blackBEAR Hydro Partners, LLC

Davenport Street PO Box 276 Milford, ME 04461-0276



10 May 2013

Michael J. Sale, PhD, Executive Director Low Impact Hydro Institute 704 Potters Falls Road Wartburg, TN 37887

RE: BLACK BEAR HYDRO PARTNERS, LLC APPLICATION TO CERTIFY THE EXISTING AND NEW ADDITION AT THE MILFORD HYDROELECTRIC PROJECT (FERC No. 2534)

Dear Mike,

As we recently discussed, Black Bear Hydro Partners, LLC has committed significant time, energy and resources into the "Lower Penobscot River Multiparty Settlement Agreement" (Penobscot Agreement) and associated comprehensive settlement agreement with the Penobscot Indian Nation in order to provide a balanced ecosystem in concert with generating clean renewable electricity from its Penobscot River hydropower projects. As a result, we are certain that in addition to meeting the specific Low Impact Hydropower Institute (LIHI) criteria the Milford Hydroelectric Project is also a prime example of a low impact hydropower project that both protects and preserves the environment.

Therefore, please see enclosed the completed LIHI questionnaire for the above-referenced project, which is also accompanied by the related supporting information and documents. We are also providing additional background information that details the Penobscot Agreement's holistic ecosystem, fisheries, wildlife, cultural, community, and economic benefits that are applicable to the project as an integral component to the Penobscot Agreement.

As part of the Penobscot Agreement we have already realized many of the benefits that confirm the previously LIHI-certified Orono, Stillwater and Medway Hydropower Projects are low impact. As an important next step in continuing to implement the agreement we are continuing to rebalance clean, renewable, low impact hydropower generation on the Penobscot River by increasing generation at certain facilities in order to replace the generation that will be lost with the associated dam removals, and by upgrading fish passage measures at all three of those facilities. Specific to this application, in order to take advantage of the available river flows at the Milford Project we recently added 1.4 MW of capacity to vacant turbine bays within the existing powerhouse. Likewise, we are making significant investments to upgrade fish passage facilities at the Milford Project, as called for under the Penobscot Agreement.

Michael J. Sale, PhD, Executive Director 10 May 2013 Page 2

In addition, the inflatable crest control system designed to enhance upstream fish passage at the project, as called for under Attachment A and therefore the amended FERC license, has already been installed at Milford.

Therefore, please consider this and the associated enclosures as BBHP's request for the following LIHI certification:

• Certification for the original 6.4 MW Milford Hydroelectric Project; and as new for the recently added 1.4 MW of capacity at the Milford powerhouse.

Pursuant to the Milford Project's LIHI certification application please see enclosed a CD containing the completed LIHI questionnaire and the related supporting information and documents (e.g. FERC Order Amending License; revised Water Quality Certificate; related Biological Opinion for Atlantic salmon, shortnose sturgeon and Atlantic sturgeon; project description; etc.). Finally, we are also enclosing a check to cover LIHI's initial review fee (\$750).

We appreciate LIHI's thoughtful and timely review of this submittal and look forward to working with LIHI staff and the Board to complete the certification process. Please don't hesitate to contact me (207-827-5364 or shall@blackbearhydro.com) with any additional questions.

Sincerely,

Scott D. Hall

Vice President – Environmental & Business Services

Enclosures

Cc: Dana Hall, LIHI Deputy Director

PO Box 194

131 Martha Road

Harrington Park, New Jersey 07640