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VIA EMAIL – rpierce@nhdlaw.com

November 19, 2024

Russell Pierce, Jr., Esq.
Norman Hanson Detroy
Two Canal Plaza
PO Box 4600
Portland, ME 04112

Re: DEP Petition regarding Alamoosook and Toddy Pond Dams

Dear Russell,

This letter is in response to your November 12 request for information. Please note that, in the spirit of cooperation, we are responding by your requested date of November 19.

I understand that representatives of at least some of the Towns you represent attended and spoke at the public meeting held by Bucksport Mill on November 14. This public meeting also established a follow-on protocol for posting questions and answers online by November 24 to ensure that all parties to consultation have access to the answers provided in writing. While this public meeting and the follow-on process to share information is the consultation process described in 38 M.R.S. § 902(1) and (3), Bucksport Mill is encouraged to hear that some or all of your clients may have interest in pursuing more full-scale diligence on the Alamoosook and/or Toddy Pond dams.

Your information request appears to read into the statute a requirement that a comprehensive consultation with the Town be completed within 60 days under 38 M.R.S. § 908. However, as you and I were able to discuss on November 14, where Section 908 does not reference consultation, and the consultation requirement elsewhere described in the statute (Section 902) is a minimum of 180 days, Bucksport Mill's process expectations are that the Town legislative bodies will use their public meetings to determine whether or not to pursue diligence towards a possible change in ownership.

Bucksport Mill's proposed protocol for diligence on the Alamoosook and Toddy Pond dams is set forth below, as well as references to various resources to access information that has already been made available through the Petition or is otherwise publicly available. Please note that the answers to questions posed at the public meeting will be posted online by November 24, as expressed at the November 14 public meeting.

Proposed protocol for diligence

As with any transaction, the two hallmarks of diligence are a formal expression of interest, and an enforceable agreement regarding the confidentiality of certain information. Therefore, to proceed with the level of diligence contemplated in your letter, we will require evidence that each relevant municipal legislative body has considered the issue of dam ownership at a public meeting as required in 38 M.R.S. § 908, and that the outcome of that meeting is a decision to engage in good faith diligence to fully evaluate the potential of owning one or both of these dams. It is our expectation this be an initial determination made on the basis of the Petition and available information, rather than a final determination based on completed diligence.

Once evidence of this initial determination is received, we would expect to discuss effective mechanisms by which to keep appropriate information confidential when the counterparty to diligence is a municipal entity. Once such mechanisms are in place, we will provide available information for review and consideration.

Initial responses to November 12 requests

1. Title information: please note that, in addition to being public information, this was also provided as a supplemental filing to the Petition along with a detailed title memorandum. Assuming that the your clients are designated with the DEP as an interested entity, that information should already have been provided to you, or will be available shortly on the website provided by DEP. We will address requests for title insurance and asset inventories in the context of good faith diligence and to the extent appropriate to support any negotiation. I do note that the composition of pipe and coating Currently unknown
3. Emergency Action Plan: Bucksport Mill believes that each of your clients was a participant in the EAP process and should already have these. Please advise if the Towns do not already have these in their possession.
- 2, 4-15. Detailed engineering, technical and financial documentation: A fair amount of engineering and inspection information was shared in the Petition. We will consider requests for additional information in the context of diligence authorized by the municipal legislative body.
- 16-17. All permits and enforcement information are a matter of public record.

We look forward to the potential of working with you and your clients to explore best options for the disposition of the Toddy Pond and Alamoosook Lake dams.

Sincerely,



Katherine A. Joyce