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October 10, 2025

Katherine A. Joyce, Esq
Bernstein Shur
100 Middle Street
Portland, ME 04104

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

Dear Attorney Joyce:

Thank you for talking with the Town of Bucksport (the “Town”), Bucksport Generation (“BuckGen”), and Maine Water Company on October 3 on terms to transfer the Silver Lake Dam. I write to you as counsel to Bucksport Mill, LLC (“BuckMill”) on behalf of my client, the Town, as requested, to put in writing what the Town related.

The Town is willing to, has proposed, and proposes, to accept the Silver Lake Dam and associated access rights to the dam and flowage rights consistent with the Resolution by the Town Council last year, subject to an affirmative vote by the residents. The Town proposes to do so after release of all existing obligations to Bucksport Generation and others so the Town is not obligated to incur substantial expenses for deferred maintenance and deferred capital replacement, and for BuckMill’s future private obligations.

A review of the documents produced thus far by BuckMill indicates there are multiple millions of dollars of deferred maintenance and deferred capital necessary to meet BuckMill’s past and current obligations to BuckGen and Maine Water Company (“Maine Water”). BuckMill, BuckGen, and Maine Water are for-profit entities. Accepting the Silver Lake Dam burdened by millions of dollars of private liabilities would be an inappropriate use of public funds. The Town respectfully requests that BuckMill negotiate and obtain release of its obligations to BuckGen and Maine Water prior to a transfer so the Town can take the dam and associated rights clear of the private obligations created by, accepted, and incurred by BuckMill.

As recently as August, the Town expected to be able to place a transfer approval on the November ballot. Unfortunately, we were informed in late July and August that neither BuckGen nor Maine Water are willing to release their rights without a settlement with BuckMill. The Town would have hoped that BuckMill would have settled these private obligations, which it largely created in 2019 or accepted earlier, before filing a dam abandonment petition. These are private rights which should not involve either the Towns or the Department in their resolution but effectively are preventing compliance with a transfer pursuant to the Dam Abandonment Statute provisions, 38 M.R.S. §§ 901-909. From the Town's perspective, the process envisioned in 38 M.R.S. §§ 901-909 is therefore, unfortunately, held up by the lack of settlement of these private rights between three private for-profit parties.

Alternatively, if the other Silver Lake parties insist on maintaining the private obligations in transfer to the Town, the Town respectfully requests that BuckMill fund the deferred maintenance and capital upgrades, as well as ten years of operations and maintenance expense. The Town would, in this alternative, be willing to accept the Silver Lake Dam with those past, current, and immediate ten years of expense funded in a settlement of BuckMill's obligations to BuckGen and Maine Water. BuckGen has indicated to the Town that it would dedicate a settlement of BuckMill's obligations to funding these past, current, and future BuckMill obligations.

The Town simply asks that BuckMill cooperate with BuckGen and Maine Water to achieve a release of these rights or a settlement that would fund BuckMill's past, current, and immediate obligations to these parties.¹ The Town reiterates its commitment to accept the Silver Lake Dam subject to release of BuckMill's obligations to BuckGen and Maine Water, or alternatively, with a funded arrangement such that the Town can accept ownership (once approved by the voters) without the burden of the substantial private encumbrances. The Town respectfully requests that BuckMill work with BuckGen and Maine Water to clean up the complex set of private rights it created, accepted, and sold in the past to be able to transfer the Silver Lake Dam clear of these extensive obligations.

We look forward to working with you and the other parties to achieve a settlement and transfer that is in the public interest. We understand from our virtual meeting last week that we will schedule a follow-up consultation, which we look forward to. We also encourage the three private parties here to engage in discussions to resolve BuckMill's private obligations to BuckGen and Maine Water to facilitate the release of obligations discussed herein.

Best regards,



David Littell, Counsel for Town of Bucksport

¹ The Town has no interest in the water refill piping from Alamoosook Lake to Silver Lake nor the water piping from Silver Lake to the former mill site that serves BuckGen. Because these assets have value to BuckGen and/or Maine Water, the Town has also indicated to BuckGen and Maine Water that the Town is willing to consider taking title to either or both of these assets if those costs for past deferred, current, and ten years of O&M are funded in addition to past deferred, current, and ten years of O&M for the Silver Lake Dam.

cc (via email):

Melanie Lyzim, Commissioner, Maine Department of Environmental Protection
Laura Paye, Maine DEP Hydropower & Dams Program Coordinator
Maine Assistant Attorney Generals Scott Boak and Jack Defoe
Bucksport Town Manager Jacob Gran
Former Bucksport Town Manager Susan Lessard
Attorney Joanna Brown Tourangeau, Counsel for BuckGen and Maine Water Company
Attorney Allison Fogg, Counsel for Maine Water Company
Russell B. Pierce, Jr. Counsel for Towns of Orland, Surry, Penobscot, and Blue Hill