corridor such as I 295 on Lukens Drive. The investors are from the region, which may explain why they want to put this company so far away from their base of raw materials. However, as they have publicly stated that they are in no need of river access for waste management purposes and could set this company up anywhere they can find commercial space, the recommendation Delaware Audubon has would be that if DEDO wants to take a risk in letting this startup company try to build a base of operations in Delaware, that the State of Delaware look to relocate the company towards Greenville where they are currently headquartered on Kennett Pike.

   As it stands, the former headquarters of Columbia Gas at 20 Montchanin Road in Wilmington DE is an old office building complex that has served multiple tenants since Columbia Gas moved to Reston Virginia There is currently space to rent there but more importantly, it is an isolated campus that has great access to trucking routes 141, 202 and south to I 95.

5) Environmental justice is of critical importance to the citizens of New Castle that align the industrial corridor. These citizens have had to bear the brunt of environmental degradation along the coast line, which led to Governor Russ Peterson fighting for his signature legislation to protect our Coastal Zone with the Coastal Zone Act, the permit for which this new nascent business wants to operate under. It was clear in their rising voices at the recent public testimony that they do not want the risk of further environmental degradation near their homes after suffering through another odorous business which they fought hard to shut down over the last several months. To come at them with another business that may result in additional odors at this time is unfair.

In summary, Delaware Audubon Society requests that DNREC reject the Coastal Zone Permit for Green Recovery Technologies along multiple grounds – lack of business history, lack of business acumen, lack of significant investment, limitation of personal risk, distance to raw materials, closeness to environmental justice communities, and perceptions of back door dealings by the government given the so-called "gamble" by the angel investors on operating floor expansion, equipment acquisition and local government permitting, before obtaining the Coastal Zone Act Permit from DNREC.

Sincerely,

Board of Directors
Delaware Audubon Society

Jarvis Exh. #1

DNREC: Green Recovery Technology Coastal Zone Act Permit
June 17, 2015

I have a PhD in Chemistry, worked for the DuPont company for 32 years, and I supervised the Ecological Toxicology group in the Agricultural Chemicals division. I have some expertise in the matters I discuss below.

DuPont chemical engineers are among the best in the world and DuPont has an extraordinary safety culture. But people are not perfect, do not always follow procedures, and external uncontrollable events happen so there have been environmental releases of chemicals and fires at these plants. There were over 30,000 chemical spills in the US last year. The goal is zero, but no company can guarantee reaching it. I do not oppose building plants that use chemicals; to preserve our way of life taking these risks is necessary. But it is not necessary to take these risks in a protected coastal zone.

The GRT process solvent, dimethyl ether, is a non-toxic gas and a small accidental release in the absence of an ignition source is unlikely to cause significant environmental damage. I applaud GRT for using a relatively safe solvent.

However, accidents happen and these can and have resulted in fires in plants using explosive chemicals. The manufacture's Safety Data Sheet says:

- dimethyl ether when mixed with air is explosive.
- The presence of oxygen or prolonged standing in or exposure to direct sunlight may lead to formation of unstable peroxides, which may explode spontaneously or when heated.
- Prevent water used in emergency cases from entering sewers and drainage systems.
- Try to stop release. Reduce vapor with fog or fine water spray. Prevent waste from contaminating the surrounding environment. Prevent soil and water pollution

It worries me that something as seemingly innocuous as leaving a tank in the sun could lead to the formation of unstable peroxides and a spontaneous explosion. It is easy to see how this situation could arise in the course of doing routine business.

If there is a fire, whether it is caused by direct ignition of the dimethyl ether or it starts in a lunch room and spreads to the chemical use area, large amounts of water will be used to put out the fire, and the Safety Data Sheet specifies that this wastewater must be prevented from contaminating the surrounding environment, entering sewers, or entering drainage systems. GRT may argue that this requirement is unnecessary overkill considering the low toxicity of the solvent, but a Safety Data Sheet is not a document up for discussion or evaluation by a user.

I object to an industrial plant using large amounts of a solvent with this Safety Data Sheet being located in a protected coastal zone. I am sorry that this will cause a financial hardship to a company like GRT, but the only reason for their building in a coastal zone is that the land is cheap, and the land is cheap partially because it is in the coastal zone and this kind of environmentally risky business cannot be built there.

If a permit is granted, I request that there be a requirement for GRT to follow strict guidelines to protect the environment in case of an industrial accident.

Dow/Mond ~~Indes~~ Indices
I request that GRT pay an outside consultant to evaluate the risks with the Dow/Mond Indices, and that control methods of more hazardous processes be required because of the sensitive nature of the coastal zone.

Containment
Provision of ditches, dykes, embankments, sloping terrain to contain and control releases and limit the safety and environmental effects of releasing the estimated amount of water used to fight a fire. Secondary containment requirements are addressed by the Environmental Protection Agency (EPA) through the Resource Conservation and Recovery Act (RCRA) contained in title 40 of the Code of Federal Regulations.

Positioning of occupied buildings
Personnel with more general site responsibilities should be housed in buildings sited in a non-hazard area. Occupied buildings and plant buildings should be separated such that a worst-case fire or explosion in either building would not spread from one to the other.

Aggregation / trapping of flammable vapors
To avoid aggregation and trapping of flammable vapors that could lead to a hazardous event, flammable storage should be sited in a well ventilated area, preferably another building, and at a distance from process areas so that minor leaks or thermal out breathing can be dissipated without danger of ignition.

Emergency shut down
Fitting remote-actuated isolation valves at each point where the solvent may be released.

Regards,

Alice Jarvis, PhD
aajarvis@yahoo.com
302-545-1619

It is an improvement that GRT has now specified the solvent used in the extraction process, rather than simply identifying it as a volatile organic solvent.

Zoning letter. We ask DNREC why they accepted a letter from the NCC Land Use Dep't. in lieu of the "strongly suggested" form included in the permit. Use of the permit form with an addendum qualifying any exceptions to the statement would clarify the situation in a much more accessible way. In the present case, the letter mentions that the plan as submitted to them raises questions as to whether there is an unacceptable percentage of impervious surface. Since the construction of the facility was completed by August 2014, the plan would be expected to accurately reflect the actual building. On this basis, there seems to be a serious question as to whether the building actually conforms to the zoning requirements.

Offsets: The Coastal Zone Regulations require an offset project that "is clearly and demonstrably more beneficial to the environment in the Coastal Zone than the harm done by the negative environmental impacts associated with the permitting activities themselves." In past applications, the offsets required actual improvements to the site itself and/or to the surrounding neighborhoods that clearly improved the visual appearance of the area and could be understood as enhancing the environment in the Coastal Zone.

In this and other more recent cases, the only "improvements" required have been credits supplied by Delaware's Economic Development Office that are used to "offset" the production of air pollutants such as the oxides of nitrogen and sulfur. The mechanism by which DEDO "banks" and then distributes such credits is quite opaque and leaves citizens wondering if the Coastal Zone is indeed being improved.

Is this facility appropriate for Delaware's Coastal Zone?

It might be possible to understand the process to be conducted here as an "environmental good" if the intermediate product being processed at this plant were coming from poultry raised and processed in Delaware. Under the current plan, partially processed waste material from poultry packaging plants will be shipped from other parts of the U.S., or perhaps from abroad to be processed into salable products. In the interest of improving the environment in our Coastal Zone, it seems unclear why we should have a plant to process waste materials from far away when that processing could be done nearer the packing plants, saving both the expense and the production of greenhouse gases involved in long-distance transportation.

It should be noted how close this plant is to both houses and a local park. Even small lapses in handling procedures and unpredictable failures in the processing equipment could have a negative effect on the ability of these neighbors to enjoy their homes and neighborhood recreation.

Other Issues

This application raises two serious issues:

Offsets

This issue has already been mentioned and is not unique to this project --- the use of Offset credits from DEDO . In the absence of any Goals and Indicators, there needs to be an accessible listing of credits and debits that would provide clear information to citizens as to whether the production of polluting gases is increasing or decreasing.

DNREC, working with DEDO, needs to develop a comprehensive list of improvements made (shutting down of polluting facilities; replacement of inefficient boilers with better ones, etc.) and credits given out. The tally could include only changes in the Coastal Zone or it could cover the whole state. If the whole state is included, it is necessary to show that the net effect of using the credits is not a transfer of pollution generation from the state as a whole to the Coastal Zone.

The Coastal Zone Permit

The other issue of concern is the fact that the process for starting a new business in the Coastal Zone was not adhered to, it would seem, in numerous instances. GRT did not apply for a Coastal Zone Permit before, or even during the construction of their facility, even though they appear to have been told by DNREC that it was necessary. It is also not clear how GRT received some building permits from NCC Department of Land Use without first having a Coastal Zone Permit.

These procedures were instituted to make sure that the Coastal Zone would receive the highest level of protection from detrimental development. Allowing these rules to be ignored has set an unfortunate example. Steps need to be taken to ensure that this does not recur in the future.

Coralie Pryde