The Dodge Falls project went through a lengthy and difficult development period prior to the actual construction and initial operation of what is now the Dodge Falls Associates L.P. (“DFA”) hydroelectric project. During the development period there were several changes in the organization and ownership of the DFA project and related interests as well as several changes in the design and location of the DFA project.

Initial developments efforts were made through Dodge Falls Hydro Corporation (“DFHC”). On January 30, 1984 DFHC submitted an application for exemption from licensing to the Federal Energy Regulatory Commission (“FERC”). This application was based upon a project design that located the powerhouse on the Vermont side of the Dodge Falls dam in Ryegate, Vermont. On June 11, 1984 the FERC issued an Order Granting Exemption From Licensing to DFHC (FERC Project 8011). A copy of the Exemption is attached as Appendix 1-1.

Subsequent to receipt of the initial exemption order from the FERC (1984), DFHC determined that project development was infeasible on the Vermont side of the river. The design was modified to relocate the powerhouse to the New Hampshire side of the river. In November 1985 DFHC submitted an Application for Amendment for Exemption from Licensing that reflected the location change (see Appendix 1-2). On June 26, 1986 the FERC issued a letter in which it found that the proposed changes did not materially alter the terms of the original exemption issued in 1984 and dismissed the amended exemption request as moot (see Appendix 1-3. As a part of the development process DFHC also received a Certificate of Public Good from the Vermont Public Service Board pursuant to 30 V.S.A. Section 248 (see Appendix 1-4).

On December 9, 1988 DFHC assigned all of its interests in the FERC Exemption to Dodge Falls Associates, a New York Limited Partnership (see Appendix 1-5). Dodge Falls Associates subsequently was reorganized as a Delaware limited partnership, Dodge Falls Associates, L.P. (“DFA”). As you will note in many of the documents, there are many references to HYDRA-CO Enterprises, Inc (“HYDRA-CO”). HYDRA-CO was an
affiliated company under contract to DFA that was responsible for completing many of the development tasks prior to and during construction of the DF Plant. DFA was and is the actual owner of the facilities. Construction of the DF Project was completed in 1990.

On May 3, 1993, DFA filed a request with the FERC to amend its exemption to replace existing pin supported wooden flashboards on the overflow spillway with an inflatable rubber dam. On December 13, 1993 the FERC issued an order amending the 1984 exemption that modified the project description and approved installation of the rubber dam (see Appendix 1-6). No agency comments were noted at that time and the amendment was granted without further conditions.

On April 23, 1997 DFA submitted a further request to the FERC for approval to install a rubber dam (pneumatic crest gate system) on the remaining part of the Dodge Falls dam. In this instance the FERC determined that an amendment to the exemption was not required and issued a letter on May 13, 1997 that authorized installation of a rubber dam on the main spillway section of the dam (see Appendix 1-7).

There have been no changes in the regulatory status of the DF project since 1997 nor have there been any agency comments noting deficiencies in DFA’s compliance with various conditions contained in the documents related to the FERC exemption and agency review of the project.