

**ADMINISTRATIVE RECORD**

**for**

**2020 AMENDED AND RESTATED  
UTILITY CORRIDOR LEASE**

**BETWEEN MAINE DEPARTMENT OF AGRICULTURE  
CONSERVATION AND FORESTRY,  
BUREAU OF PARKS AND LANDS  
AND CENTRAL MAINE POWER COMPANY**

**WEST FORKS PLANTATION AND JOHNSON MOUNTAIN  
TOWNSHIP PUBLIC LANDS UNIT**

**VOLUME IV**

**MAINE BUREAU OF PARKS AND LANDS**

**November 18, 2020**

**ADMINISTRATIVE RECORD**

for

**2020 AMENDED AND RESTATED  
UTILITY CORRIDOR LEASE**

**BETWEEN MAINE DEPARTMENT OF AGRICULTURE CONSERVATION AND FORESTRY,  
BUREAU OF PARKS AND LANDS AND CENTRAL MAINE POWER COMPANY**

**WEST FORKS PLANTATION AND JOHNSON MOUNTAIN TOWNSHIP PUBLIC LANDS UNIT**

**INDEX TO THE ADMINISTRATIVE RECORD**

**Volume IV**

<b>Doc. No.</b>	<b>Description</b>	<b>Date</b>	<b>Page Nos.</b>
	<b>Interagency Comments on the 2014 lease</b>		
49	Memo: Department of Inland Fisheries and Wildlife (DIFW) Internal Communication Regarding Transmission Line	11/19/14	0001
50	Email: MNAP Comments to BPL Regarding Johnson Mountain West Forks Public Reserved Lands Utility Corridor	11/10/14	0003
51	Email: DIFW to BPL with Project Comments	11/25/14	0005
	<b>Lease Negotiations: 2015 Amendment to 2014 Lease</b>		
52	Email: CMP to BPL with CMP's Signed Lease Amendment Approval	6/10/15	0010
53	Email Attachment: CMP Lease Amendment Draft	6/10/15	0013
54	Email: Internal BPL Communication Regarding Amendment	6/11/15	0014
55	Email Attachment: Lease Amendment	6/11/15	0016
56	CMP Lease Amendment Summary	3/17/15	0017
57	Appraisal of Lease Rental Rate	1/9/15	0018
	<b>Lease Negotiations: 2020 Amended and Restated Lease</b>		
58	Email: CMP Counsel to Governor's Office Regarding Lease Draft	3/25/20	0120

<b>Doc. No.</b>	<b>Description</b>	<b>Date</b>	<b>Page Nos.</b>
	<b>Lease Negotiations: 2020 Amended and Restated Lease</b>		
59	CMP Lease Comparison Spread Sheet Table # 1	3/4/20	0121
60	Email: CMP Counsel to Governor's Office Regarding Lease Draft	3/25/20	0122
61	Email Attachment: 3/18/20 Lease Draft	3/25/20	0123
62	Email: Verrill to Governor's Office and BPL Regarding Project Introduction	3/26/20	0138
63	Email: Governor's Office to Verrill and BPL Regarding Project Introduction	3/26/20	0140
64	Email: Verrill to Governor's Office and BPL Regarding Project Details	3/31/20	0142
65	Email: Verrill to BPL Regarding Price Comparison	4/1/20	0145
66	Email Attachment: Price Comparison Table	4/1/20	0147
67	Email: Verrill to BPL Regarding Lease Draft	4/2/20	0148
68	Email attachment: Lease Draft	4/2/20	0151
69	Email: BPL to Verrill Regarding Lease Draft and Long Falls Dam Amendment	4/2/20	0166
70	Email Attachments: See Documents in Section Other BPL Utility Leases and Easements Below in Volume VI, 130, 131, 132	4/2/20	
71	Email: Verrill to BPL Regarding Lease Draft	4/2/20	0167
72	Email Attachment: Verrill Lease Draft	4/2/20	0170
73	Email: Internal BPL Communication Regarding Lease Value	4/3/20	0185
74	Email: BPL to Verrill Regarding Rent	4/3/20	0187
75	Email: BPL to Verrill Regarding Lease Appraisal	4/6/20	0190
76	Email Attachment: Lease Appraisal (the Lease Appraisal is Listed Above as Document # 57)	4/6/20	
77	Email: Verrill to BPL Regarding Comparison Spread Sheet	4/6/20	0192
78	Email Attachment: Price Comparison Spread Sheet	4/6/20	0195
79	Email: Verrill to BPL Survey	4/6/20	0196
79	Attachment: CMP Lease Survey Exhibit	4/6/20	0201
81	Email: Verrill to BPL Regarding Lease Draft	4/6/20	0202
82	Email Attachment: Verrill Lease Draft	4/6/20	0207
83	Email: Verrill to CMP Counsel Regarding Rent	4/6/20	0226
84	Email: Verrill to BPL Regarding Rent	4/6/20	0230
85	Email: CMP Counsel to Verrill and BPL Regarding Rent	4/6/20	0233
86	Email: Verrill to BPL Regarding Lease Draft	4/7/20	0237
87	Email Attachment: Lease Draft Redline	4/7/20	0239

**From:** Perry, John  
**Sent:** Wednesday, November 19, 2014 9:04 AM  
**To:** Stratton, Robert D; Connolly, James; Woodcock, Chandler; Erskine, Andrea  
**Cc:** Atkins, Bethany  
**Subject:** new transmission line project

There was an “introductory meeting” yesterday at DEP to discuss a proposed transmission line project. NextEra is proposing the New Hampshire Transmission (NHT) Project, which is in response to failing infrastructure in the Northeast which, among other factors, is causing the electricity costs spikes in this part of the country. The purpose of the project is to tap into the “cheap” hydroelectricity being generated in Canada and get it into New England area (Boston area, or possibly even as far south as D.C.). This would be a high voltage transmission line to move bulk energy.

Early on there were dozens of alternative routes examined (including through the Cold Stream parcel north of The Forks, which has been examined recently by IFW, but that route has been dropped), but they’ve narrowed it down to roughly a dozen variations of 2-3 preferred alternatives. The route(s) at the forefront would start in Des Cantons, Canada, cross the border somewhere in the Coburn Gore region (either near the Kibby Wind Project or along Route 27, or possibly even west of there) and likely connect with a to-be-built substation, or an expansion of the existing substation, near Wyman Dam in Bingham. From there it’ll head south to connect with the Larrabee Road substation (I believe in Lewiston, which would also need to be expanded) and ultimately head out of the State. Because this will be a D/C line, there will be no way to tap into it without building a very costly A/C converter station (cost of 100’s of millions of dollars); however, one of the reasons of running it through the Bingham area is that wind projects may be able to dump their production into the line here should they choose to build a converter station. NextEra also indicated that they are looking into a possible wind power development in that part of the state.

The handful of corridors that has risen to the top mainly follow existing transmission corridors, which will have to be widened ~80-100 feet. At this time one of the “main” preferred routes would follow an existing transmission line that runs between the Bigelows and Sugarloaf.

The tentative schedule is:

Complete siting:	2014-2016
Study Phase:	2015-2016
Permitting:	2016-2018
Construction:	2019-2020

NextEra and their consultants (TetraTech) will continue to examine routes over the winter and meet with us again sometime in the spring. Because the project is in the very early stages, NextEra asked that it be kept confidential at this time. They wouldn’t leave a copy of the map or their PowerPoint presentation—they know whatever route they choose will bring opposition, but they want to hold off on dealing with that until the final route is chosen. They have already met with the Penobscots, AMC, USFWS, and ACOE. DEP, LUPC, and IFW were in attendance yesterday.

Please let me know if you have any questions.

**John Perry**  
Environmental Review Coordinator  
Maine Department of Inland Fisheries and Wildlife  
284 State Street, 41 SHS  
Augusta, Maine 04333-0041  
Tel (207) 287-5254; Cell (207) 446-5145  
Fax (207) 287-6395

[www.mefishwildlife.com](http://www.mefishwildlife.com)



*Correspondence to and from this office is considered a public record and may be subject to a request under the Maine Freedom of Access Act. Information that you wish to keep confidential should not be included in email correspondence.*

---

**From:** Demers, Sarah  
**Sent:** Tuesday, November 04, 2014 9:38 AM  
**To:** Seiders, Dwayne J  
**Cc:** Perry, John; Boucher, Dave  
**Subject:** Tech assistance/env. rev. heads up

Good morning! Just wanted to give you a heads up that I got a phone call from Kathy Eickenberg this a.m. re. a bid CMP is putting in for a power line from a Quebec power supplier. I don't know the extent of the line, but Kathy explained that the proposal included crossing of Tomhegan and Cold Stream on BPL owned (or soon to be owned) property and she was looking for guidance on BMPs and input from MDIFW fisheries staff on impacts to clearing/managing understory within a riparian area. I gave her Jason's contact info because he is the point on the Cold Stream project – I'm assuming you guys will work out who the correct point person should be if I got it wrong.

The Cold Stream property does have a retained right away held by CMP which follows or is closely aligned with the Capital road in places - however, it was my understanding from Kathy that they were looking to locate this outside of that ROW and one of her concerns was the potential for multiple power lines impacting habitat and BPL's desire to co-locate and allow for a single utility ROW.

Not sure if we have different desired outcomes/recommendations for conservation land vs. privately held lands, but keep in mind whatever guidance we provide to BPL will likely be part of a larger env. review process should CMP be awarded the bid.

Thanks!  
Sarah

Sarah Demers  
Maine Department of Inland Fisheries & Wildlife  
284 State Street  
Augusta, Maine 04330  
207-287-5497

*Correspondence to and from this office is considered a public record and may be subject to a request under the Maine Freedom of Access Act. Information that you wish to keep confidential should not be included in email correspondence.*

**From:** Cutko, Andrew  
**To:** [Rodrigues, David](#)  
**Subject:** RE: Johnson Mt. BPL Parcel  
**Date:** Monday, November 10, 2014 8:04:16 AM

---

Thanks for the update, David. I'll defer to the fisheries biologists and engineers as to which option is best to minimize impacts.

- Andy

---

**From:** Rodrigues, David  
**Sent:** Thursday, November 06, 2014 8:49 AM  
**To:** Cutko, Andrew  
**Subject:** RE: Johnson Mt. BPL Parcel

Thanks Andy,

I have been in contact with Bobby Vanriper at IFW and we are working on possible alternatives for that crossing. I spoke with CMP about moving East with the corridor and crossing the new line at the same location as the existing line. This would result in just an expansion of the existing opening and eliminate the second crossing. The problem there is that it is a tight area due to the adjacent wetlands and the MRCE at that corner. CMP also stated that if they relocated the existing utility line onto the new line at that location, it would result in a 90° angle and according to them, the poles may have to be located in the stream.

CMP suggested moving the Corridor West and crossing Tomhegan Stream South and off the Public Lands (see attached map). This would also eliminate the crossing of the smaller stream coming from Wilson Hill Pond. The downside to this is there is still an additional 300' crossing of Tomhegan Stream and it is closer to where it enters Cold Stream. Not sure if this is a better alternative? Bobby is working on this.

Any thoughts on this?

Thanks,  
David

---

**From:** Cutko, Andrew  
**Sent:** Wednesday, November 05, 2014 4:20 PM  
**To:** Rodrigues, David  
**Subject:** Johnson Mt. BPL Parcel

Hi David –

Here's a quick follow up regarding our trip to the Johnson Mt. parcel last week.

Using the map provided by CMP, we traversed the majority of the area within the proposed utility corridor. The forest here consists of a mix of mature lowland spruce-fir and northern hardwoods,

with patches of alder along branches of Tomhegan Stream and a small open wetland under the current east-west powerline. Forest stocking is generally good (basal area > 100 square feet/acre), and the harvest history varies. Portions of the forest were selectively harvested about 5 years ago, but areas immediately adjacent to (and east of) Tomhegan Stream were not cut. The southeast end of proposed corridor traverses through mature to late-successional northern hardwoods characterized by 20"+ sugar maples. Adjacent private lands have been harvested recently.

In terms of sensitive areas, the only real concern we noted is the crossing of the mainstem of Tomhegan Stream and a smaller branch to the west. Portions of Tomhegan Stream upstream of the BPL parcel are mapped as brook trout habitat by MDIFW. If the proposed utility line moves forward, I would encourage you to contact MDIFW's regional fisheries biologist regarding mitigation for these stream crossings (e.g., siting of the crossing, minimizing disturbance during construction, retaining shade, etc.). We did not visit the northern ¼ of the proposed line, but based on air photos there did not appear to be any particularly sensitive habitats there.

Let me know if you have questions regarding any of this.

- Andy

Andy Cutko  
Ecologist  
Maine Department of Agriculture, Conservation, and Forestry  
State House Station 93  
Augusta, ME 04333  
[andrew.cutko@maine.gov](mailto:andrew.cutko@maine.gov)  
(207) 287-8042

</html

**From:** [Stratton, Robert D](#)  
**To:** [Rodrigues, David](#)  
**Cc:** [Eickenberg, Katherine](#); [Morrison, Tom](#); [Connolly, James](#); [Perry, John](#); [VanRiper, Robert](#); [Boucher, Dave](#); [Erskine, Andrea](#)  
**Subject:** RE: West Forks,Johnson Mtn. Draft Lease CMP-BPL 2014-11-24  
**Date:** Tuesday, November 25, 2014 5:10:59 PM

---

Good afternoon David,

MDIFW appreciates the opportunity to review the draft "Transmission Line Lease" between DACF BPL and Central Maine Power Company, and to comment on two potential corridor crossings of BPL land, per your request (see attached map). It should be noted that MDIFW is providing the following recommendations without the benefit of a detailed project site plan of the proposed corridor, and specifies that these recommendations do not replace MDIFW's recommendations as part of a formal environmental review nor do they preclude MDIFW from conducting a formal review. Because we are reviewing only a very small segment of a presumably much larger transmission line project, we can only provide general recommendations at this point.

-

1. Draft Lease Recommendations:

-

A. In Section 6.d. it states, "*There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.*" As referenced in MDIFW's Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects (March 26, 2012), and as part of current MDIFW recommendations on large scale projects such as gen lead lines associated with wind energy projects, "*...riparian buffers are defined as 100-foot natural vegetated buffers measured from the upland edge of associated fringe and floodplain wetlands on either side of the waterbody*". Further, for the large scale projects referenced, MDIFW recommends 250-foot buffers for any stream in which Atlantic salmon or Northern spring salamanders are located or suspected. While Atlantic salmon are not within the BPL project area, the presence of Northern spring salamanders is possible. This species requires clean, free flowing riverine habitat with vegetated buffers and minimal shoreline disturbance.

B. In Section 6.g., MDIFW was pleased to note reference to our Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects, Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects, and Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects (all dated March 26, 2012), but would recommend stronger guidance than "*Lessee shall make every reasonable effort within the leased Premises to be in conformance*". Also please note that these standards are currently being internally reviewed and are subject to revision.

C. In Section 6.1., MDIFW requests the following change, “Natural Plant Community, wetland and Significant Vernal Pool field surveys... . Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife, a copy of all completed surveys before commencing any construction on the Premises.”

## 2. Corridor Recommendation:

MDIFW was asked to review two potential corridor locations as they potentially impact BPL property. As noted above, MDIFW has not been made aware of the entire proposed transmission line corridor and is only addressing the immediate question related to stream crossings in BPL’s Johnson Mountain and West Forks Plantation Northeast parcels. The two options presented consist of: (1) the “original” proposed corridor that would cross both Tomhegan Stream and the tributary from Wilson Hill Pond while on BPL property, and (2) a more westerly proposed corridor that would cross Tomhegan Stream south of BPL property and eliminate the crossing of the second stream. MDIFW notes that all streams in the vicinity are high quality, coldwater brook trout waters. As noted on the attached resource map, several waters are designated as A and B Heritage Waters. Generally, given the quality habitat involved, MDIFW believes that fewer stream crossings are preferred, which suggests the second option of the two. However, as this option is further south, CMP needs to ensure that an adequate riparian buffer to Cold Stream is maintained.

MDIFW also notes the presence of the proposed State of Maine Cold Stream Acquisition Project in this area that is intended to protect valuable coldwater fisheries habitat and deer wintering areas (see attached map). As part of a future full environmental permit application review, MDIFW will look to see that potential impacts to these valuable resources are avoided or minimized to the extent practicable.

## 3. General Recommendations:

-  
MDIFW anticipates that our recommendations as part of a future environmental permit application review will likely include issues such as the following:

A. All temporary and permanent stream crossings should incorporate StreamSmart practices:

1. Span the stream channel to 1.2 times the bankfull width.
2. Set the crossing at the proper elevation.
3. Ensure the slope within the crossing matches the stream slope.
4. Include substrate in the crossing either by using open bottomed structures or embedding a closed structure.
5. Culverts should be embedded 25% of the rise.

B. In general for large scale projects, and specific to this proposed project area of this size, MDIFW recommends preconstruction investigations for potential impacts to the following species and habitats, including, but not limited to:

1. Inland Waterfowl and Wadingbird Habitats (IWWH moderate and high value)
2. A & B List Ponds
3. Canada lynx
4. Deer Wintering Areas (no mapped DWAs are noted, but there are mapped LURC p-fw's)
5. Rusty blackbirds
6. Bats
7. Northern Spring Salamander
8. Roaring Brook Mayfly
9. Raptors (general concern)
10. Great Blue Heron colonies
11. Significant Vernal Pools

C. The following information is provided from MDIFW recommendations for other project reviews to provide greater information to the applicant. The applicant should collaborate with MDIFW to develop complete, agreed-upon preconstruction survey protocols prior to collecting data in the field.

1. Bats: Seven out of eight species of bats in Maine are currently listed as Species of Special Concern by MDIFW: eastern small-footed bat (*Myotis leibii*), little brown bat (*Myotis lucifugus*), northern long-eared bat (*Myotis septentrionalis*), red bat (*Lasiurus borealis*), hoary bat (*Lasiurus cinereus*), silver-haired bat (*Lasionycteris noctivagans*), and tri-colored bat (*Perimyotis subflavus*). However, the three species of *Myotis* are currently the subject of the rulemaking process for protection under Maine's Endangered Species Act. While a comprehensive statewide inventory for bats has not been completed, it is likely that all or most of these species occur within the project area during migration and/or the breeding season. At this time, we have not developed guidelines to avoid or minimize impacts to habitat for these species, particularly from forestry clearing operations associated with the construction of the project; therefore, we will defer to guidance and recommendations provided from the U.S. Fish and Wildlife Service (USFWS), as the northern long-eared bat is being proposed for listing as an Endangered Species under the Federal Endangered Species Act.

2. Great Blue Heron Surveys: MDIFW recommends an aerial survey area within 4-miles of proposed development locations to look for new and existing colonies and level of use, include ridgeline sightings in raptor survey work. Surveys should be conducted between April 20 and May 31 (later in northern Maine and in Downeast Maine).

3. Bicknell's Thrush Surveys: At sites believed to support Bicknell's Thrush (~2,700 ft. elevation and above), a series of surveys should be conducted to assess the abundance and distribution of the population at that site. Surveys initially entail a series of point counts with broadcast to determine presence. If present (either by survey or anecdotal observation), surveys are followed by spot mapping to identify core areas for protection. Surveys for Bicknell's Thrush should involve close coordination with MDIFW staff to ensure consistent timing and level of effort with past studies.

4. Roaring Brook Mayfly Surveys: If the project area is high elevation (>1,000 feet) and within the species' currently known distribution, potentially suitable habitat should be identified during stream delineations and surveyed during the appropriate timing window (September).

5. Spring Salamander Surveys: If the area is high elevation (>1,000 feet) and within the species' known distribution, potentially suitable habitat should be identified during stream delineations and surveyed during the appropriate timing window (mid-May to mid-September).

6. Vernal Pool Surveys: Vernal pool surveys should be conducted within 250 feet of any proposed project impact and during the recommended egg mass periods. A MEDEP Maine State Vernal Pool Assessment Form should be filled out for each pool and submitted to MDIFW for pool status determination well before the project application is submitted to MDEP.

7. Northern Bog Lemming Surveys: As part of wetland delineations (>2,700 el, or those wetlands that show characteristics) MDIFW recommends that the applicant note any potential habitat supporting Northern Bog Lemming, and that they perform a meandering-type survey to document lemming presence through run-ways, latrines, and green scat. We do not recommend snap-trapping, or box trapping the wetland. If it has evidence of lemmings is present, MDIFW will consider the area as occupied and buffer accordingly. MDIFW recommendations will be to avoid these wetlands, or to prove that bog lemmings are not present.

8. Rare Animal Forms: MDIFW requests that the applicant/consultants document any Rare, Threatened, or Endangered Species they may encounter during course of other surveys.

As indicated previously, these recommendations are based on limited information and therefore do not constitute a comprehensive review of the entire proposed transmission line. Further, they do not replace MDIFW's recommendations as part of a formal environmental review, which we anticipate will occur in the future. Thank you very much. Please let us know if you have any questions or concerns. Thank you, Bob.

Bob Stratton  
Supervisor, Fisheries and Wildlife Program Support  
Maine Department of Inland Fisheries and Wildlife  
41 State House Station  
Augusta, Maine 04333-0041

Tel (207) 287-5659; Cell (207) 592-5446

Fax (207) 287-6395

[www.mefishwildlife.com](http://www.mefishwildlife.com)

*Correspondence to and from this office is considered a public record and may be subject to a request under the Maine Freedom of Access Act. Information that you wish to keep confidential should not be included in email correspondence.*

-

**From:** [Armstrong, Elysabeth L](#)  
**To:** [Rodrigues, David](#); [Freye, Kenneth H](#)  
**Subject:** RE: West Forks Plantation Public Lot  
**Date:** Wednesday, June 10, 2015 10:24:44 AM  
**Attachments:** [image001.jpg](#)  
[image002.jpg](#)  
[BPL Lease Amendment.pdf](#)

---

Hi David,

CMP has signed the revised Lease Amendment. Attached is a copy. I am going to send you two originals along with a check in the amount of \$2,280.00 for the remaining amount due for the year one payment. If you could please have the Commission execute the Amendment and send one back to me. You can keep the other for your records.

Thank you,

**Elysabeth Armstrong**  
Telephone 207.621.3959  
Fax 207.626.4000  
[elysabeth.armstrong@cmpco.com](mailto:elysabeth.armstrong@cmpco.com)

---

**From:** Rodrigues, David [<mailto:David.Rodrigues@maine.gov>]  
**Sent:** Friday, June 05, 2015 12:18 PM  
**To:** Freye, Kenneth H; Armstrong, Elysabeth L  
**Subject:** RE: West Forks Plantation Public Lot

Hi Ken and Elysabeth,

Thanks for the update. Tom has retired as you have found out. No replacements yet for either the Director or Tom's job.

We have reviewed the lease amendment and the decision was made not to change the annual rent adjustment to a flat 2%. Please review the attached amendment document with BPL edits. If acceptable, please have Alice sign and we will have the Commissioner sign.

Please send the final vernal pool report when you get it for our review and I have made Peter Smith the Regional Manager for those parcels aware that you will be doing survey work this summer.

Thank you,  
David

---

**From:** Freye, Kenneth H [<mailto:Kenneth.Freye@cmpco.com>]  
**Sent:** Tuesday, June 02, 2015 5:09 PM  
**To:** Rodrigues, David  
**Cc:** Armstrong, Elysabeth L; Mirabile, Gerry J.  
**Subject:** West Forks Plantation Public Lot

David,  
I hope you are doing well. I saw where Tom Morrison retired this spring. That must be big change.

Here are several updates on the West Forks-Johnson Mountain lease:

- We have concluded the vernal pool assessment on the proposed corridor across the public lots in West Forks Plantation and Johnson Mountain. I do not have the final report yet but have been told that there are no significant vernal pools (SVP) in the corridor. One SVP was located easterly of the corridor in West Forks Plantation in the 100-foot wide strip that was assessed outside of the corridor. While the pool depression is entirely outside the corridor, the buffer area of this pool will extend into the corridor. I do not see where the location of this SVP creates any conflicts with the performance standards set forth in "Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects" that is a referenced condition to the lease for this corridor. I will send a copy of the report and map once I have them.
- CMP will begin survey work this summer and I will have a legal description and plat prepared for the lease area.
- Elysabeth sent a revised lease to you that amended the lease rate to include the negotiated value of the timber and changed the annual increase to a flat 2%. Let me know if you have any questions or comments.

Ken

*Ken Freye*



*Agency Office - 79 Old Winthrop Road, Augusta, ME 04332 (207) 621.0600*

Kenneth Freye  
Maine Real Estate License #Br 108067  
Project Manager, Capital Projects, Real Estate Services – CMP Projects  
83 Edison Drive, Augusta, ME 04336  
Telephone 207.621.4753  
Cell 207.629.7700  
[kenneth.freye@CMPCO.com](mailto:kenneth.freye@CMPCO.com)

i. This e-mail, any attachment and the information contained therein ("this message") may contain information that is privileged, proprietary, confidential and exempt from disclosure and are intended solely for the use of the addressee(s).

ii. If you have received this message in error please send it back to the sender and delete it.

iii. If you are not the intended recipient, you are notified that unauthorized publication, use, dissemination or disclosure of this message, either in whole or in part, is strictly prohibited.



In the interest of the environment,  
please print only if necessary and recycle.

=====

Please consider the environment before printing this email.

If you have received this message in error, please notify the sender and immediately delete this message and any attachment hereto and/or copy hereof, as such message contains confidential information intended solely for the individual or entity to whom it is addressed. The use or disclosure of such information to third parties is prohibited by law and may give rise to civil or criminal liability.

The views presented in this message are solely those of the author(s) and do not necessarily represent the opinion of Iberdrola USA, Inc. or any company of its group. Neither Iberdrola USA, Inc. nor any company of its group guarantees the integrity, security or proper receipt of this message. Likewise, neither Iberdrola USA, Inc. nor any company of its group accepts any liability whatsoever for any possible damages arising from, or in connection with, data interception, software viruses or manipulation by third parties.

=====

=====

Please consider the environment before printing this email.

If you have received this message in error, please notify the sender and immediately delete this message and any attachment hereto and/or copy hereof, as such message contains confidential information intended solely for the individual or entity to whom it is addressed. The use or disclosure of such information to third parties is prohibited by law and may give rise to civil or criminal liability.

The views presented in this message are solely those of the author(s) and do not necessarily represent the opinion of Iberdrola USA, Inc. or any company of its group. Neither Iberdrola USA, Inc. nor any company of its group guarantees the integrity, security or proper receipt of this message. Likewise, neither Iberdrola USA, Inc. nor any company of its group accepts any liability whatsoever for any possible damages arising from, or in connection with, data interception, software viruses or manipulation by third parties.

=====

LEASE AMENDMENT

This Amendment to the Lease is made as of this \_\_\_ day of June, 2015 (Effective Date) between the Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands, ("Lessor") and Central Maine Power Company, a Maine corporation with an office at 83 Edison Drive, Augusta, Maine 04336 ("Lessee").

WITNESSETH

WHEREAS, Lessor and Lessee (collectively, the Parties) entered into a certain Lease (Lease) effective December 8, 2014 to lease a portion of the Lessor's land located in the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine ("Premises") to be developed and used as a transmission line corridor and;

WHEREAS, at lease execution, Lessee initially agreed to pay to the Lessor an annual base year lease payment (Year One) of \$1,400.00; which shall be adjusted each subsequent lease year in an amount not to exceed the average increase in the Consumer Price Index, as published by the Bureau of Labor Statistics, United States Department of Labor.

NOW THEREFORE, the Parties agree to amend the Lease as follows.

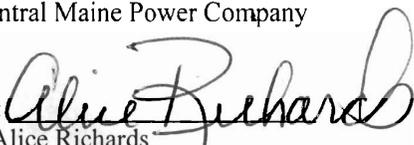
- 1) The initial Year One annual (base year) lease payment shall be increased from \$1,400.00 to \$3,680.00.

Except as specifically amended herein, all terms and conditions of the original Lease shall remain in full force and effect including the annual lease payment shall continue to be adjusted each year in an amount not to exceed the average increase in the Consumer Price Index, as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period.

IN WITNESS WHEREOF, The parties hereto have caused this Amendment to Lease to be executed by its duly authorized agent as of the date first written above.

LESSOR:

Central Maine Power Company

By:   
Alice Richards  
Its: Supervisor, Real Estate Services

LESSEE:

State of Maine  
Department of Agriculture,  
Conservation and Forestry  
Bureau of Parks and Lands

By: \_\_\_\_\_  
Walter E. Whitcomb  
Its: Commissioner

**From:** [Rodrigues, David](#)  
**To:** [Eickenberg, Katherine](#)  
**Subject:** FW: CMP Utility Corridor Amendment  
**Date:** Thursday, June 11, 2015 8:22:04 AM  
**Attachments:** [BPL CMP West Forks Johnson Pond Amendment DAR 6-5-15.tif](#)

---

Ron and Aimee requested a change in the language and I made it. Attached is what was sent back to CMP.

---

**From:** Hunt, Ron  
**Sent:** Friday, June 05, 2015 10:42 AM  
**To:** Rodrigues, David  
**Subject:** FW: CMP Utility Corridor Amendment

Language is OK. Can we remove the signature prior to sending to CMP?

Ron Hunt  
Director of Operations (Acting)  
Bureau of Parks & Lands  
Department of Agriculture, Conservation and Forestry  
SHS #22  
Augusta, ME 04333  
tel 207 287-4717  
cell 207 592-3247

---

**From:** Carlton, Aimee M.  
**Sent:** Thursday, June 04, 2015 3:30 PM  
**To:** Hunt, Ron  
**Subject:** RE: CMP Utility Corridor Amendment

Wow it was amended and signed by CMP already? Looks good from here.

---

**From:** Hunt, Ron  
**Sent:** Thursday, June 04, 2015 3:29 PM  
**To:** Carlton, Aimee M.  
**Subject:** FW: CMP Utility Corridor Amendment

Aimee,

Please review. David has amended the language as we had discussed. The language is as I requested from David.

Thanks,

Ron Hunt  
Director of Operations (Acting)  
Bureau of Parks & Lands  
Department of Agriculture, Conservation and Forestry  
SHS #22

Augusta, ME 04333  
tel 207 287-4717  
cell 207 592-3247

---

**From:** Rodrigues, David  
**Sent:** Thursday, June 04, 2015 12:12 PM  
**To:** Hunt, Ron  
**Subject:** CMP Utility Corridor Amendment

Ron,

Attached amendment for the CMP Johnson MTN/West Forks Utility Corridor lease. Please review and if OK, I will send to CMP for approval.

Thanks,  
David

LEASE AMENDMENT

This Amendment to the Lease is made as of this \_\_\_ day of June, 2015 (Effective Date) between the Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands, ("Lessor") and Central Maine Power Company, a Maine corporation with an office at 83 Edison Drive, Augusta, Maine 04336 ("Lessee").

WITNESSETH

WHEREAS, Lessor and Lessee (collectively, the Parties) entered into a certain Lease (Lease) effective December 8, 2014 to lease a portion of the Lessor's land located in the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine ("Premises") to be developed and used as a transmission line corridor and;

WHEREAS, at lease execution, Lessee initially agreed to pay to the Lessor an annual base year lease payment (Year One) of \$1,400.00; which shall be adjusted each subsequent lease year in an amount not to exceed the average increase in the Consumer Price Index, as published by the Bureau of Labor Statistics, United States Department of Labor.

NOW THEREFORE, the Parties agree to amend the Lease as follows.

- 1) The initial Year One annual (base year) lease payment shall be increased from \$1,400.00 to \$3,680.00.

Except as specifically amended herein, all terms and conditions of the original Lease shall remain in full force and effect including the annual lease payment shall continue to be adjusted each year in an amount not to exceed the average increase in the Consumer Price Index, as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period.

IN WITNESS WHEREOF, The parties hereto have caused this Amendment to Lease to be executed by its duly authorized agent as of the date first written above.

LESSOR:

Central Maine Power Company

LESSEE:

State of Maine  
Department of Agriculture,  
Conservation and Forestry  
Bureau of Parks and Lands

By: \_\_\_\_\_

Alice Richards  
Its: Supervisor, Real Estate Services

By: \_\_\_\_\_

Walter E. Whitcomb  
Its: Commissioner

## CMP Lease Amendment

### SUMMARY

3-17-15

- On December 15, 2014, DACF entered into a 25 year utility line lease with CMP for a new transmission line on Maine Public Reserved Lands in West Forks Plantation and Johnson Mountain Township.
- The lease had an estimated rent of \$1,400 which was paid by CMP at the time the lease was signed.
- Section 2 of the lease required an appraisal to be done within 12 months of the lease signing to determine what the rent should be. CMP paid for the appraisal.
- CMP had the appraisal completed in early spring of 2015 and the appraisal determined the rent to be \$3,680 for the first year.
- The attached Lease Amendment reflects the change in rent from \$1,400 to \$3,680 for the first year of rent.
- CMP has paid the rental increase of \$2,280 and is paid in full for the 2015 rental year.

**APPRAISAL OF RENTAL RATE**  
**300 FT WIDE UTILITY LINE CORRIDOR**  
**JOHNSON MOUNTAIN & WEST FORKS PLANTATION**  
**PUBLIC RESERVED LAND**  
**SOMERSET COUNTY**  
**JOHNSON MOUNTAIN AND WEST FORKS, MAINE**



**Prepared For:**

Dirigo Partners  
Attention: Kenneth Freye  
79 Old Winthrop Road  
Augusta, ME 04330

**Date of Valuation:**

October 30, 2014

**Prepared By:**

Daniel J. Dwyer, Real Estate Appraiser Consultant  
Dwyer Associates  
Suite 300, 128 State Street  
Augusta, ME 04330

**Date of Report:**

January 9, 2015

File #: H1410-01

DWYER ASSOCIATES  
Real Estate Appraisals

[dwyerassociates@midmaine.com](mailto:dwyerassociates@midmaine.com)

January 9, 2015

Dirigo Partners  
Attention: Kenneth Freye  
79 Old Winthrop Road  
Augusta, ME 04330

**RENTAL RATE UTILITY LINE CORRIDOR  
JOHNSON MOUNTAIN & WEST FORKS PLANTATION PUBLIC RESERVED LAND  
JOHNSON MOUNTAIN AND WEST FORKS PLANTATION, MAINE  
FILE NO. H1410-01**

Dear Mr. Freye:

Per agreement for appraisal services dated November 7, 2014, I am pleased to submit an appraisal concluding with an annual lease rental rate regarding property, being 5,071+/- FT in length and 300 FT in width comprising 34.92+/- AC located on the westerly side of the State of Maine Public Reserved Land within Johnson Mountain Township and West Forks Plantation, Maine.

The analysis is presented within an Appraisal Report prepared under Standard Rule 2-2(A) regarding scope of work product and performed under Standard One of the *Uniform Standards of Professional Appraisal Practice (2014/2015)*.

As understood, the intended use of this appraisal has been to estimate an annual lease rental rate within an identified area being 300 FT in width and 5,071 FT in length traversing the westerly side of Public Reserve Land in both Johnson Mountain Township and West Forks Plantation, Maine. The legal interest determined is the annual lease rental rate of the Leased Fee Interest concluding with terms and conditions as outlined within a lease agreement made available to the undersigned.

My fee is not based in whole or in part upon a percentage of the annual lease rental rate, nor has my fee in any way been made contingent upon the accepted appraisal of the proposed corridor.

The intended user of this report is Dirigo Partners on behalf of Central Maine Power Company. Other users may include the Department of Agriculture, Conservation, and Forestry Division of Parks and Lands, title holder to the Public Reserved lots in question.

Dwyer Associates  
128 State Street, Augusta, ME 04330  
H1410-01

1

Within the body of this report, the utility line corridor is fully described both legally and physically. Based on the agreed scope of work as outlined within this report, the following is the annual lease rental rate for the proposed utility line corridor.

<b>Rental Rate Conclusion</b>			
<b>Appraisal Premise</b>	<b>Real Property Interest</b>	<b>Date of Value</b>	<b>Annual Rate Conclusion</b>
<b>Market Value As-Is</b>	<b>Leased Fee Interest Annual Rental Rate</b>	<b>October 30, 2014</b>	<b>\$3,680</b>

The rental rate opinion presented within this report is subject to general assumptions and limiting conditions as well as extraordinary assumptions or hypothetical conditions as identified.

Dwyer Associates hereby grants to Dirigo Partners on behalf of Central Maine Power Company the right to copy this report and to distribute it to other parties which may be involved with the intended use.

This office appreciates the opportunity to be of service and should you have any additional questions pertaining to this report or if I can be of additional assistance, please do not hesitate to contact me.

Respectfully submitted,



Daniel J. Dwyer, CMA  
Practicing Affiliate, Appraisal Institute  
Dwyer Associates  
Maine Certified General Appraiser CG #276  
Phone/Fax: (207) 623-2258  
Email: [dwyerassociates@midmaine.com](mailto:dwyerassociates@midmaine.com)

**TABLE OF CONTENTS**

**SECTION I – INTRODUCTION**

LETTER OF TRANSMITTAL.....2

**SECTION II - DESCRIPTIONS**

SCOPE OF WORK ..... 4  
SUMMARY OF SALIENT FACTS AND CONCLUSIONS ..... 7  
INTENT OF THE APPRAISAL ..... 9  
PROPERTY IDENTIFICATION .....11  
STATE AND REGIONAL ANALYSIS .....33  
NEIGHBORHOOD DESCRIPTION .....37  
ZONING.....39  
REAL PROPERTY TAXES AND ASSESSMENT .....41  
HIGHEST AND BEST USE .....42  
PROPERTY DESCRIPTION .....44  
SUBJECT PHOTOGRAPHS .....51

**SECTION III - VALUATION METHODS**

VALUATION METHODS.....53  
RECONCILIATION AND FINAL VALUE ESTIMATES.....59

**SECTION IV – EXHIBITS**

- Comparable Sales
- Zoning
- Limiting Conditions
- Resume
- Privacy Policy
- Contract

## SCOPE OF WORK

### INTRODUCTION

This appraisal is intended to comply with reporting requirements outlined under the *Uniform Standards of Professional Appraisal Practice*. The scope of the appraisal has been to determine an annual rental rate applicable to a Leased Fee Interest of the subject property recognized as being 300 FT in width and 5,071 FT in length with full consideration and terms and conditions as outlined within the lease agreement as provided. This assignment has required collection of both primary and secondary data relevant to the property in question as well as completion of a physical inspection of the property as more fully outlined within this report.

The scope of work conducted for this assignment consists of the following:

- Identification of client and intended users;
- Identification of intended use;
- Identification of purpose of the assignment;
- Identification of relevant characteristics of the subject property;
- Physically inspected the corridor as of October 30, 2014;
- Reviewed municipal record pertaining to the parent tract at the West Forks Municipal Office as well as Maine State Revenue Service in Augusta, Maine;
- Reviewed original reservation of public lots within deeds from Commonwealth of Massachusetts to William Bingham as recorded at the Maine State Archives within Volume 6, Page 49 and Volume 6, Page 57. In addition, a Court Warrant was reviewed requiring the layout of the lots in question within the respective township and plantation as recorded at the Somerset County Registry of Deeds in Volume 59, Page 197;
- Reviewed both aerial and topographical plans for identification of key characteristics regarding the property in question;
- Reviewed properties and qualities of soils pertaining to the parcel in question as provided by the *USDA Natural Resources Conservation Service*;
- Reviewed the *National Wetlands Inventory Plan* as provided by the *US Fish & Wildlife Service* identifying the location of any freshwater forested shrub wetlands;
- Reviewed zoning ordinances of the *Land Use Planning Commission* which identified proposed corridor within the Management Subdistrict M-GN, with consideration to allowed uses as well as dimensional requirements as specified;
- A demographic study of population, households and employment has been completed within a 20-mile radius of the property in question to assist with both market and highest and best use analysis.

## DESCRIPTION OF APPRAISAL PROCESS

All approaches to value were considered including Cost, Income and Direct Sales Comparison Approaches. As the subject property is recognized as a special purpose property, being a utility line corridor as proposed, a variation of a Sales Comparison Approach has been applied recognized as "Across The Fence" or "ATF" valuation. This analysis is based on the assumption that the land in the corridor is at least as valuable as land adjacent to the corridor, or in close proximity, in order to form an opinion of value based on that assumption.

With this assignment, a Cost Approach was not found to be applicable, as there are no structural improvements associated with the property prior to development. An Income Approach was also considered to be not applicable, as the proposed lease does not consider any percentage of income derived through energy generation.

### Relevant Dates of the Appraisal

Date of Valuation	October 30, 2014
Date of Inspection	October 30, 2014
Date of Report	January 9, 2015

## SPECIAL INSTRUCTIONS TO THE APPRAISER

For purposes of this assignment, the undersigned has considered the determination of an annual lease rental rate considering all terms and conditions within the lease agreement as provided.

## ACROSS THE FENCE VALUATION

With this valuation process, the proposed corridor area was inspected with representatives of the *Maine Division of Parks and Lands* as well as through both aerial and topographical plans. In addition, information has been provided by Peter Smith, the *Bureau of Parks and Lands Western Region* Public Lands Manager regarding harvestable timber within the proposed corridor.

Through the screening of numerous vacant land sales of similar bulk acreage, nine comparables were selected from within the target area, most of which represent backland with seasonal access with many of the same physical characteristics of the parcel in question. These comparables have been analyzed on a unit price per acre basis with reasonable adjustments made for market-sensitive variances as would be perceived by a potential buyer including market conditions, location, variables of acreage and any contributory value of structural improvements.

Through this analysis, a reasonable ATF unit price was developed which has been further adjusted recognizing the limited function of the parcel per configuration as compared to non-corridor parcels.

The presence of ATF enhancement factor was also considered; however, the corridor is recognized as to be assembled within currently existing vacant wooded land requiring no premium in value for plottage.

This analysis results in a reasonable unit price per acre as, determined through a reconciliation process, this unit price is then applied to the total acreage of the corridor.

## **ANNUAL LEASE RATE**

A land capitalization rate was developed considering a reasonable return on a similar investment developed through a structured rate considering varying levels of risk, management, and illiquidity, as well as through an Investor Survey reported through *Realtyrates.com* for 4Q 2014 for special purpose properties. The resulting land capitalization rate has then been multiplied by the indicated value of the underlying land concluding with a reasonable net income based on the value of the same.

To this amount is added the present value of a future mature timber cut within the proposed corridor based on total cords and price per MBF achievable per market evidence.

The end result is a total income stream viewed as an annualized rental rate with the value of the underlying land as well as future timber harvest within the proposed corridor.

Please note, the current stumpage value regarding trees to be removed is not part of this assignment and will be established separate of the ground lease.

## **RECONCILIATION**

Following the development of the valuation model based on a variation of a Sales Comparison Approach through the ATF valuation method, a reasonable unit price per acre of the proposed corridor has been estimated. From this overall value, a reasonable annual rental rate was developed considering a land capitalization rate as well as expenses associated with the lease which would be the responsibility of the lessor and which would conclude with a reasonable annualized rental rate.

Following the completion of this analysis recognizing both quantified and qualified adjustments as well as strengths and weaknesses of the data applied, a reasonable annualized rental rate was determined.

## **EXPOSURE AND MARKETING TIME**

The subject property is recognized as a special purpose property requiring a specialized buyer and, thus, would not be placed on the open market. It is also noted that marketing time for bulk acreage was found to range between 6 to 18 months to the hypothetical consummation of a sale. Thus, if similar properties were priced and marketed accordingly, they would be expected to sell within those identified exposure times.

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS

**Client:** Dirgo Partners  
c/o Kenneth Freye  
79 Old Winthrop Road, Augusta, ME 04330

**Intended User:** Dirogo Partners on behalf of Central Maine Power Company

**Purpose of the Appraisal:** Estimate a market based annual lease rental rate for utility line corridor to be placed along a portion of the westerly side of Public Reserved Land within Johnson Mountain Township and West Forks Plantation.

**Ownership:** State of Maine

**Inspected by:** Daniel J. Dwyer, Practicing Affiliate, Appraisal Institute

**Property Rights Appraised:** Market Value of Leased Fee Rental Rate

**Value Appraised:** Market value

**Date of Inspection:** October 30, 2014

**Date of Report:** January 9, 2015

**Date of Valuation:** October 30, 2014

**Municipal Assessment Reference:** Johnson Mountain Township - Map SO14 Plan 1, Lot 3  
West Forks Plantation - Map 12, Lot 2<sup>1</sup>

<b>MARKET BASED ANNUAL LEASE RENTAL RATE</b>	<b>\$ 3,680</b>
<b>DOLLARS PER MILE</b>	<b>\$ 3,833</b>
<b>DOLLARS PER ACRE</b>	<b>\$105.38</b>
<b>DOLLARS PER LINEAR FOOT</b>	<b>\$0.73</b>

<sup>1</sup> Lot number per Maine Land Use Commission

## Site Data

<b>Total Acreage:</b>	34.92+/- AC
<b>Distance / Width:</b>	300 FT wide, 5,071 FT in length
<b>Configuration:</b>	Corridor
<b>Topography:</b>	Level to lightly rolling
<b>Utilities Available:</b>	None
<b>Zoning:</b>	M-GN <i>Land Use Planning Commission</i> Management Subdistrict
<b>Hazardous Waste Conditions:</b>	None identified
<b>Underground Tanks:</b>	None
<b>Flood Zone:</b>	Not available. No identified freshwater forested shrub wetlands per <i>US Fish and Wildlife Service National Wetlands Inventory Plan</i>
<b>Easements and Restrictions:</b>	As specified within terms of lease agreement, no permanent or temporary structures are to be placed on the property; no hazardous or toxic waste substance, residual pesticides or fertilizers shall be used or kept on the premises; no permanent roads are to be constructed within the corridor; natural plants community and significant vernal pool field surveys are to be conducted prior to any construction on the property.
<b>Drainage:</b>	Tomhegan Stream crosses portions of the property within West Forks Plantation. Corridor will cross this stream with minimal impact.
<b>Highest and Best Use:</b>	Multi-use recreation and utility corridor

## INTENT OF THE APPRAISAL

As understood, the intended use of this assignment has been to determine the market value of an annual lease within a corridor being 300 FT in width and 5,071 FT in length encompassing 34.92+/- AC in Johnson Mountain Township and West Forks Plantation, Maine.

The intent of the assignment has been to establish a ground rental rate to assist Dirigo Partners on behalf of Central Maine Power Company as it pertains to a transmission line lease between the Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands. There is no other intended use of this appraisal.

### DEFINITIONS

#### Definition of Market Value:

"Market Value is considered a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.

Implicit in this definition are the following conditions:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."<sup>2</sup>

#### Definition of Fee Simple Interest:

"Absolute ownership unencumbered by any other interest or estate subject only to the four powers of government."<sup>3</sup>

#### Definition of Highest and Best Use:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."<sup>4</sup>

---

<sup>2</sup> USPAP 2001 Edition ©*The Appraisal Foundation and The Appraisal of Real Estate 13th Edition* the Appraisal Institute.

<sup>3</sup> *Dictionary of Real Estate Appraisal, Second Edition*, American Institute of Real Estate Appraisers, 1989.

<sup>4</sup> *Dictionary of Real Estate Appraisal, Second Edition*, American Institute of Real Estate Appraisers, 1989.

**Definition of Restrictive Covenants:**

“A private agreement that restricts the use and occupancy of real estate that is part of a conveyance and is binding on all subsequent purchasers; may involve control of lot size, setback, placement of buildings, architecture, cost of improvements, or use.”<sup>5</sup>

**Definition of Leased Fee Interest:**

“An ownership interest held by a Landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease.”<sup>6</sup>

**Definition of Leasehold Interest:**

“The Leasehold estate is held by the Lessee or Tenant. “A Leasehold Estate is the interest held by the Lessee (tenant or renter) through a lease transferring specified rights, including the right of use and occupancy for a stated term under certain conditions.”<sup>7</sup>

**Definition of Ground Rent:**

“Rent paid for the right to use and occupy land; the portion of the total rent allocated to the underlying land.”<sup>8</sup>

---

<sup>5</sup> *Dictionary of Real Estate Appraisal, Second Edition*, American Institute of Real Estate Appraisers, 1989.

<sup>6</sup> *Dictionary of Real Estate Appraisal, Second Edition*, American Institute of Real Estate Appraisers, 1989.

<sup>7</sup> USPAP 2001 Edition ©*The Appraisal Foundation and The Appraisal of Real Estate 13th Edition* the Appraisal Institute.

<sup>8</sup> *Dictionary of Real Estate Appraisal, Second Edition*, American Institute of Real Estate Appraisers, 1989.

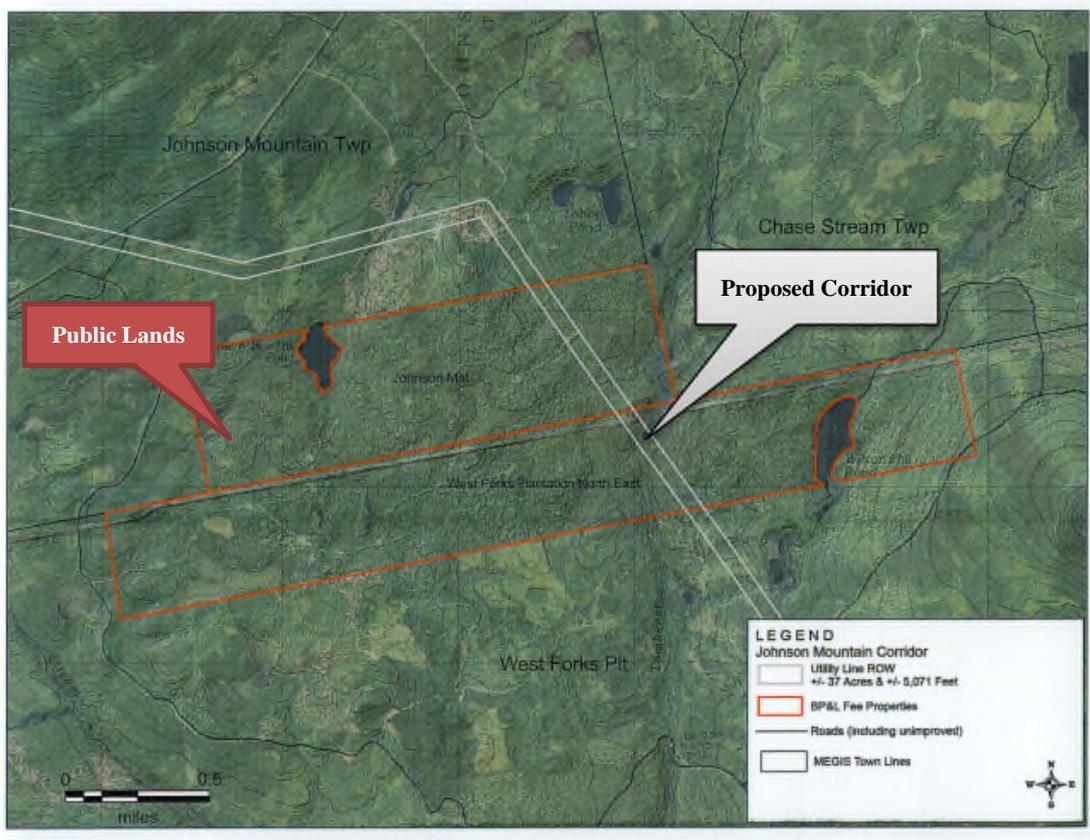
## PROPERTY IDENTIFICATION

The public lots in question are reserved parcels to the State of Massachusetts, now being Maine, as recorded at the Maine State Archives in Volume 6, Page 57 (Johnson Mountain Township) and Volume 6, Page 49 (West Forks Plantation).

The Johnson Mountain Township Public Lot is depicted on Map SO 14, Plan 1, Lot 3 at the *Maine Revenue Service* of the State of Maine in Augusta. The West Forks Public Lot is identified on Map 12, Lot 2<sup>9</sup> within the West Forks Plantation, Maine.

Physically, these lots are contiguous and are located approximately three miles east of State Route 201, being located along the south boundary of Johnson Mountain Township and north boundary of West Forks Plantation. The corridor in question will traverse northwest to southeast along the easterly boundary of the lots in question.

The following map identifies the location of this corridor in both Johnson Mountain Township and West Forks Plantation.



<sup>9</sup> Per Maine Land Use Planning Commission.

The utility line corridor is to be located within the parent tract representing upland forest of the Public Reserved Lots as established in 1788.

The Johnson Mountain Township portion is found to be reserved land within acreage conveyed from the Commonwealth of Massachusetts to William Bingham as of the 6<sup>th</sup> day of March in 1788. This document is recorded at the Maine State Archives in Volume 6, Page 57.

The West Forks Public Lot in question was reserved also within a transfer from the Commonwealth of Massachusetts to William Bingham as recorded in Volume 6, Page 49.

A Court Warrant locating these public lots within both Johnson Mountain Township and West Forks Plantation (Township 1 Range 5 BKP WKR), occurred July 3, 1844 as recorded at the Somerset County Registry of Deeds in Book 59, Page 197.

The creation of these lots was intended for public use, one for the first settled minister, one for the use of the ministry, one for a public grammar school and one for the benefit of public education.

When Maine became a State in 1820, it came into ownership of approximately one-half of the unsold public lots, and as identified within the "Articles of Separation," being an act of the legislature of Massachusetts authorizing statehood for Maine, provided that lands as identified will continue with the same reservations made for the benefit of schools and of the ministry as originally intended. As reported by *Bureau of Parks and Lands*, the parent tract in question in Johnson Mountain is 525+/- AC and 720+/- AC in West Forks Plantation.

On the following pages are copies of the legal descriptions pertaining to the reservation of the public lots in question as well as the court document warranting the location of these lots in each respective township. Also attached is a copy of the proposed transmission line lease between Central Maine Power Company and Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands.

Whereas, the General Court of the Commonwealth OF MASSACHUSETTS hath appointed and authorized us, the undersigned, a Committee to sell and dispose of the unappropriated lands in the Counties of York, Cumberland, Lincoln, Hancock and Washington, being the estate of the said Commonwealth and within the same; and Whereas, the said Commonwealth, by us, Samuel Phillips, Leonard Jarvis, and John Read, on the first day of July, in the year of our Lord one thousand seven hundred and ninety-one, by certain covenants then by us made on the part of the said Commonwealth, did agree to sell and convey certain of said lands to Henry Jackson and Royal Flint or their legal Representatives, upon and for the performance of certain conditions by them on their part stipulated to be performed, and the said Jackson and Flint having by their Contracts agreed that William Duer and Henry Knox and their Assigns should become the Representatives of the said Jackson and Flint in the same contracts and agreement; and the said Duer and Knox having by their contracts agreed that William Bingham, of the city of Philadelphia and State of Pennsylvania, should become their Representative in the same purchase; and the Covenants made by the said Committee on the part of <sup>the</sup> said Commonwealth, and by the said Jackson and Flint on their own part being given up and cancelled; and the said Bingham appearing to purchase the same land;

**Now Know all Men by these Presents,** That the said Commonwealth, by us, the said SAMUEL PHILLIPS, LEONARD JARVIS and JOHN READ, the Committee of the same as aforesaid, appointed and authorized therunto as aforesaid, for and in consideration of a large and valuable sum of money paid into the treasury of the said Commonwealth by the said WILLIAM BINGHAM, the receipt whereof is hereby acknowledged, hath granted, bargained and sold, released and confirmed to the said WILLIAM BINGHAM, his Heirs and Assigns forever, AND BY THESE PRESENTS doth give, grant, bargain and sell, release and confirm unto the said WILLIAM BINGHAM, his Heirs and Assigns forever.

a certain tract or parcel of land containing one hundred and thirty two thousand five hundred and forty one acres, lying in the County of Lincoln and Commonwealth of Massachusetts, and on both sides of the River Kennebec. Beginning upon the west line of a million of acres surveyed by Samuel Weston and Samuel Titcomb in the year one thousand seven hundred and ninety two, thirty miles and fifty four rods north of the south west corner of said tract, thence north by the said west line five miles and

nine rods; thence east forty one miles and sixty rods to the east line of said tract; thence south by said east line five miles and nine rods to the north line of a tract of one hundred and thirty two thousand five hundred and forty one acres, being part of the said million this day conveyed to said Bingham; thence by said north line to the place of beginning. So as to comprehend within the said boundaries the quantity of one hundred and thirty two thousand five hundred and forty one acres.

~~Reserving to the Adventurers in the Land Lottery, their Heirs and Assigns, the Lots which they severally drew, and to which they are entitled by virtue of an Act of the said Commonwealth passed on the fourteenth day of November, in the year of our Lord one thousand seven hundred and eighty six, amounting in the whole to~~

~~acres, according to a return thereof attested by Ebenezer Parsons, and deposited in the Office of the Secretary of said Commonwealth; reserving also four Lots of three hundred and twenty acres each in every Township or Tract of six miles square, for the following purposes, to wit: One for the first settled Minister, one for the use of the Ministry, one for the use of Schools, and one for the future appropriation of the General Court. Said lots to average in goodness and situation with the other lots of the respective Townships. And also reserving to each of the settlers who settled on the premises before the first day of July, one thousand seven hundred and ninety-one, his Heirs and Assigns forever, one hundred acres of Land, to be laid out in one lot so as to include such improvements of the said settlers as were made previous to the said first day of July, one thousand seven hundred and ninety-one, and be least injurious to the adjoining lands. And each of the said settlers who settled before the first day of January, one thousand seven hundred and eighty-four, upon paying to the said WILLIAM BINGHAM, his Heirs or Assigns, five Spanish milled dollars, and every other of said settlers, upon paying to the said WILLIAM BINGHAM, his Heirs or Assigns, twenty Spanish milled Dollars, shall receive from him, the said WILLIAM BINGHAM, his Heirs or Assigns, a Deed of one hundred acres of the said Land, laid out as aforesaid, to hold the same in fee. The said Deeds to be given in two years from the date hereof, provided the settlers shall make payment as aforesaid within that period.~~

TO HAVE AND TO HOLD the same, with all and singular the privileges, appurtenances and immunities thereof, to him, the said WILLIAM BINGHAM, his Heirs and Assigns forever, to his and their only use and benefit. And the said Commonwealth doth hereby grant and agree to and with the said WILLIAM BINGHAM, his Heirs and Assigns, that the foregoing Premises are free of every Incumbrance saving always the reservations herein before expressed, and that the same shall be warranted and defended by the said Commonwealth to him, the said WILLIAM BINGHAM, his Heirs and Assigns forever, saving always the reservations aforesaid, with the immunity of being free from State Taxes until the first day of July, in the year of our Lord one thousand eight hundred and one, conformably to a Resolution of the General Court of the said Commonwealth, of the twenty-sixth day of March, one thousand seven hundred and eighty-eight, for that purpose made and provided.

In Testimony of all which, we, the said SAMUEL PHILLIPS, LEONARD JARVIS and JOHN READ, the Committee aforesaid, have hereunto set our Hands and Seals, the twenty-eighth day of January, in the Year of our Lord one thousand seven hundred and ninety-three.

Signed, Sealed and Delivered  
in the Presence of

James Sullivan,  
David Cobb.

Signed, Samuel Phillips, [L. S.]

Leonard Jarvis, [L. S.]

John Read. [L. S.]

Whereas, the General Court of the Commonwealth OF MASSACHUSETTS hath appointed and authorized us, the undersigned, a Committee to sell and dispose of the unappropriated lands in the Counties of York, Cumberland, Lincoln, Hancock and Washington, being the estate of the said Commonwealth and within the same; and Whereas, the said Commonwealth, by us, Samuel Phillips, Leonard Jarvis, and John Read, on the first day of July, in the year of our Lord one thousand seven hundred and ninety-one, by certain covenants then by us made on the part of the said Commonwealth, did agree to sell and convey certain of said lands to Henry Jackson and Royal Flint or their legal Representatives, upon and for the performance of certain conditions by them on their part stipulated to be performed, and the said Jackson and Flint having by their Contracts agreed that William Duer and Henry Knox and their Assigns should become the Representatives of the said Jackson and Flint in the same contracts and agreement; and the said Duer and Knox having by their contracts agreed that William Bingham, of the city of Philadelphia and State of Pennsylvania, should become their Representative in the same purchase; and the Covenants made by the said Committee on the part of <sup>the</sup> said Commonwealth, and by the said Jackson and Flint on their own part being given up and cancelled; and the said Bingham appearing to purchase the same land;

**Now Know all Men by these Presents.** That the said Commonwealth, by us, the said SAMUEL PHILLIPS, LEONARD JARVIS and JOHN READ, the Committee of the same as aforesaid, appointed and authorized thereunto as aforesaid, for and in consideration of a large and valuable sum of money paid into the treasury of the said Commonwealth by the said WILLIAM BINGHAM, the receipt whereof is hereby acknowledged, hath granted, bargained and sold, released and confirmed to the said WILLIAM BINGHAM, his Heirs and Assigns forever, AND BY THESE PRESENTS doth give, grant, bargain and sell, release and confirm unto the said WILLIAM BINGHAM, his Heirs

a certain tract or parcel of land containing one hundred and thirty two thousand five hundred and forty one acres, lying in the county of Lincoln and Commonwealth of Massachusetts and on both sides of the River Kennebec. Beginning upon the west line of a million of acres surveyed by Samuel Weston and Samuel Titcomb in the year one thousand seven hundred and ninety two, twenty miles and thirty six rods north of the south west corner of said tract, thence north by the said west line five miles and nine

rods; thence east forty one miles  
and sixty rods to the east line  
of said tract; thence south by  
~~the~~ said east line five miles  
and nine rods to the north line of  
a tract of one hundred and thirty  
two thousand five hundred and  
forty one acres, being part of the  
said million this day conveyed  
to said Bingham; thence by  
said north line to the place of  
beginning. So as to comprehend  
within the said boundaries  
the quantity of one hundred  
and thirty two thousand five  
hundred and forty one acres.

~~Reserving to the Adventurers in the Land Lottery, their Heirs and Assigns, the Lot which they severally drew, and to which they are entitled by virtue of an Act of the said Commonwealth passed on the fourteenth day of November, in the year of our Lord one thousand seven hundred and eighty-six, amounting in the whole to~~

~~seven acres according to a return thereof attested by Peter Parsons, and deposited in the Office of the Secretary of said Commonwealth; reserving also four Lots of three hundred and twenty acres each in every Township or Tract of six miles square, for the following purposes, to wit: One for the first settled Minister, one for the use of the Ministry, one for the use of Schools, and one for the future appropriation of the General Court. Said lots to average in goodness and situation with the other lots of the respective Townships. And also reserving to each of the settlers who settled on the premises before the first day of July, one thousand seven hundred and ninety-one, his Heirs and Assigns forever, one hundred acres of Land, to be laid out in one lot so as to include such improvements of the said settlers as were made previous to the said first day of July, one thousand seven hundred and ninety-one, and be least injurious to the adjoining lands. And each of the said settlers who settled before the first day of January, one thousand seven hundred and eighty-four, upon paying to the said WILLIAM BINGHAM, his Heirs or Assigns, five Spanish milled dollars, and every other of said settlers, upon paying to the said WILLIAM BINGHAM, his Heirs or Assigns, twenty Spanish milled Dollars, shall receive from him, the said WILLIAM BINGHAM, his Heirs or Assigns, a Deed of one hundred acres of the said Land, laid out as aforesaid, to hold the same in fee. The said Deeds to be given in two years from the date hereof, provided the settlers shall make payment as aforesaid within that period.~~

TO HAVE AND TO HOLD the same, with all and singular the privileges, appurtenances and immunities thereof, to him, the said WILLIAM BINGHAM, his Heirs and Assigns forever, to his and their only use and benefit. And the said Commonwealth doth hereby grant and agree to and with the said WILLIAM BINGHAM, his Heirs and Assigns, that the foregoing Premises are free of every Incumbrance saving always the reservations herein before expressed, and that the same shall be warranted and defended by the said Commonwealth to him, the said WILLIAM BINGHAM, his Heirs and Assigns forever, saving always the reservations aforesaid, with the immunity of being free from State Taxes until the first day of July, in the year of our Lord one thousand eight hundred and one, conformably to a Resolution of the General Court of the said Commonwealth, of the twenty-sixth day of March, one thousand seven hundred and eighty-eight, for that purpose made and provided.

**In Testimony** of all which, we, the said SAMUEL PHILLIPS, LEONARD JARVIS and JOHN READ, the Committee aforesaid, have hereunto set our Hands and Seals, the twenty-eighth day of January, in the Year of our Lord one thousand seven hundred and ninety-three.

*Signed, Sealed and Delivered*  
*in the Presence of*

*James Sullivan,*  
*David Cobb.*

*Signed, Samuel Phillips, [l. s.]*  
*Leonard Jarvis, [l. s.]*  
*John Read. [l. s.]*

**TRANSMISSION LINE LEASE**

**BETWEEN**

**DEPARTMENT OF AGRICULTURE, CONSERVATION AND  
FORESTRY  
BUREAU OF PARKS AND LANDS  
and CENTRAL MAINE POWER COMPANY**

This Lease Agreement is made by and between the State of Maine, by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry (hereinafter called the "Lessor"), acting pursuant to the provisions of Title 12 M.R.S.A. §1852(4), and Central Maine Power Company, a Maine corporation with its principal place of business at 83 Edison Drive, Augusta, Maine (hereinafter called "Lessee"). For the considerations hereinafter set forth, the Lessor hereby leases to Lessee, and Lessee hereby takes from the Lessor, the non-exclusive use of that portion of the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein, being a three hundred (300) foot wide by approximately one mile long transmission line corridor located on a portion of the aforementioned Maine Public Reserved Lands. The described transmission line corridor, together with the improvements now or hereafter to be placed thereon, is hereinafter referred to as the "Property" or "Premises," and is subject to the following terms and conditions:

1. Term:

- a. This lease shall be in effect from the date of execution of this instrument for a term of twenty-five (25) years and, at no less than 5 year intervals, the term of this lease may be extended by mutual agreement for additional years as will grant Lessee a remaining lease term totaling no more than twenty-five (25) years, so long as Lessee is in compliance with the conditions of this lease. Lessee shall not request a lease term extension any more often than once every five years. Notice of any lease extension shall be given to Lessor at least six (6) months prior to the expiration of any initial term or renewal period.
- b. Lessor reserves the right to terminate this Lease at any time during the term hereof to the extent permitted under the provisions contained in paragraph 13 Default.
- c. Lessee has the right to terminate this Lease upon at least ninety (90) days prior written notice to Lessor, or such lesser notice period as agreed to by Lessor in writing.
- d. Any notice required by this paragraph, whether by Lessee or Lessor, shall be sent postage pre-paid, registered or certified mail, return receipt requested, to the party at the address set forth in paragraph 24.

2. Rent. Lessee shall pay to the Lessor rental as follows:

An annual payment of \$1,400.00. The first payment shall be due on the date of execution of this lease (the "Initial Payment") and subsequent annual payments shall be made on or before December first of each following year. Lessor or Lessee may, within the first twelve months of the lease and at either Lessor's or Lessee's sole discretion, commission an appraisal of the Premises. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee agrees to pay any additional value above the Initial Payment indicated by the appraisal and the cost of the appraisal. The annual payment shall be adjusted each year in an amount not to exceed the average increase in the Consumer Price Index as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period.

In addition, Lessee shall pay to Lessor the negotiated price of the timber present on the Premises based on mill scale and stumpage value at time the corridor is harvested for the construction of the utility corridor.

3. Use. The Property shall be used by the Lessee as follows: to erect, construct, reconstruct, replace, remove, maintain, operate, repair, upgrade, and use poles, towers, wires, switches, and other above-ground structures and apparatus used or useful for the above-ground transmission of electricity ("Facilities"), all as the Lessee, its successors and assigns, may from time to time require upon, along, and across said Property; to enter upon the Property at any time with personnel and conveyances and all necessary tools and machinery to maintain the Premises and facilities; the non-exclusive right of ingress to and egress from the Premises over and across the land of the Lessor; to transmit electricity and communication, as conditioned below, over said wires, cables, or apparatus installed on Lessee's facilities. Lessee shall own all communication facilities and such facilities shall be for Lessee's use in its business as a public utility. In the event Lessee desires to provide capacity to others on Lessee's communication facilities, Lessee shall first obtain Lessor's written approval, which shall not be unreasonably withheld. Lessor may adjust the rent at such time as Lessee provides communication capacity to others. The rent adjustment is to be determined by an appraisal paid for by Lessee. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee shall not sub-lease or contract the communication facilities for any other commercial use. The Lessor further grants to said Lessee the right to establish any and all safety and reliability regulations applicable to said transmission line corridor which said Lessee deems necessary and proper for the safe and reliable construction and maintenance of said structures, wires, and apparatus and for the transmission of electricity.
4. Quiet Enjoyment. So long as Lessee pays the rent, performs all of its non-monetary obligations, and otherwise complies with the provisions of this Lease, the Lessee's possession of the Premises for its intended use will not be disturbed by the Lessor, its successors and assigns except as otherwise provided under the terms of this Lease. Notwithstanding any provision to the contrary herein, Lessor reserves the right to enter onto the Premises at any time and from time to time to inspect the Premises.

5. Access:

- a. It is agreed by the parties to this Lease that Lessor is under no obligation to construct or maintain access to the Premises, notwithstanding any provisions of any federal, state and local law to the contrary. However, the Lessee shall be allowed to cross Lessor's abutting land by using Lessor's Forest Management Roads for access to the Premises for construction, maintenance and repairs, subject to reasonable restrictions and regulations imposed by Lessor, and the rights of others using said roads. Upon reasonable advance notice to Lessee, Lessor reserves the right to close, lock or otherwise restrict access along or through the Forest Management Roads at any time it appears reasonably necessary to protect the safety of persons or property. Such situations include, but are not limited to, spring mud season or periods of high fire danger. Lessee shall immediately repair any damage to the road caused by Lessee. Lessor is under no obligation to provide maintenance to the road. If Lessee wishes to undertake performing repairs or upgrades to the Forest Management Roads, Lessee must acquire prior written approval from Lessor. Lessee shall acquire prior written approval for the construction or use of any other access location across Lessor's land abutting the Premises which approval shall not be unreasonably withheld, delayed, or conditioned.
- b. The Lessor expressly reserves the right for itself or its guests, servants, or agents to pass and repass over the described Premises at any and all times with machinery and equipment necessary for the operation or conduct of Lessor's uses as such uses may from time to time exist, provided that: said uses will comply with the above referenced safety regulations and any applicable state law, and will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies; that the Lessor shall provide Lessee with at least three business days prior written notice if Lessor will be on the Premises with construction or logging equipment; and that such use will not unreasonably interfere with the rights of Lessee herein conveyed.

6. Lessee Covenants. The Lessee covenants as follows:

- a. No buildings, either permanent or temporary, may be constructed or placed upon the described Premises, except temporary structures during construction of the Facilities, such as field trailers.
- b. Crossing mats for stream or wetland crossings shall not be made of ash or hemlock, so as to avoid introduction of invasive pests associated with these species.
- c. No hazardous or toxic waste substance or material, residual pesticides or fertilizers, other than organic compost, shall be used or kept upon the Premises or any portion thereof, nor shall any livestock or poultry be kept temporarily or permanently thereon. Pesticides, herbicides, and chemical defoliants registered for use in Maine may be applied to the Premises only after acquiring prior written approval from Lessor and only by trained applicators working under the supervision of applicators

licensed by the State of Maine in formulations and dosages approved by the Environmental Protection Agency and Lessor. One month prior to all pesticide applications, Lessee shall provide information to Lessor, including, but not limited to pesticides, herbicides, and chemical defoliant to be used, dates and methods of application, application locations and reasons for use.

- d. There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.
- e. There shall be no vegetation maintenance or disturbance within a 50-foot radius around the high water boundary of a significant vernal pool from March 15 – July 15; provided, however, that Lessee may take all appropriate actions with regards to vegetation management to ensure that Lessee is in compliance with all federal and state laws, rules and regulations imposed upon Lessee as the owner and operator of the Facilities.
- f. Lessee shall not make any strip or waste of the Leased Premises or of any other lands of Lessor. Vegetation clearing within the Leased Premises for Lessee's Facilities shall be limited to standards approved by the Maine Public Utilities Commission and shall encourage a ground cover of woody species with a maximum mature height approaching but not exceeding 15 feet. Lessee shall make every effort to minimize clearings and cutting of vegetation.
- g. Lessee acknowledges that lease of the Premises by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry is unique, and that in authorizing the Lease under 12 M.R.S. § 1852(4)(A), Lessor requires that Lessee shall make every reasonable effort within the leased Premises to be in conformance with the Maine Department of Inland Fisheries and Wildlife "Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects", "Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects", and "Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects", all dated March 26, 2012, which copies are attached to this lease, or the publication's most current version.
- h. Lessee shall not kindle any outside fires on the Premises or any other land of the Lessor, except in accordance with applicable federal, state and local regulations, and hereby agrees to assist with any means at Lessee's disposal in putting out fires occurring on the Premises or adjacent areas, and to report promptly such fires to Lessor or its representative and to the appropriate authorities.
- i. Lessee agrees to maintain the Premises in a neat and sanitary manner and to provide for proper disposal of all garbage, trash, septic (for purposes of this Lease, "septic" shall mean, but is not limited to, sewage, wash water, black water, gray water and slop water), and other waste in compliance with all applicable federal, state and local laws and in a manner so as not to be objectionable or detract from the aesthetic values of the general area. Lessee shall not discharge any untreated or partially treated sewage or other waste materials directly or indirectly into any body of water including but not limited to, any wetland, stream, river, lake, pond, or

groundwater. In addition, Lessee covenants that it bears the responsibility for any noncompliance with all federal, state and local laws and regulations governing septic and other waste disposal resulting from Lessee's activities and Lessee shall indemnify and hold harmless Lessor from and against any and all actions, suits, damages and claims by any party by reason of noncompliance by Lessee with such laws and regulations. Such indemnification shall include all Lessor's costs, including, but not limited to reasonable attorney fees.

- j. No non-forest waste including, but not limited to, broken equipment, spilt fuels, fluids and lubricants, fluid and lubricant containers, equipment parts, tires, debris, garbage, or trash shall be deposited, discharged, dumped or buried upon the Premises. Forest woody waste (e.g., wood chips and stumps) may be disposed of on the premises, but may not be disposed of in piles. Stumps shall be buried in "stump dump" holes, except that small numbers of stumps (four or less) may be left aboveground. All non-forest waste shall be disposed of legally and not on property of Lessor.
- k. Lessee shall not build permanent roads on the Premises without obtaining prior specific written permission from the Lessor; provided, however, that Lessee may construct a minimal number of temporary roads and trails to facilitate the construction of the transmission line (tree clearing, pole setting, wiring). At the time construction is completed, all temporary roads and trails shall be dismantled and put to bed or converted to permanent access trails. All access trails shall be built to Best Management Practices (BMP) standards as shown in the "Maine Motorized Trail Construction and Maintenance Manual" written by the Bureau of Parks and Lands Off-Road Vehicle Division, dated May 2011 and all roads shall be built pursuant to those Best Management Practices (BMPs) standards pertaining to forest management and road construction practices set forth in the publication entitled, "Best Management Practices for Forestry: Protecting Maine's Water Quality," prepared by the Maine Department of Agriculture, Conservation and Forestry, Maine Forest Service, in such publication's most current version at the time of the grant of this lease, and as the same may be further amended, supplemented or replaced after the date of the execution of this lease.

Prior to start of construction, Lessee shall provide an Access and Maintenance Plan to Lessor for review and approval. This plan shall provide details and maps on proposed roads, permanent and temporary, access points, temporary trails, inspection, and maintenance access, and descriptions of any proposed bridges, temporary or permanent.

- l. Natural Plant Community, wetland and Significant Vernal Pool field surveys of the Premises must be conducted by Lessee or Lessee's designee prior to any construction on the Premises. Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife a copy of all completed surveys before commencing any construction on the Premises.
- m. Lessee shall be in compliance with all Federal, State and local statutes, ordinances, rules, and regulations, now or hereinafter enacted which may be applicable to Lessee in connection to its use of the Premises. Lessee further shall

not construct, alter or operate the described Premises in any way until all necessary permits and licenses have been obtained for such construction, alteration or operation. Lessee shall provide written confirmation that Lessee has obtained all material permits and licenses to construct and operate the Facilities. Lessee shall furnish Lessor with copies of all such permits and licenses, together with renewals thereof to Lessor upon the written request of Lessor. This lease shall terminate at the discretion of the Lessor for failure of Lessee to obtain all such required permits. Prior to such termination, however, Lessor shall provide written notice to Lessee of such failure and Lessee shall have 30 days in which to cure such failure.

n. In the event of the following:

- a) Lessee constructs an electric transmission line on the Premises; and
- b) Lessee has determined, in its sole discretion, to rebuild the existing transmission line (the "Jackman Tie Line") located on that part of the existing 100-foot wide utility corridor described in a lease dated July 9, 1963 and recorded in the Somerset County Registry of Deeds, Book 679, Page 37 (the "Jackman Tie Line Lease") that is located westerly of the Premises and easterly of Route 201; and
- c) Lessee receives all permits and regulatory approvals necessary to rebuild the line in such new location including, but not limited to, approvals of the Maine Public Utilities Commission and the Maine Department of Environmental Protection; then

Lessee agrees to relocate said Jackman Tie Line from the above described portion of the Jackman Tie Line Lease to a location on the Premises and such other corridor as acquired by the Lessee from others. Upon completion of any such relocation of the Jackman Tie Line or its functional replacement pursuant to this section and removal of Lessee's facilities from that portion of the Jackman Tie Line Lease lying westerly of the Premises, Lessor and Lessee agree to amend the Jackman Tie Line Lease to delete from the lease area that portion of the Jackman Tie Line Lease lying westerly of the Premises. All other terms and conditions of the Jackman Tie Line Lease shall remain in full force and effect. The term "rebuild" as used in this paragraph, shall not include routine repair or replacement of poles, crossarms, insulators, braces or conductor.

7. Liability and Insurance.

a. Lessee shall without unreasonable delay inform Lessor of all risks, hazards and dangerous conditions caused by Lessee which are outside of the normal scope of constructing and operating the Facilities of which Lessee becomes aware of with regards to the Premises. Lessee assumes full control of the Premises, except as is reserved by Lessor herein, and is responsible for all risks, hazards and conditions on the Premises caused by Lessee.

b. Except for the conduct of Lessor and Lessor's guests and agents, Lessor shall not be liable to Lessee for any injury or harm to any person, including Lessee, occurring in or on the Premises or for any injury or damage to the Premises, to any property of the Lessee, or to any property of any third person or entity. Lessee shall indemnify and defend and hold and save Lessor harmless, including, but not limited

to costs and attorney fees, from: (a) any and all suits, claims and demands of any kind or nature, by and on behalf of any person or entity, arising out of or based upon any incident, occurrence, injury, or damage which shall or may happen in or on the Premises that is caused by the Lessee or its Agents; and (b) any matter or thing arising out of the condition, maintenance, repair, alteration, use, occupation or operation of the Premises, the installation of any property thereon or the removal of any property therefrom that is done by the Lessee or its Agents. Lessee shall further indemnify Lessor against all actions, suits, damages, and claims by whoever brought or made by reason of the nonobservance or nonperformance of Lessee or its Agents of: (a) any obligation under this Lease; or (b) any federal, state, local law or regulation pertaining to Lessee's use of the Premises.

c. The Lessee shall obtain and keep in force, for the duration of this lease, a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Lease with adequate liability coverage over at least one million dollars for each occurrence and two million dollars in annual aggregate in general commercial liability coverage to protect the Lessee and the Lessor from suits for bodily injury and damage to property. Nothing in this provision, however, is intended to waive the immunity of the Lessor. Upon execution of this Lease, the Lessee shall furnish the Lessor with a certificate of insurance as verification of the existence of such liability insurance policy.

8. Lessee's Liability for Damages. Lessee shall be responsible to Lessor for any damages caused directly or indirectly by Lessee or its guests, servants or agents, including, but not limited to, interference or meddling with any tools, machinery, equipment, gates, buildings, furniture, provisions or other property of the Lessor on the Premises, its agents, employees or guests.
9. Tax Proration. Lessee shall pay when due all taxes levied on the personal property and improvements constructed by Lessee and located on the Premises. Lessor shall be responsible for any real property taxes levied on the Premises based on unimproved land. Lessor shall have no ownership or other interest in any of the Facilities on the Property and Lessee may remove any or all of the Facilities at any time.
10. Lease Assignment, Sublease and Colocation. Lessee shall not assign or sublease in whole or part without prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessor may lease the Premises for other compatible uses and colocation of other utilities so long as such rights do not extend to access to the Facilities, said uses will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies, and such use will not interfere with the rights herein conveyed, including the right to build such additional Facilities as may be accommodated on the Premises using transmission line spacing standards approved by the Maine Public Utilities Commission.
11. Lessee's Removal of Structures. Lessee must obtain Lessor's advance written consent, which consent shall not be unreasonably withheld, delayed, or conditioned, to the method of removal before any structures or improvements are removed from the Premises.

12. Surrender. Upon termination of this Lease for any reason, Lessee shall deliver the Premises to Lessor peaceably, without demand, and in reasonably good condition clear of all trash and debris, unusable equipment, unregistered vehicles and abandoned equipment and structures, located on the Premises by Lessee or its Agents. If such trash and debris and other unusable equipment, unregistered vehicles, and abandoned equipment and structures are not removed within one hundred eighty days (180) days of the termination of this Lease, the Lessor shall thereafter have the right to remove it and Lessee shall reimburse Lessor for the costs of such removal and disposal. Any other personal property, fixture, or structure on the Premises belonging to Lessee shall be removed by Lessee, unless Lessor requests in writing, that the other personal property, fixture, or structure may remain and Lessee agrees in writing not to remove it. If the Lessee fails to remove such other personal property, fixture, or structure such items shall be deemed the property of the Lessor two hundred and ten days (210) days after termination of the Lease and the Lessor shall thereafter have the right to remove it and charge the Lessee with the costs of such removal and disposal. In the event that any of this other personal property, fixtures, or structures on the Premises are incapable of being removed within one hundred eighty days (180) days, Lessee may be allotted up to one year to remove the items, with prior written approval from Lessor, which approval shall not be unreasonably, delayed, or conditioned. Any holding over by Lessee without Lessor's prior written consent shall be considered a tenancy at sufferance.

13. Default.

a. The following constitutes a default under this Lease: (1) Lessee's failure to perform any of its monetary or nonmonetary obligations under this Lease; (2) the filing of any bankruptcy or insolvency petition by or against Lessee or if Lessee makes a general assignment for the benefit of creditors which is not resolved or withdrawn within 30 days of such petition being filed; (3) an execution, lien, or attachment issued against the Lease, the Premises, or Lessee's property on the Premises, unless Lessee provides Lessor with satisfactory assurances and evidence that such execution, lien, or attachment will be released within a reasonable time not to exceed ninety (90) days, unless a shorter period of time is provided for by any applicable law or proceeding for the removal thereof, in which case the more restrictive time limitation applies; (4) the assignment or sublease of this lease to any third party without Lessor's prior written consent; or (5) the violation of any state, federal or local law, rule, regulation, or ordinance; or (6) Lessee's abandonment of the leased premises.

b. Upon the occurrence of any such event of default and subject to any applicable cure period as defined in paragraph 6(m), above, Lessor may, in addition to (and not instead of) any other remedies available at law or in equity, terminate this lease with notice or demand to Lessee and enter and take possession of the leased premises. Lessee shall be liable to Lessor for loss and expense, including reasonable attorney fees, incurred by reason of such default or termination hereof. Lessor will provide Lessee with written notice of an event or occurrence of default under paragraph 13(a)(1) and Lessee shall have a reasonable period of time, as determined by Lessor, to cure said default which period shall not exceed thirty (30) days; provided, however, that if Lessee satisfies to Lessor that Lessee has

undertaken the appropriate actions to cure said default and such default has not been cured within the said time permitted, the Lessor may exercise its sole discretion to extend the cure period.

14. Statutory Authority Over Public Lands. Lessor shall have the right to request that this Lease be amended from time to time and throughout the term of this lease in the event that any Lease term is found not to comply with Maine state law regarding the lease of property under 12 M.R.S. § 1852(4). Lessor shall send notice to Lessee of the proposed revision. Upon receipt of such notice, Lessee shall have the option to either terminate the Lease by notifying Lessor in writing within thirty (30) days of receipt of notice or negotiate an amendment to the Lease in order to bring such term in compliance with said state law. Except as provided in this Lease, neither Party shall have the right to terminate this lease unless the resulting non-compliance constitutes a default under Section 13 hereof, in which case Section 13 shall govern.
15. Mechanics Lien. If any notice is filed at the county registry of deeds of a builder's, supplier's or mechanic's lien on the Premises, arising out of any work performed by or on behalf of Lessee, Lessee shall cause such lien to be discharged or released immediately and shall indemnify Lessor against any such claim or lien, including all costs and attorney fees that Lessor may incur in connection with the same.
16. Succession; No Partnership. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of the parties hereto. Nothing in this agreement shall be construed to create an association, joint venture, trust or partnership covenant, obligation, or liability on or with regards to any of the parties to this agreement.
17. Waiver. Any consent, express or implied, by Lessor to any breach by Lessee of any covenant or condition of this Lease shall not constitute a waiver by the Lessor of any prior or succeeding breach by Lessee of the same or any other covenant or condition of this Lease. Acceptance by Lessor of rent or other payment with knowledge of a breach or default by Lessee under any term on this Lease shall not constitute a waiver by Lessor of such breach or default.
18. Force Majeure. Except as expressly provided herein, there shall be no abatement, diminution, or reduction of the rent or other charges payable by Lessee hereunder, based upon any act of God, any act of the enemy, governmental action, or other casualty, cause or happening beyond the control of the parties hereto.
19. Eminent Domain. In the event that the Premises or any portion thereof shall be lawfully condemned or taken by any public authority, Lessor may, in its discretion, elect either: (a) to terminate the Lease; or (b) to allow this Lease to continue in effect in accordance with its terms, provided, however, that a portion of the rent shall abate equal to the proportion of the Premises so condemned or taken. All condemnation proceeds shall be Lessor's sole property without any offset for Lessee's interests hereunder.
20. Holding Over. If Lessee holds over after the termination of this Lease, said hold over shall be deemed to be a trespass.

21. Lessor Protection. Lessor expressly retains and nothing contained herein shall be construed as a release or limitation by Lessor of any and all applicable liability protections under Maine law. Lessor specifically retains any and all protections provided under Maine law to owners of land, including but not limited to those provided under the Maine Tort Claims Act, 14 M.R.S.A. §§ 8101-8118.
22. Cumulative Remedies. The remedies provided Lessor by this Lease are not exclusive of other remedies available by current or later existing laws.
23. Entire Agreement. This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Lessor and Lessee governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth. Except as herein provided, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon the Lessor or Lessee unless and until reduced to writing and signed by both parties.
24. Notices. All notice, demands, and other **communications** required hereunder shall be in writing and shall be given by first class mail, postage prepaid, registered or certified mail, return receipt requested; if addressed to Lessor, to:  
State of Maine, Department of Agriculture, Conservation and Forestry, Division of Parks and Lands,  
22 State House Station, Augusta, ME 04333-0022, Attn: Director;  
and if to Lessee, to:  
Central Maine Power Company, Real Estate Services  
83 Edison Drive, Augusta, Maine 04364, Attn. Supervisor, Real Estate
25. General Provisions:
- a. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Maine.
  - b. Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision. To the extent any provision herein is inconsistent with applicable state statute, the statute is deemed to govern.
  - c. Paragraph Headings. The paragraph titles herein are for convenience only and do not define, limit, or construe the contents of such paragraph.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written. For purposes of this Lease, a facsimile signature shall be deemed an original.

Page 10 of 11

Dwyer Associates  
128 State Street, Augusta, ME 04330

H1410-01

30

A.R. IV0048

Lessor:

**STATE OF MAINE**  
Department of Agriculture, Conservation, and Forestry  
Bureau of Parks and Lands

By: Thomas Morrison  
Thomas Morrison Acting Director

Dated: Dec 15, 2014

David Rodriguez  
Witness

Lessee:

**CENTRAL MAINE POWER COMPANY**

BY: Mary R. Smith  
Mary R. Smith, Authorized Representative

Dated: 12-8-14

Roberta B. Holahan  
Witness

**ROBERTA B. HOLAHAN**  
Notary Public, State of New York  
No. 011403040322  
Qualified in Monroe County  
Commission Expires April 17, 2018

**EXHIBIT A**

**Leased Premises  
Department of Agriculture, Conservation and Forestry  
Bureau of Parks and Lands  
and  
Central Maine Power Company**

A non-exclusive lease over a portion of the Lessor's land located in Johnson Mountain Township (T2 R6 BKP WKR), and West Forks Plantation, Somerset County, Maine, more particularly described as follows:

A strip of land 300 feet in width beginning at the southerly line of the Maine Public Reserved Lot located on the northerly line of West Forks Plantation and extending northerly a distance of 4700 feet, more or less, to the northerly line of the Maine Public Reserved Lot located on the common line between West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR). The centerline of said strip beginning at a point on the southerly line of the Lessor's land at a point that is 7,500 feet westerly of the southeasterly corner of said Lot in West Forks Plantation; thence on a bearing of 342.2 degrees a distance of 4,700 feet, more or less, to a point on the northerly line of said Lot in Johnson Mountain Township, said point being 2640 feet, more or less, westerly of the northeast corner of said Lot and the east line of Johnson Mountain Township; said leased area containing 33 acres, more or less (the "Leased Premises").

The description of the Leased Premises is based on a current conceptual design of the Lessee's proposed transmission line corridor and may be subject to modification by Lessee to minimize impacts on environmentally sensitive areas. Lessor and Lessee agree that upon completion of environmental assessments, final engineering, and if applicable, any survey prepared by Lessee, Lessee will prepare a final description of the Leased Premises to be incorporated into this Lease. Lessor and Lessee further agree that the final alignment of the transmission line corridor will be substantially as described herein and any significant deviation from the above described line will be agreed to in writing by Lessor and Lessee.

Seller's Initials \_\_\_\_\_

## STATE AND REGIONAL ANALYSIS

### INTRODUCTION

This analysis focusses on statewide and regional conditions regarding review of economic conditions, demographics, employment, and retail sales.

### ECONOMIC PROFILE / MARKET ANALYSIS

As reported through the *Maine Concensus Economic Forecasting Commission* as of November 1, 2014, Maine and US economies continue to show signs of improvement over the last twelve months. Nationwide consumer sentiment in September 2014 was 9.2% higher than one year ago, while small business optimum increased 1.5% over the previous year level. Historical unemployment and income data suggest increases over 2013 with modest growth projected to 2017. Please see the following graphic reflecting annual percentage change in employment as well as wage and salary incomes.

Calendar Years	2013	2014	2015	2016	2017	2018	2019
<b>Wage &amp; Salary Employment (Annual Percentage Change)</b>							
CEFC Forecast 02/2014	0.5	0.7	0.7	0.7	0.5		
CEFC Forecast 11/2014	0.6	1.0	0.9	0.6	0.4	0.1	0.1
<b>Personal Income (Annual Percentage Change)</b>							
CEFC Forecast 02/2014	2.3	4.3	3.7	4.0	4.2		
CEFC Forecast 11/2014	2.6	3.3	3.5	3.7	3.9	3.4	3.1
<b>Wage and Salary Income (Annual Percentage Change)</b>							
CEFC Forecast 02/2014	2.4	3.4	3.4	3.4	3.4		
CEFC Forecast 11/2014	2.2	2.9	3.9	4.0	3.6	3.4	3.0
<b>CPI (Annual Percentage Change)</b>							
CEFC Forecast 02/2014	1.5	1.6	1.7	1.9	1.9		
CEFC Forecast 11/2014	1.5	1.8	2.1	2.4	2.8	2.9	2.6

As reported by the *Maine Department of Labor*, estimates with larger employer payroll jobs surveyed indicated continued growth. For September, the program estimated there were 611,800 non-farm jobs, an increase of 9,400 jobs over the prior year, which was the largest 12-month increase since 2001.

In the following graphic are the entire findings of the *Maine Concensus Economic Forecasting Commission* regarding annual changes in Consumer Price Index, wage and salary employment as well as income for farm proprietors.

Maine Consensus Economic Forecasting Commission							
November 2014 Forecast							
	History	Forecast					
	2013	2014	2015	2016	2017	2018	2019
CPI-U* (Annual Change)	1.5%	1.8%	2.1%	2.4%	2.8%	2.8%	2.6%
CPI for Energy Prices** (Annual Change)	-0.7%	1.5%	2.9%	3.0%	3.9%	3.6%	2.9%
CPI for New Vehicles** (Annual Change)	1.1%	0.3%	1.0%	0.9%	0.5%	0.2%	0.0%
New Vehicle Registrations** (Annual Change)	8.4%	9.6%	-9.6%	-1.1%	-0.7%	1.3%	2.3%
Personal Savings Rate**	4.9%	4.2%	2.8%	2.5%	1.9%	1.8%	1.4%
Maine Unemployment Rate**	6.7%	5.7%	5.4%	5.3%	5.2%	5.1%	5.1%
3-Month Treasury Bill Rate**	0.06%	0.04%	0.22%	1.78%	2.95%	3.34%	3.45%
10-Year Treasury Note Rate**	2.35%	2.66%	3.41%	4.48%	4.74%	4.52%	4.53%
Before-Tax Corporate Profits* (Annual Change)	4.6%	9.3%	9.9%	6.0%	1.4%	1.3%	4.2%
Maine Wage & Salary Employment* (thousands)	601.7	607.7	613.2	616.9	619.4	620.0	620.6
Natural Resources	2.5	2.5	2.6	2.6	2.6	2.6	2.6
Construction	25.4	26.0	26.1	26.8	26.8	26.1	26.3
Manufacturing	80.5	50.5	50.3	50.2	50.0	49.5	49.1
Trade/Trans./Public Utils.	118.1	119.6	120.8	121.7	121.8	121.5	121.4
Information	7.7	7.4	7.4	7.3	7.3	7.3	7.3
Financial Activities	31.8	32.1	32.4	32.3	32.2	31.7	31.4
Prof. & Business Services	59.9	61.9	64.1	65.6	66.4	66.8	66.8
Education & Health Services	122.2	123.6	125.4	127.2	128.7	129.6	130.8
Leisure & Hospitality Services	62.6	63.8	64.5	64.5	64.6	65.1	65.2
Other Services	20.6	20.6	20.6	20.6	20.5	20.3	20.2
Government	100.4	99.6	99.1	99.1	99.2	99.6	99.7
Agricultural Employment	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Maine Wage & Salary Employment* (Annual Change)	0.6%	1.0%	0.9%	0.6%	0.4%	0.1%	0.1%
Natural Resources	-2.0%	3.5%	2.8%	0.0%	0.1%	-0.3%	-0.4%
Construction	0.8%	2.1%	0.4%	-1.2%	0.0%	1.4%	0.6%
Manufacturing	-0.3%	0.0%	-0.3%	-0.3%	-0.4%	-1.0%	-0.8%
Trade/Trans./Public Utils.	0.8%	1.3%	1.0%	0.8%	0.0%	-0.2%	-0.1%
Information	-1.5%	-3.5%	-0.3%	-0.3%	-0.2%	-0.2%	0.4%
Financial Activities	1.2%	1.0%	0.7%	-0.1%	-0.4%	-1.7%	-1.0%
Prof. & Business Services	2.2%	3.3%	3.6%	2.2%	1.3%	0.3%	0.3%
Education & Health Services	0.4%	1.1%	1.5%	1.4%	1.2%	0.7%	0.9%
Leisure & Hospitality Services	1.2%	2.0%	1.1%	0.0%	0.5%	0.4%	0.1%
Other Services	2.7%	0.0%	-0.1%	-0.2%	-0.4%	-0.7%	-0.6%
Government	-0.5%	-0.8%	-0.5%	0.0%	0.1%	0.4%	0.1%
Agricultural Employment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	2013	2014	2015	2016	2017	2018	2019
Personal Income* (\$ million)	54,359	56,107	58,159	60,286	62,622	64,747	66,759
Wages & Salaries*	24,648	25,571	26,509	27,624	28,615	29,594	30,486
Supplements to Wages & Salaries*	6,357	6,465	6,609	6,791	6,987	7,187	7,385
Nonfarm Proprietors' Income*	4,043	4,324	4,612	4,898	5,137	5,361	5,561
Farm Proprietors' Income**	97	114	127	134	141	149	156
Dividends, Interest, & Rent*	9,477	9,738	9,988	10,474	11,097	11,500	11,824
Dividends	2,661	2,764	2,820	2,870	2,985	3,105	3,252
Interest	4,327	4,356	4,531	5,017	5,526	5,830	6,030
Rent	2,489	2,629	2,638	2,591	2,586	2,564	2,542
Personal Current Transfer Receipts*	12,521	13,044	13,488	13,765	14,177	14,630	15,148
Less: Contributions for Social Ins.**	4,147	4,305	4,472	4,647	4,810	4,972	5,120
Adjustment for Residence**	1,163	1,217	1,238	1,257	1,277	1,298	1,318
Personal Income* (Annual Change)	2.6%	3.3%	3.6%	3.7%	3.9%	3.4%	3.1%
Wages & Salaries*	2.2%	2.9%	3.9%	4.0%	3.6%	3.4%	3.0%
Supplements to Wages & Salaries*	3.4%	1.7%	2.2%	2.8%	2.9%	2.9%	2.8%
Nonfarm Proprietors' Income*	5.9%	6.9%	6.7%	6.0%	5.1%	4.4%	3.7%
Farm Proprietors' Income**	18.8%	17.7%	11.4%	5.5%	5.2%	5.7%	4.7%
Dividends, Interest, & Rent*	2.4%	2.8%	2.8%	4.8%	5.9%	3.6%	2.8%
Dividends	-0.7%	3.5%	2.4%	1.8%	4.0%	4.0%	4.7%
Interest	-0.5%	0.7%	4.0%	10.7%	10.1%	5.5%	3.4%
Rent	11.0%	5.7%	0.3%	-1.8%	-0.2%	-0.8%	-0.9%
Personal Current Transfer Receipts*	6.3%	4.2%	3.4%	2.1%	3.0%	3.2%	3.6%
Less: Contributions for Social Ins.**	16.0%	3.8%	3.9%	3.9%	3.5%	3.4%	3.0%
Adjustment for Residence**	2.4%	4.6%	1.7%	1.5%	1.6%	1.6%	1.5%

\*CEFC Forecast

\*\*From CPM Low Pop Scenario and Moody's Analytics Baseline, Oct. 2014

Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC

## GENERAL DEMOGRAPHICS

A 20-mile demographic study was completed utilizing the *CCIM Site To Do Business*.

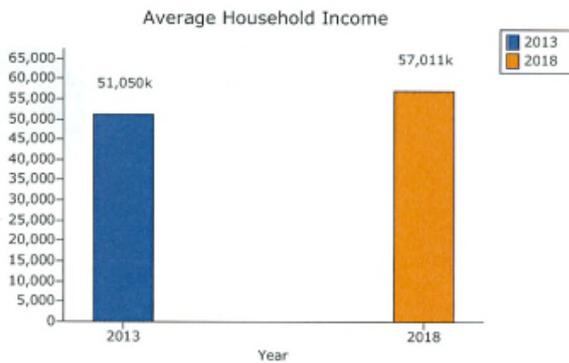
### Population

Population trends have been reviewed within a 20-mile radius of these public lots and are identified as follows:

Year	10 Mile
2000	2,839
2010	3,040
2015	3,063
2018	3,073

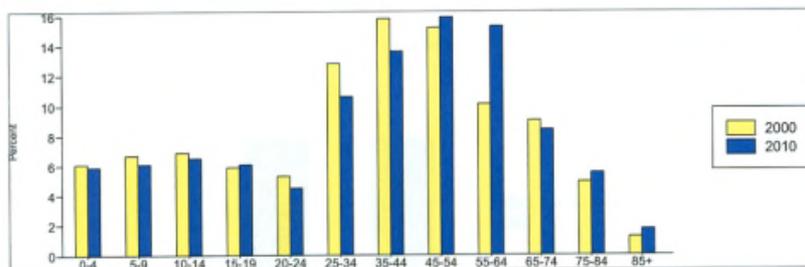
### Households By Income

The current household income is \$51,050 within this area compared to \$71,842 for all US households. The average household income is projected to increase to \$57,011 within five years compared to \$83,667 for all US households. Please see the following graphic identifying the forecasted increase in household income within the target area.



### Population By Age

The median age of the United States is 35.3 years in 2000 and 36.7 years in the current year. Within this target area, the median age of the population is 38.8 years compared to 42.4 years currently. By age group, the changes in percent distribution of the market area population show the following:



## Population By Education

In 2010, the educational attainment of the population age 25 years or older in the market area indicated that 43.3% had a high school graduation degree and 16.1% had a Bachelor's degree.

## **REAL ESTATE MARKET**

The real estate market within the target area as well as northern Somerset County for bulk acreage lots has centered primarily around acquisitions for recreational type uses. Market participants are generally cash buyers acquiring remote acreage, much of which has seasonal access.

Please note, the property class described pertains to parcels of less than 50 acres as opposed to much larger acquisitions for timber harvesting, which in itself is a much more limited market.

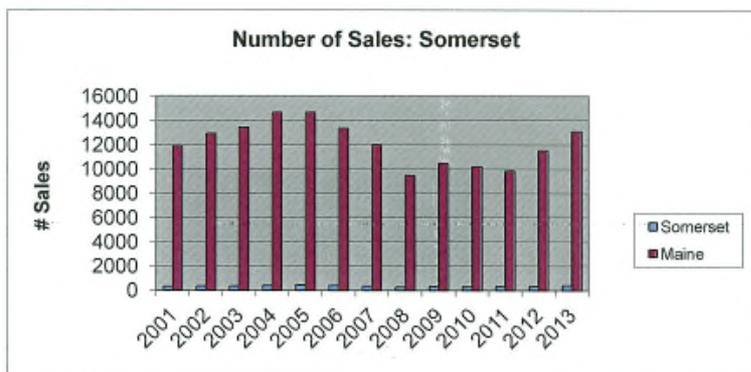
The functional utility for the non-corridor type acquisitions of comparable acreage is greater primarily per configuration. This aspect of the market is recognized within the Direct Sales Comparison Approach through a matched pair analysis.

As of the date of this assignment, market activity of parcels within the 25 to 50 acre spread since 2009 found fourteen parcels placed on the market, twelve having transferred, one remaining pending and one as an active listing. Marketing time was observed to be within the 6 to 18-month spread with average sale price of near \$48,000.

Further analysis of the market found property values increasing in 2011 and 2012 by nearly 20%, yet, was offset in 2013 by near comparable decline. In 2014, modest growth rates year over year were identified at 4%. For analysis purposes, all transfers prior to 2014 have been adjusted accordingly, with 2014 transfers remaining stable.

As reported through the *Maine Realtors Association Statistical Analysis*, property values are near 2004 pricing with number of sales corresponding to activity in 2006.

In the following graphic please see sale activity from 2001 through 2013 for Somerset County.



## **NEIGHBORHOOD DESCRIPTION**

The property in question is located in northern Somerset County, being approximately 30 miles south of the Canadian border and 45 miles north of Skowhegan, the County Seat.

The immediate neighborhood is considered to be rural and within an area extending 24 miles along Route 201 linking West Forks with Jackman.

Density levels are generally less than 5% other than a built up portion around Parlin Pond which is developed with rental cottages and seasonal dwellings, being approximately 7 miles north of the Public Lots in question.

The neighborhood area is recognized as a recreational location for whitewater rafting, canoeing, fishing and hunting.

Gravel road systems are in place allowing for direct access to numerous ponds and lakes off Route 201, most of which provide only seasonal access.

Utilities within the neighborhood include public electricity and telephone with all developed properties having well and septic systems, as no public water or sewer is available.

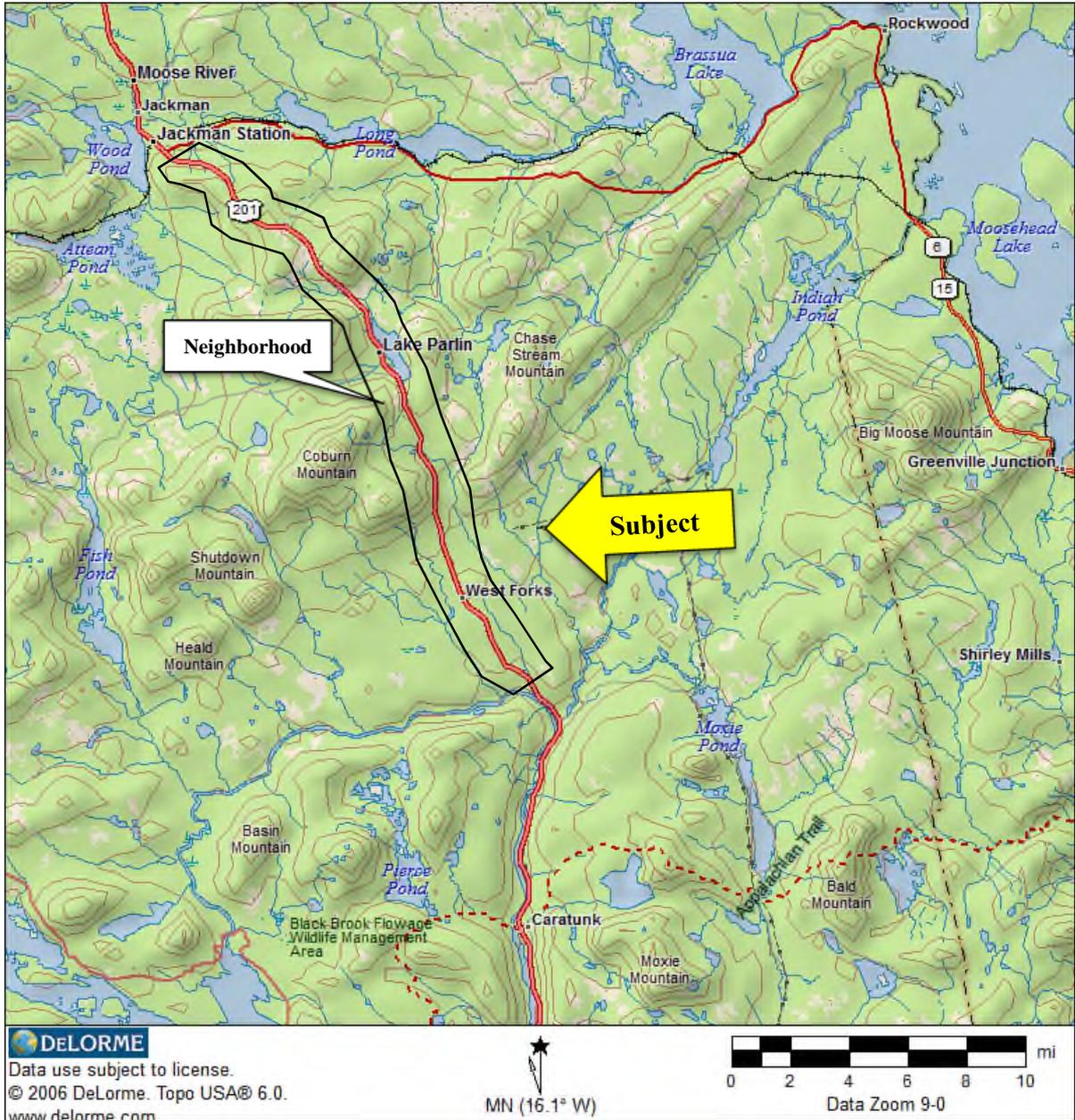
Please note, Maine Route 201 is a direct link to Quebec as well as Interstate 95 in Waterville. As a result, this highway provides a significant link for Canadian tourists as well as a transportation route for the transportation of timber to a mill located in Skowhegan/Hinkley, being approximately 45 miles south of West Forks Plantation.

### **NEIGHBORHOOD SUMMARY**

The dominant characteristic of this neighborhood is its rural nature, being a recognized recreational environment.

Per low density levels, it is not uncommon for the transfer of parcels of 20 to 50 acres to be acquired for both seasonal and year-round use within remote locations. These properties are typically conveyed without utilities and are typically accessible only by 4-wheel drive vehicle, snowmobile or ATV.

Please see the following map identifying the subject area within Public Lots.



Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01

## ZONING

Zoning within these communities is through the Land Use Planning Commission administered by the State of Maine.

As identified within the respective Land Use Guidance Maps for each public lot, both fall within the General Management Subdistrict (M-GN). This district allows for forestry and agricultural management activities, typically where Resource Protection Subdistricts are not required.

### GENERAL MANAGEMENT SUBDISTRICT (M-GN)

Within this district, uses allowed without a permit include the following:

- Forest management activities, except for timber harvesting
- Motorized vehicles on roads and trails, and snowmobiling
- Primitive recreational uses
- Wildlife and fishery management practices

Allowed uses without permits subject to standards:

- Accessory structures
- Camp sites
- Driveways associated with residential uses
- Home occupations
- Mineral extraction operations less than 5 acres
- Utility services to structures

Uses requiring a permit:

- Residential development
- Draining, dredging and alteration of water table or water level
- Driveways associated with non-residential uses
- Mineral exploration activities
- Recreational lodging facilities
- Sawmills and chipping mills
- Subdivisions
- Non-commercial structures utilized for educational, scientific and nature observation purposes

Dimensional Requirements:

- Maximum lot coverage  
Thirty percent (30%) for all uses involving one or more buildings.  
  
Fifty percent (50%) for uses that are not within 250 FT of major flowing water of 10 AC or greater in size.
- Maximum Structure Height  
Seventy-five (75 FT) for residential uses, 100 FT for commercial, industrial and other non-residential uses.
- Minimum Road Frontage  
One hundred (100 FT) per residential dwelling unit, 200 FT for commercial, industrial and non-residential uses.
- Minimum Setbacks  
Seventy-five (75 FT) from nearest shoreline of flowing water draining less than 50 square miles, 100 FT from nearest shoreline of flowing water draining 50 square miles.

For purposes of analysis, it is assumed that all necessary permitting is attainable for the proposed project.

In Section IV of this report is a more complete description of zoning regulations pertaining to these public lots accompanied by respective Land Use Guidance Maps identifying the general location of the proposed corridor.

## **REAL PROPERTY TAXES AND ASSESSMENT**

### **CURRENT PROPERTY TAX**

The proposed corridor is located in Johnson Mountain Township, being an unorganized township and partially in West Forks Plantation. As reported by the Maine Revenue Service as well as municipal officials in West Forks Plantation, no assessment or levied taxes are made for the Public Lots, as they are exempt.

As of the date of this assignment, no assessment information is available regarding transmission lines or poles which are subject to property tax.

## HIGHEST AND BEST USE

Highest and best use is defined per The Appraisal of Real Estate Thirteenth Edition of the Appraisal Institute as “*the reasonably, probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value.*”<sup>10</sup> The concept of highest and best use utilizes economic principles of supply and demand, substitution, balance and conformity. The determination of highest and best use is not through subjective analysis, rather is defined by competitive forces within the marketplace where the property is located. The criteria that highest and best use must meet are legal permissibility, physically possible, financially feasible, and maximum production. It is also recognized that current market behavior and conditions as reported within the market analysis are essential to the concept of highest and best use, as market forces create value. Thus, the interaction of these forces identifies the highest and best use for this property.

### HIGHEST AND BEST USE AS VACANT

Highest and best use of the subject property as if vacant is defined as “*among all reasonable alternative uses, the use that yields the highest present land value after payments are made for labor, capital and coordination. The use of a property is based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.*”<sup>11</sup>

#### Legally Permissible

The proposed utility line corridor falls within the Public Reserved Land in Johnson Mountain Township and West Forks Plantation. Restrictive zoning is through the *Maine Land Use Planning Commission* which identifies this corridor within the General Management Subdistrict (M-GN).

The placement of the transmission line within this area is also considered to be an allowed use and not in conflict with policies pertaining to the *Bureau of Parks and Public Lands of the State of Maine*. As intended, the proposed corridor within Public Reserved Lots, is suitable for passive recreational use for ATV and snowmobile.

Legal access to these public lots is assumed to be in place over land of the abutter as to be acquired by the lessee. It is also noted that the State of Maine is in the process of gaining public access to the parent tracts through a “Forest Legacy Land Acquisition” allowing for right-of-way from Route 201 over existing forest management road systems.

#### Physically Possible

The physical characteristics of the corridor demonstrated rolling topography with both dense and lightly wooded portions, generally seasonally accessible.

---

<sup>10</sup> Appraisal of Real Estate 13<sup>th</sup> Edition.

<sup>11</sup> Directory of Real Estate Appraisal, 2nd Edition.

The proposed corridor will intersect an existing transmission line as held under the ownership of the lessee.

The configuration of the parcel as a corridor does limit the functional use of the parcel, yet, remains as a multi-purpose recreation/utility line corridor.

### **Financially Feasible**

Economic benefits of the proposed corridor are unknown, as operating income and expenses associated are not available. However, it is recognized that the corridor will support transmission lines providing direct benefit to the lessee per its intended use.

Following the assemblage of the corridor, passive recreational use is consistent with other trail systems for both ATV and snowmobile use, which provides a direct recreational benefit in keeping with the intention of the public lots.

### **Maximum Productivity**

With consideration given to all aspects of the utility line corridor, the highest and best use is considered as a multi-use electrical transmission line/recreational corridor satisfying the requirements for being legally permissible, physically possible and financially feasible.

### ***APPRAISER'S NOTE***

As the subject property consists of vacant land, no description of the highest and best use as improved is considered to be necessary.

## PROPERTY DESCRIPTION

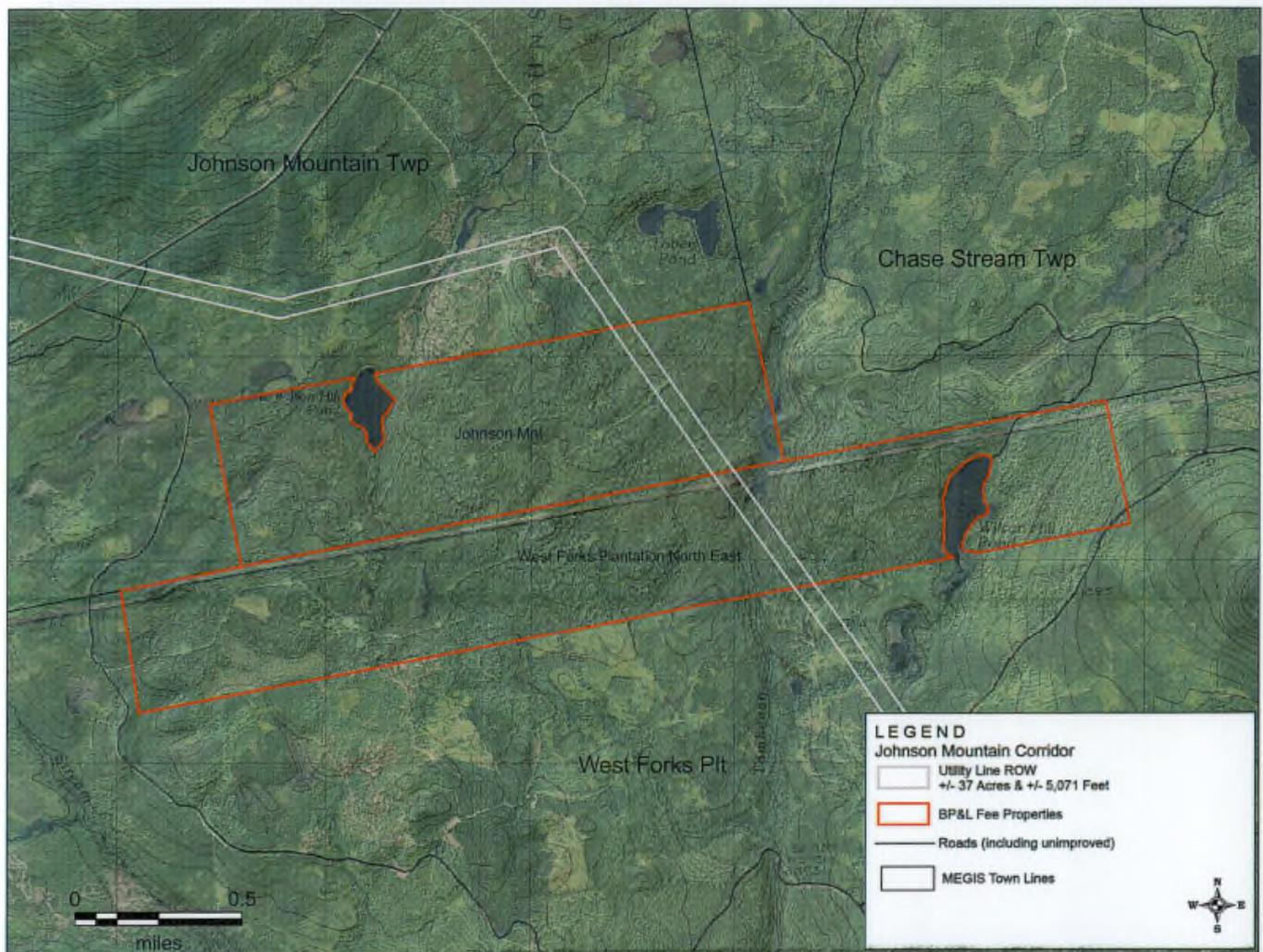
### INTRODUCTION

The description of this property is based field inspection of the proposed corridor as well as review of aerial maps, topographical plans, plans of freshwater forested shrub wetlands, and USDA soil surveys within the area. Additional information has been provided by Peter Smith of the *Bureau of Parks and Lands* Western Region Public Lands Manager pertaining to timber growth.

### CORRIDOR DESCRIPTION

<b>Gross Lot Area:</b>	34.92+/- AC
<b>Forestland:</b>	34.92+/- AC
<b>Developed Area:</b>	None
<b>Highway Frontage:</b>	None
<b>Distance:</b>	5,071 +/- FT / .96 +/- mile
<b>Width:</b>	300 FT
<b>Configuration:</b>	Straight line
<b>Topography:</b>	Level to rolling
<b>Utilities:</b>	None
<b>Soil Types:</b>	<p>West Forks Public Lot – <i>Danforth-Elliotsville</i> Soils found on 3% to 15% slopes. This soil type is identified as being well drained with more than 80 inches to water table and no frequency of flooding or ponding.</p> <p>Johnson Mountain soil types – <i>Telos-Monarda-Monson</i> Soils found on 0% to 8% slopes. Soil types are profiled as being somewhat poorly drained with 6 to 20 inches to water table and no frequency of flooding or ponding.</p>
<b>Wetlands:</b>	Per the <i>US Fish and Wildlife Service National Wetlands Inventory Plan</i> , there are no identified freshwater forested shrub wetlands within the corridor area.
<b>Fencing:</b>	None
<b>Underground Tanks:</b>	None

The following plan identifies the location of the proposed utility line traversing the easterly portion of the Johnson Mountain Township and West Forks Plantation Public Lots. Following this exhibit are photographs of the proposed utility line area.

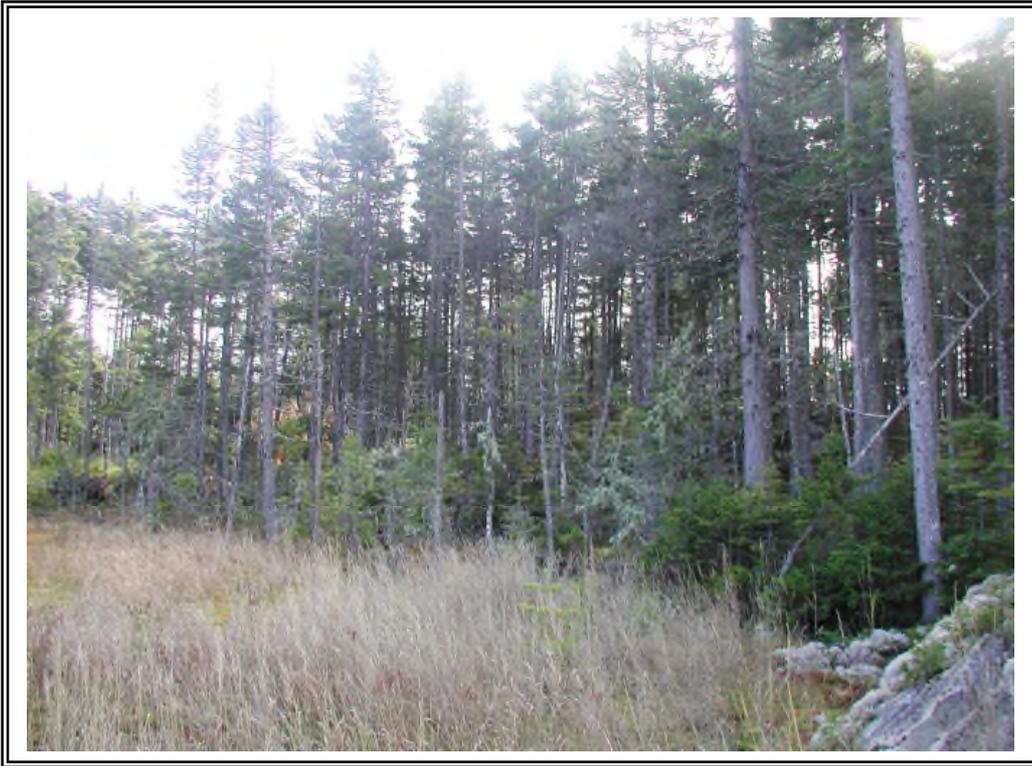




Existing power line on public land at location of new power line looking west.



Existing power line looking east from intersection with new power line.



Location of new transmission line looking southeast from existing line.



New transmission line area south of existing line.



View of new transmission line area crossing Tomhegan Stream.



Transmission line area near stream.



Looking southeast at new corridor near south boundary of public lot.



Looking northwest within hardwood stand of transmission line corridor at south line of public lot.



Looming northwest from just north of existing line at new corridor area.



Densely wooded softwood stand within new corridor north of existing line.



New corridor north  
of existing line.



New corridor area  
north of existing  
line.



Location of new corridor crossing old logging road.



View of corridor area north of logging road.

## VALUATION METHODS

### VALUATION PROCESS

The subject property is a special purpose property not conveyed typically within the open market. Recognizing the purpose of the assignment as to determine an annualized lease rental rate of this proposed corridor, it became necessary to determine the value of the corridor considering a variation of the Sales Comparison Approach concluding with an overall value on a per acre basis and then multiplying the indicated value by the land capitalization rate in order to determine net income required to support that market value.

At the request of Maine Bureau of Parks and Lands, to this amount has been added an allowance for lost income from a future harvest of woodland from the corridor assuming a 25-year growing period with future income discounted to a present value.

### ACROSS THE FENCE VALUATION

The valuation of corridors requires a variation of a Sales Comparison Approach recognized as "Across the Fence Valuation," or "ATF." This valuation methodology is based on the premise that the corridor land be worth at least as much as the land through which it passes or in close proximity.

For this assignment, the subject property is recognized as a single unit having a highest and best use for multi-purpose including transmission line corridor and recreational use.

Nine comparable sales were taken from the market which occurred within the timeframe of May 2011 through October 2014 representing closed transactions of bulk rear acreage with seasonal access, primarily consisting of lots ranging in size from 29.18+/- AC to 49.20+/- AC.

These sales have been adjusted on a unit price per acre for variances in market conditions, location, contributory value of improvements conveyed with sale as well as overall acreage.

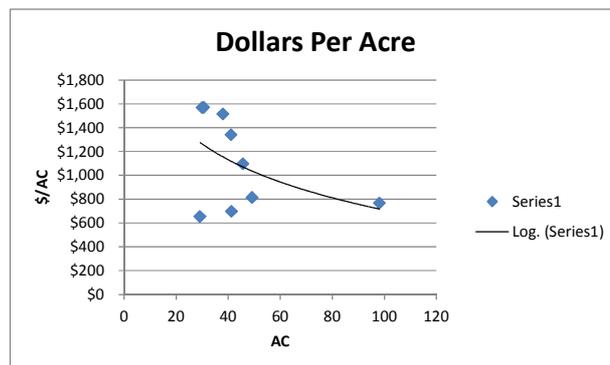
Upon the estimation of a unit price per acre, a land capitalization rate was developed considering a reasonable return on an investment of this type regarding risk, management, and illiquidity. In addition, an Investor Survey of 4Q 2014 was reviewed for land capitalization rates of special purpose ground leases in order to test the same against the structured rate.

The resulting land capitalization rate was then applied to the overall value of the corridor resulting in the indicated net income required to achieve the value as indicated. To this amount is added an allowance for management and collection loss in order to conclude with a reasonable ground lease rental rate.

To this amount is added income lost per a future timber harvest discounted to a present value in order to conclude with an overall rental rate viewed on a per mile, per acre, and per linear foot basis.

In the following exhibit is a summary of land sales considered for this assignment in order to determine a reasonable unit price per acre to be applied to the corridor acreage. A more complete description of each sale is found in Section IV of this report inclusive of photograph where possible, or aerial photograph, and location map.

LAND SALE SUMMARY								
No.	Location	Sale Price	Sale Date	Land Area (AC)	Unit Price (\$/AC)	Util.	Zone	Comments
1	75 East No Road Upper Enchanted Twp, ME	\$57,500	10/2014	38	\$1,513	None	M-GN	Back lot 4 miles from Rt. 201
2	S/S North Bridge Rd. Moxie Gore, ME	\$55,000	10/2014	41.1	\$1,338	None	M-GN LUPC	Seasonal access
3	E/S No Road Upper Enchanted Twp, ME	\$75,000	6/2014	98.1	\$765	None	M-GN LUPC	Seasonal access
4	9 Old Canada Rd. Moose River, ME	\$47,000	5/2014	30	\$1,567	None	Not zoned	Good access
5	W/S Slim Haggie Rd. Upper Enchanted Twp, ME	\$50,000	2/2014	45.70	\$1,094	None	M-GN LUPC	Mountain area Very remote 3 sheds on site
6	S/S Lake Moxie Rd. Moxie Gore, ME	\$19,000	9/2013	29.18	\$651	At street	M-GN LUPC	Near paved road
7	W/S Boulder Dr. Upper Enchanted Twp, ME	\$40,000	5/2012	49.20	\$813	None	M-GN LUPC	Very remote Wooded parcel Seasonal access
8	W/S No Road Upper Enchanted Twp, ME	\$40,000	5/2011	41.3	\$696	None	M-GN LUPC	Seasonal access
9	50 Long Pond Rd. Jackman, ME	\$48,000	7/2011	30.60	\$1,569	At street	Not zoned	Close to town
Sub	E/S Route 201 Maine Public Reserve Johnson Mt/West Forks	-	10/2014	34.92+/-	-	None	LUPC M-GN	Remote location Abuts transmission line



A major premise of this approach is that market value is directly related to the price of comparable competitive properties.

In order to adjust for significant differences, adjustments are made based on matched pair analysis, group trend analysis and graphical interpretation as well as on a qualitative basis when necessary.

## **ELEMENTS OF COMPARISON**

The following is a description of the required adjustments made to the comparables in order to conclude with a reasonable unit price per acre.

### **Property Rights**

Several of the sales considered were found to be located in remote subdivisions which are common within the targeted area. Upon review of the legal descriptions, there were no restrictive covenants which enhanced property values, and no specific adjustment is made under this category.

### **Condition of Sale**

All sales are closed transactions and no specific conditions were identified with each comparable that required an adjustment.

### **Market Conditions**

Through analysis of the market, property values have been increasing at a growth rate of 4% annually in 2014, and adjustments were made accordingly based on date of sale.

### **Location**

A group trend analysis was performed comparing those lots, being Comparables #4, #6 and #9 which had superior road access as compared to the remaining comparables which had seasonal access only. Per this analysis, comparables with year-round access had a group mean per acre of \$1,262 per acre, and as compared to seasonal access only, the group trend indicated \$1,053 per acre. This analysis concluded with a variance at 16.5% and a negative adjustment was made to the superior sales at -16%.

### **Utilities**

The presence of public electricity and telephone were considered through a graphical analysis, and no measurable adjustment could be identified.

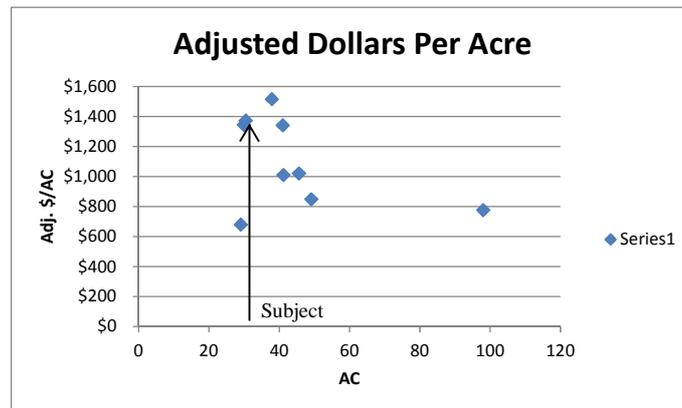
**Improvements**

Comparable Sale #5 was conveyed with three sheds, and a qualitative adjustment was made at \$5,000 contributory value.

**Acreage**

Variances in acreage have been adjusted through a logarithmical graph analysis by first adjusting for variances in market conditions and location as well as contributory value of improvements which resulted in an adjusted dollar amount per acre which has then been placed within a logarithmical graph in order to visually interpret a reasonable adjustment to be applied for variances in acreage. Please see the following adjusted unit prices and acres.

Sale	Sale Price \$/AC	Market Condit.	Location	Improve.	Adj. \$/AC	AC
1	\$1,513	-	-	-	\$1,513	38
2	\$1,338	-	-	-	\$1,338	41.1
3	\$ 765	+1%	-	-	\$ 773	98.1
4	\$1,567	+2%	-16%	-	\$1,342	30
5	\$1,094	+3%	-	-109	\$1,018	45.7
6	\$ 651	+4%	-	-	\$ 677	29.18
7	\$ 813	+4%	-	-	\$ 846	49.2
8	\$ 969	+4%	-	-	\$1,008	41.3
9	\$1,569	+4%	-16%	-	\$1,370	30.6



## RECONCILIATION OF SALES

Following all adjustments, the adjusted unit prices were found to be within a spread of \$577 to \$1,613 per acre. These sales have been considered through several categories, with the most consistent sales given greatest weight as a final determination of unit price to be applied.

Basis of Analysis	Most Comparable Sales
Sales closest in proximity	Comparables #1, #3, #5, #8 reflecting a broad spread of \$1,068 to \$1,613 per acre
Most recent sales	Comparables #1 and #2 indicate a broad spread of \$1,398 to \$1,613 per acre.
Most similar in location	Comparable #2 which indicated \$1,398 per acre

### Conclusion

The best comparable sale is Land Sale #2 indicating \$1,398 per acre which was well supported with Comparable #3, and a reasonable unit price was taken at \$1,400 per acre, rounded.

## REFINEMENT OF UNIT PRICE

The sales selected are non-corridor land transactions offering full functional use as compared to a corridor, which is more limited in function. In order to refine the unit price, sales with limited functional use were considered including transfers with 50% to 60% wetlands and landlocked land sales acquired by abutters. Additionally, consideration was given to sales of islands in rivers with corresponding acreage of 15 to 23 acres with limited accessibility.

Per this analysis, a loss of functional utility was considered within a spread of 20% to 48%. Those sales which were most similar were those sales at the upper end of the spread and, thus, were given greatest weight. Through this analysis, a reasonable adjustment was taken at -40% applied directly to the developed unit price through the ATF valuation method.

Thus, through this analysis, the unit price as developed at \$1,400 per acre reduced by 40% resulted in adjusted unit price at \$840 per acre. Thus, \$840 per acre @ 34.92 AC = \$29,000 (R).

Please see the following adjustment grid outlining in tabular form the adjustments as described.

**SALES COMPARISON APPROACH – ADJUSTMENT GRID**

	<b>SUBJECT</b>	<b>SALE #1</b>	<b>SALE #2</b>	<b>SALE #3</b>	<b>SALE #4</b>	<b>SALE #5</b>	<b>SALE #6</b>	<b>SALE #7</b>	<b>SALE #8</b>	<b>SALE #9</b>
<b>TRANSACTION DATA:</b>										
Sale Price	-	\$57,500	\$55,000	\$75,000	\$47,000	\$50,000	\$19,000	\$40,000	\$40,000	\$48,000
Date of Sale	10/2014	10/2014	10/2014	6/2014	5/2014	2/2014	9/2013	5/2012	5/2011	7/2011
Acres	34.92 AC	38+/-	41.1+/-	98.1+/-	30+/-	45.70+/-	29.18+/-	49.20+/-	41.3+/-	30.60+/-
Price/AC	-	\$1,513	\$1,338	\$765	\$1,567	\$1,094	\$651	\$813	\$969	\$1,569
<b>ADJUSTMENTS:</b>										
Property Rights Conveyed	Fee simple	Equal								
<i>Adjusted Price</i>										
Financing	N/A	Cash	Cash	Convl	Cash	Cash	Cash	Cash	Cash	Convl
<i>Adjusted Price</i>										
Condition of Sale	None	Equal								
<i>Adjusted Price</i>										
Expenditures Immediately After Purchase	None	Equal								
<i>Adjusted Price</i>										
Market Conditions	Growth 4% Yr			+1%	+2%	+3%	+4%	+4%	+4%	+4%
<i>Final Adjusted Price</i>		\$1,513	\$1,338	\$773	\$1,598	\$1,127	\$677	\$846	\$1,008	\$1,631
<b>LOCATION &amp; PHYSICAL ADJUSTMENTS:</b>										
Location	Rural backland				-256					-261
Land Area	34.92 AC	+100	+60	+625	-100	+250	-100	+300	+60	-100
Zoning	LUPC-Gen									
Utilities	None									
Improvements	None					-109				
<b>FINAL ADJUSTED PRICE</b>		\$1,613	\$1,398	\$1,398	\$1,242	\$1,268	\$577	\$1,146	\$1,068	\$1,270
<b>NET ADJUSTMENT</b>		+100	+60	+625	-356	+141	-100	+300	+60	-361

Unit Price \$1,400 / AC  
 Modification for functional use -40%  
 Adjusted Unit Price \$ 840 / AC  
 Indicated Value \$29,000 (R)

## ANNUAL LEASE RATE

A reasonable annualized ground rent can be calculated by knowing the overall indicated market value of the corridor recognizing that a comparable income stream divided by an overall capitalization rate for the land component results in an indicated property value. Thus, by knowing the property value and by calculating a land capitalization rate, a required income stream can be determined which would support the overall value of the property.

### LAND CAPITALIZATION RATE

The development of a land capitalization rate recognizes that land is a non-depreciating asset, thus, requires only a return on this type of investment, which is recognized as a discount rate.

There are several methods available to develop a discount rate, and a structured rate was considered suitable considering varying levels of risk as well as management and illiquidity which compose a discount rate.

<i>Item</i>	<i>Rate</i>	<i>Comment</i>
Risk less Rate	2.32%	Recognizes low risk control over money and has been taken from Federal Reserve System Selected Interest Rates as of October 2014 for 20-year US Treasury
Management	.25%	Time and effort to manage investment
Illiquidity	1.00%	Recognizes time and effort of cash conversion
Risk	<u>4.56%</u>	Considers risk of principle loss comparable to Baa Corporate Bond reported per Federal Reserve System
<b>Total</b>	<b>8.13%</b>	

A land capitalization rate was also taken through an Investor Survey of 4Q 2014 for special purpose properties as can be seen in the following exhibit.

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2014*						
LAND LEASES						
Property Type	Capitalization Rates			Discount Rates		
	Min.	Max.	Avg.	Min.	Max.	Avg.
Apartments	2.48%	10.36%	6.50%	5.08%	10.06%	7.50%
Golf	3.00%	15.90%	8.70%	5.60%	16.42%	8.70%
Health Care/Senior Housing	3.00%	11.73%	6.55%	5.60%	12.23%	7.95%
Industrial	2.79%	10.36%	6.52%	5.33%	10.06%	7.62%
Lodging	3.00%	15.68%	7.30%	5.60%	16.10%	8.30%
Mobile Home/RV Park	2.79%	12.64%	7.57%	5.33%	13.14%	8.57%
Office	2.79%	10.36%	6.99%	5.33%	10.96%	7.89%
Restaurant	3.78%	15.94%	8.22%	6.99%	16.44%	9.22%
Retail	2.57%	11.73%	6.76%	5.67%	12.23%	7.75%
Self-Storage	2.87%	10.36%	7.71%	5.47%	10.80%	8.70%
Special Purpose	3.01%	16.42%	8.32%	6.95%	18.43%	8.32%
All Properties	2.45%	16.42%	7.41%	5.80%	16.44%	8.32%

\*3rd Quarter 2014 Data Copyright 2014 RealtyRates.com™

For special purpose properties, land capitalization rates had a spread from 3.01% to 16.42%, with a mean at 8.32%.

SUMMARY

- Structured Rate:** 8.13%
- Surveyed Rate:** 8.32% (Average)
- Selected Rate:** 8.20% With weight given to both indicators

**GROUND RENT**

With direct capitalization knowing the overall value of the corridor as well as a reasonable land capitalization rate, net operating income can be calculated at \$2,378 (\$29,000 x 8.20%).

To this net income is an allowance for expenses which would be the reasonability of ownership.

Expenses which would remain the responsibility of ownership fall predominantly on management which recognizes the potential for additional security and onsite personnel to monitor the corridor as well as to place signage and the like. Typical management fees range between 5% and 7%, and the lower end of 5% is considered reasonable, as this is an annual payment.

## VACANCY / PAYMENT LOSS

The tenant is recognized as having considerable strength and of Class A quality diminishing likelihood of vacancy and credit loss. For purposes of analysis, a minimum allowance of 2% is considered reasonable for this aspect of the lease.

## GROUND RENT CALCULATION

Please see the following calculations:

Land Value	\$29,000
Land Capitalization Rate	8.20%
Net Income	\$ 2,378 (\$29,000 @ .082)

### Expenses:

Management	5%
Effective Gross	\$2,497(\$1,615 @ 1.05%)
Gross Income	\$2,547 (\$2,497 @ 1.02%)
Rounded	\$2,500

## FUTURE TIMBER HARVEST

As reported by Peter Smith, Public Lands Western Region Manager, yield of cords per acre per year as well as average stumpage value per cord have been provided as a means of estimating a future timber harvest and associated value.

The future value of the timber has been estimated based on current value indexed forward at a CPI rate of 3% considered reasonable. Thus, the future value of this harvest at 3% annually over 25 years was estimated.

In order to achieve this amount, a payment has been estimated through a sinking fund factor considering a safe rate of return at 2.16% based on a Federal Reserve system reporting of treasury constants for 25 years, which results in a factor of .029941 concluding with a payment amount of \$1,183 annually for the future timber harvest.

Please see the following calculations concluding with the payment amount annually to compensate for the future timber harvest in 25 years, which is then added to the annualized ground rent as established prior.

<b>Total Acres</b>	<b>34.92</b>		
<b><u>Cords</u></b>			
.49 Cords/AC x 34.92 AC		=	17.11 Cords
<b><u>Present Value</u></b>			
\$17.11 @ 61.50/Cord		=	\$ 1,052
<b><u>Future Value</u></b>			
\$1,052 @ 3% @ 25 Years		=	\$39,506
<b><u>Sinking Fund Factor</u></b>			
25 Years @ 2.16% = .029941 @ \$39,506		=	\$ 1,183
<b>CALCULATED PAYMENT \$1,183</b>			
<i>* Stumpage per cord per Peter Smith, Maine Western Region Publics Lands Manager</i>			

**RENTAL RATE SUMMARY**

<b>Ground Rent</b>	<b>\$2,500.00</b>	
<b>Future Timber Harvest</b>	<b>\$1,183.00</b>	
<b>Total Lease Rental Rate</b>	<b>\$3,680.00</b>	<b>Annually (R)</b>
<b>Dollars Per Mile</b>	<b>\$3,833.00</b>	
<b>Dollars Per Acre</b>	<b>\$ 105.38</b>	
<b>Dollars Per Linear Foot</b>	<b>\$ 0.73</b>	

**RECONCILIATION AND FINAL ESTIMATES**

<b>ACROSS THE FENCE VALUATION</b>	<b>\$29,000</b>
<b>ANNUAL LEASE RATE</b>	
Ground Rent	<b>\$ 2,500</b>
Future Timber Harvest	<b><u>\$ 1,183</u></b>
<b>TOTAL ANNUAL LEASE RATE</b>	<b>\$ 3,680 (R)</b>

The unit price developed through the Across The Fence methodology considered the most current sale data available in the marketing area having many of the same physical characteristics as the subject property. This unit price was adjusted considering all significant differences including acreage, location and the like.

The annual rental rate considered a reasonable overall capitalization rate as well as expenses which would be the responsibility of ownership, plus rent loss, in order to conclude with a ground rent amount.

Calculations of a future timber harvest are based on reliable sources considering the present value of a timber harvest extended to a future value, and payment made based on a sinking fund factor to conclude with a reasonable payment amount.

As this approach was used exclusively, the final value estimate for an annual lease rate is best determined through the ATF methodology, plus land capitalization rate and allowance for the future timber harvest.

<b>ANNUAL LEASE RATE</b>	<b>\$3,680</b>
--------------------------	----------------

Date of Valuation    October 30, 2014

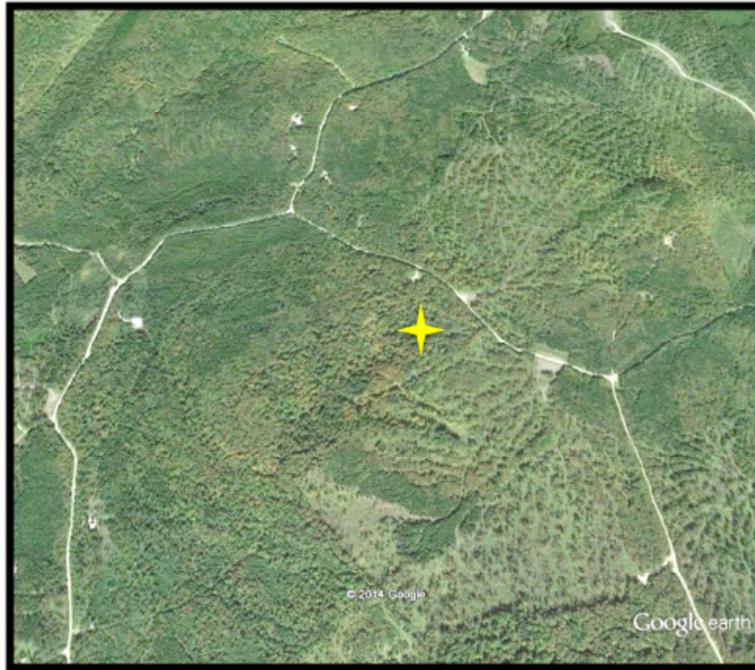
Respectfully submitted,



Daniel J. Dwyer, CMA  
Practicing Affiliate, Appraisal Institute  
Dwyer Associates  
Maine Certified General Appraiser CG #276

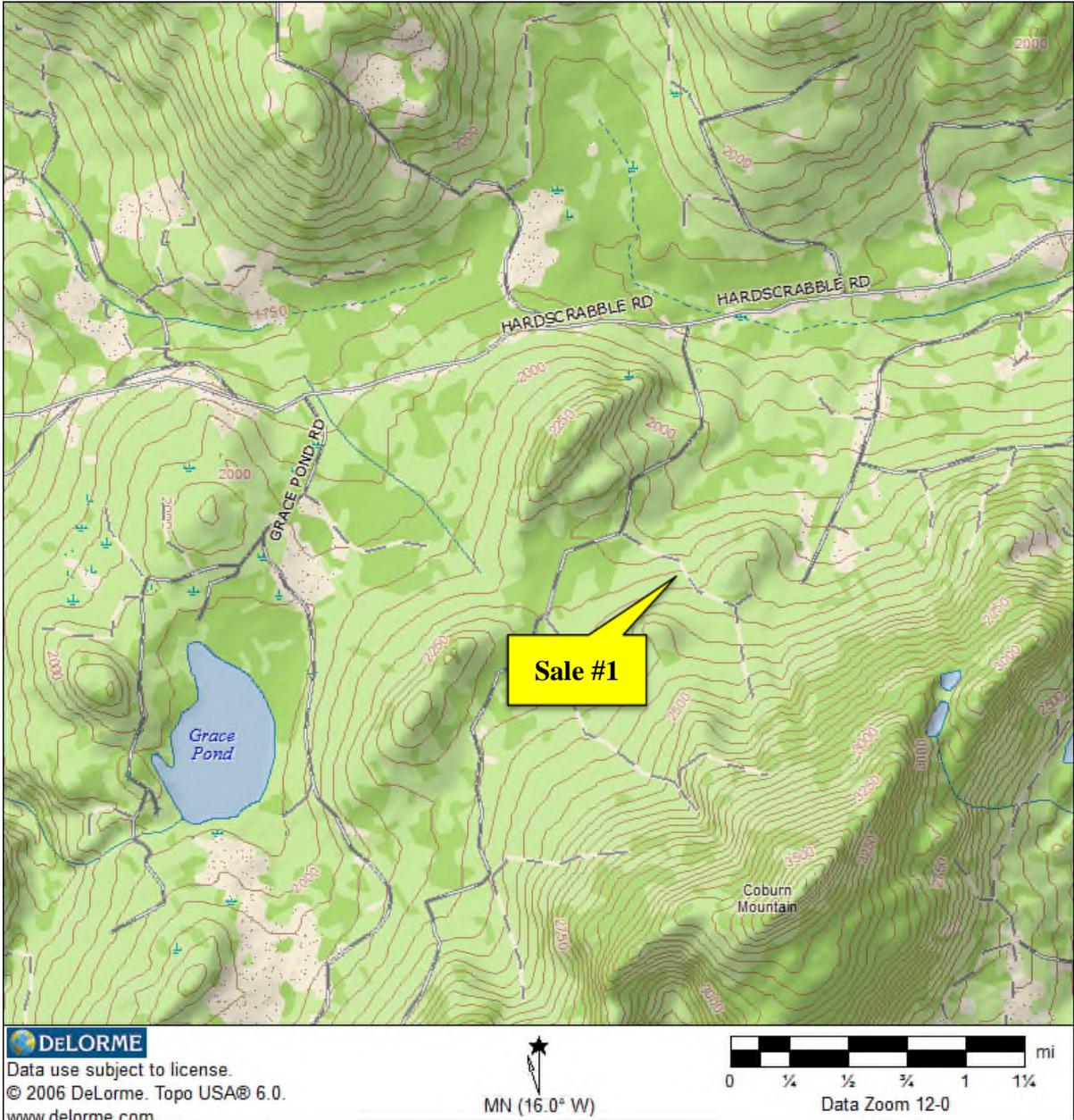
Dwyer Associates  
128 State Street, Augusta, ME 04330

H1410-01

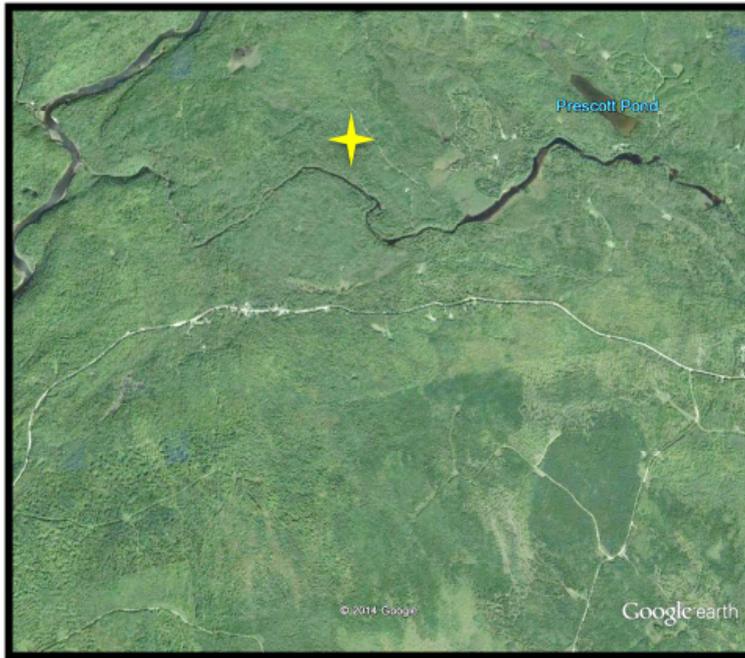


**LAND SALE #1**

General Information	
<b>Address:</b> 75 East No Road <b>City:</b> Upper Enchanted Township <b>County:</b> Somerset <b>Map:</b> 15 <b>Plan:</b> 2 <b>Lot:</b> 11 <b>Highest and Best Use:</b> Recreational <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 38 AC <b>Frontage:</b> 800 FT <b>Depth:</b> 1,924 FT <b>Shape:</b> Irregular <b>Topography:</b> Level <b>Improvements:</b> Gravel driveway <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> October 28, 2014 <b>Confirmed Sale Price:</b> \$57,500 <b>Indicated Value:</b> \$1,513 Per Acre (\$57,500 ÷ 38 AC) <b>Grantor:</b> Danny and Pamela W. Ouellette <b>Grantee:</b> William J. Fielding, IV and David J. Fielding	<b>Volume:</b> 4845 <b>Page:</b> 337 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> None  <b>Financing:</b> Cash sale
Improvements	Comments
None	Wooded parcel; gravel road access; part of a remote subdivision; good views of Attlean Lake.

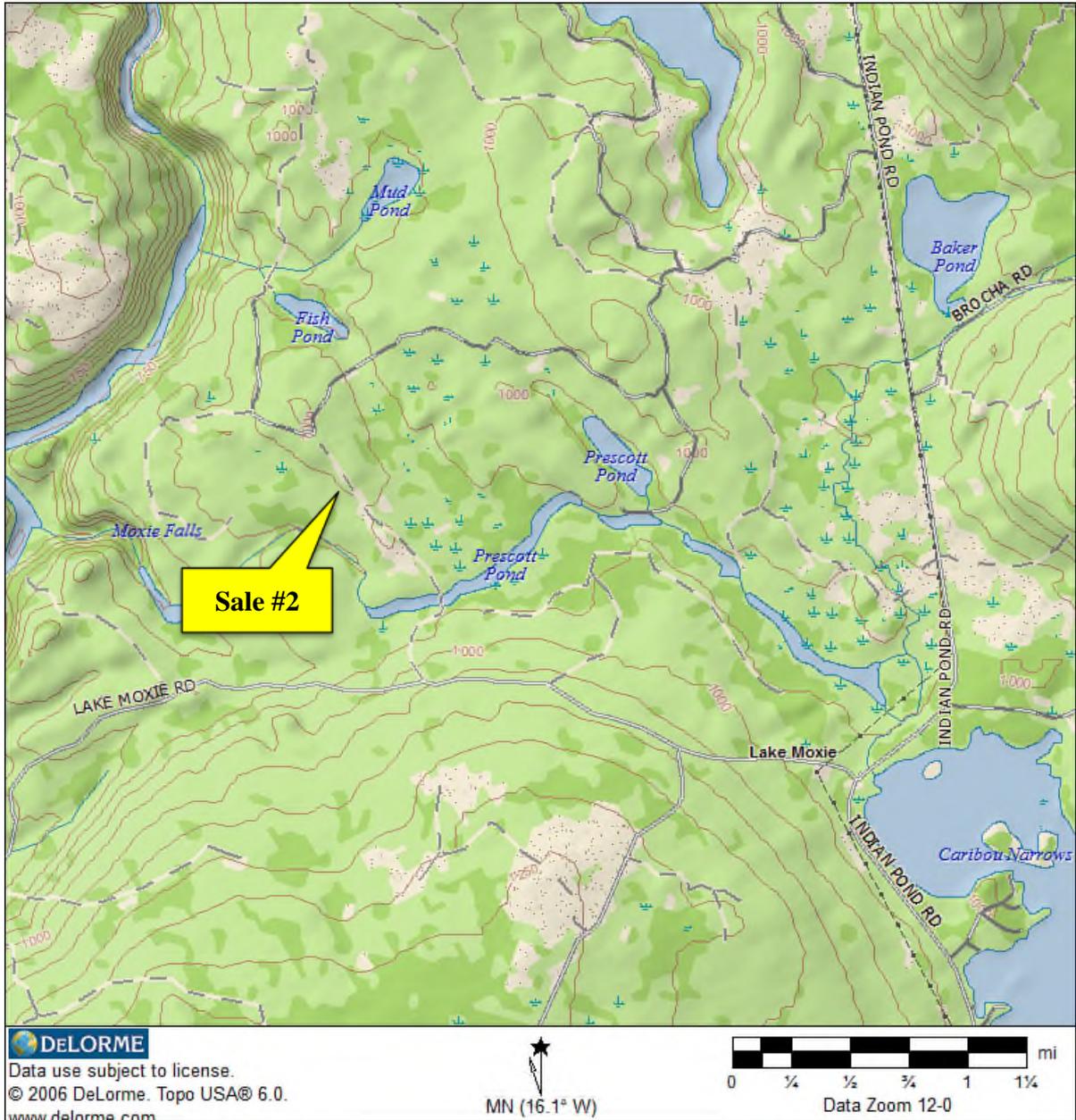


Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01



**LAND SALE #2**

General Information	
<b>Address:</b> E/S North Bridge Road <b>City:</b> Moxie Gore <b>County:</b> Somerset <b>Map:</b> 28 <b>Plan:</b> 10 <b>Lot:</b> 6 <b>Highest and Best Use:</b> Recreational <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 41.1 AC <b>Frontage:</b> None <b>Depth:</b> 1,707 FT Average <b>Shape:</b> Somewhat rectangular <b>Topography:</b> Lightly rolling <b>Improvements:</b> None <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> October 16, 2014 <b>Confirmed Sale Price:</b> \$55,000 <b>Indicated Value:</b> \$1,338 Per Acre (\$55,000 ÷ 41.1 AC) <b>Grantor:</b> Roger A. and Sandra L. Burton <b>Grantee:</b> Shane and Sandra Lovley	<b>Volume:</b> 4724 <b>Page:</b> 110 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> None <b>Financing:</b> Cash sale
Improvements	Comments
None	Wooded parcel; seasonal access.

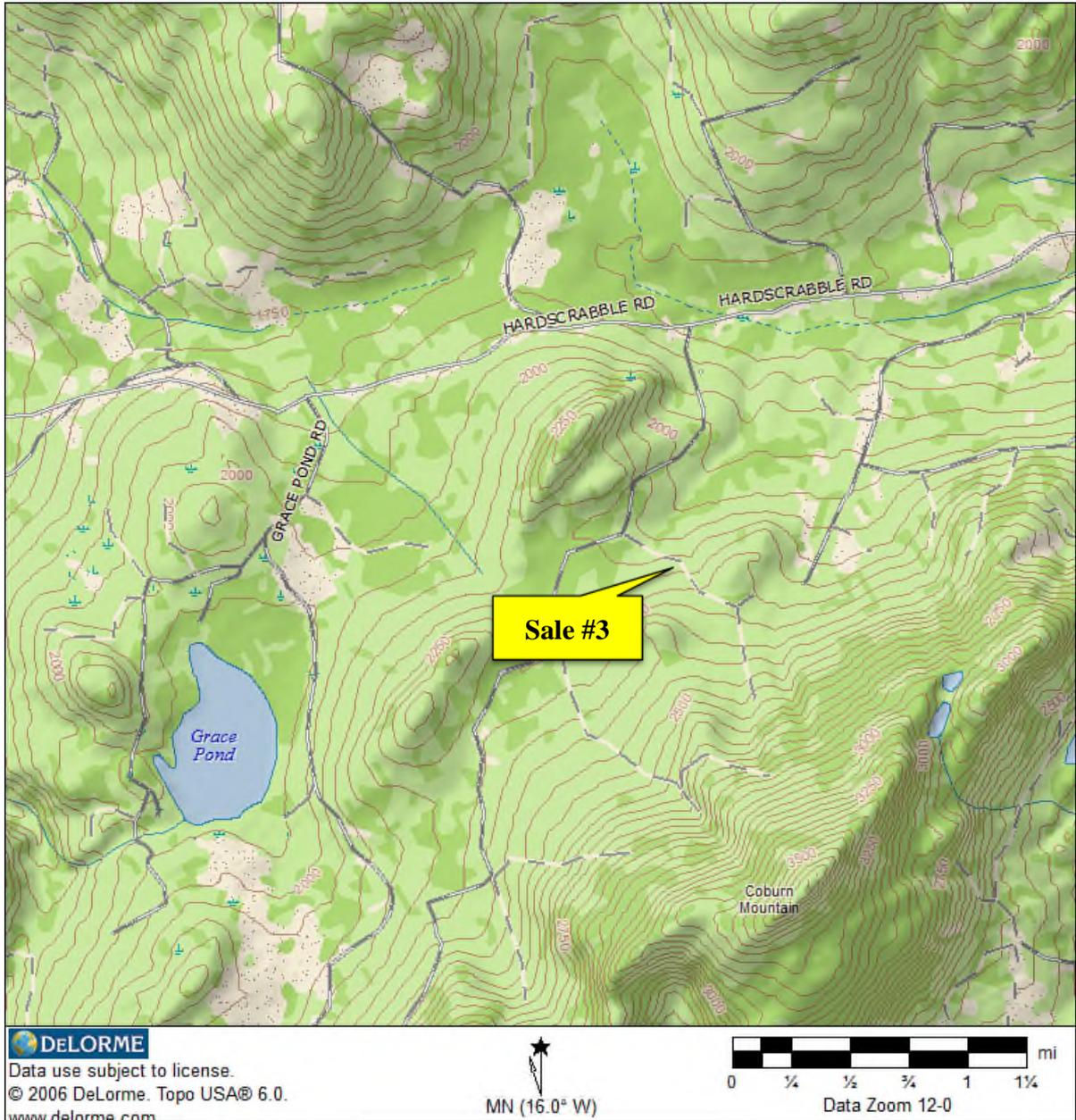


Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01



**LAND SALE #3**

General Information	
<b>Address:</b> E/S No Road <b>City:</b> Upper Enchanted Township <b>County:</b> Somerset <b>Map:</b> 15 <b>Plan:</b> 5 <b>Lot:</b> 150 <b>Highest and Best Use:</b> Recreational <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 98.1 AC <b>Frontage:</b> 591 FT Access road <b>Depth:</b> Varies <b>Shape:</b> Irregular <b>Topography:</b> Rolling to steep <b>Improvements:</b> None <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> June 27, 2014 <b>Confirmed Sale Price:</b> \$75,000 <b>Indicated Value:</b> \$765 Per Acre (\$75,000 ÷ 98.1 AC) <b>Grantor:</b> Henry E. McPherson, Trustee of Grace Pond Realty Trust <b>Grantee:</b> Jeffrey S. and Melissa A. Charron	<b>Volume:</b> 4803 <b>Page:</b> 176 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014  <b>Encroachments/Restr.:</b> None <b>Financing:</b> Peoples United Bank, \$50,000
Improvements	Comments
None	Mostly wooded parcel with good views.

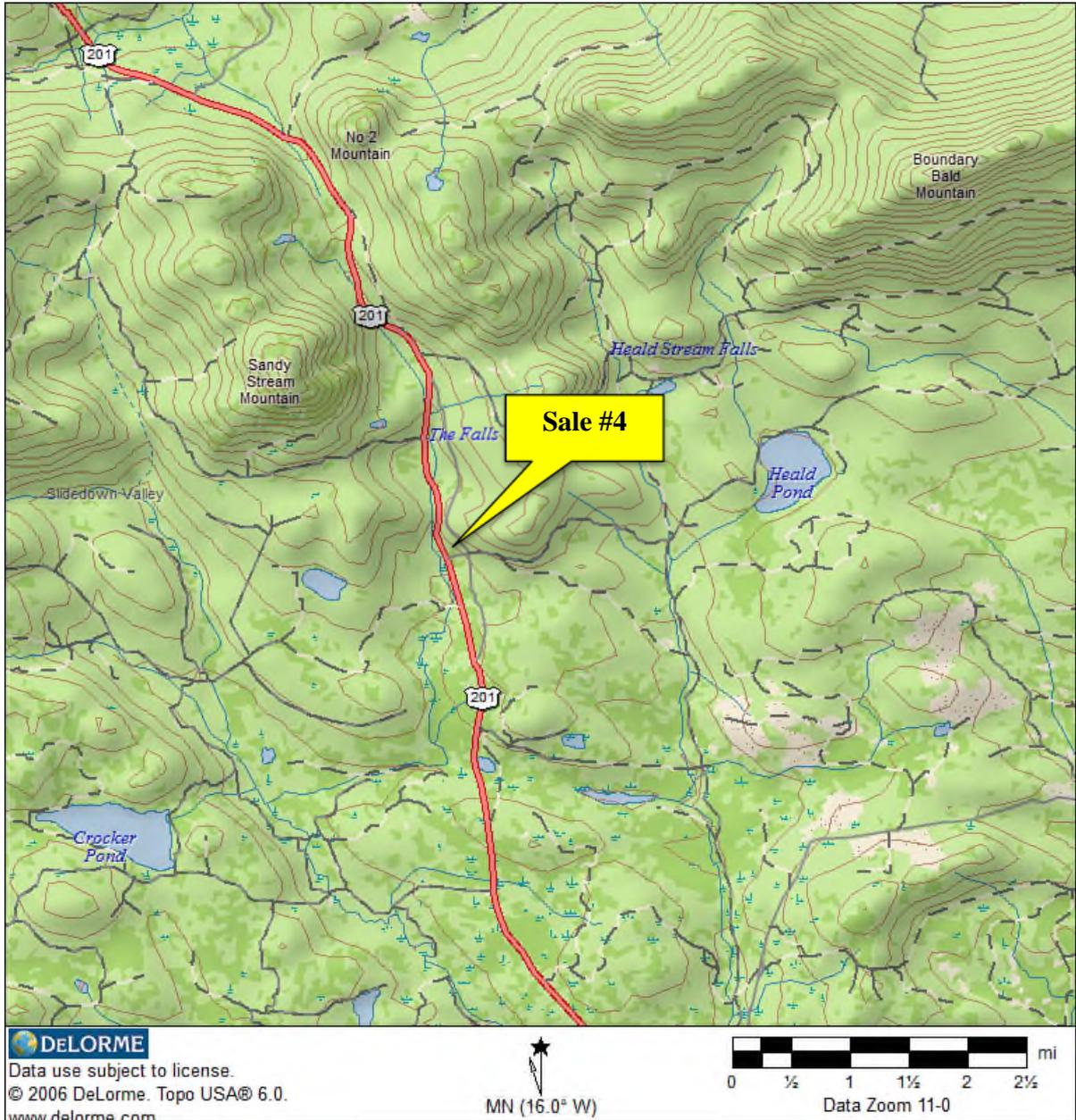


Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01

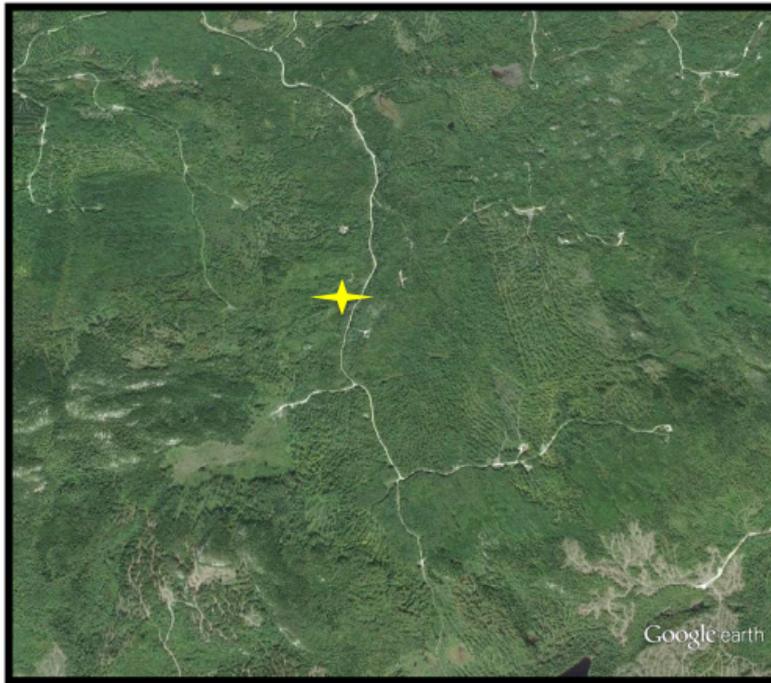


**LAND SALE #4**

General Information	
<b>Address:</b> 9 Old Canada Road <b>City:</b> Moose River <b>County:</b> Somerset <b>Map:</b> 2 <b>Lot:</b> 1 <b>Highest and Best Use:</b> Recreational / Residential <b>Zoning:</b> Not zoned	<b>Total Site Area:</b> 30 AC <b>Frontage:</b> 660+/- FT <b>Depth:</b> 1980+/- FT <b>Shape:</b> Rectangular <b>Topography:</b> Mostly level <b>Improvements:</b> None <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> May 19, 2014 <b>Confirmed Sale Price:</b> \$47,000 <b>Indicated Value:</b> \$1,567 Per Acre (\$47,000 ÷ 30 AC) <b>Grantor:</b> Kenneth L. and Marlene V. Sopp <b>Grantee:</b> Harold F. and Deborah G. Blood	<b>Volume:</b> 4788 <b>Page:</b> 218 <b>Confirmed With:</b> Public Record <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> None <b>Financing:</b> Cash sale
Improvements	Comments
None	Close to Route 201; mostly wooded

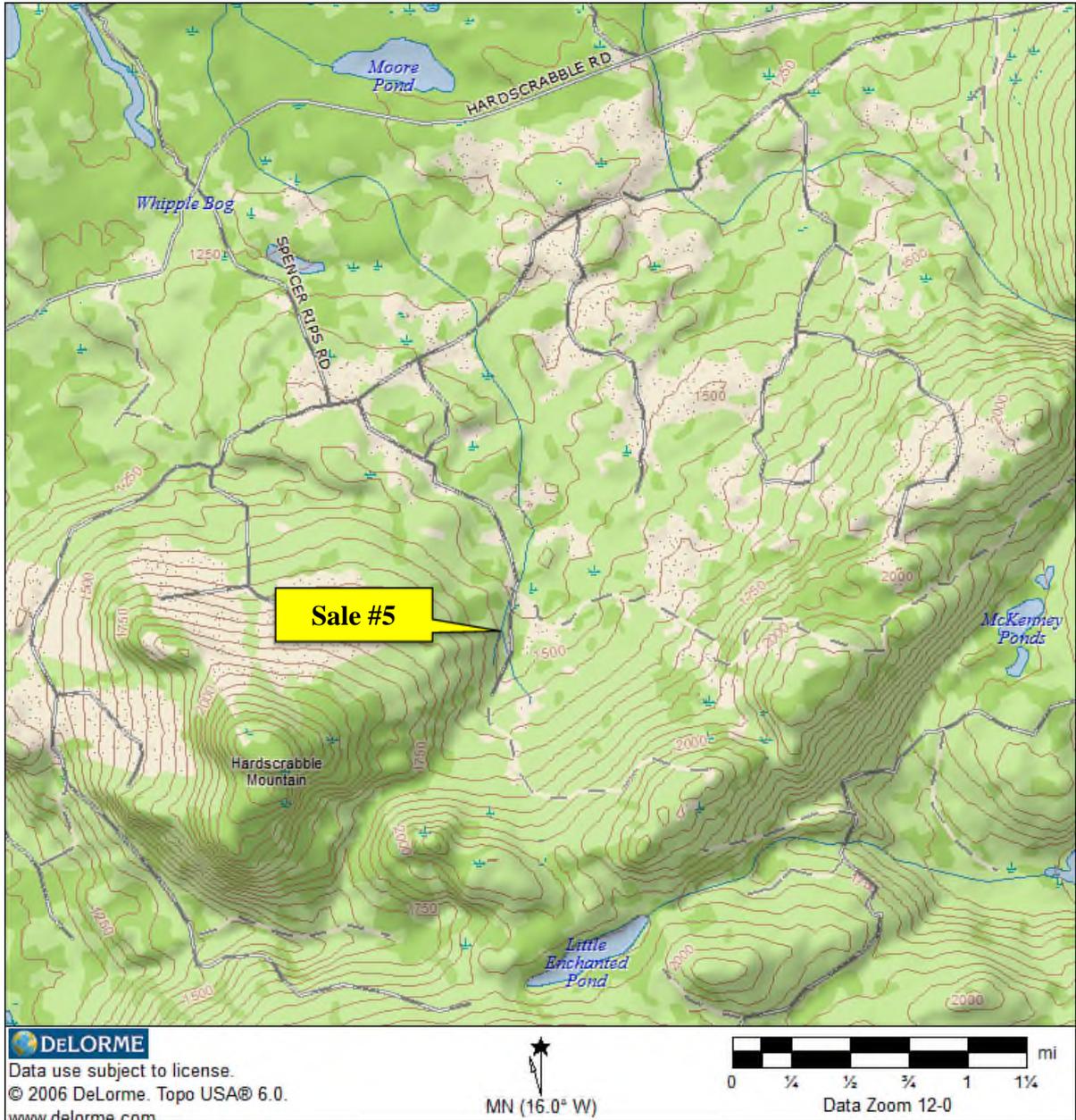


Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01



**LAND SALE #5**

General Information	
<b>Address:</b> W/S Slim Haggie Road <b>City:</b> Upper Enchanted Township <b>County:</b> Somerset <b>Map:</b> 15 <b>Plan:</b> 6 <b>Lot:</b> 81 <b>Highest and Best Use:</b> <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 45.70 AC <b>Frontage:</b> 1,385.6+/- FT <b>Depth:</b> 1,570+/- FT Average <b>Shape:</b> Irregular <b>Topography:</b> Rolling with steep slopes <b>Improvements:</b> Three sheds <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> February 26, 2014 <b>Confirmed Sale Price:</b> \$50,000 <b>Indicated Value:</b> \$1,094 Per Acre (\$50,000 ÷ 45.70 AC) <b>Grantor:</b> Russell E. Brook, Jr. <b>Grantee:</b> Zachary P. Boylan	<b>Volume:</b> 4761 <b>Page:</b> 114 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> None adverse <b>Financing:</b> Cash sale
Improvements	Comments
None	Very remote; mostly wooded; part of a subdivision; contributory value of sheds \$5,000.

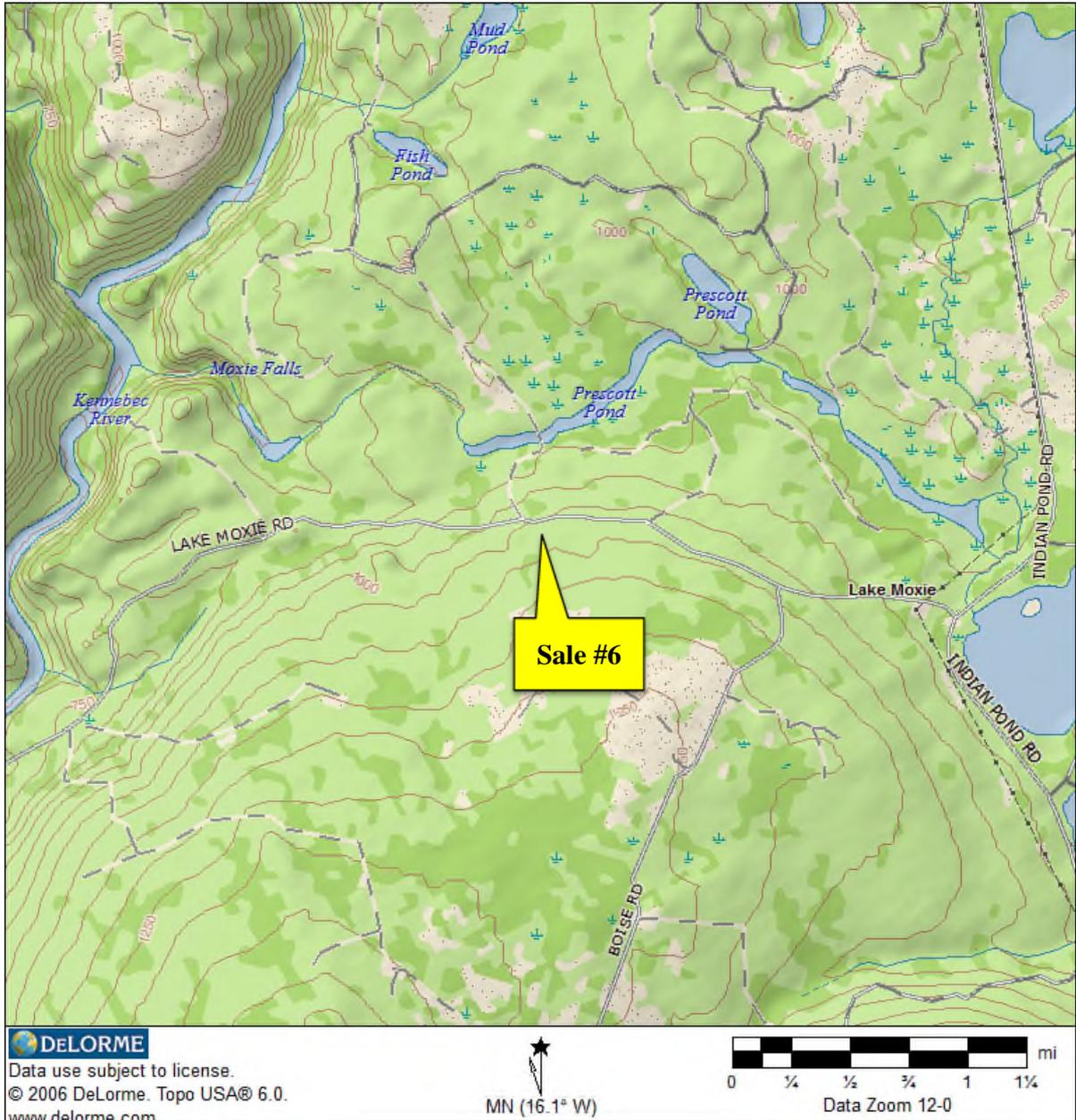


Dwyer Associates  
128 State Street, Augusta, ME 04330  
H1410-01

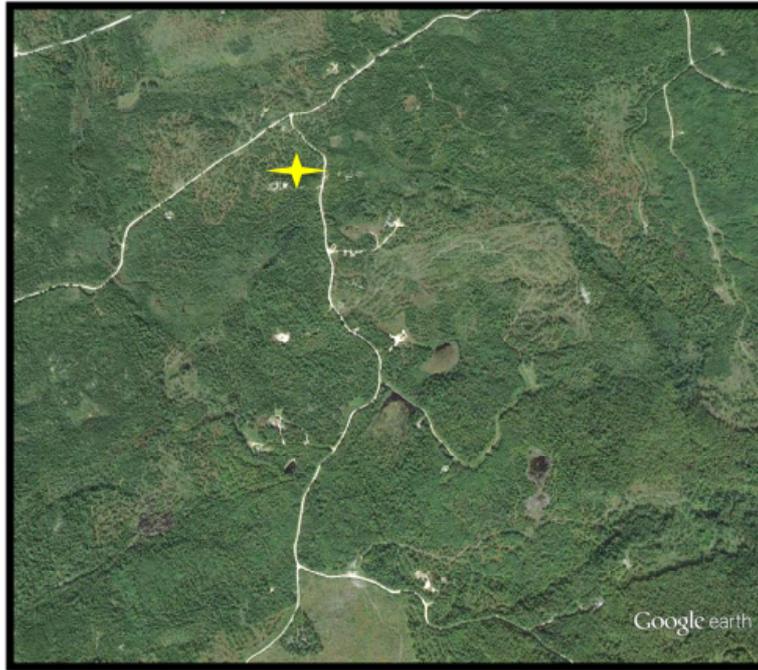


**LAND SALE #6**

General Information	
<b>Address:</b> S/S Lake Moxie Road <b>City:</b> Moxie Gore <b>County:</b> Somerset <b>Map:</b> 28 <b>Plan:</b> 1 <b>Lot:</b> 27.3 <b>Highest and Best Use:</b> Recreational / Residential <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 29.18 AC <b>Frontage:</b> Unknown <b>Depth:</b> Varies <b>Shape:</b> Nearly rectangular <b>Topography:</b> Mostly level <b>Improvements:</b> None <b>Utilities:</b> ET
Sale Information	Deed Information
<b>Date of Sale:</b> September 3, 2013 <b>Confirmed Sale Price:</b> \$19,000 <b>Indicated Value:</b> \$651 Per Acre (\$19,000 ÷ 29.18 AC) <b>Grantor:</b> Richard Greenleaf <b>Grantee:</b> Kurt Spear	<b>Volume:</b> 4711 <b>Page:</b> 262 <b>Confirmed With:</b> Public Record <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> No gravel extraction allowed <b>Financing:</b> Cash sale
Improvements	Comments
None	Wooded at sale.

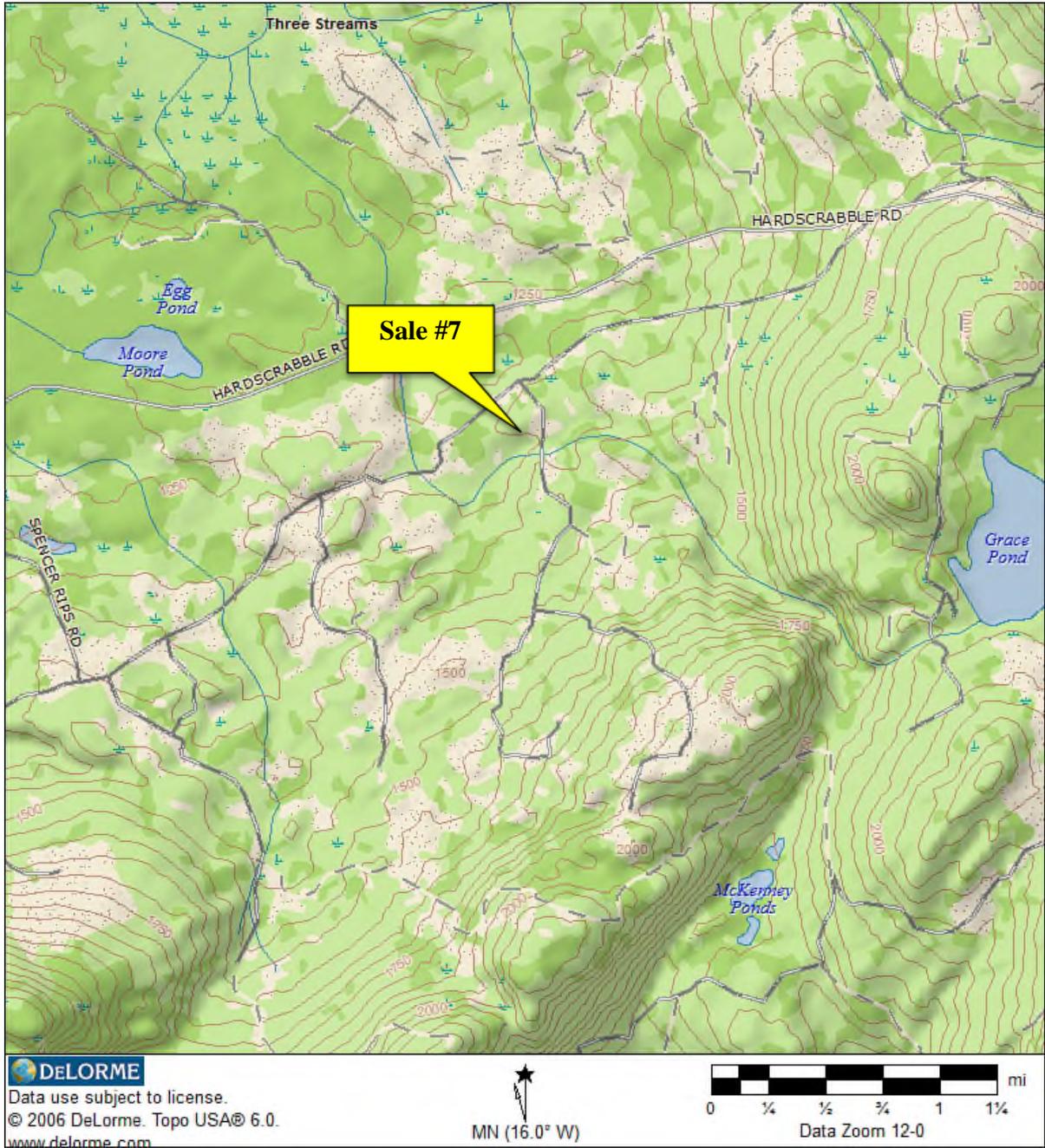


Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01



**LAND SALE #7**

General Information	
<b>Address:</b> W/S Boulder Drive <b>City:</b> Upper Enchanted Township <b>County:</b> Somerset <b>Map:</b> 15 <b>Plan:</b> 7 <b>Lot:</b> 67 <b>Highest and Best Use:</b> Recreational <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 49.20 AC <b>Frontage:</b> 1,608 FT, effective <b>Depth:</b> 1,418.3 FT <b>Shape:</b> Somewhat rectangular <b>Topography:</b> Level to rolling <b>Improvements:</b> None <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> May 13, 2012 <b>Confirmed Sale Price:</b> \$40,000 <b>Indicated Value:</b> \$813 Per Acre (\$40,000 ÷ 49.20 AC) <b>Grantor:</b> Richard A. Thompson <b>Grantee:</b> Phillip and Adam Newcomb	<b>Volume:</b> 4536 <b>Page:</b> 46 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> None adverse <b>Financing:</b> Cash sale
Improvements	Comments
None	Very remote; wooded parcel; constructed dwelling after sale; seasonal access; part of subdivision.

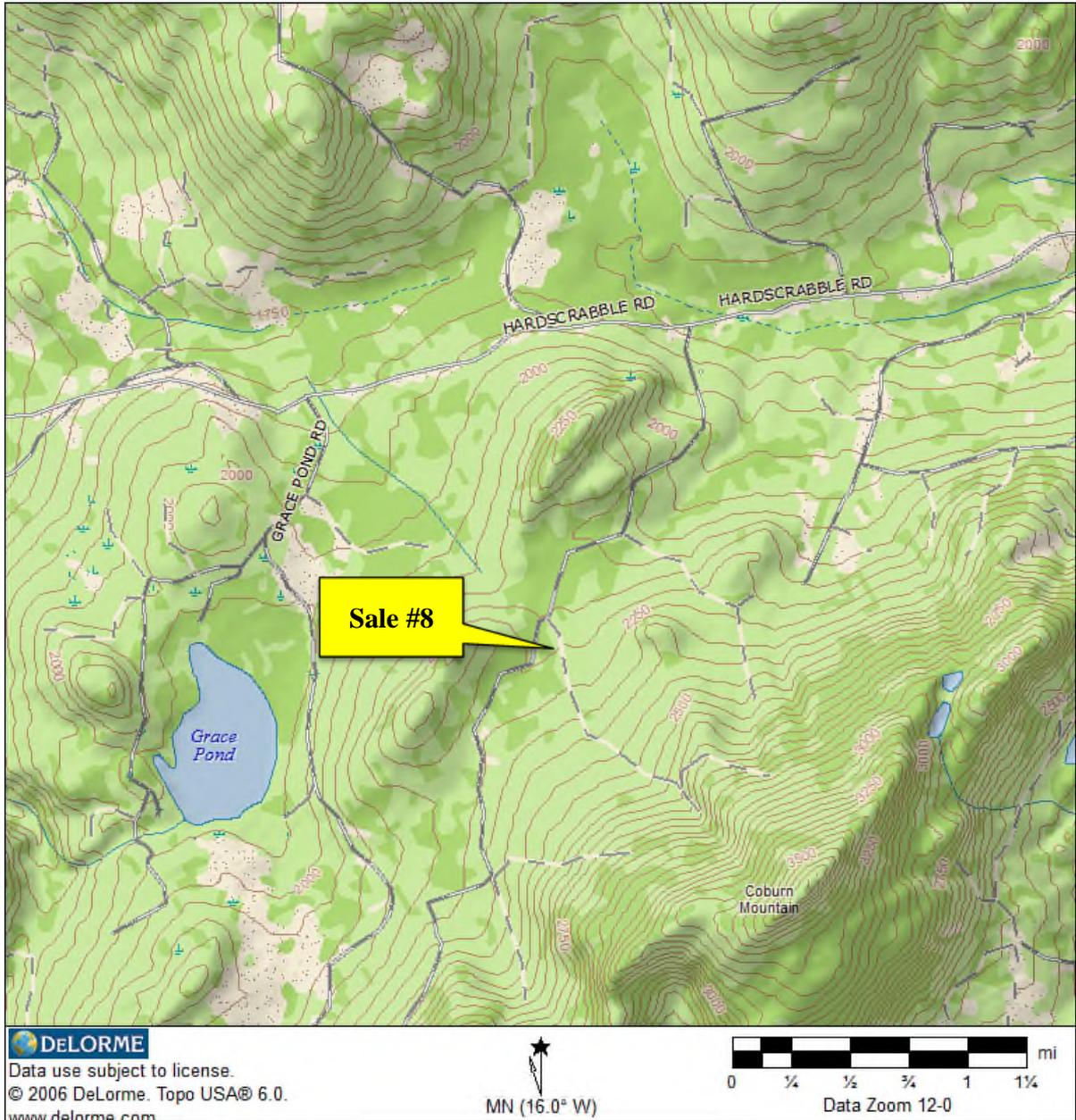


Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01



**LAND SALE #8**

General Information	
<b>Address:</b> W/S No Road <b>City:</b> Upper Enchanted Township <b>County:</b> Somerset <b>Map:</b> 15 <b>Plan:</b> 1 <b>Lot:</b> 141 <b>Highest and Best Use:</b> Recreational <b>Zoning:</b> M-GN LUPC	<b>Total Site Area:</b> 41.3+/- AC <b>Frontage:</b> 680+/- FT <b>Depth:</b> 2,854+/- FT Average <b>Shape:</b> Rectangular <b>Topography:</b> Rolling and sloping <b>Improvements:</b> None <b>Utilities:</b> None
Sale Information	Deed Information
<b>Date of Sale:</b> May 2, 2011 <b>Confirmed Sale Price:</b> \$40,000 <b>Indicated Value:</b> \$969 Per Acre (\$40,000 ÷ 41.3 AC) <b>Grantor:</b> Frederick J. Camarra <b>Grantee:</b> Chris Guerin	<b>Volume:</b> 4392 <b>Page:</b> 96 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014 <b>Encroachments/Restr.:</b> None adverse <b>Financing:</b> Cash sale
Improvements	Comments
None	Some wetlands nearby; part of remote subdivision.

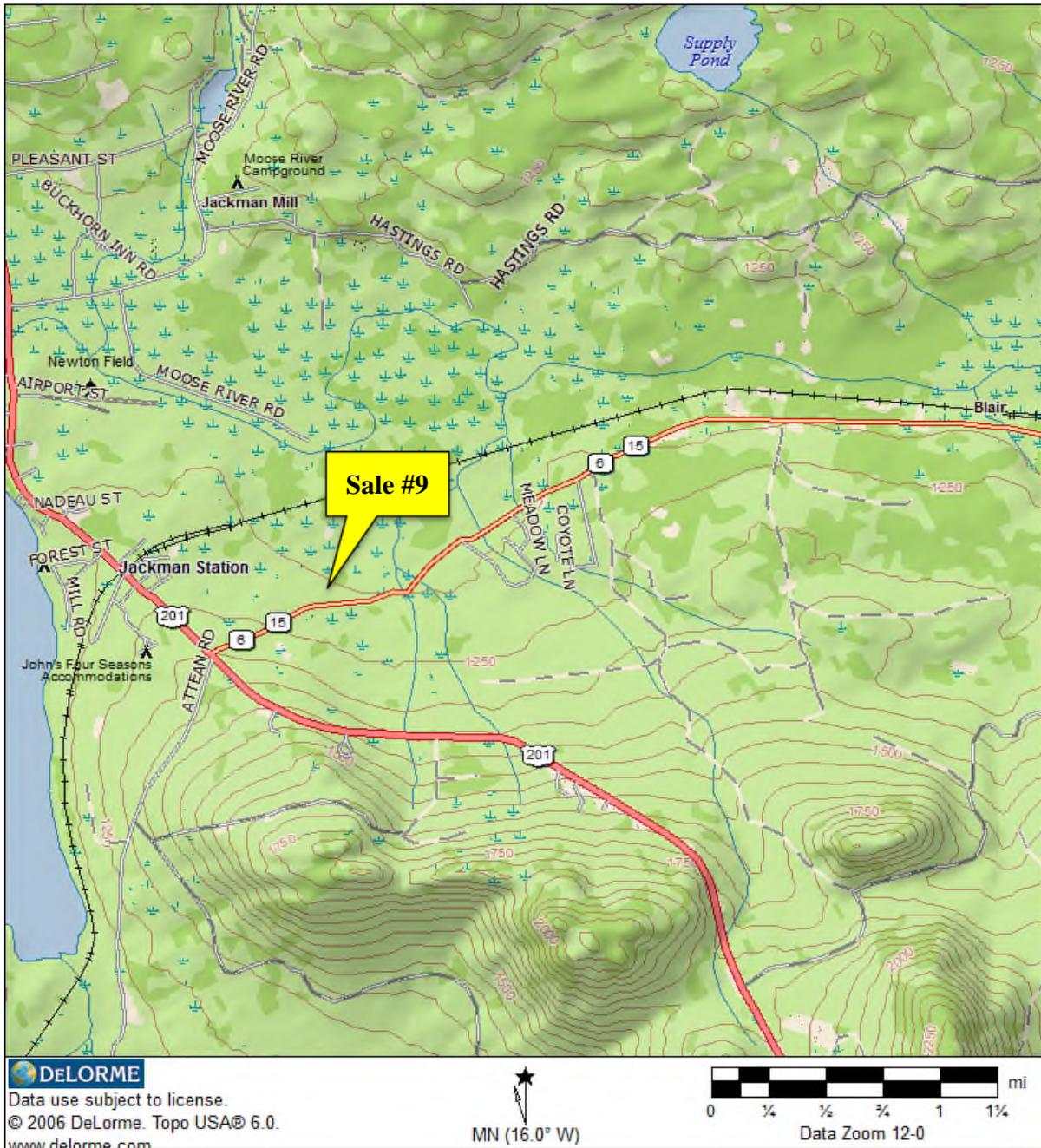


Dwyer Associates  
128 State Street, Augusta, ME 04330  
H1410-01



**LAND SALE #9**

General Information	
<b>Address:</b> 50 Long Pond Road <b>City:</b> Jackman <b>County:</b> Somerset <b>Map:</b> 3 <b>Lot:</b> 59 <b>Highest and Best Use:</b> Recreational / Residential <b>Zoning:</b> Not zoned	<b>Total Site Area:</b> 30.6 AC <b>Frontage:</b> 578 FT <b>Depth:</b> Varies <b>Shape:</b> Irregular <b>Topography:</b> Level <b>Improvements:</b> None <b>Utilities:</b> ET at highway
Sale Information	Deed Information
<b>Date of Sale:</b> July 29, 2011 <b>Confirmed Sale Price:</b> \$48,000 <b>Indicated Value:</b> \$1,569 Per Acre (\$48,000 ÷ 30.6 AC) <b>Grantor:</b> James H. Schoenmann and Joline Belanger <b>Grantee:</b> Mary D'Amico	<b>Volume:</b> 4427 <b>Page:</b> 197 <b>Confirmed With:</b> Public Record  <b>Confirmed By:</b> Daniel J. Dwyer, December 2014  <b>Encroachments/Restr.:</b> None reported <b>Financing:</b> Skowhegan Savings Bank \$31,200
Improvements	Comments
None	Gravel driveway in place.



Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01

---

## 10.22 MANAGEMENT SUBDISTRICTS

---

Pursuant to the Commission's Comprehensive Land Use Plan, the following management subdistricts are established:

---

### A. GENERAL MANAGEMENT SUBDISTRICT (M-GN)

---

#### 1. Purpose

The purpose of the M-GN subdistrict is to permit forestry and agricultural management activities to occur with minimal interferences from unrelated development in areas where the Commission finds that the resource protection afforded by protection subdistricts is not required.

#### 2. Description

These are areas which are appropriate for forest or agricultural management activities and that do not require the special protection afforded by the protection subdistricts or the M-NC or M-HP subdistricts. Also included within M-GN subdistricts shall be areas which do not qualify for inclusion in any other subdistrict.

#### 3. Land Uses

##### a. Uses Allowed Without a Permit

The following uses shall be allowed without a permit from the Commission within M-GN subdistricts:

- (1) Emergency operations conducted for the public health, safety or general welfare, such as resource protection, law enforcement, and search and rescue operations;
- (2) Forest management activities, except for timber harvesting<sup>1</sup>;
- (3) Land application of septage, sludge and other residuals, and related storage and composting activities in compliance with regulations promulgated by the Maine Department of Environmental Protection under 38 M.R.S.A. §13: Maine Hazardous Waste, Septage and Solid Waste Management Act;
- (4) Motorized vehicular traffic on roads and trails, and snowmobiling;
- (5) Primitive recreational uses, including fishing, hiking, hunting, wildlife study and photography, wild crop harvesting, trapping, horseback riding, tent and shelter camping, canoe portaging, cross country skiing, and snowshoeing;
- (6) Surveying and other resource analysis;
- (7) Trails, provided they are constructed and maintained so as to reasonably avoid sedimentation of water bodies; and
- (8) Wildlife and fishery management practices.

<sup>1</sup>Explanatory note: Timber harvesting is not prohibited in this subdistrict, but instead is regulated by the Maine Forest Service. (See P.L. 2011, ch. 599.) Refer to subsection "e. Uses Regulated by the Maine Forest Service."

**b. Uses Allowed Without a Permit Subject to Standards**

The following uses shall be allowed without a permit from the Commission within M-GN subdistricts subject to the applicable requirements set forth in Sub-Chapter III:

- (1) Accessory structures: New or expanded structures accessory to any legally existing principal structures and uses, provided that the total square footage of the footprint of all new or expanded accessory structures built on a lot within a two (2) year period is not more than 750 square feet and all other requirements and standards of Section 10.27,P are met;
- (2) Agricultural management activities, including cranberry cultivation, the construction, alteration or maintenance of farm or livestock ponds which are not fed or drained by a flowing water, and the operation of machinery and the erection of buildings including buildings to store equipment and materials for maintaining roads and other structures used primarily for agricultural management activities;
- (3) Campsites;
- (4) Checkpoint buildings;
- (5) Constructed ponds: Creation, alteration or maintenance of constructed ponds, other than those described in Section 10.22,A,3,b,(1) above, less than 1 acre in size which are not fed or drained by flowing waters, in conformance with the vegetative buffer strip requirements of Section 10.27,C,2,a;
- (6) Driveways associated with residential uses;
- (7) Filling and grading;
- (8) Forest management activities, except for timber harvesting<sup>2</sup>, involving the operation of machinery and the erection of buildings including buildings to store equipment and materials for maintaining roads and other structures used primarily for forest management activities;
- (9) Hand-carry launches: Parking areas, roads, signs and similar facilities associated with private and commercial hand-carry launches;
- (10) Home occupations: Minor home occupations;
- (11) Mineral exploration activities: Level A mineral exploration activities, including associated access ways;
- (12) Mineral extraction operations, less than 5 acres in size, except for gravel extraction less than 5 acres in size;
- (13) Road projects: Level A and B road projects;
- (14) Service drops;
- (15) Signs;
- (16) Trailered ramps: Parking areas, roads, signs and similar facilities associated with public trailered ramps; and
- (17) Utility services: Buildings or structures necessary for the furnishing of public utility services, provided they contain not more than 500 square feet of floor area, are less than 20 feet in height, and are not supplied with water.

**c. Uses Requiring a Permit**

The following uses may be allowed within M-GN subdistricts upon issuance of a permit from the Commission pursuant to 12 M.R.S.A. §685-B, and subject to the applicable requirements set forth in Sub-Chapter III:

- (1) Campsites, Residential;

<sup>2</sup> Explanatory note: Timber harvesting is not prohibited in this subdistrict, but instead is regulated by the Maine Forest Service. (See P.L. 2011, ch. 599.) Refer to subsection "e. Uses Regulated by the Maine Forest Service."

- (2) Constructed ponds: Creation, alteration or maintenance of constructed ponds, other than those described in Section 10.22,A,3,b, above, which are 1 acre or more in size, or such ponds less than 1 acre which are not in conformance with the vegetative buffer strip requirements of Section 10.27,C,2,a;
- (3) Draining, dredging, and alteration of the water table or water level for other than mineral extraction;
- (4) Driveways associated with non-residential uses; driveways associated with residential uses which are not in conformance with the standards of Section 10.27,H;
- (5) Family burying grounds of not more than ¼ acre, in accordance with 13 M.R.S.A. §1142;
- (6) Filling and grading which is not in conformance with the standards of Section 10.27,F;
- (7) Home occupations: Major home occupations, ~~except in the townships or plantations listed in Section 10.22,A,3,d~~
- (8) Maple sugar processing operations;
- (9) Mineral exploration activities: Level A mineral exploration activities, including associated access ways, which are not in conformance with the standards of Section 10.27,C; and Level B mineral exploration activities;
- (10) Mineral extraction operations, except for gravel extraction less than 5 acres in size,
  - (a) affecting an area less than 5 acres in size and which are not in conformance with the standards of Section 10.27,C;
  - (b) affecting an area between 5 and 30 acres provided the unreclaimed area is less than 15 acres; and
  - (c) structures essential to the extraction activity having a total gross floor area of no more than 2,000 square feet;
- (11) Peat extraction affecting an area less than 30 acres in size;
- (12) Portable mineral processing equipment;
- (13) Recreational lodging facilities:
  - (a) Level A;
  - (b) Level B;
  - (c) Level C;
  - (d) Level D (inside the geographic allowance area); and
  - (e) Level C facilities, and Level D facilities (inside the geographic allowance area), that are commercial sporting camps legally existing as of August 5, 2013 may provide fuel and dining to the public, subject to the fuel dispensing provisions for public fuel sales, provided a permit is issued for such use within 3 years of August 5, 2013;
- (14) Residential: Single and two-family dwellings;
- (15) Road projects: Level C road projects;
- (16) Sawmills and chipping mills on sites of less than 5 acres;
- (17) Signs which are not in conformance with the standards of Section 10.27,J;
- (18) Solid waste disposal facilities affecting an area less than 2 acres in size;
- (19) Structures: Non-commercial structures utilized for educational, scientific, or nature observation purposes; structures devoted to composting of sludge, septage or other residuals affecting an area less than 5 acres in size; and structures devoted to the storage of sand or salt;
- (20) Subdivisions: Level 2 subdivisions;
- (21) Trailered ramps: Parking areas, roads, signs and similar facilities associated with commercial and private trailered ramps and such facilities addressed in Section 10.22,A,3,b which are not in conformance with the standards of Section 10.27,L;
- (22) Truck and equipment storage;

- (23) Utility facilities, excluding service drops; and wire and pipe line extensions which do not meet the definition of service drops;
- (24) Water impoundments;
- (25) Wind projects: Community-based offshore wind energy projects, as defined in Title 12 M.R.S.A., Section 682, Subsection 19; offshore wind power projects, as defined in Title 38 M.R.S.A., Section 480-B, Subsection 6A, and wind energy development in accordance with Title 35-A, M.R.S.A., Chapter 34-A in areas identified in Appendix F herein;
- (26) Other structures, uses, or services that are essential to the uses listed in Section 10.22,A,3,a through c; and
- (27) Other structures, uses, or services which the Commission determines are consistent with the purposes of this subdistrict and of the Comprehensive Land Use Plan and are not detrimental to the resources or uses they protect, and are of similar type, scale and intensity as other allowed uses.

**d. Special Exceptions**

The following uses may be allowed within the M-GN subdistricts as special exceptions upon issuance of a permit from the Commission pursuant to 12 M.R.S.A. §685-A(10), and subject to the applicable requirements set forth in Sub-Chapter III, provided that the applicant shows by substantial evidence that there is no alternative site in a development subdistrict which is both suitable to the proposed use and reasonably available to the applicant:

- (1) Home occupations: Major home occupations in the following plantations:
- Dallas Plantation.
  - Rangeley Plantation, and
  - Sandy River Plantation.

The following uses may be allowed as special exceptions provided the applicant also shows by substantial evidence that such other conditions are met that the Commission may reasonably impose in accordance with the policies of the Comprehensive Land Use Plan:

- (2) Maple Sugar Processing Subdivisions: Subdivisions containing lots created by lease for the purpose of establishing and operating commercial maple sugar processing operations provided that:
- The maximum number of leased lots shall be no more than one (1) per every 300 acres of the lot or parcel being subdivided<sup>3</sup>;
  - The maximum size of each leased lot shall be no more than 4 acres;
  - Any two leased lots in a maple sugar subdivision may be located less than 1,000 feet from each other; these lots will be considered a set of lots for the purpose of determining leased lot separation;
  - Each set of leased lots must be separated from any other leased lot or set of leased lots in the subdivision by a minimum of 1,000 feet, measured horizontally from the closest point between lots or sets of leased lots; and

<sup>3</sup> Calculated by dividing the total acreage of the lot or parcel being subdivided by 300 and rounding down to the nearest whole number.

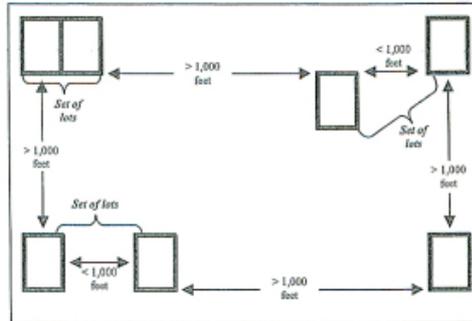


Figure 10.22,A-1. Leased lots in maple sugar subdivisions.

- Fee ownership in each of the leased lots shall only be transferred as part of a sale of the entire parcel originally so subdivided, or with a deed restriction requiring that the lot be used only for commercial maple syrup production unless the Commission, or its legal successor in function, releases the restriction and records such release in the registry of deeds.

The following uses may be allowed as special exceptions, either singly or in combination, provided the applicant shows by substantial evidence, that (a) the use can be buffered from those other uses within the subdistrict with which it is incompatible; (b) such other conditions are met that the Commission may reasonably impose in accordance with the policies of the Comprehensive Land Use Plan; (c) that there is sufficient infrastructure to accommodate the additional traffic and activity generated by the facility; and (d) that surrounding resources and uses that may be sensitive to such increased traffic and activity are adequately protected:

- (3) Recreational lodging facilities:
  - (a) Level C (occupancy may exceed the standard in Section 10.27,Q,1, Table A up to the Expanded Access occupancy limit, provided that the majority of occupancy is accommodated at campsites);
  - (b) Level C – Expanded Access (inside the geographic allowance area); and
  - (c) Level D – Expanded Access (inside the geographic allowance area).

**e. Uses Regulated by the Maine Forest Service**

Pursuant to Statute, the following uses are not regulated by the Commission within M-GN subdistricts but are regulated by the Maine Forest Service.

- (1) Gravel extraction less than 5 acres in size;
- (2) Land management roads; and
- (3) Timber harvesting.

**f. Prohibited Uses**

All uses not expressly allowed, with or without a permit or by special exception, shall be prohibited in M-GN subdistricts.

---

**C. MINIMUM ROAD FRONTAGE**

---

1. Except as provided for in Section 10.26,C,6 below, the minimum road frontage shall be:
  - a. 100 feet per dwelling unit for residential uses, and
  - b. 200 feet for commercial, industrial, and other non-residential uses involving one or more buildings;
2. These requirements apply to any privately or publicly owned road that is used for public access, including roads used by the public for which a toll is paid.
3. Where the lot is located at the end of a road or on a circular turnaround with an outside diameter of less than 25 feet, the road frontage requirements shall not apply.
4. Frontage shall be measured along the traveled portion of the road between the points of intersection of side lot lines with the traveled portion of the road.
5. In the case of a lot which borders more than one road, the road frontage requirement must be met on at least one road bordered by the lot.

**6. Flexible Road Frontage Requirements In Prospectively Zoned Areas.**

- a. Except on state or state-aid highways, road frontage requirements for commercial and residential development in the D-GN, D-GN2, D-GN3, D-RS, and D-RS2 may be reduced below those listed above in order to allow the proposed development to conform with the prevailing frontage in its immediate vicinity. The prevailing frontage is the average frontage of those lots within 500 feet on either side of the subject parcel.
- b. Reductions in road frontage shall be approved only when they will not cause an increased risk of accidents or impact the posted speed of the road.

---

**D. MINIMUM SETBACKS**


---

1. The minimum setbacks for structures, other than those described in Section 10.26,D,2 and except as provided in Section 10.26,G are:
  - a. 75 feet from the nearest shoreline of a flowing water draining less than 50 square miles, a body of standing water less than 10 acres in size, or a tidal water, and from the upland edge of wetlands designated as P-WL1 subdistricts;
  - b. 100 feet from the nearest shoreline of a flowing water draining 50 square miles or more and of a body of standing water 10 acres or greater in size;
  - c. 50 feet from the traveled portion of all roadways except as provided for in Section 10.26,D,1,d and e or Section 10.26,D,5 below;
  - d. 75 feet from the traveled portion of the following roadways: Routes 1, 2, 2A, 4, 9, 27, 163, 201, 161 from Caribou to Fort Kent, 157 in TA R7 (Penobscot County), and 6 in Orneville Township (Piscataquis County), except as provided for in Section 10.26,D,5;
  - e. 20 feet from the traveled portion of all roadways on coastal islands; and
  - f. 15 feet from side and rear property lines.

These setbacks also apply to all parking areas associated with single-family residential uses, parking areas for trailered ramps or hand-carry launches, those structures within a recreational lodging facility constructed solely for the housing of guests, and residential campsites.

2. The minimum setbacks for multi-family dwellings and commercial, industrial, and other non-residential principal and accessory structures, other than those described in Section 10.26,D,1 and 3 and except as provided in Sections 10.26,G and 10.27,Q are:
  - a. 100 feet from the nearest shoreline of a flowing water draining less than 50 square miles, a body of standing water less than 10 acres in size, or a tidal water, and from the upland edge of wetlands designated as P-WL1 subdistricts;
  - b. 150 feet from the nearest shoreline of a flowing water draining 50 square miles or more and a body of standing water 10 acres or greater in size;
  - c. 75 feet from the traveled portion of the nearest roadway except as provided for in Section 10.26,D,2,d below;
  - d. 20 feet from the traveled portion of all roadways on coastal islands; and
  - e. 25 feet from the side and rear property lines.

Except as provided for in Section 10.26,D,1 above, these setbacks also apply to all parking areas associated with multi-family dwellings and commercial, industrial, and other non-residential uses, and all other structures within a recreational lodging facility, including, but not limited to, a main lodge, dining area, workshop and parking area.

3. These requirements apply to any privately or publicly owned road that is used for public access, including roads used by the public for which a toll is paid.

**4. Campsites.**

- a. Campsites shall be set back such that the area designed for camping, including cleared or graded areas, fire rings, tables, and related construction, is at least 75 feet from shoreline, 50 feet from roads, and 25 feet from property lines. Any structure located at or as part of a campsite shall also be set back 75 feet from the upland edge of wetlands designated as P-WL1 subdistricts. Notwithstanding the above, the area designed for camping must be set back at least 10 feet from roads internal to a campground, and campsite parking areas may be located adjacent to such roads, except that the Commission may require a greater setback where necessary due to site conditions in order to protect public safety.
- b. Remote campsites shall be set back at least 50 feet from roads, 25 feet from property lines, and 25 feet from shorelines, except that the Commission may require a greater setback from shorelines for remote campsites where necessary due to site conditions in order to avoid accelerated soil erosion or sedimentation of surface waters.

**5. Flexible Building Setbacks in Prospectively Zoned Areas.**

- a. For commercial or residential development in the D-GN, D-GN2, D-GN3, D-RS, and D-RS2 subdistricts, building setback distances from roads may be less than specified in Section 10.26.D in order to meet prevailing setbacks on adjacent properties. The prevailing setback is the average setback of those principal and accessory structures on lots within 500 feet on either side of the subject parcel.
- b. In the D-GN, D-GN2, D-GN3, D-RS, and D-RS2 subdistricts, road setbacks for commercial buildings may be reduced to 50 feet where all parking areas are to be placed to the side or rear of the structure.
- c. These reduced setbacks will be granted where the existing character of an area will be maintained and provided that the reduction will not adversely impact public safety.

---

**E. MAXIMUM LOT COVERAGE**


---

1. Except as provided in Sections 10.26,E,3, 10.26,E,4, and 10.26,E,5 below, the maximum lot coverage shall be 30% for all uses involving one or more buildings.
2. "Coverage" shall be calculated by determining the percentage of lot area covered by all structures including driveways, sidewalks, parking lots and other impervious surfaces.
3. **Flexible Lot Coverage Requirements in Prospectively Zoned Areas Outside of the Shoreland Areas.**
  - a. For commercial and institutional development outside the shoreland area in the D-GN, D-GN2, D-GN3, D-RS, and D-RS2 subdistricts that is proposed on lots of 2 acres or less, lot coverage may be increased to 50%. This waiver shall be granted in order to accommodate in-fill development or compact development patterns that promote pedestrian access and social interaction, provided there is no adverse impact on water bodies from surface water runoff.
4. For lots in a D-CI subdistrict that are not within 250 feet of a major flowing water or a body of standing water 10 acres or greater in size, the maximum lot coverage shall be 50% for all uses involving one or more buildings.
5. For lots in a D-MT subdistrict, the maximum lot coverage shall be 50% for all uses, except residential uses, involving one or more buildings. For residential uses in the D-MT the lot coverage standard in Section 10.26,E,1 shall apply.

---

**F. MAXIMUM STRUCTURE HEIGHT**


---

1. Except as provided for in Section 10.26,F,2 and 4 below, the maximum structure height shall be:
  - a. 75 feet for residential uses; and
  - b. 100 feet for commercial, industrial, and other non-residential uses involving one or more structures.
2. Structures within 500 feet of the normal high water mark of a body of standing water 10 acres or greater or tidal water shall be no higher than 30 feet. The Commission may apply this provision at greater distances from the normal high water mark of bodies of standing water having significant or outstanding scenic values where there is the likelihood that such structures would have an adverse impact on scenic values. Bodies of standing water having such scenic values are shown in Appendix C.
3. Features of structures which contain no floor area such as chimneys, towers, ventilators and spires and freestanding towers and turbines may exceed these maximum heights with the Commission's approval.

---

**4. Structure Height in Prospectively Zoned Areas.**


---

- a. In areas beyond 500 feet of the normal high water mark of a body of standing water 10 acres or greater, structure height in the D-GN, D-GN2, D-GN3, D-RS, D-RS2, D-RS3, D-CL, and D-ES in prospectively zoned areas shall be limited to 35 feet. Structures used for agricultural management, structures with no floor area, or features of buildings which contain no floor area such as chimneys, towers, ventilators, and spires may exceed these maximum heights with the Commission's approval.
- b. Structures within 500 feet of the normal high water mark of a body of standing water 10 acres or greater in size shall conform to the provisions of Section 10.26,F,2 above.

# Land Use Guidance Map



**Johnson Mountain Twp.**  
**T2 R6 BKP WKR**  
 Somerset County

Maine Department of Conservation  
 and Forestry  
 100 State Street, 3rd Floor  
 Augusta, Maine 04333-0022  
 (207) 287-2631  
 TY (207) 287-2213  
 http://www.dcofs.maine.gov

## Legend

**Development Subdistricts**

■ D-RS Residential

## Protection Subdistricts

- P-CR Great Pond
- P-MA Mountain Area
- P-WR Wetland - Water
- P-WL Wetland - Forest
- P-WL3 Wetland - Forest
- P-WL2 Wetland - Forest
- P-WL1 Wetland - Forest
- P-WL4 Wetland - Forest

## Management Subdistricts

□ M-CN General

- Water body
- Impervious road
- Unimpervious road
- Trail

Areas designated as two or more protection zones are annotated with each zone, e.g. P-PFWWEL1, P-FWEL1, etc., where necessary

○ or — Subdistrict boundary

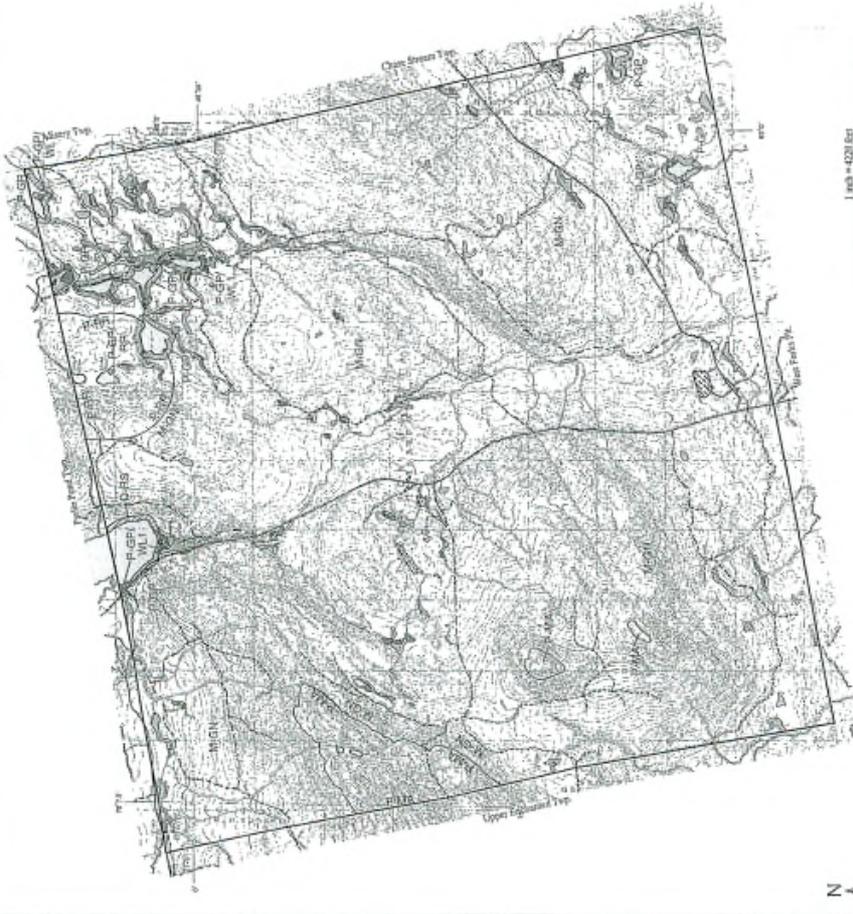
○ Zoning amendment

Topographic base, roads and trails from U.S. Geological Survey 7.5-minute map series

For the purpose of simplicity, this map does not show the Wetland Protection Subdistricts as areas identified pursuant to Section 1010.6-C of the Maine Revised Statutes. Wetland Protection Subdistricts are areas within 75 feet of forest wetlands, which are not shown on this map. Wetland Protection Subdistricts are areas within 75 feet of forest wetlands, which are not shown on this map.

This map is a reduced version of the official Land Use Guidance Map. It is not to be used for legal purposes. For more information, contact the Augusta office. Potential applicants unsure of their zoning should request a full size map from the Augusta office.

Land Use Guidance Map last amended on August 18, 2005



Dwyer Associates  
 128 State Street, Augusta, ME 04330  
 H1410-01

# Land Use Guidance Map



**West Forks Pt.**  
**T1 R5 BKP WKR**  
 Somerset County

Maine Department of Agriculture, Conservation and Forestry  
 LAND USE PLANNING AND CONSERVATION  
 1000 State Street, Augusta, ME 04303-0001  
 (207) 287-2631 (403) 482-1000  
 TTY (888) 577-6990  
<http://www.maine.gov/ocd/ocd.htm>

## Legend

- |                          |                                |
|--------------------------|--------------------------------|
| Development Subdistricts | Protection Subdistricts        |
| D-CN General             | P-GP Great Field               |
| D-RS Residential         | P-RR Recreation - Water        |
|                          | P-SG Soils and Geology         |
|                          | P-SLI 250 ft                   |
|                          | P-SL2 75 ft                    |
|                          | P-UA Unusual Area              |
|                          | P-WL1 Wetlands - Significant   |
|                          | P-WL2 Wetlands - Strips -ditch |
|                          | P-WL3 Wetlands - Forested      |

## Management Subdistricts

- M-GN General

- Water body
- Improved road
- Unimproved road
- Trail

Ares designated as two or more protection subdistricts are shown with each zone, e.g. P-RR/P-WL1, P-RR/WL1, etc., where necessary.

Zoning amendment

Topographic base, roads and trails from U.S. Geological Survey 7.5-minute map series.

For the purpose of consistency, this map does not show the Wetland Protection Subdistricts for areas identified pursuant to Sections 10,16, & 2, such as beds of rivers, lakes, and other water bodies, and freshwater wetlands within 25 feet of stream channels, which are included within P-WL Subdistricts.

This map is a revised version of the official Land Use Guidance Map. It is not intended to be used for zoning purposes. For more information on the Land Use Guidance Maps are available from the Commission of the Augusta office. Potential applicants aware of their zoning should request a full area map from the Augusta office.

Land Use Guidance Map last amended on November 23, 2007



### STATEMENT OF LIMITING CONDITIONS

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a site plan and building sketch indicating appropriate dimensions of improvements and the site in order to assist the reader in visualizing the property and understanding the appraiser's determination of the gross building area.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she consider to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided in the Uniform Standards of Professional Appraisal Practice.
8. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identify and professional appraisal organization or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

**APPRAISER'S CERTIFICATION**

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3-year period immediately preceding the acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of a Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and further prepared in conformity with the Uniform Standards of Professional Appraisal Practice (2014).
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. I have made a personal inspection of the property that is the subject of this report.
11. No one provided significant real property appraisal assistance to the person signing this certification.
12. As of the date of this report, I, Daniel J. Dwyer, have completed the continuing education program of the Appraisal Institute.
13. As of the date of this report, I, Daniel J. Dwyer, have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

**ADDRESS OF PROPERTY APPRAISED:**

Johnson Mountain and West Forks Plantation Reserved Land  
Somerset County, Maine

**APPRAISER:**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name:	Daniel J. Dwyer
State Certification:	#CG276
State License:	#CG276
State:	Maine
Expiration Date:	December 31, 2015

Revised 3/10/14

## **DANIEL J. DWYER, CMA**

**Principal, Dwyer Associates  
Augusta, Maine**

[dwyerassociates@midmaine.com](mailto:dwyerassociates@midmaine.com)

T 1.207.623.2258

F 1.207.623.2258

### **CLIENTS REPRESENTED**

American Lung Association  
Central Maine Power Company  
Associated Grocers of Maine  
State of Maine Dept. of Transportation  
MaineGeneral Hospital  
Mid-Coast Hospital  
Camden National Bank  
TD Banknorth  
Bank of Maine  
Kennebec Savings Bank  
Northeast Bank  
Pierce, Atwood, Attorneys at Law  
Lipman Katz & McKee  
Bernstein Shur  
Preti, Flaherty, Beliveau & Pachios  
Maine Dept. of Conservation  
Wadleigh's Oil Company  
Maine Farmland Trust  
City of Augusta, ME  
Burns and McDonnell Engineering Co.  
Maine Turnpike Authority  
Girl Scouts of Maine  
Maine Coast Heritage Trust

### **PROFESSIONAL EXPERIENCE**

Dwyer Associates formed 1984.  
Appraisal and consulting for all property types.

### **SIGNIFICANT ASSIGNMENTS**

The following is a partial summary of assignments completed.

#### **Office:**

Multi-tenant low to high rise  
Medical

#### **Industrial:**

Warehouse and light industrial, including high cube  
Reuse development  
Statewide

#### **Retail:**

Standalone and multi-tenant shopping centers;  
Rite Aid real estate development.  
Maine and New Hampshire

#### **Hospitality:**

Coastal inns  
Bed & breakfast  
Flag hotel/motel  
Central and Southern Maine

#### **Special Purpose:**

Golf courses	Market studies
Assisted living facilities	UASFLA (Yellow Book)
Auto dealerships	Self-storage
Corridors	Car wash
Subdivisions	Islands
Conservation easements	Bulk oil storage
Contaminated site	Schools
Mobile home parks	
Condemnation	
Sporting camps	
Campgrounds	
Youth camps	

### **PROFESSIONAL DESIGNATIONS**

Certified General Appraiser #CG276  
Certified Maine Assessor  
Candidate, Appraisal Institute  
VP Maine Chapter Appraisal Institute 2002

Dwyer Associates  
128 State Street, Augusta, ME 04330

H1410-01

96

## FORMAL EDUCATION

University of Maine, Farmington, ME  
B.A. Degree (1975)

## APPRAISAL EDUCATION

- (A) Certified Maine Assessors Courses: Five courses toward certification as assessor  
Bowdoin College, 1977, Brunswick, Maine
- (B) Maine Real Estate Law, University of Maine, 1979
- (C) Society of Real Estate Appraisers: Course 101 "Appraising Real Property"  
Bowdoin College, June 1982, Brunswick, Maine
- (D) Society of Real Estate Appraisers: Course 102 "Applied Residential Property Valuation"  
May 1985, University of Southern Maine
- (E) Society of Real Estate Appraisers: Course 201 "Principles of Income Property Appraising" April 1987, California
- (F) Society of Real Estate Appraisers: Course 202 "Applied Income Property Valuation"  
May 1988, Boston, Massachusetts
- (G) Society of Real Estate Appraisers: Course 302A "Market Analysis" February 1990, Arlington, Texas
- (H) Society of Real Estate Appraisers: "Professional Practice" November 1990, Portland, Maine
- (I) Appraisal Institute: Course 510 "Advanced Income Capitalization" May 1, 1993, Springfield, Massachusetts
- (J) Appraisal Institute: Course E4 "Litigation Valuation" April 1992, Cherryhill, New Jersey
- (K) Appraisal Institute: Course 550 "Advanced Applications" November 1996, Holyoke, Massachusetts
- (L) Appraisal Institute: Course 530 "Advanced Sales Comparison and Cost Approach" November 1998, Amherst, MA

## SEMINARS

- (A) Appraisal Institute: "Analyzing Commercial Lease Clauses" April 9, 2002, Sturbridge, Massachusetts
- (B) Appraisal Institute: Course 430 "Standards of Professional Practice" December 2001, Portland, Maine
- (C) Appraisal Institute: "Appraising Trouble Properties" May 1, 1992, Bath, Maine
- (D) Narrative Appraisal Report Workshop, Bowdoin College, 1979, Brunswick, Maine
- (E) Introduction to the Cost Approach to Value, University of Maine, 1982, Orono, Maine
- (F) American Institute of Real Estate Appraisers: "Rates, Ratio & Reasonableness" May 1989, Boston, Massachusetts
- (G) Appraisal Institute: "Uniform Appraisal Standards for Federal Land Acquisitions:  
Practical Application for Fee Appraisers" May 7-8, 2004, Portland, Maine
- (H) Appraising From Blue Prints and Specifications, October, 2004, Portland, Maine
- (I) Appraising Convenience Stores, March 2005, Portland, Maine
- (J) Subdivision Valuation, December 2005, Appraisal Institute, Portland, Maine
- (K) Office Building Valuation, March 2008, Appraisal Institute, Portland, Maine

## DWYER ASSOCIATES

### PRIVACY & CONFIDENTIALITY AND SECURITY POLICY

#### Privacy Policy

**What information we collect:** We collect and use information we believe is necessary to provide you with our appraisal services. We may collect and maintain several types of personal information needed for this purpose, such as:

- Information we receive from you on applications, letters of engagement, forms found on our website, correspondence, or conversations, including, but not limited to, your name, address, phone number, social security number, date of birth, bank records, salary information, the income and expenses associated with the subject property, the sale price of the subject property, and the details of any financing on the subject property;
- Information about your transactions with us, our affiliates or others, including, but not limited to, payments history, parties to transactions and other financial information;
- Information we receive from a consumer-reporting agency such as a credit history.

**What information we disclose:** Except as described below, we do not share nonpublic personal information. We will not rent, sell, trade, or otherwise release or disclose any personal information about you. We will not disclose consumer information to any third party for use in telemarketing, direct mail or other marketing purposes.

- We limit the sharing of nonpublic personal information about you with financial or non-financial companies, including companies affiliated with us, and other third parties to the following:
  - (i) We may share information when it is necessary or required to process a loan or other financial transaction;
  - (ii) We may share information when it is required or permitted by law, such as to protect you against fraud or in response to a subpoena;
  - (iii) We may disclose some or all of the information described above with:
    - (a) Companies that perform marketing services on our behalf; or
    - (b) Other financial institutions for the limited purpose of jointly offering, endorsing or sponsoring a financial product or service.

### **Confidentiality and Security Policy**

- We consider privacy to be fundamental to our relationship with clients. We are committed to maintaining the confidentiality, integrity and security of clients' personal information. Internal policies have been developed to protect this confidentiality, while allowing client needs to be served.
- We restrict access to personal information to authorized individuals who need to know this information to provide service and products for you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to protect your nonpublic personal information. We do not disclose this information about you or any former consumers or customers to anyone, except as permitted by law. The law permits us to share this information with our affiliates. The law also permits us to share this information with companies that perform marketing services for us, or other financial institutions that have joint marketing agreements with us.
- When we share nonpublic information referred to above, the information is made available for limited purposes and under controlled circumstances. We require third parties to comply with our standards for security and confidentiality. We do not permit use of consumer/customer information for any other purpose nor do we permit third parties to rent, sell, trade or otherwise release or disclose information to any other party.

**DANIEL J. DWYER / REAL ESTATE APPRAISER - CONSULTANT**

SUITE 300 128 STATE STREET AUGUSTA, MAINE 04330  
TELEPHONE (207) 623-2258 FAX (207) 623-2258  
EMAIL [dwyerassociates@midmaine.com](mailto:dwyerassociates@midmaine.com)

REAL ESTATE  
APPRAISER / ANALYST  
GENERAL ASSOCIATE APPRAISAL INSTITUTE  
MAINE LICENSED / GENERAL CERTIFIED

November 7, 2014

Dirigo Partners  
c/o Kenneth Freye  
79 Old Winthrop Road  
Augusta, ME 04330

**RENTAL RATE TRANSMISSION LINE CORRIDOR  
JOHNSON MOUNTAIN AND WEST FORKS PLANTATION PUBLIC RESERVED LAND**

Dear Mr. Freye:

At your request, I am pleased to submit a proposal for appraisal services concluding with an annual lease rental rate regarding a proposed transmission line corridor, being 300 FT wide and 5,071+/- FT in length traversing Public Reserved Land in Johnson Mountain and West Forks Plantation.

This appraisal will be prepared in conformance with the *Uniform Standards of Professional Appraisal Practice (2014/2015)*.

**Property Rights Appraised**

The legal interest to be determined is the annual lease rental rate of the Leased Fee Interest considering terms and conditions as outlined within a proposed lease agreement between Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands and Central Maine Power Company.

**Intended Use of Report**

The intended use of the appraisal report is to assist the Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands in estimating the annual lease rental rate of a proposed 300 FT wide and 5,071+/- FT transmission line corridor traversing Johnson Mountain Township and West Forks Plantation. There is no other intended use of this report.

Dwyer Associates  
128 State Street, Augusta, ME 04330  
H1410-01

100

**Intended Users of the Report**

The intended user of the appraisal report is the State of Maine Department of Agriculture, Conservation and Forestry Bureau of Parks and Lands.

**Scope of Work**

Dwyer Associates agrees to complete all work necessary to estimate the Market Value of an annual lease rental rate applicable to the Leased Fee Interest of the proposed corridor.

The undersigned will be responsible for furnishing all supervision, labor, equipment, tools and supplies required to perform this work.

Based on current schedule, this work should commence in early December 2014 with completion by the end of December 2014.

**Fee for Service**

The total fee to complete this assignment is \$5,500. An invoice for the total appraisal fee will be presented at the time of completion and immediate payment is requested.

As understood, two hard copies of the appraisal report as well as a single electronic copy will be provided to the client.

If you should have any additional questions, or if I can be of further assistance, please do not hesitate to contact this office.

Sincerely,

\_\_\_\_\_  
Daniel J. Dwyer

\_\_\_\_\_  
Date

## Koyanagi, Gayle

---

**From:** Jared des Rosiers <jdesrosiers@PierceAtwood.com>  
**Sent:** Wednesday, March 25, 2020 1:04 PM  
**To:** Abello, Thomas  
**Cc:** 'William Harwood'; Nora Healy; Anne O'Hanlon; Jared des Rosiers  
**Subject:** NECEC BPL Lease  
**Attachments:** Maine Dept. of Conservation BPL Lease (compared with Maine Dept. of Conservation BPL Lease 3-18-20)[11847631v1].PDF; Maine Dept. of Conservation BPL Lease 3-18-20[11836140v5].DOCX

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Tom:

We were asked to send to you our draft of a new BPL lease related to the NECEC. Attached is a clean version of the draft lease we have prepared as long with a comparison version showing our proposed changes as compared to the existing lease. The only changes concern 1) the new rent which we have left blank; 2) the assignment language to facilitate the necessary transfer of this lease from CMP to NECEC Transmission LLC as required by the PUC, and 3) a new description of the leased property based on a now completed survey (this is something that BPL and CMP had agreed to do in the original lease). We have shared these documents with Bill Harwood and copy Bill here. We envision having CMP and BPL execute an agreement terminating the old lease at the same time they enter the new lease.

Best regards,

Jared

**Jared S. des Rosiers**  
PIERCE ATWOOD LLP

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1390  
**FAX** 207.791.1350

[jdesrosiers@pierceatwood.com](mailto:jdesrosiers@pierceatwood.com)

[BIO >](#)

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

## Using Land Acquisitions for the New Corridor to Estimate a Potential Adjusted Lease Price

Corridor Counterparties	Transaction Type - Fee or Easement				Total Acres	\$/Acre
	Fee	Acres	Easement	Access <sup>4</sup>		
Carrier	\$425,019	170		\$424,000	170	\$5,000
Bay root			\$1,750,000		18	\$102,817
WeyCo	\$4,093,858	1,489	\$338,591	\$4,447,435	1,612	\$5,509
Longchamps & Sons	\$149,190	3		\$149,190	3	\$43,623
<b>Total</b>				\$11,703,093	1,803	<b>\$6,492</b>

*This is the blended average per acre cost for all corridor fees, easements and access roads.*

### Actual terms from the lease with the Bureau of Parks and Lands<sup>5</sup>

Length in miles	0.9
Area in acres	32.4
Land Value	\$29,000
Cap Rate	8.2%
Calculated Land Rent	\$2,378
Land Rent Rounded in Appraisal	\$2,500
Future Timber <sup>2</sup>	\$39,506
Future Timber/Year in Lease	\$1,183
Annual Lease	\$3,680

Used to convert value to an annual payment

Land Rent (\$2,500) + Future Timber (\$1,183)

### Lease rate assuming land value commensurate with the new corridor

Area in acres	32.4	BPL acreage
Land Value	\$210,332	Total \$/Acre of new corridor (\$6,492) X 32.4 Acres
Cap Rate	8.2%	Used BPL rate
Calculated Land Rent	\$17,247	
Land Rent Adjusted	\$18,132	Used same ratio as BPL in above calculation
Future Timber <sup>2</sup>		Included in the land value paid to landowners
Future Timber/Year in Lease		Included in the land value paid to landowners
Resulting Annual Lease	<b>\$18,132</b>	<b>BPL lease payment adjusted to reflect average cost of corridor acquisition.</b>

- 1 - Corridor acres are net of surplus land. Adding surplus lands will lower the per acre value.
- 2 - The value of standing and future timber is included in all the CMP fee and easement acquisition costs. The 2015 BPL lease includes only the value of lost growth.
- 3 - 300-foot wide corridor except across Merrill Strip, which is 150 feet wide.
- 4 - Additional payments made to the landowner to allow for access roads to the corridor.
- 5 - From "Appraisal of Rental Rate, 300 Ft Wide Utility Corridor, Johnson Mountain & West Forks Plantation, Public Reserved Land, Somerset County, Maine" by Dwyer Associates, January 9, 2015.

## Koyanagi, Gayle

---

**From:** Jared des Rosiers <jdesrosiers@PierceAtwood.com>  
**Sent:** Wednesday, March 25, 2020 1:04 PM  
**To:** Abello, Thomas  
**Cc:** 'William Harwood'; Nora Healy; Anne O'Hanlon; Jared des Rosiers  
**Subject:** NECEC BPL Lease  
**Attachments:** Maine Dept. of Conservation BPL Lease (compared with Maine Dept. of Conservation BPL Lease 3-18-20)[11847631v1].PDF; Maine Dept. of Conservation BPL Lease 3-18-20[11836140v5].DOCX

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Tom:

We were asked to send to you our draft of a new BPL lease related to the NECEC. Attached is a clean version of the draft lease we have prepared as long with a comparison version showing our proposed changes as compared to the existing lease. The only changes concern 1) the new rent which we have left blank; 2) the assignment language to facilitate the necessary transfer of this lease from CMP to NECEC Transmission LLC as required by the PUC, and 3) a new description of the leased property based on a now completed survey (this is something that BPL and CMP had agreed to do in the original lease). We have shared these documents with Bill Harwood and copy Bill here. We envision having CMP and BPL execute an agreement terminating the old lease at the same time they enter the new lease.

Best regards,

Jared

**Jared S. des Rosiers**  
PIERCE ATWOOD LLP

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1390  
**FAX** 207.791.1350

[jdesrosiers@pierceatwood.com](mailto:jdesrosiers@pierceatwood.com)

[BIO](#)

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

**TRANSMISSION LINE LEASE**  
**BETWEEN**  
**DEPARTMENT OF AGRICULTURE, CONSERVATION AND**  
**FORESTRY**  
**BUREAU OF PARKS AND LANDS**  
**and CENTRAL MAINE POWER COMPANY**

---

This Lease Agreement is made by and between the State of Maine, by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry (hereinafter called the "Lessor"), acting pursuant to the provisions of Title 12 M.R.S.A. §1852(4), and Central Maine Power Company, a Maine corporation with its principal place of business at 83 Edison Drive, Augusta, Maine (hereinafter called "Lessee"). For the considerations hereinafter set forth, the Lessor hereby leases to Lessee, and Lessee hereby takes from the Lessor, the non-exclusive use of that portion of the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein, being a three hundred (300) foot wide by approximately one mile long transmission line corridor located on a portion of the aforementioned Maine Public Reserved Lands. The described transmission line corridor, together with the improvements now or hereafter to be placed thereon, is hereinafter referred to as the "Property" or "Premises," and is subject to the following terms and conditions:

1. Term:
  - a. This lease shall be in effect from the date of execution of this instrument for a term of twenty-~~five (25)~~ (20) years and, at no less than 5 year intervals, the term of this lease may be extended by mutual agreement for additional years as will grant Lessee a remaining lease term totaling no more than twenty-five (25) years, so long as Lessee is in compliance with the conditions of this lease. Lessee shall not request a lease term extension any more often than once every five years. Notice of any lease extension shall be given to Lessor at least six (6) months prior to the expiration of any initial term or renewal period.
  - b. Lessor reserves the right to terminate this Lease at any time during the term hereof to the extent permitted under the provisions contained in paragraph 13 Default.
  - c. Lessee has the right to terminate this Lease upon at least ninety (90) days prior written notice to Lessor, or such lesser notice period as agreed to by Lessor in writing.
  - d. Any notice required by this paragraph, whether by Lessee or Lessor, shall be sent postage pre-paid, registered or certified mail, return receipt requested, to the party at the address set forth in paragraph 24.
2. Rent. Lessee shall pay to the Lessor rental as follows:

An annual payment of \$1,400.00. The first payment shall be due on the date of execution of this lease (the "Initial Payment") and subsequent annual payments shall be made on or before December first of each following year. ~~Lessor or Lessee may, within the first twelve months of the lease and at either Lessor's or Lessee's sole discretion, commission an appraisal of the Premises. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee agrees to pay any additional value above the Initial Payment indicated by the appraisal and the cost of the appraisal.~~ The annual payment shall be adjusted each year in an amount not to exceed the average increase in the Consumer Price Index as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period.

~~In addition, Lessee shall pay to Lessor the negotiated price of the timber present on the Premises based on mill scale and stumpage value at time the corridor is harvested for the construction of the utility corridor.~~

3. Use. The Property shall be used by the Lessee as follows: to erect, construct, reconstruct, replace, remove, maintain, operate, repair, upgrade, and use poles, towers, wires, switches, and other above-ground structures and apparatus used or useful for the above-ground transmission of electricity ("Facilities"), all as the Lessee, its successors and assigns, may from time to time require upon, along, and across said Property; to enter upon the Property at any time with personnel and conveyances and all necessary tools and machinery to maintain the Premises and facilities; the non-exclusive right of ingress to and egress from the Premises over and across the land of the Lessor; to transmit electricity and communication, as conditioned below, over said wires, cables, or apparatus installed on Lessee's facilities. Lessee shall own all communication facilities and such facilities shall be for Lessee's use in its business as a public utility. In the event Lessee desires to provide capacity to others on Lessee's communication facilities, Lessee shall first obtain Lessor's written approval, which shall not be unreasonably withheld. Lessor may adjust the rent at such time as Lessee provides communication capacity to others. The rent adjustment is to be determined by an appraisal paid for by Lessee. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee shall not sub-lease or contract the communication facilities for any other commercial use. The Lessor further grants to said Lessee the right to establish any and all safety and reliability regulations applicable to said transmission line corridor which said Lessee deems necessary and proper for the safe and reliable construction and maintenance of said structures, wires, and apparatus and for the transmission of electricity.
4. Quiet Enjoyment. So long as Lessee pays the rent, performs all of its non-monetary obligations, and otherwise complies with the provisions of this Lease, the Lessee's possession of the Premises for its intended use will not be disturbed by the Lessor, its successors and assigns except as otherwise provided under the terms of this Lease. Notwithstanding any provision to the contrary herein, Lessor reserves the right to enter onto the Premises at any time and from time to time to inspect the Premises.
5. Access:
  - a. It is agreed by the parties to this Lease that Lessor is under no obligation to construct or maintain access to the Premises, notwithstanding any provisions of any federal, state and local law to the contrary. However, the Lessee shall be allowed to cross Lessor's abutting land by using Lessor's Forest Management Roads for access to the Premises for construction, maintenance and repairs, subject to reasonable restrictions and regulations imposed by Lessor, and the rights of others using said roads. Upon reasonable advance notice to Lessee, Lessor reserves the right to close, lock or otherwise restrict access along or through the Forest Management Roads at any time it appears reasonably necessary to protect the safety of persons or property. Such situations include, but are not limited to, spring mud season or periods of high fire danger. Lessee shall immediately repair any

damage to the road caused by Lessee. Lessor is under no obligation to provide maintenance to the road. If Lessee wishes to undertake performing repairs or upgrades to the Forest Management Roads, Lessee must acquire prior written approval from Lessor. Lessee shall acquire prior written approval for the construction or use of any other access location across Lessor's land abutting the Premises which approval shall not be unreasonably withheld, delayed, or conditioned.

- b. The Lessor expressly reserves the right for itself or its guests, servants, or agents to pass and repass over the described Premises at any and all times with machinery and equipment necessary for the operation or conduct of Lessor's uses as such uses may from time to time exist, provided that: said uses will comply with the above referenced safety regulations and any applicable state law, and will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies; that the Lessor shall provide Lessee with at least three business days prior written notice if Lessor will be on the Premises with construction or logging equipment; and that such use will not unreasonably interfere with the rights of Lessee herein conveyed.
6. Lessee Covenants. The Lessee covenants as follows:
- a. No buildings, either permanent or temporary, may be constructed or placed upon the described Premises, except temporary structures during construction of the Facilities, such as field trailers.
  - b. Crossing mats for stream or wetland crossings shall not be made of ash or hemlock, so as to avoid introduction of invasive pests associated with these species.
  - c. No hazardous or toxic waste substance or material, residual pesticides or fertilizers, other than organic compost, shall be used or kept upon the Premises or any portion thereof, nor shall any livestock or poultry be kept temporarily or permanently thereon. Pesticides, herbicides, and chemical defoliant registered for use in Maine may be applied to the Premises only after acquiring prior written approval from Lessor and only by trained applicators working under the supervision of applicators licensed by the State of Maine in formulations and dosages approved by the Environmental Protection Agency and Lessor. One month prior to all pesticide applications, Lessee shall provide information to Lessor, including, but not limited to pesticides, herbicides, and chemical defoliant to be used, dates and methods of application, application locations and reasons for use.
  - d. There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.
  - e. There shall be no vegetation maintenance or disturbance within a 50-foot radius around the high water boundary of a significant vernal pool from March 15 - July 15; provided, however, that Lessee may take all appropriate actions with regards to vegetation management to ensure that Lessee is in compliance with all federal and state laws, rules and regulations imposed upon Lessee as the owner and operator of the Facilities.
  - f. Lessee shall not make any strip or waste of the Leased Premises or of any other lands of Lessor. Vegetation clearing within the Leased Premises for Lessee's Facilities shall be limited to standards approved by the Maine Public Utilities Commission and shall encourage a ground cover of woody species with a maximum mature height approaching but not exceeding 15 feet. Lessee shall make every effort to minimize

clearings and cutting of vegetation.

- g. Lessee acknowledges that lease of the Premises by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry is unique, and that in authorizing the Lease under 12 M.R.S. § 1852(4)(A), Lessor requires that Lessee shall make every reasonable effort within the leased Premises to be in conformance with the Maine Department of Inland Fisheries and Wildlife "Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects", "Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects", and "Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects", all dated March 26, 2012, which copies are attached to this lease, or the publication's most current version.
- h. Lessee shall not kindle any outside fires on the Premises or any other land of the Lessor, except in accordance with applicable federal, state and local regulations, and hereby agrees to assist with any means at Lessee's disposal in putting out fires occurring on the Premises or adjacent areas, and to report promptly such fires to Lessor or its representative and to the appropriate authorities.
- i. Lessee agrees to maintain the Premises in a neat and sanitary manner and to provide for proper disposal of all garbage, trash, septic (for purposes of this Lease, "septic" shall mean, but is not limited to, sewage, wash water, black water, gray water and slop water), and other waste in compliance with all applicable federal, state and local laws and in a manner so as not to be objectionable or detract from the aesthetic values of the general area. Lessee shall not discharge any untreated or partially treated sewage or other waste materials directly or indirectly into any body of water including but not limited to, any wetland, stream, river, lake, pond, or groundwater. In addition, Lessee covenants that it bears the responsibility for any noncompliance with all federal, state and local laws and regulations governing septic and other waste disposal resulting from Lessee's activities and Lessee shall indemnify and hold harmless Lessor from and against any and all actions, suits, damages and claims by any party by reason of noncompliance by Lessee with such laws and regulations. Such indemnification shall include all Lessor's costs, including, but not limited to reasonable attorney fees.
- j. No non-forest waste including, but not limited to, broken equipment, spilt fuels, fluids and lubricants, fluid and lubricant containers, equipment parts, tires, debris, garbage, or trash shall be deposited, discharged, dumped or buried upon the Premises. Forest woody waste (e.g., wood chips and stumps) may be disposed of on the premises, but may not be disposed of in piles. Stumps shall be buried in "stump dump" holes, except that small numbers of stumps (four or less) may be left aboveground. All non-forest waste shall be disposed of legally and not on property of Lessor.
- k. Lessee shall not build permanent roads on the Premises without obtaining prior specific written permission from the Lessor; provided, however, that Lessee may construct a minimal number of temporary roads and trails to facilitate the construction of the transmission line (tree clearing, pole setting, wiring). At the time construction is completed, all temporary roads and trails shall be dismantled and put to bed or converted to permanent access trails. All access trails shall be built to Best Management Practices (BMP) standards as shown in the "Maine Motorized Trail Construction and Maintenance Manual" written by the Bureau of Parks and Lands Off-Road Vehicle Division, dated May 2011 and all roads shall be built pursuant to those Best Management Practices (BMPs) standards

pertaining to forest management and road construction practices set forth in the publication entitled, "Best Management Practices for Forestry: Protecting Maine's Water Quality," prepared by the Maine Department of Agriculture, Conservation and Forestry, Maine Forest Service, in such publication's most current version at the time of the grant of this lease, and as the same may be further amended, supplemented or replaced after the date of the execution of this lease.

Prior to start of construction, lessee shall provide an Access and Maintenance Plan to Lessor for review and approval. This plan shall provide details and maps on proposed roads, permanent and temporary, access points, temporary trails, inspection, and maintenance access, and descriptions of any proposed bridges, temporary or permanent.

- l. Natural Plant Community, wetland and Significant Vernal Pool field surveys of the Premises must be conducted by Lessee or Lessee's designee prior to any construction on the Premises. Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife a copy of all completed surveys before commencing any construction on the Premises.

m. Lessee shall be in compliance with all Federal, State and local statutes, ordinances, rules, and regulations, now or hereinafter enacted which may be applicable to Lessee in connection to its use of the Premises. Lessee further shall not construct, alter or operate the described Premises in any way until all necessary permits and licenses have been obtained for such construction, alteration or operation. Lessee shall provide written confirmation that Lessee has obtained all material permits and licenses to construct and operate the Facilities. Lessee shall furnish Lessor with copies of all such permits and licenses, together with renewals thereof to Lessor upon the written request of Lessor. This lease shall terminate at the discretion of the Lessor for failure of Lessee to obtain all such required permits. Prior to such termination, however, Lessor shall provide written notice to Lessee of such failure and Lessee shall have 30 days in which to cure such failure.

- n. In the event of the following:

- a) Lessee constructs an electric transmission line on the Premises; and
- b) Lessee has determined, in its sole discretion, to rebuild the existing transmission line (the "Jackman Tie Line") located on that part of the existing 100-foot wide utility corridor described in a lease dated July 9, 1963 and recorded in the Somerset County Registry of Deeds, Book 679, Page 37 (the "Jackman Tie Line Lease") that is located westerly of the Premises and easterly of Route 201; and
- c) Lessee receives all permits and regulatory approvals necessary to rebuild the line in such new location including, but not limited to, approvals of the Maine Public Utilities Commission and the Maine Department of Environmental Protection; then
- d) Lessee agrees to relocate said Jackman Tie Line from the above described portion of the Jackman Tie Line Lease to a location on the Premises and such other corridor as acquired by the Lessee from others. Upon completion of any such relocation of the Jackman Tie Line or its functional replacement pursuant to this section and removal of Lessee's facilities from that portion of the Jackman Tie Line Lease lying westerly of the Premises, Lessor and Lessee agree to amend the Jackman Tie Line Lease to delete from the lease area that portion of the Jackman Tie Line Lease lying westerly of the Premises. All other terms and conditions of the Jackman Tie Line Lease shall remain in full force and effect.

The term "rebuild" as used in this paragraph, shall not include routine repair or replacement of poles, crossarms, insulators, braces or conductor.

7. Liability and Insurance.

- a. Lessee shall without unreasonable delay inform Lessor of all risks, hazards and dangerous conditions caused by Lessee which are outside of the normal scope of constructing and operating the Facilities of which Lessee becomes aware of with regards to the Premises. Lessee assumes full control of the Premises, except as is reserved by Lessor herein, and is responsible for all risks, hazards and conditions on the Premises caused by Lessee.
- b. Except for the conduct of Lessor and Lessor's guests and agents, Lessor shall not be liable to Lessee for any injury or harm to any person, including Lessee, occurring in or on the Premises or for any injury or damage to the Premises, to any property of the Lessee, or to any property of any third person or entity. Lessee shall indemnify and defend and hold and save Lessor harmless, including, but not limited to costs and attorney fees, from: (a) any and all suits, claims and demands of any kind or nature, by and on behalf of any person or entity, arising out of or based upon any incident, occurrence, injury, or damage which shall or may happen in or on the Premises that is caused by the Lessee or its Agents; and (b) any matter or thing arising out of the condition, maintenance, repair, alteration, use, occupation or operation of the Premises, the installation of any property thereon or the removal of any property therefrom that is done by the Lessee or its Agents. Lessee shall further indemnify Lessor against all actions, suits, damages, and claims by whoever brought or made by reason of the nonobservance or nonperformance of Lessee or its Agents of: (a) any obligation under this Lease; or (b) any federal, state, local law or regulation pertaining to Lessee's use of the Premises.
- c. The Lessee shall obtain and keep in force, for the duration of this lease, a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Lease with adequate liability coverage over at least one million dollars for each occurrence and two million dollars in annual aggregate in general commercial liability coverage to protect the Lessee and the Lessor from suits for bodily injury and damage to property. Nothing in this provision, however, is intended to waive the immunity of the Lessor. Upon execution of this Lease, the Lessee shall furnish the Lessor with a certificate of insurance as verification of the existence of such liability insurance policy.

8. Lessee's Liability for Damages. Lessee shall be responsible to Lessor for any damages caused directly or indirectly by Lessee or its guests, servants or agents, including, but not limited to, interference or meddling with any tools, machinery, equipment, gates, buildings, furniture, provisions or other property of the Lessor on the Premises, its agents, employees or guests.

9. Tax Proration. Lessee shall pay when due all taxes levied on the personal property and improvements constructed by Lessee and located on the Premises. Lessor shall be responsible for any real property taxes levied on the Premises based on unimproved land. Lessor shall have no ownership or other interest in any of the Facilities on the Property and Lessee may remove any or all of the Facilities at any time.

10. Lease Assignment. Sublease and Colocation: Lessee shall not assign or sublease in whole or part without prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessor may lease the Premises for other compatible uses and colocation of other utilities so long as such

rights do not extend to access to the Facilities, said uses will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies, and such use will not interfere with the rights herein conveyed, including the right to build such additional Facilities as may be accommodated on the Premises using transmission line spacing standards approved by the Maine Public Utilities Commission. Notwithstanding the forgoing, Lessee may assign its interest in this Lease to NECEC Transmission LLC, a Delaware limited liability company (“NECEC”) without Lessor consent, so long as Lessee gives written notice of such assignment to Lessor, together with a copy of the executed assignment, and so long as the assignment expressly provides that NECEC has assumed all of the Lessee’s obligations under this Lease. Upon delivery of such notice and such executed assignment, Central Maine Power Company shall be released from any obligations under this Lease from and after the effective date of such assignment. NECEC is related to Lessee and under common ownership with Lessee.

11. Lessee's Removal of Structures: Lessee must obtain Lessor's advance written consent, which consent shall not be unreasonably withheld, delayed, or conditioned, to the method of removal before any structures or improvements are removed from the Premises.
12. Surrender. Upon termination of this Lease for any reason, Lessee shall deliver the Premises to Lessor peaceably, without demand, and in reasonably good condition clear of all trash and debris, unusable equipment, unregistered vehicles and abandoned equipment and structures, located on the Premises by Lessee or its Agents. If such trash and debris and other unusable equipment, unregistered vehicles, and abandoned equipment and structures are not removed within one hundred eighty days (180) days of the termination of this Lease, the Lessor shall thereafter have the right to remove it and Lessee shall reimburse Lessor for the costs of such removal and disposal. Any other personal property, fixture, or structure on the Premises belonging to Lessee shall be removed by Lessee, unless Lessor requests in writing, that the other personal property, fixture, or structure may remain and Lessee agrees in writing not to remove it. If the Lessee fails to remove such other personal property, fixture, or structure such items shall be deemed the property of the Lessor two hundred and ten days (210) days after termination of the Lease and the Lessor shall thereafter have the right to remove it and charge the Lessee with the costs of such removal and disposal. In the event that any of this other personal property, fixtures, or structures on the Premises are incapable of being removed within one hundred eighty days (180) days, Lessee may be allowed up to one year to remove the items, with prior written approval from Lessor, which approval shall not be unreasonably, delayed, or conditioned. Any holding over by Lessee without Lessor's prior written consent shall be considered a tenancy at sufferance.
13. Default.
  - a. The following constitutes a default under this Lease: (1) Lessee's failure to perform any of its monetary or nonmonetary obligations under this Lease; (2) the filing of any bankruptcy or insolvency petition by or against Lessee or if Lessee makes a general assignment for the benefit of creditors which is not resolved or withdrawn within 30 days of such petition being filed; (3) an execution, lien, or attachment issued against the Lease, the Premises, or Lessee's property on the Premises, unless Lessee provides Lessor with satisfactory assurances and evidence that such execution, lien, or attachment will be released within a reasonable time not to exceed ninety (90) days, unless a shorter period of time is provided for by any applicable law or proceeding for the removal thereof, in which case the more restrictive time limitation applies; (4) the assignment or sublease of this lease to any third party without Lessor's prior written consent; or (5) the violation of any state, federal or local law, rule, regulation, or ordinance; or (6) Lessee's abandonment of the leased premises.
  - b. Upon the occurrence of any such event of default and subject to any applicable cure period

as defined in paragraph 6(m), above, Lessor may, in addition to (and not instead of) any other remedies available at law or in equity, terminate this lease with notice or demand to Lessee and enter and take possession of the leased premises. Lessee shall be liable to Lessor for loss and expense, including reasonable attorney fees, incurred by reason of such default or termination hereof. Lessor will provide Lessee with written notice of an event or occurrence of default under paragraph 13(a)(l) and Lessee shall have a reasonable period of time, as determined by Lessor, to cure said default which period shall not exceed thirty (30) days; provided, however, that if Lessee satisfies to Lessor that Lessee has undertaken the appropriate actions to cure said default and such default has not been cured within the said time permitted, the Lessor may exercise its sole discretion to extend the cure period .

14. Statutory Authority Over Public Lands. Lessor shall have the right to request that this Lease be amended from time to time and throughout the term of this lease in the event that any Lease term is found not to comply with Mainestate law regarding the lease of property under 12 M.R.S. § 1852(4). Lessor shall send notice to Lessee of the proposed revision. Upon receipt of such notice, Lessee shall have the option to either terminate the Lease by notifying Lessor in writing within thirty (30) days of receipt of notice or negotiate an amendment to the Lease in order to bring such term in compliance with said state law. Except as provided in this Lease, neither Party shall have the right to terminate this lease unless the resulting non-compliance constitutes a default under Section 13 hereof, in which case Section 13 shall govern.
15. Mechanics Lien. If any notice is filed at the county registry of deeds of a builder's, supplier's or mechanic's lien on the Premises, arising out of any work performed by or on behalf of Lessee, Lessee shall cause such lien to be discharged or released immediately and shall indemnify Lessor against any such claim or lien, including all costs and attorney fees that Lessor may incur in connection with the same.
16. Succession; No Partnership. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of the parties hereto. Nothing in this agreement shall be construed to create an association, joint venture, trust or partnership covenant, obligation, or liability on or with regards to any of the parties to this agreement.
17. Waiver. Any consent, express or implied, by Lessor to any breach by Lessee of any covenant or condition of this Lease shall not constitute a waiver by the Lessor of any prior or succeeding breach by Lessee of the same or any other covenant or condition of this Lease. Acceptance by Lessor of rent or other payment with knowledge of a breach or default by Lessee under any term on this Lease shall not constitute a waiver by Lessor of such breach or default.
18. Force Majeure. Except as expressly provided herein, there shall be no abatement, diminution, or reduction of the rent or other charges payable by Lessee hereunder, based upon any act of God, any act of the enemy, governmental action, or other casualty, cause or happening beyond the control of the parties hereto.
19. Eminent Domain. In the event that the Premises or any portion thereof shall be lawfully condemned or taken by any public authority, Lessor may, in its discretion, elect either: (a) to terminate the Lease; or (b) to allow this Lease to continue in effect in accordance with its terms, provided, however, that a portion of the rent shall abate equal to the proportion of the Premises so condemned or taken. All condemnation proceeds shall be Lessor's sole property without any

offset for Lessee's interests hereunder.

20. Holding Over. If Lessee holds over after the termination of this Lease, said hold over shall be deemed to be a trespass.
21. Lessor Protection. Lessor expressly retains and nothing contained herein shall be construed as a release or limitation by Lessor of any and all applicable liability protections under Maine law. Lessor specifically retains any and all protections provided under Maine law to owners of land, including but not limited to those provided under the Maine Tort Claims Act, 14 M.R.S.A. §§ 8101-8118.
22. Cumulative Remedies. The remedies provided Lessor by this Lease are not exclusive of other remedies available by current or later existing laws.
23. Entire Agreement. This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Lessor and Lessee governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth. Except as herein provided, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon the Lessor or Lessee unless and until reduced to writing and signed by both parties.
24. Notices. All notice, demands, and other communications required hereunder shall be in writing and shall be given by first class mail, postage prepaid, registered or certified mail, return receipt requested; if addressed to Lessor, to:  
    **State of Maine**, Department of Agriculture, Conservation and Forestry, Division of Parks and Lands,  
    22 State House Station, Augusta, ME 04333-0022, Attn: Director;  
and if to Lessee, to;  
    **Central Maine Power Company**, Real Estate Services  
    83 Edison Drive, Augusta, Maine 04364, Attn. Supervisor, Real Estate
25. General Provisions:
  - a. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Maine.
  - b. Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision. To the extent any provision herein is inconsistent with applicable state statute, the statute is deemed to govern.
  - c. Paragraph Headings. The paragraph titles herein are for convenience only and do not define, limit, or construe the contents of such paragraph.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written. For purposes of this Lease, a facsimile signature shall be deemed an original

Lessor:

**STATE OF**  
~~MAINE~~ MAINE  
Department of Agriculture, Conservation, and Forestry  
Bureau of Parks and Lands

By: \_\_\_\_\_

Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Witness:

Lessee:

**CENTRAL MAINE POWER COMPANY**

By: \_\_\_\_\_

Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Witness:

## **EXHIBIT A**

Leased Premises  
Department of Agriculture, Conservation and Forestry  
Bureau of Parks and Lands and  
Central Maine Power Company

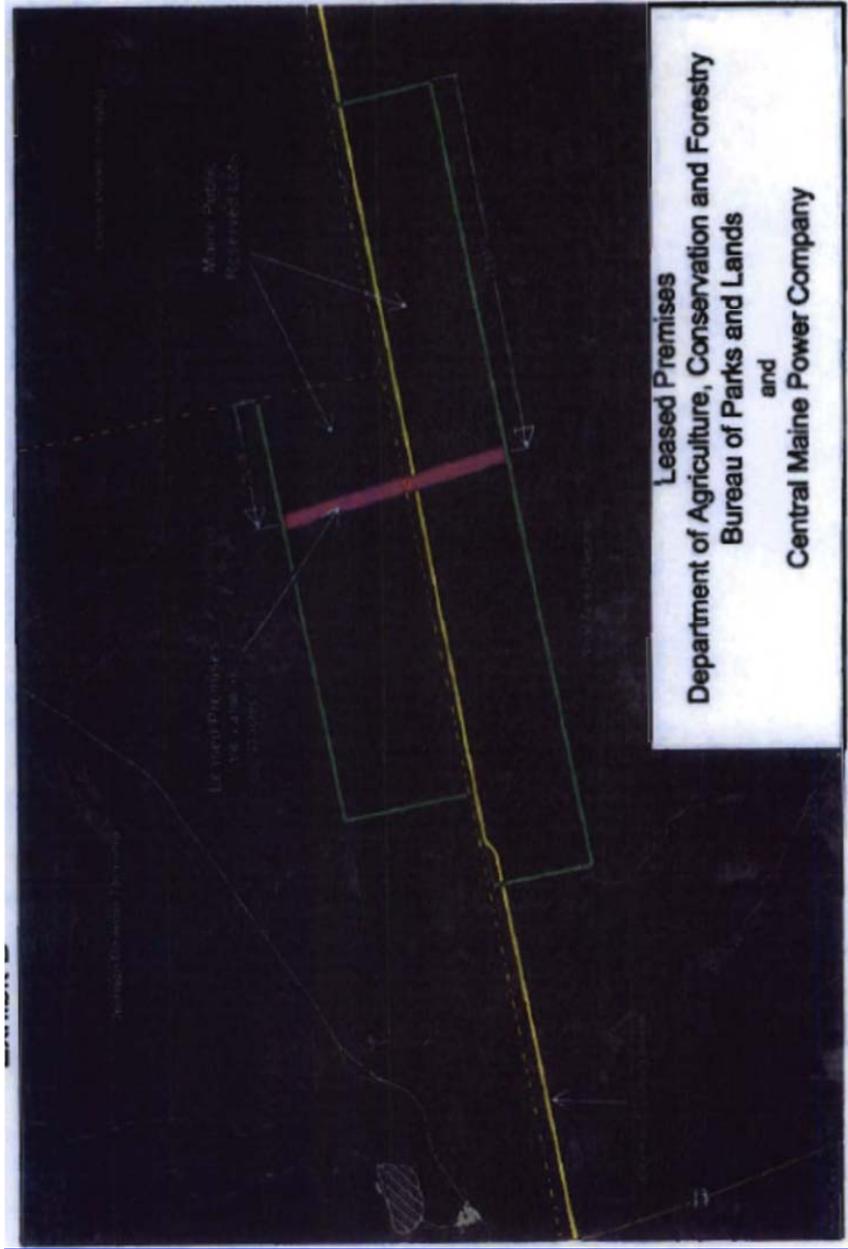
A non-exclusive lease over a portion of the Lessor's land located in Johnson Mountain Township (T2 R6 BKP WKR), and West Forks Plantation, Somerset County, Maine, more particularly described as follows:

A strip of land 300 feet in width beginning at the southerly line of the Maine Public Reserved Lot located on the northerly line of West Forks Plantation ~~and extending northerly a distance of 4700 feet, more or less, to the northerly line of the Maine Public Reserved Lot located on the common line between West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR). The centerline of said strip beginning at a point on the southerly line of the Lessor's land at a point that is 7,500 feet westerly of the southeasterly corner of said Lot in West Forks Plantation; thence on a bearing of 342.2 degrees a distance of 4,700 feet, more or less, to a point on the northerly line of said Lot in Johnson Mountain Township, said point being 2640 feet, more or less, westerly of the northeast corner of said Lot and the east line of Johnson Mountain Township; said leased area containing 33 acres, more or less (the "Leased Premises").~~ 3/4" iron rebar that is the northwest corner of an easement conveyed by Weyerhaeuser Company to Central Maine Power Company in a deed dated November 17, 2016 and recorded in the Somerset County Registry of Deeds in Book 5099, Page 247;  
thence N °17-05'29" W across the land of the Lessor a distance of 4702.99 feet, more or less, to a 3/4" iron rebar on the northerly line of the Maine Public Reserved Lot located in Johnson Mountain, said iron rebar also being the southwesterly corner of an easement conveyed to Central Maine Power Company by Weyerhaeuser Company in a deed dated November 17, 2016 and recorded in said Registry in Book 5099, Page 237;  
thence N 78°-58'-32" E along the north line of said Johnson Mountain lot a distance of 301.69 feet, more or less, to a 3/4" iron rebar at the southeast corner of said easement described in Book 5099, Page 237;  
thence S °17-05'29" E across land of the Lessor a distance of 4702.81 feet, more or less, to a 3/4" iron rebar at the southerly line of said West Forks Plantation lot and the northeast corner of said easement described in Book 5099, Page 247;  
thence S 78°-56'32" W along the southerly line of said West Forks Plantation lot a distance of 301.67 feet, more or less, to the point of beginning, said lease are containing 32.39 acres, more or less.  
Bearings are referenced to Grid North, Maine West Zone. For reference, see a survey by Sackett & Brake Survey, Inc. #2020076, dated March 23, 2020, to be recorded in said Registry.  
All above referenced iron rebars are capped with a red plastic cap inscribed "S.W. Gould PLS 2318".

Seller's Initials

---

EXHIBIT B



The description of the Leased Premises is based on a current conceptual design of the Lessee's proposed transmission

~~line corridor and may be subject to modification by Lessee to minimize impacts on environmentally sensitive areas. Lessor and Lessee agree that upon completion of environmental assessments, final engineering, and if applicable, any survey prepared by Lessee, Lessee will prepare a final description of the Leased Premises to be incorporated into this Lease. Lessor and Lessee further agree that the final alignment of the transmission line corridor will be substantially as described herein and any significant deviation from the above described line will be agreed to in writing by Lessor and Lessee.~~

## Exhibit B

Comparison Details	
Title	<b>compareDocs Comparison Results</b>
Date & Time	3/24/2020 6:37:53 PM
Comparison Time	1.68 seconds
compareDocs version	v4.3.200.37

Sources	
Original Document	[iManage][#11827972] [v1] Maine Dept. of Conservation BPL Lease.docx
Modified Document	[iManage][#11836140] [v5] Maine Dept. of Conservation BPL Lease 3-18-20.docx

Comparison Statistics	
Insertions	24
Deletions	9
Changes	3
Moves	0
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	36

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
<del>Deletions</del>	
<u>Moves / <del>Moves</del></u>	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True

## Koyanagi, Gayle

---

**From:** William Harwood <wharwood@verrill-law.com>  
**Sent:** Thursday, March 26, 2020 2:04 PM  
**To:** Abello, Thomas  
**Subject:** RE: Introduction - BPL lease questions-input

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Thanks, Tom.

---

### William S. Harwood PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 774-4000  
C (207) 233-1050  
F (207) 253-4703

[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)

The Verrill logo consists of the word "Verrill" in a bold, black, serif font, centered within a solid yellow rectangular background.

---

**From:** Abello, Thomas [mailto:Thomas.Abello@maine.gov]  
**Sent:** Thursday, March 26, 2020 12:41 PM  
**To:** William Harwood <wharwood@verrilldana.com>; Anthony Calcagni <acalcagni@verrilldana.com>; Cutko, Andy <Andy.Cutko@maine.gov>  
**Cc:** Burgess, Dan <Dan.Burgess@maine.gov>  
**Subject:** Introduction - BPL lease questions-input

Hello Andy, Bill, and Tony – I hope all is well with you all. Consider this an introduction. Andy is the Director of the Bureau of Parks and Lands. Bill and Tony are providing legal guidance/advice on a small handful of issues related to the NECEC transmission line and the state's work with HQ.

Andy: I know you are swamped right now, but I am hoping you might have some time in the next week or so to talk with Bill and Tony about the 2014 lease with CMP. The Governor is interested in taking another look at that lease, and is intent of getting the best deal possible for Maine.

I'll leave it to you three to find a time to talk. Please let me know if there's anything you need from me.

Best,  
Tom

Thomas Abello  
Senior Policy Advisor  
Natural Resources, Transportation  
Office of the Governor

State House Station 1  
Augusta, Me. 04333  
207-620-2168

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

## Koyanagi, Gayle

---

**From:** Anthony Calcagni <acalcagni@verrill-law.com>  
**Sent:** Thursday, March 26, 2020 3:43 PM  
**To:** Abello, Thomas; William Harwood; Cutko, Andy  
**Cc:** Burgess, Dan  
**Subject:** RE: Introduction - BPL lease questions-input

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Thanks Tom.

Andy, I look forward to speaking with you when you have a moment, on the proposed revisions for the new Transmission Line Lease, what may make sense for the revised Rent provisions, and anything else you think important. If you could forward a signed copy of the 2014 Lease that would be helpful, as I've just been going by Pierce Atwood's redlined copies. Tony

---

### **Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

The logo for Verrill, consisting of the word "Verrill" in a bold, black, serif font, centered within a yellow rectangular background.

---

**From:** Abello, Thomas [mailto:Thomas.Abello@maine.gov]  
**Sent:** Thursday, March 26, 2020 12:41 PM  
**To:** William Harwood <wharwood@verrilldana.com>; Anthony Calcagni <acalcagni@verrilldana.com>; Cutko, Andy <Andy.Cutko@maine.gov>  
**Cc:** Burgess, Dan <Dan.Burgess@maine.gov>  
**Subject:** Introduction - BPL lease questions-input

Hello Andy, Bill, and Tony – I hope all is well with you all. Consider this an introduction. Andy is the Director of the Bureau of Parks and Lands. Bill and Tony are providing legal guidance/advice on a small handful of issues related to the NECEC transmission line and the state's work with HQ.

Andy: I know you are swamped right now, but I am hoping you might have some time in the next week or so to talk with Bill and Tony about the 2014 lease with CMP. The Governor is interested in taking another look at that lease, and is intent of getting the best deal possible for Maine.

I'll leave it to you three to find a time to talk. Please let me know if there's anything you need from me.

Best,  
Tom

Thomas Abello  
Senior Policy Advisor  
Natural Resources, Transportation  
Office of the Governor  
State House Station 1  
Augusta, Me. 04333  
207-620-2168

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Anthony Calcagni](#)  
**To:** [Abello, Thomas](#); [Cutko, Andy](#)  
**Cc:** [Burgess, Dan](#); [William Harwood](#)  
**Subject:** RE: Introduction - BPL lease questions-input  
**Date:** Tuesday, March 31, 2020 4:23:29 PM  
**Attachments:** [image.png](#)  
[image.png](#)  
[image.png](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hello Andy. I went ahead and called Eben Adams, Esq. at Pierce Atwood, since they clearly are anxious to be moving forward on this new Transmission Line Lease. I explained I've not yet had the chance to speak with you, but I did get a few answers to some questions I had:

- Term (Lease Sec. 1.a): They are proposing to reduce the former 25-year initial term to 20 years, because they've basically been leasing the land for 5 years now, and wanted to avoid any assertion/argument that they are doing something sneaky here by getting an additional 5 years. I don't sense they feel very strongly about this, and that if the State prefers a 25 year term instead of 20 that will be fine.
- Rent (Sec. 2): Eben indicated they are waiting to hear from the State on an appropriate rent amount. He mentioned that there are other segments of this CMP utility corridor that are lease agreements (as opposed to perpetual easements), and that CMP already has provided valuation information to the State that is, in part, based on the other negotiated rents. Eben said he'd try to find and send to me the valuation information they already sent to you. Eben also mentioned that BPL presumably will not want to set a rent value here so high that it clearly is out of whack with what other (less controversial) utility lines would pay for an equivalent lease.
- Appraisal (Sec. 2): I asked why they deleted the former appraisal provision, since it might be helpful to have an independent appraiser back up the rent value actually agreed upon here for the new lease. Eben suggested that a legitimate appraisal likely would come back with a lower valuation than what we agreed upon here. I suggested that the appraisal provision can be clearly drafted like a "ratchet" so if the appraised value shows the agreed-upon rent is low then the rent is increased to the appraised value, and if the appraised value shows the agreed-upon rent is high then the rent stays at the agreed-upon amount. Eben went on to suggest that the valuation information they've already provided to the State contains the best "comparables" for rent here, so an appraisal should not be necessary at this point. (But I suspect they will work with us if you feel strongly about an appraisal, like with everything else here.)
- Timber (Sec. 2): I asked why they deleted the appraisal provision, and Eben said he thought the valuation information they've already provided accounts for the timber value (if there is any).
- Assignment to NECEC Transmission LLC (Sec. 10): I asked why they do not just start with NECEC Transmission LLC as the tenant, rather than starting with CMP (with the right to assign). Eben wasn't sure but seemed to think there was a good reason, he thought perhaps because no assets have been transferred to the LLC yet.
- Survey description (Exhibit A): just uses the more specific survey description for the leased

Premises, as expressly contemplated in the 2014 Lease.

I'm sure you're very busy, but let me know when you're ready to discuss these issues. Tony

P.S. If you happen to have or can get a Word version of the original 2014 Lease Agreement, that would be helpful, since Eben mentioned they had to scan a .pdf copy to create the version they sent to us.

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Anthony Calcagni

**Sent:** Thursday, March 26, 2020 3:43 PM

**To:** 'Abello, Thomas' <Thomas.Abello@maine.gov>; William Harwood <wharwood@verrilldana.com>; Cutko, Andy <Andy.Cutko@maine.gov>

**Cc:** Burgess, Dan <Dan.Burgess@maine.gov>

**Subject:** RE: Introduction - BPL lease questions-input

Thanks Tom.

Andy, I look forward to speaking with you when you have a moment, on the proposed revisions for the new Transmission Line Lease, what may make sense for the revised Rent provisions, and anything else you think important. If you could forward a signed copy of the 2014 Lease that would be helpful, as I've just been going by Pierce Atwood's redlined copies. Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



**From:** Abello, Thomas [<mailto:Thomas.Abello@maine.gov>]  
**Sent:** Thursday, March 26, 2020 12:41 PM  
**To:** William Harwood <[wharwood@verrilldana.com](mailto:wharwood@verrilldana.com)>; Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>; Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Cc:** Burgess, Dan <[Dan.Burgess@maine.gov](mailto:Dan.Burgess@maine.gov)>  
**Subject:** Introduction - BPL lease questions-input

Hello Andy, Bill, and Tony – I hope all is well with you all. Consider this an introduction. Andy is the Director of the Bureau of Parks and Lands. Bill and Tony are providing legal guidance/advice on a small handful of issues related to the NECEC transmission line and the state’s work with HQ.

Andy: I know you are swamped right now, but I am hoping you might have some time in the next week or so to talk with Bill and Tony about the 2014 lease with CMP. The Governor is interested in taking another look at that lease, and is intent of getting the best deal possible for Maine.

I’ll leave it to you three to find a time to talk. Please let me know if there’s anything you need from me.

Best,  
Tom

Thomas Abello  
Senior Policy Advisor  
Natural Resources, Transportation  
Office of the Governor  
State House Station 1  
Augusta, Me. 04333  
207-620-2168

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Anthony Calcagni](#)  
**To:** [Cutko, Andy](#)  
**Subject:** FW: CMP lease with BPL  
**Date:** Wednesday, April 1, 2020 11:03:49 AM  
**Attachments:** [image.png](#)  
[Lease Price - cmp - 2017-2020-3-4.xlsx](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Andy I assume you've seen this, but just in case you haven't. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>  
**Sent:** Wednesday, April 1, 2020 9:46 AM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

**Eben Adams**  
[PIERCE ATWOOD LLP](#)

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1175  
**FAX** 207.791.1350

[eadams@pierceatwood.com](mailto:eadams@pierceatwood.com)

**BIO** ▶

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is

privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**Using Land Acquisitions for the New Corridor to Estimate a Potential Adjusted Lease Price**

Corridor Counterparties	Transaction Type - Fee or Easement			Total Payments	Total Acres	\$/Acre
	Fee	Acres	Easement			
Carrier	\$425,019	170		\$849,019	170	\$5,000
Bay root	\$4,093,858	1,489	\$1,750,000	\$1,825,000	18	\$102,817
WeyCo	\$149,190	3	\$338,591	\$8,879,884	1,612	\$5,509
Longchamps & Sons				\$149,190	3	\$43,623
<b>Total</b>				<b>\$11,703,093</b>	<b>1,803</b>	<b>\$6,492</b>

This is the blended average per acre cost for all corridor fees, easements and access roads.

**Actual terms from the lease with the Bureau of Parks and Lands<sup>5</sup>**

Length in miles	0.9
Area in acres	32.4
Land Value	\$29,000
Cap Rate	8.2%
Calculated Land Rent	\$2,378
Land Rent Rounded in Appraisal	\$2,500
Future Timber <sup>2</sup>	\$39,506
Future Timber/Year in Lease	\$1,183
Annual Lease	\$3,680
	Land Rent (\$2,500) + Future Timber (\$1,183)

Used to convert value to an annual payment

**Lease rate assuming land value commensurate with the new corridor**

Area in acres	32.4
Land Value	\$210,332
Cap Rate	8.2%
Calculated Land Rent	\$17,247
Land Rent Adjusted	\$18,132
Future Timber <sup>2</sup>	
Future Timber/Year in Lease	
Resulting Annual Lease	<b>\$18,132</b>

**BPL lease payment adjusted to reflect average cost of corridor acquisition.**

- 1 - Corridor acres are net of surplus land. Adding surplus lands will lower the per acre value.
- 2 - The value of standing and future timber is included in all the CMP fee and easement acquisition costs. The 2015 BPL lease includes only the value of lost growth.
- 3 - 300-foot wide corridor except across Merrill Strip, which is 150 feet wide.
- 4 - Additional payments made to the landowner to allow for access roads to the corridor.
- 5 - From "Appraisal of Rental Rate, 300 Ft Wide Utility Corridor, Johnson Mountain & West Forks Plantation, Public Reserved Land, Somerset County, Maine" by Dwyer Associates, January 9, 2015.

## Koyanagi, Gayle

---

**From:** Anthony Calcagni <acalcagni@verrill-law.com>  
**Sent:** Thursday, April 2, 2020 3:17 PM  
**To:** Rodrigues, David  
**Subject:** RE: CMP lease with BPL  
**Attachments:** CMP BPL Lease redline 2020-03-18 (11847631v1)(13670230.1).pdf

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

---

### Anthony M. Calcagni PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Rodrigues, David <David.Rodrigues@maine.gov>  
**Sent:** Thursday, April 2, 2020 1:08 PM  
**To:** Anthony Calcagni <acalcagni@verrilldana.com>  
**Subject:** RE: CMP lease with BPL

That works fine Tony, I'll call you at 3:00, should I call the below #, is that your direct line?

T (207) 253-4516

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 1:00 PM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hi David. Nice to "meet" you. Could a call today @ 3pm work for you? Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>

**Sent:** Thursday, April 2, 2020 12:18 PM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** FW: CMP lease with BPL

Hi Tony,

Andy has asked me to touch base with you on this and answer any questions you may have or provide information you may need. I have attached the most recent LD1893 amendment that I have, in case you do not have it. I'm available any time today or tomorrow to talk on the phone if you have some time. Working from home and my phone # is 446-1747. Also attached is a word copy of the lease. If you want me to call you, let me know what would be a good time?

I worked on this lease back in 2014 and know this project and property very well.

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Sent:** Wednesday, April 01, 2020 11:09 AM

**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>

**Subject:** FW: CMP lease with BPL

FYI... I'll try to call you later today.

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Sent:** Wednesday, April 1, 2020 11:02 AM

**To:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Subject:** FW: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Andy I assume you've seen this, but just in case you haven't. Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Wednesday, April 1, 2020 9:46 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

<b>Eben Adams</b> PIERCE ATWOOD LLP	Merrill's Wharf 254 Commercial Street Portland, ME 04101	<b>PH</b> 207.791.1175 <b>FAX</b> 207.791.1350
<a href="mailto:eadams@pierceatwood.com">eadams@pierceatwood.com</a>	<b>BIO</b> ▶	
This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.		

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**TRANSMISSION LINE LEASE**  
**BETWEEN**  
**DEPARTMENT OF AGRICULTURE, CONSERVATION AND**  
**FORESTRY**  
**BUREAU OF PARKS AND LANDS**  
**and CENTRAL MAINE POWER COMPANY**

---

This Lease Agreement is made by and between the State of Maine, by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry (hereinafter called the "Lessor"), acting pursuant to the provisions of Title 12 M.R.S.A. §1852(4), and Central Maine Power Company, a Maine corporation with its principal place of business at 83 Edison Drive, Augusta, Maine (hereinafter called "Lessee"). For the considerations hereinafter set forth, the Lessor hereby leases to Lessee, and Lessee hereby takes from the Lessor, the non-exclusive use of that portion of the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein, being a three hundred (300) foot wide by approximately one mile long transmission line corridor located on a portion of the aforementioned Maine Public Reserved Lands. The described transmission line corridor, together with the improvements now or hereafter to be placed thereon, is hereinafter referred to as the "Property" or "Premises," and is subject to the following terms and conditions:

1. Term:
  - a. This lease shall be in effect from the date of execution of this instrument for a term of twenty-~~five (25)~~ (20) years and, at no less than 5 year intervals, the term of this lease may be extended by mutual agreement for additional years as will grant Lessee a remaining lease term totaling no more than twenty-five (25) years, so long as Lessee is in compliance with the conditions of this lease. Lessee shall not request a lease term extension any more often than once every five years. Notice of any lease extension shall be given to Lessor at least six (6) months prior to the expiration of any initial term or renewal period.
  - b. Lessor reserves the right to terminate this Lease at any time during the term hereof to the extent permitted under the provisions contained in paragraph 13 Default.
  - c. Lessee has the right to terminate this Lease upon at least ninety (90) days prior written notice to Lessor, or such lesser notice period as agreed to by Lessor in writing.
  - d. Any notice required by this paragraph, whether by Lessee or Lessor, shall be sent postage pre-paid, registered or certified mail, return receipt requested, to the party at the address set forth in paragraph 24.
2. Rent. Lessee shall pay to the Lessor rental as follows:

An annual payment of \$1,400.00. The first payment shall be due on the date of execution of this lease (the "Initial Payment") and subsequent annual payments shall be made on or before December first of each following year. ~~Lessor or Lessee may, within the first twelve months of the lease and at either Lessor's or Lessee's sole discretion, commission an appraisal of the Premises. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee agrees to pay any additional value above the Initial Payment indicated by the appraisal and the cost of the appraisal.~~ The annual payment shall be adjusted each year in an amount not to exceed the average increase in the Consumer Price Index as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period.

~~In addition, Lessee shall pay to Lessor the negotiated price of the timber present on the Premises based on mill scale and stumpage value at time the corridor is harvested for the construction of the utility corridor.~~

3. Use. The Property shall be used by the Lessee as follows: to erect, construct, reconstruct, replace, remove, maintain, operate, repair, upgrade, and use poles, towers, wires, switches, and other above-ground structures and apparatus used or useful for the above-ground transmission of electricity ("Facilities"), all as the Lessee, its successors and assigns, may from time to time require upon, along, and across said Property; to enter upon the Property at any time with personnel and conveyances and all necessary tools and machinery to maintain the Premises and facilities; the non-exclusive right of ingress to and egress from the Premises over and across the land of the Lessor; to transmit electricity and communication, as conditioned below, over said wires, cables, or apparatus installed on Lessee's facilities. Lessee shall own all communication facilities and such facilities shall be for Lessee's use in its business as a public utility. In the event Lessee desires to provide capacity to others on Lessee's communication facilities, Lessee shall first obtain Lessor's written approval, which shall not be unreasonably withheld. Lessor may adjust the rent at such time as Lessee provides communication capacity to others. The rent adjustment is to be determined by an appraisal paid for by Lessee. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee shall not sub-lease or contract the communication facilities for any other commercial use. The Lessor further grants to said Lessee the right to establish any and all safety and reliability regulations applicable to said transmission line corridor which said Lessee deems necessary and proper for the safe and reliable construction and maintenance of said structures, wires, and apparatus and for the transmission of electricity.
4. Quiet Enjoyment. So long as Lessee pays the rent, performs all of its non-monetary obligations, and otherwise complies with the provisions of this Lease, the Lessee's possession of the Premises for its intended use will not be disturbed by the Lessor, its successors and assigns except as otherwise provided under the terms of this Lease. Notwithstanding any provision to the contrary herein, Lessor reserves the right to enter onto the Premises at any time and from time to time to inspect the Premises.
5. Access:
  - a. It is agreed by the parties to this Lease that Lessor is under no obligation to construct or maintain access to the Premises, notwithstanding any provisions of any federal, state and local law to the contrary. However, the Lessee shall be allowed to cross Lessor's abutting land by using Lessor's Forest Management Roads for access to the Premises for construction, maintenance and repairs, subject to reasonable restrictions and regulations imposed by Lessor, and the rights of others using said roads. Upon reasonable advance notice to Lessee, Lessor reserves the right to close, lock or otherwise restrict access along or through the Forest Management Roads at any time it appears reasonably necessary to protect the safety of persons or property. Such situations include, but are not limited to, spring mud season or periods of high fire danger. Lessee shall immediately repair any

damage to the road caused by Lessee. Lessor is under no obligation to provide maintenance to the road. If Lessee wishes to undertake performing repairs or upgrades to the Forest Management Roads, Lessee must acquire prior written approval from Lessor. Lessee shall acquire prior written approval for the construction or use of any other access location across Lessor's land abutting the Premises which approval shall not be unreasonably withheld, delayed, or conditioned.

- b. The Lessor expressly reserves the right for itself or its guests, servants, or agents to pass and repass over the described Premises at any and all times with machinery and equipment necessary for the operation or conduct of Lessor's uses as such uses may from time to time exist, provided that: said uses will comply with the above referenced safety regulations and any applicable state law, and will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies; that the Lessor shall provide Lessee with at least three business days prior written notice if Lessor will be on the Premises with construction or logging equipment; and that such use will not unreasonably interfere with the rights of Lessee herein conveyed.
6. Lessee Covenants. The Lessee covenants as follows:
- a. No buildings, either permanent or temporary, may be constructed or placed upon the described Premises, except temporary structures during construction of the Facilities, such as field trailers.
  - b. Crossing mats for stream or wetland crossings shall not be made of ash or hemlock, so as to avoid introduction of invasive pests associated with these species.
  - c. No hazardous or toxic waste substance or material, residual pesticides or fertilizers, other than organic compost, shall be used or kept upon the Premises or any portion thereof, nor shall any livestock or poultry be kept temporarily or permanently thereon. Pesticides, herbicides, and chemical defoliant registered for use in Maine may be applied to the Premises only after acquiring prior written approval from Lessor and only by trained applicators working under the supervision of applicators licensed by the State of Maine in formulations and dosages approved by the Environmental Protection Agency and Lessor. One month prior to all pesticide applications, Lessee shall provide information to Lessor, including, but not limited to pesticides, herbicides, and chemical defoliant to be used, dates and methods of application, application locations and reasons for use.
  - d. There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.
  - e. There shall be no vegetation maintenance or disturbance within a 50-foot radius around the high water boundary of a significant vernal pool from March 15 - July 15; provided, however, that Lessee may take all appropriate actions with regards to vegetation management to ensure that Lessee is in compliance with all federal and state laws, rules and regulations imposed upon Lessee as the owner and operator of the Facilities.
  - f. Lessee shall not make any strip or waste of the Leased Premises or of any other lands of Lessor. Vegetation clearing within the Leased Premises for Lessee's Facilities shall be limited to standards approved by the Maine Public Utilities Commission and shall encourage a ground cover of woody species with a maximum mature height approaching but not exceeding 15 feet. Lessee shall make every effort to minimize

clearings and cutting of vegetation.

- g. Lessee acknowledges that lease of the Premises by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry is unique, and that in authorizing the Lease under 12 M.R.S. § 1852(4)(A), Lessor requires that Lessee shall make every reasonable effort within the leased Premises to be in conformance with the Maine Department of Inland Fisheries and Wildlife "Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects", "Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects", and "Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects", all dated March 26, 2012, which copies are attached to this lease, or the publication's most current version.
- h. Lessee shall not kindle any outside fires on the Premises or any other land of the Lessor, except in accordance with applicable federal, state and local regulations, and hereby agrees to assist with any means at Lessee's disposal in putting out fires occurring on the Premises or adjacent areas, and to report promptly such fires to Lessor or its representative and to the appropriate authorities.
- i. Lessee agrees to maintain the Premises in a neat and sanitary manner and to provide for proper disposal of all garbage, trash, septic (for purposes of this Lease, "septic" shall mean, but is not limited to, sewage, wash water, black water, gray water and slop water), and other waste in compliance with all applicable federal, state and local laws and in a manner so as not to be objectionable or detract from the aesthetic values of the general area. Lessee shall not discharge any untreated or partially treated sewage or other waste materials directly or indirectly into any body of water including but not limited to, any wetland, stream, river, lake, pond, or groundwater. In addition, Lessee covenants that it bears the responsibility for any noncompliance with all federal, state and local laws and regulations governing septic and other waste disposal resulting from Lessee's activities and Lessee shall indemnify and hold harmless Lessor from and against any and all actions, suits, damages and claims by any party by reason of noncompliance by Lessee with such laws and regulations. Such indemnification shall include all Lessor's costs, including, but not limited to reasonable attorney fees.
- j. No non-forest waste including, but not limited to, broken equipment, spilt fuels, fluids and lubricants, fluid and lubricant containers, equipment parts, tires, debris, garbage, or trash shall be deposited, discharged, dumped or buried upon the Premises. Forest woody waste (e.g., wood chips and stumps) may be disposed of on the premises, but may not be disposed of in piles. Stumps shall be buried in "stump dump" holes, except that small numbers of stumps (four or less) may be left aboveground. All non-forest waste shall be disposed of legally and not on property of Lessor.
- k. Lessee shall not build permanent roads on the Premises without obtaining prior specific written permission from the Lessor; provided, however, that Lessee may construct a minimal number of temporary roads and trails to facilitate the construction of the transmission line (tree clearing, pole setting, wiring). At the time construction is completed, all temporary roads and trails shall be dismantled and put to bed or converted to permanent access trails. All access trails shall be built to Best Management Practices (BMP) standards as shown in the "Maine Motorized Trail Construction and Maintenance Manual" written by the Bureau of Parks and Lands Off-Road Vehicle Division, dated May 2011 and all roads shall be built pursuant to those Best Management Practices (BMPs) standards

pertaining to forest management and road construction practices set forth in the publication entitled, "Best Management Practices for Forestry: Protecting Maine's Water Quality," prepared by the Maine Department of Agriculture, Conservation and Forestry, Maine Forest Service, in such publication's most current version at the time of the grant of this lease, and as the same may be further amended, supplemented or replaced after the date of the execution of this lease.

Prior to start of construction, lessee shall provide an Access and Maintenance Plan to Lessor for review and approval. This plan shall provide details and maps on proposed roads, permanent and temporary, access points, temporary trails, inspection, and maintenance access, and descriptions of any proposed bridges, temporary or permanent.

- l. Natural Plant Community, wetland and Significant Vernal Pool field surveys of the Premises must be conducted by Lessee or Lessee's designee prior to any construction on the Premises. Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife a copy of all completed surveys before commencing any construction on the Premises.

m. Lessee shall be in compliance with all Federal, State and local statutes, ordinances, rules, and regulations, now or hereinafter enacted which may be applicable to Lessee in connection to its use of the Premises. Lessee further shall not construct, alter or operate the described Premises in any way until all necessary permits and licenses have been obtained for such construction, alteration or operation. Lessee shall provide written confirmation that Lessee has obtained all material permits and licenses to construct and operate the Facilities. Lessee shall furnish Lessor with copies of all such permits and licenses, together with renewals thereof to Lessor upon the written request of Lessor. This lease shall terminate at the discretion of the Lessor for failure of Lessee to obtain all such required permits. Prior to such termination, however, Lessor shall provide written notice to Lessee of such failure and Lessee shall have 30 days in which to cure such failure.

- n. In the event of the following:

- a) Lessee constructs an electric transmission line on the Premises; and
- b) Lessee has determined, in its sole discretion, to rebuild the existing transmission line (the "Jackman Tie Line") located on that part of the existing 100-foot wide utility corridor described in a lease dated July 9, 1963 and recorded in the Somerset County Registry of Deeds, Book 679, Page 37 (the "Jackman Tie Line Lease") that is located westerly of the Premises and easterly of Route 201; and
- c) Lessee receives all permits and regulatory approvals necessary to rebuild the line in such new location including, but not limited to, approvals of the Maine Public Utilities Commission and the Maine Department of Environmental Protection; then
- d) Lessee agrees to relocate said Jackman Tie Line from the above described portion of the Jackman Tie Line Lease to a location on the Premises and such other corridor as acquired by the Lessee from others. Upon completion of any such relocation of the Jackman Tie Line or its functional replacement pursuant to this section and removal of Lessee's facilities from that portion of the Jackman Tie Line Lease lying westerly of the Premises, Lessor and Lessee agree to amend the Jackman Tie Line Lease to delete from the lease area that portion of the Jackman Tie Line Lease lying westerly of the Premises. All other terms and conditions of the Jackman Tie Line Lease shall remain in full force and effect.

The term "rebuild" as used in this paragraph, shall not include routine repair or replacement of poles, crossarms, insulators, braces or conductor.

7. Liability and Insurance.

- a. Lessee shall without unreasonable delay inform Lessor of all risks, hazards and dangerous conditions caused by Lessee which are outside of the normal scope of constructing and operating the Facilities of which Lessee becomes aware of with regards to the Premises. Lessee assumes full control of the Premises, except as is reserved by Lessor herein, and is responsible for all risks, hazards and conditions on the Premises caused by Lessee.
- b. Except for the conduct of Lessor and Lessor's guests and agents, Lessor shall not be liable to Lessee for any injury or harm to any person, including Lessee, occurring in or on the Premises or for any injury or damage to the Premises, to any property of the Lessee, or to any property of any third person or entity. Lessee shall indemnify and defend and hold and save Lessor harmless, including, but not limited to costs and attorney fees, from: (a) any and all suits, claims and demands of any kind or nature, by and on behalf of any person or entity, arising out of or based upon any incident, occurrence, injury, or damage which shall or may happen in or on the Premises that is caused by the Lessee or its Agents; and (b) any matter or thing arising out of the condition, maintenance, repair, alteration, use, occupation or operation of the Premises, the installation of any property thereon or the removal of any property therefrom that is done by the Lessee or its Agents. Lessee shall further indemnify Lessor against all actions, suits, damages, and claims by whoever brought or made by reason of the nonobservance or nonperformance of Lessee or its Agents of: (a) any obligation under this Lease; or (b) any federal, state, local law or regulation pertaining to Lessee's use of the Premises.
- c. The Lessee shall obtain and keep in force, for the duration of this lease, a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Lease with adequate liability coverage over at least one million dollars for each occurrence and two million dollars in annual aggregate in general commercial liability coverage to protect the Lessee and the Lessor from suits for bodily injury and damage to property. Nothing in this provision, however, is intended to waive the immunity of the Lessor. Upon execution of this Lease, the Lessee shall furnish the Lessor with a certificate of insurance as verification of the existence of such liability insurance policy.

8. Lessee's Liability for Damages. Lessee shall be responsible to Lessor for any damages caused directly or indirectly by Lessee or its guests, servants or agents, including, but not limited to, interference or meddling with any tools, machinery, equipment, gates, buildings, furniture, provisions or other property of the Lessor on the Premises, its agents, employees or guests.

9. Tax Proration. Lessee shall pay when due all taxes levied on the personal property and improvements constructed by Lessee and located on the Premises. Lessor shall be responsible for any real property taxes levied on the Premises based on unimproved land. Lessor shall have no ownership or other interest in any of the Facilities on the Property and Lessee may remove any or all of the Facilities at any time.

10. Lease Assignment. Sublease and Colocation: Lessee shall not assign or sublease in whole or part without prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessor may lease the Premises for other compatible uses and colocation of other utilities so long as such

rights do not extend to access to the Facilities, said uses will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies, and such use will not interfere with the rights herein conveyed, including the right to build such additional Facilities as may be accommodated on the Premises using transmission line spacing standards approved by the Maine Public Utilities Commission. Notwithstanding the forgoing, Lessee may assign its interest in this Lease to NECEC Transmission LLC, a Delaware limited liability company (“NECEC”) without Lessor consent, so long as Lessee gives written notice of such assignment to Lessor, together with a copy of the executed assignment, and so long as the assignment expressly provides that NECEC has assumed all of the Lessee’s obligations under this Lease. Upon delivery of such notice and such executed assignment, Central Maine Power Company shall be released from any obligations under this Lease from and after the effective date of such assignment. NECEC is related to Lessee and under common ownership with Lessee.

11. Lessee's Removal of Structures: Lessee must obtain Lessor's advance written consent, which consent shall not be unreasonably withheld, delayed, or conditioned, to the method of removal before any structures or improvements are removed from the Premises.
12. Surrender. Upon termination of this Lease for any reason, Lessee shall deliver the Premises to Lessor peaceably, without demand, and in reasonably good condition clear of all trash and debris, unusable equipment, unregistered vehicles and abandoned equipment and structures, located on the Premises by Lessee or its Agents. If such trash and debris and other unusable equipment, unregistered vehicles, and abandoned equipment and structures are not removed within one hundred eighty days (180) days of the termination of this Lease, the Lessor shall thereafter have the right to remove it and Lessee shall reimburse Lessor for the costs of such removal and disposal. Any other personal property, fixture, or structure on the Premises belonging to Lessee shall be removed by Lessee, unless Lessor requests in writing, that the other personal property, fixture, or structure may remain and Lessee agrees in writing not to remove it. If the Lessee fails to remove such other personal property, fixture, or structure such items shall be deemed the property of the Lessor two hundred and ten days (210) days after termination of the Lease and the Lessor shall thereafter have the right to remove it and charge the Lessee with the costs of such removal and disposal. In the event that any of this other personal property, fixtures, or structures on the Premises are incapable of being removed within one hundred eighty days (180) days, Lessee may be allowed up to one year to remove the items, with prior written approval from Lessor, which approval shall not be unreasonably, delayed, or conditioned. Any holding over by Lessee without Lessor's prior written consent shall be considered a tenancy at sufferance.
13. Default.
  - a. The following constitutes a default under this Lease: (1) Lessee's failure to perform any of its monetary or nonmonetary obligations under this Lease; (2) the filing of any bankruptcy or insolvency petition by or against Lessee or if Lessee makes a general assignment for the benefit of creditors which is not resolved or withdrawn within 30 days of such petition being filed; (3) an execution, lien, or attachment issued against the Lease, the Premises, or Lessee's property on the Premises, unless Lessee provides Lessor with satisfactory assurances and evidence that such execution, lien, or attachment will be released within a reasonable time not to exceed ninety (90) days, unless a shorter period of time is provided for by any applicable law or proceeding for the removal thereof, in which case the more restrictive time limitation applies; (4) the assignment or sublease of this lease to any third party without Lessor's prior written consent; or (5) the violation of any state, federal or local law, rule, regulation, or ordinance; or (6) Lessee's abandonment of the leased premises.
  - b. Upon the occurrence of any such event of default and subject to any applicable cure period

as defined in paragraph 6(m), above, Lessor may, in addition to (and not instead of) any other remedies available at law or in equity, terminate this lease with notice or demand to Lessee and enter and take possession of the leased premises. Lessee shall be liable to Lessor for loss and expense, including reasonable attorney fees, incurred by reason of such default or termination hereof. Lessor will provide Lessee with written notice of an event or occurrence of default under paragraph 13(a)(l) and Lessee shall have a reasonable period of time, as determined by Lessor, to cure said default which period shall not exceed thirty (30) days; provided, however, that if Lessee satisfies to Lessor that Lessee has undertaken the appropriate actions to cure said default and such default has not been cured within the said time permitted, the Lessor may exercise its sole discretion to extend the cure period .

14. Statutory Authority Over Public Lands. Lessor shall have the right to request that this Lease be amended from time to time and throughout the term of this lease in the event that any Lease term is found not to comply with Mainestate law regarding the lease of property under 12 M.R.S. § 1852(4). Lessor shall send notice to Lessee of the proposed revision. Upon receipt of such notice, Lessee shall have the option to either terminate the Lease by notifying Lessor in writing within thirty (30) days of receipt of notice or negotiate an amendment to the Lease in order to bring such term in compliance with said state law. Except as provided in this Lease, neither Party shall have the right to terminate this lease unless the resulting non-compliance constitutes a default under Section 13 hereof, in which case Section 13 shall govern.
15. Mechanics Lien. If any notice is filed at the county registry of deeds of a builder's, supplier's or mechanic's lien on the Premises, arising out of any work performed by or on behalf of Lessee, Lessee shall cause such lien to be discharged or released immediately and shall indemnify Lessor against any such claim or lien, including all costs and attorney fees that Lessor may incur in connection with the same.
16. Succession; No Partnership. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of the parties hereto. Nothing in this agreement shall be construed to create an association, joint venture, trust or partnership covenant, obligation, or liability on or with regards to any of the parties to this agreement.
17. Waiver. Any consent, express or implied, by Lessor to any breach by Lessee of any covenant or condition of this Lease shall not constitute a waiver by the Lessor of any prior or succeeding breach by Lessee of the same or any other covenant or condition of this Lease. Acceptance by Lessor of rent or other payment with knowledge of a breach or default by Lessee under any term on this Lease shall not constitute a waiver by Lessor of such breach or default.
18. Force Majeure. Except as expressly provided herein, there shall be no abatement, diminution, or reduction of the rent or other charges payable by Lessee hereunder, based upon any act of God, any act of the enemy, governmental action, or other casualty, cause or happening beyond the control of the parties hereto.
19. Eminent Domain. In the event that the Premises or any portion thereof shall be lawfully condemned or taken by any public authority, Lessor may, in its discretion, elect either: (a) to terminate the Lease; or (b) to allow this Lease to continue in effect in accordance with its terms, provided, however, that a portion of the rent shall abate equal to the proportion of the Premises so condemned or taken. All condemnation proceeds shall be Lessor's sole property without any

offset for Lessee's interests hereunder.

20. Holding Over. If Lessee holds over after the termination of this Lease, said hold over shall be deemed to be a trespass.
21. Lessor Protection. Lessor expressly retains and nothing contained herein shall be construed as a release or limitation by Lessor of any and all applicable liability protections under Maine law. Lessor specifically retains any and all protections provided under Maine law to owners of land, including but not limited to those provided under the Maine Tort Claims Act, 14 M.R.S.A. §§ 8101-8118.
22. Cumulative Remedies. The remedies provided Lessor by this Lease are not exclusive of other remedies available by current or later existing laws.
23. Entire Agreement. This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Lessor and Lessee governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth. Except as herein provided, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon the Lessor or Lessee unless and until reduced to writing and signed by both parties.
24. Notices. All notice, demands, and other communications required hereunder shall be in writing and shall be given by first class mail, postage prepaid, registered or certified mail, return receipt requested; if addressed to Lessor, to:  
**State of Maine**, Department of Agriculture, Conservation and Forestry, Division of Parks and Lands,  
22 State House Station, Augusta, ME 04333-0022, Attn: Director;  
and if to Lessee, to;  
**Central Maine Power Company**, Real Estate Services  
83 Edison Drive, Augusta, Maine 04364, Attn. Supervisor, Real Estate
25. General Provisions:
  - a. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Maine.
  - b. Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision. To the extent any provision herein is inconsistent with applicable state statute, the statute is deemed to govern.
  - c. Paragraph Headings. The paragraph titles herein are for convenience only and do not define, limit, or construe the contents of such paragraph.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written. For purposes of this Lease, a facsimile signature shall be deemed an original

Lessor:

**STATE OF**  
~~MAINE~~ MAINE  
Department of Agriculture, Conservation, and Forestry  
Bureau of Parks and Lands

By: \_\_\_\_\_

Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Witness:

Lessee:

**CENTRAL MAINE POWER COMPANY**

By: \_\_\_\_\_

Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Witness:

## **EXHIBIT A**

Leased Premises  
Department of Agriculture, Conservation and Forestry  
Bureau of Parks and Lands and  
Central Maine Power Company

A non-exclusive lease over a portion of the Lessor's land located in Johnson Mountain Township (T2 R6 BKP WKR), and West Forks Plantation, Somerset County, Maine, more particularly described as follows:

A strip of land 300 feet in width beginning at the southerly line of the Maine Public Reserved Lot located on the northerly line of West Forks Plantation ~~and extending northerly a distance of 4700 feet, more or less, to the northerly line of the Maine Public Reserved Lot located on the common line between West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR). The centerline of said strip beginning at a point on the southerly line of the Lessor's land at a point that is 7,500 feet westerly of the southeasterly corner of said Lot in West Forks Plantation; thence on a bearing of 342.2 degrees a distance of 4,700 feet, more or less, to a point on the northerly line of said Lot in Johnson Mountain Township, said point being 2640 feet, more or less, westerly of the northeast corner of said Lot and the east line of Johnson Mountain Township; said leased area containing 33 acres, more or less (the "Leased Premises").~~  $\frac{3}{4}$ " iron rebar that is the northwest corner of an easement conveyed by Weyerhaeuser Company to Central Maine Power Company in a deed dated November 17, 2016 and recorded in the Somerset County Registry of Deeds in Book 5099, Page 247; thence N  $^{\circ}$ 17-05'29" W across the land of the Lessor a distance of 4702.99 feet, more or less, to a  $\frac{3}{4}$ " iron rebar on the northerly line of the Maine Public Reserved Lot located in Johnson Mountain, said iron rebar also being the southwesterly corner of an easement conveyed to Central Maine Power Company by Weyerhaeuser Company in a deed dated November 17, 2016 and recorded in said Registry in Book 5099, Page 237;

thence N 78 $^{\circ}$ -58'-32" E along the north line of said Johnson Mountain lot a distance of 301.69 feet, more or less, to a  $\frac{3}{4}$ " iron rebar at the southeast corner of said easement described in Book 5099, Page 237;

thence S  $^{\circ}$ 17-05'29" E across land of the Lessor a distance of 4702.81 feet, more or less, to a  $\frac{3}{4}$ " iron rebar at the southerly line of said West Forks Plantation lot and the northeast corner of said easement described in Book 5099, Page 247;

thence S 78 $^{\circ}$ -56'32" W along the southerly line of said West Forks Plantation lot a distance of 301.67 feet, more or less, to the point of beginning, said lease are containing 32.39 acres, more or less.

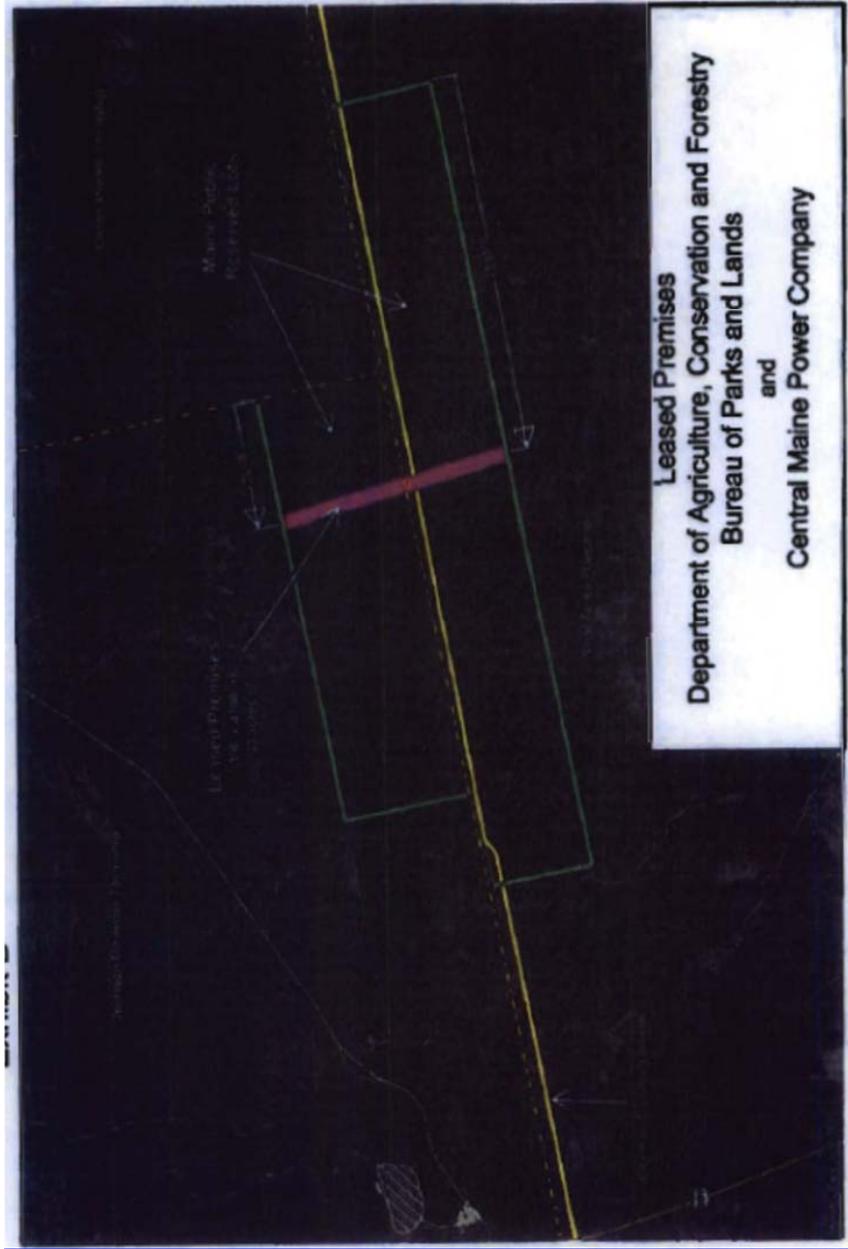
Bearings are referenced to Grid North, Maine West Zone. For reference, see a survey by Sackett & Brake Survey, Inc. #2020076, dated March 23, 2020, to be recorded in said Registry.

All above referenced iron rebars are capped with a red plastic cap inscribed "S.W. Gould PLS 2318".

Seller's Initials

---

EXHIBIT B



The description of the Leased Premises is based on a current conceptual design of the Lessee's proposed transmission

~~line corridor and may be subject to modification by Lessee to minimize impacts on environmentally sensitive areas. Lessor and Lessee agree that upon completion of environmental assessments, final engineering, and if applicable, any survey prepared by Lessee, Lessee will prepare a final description of the Leased Premises to be incorporated into this Lease. Lessor and Lessee further agree that the final alignment of the transmission line corridor will be substantially as described herein and any significant deviation from the above described line will be agreed to in writing by Lessor and Lessee.~~

## Exhibit B

Comparison Details	
Title	<b>compareDocs Comparison Results</b>
Date & Time	3/24/2020 6:37:53 PM
Comparison Time	1.68 seconds
compareDocs version	v4.3.200.37

Sources	
Original Document	[iManage][#11827972] [v1] Maine Dept. of Conservation BPL Lease.docx
Modified Document	[iManage][#11836140] [v5] Maine Dept. of Conservation BPL Lease 3-18-20.docx

Comparison Statistics	
Insertions	24
Deletions	9
Changes	3
Moves	0
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	36

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
<del>Deletions</del>	
<u>Moves / <del>Moves</del></u>	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True

## Koyanagi, Gayle

---

**From:** Rodrigues, David  
**Sent:** Thursday, April 2, 2020 4:28 PM  
**To:** Anthony Calcagni  
**Subject:** FW: Court case discussed  
**Attachments:** 2010-2030LeaseAgreement.pdf; Decision Long Falls Dam lease0001.pdf; 09-24-18\_DeLuca\_Brookfield Lease AmendmentCvr.pdf; Signed CMP Lease Amendment 6-22-15.pdf; 1963 West Forks CMP Utility Lease0001.pdf; CMP\_JohnsonMtnInvoiceCvr011619.docx

Hi Tony,

Here is some of the information on the court case. I also attached the amendment to the CMP lease we did after the appraisal was done and the rent was increased and the lease for the old power line on the property. Looks like the rent is now \$3,966.71, attached invoice for payment. Let me know if you need the appraisal or anything else?

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

## Koyanagi, Gayle

---

**From:** Anthony Calcagni <acalcagni@verrill-law.com>  
**Sent:** Thursday, April 2, 2020 3:17 PM  
**To:** Rodrigues, David  
**Subject:** RE: CMP lease with BPL  
**Attachments:** CMP BPL Lease redline 2020-03-18 (11847631v1)(13670230.1).pdf

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Rodrigues, David <David.Rodrigues@maine.gov>  
**Sent:** Thursday, April 2, 2020 1:08 PM  
**To:** Anthony Calcagni <acalcagni@verrilldana.com>  
**Subject:** RE: CMP lease with BPL

That works fine Tony, I'll call you at 3:00, should I call the below #, is that your direct line?

T (207) 253-4516

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 1:00 PM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hi David. Nice to "meet" you. Could a call today @ 3pm work for you? Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>

**Sent:** Thursday, April 2, 2020 12:18 PM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** FW: CMP lease with BPL

Hi Tony,

Andy has asked me to touch base with you on this and answer any questions you may have or provide information you may need. I have attached the most recent LD1893 amendment that I have, in case you do not have it. I'm available any time today or tomorrow to talk on the phone if you have some time. Working from home and my phone # is 446-1747. Also attached is a word copy of the lease. If you want me to call you, let me know what would be a good time?

I worked on this lease back in 2014 and know this project and property very well.

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Sent:** Wednesday, April 01, 2020 11:09 AM

**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>

**Subject:** FW: CMP lease with BPL

FYI... I'll try to call you later today.

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Sent:** Wednesday, April 1, 2020 11:02 AM

**To:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Subject:** FW: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Andy I assume you've seen this, but just in case you haven't. Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Wednesday, April 1, 2020 9:46 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

<b>Eben Adams</b> PIERCE ATWOOD LLP	Merrill's Wharf 254 Commercial Street Portland, ME 04101	<b>PH</b> 207.791.1175 <b>FAX</b> 207.791.1350
<a href="mailto:eadams@pierceatwood.com">eadams@pierceatwood.com</a>	<b>BIO</b> ▶	
This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.		

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**TRANSMISSION LINE LEASE**  
**BETWEEN**  
**DEPARTMENT OF AGRICULTURE, CONSERVATION AND**  
**FORESTRY**  
**BUREAU OF PARKS AND LANDS**  
**and CENTRAL MAINE POWER COMPANY**

---

This Lease Agreement is made by and between the State of Maine, by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry (hereinafter called the "Lessor"), acting pursuant to the provisions of Title 12 M.R.S.A. §1852(4), and Central Maine Power Company, a Maine corporation with its principal place of business at 83 Edison Drive, Augusta, Maine (hereinafter called "Lessee"). For the considerations hereinafter set forth, the Lessor hereby leases to Lessee, and Lessee hereby takes from the Lessor, the non-exclusive use of that portion of the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein, being a three hundred (300) foot wide by approximately one mile long transmission line corridor located on a portion of the aforementioned Maine Public Reserved Lands. The described transmission line corridor, together with the improvements now or hereafter to be placed thereon, is hereinafter referred to as the "Property" or "Premises," and is subject to the following terms and conditions:

1. Term:
  - a. This lease shall be in effect from the date of execution of this instrument for a term of twenty-~~five (25)~~ (20) years and, at no less than 5 year intervals, the term of this lease may be extended by mutual agreement for additional years as will grant Lessee a remaining lease term totaling no more than twenty-five (25) years, so long as Lessee is in compliance with the conditions of this lease. Lessee shall not request a lease term extension any more often than once every five years. Notice of any lease extension shall be given to Lessor at least six (6) months prior to the expiration of any initial term or renewal period.
  - b. Lessor reserves the right to terminate this Lease at any time during the term hereof to the extent permitted under the provisions contained in paragraph 13 Default.
  - c. Lessee has the right to terminate this Lease upon at least ninety (90) days prior written notice to Lessor, or such lesser notice period as agreed to by Lessor in writing.
  - d. Any notice required by this paragraph, whether by Lessee or Lessor, shall be sent postage pre-paid, registered or certified mail, return receipt requested, to the party at the address set forth in paragraph 24.
2. Rent. Lessee shall pay to the Lessor rental as follows:

An annual payment of \$1,400.00. The first payment shall be due on the date of execution of this lease (the "Initial Payment") and subsequent annual payments shall be made on or before December first of each following year. ~~Lessor or Lessee may, within the first twelve months of the lease and at either Lessor's or Lessee's sole discretion, commission an appraisal of the Premises. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee agrees to pay any additional value above the Initial Payment indicated by the appraisal and the cost of the appraisal.~~ The annual payment shall be adjusted each year in an amount not to exceed the average increase in the Consumer Price Index as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period.

~~In addition, Lessee shall pay to Lessor the negotiated price of the timber present on the Premises based on mill scale and stumpage value at time the corridor is harvested for the construction of the utility corridor.~~

3. Use. The Property shall be used by the Lessee as follows: to erect, construct, reconstruct, replace, remove, maintain, operate, repair, upgrade, and use poles, towers, wires, switches, and other above-ground structures and apparatus used or useful for the above-ground transmission of electricity ("Facilities"), all as the Lessee, its successors and assigns, may from time to time require upon, along, and across said Property; to enter upon the Property at any time with personnel and conveyances and all necessary tools and machinery to maintain the Premises and facilities; the non-exclusive right of ingress to and egress from the Premises over and across the land of the Lessor; to transmit electricity and communication, as conditioned below, over said wires, cables, or apparatus installed on Lessee's facilities. Lessee shall own all communication facilities and such facilities shall be for Lessee's use in its business as a public utility. In the event Lessee desires to provide capacity to others on Lessee's communication facilities, Lessee shall first obtain Lessor's written approval, which shall not be unreasonably withheld. Lessor may adjust the rent at such time as Lessee provides communication capacity to others. The rent adjustment is to be determined by an appraisal paid for by Lessee. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee shall not sub-lease or contract the communication facilities for any other commercial use. The Lessor further grants to said Lessee the right to establish any and all safety and reliability regulations applicable to said transmission line corridor which said Lessee deems necessary and proper for the safe and reliable construction and maintenance of said structures, wires, and apparatus and for the transmission of electricity.
4. Quiet Enjoyment. So long as Lessee pays the rent, performs all of its non-monetary obligations, and otherwise complies with the provisions of this Lease, the Lessee's possession of the Premises for its intended use will not be disturbed by the Lessor, its successors and assigns except as otherwise provided under the terms of this Lease. Notwithstanding any provision to the contrary herein, Lessor reserves the right to enter onto the Premises at any time and from time to time to inspect the Premises.
5. Access:
  - a. It is agreed by the parties to this Lease that Lessor is under no obligation to construct or maintain access to the Premises, notwithstanding any provisions of any federal, state and local law to the contrary. However, the Lessee shall be allowed to cross Lessor's abutting land by using Lessor's Forest Management Roads for access to the Premises for construction, maintenance and repairs, subject to reasonable restrictions and regulations imposed by Lessor, and the rights of others using said roads. Upon reasonable advance notice to Lessee, Lessor reserves the right to close, lock or otherwise restrict access along or through the Forest Management Roads at any time it appears reasonably necessary to protect the safety of persons or property. Such situations include, but are not limited to, spring mud season or periods of high fire danger. Lessee shall immediately repair any

damage to the road caused by Lessee. Lessor is under no obligation to provide maintenance to the road. If Lessee wishes to undertake performing repairs or upgrades to the Forest Management Roads, Lessee must acquire prior written approval from Lessor. Lessee shall acquire prior written approval for the construction or use of any other access location across Lessor's land abutting the Premises which approval shall not be unreasonably withheld, delayed, or conditioned.

- b. The Lessor expressly reserves the right for itself or its guests, servants, or agents to pass and repass over the described Premises at any and all times with machinery and equipment necessary for the operation or conduct of Lessor's uses as such uses may from time to time exist, provided that: said uses will comply with the above referenced safety regulations and any applicable state law, and will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies; that the Lessor shall provide Lessee with at least three business days prior written notice if Lessor will be on the Premises with construction or logging equipment; and that such use will not unreasonably interfere with the rights of Lessee herein conveyed.
6. Lessee Covenants. The Lessee covenants as follows:
- a. No buildings, either permanent or temporary, may be constructed or placed upon the described Premises, except temporary structures during construction of the Facilities, such as field trailers.
  - b. Crossing mats for stream or wetland crossings shall not be made of ash or hemlock, so as to avoid introduction of invasive pests associated with these species.
  - c. No hazardous or toxic waste substance or material, residual pesticides or fertilizers, other than organic compost, shall be used or kept upon the Premises or any portion thereof, nor shall any livestock or poultry be kept temporarily or permanently thereon. Pesticides, herbicides, and chemical defoliant registered for use in Maine may be applied to the Premises only after acquiring prior written approval from Lessor and only by trained applicators working under the supervision of applicators licensed by the State of Maine in formulations and dosages approved by the Environmental Protection Agency and Lessor. One month prior to all pesticide applications, Lessee shall provide information to Lessor, including, but not limited to pesticides, herbicides, and chemical defoliant to be used, dates and methods of application, application locations and reasons for use.
  - d. There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.
  - e. There shall be no vegetation maintenance or disturbance within a 50-foot radius around the high water boundary of a significant vernal pool from March 15 - July 15; provided, however, that Lessee may take all appropriate actions with regards to vegetation management to ensure that Lessee is in compliance with all federal and state laws, rules and regulations imposed upon Lessee as the owner and operator of the Facilities.
  - f. Lessee shall not make any strip or waste of the Leased Premises or of any other lands of Lessor. Vegetation clearing within the Leased Premises for Lessee's Facilities shall be limited to standards approved by the Maine Public Utilities Commission and shall encourage a ground cover of woody species with a maximum mature height approaching but not exceeding 15 feet. Lessee shall make every effort to minimize

clearings and cutting of vegetation.

- g. Lessee acknowledges that lease of the Premises by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry is unique, and that in authorizing the Lease under 12 M.R.S. § 1852(4)(A), Lessor requires that Lessee shall make every reasonable effort within the leased Premises to be in conformance with the Maine Department of Inland Fisheries and Wildlife "Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects", "Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects", and "Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects", all dated March 26, 2012, which copies are attached to this lease, or the publication's most current version.
- h. Lessee shall not kindle any outside fires on the Premises or any other land of the Lessor, except in accordance with applicable federal, state and local regulations, and hereby agrees to assist with any means at Lessee's disposal in putting out fires occurring on the Premises or adjacent areas, and to report promptly such fires to Lessor or its representative and to the appropriate authorities.
- i. Lessee agrees to maintain the Premises in a neat and sanitary manner and to provide for proper disposal of all garbage, trash, septic (for purposes of this Lease, "septic" shall mean, but is not limited to, sewage, wash water, black water, gray water and slop water), and other waste in compliance with all applicable federal, state and local laws and in a manner so as not to be objectionable or detract from the aesthetic values of the general area. Lessee shall not discharge any untreated or partially treated sewage or other waste materials directly or indirectly into any body of water including but not limited to, any wetland, stream, river, lake, pond, or groundwater. In addition, Lessee covenants that it bears the responsibility for any noncompliance with all federal, state and local laws and regulations governing septic and other waste disposal resulting from Lessee's activities and Lessee shall indemnify and hold harmless Lessor from and against any and all actions, suits, damages and claims by any party by reason of noncompliance by Lessee with such laws and regulations. Such indemnification shall include all Lessor's costs, including, but not limited to reasonable attorney fees.
- j. No non-forest waste including, but not limited to, broken equipment, spilt fuels, fluids and lubricants, fluid and lubricant containers, equipment parts, tires, debris, garbage, or trash shall be deposited, discharged, dumped or buried upon the Premises. Forest woody waste (e.g., wood chips and stumps) may be disposed of on the premises, but may not be disposed of in piles. Stumps shall be buried in "stump dump" holes, except that small numbers of stumps (four or less) may be left aboveground. All non-forest waste shall be disposed of legally and not on property of Lessor.
- k. Lessee shall not build permanent roads on the Premises without obtaining prior specific written permission from the Lessor; provided, however, that Lessee may construct a minimal number of temporary roads and trails to facilitate the construction of the transmission line (tree clearing, pole setting, wiring). At the time construction is completed, all temporary roads and trails shall be dismantled and put to bed or converted to permanent access trails. All access trails shall be built to Best Management Practices (BMP) standards as shown in the "Maine Motorized Trail Construction and Maintenance Manual" written by the Bureau of Parks and Lands Off-Road Vehicle Division, dated May 2011 and all roads shall be built pursuant to those Best Management Practices (BMPs) standards

pertaining to forest management and road construction practices set forth in the publication entitled, "Best Management Practices for Forestry: Protecting Maine's Water Quality," prepared by the Maine Department of Agriculture, Conservation and Forestry, Maine Forest Service, in such publication's most current version at the time of the grant of this lease, and as the same may be further amended, supplemented or replaced after the date of the execution of this lease.

Prior to start of construction, lessee shall provide an Access and Maintenance Plan to Lessor for review and approval. This plan shall provide details and maps on proposed roads, permanent and temporary, access points, temporary trails, inspection, and maintenance access, and descriptions of any proposed bridges, temporary or permanent.

- l. Natural Plant Community, wetland and Significant Vernal Pool field surveys of the Premises must be conducted by Lessee or Lessee's designee prior to any construction on the Premises. Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife a copy of all completed surveys before commencing any construction on the Premises.

m. Lessee shall be in compliance with all Federal, State and local statutes, ordinances, rules, and regulations, now or hereinafter enacted which may be applicable to Lessee in connection to its use of the Premises. Lessee further shall not construct, alter or operate the described Premises in any way until all necessary permits and licenses have been obtained for such construction, alteration or operation. Lessee shall provide written confirmation that Lessee has obtained all material permits and licenses to construct and operate the Facilities. Lessee shall furnish Lessor with copies of all such permits and licenses, together with renewals thereof to Lessor upon the written request of Lessor. This lease shall terminate at the discretion of the Lessor for failure of Lessee to obtain all such required permits. Prior to such termination, however, Lessor shall provide written notice to Lessee of such failure and Lessee shall have 30 days in which to cure such failure.

- n. In the event of the following:

- a) Lessee constructs an electric transmission line on the Premises; and
- b) Lessee has determined, in its sole discretion, to rebuild the existing transmission line (the "Jackman Tie Line") located on that part of the existing 100-foot wide utility corridor described in a lease dated July 9, 1963 and recorded in the Somerset County Registry of Deeds, Book 679, Page 37 (the "Jackman Tie Line Lease") that is located westerly of the Premises and easterly of Route 201; and
- c) Lessee receives all permits and regulatory approvals necessary to rebuild the line in such new location including, but not limited to, approvals of the Maine Public Utilities Commission and the Maine Department of Environmental Protection; then
- d) Lessee agrees to relocate said Jackman Tie Line from the above described portion of the Jackman Tie Line Lease to a location on the Premises and such other corridor as acquired by the Lessee from others. Upon completion of any such relocation of the Jackman Tie Line or its functional replacement pursuant to this section and removal of Lessee's facilities from that portion of the Jackman Tie Line Lease lying westerly of the Premises, Lessor and Lessee agree to amend the Jackman Tie Line Lease to delete from the lease area that portion of the Jackman Tie Line Lease lying westerly of the Premises. All other terms and conditions of the Jackman Tie Line Lease shall remain in full force and effect.

The term "rebuild" as used in this paragraph, shall not include routine repair or replacement of poles, crossarms, insulators, braces or conductor.

7. Liability and Insurance.

- a. Lessee shall without unreasonable delay inform Lessor of all risks, hazards and dangerous conditions caused by Lessee which are outside of the normal scope of constructing and operating the Facilities of which Lessee becomes aware of with regards to the Premises. Lessee assumes full control of the Premises, except as is reserved by Lessor herein, and is responsible for all risks, hazards and conditions on the Premises caused by Lessee.
- b. Except for the conduct of Lessor and Lessor's guests and agents, Lessor shall not be liable to Lessee for any injury or harm to any person, including Lessee, occurring in or on the Premises or for any injury or damage to the Premises, to any property of the Lessee, or to any property of any third person or entity. Lessee shall indemnify and defend and hold and save Lessor harmless, including, but not limited to costs and attorney fees, from: (a) any and all suits, claims and demands of any kind or nature, by and on behalf of any person or entity, arising out of or based upon any incident, occurrence, injury, or damage which shall or may happen in or on the Premises that is caused by the Lessee or its Agents; and (b) any matter or thing arising out of the condition, maintenance, repair, alteration, use, occupation or operation of the Premises, the installation of any property thereon or the removal of any property therefrom that is done by the Lessee or its Agents. Lessee shall further indemnify Lessor against all actions, suits, damages, and claims by whoever brought or made by reason of the nonobservance or nonperformance of Lessee or its Agents of: (a) any obligation under this Lease; or (b) any federal, state, local law or regulation pertaining to Lessee's use of the Premises.
- c. The Lessee shall obtain and keep in force, for the duration of this lease, a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Lease with adequate liability coverage over at least one million dollars for each occurrence and two million dollars in annual aggregate in general commercial liability coverage to protect the Lessee and the Lessor from suits for bodily injury and damage to property. Nothing in this provision, however, is intended to waive the immunity of the Lessor. Upon execution of this Lease, the Lessee shall furnish the Lessor with a certificate of insurance as verification of the existence of such liability insurance policy.

8. Lessee's Liability for Damages. Lessee shall be responsible to Lessor for any damages caused directly or indirectly by Lessee or its guests, servants or agents, including, but not limited to, interference or meddling with any tools, machinery, equipment, gates, buildings, furniture, provisions or other property of the Lessor on the Premises, its agents, employees or guests.

9. Tax Proration. Lessee shall pay when due all taxes levied on the personal property and improvements constructed by Lessee and located on the Premises. Lessor shall be responsible for any real property taxes levied on the Premises based on unimproved land. Lessor shall have no ownership or other interest in any of the Facilities on the Property and Lessee may remove any or all of the Facilities at any time.

10. Lease Assignment. Sublease and Colocation: Lessee shall not assign or sublease in whole or part without prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessor may lease the Premises for other compatible uses and colocation of other utilities so long as such

rights do not extend to access to the Facilities, said uses will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies, and such use will not interfere with the rights herein conveyed, including the right to build such additional Facilities as may be accommodated on the Premises using transmission line spacing standards approved by the Maine Public Utilities Commission. Notwithstanding the forgoing, Lessee may assign its interest in this Lease to NECEC Transmission LLC, a Delaware limited liability company (“NECEC”) without Lessor consent, so long as Lessee gives written notice of such assignment to Lessor, together with a copy of the executed assignment, and so long as the assignment expressly provides that NECEC has assumed all of the Lessee’s obligations under this Lease. Upon delivery of such notice and such executed assignment, Central Maine Power Company shall be released from any obligations under this Lease from and after the effective date of such assignment. NECEC is related to Lessee and under common ownership with Lessee.

11. Lessee's Removal of Structures: Lessee must obtain Lessor's advance written consent, which consent shall not be unreasonably withheld, delayed, or conditioned, to the method of removal before any structures or improvements are removed from the Premises.
12. Surrender. Upon termination of this Lease for any reason, Lessee shall deliver the Premises to Lessor peaceably, without demand, and in reasonably good condition clear of all trash and debris, unusable equipment, unregistered vehicles and abandoned equipment and structures, located on the Premises by Lessee or its Agents. If such trash and debris and other unusable equipment, unregistered vehicles, and abandoned equipment and structures are not removed within one hundred eighty days (180) days of the termination of this Lease, the Lessor shall thereafter have the right to remove it and Lessee shall reimburse Lessor for the costs of such removal and disposal. Any other personal property, fixture, or structure on the Premises belonging to Lessee shall be removed by Lessee, unless Lessor requests in writing, that the other personal property, fixture, or structure may remain and Lessee agrees in writing not to remove it. If the Lessee fails to remove such other personal property, fixture, or structure such items shall be deemed the property of the Lessor two hundred and ten days (210) days after termination of the Lease and the Lessor shall thereafter have the right to remove it and charge the Lessee with the costs of such removal and disposal. In the event that any of this other personal property, fixtures, or structures on the Premises are incapable of being removed within one hundred eighty days (180) days, Lessee may be allowed up to one year to remove the items, with prior written approval from Lessor, which approval shall not be unreasonably, delayed, or conditioned. Any holding over by Lessee without Lessor's prior written consent shall be considered a tenancy at sufferance.
13. Default.
  - a. The following constitutes a default under this Lease: (1) Lessee's failure to perform any of its monetary or nonmonetary obligations under this Lease; (2) the filing of any bankruptcy or insolvency petition by or against Lessee or if Lessee makes a general assignment for the benefit of creditors which is not resolved or withdrawn within 30 days of such petition being filed; (3) an execution, lien, or attachment issued against the Lease, the Premises, or Lessee's property on the Premises, unless Lessee provides Lessor with satisfactory assurances and evidence that such execution, lien, or attachment will be released within a reasonable time not to exceed ninety (90) days, unless a shorter period of time is provided for by any applicable law or proceeding for the removal thereof, in which case the more restrictive time limitation applies; (4) the assignment or sublease of this lease to any third party without Lessor's prior written consent; or (5) the violation of any state, federal or local law, rule, regulation, or ordinance; or (6) Lessee's abandonment of the leased premises.
  - b. Upon the occurrence of any such event of default and subject to any applicable cure period

as defined in paragraph 6(m), above, Lessor may, in addition to (and not instead of) any other remedies available at law or in equity, terminate this lease with notice or demand to Lessee and enter and take possession of the leased premises. Lessee shall be liable to Lessor for loss and expense, including reasonable attorney fees, incurred by reason of such default or termination hereof. Lessor will provide Lessee with written notice of an event or occurrence of default under paragraph 13(a)(l) and Lessee shall have a reasonable period of time, as determined by Lessor, to cure said default which period shall not exceed thirty (30) days; provided, however, that if Lessee satisfies to Lessor that Lessee has undertaken the appropriate actions to cure said default and such default has not been cured within the said time permitted, the Lessor may exercise its sole discretion to extend the cure period .

14. Statutory Authority Over Public Lands. Lessor shall have the right to request that this Lease be amended from time to time and throughout the term of this lease in the event that any Lease term is found not to comply with Mainestate law regarding the lease of property under 12 M.R.S. § 1852(4). Lessor shall send notice to Lessee of the proposed revision. Upon receipt of such notice, Lessee shall have the option to either terminate the Lease by notifying Lessor in writing within thirty (30) days of receipt of notice or negotiate an amendment to the Lease in order to bring such term in compliance with said state law. Except as provided in this Lease, neither Party shall have the right to terminate this lease unless the resulting non-compliance constitutes a default under Section 13 hereof, in which case Section 13 shall govern.
15. Mechanics Lien. If any notice is filed at the county registry of deeds of a builder's, supplier's or mechanic's lien on the Premises, arising out of any work performed by or on behalf of Lessee, Lessee shall cause such lien to be discharged or released immediately and shall indemnify Lessor against any such claim or lien, including all costs and attorney fees that Lessor may incur in connection with the same.
16. Succession; No Partnership. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of the parties hereto. Nothing in this agreement shall be construed to create an association, joint venture, trust or partnership covenant, obligation, or liability on or with regards to any of the parties to this agreement.
17. Waiver. Any consent, express or implied, by Lessor to any breach by Lessee of any covenant or condition of this Lease shall not constitute a waiver by the Lessor of any prior or succeeding breach by Lessee of the same or any other covenant or condition of this Lease. Acceptance by Lessor of rent or other payment with knowledge of a breach or default by Lessee under any term on this Lease shall not constitute a waiver by Lessor of such breach or default.
18. Force Majeure. Except as expressly provided herein, there shall be no abatement, diminution, or reduction of the rent or other charges payable by Lessee hereunder, based upon any act of God, any act of the enemy, governmental action, or other casualty, cause or happening beyond the control of the parties hereto.
19. Eminent Domain. In the event that the Premises or any portion thereof shall be lawfully condemned or taken by any public authority, Lessor may, in its discretion, elect either: (a) to terminate the Lease; or (b) to allow this Lease to continue in effect in accordance with its terms, provided, however, that a portion of the rent shall abate equal to the proportion of the Premises so condemned or taken. All condemnation proceeds shall be Lessor's sole property without any

offset for Lessee's interests hereunder.

20. Holding Over. If Lessee holds over after the termination of this Lease, said hold over shall be deemed to be a trespass.
21. Lessor Protection. Lessor expressly retains and nothing contained herein shall be construed as a release or limitation by Lessor of any and all applicable liability protections under Maine law. Lessor specifically retains any and all protections provided under Maine law to owners of land, including but not limited to those provided under the Maine Tort Claims Act, 14 M.R.S.A. §§ 8101-8118.
22. Cumulative Remedies. The remedies provided Lessor by this Lease are not exclusive of other remedies available by current or later existing laws.
23. Entire Agreement. This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Lessor and Lessee governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth. Except as herein provided, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon the Lessor or Lessee unless and until reduced to writing and signed by both parties.
24. Notices. All notice, demands, and other communications required hereunder shall be in writing and shall be given by first class mail, postage prepaid, registered or certified mail, return receipt requested; if addressed to Lessor, to:  
    **State of Maine**, Department of Agriculture, Conservation and Forestry, Division of Parks and Lands,  
    22 State House Station, Augusta, ME 04333-0022, Attn: Director;  
and if to Lessee, to;  
    **Central Maine Power Company**, Real Estate Services  
    83 Edison Drive, Augusta, Maine 04364, Attn. Supervisor, Real Estate
25. General Provisions:
  - a. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Maine.
  - b. Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision. To the extent any provision herein is inconsistent with applicable state statute, the statute is deemed to govern.
  - c. Paragraph Headings. The paragraph titles herein are for convenience only and do not define, limit, or construe the contents of such paragraph.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written. For purposes of this Lease, a facsimile signature shall be deemed an original

Lessor:

**STATE OF**  
~~MAINE~~ MAINE  
Department of Agriculture, Conservation, and Forestry  
Bureau of Parks and Lands

By: \_\_\_\_\_

Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Witness:

Lessee:

**CENTRAL MAINE POWER COMPANY**

By: \_\_\_\_\_

Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Witness:

## **EXHIBIT A**

Leased Premises  
Department of Agriculture, Conservation and Forestry  
Bureau of Parks and Lands and  
Central Maine Power Company

A non-exclusive lease over a portion of the Lessor's land located in Johnson Mountain Township (T2 R6 BKP WKR), and West Forks Plantation, Somerset County, Maine, more particularly described as follows:

A strip of land 300 feet in width beginning at the southerly line of the Maine Public Reserved Lot located on the northerly line of West Forks Plantation ~~and extending northerly a distance of 4700 feet, more or less, to the northerly line of the Maine Public Reserved Lot located on the common line between West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR). The centerline of said strip beginning at a point on the southerly line of the Lessor's land at a point that is 7,500 feet westerly of the southeasterly corner of said Lot in West Forks Plantation; thence on a bearing of 342.2 degrees a distance of 4,700 feet, more or less, to a point on the northerly line of said Lot in Johnson Mountain Township, said point being 2640 feet, more or less, westerly of the northeast corner of said Lot and the east line of Johnson Mountain Township; said leased area containing 33 acres, more or less (the "Leased Premises").~~ 3/4" iron rebar that is the northwest corner of an easement conveyed by Weyerhaeuser Company to Central Maine Power Company in a deed dated November 17, 2016 and recorded in the Somerset County Registry of Deeds in Book 5099, Page 247; thence N °17-05'29" W across the land of the Lessor a distance of 4702.99 feet, more or less, to a 3/4" iron rebar on the northerly line of the Maine Public Reserved Lot located in Johnson Mountain, said iron rebar also being the southwesterly corner of an easement conveyed to Central Maine Power Company by Weyerhaeuser Company in a deed dated November 17, 2016 and recorded in said Registry in Book 5099, Page 237;

thence N 78°-58'-32" E along the north line of said Johnson Mountain lot a distance of 301.69 feet, more or less, to a 3/4" iron rebar at the southeast corner of said easement described in Book 5099, Page 237;

thence S °17-05'29" E across land of the Lessor a distance of 4702.81 feet, more or less, to a 3/4" iron rebar at the southerly line of said West Forks Plantation lot and the northeast corner of said easement described in Book 5099, Page 247;

thence S 78°-56'32" W along the southerly line of said West Forks Plantation lot a distance of 301.67 feet, more or less, to the point of beginning, said lease are containing 32.39 acres, more or less.

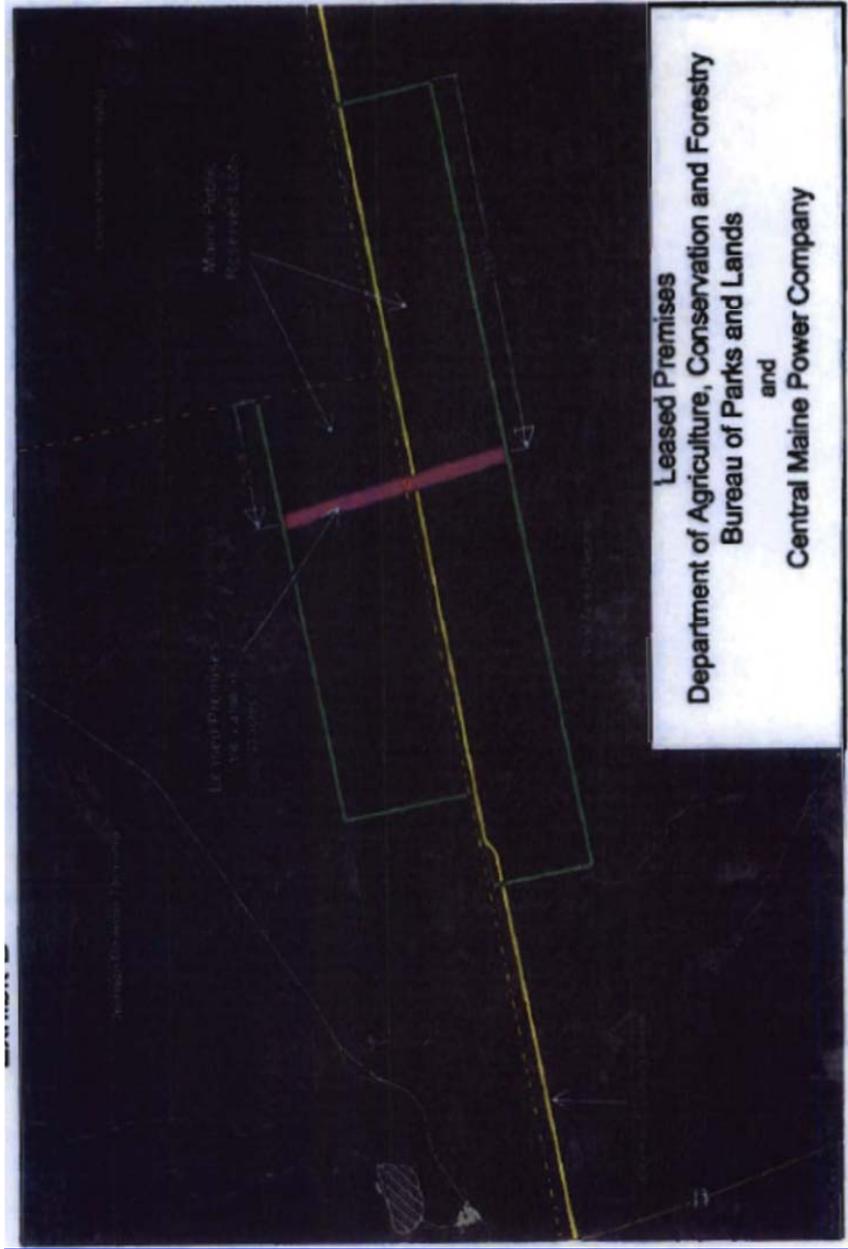
Bearings are referenced to Grid North, Maine West Zone. For reference, see a survey by Sackett & Brake Survey, Inc. #2020076, dated March 23, 2020, to be recorded in said Registry.

All above referenced iron rebars are capped with a red plastic cap inscribed "S.W. Gould PLS 2318".

Seller's Initials

---

EXHIBIT B



The description of the Leased Premises is based on a current conceptual design of the Lessee's proposed transmission

~~line corridor and may be subject to modification by Lessee to minimize impacts on environmentally sensitive areas. Lessor and Lessee agree that upon completion of environmental assessments, final engineering, and if applicable, any survey prepared by Lessee, Lessee will prepare a final description of the Leased Premises to be incorporated into this Lease. Lessor and Lessee further agree that the final alignment of the transmission line corridor will be substantially as described herein and any significant deviation from the above described line will be agreed to in writing by Lessor and Lessee.~~

## Exhibit B

Comparison Details	
Title	<b>compareDocs Comparison Results</b>
Date & Time	3/24/2020 6:37:53 PM
Comparison Time	1.68 seconds
compareDocs version	v4.3.200.37

Sources	
Original Document	[iManage][#11827972] [v1] Maine Dept. of Conservation BPL Lease.docx
Modified Document	[iManage][#11836140] [v5] Maine Dept. of Conservation BPL Lease 3-18-20.docx

Comparison Statistics	
Insertions	24
Deletions	9
Changes	3
Moves	0
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	36

Word Rendering Set Markup Options	
Name	Standard
<a href="#">Insertions</a>	
<del>Deletions</del>	
<u>Moves / <del>Moves</del></u>	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True

## Koyanagi, Gayle

---

**From:** Rodrigues, David  
**Sent:** Friday, April 3, 2020 10:11 AM  
**To:** Cutko, Andy  
**Subject:** FW: CMP lease with BPL

Hi Andy,

FYI

Tony and I thought that we needed all the purchase information that CMP did for the corridor, so Tony sent the below message out yesterday requesting information. The spread sheet did not include the payment to the Passamaquoddy Tribe for use of their section of the corridor.

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 4:23 PM  
**To:** 'Eben Adams' <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>  
**Cc:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Eben, that spreadsheet is very helpful, but I'm wondering why does it not include other landowners that CMP presumably negotiated with for the same corridor, like the lease with the Passamaquoddy Tribe? Is it possible to get the equivalent information for all the landowners from whom fee/easement/leasehold interests were negotiated/purchased for the new section of this transmission line corridor? Let me know, thanks. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>  
**Sent:** Wednesday, April 1, 2020 9:46 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

<b>Eben Adams</b> PIERCE ATWOOD LLP	Merrill's Wharf 254 Commercial Street Portland, ME 04101	<b>PH</b> 207.791.1175 <b>FAX</b> 207.791.1350
<a href="mailto:eadams@pierceatwood.com">eadams@pierceatwood.com</a>	<a href="#">BIO</a> ▾	
This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.		

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

## Koyanagi, Gayle

---

**From:** Cutko, Andy  
**Sent:** Friday, April 3, 2020 11:36 AM  
**To:** William Harwood; Rodrigues, David  
**Cc:** Anthony Calcagni; Abello, Thomas  
**Subject:** RE: CMP Lease payments

OK, let's do 3 on Monday. Can one of you set up a Zoom or Skype call?

Thanks -- Andy

---

**From:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>  
**Sent:** Friday, April 3, 2020 11:03 AM  
**To:** Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>; Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>; Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Cc:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Subject:** RE: CMP Lease payments

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

OK with me.

---

### William S. Harwood PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 774-4000  
C (207) 233-1050  
F (207) 253-4703

[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)

The logo for Verrill, consisting of the word "Verrill" in a bold, black, serif font, centered within a yellow rectangular background.

---

**From:** Abello, Thomas [<mailto:Thomas.Abello@maine.gov>]  
**Sent:** Friday, April 3, 2020 10:49 AM  
**To:** William Harwood <[wharwood@verrilldana.com](mailto:wharwood@verrilldana.com)>; Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>; Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Cc:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** RE: CMP Lease payments

Thanks. I can't do 3 on Monday, but please move ahead and I'll follow-up. Bill – how about I call you Tuesday morning? I can do any time before 11. Andy – let's touch base on Tuesday as well.

---

**From:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>  
**Sent:** Friday, April 3, 2020 10:46 AM

**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>; Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>; Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>  
**Cc:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Subject:** RE: CMP Lease payments

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Thanks. Tony and I are available at 3PM on Monday.

---

**William S. Harwood** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 774-4000  
C (207) 233-1050  
F (207) 253-4703

[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)

The Verrill logo consists of the word "Verrill" in a bold, black, serif font, centered within a solid yellow rectangular background.

---

**From:** Rodrigues, David [<mailto:David.Rodrigues@maine.gov>]  
**Sent:** Friday, April 3, 2020 10:42 AM  
**To:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>; William Harwood <[wharwood@verrilldana.com](mailto:wharwood@verrilldana.com)>; Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>  
**Cc:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** RE: CMP Lease payments

I'm available at those times.

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Sent:** Friday, April 03, 2020 10:34 AM  
**To:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>; Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>; Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Cc:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Subject:** RE: CMP Lease payments

Hi all –

I am booked on conference calls all day. Looking at next week, I can talk Monday after 3 or Tuesday after 2. Let me know what might work for all of you.

- Andy

---

**From:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>

**Sent:** Friday, April 3, 2020 9:56 AM

**To:** Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>; Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>; Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Cc:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Subject:** CMP Lease payments

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Tom, Andy and David,

Tony Calcagni and I have reached a critical point in our negotiations with CMP over how much to increase the rent. Can we please have a call this afternoon?

Unfortunately, we have limited information on which to base a determination of what would be fair rent.

At the end of the day, we all need to be united in our recommendation to the Governor over how much the rent should be increased.

CMP has proposed increasing the rent from approximately \$3K/yr. to approximately \$18K/yr. We think the rent should be higher than CMP's offer but would like to discuss this with you.

Are you free for a call this afternoon? Tony and I are available any time after 1:30 PM.

Stay well.

Thanks,  
Bill

---

**William S. Harwood** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 774-4000  
C (207) 233-1050  
F (207) 253-4703

[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)

The Verrill logo consists of the word "Verrill" in a bold, black, serif font, centered within a solid yellow rectangular background.

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

## Koyanagi, Gayle

---

**From:** Rodrigues, David  
**Sent:** Monday, April 6, 2020 1:27 PM  
**To:** Anthony Calcagni  
**Subject:** RE: Court case discussed  
**Attachments:** johnson mountain corridor appraisal.pdf

Hi Tony,

Here is the appraisal.

What is the phone # to call this afternoon, I can't find that message?

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Monday, April 06, 2020 9:59 AM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: Court case discussed

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

David, I would take a look at that 2015 Dwyer Assocs. Appraisal Report, if it's easy enough for you to forward.

I look forward to our 3pm call. Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)



---

**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Sent:** Thursday, April 2, 2020 4:28 PM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** FW: Court case discussed

Hi Tony,

Here is some of the information on the court case. I also attached the amendment to the CMP lease we did after the appraisal was done and the rent was increased and the lease for the old power line on the property. Looks like the rent is now \$3,966.71, attached invoice for payment. Let me know if you need the appraisal or anything else?

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Anthony Calcagni](#)  
**To:** [Rodrigues, David](#)  
**Subject:** CMP  
**Date:** Monday, April 06, 2020 10:23:07 AM  
**Attachments:** [image001.png](#)  
[NECEFC Lease Fair Market Value Lease Comparables 4/16/2020\(12602231.1\).xlsx](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

David, in line 27 of the attached spreadsheet it says they "Used BPL rate." Do you know what they mean by that? (Same percentage is used @ line 16.) Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Anthony Calcagni  
**Sent:** Monday, April 6, 2020 9:59 AM  
**To:** 'Rodrigues, David' <David.Rodrigues@maine.gov>  
**Subject:** RE: Court case discussed

David, I would take a look at that 2015 Dwyer Assocs. Appraisal Report, if it's easy enough for you to forward.

I look forward to our 3pm call. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>

**Sent:** Thursday, April 2, 2020 4:28 PM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** FW: Court case discussed

Hi Tony,

Here is some of the information on the court case. I also attached the amendment to the CMP lease we did after the appraisal was done and the rent was increased and the lease for the old power line on the property. Looks like the rent is now \$3,966.71, attached invoice for payment. Let me know if you need the appraisal or anything else?

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Anthony Calcagni](#)  
**To:** [Rodrigues, David](#)  
**Subject:** CMP  
**Date:** Monday, April 06, 2020 10:23:07 AM  
**Attachments:** [image001.png](#)  
[NECEFC Lease Fair Market Value Lease Comparables 4/16/2020\(12602231.1\).xlsx](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

David, in line 27 of the attached spreadsheet it says they "Used BPL rate." Do you know what they mean by that? (Same percentage is used @ line 16.) Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Anthony Calcagni  
**Sent:** Monday, April 6, 2020 9:59 AM  
**To:** 'Rodrigues, David' <David.Rodrigues@maine.gov>  
**Subject:** RE: Court case discussed

David, I would take a look at that 2015 Dwyer Assocs. Appraisal Report, if it's easy enough for you to forward.

I look forward to our 3pm call. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



## Using Land Acquisitions for the New Corridor to Estimate a Potential Adjusted Lease Price

Corridor Counterparties	Transaction Type - Fee or Easement				Total Acres	Total Payments	Access <sup>4</sup>	\$/Acre
	Fee	Acres	Easement	Acres				
Carrier	\$425,019	170			170	\$849,019	\$424,000	\$5,000
Bay root			\$1,750,000	18	18	\$1,825,000	\$75,000	\$102,817
Passamaquoddy <sup>7</sup>			\$2,500,000	2	2	\$2,500,000		\$1,207,729
WeyCo	\$4,093,858	1,489	\$338,591	123	123	\$8,879,884	\$4,447,435	\$5,509
Longchamps & Sons	\$149,190	3			3	\$149,190		\$43,623
<b>Total</b>					<b>1,805</b>	<b>\$14,203,093</b>		<b>\$7,869</b>

This is the blended average per acre cost for all corridor fees, easements and access roads.

### Actual terms from the lease with the Bureau of Parks and Lands<sup>5,6</sup>

Length in miles	0.9
Area in acres	32.4
Land Value	\$29,000
Cap Rate	8.2% Used to convert value to an annual payment
Calculated Land Rent	\$2,378
Land Rent Rounded in Appraisal	\$2,500
Future Timber <sup>2</sup>	\$39,506
Future Timber/Year in Lease	\$1,183
Annual Lease	\$3,680
	Land Rent (\$2,500) + Future Timber (\$1,183)

### Lease rate assuming land value commensurate with the new corridor

Area in acres	32.4
Land Value	\$254,970
Cap Rate	8.2% Used BPL rate
Calculated Land Rent	\$20,908
Land Rent Adjusted	\$21,980
Future Timber <sup>2</sup>	
Future Timber/Year in Lease	
Resulting Annual Lease	<b>\$21,980</b>

**BPL lease payment adjusted to reflect average cost of corridor acquisition.**

- 1 - Corridor acres are net of surplus land. Adding surplus lands will lower the per acre value.
- 2 - The value of standing and future timber is included in all the CMP fee and easement acquisition costs. The 2015 BPL lease includes only the value of lost growth
- 3 - 300-foot wide corridor except across Merrill Strip, which is 150 feet wide.
- 4 - Additional payments made to the landowner to allow for access roads to the corridor.
- 5 - From "Appraisal of Rental Rate, 300 Ft Wide Utility Corridor, Johnson Mountain & West Forks Plantation, Public Reserved Land, Somerset County, Maine" by Dwyer Associates, January 9, 2015. Dwyer Associates was hired by the Bureau to complete an independent Maine appraisal.

6 - If the January 9, 2015 appraisal was increased by actual changes in the Consumer Price Index, the land value would increase from \$29,000 to \$32,135 and the annual lease payment would increase from \$3,680 to \$4,078.

7 - Passamaquoddy lease for parcel no longer needed for new NECEC corridor; lease also reflects special value that Passamaquoddy Tribe holds for tribal lands

**From:** [Anthony Calcagni](#)  
**To:** [Rodrigues, David](#)  
**Subject:** RE: CMP lease with BPL  
**Date:** Monday, April 06, 2020 2:05:04 PM  
**Attachments:** [image001.png](#)  
[CMP Survey 2020 \(2019070224.1\).pdf](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

David, here's their survey plan, to be attached as Exhibit B. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Rodrigues, David <David.Rodrigues@maine.gov>  
**Sent:** Friday, April 3, 2020 10:02 AM  
**To:** Anthony Calcagni <acalcagni@verrilldana.com>  
**Cc:** Cutko, Andy <Andy.Cutko@maine.gov>  
**Subject:** RE: CMP lease with BPL

Hi Tony,

I went through this lease and found a few things:

1. I will discuss the removal of the timber payment language with Andy, we may want that back in.
2. Their language to assign to NECEC states that they can assign without Lessor approval. Section 13,a,4 of the lease requires Lessor approval for an assignment, so we would need to except out this assignment or require Lessor approval for the NECEC assignment, I will discuss with Andy, what are your thoughts on requiring approval?
3. The new description needs a little tweaking, when they reference Johnson Mountain it should be "Johnson Mountain Township". When they reference Johnson Mountain Lot it should be "Johnson Mountain Township Public Lot", same thing for West Forks Plantation, should add "Public Lot".
4. Can you please request the survey and send me a copy, it should also be made EXHIBIT B to this lease.

I'll talk with Andy on the Rent amount subject.

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 3:17 PM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Sent:** Thursday, April 2, 2020 1:08 PM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** RE: CMP lease with BPL

That works fine Tony, I'll call you at 3:00, should I call the below #, is that your direct line?

T (207) 253-4516

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station

Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 1:00 PM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hi David. Nice to "meet" you. Could a call today @ 3pm work for you? Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Sent:** Thursday, April 2, 2020 12:18 PM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** FW: CMP lease with BPL

Hi Tony,

Andy has asked me to touch base with you on this and answer any questions you may have or provide information you may need. I have attached the most recent LD1893 amendment that I have, in case you do not have it. I'm available any time today or tomorrow to talk on the phone if you have some time. Working from home and my phone # is 446-1747. Also attached is a word copy of the lease. If you want me to call you, let me know what would be a good time?

I worked on this lease back in 2014 and know this project and property very well.

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands

22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Sent:** Wednesday, April 01, 2020 11:09 AM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** FW: CMP lease with BPL

FYI... I'll try to call you later today.

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Wednesday, April 1, 2020 11:02 AM  
**To:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Subject:** FW: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Andy I assume you've seen this, but just in case you haven't. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>  
**Sent:** Wednesday, April 1, 2020 9:46 AM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

**Eben Adams**  
[PIERCE ATWOOD LLP](#)

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1175  
**FAX** 207.791.1350

[eadams@pierceatwood.com](mailto:eadams@pierceatwood.com)

**BIO** ▶

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

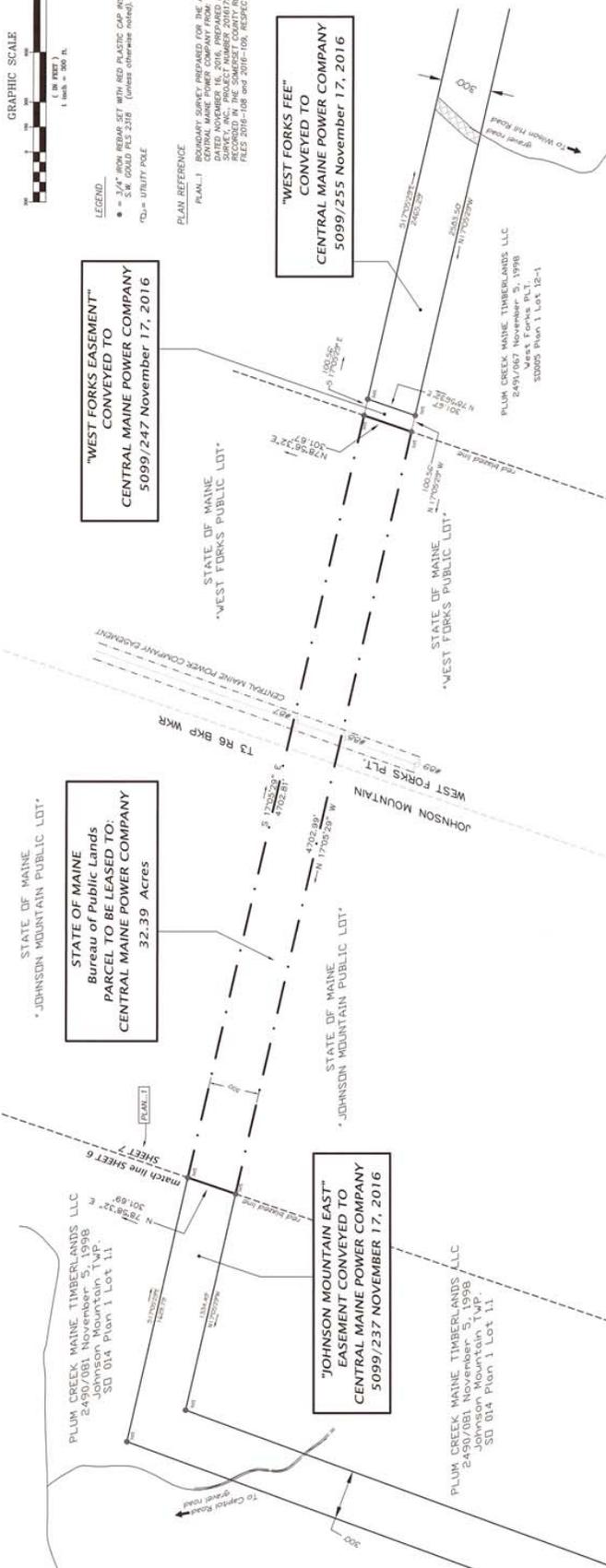
This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

PLAN PREPARED FOR  
THE ACQUISITION OF  
A LEASE OF LAND BY:  
**CENTRAL MAINE POWER COMPANY**  
From:  
**STATE OF MAINE**  
*Bureau of Public Lands*  
LOCATION: southerly of Capitol Road (a private way)  
JOHNSON MOUNTAIN PLT. / WEST FORKS PLT.,  
SOMERSET COUNTY, MAINE  
DATE: MARCH 23, 2020



LEGEND  
● = 5/8" IRON NAIL SET WITH RED PLASTIC CAP, RECORDED  
S.E. = S.W. GOULD PLS. 2016 (PLANS CONVEYED HEREIN)  
\*D = UTILITY POLE

PLAN REFERENCE  
PLAN 1: BOUNDARY SURVEY PREPARED FOR THE ACQUISITION OF LAND BY:  
CENTRAL MAINE POWER COMPANY FROM WETHERSHELL COMPANY  
SURVEY, INC., PROJECT NUMBER 2016175, SHEETS 6 AND 7 OF 13,  
FILED 2016-10-08 AND 2016-10-09, RESPECTIVELY.



THIS SURVEY CONFORMS WITH THE RULES, SUPERVISOR BY THE  
MAINE BOARD OF LICENSURE FOR PROFESSIONAL LAND  
SURVEYORS, PART 1, 6000 WITH ANY EXCEPTION TAKEN TO  
22 MSA § 3302(2) 1. (Exception: Surveyor's Initials, Section  
22 MSA § 3302(2) 2. NO NEW LEGAL DESCRIPTION PREPARED AT THIS TIME.  
PREPARED BY: SACKETT & BRAKE SURVEY, INC.  
UNVALUED - UNLESS SIGNED, SCALED AND/OR ENDORSED BELOW.  
P.D. 807, 207 / R.T.E. 201 N  
S.E. 100, 207 / R.T.E. 04796  
207-474-6223  
STEPHEN W. GOULD  
P.S. 2318

Owner of Record:  
STATE OF MAINE  
BUREAU OF PUBLIC LANDS  
22 STATE HOUSE STATION  
AUGUSTA, MAINE 04336

STATE OF MAINE  
SOMERSET, ss. REGISTRY OF DEEDS  
Received \_\_\_\_\_ M. and recorded  
at \_\_\_\_\_ m. \_\_\_\_\_ M. and recorded  
in Plan File \_\_\_\_\_ ATTEST:  
REGISTER

**From:** [Anthony Calcagni](#)  
**To:** [Rodrigues, David](#); [Cutko, Andy](#)  
**Cc:** [William Harwood](#)  
**Subject:** RE: CMP lease with BPL  
**Date:** Monday, April 06, 2020 2:39:22 PM  
**Attachments:** [image001.jpg](#)  
[CMP-BPL-Transmission-line-2020-01-06\(12600111-1\).docx](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Gentlemen, here is a slightly revised version of the proposed new CMP lease, for our discussion today. (I'm working on a redline to show changes against their last version, but am having difficulties with that I'm afraid.) Please note:

- Big-ticket item here is the rent in Sec. 2, which I've left blank here, and which we can discuss @ 3pm.
- Also in Sec. 2, I changed the December 1 annual rent payment date to April 1. Also, this version keeps the old appraisal provision, and the last sentence regarding a timber payment (we should discuss both of those).
- I highlighted a clause in Sec. 6.g, since I'm wondering if it needs to be updated.
- David I made the tweaks you suggested in the Exhibit A description.

I look forward to speaking with you. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Rodrigues, David <David.Rodrigues@maine.gov>  
**Sent:** Friday, April 3, 2020 10:02 AM  
**To:** Anthony Calcagni <acalcagni@verrilldana.com>  
**Cc:** Cutko, Andy <Andy.Cutko@maine.gov>  
**Subject:** RE: CMP lease with BPL

Hi Tony,

I went through this lease and found a few things:

1. I will discuss the removal of the timber payment language with Andy, we may want that back

- in.
2. Their language to assign to NECEC states that they can assign without Lessor approval. Section 13,a,4 of the lease requires Lessor approval for an assignment, so we would need to except out this assignment or require Lessor approval for the NECEC assignment, I will discuss with Andy, what are your thoughts on requiring approval?
  3. The new description needs a little tweaking, when they reference Johnson Mountain it should be "Johnson Mountain Township". When they reference Johnson Mountain Lot it should be "Johnson Mountain Township Public Lot", same thing for West Forks Plantation, should add "Public Lot".
  4. Can you please request the survey and send me a copy, it should also be made EXHIBIT B to this lease.

I'll talk with Andy on the Rent amount subject.

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 3:17 PM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Sent:** Thursday, April 2, 2020 1:08 PM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** RE: CMP lease with BPL

That works fine Tony, I'll call you at 3:00, should I call the below #, is that your direct line?

T (207) 253-4516

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Thursday, April 02, 2020 1:00 PM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** RE: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Hi David. Nice to "meet" you. Could a call today @ 3pm work for you? Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Sent:** Thursday, April 2, 2020 12:18 PM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>  
**Subject:** FW: CMP lease with BPL

Hi Tony,

Andy has asked me to touch base with you on this and answer any questions you may have or provide information you may need. I have attached the most recent LD1893 amendment that I have, in case you do not have it. I'm available any time today or tomorrow to talk on the phone if you have some time. Working from home and my phone # is 446-1747. Also attached is a word copy of the lease. If you want me to call you, let me know what would be a good time?

I worked on this lease back in 2014 and know this project and property very well.

Thanks,  
David

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Sent:** Wednesday, April 01, 2020 11:09 AM  
**To:** Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>  
**Subject:** FW: CMP lease with BPL

FYI... I'll try to call you later today.

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Wednesday, April 1, 2020 11:02 AM  
**To:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>  
**Subject:** FW: CMP lease with BPL

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Andy I assume you've seen this, but just in case you haven't. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Wednesday, April 1, 2020 9:46 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

**Eben Adams**  
[PIERCE ATWOOD LLP](mailto:eadams@pierceatwood.com)

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1175  
**FAX** 207.791.1350

[eadams@pierceatwood.com](mailto:eadams@pierceatwood.com)

**BIO** ▶

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**TRANSMISSION LINE LEASE**

**BETWEEN**

**DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY  
BUREAU OF PARKS AND LANDS  
and CENTRAL MAINE POWER COMPANY**

This Lease Agreement is made by and between the State of Maine, by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry (hereinafter called the "Lessor"), acting pursuant to the provisions of Title 12 M.R.S.A., §1852(4), and Central Maine Power Company, a Maine corporation with its principal place of business at 83 Edison Drive, Augusta, Maine (hereinafter called "Lessee"). For the considerations hereinafter set forth, the Lessor hereby leases to Lessee, and Lessee hereby takes from the Lessor, the non-exclusive use of that portion of the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein, being a three hundred (300) foot wide by approximately one mile long transmission line corridor containing 32.39 acres and located on a portion of the aforementioned Maine Public Reserved Lands. The described transmission line corridor, together with the improvements now or hereafter to be placed thereon, is hereinafter referred to as the "Property" or "Premises," and is subject to the following terms and conditions:

**1. Term:**

a. This lease shall be in effect from the date of execution of this instrument for a term of twenty (20) years and, at no less than 5 year intervals, the term of this lease may be extended by mutual agreement for additional years as will grant Lessee a remaining lease term totaling no more than twenty-five (25) years, so long as Lessee is in compliance with the conditions of this lease. Lessee shall not request a lease term extension any more often than once every five years. Notice of any lease extension shall be given to Lessor at least six (6) months prior to the expiration of any initial term or renewal period.

b. Lessor reserves the right to terminate this Lease at any time during the term hereof to the extent permitted under the provisions contained in paragraph 13 Default.

**Style Definition** ...

**Formatted:** Font: 14 pt

**Formatted:** Font: 14 pt, Font color: Custom Color(46,66,60)

**Formatted:** Centered, Indent: Left: 0", First line: 0", Right: 0", Space Before: 0 pt, Line spacing: Exactly 13.9 pt, No widow/orphan control, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

**Formatted:** Default Text, Centered, Indent: Left: 0", Space Before: 0 pt, Tab stops: 0.25", Left

**Formatted:** Font: 14 pt

**Formatted:** Font: 14 pt

**Formatted:** Default Text, Justified, Indent: Left: 0", Hanging: 0.25", Right: 0", Line spacing: single, Tab stops: 0.25", Left,Leader: ---

**Formatted** ...

**Formatted:** Default Text, Indent: Left: 0.06", Hanging: 0.19", No bullets or numbering

**Formatted** ...

**Formatted:** Font: 12 pt

**Formatted:** Default Text, Indent: Left: 0.06", Hanging: 0.19"

**Formatted:** Default Text, Justified, Indent: Left: 0.56", Right: 0", Line spacing: single, No bullets or numbering

**Formatted** ...

**Formatted:** Font: 12 pt, Font color: Black, Condensed by 0.1 pt

**Formatted** ...



~~Lessee's~~Lessee's communication facilities, Lessee shall first obtain ~~Lessor's~~Lessor's written approval, which shall not be unreasonably withheld. Lessor may adjust the rent at such time as Lessee provides communication capacity to others. The rent adjustment is to be determined by an appraisal paid for by Lessee. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. ~~Lessee shall not sub-lease or contract the communication facilities for any other commercial use.~~ The Lessor further grants to said Lessee the right to establish any and all safety and reliability regulations applicable to said transmission line corridor which said Lessee deems necessary and proper for the safe and reliable construction and maintenance of said structures, wires, and apparatus and for the transmission of electricity.

Formatted

4. 4. Quiet Enjoyment. So long as Lessee pays the rent, performs all of its non-monetary obligations, and otherwise complies with the provisions of this Lease, the Lessee's possession of the Premises for its intended use will not be disturbed by the Lessor, its successors and assigns except ~~a~~as otherwise provided under the terms of this Lease. Notwithstanding any provision to the contrary herein, Lessor reserves the right to enter onto the Premises at any time and from time to time to inspect the Premises.

Formatted: Font: 12 pt, Font color: Black, Condensed by 0.1 pt

Formatted

5- 5 Access:

Formatted: Normal, Justified, Space Before: 0 pt, Don't hyphenate, Tab stops: -0.5", Left

a. a. It is agreed by the parties to this Lease that Lessor is under no obligation to construct or maintain access to the Premises, notwithstanding any provisions of any federal, state and local law to the contrary. However, the Lessee shall be allowed to cross ~~Lessor's~~Lessor's abutting land by using ~~Lessor's~~Lessor's Forest Management Roads for access to the Premises for construction, maintenance and repairs, subject to reasonable restrictions and regulations imposed by Lessor, and the rights of others using said roads. Upon reasonable advance notice to Lessee, Lessor reserves the right to close, lock or otherwise restrict access along or through the Forest Management Roads at any time it appears reasonably necessary to protect the safety of persons or property. Such situations include, but are not limited to, spring mud season or periods of high fire danger. Lessee shall immediately repair any damage to the road caused by Lessee. Lessor is under no obligation to provide maintenance to the road. If Lessee wishes to undertake performing repairs or upgrades to the Forest Management Roads, Lessee must acquire prior written approval from Lessor. Lessee shall acquire prior written approval for the construction or use of any other access location across ~~Lessor's~~Lessor's land abutting the Premises which approval shall not be unreasonably withheld, delayed, or conditioned.

Formatted: Normal, Justified, No bullets or numbering, Don't hyphenate, Tab stops: -0.5", Left

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

b. b. The Lessor expressly reserves the right for itself or its guests, servants, or agents to pass and repass over the described Premises at any and all times with machinery and equipment necessary for the operation or ~~conduct~~ of ~~Lessor's~~Lessor's uses as such uses may from time to time exist, provided that: said uses will comply with the above referenced safety regulations and any applicable state law, and will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies; that the Lessor shall

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

provide Lessee with at least three business days prior written notice if Lessor will be on the Premises with construction or logging equipment; and that such use will not unreasonably interfere with the rights of Lessee herein conveyed.

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

Formatted: Normal, Justified, Space Before: 0 pt, Don't hyphenate, Tab stops: -0.5", Left

Formatted: Default Text, Justified, Indent: Left: 0.75", Hanging: 0.25", Right: 0", Line spacing: single, No bullets or numbering, Tab stops: 1", Left

Formatted

Formatted: Font: 12 pt

Formatted: Rules: Section, Indent: Left: 0.75", First line: 0"

Formatted: Normal, Justified, Indent: Left: 0", Hanging: 1", Right: 0", Line spacing: single, No bullets or numbering

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted: Normal

Formatted: Normal, Justified, Indent: Left: 0.75", Hanging: 0.25", Right: 0", Space Before: 0 pt, Line spacing: single, No bullets or numbering, Don't hyphenate, Tab stops: -0.5", Left

Formatted

Formatted: Font: 12 pt

Formatted

Formatted: Font: 10 pt

Formatted

Formatted

Formatted: Font: 12 pt, Font color: Auto, Character scale: 100%, Condensed by 0.1 pt

6. Lessee Covenants. The Lessee covenants as follows;

a. No buildings, either permanent or temporary, may be constructed or placed upon the described Premises, except temporary structures during construction of the Facilities, such as field trailers.

b. Crossing mats for stream or wetland crossings shall not be made of ash or hemlock, so as to avoid introduction of invasive pests associated with these species.

c. No hazardous or toxic waste substance or material, residual pesticides or fertilizers, other than organic compost, shall be used or kept upon the Premises or any portion thereof, nor shall any livestock or poultry be kept temporarily or permanently thereon. Pesticides, herbicides, and chemical defoliant registered for use in Maine may be applied to the Premises only after acquiring prior written approval from Lessor and only by trained applicators working under the supervision of applicators licensed by the State of Maine in formulations and dosages approved by the Environmental Protection Agency and Lessor. One month prior to all pesticide applications, Lessee shall provide information to Lessor, including, but not limited to pesticides, herbicides, and chemical defoliant to be used, dates and methods of application, application locations and reasons for use.

d. There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.

e. There shall be no vegetation maintenance or disturbance within a 50-foot radius around the high water boundary of a significant vernal pool from March 15 to July 15; provided, however, that Lessee may take all appropriate actions with regards to vegetation management to ensure that Lessee is in compliance with all federal and state laws, rules and regulations imposed upon Lessee as the owner and operator of the Facilities.

f. Lessee shall not make any strip or waste of the Leased Premises or of any other lands of Lessor. Vegetation clearing within the Leased Premises for Lessee's Facilities shall be limited to standards approved by the Maine Public Utilities Commission and shall encourage a ground cover of woody species with a maximum mature height approaching but not exceeding 15 feet. Lessee shall make every effort to minimize clearings and cutting of vegetation.

g. Lessee acknowledges that lease of the Premises by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry is unique, and that in

authorizing the Lease under 12 M.R.S., § 1852(4)(A), Lessor requires that Lessee shall make every reasonable effort within the leased Premises to be in conformance with the Maine Department of Inland Fisheries and Wildlife "Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects", "Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects", and "Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects", all dated March 26, 2012, which copies are attached to this lease, or the publication's most current version.

Formatted

h. Lessee shall not kindle any outside fires on the Premises or any other land of the Lessor, except in accordance with applicable federal, state and local regulations, and hereby agrees to assist with any means at Lessee's disposal in putting out fires occurring on the Premises or adjacent areas, and to report promptly such fires to Lessor or its representative and to the appropriate authorities.

Formatted: Font: 12 pt, Font color: Black, Condensed by 0.1 pt

Formatted

i. Lessee agrees to maintain the Premises in a neat and sanitary manner and to provide for proper disposal of all garbage, trash, septic (for purposes of this Lease, "septic" shall mean, but is not limited to, sewage, wash water, black water, gray water and slop water), and other waste in compliance with all applicable federal, state and local laws and in a manner so as not to be objectionable or detract from the aesthetic values of the general area. Lessee shall not discharge any untreated or partially treated sewage or other waste materials directly or indirectly into any body of water including but not limited to, any wetland, stream, river, lake, pond, or groundwater. In addition, Lessee covenants that it bears the responsibility for any noncompliance with all federal, state and local laws and regulations governing septic and other waste disposal resulting from Lessee's activities and Lessee shall indemnify and hold harmless Lessor from and against any and all actions, suits, damages and claims by any party by reason of noncompliance by Lessee with such laws and regulations. Such indemnification shall include all Lessor's costs, including, but not limited to reasonable attorney fees.

Formatted: Font: 12 pt, Font color: Black, Character scale: 100%, Condensed by 0.1 pt

Formatted: Normal, Justified, Don't hyphenate, Tab stops: -0.5", Left

Formatted: Normal, Justified, Indent: Left: 0.75", Hanging: 0.25", Right: 0", Space Before: 0 pt, Line spacing: single, No bullets or numbering, Don't hyphenate, Tab stops: -0.5", Left + Not at 1.05"

Formatted

j. No non-forest waste including, but not limited to, broken equipment, spilt fuels, fluids and lubricants, fluid and lubricant containers, equipment parts, tires, debris, garbage, or trash shall be deposited, discharged, dumped or buried upon the Premises. Forest woody waste (e.g., wood chips and stumps) may be disposed of on the premises, but may not be disposed of in piles. Stumps shall be buried in "stump dump" holes, except that small numbers of stumps (four or less) may be left aboveground. All non-forest waste shall be disposed of legally and not on property of Lessor.

Formatted

k. Lessee shall not build permanent roads on the Premises without obtaining prior specific written permission from the Lessor; provided, however, that Lessee may construct a minimal number of temporary roads and trails to facilitate the construction of the transmission line (tree clearing, pole setting, wiring). At the

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

time construction is completed, all temporary roads and trails shall be dismantled and put to bed or converted to permanent access trails. All access trails shall be built to Best Management Practices (BMP) standards as shown in the "Maine Motorized Trail Construction and Maintenance Manual" written by the Bureau of Parks and Lands Off-Road Vehicle Division, dated May 2011 and all roads shall be built pursuant to those Best Management Practices (BMPs) standards pertaining to forest management and road construction practices set forth in the publication entitled, "Best Management Practices for Forestry: Protecting Maine's Water Quality," prepared by the Maine Department of Agriculture, Conservation and Forestry, Maine Forest Service, in such publication's most current version at the time of the grant of this lease, and as the same may be further amended, supplemented or replaced after the date of the execution of this lease.

Formatted

Prior to start of construction, lessee shall provide an Access and Maintenance Plan to Lessor for review and approval. This plan shall provide details and maps on proposed roads, permanent and temporary, access points, temporary trails, inspection, and maintenance access, and descriptions of any proposed bridges, temporary or permanent.

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

Formatted

Formatted: Normal, Justified, Right: 0", Line spacing: single, Don't hyphenate, Tab stops: -0.5", Left

l. Natural Plant Community, wetland and Significant Vernal Pool field surveys of the Premises must be conducted by Lessee or Lessee's designee prior to any construction on the Premises. Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife a copy of all completed surveys before commencing any construction on the Premises.

Formatted

Formatted: Font: 12 pt

Formatted

m. Lessee shall be in compliance with all Federal, State and local statutes, ordinances, rules, and regulations, now or hereinafter enacted which may be applicable to Lessee in connection to its use of the Premises. Lessee further shall not construct, alter or operate the described Premises in any way until all necessary permits and licenses have been obtained for such construction, alteration or operation. Lessee shall provide written confirmation that Lessee has obtained all material permits and licenses to construct and operate the Facilities. Lessee shall furnish Lessor with copies of all such permits and licenses, together with renewals thereof to Lessor upon the written request of Lessor. This lease shall terminate at the discretion of the Lessor for failure of Lessee to obtain all such required permits. Prior to such termination, however, Lessor shall provide written notice to Lessee of such failure and Lessee shall have 30 days in which to cure such failure.

Formatted

Formatted: Font: 12 pt, Font color: Auto, Character scale: 100%

Formatted: Normal, Space Before: 0 pt, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.25" + Tab after: 1.5" + Indent at: 1.5"

Formatted

Formatted: Font: 12 pt, Font color: Auto, Character scale: 100%

n. In the event of the following:

Formatted: Normal, Right: 0", Space Before: 0 pt, Line spacing: single, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.25" + Tab after: 1.5" + Indent at: 1.5"

- a) Lessee constructs an electric transmission line on the Premises; and
- b) Lessee has determined, in its sole discretion, to rebuild the existing transmission line (the "Jackman Tie Line") located on that part of the existing 100-foot wide utility corridor described in a lease dated July 9,

Formatted

1963 and recorded in the Somerset County Registry of Deeds, Book 679, Page 37 (the "Jackman Tie Line Lease") that is located westerly of the Premises and easterly of Route 201; and

c) Lessee receives all permits and regulatory approvals necessary to rebuild the line in such new location including, but not limited to, approvals of the Maine Public Utilities Commission and the Maine Department of Environmental Protection; then

⇨ Lessee agrees to relocate said Jackman Tie Line from the above described portion of the Jackman Tie Line Lease to a location on the Premises and such other corridor as acquired by the Lessee from others. Upon completion of any such relocation of the Jackman Tie Line or its functional replacement pursuant to this section and removal of Lessee's facilities from that portion of the Jackman Tie Line Lease lying westerly of the Premises, Lessor and Lessee agree to amend the Jackman Tie Line Lease to delete from the lease area that portion of the Jackman Tie Line Lease lying westerly of the Premises. All other terms and conditions of the Jackman Tie Line Lease shall remain in full force and effect. The term "rebuild" as used in this paragraph, shall not include routine repair or replacement of poles, crossarms, insulators, braces or conductor.

Formatted

Formatted

Formatted

7. 7. Liability and Insurance.

a. a. Lessee shall without unreasonable delay inform Lessor of all risks, hazards and dangerous conditions caused by Lessee which are outside of the normal scope of constructing and operating the Facilities of which Lessee becomes aware of with regards to the Premises. Lessee assumes full control of the Premises, except as is reserved by Lessor herein, and is responsible for all risks, hazards and conditions on the Premises caused by Lessee.

Formatted: Normal, Justified, Indent: Left: 0.13", No bullets or numbering, Don't hyphenate, Tab stops: -0.5", Left + 0.31", Left + 0.56", Left

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

b. b. Except for the conduct of Lessor and Lessor's guests and agents, Lessor shall not be liable to Lessee for any injury or harm to any person, including Lessee, occurring in or on the Premises or for any injury or damage to the Premises, to any property of the Lessee, or to any property of any third person or entity. Lessee shall indemnify and defend and hold and save Lessor harmless, including, but not limited to costs and attorney fees, from: (a) any and all suits, claims and demands of any kind or nature, by and on behalf of any person or entity, arising out of or based upon any incident, occurrence, injury, or damage which shall or may happen in or on the Premises that is caused by the Lessee or its Agents; and (b) any matter or thing arising out of the condition, maintenance, repair, alteration, use, occupation or operation of the Premises, the installation of any property thereon or the removal of any property therefrom that is done by the Lessee or its Agents. Lessee shall further indemnify Lessor against all actions, suits, damages, and claims by whoever brought or made by reason of the nonobservance or nonperformance of Lessee or its Agents of: (a) any obligation

Formatted

under this Lease; or (b) any federal, state, local law or regulation pertaining to Lessee's use of the Premises.

c. The Lessee shall obtain and keep in force, for the duration of this lease, a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Lease with adequate liability coverage over at least one million dollars for each occurrence and two million dollars in annual aggregate in general commercial liability coverage to protect the Lessee and the Lessor from suits for bodily injury and damage to property. Nothing in this provision, however, is intended to waive the immunity of the Lessor. Upon execution of this Lease, the Lessee shall furnish the Lessor with a certificate of insurance as verification of the existence of such liability insurance policy.

8. Lessee's Liability for Damages. Lessee shall be responsible to Lessor for any damages caused directly or indirectly by Lessee or its guests, servants or agents, including, but not limited to, interference or meddling with any tools, machinery, equipment, gates, buildings, furniture, provisions or other property of the Lessor on the Premises, its agents, employees or guests.

9. Tax Proration. Lessee shall pay when due all taxes levied on the personal property and improvements constructed by Lessee and located on the Premises. Lessor shall be responsible for any real property taxes levied on the Premises based on unimproved land. Lessor shall have no ownership or other interest in any of the Facilities on the Property and Lessee may remove any or all of the Facilities at any time.

10. Lease Assignment, Sublease and Colocation: Lessee shall not assign or sublease in whole or part without prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessor may lease the Premises for other compatible uses and colocation of other utilities so long as such rights do not extend to access to the Facilities, said uses will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies, and such use will not interfere with the rights herein conveyed, including the right to build such additional Facilities as may be accommodated on the Premises using transmission line spacing standards approved by the Maine Public Utilities Commission. Notwithstanding the forgoing, Lessee may assign its interest in this Lease to NECEC Transmission LLC, a Delaware limited liability company ("NECEC") without Lessor consent, so long as Lessee gives written notice of such assignment to Lessor, together with a copy of the executed assignment, and so long as the assignment expressly provides that NECEC has assumed all of the Lessee's obligations under this Lease. Upon delivery of such notice and such executed assignment, Central Maine Power Company shall be released from any obligations under this Lease from and after the effective date of such assignment. NECEC is related to Lessee and under common ownership with Lessee.

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted: Font: 12 pt, Font color: Auto

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted: Font: 12 pt, Font color: Auto

Formatted: Font: 12 pt

Formatted: Font: 12 pt, Font color: Auto

Formatted: Font: 12 pt, Condensed by 0.1

11. Lessee's Removal of Structures: Lessee must obtain ~~Lessor's~~Lessor's advance written consent, which consent shall not be unreasonably withheld, delayed, or conditioned, to the method of removal before any structures or improvements are removed from the Premises.

12. Surrender. Upon termination of this Lease for any reason, Lessee shall deliver the Premises to Lessor peaceably, without demand, and in reasonably good condition clear of all trash and debris, unusable equipment, unregistered vehicles and abandoned equipment and structures, located on the Premises by Lessee or its Agents. If such trash and debris and other unusable equipment, unregistered vehicles, and abandoned equipment and structures are not removed within one hundred eighty days (180) days of the termination of this Lease, the Lessor shall thereafter have the right to remove it and Lessee shall reimburse Lessor for the costs of such removal and disposal. Any other personal property, fixture, or structure on the Premises belonging to Lessee shall be removed by Lessee, unless Lessor requests in writing, that the other personal property, fixture, or structure may remain and Lessee agrees in writing not to remove it. If the Lessee fails to remove such other personal property, fixture, or structure such items shall be deemed the property of the Lessor two hundred and ten days (210) days after termination of the Lease and the Lessor shall thereafter have the right to remove it and charge the Lessee with the costs of such removal and disposal. In the event that any of this other personal property, fixtures, or structures on the Premises are incapable of being removed within one hundred eighty days (180) days, Lessee may be ~~allowed~~allotted up to one year to remove the items, with prior written approval from Lessor, which approval shall not be unreasonably, delayed, or conditioned. Any holding over by Lessee without ~~Lessor's~~Lessor's prior written consent shall be considered a tenancy at sufferance.

13. Default.

a. [REDACTED] a.  
The following constitutes a default under this Lease: (1) Lessee's failure to perform any of its monetary or nonmonetary obligations under this Lease; (2) the filing of any bankruptcy or insolvency petition by or against Lessee or if Lessee makes a general assignment for the benefit of creditors which is not resolved or withdrawn within 30 days of such petition being filed; (3) an execution, lien, or attachment issued against the Lease, the Premises, or Lessee's property on the Premises, unless Lessee provides Lessor with satisfactory assurances and evidence that such execution, lien, or attachment will be released within a reasonable time not to exceed ninety (90) days, unless a shorter period of time is provided for by any applicable law or proceeding for the removal thereof, in which case the more restrictive time limitation applies; (4) the assignment or sublease of this ~~lease~~Lease to any third party without ~~Lessor's~~Lessor's prior written consent; or (5) the violation of any state, federal or local law, rule, regulation, or ordinance; or (6) ~~Lessee's~~Lessee's abandonment of the leased ~~premises~~.

Formatted: Font: 12 pt, Underline color: Auto, Font color: Auto, Condensed by 0.1 pt

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

Formatted: Normal, Justified, Indent: Left: 0.13", Hanging: 0.44", Right: 0", Space Before: 0 pt, Line spacing: single, No bullets or numbering, Don't hyphenate, Tab stops: -0.5", Left

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

Formatted: Font: 12 pt, Font color: Auto

Formatted: Font: 12 pt, Font color: Auto

Formatted: Font: 12 pt, Font color: Auto

Formatted

Formatted

b. b. Upon the occurrence of any such event of default and subject to any applicable cure period as defined in paragraph 6(m), above, Lessor may, in addition to (and not instead of) any other remedies available at law or in equity, terminate this lease with notice or demand to Lessee and enter and take possession of the leased premises. Lessee shall be liable to Lessor for loss and expense, including reasonable attorney fees, incurred by reason of such default or termination hereof. Lessor will provide Lessee with written notice of an event or occurrence of default under paragraph 13(a)(1) and Lessee shall have a reasonable period of time, as determined by Lessor, to cure said default which period shall not exceed thirty (30) days; provided, however, that if Lessee satisfies to Lessor that Lessee has undertaken the appropriate actions to cure said default and such default has not been cured within the said time permitted, the Lessor may exercise its sole discretion to extend the cure period.

Formatted

14. 14. Statutory Authority Over Public Lands. Lessor shall have the right to request that this Lease be amended from time to time and throughout the term of this lease in the event that any Lease term is found not to comply with Maine state law regarding the lease of property under 12 M.R.S. § 1852(4). Lessor shall send notice to Lessee of the proposed revision. Upon receipt of such notice, Lessee shall have the option to either terminate the Lease by notifying Lessor in writing within thirty (30) days of receipt of notice or negotiate an amendment to the Lease in order to bring such term in compliance with said state law. Except as provided in this Lease, neither Party shall have the right to terminate this lease unless the resulting non-compliance constitutes a default under Section 13 hereof, in which case Section 13 shall govern.

Formatted: Font: 12 pt, Font color: Black, Condensed by 0.1 pt

Formatted

15. 15. Mechanics Lien. If any notice is filed at the county registry of deeds of a builder's, supplier's or mechanic's lien on the Premises, arising out of any work performed by or on behalf of Lessee, Lessee shall cause such lien to be discharged or released immediately and shall indemnify Lessor against any such claim or lien, including all costs and attorney fees that Lessor may incur in connection with the same.

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

16. 16. Succession; No Partnership. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of the parties hereto. Nothing in this agreement shall be construed to create an association, joint venture, trust or partnership covenant, obligation, or liability on or with regards to any of the parties to this agreement.

Formatted

17. 17. Waiver. Any consent, express or implied, by Lessor to any breach by Lessee of any covenant or condition of this Lease shall not constitute a waiver by the Lessor of any prior or succeeding breach by Lessee of the same or any other covenant or condition of this Lease. Acceptance by Lessor of rent or other payment with knowledge of a breach or default by Lessee under any term on this Lease shall not constitute a waiver by Lessor of such breach or default.

Formatted

18. Force Majeure. Except as expressly provided herein, there shall be no abatement, diminution, or reduction of the rent or other charges payable by Lessee hereunder, based upon any act of God, any act of the enemy, governmental action, or other casualty, cause or happening beyond the control of the parties hereto.

Formatted

19. Eminent Domain. In the event that the Premises or any portion thereof shall be lawfully condemned or taken by any public authority, Lessor may, in its discretion, elect either: (a) to terminate the Lease; or (b) to allow this Lease to continue in effect in accordance with its terms, provided, however, that a portion of the rent shall abate equal to the proportion of the Premises so condemned or taken. All condemnation proceeds shall be Lessor's sole property without any offset for Lessee's interests hereunder.

Formatted

20. Holding Over. If Lessee holds over after the termination of this Lease, said hold over shall be deemed to be a trespass.

Formatted

21. Lessor Protection. Lessor expressly retains and nothing contained herein shall be construed as a release or limitation by Lessor of any and all applicable liability protections under Maine law. Lessor specifically retains any and all protections provided under Maine law to owners of land, including but not limited to those provided under the Maine Tort Claims Act, 14 M.R.S.A. §§ 8101-8118.

Formatted: Normal, Justified, Don't hyphenate, Tab stops: -0.5", Left

Formatted: Normal, Justified, Indent: Left: 0.13", Hanging: 0.44", Right: 0", Space Before: 0 pt, Line spacing: single, No bullets or numbering, Don't hyphenate, Tab stops: -0.5", Left

22. Cumulative Remedies. The remedies provided Lessor by this Lease are not exclusive of other remedies available by current or later existing laws.

Formatted

23. Entire Agreement; Supersedes 2014 Lease. This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Lessor and Lessee governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth. Except as herein provided, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon the Lessor or Lessee unless and until reduced to writing and signed by both parties. This Lease supersedes the Transmission Line Lease between Lessor and Lessee dated December 15, 2014, as amended by Lease Amendment dated June 22, 2015 (as amended, the "2014 Lease"), and the parties acknowledge that the 2014 Lease is terminated as of the effective date of this Lease.

Formatted

Formatted: Font: 12 pt, Font color: Black, Condensed by 0.1 pt

Formatted

24. Notices. All notice, demands, and other **communications** required hereunder shall be in writing and shall be given by first class mail, postage prepaid, registered or certified mail, return receipt requested; if addressed to Lessor, to;

Formatted

State of Maine, Department of Agriculture, Conservation and Forestry, Division of Parks and Lands,

Formatted

22 State House Station, Augusta, ME 04333-0022, Attn: Director;

Formatted

and if to Lessee, to;

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

Central Maine Power Company, Real Estate Services

Formatted

83 Edison Drive, Augusta, Maine 04364, Attn. Supervisor, Real Estate

Formatted

25. General Provisions:

- a. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Maine.
- b. Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision. To the extent any provision herein is inconsistent with applicable state statute, the statute is deemed to govern.
- c. Paragraph Headings. The paragraph titles herein are for convenience only and do not define, limit, or construe the contents of such paragraph.

**Formatted:** Font: 12 pt, Font color: Auto, Character scale: 100%, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, No underline, Font color: Black, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Black, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, No underline, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Black, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Underline, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, No underline, Font color: Auto, Condensed by 0.1 pt

**Formatted:** Font: 12 pt, No underline, Font color: Auto, Condensed by 0.1 pt

**Formatted** ...

**Formatted:** Font: 12 pt, Font color: Auto

**Formatted** ...

**Formatted:** Font: 12 pt, Font color: Auto

**Formatted** ...

**Formatted** ...

**Formatted** ...

**Formatted** ...

**Formatted** ...

**Formatted** ...

**Formatted:** Font: 12 pt, Condensed by 0.1

**Formatted** ...

IN WITNESS WHEREOF, the parties have hereunto set their hands ~~the day and year first above~~  
~~written on the dates set forth below.~~ For purposes of this Lease, a facsimile signature shall be  
deemed an original.

Lessor:

**STATE OF MAINE**

Department of Agriculture, Conservation, and Forestry

Bureau of Parks and Lands

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

Print: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 2020

Witness: \_\_\_\_\_

Lessee: \_\_\_\_\_

**CENTRAL MAINE POWER COMPANY**

Formatted: Font: 12 pt, Font color: Auto, Condensed by 0.1 pt

Formatted: Normal, Justified, Indent: Left: 0", First line: 0", Right: 0", Space Before: 0 pt, Line spacing: single, Don't hyphenate, Tab stops: -0.5", Left

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

Formatted

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

Formatted: Condensed by 0.1 pt

Formatted

Formatted

Formatted

Formatted: Font: 12 pt, Condensed by 0.1

Formatted

Formatted

Formatted

Formatted: Font: 12 pt

Formatted

Formatted

Formatted

Formatted: Font: 12 pt, Underline

Formatted: Font: 12 pt

Formatted

Formatted: Font: 12 pt

Formatted: Normal

Formatted

Formatted

Formatted: Font: 12 pt, Underline

Formatted: Underline

Formatted: Normal, Space Before: 0 pt

CENTRAL MAINE POWER COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

Print: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 2020

Witness: \_\_\_\_\_

**Formatted:** Font: 12 pt, Font color: Auto, Not Expanded by / Condensed by

**Formatted:** Font: 12 pt, No underline, Font color: Auto, Not Expanded by / Condensed by

**Formatted:** Normal, Indent: Left: 0", Right: 0", Line spacing: single, Tab stops: Not at 5.5"

**Formatted:** Font: 12 pt, Underline

**Formatted:** Font: 12 pt

**Formatted:** Normal, Indent: Left: 2.5", First line: 0"

**Formatted:** Font: 12 pt

**Formatted:** Left: 1", Right: 1", Top: 0.75", Bottom: 0.75", Suppress Endnotes, Header distance from edge: 0.51", Footer distance from edge: 0.51", Different first page header

**EXHIBIT A**

Leased Premises  
Department of Agriculture, Conservation and Forestry  
Bureau of Parks and Lands and  
Central Maine Power Company

**Formatted:** Font: 11 pt

**Formatted:** No widow/orphan control, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

A non-exclusive lease over a portion of the Lessor's land located in Johnson Mountain Township (T2 R6 BKP WKR), and West Forks Plantation, Somerset County, Maine, more particularly described as follows:

**Formatted:** Font: 11 pt

**Formatted:** Font: 11 pt

**Formatted:** Font: 11 pt

A strip of land 300 feet in width beginning at the southerly line of the Maine Public Reserved Lot located on the northerly line of West Forks Plantation at a 3/4" iron rebar that is the northwest corner of an easement conveyed by Weyerhaeuser Company to Central Maine Power Company in a deed dated November 17, 2016 and recorded in the Somerset County Registry of Deeds in Book 5099, Page 247;

**Formatted:** Font: 11 pt

**Formatted:** Font: 11 pt

thence N 17-05'29" W across the land of the Lessor a distance of 4702.99 feet, more or less, to a 3/4" iron rebar on the northerly line of the Maine Public Reserved Lot located in Johnson Mountain Twp., said iron rebar also being the southwesterly corner of an easement conveyed to Central Maine Power Company by Weyerhaeuser Company in a deed dated November 17, 2016 and recorded in said Registry in Book 5099, Page 237;

**Formatted:** Font: 11 pt

thence N 78°-58'-32" E along the north line of said Johnson Mountain ~~lot~~ Twp. Public Lot a distance of 301.69 feet, more or less, to a 3/4" iron rebar at the southeast corner of said easement described in Book 5099, Page 237;

**Formatted:** Font: 11 pt

thence S 17-05'29" E across land of the Lessor a distance of 4702.81 feet, more or less, to a 3/4" iron rebar at the southerly line of said West Forks Plantation ~~lot~~ Public Lot and the northeast corner of said easement described in Book 5099, Page 247;

**Formatted:** Font: 11 pt

thence S 78°-56'32" W along the southerly line of said West Forks Plantation ~~lot~~ Public Lot a distance of 301.67 feet, more or less, to the point of beginning, said lease are containing 32.39 acres, more or less.

**Formatted:** Font: 11 pt

Bearings are referenced to Grid North, Maine West Zone. For reference, see a survey by Sackett & Brake Survey, Inc. #2020076, dated March 23, 2020, to be recorded in said Registry.

All above referenced iron rebars are capped with a red plastic cap inscribed "S.W. Gould PLS 2318".

**Formatted:** Font: 8 pt

Seller's Initials \_\_\_\_\_

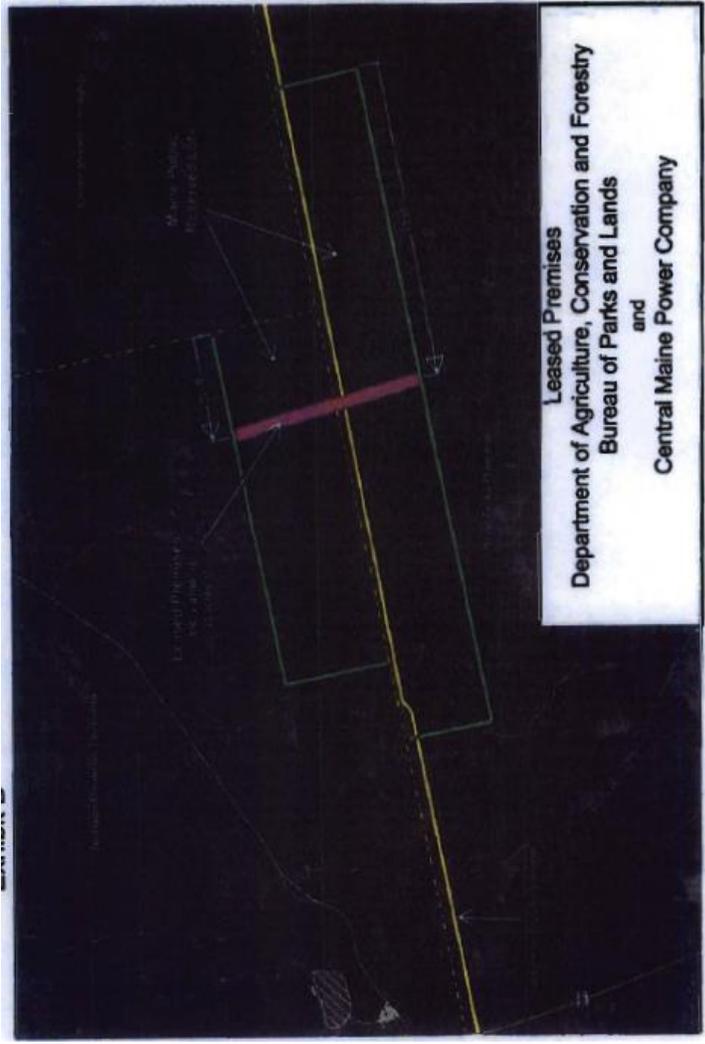
**Formatted:** Font: 5 pt

**Formatted:** Normal, Justified, Space After: 7 pt, Line spacing: Exactly 5 pt, Don't hyphenate

**Formatted:** InitialStyle, Font: 12 pt, Font color: Auto, Not Expanded by / Condensed by

**Formatted:** Footer

**EXHIBIT B**



Leased Premises  
(Survey Plan dated March 23, 2020)

**Formatted:** Font: 5 pt

**Formatted:** Normal, Justified, Space After: 7 pt, Line spacing: Exactly 5 pt, Don't hyphenate

**Formatted:** Font: 11 pt, Thick underline, Font color: Custom Color(RGB(22,22,24))

**Formatted:** Indent: Left: 1", Right: 0.39", No widow/orphan control, Don't adjust space between Latin and Asian text, Don't adjust space between Asian text and numbers

**Formatted:** Font: 11 pt, No underline

**Formatted:** Footer

**Formatted:** Font: 5 pt

**Formatted:** Normal, Justified, Space After: 7 pt, Line spacing: Exactly 5 pt, Don't hyphenate

**Formatted:** Footer

ADDITIONAL ATTACHMENTS:

- Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects
- Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects
- Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects

**Formatted:** Font: 5 pt

**Formatted:** Normal, Justified, Space After: 7 pt, Line spacing: Exactly 5 pt, Don't hyphenate

**Formatted:** InitialStyle, Font: 12 pt

**Formatted:** Normal, Right: 0", Line spacing: single

**Formatted:** Footer

**From:** [Anthony Calcagni](#)  
**To:** "Eben Adams"  
**Cc:** [Rodrigues, David](#); [Cutko, Andy](#); [William Harwood](#)  
**Subject:** RE: CMP lease with BPL  
**Date:** Monday, April 06, 2020 4:04:57 PM  
**Attachments:** [image001.jpg](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Eben, a few questions for you:

- That revised spreadsheet shows a \$2,500,000 value for the 2 acres affected by the Passamaquoddy lease. But I assume the lease actually calls for some periodic rent payment as opposed to a one-time payment. Can you explain how the \$2,500,000 relates to what the lease says?
- You mention that “the lease is no long needed for the corridor.” So will the corridor actually avoid the Passamaquoddy lands? Can you tell us if any payments actually been made to the Passamaquoddy, and will any future payments be made, pursuant to the lease agreement?
- Mind if we add a reference in the Lease to the May 3, 2019 CPCN?
- Mind if we add a new last paragraph to the Lease explaining that the new Lease supersedes the 2014 Lease (rather than signing a separate Lease Termination Agreement)?

Thanks. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <eadams@PierceAtwood.com>  
**Sent:** Monday, April 6, 2020 10:54 AM  
**To:** Anthony Calcagni <acalcagni@verrilldana.com>  
**Subject:** RE: CMP lease with BPL

Tony,

Attached is a updated spreadsheet including the Passamaquoddy lease. That lease had not been included in the prior spreadsheet because the lease is no long needed for the corridor. Additionally, the Tribe is incredibly reluctant to grant any interests in its lands (for

obvious historical reasons) so we do not feel the price charged by the Tribe is a fair indicator of fair market value as applied to corridor land in general.

Having said that, adding the Passamaquoddy lease does not make a huge difference in the numbers because the values are based on a weighted average tied to acreage and the Passamaquoddy lease while very high in cost, is very low in acreage.

One final note, in the top portion of the table, the acreage show has been rounded to the nearest acre for display purposes, but the math is based the actual acreage (including decimals). For example, the Passamaquoddy lease is shown as being 2 acres, but it is actually 2.07 acres, which explains why the price per acre is \$1,207,729 rather than \$1,250,000.

Let me know if you have any other questions.

Eben

<b>Eben Adams</b>	
PIERCE ATWOOD LLP	PH 207.791.1175

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>  
**Sent:** Monday, April 6, 2020 8:53 AM  
**To:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>  
**Subject:** RE: CMP lease with BPL

**\*\*\*This message originated outside your organization\*\*\***

---

Good morning Eben. I have a (very hard-to-schedule) call with my client at 2pm this afternoon, and any additional information you may be able to provide on valuation before then would be very helpful. Thanks. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>  
**Sent:** Thursday, April 2, 2020 6:03 PM  
**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** RE: CMP lease with BPL

Thanks Tony. I made a comparison and while there are some formatting changes, I did not see any substantive differences.

I will get back to you on the valuation question.

Eben

<b>Eben Adams</b>	
<a href="#">PIERCE ATWOOD LLP</a>	PH 207.791.1175

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Sent:** Thursday, April 2, 2020 4:43 PM

**To:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Subject:** RE: CMP lease with BPL

**\*\*\*This message originated outside your organization\*\*\***

---

By the way Eben, I'm told this is a Word version of the final 2014 Lease. Please take a look and let me know how it compares to the scanned version you made. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Wednesday, April 1, 2020 9:46 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

**Eben Adams**  
[PIERCE ATWOOD LLP](#)

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1175  
**FAX** 207.791.1350

[eadams@pierceatwood.com](mailto:eadams@pierceatwood.com)

**BIO** ▶

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Anthony Calcagni](#)  
**To:** [Rodrigues, David](#); [Cutko, Andy](#)  
**Cc:** [William Harwood](#)  
**Subject:** RE: CMP Lease payments  
**Date:** Monday, April 06, 2020 5:07:00 PM  
**Attachments:** [image.png](#)  
[image.png](#)  
[image.png](#)  
[CMP-BPL Transmission Line Lease \(V12700905 1\).docx](#)  
[CMP-BPL Transmission Line Lease \(V12700941 1\).pdf](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Gentlemen, here's my latest redline of the proposed new CMP Lease. (Sorry I can't get it to not show all the formatting changes.) Please note:

- Sec. 2: Still need to fill in the proposed annual rent (the "Initial Payment"). Note that I changed the December 1 annual rent payment date to April 1.
- Sec. 2: I've added the appraisal provision as we discussed, and also added back the timber payment provision.
- Sec. 3: Although I have generally avoided making substantive changes to the 2014 Lease, I did make one suggested revision here, to clarify that CMP's general access rights apply only to existing roadways (so CMP does not have the right to cross/use any part of the State's land for access to this corridor). I'm not sure how carefully that provision was negotiated back in 2014, but you also could take the position here that they do not have access across other lands of the State (i.e., this Lease only gives the right to travel within the 300'-wide corridor).
- Sec. 3: I added a reference to the 5/3/2019 CPCN here.
- Sec. 6.g: I left the last clause highlighted, so you can check whether any of those Standards have been updated.
- Sec. 23: I specify here that this Lease supersedes the 2014 Lease

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Rodrigues, David <David.Rodrigues@maine.gov>

**Sent:** Friday, April 3, 2020 10:42 AM

**To:** Cutko, Andy <Andy.Cutko@maine.gov>; William Harwood <wharwood@verrilldana.com>; Abello, Thomas <Thomas.Abello@maine.gov>

**Cc:** Anthony Calcagni <acalcagni@verrilldana.com>

**Subject:** RE: CMP Lease payments

I'm available at those times.

David Rodrigues  
Director of Real Property Management  
Maine Bureau of Parks and Lands  
22 State House Station  
Augusta, Maine 04333  
(207) 287-4916

---

**From:** Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Sent:** Friday, April 03, 2020 10:34 AM

**To:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>; Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>;  
Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>

**Cc:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Subject:** RE: CMP Lease payments

Hi all –

I am booked on conference calls all day. Looking at next week, I can talk Monday after 3 or Tuesday after 2. Let me know what might work for all of you.

- Andy

---

**From:** William Harwood <[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)>

**Sent:** Friday, April 3, 2020 9:56 AM

**To:** Abello, Thomas <[Thomas.Abello@maine.gov](mailto:Thomas.Abello@maine.gov)>; Rodrigues, David <[David.Rodrigues@maine.gov](mailto:David.Rodrigues@maine.gov)>;  
Cutko, Andy <[Andy.Cutko@maine.gov](mailto:Andy.Cutko@maine.gov)>

**Cc:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Subject:** CMP Lease payments

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Tom, Andy and David,

Tony Calcagni and I have reached a critical point in our negotiations with CMP over how much to increase the rent. Can we please have a call this afternoon?

Unfortunately, we have limited information on which to base a determination of what would be fair rent.

At the end of the day, we all need to be united in our recommendation to the Governor over

how much the rent should be increased.

CMP has proposed increasing the rent from approximately \$3K/yr. to approximately \$18K/yr. We think the rent should be higher than CMP's offer but would like to discuss this with you.

Are you free for a call this afternoon? Tony and I are available any time after 1:30 PM.

Stay well.

Thanks,

Bill

---

**William S. Harwood** PARTNER

One Portland Square  
Portland, ME 04101-4054

T (207) 774-4000

C (207) 233-1050

F (207) 253-4703

[wharwood@verrill-law.com](mailto:wharwood@verrill-law.com)

logo96



This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Eben Adams](#)  
**To:** ["Anthony Calcagni"](#)  
**Cc:** [Rodrigues, David](#); [Cutko, Andy](#); [William Harwood](#)  
**Subject:** RE: CMP lease with BPL  
**Date:** Monday, April 06, 2020 6:25:05 PM  
**Attachments:** [image001.jpg](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Tony, my answers to your questions are below in red. Let me know if you have additional questions or would like to discuss.

Thanks.

Eben

<b>Eben Adams</b>	
PIERCE ATWOOD LLP	PH 207.791.1175

---

**From:** Anthony Calcagni <acalcagni@verrill-law.com>  
**Sent:** Monday, April 6, 2020 4:05 PM  
**To:** Eben Adams <eadams@PierceAtwood.com>  
**Cc:** Rodrigues, David <David.Rodrigues@maine.gov>; Cutko, Andy <Andy.Cutko@maine.gov>; William Harwood <wharwood@verrill-law.com>  
**Subject:** RE: CMP lease with BPL

**\*\*\*This message originated outside your organization\*\*\***

---

Eben, a few questions for you:

- That revised spreadsheet shows a \$2,500,000 value for the 2 acres affected by the Passamaquoddy lease. But I assume the lease actually calls for some periodic rent payment as opposed to a one-time payment. Can you explain how the \$2,500,000 relates to what the lease says? **CMP paid \$1.7 million at execution of the lease. Post-completion of the transmission line, NECEC must pay rent equal to a percentage of net income from the NECEC project with a minimum of \$250,000 in the aggregate over the first 25 years (the annual minimum payment is \$10,000 and the expected annual payment is \$20,000 based the NECEC's financial forecasts). Additionally NECEC must pay \$10,000 annually to fund Passamaquoddy Tribe Scholarship Fund. While the exact rent is to be determined, we think \$2.5 million is a fair estimate of the value.**
- You mention that **"the lease is no long needed for the corridor."** So will the corridor actually avoid the Pssamaquoddy lands? Can you tell us if any payments actually been made to the Passamaquoddys, and will any future payments be made, pursuant to the lease agreement? **The approved corridor plan avoids the Passamaquoddy lease lands entirely. However, CMP has made, and NECEC will continue to make, all payments due under the Passamaquoddy lease. CMP (and NECEC) are obligated to make such payments under the lease and under an agreement to purchase land CMP needed for the new route.**

- Mind if we add a reference in the Lease to the May 3, 2019 CPCN? **No we think this is a good idea.**
- Mind if we add a new last paragraph to the Lease explaining that the new Lease supersedes the 2014 Lease (rather than signing a separate Lease Termination Agreement)? **Our preference is to have a separate lease termination to more clearly separate the lease (we want to avoid arguments that the new lease is a continuation of the first lease), but if that is important to the State we aren't going to hold up the process on that issue.**

Thanks. Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Monday, April 6, 2020 10:54 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** RE: CMP lease with BPL

Tony,

Attached is a updated spreadsheet including the Passamaquoddy lease. That lease had not been included in the prior spreadsheet because the lease is no long needed for the corridor. Additionally, the Tribe is incredibly reluctant to grant any interests in its lands (for obvious historical reasons) so we do not feel the price charged by the Tribe is a fair indicator of fair market value as applied to corridor land in general.

Having said that, adding the Passamaquoddy lease does not make a huge difference in the numbers because the values are based on a weighted average tied to acreage and the Passamaquoddy lease while very high in cost, is very low in acreage.

One final note, in the top portion of the table, the acreage show has been rounded to the nearest acre for display purposes, but the math is based the actual acreage (including decimals). For example, the Passamaquoddy lease is shown as being 2 acres, but it is actually 2.07 acres, which explains why the price per acre is \$1,207,729 rather than \$1,250,000.

Let me know if you have any other questions.

Eben

**Eben Adams**

PIERCE ATWOOD LLP

PH 207.791.1175

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Sent:** Monday, April 6, 2020 8:53 AM

**To:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Subject:** RE: CMP lease with BPL

**\*\*\*This message originated outside your organization\*\*\***

---

Good morning Eben. I have a (very hard-to-schedule) call with my client at 2pm this afternoon, and any additional information you may be able to provide on valuation before then would be very helpful. Thanks. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Thursday, April 2, 2020 6:03 PM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** RE: CMP lease with BPL

Thanks Tony. I made a comparison and while there are some formatting changes, I did not see any substantive differences.

I will get back to you on the valuation question.

Eben

**Eben Adams**

PIERCE ATWOOD LLP

PH 207.791.1175

---

**From:** Anthony Calcagni <[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)>

**Sent:** Thursday, April 2, 2020 4:43 PM

**To:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Subject:** RE: CMP lease with BPL

**\*\*\*This message originated outside your organization\*\*\***

By the way Eben, I'm told this is a Word version of the final 2014 Lease. Please take a look and let me know how it compares to the scanned version you made. Tony

---

**Anthony M. Calcagni** PARTNER

One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



---

**From:** Eben Adams <[eadams@PierceAtwood.com](mailto:eadams@PierceAtwood.com)>

**Sent:** Wednesday, April 1, 2020 9:46 AM

**To:** Anthony Calcagni <[acalcagni@verrilldana.com](mailto:acalcagni@verrilldana.com)>

**Subject:** CMP lease with BPL

Tony,

Following up on our call yesterday, attached is the financial data that CMP previously provided to the State regarding the market value of the lease. Let me know if you have any questions.

Eben

**Eben Adams**  
[PIERCE ATWOOD LLP](http://PIERCEATWOOD.LLP)

Merrill's Wharf  
254 Commercial Street  
Portland, ME 04101

**PH** 207.791.1175  
**FAX** 207.791.1350

[eadams@pierceatwood.com](mailto:eadams@pierceatwood.com)

**BIO** ▶

This e-mail was sent from Pierce Atwood. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it please delete it and notify us as soon as possible.

This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**From:** [Anthony Calcagni](#)  
**To:** [Cutko, Andy](#); [Rodrigues, David](#)  
**Cc:** [William Harwood](#); [Abello, Thomas](#)  
**Subject:** Amended and Restated CMP Lease  
**Date:** Tuesday, April 07, 2020 10:54:11 AM  
**Attachments:** [image.png](#)  
[CMP-BPL Transmission Easement \(12701451-1\).docx](#)  
[CMP-BPL Transmission Easement \(12701836-1\).pdf](#)

---

**EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Andy and David, here's my latest redraft of the CMP lease. Redlined copy shows changes to CMP's last proposed version. Please note:

- This now is titled an "Amended and Restated" Lease, and Sec. 23 specifies that the 2014 Lease is superseded by this new Lease.
- Sec. 2, 1<sup>st</sup> ¶: I added the requirement that CMP commission an appraisal of the "Initial Payment."
- Sec. 2, 2<sup>nd</sup> ¶: I added some more details on the CPI escalator, and clarified that annual rent never decreases.
- Sec. 2, 3<sup>rd</sup> ¶: I added back the timber payment provision.
- Sec. 3: On roads, I clarified their right to use adjacent State-owned lands is limited to the provisions on roads and trails contained later in paragraphs 5.a and 6.k.
- Sec. 3: This is where I added the reference to the 2019 CPCN. Please let me know if you think it would be better to incorporate this reference in some other way.
- Sec. 6.g: David I understand you'll check on whether the 2012 versions of these publications have been updated.
- Sec. 6.k: David can you also check to see if this 2011 manual has been updated?

I think that's it. Once this is ready I can forward to Pierce Atwood, and let them know we're still working on the Initial Payment amount for Sec. 2. That way they can be thinking about these other issues in the meantime. Please share any comments or questions. Tony

---

**Anthony M. Calcagni** PARTNER  
One Portland Square  
Portland, ME 04101-4054  
T (207) 253-4516

[acalcagni@verrill-law.com](mailto:acalcagni@verrill-law.com)

logo96



This email and any attachment was sent from the law firm Verrill Dana, LLP. It may contain information that is privileged and confidential. If you suspect that you were not intended to receive it, please delete it and notify us as soon as possible. Thank you.

**AMENDED AND RESTATED**  
**TRANSMISSION LINE LEASE**

**BETWEEN**

**DEPARTMENT OF AGRICULTURE, CONSERVATION AND**  
**FORESTRY**  
**BUREAU OF PARKS AND LANDS**

**and CENTRAL MAINE POWER COMPANY**

---

This Amended and Restated Transmission Line Lease Agreement is made by and between the State of Maine, by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry (hereinafter called the "Lessor"), acting pursuant to the provisions of Title 12 M.R.S.A. §1852(4), and Central Maine Power Company, a Maine corporation with its principal place of business at 83 Edison Drive, Augusta, Maine (hereinafter called "Lessee"). For the considerations hereinafter set forth, the Lessor hereby leases to Lessee, and Lessee hereby takes from the Lessor, the non-exclusive use of that portion of the West Forks Plantation and Johnson Mountain Township (T2 R6 BKP WKR) Maine Public Reserved Lands in Somerset County, Maine described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein, being a three hundred (300) foot wide by approximately one mile long transmission line corridor containing 32.39 acres and located on a portion of the aforementioned Maine Public Reserved Lands.— The described transmission line corridor, together with the improvements now or hereafter to be placed thereon, is hereinafter referred to as the "Property" or "Premises" and is subject to the following terms and conditions:

1. Term:

a. This lease shall be in effect from the date of execution of this instrument for a term of twenty (20) years and, at no less than 5 year intervals, the term of this lease may be extended by mutual agreement for additional years as will grant Lessee a remaining lease term totaling no more than twenty-five (25) years, so long as Lessee is in compliance with the conditions of this lease. Lessee shall not request a lease term extension any more often than once every five years. Notice of any lease extension shall be given to Lessor at least six (6) months prior to the expiration of any initial term or renewal period.

b. Lessor reserves the right to terminate this Lease at any time during the term hereof to the extent permitted under the provisions contained in paragraph 13 Default.

c. Lessee has the right to terminate this Lease upon at least ninety (90) days prior written notice to Lessor, or such lesser notice period as agreed to by Lessor in writing.

d. —Any notice required by this paragraph, whether by Lessee or Lessor, shall be sent postage pre-paid, registered or certified mail, return receipt requested, to the party at the address set forth in paragraph 24.

2. Rent. Lessee shall pay to the Lessor rental as follows:

An annual payment of \$ \_\_\_\_\_ . \$ \_\_\_\_\_ .00. The first payment shall be due on the date of execution of this lease Lease (the “Initial Payment”) and subsequent annual payments shall be made on or before ~~December~~ April first of each following year. Lessee shall, within the first twelve months of this Lease, commission an appraisal of the Premises and of the fair market value of the annual rent for the Premises. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. In the event the appraised fair market value of the annual rent for the Premises is higher than the Initial Payment set forth above, then the parties shall amend this Lease to retroactively increase the Initial Payment due hereunder to the fair market value indicated by the appraisal. Lessee agrees to pay the cost of the appraisal.

The annual payment shall be adjusted each year in ~~an amount not to exceed the average~~ accordance with the increase in the Consumer Price Index as published by the Bureau of Labor Statistics, United States Department of Labor over the preceding one year period; provided, however, that in no event shall the annual payment for any given Lease year be less than the annual payment for any previous Lease year. As used herein, the “Consumer Price Index” means the Consumer Price Index for All Urban Consumers (CPI-U), All items in U.S. city average, all urban consumers, not seasonally adjusted, Base Period 1982-84=100. Such Index shall be adjusted as necessary to properly reflect all changes in the Base Period, using such conversion factors as may be available from the United States Government. In the event the Consumer Price Index shall not be published by the United States Government, the successor or substitute index published by the United States Government shall be used for the foregoing computation.

In addition, Lessee shall pay to Lessor the negotiated price of the timber present on the Premises based on mill scale and stumpage value at time the corridor is harvested for the construction of the utility corridor.

3. Use. The Property shall be used by the Lessee as follows: to erect, construct, reconstruct, replace, remove, maintain, operate, repair, upgrade, and use poles, towers, wires, switches, and other above-ground structures and apparatus used or useful for the above-ground transmission of electricity (“Facilities”), all as the Lessee, its successors and assigns, may from time to time require upon, along, and across said Property; to enter upon the Property at any time with personnel and conveyances and all

necessary tools and machinery to maintain the Premises and facilities; the non-exclusive right of ingress to and egress from the Premises over and across roads and trails crossing the adjacent land of the Lessor, in accordance with paragraphs 5.a and 6.k below; to transmit electricity and communication, as conditioned below, over said wires, cables, or apparatus installed on Lessee's/Lessee's facilities. All such use by Lessee shall be in compliance with the State of Maine Public Utilities Commission Order Granting Certificate of Public Convenience and Necessity and Approving Stipulation dated May 3, 2019 (Docket No. 2017-00232). Lessee shall own all communication facilities and such facilities shall be for Lessee's/Lessee's use in its business as a public utility. In the event Lessee desires to provide capacity to others on Lessee's/Lessee's communication facilities, Lessee shall first obtain Lessor's/Lessor's written approval, which shall not be unreasonably withheld. Lessor may adjust the rent at such time as Lessee provides communication capacity to others. The rent adjustment is to be determined by an appraisal paid for by Lessee. Both Lessor and Lessee shall agree on the Appraiser to be assigned the appraisal assignment. Lessee shall not sublease or contract the communication facilities for any other commercial use. The Lessor further grants to said Lessee the right to establish any and all safety and reliability regulations applicable to said transmission line corridor which said Lessee deems necessary and proper for the safe and reliable construction and maintenance of said structures, wires, and apparatus and for the transmission of electricity.

4. Quiet Enjoyment. So long as Lessee pays the rent, performs all of its non-monetary obligations, and otherwise complies with the provisions of this Lease, the Lessee's possession of the Premises for its intended use will not be disturbed by the Lessor, its successors and assigns except ~~as~~ otherwise provided under the terms of this Lease. Notwithstanding any provision to the contrary herein, Lessor reserves the right to enter onto the Premises at any time and from time to time to inspect the Premises.

5 Access:

a. It is agreed by the parties to this Lease that Lessor is under no obligation to construct or maintain access to the Premises, notwithstanding any provisions of any federal, state and local law to the contrary. However, the Lessee shall be allowed to cross Lessor's/Lessor's abutting land by using Lessor's/Lessor's Forest Management Roads for access to the Premises for construction, maintenance and repairs, subject to reasonable restrictions and regulations imposed by Lessor, and the rights of others using said roads. Upon reasonable advance notice to Lessee, Lessor reserves the right to close, lock or otherwise restrict access along or through the Forest Management Roads at any time it appears reasonably necessary to protect the safety of persons or property. Such situations include, but are not limited to, spring mud season or periods of high fire danger. Lessee shall immediately repair any damage to the road caused by Lessee. Lessor is under no obligation to provide maintenance to the road. If Lessee wishes to undertake performing repairs or upgrades to the Forest Management Roads, Lessee must acquire prior written approval from Lessor. Lessee shall acquire prior written approval for the construction or use of any other access location across

~~Lessor's~~Lessor's land abutting the Premises which approval shall not be unreasonably withheld, delayed, or conditioned.

b. The Lessor expressly reserves the right for itself or its guests, servants, or agents to pass and repass over the described Premises at any and all times with machinery and equipment necessary for the operation or —conduct of ~~Lessor's~~Lessor's uses as such uses may from time to time exist, provided that: said uses will comply with the above referenced safety regulations and any applicable state law, and will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies; that the Lessor shall provide Lessee with at least three business days prior written notice if Lessor will be on the Premises ~~with~~ construction or logging equipment; and that such use will ~~not~~ unreasonably ~~interfere with the rights of~~ Lessee herein conveyed.

6. Lessee Covenants. ~~The Lessee covenants as follows:~~

a. No buildings, either permanent or temporary, may be constructed or placed upon the described Premises, except temporary structures during construction of the Facilities, such as field trailers.

b. Crossing mats for stream or wetland crossings shall not be made of ash or hemlock, so as to avoid introduction of invasive pests associated with these species.

c. No hazardous or toxic waste substance or material, residual pesticides or fertilizers, other than organic compost, shall be used or kept upon the Premises or any portion thereof, nor shall any livestock or poultry be kept temporarily or permanently thereon. Pesticides, herbicides, and chemical defoliant registered for use in Maine may be applied to the Premises only after acquiring prior written approval from Lessor and only by trained applicators working under the supervision of applicators licensed by the State of Maine in formulations and dosages approved by the Environmental Protection Agency and Lessor. One month prior to all pesticide applications, Lessee shall provide information to Lessor, including, but not limited to pesticides, herbicides, and chemical defoliant to be used, dates and methods of application, application locations and reasons for use.

d. There shall be no vegetation removal that would result in less than 50% aerial coverage of woody vegetation and stream shading within 25 feet of a stream.

e. There shall be no vegetation maintenance or disturbance within a 50-foot radius around the high water boundary of a significant vernal pool from March 15 — July 15; provided, however, that Lessee may take all appropriate actions with regards to vegetation management to ensure that Lessee is in compliance with all federal and state laws, rules and regulations imposed upon Lessee as the owner and operator of the Facilities.

f. Lessee shall not make any strip or waste of the Leased Premises or of any other lands of Lessor. Vegetation clearing within the Leased Premises for Lessee's Lessee's Facilities shall be limited to standards approved by the Maine Public Utilities Commission and shall encourage a ground cover of woody species with a maximum mature height approaching but not exceeding 15 feet. Lessee shall make every effort to minimize clearings and cutting of vegetation.

g. Lessee acknowledges that lease of the Premises by the Bureau of Parks and Lands, Department of Agriculture, Conservation and Forestry is unique, and that in authorizing the Lease under 12 M.R.S. § 1852(4)(A), Lessor requires that Lessee shall make every reasonable effort within the leased Premises to be in conformance with the Maine Department of Inland Fisheries and Wildlife "Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects", "Recommended Performance Standards for Maine's Maine's Significant Vernal Pools in Overhead Utility ROW Projects", and "Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects", all dated March 26, 2012, which copies are attached to this lease Lease, or the publication's publication's most current version.

h. Lessee shall not kindle any outside fires on the Premises or any other land of the Lessor, except in accordance with applicable federal, state and local regulations, and hereby agrees to assist with any means at Lessee's Lessee's disposal in putting out fires occurring on the Premises or adjacent areas, and to report promptly such fires to Lessor or its representative and to the appropriate authorities.

i. Lessee agrees to maintain the Premises in a neat and sanitary manner and to provide for proper disposal of all garbage, trash, septic (for purposes of this Lease, "septic" shall mean, but is not limited to, sewage, wash water, black water, gray water and slop water), and other waste in compliance with all applicable federal, state and local laws and in a manner so as not to be objectionable or detract from the aesthetic values of the general area. Lessee shall not discharge any untreated or partially treated sewage or other waste materials directly or indirectly into any body of water including but not limited to, any wetland, stream, river, lake, pond, or groundwater. In addition, Lessee covenants that it bears the responsibility for any noncompliance with all federal, state and local laws and regulations governing septic and other waste disposal resulting from Lessee's Lessee's activities and Lessee shall indemnify and hold harmless Lessor from and against any and all actions, suits, damages and claims by any party by reason of noncompliance by Lessee with such laws and regulations. Such indemnification shall include all Lessor's Lessor's costs, including, but not limited to reasonable attorney fees.

j. No non-forest waste including, but not limited to, broken equipment, spilt fuels, fluids and lubricants, fluid and lubricant containers, equipment parts, tires, debris, garbage, or trash shall be deposited, discharged, dumped or buried upon the Premises. Forest woody waste (e.g., wood chips and stumps) may be disposed of on the premises, but may not be disposed of in piles. Stumps shall be buried in

"stump dump" holes, except that small numbers of stumps (four or less) may be left aboveground. All non-forest waste shall be disposed of legally and not on property of Lessor.

k. Lessee shall not build permanent roads on the Premises without obtaining prior specific written permission from the Lessor; provided, however, that Lessee may construct a minimal number of temporary roads and trails to facilitate the construction of the transmission line (tree clearing, pole setting, wiring). At the time construction is completed, all temporary roads and trails shall be dismantled and put to bed or converted to permanent access trails. All access trails shall be built to Best Management Practices (BMP) standards as shown in the "Maine Motorized Trail Construction and Maintenance Manual" written by the Bureau of Parks and Lands Off-Road Vehicle Division, dated May ~~2011~~2011 and all roads shall be built pursuant to those Best Management Practices (BMPs) standards pertaining to forest management and road construction practices set forth in the publication entitled, "Best Management Practices for Forestry: Protecting ~~Maine's~~Maine's Water Quality," prepared by the Maine Department of Agriculture, Conservation and Forestry, Maine Forest Service, in such ~~publication's~~publication's most current version at the time of the grant of this ~~lease~~Lease, and as the same may be further amended, supplemented or replaced after the date of the execution of this ~~lease~~Lease.

Prior to start of construction, ~~lessee~~Lessee shall provide an Access and Maintenance Plan to Lessor for review and approval. This plan shall provide details and maps on proposed roads, permanent and temporary, access points, temporary trails, inspection, and maintenance access, and descriptions of any proposed bridges, temporary or permanent.

l. Natural Plant Community, wetland and Significant Vernal Pool field surveys of the Premises must be conducted by Lessee or ~~Lessee's~~Lessee's designee prior to any construction on the Premises. Lessee shall send to Lessor and to the Maine Department of Inland Fisheries and Wildlife a copy of all completed surveys before commencing any construction on the Premises.

m. Lessee shall be in compliance with all Federal, State and local statutes, ordinances, rules, and regulations, now or hereinafter enacted which may be applicable to Lessee in connection to its use of the Premises. Lessee further shall not construct, alter or operate the described Premises in any way until all necessary permits and licenses have been obtained for such construction, alteration or operation. Lessee shall provide written confirmation that Lessee has obtained all material permits and licenses to construct and operate the Facilities. Lessee shall furnish Lessor with copies of all such permits and licenses, together with renewals thereof to Lessor upon the written request of Lessor. This ~~lease~~Lease shall terminate at the discretion of the Lessor for failure of Lessee to obtain all such required permits. Prior to such termination, however, Lessor shall

provide written notice to Lessee of such failure and Lessee shall have 30 days in which to cure such failure.

n. In the event of the following:

- a) Lessee constructs an electric transmission line on the Premises; and
- b) Lessee has determined, in its sole discretion, to rebuild the existing transmission line (the "Jackman Tie Line") located on that part of the existing 100-foot wide utility corridor described in a lease dated July 9, 1963 and recorded in the Somerset County Registry of Deeds, Book 679, Page 37 (the "Jackman Tie Line Lease") that is located westerly of the Premises and easterly of Route 201; and
- c) Lessee receives all permits and regulatory approvals necessary to rebuild the line in such new location including, but not limited to, approvals of the Maine Public Utilities Commission and the Maine Department of Environmental Protection; then

Lessee agrees to relocate said Jackman Tie Line from the above described portion of the Jackman Tie Line Lease to a location on the Premises and such other corridor as acquired by the Lessee from others. Upon completion of any such relocation of the Jackman Tie Line or its functional replacement pursuant to this section and removal of Lessee's facilities from that portion of the Jackman Tie Line Lease lying westerly of the Premises, Lessor and Lessee agree to amend the Jackman Tie Line Lease to delete from the lease area that portion of the Jackman Tie Line Lease lying westerly of the Premises. All other terms and conditions of the Jackman Tie Line Lease shall remain in full force and effect. The term "rebuild" as used in this paragraph, shall not include routine repair or replacement of poles, crossarms, insulators, braces or conductor.

## 7. Liability and Insurance.

a. Lessee shall without unreasonable delay inform Lessor of all risks, hazards and dangerous conditions caused by Lessee which are outside of the normal scope of constructing and operating the Facilities of which Lessee becomes aware of with regards to the Premises. Lessee assumes full control of the Premises, except as is reserved by Lessor herein, and is responsible for all risks, hazards and conditions on the Premises caused by Lessee.

b. Except for the conduct of Lessor and Lessor's guests and agents, Lessor shall not be liable to Lessee for any injury or harm to any person, including Lessee, occurring in or on the Premises or for any injury or damage to the Premises, to any property of the Lessee, or to any property of any third person or entity. Lessee shall indemnify and defend and hold and save Lessor harmless, including, but not limited to costs and attorney fees, from: (a) any and all suits, claims and demands of any kind or nature, by and on behalf of any person or entity, arising out of or based upon any incident, occurrence, injury, or damage which

shall or may happen in or on the Premises that is caused by the Lessee or its Agents; and (b) any matter or thing arising out of the condition, maintenance, repair, alteration, use, occupation or operation of the Premises, the installation of any property thereon or the removal of any property therefrom that is done by the Lessee or its Agents. Lessee shall further indemnify Lessor against all actions, suits, damages, and claims by whoever brought or made by reason of the nonobservance or nonperformance of Lessee or its Agents of: (a) any obligation under this Lease; or (b) any federal, state, local law or regulation pertaining to Lessee's use of the Premises.

c. The Lessee shall obtain and keep in force, for the duration of this lease, a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Lease with adequate liability coverage over at least one million dollars for each occurrence and two million dollars in annual aggregate in general commercial liability coverage to protect the Lessee and the Lessor from suits for bodily injury and damage to property. Nothing in this provision, however, is intended to waive the immunity of the Lessor. Upon execution of this Lease, the Lessee shall furnish the Lessor with a certificate of insurance as verification of the existence of such liability insurance policy.

8. Lessee's Liability for Damages. Lessee shall be responsible to Lessor for any damages caused directly or indirectly by Lessee or its guests, servants or agents, including, but not limited to, interference or meddling with any tools, machinery, equipment, gates, buildings, furniture, provisions or other property of the Lessor on the Premises, its agents, employees or guests.

9. Tax Proration. Lessee shall pay when due all taxes levied on the personal property and improvements constructed by Lessee and located on the Premises. Lessor shall be responsible for any real property taxes levied on the Premises based on unimproved land. Lessor shall have no ownership or other interest in any of the Facilities on the Property and Lessee may remove any or all of the Facilities at any time.

10. Lease Assignment, Sublease and Colocation: Lessee shall not assign or sublease in whole or part without prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessor may lease the Premises for other compatible uses and colocation of other utilities so long as such rights do not extend to access to the Facilities, said uses will not prohibit the Lessee from complying with the conditions or requirements imposed by permitting agencies, and such use will not interfere with the rights herein conveyed, including the right to build such additional Facilities as may be accommodated on the Premises using transmission line spacing standards approved by the Maine Public Utilities Commission. Notwithstanding the forgoing, Lessee may assign its interest in this Lease to NECEC Transmission LLC, a Delaware limited liability company ("NECEC") without Lessor consent, so long as Lessee gives written notice of such assignment to Lessor, together with a copy of the executed assignment, and so long as

the assignment expressly provides that NECEC has assumed all of the Lessee's obligations under this Lease. Upon delivery of such notice and such executed assignment, Central Maine Power Company shall be released from any obligations under this Lease from and after the effective date of such assignment. NECEC is related to Lessee and under common ownership with Lessee.

11. Lessee's Removal of Structures: Lessee must obtain ~~Lessor's~~Lessor's advance written consent, which consent shall not be unreasonably withheld, delayed, or conditioned, to the method of removal before any structures or improvements are removed from the Premises.

12. Surrender. Upon termination of this Lease for any reason, Lessee shall deliver the Premises to Lessor peaceably, without demand, and in reasonably good condition clear of all trash and debris, unusable equipment, unregistered vehicles and abandoned equipment and structures, located on the Premises by Lessee or its Agents. If such trash and debris and other unusable equipment, unregistered vehicles, and abandoned equipment and structures are not removed within one hundred eighty days (180) days of the termination of this Lease, the Lessor shall thereafter have the right to remove it and Lessee shall reimburse Lessor for the costs of such removal and disposal. Any other personal property, fixture, or structure on the Premises belonging to Lessee shall be removed by Lessee, unless Lessor requests in writing, that the other personal property, fixture, or structure may remain and Lessee agrees in writing not to remove it. If the Lessee fails to remove such other personal property, fixture, or structure such items shall be deemed the property of the Lessor two hundred and ten days (210) days after termination of the Lease and the Lessor shall thereafter have the right to remove it and charge the Lessee with the costs of such removal and disposal. In the event that any of this other personal property, fixtures, or structures on the Premises are incapable of being removed within one hundred eighty days (180) days, Lessee may be ~~allowed~~allotted up to one year to remove the items, with prior written approval from Lessor, which approval shall not be unreasonably, delayed, or conditioned. Any holding over by Lessee without ~~Lessor's~~Lessor's prior written consent shall be considered a tenancy at sufferance.

13. Default.

a. The following constitutes a default under this Lease: (1) Lessee's failure to perform any of its monetary or nonmonetary obligations under this Lease; (2) the filing of any bankruptcy or insolvency petition by or against Lessee or if Lessee makes a general assignment for the benefit of creditors which is not resolved or withdrawn within 30 days of such petition being filed; (3) an execution, lien, or attachment issued against the Lease, the Premises, or Lessee's property on the Premises, unless Lessee provides Lessor with satisfactory assurances and evidence that such execution, lien, or attachment will be released within a reasonable time not to exceed ninety (90) days, unless a shorter period of time is provided for by any applicable law or proceeding for the removal thereof, in which case the more restrictive time limitation applies; (4) the assignment or sublease of this ~~lease~~Lease

to any third party without ~~Lessor's~~Lessor's prior written consent; or (5) the violation of any state, federal or local law, rule, regulation, or ordinance; or (6) ~~Lessee's~~Lessee's abandonment ~~of the leased~~ ~~premises.~~Premises.

b. Upon the occurrence of any such event of default and subject to any applicable cure period as defined in paragraph 6(m), above, Lessor may, in addition to (and not instead of) any other remedies available at law or in equity, terminate this ~~lease~~Lease with notice or demand to Lessee and enter and take possession of the leased ~~premises.~~Premises. Lessee shall be liable to Lessor for loss and expense, including reasonable attorney fees, incurred by reason of such default or termination hereof. Lessor will provide Lessee with written notice of an event or occurrence of default under paragraph 13(a)(~~1~~) and Lessee shall have a reasonable period of time, as determined by Lessor, to cure said default which period shall not exceed thirty (30) days; provided, however, that if Lessee satisfies to Lessor that Lessee has undertaken the appropriate actions to cure said default and such default has not been cured within the said time permitted, the Lessor may exercise its sole discretion to extend the cure period~~;~~.

14. Statutory Authority Over Public Lands. Lessor shall have the right to request that this Lease be amended from time to time and throughout the term of this ~~lease~~Lease in the event that any Lease term is found not to comply with Maine state law regarding the lease of property under 12 M.R.S. § 1852(4). Lessor shall send notice to Lessee of the proposed revision. Upon receipt of such notice, Lessee shall have the option to either terminate the Lease by notifying Lessor in writing within thirty (30) days of receipt of notice or negotiate an amendment to the Lease in order to bring such term in compliance with said state law. Except as provided in this Lease, neither Party shall have the right to terminate this ~~lease~~Lease unless the resulting non-compliance constitutes a default under Section 13 hereof, in which case Section 13 shall govern.

15. Mechanics Lien. If any notice is filed at the county registry of deeds of a builder's, supplier's or mechanic's lien on the Premises, arising out of any work performed by or on behalf of Lessee, Lessee shall cause such lien to be discharged or released immediately and shall indemnify Lessor against any such claim or lien, including all costs and attorney fees that Lessor may incur in connection with the same.

16. Succession; No Partnership. This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of the parties hereto. Nothing in this agreement shall be construed to create an association, joint venture, trust or partnership covenant, obligation, or liability on or with regards to any of the parties to this agreement.

17. Waiver. Any consent, express or implied, by Lessor to any breach by Lessee of any covenant or condition of this Lease shall not constitute a waiver by the Lessor of any prior or succeeding breach by Lessee of the same or any other covenant or condition of this Lease. Acceptance by Lessor of rent or other payment with knowledge of a breach or

default by Lessee under any term on this Lease shall not constitute a waiver by Lessor of such breach or default.

18. Force Majeure. Except as expressly provided herein, there shall be no abatement, diminution, or reduction of the rent or other charges payable by Lessee hereunder, based upon any act of God, any act of the enemy, governmental action, or other casualty, cause or happening beyond the control of the parties hereto.
19. Eminent Domain. In the event that the Premises or any portion thereof shall be lawfully condemned or taken by any public authority, Lessor may, in its discretion, elect either: (a) to terminate the Lease; or (b) to allow this Lease to continue in effect in accordance with its terms, provided, however, that a portion of the rent shall abate equal to the proportion of the Premises so condemned or taken. All condemnation proceeds shall be Lessor's sole property without any offset for Lessee's interests hereunder.
20. Holding Over. If Lessee holds over after the termination of this Lease, said hold over shall be deemed to be a trespass.
21. Lessor Protection. Lessor expressly retains and nothing contained herein shall be construed as a release or limitation by Lessor of any and all applicable liability protections under Maine law. Lessor specifically retains any and all protections provided under Maine law to owners of land, including but not limited to those provided under the Maine Tort Claims Act, 14 M.R.S.A. §§ 8101-8118.
22. Cumulative Remedies. The remedies provided Lessor by this Lease are not exclusive of other remedies available by current or later existing laws.
23. Entire Agreement-; Supersedes 2014 Lease. This Lease sets forth all of the covenants, promises, agreements, conditions and understandings between Lessor and Lessee governing the Premises. There are no covenants, promises, agreements, conditions, and understandings, either oral or written, between them other than those herein set forth. Except as herein provided, no subsequent alterations, amendments, changes, or additions to this Lease shall be binding upon the Lessor or Lessee unless and until reduced to writing and signed by both parties. This Lease supersedes the Transmission Line Lease between Lessor and Lessee dated December 15, 2014, as amended by Lease Amendment dated June 22, 2015 (as amended, the "2014 Lease"), and the parties acknowledge that the 2014 Lease is terminated as of the effective date of this Lease.
24. Notices. All notice, demands, and other **communications** required hereunder shall be in writing and shall be given by first class mail, postage prepaid, registered or certified mail, return receipt requested; if addressed to Lessor, to:  
\_\_\_\_\_ **State of Maine**, Department of Agriculture, Conservation and Forestry, Division  
of Parks and Lands,  
\_\_\_\_\_ 22 State House Station, Augusta, ME 04333-0022, Attn: Director;  
\_\_\_\_\_ and if to Lessee, to;  
\_\_\_\_\_ **Central Maine Power Company**, Real Estate Services

\_\_\_\_\_ 83 Edison Drive, Augusta, Maine 04364, Attn. Supervisor, Real Estate

25. General Provisions:

- a. Governing Law. This Lease shall be construed and interpreted in accordance with the laws of the State of Maine.
  
- b. Savings Clause. The invalidity or unenforceability of any provision of this Lease shall not affect or impair the validity of any other provision. To the extent any provision herein is inconsistent with applicable state statute, the statute is deemed to govern.
  
- c. Paragraph Headings. The paragraph titles herein are for convenience only and do not define, limit, or construe the contents of such paragraph.

IN WITNESS WHEREOF, the parties have hereunto set their hands ~~the day and year first above written on the dates set forth below.~~ For purposes of this Lease, a facsimile signature shall be deemed an original.

\_\_\_\_\_  
Lessor:

\_\_\_\_\_  
**STATE OF MAINE**  
Department of Agriculture, Conservation, and Forestry  
Bureau of Parks and Lands

\_\_\_\_\_  
By: \_\_\_\_\_

\_\_\_\_\_  
Name:

Its:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Print: \_\_\_\_\_

\_\_\_\_\_  
Its: \_\_\_\_\_

\_\_\_\_\_  
Dated: \_\_\_\_\_, 2020

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Lessee:

~~CENTRAL MAINE POWER COMPANY~~

**CENTRAL MAINE POWER COMPANY**

By: \_\_\_\_\_

Name:

Its:

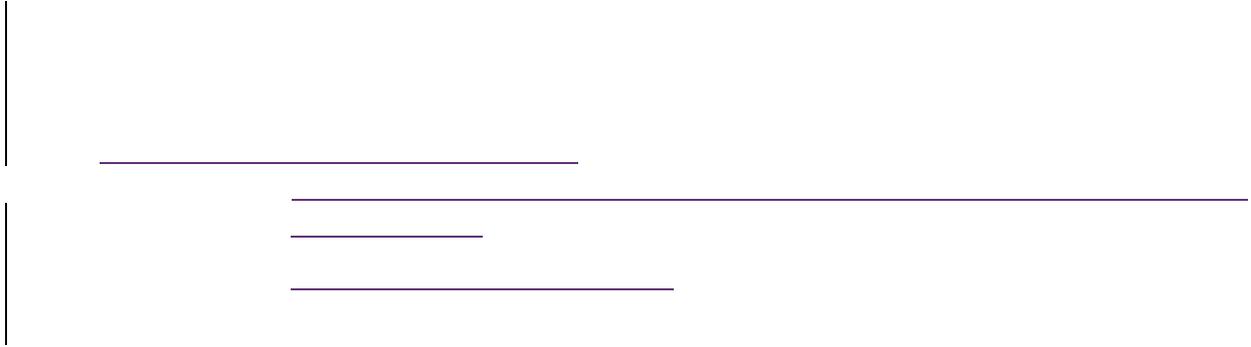
Dated: \_\_\_\_\_

Print: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 2020

Witness: \_\_\_\_\_



**EXHIBIT A**

Leased Premises  
Department of Agriculture, Conservation and Forestry  
Bureau of Parks and Lands and  
Central Maine Power Company

A non-exclusive lease over a portion of the Lessor's land located in Johnson Mountain Township (T2 R6 BKP WKR), and West Forks Plantation, Somerset County, Maine, more particularly described as follows:

A strip of land 300 feet in width beginning at the southerly line of the Maine Public Reserved Lot located on the northerly line of West Forks Plantation at a 3/4" iron rebar that is the northwest corner of an easement conveyed by Weyerhaeuser Company to Central Maine Power Company in a deed dated November 17, 2016 and recorded in the Somerset County Registry of Deeds in Book 5099, Page 247;

thence N 17-05'29" W across the land of the Lessor a distance of 4702.99 feet, more or less, to a 3/4" iron rebar on the northerly line of the Maine Public Reserved Lot located in Johnson Mountain, ~~Twp.~~ said iron rebar also being the southwesterly corner of an easement conveyed to Central Maine Power Company by Weyerhaeuser Company in a deed dated November 17, 2016 and recorded in said Registry in Book 5099, Page 237;

thence N 78°-58'-32" E along the north line of said Johnson Mountain ~~lot~~ Public Lot a distance of 301.69 feet, more or less, to a 3/4" iron rebar at the southeast corner of said easement described in Book 5099, Page 237;

thence S 17-05'29" E across land of the Lessor a distance of 4702.81 feet, more or less, to a 3/4" iron rebar at the southerly line of said West Forks Plantation ~~lot~~ Public Lot and the northeast corner of said easement described in Book 5099, Page 247;

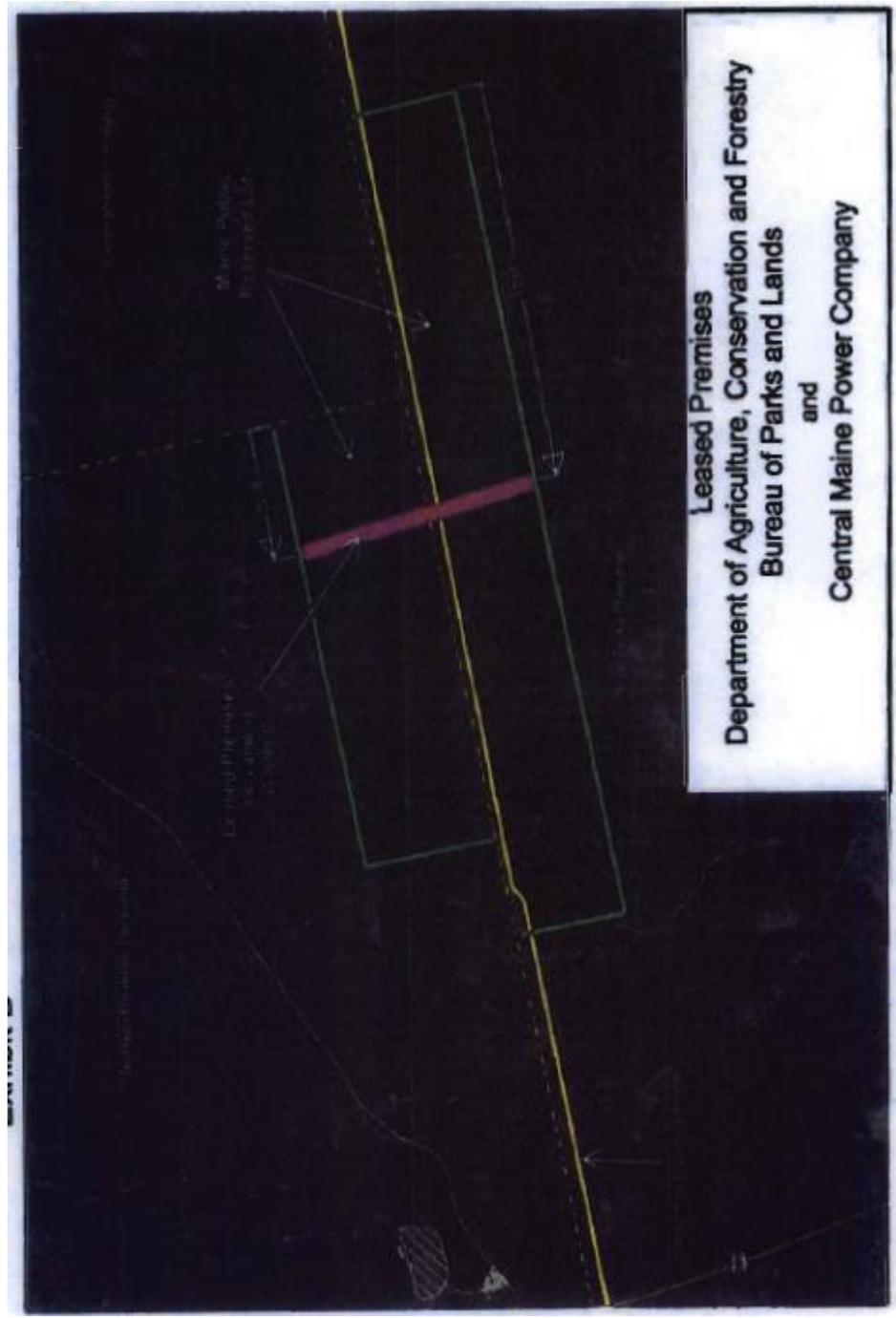
thence S 78°-56'32" W along the southerly line of said West Forks Plantation ~~lot~~ Public Lot a distance of 301.67 feet, more or less, to the point of beginning, said lease ~~area~~ containing 32.39 acres, more or less.

Bearings are referenced to Grid North, Maine West Zone. For reference, see a survey by Sackett & Brake Survey, Inc. #2020076, dated March 23, 2020, to be recorded in said Registry.

All above referenced iron rebars are capped with a red plastic cap inscribed "S.W. Gould PLS 2318".

Seller's Initials \_\_\_\_\_

**EXHIBIT B**



Leased Premises  
(Survey Plan dated March 23, 2020)



ADDITIONAL ATTACHMENTS:

- Recommended Performance Standards for Inland Waterfowl and Wadingbird Habitats in Overhead Utility ROW Projects
- Recommended Performance Standards for Maine's Significant Vernal Pools in Overhead Utility ROW Projects
- Recommended Performance Standards for Riparian Buffers in Overhead Utility ROW Projects