

Appendix 1

Ownership/Regulatory Status Automatic Hydropelectric Project

The Automatic Project is owned and operated by the Kennebec Water District (“KWD”) a quasi-municipal corporation created under Chapter 200, Private and Special Laws of 1899. Automatic is the third in a string of four hydroelectric projects located on the Messalonskee Stream in Oakland and Waterville, Maine. The furthest upstream Oakland hydroelectric project (FERC Project No. 2556, LIHI Certificate No. 60), the immediately upstream Rice Rips hydroelectric project (FERC Project No. 2556, LIHI Certificate No. 59) and the immediately downstream Union Gas hydroelectric project (FERC Project No. 2556, LIHI Certificate No. 58) are owned by Messalonskee Stream Hydro, LLC and were certified by the Low Impact Hydropower Institute on October 22, 2010 as low impact facilities.

The Automatic project (“Automatic”) was constructed in 1924 and operated by the Central Maine Power Company (“CMP”) in accordance with a triparty agreement (the “agreement”) dated August 21, 1923 between the Kennebec Water District, the Wyandotte Worsted Company and CMP. In accordance with the terms of the agreement, KWD and the Wyandotte Worsted Company leased to CMP for a period of 40 to 75 years the real estate and whatever waterpower privileges necessary to construct, operate and maintain the Automatic project. CMP agreed to construct the dam and hydroelectric plant and furnish KWD and the Wyandotte Worsted Company substantial free electric energy as stipulated in the agreement.

CMP submitted an application to license the Automatic project with the Federal Power Commission on November 24, 1965 and received a license for a minor part project on August 30, 1968. In the mid 1980s, CMP purchased the Wyandotte Worsted Company’s interest in the project and at that time became the owner of 4/22 of the waterpower privileges with KWD retaining ownership of the remaining 18/22.

On December 4, 1991, CMP filed an application for a new license pursuant to Sections 15 and 4(e) of the Federal Power Act (FPA) for the continued operation of the Oakland, Rice Rips, Automatic and Union Gas projects on the Messalonskee Stream.

CMP's long term avoided cost rates and the obligation to provide KWD with substantial credits on its electric bill rendered CMP's operation of the project uneconomic. Consequently, in February 1993, CMP gave KWD the requisite six-month notice that it would terminate the 1923 agreement as of August 5, 1993

On August 5, 1993, CMP and KWD entered into a new short-term lease in order to finalize the negotiations on the transfer of CMP's interests in the Project to KWD and in order to obtain necessary regulatory approvals for the transfer.

Subsequent to filing with the Federal Energy Regulatory Commission (FERC) for a new license, the four projects were transferred from CMP: the Automatic Project to Kennebec Water District (see Appendix 1-1, Order Approving Transfer of Authorization for Continued Project Operation), which became the relicense applicant for the project, and the other three to projects were transferred to FPL Energy Maine Hydro LLC, which became the relicense applicant for those projects.

By Order Issuing Subsequent License dated July 28, 1999 (see Appendix 1-2), FERC License No. 2556-001 was issued to the Kennebec Water District to operate and maintain the Automatic Project for a term of 37 years.