

STATE OF MAINE

Cooke Aquaculture USA, INC.

DEPARTMENT OF MARINE RESOURCES

Aquaculture Lease Renewal Application

MACH CW2

Net Pen Culture of Atlantic Salmon,

Machias Bay, Cutler, ME

December 18, 2018

FINDINGS OF FACT, CONCLUSIONS OF LAW, & DECISION

Cooke Aquaculture USA, INC. applied to the Department to renew the aquaculture lease MACH CW2 for a period of twenty years to 2038. The 35-acre lease is issued for net pen culture of Atlantic salmon (*Salmo salar*) located West of the Cutler Peninsula, Machias Bay, Cutler ME, Washington County, Maine, this lease was initially issued on June 11, 2008.

1. PROCEDURE

Notice of the application for lease renewal and the 30-day public comment period and opportunity to request a public hearing was published in the *Machias Valley Observer* on August 8, 2018 and August 22, 2018 and in the September 2018 edition of *Commercial Fisheries News*. Personal notice was given to the municipality and to riparian landowners within 1,000 feet of the lease site. No comments and no requests for a hearing on this application were received by the Department during the comment period.

2. STATUTORY CRITERIA

Applications for aquaculture lease renewals are governed by 12 M.R.S. §6072(12) and by Chapter 2.45 of the Department's rules, which provide that an aquaculture lease shall be renewed if: the lessee has complied with the lease agreement during its term; the Commissioner determines that renewal of the lease is in the best interest of the state; the renewal will not cause the lessee to be a tenant of any kind in leases covering an aggregate of more than 1,000 acres; and the lease is not being held for speculative purposes.

A. Compliance with lease

The review of the records of this lease discloses that all annual reports have been filed, the rent is paid to date, the bond is current, and the site has passed inspection by DMR Marine Patrol. There are no outstanding complaints regarding this lease.

Therefore, I find that the applicant has complied with the lease agreement during its term.

B. Best interest of the State of Maine

In determining whether it is in the best interest of state to renew the lease, the Department takes into consideration, among other things, the potential for conflict with other new or existing uses of the area which the Commissioner determines to be a higher use of the area from the perspective of the public interest. There is no evidence of conflicts with other new or existing uses of the area.

Therefore, I find that it is in the best interests of the State of Maine to renew this lease.

C. Aggregate lease holdings

According to DMR records, the lessee holds the following leases: COB BC (45 acres) COB BP (33 acres) COB CC (15 acres) COB DC (25 acres) COB HP (10 acres) COB JK (22 acres) COB LU2 (32.14 acres) COB MI2 (30 acres) COB PC (26.5 acres) COB RN2 (32.14 acres) COB SB (31.88 acres) COB TE (15 acres) COB TW (15 acres) MACH CI2 (44.7 acres) MACH CIN (35 acres) MACH II (40 acres) MACH LI (20 acres) MACH ST (10 acres) SWAN BI (15 acres) SWAN BIS (38.5 acres) SWAN HS (18.83 acres) EASTW CALF (28 acres) EASTW SCN (10 acres) EASTW SI (10 acres), and MACH CW2 (35 acres). The total acreage of these leases is 637.69.

Therefore, I find that the renewal of this lease will not cause the lessee to lease more than 1,000 acres.

D. Speculative purposes

Rule 2.45(3)(B) provides that in determining whether a renewal is being conducted for speculative purposes, the Department must consider "whether the current lessee has conducted substantially no research or aquaculture in the lease areas during the previous lease term." Based on annual reports filed with DMR by the lessee and by the statement of the lessee on the renewal application that aquaculture has been conducted on this lease site.

Therefore, I find that the lease is not being held for speculative purposes.

3. LEASE CONDITIONS

1. The lease site must be marked in accordance with both U.S. Coast Guard requirements and DMR Rule 2.80.
2. The lessee is not to use the adjacent U.S. Navy shoreline, except if necessary in an emergency or to clean up errant gear or debris, as required by DMR Rule 2.75.

3. Lobstering will be allowed on the lease site, outside of the mooring grid itself. Dragging is prohibited within 300 feet of suspended aquaculture gear, pursuant to 12 MRSA §6957.

4. Other public uses that are not inconsistent with the purposes of the lease are permitted within the lease boundaries.

4. DECISION

The Commissioner of Marine Resources grants the application of Cooke Aquaculture USA, INC. to renew aquaculture lease MACH CW2 for a period of twenty years, to June 11, 2038. The renewed lease is subject to the same terms, conditions, and obligations as set forth in the original lease, except as modified by this decision.

5. REVOCATION OF LEASE

The Commissioner may commence revocation procedures upon determining pursuant to 12 M.R.S. §6072 (11) and DMR Rule Chapter 2.42 that no substantial aquaculture has been conducted within the preceding year, that the lease activities are substantially injurious to marine organisms, or that any of the conditions of the lease or any applicable laws or regulations have been violated.

6. DATE AND SIGNATURE

Dated: 12/18/18 
Patrick C. Keliher, Commissioner,
Department of Marine Resources