

KENNEBUNK LIGHT & POWER DISTRICT
COUNTY OF YORK
STATE OF MAINE

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TRANSCRIPT OF RECORDED PROCEEDINGS
OF THE
BOARD OF TRUSTEES MEETING

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KENNEBUNK TOWN HALL
ONE SUMMER STREET
ROOM 300/301
KENNEBUNK, MAINE 04043

- - -

TUESDAY, MARCH 29, 2016
6:03 p.m.

BOARD MEMBERS:

PRESIDENT: JONATHAN KILBOURN - (PRESENT)

VICE-PRESIDENT: WAYNE E. BERRY - (PRESENT)

GENERAL MANAGER/TREASURER: TODD SHEA - (PRESENT)

CLERK: MICHAEL JORDAN - (PRESENT)

TRUSTEE: DAVID CLUFF - (PRESENT)

TRUSTEE: ROBERT EMMONS - (PRESENT)

ALSO PRESENT:

John Edgerton, Wright-Pierce Engineering

Kathleen A. De Marre, Transcriptionist

A P P E A R A N C E S:

David Markley, Kennebunk, Maine

Albert Kolff, Kennebunk, Maine

Mark Ostrander, Kennebunk, Maine

Deb Robinson, Kennebunk, Maine

William Kahn, Kennebunk, Maine³

John Polletto, Kennebunk, Maine

Chris Humphrey, Kennebunk, Maine

Patricia Hughes, Kennebunk, Maine

Bill Grabin, Kennebunk, Maine

Jacob Aman, Wells, Maine

Ward Hansen, Kennebunk

Donna Teague, Kennebunk, Maine

Jean Hansen, Kennebunk, Maine

Peter Ashley, Ogonquit, Maine

Myra Sparkowich, Kennebunk, Maine

Barry Tibbetts, Town Manager, Town of Kennebunk

TRANSCRIPT OF PROCEEDINGS

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(Whereupon, President Kilbourn called the meeting to order at 6:03 p.m.)

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OPEN SESSION

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PRESIDENT KILBOURN: This is a regular meeting of the Kennebunk Light & Power District. This is a business meeting to focus principally on the fate of our hydropower facilities.

Our agenda will include the following:

We'll quickly go through the agenda, as I am now. We will review our meeting process and the process towards -- the future process towards arriving at some decisions about our hydropower facilities; I will do that. Todd will give everyone here, especially those who may be new to the process, a little bit of background on the District and the hydropower plants. It shouldn't take much time, but we want everyone to be on the same page.

And then, our first major item will be to review, as a board, the -- the report that we've recently received, the final draft, hopefully, although, I'm sure there will be some corrections tonight, and get a little bit more detail after a high level overview from our representative from Wright-Pierce of the Chapter 6 cost comparison section, because there were some changes made recently to that.

Then, once we've completed that, we will be turning to a deliberation amongst the Board about the dams themselves and our views on those and their fate, and then we'll turn to our next meeting and the rest of the process.

So, on the process, let me just say a few things:

There is the one item that we'd like to consider tonight in two parts. We have had several large public meetings in the past about this, public and hearing type of meetings; July 13th -- July of 2013, March of 2015, November of 2015. Tonight, however, is not a public hearing. This is an opportunity for we board members to have some conversations in the public eye about our views and about this report.

There will be the customary 15-minute comment period in our regular meetings at the end of our discussions.

We are really, actually, quite eager to hear one another's views, because although you may not realize it, we do operate under sunshine rules in government and so we haven't actually had any deliberations about this process as a board. We have focused on the questions that we need to have answered and the importance of gathering the information.

We don't anticipate making any final decisions or, for that matter, any decisions about the future of the dams tonight. The Board could surprise me, but I don't think so. This is our first opportunity to really discuss this.

Let me just remind you of one thing, and then we'll move into the substance of tonight: I think we all know, at this point, that this is a -- welcome.

(Whereupon, Vice-President Berry entered the meeting at 6:09 p.m.)

PRESIDENT KILBOURN: -- that this is a pretty emotional and complex topic that we're dealing with. Some folks have been thinking about this and talking about this for, literally, years. And some of our residents are probably relatively new to the process. There's a lot of strongly held views, hopes, fears, feelings, and there are facts circulating around town and there's also rumors circulating around town.

One of our goals is to try and base our conversations and decisions on facts and science, so we're going to continue to try and move in that direction. One is for certain, no matter when we come to a decision as a board, there's plenty of people who won't be happy with it and, maybe, everyone won't be happy with it, but there may be some people who are. But we do have a small community, you know, we celebrate together, we mourn together, we have to work on many issues in good faith, so I just ask everyone to do their best to listen, to help us to do our business well. I think that will benefit you.

And when we do get -- please don't interrupt our discussion process, but when we do get to the public comment section, there will be an opportunity, certainly, to speak, and it won't be the last opportunity for us to hear from you, believe me. So you don't have to feel like, if you don't get your two cents worth in today because of time, that you never will. We do read all the written comments that we get and there are -- that's a great way to get a lot more information to us and on the record. We do post, on the website, all the comments that we get, so everybody knows what everyone else is saying about this.

Again, I thank you for coming. Please help us to have a successful meeting. I'm going to turn to Todd Shea, our General Manager, at this point, to provide a little bit of background on the District and hydropower in general. I know the Board is aware of this, but for the benefit of everyone here.

GENERAL MANAGER SHEA: Thank you, Jay. Can -- can everybody hear me out there?

PUBLIC: No.

GENERAL MANAGER SHEA: And I'm on. All right. So I'm going to talk into the microphone and talk really loud, as well. Sorry for the people who are in front. Now can everybody hear me? Chris, can you hear me back there?

UNIDENTIFIED SPEAKER: I can't hear you.

GENERAL MANAGER SHEA: Thank you.

So, this is a little background on KLPD in this process. This Board is elected by the voters of the town of Kennebunk to represent the interests of the ratepayers. Kennebunk Light & Power is a quasi municipal business enterprise that is responsible to operate in the interest of you, the ratepayers. We were separated from the Town in 1951 to operate independently as chartered by the legislature. We operate, maintain, and improve the electric power utility for the town of Kennebunk, portions -- portions of the town of Kennebunk, portions of Arundel, Wells, and Lyman. We're regulated by the

Federal Energy Regulatory Commission, the Public Utilities Commission, and overseen by the Maine Public Advocate.

The mission of Kennebunk Light & Power is to provide the most reliable service at the lowest possible cost while recognizing the importance of the safety of its employees and its customers.

My microphone is working now. Can you hear me, Chris?

UNIDENTIFIED SPEAKER: Yes.

GENERAL MANAGER SHEA: We sell about 100 million kilowatt hours a year and we have approximately 6500 meters in our district. We have an operating budget of just over two million dollars. We have independent bonding authority of six million dollars approved by the voters of Kennebunk, with three million dollars of remaining bonding capacity. The District is chartered to find the territorial limits of the District to include most of Kennebunk, and parts of the towns of Lyman, Wells, and Arundel.

The current sources of power: We purchase on the market from NextEra Energy 97.5 percent of the power that we sell to our customers. Our customers generate about one percent of the use in our district on rooftop solar, and we have three hydro dams that generate about 1.5 percent of the electricity that we sell to our customers. We've also received a proposal to generate three to five percent of our power from a locally constructed solar power station.

Our current FERC license to operate the dams expires in March of 2022. We must provide a proposed plan for the dams to FERC by March of 2017. To address our upcoming license expiration, the District has conducted several years of research on matters related to the future fate of our three hydroelectric dams. This has included river history, legal opinions, and cost benefit analyses. We have looked at the ecological and community impacts. The work has culminated in the Wright-Pierce report posted last week to our website and under discussion tonight.

We have Wright-Pierce, an engineering and financial -- let me start over.

We have excellent engineering and financial analysis from the Wright-Pierce engineers. They are experienced and qualified to assist us and they have provided reliable services to municipal entities in Maine for many years. All of the essential costs and benefits to the District are well covered and include explicit assumptions and risk factors. The principle environmental costs and benefits are also addressed. Broader esthetic, social, and economics are also addressed.

I'd like to introduce Wright-Pierce to summarize at a high level the scope of the report, the four options considered, and to explain Section 6.4, the cost comparisons, and highlight the changes made since the last iteration of our draft.

And, at that, I'll turn it over to John Edgerton, principle, Wright-Pierce Engineering.

MR. EDGERTON: Thank you, Todd. Is that working now? Can you hear me in the back?

(No verbal response.)

MR. EDGERTON: I see a few nods.

So just a little bit of history on the report here. As Todd mentioned, an initial draft to the report was issued in early October of 2015. Many of you were at a public meeting that was held in, I think, the middle of November of '15. Comments were accepted by the District into January of '16, and on the basis of that feedback, the draft -- on the draft report comments to the -- that were given to the Trustees, the staff, federal agencies, and the public, we've made a number of refinements to the earlier draft culminating in the version that was posted to the website last week.

To quickly go over what those refinements were, in general we provided -- it was providing additional background information relative to the three facilities. One of the things that we noticed in looking at the report, that came out in a lot of the questions, was that we hadn't really provided as much background as we could, so we've enhanced that part of the updated report.

We've revisited the potential for increased generation of electricity at the dams and that includes going back and looking at what are called flow duration curves to see how much water is being used by the hydro generating facilities at different times, how much of the time is more water flowing over the dams than is used by the -- can be used by the generating equipment, and how much potential there is. Also, considered with that, is the fact that if the facilities are re-licensed there's a strong likelihood that fish passage provisions would be included at the three facilities and that some of the flows that are currently diverted through the turbines would need to be diverted to the fish passage in order ensure that that continues effectively.

We've revisited the potential for shoreline erosion. That was a question that was raised both during the public forum and after the public forum. We have not conducted detailed geotechnical analysis, but we have taken a look at the gradients, we've taken a look at the velocities. We've coupled those with our observations of the slopes and the cross-section information from our surveys, and, at this point, we have not -- we have determined that we -- that we will not carry large allowances for that because we don't see a strong potential for significant erosion throughout the watershed.

We have conducted some additional screening analysis of some of the sediments. As folks will recall, in the financial model, we have included some allowances for the removal and disposal of contaminated sediments in the event that the dams were decommissioned and removed. We did some screening level and analysis at the Kessler location and based on the data we found, we feel that the numbers that were included in the original analysis are appropriate.

We have added an appendix to the report to include a number of pieces of correspondence that were received by the KLPD following the issuance of the draft report and some other information has been provided as part of that appendix.

Much of the effort that we've worked on since the issuance of the report and the receipt of the comments has really been based on refining the financial assessment and one of the things we've tried to do is to put the costs, the resulting costs, into a more useful context. It's important to understand that the intent of the study is to provide a basis for comparing the four different alternatives, scenarios, on a common basis to the

extent feasible. Because of the nature of what we're looking at, we understand that there is going to be a certain amount of uncertainty relative to the costs that we see, relative to timeframes, and relative to some of the impacts. What we have tried to do is maintain a consistent level of conservatism when we looked at all the different alternatives to ensure, again, that we have a common basis.

We understand that a great -- a great portion of what was done was based on assumptions. We understand that, depending on where you sit and where you look at things, you may not agree with all of our assumptions, but we're confident that the analysis that we've provided does, in fact, work on a common basis. And we could -- we could spend a lot of time going back and debating about the assumptions, but we're comfortable that, again, that they represent a reasonable look at a common basis for the different alternatives.

Among the different things that we have looked at, in terms of updating the financial model, and most of this is included in Chapter 6 of the revised report, we have reviewed the cost components in the spreadsheets to see whether or not those ought to be updated. For example, the sediment, some of the capital costs, some of the operating costs. And, again, we have made a few minor adjustments, but generally, we have kept those numbers as they were.

We have adjusted energy costs, both the costs of the energy, and then, some of the regional and local network service costs that are paid by the District when energy is purchased from off the grid, and I think our new numbers are a better number than what we had in there before.

We have attempted to incorporate inflation into the financial spreadsheets, and we've looked at several scenarios. We've looked at inflation and KLPD's capital and operating costs, we've looked at inflation and the avoided costs associated with purchasing electricity, and we've looked at two scenarios for the long-term escalation of energy rates; that's included in Section 6.2 of the report.

We've conducted an assessment into the order of magnitude fiscal impact on an average residential ratepayer associated with a couple of the different scenarios that's based on a scenario where the District would borrow money necessary to cover the costs associated with re-licensure or decommissioning and pay for that over a 20 year period. Again, based on discussions with the Trustees, we wanted to be able to put it into a context so that a ratepayer could understand what does this mean for me; that's included in Section 6.3 of the report.

We have calculated projected costs to produce electricity into the future based on cost for continued operation and kilowatt hours generated. That's contained in Section 6.4, and just for comparison purposes, that's included with projected costs for purchased electricity and for solar generation.

I would say, that's -- that's my 50,000 foot overview of the adjustments that we've made, but I'm happy to get into more detail if you would like.

PRESIDENT KILBOURN: Thank you, John.

I think it might be useful if you took just a couple more minutes and overview the scope of the report; just outline any options that you reviewed. You've done this for us in

the past, but we do have a new group here. If you wouldn't mind doing that, not at a great deal of depth, but just to put the -- the context to the remainder of the meeting.

MR. EDGERTON: Certainly.

So, the report, again some of you have reviewed it on the website, it turns out to be a fairly substantial document. The first chapter includes a summary of the four different alternatives, and those four alternatives were selected after some fairly lengthy discussion to try and bracket the range of, not necessarily cover every potential scenario that might occur, but to bracket the range of those that were either likely or possible, so that there would be a basis. And, I think, we all understand, again, going back to the issue of assumptions, that with any of these scenarios you could add a few twists and variations, but -- and again, those can be looked at in more detail. There has been one refinement of each of those as we have worked through the process.

So, the first alternative was to seek license to continue operations. Basically, to re-license the facilities. And, again, that license would need to be in place by March of 2022 for that to happen.

The second alternative was to seek a license exemption to continue operation. And, again, if you look, not to rehash what is in the report, there are some challenges associated with that approach.

Alternative 3 was to seek FERC non-jurisdiction for the Kesslen site. Based on some historical assessment and legal opinions, I think it was determined that neither Twine Mill nor Dane Perkins would be potentially eligible for the non-jurisdiction based on the timeframe in which rehabilitative or construction work could have been done at those sites.

Alternative 4 would be to cease operation and surrender the FERC license for all three of the sites.

Sections 2, 3, 4 and 5 get into greater detail, both in terms of articulating what would be involved with each of those alternatives, talking about the pros and cons from a procedural or administrative perspective, and including a discussion regarding primarily the ecological and social impacts, impacts on the community that would come with each one of those.

Chapter 6, again, is where the -- the meat of the discussion about the financial aspects is put with all -- with the discussion of the finances all in one chapter.

In the appendices there are a number of different components that may be of interest to those who want to drill further down into issues associated with FERC licensing or license exemption filings. There is some discussion about the assessment into the potential for creating additional generation capacity at the facilities. And, again, probably the piece that is of most interest is the cost analysis, which really consists of a series of spreadsheets that were put together to try to, again, look at the financial implications associated with each of the four alternatives on a common basis. And after some discussion, what we agreed on, again, when you're looking -- when you're looking at either a re-licensing scenario, or really any of the first three scenarios, is that you would be, in all probability, looking at 30 to 50 years of operations, so we picked a 40-year operation before -- period before re-licensing would be required again.

And so, if you look at those spreadsheets, what you will see is they run out for 40 years after the 2022 re-licensing deadline. And, again, we've tried to work in what we think are reasonable and uniformly conservative assumptions, in terms of both capital and operating costs, and then recognizing that some of those costs offer the benefit of continued electrical generation and some don't. We've included what we have called an avoided cost associated with not having to purchase corresponding electric energy off the grid over -- over the various timeframes. So, it's presumed, in the case of Option 4, or dam decommissioning, that they would continue to generate electricity through 2022 and that, under those scenarios where there is continued generation as a result of re-licensing, then that generation would get carried out for the full duration of, say, a 40 year FERC license.

PRESIDENT KILBOURN: Thank you, John. I think that is very helpful.

If I could break from the agenda for just a moment, we have -- if you wouldn't mind, if you have an empty seat next to you, just pop your hand up so others who are standing can...

(Audience complied.)

PRESIDENT KILBOURN: All right. And we have three seats in the front row, so if you're outside the door or inside the room and you would rather sit, we have got at least four or five seats here.

All right. So, the next -- the next item on our agenda tonight is to allow for some Board discussion with John and amongst ourselves about the report itself. Specifically focused on questions, comments, or concerns about the report itself.

I think, as you may remember, we haven't actually formally accepted this as a final report and I know that a couple of you mentioned to me before the meeting that there are items that you would like to raise with John for the -- for the record, before we finalize it. So, we will take as long as we need on that and we will extend the meeting to the extent we need to do it, so just beware of that. If there are small points that you would just like to relay to John for the final draft, we don't need to go over those items necessarily.

So, let me know if you would like to be recognized. We've got high tech tonight.

Wayne?

VICE-PRESIDENT BERRY: Good evening. One question, John, on Appendices C, C-1, you talked a little bit about unit replacement, enhancement. When you talk about the overall efficiencies of the current generating generators and turbines that we have now, could you clarify a little bit for me on how you reached the overall efficiency? Because it was a bit unclear to me as to whether you were -- whether you were actually measuring the efficiency of the output of the unit based on the unit itself or you were including the flow rates as well, and -- go ahead.

MR. EDGERTON: Yeah. That was -- that was based on including consideration of the flow data as well.

VICE-PRESIDENT BERRY: And that flow data was based on a ten-year average that you took from historical data that we had at the District? Because I recall reading --

GENERAL MANAGER SHEA: Yes.

MR. EDGERTON: I believe it was, yeah.

VICE-PRESIDENT BERRY: Yeah. So what was the -- let's forget about the electrical generation and efficiency, what was the flow rate efficiency over that time relative to -- because that time period included two flood events, correct?

GENERAL MANAGER SHEA: Yes.

VICE-PRESIDENT BERRY: Did you level out those peak events? Did you take the Bell Curve and throw out the highs and lows or did you -- was it strictly an arithmetic mean that --

MR. EDGERTON: I think it just -- it included all of the flow data. I would have to --

VICE-PRESIDENT BERRY: Okay.

MR. EDGERTON: -- I would have to check our files on that. I can't answer that off the top of my head, but I'm pretty sure we used all of the flow data on that. But the relatively short durations of those flow events tends to -- tends to not make a big impact.

VICE-PRESIDENT BERRY: Well, it would peak because we only had -- we only had two years where you had those, I think you called them attenuations of flow.

So, to go back to the efficiency issue, it's a two -- it's a two part number that you come up with. One is how much water is going through the turbines, and the second one is how well those turbines and generators are producing electricity. How do we, as a board, come to a decision of separating whether it's the fault of the water or the fault of the machinery on having such low efficiency?

I mean, I'm just talking about --

MR. EDGERTON: I think --

VICE-PRESIDENT BERRY: -- two units --

MR. EDGERTON: I think -- yeah. I think it's primarily the -- primarily the equipment is old and inefficient in most cases. If you look -- if you look at the flow duration curve, what you will find is that for the vast majority of the time, your flow rate is less than the ultimate capacity of your turbines.

VICE-PRESIDENT BERRY: And if fish ladders are incorporated into that capacity, we've dropped further down the curve?

MR. EDGERTON: It's reasonable to expect that you would -- at any time now, when the dams are spilling and you're generating, then there is surplus water, but for the

majority of the time, you're not spilling over the -- if you took total numbers of hours in a year for the majority of that time, you're not spilling, and, hence, if water is diverted from the turbine to keep a fishway operational, then there would be an adverse impact on the generation that you would be seeing as a result of that, because there would be less water going through the turbines.

VICE-PRESIDENT BERRY: Historically, is that period of time during the year when we would need the fish ladders the same period when we would be getting peak flow from spring runoff?

MR. EDGERTON: It would vary. I mean, if you -- if you look at -- I mean, your fishways are going to have to run for a good part of the year. If you look at, for example, alewives are a species -- or river herring, a lot of times they are coming up in the spring with the -- so they may be showing up as early as April through May, so they may see a lot of the, you know, the second half of your spring runoff. You tend to have elevated flows during that period.

And then, you're going to need to have a mechanism for safe downstream passage of the juveniles later in the summer, which could be -- it could be August. It could be periods of the year when you're definitely -- all the time you are running -- you know, the vast majority of the time, you're going to be having flows that are less than the capacity of your turbines. You are going to be taking August flows, September flows, and running down those -- running those down the fishway in order to maintain effectiveness, so you will be losing generation capacity during those periods of the year.

VICE-PRESIDENT BERRY: Asking Todd -- you've seen the data, too, historically, in August and September, we don't get a lot of flow anyway?

GENERAL MANAGER SHEA: Correct.

VICE-PRESIDENT BERRY: So you're basically saying, it would -- it would reduce our -- fish ladders would -- could potentially reduce our flow to the turbines to zero?

MR. EDGERTON: I don't know if it would be to zero, but it -- you would -- you would --

VICE-PRESIDENT BERRY: Using the water to get the fish downstream, you can't use that same water to generate electricity, correct?

MR. EDGERTON: You would -- right. And every year has different hydrologic characteristics. Some Augusts you have better flows than others, so -- but so long as, in any situation where the dams are not spilling, which is a good chunk of the year, if you are running a fishway at any of those times, you are going to be taking water away from the turbines.

VICE-PRESIDENT BERRY: So, jumping back to Alternative Number 2, the license exemption, increasing the efficiency of the existing turbines does not qualify as an increase in generating capacity under the terms of our FERC licence or Federal Power Act; is that correct?

MR. EDGERTON: I believe that was the legal interpretation that was provided.

VICE-PRESIDENT BERRY: Okay. Did you guys come up with something different? When you say that was a legal interpretation --

MR. EDGERTON: Yeah, I'm saying that that was -- that was the interpretation.

VICE-PRESIDENT BERRY: Okay. You can go down.

TRUSTEE CLUFF: I had a question on that same section. So, in the report here, you are saying that based on your review of 2009 production, but, yet, you just talked about the rate over ten years. So, was this just looked at on 2009 or was it looked at over that ten-year, and, if so --

PRESIDENT KILBOURN: Could you reference the page, please?

TRUSTEE CLUFF: C-1.

MR. EDGERTON: C-1.

TRUSTEE CLUFF: Same page that Wayne was on.

PRESIDENT KILBOURN: Okay.

MR. EDGERTON: Yeah, I don't have that answer off of the top of my head, Duffy. I apologize for that.

TRUSTEE CLUFF: Okay. Because in here you say 2009 production, and you are saying that the capacity at the time was approximately 20 to 25 percent.

VICE-PRESIDENT BERRY: That was Kesslen.

MR. EDGERTON: For Kesslen.

TRUSTEE CLUFF: For Kesslen, for the Kesslen Dam. Now, that's prior to when we had all the work done, the draft tube was repaired --

MR. EDGERTON: At Kesslen.

TRUSTEE CLUFF: -- and other work --

MR. EDGERTON: Yup.

TRUSTEE CLUFF: -- was done. This is the number that was done prior to that, so this number --

MR. EDGERTON: Kesslen should be higher than what was represented in 2009.

TRUSTEE CLUFF: All right.

MR. EDGERTON: Because of the draft tube.

PRESIDENT KILBOURN: Duffy, do you have more? Do you have more, Duffy?

TRUSTEE CLUFF: Well, I think, you know, when it comes to the actual hydro's themselves, the last paragraph in here on Page C-2, the Unit Refurbishment Assessment, it hasn't been, really, completed. It is referenced in here that it has been looked at. There has been some positions that have been taken by you, but, yet, we haven't had somebody actually come in and assess these and look at them?

MR. EDGERTON: Yeah, we had -- we had talked in November or December about conducting a more detailed assessment into the -- the rehabilitation side of the units, and I think we decided, at that point, not to expend additional resources on it, but we could certainly undertake that at any time.

TRUSTEE CLUFF: The Board decided that or you and Todd decided that?

GENERAL MANAGER SHEA: No. That was a -- that was a Board discussion. It may have been earlier than December, actually.

MR. EDGERTON: November.

GENERAL MANAGER SHEA: Yeah, it could have been September or October, but that was a discussion that was had and we were look -- in the discussion it was about the preliminary numbers and where we wanted to kind of focus the attention. I believe it was when the -- there were a few options that were eliminated from this report. One being purchase of the facilities by another outfit, and, at that point, the discussion was as to not -- was had to not expend any future -- further funding at that point to do that -- those assessments.

VICE-PRESIDENT BERRY: Can I do a quick followup?

TRUSTEE CLUFF: Yes.

VICE-PRESIDENT BERRY: A quick followup to that. Based on historical experience that you've had, if the turbines that we have, and the age of the turbines, not counting the best one, it's not new, but what would be a likely percentage of improvement if they were refurbished? Do you guys -- do you have any background on that and can you say --

MR. EDGERTON: Well, some of that is going to depend on -- on the flow, because -- because so much of the year we are not spilling as -- I mean, we're not -- we don't have the flows to take full advantage of the capacity of them, we are not going to be able to get the efficiency as high as we would -- the theoretical efficiency associated with the turbine, because you won't have flows through much of the year. We can go back and look at that, but also, bear in mind, if we do an upgrade, and we can look at this, but if we do an upgrade to enhance the efficiency of the turbines, we will see more generation and so, if you went back to the cost spreadsheets, we would see a greater avoided cost, which would be kind of like a greater revenue associated with that. But, we would also have to add the capital costs associated with those upgrades into the -- into the top side of the -- of the -- so you would have a cost and you would have a revenue, and my recollection was that when the discussion was held earlier, part of the rationale for not going there is because of the limitations on the flows, because we don't really have enough flow to take advantage of a lot more capacity.

And, I think, you know, some other people have taken a look at that. We can go back and look at that again and say -- you know, come up with some projections, in terms of what the efficiency -- what the increase in efficiency would be, what the additional generation would be associated with the enhanced efficiency, and then what the costs would be, and see if that changes what the financial model looks like. That is, certainly, something we could do.

VICE-PRESIDENT BERRY: So, under C-1 and C-2, you talked about a replacement cost for the two oldest generators --

MR. EDGERTON: Um-hmm.

VICE-PRESIDENT BERRY: -- but we didn't really talk about -- you never got to the point of the discussion of talking about the refurbishment costs. So, I guess, going back to my original question, what -- what, in your experience, would be -- would we see if we did an actual repair and refurbishment of -- instead of a replacement? I mean, you talked about -- for replacement, you talked about a minimal increase in efficiency, as you said, probably because of the flow rates, and a fairly high expenditure for replacement. I'm guessing it's going to cost less to repair and refurbish them, and, as I say, it's guessing, because...

MR. EDGERTON: Yeah, and again, going back to the earlier discussion, we had -- I think it was about the same time we initiated the screening assessment of the sediments, Bill Kluse (ph) had done a lot of work on your facilities, at one point, and we had gotten a quote from him to go back and do an assessment. Does that ring any bells?

VICE-PRESIDENT BERRY: Yeah, kind of.

MR. EDGERTON: I can dust that off again, certainly.

TRUSTEE CLUFF: On the Twine Mill here, you are referencing Kesslen and at Dane Perkins, that there was an estimated cost, which was about the same as -- are you -- there is no cost with Twine Mill, so are we to assume that, because it's the same for one and three, is it the same for two or --

MR. EDGERTON: I would --

TRUSTEE CLUFF: You're saying 400 or 500 for Kesslen --

MR. EDGERTON: It would be the same order of magnitude. It wouldn't -- it wouldn't be exactly the same. Twine Mill --

TRUSTEE CLUFF: You don't have a cost associated with Twine Mill for replacement?

MR. EDGERTON: Yeah, I'm just -- I'm just noticing that.

GENERAL MANAGER SHEA: Because the report --

VICE-PRESIDENT BERRY: (INAUDIBLE) -- replace it.

GENERAL MANAGER SHEA: Yeah, the report said that they wouldn't recommend replacing it, because it's fairly recent equipment. It's the most efficient that we have in -- out of the three operations, and so, they didn't incorporate a cost because it wasn't recommended to replace that because of the performance of that unit.

The big drawback to that unit is that it will run -- it will run that impoundment dry before you could say boo. That thing, you know, it can generate some serious power, but there is not a lot of flow there for that, so when -- when they keep running that, it is definitely an on and off -- it's a cycled method, because that -- that impoundment has to recharge before they can kick it in and run it again. So, there was no recommendation to replace it because of the condition of the facility.

TRUSTEE CLUFF: Okay. And to followup on that, then. If you took Dane Perkins out, would that increase the flow of Twine Mill, because you just said that was the workhorse, so that we could get more generation out of that?

MR. EDGERTON: Well, you are a run-of-river facility, so you have the same number cubic feet per second, in essence, showing up at each of the locations. The only thing that really differs is the amount of head that you have. The same amount of water is available at each --

VICE-PRESIDENT BERRY: (INAUDIBLE).

TRUSTEE CLUFF: If you took one dam out, would it increase the...

PRESIDENT KILBOURN: Other comments? Other comments?

GENERAL MANAGER SHEA: Duffy is still looking.

TRUSTEE CLUFF: John or Todd, on Page 1-4, about halfway down in the bullets, KLPD must demonstrate that we have land rights in order to seek Alternative Number 2, and then it references here, it says we started this but we have not completed that. Where are we with that process?

GENERAL MANAGER SHEA: We haven't completed the assessment. The next stage would be to get an attorney to verify all of those land rights. So, that's something that would have to be completed if the Board decides that that is an option that they're deciding -- that they are going to undergo. If we were sent in that direction, we've done the preliminary work. We know where the properties are. They, to our knowledge, have never been surveyed, so we don't know the exact location of the metes and bounds, and of the corners, but we do have the general descriptions of the property, tax records, deeds, in the safe deposit box, but we would have to go through and verify through legal means to ensure that we have all the appropriate rights to be able to seek out the exemption.

TRUSTEE CLUFF: Okay.

VICE-PRESIDENT BERRY: So, some meetings ago, four or six meetings ago, we talked about the landowners along the river helping us out by submitting their copies of their deeds, so that they -- we could correlate them with our deed research.

PRESIDENT KILBOURN: Um-hmm. Yes, we did.

VICE-PRESIDENT BERRY: And, to date, I know of only one of those landowners along the river who has submitted the deed to us, so it would be great -- it would be great if the rest of you who have them could do that, because it would save us a lot of time and the ratepayers a lot of money in titling searching those properties. That's my two cents worth.

Another one?

TRUSTEE CLUFF: Go ahead.

VICE-PRESIDENT BERRY: I don't. Go ahead.

PRESIDENT KILBOURN: Go ahead, Duffy.

TRUSTEE CLUFF: I've got to find them. I've got to look through...

CLERK JORDAN: Can I pop in? I have something that's related to that.

TRUSTEE CLUFF: Yes, sure. Go ahead, please.

CLERK JORDAN: Am I on?

PRESIDENT KILBOURN: If the light is on.

GENERAL MANAGER SHEA: I think you are.

CLERK JORDAN: So are you comfortable that -- I mean, basically, we have to own all the land around the dams, okay, and in your preliminary things we think we own all the land so this could be considered an alternative?

GENERAL MANAGER SHEA: We're comfortable that we own the facilities themselves, the structures, access to and from the structures. It's beyond that, that we would need to do more homework to see that we have all of the rights that are required by FERC to be able to proceed with that process.

CLERK JORDAN: So that involves like a title attorney to --

GENERAL MANAGER SHEA: Title attorney, deed searches.

CLERK JORDAN: Okay. Thank you.

PRESIDENT KILBOURN: Just a comment here. Is -- we want to be clear when we finish this part of the discussion. If there's anything that we all agree that we want to ask Wright-Pierce to pursue for us, so anything that you have brought up so far, let's just keep that in mind, so we circle back and make a decision.

VICE-PRESIDENT BERRY: If there's no further discussion on the first topic we talked about, which is the further assessment of repair and refurbishment, I'll make a motion that we authorize the General Manager to take from capital funds, as part of the re-licensing process, whatever he needs to further that study of repair and refurbishment, and if we want to set a dollar amount on that, I think we should wait until he comes back with some reports from whoever he talks to.

TRUSTEE CLUFF: Second.

PRESIDENT KILBOURN: Is there any discussion on that?

GENERAL MANAGER SHEA: May I, Jay?

PRESIDENT KILBOURN: Yes. I got it.

GENERAL MANAGER SHEA: I know I'm not allowed in discussion, but you want refurbishment on Dane Perkins and Kesslen?

VICE-PRESIDENT BERRY: Yes.

GENERAL MANAGER SHEA: Okay.

PRESIDENT KILBOURN: Okay. I see no further discussion.

All those in favor?

(Whereupon, all Board members motioned in the affirmative.)

PRESIDENT KILBOURN: It's unanimous.

(Motion carries.)

Okay. We can move along. If there are other items about the report, questions or comments from any of the Board members.

VICE-PRESIDENT BERRY: I'll make another motion that the Board authorize the General Manager to begin a full title search, without necessarily land surveys, but a legal title search of not only the properties that the District may own or may have rights along the river, but to any other properties along the river that may be affected by laws that are set up by the Federal Power Act or FERC.

TRUSTEE CLUFF: Second.

PRESIDENT KILBOURN: Discussion?

(No verbal response.)

PRESIDENT KILBOURN: I'd like to ask, what do you feel is the justification for spending that additional funds; where are you trying to take this?

VICE-PRESIDENT BERRY: I think that there are questions that need to be answered that I don't think we can answer. Alternative Number 2 really can't be answered until we know whether we have legal right to the properties. I would say that you can't vote for it or against it until you have that one answer. I mean, there may be other answers. I mean, the additional capacity is another issue, whether it's feasible or not economically. But, certainly, the legal question comes up, if we don't have legal right -- all the legal rights that we need, that one is gone.

PRESIDENT KILBOURN: So, my thinking there is, we're -- if we pass this, we pass the prior motion, we're authorizing, at this point, an unknown amount of money and additional work. I would be more comfortable in getting some estimates and then deciding whether we want to do it, 'cause there is at least two factors that we have to answer to determine whether the second option makes -- makes sense and, I guess, I'm skeptical as to whether we will clear those hurdles. I hate to spend money, at least to spend money on every question we have on that. Maybe we could prioritize a critical path or, perhaps, get a cost assessment before we jump in. I think we've been pretty good so far in trying to determine what expenses we really need to do to get to the order of magnitude to have a discussion. For what it's worth.

VICE-PRESIDENT BERRY: Dan, how much does it cost to title search 196 properties?

GENERAL MANAGER SHEA: Not putting you on the spot, Dan.

UNIDENTIFIED SPEAKER: How many law firms do you need to do it?

VICE-PRESIDENT BERRY: If we're going to put a dollar amount on it, Jay, then why do it at all? It either gets done, and we have the answer, or we don't spend enough money and it doesn't get done, and we still don't have an answer, you know?

So from my point of view, if we're going to do a title search, that's really where I'm going with this thing, I don't know how much it's going to cost, but to define the legality of the ownership or the rights of easement that we have on -- on the river -- you know, unless I -- unless I hear another answer or discussion from the Board that says it's not worth doing it, because we don't need -- we're not going in that alternative -- or we're not going to look at that alternative, then, I think, that's one of the questions that has to be answered.

I think the additional capacity can be answered by Wright-Pierce. I think that's a relatively simple answer. Certainly, there are other -- other organizations out there that have answers in addition to what we've heard already. I don't know how we answer the question of land rights. I'm listening.

TRUSTEE CLUFF: Right. If we don't do the land rights, there's two requirements for Alternative 2 to seek exemption for this. One, was the increase in generation, and, two, was to demonstrate that we had all the land rights.

GENERAL MANAGER SHEA: Correct.

TRUSTEE CLUFF: If we can't do that, then we can't apply for that option, so that option you're taking off the table. So it shouldn't even be here.

PRESIDENT KILBOURN: If I could speak to that. As I've been looking at Option 2, the thing that had me the most worried was the uncertainty around future -- potential future environmental and other requirements of regulatory agencies, so without the license, we don't have assurance. So, that's a big enough question, in my mind, that I question whether we want to spend that money, especially not knowing how much it is. If I knew how much we were talking about, it would be a little easier to support that.

CLERK JORDAN: I agree with Jay. Before I vote on something like that, I really would want to know the numbers on it, because I think it could be a mystery figure. I mean, I think, it could be a strong six digit figure. I mean, we have an attorney asking how many law firms we want to bring into the whole thing.

VICE-PRESIDENT BERRY: Okay. So what are you guys willing to spend? Mike, what are you willing to spend for a title search? Let's put a number on it.

CLERK JORDAN: No. Let's go the other way around. Let's go seek out a number and then make a decision on it.

VICE-PRESIDENT BERRY: If the number is too high, we don't do it?

CLERK JORDAN: I don't know, Wayne. We don't know if this is a half-million dollar question or a \$50,000 question.

VICE-PRESIDENT BERRY: Well, I'm guessing it's closer to without the zero.

CLERK JORDAN: I think you might be surprised. So I would -- I would rather have somebody give us a number that puts us somewhere in the ballpark.

VICE-PRESIDENT BERRY: Okay.

PRESIDENT KILBOURN: Are there other -- other discussion about this?

VICE-PRESIDENT BERRY: Are you guys willing to have Todd go out and investigate the cost of something like this? I think all you are going to get is a ballpark cost. It could cost this. It could cost up to this.

CLERK JORDAN: I think -- I would like to authorize Todd to put a, albeit a soft number on it, but a number.

PRESIDENT KILBOURN: I would prefer to go that route, too, but not to delay unnecessarily just to get a number, but to be responsible to do so.

TRUSTEE CLUFF: There's a motion on the floor. Do you need to amend your motion or are we going to --

VICE-PRESIDENT BERRY: I'm going to let the Board vote on it. I think it's a --

PRESIDENT KILBOURN: Okay.

VICE-PRESIDENT BERRY: I think it's a question that has to be answered regardless of how much it costs. I mean, if you told me it's going to cost \$500,000, I think it's -- clearly that's going to be outside the scope of what we're looking for, for an answer, as far as the dollar goes for that. We still won't have the answer if we don't pursue it no matter what the cost is. And if we don't have the answer, then, I think, you take Alternative Number 2 right off the table, period. We need that answer in order to keep it alive.

PRESIDENT KILBOURN: Is there any further discussion from the Board?

TRUSTEE CLUFF: So, the motion is to have Todd go out and seek this information not knowing how much it's going to cost upfront?

VICE-PRESIDENT BERRY: Well, we've been asking for it for over three years now, for the title search, to get all the deeds together, and we don't have it. So, I don't know how much longer everybody wants to wait to find out what rights we have. You know, you have only got to find one that we don't have rights to, and the first one you find that we don't have rights to, that answers the question; you don't have them all. You don't have to search any further than that. You know, pick the hardest one first and see if it puts you out or not.

PRESIDENT KILBOURN: Further discussion on this item?

(No verbal response.)

PRESIDENT KILBOURN: I'd just like to say, as a Board, we have not authorized the expenditure of money for this, so I wouldn't like that comment, which is true, we haven't done this in three years, to reflect badly on our staff --

VICE-PRESIDENT BERRY: No.

PRESIDENT KILBOURN: -- for not having done it. But, I agree, we haven't done it.

VICE-PRESIDENT BERRY: I'm just saying, you know, if everybody -- everyone wants to proceed forward, but nobody wants to -- nobody wants to pony up the money to get it done, because that seems to be what it's going to take, and -- as I said, if you don't have an answer, and nobody wants to spend the money to get the answer, take that alternative out of the report. Wipe it out, because that's what you're doing. That's the alternative, that's Alternative Number 2.

And, I'll tell you what, I'll amend my motion for up to \$50,000 for that title search.

TRUSTEE CLUFF: I'll second your amendment.

VICE-PRESIDENT BERRY: Now, we have a number on it.

CLERK JORDAN: I'll agree to that number.

PRESIDENT KILBOURN: So, do we have any further discussion on the amendment?

(No verbal response.)

PRESIDENT KILBOURN: Hearing none, let's take a vote on the amendment. All those in favor?

(Whereupon, all Board members motioned in the affirmative.)

(Motion carries.)

PRESIDENT KILBOURN: Okay. Now, we'll go to the earlier motion.

Any further discussion there?

(No verbal response.)

PRESIDENT KILBOURN: All those in favor?

(Whereupon, all Board members motioned in the affirmative.)

PRESIDENT KILBOURN: Any opposed?

(No verbal response.)

PRESIDENT KILBOURN: Okay. That was unanimous, also.

(Motion carries.)

PRESIDENT KILBOURN: Thank you, Wayne.

So, we're still on the topic of the report itself. Questions, further research that we need to discuss requesting?

GENERAL MANAGER SHEA: I'd just ask, don't be shy. This is very helpful.

TRUSTEE CLUFF: John, is it possible for you to get us additional information on the fish passage that you're recommending in here? For -- you're recommending a -- I'm just looking for the term. What is it, Denil and -- the different types of passage that you are recommending in the study?

MR. EDGERTON: Yeah, I'm not sure so much a recommendation as a -- as a projection of what would be likely there, but what sort of additional information would you like?

TRUSTEE CLUFF: Well, if we could get information on that, some data, sketches. What are we looking at here?

MR. EDGERTON: To help visualize and so on?

TRUSTEE CLUFF: Right. Visualize what we're looking at for this process. Because we're looking at -- in the study here, you're saying that we're going to need upwards of two fish ladders going up because of the different species?

MR. EDGERTON: You'll need one for fin fish, and typically eels will require a different --

TRUSTEE CLUFF: Right. So that's two?

MR. EDGERTON: Yes. So additional information for the Board in the report?

TRUSTEE CLUFF: Yes.

MR. EDGERTON: Okay.

TRUSTEE CLUFF: We're looking for two types of fish passage potentially, and then we're also looking for one for the return trip?

MR. EDGERTON: Downstream passage.

TRUSTEE CLUFF: Right. Two up, one down?

GENERAL MANAGER SHEA: Sorry, Duffy.

TRUSTEE CLUFF: Is that not the case?

GENERAL MANAGER SHEA: No. It's exactly the case. You put it very bluntly, so it's -- was there anything in the appendix, in the Alden Labs research in the appendix in the 2011 report that gave schematics or descriptions?

MR. EDGERTON: There may be. We can certainly pull that together pretty easily.

TRUSTEE CLUFF: Looking at the labs and stuff, there's no -- I didn't see any literature, you know, supporting what those are and --

MR. EDGERTON: Yeah, we can --

TRUSTEE CLUFF: -- (INAUDIBLE) -- all those --

MR. EDGERTON: Yup.

TRUSTEE CLUFF: You know, what does this entail? I mean -- well, I'll leave it at that.

MR. EDGERTON: I think I know what you're asking for.

TRUSTEE CLUFF: Yes.

MR. EDGERTON: Thanks.

TRUSTEE CLUFF: So, when people look over the bridge --

GENERAL MANAGER SHEA: What will it look like.

TRUSTEE CLUFF: -- at Main Street, what are they going to be looking at --

MR. EDGERTON: Yeah.

TRUSTEE CLUFF: -- if we put in fish ladders over that dam?

VICE-PRESIDENT BERRY: In addition to what -- in addition to what Duffy just brought up about fish ladders, is the Board interested in discussing any of the other options that may exist, such as trap and truck, trap and carry, whatever you call it? Or is the Board just -- are we just going to say fish ladders are the most likely, probably the

most efficient method of getting the fish upstream and downstream as opposed to some of the other alternatives that we heard during the period of discussion that we had?

I guess the question to John is: Is this what you guys focused on; mostly thinking that this is the most likely? Even though -- even though they have been proven to be relatively unsuccessful in many cases, is --

MR. EDGERTON: Well, fishways are very successful when -- a lot of it has to do with the species that we're talking about. The -- there are certain species, such as shad, for example, which don't tend to take as much advantage of the fishways, and, you know, give them the -- it's going to be more difficult to get a conventional, like a Denil fishway, that's going to be effective with shad. That's why you see on some of the -- for example, on the Penobscot, you know, the Veazie Dam, and the Great Works Dam were taken out, but the next dam that was left in was converted to a fish lift. Basically, an elevator for fish. Those tend to be more effective with some of the species that won't tend to use the fishways as effectively.

It's -- it's a fairly complex discussion. It's not a forgone conclusion. A lot of that is going to come out of the negotiations if you go through re-licensing with the various fishery agencies; with Maine DMR, Maine IF&W, with the federal fisheries folks, U.S. Fish and Wildlife, and National Marine Fisheries Service. Whatever ultimately gets designed and constructed under a re-licensing scenario, is going to have to be consistent with what they want to see. Ultimately, they have got the approval of authority over that and that's part of the reason you see the very broad range.

But, let me -- let me back up a little bit. Some of the scenarios we can estimate more reliably. When we look at a re-licensing scenario, there are a lot more unknowns, because a lot of what ultimately happens is going to be based on judgements by people that aren't currently at the table, such as National Marine Fisheries Service or U.S. Fish and Wildlife. That's why we carried the two different scenarios, cost scenarios for Option 1, because it's really difficult for us to estimate that and, you know, I don't think anybody wants to put a single number out there and have everybody latch on to that and say, gee, this is what it's going to cost. We really can't say with any reliability, because those decisions will be made -- there are a lot of judgement calls that will be made by people who aren't at the table at this point.

So, there's an element of risk associated with that, that we've tried to characterize that uncertainty by developing the two different scenarios. I don't know if that answers your question or not.

VICE-PRESIDENT BERRY: Going back to the conclusions that you drew within your report, and I don't remember which appendices it's in, but you seem to think that fish ladders will work for alewife and blueback herring, or whatever colored back they have?

MR. EDGERTON: Um-hmm.

VICE-PRESIDENT BERRY; but not for shad, necessarily? Eels -- because eels are already making the trip somehow, right?

CLERK JORDAN: Yeah.

MR. EDGERTON: Yup.

VICE-PRESIDENT BERRY: They're already upstream?

MR. EDGERTON: Eels are -- eels are making the trip, but, ultimately, your eel passage -- some eels are making the trip.

VICE-PRESIDENT BERRY: Right.

MR. EDGERTON: Your eel passage is whatever you end up with under a re-licensing scenario is going to be subject to whatever U.S. Fish & Wildlife and National Maine Fisheries Services, and the other fisheries agencies expect to have based on the efficiency and effectiveness of it.

You may have some eels getting up, but if only ten percent of the eels that are trying are getting up and over the dam, then they're going to expect to see other improvements made on the KLPD's nickle in order for them to feel comfortable that you're providing safe and effective passage.

VICE-PRESIDENT BERRY: Your conclusions were based on historical data that you have been able to pull so far? Whether it's other dam removals, or other fish ladders that have been constructed, you're still --

MR. EDGERTON: And Pat McIlvaine did a bunch of --

VICE-PRESIDENT BERRY: Right.

MR. EDGERTON: -- research in looking at, I think, ten or twelve other recent New England re-licensing operations, to look and see specifically what the requirements were, because the agencies won't tell you at this point. They're going to say, well, if you want us to render an opinion on what's necessary, we're going to need you to do this study, and this study, and this study. So they have a basis for providing their recommendation or stipulating what they want to see. They want -- they will want that data and, so, that data doesn't currently exist.

VICE-PRESIDENT BERRY: Right.

MR. EDGERTON: So, they're not going to be painted into a corner, in terms of making a judgement, without the information that they're going to want in order to make an informed judgement.

VICE-PRESIDENT BERRY: So, two of the big -- just what I thought I heard you saying is, two of the big unknowns with Alternative -- re-licensing, full re-licensing, is not knowing what the legal costs are, and not knowing what the fish ladder costs are. Are those two --

MR. EDGERTON: Fish passage and the range of other ecological -- mitigating ecological impacts.

VICE-PRESIDENT BERRY: Those are the two big items?

MR. EDGERTON: Yes.

VICE-PRESIDENT BERRY: Okay.

MR. EDGERTON: And, I guess, going back, one of the other, I think, questions or parts of your question had to do with the trap and truck option?

VICE-PRESIDENT BERRY: Right. Other alternatives, not just ladders.

MR. EDGERTON: And, ultimately, again, the viability of that as an option is going to be made by people who aren't sitting around the table at this point. And, you also have to bear in mind, that what you're doing primarily with that, is you're reducing your capital costs by not necessarily building facilities, but you're replacing that with far more significant operational costs. But I can't tell you, nor can anybody tell you, at this point, whether that option would be on the table under a re-licensing scenario.

VICE-PRESIDENT BERRY: I'll get this figured out. (INAUDIBLE) in a little followup to the fish. We heard a lot of testimony earlier on about the commercial value of the fish and not -- we're not talking about sport fishing, we're talking about the commercial value of fish, strictly the alewife and herring. Do you have any data available to you about what that commercial -- how that commercial value could be represented as a dollar number?

We didn't get into it -- I know we didn't get into it in asking you for it, but I'm just saying, did you ever run across anything that would say, like, how many --

MR. EDGERTON: No --

VICE-PRESIDENT BERRY: -- how many tons of alewife have been harvested from the Mousam River in the last X number of years? Did you ever run across any data?

MR. EDGERTON: I've seen some of those analyses for other rivers, but every river system is different.

VICE-PRESIDENT BERRY: Right, right.

MR. EDGERTON: And, so, any projections about what the value would be, would be based on projections of the size of the fish runs, which, you know, can be theoretically calculated based on spawning habitat to some extent. But even if you look at other fish runs up and down the coast of Maine for alewives, you'll see that can vary very significantly year-to-year based on, you know, what's happening out at sea and how big the run of juveniles was two years ago, and, you know, a great many other factors.

VICE-PRESIDENT BERRY: The answer to my question would be, how many tons were harvested? Not how many tons might be harvested. Not how many, you know, not what the spawning grounds might be. The actual numbers of harvesting that have occurred. And I don't care whether it's the Mousam, Kennebec, the Kennebunk River, the Kennebec River, or the Penobscot. What I'm saying is, we've heard a lot about the commercial value of these fish and why they should be allowed to go further upriver spawning to create more fish. I'd like to see some hard numbers. I'd like to find some hard numbers on that.

MR. EDGERTON: Yeah, my --

GENERAL MANAGER SHEA: Statewide, Wayne?

VICE-PRESIDENT BERRY: No. I'm just saying -- no. No. Because John said, every river is different.

GENERAL MANAGER SHEA: Right. Well, that's what I'm saying. Do you --

VICE-PRESIDENT BERRY: No. No.

GENERAL MANAGER SHEA: -- do you want us to try and locate whether or not any alewife have been commercially harvested in the two open miles that we currently have? Do you want us to see if there's data available --

VICE-PRESIDENT BERRY: Or the Kennebunk -- the Kennebunk -- we'll say the York County region. I'm assuming that if the fish swim up the rivers that we have, they're swimming up the Saco and swimming up, you know, anything else that's flowing in. I'm just curious. I mean, it's --

GENERAL MANAGER SHEA: Are you specifically looking for alewife? Any other fish --

VICE-PRESIDENT BERRY: That's the one I remember being most designated as a bait fish. I think there was a -- whatever the Lobstermen's Association was and came in front of us and told us there was a commercial value to these fish.

MR. EDGERTON: Yeah, river herring in general, I think, was the alewife.

VICE-PRESIDENT BERRY: We don't care what kind of fish they are, because lobsters don't care what kind of fish they are.

PRESIDENT KILBOURN: Wayne, not to counterpose what you said, but just maybe for the benefit of everyone and to remind ourselves -- and these are all good questions, so I'm not criticizing the question. One of the things I think we have tried to do thus far is really to identify what are the critical path items that mean big bucks that could help us significantly distinguish between our options, and I would encourage us to continue to try and focus on that and, at the same time, if there are detailed questions that could really help us understand better, we should go after them.

But, I think, you know, for the public's benefit especially, there are undoubtedly many unanswered questions about much of this, but we have tried to focus on those that are most critical to identifying our path or paths forward. So...

VICE-PRESIDENT BERRY: Let me move on to Alternative 3, then, to seek FERC non-jurisdiction only for the Kesslen site. Much of the discussion we've had is centered around whether the project, and I use project as a singular versus projects, whether they can be separated, whether they can be bifurcated.

The reading of the second paragraph, 1-5, "Key legal uncertainties appear to exist relative to this alternative that should be resolved through KLPD's legal counsel."

We have not taken a step to pursue an answer to that question, and I'm not sure which legal counsel might have the answer to that, and I suspect that this -- I'm looking at

John. I suspect that this time there might not be any historical information about whether this has ever been done before, whether you can separate a project that includes three dams under one project number to FERC, whether it can be separated into individual portions.

MR. EDGERTON: We're not aware of any precedent on that, and, hence, the District's legal counsel specializing in FERC issues was the entity that we were directing that to, I think.

VICE-PRESIDENT BERRY: So, my question to the Board is, does the Board want to pursue an answer to this question under Alternative 3, because, again, it's one of those things, if -- it seems to me, if we don't know what the cost is, but it's a simple answer. If you can't separate them, three is gone.

PRESIDENT KILBOURN: I'd like to comment on that. I don't think it's a simple answer, unfortunately, or, I think, in our due diligence over the last couple of years we probably would have pursued it further. My -- recollection is that, without going into privileged legal conversations, is that we had some conversations about this, and we came to the informal, I think, conclusion that this was a long shot.

Now, we could do some more work on it or not. And, in my mind, the question about whether we should do the work on it is, is this something that we think is really viable and a good path from all other aspects in order to warrant spending un -- a lot of -- I suspect, a lot of uncertain legal money and probably going fairly down -- far down the path before we know how hotly is it contested, how much our total costs would be, whether FERC will, in fact, entertain it and do it, et cetera.

I think there are a number of questions there, so my view on this has been that, for this and other reasons, it is not a very enticing pathway with the uncertainties, the costs, and the questionable potential, I think. We could talk some more about that, but that's -- that's one of the reasons why I haven't pushed us to do that. Your thoughts?

VICE-PRESIDENT BERRY: If we thought, as a board, that this was not, had some breadth to it, some viability to it, we should have never included it in the four choices, because sort of what I'm hearing tonight is you've got two choices: License them or take them down, because we've said the two middle choices, two and three, there's too many questions that need to be answered that we may not be willing to spend the money to find those answers.

PRESIDENT KILBOURN: Just to say, I think in fairness to all of us, and to put it into historical context, this one draft that we're looking at we've been looking at for quite a while with tweaks along the way, and I think we asked these questions in earnest at the beginning altogether. Almost all of us were on the board at the time, in order to begin to evaluate, and, so, we haven't had this conversation in quite some time. But, I think, when we looked at these in the past we haven't, for perhaps good reasons, we haven't requested further information. So, I don't know. You know...

VICE-PRESIDENT BERRY: So, to go back to my initial question: Do we want to investigate Alternative 3 further? You know, is the Board willing to pony up at this point? A phone call to find out, as John has said, he can't find a precedent for this. I don't know who you call. Do you call the head of FERC and go, hey, are you willing to separate?

PRESIDENT KILBOURN: I'll tell you what, I'd be willing to make a motion that we revisit this with the best counsel that we can find. I'm not making this motion. I'm just suggesting to get an initial opinion about this, a second opinion if you will, about how practical and possible this is without spending an arm a leg. I mean, on a number of few hours from someone experienced rather than -- and clarify it for us.

I think, maybe, part of the problem is, we haven't really had a clear legal opinion and recommendation. We've had some ifs, ands, or buts. My fear is, we'll still have ifs, ands, or buts, and we'll still be in the same situation, which this could cost a lot to go down this path, and then find out it's not going anywhere.

I don't have -- I don't have a lot of stomach for that, because I don't see the great benefits of the pathway. If we thought this was the be all and end all, this is really where we want to go, then maybe we have to have that conversation further, then it might be worth taking -- putting some serious money in and taking a risk and going down that pathway.

VICE-PRESIDENT BERRY: Let's go back and review the historical information we've had, which, I think, is all public at this point, that one of our original choices was to seek total non-jurisdiction for the entire river, and we had a historical study commissioned in two parts that showed that it was probably a non -- truly a non-navigable waterway under the --

GENERAL MANAGER SHEA: Interstate Commerce Clause.

VICE-PRESIDENT BERRY: What was it?

GENERAL MANAGER SHEA: Interstate Commerce Clause.

VICE-PRESIDENT BERRY: Correct. Which is -- is part of the Federal Power Act, as far as the non-jurisdiction goes, but then we ran into the hiccup that -- of the Federal Power Act that says, well, if you had construction activity after 1935, then the navigability part goes away, it becomes irrelevant. So that if you have the construction, and I think someone made the assumption or the decision that the repair of the two breached dams, Dane Perkins and Twine Mill, constituted as a substantive enough repair/reconstruction to kick in that post 1935 clause, that we felt, okay, so we can't apply for full jurisdiction, but maybe we can apply for partial jurisdiction -- partial non-jurisdiction because the Kesslen Dam had, even though it had been rebuilt in 1951 through '54.

So, I'm not -- I'm not sure where -- how we got to the distinction of saying, well, okay, we're going to kick out the other two because we know we rebuilt those in the '70s and '80s, but we're not going to -- we're not going to kick out Kesslen, because it happened in the '50s.

GENERAL MANAGER SHEA: If I may? I think that the -- that decision came largely in part from Dr. Harvey's research on those two -- the two latter facilities, the Dane Perkins and the Twine Mill, where there was evidence they had been breached. But tracing the lineage of the Kesslen Dam, although it was rebuilt in 1954, there was photographic evidence and there was enough substantive evidence to point to the fact that that facility has been located in the same location over the years. Plus the -- there was memorialization of the actual generation in that building, as well. And there were some

questions as to Twine Mill and Dane Perkins, as if -- as though -- did they or did they not generate electricity in the past.

And so, that's -- that's kind of where that whole conversation came out of, was with the discussion with legal counsel and whether or not it -- it may be unlikely, may be unprecedented, but there was potential to separate those three -- the three facilities in the one project, to try and to that application, but it was, at the time, advised that it would be time consuming and a legally expensive process. If we're looking for a general overview to get a second opinion on that quasi opinion, that is something that may be, for short money, to be able to get an answer to a question that we don't have.

PRESIDENT KILBOURN: I think it might be for short money, and I would like to make a motion that we proceed with that, with a licensed -- an attorney licensed in Maine, who has the expertise that we need to get a second opinion about our chances of prevailing on that pathway or not to go and take us down that pathway.

VICE-PRESIDENT BERRY: I'll second that, but with a point of discussion. My point is, do we limit it to a Maine attorney for a particular reason? Can we do both?

TRUSTEE CLUFF: Do we still have our attorney in Washington?

GENERAL MANAGER SHEA: I haven't corresponded in quite some time. I'm sure he would still be available to us, but I know that that was a concern in the past.

PRESIDENT KILBOURN: Yeah. I said that because the Board has expressed this concern on a couple of occasions and it makes -- only makes sense to me that we have someone who can, if they're going to give us advice, that they're licensed here to pursue it if we want them to pursue it, it's not just an idle question, and preferably that they are available to us more easily here. If we don't have such expertise, maybe we have to look outside.

VICE-PRESIDENT BERRY: That's why I --

PRESIDENT KILBOURN: But I think we do have FERC expertise in this state.

VICE-PRESIDENT BERRY: Do you have names -- do you have names, Todd?

GENERAL MANAGER SHEA: Names of instate law firms that have FERC expertise, yes, I do.

VICE-PRESIDENT BERRY: Okay. Then I'm satisfied in leaving it like it is for now. Until we bump up against the dam.

PRESIDENT KILBOURN: All right. Thank you. Do we have any further discussion of that motion?

(No verbal response.)

PRESIDENT KILBOURN: All those in favor?

(Unanimous ayes heard.)

(Whereupon, with unanimous ayes heard, the motion carries.)

PRESIDENT KILBOURN: Congratulations, another step forward. Thank you. All right.

VICE-PRESIDENT BERRY: Is that part of the goals?

PRESIDENT KILBOURN: It was our goals. I'll tell you that.

GENERAL MANAGER SHEA: Do I have it in Word format?

(Laughter.)

PRESIDENT KILBOURN: All right, gentlemen. Gentlemen of the Board --

TRUSTEE CLUFF: Can I have another one?

PRESIDENT KILBOURN: Yes.

TRUSTEE CLUFF: In our e-mails we received an e-mail from a resident here who had outlined some info about the compliance handbook from FERC and that, also, that they would -- part of their process of going through the FERC license would be to have a representative come here and meet with us and do a face-to-face communication in order to help the process moving forward. And, I think, if we haven't, it's something that we should be looking at doing.

GENERAL MANAGER SHEA: Yes, absolutely.

TRUSTEE CLUFF: And maybe a lot of these questions that we're having and a lot of these pathways that we maybe looking for we could get the answers right from the agency itself, to help us make our decisions.

GENERAL MANAGER SHEA: No motion necessary. I'm on the path to trying to get that accomplished as we speak. Well, not as we speak, but...

TRUSTEE CLUFF: Thank you.

And do go along with that, several months ago we had a meeting with Senator King. Have we heard anything back from him or have we reached out to Senator Collins asking for any further assistance in the direction we're going to this?

GENERAL MANAGER SHEA: I will re-reach out to both of their offices. The FERC -- Senator King's bill last year when he came to visit, I believe died before it got to committee, but it was discussed. There was supposed to be another iteration or some similar bill proposed, but I don't have that information for you right now.

VICE-PRESIDENT BERRY: A question for John: On 2-4 -- two dash four, the last paragraph, you talk about fish access to approximately nine miles of the Mousam River. Are you including from the ocean in that nine miles to get there -- (INAUDIBLE). I couldn't do the math. I couldn't get the math to come out. From Kesslen -- from Kesslen to Dane Perkins, it's about two-and-a-half miles. Beyond that the impoundment

extents upstream to New Dam. Where is the -- where did you get the other nine miles -- the rest of the nine miles?

MR. EDGERTON: That was to carry up to the -- from Kesslen -- river miles up to the next dam. I can check that number, if you'd like.

PRESIDENT KILBOURN: I think it also mentions side streams; does it not?

VICE-PRESIDENT BERRY: Yeah, but that's not -- that's not --

PRESIDENT KILBOURN: Not in the nine?

VICE-PRESIDENT BERRY: Those are tributaries.

MR. EDGERTON: I'm happy to check that number.

VICE-PRESIDENT BERRY: Okay. Thank you. I don't want to mislead anybody, thinking that we're opening up nine miles of river. I couldn't make the math work. And you're saying that those are river miles counting turns and dips?

MR. EDGERTON: Yeah.

VICE-PRESIDENT BERRY: Okay.

TRUSTEE CLUFF: John, a clarification on 5-8, Page 5 dash 8. You were talking about shoreline stability if the dams were to come out and you referenced it in your opening talk about, you didn't anticipate any further large areas of erosion?

MR. EDGERTON: Um-hmm.

TRUSTEE CLUFF: However, in the past, when we've had the, what is so called the 100 year floods, we've had some pretty significant damage that was done at that time, and that's when we had the basins. I'm concerned, if these dams were to come out, where we are going to be with some of these residents along the river --

VICE-PRESIDENT BERRY: In terms of liability.

TRUSTEE CLUFF: In terms of liability, 'cause you reference in here that the District would have to be, in turn, responsible for that. I guess some of the residents that I know offhand are those along Partridge Lane, where their backyards are the river. There's not a lot of land between their residences and the river, and if there was to be a large amount of continued erosion, not to say that that would happen, but the possibility could be there, so you reference that we would need to do further studies to zone in on that or you're confident that what you have researched so far is --

MR. EDGERTON: When we looked at it, we didn't see that there would be a much enhanced -- I mean, what we would be looking at trying to characterize is the incremental amount of erosion that you would see. You currently see some erosion during a hundred year storm, or a hundred year flood, or a 1987 type flood. You're always going to see that, some damage in those sites, those sorts of storms. That's the nature of those storms. The question is, how much incrementally -- how much incremental damage would you see in addition as a result of having taken the dams out

over what you are currently seeing in those events. Not that you would be assuming responsibility necessary -- necessarily for every flood that occurs and all flood damage, 'cause you already have some of that. Do you see what I'm saying?

So, yeah, we would have to -- we would have to do a more detailed assessment. That hasn't really been within the scope of what we've been looking at thus far, but it could be.

TRUSTEE CLUFF: Yeah, because I -- I mean, back when we had these high waters several years ago, we watched the river reroute itself through Rogers Pond.

MR. EDGERTON: Um-hmm.

TRUSTEE CLUFF: Which was never an access point before, but it created its own access point. It went right down through and took out the land and structures that were there, and then exited down on the other side. I mean, that was a unique situation, but we've also seen a lot of erosion on the lower part of the river down where the condominiums are on Water Street because of the dams, so this -- you know, I have concerns of -- I want to be fairly assured that, you know, we're going in the right path if we remove these dams that this isn't going to be something that we have to be concerned with down the road.

VICE-PRESIDENT BERRY: Can I follow up?

TRUSTEE CLUFF: Yes.

VICE-PRESIDENT BERRY: You know, on the tail of that, are those studies, the further studies, are you talking about site specific studies or are we talking about in general, up the river?

MR. EDGERTON: Well, they -- yeah. They would have to be site specific, because the erosive potential is going to be different in different locations. One of the things that --

VICE-PRESIDENT BERRY: How many sites? How many sites do you think?

MR. EDGERTON: I think that that is something that -- that's something we would have to discuss. I mean, I can't -- I can't tell you off the top of my head. There is no set number in terms of how many locations you would look at. We would probably look at, as I think Duffy alluded to, areas where developed properties exist and closest proximity to the river, because that's where you would have the greatest potential for, you know, significant monetary damage.

One thing to bear in mind, though, is that when you remove dams, the water level -- the pre-flood water level is lower, so if have an increase in water level because you have an extra 10,000 cfs coming down the river, you've got more capacity in those areas where you previously had impoundments to accommodate that new incremental flood flow without getting outside the banks and flooding properties you would currently flood when you add that 10,000 cfs onto a water level that was already up here, because you have an impoundment due to the dam.

So, you tend to have higher velocities, but you tend to have lower water surface elevations.

TRUSTEE CLUFF: Right. I can agree to that. That's, you know, what we saw in those floods, but we saw a lot of neighborhoods that were flooded out because of the water rising and if those basins hadn't have been there, maybe that flooding wouldn't have been as bad as it was.

MR. EDGERTON: But your velocities would have been higher, so there would be a greater potential for erosion and moving soil material at the locations where the water actually touches.

PRESIDENT KILBOURN: Um-hmm.

VICE-PRESIDENT BERRY: Right. So turning that around a little bit, are you saying, because we had the impoundments, it helped ease the velocity of the flooding we had in 2006, 2007?

MR. EDGERTON: It increases the elevation and reduces the velocity. Because what happens is --

VICE-PRESIDENT BERRY: Right.

MR. EDGERTON: -- you know, assuming your banks are like this, the water level is down here, it's only this wide. If you've got a full impoundment and now your water surface is 70 feet wide, as opposed to 20 feet wide, your water has a lot more cross-section to flow through and a gradient through the impoundment tends to be much flatter. It's held up by the dam at the low end, so the velocity tends to be less through those areas.

PRESIDENT KILBOURN: If I could add --

VICE-PRESIDENT BERRY: Lower velocity --

MR. EDGERTON: If you get more --

VICE-PRESIDENT BERRY: Lower velocity causes less damage --

MR. EDGERTON: Lower --

VICE-PRESIDENT BERRY: -- even though you may have water flooding, you may have water damage from water rising, you don't have damage from erosion and velocity of the river?

MR. EDGERTON: Yeah. And, again, going back to where we were a minute ago, that -- but that's very much a site specific consideration.

VICE-PRESIDENT BERRY: Okay .

TRUSTEE CLUFF: Right. And in those storms, we saw the area flooding above the -- you know, within the dams area, or the impoundments, but we saw all the erosion below the dams.

MR. EDGERTON: Correct.

TRUSTEE CLUFF: All the erosion was happening --

MR. EDGERTON: When you're back into the narrow channel, the velocity sort of --

TRUSTEE CLUFF: Right. And that's where it all happened. So my concern is, is that if we remove those dams, then the potential is there for that to happen along there. I'm not aware, there could be structures above the Twine Mill and Dane Perkins dams that are right on the river. I'm not aware of any. There could be some there, but, I think, in between the Kesslen Dam and the Twine Mill Dam, there's a large area of residents that are right on -- so if there was great amounts of erosion that occurred, it could impede on the residences and the structures.

MR. EDGERTON: Yeah. So what we do in a case like that is, we would do, as you say, a site specific assessment. Say, okay, if the dam were moved, for example, what would be the normal water surface elevation? We could figure out the hundred year flood flow is, for example, that's all available from the FEMA analysis, and then we could basically apply that in that area and see.

We've already done some of the hydrologic modeling, so it would be relatively straight forward, depending on, you know, whether we're looking at areas where we have already done cross-section surveys or if we went out and cut some new cross-sections in strategic locations based on where we are particularly concerned about impacts. We could look at those things and through the hydraulic modeling we could figure out the hundred year flood surface elevations and what the approximate velocities would be and draw some conclusions based on that.

PRESIDENT KILBOURN: John, if I could. What do we already have in the study for costs related to erosion management if the dams were removed? Do we have a placeholder for that?

MR. EDGERTON: I don't believe we do.

PRESIDENT KILBOURN: Okay. So, turning back to the Board, then, it seems to me like this is one of the pathways that we've been seriously considering. To go back to Wayne's approach to these various options, do we want to request further information about this and try and get at least, maybe, a determination on what it would cost to get us some order of magnitude estimates?

TRUSTEE CLUFF: Yeah. I'll make a motion that we have Wright-Pierce continue to look at the hydraulic analysis of the river primarily between the Kesslen Dam and the Twine Mill Dam.

PRESIDENT KILBOURN: Um-hmm.

TRUSTEE CLUFF: And if -- Todd, could you review the records to see if there are any residences above that, or for those of you here, if you could let us know if there's anyone that's, you know, within that, that we need to take a look at. I think above the Twine Mill, I don't know of any that are sitting right on the river that would be affected gravely. They may lose some land but I'm more concerned with the structures.

GENERAL MANAGER SHEA: Yeah, I believe the only --

VICE-PRESIDENT BERRY: It's probably only Twine Mill.

GENERAL MANAGER SHEA: I was going to say, I believe the only structure that's affected, yeah, is Twine Mill.

TRUSTEE CLUFF: We might lose our powerhouse, but -- and the Twine Mill itself --

GENERAL MANAGER SHEA: Yes.

TRUSTEE CLUFF: -- is sitting right on the river.

PRESIDENT KILBOURN: Can we have a second?

VICE-PRESIDENT BERRY: Yes. Second.

PRESIDENT KILBOURN: All right. Further discussion?

CLERK JORDAN: I don't want to berate this, but if we have the dams removed, okay, we're going to have substantially less water in the rivers (INAUDIBLE) okay. So if we have --

PRESIDENT KILBOURN: Impoundment, John.

CLERK JORDAN: If we had no more impoundment, and we have a natural run-of-the-river, the river is going to be substantially less in depth, okay. So if we do have a flood circumstance, we're still going to be in the confines of our existing -- the pre dam removal stages. So I don't know if we're going to glean anymore information from that or not, unless you see it differently.

MR. EDGERTON: You should have, under -- under the same hundred -- say, hypothetical, hundred year flood circumstance, in an area where you have an impoundment and you've removed an impoundment because the dam is gone, you will tend to have lower water surface elevation, but you will tend to have higher velocities. And, so, I think the question that's been raised is really more to the potential for erosive damage and things like that. Because the velocities are higher, they're going to have a greater tendency to move that material than they had during whatever period of history when the impoundments have been existent. Does that make sense?

CLERK JORDAN: Yes.

PRESIDENT KILBOURN: Yes.

VICE-PRESIDENT BERRY: We're also assuming -- when you talk about run-of-the-river, we're also assuming that we're getting what is going over all the other dams upstream. If there should be a catastrophic reason that we get more flow, or a regulatory or those in authority letting the dam -- letting the water go, are we -- that's not an act of God, that's -- well, a catastrophic would be, but -- possibly.

How liable are we? Going back to Mike's question about you're going to have some erosive damage, we can't control what is up above us.

PRESIDENT KILBOURN: Could I add to that, also? I think -- I think the report stated that we would be responsible for making the necessary mitigations to prevent damage in the case of erosion if we were to remove the dams. I believe that's in the report.

VICE-PRESIDENT BERRY: Yes. But --

PRESIDENT KILBOURN: So there's some -- there's not just a liability question here, there is a question of what steps might we take in advance to prevent the problem and to mitigate our liability, as well.

VICE-PRESIDENT BERRY: Yes. The first paragraph of 5-9 covers that. "KLPD would be required to provide shoreline stabilization measures in areas where such studies indicate substantial erosion with negative impacts may occur." I think that's what John just eluded to. If there are erosive problems, we're going to be required to either prevent them ahead of time or fix them after the fact, right?

MR. EDGERTON: Yeah. I mean, what you're really talking about here, would be the dam decommissioning and removal scenario. And, you know, as we've all discussed, because your facilities are currently licensed by FERC, you can't just walk away and say, we're done and hand the keys over. Your -- FERC requires that you do something. And, in this case, if you are going to decommission, you would be required to remove the dams in all likelihood, and you would be responsible for mitigating what could be reasonably anticipated in terms of what the impacts would be.

There would be an assessment -- there would be an assessment after the dams are removed to look at the -- because you can never predict a hundred percent of exactly what is going to happen, especially since the areas of the impoundments are largely under water and will be exposed at that point, so FERC would require that you, as the licensee who is surrendering the license, that you go out after the dams are removed and you conduct a survey of the former impoundment. You look and see where you think you may need, you know, address the mitigative actions that we talked about here, and they may be -- they may relate to a bunch of things. They may relate to drainage outfalls, they may relate to obvious areas -- you know, or areas where substantive erosion may be anticipated, or things like that. Those would be requirements of you associated with the decommissioning, if you choose to go down that road.

The question -- just to jump back for a second. The whole question of liability is, you know, obviously we all know that there are some things that you're clearly liable for, there are a few things that you're clearly not liable for, but 90 percent of liability questions are not something that you or I can predict. They, you know, depending on how things pan out, those are determined through legal systems and things like that. So that's not really something that I'm in a position to advise you on, most of those liability issues. I can tell you what I think agencies might hold you to, but I can't really go too far down that --

PRESIDENT KILBOURN: In the focus here, to try and -- in line of what our objective is around this study, is try and get to a better understanding of whether this is a -- to do everything that we should do to prevent -- if the dams were removed, to prevent

damage, is to get a handle on what that might cost and is that a significant in the grand scheme of our decision making process. And I think we've asked to get some more information on that.

VICE-PRESIDENT BERRY: Right. And that's exactly my question, John, because you didn't put a placeholder in there with a number attached to it. Clearly it's a very much an unknown at this point with the water having potential problems, but in your experience, if you had to kind of look at this as like wanting to go out to dine at a restaurant and you look things up online and they've got little dollar signs up there. So, if you've got one dollar sign, it's probably McDonalds. If you've got two or three dollar signs, if you've got four dollar signs, I'm probably not going there. But if you put -- how many dollar signs would you put on this item compared to, say, the legal issues involved in -- there might be -- you talked about the placeholder for the legal issues and the re-licensing alternative. Are we looking at -- I would look at those as four dollar signs. Are we looking at --

MR. EDGERTON: The question of erosion issues?

VICE-PRESIDENT BERRY: Yes.

PRESIDENT KILBOURN: Yes.

VICE-PRESIDENT BERRY: Well, the stabilization.

MR. EDGERTON: And there are -- there are a couple of different ways to look at that. One of the ways we tend to look at these things is what happens in river channels is governed by what is called morphological process. You have currents; you have flows, they vary over the course of year; you have sediments, some sediments move readily, some don't; and you have what we call control points. So, if you look at where your dams are, the old timers who built the dams and sided the dams, typically found in a spot where there's a ledge outcrop and a natural falls, because that way they could build the dam on top of something solid as opposed -- and it wouldn't be undercut, it would tend to last longer. Plus, you also tended to have a couple of extra feet of boost of natural drop associated with going over the falls.

And so, when you look at -- you look at Kesslen, you look at the other dams, you'll see that, oh, gee, there's rock outcrops at the foot of the falls. That's where they were built. So, what happens from a morphological process is, the flow will tend to cut things down to a point until it hits somewhere where there's ledge outcrops and things like that, and it will be relatively flat and then it will drop off after that, so what you'll see is the natural channels.

In most cases for some distance upstream of your dams, the natural channel bottoms tend to be relatively flat grades, because that's what nature did for the several thousand years before people showed up here and started building dams. So, once you take the dams out, again, if you go down that road, what you're going to see is the river will revert back to the nature morphological processes.

In terms of the flows, yeah, the peak flows may be a little higher than they were 500 years ago because of the amount of development and stuff that's happened upstream. In some cases, they may be a little less, because you've got some dams upstream in places like Sanford, and Shapleigh, which will tend to do a little bit of mitigation of the peak

flows that you get. But, in general, what you see for flows there will be similar to what you saw for flows that had -- that had the river evolving for the 500 years before you built the dams.

And so, to us, the question is, were the areas upstream of those dams, were those stable channels that stayed pretty much the same from one century to the next or did they do different things? Did they snake around and meander around? And you do have a few oxbows and things like that up there? So what that tells us is that before -- because those channels haven't changed a lot since you built your dams, that those were all naturally formed based on whatever was happening in the 500 years before you had your dams.

And so, when we looked to see what the magnitude of morphological processes are that you're going to see upstream of those sites, under a scenario where you take out the dams, it's probably, to some extent, going to be mirroring what it was doing in the 500 years before you had the dams. And so, when we look at those, we're really looking to see, gee, is this something that braided around, and jumped around, and things like that, or can we expect that it's going to stay relatively -- relatively stable in the long term.

You know, what we have working for stability is, that we don't have a lot of gradient in some areas, so the velocities tend to be less. So, it's going to -- it's going to do, to some extent, what it's been doing.

VICE-PRESIDENT BERRY: If we have --

MR. EDGERTON: Velocity is going to cause --

VICE-PRESIDENT BERRY: Right.

MR. EDGERTON: -- things to move.

VICE-PRESIDENT BERRY: So, if we have -- we may be required to provide shoreline stabilization. Would that be only in the areas where landowners would be affected and not those areas where there are no inhabitants close to the river, or are we going to be required to provide that riparian stabilization everywhere?

MR. EDGERTON: Yeah. Most -- most of the dam removals that I've seen, or have been involved with, have not required much, if any, shoreline stabilization.

VICE-PRESIDENT BERRY: Okay.

MR. EDGERTON: But, again, you know, there may be some value in taking a look at some of the critical locations where you have developed areas. I mean, you just talked about the area between -- the area upstream of Kesslen where there's development there. You know, we've certainly heard from some of the residents in the area that that is a concern. Because we've already got a hydraulic model built of the river, it shouldn't be a huge effort to go ahead and conduct some due diligence and take a look at that and then we can sit down again and chat about that.

VICE-PRESIDENT BERRY: Are we voting on that motion?

PRESIDENT KILBOURN: Yes. We should vote on that motion.

VICE-PRESIDENT BERRY: (INAUDIBLE).

PRESIDENT KILBOURN: Do we have any further discussion on the motion?

Maybe we could -- could we repeat that motion? It's been a while. I think we had a motion to continue the study, I believe was how you put it.

GENERAL MANAGER SHEA: My shorthand says, look at the hydraulic analysis, primarily between Kesslen and Twine Mill. It was motioned by Duffy and seconded by Wayne.

TRUSTEE CLUFF: Yes. That was the motion.

PRESIDENT KILBOURN: Okay. Is there any further discussion?

(No verbal response.)

PRESIDENT KILBOURN: All those in favor?

(Unanimous ayes heard.)

(Whereupon, with unanimous ayes heard, the motion carries.)

PRESIDENT KILBOURN: Thank you. All right. I think -- I would just take a moment to say, I think this discussion has been very productive and I don't want to cut it short, but I will note, just for the Board, that we -- we have well exceeded the time that we tentatively allocated on the agenda for this conversation. Just as a heads up, it's probably going to cause us to either shorten or eliminate Item II, and we would have to pick that up at our next hydro meeting, but I really don't want to cut this short. I think it's been productive, unless others feel that we're done, I'd like to continue to make sure everybody has raised any significant issues about the report.

I know that we've had a couple of other opportunities to comment, but we haven't always, honestly, had enough time for all of us to read, entirely read the documents and have the discussions. So, in this case, it's not only the public, but we have had a full week plus to review the document. We've had a little bit more time, and so, I wouldn't want to cut this short. It's kind of critical. So...

VICE-PRESIDENT BERRY: I have a couple of quick questions.

Todd, have you had any input from the MTA on the -- on the culverts or Interstate 95, the turnpike.

GENERAL MANAGER SHEA: I have had no input at all.

VICE-PRESIDENT BERRY: No? Do they know -- do they know what's going on?

GENERAL MANAGER SHEA: That's a good question. I can reach out to the MTA and --

VICE-PRESIDENT BERRY: I'm talking the river issues.

GENERAL MANAGER SHEA: They know there's a river there, 'cause they had some issues when they built their new structure on Route 1, but I'm not sure that they're aware that there is a -- I'm sure they're aware that there's an ongoing battle, but I could reach out to DOT and MTA and --

VICE-PRESIDENT BERRY: Do you want to probe that one and --

GENERAL MANAGER SHEA: Sure. I take that back, because MTA doesn't handle --

VICE-PRESIDENT BERRY: Is Conrad --

GENERAL MANAGER SHEA: -- the Route 1 bridge.

VICE-PRESIDENT BERRY: -- (INAUDIBLE) still the contact?

GENERAL MANAGER SHEA: Yes. I'll get in touch with Conrad.

VICE-PRESIDENT BERRY: All right.

TRUSTEE CLUFF: A question on 6-5. Alternative 1(a) and Alternative 1(b), it's more of a clarification probably for the public versus with how the pricing is listed in here. If you look at this quickly, the estimate is that the cost of the kilowatt hour would be point 2-7 cents, but if you're looking at it, the public may look at it and say 27 cents. So if we can fix -- there's three areas.

I think your -- your ending math is correct, that we're looking at \$2.00 per month or \$24 per year additional costs for Option 1(a). However, if you look at that first number, I don't think the public would say that that's point 2-7 cents. They would look at it and say, 27 cents a kilowatt hour? That's a big difference.

MR. EDGERTON: So change -- change the way that's presented so it's less susceptible --

TRUSTEE CLUFF: Right.

MR. EDGERTON: -- to misinterpretation?

TRUSTEE CLUFF: Right. So it's not open to misinterpretation.

PRESIDENT KILBOURN: And throughout --

TRUSTEE CLUFF: Throughout the document, because on the next one down, it's point 4-4.

VICE-PRESIDENT BERRY: Right.

TRUSTEE CLUFF: And then, there's another one on the next page; it's point 1-7. So just redefine that so it's clear that we're talking pennies not, you know, dimes.

VICE-PRESIDENT BERRY: We're talking about zero, dot, zero, zero.

TRUSTEE CLUFF: Yeah, like --

GENERAL MANAGER SHEA: Right.

TRUSTEE CLUFF: -- zero, zero, two, seven.

PRESIDENT KILBOURN: Well, look in Table 6-4 to do it that way, where it clearly is 18 cents, 25 cents.

GENERAL MANAGER SHEA: As opposed to \$332.00 a month.

TRUSTEE CLUFF: Correct. Because if you did the math the other way --

GENERAL MANAGER SHEA: It would be ugly.

TRUSTEE CLUFF: -- it's a lot more money.

GENERAL MANAGER SHEA: Yup.

TRUSTEE CLUFF: And in that same section we have a price breakdown, John, on 1(a) and 1(b), and then Alternative 4, but there's no alternative for 2 and 3.

MR. EDGERTON: You would like those incorporated, too?

TRUSTEE CLUFF: So we basically -- here we're saying, we're considering 1 and Option 4, but what happened on Option 2 and 3?

MR. EDGERTON: You were -- okay. Sure.

TRUSTEE CLUFF: We covered that section. (INAUDIBLE) we went along -- apparently there was a decision made to include all of the correspondence from the outside agencies, special interest groups, et cetera, local groups. However, there's not one -- well, correction. There is only one in here from our residents and I know for a fact that my e-mail box has a hell of a lot more than one response from the residents in town. If we're going to put in this -- all these other groups, we better be putting in all the residents' points, as well.

MR. EDGERTON: Yes. If you could get that to us, we'll certainly --

(Applause.)

TRUSTEE CLUFF: Todd should have all of those e-mails, as well.

GENERAL MANAGER SHEA: I do have all of those e-mails. Thank you, Duffy. They're --

PRESIDENT KILBOURN: I think, actually, we, as a board, asked to have -- actually, we may not have been clear in our request, and I support this request, but I think we may have asked for agency letters demonstrating what the intent of regulatory agencies was with regard fish ladders, for example. If they had -- because we had -- in our public hearing last year, we had some questions, legitimate questions about whether -- whether we speculating about what these agencies wanted from us or not, and in the

subsequent months, we had actually received letters documenting from several agencies what their expectation was.

So, it wasn't every organization versus individual. I think we had requested those specific agencies. I'm fine with including all of the commentary.

TRUSTEE CLUFF: But this document is going to be recorded and it's going into history. It shouldn't be one-sided. It should show both sides.

(Side discussions are occurring and are unable to be deciphered.)

VICE-PRESIDENT BERRY: We've had -- we've had all that information available to us whether it was sent out to us individually or whether Todd had listed it in order in the drop box. It's just not -- it's not that we haven't seen it. It's just -- you're saying it's not included in here.

CLERK JORDAN: Yeah.

TRUSTEE CLUFF: Right. Yes.

VICE-PRESIDENT BERRY: Okay.

TRUSTEE CLUFF: I'm not saying we haven't seen it --

VICE-PRESIDENT BERRY: Right.

TRUSTEE CLUFF: -- because we've seen a lot.

VICE-PRESIDENT BERRY: Right.

TRUSTEE CLUFF: And we've read a lot.

VICE-PRESIDENT BERRY: Yes.

TRUSTEE CLUFF: What I'm saying is, this is going to be the official document --

VICE-PRESIDENT BERRY: Yeah, I got you.

TRUSTEE CLUFF: -- that's going to be entered into the record, that the public isn't going to see unless it's in this, because they don't see all those e-mails and letters that we received.

VICE-PRESIDENT BERRY: I agree a hundred percent, yup.

PRESIDENT KILBOURN: May I ask a question on that subject? Todd, are we still, because I have assumed that we are, are we still posting to our website of comments all comments that we received as we were in the past?

GENERAL MANAGER SHEA: There are several that need to be added that will be compiled into a PDF, again, sent in the drop box and put on the website.

PRESIDENT KILBOURN: Okay. And we're doing that with attribution; there aren't any anonymous comments?

GENERAL MANAGER SHEA: There are no anonymous comments.

PRESIDENT KILBOURN: So, I think it's important that we keep doing that.

GENERAL MANAGER SHEA: Any personal contact information I take out, just because --

PRESIDENT KILBOURN: Sure. You mean phone number, address, that kind of thing?

GENERAL MANAGER SHEA: Correct.

TRUSTEE CLUFF: Well, I believe that we should continue to do that. However, our website is not an official document --

GENERAL MANAGER SHEA: Correct.

TRUSTEE CLUFF: -- and it's not going to be there --

GENERAL MANAGER SHEA: For a hundred --

TRUSTEE CLUFF: -- for 15 or 50 years down the road. This document is going to be archived, so when somebody looks back they're going to be interested in why.

GENERAL MANAGER SHEA: Yup. Or in 40 years from now when it's time to re-license, if that's the option chosen.

(Laughter.)

TRUSTEE CLUFF: I won't have to worry about that.

PRESIDENT KILBOURN: Duffy, do you have further -- further comments on the report?

VICE-PRESIDENT BERRY: Can we execute a 40-year contract with Todd?

(Laughter.)

PRESIDENT KILBOURN: With golden handcuffs.

GENERAL MANAGER SHEA: Are you sure you really want to do that, Wayne?

TRUSTEE CLUFF: I don't have anything further on the report.

PRESIDENT KILBOURN: Thank you.

Others, do we have others, other --

VICE-PRESIDENT BERRY: No. I'm done.

PRESIDENT KILBOURN: Thank you.

PRESIDENT KILBOURN: Mike?

CLERK JORDAN: I'm in good shape. I agree with a lot of the stuff that Wayne and Duffy had.

PRESIDENT KILBOURN: Okay. Good. Fantastic. It's now ten minutes to 8:00. Would the Board like to proceed with some discussion, not necessary focused on the report, comments and questions on the report, what our current views and thoughts about the options that we face and the course of action that we should take? Would you rather defer that until we have a full session to discuss and go to some public comment? I look for your guidance.

VICE-PRESIDENT BERRY: The latter.

CLERK JORDAN: Defer it?

VICE-PRESIDENT BERRY: No. The latter -- yeah, yeah.

CLERK JORDAN: I would, too. Because --

TRUSTEE EMMONS: Yeah.

CLERK JORDAN: -- I mean, I have had zero conversations with anyone on the Board on any of this stuff. We've just been kind of compiling data --

PRESIDENT KILBOURN: Right.

CLERK JORDAN: -- and I just think we kind of have a general meeting where we can -- if there's a few more questions that need to be answered or what have you.

PRESIDENT KILBOURN: Okay. Other -- other thoughts on that?

VICE-PRESIDENT BERRY: I think we should give the public an opportunity to comment on those things that they've heard tonight. We've heard -- we've heard a lot of comments before, but we haven't heard about what we've talked about tonight, so I'm open -- I'm open for public comments.

TRUSTEE CLUFF: Yeah, I'm open for public comment, as well. Also, just, I don't know if it's now -- I'll do it now anyway. We received an e-mail from David Markley and Nick Cabral and -- last week, and I reached out to them and set up a time and we sat down and talked.

These two young gentlemen are residents of Kennebunk, graduated from Kennebunk, moved on to Maritime Academy, finished out at Maritime Academy, and while they were going to Maritime Academy, they went and purchased five dams on the Belfast River. I think it's important that the Board hears from them as a group, because the amount of information that I got from them, they're experienced in everything that they've gone through with those.

They are currently in the process of going through the FERC licensure at this time, so I think this board can gather a lot of information that would be helpful to us, as well. So, in a future meeting, I would like to set an agenda item for them to be able to come and talk to us and present to us what they have to share.

GENERAL MANAGER SHEA: I have invited David to open up his schedule, to have a conversation, so that we can set what will be discussed on the agenda, and to definitely pick their brains on what they're going through now. Who knows, after hearing everything we have to say, maybe they would like to buy three more hydro sites on the Mousam River.

(Laughter.)

VICE-PRESIDENT BERRY: They're not shaking their heads.

GENERAL MANAGER SHEA: If their investors have deep pockets. But, yes. David, give me a call and we'll get together.

PRESIDENT KILBOURN: Before we go to public comment, I'd just like to put one idea forward about timing, because I'm -- I'm supportive of going to public comment at this point. We have an awful lot of folks here and we're going to have another meeting on hydro in early May where, I think, it would be wise to have some further discussion about really what directions are viable at this point, what are not, if we can do so.

And I -- I say that not so much because we have a filing deadline looming of March of 2017, but more because one of the items in the report that I have heard a number of people mention to me is that these decisions, while we have, perhaps, a business decision with some related community and environmental decisions to make, we don't necessary have the scope of responsibility or authority that the Town does, and there are mentions in this report about places where third parties might get involved, either as interveners or before -- or even in the purchase of the dams, if we were to release our licenses.

So, there are a number of things. Most particularly, I think, our relationship with the Town, and whether the Town would like to understand the direction that we're going and make some independent determinations about whether they want to take responsibility for any essentially non-business aspects of this arrangement.

So, I raise it now, because I think time is -- time is going by and if the Town were to want to consider, as I've heard mentioned on a number of occasions, the broader aspects of this as opposed to ratepayer interests, which is our primary charge, it might take some time to do that and we would, then, be pushing up against our filing deadline. So, I guess, although I'm -- I'm willing to defer the substantive conversation and -- (INAUDIBLE) -- to point to Board members on the various pathways until our next session, I think it would be a mistake to do it for much longer. I certainly have some thoughts and comments, and I know all of you do. So that's my two cents worth.

TRUSTEE CLUFF: So, when is our next meeting for this -- for --

PRESIDENT KILBOURN: The first meeting in May.

GENERAL MANAGER SHEA: That's correct. I believe May 8th may be the date that sticks in my head.

TRUSTEE CLUFF: May 10th is the second --

GENERAL MANAGER SHEA: May 10th?

TRUSTEE CLUFF: May 10th is the second Tuesday.

GENERAL MANAGER SHEA: Yeah, second Tuesday, May 10th. That's Mother's Day in Mexico, for all who are wondering.

TRUSTEE CLUFF: We may have to move that date. So, with that, we may have to move that date, to not stick to that hard and fast date.

GENERAL MANAGER SHEA: Board of Selectmen meet that night and we --

TRUSTEE CLUFF: Right. That's why -- I mean, we might have to move it, and I think as we continue into this final process, these deliberations, this audience is going to be here --

GENERAL MANAGER SHEA: Yup.

TRUSTEE CLUFF: -- and they're not quite going to all fit in our boardroom.

GENERAL MANAGER SHEA: There's -- we have the option of using this room. This is the most convenient room, if we could schedule it with Merton and the Town, because it's a lot more expensive to video record and audio record in the auditorium. I'm assuming we would have the option of RSU facilities. There are other facilities that will house this many people. I think we just made it. We're a little shy of seats tonight, but this is ideal. So, if that's what the Board would like to do, I can immediately get in touch with Merton and see when that next open date after the 10th is.

I know we've done Wednesdays in the past. That hasn't been a major problem. If everybody could just mark their calendar for -- I will tentatively look into May 11th, if that works for Merton, tomorrow. I'll send an e-mail, but we're also going to be up against I believe meetings for -- Town meetings, things like that. So I just want to make sure I can coordinate those schedules because we definitely don't have the room in our facility to handle these kinds of crowds and these people are interested in what is going on. And I'm sure, like you said, Duffy, they're going to continue to attend the meetings.

And the other question, and if I may raise this now, the next business meeting is to be held on April 26th, but if we were to move that business meeting to April 27th, our Chair would be available to attend the meeting, I believe. So --

VICE-PRESIDENT BERRY: I like the 26th.

PRESIDENT KILBOURN: I love you too, Wayne.

GENERAL MANAGER SHEA: And that is not a hydro meeting. The next meeting on April 26, not that people aren't allowed to attend, but there will be no hydro matters on that whatsoever. I mean, that's been made very clear and by the size of the

crowds, we will typically hold our business meetings at the offices and we just can't accommodate everybody. You can stand in the hallway and listen. We're more than happy to have you, but we just can't -- we don't -- it's standing room only at the offices.

VICE-PRESIDENT BERRY: Can we do the 27th, then? Then we'll all be here.

GENERAL MANAGER SHEA: Okay.

TRUSTEE CLUFF: I can do the 27th. And as I stated at the last meeting, we're not going to cross over --

GENERAL MANAGER SHEA: We are not. Oh, no. I got that loud and clear, Duffy.

TRUSTEE CLUFF: There will be no dam information.

GENERAL MANAGER SHEA: There will be no dam information on that agenda.

TRUSTEE CLUFF: Thank you.

PRESIDENT KILBOURN: And I think we all agreed to that.

TRUSTEE CLUFF: Right.

GENERAL MANAGER SHEA: Not even -- not even a fleeting reference to dam information on that agenda.

TRUSTEE CLUFF: So, the 27th is fine with me for the regular meeting.

PRESIDENT KILBOURN: That's great. All right. And I'm going to throw, at the risk of going on too long about this, we have asked for some additional information from John here tonight. We haven't set deadlines for that. It's not clear to me how much of that information any Board member feels is a prerequisite for really having a substantive conversation. I, for one, don't think anything I heard tonight I would require an answer to before I begin to discuss with this Board my views about what we should do, but if there is anything here that members of the Board feel really is a prerequisite for that, let's make sure that we're clear with John that we'd like to have that in time to understand the response before our next hydro meeting. So, please, speak up now as --

TRUSTEE CLUFF: Let's throw it back to John and say, John, what do you feel you can get us before May?

MR. EDGERTON: It looks like there are a couple of things in particular that you were looking for from me. One of them was the additional information on the fishways and things, more graphic information about what that would consist of.

There was the confirmation of the number of miles of river that we had in here. There was doing some additional assessment of the -- into the question of shoreline stability type questions; flood levels, velocities, things like that, for the stretch upstream of Kesslen.

Some of them were just relatively straight forward clerical things. Like formatting the decimal, cents for clarity; working in the Options 2 and 3 in that section, in Section 6, where we're talking about the cost to an average residential user; adding correspondence to Appendix J, which is really more, I think, something that's necessary for making sure that the finished report is a comprehensive view of the process and all of the discussion.

And, I think, the other questions was looking at the additional generation costs. For what it would take for that one -- that one, I think, is probably the biggest question in my mind in terms of having that information available for the hydro meeting that's tentatively scheduled for May 10th, at this point.

PRESIDENT KILBOURN: 11th.

GENERAL MANAGER SHEA: 11th.

PRESIDENT KILBOURN: 11th.

MR. EDGERTON: And there are other things that were in your --

PRESIDENT KILBOURN: There was an item that wasn't for you, John, I believe, which was the legal question --

MR. EDGERTON: The legal piece, correct.

PRESIDENT KILBOURN: -- which we'll need to get --

VICE-PRESIDENT BERRY: I'm sure Todd is on that already.

GENERAL MANAGER SHEA: I think --

PRESIDENT KILBOURN: As we speak.

GENERAL MANAGER SHEA: As we speak. I think, if I could give you the Reader's Digest version of this great American Novel we've just gone through, Jay. I think Board members may have options in mind that aren't -- that could potentially not be an option, so I've got a lot of information tonight. I've heard more from each of you tonight about this matter than I have to date, really, in a public setting. And, so, I think if I can get -- I'm fairly certain I could turn those items around that will set the Board members' minds at ease, and may make them want to discuss more openly.

VICE-PRESIDENT BERRY: This is because this is the first time you gave it to us in this format instead of this format.

(Laughter.)

GENERAL MANAGER SHEA: All you had to do was ask, Wayne. I'm trying to save trees.

VICE-PRESIDENT BERRY: Just to clarify, for the 27th meeting, are we doing it at 5:00, 5 o'clock, 5:00 p.m.?

PRESIDENT KILBOURN: Regular meetings are ar 5:00.

GENERAL MANAGER SHEA: Wednesday --

VICE-PRESIDENT BERRY: I know.

GENERAL MANAGER SHEA: Wednesday, April 27th, 5:00 p.m., 4 Factory Pasture Lane, KLPD offices. I'll follow up in an e-mail.

VICE-PRESIDENT BERRY: Thank you.

GENERAL MANAGER SHEA: I can do it as we speak, if you let me use my phone.

VICE-PRESIDENT BERRY: Send it to my phone.

PRESIDENT KILBOURN: All right. Thank you for all of that. Is there something you wanted to say, Mike?

CLERK JORDAN: No.

PRESIDENT KILBOURN: No? Okay.

So we are encroaching -- we have encroached a little bit on our public comment period, so let's certainly, at least, carry our fifteen minutes to 8:20. I'd ask, if anyone has anything to comment upon or question this evening -- I'm not sure we can effectively answer questions -- that you come forward to the podium, please, and try and be as succinct as possible. Unless the Board votes otherwise, we will be adjourning the meeting in about fifteen minutes. And, as I say, this is not the only opportunity to comment.

PUBLIC COMMENT

MR. MARKLEY: Hello. Thank you, you guys, for having us.

GENERAL MANAGER SHEA: One moment. Please, name, town of residence, then go on.

PRESIDENT KILBOURN: You might also mention if you are a ratepayer or not. People are interested to know if you are a ratepayer.

MR. MARKLEY: As our introduction from Mr. Cluff, my name is David Markley and my business partner, Nicholas Cabral here. We -- I graduated from Kennebunk High School. We went on to the Maritime Academy, and then, while we were at MMA, we bought five hydroelectric facilities in Belfast, Maine, and, as you said, are currently going through the FERC re-licensing process, so we have a pretty fundamental understanding of exactly what Kennebunk is going through.

Thank you guys for entertaining a discussion tonight. It's been a pleasure to listen to commentary on the report, but it's our understanding that the Board has had a variety of presentations on the adverse effects of dams and otherwise, and so we're here to pretty much display the benefits of hydroelectric power. Sorry to not -- I'm not a ratepayer, but I live in Belfast.

Anyway, we've taken the time to review the majority of material that you presented, compiled by Wright-Pierce, and we have been fortunate enough to have had a few meetings with some of the selectmen and the different parties throughout the Town. It has become our understanding that the cost effectiveness of the dams is the major pain [sic] point. In our minds, it can be broken out into three major categories: The cost to generate electricity, the cost to install and maintain fish passage, and the potential legal fees that are associated with third-party concerns and requests. Essentially, the licensing process.

We believe that there are suitable solutions to all three of these costs, making the Mousam Dam very appealing both environmentally and economically. In short, we've decided to specifically address the cost of installing and maintaining fish passages that relates to the Mousam dams. Based upon the estimates and -- from our current sites, what we have come up with is that we can cut the costs of the proposed fish passage almost in half.

So, using that, coupled with the Town's ability to net meter, which gives them flexibility in the pricing structure for the energy that they pay, we can -- is during the 46 year study period, we can go from a net loss of 2.8 million dollars, which was in the first proposal, to approximately a net profit of \$78,000 for the Town.

So, just in our -- in our short window of diving into the project that we've had, we believe that we have been able to come up with a viable solution and that's just addressing one of the particular pain points. So, I would just like to say thank you for the opportunity and I look forward to presenting to all of you in the future.

GENERAL MANAGER SHEA: Thank you.

(Applause.)

PRESIDENT KILBOURN: It would be helpful for this board to have as detailed a proposal in written form as you can provide to us for our review, both individually and in our next meeting.

VICE-PRESIDENT BERRY: Before we meet with them.

PRESIDENT KILBOURN: Thank you. Next?

MR. KOLFF: My name is Albert Kolff. I'm a ratepayer and taxpayer in Kennebunk.

TRUSTEE CLUFF: Is the microphone on?

MR. KOLFF: I'm a retired hospital architect.

PRESIDENT KILBOURN: Is your microphone on, sir?

GENERAL MANAGER SHEA: Right at the base of that. There you go, Albert. Now it's on.

PRESIDENT KILBOURN: Thank you.

MR. KOLFF: Better?

TRUSTEE CLUFF: Now it's on.

MR. KOLFF: My name is Albert Kolff. I'm a ratepayer and taxpayer in Kennebunk. I'm a retired hospital architect with projects that required architects, engineers, and regulatory agencies to collaborate for buildable, affordable solutions. For full disclosure, I have worked with Wright-Pierce on a project that I did in Maine. In that light, I have an interest in credibility and took the opportunity to review some of the details of the October, 2015 Working Draft For Public Release.

On March 3rd, I submitted a three-page review to Todd Shea, General Manager, Kennebunk Light and Power, who forwarded the comments to Wright-Pierce. These recommended changes would make the comparison of the four alternatives feasible. One correction was to look at the average kilowatt hours of electricity generated by the dams per year. Todd Shea sent me the hydro production PDF records of kilowatt hours generated by the three dams from 2002 through 2015. The 1,400 -- 1,400,000 kilowatt hours used by Wright-Pierce are the kilowatt hours generated by the dam in 2014. This was not an average. The total kilowatt hours between 2004 and 2014 -- 2002, excuse me, to 2014, divided by 13 years, gives an average of 1,795,000 kilowatt hours; 395,000 kilowatt hours short. This, of course, has mathematical implications in cost comparisons.

A more serious omission in the Wright-Pierce report was referred to in Question Number 2 of the Frequently Asked Questions, a flyer from the October public meeting. What do the three KLPD dams accomplish today? Quote, Using our current purchase rate of 7.89 cents per kilowatt hour, the District avoided -- the District avoids \$79,000 in energy purchase costs per year. Using the correct average, this actually is \$142,000 per year.

On the cost analysis spreadsheets, Alternative Number 1, Seek New Licence, the value of Kennebunk -- sorry. The value of the -- the Kilowatt hours generated by the dams is the revenue produced projected for 47 years. Using the corrected average, the Kilowatt hours for 46 years, the 7.89 cents per kilowatt hour results in a positive \$289,000 net present worth. For me, as a ratepayer, it would cost me the equivalent of one can of coffee per year for the next 46 years.

Looking at Alternative 4 --

PRESIDENT KILBOURN: Sir, can I ask you, how much more time do you need?

MR. KOLFF: Half a page.

PRESIDENT KILBOURN: Thank you.

MR. KOLFF: I will hand this to you for the record.

After the dams are removed, you don't have hydropower generated, you can't add to the grid, and you don't get paid for the energy you no longer generate. For the cost analysis spreadsheet for Alternative Number 4, when removing the three dams, the lost income costs 102 -- \$142,000 per year, not \$79,000 per year; in energy purchased costs.

To be able to compare alternatives, this means we have to add 40 years of lost energy at a total cost of \$5,671,000. It's not in the report. The resulting net present worth in 2016 dollars for Alternative Number 4 is a negative \$6,862,000.00. For me, as a ratepayer, this would cost me an equivalent of six cans of coffee.

You guys have a daunting task ahead of you, and I want to see Wright-Pierce make recommendations and revisions to the report by lining through the revised comment, leaving the text, and adding in red the new text. So that you don't have to spend the entire time comparing two documents side by side. It's one way of making changes to a document. Thanks. Very much.

PRESIDENT KILBOURN: Thank you.

(Applause.)

PRESIDENT KILBOURN: I would like to suggest to the Board that rather than trying to respond at this time, and take away from other people's comments, that we ask Wright-Pierce and our general manager to take those written comments and to assess them in light of the existing report and analysis. Come back to the Board with just a written response as to what makes sense, what doesn't, where there may be misunderstanding, or what -- what kind of a good catch he's made. Is that acceptable?

(No verbal response.)

PRESIDENT KILBOURN: Let's move on. Thank you.

MR. OSTRANDER: I'm Mark Ostrander. I'm a ratepayer for over 25 years in Kennebunk, and I've got a couple of questions that haven't been covered, as I understand it, at this point in time.

In one proposal at the end, so the first question would be: What are the plans for a study by an impartial real estate appraiser to determine specific short and long term impact to property values for abutters of the Mousam River? Now, I'm not referring a national or regional average, or an anecdotal account. I mean specific impacts of people who are paying taxes in the town of Kennebunk. And if there is no plan for a study, why not?

My second question would be: What are the plans for addressing these property value impacts once determined? And if there are no plans, does it expose KLPD to the potential for litigation similar to the Goose Rocks Beach property owners lawsuit?

If I recall correctly, the cost to the Town of Kennebunkport was well over \$1,000,000.00 for legal fees.

And my last proposal would be: Will there be another drain-down -- a drawdown of the river performed by KLPD for all interested to observe, document, and experience the river at its potential lower level if the dams were removed? Thank you.

(Applause.)

PRESIDENT KILBOURN: So, before you continue, I just would like to assure you that we will have our staff take a look at those three questions and get back to you, as well as the Board, on the answers. I think it may be that at least two of the three are readily answerable right now. If -- Todd, if you want to do it, but I think we owe time to others, so it can be quick, go for it.

GENERAL MANAGER SHEA: I was just going to be quick and say that the next time there's a drawdown, we don't have it planned yet, but there will be a notice put out. And that would be up to the Board if they want me to answer -- have a response to real estate question, because there -- there has been some discussion about this and I feel comfortable in saying -- and if that's all right with you, Jay --

PRESIDENT KILBOURN: Go ahead.

GENERAL MANAGER SHEA: -- that we could put four different real estate experts in the room to study this problem and we'll get four different answers. So this is a -- it's a very unique -- like you said, it's very site specific, very, unfortunately, a retroactive fact that the District is going to have to deal with, to try and predict what those value impacts are going to be. We could spend a lot of money and get answers that nobody is going to be happy with.

So that's why the Board hasn't furthered that question to this point. We haven't found someone who is -- with the impartiality and the ability to view this community from a 40,000 foot view and give us an answer that would hold metal with anyone, I don't believe. So, it's a very sensitive subject and it's a very difficult one to answer.

PRESIDENT KILBOURN: We will still follow up. Todd will followup with you to give you the best answers that we can and keep us apprised.

MS. ROBINSON: Hi. I'm Debbie Robinson and I'm a ratepayer, a land owner along Mousam River, and our family also has a business where there is probably more than 200 plus people who are also ratepayers to Kennebunk Light and Power for -- you know, through our business, which is a campground if you didn't know.

I have a couple of quick questions. First of all, I apologize, because this is the first time I've been able to come. I realize I need to read the report fully. It sounds like you've been doing a very thorough job and I'm way behind. I've only watched the slide shows. I haven't seen anything else yet, but I have two smaller questions and I'm sure I'll have more after tonight once I process a little bit more.

One, you've had a lot of talk about the -- the fish -- fishways for bringing in species of fish that maybe haven't been here since the dams have been in or very little. If I read that report, will I also find the impact studies of the species that are already established? I'm after the third dam, so I'm out in the boonies, and I see so much stuff, and is there -- in that report, are there species reports on the impact on the wildlife because of the wetlands and the marshlands that are formed from the overflow of the river and the stream, and the peepers, and all that stuff, the amphibians, the turtles, the birds, and the mammals that we see constantly in our area, and the impact of bringing in wildlife from over in the blueberry plains that has been pretty much -- I'm envisioning the river being so skinny, 'cause I have seen the drawdown a few times over the years, when

you guys have been working on stuff, and I know you guys are more sensibly minded, but I know you're talking about the environment, as well, about bringing even more of the coyotes and so forth that have been having free range over in the blueberry plains that we hear howling at night coming across the river when it becomes very narrow, 'cause I've seen it go down.

I don't -- I haven't seen a photo-shopped representation of what it will be as far as where I live. I've only seen it as far as the last dam and we're still at least a mile past that. So that's one question of mine.

The other is, earlier this evening -- I'm sorry, I forgot your name -- but you mentioned you did a sediment study and it sounds like you did it near the Kesslen Mill. Now, I would love to see some sediment studies out by us, because I would think we're closer to Sanford, which has more industrial pollutants coming into the river, and I would think each dam would have a stoppage.

I mean, sediments have to weigh heavier than the natural water and the dirt sediments that are flowing by our house everyday, and I just was wondering if there's ever been any sediment studies out our way, because there's a huge number of people who use it as a recreational area, and if we have to trek through four or five feet of muck to get to the river to go kayaking, I want to know if little kids will be safe to go fishing in that muck and to our campground, or if we could take off our boots while we're walking through the muck to get into the river.

PRESIDENT KILBOURN: Thank you. You've packed a few questions in there I think. I think we could answer a couple of them quickly, if I -- and I would just like to remind everyone that all written questions will be read and we will either respond to them if there's an answer, and in the case of the questions, you've asked several of them, we have -- we have dealt with over the time that you haven't been involved, so we can answer those questions, and those we can't, will be either researched or referred to the Board if resources are needed to answer them and we feel that it's warranted in making our decision. So just because you don't get your questions all in here tonight, doesn't mean that it won't get addressed.

MS. ROBINSON: Okay. That's it for tonight.

PRESIDENT KILBOURN: Thank you.

MS. ROBINSON: And I put my e-mail there and if I think of others, I'll let you know.

GENERAL MANAGER SHEA: I'm sorry, your name was?

MS. ROBINSON: I'm Deb Robinson.

GENERAL MANAGER SHEA: Okay, Ms. Robinson. The -- I can answer your questions fairly quickly. There have been preliminary, very brief, broad brush stroke views of what might happen to species that exist on the river now that would require in depth study as to when a decision is made. And the reasoning for doing the sampling behind the Kesslen Dam is because in the late '70s, both the Twine Mill Dam and the Dane Perkins Dam were breached, and so the thought process was, Kesslen is the one that's been in place the longest, since 1954, so theoretically the sediments behind your

section, as well as the Twine Mill section, would have released downstream. So rather than spend all the money initially, we wanted to get a basic idea of what we might be dealing with so that we had representative sample. Future decisions would require more sampling to be done, so we did not sample your section specifically because those had been breached in the past.

MS. ROBINSON: Okay. Thank you.

GENERAL MANAGER SHEA: You're welcome.

MS. ROBINSON: Because I've only lived there for 20 years.

GENERAL MANAGER SHEA: Okay. It was '70 --

MS. ROBINSON: 25 years, rather.

GENERAL MANAGER SHEA: -- '76 to about '81, those two dams were not there.

MS. ROBINSON: All right. Thank you.

TRUSTEE CLUFF: Ms. Robinson, I have a question for you: When you read the report, there's a section in there speaks -- references your business and the impact on there, as well as the usage. So if you could just look at that, and if there's any difference, please let us know, so that we can make any corrections.

MS. ROBINSON: Yeah, in the first slideshow there were pictures from our land, but there -- I saw the most recent once and it just stopped at the other dam. It didn't go as far out as us, so --

GENERAL MANAGER SHEA: We can give you the rest.

MS. ROBINSON: Yeah, that's fine. Thank you.

TRUSTEE CLUFF: Thank you.

MR. KAHN: My name is William Kahn. I own a piece of property at 82 Fletcher Street. My first question -- my first comment is: I haven't seen anything in all the literature that has anything to do with how many abutters are affected. The second thing is more on the quality of life in Kennebunk. I saw some pictures of people in boats during a drawdown. Now, they had to be just in front of the dam, because we're lucky, or I'm lucky, being very high overlooking the river. I can see along way in both directions and there's no place you could kayak, or canoe, or do anything for a considerable area.

What you have, and the hydrology is -- what's left is the fish pools that you would fish in now, are still there during the drawdown, but connecting those is just a little a big brook. There's no way you could kayak or canoe any length of the river at all. It's just going to be a brook.

That being said, the pictures that they had in the local paper showed a person in a kayak. Well, that's an aberration, because that must have been in front of the dam, because near the -- I'm sorry, in back of the dam -- you have about 140, 160 feet at the

furthest dam next to Route 1, so I got in a car and looked at the others and you don't have much more there.

You are not telling the people of Kennebunk what -- how is this going to affect the recreation. No much more there. Many people don't know that the local high school uses the river for kayaking and canoeing. This is not going to happen if the dams are taken out. Thank you.

(Applause.)

PRESIDENT KILBOURN: So, may I ask the Board, we have exceed the time that we allowed. Would you like to continue and, if so, would you like to set a number additional speakers or just continue?

CLERK JORDAN: Just continue.

TRUSTEE CLUFF: We should continue and hear everyone.

PRESIDENT KILBOURN: Agreed?

TRUSTEE EMMONS: Agreed.

PRESIDENT KILBOURN: Okay. Carry one.

MR. POLLETO: Thank you. My name is John Polletto. I live at 7 Fletcher Street in Kennebunk. My backyard goes down to the river. Several meetings ago I came to the podium and raised a question as to if the dams were removed with the resulting swifter current, would that cause the river to reconfigure. I'm very happy tonight to hear that you're going to address the issue of a swifter current in the event that the dams are removed. Thank you very much for considering the possibility of erosion.

PRESIDENT KILBOURN: Thank you for thanking us and keeping it so brief. We appreciate that.

(Applause.)

MR. HUMPHREY: My name is Chris Humphrey. I am a taxpayer and ratepayer. I live, also, on Fletcher Street, directly on the Mousam River, and I thank you all for your thoroughness on this topic, and along those lines, I want to let you know that you are missing about a minute-and-a-half of the video footage, you may already know that --

GENERAL MANAGER SHEA: Yes.

MR. HUMPHREY: -- and the drone was launched from our house, and if the launch had -- if you had been able to see, you would have been able to see exactly what my neighbor just told you, which is that there is no way you can kayak the river behind us during the drawdown. Not only can you not put a boat there, you can't have fish swim there.

So there have been anecdotes of people kayaking, as you heard. So, I think, when you do your next drawdown, I hope that drawdown launch also goes in our backyard and

this time I will be taking lots of pictures, as well, so you can see that and have all of the information you need.

GENERAL MANAGER SHEA: I believe -- we thank you, Mr. Humphrey for letting us use your backyard. I believe that backyard is jinxed -- -

MR. HUMPHREY: Yes.

GENERAL MANAGER SHEA: And, unfortunately, obviously, due to the nature of what we were trying to record, there was do-over at that take.

MR. HUMPHREY: Right. Of course.

GENERAL MANAGER SHEA: So we've identified several more points and the next drawdown will have a better sketch of that river. I was very disappointed to find out that that minute-and-a-half of video clip that took about twenty minutes to record didn't record.

MR. HUMPHREY: And the minute ends -- to further add that minute-and-a-half is probably, I don't know how long that would take, but it's hundreds and hundreds of yards that you're missing.

GENERAL MANAGER SHEA: Absolutely.

MR. HUMPHREY: So -- and you will see what we saw behind our backyard and you'll have the answer.

I do want to, briefly if I can, answer some of the real estate issues. Two doors down from us, the house had gone into the state in which you are selling your house -- under contract -- thank you -- and they got word of what is going on in here and they walked away, and the house then dropped \$40,000, which is just anecdotal information. This is just one house on the river, two doors down from us, 40k down in value just because of discussion of this, so I just wanted to throw that out. Thank you for your time.

(Applause.)

MS. HUGHES: My name is Patricia Hughes. I am a ratepayer. I live on the infamous Partridge Lane, second only to Intervale. Intervale is the one with the vast number of houses still that could be hurt if the river floods. You said earlier tonight, and I'm pretty good about going to these meetings, and I never picked up that you're looking for deeds of abutters to the river. And if you mean that, could you please send out an e-mail, because you can take a look at my deed or a copy of it, and I'm sure most people would be glad to help you there, but I certainly wasn't aware of it.

Also, going way back to the beginning of this process, can you tell me why it was left to the Board, to you, to make this decision and why it wouldn't be like a stockholders meeting and the Kennebunk ratepayers are not directly involved in the vote for this? Would that be a possibility, to have the ratepayers vote on how they would like you to head, so that you have some idea of what those you are responsible to would really like? Thank you.

(Applause.)

MR. GRABIN: Is this on?

TRUSTEE CLUFF: Push the button.

GENERAL MANAGER SHEA: Oh, it's off now, Bill. One more time. You're on.

MR. GRABIN: Okay. Thank you. Bill Grabin, resident and ratepayer. I just wanted to comment on the kayak questions. John Burrows is the one who kayaked, along with another person, during the drawdown. Unfortunately he's not here now. He had to leave, because his babysitter couldn't stay that long, so he had to leave about a half-hour ago, so he can't specifically respond to the comments and questions that people had about kayaking during the drawdown, but I know he would be happy to talk.

You know, there's been different questions about what was the height of the river, whether it was during the drawdown or after, and I think it would be great to have a conversation between the people, such as Chris Humphrey and whoever else had problems -- you know, saw the river as very low and get Todd in the discussion, as well. So it can be -- you can all be saying the same thing about what period the drawdown was that this kayaking was occurring. I mean, there should be some simple facts about it.

You know, I don't think anyone is trying to deceive anyone else with any pictures or any of the descriptions of what anyone experienced. So, I think, it would be great to get John, and Chris, and whoever else, together with Todd so they can go over the course of the drawdown see what can -- what sense can be made of it. And, also, having another drawdown, that might be a great...

PRESIDENT KILBOURN: Thanks for your -- thanks for raising that, Bill. I think, as you can imagine, it's a little confusing for us if we weren't actually trying to kayak, and in the absence of a loan drone coverage, when we hear very different views, and I think if -- you know, the exact same incident has different experiences and I applaud you for suggesting that. I think trying to get to the bottom of was there timing, was there replenishment, was it -- was it a combination of factors, what was it about? And we also know for sure, when it comes to the river depth, that it changes all the time and seasonally, and with storms, and so there is no one -- certainly, if there weren't dams, there would be no one steady level.

Thank you.

TRUSTEE CLUFF: I just have a comment -- or a question for John, really.

John, below the dams, below Kesslen, the flow of the river the way it is, it's the run-of-the-river right now, so understanding that if the three dams were removed, the river would remap itself to some extent once all the sediment and all of the -- the land would be redefined. Would it not look similar to what we're seeing below the dams right now, to some extent? Is that going to change?

MR. EDGERTON: Yes and no. I mean --

TRUSTEE CLUFF: So is --

PRESIDENT KILBOURN: Do you need to --

TRUSTEE CLUFF: -- below the dam going to get less or is it going to be more over time?

MR. EDGERTON: Okay. So -- so one -- and one of the challenges associated with estimating what it's like during a drawdown is you have to maintain the drawdown and achieve what we could call steady state conditions, i.e., what's flowing into any particular segment of the river and is steady and matches above wherever you are manipulating it.

If you draw multiple dams down in the same general timeframe, when one is filling back up, what you are going to see down below that is less than what's coming into that from up above, so you need to be a little careful at any given time when you're looking at what the flow is based on something that's happening upstream. If a -- under normal conditions, you have run-of-river situation, which means the amount of water flowing into any impoundment is the same amount that is leaving any impoundment. But if you're in a situation where you are either lowering an impoundment or raising or refilling an impoundment, what you're seeing downstream is going to be either less or more in terms of flow rate than what's coming into that impoundment.

So that's a fairly important factor if you are going to be out looking at a specific segment of the river and trying to make a determination about how much water there is in that river at the time. You need to really understand what's going on with the dam upstream.

TRUSTEE CLUFF: Right. That's correct. In a normal day of flow --

MR. EDGERTON: In a normal day of flow, if you are a run-of-river situation, what you will see, in terms of the amount of flow that you see down below Kesslen, would be the same amount of flow, in terms of cubic feet per second, that you would see, generally speaking, throughout the study area, less any amount of tributary flow that's coming in. But you don't have a lot of substantial tributaries within the study area that would change what's at the bottom from what's at the top.

TRUSTEE CLUFF: Right. I'm just trying to get the public an understanding, a visualization, of what it potentially may be, because I don't believe that that drawdown did any justice to what is actually going to be down the road.

MR. EDGERTON: It -- the -- right. So -- yes. I think -- and that's kind of one of the points we made.

TRUSTEE CLUFF: Because everyone is seeing a big mud hole and not seeing what the river is going to do when it redevelops itself and --

GENERAL MANAGER SHEA: I'm glad --

TRUSTEE CLUFF: -- what the average flow is going to be.

GENERAL MANAGER SHEA: I'm glad you brought that up, Duffy, because I've seen photos published locally that are representing what the flow would be, but with the -- without the preface that we -- for the Kesslen impoundment, let's say, on those drawdowns we've actually draw down Twine Mill, so that we're able to restrict the flow completely to the Kesslen impoundment to do the work we need to do.

So some of those scenarios that are being portrayed as this is what the river would be, are actually artificially lowered, because we actually had to stop flow completely.

(Applause.)

TRUSTEE CLUFF: Right. And that's my point, is that if you look at the river below --

GENERAL MANAGER SHEA: Below.

TRUSTEE CLUFF: -- the dams, it's a fairly good mark of what the river is going to look like above the dams when the dams are gone, potentially. Given the facts of what you -- of what you have said where, depending on what happens way up, on how much is released or not released at any given time, that's going to go up or down, and the river is going to redevelop itself from the bowl that it's in right now to redefine what it's going to be in the future.

VICE-PRESIDENT BERRY: It's if the dams are gone, not when the dams are gone.

TRUSTEE CLUFF: Correct. If the dams are removed. Sorry, did I say when?

VICE-PRESIDENT BERRY: You did.

GENERAL MANAGER SHEA: So, John. When we're -- so let's say, John --

TRUSTEE CLUFF: I'm sorry. If the dams are removed.

GENERAL MANAGER SHEA: So, let's say, John -- so, let's say, John, we're not spilling at any of our three facilities, we're not holding back water whatsoever, so in that natural state, at that level of the river, what you would be seeing below Kessler Dam, although the base of the river, the substrate is not the same, the water level and the velocities could be reasonably anticipated to be similar to what you're experiencing below Kessler, because with the removal of all three facilities, we're getting the run-of-river from the dam above us that should be similar to what we're experiencing now? Seasonally high, seasonally low, but with that variability, if you look behind Cumberland -- everybody looks behind Cumberland Farms in August and it's really dry, that's the flow that we should anticipate?

MR. EDGERTON: Yeah. I -- the area below Kessler, to the extent the rest of the dams are just flowing in their normal run-of-river situation, is probably your best basis for getting a feel for what the river would look like under that scenario, subject, of course, to the fact that the shape of the channel and the nature of the channel in that location may vary from what you have in different locations. The velocity may be a little different based on, you know, how the -- how the slope -- how the pitch of the channel runs, but the amount of water flowing through should be a good indicator.

And, so, if you're familiar with that section below Kessler, and you know how much that varies day to day, week to week, that's the same thing that you would see on other sections of the river that would be influenced by the dam removal if you went down that road.

TRUSTEE CLUFF: Thank you.

MR. AMAN: My name is Jacob Aman and I work at the Wells National Estuarine Research Reserve and I live in Wells. I've heard a lot of comments about the potential impact to the wildlife, the fisheries, (INAUDIBLE) -- and habitat within the impoundments, and I think that that's -- that demonstrates a really commendable stewardship ethic and the Town -- (INAUDIBLE) that people really value those resources. And, so, I want to thank all of the people that have raised that question consistently throughout this process.

I also want to say that I think that it's great that the Board has solicited information and opinions from the various fish and wildlife agencies within the state and at the federal level. And, certainly, from reading those comments there is -- there's, obviously, a preference for fish passage at the least, if not dam removal, and I think that it would be beneficial to try to reconcile those opinions and try to understand what the value is from a fishery standpoint, from a wildlife standpoint, to address these types of questions, because I think it's not -- it's not an easy question to answer. Certainly, someone who is interested in fishing for small mouth bass is going to be much more interested in the conditions that are there now as opposed to an elver fisherman who is interested in seeing an increase in elver -- eel passage.

So, I would encourage the Board to try to seek more of that information. Get back in touch with the fishery agencies, and get them to explain in greater detail why they advocate for fish passage for sea run species and why that's important ecologically speaking, because I think a lot of people that have questions about this are open to receiving that information and would just appreciate having more access to that. Thank you.

(Applause.)

PRESIDENT KILBOURN: Thank you for your comments. Yes. Before you do, I'd just like to say one thing in that regard. I personally think it's a great suggestion. You know, it's always a good thing to ask why, and I think there does seem to be a general concern about how many, what species, and what will happen to them, and it's genuine, I think, across all segments of viewpoints. I would like to see us follow up with that, as well. It might be indicative -- I mean, we've had -- we've had, in the past, had comments that -- that passage in this river is not insignificant, in terms of the health of other fisheries in the Gulf of Maine. I would like to understand that better and understand actually the level of importance.

Thank you.

MR. HANSEN: Ward Hansen, ratepayer of Kennebunk and resident. The issue of kayak passage has been discussed a minute ago and that the water level below Kesslen would be the same as above, the volume. I don't know about you, but I have never seen a kayaker directly below the Kesslen bridge or that next section. If the same volume of water is above, I don't see how there is anyway the water is going to miraculously turn into vertical banks and we'll have a nice flat bottom like we do below the Kesslen. Therefore, with that level of water flowing, I'm only guessing that the velocity of the water going through above where the dam is now, could possibly be too fast and dangerous for families to use.

You also mentioned that during the drawdown right above Sayward Street there's a band of rocks. There's been talk about sediment. I thought, Todd, you may have mentioned something when the sediment studies came out about trucking or moving some of that sediment. Did you; is that correct?

GENERAL MANAGER SHEA: It was something that was discussed where if the sediment gets -- if the concentrations of contaminants in the sediment get to beyond a certain point, that they can no longer be reused for beneficial use and they would have to go to a super-site, so that's what that conversation was.

MR. HANSEN: Okay. So that implies dredging, and if we were to dredge between that band of rocks and where the Kesslen Dam is right now, that would lower the water level there. So, right now, that is a big place where kayaks are put in, right by the Lafayette Center, whatever. That implies the water level would go down, and then when you go upriver, you would see those rocks. You would literally have to get out of your boat and drag across the rock bands, because you're going to have a lower level in two, three hundred yards whatever it is now.

Another issue that I have seen, nobody has even mentioned, they are forecasting a much warmer than normal summer, and there is so much discussion about global warming, and my understanding is that nationwide the energy grid is not in the best of shape. So if we have a risk of rolling brownouts, or blackouts, I realize that the dams currently only produce one-and-a-half percent of our electricity. I applaud your effort to build the solar array, but from an energy security standpoint, I think someone should consider that, because if we do have brownouts, we know that the demand of electricity is going to be taken care of first in Boston before Kennebunk, Maine. Because we don't want looting and violence and all that kind of stuff, they're going to -- they're going to focus on that and we're going to be last in line.

We live in a world now where there is so much dependence on electronic items, it seems to me, and you've got electric -- you've got so much political instability, who knows the next 30 or 40 years, what the price is going to be, or even the availability of security. So, it seems to me, we should think in terms of whatever a little amount that is, the dams, that (INAUDIBLE) think about not just price, put security.

And then, the other thing along that line is, if you look at the advances that Tesla made, manufacturing has made with cars, electric cars, we don't even know if maybe in 10, 20 years those dams could generate five percent of our power. We don't know what advances are coming.

One other item that I think Barry Tibbetts mentioned this way back in November is that under Alternative 4, and the gentleman mentioned tonight, that many of these dams are built at sites where there is already existing ledge. We don't know how much ledge is at the site of Kesslen, and I guess my question is, if -- is there a threshold that if they take out the dam, and they say the ledge is 6, 8, 7 feet high, that FERC would still require fish ladders to be built? I don't know, can anyone answer that? Because if that's true, then that cost has not been projected into Alternative 4.

PRESIDENT KILBOURN: I will only say that my recollection from historical work that was done and from some statements that have been made in reading, that there was fish passage historically before the dams at that site, but I can't profess to be an

expert on it, and I'm not sure whether this is something that Wright-Pierce thinks could be answered or whether it would be expensive to answer such a question.

It has come up several times. This isn't the first time that it's been brought up, both around town and in our meetings.

MR. EDGERTON: I'm not aware of any circumstances where a -- somebody surrendering their FERC license has been required to create fish passage in a situation where fish passage couldn't be established to have naturally existed previous to the dams.

MR. HANSEN: Would it be possible or is it expensive to send a scuba diver down to check? I mean, just to have better knowledge; is that expensive to do? Is it something that we would have better --

MR. EDGERTON: Well, I think we've got a pretty good handle on what exists out there, because of the recent nature of the reconstruction in the -- in the '50 and just based on observations because that dam has been dewatered at several times. We had it fully dewatered to replace the gates a year-and-a-half ago or so. So, I mean, we've got a pretty good handle on what's out there.

PRESIDENT KILBOURN: Is there an answer, then to the question, of whether this is such an extreme ledge that fish would not be able to pass; is it answerable?

MR. EDGERTON: I -- I -- like you, I don't believe that there is a nature or natural obstacle there. My understanding is that fish passage is -- previously existed.

MR. HANSEN: But you don't have historical data or you really don't --

MR. EDGERTON: I think there's --

MR. HANSEN: -- have a firm answer? I'm not --

MR. EDGERTON: There's anecdotal information that suggests that that's --

MR. HANSEN: Okay.

MR. EDGERTON: -- not an issue here.

MR. HANSEN: All right. Thank you.

PRESIDENT KILBOURN: Thank you.

MS. TEAGUE: Am I on?

GENERAL MANAGER SHEA: Push it again, Donna. That one, yeah.

MS. TEAGUE: Oops. This one.

PRESIDENT KILBOURN: There you go.

MS. TEAGUE: Oh, I see the light. I saw the light. Donna Teague, 18 Old Cluff Road. First of all, I really want to thank you. It's good to finally hear you talk and

deliberate. I really appreciate the thoroughness of some of your questions and analysis, and I really look forward to hearing those answers. In the Wright-Pierce report, the one we're looking at tonight, there is three-quarters of a page of questions that came out of, I guess, the March, 2015 meeting. Some of our questions, the ratepayers. Please remember that we submitted a lot of questions between November and January, so I don't think that that list is complete. And I really do look forward to hearing the answers to all of those questions.

The only other thing I was going to say is, in terms of resources to reach out to. As someone said, you don't have allies until you reach out to them. I'm glad that you're going to check in on Senators King and Collins again, and I'm forgetting who the other one was, but I'd also encourage you to check with the governor's office. He has put together a hydro energy committee, Department of Energy. Robert Woodcook is the director, and, you know, they may be looking at some things that could help us. So, I would add that to list, please. So, thank you again.

(Applause.)

PRESIDENT KILBOURN: Thank you. I see no further comments. Do we have any further discussion of the Board?

(No verbal response.)

PRESIDENT KILBOURN: Do we have a motion to adjourn?

MR. AVERY: I have one comment.

GENERAL MANAGER SHEA: Oh, wait. Peter, there is a woman behind you.

PRESIDENT KILBOURN: Hold the phone.

MS. HANSEN: I'm Jean Hansen. I've been on the river probably longer than anybody else in the immediate area. I bought the house in 1968 --

PRESIDENT KILBOURN: Excuse me. We have one last question, please. If you could keep it quite enough that we could hear, that would be great.

MS. HANSEN: Thank you. I've been living at 9 Larrabee Way since 1968 and it's been about 48, 49 years. I think I'm the longest resident right on the river. (INAUDIBLE) and the one thing I don't understand that is happening is several years ago I had major surgery and when I came home from the hospital, the water was up a third of the lawn. We're on a slight incline as you go up and then there's the driveway, and it never comes that high. So, I'm set back far enough.

But the puzzle I have, and I keep thinking about the river, it never comes up on the lawn at all anymore. There's less water down there. I don't know where it is. It used to come up all the time. I was afraid it was going to flood the barn. So, what's happening to the water? Where is it going?

If you take it down -- if you take it down, maybe it's just going to be mud, I don't know, and that would devalue my land like hell. So if you can answer that question for me. I'm not God and you're not Jesus, but the river has changed. It has changed. The

flow has changed and there's not a lot of water in there anymore, and when you talk about taking the dam down, good grief.

Do you know that people live up by the turnpike and when they drain it every year it smells and they have to close their windows. The Teagues, it's terrible. He has to live that -- with that in the summer when the -- if it's going to be a muddy place. You know, I wish you guys would get a different hobby.

(Applause.)

PRESIDENT KILBOURN: Me, too.

TRUSTEE EMMONS: Boy, you aren't kidding.

MR. ASHLEY: Can I begin?

PRESIDENT KILBOURN: No. One more time, Peter.

MR. ASHLEY: One more?

GENERAL MANAGER SHEA: There it is.

MR. ASHLEY: Okay.

GENERAL MANAGER SHEA: I can -- it's glowing from here.

MR. ASHLEY: I can't possibly get a laugh anywhere near close to that lady and her description. It was just brought up about the underlying terra firma underneath the river sediments, et cetera, and I was a commercial fisherman for ten years, so I suggest that you get to the Department of Marine Resources, and those kind of people, and the fisherman, and all of that, and put yourself a good white line fish-type recorder that bounces off the lower sediment and also shows where the rock is underneath everything. You'll know the thickness of the sediment, you'll know the depth of the rock layer under the surface of the water. You will know everything that you ever wanted to know about it. So I just happened to think that I'd throw that in the puzzle and at a speed of about three or four knots it wouldn't take too long to cover the whole section of the river that you are interested in.

PRESIDENT KILBOURN: Thank you.

MS. SPARKOWICH: I just had one comment. I was hoping somebody else would bring it up first, and I've got this lady beat. I've lived on the river for eighty years.

VICE-PRESIDENT BERRY: Speak into the mic, okay?

MS. SPARKOWICH: Pardon?

VICE-PRESIDENT BERRY: Speak into the mic. That thing, yeah.

MS. SPARKOWICH: Is it on?

GENERAL MANAGER SHEA: Yes, it is.

MS. SPARKOWICH: My father was a farmer --

PRESIDENT KILBOURN: I'm sorry. Could I ask you to introduce yourself for the record, please.

MS. SPARKOWICH: Sure. Myra Sparkowich.

PRESIDENT KILBOURN: Thank you.

MS. SPARKOWICH: I live on Hillside Drive. I still on the same land I was born on, and in 1947 we had forest fires, and they used that river for the water. I mean, we had pumpers come in from Elliot, from Rochester, Portsmouth Naval Shipyard, York, and it came down, too, as far as up West Kennebunk, about where Gendreau's (ph) house was. In fact, that's how he got started building houses with his father-in-law.

And everybody said, that's once in a lifetime. No. 1957 we had another one and that came down the other way, and, again, they had to haul water out of that river. In case of emergencies, they can't get enough for pumpers to pump from -- to haul water, and you've got more houses in West Kennebunk now than you've ever had and it's -- it will be a real fire pit if you get another one started. Thank you.

PRESIDENT KILBOURN: Thank you.

GENERAL MANAGER SHEA: Thank you.

(Applause.)

VICE-PRESIDENT BERRY: Jay?

PRESIDENT KILBOURN: Yes.

VICE-PRESIDENT BERRY: Could I ask the Town Manager to address the question of the straw poll? If that is brought up as soon as possible --

PRESIDENT KILBOURN: Sure.

VICE-PRESIDENT BERRY: -- that if the District wants a question put on the town ballot or a town something --

PRESIDENT KILBOURN: You can ask any question you like.

VICE-PRESIDENT BERRY: Well, I'd like an answer.

GENERAL MANAGER SHEA: It depends on if he wants to answer it, exactly.

MR. TIBBETTS: Thank you. My name is Barry Tibbetts and I'm the Town Manager for the Town of Kennebunk. The question was whether or not a ballot question could be put on the June ballot, which could be a straw poll, if the KLPD Board decides to do that. The answer is yes, you could, but the drop-dead date for us would have to be that following -- that evening that you're on, on the 27th. Our final drop-dead date for the

Board of Selectmen is the 26th. We're actually not going to send that request up to print those ballots until the 28th, so your meeting of the 27th, we would have to have the final language and we'd be able to add it to the ballot if you want.

TRUSTEE CLUFF: But that's a straw poll?

MR. TIBBETTS: Um-hmm.

TRUSTEE CLUFF: That's not a binding question?

MR. TIBBETTS: It's whatever you want.

PRESIDENT KILBOURN: Thank you, Barry.

VICE-PRESIDENT BERRY: Thank you, Barry.

PRESIDENT KILBOURN: Wayne, would you like to followup on that with some discussion or --

VICE-PRESIDENT BERRY: Motion to adjourn.

PRESIDENT KILBOURN: Thank you. Is there a second?

CLERK JORDAN: I second.

PRESIDENT KILBOURN: All those in favor?

(Whereupon, all Board members motioned in the affirmative.)

PRESIDENT KILBOURN: And thanks, again, to the public for your attendance tonight.

(Whereupon, the proceedings concluded at 8:58 p.m.)

Attest: _____
Michael Jordan, Clerk

C E R T I F I C A T E

I, KATHLEEN A. DE MARRE, do hereby certify that the foregoing is a true and accurate transcript of the Kennebunk Light & Power District meeting heard on Tuesday, March 29, 2016.

I DO FURTHER STATE that this transcript was prepared to the best of my ability and I am neither a relative, nor attorney, nor counsel of any of the parties to this action.

Kathleen A. De Marre

Notary Public

My Commission Expires _____

Dated the 7th day of April, 2016