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VIA EMAIL – Laura.Pave@maine.gov

December 8, 2025

Laura Paye
Hydropower Coordinator
Maine Department of Environmental Protection
17 State House Station
Augusta, Maine 04333

Re: Maine Department of Environmental Protection (the “Department”) Consolidated Petition for Release from Dam Ownership related to Silver Lake, Alamoosook Lake, and Toddy Pond, 38 M.R.S. §§ 901, et. seq. (the “Petition”)

Dear Ms. Paye:

Bucksport Mill, LLC (“Petitioner” or “Bucksport Mill”) hereby responds to the Department’s November 21, 2025 request for information (the “Request”). In the Request, the Department seeks information about the status of negotiations on the transfer of Bucksport Mill’s fresh water supply system, comprised of three impoundments, associated dams, and related infrastructure that primarily served the historic and obsolete Bucksport Mill pulp and paper facility (the “Water Supply System”).¹

Since filing its Consultation Report on October 10, 2025, Bucksport Mill has made continued progress in negotiating a transfer of the Water Supply System, expending significant resources and undertaking good faith efforts to physically prepare the dams for transfer. Not surprisingly, where the towns of Orland, Penobscot, Surry, and Blue Hill (the “Towns”) and the Town of Bucksport (“Bucksport”) have identified Bucksport Generation’s consent as the key gating item, most of Petitioner’s efforts have been directed towards soliciting a clear understanding of the parameters of the contemplated transfers and working with Bucksport Generation to achieve that consent. More specifically, Bucksport Mill has:

¹ The contemplated transfer splits the Water Supply System in three and is in effect three separate transfers: (1) a Lakefront association will take ownership of Toddy Pond, (2) a separate lakefront association will take ownership of Alamoosook Lake, and (3) the Town of Bucksport will take ownership of Silver Lake.

- Participated in a teleconference with counsel and representatives for the Towns to directly solicit the parameters of their interest in taking ownership of the Toddy Pond and Alamoosook Lake Dams.
- Participated in a teleconference with counsel and representatives for Bucksport to directly solicit the parameters of their interest in taking ownership of the Silver Lake Dam.
- Participated in a teleconference with Bucksport Generation and Maine Water Company to understand their requirements for providing consent to transfer and the timing of such consent relative to the transfer negotiation timeline.
- Engaged a third party to conduct independent engineer report (“IE Report”) of the upstream infrastructure; received IE Reports dated November 12, 2025 and shared same with the Towns and Bucksport Generation.
- Worked with Whole Oceans and its counsel to negotiate and execute a release, now finalized and recorded, whereby all outstanding issues as to Whole Oceans’ former interest in the Water Supply System have been fully and formally resolved.
- Participated in multiple teleconferences with Bucksport Generation to discuss maintenance of the Water Supply System and define issues surrounding upkeep that relate to their conditions of consent.
- Engaged a third party to repair the fence at Toddy Pond.
- Engaged a third party to provide cost estimates for repair work on the Filter House.
- Sought and received data about historic water levels to inform discussion related to whether there is a continued need for the pipe connecting the upstream water system to the downstream water system (the “Alamoosook Pipe”).
- Traveled to Maine to meet with Bucksport Generation on December 1, 2025 to advance negotiations in person.
- Engaged a third party to assess the condition of the gravity-fed pipe running from the Filter House to the mill site by scoping a camera through the pipe.
- Initiated work with Haley Ward to evaluate potential maintenance issues as they relate to Bucksport Mill’s obligations to maintain dams in baseline operating condition.

While Bucksport Mill is pleased with the meaningful progress to date, Petitioner recognizes that there is work remaining before final consummation of any transfer. In response to the Department’s Request for concrete next steps and estimated timelines for completion, Bucksport Mill describes several outstanding items that require finalization, Petitioner’s strategy for resolving them, and an estimated timeline for resolution.

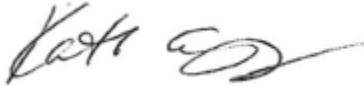
- Addressing the impact of the Whole Oceans release and any future transfer on the existing easement between Bucksport Mill and Bucksport Generation (the “Easement”). This may be accomplished by amendment to the existing Easement or a termination of the existing Easement and execution of new instrument acceptable to all Parties. Resolving this issue will involve discussion and negotiation between the Parties and could take several weeks.
- Addressing the impact of any transfer on the status and future of the existing facilities sharing agreement between Bucksport Mill and Bucksport Generation.
- Addressing the impact, if any, of a transfer on the indentures held by Maine Water Company.
- And, of particular importance, re-engaging with the Towns, Bucksport, and the newly formed water districts to establish the final terms of the transfer, including an agreement

about the status of maintenance obligations, the completion of any agreed-upon pre-transfer maintenance, and the potential decommissioning of the Alamoosook Pipe, among other terms. This process has begun in earnest. The negotiation of final transfer terms, along with the time required to perform agreed-upon pre-transfer repairs, if any, means that final transfer may not occur for at least a few months, even though willing and actively engaged counterparties have been identified.

Bucksport Mill thanks the Department for recognizing the complexity of this negotiation that may ultimately void its request for a de-watering order, as it requires balancing the many interests involved in this proceeding. Petitioner believes that a thoughtful and thorough process is the best way to ensure that all rights and obligations are appropriately satisfied and that the Water Supply System is owned and controlled by those parties that benefit from its existence. In that vein, to the extent that the Department approves a 180-day stay, Bucksport Mill respectfully requests that the 180-day clock begin on the date of such approval.

We look forward to continuing working together with the Towns, the Town of Bucksport, Bucksport Generation, and Maine Water Company toward a transfer that will advance all Parties' interests. Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read "Kath Joy", with a stylized flourish at the end.

Katherine Joyce