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Via email - rpierce@nhdlaw.com

February 21, 2025

Russell B. Pierce Jr., Esq. Norman Hanson & DeTroy, LLC 2 Canal Plaza Portland, ME 04112-4600

Re: <u>DEP Consolidated Petition for Release from Dam Ownership related to Silver Lake,</u> Alamoosook Lake, and Toddy Pond, 38 M.R.S. §§ 901, et seq.

Dear Attorney Pierce:

Bucksport Mill, LLC ("Bucksport Mill") hereby responds the November 12, 2024 letter request from to the Towns of Orland, Blue Hill Penobscot and Surry (the "Towns"), following along with the enumerated requests. We very much appreciate your patience – pulling together these responses and the large number of associated documents was labor intensive, as Bucksport Mill sought to provide as much information as it was able to assist in your clients' evaluation of these dams for potential ownership. Please note that Bucksport Mill cannot certify that the documents provided are the entire universe of documents that might be responsive – these dams have been in existence for a very long time and have been under Bucksport Mill's ownership for only approximately ten years. We have, however, endeavored to give you all documents in its possession, and otherwise answer your questions as thoroughly as possible.

- 1. Copies of any deeds, and all incorporated covenants and easements, related to the dam and land under the dam, transfers or assumption of title by Bucksport Mill, LLC, title to the dam and any equipment or personal property normally located at the dam site, and flowage rights and access rights related to Alamoosook Lake and Toddy Pond and the Alamoosook Lake dam and Toddy Pond dam. 38 M.R.S. § 906(2)
 - a. Please provide prior title searches, title insurance policies.
 - b. Likewise, for Alamoosook Lake and Toddy Pond and the Alamoosook Lake dam and Toddy Pond dam, provide any deeded water rights, private agreements, and contracts, and, if any, i) water level obligations associated with the dam or any such agreements or deeds, and ii) water intakes on Alamoosook Lake and Toddy Pond, pipelines to and from Alamoosook Lake and Toddy Pond, and any other pump stations or infrastructure serving

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users of Alamoosook Lake and Toddy Pond water or serving Alamoosook Lake and Toddy Pond.

- c. An inventory and complete list of associated assets associated with the Alamoosook Lake and Toddy Pond dams and water management systems owned by Bucksport Mill LLC or any AIM entity in the watershed that pertain to Alamoosook Lake and Toddy Pond.
- d. Any information regarding the composition of any pipeline and its coating, and all information relating to testing for the presence of hazardous materials including but not limited to PCBs or asbestos. If test results exist, please provide copies.

In addition to the real estate information provided to the Maine Department of Environmental Protection (the "DEP") as part of the Petition and available online at the DEP's project page for Bucksport Mill's Petition, real estate information personally known to and within the currently accessible files of Bucksport Mill that is believed to be related to Alamoosook Lake, Toddy Pond, Alamoosook Lake Dam and Toddy Pond Dam is included here as **Attachment 1**.² Bucksport Mill cannot be certain that the provided materials encompass all recorded real estate interests in any way related to Alamoosook Lake, Toddy Pond, Alamoosook Lake Dam and Toddy Pond Dam, but is providing all documents it has been able to identify as responsive. Interested parties are advised to conduct a thorough due diligence search to discern all relevant recorded interests. The relevance of title to equipment or personal property is not clear, but Bucksport Mill is open to providing additional information if, upon further discussion with the counsel for the Towns, doing so seems reasonable and appropriately related to this proceeding. Below is a list of assets related to the Water Supply System that seem most responsive; please note that Bucksport Mill intends to follow the statutory requirement related to the scope of the transfer, and any failure to identify assets herein is not to suggest an intent to withhold appropriate assets from a transfer. The primary assets associated with the dams are described below to the best of our knowledge:

- Filter House (Silver Lake)
- Water pipeline connecting the Filter House to the Mill Site
- Electric line connecting the Filter House to the Mill Site
- Pump located at Alamoosook Lake (used to move water from Alamoosook Lake to Silver Lake during periods of drought)
- Pipeline connecting Alamoosook Lake to Silver Lake

According to Wardell Construction, who repaired the pipeline a few years ago, the pipe running between Alamoosook Lake and Silver Lake (the supply line) is a 30-inch steel pipe. Please also find attached an Army Corps of Engineer's report from October 1978 that we were able to locate. (Attachment 1(d)).

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² Attachments are labelled according to the question to which they relate.

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2. For the Alamoosook Lake and Toddy Pond dams, any and all dam inspection reports, hazard and condition reports, or other regulatory inspection and monitoring information, whether conducted by the Maine Emergency Management Agency or any other state or federal regulatory agency, and including all internal dam inspection reports or memoranda within the custody, possession, or control of any Petitioner or its affiliates (including predecessors or successors-in-interest).

The dam inspection, hazard and condition reports for the Alamoosook Lake Dam and Toddy Pond Dam were provided pursuant to the Petition and are publicly available on the DEP website for this Petition. In addition, please see the response to Question 10 and its related attachments.

3. For the Alamoosook Lake and Toddy Pond dams, please provide the Emergency Action Plan for the Alamoosook Lake and Toddy Pond dam and any related facilities.

The Emergency Action Plans (the "EAP") for the Alamoosook Lake Dam and Toddy Pond Dam are attached hereto as **Attachment 3.1** and **Attachment 3.2**, respectively. The Towns may have their own relevant records as well – the tabletop exercise which is part of the EAP planning process typically involves the participation of associated Towns.

4. For the Alamoosook Lake and Toddy Pond dams and water intakes, piping, and pump stations, or any other such infrastructure or improvements owned by the Petitioner(s), please provide the current and budgeted project and capital improvement plans for 2024 - 2027 and any deferred capital items identified in the prior 10 years.

Please see Attachment 4.1 and Attachment 4.2, the capital expenditure plans and operations and maintenance budgets prepared by Haley Ward for Alamoosook Lake Dam and Toddy Pond Dam, respectively.

5. For the Alamoosook Lake and Toddy Pond dams, please provide a detailed list of forecasted/budgeted preventative maintenance activities for 2024 - 2027 including vendor information, and scope of work, and any deferred maintenance.

Please see Attachments 4.1 and 4.2, the capital expenditure plans and operations and maintenance budgets prepared by Haley Ward for Alamoosook Lake Dam and Toddy Pond Dam, respectively.

6. For the Alamoosook Lake and Toddy Pond dams, please provide the timing, costs, and scope of work of past or proposed construction repairs and/or improvements to the dams from 2018 - 2024. Please provide the same information for water intakes, piping, and pumps stations, or any other such infrastructure or improvements owned by the Petitioner(s) discharging to or taking water from Alamoosook Lake and Toddy Pond, or with the capacity to discharge or take water.

The Petition included a spreadsheet detailing the cost and timing of expenditures made within the last year. An updated spreadsheet to cover the time period requested is attached as **Attachment 6**. Attachment 6 is a good faith effort to extract information from the accounting records available to Bucksport Mill, which records do not account for the Water Supply System as a distinct entity. Please note Attachment 6 does not include any expenses for insurance because the dam is self-insured. Further, Attachment 6 does not include any expenses for labor because that is covered by an agreement

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between Bucksport Mill and Bucksport Generation. If Bucksport Generation elects not to provide operating personnel to manage the Water Supply System, it is obligated to pay \$50,000 per year to Bucksport Mill. Finally, please note that this expense report is for the entire Water Supply System, which includes Silver Lake Dam, Alamoosook Dam, and Toddy Pond Dam.

7. For the Alamoosook Lake and Toddy Pond dams, please provide the insurance policies and documentation and related costs that any AIM entity or Bucksport Mill is currently using to address risks management of failures, and maintenance costs related to the dams.

There are no insurance policies related to the Alamoosook Lake Dam or Toddy Pond Dam. Bucksport Mill is self-insured.

8. For Alamoosook Lake and Toddy Pond, please provide any contracts between any AIM entity or Bucksport Mill LLC and any person or entity relating in any way to ownership or control of Alamoosook Lake and Toddy Pond, related impounded water, or the Alamoosook Lake dam or Toddy pond dam, or any others receiving water, use of impoundments, or services from Alamoosook Lake and Toddy Pond or the Alamoosook Lake dam or Toddy Pond dam. This request includes, but is not limited to, Maine Water, Bucksport Generation, Whole Oceans, and/or any watershed resident or private entity.

There are no known written agreements between Bucksport Mill (or any other "AIM entity") and Maine Water. Obligations related to the Silver Lake Dam and Silver Lake, to the extent these obligations affect the entire water system, are reflected in Indentures associated with Silver Lake (Attachment 8.1 and Attachment 8.2). Maine Water treats and supplies water received from Silver Lake (pursuant to the Indentures) and then supplies the Town of Bucksport as we understand it. Bucksport Mill does not receive any treated water from Maine Water and only draws raw water from Silver Lake. The recorded agreements and easements with Bucksport Generation LLC, as well as Bucksport Generation LLC's subsequent agreements with Maine Water, are included in the real estate documents provided responsive to Question 1. To the extent known to and within the currently accessible files of Bucksport Mill, the documents responsive to Question 1 include references to other recorded agreements and easements related to the water system. To the best of Bucksport Mill's knowledge, there are no additional contracts relating to the receipt of water, use of impoundments, or services from Alamoosook Lake, Toddy Pond, the Alamoosook Lake Dam, or Toddy Pond Dam.

9. Please provide, any and all existing plans, site plans, or as-built construction plans for Alamoosook Lake and Toddy Pond dams and any related pipelines, water intakes, and pump stations, and related infrastructure serving Alamoosook Lake and Toddy Pond, and fish ladders or any other fish passage facilities, designs, or plans, relating to Alamoosook Lake dam and Toddy Pond dam.

In addition to the information provided in the Petition, Bucksport Mill has located some drawings related to Alamoosook Dam. While they are attached here as **Attachment 9** for your information, please note that we cannot confirm the accuracy, relevance, or completeness of these documents. Bucksport Mill has been unable to locate any drawings related to Toddy Pond Dam.

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10. Any available engineering reports, evaluations and reports related to the Alamoosook Lake and Toddy Pond dams or water intake, pipelines, pump structures, and related infrastructure serving Alamoosook Lake and Toddy Pond, and fish ladders or any other fish passage facilities, designs, or plans relating to the Alamoosook Lake dam and Toddy Pond dam.

Please see **Attachment 10.1** and **Attachment 10.2**, which are the 2015 inspection reports prepared by Kleinschmidt & Associates for Alamoosook Lake Dam and Toddy Pond Dam, respectively.

11. Any stream/lake cross sections, and/or bathymetric surveys upstream and downstream of the dams, hydrologic/hydraulic studies/data, and HEC-RAS or similar hydrologic studies.

To our knowledge, there are no stream/lake cross sections, and/or bathymetric surveys upstream and downstream of the dams, hydrologic/hydraulic studies/data, and HEC-RAS or similar hydrologic studies.

12. Any environmental reports, biological surveys or assessments, or reports of inspections for water quality, related to the dams or the lakes or existing ecosystems and habitat, including assessments of impacts of water release, dam reconfiguration, removals, or abandonment.

Bucksport Mill is not in possession of any other reports, surveys, or assessments that have not already been provided.

13. For Alamoosook Lake and Toddy Pond and the Alamoosook Lake dam and Toddy Pond dam, any geotechnical borings/soil test data/recommendation reports, or topographic survey.

To our knowledge, there are no geotechnical borings/soil test data/recommendation reports, or topographic surveys.

14. An accounting, or itemization of all revenues received from 5/21/2019 to the date of petition submission from Bucksport Generation and Whole Oceans related to the requirements pertinent to the water rights easements contained in Exhibits B and C of the deed recorded on 5/21/2019 in book 6951 Page 556 of the Hancock County Registry of Deeds from Bucksport Mill, LLC to Whole Oceans; and any accounting or itemization of all revenues from Whole Oceans or any other entity, including by not limited to JARA or Maine Water, and related to Alamoosook Lake and Toddy Pond and the Alamoosook Lake dam and Toddy Pond dam.

The agreement shown in Exhibit C, included here as **Attachment 14**, including its related easements, was terminated in early 2023, and all easements described in Exhibit C were released on June 28, 2023, as evidenced by a Release of Easement Over Fresh Water Supply from Whole Oceans LLC to Bucksport Mill LLC as recorded in the Hancock County Registry of Deeds at book 7275 and page 502. As part of this termination, Whole Oceans paid \$101,803.42 in water usage fees. This amount constitutes the only revenue paid by Whole Oceans pursuant to the agreement. Bucksport Mill is not aware of any other revenues related to Alamoosook Lake, Toddy Pond, the Alamoosook Lake dam, or Toddy Pond dam.

15. All budgets, reports, capital plans, and maintenance and repair costs identified as required in Exhibit C of the deed recorded on 5/21/2019 in Book 6951 Page 556 of the Hancock County Registry of Deeds from Bucksport Mill, LLC to Whole Oceans from the date of recording until the date of petition submission; and any such information from Whole Oceans or any other entity, including but not limited to JARA or Maine Water or any other entity related to Alamoosook Lake and Toddy Pond and the Alamoosook Lake dam and Toddy Pond dam.

As described above, the agreement shown in Exhibit C, including its related easements, was terminated in early 2023, and all easements described in Exhibit C were released on June 28, 2023 as evidenced by a Release of Easement Over Fresh Water Supply from Whole Oceans LLC to Bucksport Mill LLC as recorded in the Hancock County Registry of Deeds at book 7275 and page 502. Attached please find budgets, reports, capital plans, maintenance costs, or repair costs prepared in connection with this terminated agreement (**Attachment 15**). No other party has provided Bucksport Mill with any of the requested information.

16. Copies of any federal, state, and/or local permits and approvals related to the operation of the Alamoosook Lake dam and Toddy Pond dam or Alamoosook Lake and Toddy Pond, no matter whether still in force or how old.

Attached as **Attachment 16** is a chart of all permits known to Bucksport Mill. Bucksport Mill is providing this chart for informational purposes only and while it has erred on the side of over-inclusion, has not done an independent evaluation of this list of permits. We cannot confirm the accuracy, relevance, or completeness of this list.

17. Copies of any notice of violation or description of any enforcement actions taken by any federal, state, or local agencies related to the operation of the Alamoosook Lake dam or Toddy Pond dam or Alamoosook Lake or Toddy Pond, no matter whether still in force or how old.

Bucksport Mill is not aware of any notices of violations or any enforcement actions since the time it acquired ownership (or before that).

Sincerely,

Katherine Joyce

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