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12/13/10

Caleb Slater, Ph.D.
Anadromous Fish project Leader
MA Division of Fisheries and Wildlife

Dear Caleb,

I am writing to finalize the agreement that you and I made as a result of Pioneer Hydro Electric Companies LIHI application. LIHI has made it mandatory that you and I sign an agreement and that I then copy it to FERC for notification purposes. The language below comes from LIHI's ruling:

"The flow agreement reached between the Applicant and the MDF&W is not a formal "resource agency recommendation" based on a proceeding. The agreement requires the Applicant to increase the cubic feet per second (cfs) in the bypass reach area, at a proportion directly relative to the percentage of capacity that qualifies for MA Class 1 REC's. For example, if the DOER finds that Pioneer qualifies for 20% class one REC's, then Pioneer will increase its minimum stream flow in the reach by 20%."

"The certification will be suspended if, no later than December 31, 2010 the Applicant has not filed documentation with the Low Impact Hydropower Institute demonstrating that they have filed with FERC a description of the flow agreement signed by the Applicant and the MDF&G".

As you probably know, we were granted 33.88% MA Class 1 REC's by the DOR. As our agreement refers to, and as you already are aware, we made significant alterations to our dam and flashboard structure in October to increase the minimum stream flow by this percentage. Our new weir is 15.3' wide and allows for a minimum stream flow of 26.8 CFS which, according to our calculations is a 34% increase over the old required minimum stream flow which was calculated as follows:

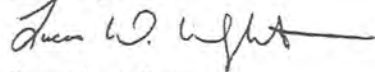
" As a result of FERC order issued March 3, 1995, Project No. 3127-014, the exemptee shall: (i) set the pond elevation to 0.76 foot (9.1 inches) above spillway crest, maintaining the width of the bypass weir at 11.4 feet.....In order to insure instantaneous minimum flow of 20 CFS is being released in bypass reach...."

I am sending signed copies of this correspondence to act as the final agreement in this matter. Your signature below would indicate that Pioneer Hydro has completed the terms of this agreement and is currently in compliance to your satisfaction.

Signed on this day the 16 of December, 2010



Lucas Wright



Pioneer Hydro Company

Caleb Slater, PHD

Anadromous Fish project Leader
MA Division of Fisheries and Wildlife