

SEP 08 2015

Friends of Penobscot Bay

POB 1871, Rockland ME 04841
www.penbay.net

Mr. James Chaousis
City Manager
City of Rockland
Rockland, Maine 04841

September 4, 2015

Subject: Maine Freedom of Access Act request

Dear Mr. Chaousis

This letter is a request pursuant to 1 M.R.S.A. 408, the Maine Freedom of Access statute, to inspect at your office and to copy as necessary the following records: Meeting notes, records, letters, faxes, emails, attachments, phone notes, phone logs, photographs and other written and electronic records *written, received or recorded by you from any source, between July 28, 2015 and September 4, 2015, inclusive, that pertain to the proposed natural gas cogeneration power plant and pipeline proposals being considered in or connecting to Rockland.*

If you choose to deny permission to physically inspect or copy any of the requested records, please state the reason for the denial, including the appropriate legal citation(s). If you need additional information to locate any of the documents requested, please call me at 691-7485 or email me at coastwatch@gmail.com

Friends of Penobscot Bay looks forward to receiving your acknowledgement within five (5) working days of your receipt of this letter, as required by 1 M.R.S.A. 409 (1).

We prefer to inspect, review and copy these requested records at the city office. However digital copies are acceptable provided they are in searchable-text pdf format except where not possible (maps or photo images) . Please contact me to set an appointment to review these records. Contact by phone at 691-7485 or by email: coastwatch@gmail.com

Sincerely

Ron Huber

Ron Huber, Executive Director
Friends of Penobscot Bay

cc Brenda L. Kielty, Assistant Attorney General, Public Access

Jim Chaousis

From: Kevin Beal <kbeal@ci.rockland.me.us>
Sent: Monday, August 03, 2015 1:30 PM
To: ecoleman@clear-energy.us
Cc: 'Audra Bell'; 'Jim Chaousis'
Subject: Rockland - Notice of Option
Attachments: Notice of Option to Purchase Real Property - Executed Eff. 08-01-15.pdf

Evan:

I attach the fully-executed Notice of Option. I have retained the original. Do you want it filed on the Registry? I see no need for that from our perspective. If yes, I'll send the original along to you.

Thanks.

Kevin Beal
City Attorney
Rockland City Hall
270 Pleasant Street
Rockland, ME 04841
kbeal@ci.rockland.me.us
(207) 594-0305

EXHIBIT C – FORM NOTICE OF OPTION TO PURCHASE REAL PROPERTY

OPTIONOR: **City of Rockland, Maine**, a municipal corporation duly formed and existing under the laws of the State of Maine, situated in the County of Knox, State of Maine, and having a mailing address of 270 Pleasant Street, Rockland, ME 04841.

OPTIONEE: **Rockland Energy Center, LLC**, a Maine limited liability company with a principal place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116.

PROPERTY: The real property located in the City of Rockland, Maine, at 270 Pleasant Street (Tax Map 57-A-2) and 9 Burrows Street (Tax Map 57-A-5), as described in Exhibit A attached hereto and incorporated herein.

DATE OF EXECUTION OF OPTION AGREEMENT: August 1, 2015

The parties to the Option Agreement represent that, as of the date of this Notice of Option to Purchase Real Property, such Option Agreement is in full force and effect and shall remain in effect unless and until a Notice of Termination of Option to Purchase Real Property is recorded in the Knox County Registry of Deeds.


This Notice of Option shall not serve to alter or amend the right or obligations of the parties hereto under the Option Agreement by and between the parties.

Executed this 1st day of ~~July~~^{August} 2015

Attest:

CITY OF ROCKLAND, MAINE:


Stuart H. Sylvester, City Clerk


by: James D. Chaousis II
its: City Manager

As to form:


Kevin J. Beal, City Attorney

[Acknowledgement on following page.]

STATE OF MAINE
KNOX, ss.

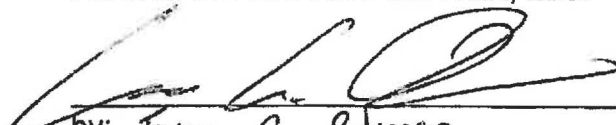
On this 1st day of August 2015, before me, the undersigned notary public, personally appeared James D. Chaousis II, in his said capacity, and acknowledged this Notice of Option to Purchase Real Property to be his own free act and deed and the free act and deed of the said City of Rockland, Maine.



Notary Public
Print: J. Elizabeth Fowler

My Commission Expires: 10/21/15


ROCKLAND ENERGY CENTER, LLC:



by: Evan C. Coleman
its: Representative

STATE OF MAINE
KNOX, ss.

On this 1st day of August 2015, before me, the undersigned notary public, personally appeared Evan C. Coleman, in his said capacity, and acknowledged this Notice of Option to Purchase Real Property to be his own free act and deed and the free act and deed of the said Rockland Energy Center, LLC.



Notary Public
Print: Susan J. StClair

My Commission Expires: 11/09/19

Jim Chaousis

From: Kevin Beal <kbeal@ci.rockland.me.us>
Sent: Thursday, July 16, 2015 2:58 PM
To: 'Jim Chaousis'
Subject: Emailing: Option Agreement - 2014-05-01 - Revised.docx
Attachments: Option Agreement - 2014-05-01 - Revised.docx

Your message is ready to be sent with the following file or link attachments:

Option Agreement - 2014-05-01 - Revised.docx

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

OPTION AGREEMENT FOR PURCHASE OF REAL PROPERTY

This OPTION AGREEMENT FOR PURCHASE OF REAL PROPERTY (the "Option Agreement") is made and effective this 1st day of May 2015 by and between the **CITY OF ROCKLAND, MAINE** ("Seller") and **ROCKLAND ENERGY CENTER, LLC** ("Buyer"), as follows:

1. DEFINITIONS.

For the purposes of this Option Agreement, the following words and phrases shall have their stated meanings:

Commencement Date:

May 1, 2015;

Seller:

City of Rockland, Maine: a municipal corporation duly formed and existing under the laws of the State of Maine, situated in the County of Knox and State of Maine, and having a mailing address of 270 Pleasant Street, Rockland, ME 04841;

Buyer:

Rockland Energy Center, LLC: a limited liability company formed and duly existing under the laws of the State of Delaware, and having a place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116;

Property:

Two parcels of land and the buildings thereon located in Rockland, Maine:

270 Pleasant Street (Tax Map 57-A-2), and

9 Burrows Street (Tax Map 57-A-5);

said parcels being further described as set forth in Exhibit A hereto, and having a combined, total land area of approximately 17.99 acres;

Monthly Option Payments:

The monthly payments due hereunder as consideration for Seller's grant to Buyer of a conditional option to purchase the Property, which payments shall be due on or before the first day of each month according to the schedule and in the amount(s) as follows:

From May 1, 2015 through the Time of Closing: \$1,000 / month;

Option Period:

The period of time from and including the Commencement Date through and including July 31, 2019.

2. OPTION.

In consideration of the agreement of Buyer to make Option Payments to Seller, Seller grants to Buyer, its successors, and assigns, a conditional option to purchase the Property (the "Option"). Such Option is subject to and contingent upon the parties' execution of a Purchase & Sale Agreement identifying the purchase price for the Property and other terms and conditions for its sale, and approval and authorization of the sale of the Property to Buyer by Seller's City Council, by ordinance amendment, in conformance with the Rockland, Maine City Charter, Art. II, Sec. 211(6).

On or after the effective date of such ordinance amendment, Buyer may exercise the Option by giving written notice of exercise to Seller (the "Exercise Notice"), in the manner provided in Section 13 below, on or before the last day of the Option Period. The Exercise Notice shall state a closing date, which date shall be not less than ninety (90) days nor more than one hundred and eighty (180) days after the day the Exercise Notice is given.

3. OPTION PAYMENTS.

Beginning on May 1, 2015, and continuing on the first day of each calendar month thereafter until this Option shall be exercised as provided in Section 2 above, or terminated as provided in Section 12 below, Buyer agrees to pay Seller the Monthly Option Payments. Each Monthly Option Payment shall be payable in cash, Buyer's check, bank check, or money order, or by wire or ACH transfer to a financial institution to be identified by Seller, and due no later than the first day of each calendar month at **City Hall, 270 Pleasant Street, Rockland, ME 04841** or at such other place designated by written notice from Seller. The Monthly Option Payment due for any partial calendar months shall be prorated on a daily basis. In the event that Buyer purchases the Property, the Purchase Price payable by Buyer to Seller at closing shall be reduced by the aggregate amount of Monthly Option Payments made by Buyer to Seller as of closing.

4. PURCHASE & SALE AGREEMENT.

Within one hundred and eighty (180) days of the Commencement Date of this Option Agreement, the parties shall, in good faith, seek agreement to terms and conditions for Buyer's purchase of the Property from the Seller and set them forth in a proposed Purchase & Sale Agreement (the "P&S"), subject to approval by Seller and Buyer. The

P&S shall state the Purchase Price for the Property and other consideration for the sale; the anticipated date and time for a closing on the sale of the Property (the "Time of Closing"); the requirements of each party prior to and at the Closing; and any adjustments required at the Closing to provide for water and sewer use charges, and payment in lieu of taxes for the fiscal year during which the Closing occurs and, if such closing occurs on or after April 1, for the ensuing fiscal year for which tax would have been assessed as of such April 1. The P&S shall provide that Seller convey title to the Property by a good and sufficient quitclaim deed running to Buyer or such person or persons as Buyer may designate in writing prior to the Time of Closing, conveying to Buyer a good and clear record and marketable title to the Property free from liens and encumbrances other than liens for municipal betterments assessed after the date of Buyer's Exercise Notice; real estate taxes for the current year (pro-rated as of the time of Closing); and the matters listed on Exhibit B (the "Permitted Exceptions"), which Exhibit B the parties shall use their best efforts to agree on within the first 180 days following the Commencement Date of this Option Agreement. If the parties are not able to reach agreement on Exhibit B within such 180 days period Buyer may elect to terminate this Option Agreement by written notice to Seller.

5. POSSESSION AND CONDITION.

Seller shall retain possession of the Property until the Time of Closing. Unless otherwise agreed by the parties in writing, Seller shall deliver to Buyer at the Time of Closing full possession of the Property free of all tenants and occupants, in the same condition as it now is, reasonable use and wear thereof, acts of God, and changes thereto resulting from the actions of Buyer and/or its agents, employees, contractors excepted.

6. SELLER'S OBLIGATIONS UNTIL THE TIME OF CLOSING.

From the Commencement Date until the Time of Closing:

A. Seller shall keep the Property in the same condition it is now in, subject to reasonable use and wear, acts of God and changes thereto resulting from the actions of Buyer and/or its agents, employees, contractors; and

B. Seller shall not lease or by its act or failure to act create any lien or encumbrance on the Property that:

- (1) shall remain a lien or encumbrance on the Property for any period that extends beyond the Time of Closing; and
- (2) is of an amount or value greater than the Purchase Price, without the prior written approval of Buyer, which shall not be unreasonably withheld.

7. BROKER

Seller and Buyer each mutually warrants and represents to the other that it has not engaged a broker in connection with this Option Agreement and/or the purchase and sale contemplated hereunder. Seller and Buyer each agree to indemnify and hold the other harmless from and against any liability, loss, cost, damage, or expense, including attorneys' fees, resulting from a breach of the foregoing representation and warranty.

8. SELLER'S REPRESENTATIONS

Seller hereby represents and warrants as follows, as of the date of this Option Agreement (all of which representations and warranties shall be affirmed in writing by Seller as of the Time of Closing):

- A. Seller is the sole owner of the Property subject only to the Permitted Exceptions as hereinafter set forth in Exhibit B, pursuant to Section 4;
- B. Seller has full power to execute, deliver, and perform the terms and provisions of this Option Agreement;
- C. Seller has received no notices from any governmental agency of any health safety fire or environmental regulation or code violations with respect to the premises covered by this Option Agreement;
- D. There are no known underground storage tanks on the Property;
- E. Performance by Seller of its obligations under this Option Agreement shall not constitute a breach or violation of any agreement, obligation, or instrument of any kind to which Seller is a party or to which the Property is subject.

If any of the foregoing representations or warranties are breached in any materially adverse respect by Seller, then, without limiting any other remedies of Buyer, Seller shall upon demand in writing from Buyer return all Option Payments hereunder paid by Buyer and this Option Agreement shall be deemed irrevocably terminated as of the date of such demand.

9. BUYER'S REPRESENTATIONS

Buyer hereby represents and warrants as follows, as of the date of this Option Agreement (all of which representations and warranties shall be affirmed in writing by Seller as of the Time of Closing):

- A. Buyer has full power to execute, deliver, and perform the terms and provisions of this Option Agreement;
- B. Buyer has submitted, or shall submit within one year of the Commencement Date, an application to the Maine Public Utilities Commission for permission to construct and operate on the Property after the Time of Closing a combined-cycle

cogeneration facility powered by natural gas and generating electrical energy and steam for local industries and Central Maine Power Company and/or Emera Maine (the "Facility").

- C. Performance by Buyer of its obligations under this Option Agreement shall not constitute a breach or violation of any agreement, obligation, or instrument of any kind to which Buyer is a party.

If any of the foregoing representations or warranties are breached in any materially adverse respect by Buyer, then, without limiting any other remedies of Seller at law or in equity, Seller shall retain any Monthly Option Payments paid by Buyer hereunder, and this Option Agreement shall be deemed irrevocably terminated as of the date of written notice by Seller of the same.

10. DELIVERY OF INFORMATION BY SELLER; BUYER'S INSPECTIONS.

A. Seller shall promptly make available for inspection, examination, and copying by Buyer, as soon as practicable, at a mutually-acceptable location, the following materials with respect to the Property to the extent to which they exist and are in Seller's possession or control: soil and environmental reports; any reports, studies and the like regarding the presence or discharge of oil, gas, or other hazardous materials on the Property all title insurance policies issued to Seller with respect to the Property; as-built and perimeter surveys and plot plans; copies of Purchase and Sale Agreements and options to purchase or to Purchase and Sale Agreement all or any part of the Property (if any); copies of pleadings in pending litigation relating to the Property which have been served upon Seller (if any); and all other data, information, plans, files, letters, and materials pertaining to the conditions, ownership or operation of the Property as Buyer may reasonably request. Buyer acknowledges that Seller makes no representation or warranty as to the accuracy or completeness of any materials so provided.

B. Subject to the conditions set forth below, Buyer shall have the right to make such environmental inspections and tests and other tests, surveys or studies of the Property as it shall deem appropriate for its intended use of the Property and shall engage engineers, soil technicians, surveyors, wetland scientists, botanists, endangered species scientists or other experts of its choice and at its cost to do so during the term of this Option Agreement. Buyer shall provide a copy of all such reports to Seller. Upon the completion of such activities the Property shall be returned to the condition as existed prior to the commencement of such Activities subject to reasonable use and wear and Acts of God.

C. Buyer shall give Seller prior written notice, no less than seventy-two (72) hours, of the time and nature of any activities to be conducted on the Property, including the location of such work on the Property.

D. Seller shall allow Buyer or Buyer's agents, invitees or employees on to the Property to conduct tests, surveys, studies or sampling at Buyer's sole cost and risk. All

activities of Buyer, or any of its agents, contractors, servants, employees, subtenants, licensees or invitees and the Property shall be conducted in strict compliance with all applicable law and regulation. Buyer shall provide Seller with an insurance binder for liability and casualty coverage of no less than \$1,000,000.00 naming the Seller as a loss payee for any and all claims arising out of the Buyer's activities on the Property as contemplated herein.

E. Buyer shall indemnify and save Seller harmless against and from all liabilities, obligations, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, which may be imposed upon or incurred by or asserted against Seller by reason of any of the following occurrences during the term of this Option Agreement:

(1) any work or thing done in or on the Property or any part thereof by Buyer or any of its agents, contractors, servants, employees, subtenants, licensees or invitees;

(2) any negligence on the part of Buyer or any of its agents, contractors, servants, employees, subtenants, licensees or invitees;

(3) any accident, injury or damage to any person or property occurring as a result of the activities of Buyer, or any of its agents, contractors, servants, employees, subtenants, licensees or invitees on the Property;

(4) any failure on the part of Buyer to perform or comply with any of the covenants, agreements, terms, provisions, conditions or limitations contained in this Option Agreement on its part to be performed or complied with;

(5) the failure of Buyer to comply with applicable legal requirements in connection with the disturbance or exposure of Hazardous Materials on the Property resulting from activities conducted on the Property by Buyer, or any of its agents, contractors, servants, employees, subtenants, licensees or invitees during the term of this Option Agreement.

11. LICENSES, PERMITS, AND APPROVALS.

Seller understands that Buyer intends to develop and operate a power production facility on the Property. Buyer will be responsible for all zoning approval and permits with respect to the Facility. Seller shall cooperate fully with Buyer in the application for and acquisition of all federal, state and local permits, licenses, consents, authorizations, and approval required for the construction and operation of the Facility as Buyer shall reasonably request, provided that Buyer shall not be required to incur any additional cost, liability or obligation as a result thereof.

Seller further understands that Buyer shall need to obtain all easements reasonably required for the full use of the Property, including without limitation, the delivery of gas and other utilities, access to the Property and the transmission of power produced at the

Facility. Seller shall cooperate fully with Buyer in Buyer's efforts to obtain all such easements and, to the extent Seller is the owner of properties abutting or near the Property, at the Time of Closing Seller shall convey to Buyer all such easements reasonably required by Buyer for the construction and operation of the Facility. Seller and Buyer shall consult to determine the optimal easements to be secured to ensure the full and unfettered construction and operation of the Facility and Buyer shall identify to Seller with specificity the easements it requires in the Exercise Notice.

12. TERMINATION.

Buyer may terminate this Option Agreement at any time by written notice to Seller accompanied by a notice of the termination of this Option Agreement in the form attached as Exhibit D duly executed by Buyer for recording by Seller. In the event that Buyer delivers such notice but fails to deliver an executed notice of termination and such failure continues for more than 7 days following a written request from Seller for the notice of termination Seller is appointed Buyer's attorney-in-fact solely for the purpose of signing and recording the notice of termination on behalf of Buyer. Buyer further agrees that, upon Seller's request, Buyer shall execute and deliver such additional instruments and documents as shall be necessary to cause the Notice to be deleted from Seller's certificate of title. Upon such termination, the obligation of Buyer to make Option Payments shall terminate; neither party shall have any further rights against the other; and Seller shall retain all Option Payments made through the date of termination in full satisfaction of all obligations of Buyer hereunder. If at the time of the Buyer's termination pursuant to this Section Buyer has not paid all payments due hereunder, Seller shall retain the right to payment of such amounts from Buyer.

Seller may terminate this Option Agreement if (1) the Maine Public Utilities Commission does not accept Buyer's proposal for the construction of the Facility and/or does not award a long term contract with one or both of Maine's investor-owned transmission and distribution utilities – Central Maine Power Company and Emera Maine; (2) Buyer fails to make an Option Payment due hereunder within fifteen (15) days of its due date and Seller gives Buyer written notice of the failure to make such option payment and Buyer fails to make such option payment within ten (10) days of receipt of notice of non-payment of option from Seller, or (3) the Rockland City Council defeats the ordinance amendment required pursuant to the Rockland, Maine Charter. In the event of Seller's termination pursuant to subsection (1) hereunder for Buyer's failure to make Option Payment(s), or in the event of Buyer's unexcused failure to close in accordance with the terms hereof after having given the Exercise Notice, Seller shall retain all Option Payments made by Buyer as full liquidated damages and Seller shall have no other recourse against Buyer at law or in equity. In the event that Buyer fails to deliver an executed notice of termination after Seller has properly terminated this Option Agreement pursuant to this Section 17 and such failure continues for more than 7 days following a written request from Seller for the notice of termination Seller is appointed Buyer's attorney-in-fact solely for the purpose of signing and recording the notice of termination on behalf of Buyer.

13. NOTICE.

All notices, demands, requests, consents, waivers, approvals, and other communications pursuant to this Option Agreement shall be in writing and shall be deemed given (i) upon the hand delivery thereof during business hours provided a receipt is obtained, or (ii) upon the earlier of receipt or the fifth (5th) business day after posting by certified mail, return receipt requested, postage charges prepaid, or (iii) on the next business day following delivery to an overnight delivery service such as Federal Express or U.S. Postal Service Express Mail, freight charges prepaid, in each case addressed or delivered to the respective parties at their respective addresses set forth in the preamble to this Option Agreement (or at such other addresses designated by any party at any time by written notice given to the other parties in the manner set forth herein).

14. GOVERNING LAW, CHOICE OF FORUM AND JURY TRIAL WAIVER.

This Option Agreement, and any and all disputes arising out of this Option Agreement, shall be governed by and construed in accordance with the laws of the State of Maine, other than any non-mandatory provision thereof that would result in the application of the law of any jurisdiction other than the State of Maine. In any litigation arising out of or relating to this Option Agreement the Parties agree that the federal courts located in Maine, or if the federal courts lack jurisdiction, the state courts located in Knox County, Maine, shall be the exclusive forum for such litigation. Each of the parties hereby waives any right it may have to a trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Option Agreement.

15. GENERAL

This Option Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors, personal representatives, and assigns. Buyer shall not pledge, mortgage, convey, assign, or otherwise encumber or transfer this Option Agreement or its rights and obligations hereunder without the express prior written consent of Seller in each instance; except that Buyer may assign this Option Agreement, either before or after the exercise of the Option, to any entity which controls, is under common control with, or is controlled by Buyer, upon notice to Seller but without the necessity of obtaining Seller's consent thereto. No officer, director, shareholder, trustee, or beneficiary of a trust, if any, under which Seller or Buyer acts in executing this Option Agreement shall be personally liable for any obligation, express or implied, hereunder. Nor shall any affiliate of either Seller or Buyer have any liability hereunder or otherwise in relation hereto, including without limitation Energy Management, Inc., or its partners, stockholders, directors, officers and employees. This Option Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have set their hands to this OPTION AGREEMENT FOR PURCHASE OF REAL PROEPRTY effective as of the date first-above written.

Attest:

CITY OF ROCKLAND, MAINE:

Stuart H. Sylvester, City Clerk

by: James D. Chaousis II
its: City Manager

As to form:

Kevin J. Beal, City Attorney

Attest:

ROCKLAND ENERGY CENTER, LLC:

Print: _____

[Affix Seal]

by: _____

its: _____

EXHIBIT A – PROPERTY DESCRIPTIONS

270 Pleasant Street (Tax Map 57-A-2):

A certain lot or parcel of land with all the buildings thereon, situated in Rockland, Knox County, Maine, and bounded as follows, viz:

Bounded northerly by Pleasant Street, and the old Charles Butler place, so-called; westerly by land formerly of Cornelius Hanrahan; southerly by land formerly of one McNeil and land now or formerly of M.L. Simmons, owned now or formerly by S.G. Prescott; and easterly by land formerly of John Doherty.

Said lot contains ten and three-fourths acres, more or less. The above lot embraces the several lots conveyed to Asa Morse by John Hogan by deed dated August 30, 1848, and Submit A. Turner, by deed dated March 20, 1850, to which deeds reference is hereby made.

Reserving and excepting from the premises, hereinbefore described, so much thereof (if any) as has been conveyed to the Knox and Lincoln Railroad, or has been lawfully owned or occupied (as a right of way, or otherwise) by said Knox and Lincoln Railroad, or is now so owned or occupied by the Maine Central Railroad company.

Meaning and intending to convey and hereby conveying the same premises conveyed to the Camden and Rockland Water Company by deed of Warren R. Sylvester and Pauline A. Sylvester dated August 5, 1988, and recorded in the Knox County Registry of Deeds in Book 1289, Page 2.

The above described premises are conveyed subject to the following:

1. Easement from the Camden and Rockland Water Company to Central Maine Power Company and New England Telephone and Telegraph Company dated November 1, 1990, and recorded in the Knox County Registry of Deeds in Book 1486, Page 319; and
2. Contract for Electric Service between the Camden and Rockland Water Company and Central Maine Power Company dated November 1, 1990, and recorded in the Knox County Registry of Deeds in Book 1552, Page 108.

9 Burrows Street (Tax Map 57-A-5):

BEGINNING at an iron pipe on the west side of Burrows Street which point is 134 feet South 5° W. from the southerly side of Pleasant Street; thence South 5° W. by the westerly line of said Burrows Street 500 feet to an iron pipe; thence North 85° W. by land formerly of Starr Brothers, Inc. 265 feet to an iron pipe at land now or formerly of Ellison Metcalf; thence by said Metcalf's land North 23° W. 506.5 feet to an iron pipe; thence South 85° E. by said Metcalf's land 109.75 feet to the place of beginning.

Containing approximately three acres as surveyed by George E. Trafton, City Engineer, October 26, 1954.

Being a portion of the property conveyed by said City of Rockland to Starr Brothers, Inc. and recorded in the Knox Registry of Deeds, Book 291, Page 234, and Book 223, Page 310.

See plan of Samoset Park, Knox Registry of Deeds, Book 3, page 99.

Together with a right of way thirty-eight feet in width extending from Pleasant Street to said premises and described on said plan as Burrows Street.

and

A certain lot or parcel of land situated in Rockland and bounded and described as follows:

Beginning at a hole in a granite block at the northwest corner of land owned by the City of Rockland at a point 109.75 feet from the westerly side of Burrows Street; thence North 85 degrees West 134 feet along land now or formerly of Ellison Metcalf to an iron bolt and land now or formerly of Ellison Moon; thence North 80 degrees West 118 feet by said Moon property on the north to an iron bolt and land now or formerly of E. Dow; thence South 9 degrees West 620 feet by said Dow property on the south side to an iron pipe and land now or formerly of Starr Brothers; thence South 73 degrees East 73 feet by said Starr Brothers land; on the south to an iron pipe and other land of Starr Brothers; thence North 24 degrees 50 minutes East 662 feet by land of said Starr Brothers on the east and land owned by the City of Rockland to the point of beginning.

Being a portion of the premises conveyed to Ellison Metcalf by the City of Rockland by deed dated December 11, 1947, and recorded in the Knox County Registry of Deeds in Book 295, Page 172.

See Boundary Line Agreement by and between the City of Rockland, Maine, and Phyllis M. Brown, Personal Representative of the Estate of John H. Belyea, dated April 1, 2014, and recorded on the Knox County Registry of Deeds in Book 4787, Page 127.

EXHIBIT B – PERMITTED EXCEPTIONS

EXHIBIT C – FORM NOTICE OF OPTION TO PURCHASE REAL PROPERTY

OPTIONOR: **City of Rockland, Maine**, a municipal corporation duly formed and existing under the laws of the State of Maine, situated in the County of Knox, State of Maine, and having a mailing address of 270 Pleasant Street, Rockland, ME 04841.

OPTIONEE: **Rockland Energy Center, LLC**, a Maine limited liability company with a principal place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116.

PROPERTY: The real property located in the City of Rockland, Maine, at 270 Pleasant Street (Tax Map 57-A-2) and 9 Burrows Street (Tax Map 57-A-5), as described in Exhibit A attached hereto and incorporated herein.

DATE OF EXECUTION OF OPTION AGREEMENT: May 1, 2015

The parties to the Option Agreement represent that, as of the date of this Notice of Option to Purchase Real Property, such Option Agreement is in full force and effect and shall remain in effect unless and until a Notice of Termination of Option to Purchase Real Property is recorded in the Knox County Registry of Deeds.

This Notice of Option shall not serve to alter or amend the right or obligations of the parties hereto under the Option Agreement by and between the parties.

Executed this _____ day of April 2015

Attest:

CITY OF ROCKLAND, MAINE:

Stuart H. Sylvester, City Clerk

by: James D. Chaousis II
its: City Manager

As to form:

Kevin J. Beal, City Attorney

[Acknowledgement on following page.]

STATE OF MAINE
KNOX, ss.

On this 1st day of May 2015, before me, the undersigned notary public, personally appeared James D. Chaousis II, in his said capacity, and acknowledged this Notice of Option to Purchase Real Property to be his own free act and deed and the free act and deed of the said City of Rockland, Maine.

Notary Public
Print: _____

My Commission Expires:

ROCKLAND ENERGY CENTER, LLC:

by: _____
its: _____

STATE OF MAINE
KNOX, ss.

On this 1st day of May 2015, before me, the undersigned notary public, personally appeared _____, in his said capacity, and acknowledged this Notice of Option to Purchase Real Property to be his own free act and deed and the free act and deed of the said Rockland Energy Center, LLC.

Notary Public
Print: _____

My Commission Expires:

EXHIBIT D – NOTICE OF TERMINATION OF OPTION
TO PURCHASE REAL PROPERTY

NOTICE IS HERBY GIVEN that the Option Agreement dated as of May 1, 2015 (the "Option Agreement") by and between the City of Rockland, Maine (the "Optionor") and Rockland Energy Center, LLC, a Delaware limited liability company with a principal place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116 (the "Optionee"), is hereby terminated. The Property which is the subject of the Option Agreement is as described in Exhibit A, attached hereto and incorporated herein.

Executed this ____ day of _____

_____ (terminating party):

by: _____
its: _____

STATE OF MAINE

_____, ss.

On this ___ day of _____, 20___, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public

My Commission Expires:

Jim Chaousis

From: Audra Caler-Bell <abell@ci.rockland.me.us>
Sent: Wednesday, September 02, 2015 10:49 AM
To: James D Chaousis II
Subject: Re: Will & Frank > Energy > Question

Hi Jim,

I didn't want to add to the confusion so I thought I'd just write this to you: if EMI chooses to move forward with City Hall/Public Works we can use Brownfields funding to do a third party environmental impact assessment on the power plant proposal.

Audra

Sent from my iPhone

On Sep 2, 2015, at 9:24 AM, James D Chaousis II <jchaousis@ci.rockland.me.us> wrote:

Will,

I'm in transit so my comments will be short. I would recommend a very simple and brief order authorizing the city manager to use those funds for purposes to acquire technical and legal expertise in regards to topics for the Rocklynn energy center proposal. I can explain in more detail later and probably best at the agenda setting meeting.

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I have Stuart working on an order pursuant this request.

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To: 'Frank Isganitis' <frankisganitis@gmail.com>; 'William Clayton' <williamclayton79@gmail.com>
Cc: 'James D Chaousis II' <jchaousis@ci.rockland.me.us>; 'Louise MacLellan-Ruf' <louisemaclellanruf@gmail.com>; 'Valli.citycouncil@gmail.com' <valli.citycouncil@gmail.com>; 'Audra Bell' <abell@ci.rockland.me.us>
Subject: Will & Frank > Energy > Question

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I spoke with Audra and Jim and both thought this was constructive. I discussed this with Valli and Louise and they concurred as well. I have started to talk with some, but not yet all, of the Energy Committee.

If Council is interested, I would put in an order that has "Energy Committee" as originator and "Council" as a sponsor. There appears to be a number of pretty clear question for which some third party analysis would be useful now (and some of that analysis, say on "District Energy" for Tillson Area could have value beyond EMI).

Also, if EMI does move forward with this in some form, City staff needs to have already identified who the city will utilize for technical and legal advice. For example, if EMI does request a CEA, the City needs third party technical analysis to know how much of a CEA EMI actually needs for the KWH price of electricity to be competitive.

Thoughts? If you have questions, give me a call.

Larry
594-8806

From: Frank Isganitis [<mailto:frankisganitis@gmail.com>]
Sent: Thursday, August 20, 2015 11:48
To: Phyllis Merriam
Cc: James D Chaousis II; LarryPritchett.Council; Louise MacLellan-Ruf; William Clayton; Valli.citycouncil@gmail.com; Audra Beil
Subject: Re: Community Forum on CHP, District Energy & Natural Gas 8.19.2015

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municipality to select an attorney of their preference with the developer bearing the cost. Certainly, Rockland residents should not.

Best,
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I am hoping the city can find the funding to hire a qualified attorney who can accurately vet EMI's proposal, as was recommended last evening. Are there grants available? Can residents and businesses contribute to a fund?

In appreciation,

Phyllis Merriam, LCSW

72 Mechanic St.

Rockland, ME

Jim Chaousis

From: Audra Bell <abell@ci.rockland.me.us>
Sent: Wednesday, July 01, 2015 3:26 PM
To: 'Jim Chaousis'
Subject: FW: Workshops

FYI

From: Audra Bell [mailto:abell@ci.rockland.me.us]
Sent: Wednesday, July 01, 2015 10:27 AM
To: 'Valli Geiger'
Subject: RE: Workshops

Hi Valli,

I'll be out of the office but you can call me anytime on 505-1384.

In regards to the workshops we're trying to organize a panel discussion for late July/early August focusing on general issues around energy in Midcoast Maine and something for later in the summer/early fall around natural gas and economic development. The Natural Resources Council of Maine and a few other people with expertise on these issues from around the State were mentioned as potential panel members. I've reached out to NRCM but I haven't heard back from anyone yet. No specifics regarding the power plant proposal will be discussed at these workshops – the idea is to provide more context around energy needs, challenges and what the economic impacts will be of having the natural gas pipeline extended from Belfast to Wiscasset.

In regards to NRCM reaching out to Dan Dunkle it's true no one has asked them to do an analysis of the plant (which we cannot do until we have a proposal) but they have been approached about the idea of participating in a workshop or panel to discuss general issues around energy. I think if he tries to make you or Larry look like liars it's really splitting hairs because I honestly think there was just miscommunication around the purpose of these workshops (i.e. discussing energy/economic development issues generally verses specifically as they pertain to the plant).

I hope this helps but please feel free to call me and we can talk this over.

Thank you,
Audra

From: Valli Geiger [mailto:valli.citycouncil@gmail.com]
Sent: Tuesday, June 30, 2015 9:05 PM
To: abell@ci.rockland.me.us
Subject: Workshops

Hi Audra, Larry is referring me to you concerning future workshops to explore the pros and cons of the Energy plant. Three weeks ago he told me had been talking to the Natural Resources Council of Maine and it was a matter of dates. They reached out to Dan Dunkle saying they have not been approached about providing analysis of the plant. I look like a liar. But I also don't want to throw Larry under the bus.

What is the status of the workshops? Who have we talked to at the Natural Resources Council? Are we planning to have someone from there at a workshop? Is there anyone else we have reached out to? I work tomorrow, but can step away for a bit to call you. Let me know what time works for you. Or you can reply by e-mail.

Valli

Jim Chaousis

From: William Clayton <williamclayton79@gmail.com>
Sent: Wednesday, September 02, 2015 11:22 AM
To: James D Chaousis II
Cc: Louise MacLellan-Ruf; Frank Isganitis; Valli.citycouncil@gmail.com; Larry R. Pritchett; Audra Bell
Subject: Re: Will & Frank > Energy > Question

Sounds good. Drive safe.

Will

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Rockland, ME

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Sent: Wednesday, September 02, 2015 9:43 AM
To: William Clayton
Cc: James D Chaousis II; Louise MacLellan-Ruf; Larry R. Pritchett;
Valli.citycouncil@gmail.com; Audra Bell
Subject: Re: Will & Frank > Energy > Question

I don't want to debate the issue, but it appears we are at "that moment", I think. What I mean to say is, "When is the time we say to Evan that outside of any discussion on the land deal we need \$25,000 to \$50,000 from them for our needs in self assessment of the situation?" Maybe the solution would be to say we would be willing to amend the option agreement of \$1,000/month for a large enough up front payment. Just a thought.

Best,
Frank

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Rockland, ME

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From: Larry Pritchett <larrypritchett.council@gmail.com>
Sent: Thursday, August 20, 2015 9:46 PM
To: Frank Isganitis ; jchaousis@ci.rockland.me.us
Cc: Will Clayton ; Lousie MacLellan-Ruf ; 'Valli Geiger'; 'Audra Bell'
Subject: FW: Power Point slides for Pen Bay Pilot
Attachments: 2015_08.19_SMRT_Everett_CHP_District_Energy_Forum_Slides_Notes.pdf; 2015_08.19_CLF_Cunningham_CHP_Energy_Forum.pdf

Hi All,

This does not look like some of the City/local press related email threads of late, so I thought I would pass it along.

While they have only ran one story, the Pilot attended the last three Energy Committee meetings.

I have attached PDF's of two of the presentations (Cunningham/CLF and Everett/SMRT).

Kate's slides include her notes on the following page (where there were notes)

The third prez (Schneider/OPA) is coming (tomorrow).

Larry

From: Lynda Clancy [mailto:lyndaclancy@penbaypilot.com]
Sent: Thursday, August 20, 2015 20:14
To: Larry Pritchett
Cc: 'Sarah Thompson'
Subject: Re: Power Point slides for Pen Bay Pilot

Tim was outstanding. A real asset to the conversation.

Thanks, Larry.

We will attach their presentations to the story.

On Aug 20, 2015, at 8:09 PM, "Larry Pritchett" <larrypritchett.council@gmail.com> wrote:

Hi Sarah,

I have not checked, but I have an email saying the forum is online. The Energy Committee meant to get the PDF's on the web site.

I have attached Kate's and Greg's. I do not have Tim's. I will get Brooks to send them over tomorrow.

Larry

From: Sarah Thompson [mailto:sarah412pen@gmail.com]

Sent: Thursday, August 20, 2015 19:36

To: Larry Pritchett

Subject: Power Point slides for Pen Bay Pilot

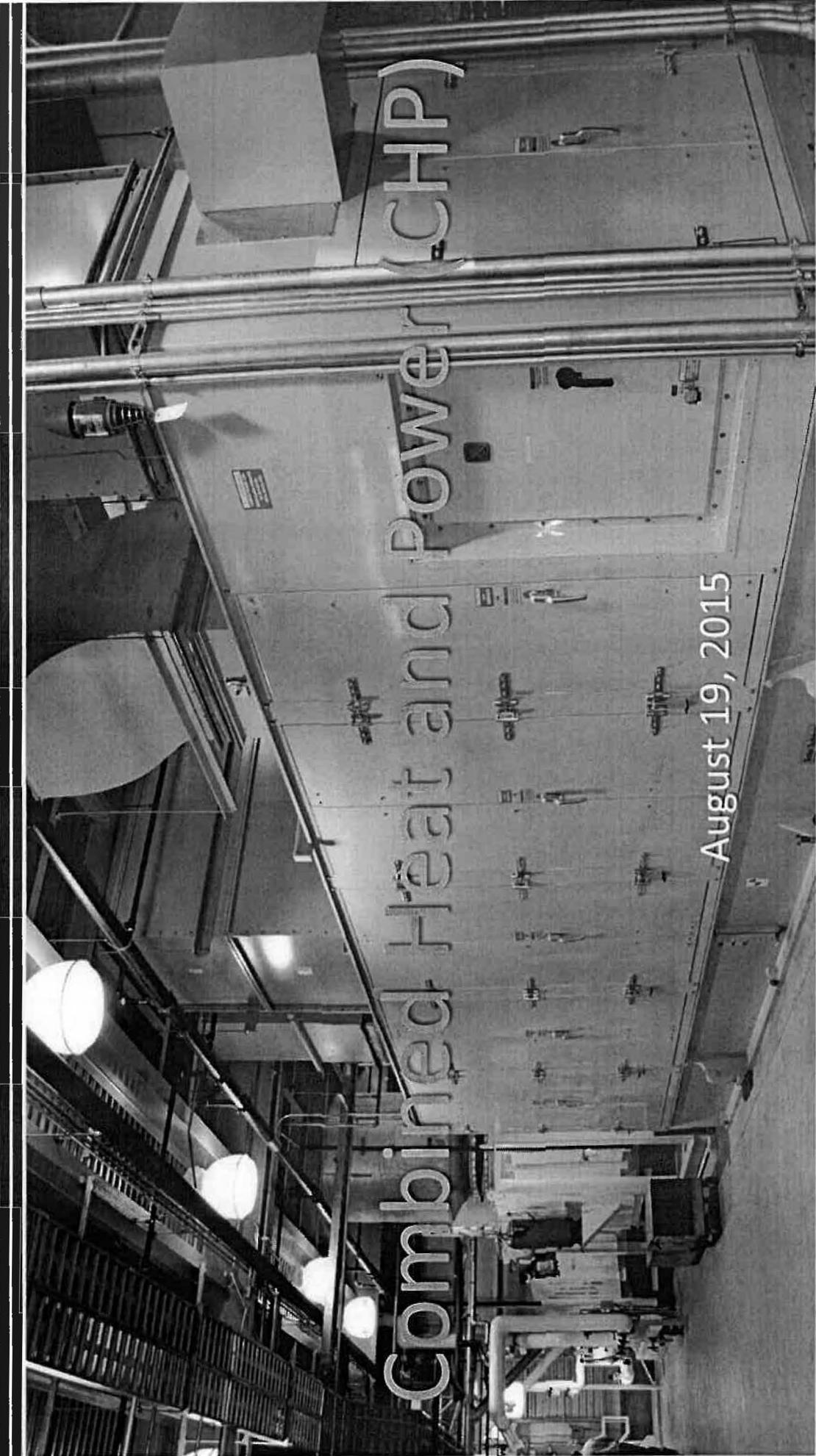
Hi Larry,

That was a great forum last night.

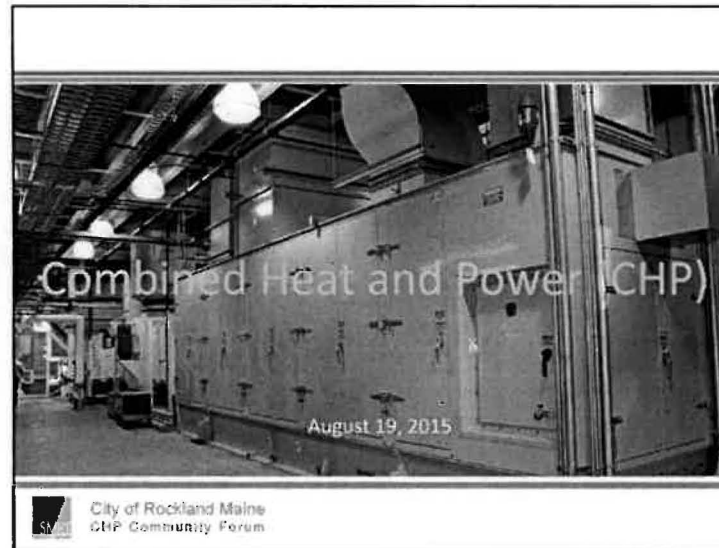
Any chance you could forward the slides to us? And, is the recording of the forum online?

Thanks,

Sarah Thompson
Penobscot Bay Pilot



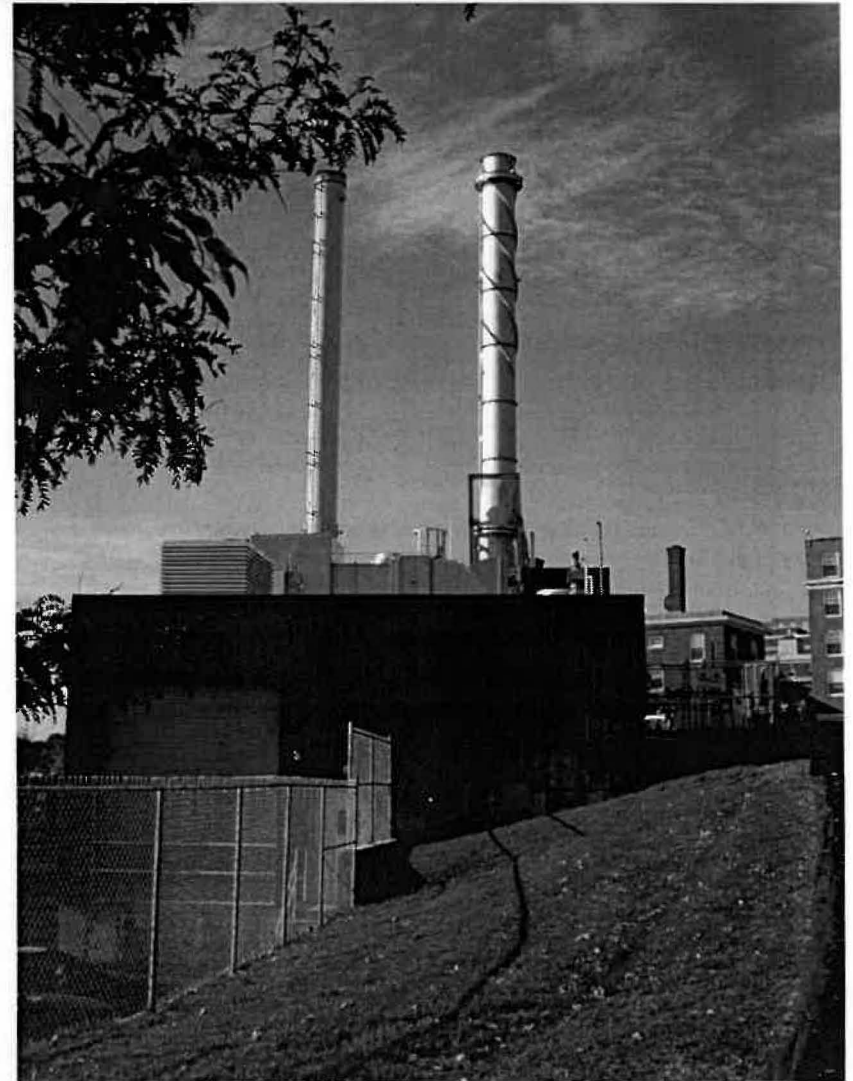
City of Rockland Maine
CHP Community Forum



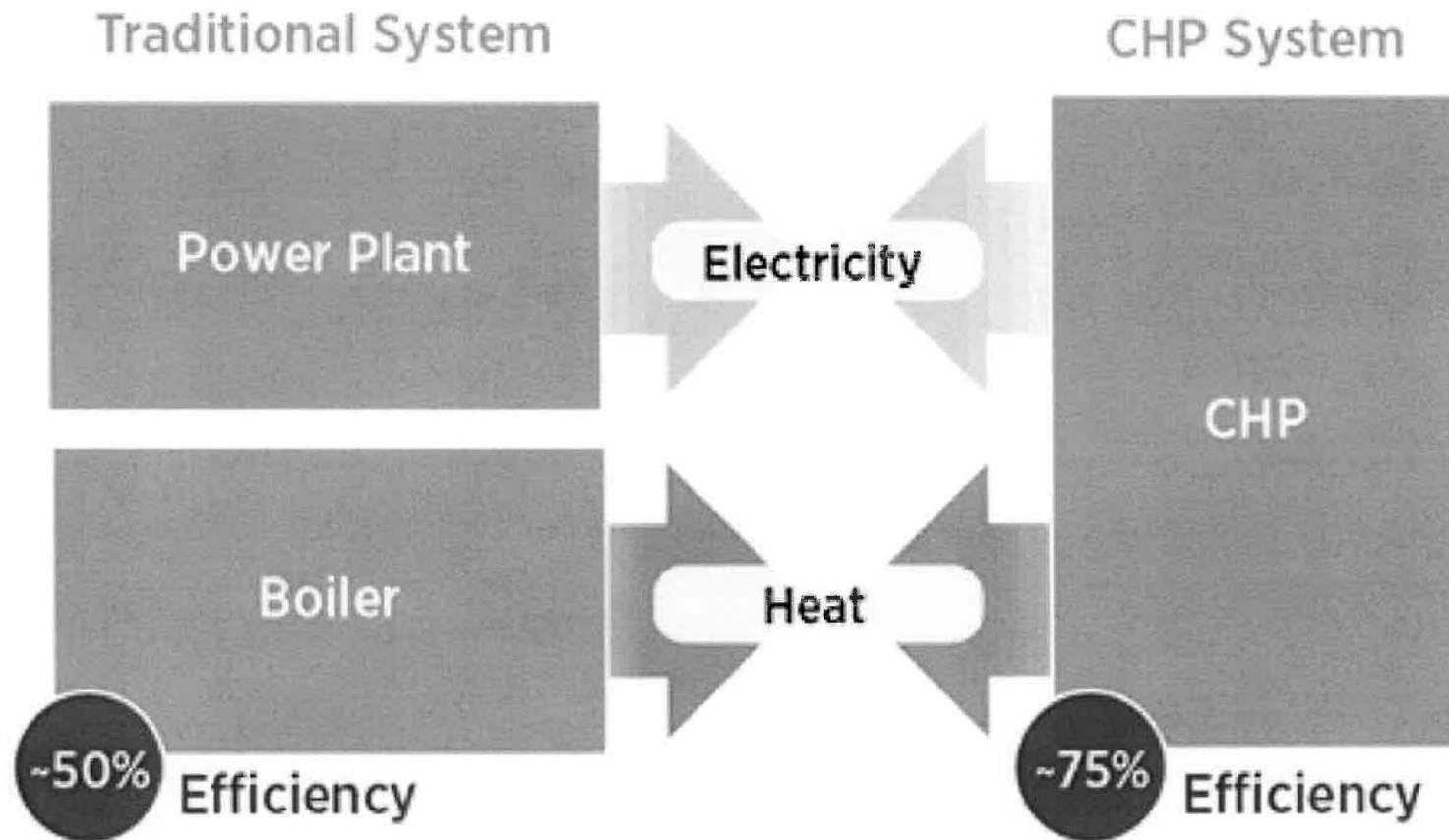
I want to thank Larry and the committee for inviting us here tonight, and want to say that we're happy to lend our assistance and expertise to the city of Rockland to help you better understand the issues and opportunities around this complex proposal. I also want to say that we have no dog in this fight, we're not proponents or opponents of the project, we frankly don't have enough information about it. We're here tonight really to give a high level technical overview of CHP and District energy is, and what are the key components that make them viable. I'm hoping to provide just enough detail about the systems that you get the gist of the system without falling asleep.

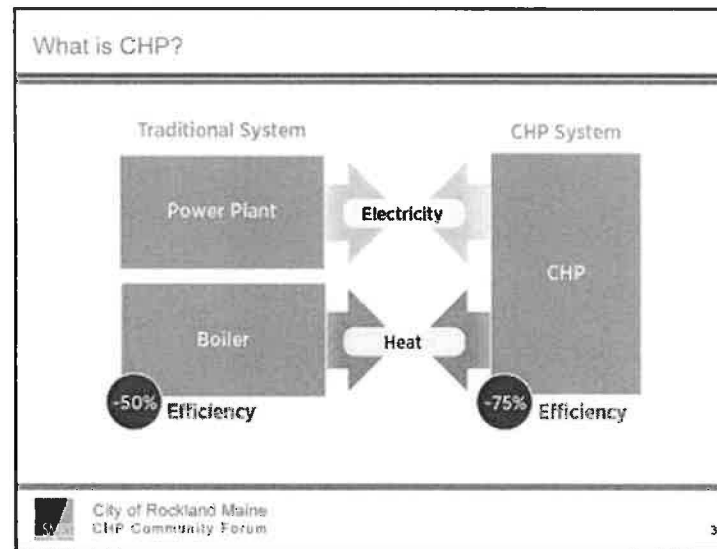
Agenda

- **What is Combined Heat and Power?**
- **What is District Energy?**
- **Key Aspects of District Energy**



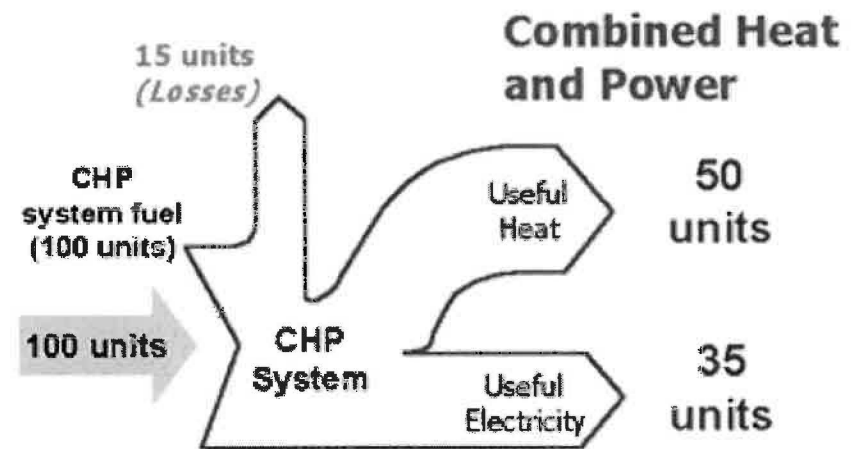
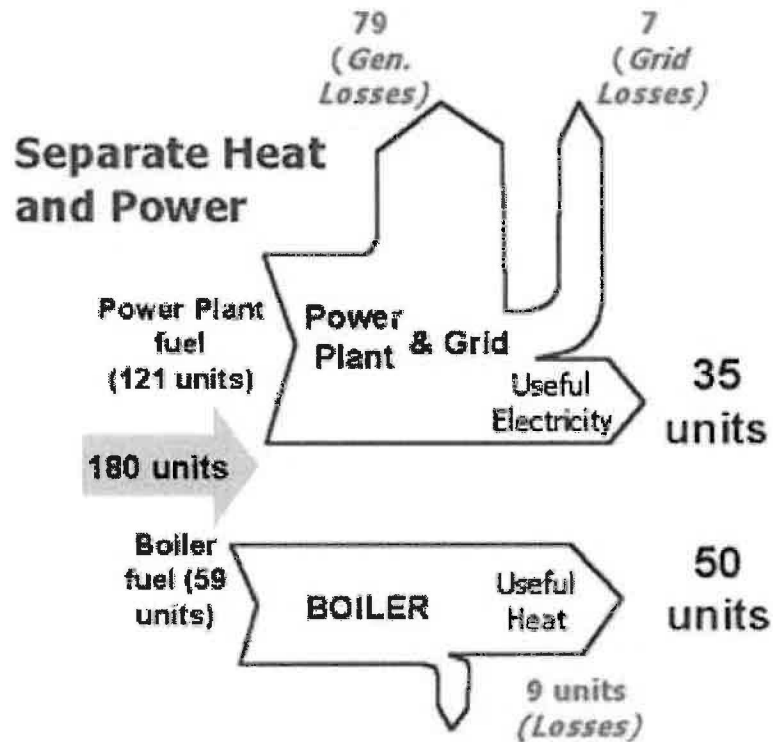
What is CHP?

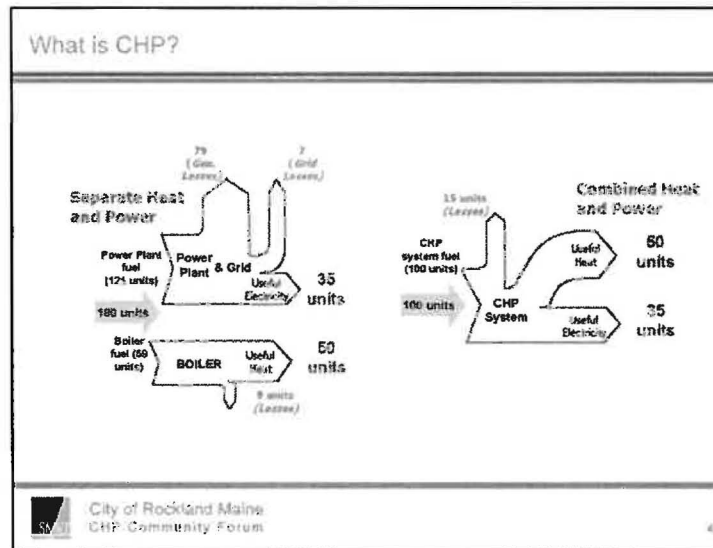




- Simply put, combined heat and power is the simultaneous production of heat and electricity from a single fuel source. This is accomplished by recovering the waste heat that is normally lost in the power generation process and using it for heating or cooling.
- This use of the waste heat increases the overall efficiency of the plant to over 75%, compared to 50% if the energy is produced separately.
- Unlike distributed generation, it is located at or near the point of consumption.

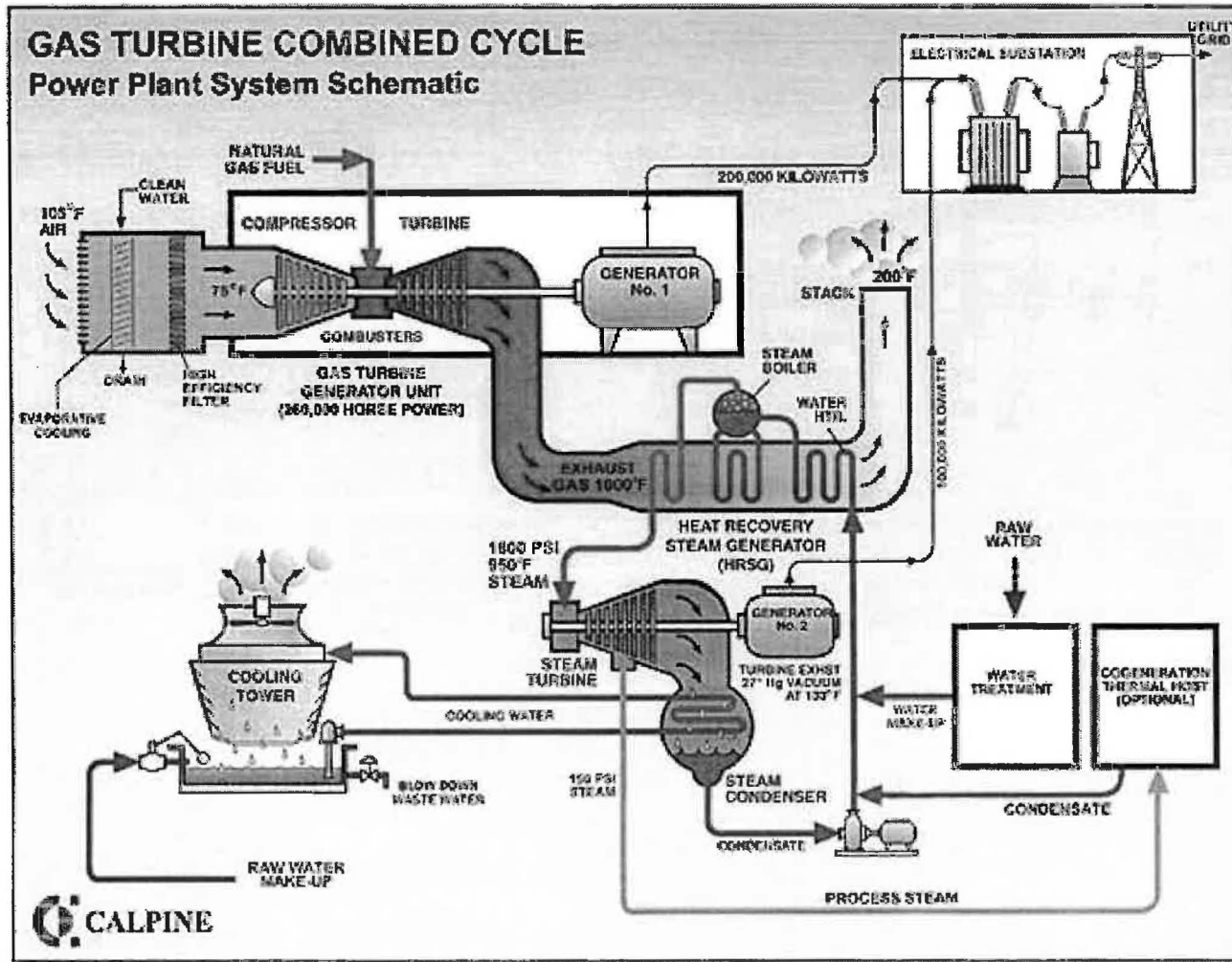
What is CHP?



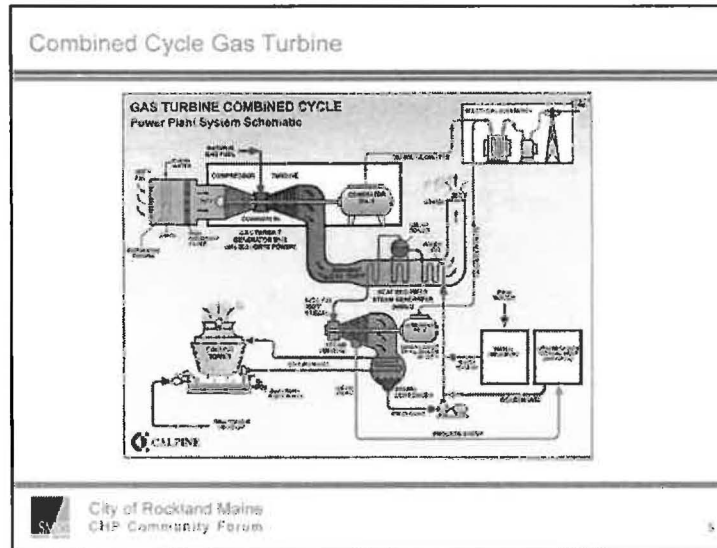


- In the separate heat and power system, each system requires fuel to produce their energy, and inherent energy losses in the process. In a power plant, a large portion of the wasted energy is lost as heat that goes up the stack. There are also losses associated with transmitting that energy over long distances, with the total resultant efficiency of about 30% for a typical power plant. Your local boiler plant will have an efficiency of about 85%. Together, those two separate systems will have a combined efficiency of about 50%, or half the fuel that is used is lost in the process.
- In the CHP, the power production is co-located with the heat load, so that the waste heat of the power production can be captured and used in lieu of the separate boiler system, which is an overall much more efficient process

Combined Cycle Gas Turbine

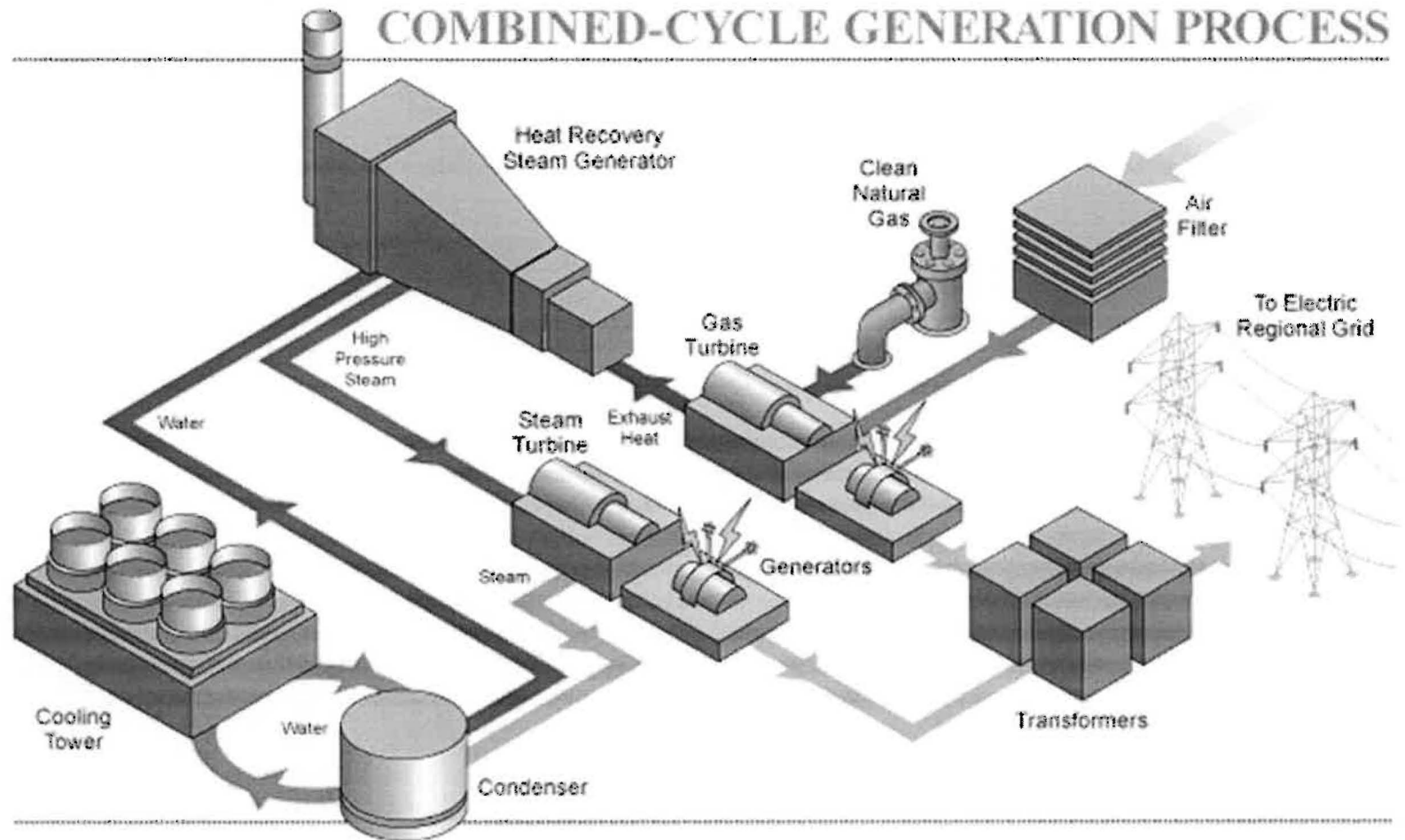


Combined Cycle Gas Turbine

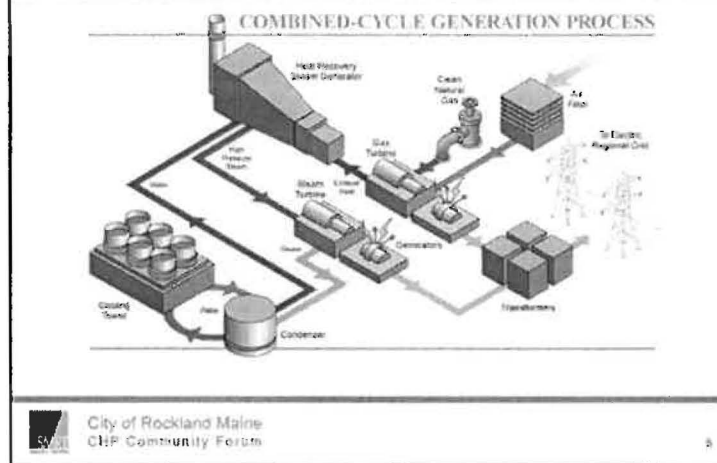


- There is a whole range of technologies available for CHP, ranging from IC engines, gas and steam turbines, and fuel cells, and allowing the use of various fuels, both fossil and renewable.
- For simplicity reasons I will limit the discussion to the type that was proposed, which is the combined cycle power plant or combined cycle gas turbine.
- The combined cycle as the name suggests, uses a combination of gas and steam turbines to produce their electricity.
- The basic components of the system are the gas turbine generates electricity and waste heat from that is used to generate steam in a water cooled heat exchanger. The steam is then put through a steam turbine to produce additional power. That is the power plant side of it, and it has an efficiency of about 50%.
- In combined heat and power mode, steam is extracted from the turbine for heating and process use.

Combined Cycle Gas Turbine



Combined Cycle Gas Turbine

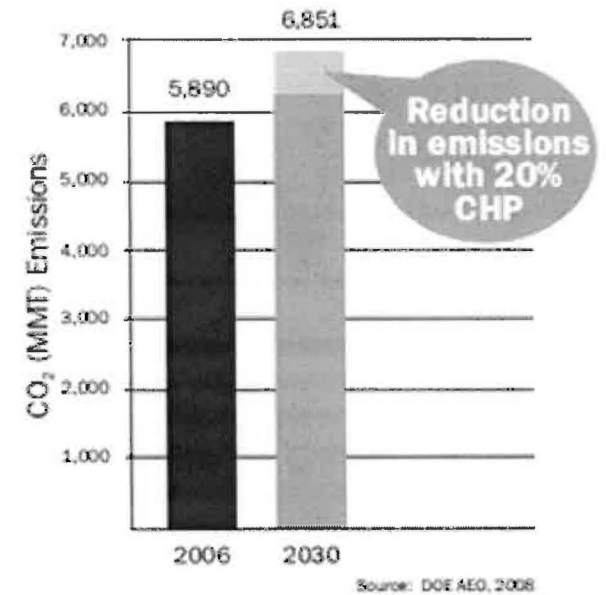


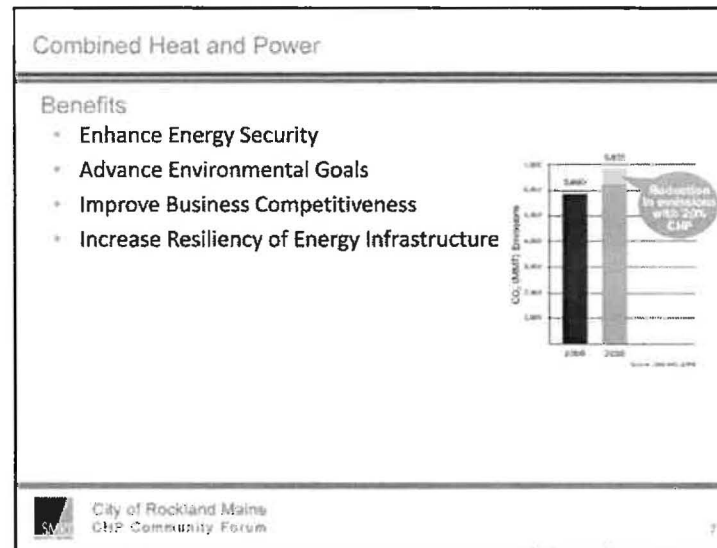
- All of the various parts and pieces look like this in real life.

Combined Heat and Power

Benefits

- Enhance Energy Security
- Advance Environmental Goals
- Improve Business Competitiveness
- Increase Resiliency of Energy Infrastructure





CHP is widely recognized as an efficient and clean approach to generating power and thermal energy. So much so that in 2012, the Obama administration signed an executive order that set a national goal to increase CHP generation by 40 GW by 2020.

Some of the many benefits include

Enhance Energy Security

Reduces our Energy Requirements – getting more out of the fuel we use

Helps businesses weather energy price volatility

Advance Environmental Goals

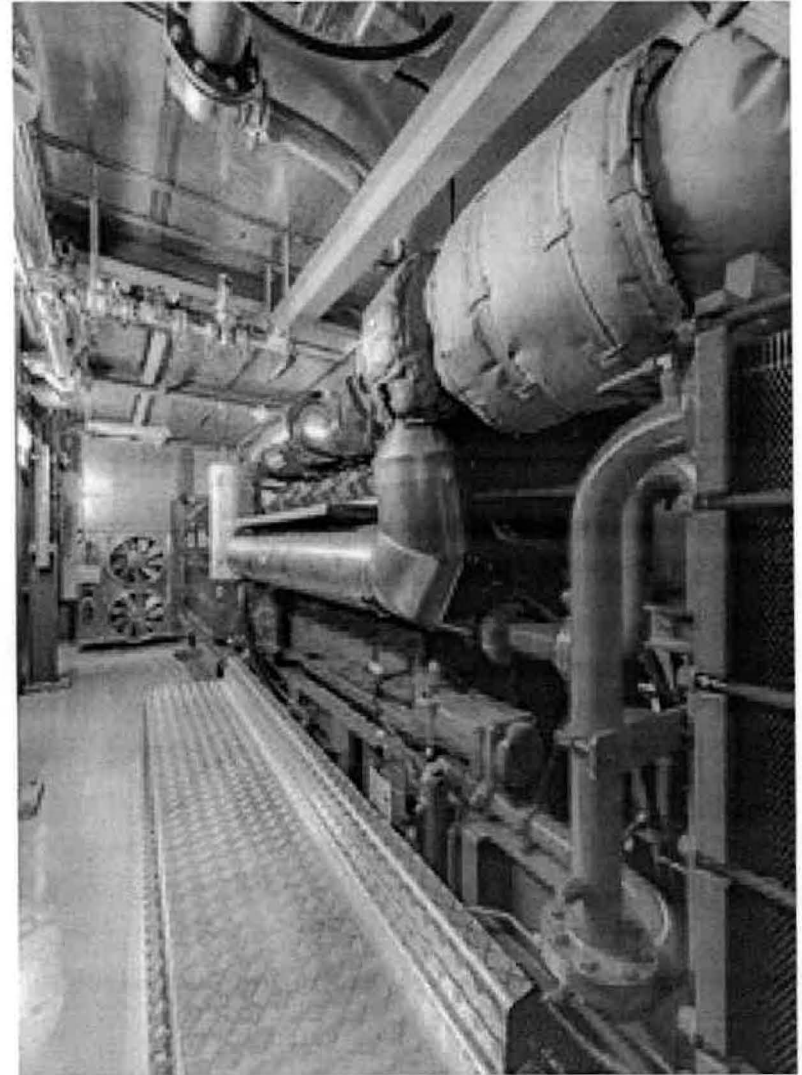
Reduces Emissions of CO2 and Other Pollutants

Improve Business Competitiveness

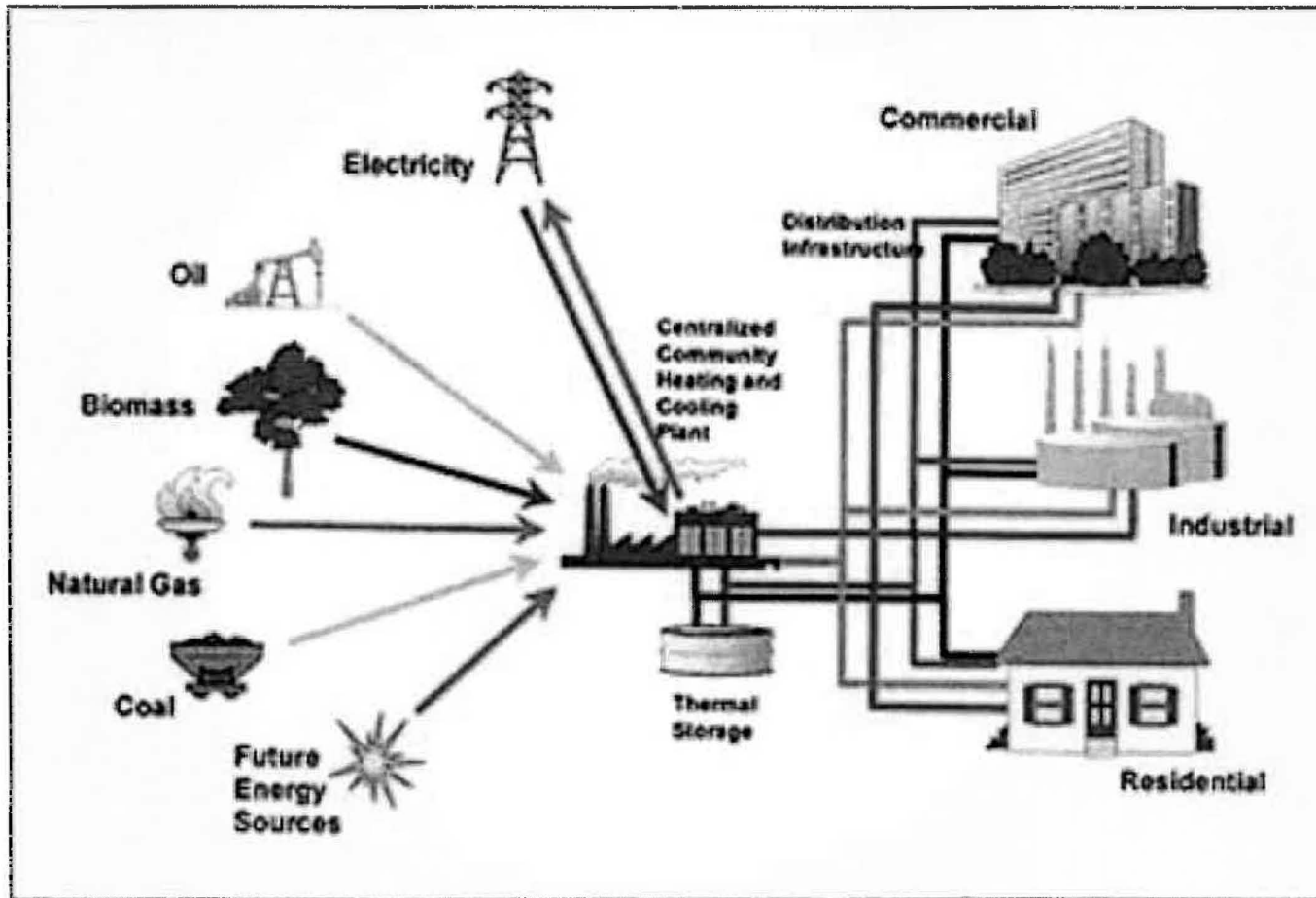
Increase Resiliency of Energy Infrastructure not relying on power grid.

Agenda

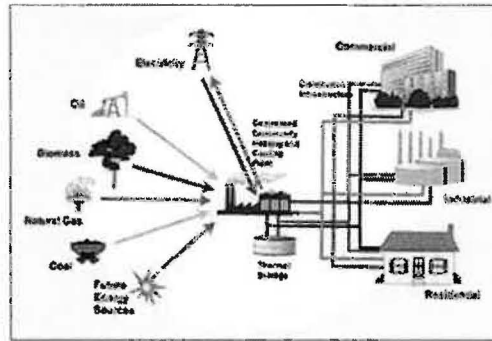
- What is Combined Heat and Power?
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- Key Aspects of District Energy



What is District Energy?



What is District Energy?



City of Rockland Maine
GHP Community Forum

9

District energy systems are thermal energy networks that distribute hot water, chilled water, or steam through insulated pipes to serve commercial, residential, institutional and industrial needs for space heating, cooling and industrial purposes. Energy is bought and sold as the commodity, as opposed to fuel.

There are three main components of the system:

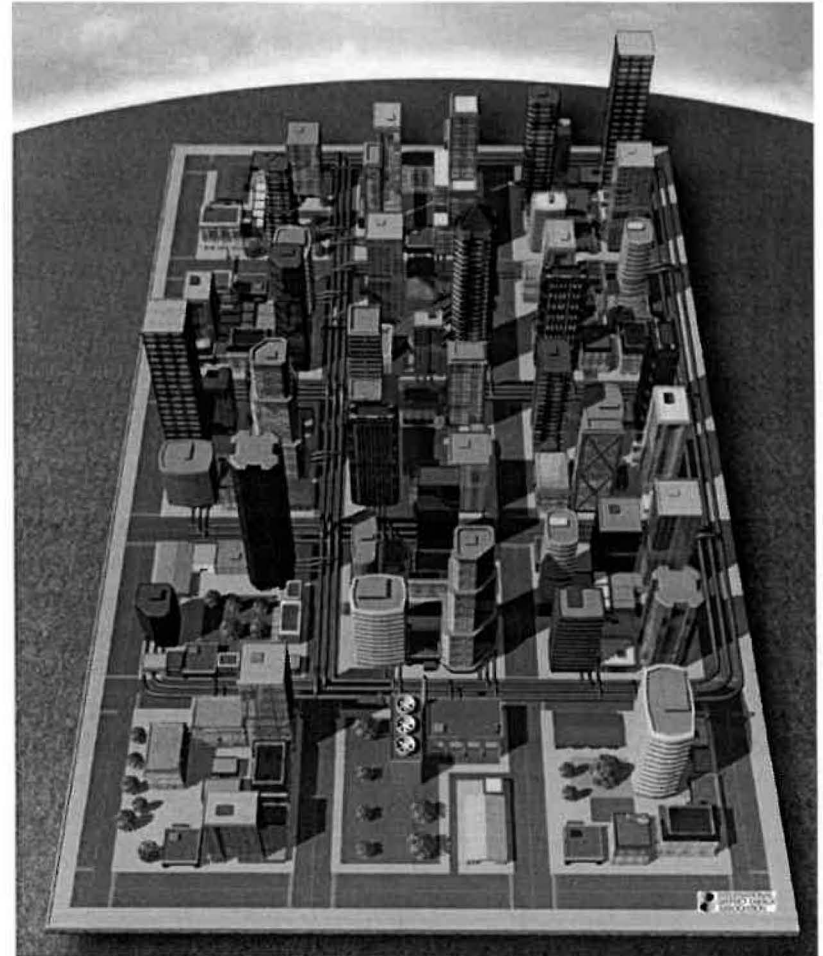
Thermal energy distribution plant

Distribution system (piping)

Building interconnections meters, valves and pumps, called energy transfer stations.

What is District Energy?

- Benefits
 - Low cost source of Energy
 - Individual Buildings do not need Boilers, Chillers or Cooling Towers
 - Decreased building's Capital Costs
 - Ease of Operation & Maintenance



What is District Energy?

• Benefits

- Low cost source of Energy
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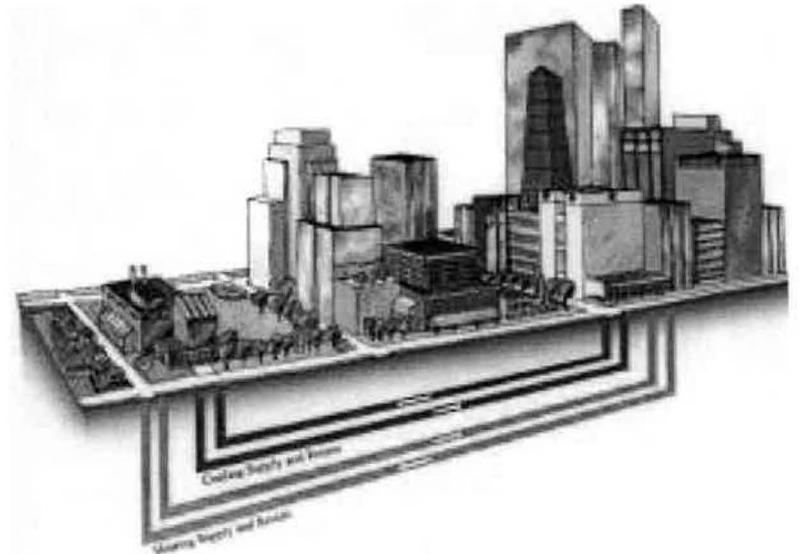
City of Rockland Maine
CHP Community Forum

10

Connecting to a DES system provides several benefits:

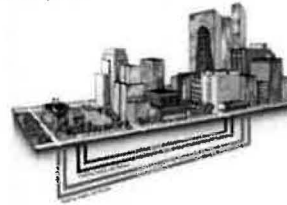
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- District Energy and CHP
 - Half of Fuel used in Conventional Power Plant is rejected or “wasted” up the smokestack.
 - Reject heat of a CHP plant can be used to heat buildings in the surrounding area
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 - College campuses
 - Airports
 - Government Complexes
 - Downtown Business Districts
 - Industrial Parks



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- There are real synergies between district energy and combined heat and power plants. In conventional plants, more than half of the fuel used to produce the power is wasted up the stack. By co-locating the CHP plant near consumers, the waste energy can be used to heat buildings in the surrounding area. Common applications are for college campuses (U Maine, Bowdoin, Colby), industrial parks, and downtown areas. (Montpelier VT, woodchip, biomass boiler)

What is District Energy?

What Form of Energy?

Steam

- No distribution pumps needed
- High pressure for process loads
- Process Loads are Year Round
- Chilled Water Production
- Electricity generation is sacrificed
- Heat losses limit distribution distance
- Heavier Pipes - Steel
- Higher Maintenance
- More Complex to Design, Install and Interconnect

Hot Water

- Distribution up to 15 miles
- Less Electrical Sacrifice
- Lighter weight pipes - Plastic
- Closed Loop, no wasted energy
- Low Transmission Heat Loss
- Installation Easier
- Pumps Required
- Two Pipes Required
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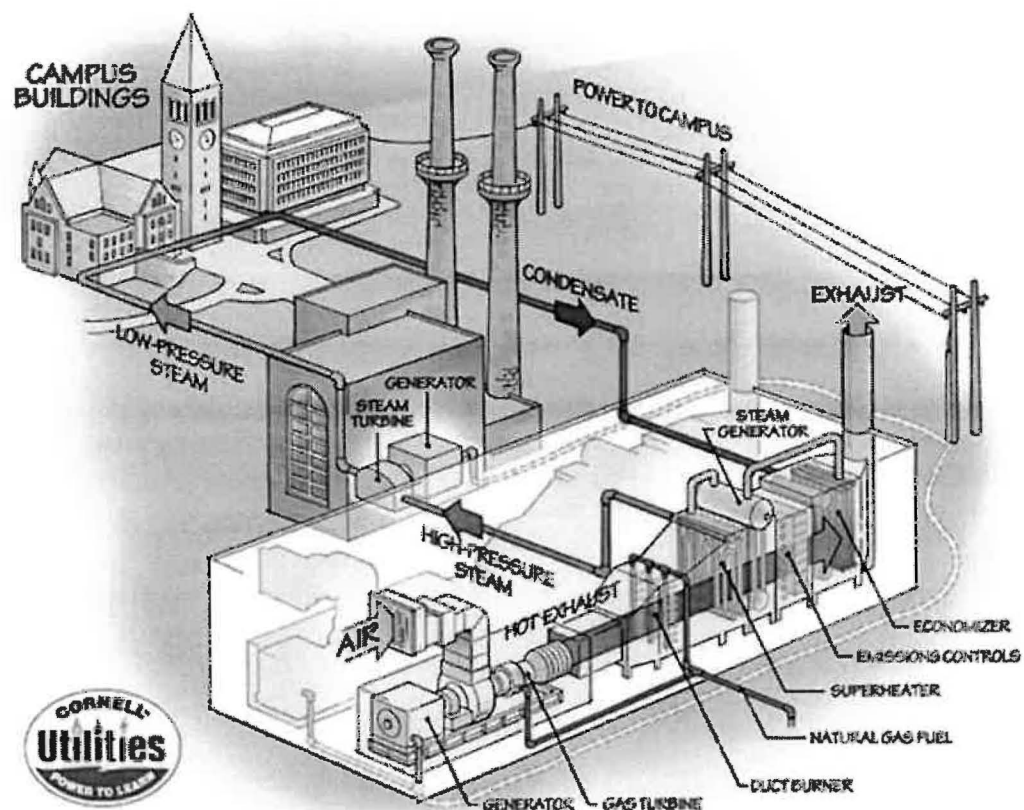
City of Rockland Maine
CMP Community Forum

12

- One of the variables with district energy is what form of energy will be provided to consumers, steam or hydronic?
- Each has its advantages and disadvantages.

Agenda

- What is CHP?
- What is District Energy?
- Key Aspects of District Energy



Combustion Turbine with Heat Recovery Steam Generator

Key Aspects of District Energy Plants

Successful Business Case

- Electrical Load
- Process and/or Space Heating Loads
- Concentration of Large Energy Users
- Affordable and Reliable Fuel Source
- Tolerance for Longer Paybacks

Benefits

- Low Cost Thermal Energy
- Spur Economic Development
- Natural Gas Infrastructure




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Benefits

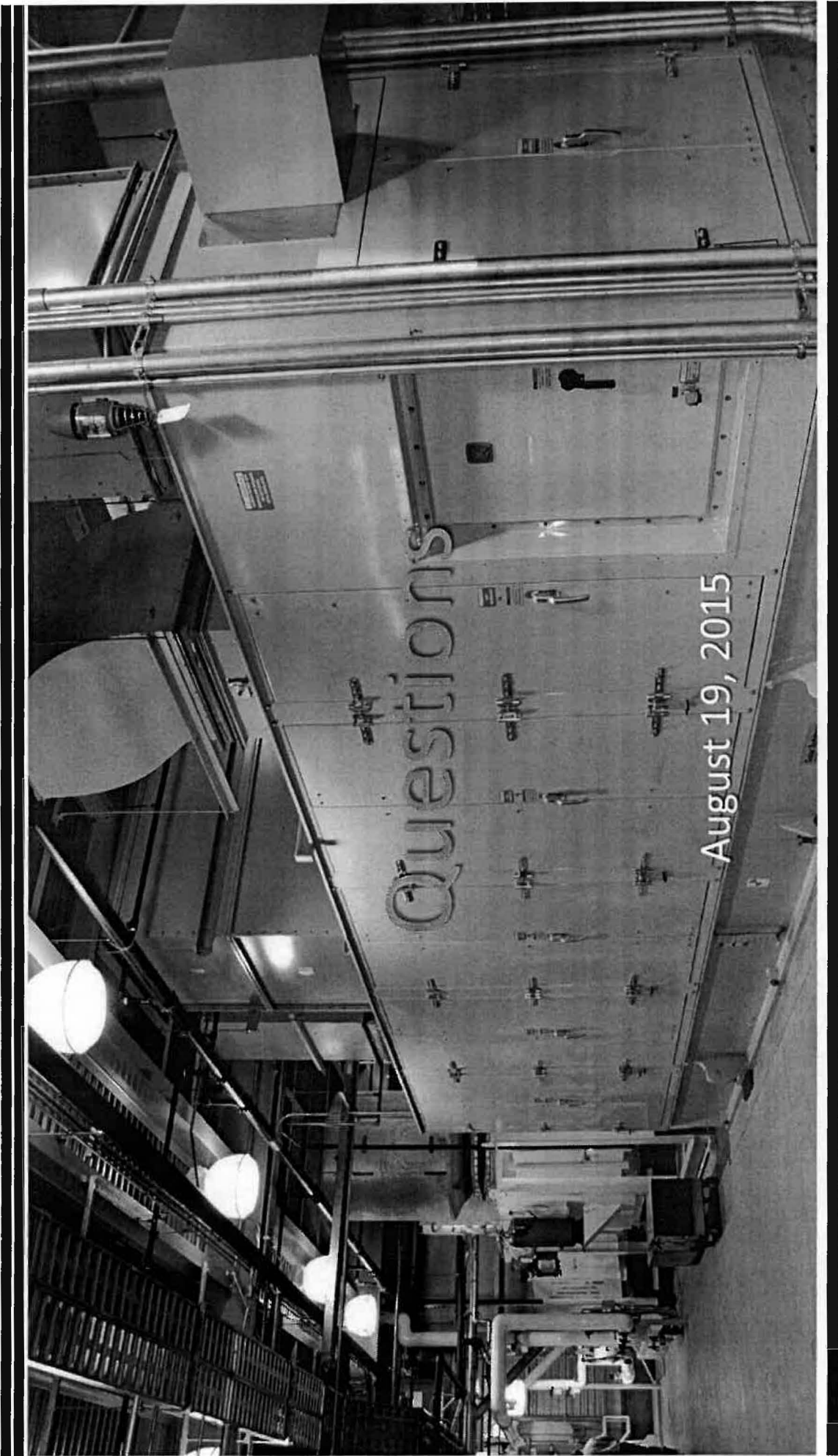
- Low Cost Thermal Energy
- Spur Economic Development
- Natural Gas Infrastructure



 City of Rockland Maine
CHP Community Forum

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- The key components for CHP is making a successful business case, because it will not make sense everywhere. The recipe needed is concurrent needs for both electrical and thermal energy, because that is what gives CHP the performance and competitive advantage over traditional distributed energy.
- There has to be adequate customer density or a concentration of large energy users, which will minimize the capital cost of installing the distribution system, an affordable fuel source, and a long term view because paybacks tend to be longer than what private industry typically wants., because it is capital intensive.
- If a business case can be made however, the benefits to the city include having an area where low cost thermal energy is available, with low capital cost to the user, which will spur economic development. The added benefit is that the project can bring in a NG infrastructure that can be used by those not on the district ias a cleaner, lower cost option than oil.



City of Rockland Maine
CHP Community Forum





Getting Natural Gas Right

**Greg Cunningham
Vice President and Director
Clean Energy and Climate Change Program
August 19, 2015**

Climate Change

The Defining Challenge of our Age

*“Without additional mitigation efforts beyond those in place today, and **even with adaptation**, warming by the end of the 21st century will lead to high to very high risk of **severe, widespread, and irreversible impacts globally.**”*

IPCC, Climate Change 2014 Synthesis Report



Legal and Policy Basis for Getting Gas Right

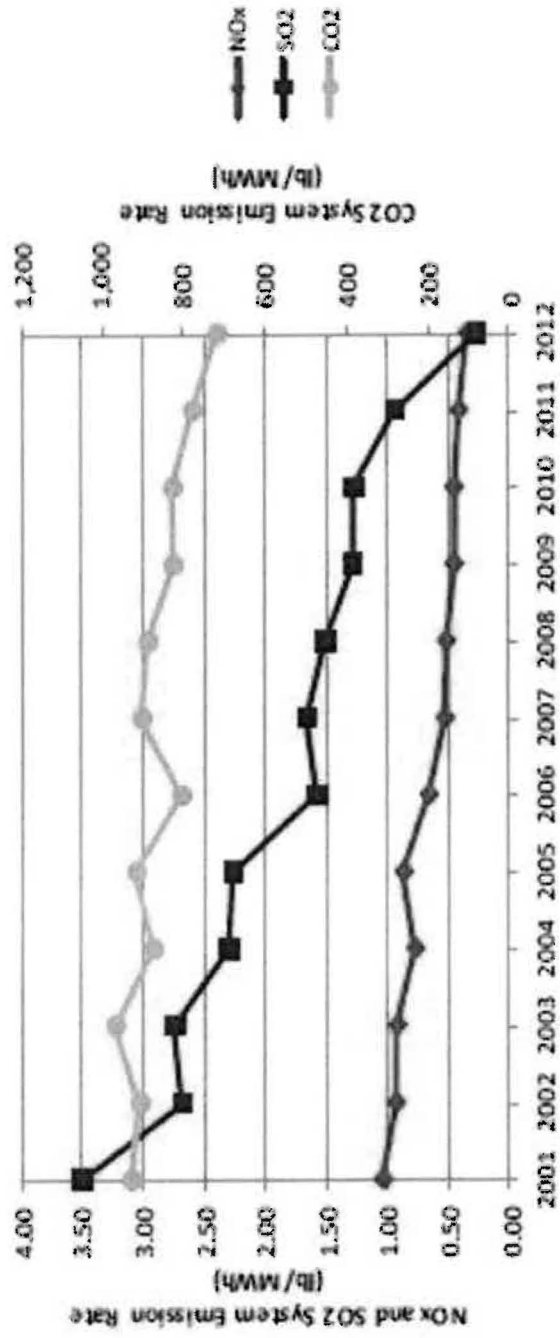
Regional Greenhouse Gas Emissions Goal

Reductions from all sectors of the economy to reach a target of a 25% reduction of Greenhouse Gas (GHG) emissions by 2020 and an 80% reduction by 2050.



Natural Gas: Not a Panacea

Figure 5-2: 2001-2012 ISO New England System Annual Average NOx, SO₂, and CO₂ Emission Rates (lb/MWh)



How Much Gas Is Too Much?

52% of current generation is gas

Proposed Generation

57% gas plants

42% renewables



Mitigation Strategies

Footprint Power Case Study

- Former Salem Harbor Coal Plant
- CO2 emissions reductions consistent with regional policy goal
- Require closure by 2050

REC-Specific Considerations

- Must clear in Forward Capacity Auction
- Must have fuel to generate or be penalized
 - Dual Fuel Potential?
- Must get energy to market
- Is it displacing cleaner, cheaper distributed generation?
- CHP is highly efficient, but does it work in Rockland?

Jim Chaousis

From: Frank Isganitis <frankisganitis@gmail.com>
Sent: Thursday, August 20, 2015 11:48 AM
To: Phyllis Merriam
Cc: James D Chaousis II; LarryPritchett.Council; Louise MacLellan-Ruf; William Clayton; Valli.citycouncil@gmail.com; Audra Bell
Subject: Re: Community Forum on CHP, District Energy & Natural Gas 8.19.2015

Thank you for sharing your thoughts. I share your reservations along with your suggestion. Councilor Geiger has pointed out that it's not uncommon for a municipality to select an attorney of their preference with the developer bearing the cost. Certainly, Rockland residents should not.

Best,
Frank Isganitis

On Thu, Aug 20, 2015 at 10:29 AM, Phyllis Merriam <pbamerriam@gmail.com> wrote:

Thank you so much for providing the community forum last evening on this critical topic for Rockland's future and especially to Larry Pritchett and the energy committee for putting together the diverse panel.

Rockland residents had the benefit of transparency compared to the first forum on this topic.

I personally have arrived at some serious reservations about the carbon pollution a huge EMI plant would emit. It also does not seem like a 21st Century solution to our city's energy needs. We as residents, and as elected officials, need to do judicious planning more than 20 to 30 years out to consider the next two and three generations, who are already here, and will be impacted positively or negatively from our and your legacies.

I am hoping the city can find the funding to hire a qualified attorney who can accurately vet EMI's proposal, as was recommended last evening. Are there grants available? Can residents and businesses contribute to a fund?

In appreciation,
Phyllis Merriam, LCSW
72 Mechanic St.
Rockland, ME

Jim Chaousis

From: Frank Isganitis <frankisganitis@gmail.com>
Sent: Thursday, August 20, 2015 6:50 AM
To: Wil Clayton
Cc: Louise MacLellan-Ruf; Larry Pritchett; Valli Geiger; James D Chaousis II; Audra Bell
Subject: Re: 8/19 Forum > Comments

Have to echo Will's statement. I tuned in around 8:45pm was really impressed with how well the debate was going. It seemed very balanced and even. Great job!

On Aug 20, 2015 5:17 AM, "William Clayton" <williamclayton79@gmail.com> wrote:

Good morning Larry,
First of all congratulations and great job last night. I think it went brilliantly. For any negativity levelled about public comment it is unwarranted. Last night was about getting detailed information and answers from the leaders in the industry and not trying to railroad them as they dont have a quantifiable stake in EMI's bid. I think the next public forum on this could be open for public comment, but not last night.
We will be on the island until Sunday but I will try and send along my comments and further questions to you for the Energy Committee's consumption and thought.
Once again great job!

Will

On Aug 20, 2015 1:15 AM, "Larry Pritchett" <larry.r.pritchett@outlook.com> wrote:

Hi All,

Please get back to me with any comments and thoughts you had on last evening's forum so I can pass them on to the Energy Committee. Obviously there was criticism after the meeting about the decision to use cards for public comment.

But, so far, the majority of the comments I have heard have been positive about that approach - - at least for a forum with the goals this one had. There will be other opportunities for the public to express opinions. The Energy Committee would welcome comments on the substance of the questions and issues the EMI proposal raises.

Brooks and I (and other staff from the Island Institute along with the Vinalhaven Town Manager, who is a former Island Institute staffer) debated the questions raised until pretty late (note the time on this email). Whether you were in the audience, or watching at home, send me an email or give me a call with you take away points.

My take away points are all of the panelist did a pretty good job of their assigned tasks. I think the panel did a good job of laying out the complexity of the questions raised by the EMI proposal. I also think all the panelist did a pretty good job of beginning to establish a lists of point by which the community should judge the proposal.

I probably should have done a little better job of reigning in the panelists' more geeky leanings (until we were all seated, I did not think about how high the geek factor actually was). It is rare for the City to put out that

much info on a really challenging and complex topic. I will be interested to see what the press does with that.

I am sure there are some lessons to be gleaned (for equally complex issues like Lindsey Brook, stormwater management, etc.). I have attached the agenda handout for folks who were not in attendance. If anyone wants a copy of the "Panelist Agenda" which contains more info, let me know.

Many Thanks!

Larry

594-8806

Jim Chaousis

From: Larry Pritchett <larrypritchett.council@gmail.com>
Sent: Thursday, August 20, 2015 1:28 AM
To: 'Audra Bell'
Cc: jchaousis@ci.rockland.me.us
Subject: Municipal Solar > RFI > 5-0 > Committee Recommendation

Hi,

Just wanted to let you know the Energy Committee vote 5-0 today to move ahead with the solar RFI.

We should have a draft on your desk by Monday.

The technical and community points seem pretty well vetted at this point.

What a day for Energy.

And hour and a half on solar (with the press in attendance).

Two and a half hours on CHP/District Energy/Natural Gas.

A lot of hours of "lessons learned" from the forum

Thanks to Audra for the staff support to the Committee.

Best,
Larry

Jim Chaousis

From: Larry Pritchett <larry.r.pritchett@outlook.com>
Sent: Thursday, August 20, 2015 1:16 AM
To: Frank Isganitis ; jchaousis@ci.rockland.me.us
Cc: Will Clayton ; Lousie MacLellan-Ruf ; 'Valli Geiger'; 'Audra Bell'
Subject: 8/19 Forum > Comments
Attachments: 2015_08.19_Rockland_Energy_Agenda__Handout_Final.docx

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City Of Rockland

Community Forum
**Combined Heat & Power, District Energy, And Natural Gas
Would This Benefit Rockland?**
6:30 PM Wednesday August 19th
Council Chambers At Rockland City Hall

District Energy, Combined Heat & Power (CHP): How does all of this work?

Katherine Everett: Mechanical Division Team Co-Leader SMRT

Opening Comments/Presentation (10 Minutes)

- (1) What is combined heat and power?
- (2) What are the key design aspects of a high efficiency, low emissions CHP facility?
- (3) What is District Energy?
- (4) Does the City's Industrial Park and the Tillson Waterfront Area have characteristics that suggest district energy is a concept to explore?
- (5) Universities and cities utilize CHP & District Energy to reduce greenhouse gases. What would determine whether a local facility adds to or reduces greenhouse gas emissions?

Questions & Discussion (20 Minutes)

Questions from moderator, other panelists and submitted from audience

Electricity, Natural Gas, & Long Term Contracts: What is in Maine residents' interest?

Tim Schneider: Office of the Public Advocate (OPA)

Opening Comments/Presentation (10 Minutes)

- (1) What is the current mix of energy sources used to generate electricity in Maine?
- (2) Does Maine need additional generation capacity?
- (3) What are the local grid constraints in the Rockland area?
Is additional local generation needed or beneficial here?
- (4) In both Maine and Rockland is it currently possible that by only using renewable energy sources consumers can still have access to power that is affordable?
- (5) How does OPA typically review (& historically the PUC) whether a contract for long term power meets the state's policy objectives and is fiscally in consumer's interest?
- (6) What role would the Public Utilities Commission (PUC) play in reviewing a natural gas distribution lateral (or extension) into Rockland from Windsor or Searsmont?

Questions & Discussion (20 Minutes)

Questions from moderator, other panelists and submitted from audience

Energy Costs, Natural Gas & Specialty Manufacturing: Can Rockland Stay Competitive?

Anthony Buxton: Chair of Preti Flaherty's Energy and Utilities Law Practice

Opening Comments/Presentation (10 Minutes)

- (1) Balance between energy efficiency and new sources in 2013 Energy Bill
- (2) What role does natural gas play in the determining the price of electricity?
- (3) Manufacturing is very important in Rockland. Can Rockland's industrial energy users be sustainable using renewable energy or is some mix of natural gas essential?
If natural gas is arguably essential short term, for how long would it be needed?
- (4) How would the availability of natural gas in the Rockland area potentially impact the area's economic sustainability: Net positive? Net negative? Not a significant factor?

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Questions from moderator, other panelists and submitted from audience

Air Emissions, Climate Change & Natural Gas: What is a Viable Transition?

Greg Cunningham: Conservation Law Foundation's Clean Energy and Climate Change Program

Opening Comments/Presentation (10 Minutes)

- (1) What air emissions are typically associated with a natural gas powered generation facility?
- (2) What type of review (on both the PUC/Energy side and the DEP/Air Emissions side) occurs at the state level?
- (3) How would CLF view this if the project was heavily replacing existing local sources (i.e., through the District Energy system or micro grid) vs being a new source?
- (4) What are the key points CLF looks at when considering a natural gas related project?

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Possible Closing Questions For All Panelists

- (1) What are important questions or conversations a community like Rockland should have around expanding a natural gas distribution lateral to Rockland and hosting a natural gas powered CHP plant? What type of debate is constructive?
- (2) What are examples of CHP/District Energy the community should look to as comparisons for a possible project in Rockland?
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Jim Chaouis

From: Louise MacLellan-Ruf <louisemaclellanruf@gmail.com>
Sent: Tuesday, August 18, 2015 8:48 AM
To: Larry Pritchett
Cc: Frank Isganitis; jchaouis@ci.rockland.me.us; Will Clayton; Valli Geiger; Audra Bell
Subject: Re: FW: ENEGRY > Public Forum > Natural Gas > Combined Heat & Power > Wednesday > 8/19 > City Hall

Hello all,

I did reach out to Charlie Jordon. He is a face and voice that is very respected in our town. I have asked him to attend the meeting as an audience member. He is making himself available.

No doubt Larry you feel comfortable to call on him about the safety of today's plants versus the plants of yesteryear? Even though the experts will tout the same safeness the community knows and trusts Charlie. This carries much more weight.

Since safety is one of the number one concerns it makes sense to address it head on in a succinct and simple upfront manner.

Thanks for your attention to this.

Louise

On Sunday, August 16, 2015, Larry Pritchett <larry.r.pritchett@outlook.com> wrote:

Hi All,

Earlier today I put the energy forum press release which you received last Tuesday, with some minor tweaks plus graphics and links added, on my web site (<http://pritchett4rockland.typepad.com/larry/>).

A little while ago I sent the following email (which includes links to the web site) to all of the addresses on my campaign email list. I will put links up on Facebook later today (or at this rate probably tomorrow morning). Given the interest in this topic I wanted all of Council to have this info.

Also, I would encourage all Councilors to share info on this energy forum by whatever means typically works, and seem appropriate, for each member of Council (i.e., post something about it on your Facebook page, forward this email to others, draft an email of your own to send, etc.).

Also, as noted last week, feel free to direct any questions you may receive about the 8/19 forum to Audra or I. Hope to see you Wednesday!

Larry
594-8806

From: Larry Pritchett [mailto:larry.r.pritchett@outlook.com]

Sent: Sunday, August 16, 2015 18:59

To: 'Larry@Pritchett4Rockland.Com'

Subject: ENEGRY > Public Forum > Natural Gas > Combined Heat & Power > Wednesday > 8/19 > City Hall

Dear Neighbors and Friends,

As you all know, I do not send out very many "group" emails - - maybe six or seven a year. I realize it feels like we all get too many. That said, given the importance of the questions, I am emailing to invite all members of the community to a public forum Wednesday Evening:

Combined Heat & Power, District Energy, And Natural Gas:

Is This A Good Option For Rockland?

August 19, Rockland City Hall

6:30 PM

(For More Info See <http://pritchett4rockland.typepad.com/larry/>)

As most of you are aware, Energy Management Inc approached the City back in March to explore the concept of constructing a combined heat and power (CHP or CoGen) plant and local district energy system in Rockland. This concept is an opportunity that raises a number of challenging questions, such as:

- 1) In an era when the goal is to reduce carbon emissions released into the air, how does a community weigh the merits of a new natural gas fired combined heat and power plant and a new district energy system to supply locally generated power to parts of the City?
- 2) In Rockland where specialty manufacturing is key to the strength of the year round economy, how critical is natural gas to the viability and competitive position of these businesses for the next thirty years (or more)?
- 3) Natural gas driven combined heat and power plants supplying electricity and other forms of energy (steam, hot water, etc.) are a key part of a number of universities' and research hospitals' strategies to reduce carbon & other air emissions and to provide resilient locally generated power. Is this a good approach for Rockland?

On Wednesday evening several people from a variety of backgrounds (utility regulation, environmental advocacy, etc.) with decades of experience will be at City Hall to discuss these questions with the community.

As noted above, more information is on my web site (<http://pritchett4rockland.typepad.com/larry/>). I hope you will review this information and make an effort to attend Wednesday evening's public forum. I believe these questions warrant thoughtful consideration by all of us. Please share this with anyone who is interested.

Thanks!

Councilor Larry R. Pritchett

Chair, City of Rockland Energy Committee

LarryPritchett.Council@GMail.Com

Phone: (207) 594-8806

Jim Chaousis

From: Frank Isganitis <frankisganitis@gmail.com>
Sent: Tuesday, August 11, 2015 4:23 PM
To: Larry Pritchett; Audra Bell; James D Chaousis II
Subject: Fwd: Energy Forum

I am going to step out of this as you are the experts. My understanding is that we are having all of Susan's (and the public's) questions addressed. As for scheduling the referendum, it doesn't make sense to do anything until we finish the public participation. It's OK to tell her that. Thanks for your patience and perseverance.

Best,
Frank

----- Forwarded message -----

From: Susan Ware Page <SusanW@maritimeenergy.com>
Date: Tue, Aug 11, 2015 at 3:44 PM
Subject: RE: Energy Forum
To: Larry Pritchett <larrypritchett.council@gmail.com>, Frank Isganitis <frankisganitis@gmail.com>, "jchaousis@ci.rockland.me.us" <jchaousis@ci.rockland.me.us>
Cc: Audra Bell <abell@ci.rockland.me.us>, "louisemaclellanruf@gmail.com" <louisemaclellanruf@gmail.com>, "valli.citycouncil@gmail.com" <valli.citycouncil@gmail.com>, "williamclayton79@gmail.com" <williamclayton79@gmail.com>, Charlie Page <charliep@maritimeenergy.com>, John Ware <JohnW@maritimeenergy.com>

Larry & Frank,

Thank you for sending along the information. Please see my questions below highlighted in yellow that I'm requesting answers to.

Our childcare is closed next week for summer vacation and Wednesday is we had plans to be out of town with the kids. I have now cancelled our hotel reservations, so I can be in attendance at this forum.

I wish we were all given more notice.

Can you let me know about the questions highlighted in yellow?

Thanks,

Susan

From: Larry Pritchett [<mailto:larrypritchett.council@gmail.com>]

Sent: Tuesday, August 11, 2015 1:20 PM

To: Susan Ware Page; 'Frank Isganitis'; jchaousis@ci.rockland.me.us

Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com;

Charlie Page; John Ware

Subject: RE: Energy Forum

Hi Susan,

Press release is attached. I have a meeting at 1:30, so I'll answer the simplest question below. I chair the City's Energy Committee and the Committee for years has been focused on energy efficiency and building envelope projects in City government and sharing what the City learns with owners of commercial and historic buildings.

The Energy Committee members are Brooks Winner (who is the Community Energy Associate at the Island Institute), Deb Donnelly (whose husband is a master electrician who works on a range of commercial scale solar projects primarily out of state); Bill Pearce (who was a founding member of the Committee and a member of the Sierra Club's Executive Committee at the time); and Tony Coyne (who was a home energy auditor and installer before retiring).

Suzanne MacDonald who directs the Island Institute's Community Energy program has served on the Committee. A lot of informal info sharing (& some cosponsoring of projects) occurs between the City and the Institute. More info soon.

Larry
594-8806

From: Larry Pritchett [<mailto:larrypritchett.council@gmail.com>]

Sent: Tuesday, August 11, 2015 11:01

To: 'Susan Ware Page'; 'Frank Isganitis'; jchaousis@ci.rockland.me.us

Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; 'Charlie Page'; 'John Ware'

Subject: RE: Energy Forum

Hi Susan,

A press release with more details than in my verbal summary about the public forum at Council meeting last night will go out at lunch time. That should answer some of your questions below. Perhaps Audra as Economic Develop Director and I as Energy Committee Chair could arrange a time to with you about energy questions?

Best,
Larry
594-8806

From: Susan Ware Page [<mailto:SusanW@maritimeenergy.com>]
Sent: Tuesday, August 11, 2015 09:47
To: 'Larry Pritchett'; 'Frank Isganitis'; 'jchaousis@ci.rockland.me.us'
Cc: 'Audra Bell'; louisemacellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; Charlie Page; John Ware
Subject: Energy Forum

Hello,

I read last night on BDN that there will be an energy public forum next week. I was not aware of this.

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Larry, Frank, Jim...I'm not sure who is best to answer my questions, so I've copied Audra and the respective Councilors.

Look forward to your response. Please put in writing, so I have for the record.

Thank you,

Susan

The city of Rockland's energy advisory committee and the city's community and economic development committee will be hosting a public forum next Wednesday evening (6:30 p.m. Aug. 19) at city hall related to the proposed natural gas-fired power plant. Speakers will be Tim Schneider, the state's public advocate; Greg Cunningham, vice president and director of Clean Energy and Climate Change program; and Anthony Buxton who is the chair of the Pretu Flaherty law firm's energy and utilities practice group. The public is invited to come and listen to the presentations and ask questions.



City Of Rockland

August 11th, 2015

To: **Midcoast Media**
Courier Publications, VsTV
Free Press, PenBay Pilot, WSCH 6

Re: Combined Heat & Power, Natural Gas
Would This Benefit Rockland?
6:30 PM Wednesday August 19th
Council Chambers At Rockland City Hall

In an era when the goal is to reduce carbon emissions released into the air, how does a community weigh the merits of a new natural gas fired combined heat and power plant? In a community like Rockland where specialty manufacturing is key to the strength of the year round economy, how critical is natural gas to the viability and competitive position of these businesses for the next 30 to 50 years? On Wednesday evening August 19th the City of Rockland's Energy Committee and the City's Department of Community and Economic Development are cosponsoring a public forum to explore these and other critical community energy questions.

In March of this year Energy Management, Inc approached the City to explore the concept of constructing a combined heat and power (CHP) plant in Rockland. Modern high efficiency CHP facilities can be low emissions sources of cost effective energy because most of the exhaust heat from burning fuel to produce electricity is then recovered as hot water or steam which can be distributed to local businesses for heating, cooling or manufacturing purposes.

New York University in Manhattan, the Longwood Medical Area in Boston among many locations in the U.S. and as well as the majority of cities in some European countries like Denmark utilize CHP facilities to supply power to local district energy system (i.e., a local area to which heat, electricity and chilled water produced at the CHP facility is distributed to businesses and homes) to meet low climate change emissions goals and to provide more resilient sources of locally generated power.

For example, during Hurricane Sandy the CHP/District Energy system at New York University kept the lights on and virtually all aspects of the University functional when all of lower Manhattan around the University's campus was dark for days. NYU's then new natural gas fired CHP facility had been built to meet the University's 2030 Carbon Emissions reduction goals.

However, in an era of climate change and rising sea level new facilities that utilize fossil fuels, even lower emissions fuels like natural gas, raise serious questions. Would a local CHP facility replace enough existing sources of air emissions in Rockland so that the amount of pollutants, including carbon dioxide, discharged locally decline? Would the energy produced be readily available, reliable and cost effective for local businesses?

In late May, the City's Energy Committee facilitated a public forum in which Evan Coleman from EMI presented an overview of a possible combined heat and power plant in Rockland and at which the Community asked a range of energy and environmental questions. In response to the

questions raised at the May forum, the Energy Committee and City staff is organizing a follow up forum on August 19th with several individuals with decades of related experience. The City's goal with the August 19th event is to provide the community with an opportunity to explore the energy, environmental and regulatory context in which a CHP plant and a district energy system is being proposed. The following people will be presenting and answering questions.

Tim Schneider:

Tim is Maine's Public Advocate. It is the responsibility of Tim and his staff to represent consumers' interest in utility cases before Maine's Public Utilities Commission. Tim can speak to questions about how his office reviews the ratepayer implications of a project that goes before the PUC and how the PUC has traditionally determined whether a contract with a facility to supply power can produce electricity at a rate that is in consumer's best interest. Tim can also speak to how natural gas influences electricity prices in Maine and under what scenarios as well as in what areas of the state due to grid constraints additional local generation might be warranted.

Greg Cunningham:

Greg is the director of the Conservation Law Foundation's Clean Energy and Climate Change program. Greg is based in Maine, but CLF works throughout New England. Thus, Greg brings a regional perspective to the questions. CLF has a long history of advocating for cleaner energy sources that eliminate mercury air emissions that contaminate Maine's lakes, that reduce pollutants that contribute to acid rain along the coast; and that reduce air emissions that contribute to asthma and other health problems.

Greg will talk about the environmental permitting process for a combined heat and power plant and how any potential air emissions would be reviewed. Also, in its efforts to reduce air pollution and address climate change, CLF has in some cases supported natural gas projects and in other cases opposed natural gas projects. In a complex energy world, CLF can explain how, as an environmental organization, they weigh the merits and limitations of natural gas.

Tony Buxton:

Tony is the chair of Preti Flaherty's Energy and Utilities practice. Few people are better versed in Maine's utility laws and utility regulation and few are better versed in energy markets than Tony. Tony has been involved with a range of energy projects including renewable energy projects and grid expansion alternative projects.

Both Tony and Tim can explain the role natural gas currently plays, and could play, in providing energy for electricity, for heat, and for manufacturing in Maine. Part of what makes Rockland, Rockland is that specialty manufacturing still thrives and is growing here - - FMC, Fisher Plow, Lonza, Bixby&Co, etc. Tony will discuss how various energy sources impact the costs for and competitive position of business like these.

Energy is an important, complex and challenging community question. The Energy Committee, City Staff and members of Council invite all residents to participate in the August 19th forum.

Press Contact:

Larry R. Pritchett, Chair City of Rockland Energy Committee. (207) 594-8806

Audra Caller-Bell, City of Rockland Community Development Director. (207) 594-0306

Jim Chaousis

From: Larry Pritchett <larrypritchett.council@gmail.com>
Sent: Tuesday, August 11, 2015 1:20 PM
To: 'Susan Ware Page'; 'Frank Isganitis'; jchaousis@ci.rockland.me.us
Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; 'Charlie Page'; 'John Ware'
Subject: RE: Energy Forum
Attachments: 2015_08.19_Rockland_Energy_Community_Development_Forum_Press_Final.pdf

Hi Susan,

Press release is attached. I have a meeting at 1:30, so I'll answer the simplest question below. I chair the City's Energy Committee and the Committee for years has been focused on energy efficiency and building envelope projects in City government and sharing what the City learns with owners of commercial and historic buildings.

The Energy Committee members are Brooks Winner (who is the Community Energy Associate at the Island Institute), Deb Donnelly (whose husband is a master electrician who works on a range of commercial scale solar projects primarily out of state); Bill Pearce (who was a founding member of the Committee and a member of the Sierra Club's Executive Committee at the time); and Tony Coyne (who was a home energy auditor and installer before retiring).

Suzanne MacDonald who directs the Island Institute's Community Energy program has served on the Committee. A lot of informal info sharing (& some cosponsoring of projects) occurs between the City and the Institute. More info soon.

Larry
594-8806

From: Larry Pritchett [mailto:larrypritchett.council@gmail.com]
Sent: Tuesday, August 11, 2015 11:01
To: 'Susan Ware Page'; 'Frank Isganitis'; jchaousis@ci.rockland.me.us
Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; 'Charlie Page'; 'John Ware'
Subject: RE: Energy Forum

Hi Susan,

A press release with more details than in my verbal summary about the public forum at Council meeting last night will go out at lunch time. That should answer some of your questions below. Perhaps Audra as Economic Develop Director and I as Energy Committee Chair could arrange a time to with you about energy questions?

Best,
Larry
594-8806

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Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Friday, September 04, 2015 1:01 PM
To: 'Stephen Betts'
Subject: RE: Rockland Energy Center

Steve,

No idea at this time. We wouldn't want to spend money until we knew the questions to answer. There was a meeting with Rockland Energy Center and myself last Thursday but it didn't lead to any negotiations or discussions regarding the City property. It was more about process.

Jim C

James D Chaousis II, City Manager
City of Rockland
270 Pleasant Street
Rockland, ME 04841
Phone (207)593-0636
www.ci.rockland.me.us
jchaousis@ci.rockland.me.us

From: Stephen Betts [mailto:sbetts@bangordailynews.com]
Sent: Friday, September 04, 2015 10:49 AM
To: James D Chaousis II <jchaousis@ci.rockland.me.us>
Subject: Rockland Energy Center

Jim,
Is there any specific idea yet what the technical support will look at?
Has there been any contact with the company since the last energy forum?
Thanks
Steve

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Wednesday, September 02, 2015 8:04 AM
To: Stuart Sylvester (ssylvester@ci.rockland.me.us)
Cc: 'Audra Bell'
Subject: FW: Will & Frank > Energy > Question

Stuart,

Can you prepare an order authorizing use of the options funds in a manner that Larry is suggesting?

Jim C

From: Larry Pritchett [mailto:larrypritchett.council@gmail.com]
Sent: Tuesday, September 01, 2015 5:25 PM
To: 'Frank Isganitis' <frankisganitis@gmail.com>; 'William Clayton' <williamclayton79@gmail.com>
Cc: 'James D Chaousis II' <jchaousis@ci.rockland.me.us>; 'Louise MacLellan-Ruf' <louisemaclellanruf@gmail.com>; 'Valli.citycouncil@gmail.com' <valli.citycouncil@gmail.com>; 'Audra Bell' <abell@ci.rockland.me.us>
Subject: Will & Frank > Energy > Question

Hi Will & Frank,

I used this older email thread because it relates to the same question. Would either of you have reservations about allocating the \$1,000/month EMI is paying the City for the option on the City Hall/DPS Garage site toward legal, technical and fiscal review of the CHP/District energy concept generally and the EMI proposal in specific?

I spoke with Audra and Jim and both thought this was constructive. I discussed this with Valli and Louise and they concurred as well. I have started to talk with some, but not yet all, of the Energy Committee.

If Council is interested, I would put in an order that has "Energy Committee" as originator and "Council" as a sponsor. There appears to be a number of pretty clear question for which some third party analysis would be useful now (and some of that analysis, say on "District Energy" for Tillson Area could have value beyond EMI).

Also, if EMI does move forward with this in some form, City staff needs to have already identified who the city will utilize for technical and legal advice. For example, if EMI does request a CEA, the City needs third party technical analysis to know how much of a CEA EMI actually needs for the KWH price of electricity to be competitive.

Thoughts? If you have questions, give me a call.

Larry
594-8806

From: Frank Isganitis [mailto:frankisganitis@gmail.com]
Sent: Thursday, August 20, 2015 11:48
To: Phyllis Merriam
Cc: James D Chaousis II; LarryPritchett.Council; Louise MacLellan-Ruf; William Clayton; Valli.citycouncil@gmail.com; Audra Bell
Subject: Re: Community Forum on CHP, District Energy & Natural Gas 8.19.2015

Thank you for sharing your thoughts. I share your reservations along with your suggestion. Councilor Geiger has pointed out that it's not uncommon for a municipality to select an attorney of their preference with the developer bearing the cost. Certainly, Rockland residents should not.

Best,
Frank Isganitis

On Thu, Aug 20, 2015 at 10:29 AM, Phyllis Merriam <pbamerriam@gmail.com> wrote:
Thank you so much for providing the community forum last evening on this critical topic for Rockland's future and especially to Larry Pritchett and the energy committee for putting together the diverse panel.

Rockland residents had the benefit of transparency compared to the first forum on this topic.

I personally have arrived at some serious reservations about the carbon pollution a huge EMI plant would emit. It also does not seem like a 21st Century solution to our city's energy needs. We as residents, and as elected officials, need to do judicious planning more than 20 to 30 years out to consider the next two and three generations, who are already here, and will be impacted positively or negatively from our and your legacies.

I am hoping the city can find the funding to hire a qualified attorney who can accurately vet EMI's proposal, as was recommended last evening. Are there grants available? Can residents and businesses contribute to a fund?

In appreciation,
Phyllis Merriam, LCSW
72 Mechanic St.
Rockland, ME

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Tuesday, September 01, 2015 11:37 AM
To: 'Nathan Davis'
Subject: RE: Rockland Energy Center

Nate,

Thank you for your comments. I have grown to appreciate your perspective.

Jim C

James D Chaousis II, City Manager
City of Rockland
270 Pleasant Street
Rockland, ME 04841
Phone (207)593-0636
www.ci.rockland.me.us
jchaousis@ci.rockland.me.us

-----Original Message-----

From: Nathan Davis [mailto:n.kroms.davis@gmail.com]
Sent: Tuesday, September 01, 2015 11:09 AM
To: Frank Isganitis <frankisganitis@gmail.com>; Larry Pritchett <larrypritchett.council@gmail.com>; Louise MacLellan-Ruf <louisemaclellanruf@gmail.com>; williamclayton79@gmail.com; Valli Geiger <valli.citycouncil@gmail.com>; Jim Chaousis <jchaousis@ci.rockland.me.us>
Subject: Rockland Energy Center

Hello City Council and Manager Chaousis,

As you might remember, on May 2 I e-mailed you an expression of cautious support for Rockland Energy Center. I have spent much of the past four months reading about natural gas and pondering the potential impact of a gas plant on Rockland, and I am sorry to report that my conscience now compels me to withdraw my support for the plant as it has been publicly presented. I've pasted a letter to the editor I just sent to The Courier-Gazette below. I want to emphasize (as I allude to in the final paragraph of my letter) that my new position is not a commentary on City government or your actions (which I generally support), and that my change of heart is primarily due to the much deeper knowledge I have now concerning the environmental challenges associated with natural gas. As I also mention in the letter, I will try to keep an open mind as the proposal evolves.

Best,
Nate

* * *

On May 2, near the start of the process of exploring whether or not the proposed natural gas power plant - to be called Rockland Energy Center - is right for Rockland, I wrote an e-mail of support to City Council and staff. In it, I wrote that "I will support the power plant, assuming that the details of its environmental and economic impact are consistent with

what has been publicly suggested." I have concluded that this message was premature and that I erred in sending it. I attempt to address that error with this letter.

Over the past several months, I have learned much more about natural gas than I knew on May 2. I have read of the significant economic, security, and near-term environmental benefits of the US shale gas boom, as well as the challenges associated with natural gas extraction, transportation, and carbon and particulate pollution. I have concluded, along with many environmental, religious, scientific, and civic groups, that the construction of new fossil fuel infrastructure is not consistent with our responsibility to build a future in which global suffering is minimized and global prosperity is shared. Climate change is the greatest threat facing humanity, and I do not support committing Rockland for decades to a fuel, infrastructure, and regulatory regime that are major sources of carbon pollution. It may be true that the US has achieved significant reductions in carbon emissions due to the displacement of coal and oil by natural gas ("may be true" because there is considerable ambiguity surrounding the magnitude of methane leaks and the degree to which cheap, plentiful energy normalizes increased energy consumption; if methane leaks are as high as some peer-reviewed scientific studies suggest, perceived reductions in emissions are either diminished or reversed), and it may be the case that such reductions will continue over the next several years. But over the next 20 years, technological and social shifts will almost certainly lead to dramatically increased efficiency and much cheaper and more powerful renewables, and I don't want Rockland to commit to a major project that might soon be regarded as an undesirable relic of a dirty past. It is often and truly observed that natural gas will be part of our energy mix for years to come. Acknowledging the truth of this observation is not inconsistent with acknowledging the wisdom of a necessary shift away from gas towards renewables. Indeed, the Obama administration recently released its Clean Power Plan rule in final form, and among the Plan's goals is to avoid expanding our reliance on natural gas as an electricity source while recognizing its current and future importance in our economy.

The economic benefits and consequences of a commitment to fossil fuels vary greatly according to scales of time and space at which they are computed. In the short term, a gas plant in Rockland would undoubtedly provide local economic benefits: tax revenue, jobs, potential cheap energy to local consumers and industry, and potential investment in local business and community projects. As a small business owner who struggles every day to make ends meet, I know firsthand the pain of high heating costs. But in the big picture, the economics of fossil fuels are considerably murkier. There is evidence that financial markets are mispricing the financial risk associated with increased government regulation, public opinion and pressure, and the physical realities of global warming. Divestment from fossil fuels is beginning to make sense from long-term financial as well as moral standpoints, so that financial self-interest is increasingly aligning with ethical responsibility in this regard. The macroeconomics of fossil fuels may or may not directly affect Rockland's relationship with a gas plant and pipeline and the companies that operate them, but they will affect whatever industry we welcome to our City.

How can one weigh the potential economic benefits of a gas plant (and an associated ethical imperative to help our City and its residents achieve prosperity) against an ethical imperative to move away from fossil fuels? There can be no quantitative answer, for how can one quantify an ethical imperative? One must gather data and experience, and then try to discern the greater good with whatever imperfect judgment one possesses.

In my e-mail to Council, I wrote that "I must treat [Rockland's] economic prosperity as a greater cause than my moral constancy and comfort". Having spent months contemplating this issue, I now take an opposing view: I must treat the ethical imperative to address the global challenge of climate change as a greater cause than the potential economic benefits of a gas plant.

This has been a personal and painful internal struggle for me, and it is not over. I encourage Rockland's residents and Council to read and to learn, and to follow their minds and hearts in whatever directions they may lead. My current position is founded upon the information concerning the power plant which has been publicly presented thus far. It is likely that the final proposal for Rockland Energy Center will evolve substantially, and if so, I will keep an open mind in evaluating it.

Some closing points: First, I believe that City Council and staff are doing their best to promote the economic development of Rockland in the context of a very difficult fiscal situation. I thank them for their dedication and service. I appreciate that the City is hosting public forums on this matter, and I appreciate the time granted to the residents of Rockland for deliberation. Second, if a power plant is not built where City Hall now stands, I hope that the City will continue to seek productive uses for this land. I would love to see City Hall move to a more pedestrian- and bicycle-friendly location. Finally, this power plant will not make or break Rockland. Whatever happens, I remain optimistic about the future of our beloved City.

Sincerely,
Nathan Davis

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Wednesday, August 26, 2015 3:07 PM
To: 'Larry Pritchett'
Subject: RE: 8/19 Forum > Comments

We'll get it added to the website.

From: Larry Pritchett [mailto:larry.r.pritchett@outlook.com]
Sent: Wednesday, August 26, 2015 2:55 PM
To: Frank Isganitis <frankisganitis@gmail.com>; jchaousis@ci.rockland.me.us
Cc: Will Clayton <williamclayton79@gmail.com>; Lousie MacLellan-Ruf <louisemaclellanruf@gmail.com>; 'Valli Geiger' <valli.citycouncil@gmail.com>; 'Audra Bell' <abell@ci.rockland.me.us>
Subject: RE: 8/19 Forum > Comments

Hi All,

I missed that the Pen Bay Pilot put up a story about the last week's energy forum on Monday. I knew the Pilot was working on a story, but I forgot about it. The link to the story is below. I am pretty sure the Free Press will have a story in this week's edition as well. I had previously emailed Kate and Greg's slides. Tim's are attached.

Larry

<http://www.penbaypilot.com/article/rockland-urged-do-homework-proposed-cogeneration-plant/58034>

From: Larry Pritchett [mailto:larry.r.pritchett@outlook.com]
Sent: Thursday, August 20, 2015 01:16
To: Frank Isganitis (frankisganitis@gmail.com); 'jchaousis@ci.rockland.me.us'
Cc: Will Clayton (williamclayton79@gmail.com); Lousie MacLellan-Ruf (louisemaclellanruf@gmail.com); 'Valli Geiger'; 'Audra Bell'
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Hi All,

Please get back to me with any comments and thoughts you had on last evening's forum so I can pass them on to the Energy Committee. Obviously there was criticism after the meeting about the decision to use cards for public comment.

But, so far, the majority of the comments I have heard have been positive about that approach - - at least for a forum with the goals this one had. There will be other opportunities for the public to express opinions. The Energy Committee would welcome comments on the substance of the questions and issues the EMI proposal raises.

Brooks and I (and other staff from the Island Institute along with the Vinalhaven Town Manager, who is a former Island Institute staffer) debated the questions raised until pretty late (note the time on this email). Whether you were in the audience, or watching at home, send me an email or give me a call with you take away points.

My take away points are all of the panelist did a pretty good job of their assigned tasks. I think the panel did a good job of laying out the complexity of the questions raised by the EMI proposal. I also think all the panelist did a pretty good job of beginning to establish a lists of point by which the community should judge the proposal.

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I am sure there are some lessons to be gleaned (for equally complex issues like Lindsey Brook, stormwater management, etc.). I have attached the agenda handout for folks who were not in attendance. If anyone wants a copy of the "Panelist Agenda" which contains more info, let me know.

Many Thanks!

Larry

594-8806

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Wednesday, August 26, 2015 3:07 PM
To: 'sbillington@ci.rockland.me.us'
Subject: FW: 8/19 Forum > Comments
Attachments: 2015_08.19_OPA_Schneider_CHP_District_Energy_Forum.pdf

Sandy,

Can you add this to the slide presentations already put on the website?

Jim C

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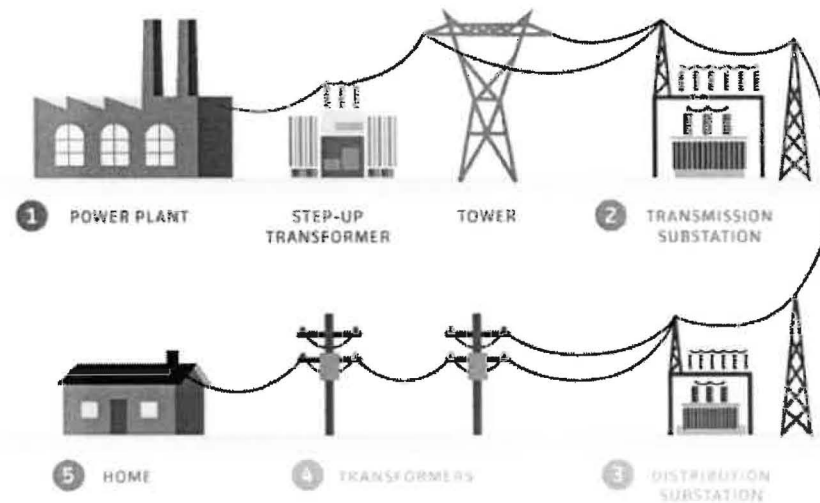
Office of the Public Advocate

City of Rockland: Community Forum

August 19, 2015
Tim Schneider
Public Advocate

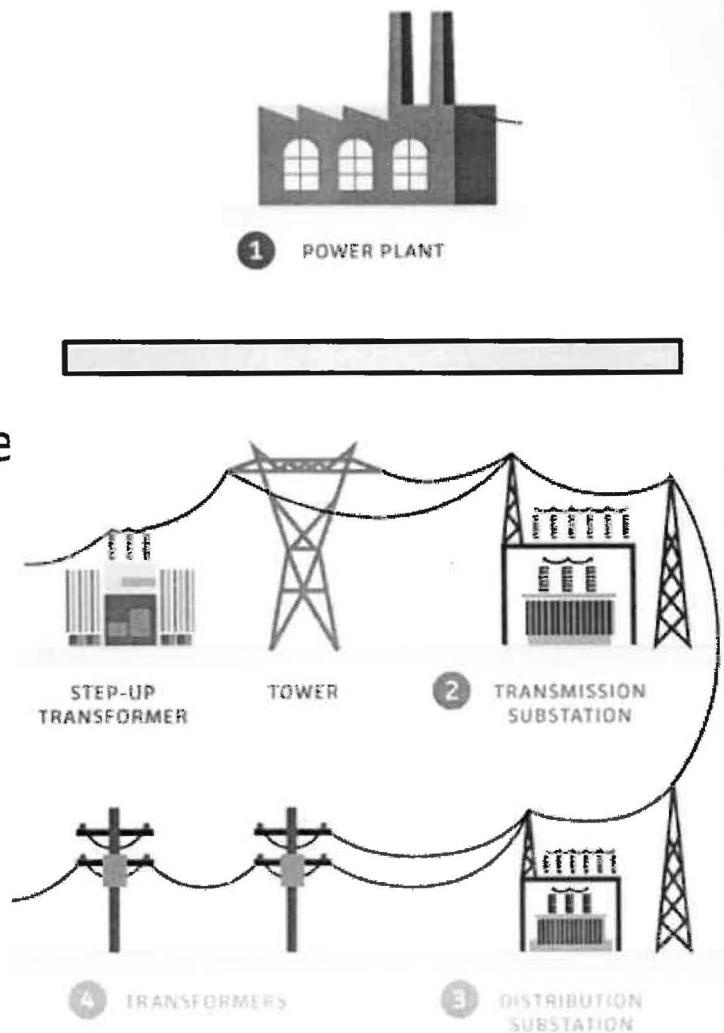
Before Electricity Restructuring

- Vertically integrated utilities own generation, transmission and distribution
- Electricity prices for consumers regulated Public Utilities Commission through rate proceedings.
- Mix of generation resources overseen by state regulators

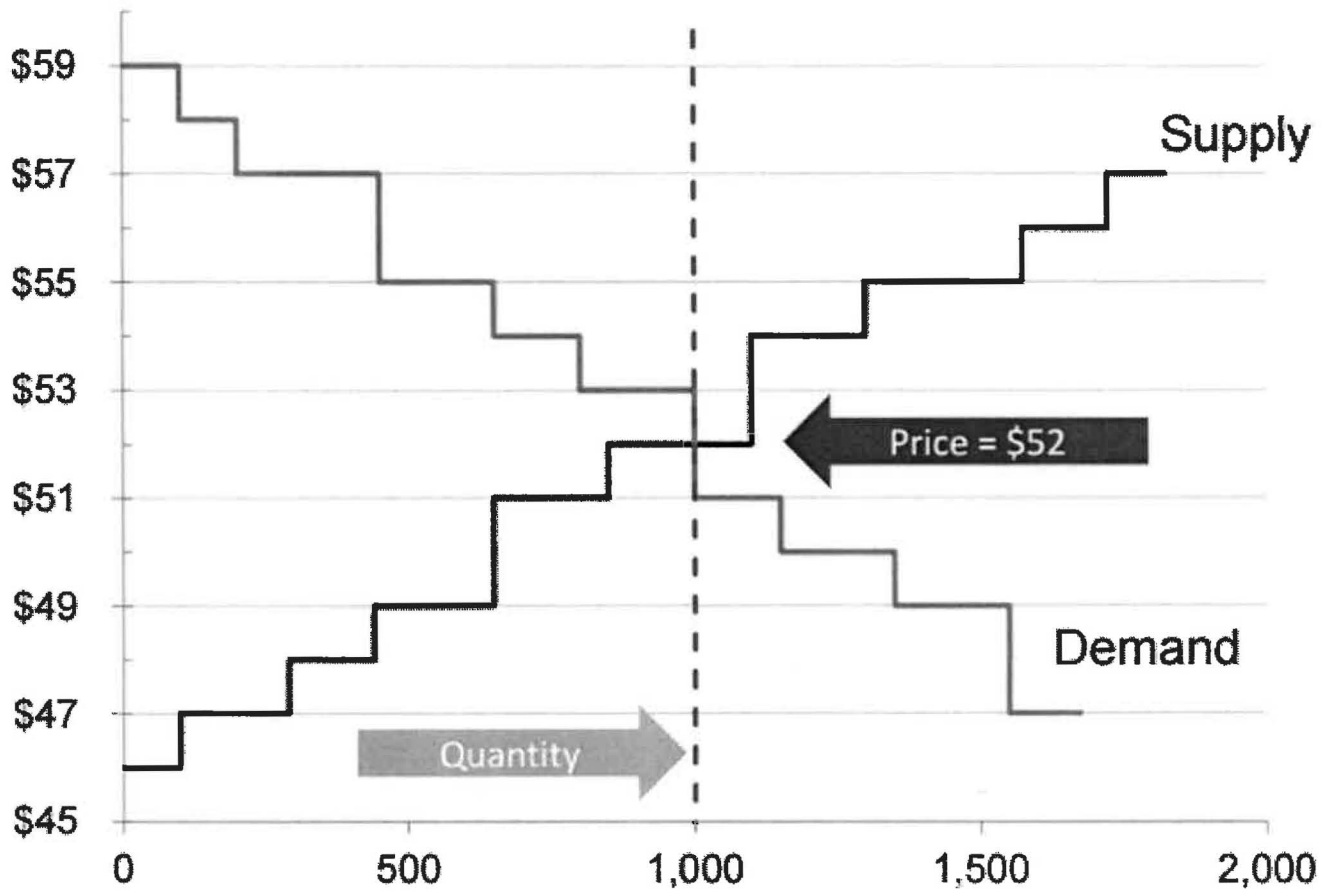


After Electricity Restructuring

- Utilities forced to sell their generation assets
- Prices for distribution service regulated by Maine Public Utilities Commission
- Prices for transmission service regulated by FERC
- Price of electricity supply determined by purchases in regional wholesale market
- Mix of generation resources determined by market forces

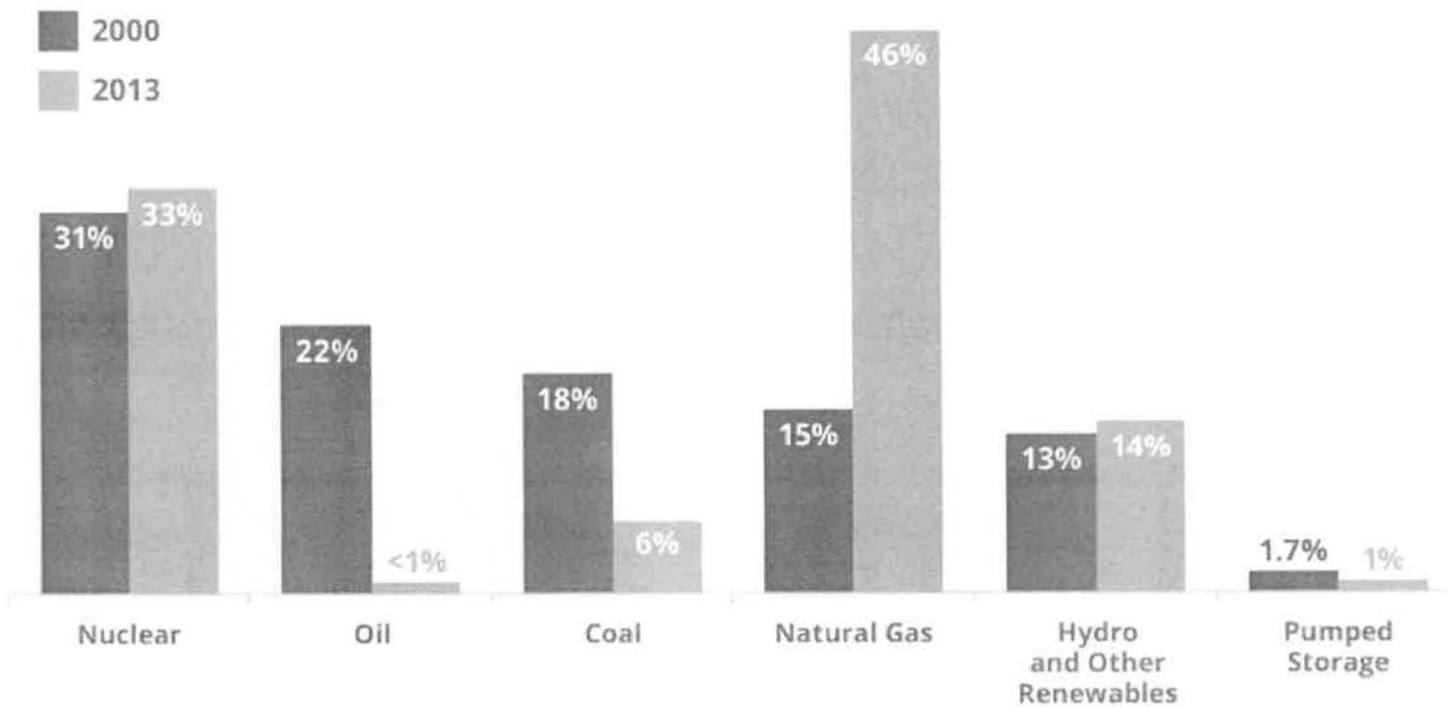


Clearing the Energy Market



New England's Electricity Supply

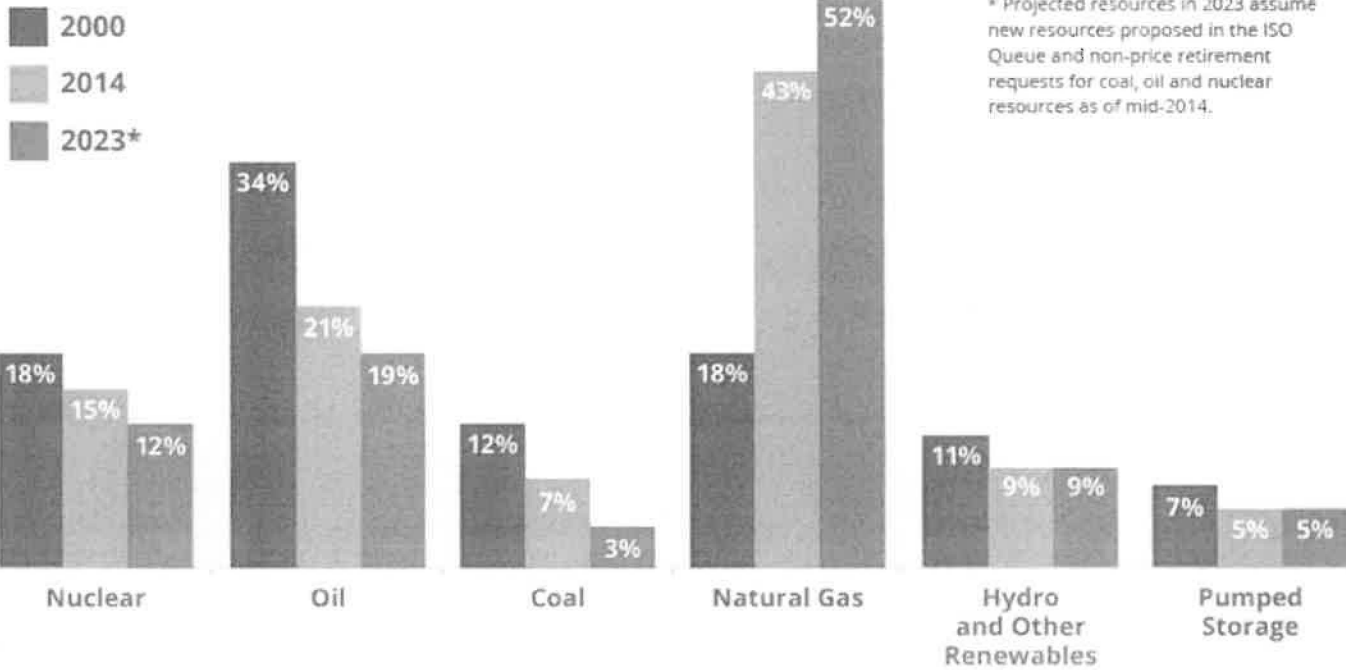
Percent of Total Electric Energy Production by Fuel Type



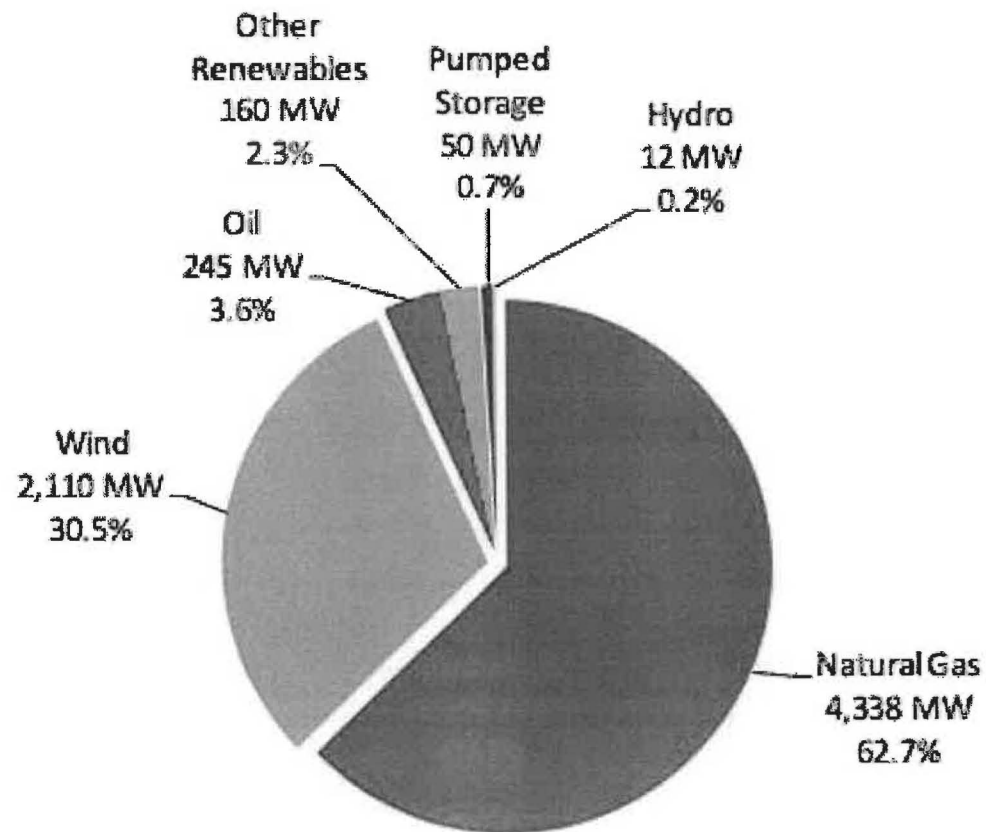
Source: ISO New England, <http://www.iso-ne.com/about/what-we-do/key-stats/resource-mix>

New England's Generation Capacity

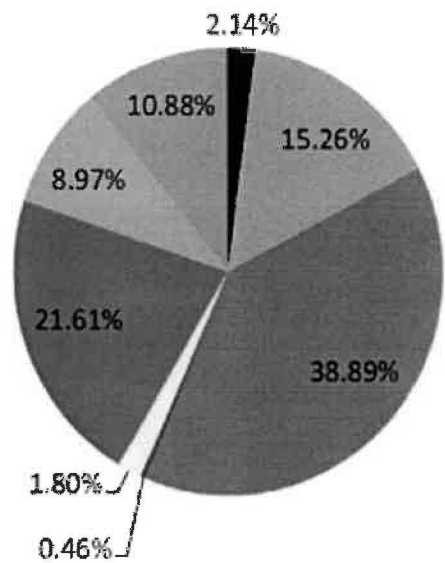
Percent of Total System Capacity by Fuel Type



Proposed Generation in New England



Maine Generation Capacity (2012)

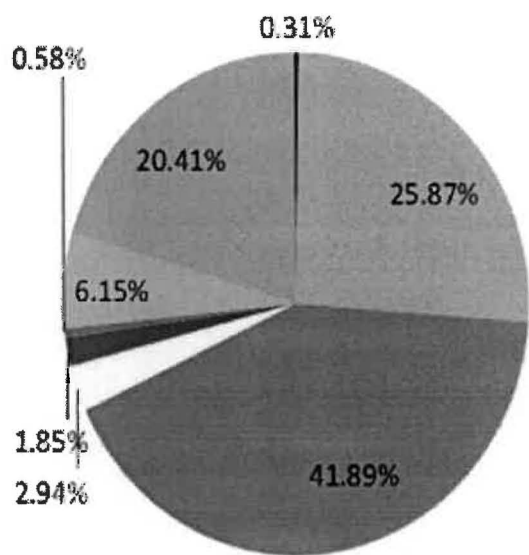


- Coal
- Conventional Hydroelectric
- Natural Gas
- Other Fuels
- Other Biomass
- Petroleum
- Wind
- Wood and Waste

Fuel Source	Capacity (MW)	Percentage
Total	4,800.4	100%
Natural Gas	1,866.8	38.89%
Petroleum	1,037.3	21.61%
Conventional Hydroelectric	732.6	15.26%
Wood and Wood Derived Fuels	522.1	10.88%
Wind	430.6	8.97%
Coal	102.6	2.14%
Other Biomass ^B	86.4	1.80%
Other Fuels ^A	22.0	0.46%

^A Other Fuels includes solid waste, batteries, chemicals, hydrogen pitch and misc. technologies
^B Other Biomass includes landfill gas, sludge waste, agricultural byproducts, and other biomass liquids
^C Other gases includes propane gas, blast furnace gas and other waste gases

Maine Electricity Generation (2012)



- Coal
- Conventional Hydroelectric
- Natural Gas
- Other Fuels
- Other Biomass
- Petroleum
- Wind
- Wood and Waste

Fuel Source	Generation (MWh)	Percentage
Total	14,428,596	100%
Natural Gas	6,043,695	41.89%
Hydropower Conventional	3,732,604	25.87%
Wood and Wood Derived Fuels	2,944,950	20.41%
Wind	886,918	6.15%
Other Fuels ^A	424,478	2.94%
Other Biomass ^B	266,928	1.85%
Petroleum	83,765	0.58%
Coal	45,258	0.31%

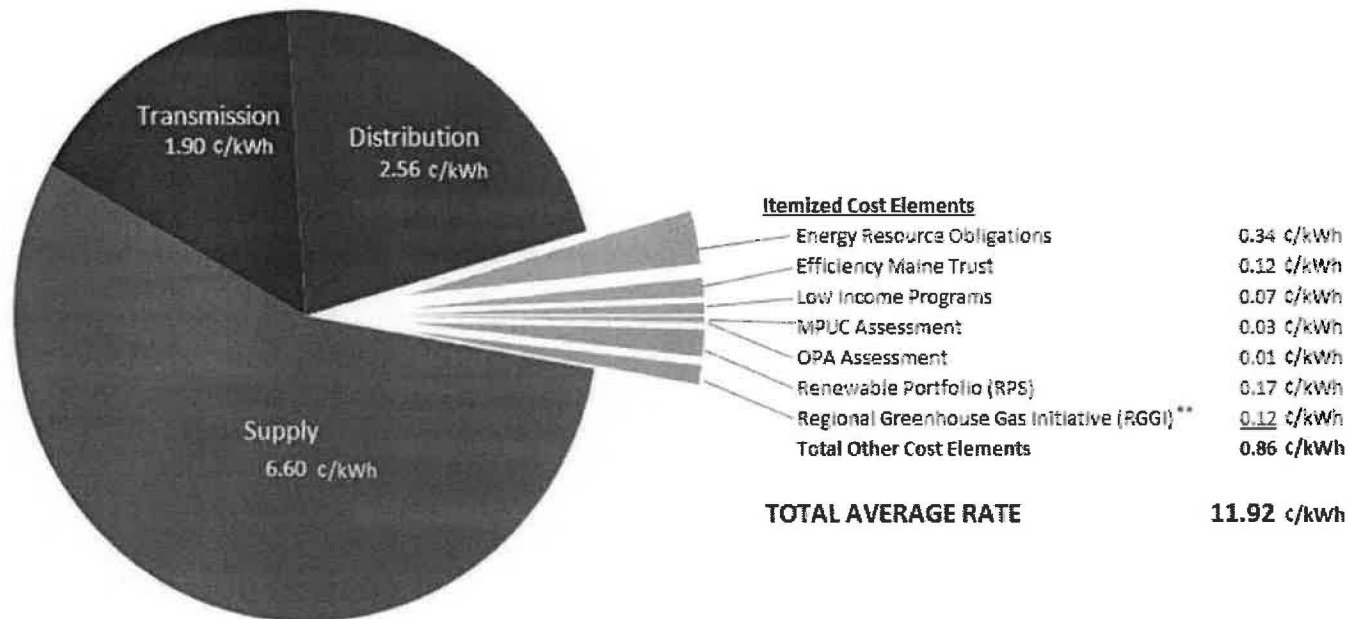
^A Other Fuels includes solid waste, batteries, chemicals, hydrogen pitch and misc. technologies

^B Other Biomass includes landfill gas, sludge waste, agricultural byproducts, and other biomass liquids

^C Other gases includes propane gas, blast furnace gas and other waste gases

Your Electricity Rate

2013 Average Prices by Component – CMP Customers

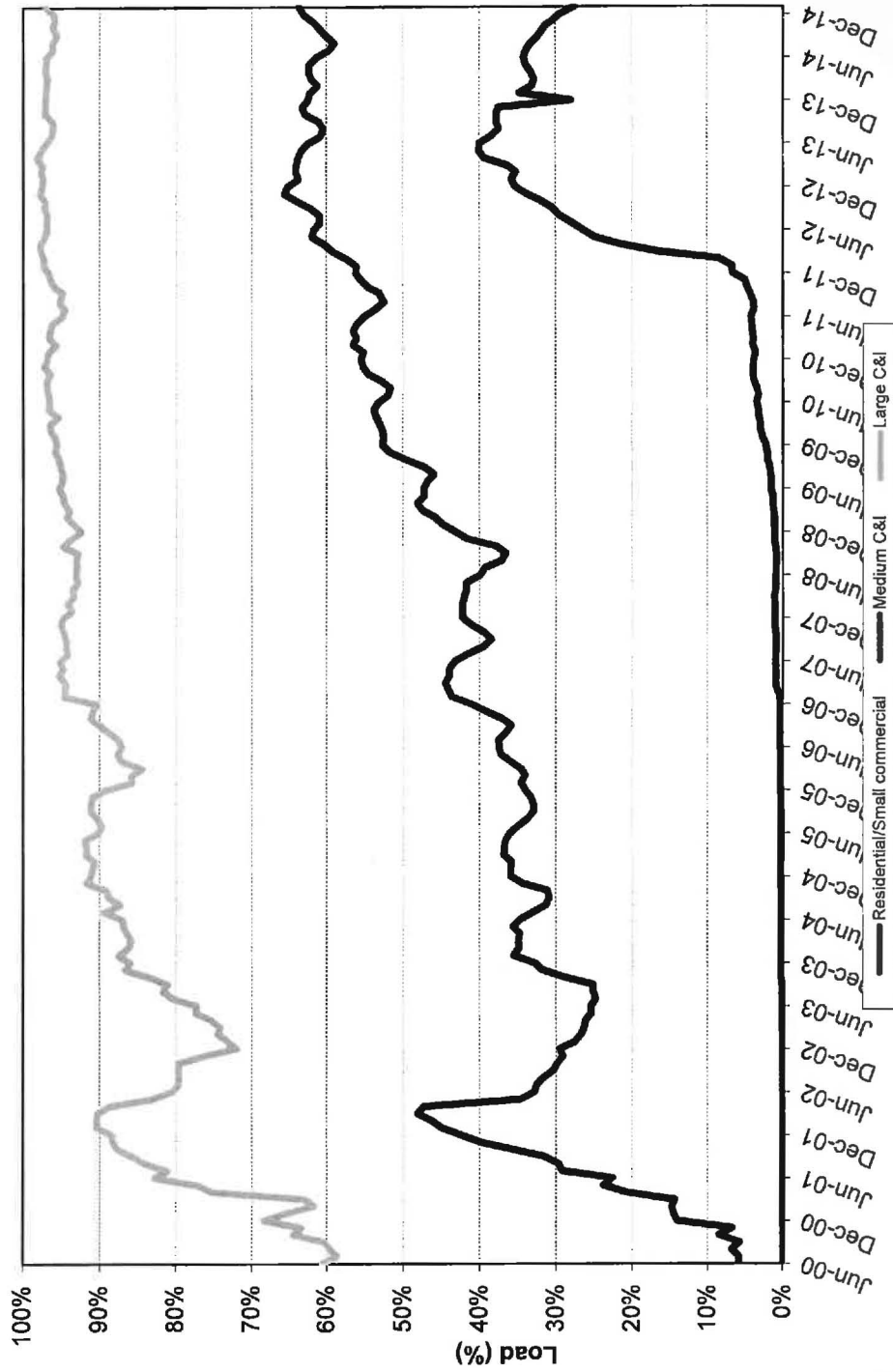


* - Rates represent the average rates over all rate classes. Not all components apply to all rate classes.

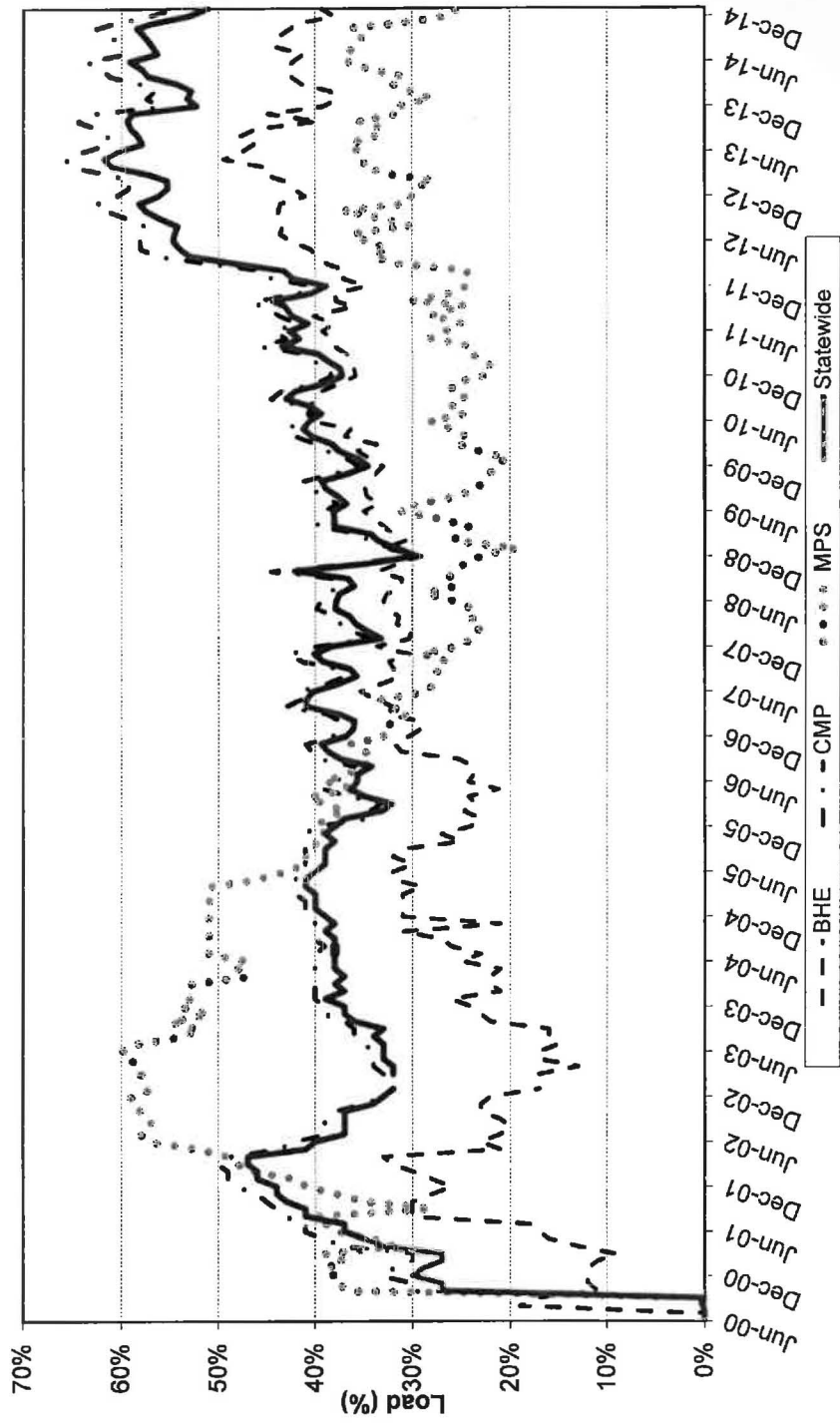
** - The RGGI program compliance price component is calculated using the average marginal CO₂ emission rate produced by ISO-NE's newly developed all-unit locational marginal unit (LMU) methodology. The result differs slightly from that reported by RGGI as RGGI continues to use the average marginal CO₂ emission rate produced by ISO-NE's fuel type assumed (FTA) methodology that assumes an aggregate oil/natural gas unit as the marginal unit. If adjusting for Canadian imports, which are not subject to the RGGI requirements, the Commission calculates the cost to ratepayers to be 0.11 c/kWh.

Source: Maine Public Utilities Commission <http://www.maine.gov/mpuc/electricity/CMPElectricityRateTransparencyGraph.htm>

Customer Retail Choice by Class



Load Served by Competitive Electricity Suppliers



Buying Renewable Power

- All Maine retail electricity supply is, by law, 38% renewable
- Some electricity suppliers offer 100% renewable options:

Entity	Resource mix	Maine-made?	Contract?	Certifications or Qualifications (EPA Green Power Partner, LEED and Green-e)	Rate for CMP Customers (¢/kWh)
100% Renewable - North American Power	Wind	No	Yes	Green-e Energy Certified	11.44 on 12 month contract
FairPoint Energy Local Wind	Wind	"Local"	Yes	unknown	6.53 on 6 month contract
Ambit Energy	Wind, biomass	No	Yes	Green-e Energy Certified	8.5 pm 12 month contract

Maine Green Power Program

- No contract required
- Maine Green Power is a separate line item on your monthly utility bill.
- Cost is in addition to the monthly supply rate
- For more information, see <https://www.megreenpower.com/>

Blocks of Maine Green Power	Kilowatt-hours (kWh) of Maine Green Power purchased per month	Cost per month
1/2	250 kWh	\$3.75
1	500 kWh	\$7.50
2	1000 kWh	\$15.00

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Monday, August 24, 2015 11:34 AM
To: 'Andy O'Brien'
Subject: RE: Question

I'm glad I could help.

From: aobrienfreepress@gmail.com [mailto:aobrienfreepress@gmail.com] **On Behalf Of** Andy O'Brien
Sent: Monday, August 24, 2015 11:14 AM
To: Jim Chaousis <jchaousis@ci.rockland.me.us>
Subject: Re: Question

Thanks. I think that answers all of my question for now.

On Mon, Aug 24, 2015 at 10:49 AM, Jim Chaousis <jchaousis@ci.rockland.me.us> wrote:

They have until 2019 to execute the option. When they execute the option they will have 180 days to complete the purchase and sale agreement.

From: aobrienfreepress@gmail.com [mailto:aobrienfreepress@gmail.com] **On Behalf Of** Andy O'Brien
Sent: Monday, August 24, 2015 10:31 AM
To: Jim Chaousis <jchaousis@ci.rockland.me.us>
Subject: Re: Question

Ok - so if they don't complete the purchase and sale agreement within 180 days, does the option continue until 2019?

On Mon, Aug 24, 2015 at 10:17 AM, Jim Chaousis <jchaousis@ci.rockland.me.us> wrote:

Andy,

There was no provision to that effect. There is a provision in the option agreement that they have to complete the purchase and sale agreement within 180 days from notifying the City of their intent to execute the option. Otherwise, the option agreement is valid through 2019.

Jim C

James D Chaousis II, City Manager

City of Rockland

270 Pleasant Street

Rockland, ME 04841

Phone [\(207\)593-0636](tel:(207)593-0636)

www.ci.rockland.me.us

jchaousis@ci.rockland.me.us

From: aobrienfreepress@gmail.com [mailto:aobrienfreepress@gmail.com] **On Behalf Of** Andy O'Brien

Sent: Monday, August 24, 2015 9:43 AM

To: jchaousis@ci.rockland.me.us

Subject: Question

Hi Jim,

Was there a requirement that Rockland Energy Center had to sign the option agreement within a certain amount of time after the city council vote?

- Andy

--

Free Press
8 North Main Street, Suite 101
Rockland, ME 04841
(O) 207 596-0055

(C) 207-542-4728

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(C) 207-542-4728

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Friday, August 21, 2015 1:11 PM
To: 'Pinny Beebe-Center'
Subject: RE: Natural Gas Public Forum

Representative,

Thank you for meeting me the other day. I thought the conversation was intriguing. I look forward to working on an issued together in the near future.

Jim C

James D Chaousis II, City Manager
City of Rockland
270 Pleasant Street
Rockland, ME 04841
Phone (207)593-0636
www.ci.rockland.me.us
jchaousis@ci.rockland.me.us

From: Pinny Beebe-Center [mailto:statehouse93@gmail.com]
Sent: Wednesday, August 19, 2015 9:27 PM
To: James Chaousis <jchaousis@ci.rockland.me.us>
Subject: Re: Natural Gas Public Forum

I will be there! Looking forward to it!

On Aug 19, 2015 6:54 PM, "James D Chaousis II" <jchaousis@ci.rockland.me.us> wrote:

How about noon at Archers?

Jim C

Sent from my iPhone

On Aug 19, 2015, at 3:58 PM, Pinny Beebe-Center <statehouse93@gmail.com> wrote:

Lunch tomorrow would be perfect! Where and what time?

On Aug 19, 2015 11:20 AM, "Jim Chaousis" <jchaousis@ci.rockland.me.us> wrote:

Pinny,

I am available all afternoon and tomorrow morning. I'd like to get better acquainted. Lunch?

Jim C

From: Pinny Beebe-Center [mailto:statehouse93@gmail.com]
Sent: Wednesday, August 19, 2015 9:21 AM
To: James Chaousis <jchaousis@ci.rockland.me.us>
Subject: Re: Natural Gas Public Forum

Jim,
I am planning to attend tonite. I have some time today if that works for you, or Thursday. Let me know what works for you.
Pinny

On Aug 18, 2015 12:22 PM, "Jim Chaousis" <jchaousis@ci.rockland.me.us> wrote:

Representative Beebe-Center,

I am planning on going to the Public Forum on Combined Heat and Power, Natural Gas Would This Benefit Rockland?

It is held at the Rockland City Hall at 6:30 tomorrow. I wanted to personally invite you to this session. Councilor Pritchett and the Energy Committee has put together some impressive speakers.

I would also like to set aside some time to speak about Rockland issues. We had touched base a while ago but never got back on track.

Thank you.

Jim C

James D Chaousis II, City Manager

City of Rockland

270 Pleasant Street

Rockland, ME 04841

Phone (207)593-0636

www.ci.rockland.me.us

jchaousis@ci.rockland.me.us

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Friday, August 21, 2015 1:07 PM
To: 'Phyllis Merriam'
Subject: RE: Community Forum on CHP, District Energy & Natural Gas 8.19.2015

Phyllis Merriam,

Thank you for participating in this community learning experience and sharing your thoughts. It is valuable.

Jim C

James D Chaousis II, City Manager
City of Rockland
270 Pleasant Street
Rockland, ME 04841
Phone (207)593-0636
www.ci.rockland.me.us
jchaousis@ci.rockland.me.us

From: Phyllis Merriam [mailto:pbammerriam@gmail.com]
Sent: Thursday, August 20, 2015 10:30 AM
To: jchaousis@ci.rockland.me.us; Frank Isganitis <frankisganitis@gmail.com>; LarryPritchett.Council <LarryPritchett.Council@gmail.com>; Louise MacLellan-Ruf <louisemaclellanruf@gmail.com>; William Clayton <williamclayton79@gmail.com>; valli.citycouncil@gmail.com; abell@ci.rockland.me.us
Subject: Community Forum on CHP, District Energy & Natural Gas 8.19.2015

Thank you so much for providing the community forum last evening on this critical topic for Rockland's future and especially to Larry Pritchett and the energy committee for putting together the diverse panel.

Rockland residents had the benefit of transparency compared to the first forum on this topic.

I personally have arrived at some serious reservations about the carbon pollution a huge EMI plant would emit. It also does not seem like a 21st Century solution to our city's energy needs. We as residents, and as elected officials, need to do judicious planning more than 20 to 30 years out to consider the next two and three generations, who are already here, and will be impacted positively or negatively from our and your legacies.

I am hoping the city can find the funding to hire a qualified attorney who can accurately vet EMI's proposal, as was recommended last evening. Are there grants available? Can residents and businesses contribute to a fund?

In appreciation,
Phyllis Merriam, LCSW
72 Mechanic St.
Rockland, ME

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Monday, August 17, 2015 3:10 PM
To: 'Audra Bell'
Subject: FW: Rockland Energy Center

FYI

From: Stephen Betts [mailto:sbetts@bangordailynews.com]
Sent: Monday, August 17, 2015 3:07 PM
To: Jim Chaousis <jchaousis@ci.rockland.me.us>
Subject: Re: Rockland Energy Center

Got it, thanks.

On Mon, Aug 17, 2015 at 3:04 PM, Jim Chaousis <jchaousis@ci.rockland.me.us> wrote:

Steve,

The purchase and sale agreement is subject to confirmation by referendum, as prescribed by the City Council. The option agreement is actionable by the City Manager, as stated in the order. Any purchase and sale agreement, for these properties, will specify that it is subject to a voter referendum. As it stands right now, I have not invested one minute in the purchase and sale agreement. I am waiting on the developer to start the conversation. As I understand it, they plan to start the discussion but they don't have a timeline.

Jim C

From: Stephen Betts [mailto:sbetts@bangordailynews.com]
Sent: Monday, August 17, 2015 3:03 PM

To: Jim Chaousis <jchaousis@ci.rockland.me.us>
Subject: Re: Rockland Energy Center

Jim,

I read through quickly. I did not see anything concerning a referendum by voters. Is that not part of the option or is that a decision that will rest with the council at some point if this progresses?

Steve

On Mon, Aug 17, 2015 at 2:50 PM, Jim Chaousis <jchaousis@ci.rockland.me.us> wrote:

Steve,

It is attached.

Jim C

From: Stephen Betts [mailto:sbetts@bangordailynews.com]

Sent: Monday, August 17, 2015 2:50 PM

To: Jim Chaousis <jchaousis@ci.rockland.me.us>

Subject: Re: Rockland Energy Center

Thanks Jim.

I thought I had a copy of the option agreement but all I appear to have is the vote to allow the option to be negotiated.

Could I get a copy of the option?

Thanks again.

Steve

On Mon, Aug 17, 2015 at 1:20 PM, Jim Chaousis <jchaousis@ci.rockland.me.us> wrote:

Steve,

Rockland Energy Center executed the option on August 1st. They are paying the option payment of \$1,000. Other than the in person meeting, when they signed the option, there has not been any correspondence with Rockland Energy Center. I know they are working diligently to put together a proposal for the City.

Jim C

James D Chaousis II, City Manager

City of Rockland

270 Pleasant Street

Rockland, ME 04841

Phone (207)593-0636

www.ci.rockland.me.us

jchaousis@ci.rockland.me.us

From: Stephen Betts [<mailto:sbetts@bangordailynews.com>]

Sent: Monday, August 17, 2015 11:48 AM

To: James D Chaousis II <jchaousis@ci.rockland.me.us>

Subject: Rockland Energy Center

Jim,

Has Rockland Energy Center executed the option for the city land? A story I had in May quotes from a letter from Mitchell Jacobs said the company planned to execute the option within 30 days from that point.

Are they paying the monthly \$1,000 payment as part of that option?

Has there been any correspondence from them during the past month?

Thanks

Steve

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Wednesday, August 12, 2015 3:22 PM
To: 'Susan Ware Page'; 'Larry Pritchett'; 'Frank Isganitis'
Cc: 'Audra Bell'; 'louisemaclellanruf@gmail.com'; 'valli.citycouncil@gmail.com'; 'williamclayton79@gmail.com'; 'Charlie Page'; 'John Ware'
Subject: RE: Energy Forum

Mrs. Page,

I will attempt to answer your questions.

Will anyone be able to ask questions/make comments at this public forum? What is the time allotment?

The structure of the forum will be dependent on the Energy Committee. Based on the knowledge level of the speakers, I would expect some unfettered speaking with some public interaction. I'm sure time will depend on the number of public speakers present. This is not a legislative/regulatory hearing but an educational forum.

Who are the members on the energy advisory committee?

ENERGY ADVISORY COMMITTEE 7 MEMBERS 3-YEAR TERM

William Pearce	39 Mountain View Ext	594-8413	2016
Suzanne MacDonald	54 Pacific Street	Not Listed	2015
Anthony Coyne	41 Highland Street	Not Listed	2015
Larry Pritchett	39 Brewster St (POB 126)	594-8806	2017
Deborah Donnelly	188 Bog Road	594-9442	2017
Brooks Winner	7 Granite St. Apt. 1	358-0219	2016
Vacant			2016

The Mayor and City Manager (or designees) shall be ex-officio, non-voting members of the committee

Is there a date set for the vote to go to referendum? If not, when is it expected?

The referendum is dependent on a purchase and sale of the City land. That is not completed or even close. It is nearly impossible to predict when, or if, there will be a referendum.

Any resolution on where to place City Hall/Public Works and have you nailed down plans & costs that Rockland Energy says they'll pay for?

That is an important part of the negotiation that is nowhere near completion.

Has any city official done an analysis study (I suggested this to you Frank) as to the negative economic impact in our communities as well as the potential positive? I think it's important to look at everything.

These studies would be paid for by the developer based on zoning conditions or negotiated terms. As I stated before, we are not close to that stage.

I hope my answers are helpful. Thank you.

James D Chaousis II, City Manager
City of Rockland
270 Pleasant Street
Rockland, ME 04841
Phone (207)593-0636

www.ci.rockland.me.us
jchaousis@ci.rockland.me.us

From: Susan Ware Page [mailto:SusanW@maritimeenergy.com]
Sent: Tuesday, August 11, 2015 3:45 PM
To: 'Larry Pritchett' <larrypritchett.council@gmail.com>; 'Frank Isganitis' <frankisganitis@gmail.com>; jchaousis@ci.rockland.me.us
Cc: 'Audra Bell' <abell@ci.rockland.me.us>; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; Charlie Page <charliep@maritimeenergy.com>; John Ware <JohnW@maritimeenergy.com>
Subject: RE: Energy Forum

Larry & Frank,

Thank you for sending along the information. Please see my questions below highlighted in yellow that I'm requesting answers to.

Our childcare is closed next week for summer vacation and Wednesday is we had plans to be out of town with the kids. I have now cancelled our hotel reservations, so I can be in attendance at this forum. I wish we were all given more notice.

Can you let me know about the questions highlighted in yellow?

Thanks,
Susan

From: Larry Pritchett [mailto:larrypritchett.council@gmail.com]
Sent: Tuesday, August 11, 2015 1:20 PM
To: Susan Ware Page; 'Frank Isganitis'; jchaousis@ci.rockland.me.us
Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; Charlie Page; John Ware
Subject: RE: Energy Forum

Hi Susan,

Press release is attached. I have a meeting at 1:30, so I'll answer the simplest question below. I chair the City's Energy Committee and the Committee for years has been focused on energy efficiency and building envelope projects in City government and sharing what the City learns with owners of commercial and historic buildings.

The Energy Committee members are Brooks Winner (who is the Community Energy Associate at the Island Institute), Deb Donnelly (whose husband is a master electrician who works on a range of commercial scale solar projects primarily out of state); Bill Pearce (who was a founding member of the Committee and a member of the Sierra Club's Executive Committee at the time); and Tony Coyne (who was a home energy auditor and installer before retiring).

Suzanne MacDonald who directs the Island Institute's Community Energy program has served on the Committee. A lot of informal info sharing (& some cosponsoring of projects) occurs between the City and the Institute. More info soon.

Larry
594-8806

From: Larry Pritchett [mailto:larrypritchett.council@gmail.com]

Sent: Tuesday, August 11, 2015 11:01

To: 'Susan Ware Page'; 'Frank Isganitis'; jchaousis@ci.rockland.me.us

Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; 'Charlie Page'; 'John Ware'

Subject: RE: Energy Forum

Hi Susan,

A press release with more details than in my verbal summary about the public forum at Council meeting last night will go out at lunch time. That should answer some of your questions below. Perhaps Audra as Economic Develop Director and I as Energy Committee Chair could arrange a time to with you about energy questions?

Best,
Larry
594-8806

From: Susan Ware Page [mailto:SusanW@maritimeenergy.com]

Sent: Tuesday, August 11, 2015 09:47

To: 'Larry Pritchett'; 'Frank Isganitis'; 'jchaousis@ci.rockland.me.us'

Cc: 'Audra Bell'; louisemaclellanruf@gmail.com; valli.citycouncil@gmail.com; williamclayton79@gmail.com; Charlie Page; John Ware

Subject: Energy Forum

Hello,

I read last night on BDN that there will be an energy public forum next week. I was not aware of this.

Will anyone be able to ask questions/make comments at this public forum? What is the time allotment?

Who are the members on the energy advisory committee?

Is there a date set for the vote to go to referendum? If not, when is it expected?

Any resolution on where to place City Hall/Public Works and have you nailed down plans & costs that Rockland Energy says they'll pay for?

Has any city official done an analysis study (I suggested this to you Frank) as to the negative economic impact in our communities as well as the potential positive? I think it's important to look at everything.

Larry, Frank, Jim...I'm not sure who is best to answer my questions, so I've copied Audra and the respective Councilors.

Look forward to your response. Please put in writing, so I have for the record.

Thank you,
Susan

The city of Rockland's energy advisory committee and the city's community and economic development committee will be hosting a public forum next Wednesday evening (6:30 p.m. Aug. 19) at city hall related to the proposed natural gas-fired power plant. Speakers will be Tim Schneider, the state's public advocate; Greg Cunningham, vice president and director of Clean Energy and Climate Change program; and Anthony Buxton who is the chair of the

Pretu Flaherty law firm's energy and utilities practice group. The public is invited to come and listen to the presentations and ask questions.

Jim Chaousis

From: Jim Chaousis <jchaousis@ci.rockland.me.us>
Sent: Monday, July 06, 2015 10:07 AM
To: 'Louise MacLellan-Ruf'; 'Charles Jordan'; 'Cjordon@maineevaluation.com'
Cc: 'Audra Bell'
Subject: RE: Natural gas plant

Chief,

Thank you for your service and continued involvement in Rockland.

Jim C

James D Chaousis II, City Manager
City of Rockland
270 Pleasant Street
Rockland, ME 04841
Phone (207)593-0636
www.ci.rockland.me.us
jchaousis@ci.rockland.me.us

From: Louise MacLellan-Ruf [mailto:louisemaclellanruf@gmail.com]
Sent: Saturday, July 04, 2015 11:45 AM
To: Charles Jordan; Cjordon@maineevaluation.com
Cc: James D Chaousis II; Audra Bell
Subject: Re: Natural gas plant

Great! I will forward this email on to the CDD and CM. Like I said, your voice, dare I say reason, holds a lot of weight in this town. Of course exploiting your strengths and clout is my unashamed ultimate goal.

I am thinking a thoughtful/factual piece about REC is a start. Of course checking with Adam about safety concerns only adds to your veracity. (He is doing a great job BTW.) The lies about "killing the children" are rabidly out there. The papers do allow for people to send in opinion pieces. These often hold more weight than a letter to the editor.

Of course I have more thoughts on strategy. The City is lucky to have your voice.

Keep on dancing sir.

Thank you!

Louise

On Thursday, July 2, 2015, Charles Jordan <charlesdjordan@yahoo.com> wrote:

Louise:

I will help in ANY WAY POSSIBLE. I had offered my alleged expertise (fire, emergency planning, real estate) up to the Mayor within a couple days of the original (April 30?) presentation so that we could get past the lies and/or half truths being spread at the podium, but have heard nothing since.

If you can think of a way in which I could be productive I am all ears. The only caveat is that I would want to clear safety-related statements with Chief Miceli, although I doubt there will be any problem as we have been accused of sharing a brain.

A better e-mail for me in terms of eliciting a more timely response is cjordan@mainevaluation.com which is my work address. I check that every couple of hours whereas this one is every few days.

I offer below the text of an e-mail that I sent to Will the evening of or morning after the initial vote in opposition. I had asked that he share it with all of you. My only concern that evening was that a "railroad" of the issue was going to turn some of the fence sitters against it. In other words, my thought, politically, was that it had to be killed to be saved, if that makes any sense. I was actually never against it.

Have a Happy Fourth!

Charlie
FROM APRIL 30th -

Will:

I offer the following and hope that you might share these with the other Councilors and the City Manager, if you wish:

I would like to see that cogeneration facility locate in Rockland and on the City Hall/Public Services land

I do not have any safety concerns as these facilities are HIGHLY REGULATED in terms of construction AND operation. The majority of natural gas problems come from dated infrastructure, which this will not have, and from excavation after failing to call Dig Safe.

On the real estate front, I think good quality appraisals of each property are needed in order to allay fears that a City asset is being sold at a price below market value.

In terms of the relocation of City Hall and Public Services, a plan needs to be put in place which shows that we can accomplish this on a near revenue neutral basis. Purchase, new construction, leasing?

I am pleased you are rethinking on a more prudent and deliberative timeframe - I believe it will give the project its best chance at ultimate success as much of the opposition, but certainly not all of it, was due to the compressed schedule.

Best,

Charlie

On Monday, June 29, 2015 6:04 PM, Louise MacLellan-Ruf <louisemaclellanruf@gmail.com> wrote:

Thanks Charlie for your thoughtful comments and recommendations; all of which I agree.

I asked the question as I wanted an honest and straightforward response from you prior to my humble opinion. I got what I expected. This is a very sensitive time for Rockland. No doubt, you have seen or heard about the Council's willingness to "kill the children" and "go against the Pope" if we support a natural gas plant. Of course all of these things are further than any truths.

You have always been a positive catalyst for productive change in Rockland. Quite frankly, people listen to you. So you have a bit of cache', admit it. I would love to tap into that in a constructive manner.

People remember your comments about gas a few months ago. Your name is being used as one that was vocal at a Council meeting speaking in opposition to gas. But I remember your comments to me at the School Board vote. They were much more accepting of a natural gas plant.

Would you have any objections if I share your email with Audra, our CDD? I think you can be an asset in offering a balanced voice of reason. We do not have that voice out there currently.

Strategy in mind, if there is an interest on your part, maybe a letter to the papers? A radio interview? These are just thoughts and possibilities. How to get ahead of the rabid misinformation is proving a challenge. Of course, I respect whatever response I receive from you. So, I am prepared to hear from the nanny or the retired Chief.

Warm regards and I do hope that you and your lovely wife continue to dance.

Thank you for your time.

Louise

On Monday, June 29, 2015, Charles Jordan <charlesdjordan@yahoo.com> wrote:

Louise:

I guess my take is that if we can get a good deal for Rockland then we should do it.

The laundry list of items accruing to the Citizens of Rockland for a "good deal" in my mind includes -

A taxable property with at least some of the taxes going immediately to the General Fund (enough to knock a couple of mil off the tax rate AND hire a fire chief) - not into a TIF District, although some break might be necessary/palatable;

Should the location of the plant be at 270 Pleasant and along Burrows, then in addition to the purchase price negotiated, the developers should participate in the costs of moving public works and city hall (has anyone thought of approaching Mario Abaldo about putting City Hall on the top floor of the Lincoln Street Center under a long term lease?? It is walkable.);

Provision to the City of a bond to cover any cost of dismantling the facility and preparing the site for another use should the company decide to / be forced to walk away from the property due to bankruptcy, rising natural gas costs, lack of demand for their electricity or steam, etc.

I have no qualms about the safety of the facility. I would sleep at the place on any given night with all of its safeties and redundancies. And this from the "nanny" who brought you residential sprinklers and no fireworks. It's actually much safer than a single-family dwelling where 2,000 + people still die every year in the USA.

Lastly, I think that if negotiated properly, it could be a win for Rockland and for the area. It would be nice to have renewable energy available at competitive prices soon; but I'm afraid that is wishful thinking - the deck is stacked against them. So perhaps natural gas can bridge the gap from oil to solar/wind/cold fusion.

I'm sure I left something out. Hope all is well.

Best,

Charlie

On Sunday, June 28, 2015 8:38 AM, Louise MacLellan-Ruf <louisemaclellanruf@gmail.com> wrote:

Hi Charlie,

Just wondering where you stand on the potential natural gas plant interested in coming to Rockland?

Thank you. Enjoy Sunday.

Louise

OPTION AGREEMENT FOR PURCHASE OF REAL PROPERTY

This OPTION AGREEMENT FOR PURCHASE OF REAL PROPERTY (the "Option Agreement") is made and effective this 1st day of August 2015 by and between the **CITY OF ROCKLAND, MAINE** ("Seller") and **ROCKLAND ENERGY CENTER, LLC** ("Buyer"), as follows:

1. DEFINITIONS.

For the purposes of this Option Agreement, the following words and phrases shall have their stated meanings:

Commencement Date:

August 1, 2015;

Seller:

City of Rockland, Maine: a municipal corporation duly formed and existing under the laws of the State of Maine, situated in the County of Knox and State of Maine, and having a mailing address of 270 Pleasant Street, Rockland, ME 04841;

Buyer:

Rockland Energy Center, LLC: a limited liability company formed and duly existing under the laws of the State of Delaware, and having a place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116;

Property:

Two parcels of land and the buildings thereon located in Rockland, Maine:

270 Pleasant Street (Tax Map 57-A-2), and

9 Burrows Street (Tax Map 57-A-5);

said parcels being further described as set forth in Exhibit A hereto, and having a combined, total land area of approximately 17.99 acres;

Monthly Option Payments:

The monthly payments due hereunder as consideration for Seller's grant to Buyer of a conditional option to purchase the Property, which payments shall be due on or before the first day of each month according to the schedule and in the amount(s) as follows:

From August 1, 2015 through the Time of Closing: \$1,000 / month;

Option Period:

The period of time from and including the Commencement Date through and including July 31, 2019.

2. OPTION.

In consideration of the agreement of Buyer to make Option Payments to Seller, Seller grants to Buyer, its successors, and assigns, a conditional option to purchase the Property (the "Option"). Such Option is subject to and contingent upon the parties' execution of a Purchase & Sale Agreement identifying the purchase price for the Property and other terms and conditions for its sale, and approval and authorization of the sale of the Property to Buyer by Seller's City Council, by ordinance amendment, in conformance with the Rockland, Maine City Charter, Art. II, Sec. 211(6).

On or after the effective date of such ordinance amendment, Buyer may exercise the Option by giving written notice of exercise to Seller (the "Exercise Notice"), in the manner provided in Section 13 below, on or before the last day of the Option Period. The Exercise Notice shall state a closing date, which date shall be not less than ninety (90) days nor more than one hundred and eighty (180) days after the day the Exercise Notice is given.

3. OPTION PAYMENTS.

Beginning on August 1, 2015, and continuing on the first day of each calendar month thereafter until this Option shall be exercised as provided in Section 2 above, or terminated as provided in Section 12 below, Buyer agrees to pay Seller the Monthly Option Payments. Each Monthly Option Payment shall be payable in cash, Buyer's check, bank check, or money order, or by wire or ACH transfer to a financial institution to be identified by Seller, and due no later than the first day of each calendar month at **City Hall, 270 Pleasant Street, Rockland, ME 04841** or at such other place designated by written notice from Seller. The Monthly Option Payment due for any partial calendar months shall be prorated on a daily basis. In the event that Buyer purchases the Property, the Purchase Price payable by Buyer to Seller at closing shall be reduced by the aggregate amount of Monthly Option Payments made by Buyer to Seller as of closing.

4. PURCHASE & SALE AGREEMENT.

Within one hundred and eighty (180) days of the Commencement Date of this Option Agreement, the parties shall, in good faith, seek agreement to terms and conditions for Buyer's purchase of the Property from the Seller and set them forth in a proposed Purchase & Sale Agreement (the "P&S"), subject to approval by Seller and Buyer. The P&S shall state the Purchase Price for the Property and other consideration for the sale; the anticipated date and time for a closing on the sale of the Property (the "Time of

Closing”); the requirements of each party prior to and at the Closing; and any adjustments required at the Closing to provide for water and sewer use charges, and payment in lieu of taxes for the fiscal year during which the Closing occurs and, if such closing occurs on or after April 1, for the ensuing fiscal year for which tax would have been assessed as of such April 1. The P&S shall provide that Seller convey title to the Property by a good and sufficient quitclaim deed running to Buyer or such person or persons as Buyer may designate in writing prior to the Time of Closing, conveying to Buyer a good and clear record and marketable title to the Property free from liens and encumbrances other than liens for municipal betterments assessed after the date of Buyer’s Exercise Notice; real estate taxes for the current year (pro-rated as of the time of Closing); and the matters listed on Exhibit B (the “Permitted Exceptions”), which Exhibit B the parties shall use their best efforts to agree on within the first 180 days following the Commencement Date of this Option Agreement. If the parties are not able to reach agreement on Exhibit B within such 180 days period Buyer may elect to terminate this Option Agreement by written notice to Seller.

5. POSSESSION AND CONDITION.

Seller shall retain possession of the Property until the Time of Closing. Unless otherwise agreed by the parties in writing, Seller shall deliver to Buyer at the Time of Closing full possession of the Property free of all tenants and occupants, in the same condition as it now is, reasonable use and wear thereof, acts of God, and changes thereto resulting from the actions of Buyer and/or its agents, employees, contractors excepted.

6. SELLER’S OBLIGATIONS UNTIL THE TIME OF CLOSING.

From the Commencement Date until the Time of Closing:

A. Seller shall keep the Property in the same condition it is now in, subject to reasonable use and wear, acts of God and changes thereto resulting from the actions of Buyer and/or its agents, employees, contractors; and

B. Seller shall not lease or by its act or failure to act create any lien or encumbrance on the Property that:

- (1) shall remain a lien or encumbrance on the Property for any period that extends beyond the Time of Closing; and
- (2) is of an amount or value greater than the Purchase Price, without the prior written approval of Buyer, which shall not be unreasonably withheld.

7. BROKER

Seller and Buyer each mutually warrants and represents to the other that it has not engaged a broker in connection with this Option Agreement and/or the purchase and sale contemplated hereunder. Seller and Buyer each agree to indemnify and hold the other

harmless from and against any liability, loss, cost, damage, or expense, including attorneys' fees, resulting from a breach of the foregoing representation and warranty.

8. SELLER'S REPRESENTATIONS

Seller hereby represents and warrants as follows, as of the date of this Option Agreement (all of which representations and warranties shall be affirmed in writing by Seller as of the Time of Closing):

- A. Seller is the sole owner of the Property subject only to the Permitted Exceptions as hereinafter set forth in Exhibit B, pursuant to Section 4;
- B. Seller has full power to execute, deliver, and perform the terms and provisions of this Option Agreement;
- C. Seller has received no notices from any governmental agency of any health safety fire or environmental regulation or code violations with respect to the premises covered by this Option Agreement;
- D. There are no known underground storage tanks on the Property;
- E. Performance by Seller of its obligations under this Option Agreement shall not constitute a breach or violation of any agreement, obligation, or instrument of any kind to which Seller is a party or to which the Property is subject.

If any of the foregoing representations or warranties are breached in any materially adverse respect by Seller, then, without limiting any other remedies of Buyer, Seller shall upon demand in writing from Buyer return all Option Payments hereunder paid by Buyer and this Option Agreement shall be deemed irrevocably terminated as of the date of such demand.

9. BUYER'S REPRESENTATIONS

Buyer hereby represents and warrants as follows, as of the date of this Option Agreement (all of which representations and warranties shall be affirmed in writing by Seller as of the Time of Closing):

- A. Buyer has full power to execute, deliver, and perform the terms and provisions of this Option Agreement;
- B. Buyer has submitted, or shall submit within one year of the Commencement Date, an application to the Maine Public Utilities Commission for permission to construct and operate on the Property after the Time of Closing a combined-cycle cogeneration facility powered by natural gas and generating electrical energy and steam for local industries and Central Maine Power Company and/or Emera Maine (the "Facility").

- C. Performance by Buyer of its obligations under this Option Agreement shall not constitute a breach or violation of any agreement, obligation, or instrument of any kind to which Buyer is a party.

If any of the foregoing representations or warranties are breached in any materially adverse respect by Buyer, then, without limiting any other remedies of Seller at law or in equity, Seller shall retain any Monthly Option Payments paid by Buyer hereunder, and this Option Agreement shall be deemed irrevocably terminated as of the date of written notice by Seller of the same.

10. DELIVERY OF INFORMATION BY SELLER; BUYER'S INSPECTIONS.

A. Seller shall promptly make available for inspection, examination, and copying by Buyer, as soon as practicable, at a mutually-acceptable location, the following materials with respect to the Property to the extent to which they exist and are in Seller's possession or control: soil and environmental reports; any reports, studies and the like regarding the presence or discharge of oil, gas, or other hazardous materials on the Property all title insurance policies issued to Seller with respect to the Property; as-built and perimeter surveys and plot plans; copies of Purchase and Sale Agreements and options to purchase or to Purchase and Sale Agreement all or any part of the Property (if any); copies of pleadings in pending litigation relating to the Property which have been served upon Seller (if any); and all other data, information, plans, files, letters, and materials pertaining to the conditions, ownership or operation of the Property as Buyer may reasonably request. Buyer acknowledges that Seller makes no representation or warranty as to the accuracy or completeness of any materials so provided.

B. Subject to the conditions set forth below, Buyer shall have the right to make such environmental inspections and tests and other tests, surveys or studies of the Property as it shall deem appropriate for its intended use of the Property and shall engage engineers, soil technicians, surveyors, wetland scientists, botanists, endangered species scientists or other experts of its choice and at its cost to do so during the term of this Option Agreement. Buyer shall provide a copy of all such reports to Seller. Upon the completion of such activities the Property shall be returned to the condition as existed prior to the commencement of such Activities subject to reasonable use and wear and Acts of God.

C. Buyer shall give Seller prior written notice, no less than seventy-two (72) hours, of the time and nature of any activities to be conducted on the Property, including the location of such work on the Property.

D. Seller shall allow Buyer or Buyer's agents, invitees or employees on to the Property to conduct tests, surveys, studies or sampling at Buyer's sole cost and risk. All activities of Buyer, or any of its agents, contractors, servants, employees, subtenants, licensees or invitees and the Property shall be conducted in strict compliance with all applicable law and regulation. Buyer shall provide Seller with an insurance binder for liability and

casualty coverage of no less than \$1,000,000.00 naming the Seller as a loss payee for any and all claims arising out of the Buyer's activities on the Property as contemplated herein.

E. Buyer shall indemnify and save Seller harmless against and from all liabilities, obligations, damages, penalties, claims, costs, charges and expenses, including reasonable attorneys' fees, which may be imposed upon or incurred by or asserted against Seller by reason of any of the following occurrences during the term of this Option Agreement:

(1) any work or thing done in or on the Property or any part thereof by Buyer or any of its agents, contractors, servants, employees, subtenants, licensees or invitees;

(2) any negligence on the part of Buyer or any of its agents, contractors, servants, employees, subtenants, licensees or invitees;

(3) any accident, injury or damage to any person or property occurring as a result of the activities of Buyer, or any of its agents, contractors, servants, employees, subtenants, licensees or invitees on the Property;

(4) any failure on the part of Buyer to perform or comply with any of the covenants, agreements, terms, provisions, conditions or limitations contained in this Option Agreement on its part to be performed or complied with;

(5) the failure of Buyer to comply with applicable legal requirements in connection with the disturbance or exposure of Hazardous Materials on the Property resulting from activities conducted on the Property by Buyer, or any of its agents, contractors, servants, employees, subtenants, licensees or invitees during the term of this Option Agreement.

11. LICENSES, PERMITS, AND APPROVALS.

Seller understands that Buyer intends to develop and operate a power production facility on the Property. Buyer will be responsible for all zoning approval and permits with respect to the Facility. Seller shall cooperate fully with Buyer in the application for and acquisition of all federal, state and local permits, licenses, consents, authorizations, and approval required for the construction and operation of the Facility as Buyer shall reasonably request, provided that Buyer shall not be required to incur any additional cost, liability or obligation as a result thereof.

Seller further understands that Buyer shall need to obtain all easements reasonably required for the full use of the Property, including without limitation, the delivery of gas and other utilities, access to the Property and the transmission of power produced at the Facility. Seller shall cooperate fully with Buyer in Buyer's efforts to obtain all such easements and, to the extent Seller is the owner of properties abutting or near the Property, at the Time of Closing Seller shall convey to Buyer all such easements reasonably required by Buyer for the construction and operation of the Facility. Seller and

Buyer shall consult to determine the optimal easements to be secured to ensure the full and unfettered construction and operation of the Facility and Buyer shall identify to Seller with specificity the easements it requires in the Exercise Notice.

12. TERMINATION.

Buyer may terminate this Option Agreement at any time by written notice to Seller accompanied by a notice of the termination of this Option Agreement in the form attached as Exhibit D duly executed by Buyer for recording by Seller. In the event that Buyer delivers such notice but fails to deliver an executed notice of termination and such failure continues for more than 7 days following a written request from Seller for the notice of termination Seller is appointed Buyer's attorney-in-fact solely for the purpose of signing and recording the notice of termination on behalf of Buyer. Buyer further agrees that, upon Seller's request, Buyer shall execute and deliver such additional instruments and documents as shall be necessary to cause the Notice to be deleted from Seller's certificate of title. Upon such termination, the obligation of Buyer to make Option Payments shall terminate; neither party shall have any further rights against the other; and Seller shall retain all Option Payments made through the date of termination in full satisfaction of all obligations of Buyer hereunder. If at the time of the Buyer's termination pursuant to this Section Buyer has not paid all payments due hereunder, Seller shall retain the right to payment of such amounts from Buyer.

Seller may terminate this Option Agreement if (1) the Maine Public Utilities Commission does not accept Buyer's proposal for the construction of the Facility and/or does not award a long term contract with one or both of Maine's investor-owned transmission and distribution utilities – Central Maine Power Company and Emera Maine; (2) Buyer fails to make an Option Payment due hereunder within fifteen (15) days of its due date and Seller gives Buyer written notice of the failure to make such option payment and Buyer fails to make such option payment within ten (10) days of receipt of notice of non-payment of option from Seller, or (3) the Rockland City Council defeats the ordinance amendment required pursuant to the Rockland, Maine Charter. In the event of Seller's termination pursuant to subsection (1) hereunder for Buyer's failure to make Option Payment(s), or in the event of Buyer's unexcused failure to close in accordance with the terms hereof after having given the Exercise Notice, Seller shall retain all Option Payments made by Buyer as full liquidated damages and Seller shall have no other recourse against Buyer at law or in equity. In the event that Buyer fails to deliver an executed notice of termination after Seller has properly terminated this Option Agreement pursuant to this Section 17 and such failure continues for more than 7 days following a written request from Seller for the notice of termination Seller is appointed Buyer's attorney-in-fact solely for the purpose of signing and recording the notice of termination on behalf of Buyer.

13. NOTICE.

All notices, demands, requests, consents, waivers, approvals, and other communications pursuant to this Option Agreement shall be in writing and shall be deemed given (i) upon the hand delivery thereof during business hours provided a receipt is obtained, or (ii) upon

the earlier of receipt or the fifth (5th) business day after posting by certified mail, return receipt requested, postage charges prepaid, or (iii) on the next business day following delivery to an overnight delivery service such as Federal Express or U.S. Postal Service Express Mail, freight charges prepaid, in each case addressed or delivered to the respective parties at their respective addresses set forth in the preamble to this Option Agreement (or at such other addresses designated by any party at any time by written notice given to the other parties in the manner set forth herein).

14. GOVERNING LAW, CHOICE OF FORUM AND JURY TRIAL WAIVER.

This Option Agreement, and any and all disputes arising out of this Option Agreement, shall be governed by and construed in accordance with the laws of the State of Maine, other than any non-mandatory provision thereof that would result in the application of the law of any jurisdiction other than the State of Maine. In any litigation arising out of or relating to this Option Agreement the Parties agree that the federal courts located in Maine, or if the federal courts lack jurisdiction, the state courts located in Knox County, Maine, shall be the exclusive forum for such litigation. Each of the parties hereby waives any right it may have to a trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Option Agreement.

15. GENERAL

This Option Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors, personal representatives, and assigns. Buyer shall not pledge, mortgage, convey, assign, or otherwise encumber or transfer this Option Agreement or its rights and obligations hereunder without the express prior written consent of Seller in each instance; except that Buyer may assign this Option Agreement, either before or after the exercise of the Option, to any entity which controls, is under common control with, or is controlled by Buyer, upon notice to Seller but without the necessity of obtaining Seller's consent thereto. No officer, director, shareholder, trustee, or beneficiary of a trust, if any, under which Seller or Buyer acts in executing this Option Agreement shall be personally liable for any obligation, express or implied, hereunder. Nor shall any affiliate of either Seller or Buyer have any liability hereunder or otherwise in relation hereto, including without limitation Energy Management, Inc., or its partners, stockholders, directors, officers and employees. This Option Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have set their hands to this OPTION AGREEMENT FOR PURCHASE OF REAL PROEPRTY effective as of the date first-above written.

Attest:

CITY OF ROCKLAND, MAINE:

Stuart H. Sylvester, City Clerk

by: James D. Chaousis II
its: City Manager

As to form:

Kevin J. Beal, City Attorney

Attest:

ROCKLAND ENERGY CENTER, LLC:

Print: _____

[Affix Seal]

by: _____

its: _____

EXHIBIT A – PROPERTY DESCRIPTIONS

270 Pleasant Street (Tax Map 57-A-2):

A certain lot or parcel of land with all the buildings thereon, situated in Rockland, Knox County, Maine, and bounded as follows, viz:

Bounded northerly by Pleasant Street, and the old Charles Butler place, so-called; westerly by land formerly of Cornelius Hanrahan; southerly by land formerly of one McNeil and land now or formerly of M.L. Simmons, owned now or formerly by S.G. Prescott; and easterly by land formerly of John Doherty.

Said lot contains ten and three-fourths acres, more or less. The above lot embraces the several lots conveyed to Asa Morse by John Hogan by deed dated August 30, 1848, and Submit A. Turner, by deed dated March 20, 1850, to which deeds reference is hereby made.

Reserving and excepting from the premises, hereinbefore described, so much thereof (if any) as has been conveyed to the Knox and Lincoln Railroad, or has been lawfully owned or occupied (as a right of way, or otherwise) by said Knox and Lincoln Railroad, or is now so owned or occupied by the Maine Central Railroad company.

Meaning and intending to convey and hereby conveying the same premises conveyed to the Camden and Rockland Water Company by deed of Warren R. Sylvester and Pauline A. Sylvester dated August 5, 1988, and recorded in the Knox County Registry of Deeds in Book 1289, Page 2.

The above described premises are conveyed subject to the following:

1. Easement from the Camden and Rockland Water Company to Central Maine Power Company and New England Telephone and Telegraph Company dated November 1, 1990, and recorded in the Knox County Registry of Deeds in Book 1486, Page 319; and
2. Contract for Electric Service between the Camden and Rockland Water Company and Central Maine Power Company dated November 1, 1990, and recorded in the Knox County Registry of Deeds in Book 1552, Page 108.

9 Burrows Street (Tax Map 57-A-5):

BEGINNING at an iron pipe on the west side of Burrows Street which point is 134 feet South 5° W. from the southerly side of Pleasant Street; thence South 5° W. by the westerly line of said Burrows Street 500 feet to an iron pipe; thence North 85° W. by land formerly of Starr Brothers, Inc. 265 feet to an iron pipe at land now or formerly of Ellison Metcalf; thence by said Metcalf's land North 23° W. 506.5 feet to an iron pipe; thence South 85° E. by said Metcalf's land 109.75 feet to the place of beginning.

Containing approximately three acres as surveyed by George E. Trafton, City Engineer, October 26, 1954.

Being a portion of the property conveyed by said City of Rockland to Starr Brothers, Inc. and recorded in the Knox Registry of Deeds, Book 291, Page 234, and Book 223, Page 310.

See plan of Samoset Park, Knox Registry of Deeds, Book 3, page 99.

Together with a right of way thirty-eight feet in width extending from Pleasant Street to said premises and described on said plan as Burrows Street.

and

A certain lot or parcel of land situated in Rockland and bounded and described as follows:

Beginning at a hole in a granite block at the northwest corner of land owned by the City of Rockland at a point 109.75 feet from the westerly side of Burrows Street; thence North 85 degrees West 134 feet along land now or formerly of Ellison Metcalf to an iron bolt and land now or formerly of Ellison Moon; thence North 80 degrees West 118 feet by said Moon property on the north to an iron bolt and land now or formerly of E. Dow; thence South 9 degrees West 620 feet by said Dow property on the south side to an iron pipe and land now or formerly of Starr Brothers; thence South 73 degrees East 73 feet by said Starr Brothers land; on the south to an iron pipe and other land of Starr Brothers; thence North 24 degrees 50 minutes East 662 feet by land of said Starr Brothers on the east and land owned by the City of Rockland to the point of beginning.

Being a portion of the premises conveyed to Ellison Metcalf by the City of Rockland by deed dated December 11, 1947, and recorded in the Knox County Registry of Deeds in Book 295, Page 172.

See Boundary Line Agreement by and between the City of Rockland, Maine, and Phyllis M. Brown, Personal Representative of the Estate of John H. Belyea, dated April 1, 2014, and recorded on the Knox County Registry of Deeds in Book 4787, Page 127.

EXHIBIT B – PERMITTED EXCEPTIONS

EXHIBIT C – FORM NOTICE OF OPTION TO PURCHASE REAL PROPERTY

OPTIONOR: **City of Rockland, Maine**, a municipal corporation duly formed and existing under the laws of the State of Maine, situated in the County of Knox, State of Maine, and having a mailing address of 270 Pleasant Street, Rockland, ME 04841.

OPTIONEE: **Rockland Energy Center, LLC**, a Maine limited liability company with a principal place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116.

PROPERTY: The real property located in the City of Rockland, Maine, at 270 Pleasant Street (Tax Map 57-A-2) and 9 Burrows Street (Tax Map 57-A-5), as described in Exhibit A attached hereto and incorporated herein.

DATE OF EXECUTION OF OPTION AGREEMENT: August 1, 2015

The parties to the Option Agreement represent that, as of the date of this Notice of Option to Purchase Real Property, such Option Agreement is in full force and effect and shall remain in effect unless and until a Notice of Termination of Option to Purchase Real Property is recorded in the Knox County Registry of Deeds.

This Notice of Option shall not serve to alter or amend the right or obligations of the parties hereto under the Option Agreement by and between the parties.

Executed this _____ day of July 2015

Attest:

CITY OF ROCKLAND, MAINE:

Stuart H. Sylvester, City Clerk

by: James D. Chaouis II
its: City Manager

As to form:

Kevin J. Beal, City Attorney

[Acknowledgement on following page.]

STATE OF MAINE
KNOX, ss.

On this 1st day of August 2015, before me, the undersigned notary public, personally appeared James D. Chaousis II, in his said capacity, and acknowledged this Notice of Option to Purchase Real Property to be his own free act and deed and the free act and deed of the said City of Rockland, Maine.

Notary Public
Print: _____

My Commission Expires:

ROCKLAND ENERGY CENTER, LLC:

by: _____
its: _____

STATE OF MAINE
KNOX, ss.

On this 1st day of August 2015, before me, the undersigned notary public, personally appeared _____, in his said capacity, and acknowledged this Notice of Option to Purchase Real Property to be his own free act and deed and the free act and deed of the said Rockland Energy Center, LLC.

Notary Public
Print: _____

My Commission Expires:

EXHIBIT D – NOTICE OF TERMINATION OF OPTION
TO PURCHASE REAL PROPERTY

NOTICE IS HERBY GIVEN that the Option Agreement dated as of August 1, 2015 (the "Option Agreement") by and between the City of Rockland, Maine (the "Optionor") and Rockland Energy Center, LLC, a Delaware limited liability company with a principal place of business at c/o Energy Management, Inc., 20 Park Plaza, Suite 320, Boston, MA 02116 (the "Optionee"), is hereby terminated. The Property which is the subject of the Option Agreement is as described in Exhibit A, attached hereto and incorporated herein.

Executed this ____ day of _____

_____ (terminating party):

by: _____
its: _____

STATE OF MAINE
_____, ss.

On this ____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public

My Commission Expires: