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Via Email - kjoyce@bernsteinshur.com

March 28, 2025

Katherine A. Joyce, Esq
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Re: DEP Application #L-31353-36-B-N – Bucksport Mill, LLC Consolidated Petition for Release from Dam Ownership relating to Silver Lake, Alamoosook Lake, and Toddy Pond Dams, 38 M.R.S. §§ 901, et seq.

Dear Attorney Joyce:

On behalf of the Town of Bucksport, this letter is in follow up to the Towns of Orland, Surry, Penobscot, and Blue Hill's March 27, 2025, formal request for information and clarification to Bucksport Mill, LLC ("Buckmill") pursuant to the consultation procedures of Title 38 M.R.S. §§ 901 et seq.

We have reviewed the documents provided by Buckmill on February 21, 2025. Thank you for providing those documents.

The Town of Bucksport would appreciate access to the same documents requested by the other Towns in their letter dated March 27, 2025. We have yet to identify all of the specific documents we will need to request in follow up because the initial February 21, 2025 set of documents provided is incomplete.

Although voluminous, the set of documents shared on February 21 is neither the full set of documents requested, nor is it the full set of document necessary to understand the scope of ownership and cost of maintenance to take over the dams and other properties which Buckmill is petitioning the Maine DEP for permission to abandon. The omission of relevant and material documents is notable. For example, the February 21 cover letter refers to Bucksport Generation's obligation to provide operating personnel to maintain the Fresh Water Supply System or else pay \$50,000 to Buckmill. Presumably, this agreement would be transferred along with the dams and supporting infrastructure and property—which seems to be the point that Buckmill is making. Seeing, analyzing, and understanding the referenced agreement, and with it the cost of operations and maintenance of the Fresh Water Supply Systems, including what Bucksport Generation does,

pays for, and does not do is essential information for the Towns to have access to in considering taking over the dams. But that agreement was not included in the documents shared by Buckmill on February 21, nor has it been made available to the Towns to date. In fact, Buckmill has not shared any requested agreements aside from those recorded in deeds. The Town expects there are numerous such agreements with Bucksport Generation, as illustrated, and other parties such as landowners, all of which will be important for the Towns (and any potential transferees) to review.

The Towns, and any potential transferees, need to have access to all documents and agreements with other parties, including Bucksport Generation and the Maine Water Company and their predecessors, for obvious reasons—any future transferee would likely succeed to some or all of such obligations currently held by Buckmill relating to the dam(s), particularly those obligations referenced in easements or other deeds relating to other entities, waterfront owners, piping, pumps, buildings, and equipment. Therefore, in addition to the documents requested by the other Towns in their letter dated March 27, 2025, the Town of Bucksport restates and requests the following:

1. A full and complete schedule of all assets and agreements that Buckmill has made or has succeeded to in the Silver Lake dam and real estate, Silver Lake itself including riparian and flowed properties, and for the water refill piping from Alamoosook Dam to Silver Lake including real estate and the piping, pumps, intake, and outtake structures.
2. All agreements, deeds, easements, and obligations related to flowed property and ownership of access rights to the Silver Lake dam and piping, including rights of access. We emphasize that we are requesting non-recorded agreements and documents as well as recorded deeds and easements and any other documentation of obligations of the dam owner.
3. Any property or equipment on, at, or used to access or operate Silver Lake's water levels, the Silver Lake dam facility, and the water resupply piping that is not proposed for transfer. In short, are there properties, equipment, or rights relating to the dams, flowed lands, lakes, piping, and pumps that are carved out to be withheld from a transfer?
4. Any related properties and equipment that have already been sold off or transferred separately, will be sold off or transferred separately, or that will be held back from transfer, which have historically been used to operate or maintain the dams and associated water piping. This request relating to properties or equipment transfer related to the Fresh Water Supply System is requesting a schedule and documents for any equipment or property transferred since Bucksport Mill, LLC acquired the Fresh Water Supply System in approximately 2015-2016.

While asked with more specificity, having received the initial set of documents on February 21, please note that these requests reiterate the Town of Bucksport's original request for documents and information. In other words, we have asked for these documents before. The Town appreciates the information provided by Buckmill, but obviously the Town needs all material information relating to the Silver Lake dam and Fresh Water Supply System to seriously consider taking ownership of all or a portion of the system. The Town has passed a resolution, as you know, expressing interest in such negotiations with Buckmill.

Since your cover letter refers to an agreement with Bucksport Generation and refers to equipment information, both of which were not shared in Buckmill's February 21 response to the Town's information request, the Town is left with the impression that documents defining material rights and obligations in the Silver Lake dam and related facilities subject to the petition have only been partially shared. This creates a difficult situation as the Town cannot conduct due diligence if material and important documents are being withheld. The Town must be able to review all relevant and material documents. Based on sharing of these documents, the Town again reiterates its request to negotiate the parameters of a possible transfer with Buckmill and reiterates its request to consult with Buckmill and begin ordinary commercial transfer negotiations.

As in any transfer of such assets, there will be additional questions and document requests. This leads us to ask: what process does Buckmill propose for the Town to obtain these necessary documents which have not yet been shared? Does Buckmill plan a document sharing and question process like any commercial transaction for assets of this magnitude? The Town has also requested a consult with Buckmill and expects direct discussions between Buckmill and the Town to facilitate a transfer.

Therefore, we ask whether Buckmill intends to set up a document question and production process to share material documents not yet produced, and whether Buckmill intends to have discussions with the potential transferees, primarily the Towns of Bucksport, Orland, and Blue Hill, and other towns and entities set up by those Towns, to clarify terms of a transfer, properties and equipment subject to a transfer, and obligations to other parties. The Town of Bucksport is willing to engage in such discussions and has anticipated, and continues to anticipate, a standard commercial due diligence process for assets of this magnitude and discussion of transfer documentation as part of the consultation process.

Thank you again for providing the initial set of documents produced on February 21. We look forward to receiving and the requesting documents and working further with Buckmill to undertake the discussions on transfers envisioned under 38 M.S.A. §§ 901 through 908.

Best regards,



| David Littell, Counsel for Town of Bucksport

cc (via email):

Melanie Lyzim, Commissioner, Maine Department of Environmental Protection
Laura Paye, Maine DEP Hydropower & Dams Program Coordinator
Russell B. Pierce, Jr. Counsel for Towns of Orland, Surry, Penobscot, and Blue Hill
Susan Lessard, Town of Bucksport Town Manager