

RIPUC Use Only

Date Application Received: ___/___/___
Date Review Completed: ___/___/___
Date Commission Action: ___/___/___
Date Commission Approved: ___/___/___

GIS Certification #:

RENEWABLE ENERGY RESOURCES ELIGIBILITY FORM

**The Standard Application Form
Required of all Applicants for Certification of Eligibility of Renewable Energy Resource
(Version 6 – January 21, 2008)**

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
Pursuant to the Renewable Energy Act
Section 39-26-1 et. seq. of the General Laws of Rhode Island**

NOTICE:

When completing this Renewable Energy Resources Eligibility Form and any applicable Appendices, please refer to the State of Rhode Island and Providence Plantations Public Utilities Commission Rules and Regulations Governing the Implementation of a Renewable Energy Standard (RES Regulations, Effective Date: January 1, 2006), and the associated RES Certification Filing Methodology Guide. All applicable regulations, procedures and guidelines are available on the Commission's web site: www.ripuc.org/utilityinfo/res.html. Also, all filings must be in conformance with the Commission's Rules of Practice and Procedure, in particular, Rule 1.5, or its successor regulation, entitled "Formal Requirements as to Filings."

- Please complete the Renewable Energy Resources Eligibility Form and Appendices using a typewriter or black ink.
- Please submit one original and three copies of the completed Application Form, applicable Appendices and all supporting documentation to the Commission at the following address:

Rhode Island Public Utilities Commission
89 Jefferson Blvd
Warwick, RI 02888

Attn: Renewable Energy Resources Eligibility

In addition to the paper copies, electronic/email submittals are required under Commission regulations. Such electronic submittals should be sent to: Luly E. Massaro, Commission Clerk at lmassaro@puc.state.ri.us

- In addition to filing with the Commission, Applicants are required to send, electronically or electronically and in paper format, a copy of the completed Application including all attachments and supporting documentation, to the Division of Public Utilities and Carriers and to all interested parties. A list of interested parties can be obtained from the Commission's website at www.ripuc.org/utilityinfo/res.html.
- Keep a copy of the completed Application for your records.
- The Commission will notify the Authorized Representative if the Application is incomplete.
- Pursuant to Section 6.0 of the RES Regulations, the Commission shall provide a thirty (30) day period for public comment following posting of any administratively complete Application.
- Please note that all information submitted on or attached to the Application is considered to be a public record unless the Commission agrees to deem some portion of the application confidential after consideration under section 1.2(g) of the Commission's Rules of Practice and Procedure.
- In accordance with Section 6.2 of the RES Regulations, the Commission will provide prospective reviews for Applicants seeking a preliminary determination as to whether a facility would be eligible prior to the formal certification process described in Section 6.1 of the RES Regulations. Please note that space is provided on the Form for applicant to designate the type of review being requested.
- Questions related to this Renewable Energy Resources Eligibility Form should be submitted in writing, preferably via email and directed to: Luly E. Massaro, Commission Clerk at RES@puc.state.ri.us

SECTION I: Identification Information

1.1 Name of Generation Unit (sufficient for full and unique identification):
Golden Pond Hydro

1.2 Type of Certification being requested (check one):
X Standard Certification Prospective Certification (Declaratory Judgment)
RI "New" Resource

1.3 This Application includes: (Check all that apply)¹

APPENDIX A: Authorized Representative Certification for Individual Owner or Operator

APPENDIX B: Authorized Representative Certification for Non-Corporate Entities Other Than Individuals

APPENDIX C: Existing Renewable Energy Resources

APPENDIX D: Special Provisions for Aggregators of Customer-sited or Off-grid Generation Facilities

APPENDIX E: Special Provisions for a Generation Unit Located in a Control Area Adjacent to NEPOOL

APPENDIX F: Fuel Source Plan for Eligible Biomass Fuels

1.4 Primary Contact Person name and title: Bill Fay, President

1.5 Primary Contact Person address and contact information:

Address: P.O. BOX 624, Thorndike, MA 01079

Phone: (413) 427 2665 Fax: (413) 599 1291

Email: William Fay [wfay@frenchriverland.com]

1.6 Backup Contact Person name and title: Will Fay

1.7 Backup Contact Person address and contact information:

Address: P.O. Box 624, Thorndike, MA. 01079

Phone: (413) 244-6445 Fax: (413) 289-1707

Email: wfay7593@yahoo.com

¹ Please note that all Applicants are required to complete the Renewable Energy Resources Eligibility Standard Application Form and all of the Appendices that apply to the Generation Unit or Owner or Operator that is the subject of this Form. Please omit Appendices that do not apply.

1.8 Name and Title of Authorized Representative (i.e., the individual responsible for certifying the accuracy of all information contained in this form and associated appendices, and whose signature will appear on the application): _____ Bill Fay, President

Appendix A or B (as appropriate) completed and attached? Yes No N/A

1.9 Authorized Representative address and contact information:

Address: _____

Phone: _____ Fax: _____

Email: _____

1.10 Owner name and title: ___Golden Pond Hydro LLC_____

1.11 Owner address and contact information:

Address: P.O. Box 624
Thorndike, MA. 01079

Phone: _____(413) 427 2665_____ Fax: _____(413) 599 1291

Email: _____William Fay [wfay@frenchriveland.com]_____

1.12 Owner business organization type (check one):

Individual

Partnership

Corporation

Other: _____

1.13 Operator name and title: _____Same as above_____

1.14 Operator address and contact information:

Address: _____

Phone: _____ Fax: _____

Email: _____

1.15 Operator business organization type (check one):

Individual

Partnership

Corporation

Other: _____

SECTION II: Generation Unit Information, Fuels, Energy Resources and Technologies

2.1 ISO-NE Generation Unit Asset Identification Number or NEPOOL GIS Identification Number (either or both as applicable): GIS Application pending

2.2 Generation Unit Nameplate Capacity: 0.85 MW

2.3 Maximum Demonstrated Capacity: 0.85 MW

2.4 Please indicate which of the following Eligible Renewable Energy Resources are used by the Generation Unit: (Check ALL that apply) – *per RES Regulations Section 5.0*

- Direct solar radiation
- The wind
- Movement of or the latent heat of the ocean
- The heat of the earth
- Small hydro facilities
- Biomass facilities using Eligible Biomass Fuels and maintaining compliance with all aspects of current air permits; Eligible Biomass Fuels may be co-fired with fossil fuels, provided that only the renewable energy fraction of production from multi-fuel facilities shall be considered eligible.
- Biomass facilities using unlisted biomass fuel
- Biomass facilities, multi-fueled or using fossil fuel co-firing
- Fuel cells using a renewable resource referenced in this section

2.5 If the box checked in Section 2.4 above is “Small hydro facilities”, please certify that the facility’s aggregate capacity does not exceed 30 MW. – *per RES Regulations Section 3.31*

← check this box to certify that the above statement is true

N/A or other (please explain) _____

2.6 If the box checked in Section 2.4 above is “Small hydro facilities”, please certify that the facility does not involve any new impoundment or diversion of water with an average salinity of twenty (20) parts per thousand or less. – *per RES Regulations Section 3.31*

← check this box to certify that the above statement is true

N/A or other (please explain) _____

2.7 If you checked one of the Biomass facilities boxes in Section 2.1 above, please respond to the following:

A. Please specify the fuel or fuels used or to be used in the Unit: _____

B. Please complete and attach Appendix F, Eligible Biomass Fuel Source Plan.

Appendix F completed and attached?

Yes

No

N/A

2.8 Has the Generation Unit been certified as a Renewable Energy Resource for eligibility in another state's renewable portfolio standard?

Yes No If yes, please attach a copy of that state's certifying order.

Copy of State's certifying order attached? Yes No N/A

SECTION III: Commercial Operation Date

Please provide documentation to support all claims and responses to the following questions:

3.1 Date Generation Unit first entered Commercial Operation: 04 / 09 / 82 at the site.

3.2 Is there an Existing Renewable Energy Resource located at the site of Generation Unit?

Yes
 No

3.3 If the date entered in response to question 3.1 is earlier than December 31, 1997 or if you checked "Yes" in response to question 3.2 above, please complete Appendix C.

Appendix C completed and attached? Yes No N/A

3.4 Was all or any part of the Generation Unit used on or before December 31, 1997 to generate electricity at any other site?

Yes
 No

3.5 If you checked "Yes" to question 3.4 above, please specify the power production equipment used and the address where such power production equipment produced electricity (attach more detail if the space provided is not sufficient):

SECTION IV: Metering

4.1 Please indicate how the Generation Unit's electrical energy output is verified (check all that apply):

- ISO-NE Market Settlement System
- Self-reported to the NEPOOL GIS Administrator
- Other (please specify below and see Appendix D: Eligibility for Aggregations):

Appendix D completed and attached? Yes No N/A

SECTION V: Location

5.1 Please check one of the following that apply to the Generation Unit:

- Grid Connected Generation
- Off-Grid Generation (not connected to a utility transmission or distribution system)
- Customer Sited Generation (interconnected on the end-use customer side of the retail electricity meter in such a manner that it displaces all or part of the metered consumption of the end-use customer)

5.2 Generation Unit address: 39 Mill Pond Road
Ashland, NH 03217

5.3 Please provide the Generation Unit's geographic location information:

A. Universal Transverse Mercator Coordinates: E284976 / N1846654

B. Longitude/Latitude: 43.7034 / -71.6121

5.4 The Generation Unit located: (please check the appropriate box)

- In the NEPOOL control area
- In a control area adjacent to the NEPOOL control area
- In a control area other than NEPOOL which is not adjacent to the NEPOOL control area ← *If you checked this box, then the generator does not qualify for the RI RES – therefore, please do not complete/submit this form.*

5.5 If you checked "In a control area adjacent to the NEPOOL control area" in Section 5.4 above, please complete Appendix E.

Appendix E completed and attached?

- Yes No N/A

SECTION VI: Certification

6.1 Please attach documentation, using one of the applicable forms below, demonstrating the authority of the Authorized Representative indicated in Section 1.8 to certify and submit this Application.

Corporations

If the Owner or Operator is a corporation, the Authorized Representative shall provide **either**:

- (a) Evidence of a board of directors vote granting authority to the Authorized Representative to execute the Renewable Energy Resources Eligibility Form, **or**
- (b) A certification from the Corporate Clerk or Secretary of the Corporation that the Authorized Representative is authorized to execute the Renewable Energy Resources Eligibility Form or is otherwise authorized to legally bind the corporation in like matters.

Evidence of Board Vote provided? Yes No N/A

Corporate Certification provided? Yes No N/A

Individuals

If the Owner or Operator is an individual, that individual shall complete and attach APPENDIX A, or a similar form of certification from the Owner or Operator, duly notarized, that certifies that the Authorized Representative has authority to execute the Renewable Energy Resources Eligibility Form.

Appendix A completed and attached? Yes No N/A

Non-Corporate Entities

(Proprietorships, Partnerships, Cooperatives, etc.) If the Owner or Operator is not an individual or a corporation, it shall complete and attach APPENDIX B or execute a resolution indicating that the Authorized Representative named in Section 1.8 has authority to execute the Renewable Energy Resources Eligibility Form or to otherwise legally bind the non-corporate entity in like matters.

Appendix B completed and attached? Yes No N/A

6.2 Authorized Representative Certification and Signature:

I hereby certify, under pains and penalties of perjury, that I have personally examined and am familiar with the information submitted herein and based upon my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties, both civil and criminal, for submitting false information, including possible fines and punishment. My signature below certifies all information submitted on this Renewable Energy Resources Eligibility Form. The Renewable Energy Resources Eligibility Form includes the Standard Application Form and all required Appendices and attachments. I acknowledge that the Generation Unit is obligated to and will notify the Commission promptly in the event of a change in a generator's eligibility status (including, without limitation, the status of the air permits) and that when and if, in the Commission's opinion, after due consideration, there is a material change in the characteristics of a Generation Unit or its fuel stream that could alter its eligibility, such Generation Unit must be re-certified in accordance with Section 9.0 of the RES Regulations. I further acknowledge that the Generation Unit is obligated to and will file such quarterly or other reports as required by the Regulations and the Commission in its certification order. I understand that the Generation Unit will be immediately de-certified if it fails to file such reports.

Signature of Authorized Representative:

SIGNATURE: William J. [Signature] DATE: October 20th 2008
Member, Golden Puget Hydro LLC
(Title)

APPENDIX C

(Required of all Applicants with Generation Units at the Site of Existing Renewable Energy Resources)

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

RENEWABLE ENERGY RESOURCES ELIGIBILITY FORM

**Pursuant to the Renewable Energy Act
Section 39-26-1 et. seq. of the General Laws of Rhode Island**

If the Generation Unit: (1) first entered into commercial operation before December 31, 1997; or (2) is located at the exact site of an Existing Renewable Energy Resource, please complete the following and attach documentation, as necessary to support all responses:

- C.1 Is the Generating Unit seeking certification, either in whole or in part, as a New Renewable Energy Resource? Yes No
- C.2 If you answered "Yes" to question C.1, please complete the remainder of Appendix C. If you answered "No" and are seeking certification entirely as an Existing Renewable Energy Resource, you do NOT need to complete the remainder of Appendix C.
- C.3 If an Existing Renewable Energy Resource is/was located at the site, has such Existing Renewable Energy Resource been retired and replaced with the new Generation Unit at the same site? Yes No
- C.4 Is the Generation Unit a Repowered Generation Unit (as defined in Section 3.28 of the RES Regulations) which uses Eligible Renewable Energy Resources and which first entered commercial operation after December 31, 1997 at the site of an existing Generation Unit? Yes No
- C.5 If you checked "Yes" to question C.4 above, please provide documentation to support that the entire output of the Repowered Generation Unit first entered commercial operation after December 31, 1997.
- C.6 Is the Generation Unit a multi-fuel facility in which an Eligible Biomass Fuel is first co-fired with fossil fuels after December 31, 1997? Yes No

- C.7 If you checked "Yes" to question C.6 above, please provide documentation to support that the renewable energy fraction of the energy output first occurred after December 31, 1997.
- C.8 Is the Generation Unit an Existing Renewable Energy Resource other than an Intermittent Resource (as defined in Section 3.9 and 3.14 of the RES Regulations)? Yes No
- C.9 If you checked "Yes" to question C.8 above, please attach evidence of completed capital investments after December 31, 1997 attributable to efficiency improvements or additions of capacity that are sufficient to, were intended to, and can be demonstrated to increase annual electricity output in excess of ten percent (10%). As specified in Section 3.22.v of the RES Regulations, the determination of incremental production shall not be based on any operational changes at such facility **not directly** associated with the efficiency improvements or additions of capacity.
- C.10 Is the Generating Unit an Existing Renewable Energy Resource that is an Intermittent Resource? Yes No
- C.11 If you checked "Yes" to question C.10 above, please attach evidence of completed capital investments after December 31, 1997 attributable to efficiency improvements or additions of capacity that are sufficient to, were intended to, and have demonstrated on a normalized basis to increase annual electricity output in excess of ten percent (10%). The determination of incremental production shall not be based on any operational changes at such facility **not directly** associated with the efficiency improvements or additions of capacity. In no event shall any production that would have existed during the Historical Generation Baseline period in the absence of the efficiency improvements or additions to capacity be considered incremental production. Please refer to Section 3.22.vi of the RES Regulations for further guidance.
- C.12 If you checked "Yes" to C.10, provide the single proposed percentage of production to be deemed incremental, attributable to the efficiency improvements or additions of capacity placed in service after December 31, 1997. Please provide backup information sufficient for the Commission to make a determination of this incremental production percentage.
- C.13 If you checked "no" to both C.3 and C.4 above, please complete the following:
- a. Was the Existing Renewable Energy Resource located at the exact site at any time during calendar years 1995 through 1997? Yes No
 - b. If you checked "yes" in Subsection (a) above, please provide the Generation Unit Asset Identification Number and the average annual electrical production (MWhs) for the three calendar years 1995 through 1997, or for the first 36 months after the Commercial Operation Date if that date is after December 31, 1994, for each such Generation Unit.

- c. Please attach a copy of the derivation of the average provided in (b) above, along with documentation support (such as ISO reports) for the information provided in Subsection (b) above. Data must be consistent with quantities used for ISO Market Settlement System.

**Freshwater Hydro
Ashland, NH**

<u>1990</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-90	24,000	36,600	60,600
01-Feb-90	26,400	33,400	59,800
01-Mar-90	23,800	30,200	54,000
01-Apr-90	23,000	28,600	51,600
01-May-90	20,400	28,400	48,800
01-Jun-90	20,400	26,800	47,200
01-Jul-90	16,400	19,400	35,800
01-Aug-90	14,400	17,400	31,800
01-Sep-90	15,200	20,800	36,000
01-Oct-90	16,640	23,120	39,760
01-Nov-90	23,360	30,880	54,240
01-Dec-90	<u>27,840</u>	<u>35,520</u>	<u>63,360</u>
	251,840	331,120	582,960

<u>1991</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-91	24,800	39,200	64,000
01-Feb-91	25,760	33,120	58,880
01-Mar-91	22,240	26,880	49,120
01-Apr-91	17,600	20,800	38,400
01-May-91	15,680	22,560	38,240
01-Jun-91	13,120	16,640	29,760
01-Jul-91	10,080	12,640	22,720
01-Aug-91	0	0	0
01-Sep-91	160	1,440	1,600
01-Oct-91	0	0	0
01-Nov-91	17,440	25,120	42,560
01-Dec-91	<u>27,680</u>	<u>36,000</u>	<u>63,680</u>
	174,560	234,400	408,960

<u>1992</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-92	24,800	40,000	64,800
01-Feb-92	25,280	32,640	57,920
01-Mar-92	19,200	24,640	43,840
01-Apr-92	17,920	21,280	39,200
01-May-92	20,640	26,720	47,360
01-Jun-92	15,200	16,640	31,840
01-Jul-92	11,040	15,040	26,080
01-Aug-92	20,160	23,520	43,680
01-Sep-92	15,840	24,320	40,160
01-Oct-92	20,320	26,240	46,560
01-Nov-92	18,400	25,120	43,520
01-Dec-92	<u>27,200</u>	<u>39,840</u>	<u>67,040</u>
	236,000	316,000	552,000

Freshwater Hydro
Ashland, NH

<u>1993</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-93	22,400	33,760	56,160
01-Feb-93	14,880	19,200	34,080
01-Mar-93	14,880	20,320	35,200
01-Apr-93	21,600	26,400	48,000
01-May-93	19,360	22,880	42,240
01-Jun-93	17,440	24,800	42,240
01-Jul-93	15,520	17,120	32,640
01-Aug-93	18,240	22,880	41,120
01-Sep-93	14,880	19,840	34,720
01-Oct-93	13,303	17,624	30,927
01-Nov-93	14,880	20,960	35,840
01-Dec-93	<u>19,680</u>	<u>26,240</u>	<u>45,920</u>
	207,063	272,024	479,087

<u>1994</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-94	22,400	33,760	56,160
01-Feb-94	23,520	28,640	52,160
01-Mar-94	19,200	28,800	48,000
01-Apr-94	26,080	31,040	57,120
01-May-94	26,560	32,160	58,720
01-Jun-94	23,520	32,480	56,000
01-Jul-94	13,760	16,000	29,760
01-Aug-94	17,600	23,680	41,280
01-Sep-94	14,880	19,200	34,080
01-Oct-94	16,160	19,680	35,840
01-Nov-94	20,800	28,160	48,960
01-Dec-94	<u>17,600</u>	<u>24,640</u>	<u>42,240</u>
	242,080	318,240	560,320

<u>1995</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-95	18,400	30,880	49,280
01-Feb-95	24,160	28,480	52,640
01-Mar-95	17,440	24,480	41,920
01-Apr-95	21,440	24,960	46,400
01-May-95	18,880	22,080	40,960
01-Jun-95	16,160	23,520	39,680
01-Jul-95	16,640	21,600	38,240
01-Aug-95	13,120	14,400	27,520
01-Sep-95	6,240	2,400	8,640
01-Oct-95	12,960	13,440	26,400
01-Nov-95			0
01-Dec-95	<u>23,520</u>	<u>33,920</u>	<u>57,440</u>
	188,960	240,160	429,120

Freshwater Hydro
Ashland, NH

<u>1996</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-96	19,200	30,880	50,080
01-Feb-96	24,000	27,040	51,040
01-Mar-96	24,000	32,000	56,000
01-Apr-96	23,752	28,723	52,475
01-May-96	20,320	29,280	49,600
01-Jun-96	20,640	25,120	45,760
01-Jul-96	14,140	16,250	30,390
01-Aug-96	21,600	22,880	44,480
01-Sep-96	15,040	20,640	35,680
01-Oct-96	13,440	18,400	31,840
01-Nov-96	16,320	19,360	35,680
01-Dec-96	<u>16,960</u>	<u>28,800</u>	<u>45,760</u>
TOTAL:	229,412	299,373	528,785

<u>1997</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-97	27,911	38,206	66,117
01-Feb-97	25,499	33,867	59,366
01-Mar-97	25,991	31,820	57,811
01-Apr-97	27,246	35,397	62,643
01-May-97	23,853	31,442	55,295
01-Jun-97	7,378	8,232	15,610
01-Jul-97	0	0	0
01-Aug-97	0	0	0
01-Sep-97	0	0	0
01-Oct-97	0	0	0
01-Nov-97	15,516	19,212	34,728
01-Dec-97	<u>17,518</u>	<u>29,652</u>	<u>47,170</u>
TOTAL:	170,912	227,828	398,740

<u>1998</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-98	23,617	33,273	56,890
01-Feb-98	22,879	32,310	55,189
01-Mar-98	30,327	40,302	70,629
01-Apr-98	28,507	32,073	60,580
01-May-98	22,506	29,562	52,068
01-Jun-98	9,850	13,623	23,473
01-Jul-98	23,086	27,247	50,333
01-Aug-98	15,154	17,842	32,996
01-Sep-98	10,343	12,737	23,080
01-Oct-98	14,078	15,108	29,186
01-Nov-98	20,123	26,631	46,754
01-Dec-98	<u>17,465</u>	<u>25,031</u>	<u>42,496</u>
TOTAL:	237,935	305,739	543,674

Freshwater Hydro
Ashland, NH

<u>1999</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-99	25,073	18,530	43,603
01-Feb-99	16,085	21,016	37,101
01-Mar-99	26,525	34,823	61,348
01-Apr-99	26,034	31,047	57,081
01-May-99			0
01-Jun-99	3,269	4,552	7,821
01-Jul-99	10,681	14,011	24,692
01-Aug-99	12,137	15,355	27,492
01-Sep-99	2,524	3,203	5,727
01-Oct-99			0
01-Nov-99	15,894	23,454	39,348
01-Dec-99	<u>28,845</u>	<u>33,646</u>	<u>62,491</u>
TOTAL:	167,067	199,637	366,704

<u>2000</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-00	13,914	16,669	30,583
01-Feb-00	16,359	23,540	39,899
01-Mar-00	19,736	23,097	42,833
01-Apr-00	26,576	34,107	60,683
01-May-00	23,173	34,985	58,158
01-Jun-00	19,686	22,601	42,287
01-Jul-00	12,187	16,578	28,765
01-Aug-00	11,342	16,751	28,093
01-Sep-00	358	250	608
01-Oct-00	0	0	0
01-Nov-00	6,990	7,853	14,843
01-Dec-00	<u>7,909</u>	<u>10,868</u>	<u>18,777</u>
TOTAL:	158,230	207,299	365,529

<u>2001</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-01	12,613	19,579	32,192
01-Feb-01	12,669	16,722	29,391
01-Mar-01	21,173	25,658	46,831
01-Apr-01	23,257	28,646	51,903
01-May-01			0
01-Jun-01	9,794	14,183	23,977
01-Jul-01	11,678	17,198	28,876
01-Aug-01	9,181	10,192	19,373
01-Sep-01	8,443	11,569	20,012
01-Oct-01	1,694	1,849	3,543
01-Nov-01	0	0	0
01-Dec-01	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL:	110,502	145,596	256,098

Freshwater Hydro
Ashland, NH

<u>1999</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-99	25,073	18,530	43,603
01-Feb-99	16,085	21,016	37,101
01-Mar-99	26,525	34,823	61,348
01-Apr-99	26,034	31,047	57,081
01-May-99			0
01-Jun-99	3,269	4,552	7,821
01-Jul-99	10,681	14,011	24,692
01-Aug-99	12,137	15,355	27,492
01-Sep-99	2,524	3,203	5,727
01-Oct-99			0
01-Nov-99	15,894	23,454	39,348
01-Dec-99	28,845	33,646	62,491
TOTAL:	167,067	199,637	366,704

<u>2000</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-00	13,914	16,669	30,583
01-Feb-00	16,359	23,540	39,899
01-Mar-00	19,736	23,097	42,833
01-Apr-00	26,576	34,107	60,683
01-May-00	23,173	34,985	58,158
01-Jun-00	19,686	22,601	42,287
01-Jul-00	12,187	16,578	28,765
01-Aug-00	11,342	16,751	28,093
01-Sep-00	358	250	608
01-Oct-00	0	0	0
01-Nov-00	6,990	7,853	14,843
01-Dec-00	7,909	10,868	18,777
TOTAL:	158,230	207,299	365,529

<u>2001</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-01	12,613	19,579	32,192
01-Feb-01	12,669	16,722	29,391
01-Mar-01	21,173	25,658	46,831
01-Apr-01	23,257	28,646	51,903
01-May-01			0
01-Jun-01	9,794	14,183	23,977
01-Jul-01	11,678	17,198	28,876
01-Aug-01	9,181	10,192	19,373
01-Sep-01	8,443	11,569	20,012
01-Oct-01	1,694	1,849	3,543
01-Nov-01	0	0	0
01-Dec-01	0	0	0
TOTAL:	110,502	145,596	256,098

Freshwater Hydro
Ashland, NH

<u>2002</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-02	0	0	0
01-Feb-02	0	0	0
01-Mar-02	6,541	10,858	17,399
01-Apr-02	17,096	20,770	37,866
01-May-02	24,108	30,082	54,190
01-Jun-02	10,000	15,000	25,000
01-Jul-02			0
01-Aug-02			0
01-Sep-02			0
01-Oct-02			0
01-Nov-02			0
01-Dec-02			0
TOTAL:	57,745	76,710	134,455

Freshwater Hydro
Ashland, NH

Annual Output

1987	565,400
1988	418,200
1989	307,200
1990	582,960
1991	408,960
1992	552,000
1993	479,087
1994	560,320
1995	429,120
1996	528,785
1997	398,740
1998	543,674
1999	366,704
2000	365,529
2001	<u>256,098</u>
Ave.	450,852

High 582,960

Low 256,098 (2001 drought year)

2. Power Purchase

a. Commencing on the Commencement Date, Seller shall sell and Buyer shall purchase from Seller all of the electricity produced by the Facility as measured at the meter located on Seller's property, less 2.5% of such electricity (the "Power"). Seller shall provide Buyer with prompt written notice of any material change in its ability to generate Power during the time this Agreement is in effect.

b. Buyer shall purchase the Power at a purchase price equal to the amount paid by Buyer for the electricity it purchases from the Vermont Public Power Supply Authority ("VPPSA") less \$0.015/kilowatt-hour ("kWh") (the "Purchase Price").

c. Seller's obligation to sell the Power provided for in Section 2(a) shall be excused only to the extent that, and for the period during which, such performance is prevented by Force Majeure affecting Seller.

3. Billing and Payment

a. Seller shall render a bill to Buyer reflecting the amount of Power delivered to it (the "Invoiced Quantity") for the prior calendar month by the tenth (10) day of the following month (the "Invoiced Amount"). Buyer shall calculate the amount of payment due by multiplying the Invoiced Quantity by the Purchase Price.

b. Bills may be based in whole or in part upon estimates. Within fifteen (15) days of receipt of its most current invoice from VPPSA (the "Due Date"), Buyer shall calculate the Purchase Price and submit payment to Seller for the Invoiced Amount, and shall include with such payment a copy of the most recent invoice from VPPSA. All amounts due which remain unpaid after the Due Date and through the end of the following calendar month shall bear interest at the annual rate of eighteen percentage points (18%). If any bill remains unpaid thereafter, any amounts due shall be subject to an additional amount of interest at one and a half (1.5) percentage points for each month that the bill remains unpaid.

c. Seller shall have the right to terminate this Agreement if any bill remains unpaid sixty (60) days from the Buyer's receipt of the bill. Seller shall provide Buyer with five (5) days written notice of its intent to terminate the Agreement based on Buyer's non-payment.

4. Maintenance. Buyer shall conduct minor maintenance on the Facility, including, but not limited to cleaning grates as needed and adjusting gate(s) to waterflow. In addition, Buyer shall notify Seller of any abnormal conditions of the Facility that it observes. Buyer shall have no other obligations whatsoever with regard to the Facility.

5. Liability, Indemnification, and Insurance

a. Nothing in this Agreement shall create any duty, standard of care, or liability to, or any right in, any person not a party to it. Neither party shall be liable to the other party for any consequential or punitive damages.

b. Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party (the "Indemnified Party") (including its corporate parent, corporate subsidiaries, affiliates, agents, officers, directors, employees, successors, and assigns) from and against any damages or losses whatsoever, including but not limited to damages resulting from the willful misconduct or gross negligence of the Indemnifying Party, suffered by the Indemnified Party by reason of personal injury, death or damage to property directly or indirectly caused by, arising out of, sustained on, or in any way connected with the Indemnifying Party's use or operation of its own facilities in the performance of this Agreement, except that each party shall be solely responsible for, and shall bear all costs arising from, any such injury, death, or damage to third parties caused by or claimed to have been caused by the actions of the applicable party's own employees or contractors covered by any workers' compensation law.

6. Laws, Regulations, Orders, Approvals, Permits and Taxes. This Agreement is made subject to all applicable present and future local, state, and federal laws and to the regulations or orders of any local, state, or federal regulatory authority having jurisdiction over the matters set forth herein, and performance hereunder is conditioned upon securing and retaining such local, state, and federal approvals, grants, or permits as may from time to time be necessary with respect to such performance. Both parties agree to use their respective best efforts to secure and retain all such approvals, grants, and permits.

7. Minimum Damages. In the event that Seller terminates this Agreement as provided for in Section 3(c), Seller shall be entitled to minimum cover damages ("Minimum Damages"). Such Minimum Damages shall be equal to the amount to cover fully the difference (where negative) between the amount received by Seller for the resale of the Power purchased for Buyer and the price that Buyer would have paid for such Power if the Agreement had not been terminated. The amount determined to be due and payable hereunder as Minimum Damages shall bear interest at the annual rate of two percentage points over the prime rate as published in the Wall Street Journal through the date of payment by Buyer.

8. Remedies. Subject to the provisions of Article 7 hereof, upon either party's failure to perform any obligation of this Agreement, the other party, in addition to the rights described in specific sections of this Agreement, and except to the extent specifically limited by this Agreement, may exercise, at its election, any rights and claim and obtain any remedies it may have at law or in equity including, without limitation, compensation for monetary damages, injunctive relief and specific performance.

9. Assignment. The rights and/or obligations of a party under this Agreement may not be assigned without the prior written consent of the other party, which consent shall not be unreasonably withheld.

10. Interpretation. The interpretation and performance of this Agreement shall be in accordance with, and controlled by, the laws of the State of New Hampshire.

11. Force Majeure.

a. "Force Majeure" shall mean any cause beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure, including, without limitation, storm, flood, lightning, drought, earthquakes, hurricane, tornado, landslide, fire, epidemic, war, riot, sabotage, explosions, civil disturbance, labor dispute, act of God or the public enemy, action of a court, public authority or governmental entity, change in law, or inability to obtain necessary regulatory approvals. Notwithstanding the foregoing, none of the following shall constitute Force Majeure hereunder: (i) the inability of a party to obtain financing at any time or from time to time; (ii) the failure or inability of a party to realize a profit or avoid a loss attributable to the performance of its obligations or the exercise of its rights under this Agreement; or (iii) the failure or inability of Buyer to use or resell the power made available to it by Seller.

b. A party shall be excused from performing under this Agreement, to the extent and for the period that the party's inability to perform is caused by a Force Majeure, provided that the nonperforming party promptly gives the other party written notice describing the particulars of the Force Majeure, and that the nonperforming party shall exert its best efforts to resume performance hereunder within the earliest practicable time following any such Force Majeure. A Force Majeure shall not excuse the obligations of either party under the indemnification provisions of Article 5.

12. Severability of Provisions. If any one or more provisions contained herein shall be finally determined by any court of competent jurisdiction to contravene, or be invalid under, any applicable provision of law, or shall at any time fail to be effective or operational for any reason other than a default under this Agreement, including without limitation disallowance or invalidation by any regulatory authority having jurisdiction over the matters contained in the Agreement, such contravention, invalidity, disallowance, or failure to be effective or operational shall not invalidate this entire Agreement, but such provision or provisions shall be severed from this Agreement, and the Agreement shall be construed as if not containing such provision or provisions, and the rights and obligations of the parties shall be construed and enforced accordingly; provided, however, that no new obligation shall thereby be imposed on either party. The parties will negotiate in good faith to provide a substitute for such severed provision or provisions, but no such substitute shall be binding on either party unless set forth in a written document executed and delivered by each of the parties to this Agreement and filed with and accepted for filing by such regulatory authorities as have jurisdiction.

13. Miscellaneous.

a. Each party shall execute and deliver to the other party any documents reasonably required to implement any provision hereof.

b. Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as the original.

c. This Agreement may be modified only by an instrument in writing signed by duly authorized representatives of all of the parties hereto.

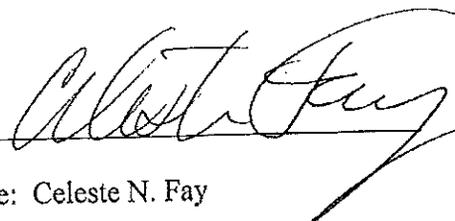
d. Delay or failure of either party to enforce all or part of any provision of this Agreement, or to require performance by the other party of all or part of any provision hereof, shall not be construed as a waiver of such provision, or any other provision, or affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision.

e. All written notices or requests (including without limitation bills rendered pursuant to Section 3(b)) shall be deemed to have been given or made when delivered by mail, similar private carrier, telecopy, or other electronic means, to a party at the address shown below its name on the signature page hereto, or to such other address as may be hereafter designated in writing by such party to the other party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective authorized officers as of the date first written above.

GOLDEN POND HYDRO, LLC

TOWN OF ASHLAND ELECTRIC
DEPARTMENT

By: 

By: Melvin C Holland

Name: Celeste N. Fay

Name: Melvin C Holland

Title:

Title: CHAIRMAN A.E.D. Com.

Address: P.O. Box 624
Thorndike, MA 01079

Address: 6 Collins Street
Ashland, NH 03217

PURCHASED POWER AGREEMENT

BETWEEN

GOLDEN POND HYDRO, LLC

AND

TOWN OF ASHLAND ELECTRIC DEPARTMENT

THIS PURCHASED POWER AGREEMENT ("Agreement") is made and entered into as of June 30, 2007 by and between Golden Pond Hydro, LLC ("Seller") and the Town of Ashland Electric Department ("Buyer").

WHEREAS, Seller owns a hydro-electric facility in Ashland, New Hampshire (the "Facility") and desires to sell the net output of electricity from the Facility to Buyer;

WHEREAS, Buyer is a New Hampshire municipal utility, which provides retail electric service in Ashland, New Hampshire; and

WHEREAS, Seller seeks to sell, and Buyer seeks to purchase, electric power on a wholesale basis for use by Buyer in the operation of its municipal electric utility.

NOW, THEREFORE, in consideration of the premises and of the mutual obligations and undertakings set forth herein, the parties agree as follows:

1. **Term**: This Agreement shall become effective on August 1, 2007 (the "Commencement Date") unless the parties shall agree otherwise in writing, and shall have an initial term of one year. The Agreement shall automatically renew for successive one year terms unless terminated during any such successive one year terms by either party with ninety (90) days written notice or as set forth in Section 3(c) of this Agreement. The applicable provisions of this Agreement shall continue in effect after the termination of this Agreement to the extent necessary to provide for final billing and billing adjustments, but all such billing and billing adjustments shall be made not later than six months following the termination of this Agreement. If information necessary to provide for any final billing or billing adjustment remains unavailable at the end of such six month period, such final billing or billing adjustments shall be made based on the good faith estimates of the parties.



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051

DOCKET NO. 08-05-11 APPLICATION OF GOLDEN POND HYDRO LLC FOR
QUALIFICATION AS A CLASS I RENEWABLE ENERGY
SOURCE

July 2, 2008

By the following Commissioners:

Anne C. George
Donald W. Downes
John W. Betkoski, III

DECISION

I. INTRODUCTION

A. SUMMARY

In this Decision, the Department of Public Utility Control determines that the Golden Pond Hydro, LLC generating facility qualifies as a Class I renewable energy source as a run-of-river hydroelectric facility, beginning with the calendar quarter commencing April 1, 2008, and assigns it Connecticut Renewable Portfolio Standard (RPS) Registration Number CT00269-08.

B. BACKGROUND OF THE PROCEEDING

By application dated May 21, 2008, Golden Pond Hydro LLC (Golden Pond) requested that the Department of Public Utility Control (Department) determine that the Golden Pond Hydro generation facility qualifies as a Class I renewable energy source.

C. CONDUCT OF THE PROCEEDING

There is no statutory requirement for a hearing, no person requested a hearing, and none was held.

D. PARTICIPANTS IN THE PROCEEDING

The Department recognized Golden Pond Hydro, LLC, Box 624, Thorndike, MA 01079, and the Office of Consumer Counsel, Ten Franklin Square, New Britain, Connecticut 06051, as Participants in this proceeding.

II. DEPARTMENT ANALYSIS

Pursuant to Connecticut General Statutes (C.G.S.) §16-1(a)(27), as amended by Public Act 03-221, An Act Concerning Technical Revisions to the Utility Statutes and Telecommunications Towers on Agricultural Land, "Class I renewable energy source" includes energy derived from a run-of-the-river hydropower facility provided such facility has a generating capacity of not more than five megawatts, does not cause an appreciable change in the river flow, and began operation after July 1, 2003.

In interpreting C.G.S. §16-1(a)(26), the Department determined that:

(1) "Facility" refers to an entire hydroelectric plant at a single site rather than a turbine generating unit within a hydroelectric plant;

(2) The "generating capacity of not more than five megawatts" refers to a hydroelectric facility's nameplate capacity, not its actual or average generation output;

(3) In order to qualify as "run-of-the-river," a hydroelectric facility must show a current FERC license or exemption that requires the facility to operate in run-of-river mode. In addition, a facility can qualify as a Class I or Class II renewable energy facility only to the extent that its FERC license or exemption requires run-of-river operation. Hydroelectric facilities that are not regulated by FERC will be required to show a FERC order or a court decision stating that FERC has no jurisdiction, or has declined to exercise jurisdiction, over such facility. In such cases, the hydroelectric facility must show that its operation allows the river inflow to equal outflow instantaneously and therefore, does not cause an appreciable change in the river flow; and

(4) "Began operations" means (A) the date an existing facility with generation began commercial operation as shown in documentation from FERC; (B) the new date given to an abandoned or destroyed facility that comes back into operation as shown in its documentation from FERC or as determined by the Department; (C) the date upon which a facility changes operation from store and release to run-of-river as shown in

documentation from FERC; or (D) the new date that incremental generation is in operation at an existing facility as shown in its documentation from FERC.

See Docket No. 04-02-07, DPUC Declaratory Ruling Concerning "Run-of-the-River Hydropower" as That Term is Used in the Definitions of Class I and Class II Renewable Energy Source in C.G.S. §16-1(a)(26) &(27).

Golden Pond Hydro is located on the Squam River at 39 Mill Pond Lane in Ashland, New Hampshire. The facility has a rated capacity of 0.079 MW.

The Golden Pond Hydro facility was severely damaged by a lightning strike on June 24, 2002 and deactivated. In March of 2004, French River Land Company, parent of Golden Pond, purchased the facility and began rehabilitation of the facility. Rehabilitation work included rebuilding the turbine and generators, including rewinding the generator stator, replacement of various bearings and seals, new oil lines, a new motor controller, new DC power supply and batteries, a new supervisory control and data acquisition system, a new monocrane lifting system miscellaneous other repairs and replacements. The total rehabilitation cost is \$42,588.80. Application Attachment, Golden Pond Hydro Turbine Rebuild Costs.

In the Decision in Docket No. 04-02-07, the Department determined that it would consider a facility abandoned (for the purpose of establishing a new in-service date) if the facility had been out of service for more than two years. Golden Pond Hydro was out of service for more than two years (July 24, 2002 – February 3, 2008) and was also removed from service due to a catastrophic act of nature. Based on the damage and significant costs incurred to rehabilitate the facility, and the fact that the project was completely out of service since July 24, 2002, the Department finds that the Golden Pond Hydro in-service date is February 3, 2008.

According to its FERC Exemption, Golden Pond Hydro operates as a run-of-river facility. FERC Exemption, April 9, 1982, Project No. 5638-000, (FERC Exemption). The facility controls head pond level utilizing a new programmable logic controller (PLC) that senses head pond level via a pressure transducer. The PLC controls flow through the turbine to track head pond level. Flows in excess of station capacity are passed over the spillway crest. Letter from Golden Pond dated June 3, 2008 in response to Interrogatories EL-1 through 4. Therefore, the facility is capable of maintaining outflows equal to inflows, and, by definition, run of river operations.

Based on the foregoing, the Department determines that Golden Pond Hydro qualifies as a Class I renewable energy facility with a new in-service date beginning February 3, 2008.

III. FINDINGS OF FACT

1. Golden Pond Hydro is located on the Squam River at 39 Mill Pond Lane in Ashland, New Hampshire.
2. The facility has a rated capacity of 0.079 MW.

3. The Golden Pond Hydro facility was severely damaged by a lightning strike on June 24, 2002 and deactivated.
4. In March of 2004, French River Land Company, parent of Golden Pond, purchased the facility and began rehabilitation of the facility.
5. The total rehabilitation cost is \$42,588.80.
6. According to its FERC Exemption, Golden Pond Hydro operates as a run-of-river facility.
7. The facility controls head pond level utilizing a new PLC that senses head pond level via a pressure transducer.

IV. CONCLUSION

Based on the evidence submitted, the Department finds that Golden Pond Hydro qualifies as a Class I renewable generation source pursuant to Connecticut General Statutes §16-1(a)(26). The Golden Pond Hydro facility is eligible to receive Class I Renewable Energy Credits as of the calendar quarter beginning April 1, 2008.

The Department assigns each renewable generation source a unique Connecticut Renewable Portfolio Standard (RPS) registration number. Golden Pond Hydro's Connecticut RPS registration number is CT00269-08.

The Department's determination in this docket is based on the information submitted by Golden Pond. The Department may reverse its ruling or revoke the Applicant's registration if any material information provided by the Applicant proves to be false or misleading. The Department reminds Golden Pond that it is obligated to notify the Department within 10 days of any changes to any of the information it has provided to the Department.

**DOCKET NO. 08-05-11 APPLICATION OF GOLDEN POND HYDRO LLC FOR
QUALIFICATION AS A CLASS I RENEWABLE ENERGY
SOURCE**

This Decision is adopted by the following Commissioners:

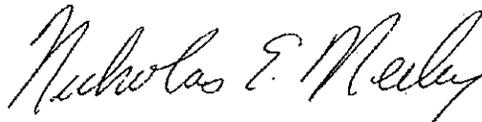
Anne C. George

Donald W. Downes

John W. Betkoski, III

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the Decision issued by the Department of Public Utility Control, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.



Nicholas E. Neeley
Acting Executive Secretary
Department of Public Utility Control

July 8, 2008

Date

IX) Original FERC License Application

EXHIBIT A

The Ashland Paper Mill dam is situated on Squam River in Ashland, New Hampshire approximately one-half mile upstream from the U. S. Highway 93 bridge and about 200 feet upstream from a Boston and Maine railroad bridge. The river flows in a southwesterly direction at the dam, which is located .9 mile above the Pemigewasset River. Exhibit B included herein shows the general layout of the project.

Mill Pond Associates, Inc. proposes to redevelop the hydro portion of the former Ashland Paper Mill, which shut down its operations in 1970.

The civil work remains in good condition since originally constructed ca. 1864. The dam was repaired in 1937 and is generally in good condition, but repairs need to be made on the downstream side of the dam at the toe, as well as replacement of the flashboards, rebuilding of the floodgate and hoist, and repointing of worn or spalled areas in the concrete and stone dam. A new trash rack and head gate will be required. The tailrace needs to be cleared of debris and silt. The turbine will be removed and overhauled, then replaced and tied to new electrical equipment.

The original plant was mechanical, rated at 180 hp, using a run-of-the-river type of operation. The turbine is a vertical type with a Francis runner. The Squam River has a controlled flow which is regulated by the State of New Hampshire Water Resources Board. There is a minimum flow maintained throughout the year of 60 cfs. (See flow duration curve, Appendix A). The plant will generate an estimated 630,000 kwh annually. The gross head is 18 feet. The turbine has a capacity of 100 cfs at full gate. The pond has an approximate surface area of 5.6 acres at elevation 500.0 feet with a gross storage capacity of about 20 acre feet.

Exhibit A

- 2 -

Construction will begin in April, 1982 and operation is to begin 6 months later in October, 1982.

Table 1 below gives the necessary statistics:

TABLE 1

Dam :

Height:	14.5'
Length:	200'
Material:	Split stone and concrete
Design:	Gravity dam, 56' long controlled spillway

Penstock:

Length:	19'
Diameter:	5.5'
Material:	Steel

Impoundment:

Surface elevation:	500.0'
Storage:	20 acre feet \pm
Surface area:	5.6 acres

TABLE 1 (continued)

Power Plant:

Rating:	1 unit at 100 kw
Manufacturer:	Rodney Hunt
Operating Head:	18 feet
Hydraulic capacity:	100 cfs
Plant factor:	70%
Annual output:	630,000 kwh

Customer:

Power output is proposed for sale to Public Service Company of New Hampshire under rates established by the New Hampshire Public Service Commission pursuant to the Public Utility Regulatory Policies Act.

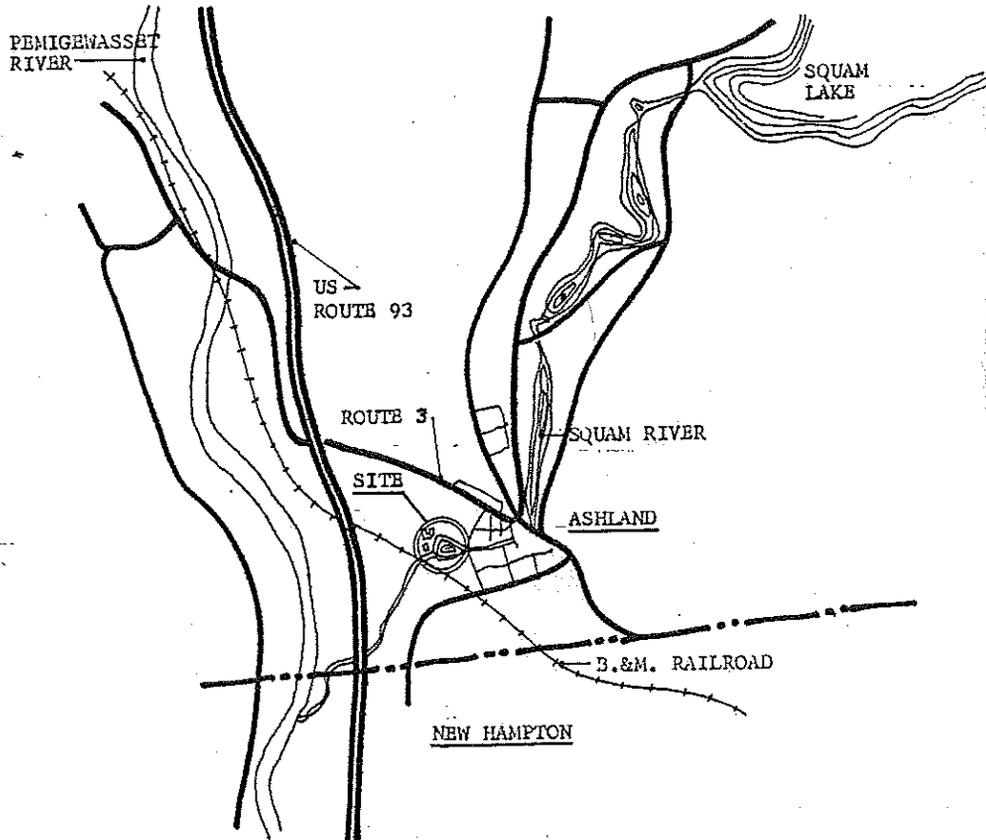
Transmission:

5 KV - approximately 1,000' to the existing substation.

Flow Duration Curve:

See Appendix A.

EXHIBIT B



General Location Map

scale : 1"=1/2 mile

EXHIBIT E

Environmental Report

There are approximately 65 square miles of water shed upstream of the project consisting primarily of wooded hills. The primary water sources are Squam River, Owl Brook and Ames Brook. Squam River flows from Squam Lake and passes through the Town of Ashland, where there are five dams. This is the last dam in the sequence. The first dam is controlled by the New Hampshire Water Resources Board and regulates and measures the flow of water in the river. Due to an agreement between the L. W. Packard Co., a user of the water, and the Squam Lakes Association, a group of Lake residents, there is a guaranteed flow of at least 60 cfs at all times throughout the year, with a yearly average of about 90 cfs. There is a recreational use of the water in the form of Squam Lake and Little Squam Lake above the dams. This project will have no effect on these areas. The paper mill dam forms a pond having a surface area of approximately 5.6 acres which will not be changed by this project. Within the project boundaries there are open areas on the north side, buildings on the west, and semi-wooded areas on the south. A road bounds the east. The pond has small vegetation out-croppings.

Typical vegetation includes cat-tails, marsh grass, golden rod, dogwood, white and grey birch, alders, elm, white pine, evergreens, maples, wild cherry, and oak. Typical bird life includes red-winged black birds, crows, blue jays, and robins. Typical wildlife includes muskrat, raccoon, mice, rabbits, squirrels, and chipmunks.

The proposed hydro operation would not affect the quality of the river, as the

The project would utilize existing structures and would require no further encroachment on the river than that which was previously established at this site over 100 years ago.

The Ashland Dam is shut down each year in July for two weeks for maintenance and repair of the Packard Mill hydro equipment. We will use this same period to do our maintenance work also. Being fed at this time only by Ames Brook and residual flow through the stop logs at the Squam Lake dam, the flow is reduced to about 5 cfs. This schedule of operation has been in effect for the past 30 years. Attached in Appendix B are copies of correspondence with appropriate agencies.

All the water flowing through the proposed project's turbine would be returned to the river through the existing tailrace which rejoins the river approximately 150 feet below the dam. It does not appear that the natural environment in this section of the river between the dam and tailrace canal would be adversely affected even by extremely low flow conditions.

The U. S. Fish and Wildlife and N. H. Fish and Game Departments have indicated that they are not aware of any endangered species in the project area:

New Hampshire Fish and Game indicates that they currently have no plans to reinstate anadromous fish to the Squam River. Existing dams above the project have no fishway installed or planned. The proposed project, therefore, does not include plans to construct a fishway. We will be glad to cooperate with the Fish and Game Department and with the U.S. Fish and Wildlife Department if and when there is a change in current policy.

Exhibit E

- 3 -

The following species of fish populations are to be found in the area of the project:

E. Chain Pickerel	Yellow Perch
Common White Sucker	Pumpkin Seed
N. Brown Bullhead	Bluegill
Golden Shiner	

Public access for fishing would be permitted in the dam area except in the immediate vicinity of the intake. This area would be fenced off to ensure public safety.

This project would displace 1,033 gallons of imported oil per year based on an equivalent of 600 kwh per barrel of oil.

The proposed project will be adjacent to an existing paper mill site. The building immediately involved with the hydro installation has been removed due to a fire which destroyed most of the structure about three years ago.

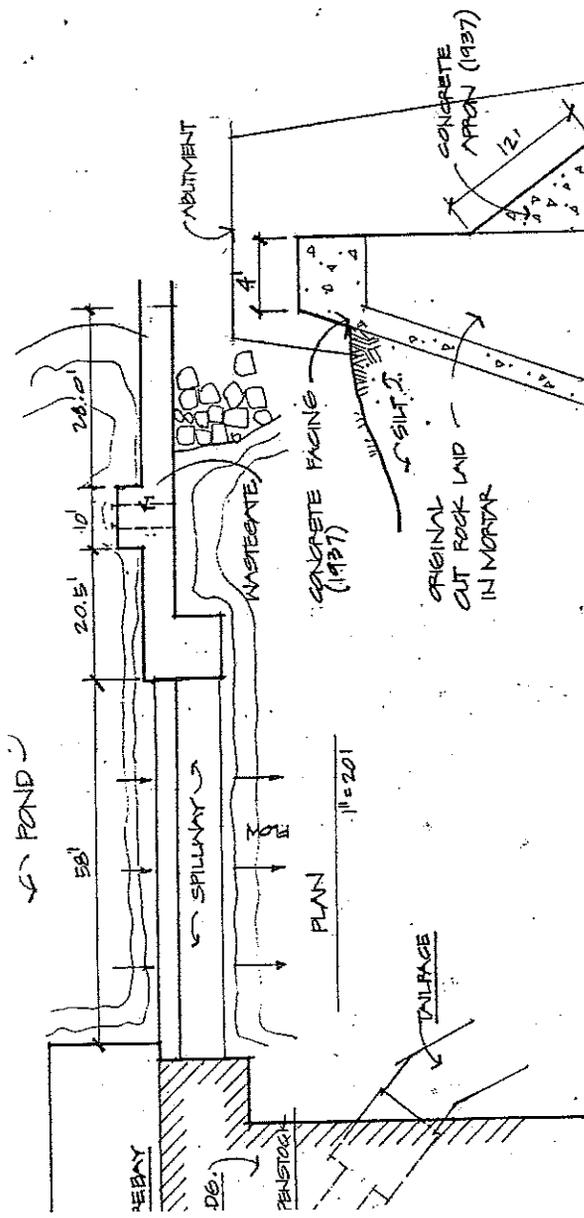
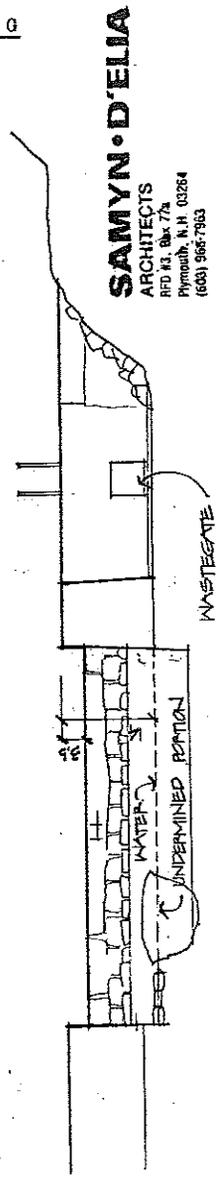


EXHIBIT G

SECTION
NO SCALE



SAMYN D'ELIA
 ARCHITECTS
 RFD #3, Box 74
 Plymouth, N.H. 03264
 (603) 986-7963

PAPER MILL DAM

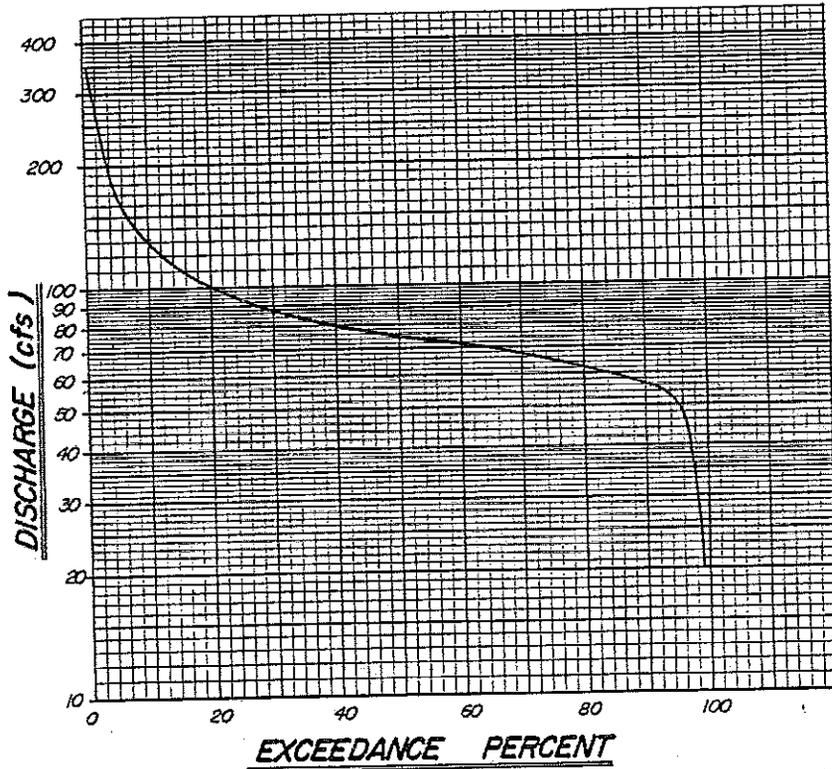
ASHLAND, N.H.

1

Appendix H

35
 23.0
 1971 - 79
 84

1971 - 79 @ 12.5%
 84



<u>EXCEEDANCE PERCENT</u>	<u>DISCHARGE (cfs)</u>
10	130
25	94
--	--

HISTORICAL DURATION CURVE
 SQUAM LAKE DAM



UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
ECOLOGICAL SERVICES
P.O. Box 1518
Concord, New Hampshire 03301

Appendix B-1

Mr. Tom Samyn
Samyn-D'Elia Architects
Box 77A, RFD 3
Plymouth, New Hampshire 03264

RECEIVED
AUG 27 1981
SAMYN • D'ELIA

AUG 26 1981

Dear Mr. Samyn:

We have reviewed your draft application for exemption for the Ashland Paper Mill hydroelectric project on the Squam River in Ashland, New Hampshire. Based on the information on the project enclosed in your August 10, 1981, letter and on our visit to the site, we request that you state in your final Exhibit E that the U. S. Fish and Wildlife Service requests inclusion in the exemption of the following terms and conditions pursuant to Section 30(c) of the Federal Power Act and Section 408 of the Energy Security Act:

1. The Exemptee shall provide fish-passage facilities at the project when the New Hampshire Fish and Game Department implements a plan to restore runs of anadromous fish through the project area. There currently are no plans to restore such runs in the near future (next 25 years).
2. The Exemptee shall provide an aquatic base flow of no less than 32 cubic feet per second (cfs) below the project. Whenever inflows to the project area fall below 32 cfs, outflows shall be no less than inflows.
3. The Exemptee shall provide access for anglers to project waters, except where such access would risk personal safety.

We hope these comments will help you in planning for this project. If you need further assistance, please let us know.

Sincerely yours,

Gordon E. Beckett
Supervisor

STATE OF NEW HAMPSHIRE

FISH AND GAME DEPARTMENT



CHARLES E. BARRY
EXECUTIVE DIRECTOR

Box 2003
34 Bridge Street
Concord, N.H. 03301
(603) 271-3421

RECEIVED

SEP 29 1981

September 28, 1981

SAMYN • D'ELIA

Tom Samyn
Samyn-D'Elia Architects
Box 77A, RFD 3
Plymouth, New Hampshire 03264

Dear Mr. Samyn:

We have reviewed your draft application for exemption for the Ashland Paper Mill hydroelectric project on the Squam River in Ashland, New Hampshire. Based on the information on the project enclosed in your August 10, 1981, letter and on our visit to the site, we request that you state as condition for the license exemption the following terms and conditions pursuant to Section 30(c) of the Federal Power Act and Section 408 of the Energy Security Act:

1. The Exemptee shall provide fish-passage facilities at the project when the New Hampshire Fish and Game Department implements a plan to restore runs of anadromous fish through the project area. There currently are no plans to restore such runs in the near future (next 25 years).
2. The Exemptee shall provide an aquatic base flow of no less than 32 cubic feet per second (cfs) below the project. Whenever inflows to the project area fall below 32 cfs, outflows shall be no less than inflows.
3. The Exemptee shall provide access for anglers to project waters, except where such access would risk personal safety.

Sincerely,

George R. Morrison
George R. Morrison
Fish and Game Department

FEDERAL ENERGY REGULATORY COMMISSION
NEW YORK REGIONAL OFFICE
26 FEDERAL PLAZA, ROOM 2207
NEW YORK, NEW YORK 10278

March 31, 1982

Mill Pond Associates, Inc.
Box 77 A, RFD 3
Plymouth, New Hampshire 03264

Re: Ashland Paper Mill
Project No. 5638-NH

Gentlemen:

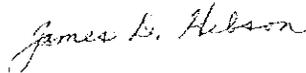
This is in reference to the Commission's Order, dated March 22, 1982, issuing an exemption for the proposed Ashland Paper Mill Project No. 5638-NH. Please refer to the referenced project number on all future correspondence.

The New York Regional Office has been assigned the responsibility to monitor your compliance with the terms of the exemption. In this regard, you are subject to the standard articles in Section 4.106 of the Commission's regulations. In conformance with Article No. 3, it is required that the construction of the proposed hydroelectric facilities be started within 18 months and completed within 4 years from the date of issuance of this exemption. The corresponding calendar dates are September 22, 1983 and March 22, 1986, respectively. Prior to these dates, we will contact your office to make arrangements for our staff engineers to conduct two follow-up inspections of the project site to verify your compliance in this matter. If construction is planned to start prior to September 22, 1983, please notify us at least two weeks before the initiation of work.

In accordance with Article No. 1, other inspections may be necessary to investigate any matters of concern to the Commission related to the construction, operation or maintenance of the project.

You are reminded that if any term or condition of your exemption is violated, the Commission may revoke it. Please do not hesitate to contact this office should you have any questions regarding this matter. We look forward to your continued cooperation.

Sincerely,



James D. Helson

D) Ashland Electric Light Power Purchase Agreement

PURCHASED POWER AGREEMENT

BETWEEN

GOLDEN POND HYDRO, LLC

AND

TOWN OF ASHLAND ELECTRIC DEPARTMENT

THIS PURCHASED POWER AGREEMENT ("Agreement") is made and entered into as of June 30, 2007 by and between Golden Pond Hydro, LLC ("Seller") and the Town of Ashland Electric Department ("Buyer").

WHEREAS, Seller owns a hydro-electric facility in Ashland, New Hampshire (the "Facility") and desires to sell the net output of electricity from the Facility to Buyer;

WHEREAS, Buyer is a New Hampshire municipal utility, which provides retail electric service in Ashland, New Hampshire; and

WHEREAS, Seller seeks to sell, and Buyer seeks to purchase, electric power on a wholesale basis for use by Buyer in the operation of its municipal electric utility.

NOW, THEREFORE, in consideration of the premises and of the mutual obligations and undertakings set forth herein, the parties agree as follows:

1. **Term**: This Agreement shall become effective on August 1, 2007 (the "Commencement Date") unless the parties shall agree otherwise in writing, and shall have an initial term of one year. The Agreement shall automatically renew for successive one year terms unless terminated during any such successive one year terms by either party with ninety (90) days written notice or as set forth in Section 3(c) of this Agreement. The applicable provisions of this Agreement shall continue in effect after the termination of this Agreement to the extent necessary to provide for final billing and billing adjustments, but all such billing and billing adjustments shall be made not later than six months following the termination of this Agreement. If information necessary to provide for any final billing or billing adjustment remains unavailable at the end of such six month period, such final billing or billing adjustments shall be made based on the good faith estimates of the parties.

2. Power Purchase

a. Commencing on the Commencement Date, Seller shall sell and Buyer shall purchase from Seller all of the electricity produced by the Facility as measured at the meter located on Seller's property, less 2.5% of such electricity (the "Power"). Seller shall provide Buyer with prompt written notice of any material change in its ability to generate Power during the time this Agreement is in effect.

b. Buyer shall purchase the Power at a purchase price equal to the amount paid by Buyer for the electricity it purchases from the Vermont Public Power Supply Authority ("VPPSA") less \$0.015/kilowatthour ("kWh") (the "Purchase Price").

c. Seller's obligation to sell the Power provided for in Section 2(a) shall be excused only to the extent that, and for the period during which, such performance is prevented by Force Majeure affecting Seller.

3. Billing and Payment

a. Seller shall render a bill to Buyer reflecting the amount of Power delivered to it (the "Invoiced Quantity") for the prior calendar month by the tenth (10) day of the following month (the "Invoiced Amount"). Buyer shall calculate the amount of payment due by multiplying the Invoiced Quantity by the Purchase Price.

b. Bills may be based in whole or in part upon estimates. Within fifteen (15) days of receipt of its most current invoice from VPPSA (the "Due Date"), Buyer shall calculate the Purchase Price and submit payment to Seller for the Invoiced Amount, and shall include with such payment a copy of the most recent invoice from VPPSA. All amounts due which remain unpaid after the Due Date and through the end of the following calendar month shall bear interest at the annual rate of eighteen percentage points (18%). If any bill remains unpaid thereafter, any amounts due shall be subject to an additional amount of interest at one and a half (1.5) percentage points for each month that the bill remains unpaid.

c. Seller shall have the right to terminate this Agreement if any bill remains unpaid sixty (60) days from the Buyer's receipt of the bill. Seller shall provide Buyer with five (5) days written notice of its intent to terminate the Agreement based on Buyer's non-payment.

4. Maintenance. Buyer shall conduct minor maintenance on the Facility, including, but not limited to cleaning grates as needed and adjusting gate(s) to waterflow. In addition, Buyer shall notify Seller of any abnormal conditions of the Facility that it observes. Buyer shall have no other obligations whatsoever with regard to the Facility.

5. Liability, Indemnification, and Insurance

a. Nothing in this Agreement shall create any duty, standard of care, or liability to, or any right in, any person not a party to it. Neither party shall be liable to the other party for any consequential or punitive damages.

b. Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party (the "Indemnified Party") (including its corporate parent, corporate subsidiaries, affiliates, agents, officers, directors, employees, successors, and assigns) from and against any damages or losses whatsoever, including but not limited to damages resulting from the willful misconduct or gross negligence of the Indemnifying Party, suffered by the Indemnified Party by reason of personal injury, death or damage to property directly or indirectly caused by, arising out of, sustained on, or in any way connected with the Indemnifying Party's use or operation of its own facilities in the performance of this Agreement, except that each party shall be solely responsible for, and shall bear all costs arising from, any such injury, death, or damage to third parties caused by or claimed to have been caused by the actions of the applicable party's own employees or contractors covered by any workers' compensation law.

6. Laws, Regulations, Orders, Approvals, Permits and Taxes. This Agreement is made subject to all applicable present and future local, state, and federal laws and to the regulations or orders of any local, state, or federal regulatory authority having jurisdiction over the matters set forth herein, and performance hereunder is conditioned upon securing and retaining such local, state, and federal approvals, grants, or permits as may from time to time be necessary with respect to such performance. Both parties agree to use their respective best efforts to secure and retain all such approvals, grants, and permits.

7. Minimum Damages. In the event that Seller terminates this Agreement as provided for in Section 3(c), Seller shall be entitled to minimum cover damages ("Minimum Damages"). Such Minimum Damages shall be equal to the amount to cover fully the difference (where negative) between the amount received by Seller for the resale of the Power purchased for Buyer and the price that Buyer would have paid for such Power if the Agreement had not been terminated. The amount determined to be due and payable hereunder as Minimum Damages shall bear interest at the annual rate of two percentage points over the prime rate as published in the Wall Street Journal through the date of payment by Buyer.

8. Remedies. Subject to the provisions of Article 7 hereof, upon either party's failure to perform any obligation of this Agreement, the other party, in addition to the rights described in specific sections of this Agreement, and except to the extent specifically limited by this Agreement, may exercise, at its election, any rights and claim and obtain any remedies it may have at law or in equity including, without limitation, compensation for monetary damages, injunctive relief and specific performance.

9. Assignment. The rights and/or obligations of a party under this Agreement may not be assigned without the prior written consent of the other party, which consent shall not be unreasonably withheld.

10. Interpretation. The interpretation and performance of this Agreement shall be in accordance with, and controlled by, the laws of the State of New Hampshire.

11. Force Majeure.

a. "Force Majeure" shall mean any cause beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure, including, without limitation, storm, flood, lightning, drought, earthquakes, hurricane, tornado, landslide, fire, epidemic, war, riot, sabotage, explosions, civil disturbance, labor dispute, act of God or the public enemy, action of a court, public authority or governmental entity, change in law, or inability to obtain necessary regulatory approvals. Notwithstanding the foregoing, none of the following shall constitute Force Majeure hereunder: (i) the inability of a party to obtain financing at any time or from time to time; (ii) the failure or inability of a party to realize a profit or avoid a loss attributable to the performance of its obligations or the exercise of its rights under this Agreement; or (iii) the failure or inability of Buyer to use or resell the power made available to it by Seller.

b. A party shall be excused from performing under this Agreement, to the extent and for the period that the party's inability to perform is caused by a Force Majeure, provided that the nonperforming party promptly gives the other party written notice describing the particulars of the Force Majeure, and that the nonperforming party shall exert its best efforts to resume performance hereunder within the earliest practicable time following any such Force Majeure. A Force Majeure shall not excuse the obligations of either party under the indemnification provisions of Article 5.

12. Severability of Provisions. If any one or more provisions contained herein shall be finally determined by any court of competent jurisdiction to contravene, or be invalid under, any applicable provision of law, or shall at any time fail to be effective or operational for any reason other than a default under this Agreement, including without limitation disallowance or invalidation by any regulatory authority having jurisdiction over the matters contained in the Agreement, such contravention, invalidity, disallowance, or failure to be effective or operational shall not invalidate this entire Agreement, but such provision or provisions shall be severed from this Agreement, and the Agreement shall be construed as if not containing such provision or provisions, and the rights and obligations of the parties shall be construed and enforced accordingly; provided, however, that no new obligation shall thereby be imposed on either party. The parties will negotiate in good faith to provide a substitute for such severed provision or provisions, but no such substitute shall be binding on either party unless set forth in a written document executed and delivered by each of the parties to this Agreement and filed with and accepted for filing by such regulatory authorities as have jurisdiction.

13. Miscellaneous.

a. Each party shall execute and deliver to the other party any documents reasonably required to implement any provision hereof.

b. Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as the original.

c. This Agreement may be modified only by an instrument in writing signed by duly authorized representatives of all of the parties hereto.

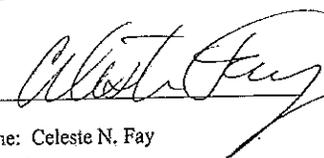
d. Delay or failure of either party to enforce all or part of any provision of this Agreement, or to require performance by the other party of all or part of any provision hereof, shall not be construed as a waiver of such provision, or any other provision, or affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision.

e. All written notices or requests (including without limitation bills rendered pursuant to Section 3(b) shall be deemed to have been given or made when delivered by mail, similar private carrier, telecopy, or other electronic means, to a party at the address shown below its name on the signature page hereto, or to such other address as may be hereafter designated in writing by such party to the other party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective authorized officers as of the date first written above.

GOLDEN POND HYDRO, LLC

TOWN OF ASHLAND ELECTRIC
DEPARTMENT

By: 

By: Melvin C. Holland

Name: Celeste N. Fay

Name: Melvin C. Holland

Title:

Title: CHAIRMAN A.E.D. Com.

Address: P.O. Box 624
Thorndike, MA 01079

Address: 6 Collins Street
Ashland, NH 03217

II) Deed to the Property and Assets

MICHAEL J. DONAHUE
CHARLES F. TUCKER
ROBERT D. CIANDELLA
ELIZABETH M. MACDONALD
JOHN J. RANSAN
DENISE A. POULOS
ROBERT A. BATTLES
SHARON CUDDY SCHMERS
CHRISTOPHER L. BOLDT
DOUGLAS M. MANSFIELD

OF COUNSEL

ROBERT M. DEROSTER
ROBERT B. DONOVAN
KATHERINE B. ~~W~~

July 12, 2004

ATTORNEYS
DTCL
A T T O R N E Y S
DONAHUE, TUCKER & CIANDELLA, PLLC

Please Reply to the Portsmouth Office

KEARSARGE HOUSE
104 CONGRESS STREET, SUITE 304
PORTSMOUTH, NEW HAMPSHIRE
03801
TELEPHONE
603-766-1686
TOLL FREE
800-566-0506
FAX
603-766-1687
WWW.DTCLAWYERS.COM
GENERALMAIL@DTCLAWYERS.COM

Mr. William K. Fay
French River Land Co., Inc.
P.O. Box 624
Thomdike, MA 01079

RE: Freshwater Hydro, Inc.

Dear Mr. Fay:

Enclosed herewith please find the original recorded Warranty Deed for your records.

I trust you will find everything in order, please contact me with any questions.

Very truly yours,
Donahue, Tucker & Ciandella, PLLC


Nancy Cannon
R.E. Paralegal
Enclosure

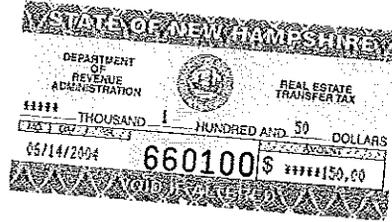
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GRAFTON COUNTY
REGISTRY OF DEEDS

251



WARRANTY DEED

KNOW ALL PERSONS BY THESE PRESENTS that **FRESHWATER HYDRO, INC.**, a corporation organized and existing under the laws of the State of New Hampshire, with a principal place of business at North Hampton, County of Rockingham, State of New Hampshire, for consideration paid, grants to **FRENCH RIVER LAND CO., INC.**, a corporation organized and existing under the laws of the Commonwealth of Massachusetts, with a principal place of business at Wilbraham, County of Hampden, Commonwealth of Massachusetts, with a post office address of PO Box 624, Thorndike, MA 01079, with **WARRANTY COVENANTS**, the following described premises:

A certain tract or parcel of land, together with the buildings and improvements located thereon, situate in the Town of Ashland, County of Grafton and State of New Hampshire, depicted as Lot #1, containing 33,370 square feet on a plan entitled "Subdivision Plat for Elizabeth A. and Mark S. Mertens, Grafton County, Ashland, N.H." prepared by Hodges and Hayden, Holderness, New Hampshire, dated August 24, 1981, and revised July 27, 1982, and further depicted as Lot #1 on a plan entitled "Property of Elizabeth A. and Mark S. Mertens (former Ashland Paper Mill) Showing Overall Parcel and Lot to be Subdivided for Hydro Site" prepared by Hodges and Hayden, both of which plans are recorded in the Grafton County Registry of Deeds as Plan #1612, which premises are more particularly bounded and described as follows:

Beginning at a point on the southerly shore of Squam River at the southwest corner of the within described premises, thence running in a general northeasterly southerly and southeasterly direction along the southerly shore of said River and the Mill Pond, also known as Wilder Pond, to a point at the southeasterly corner of the within described premises which lie North 89° 16' 56" East a distance of 119.27 feet from the point of beginning; thence turning and running North 9° 17' 42" West a distance of 182.55 feet to a point at the northeast corner of the within described premises; thence turning and running South 88° 50' 31" West a distance of 215.00 feet to a drill hole set in a retaining wall; thence turning and running along said retaining wall South 2° 19' 44" East a distance 71.11 feet to a point at land now or formerly of the Boston and Maine Railroad; thence turning and running South 49° 53' East a distance of 162.00 feet, more or less, to the point of beginning.

This conveyance is made together with the benefits and subject to the terms and provisions of a certain Agreement entered into between Levi Clough and Charles T. Wilder, et al, dated April 16, 1877, and recorded in the Grafton County Registry of Deeds at Volume 361, Page 236.

MLZ

BK300960819

This conveyance is made together with the rights and easements for the benefit of said premises, which were granted and deemed to run with the land by instrument dated July 29, 1983 and recorded in the Grafton County Registry of Deeds at Volume 1477, Page 859.

EXCEPTING AND RESERVING, however, to the Town of Ashland, New Hampshire, such rights with respect to the construction and maintenance of a sewer line as were acquired by it under instrument dated June 17, 1968, and recorded in the Grafton County Registry of Deeds at Volume 1072, Page 247.

This conveyance is made subject to such rights as the Boston and Maine Railroad acquired under Quitclaim Deed of Continental Paper & Bag Corporation to it, dated November 12, 1935, and as recorded in the Grafton County Registry of Deeds at Volume 657, Page 537.

MEANING AND INTENDING hereby to describe and convey a portion of the premises described in and conveyed by the Quitclaim Deed of Mary B. Fletcher to Mark S. Mertens, dated September 29, 1981, and recorded in the Grafton County Registry of Deeds at Volume 1432, Page 19.

MEANING AND INTENDING hereby to describe and convey the premises, rights, easements, dam rights, rights of flowage and rights of drainage described in and conveyed by the Warranty Deed of Mill Pond Associates to Golden Pond Hydroelectric Company, Inc., dated July 27, 1983, and recorded in the Grafton County Registry of Deeds at Volume 1477, Page 859.

MEANING AND INTENDING hereby to describe and convey the premises, rights, easements, dam rights, rights of flowage, rights of drainage and all other rights described in and conveyed by the Warranty Deed of Golden Pond Hydroelectric Company, Inc. to Golden Pond Hydroelectric Company, Inc. and Forge Development Corporation, doing business as Golden Pond Hydropower Associates, dated June 30, 1984, and recorded in the Grafton County Registry of Deeds at Volume 1532, Page 119 and by the Deed of Flowage Rights of Golden Pond Hydroelectric Company, Inc. to Golden Pond Hydroelectric Company, Inc. and Forge Development Corporation, doing business as Golden Pond Hydropower Associates, dated June 30, 1984 and recorded in the Grafton County Registry of Deeds at Volume 1532, Page 124.

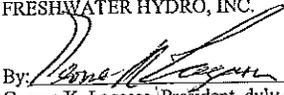
MEANING AND INTENDING hereby to describe and convey the premises, rights, easements, dam rights, rights of flowage, rights of drainage and all other rights described in and conveyed by the Warranty Deed of Golden Pond Hydropower Associates to Freshwater Hydro, Inc. dated August 9, 1990 and recorded on August 21, 1990 in the Grafton County Registry of Deeds at Volume 1875, Page 204.

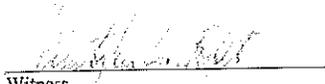
Said lot is conveyed subject to any and all encumbrances of record, as the same may apply to the premises herein described.

NO TITLE EXAMINATION REQUESTED.

IN WITNESS WHEREOF, FRESHWATER HYDRO, INC., by its President, has caused these presents to be executed this 11th day of June, 2004.

FRESHWATER HYDRO, INC.

By: 
George K. Lagassa, President, duly authorized


Witness

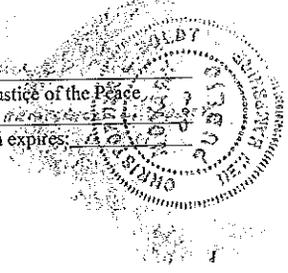
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STATE OF NEW HAMPSHIRE
COUNTY OF Rockingham, SS

On this 11 day of June, 2004, before me, personally appeared George K. Lagassa, in his capacity as President of Freshwater Hydro, Inc., known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained on behalf of the Corporation.

CHRISTOPHER L. BOLDI, Notary Public
My Commission Expires December 4, 2007

Notary Public/Justice of the Peace
Printed Name: Christopher L. Boldi
My Commission expires: December 4, 2007



S:\Freshwater Hydro, Inc\Documents\WARRANTY DEED.doc

Joel A. Dupuis REGISTER
GRAFTON COUNTY REGISTRY OF DEEDS

EXAMINED, ATTEST:
GRAFTON COUNTY REGISTRY OF DEEDS

Joel A. Dapkins

DONAHUE, TUCKER & CIANDELLA
ATTORNEYS AT LAW
225 WATER STREET
EXETER, NEW HAMPSHIRE 03833

III) Formation of Golden Pond Hydro LLC with Will, Celeste and Bill as equal owners

John J. McCormack
Attorney at Law

62 Main Street, P.O. Box 720
Ashland, New Hampshire 03217

Telephone (603) 968-7894
Telefax (603) 968-2153

June 4, 2007

William K. Fay, General Manager
FRENCH RIVER LAND COMPANY, INC.
PO Box 624
Thorndike, MA 01079

Re: **GOLDEN POND HYDRO, LLC**

Dear Mr. Fay:

Enclosed herewith please find a Certificate of Formation (Form LLC 1) and Addendum (Form SRA). Kindly sign both pages of both originals and date both the LLC 1 and SRA forms. Once executed, please return the originals to me for filing with the New Hampshire Secretary of State's Office.

Pursuant to your request, the Member of the new LLC are now characterized as William K. Fay, William D. B. Fay, and Celeste N. Fay.

I am also enclosing a draft copy of a proposed Member Agreement for the above-named LLC for your review and comment.

I trust that you have received whatever tax advice you deem to be necessary or desirable with respect to the creation of this LLC.

Please note that often decisions as to the formation of an LLC involve advice from not only a lawyer, but also a certified public accountant or a tax advisor. Consequently, you are encouraged to seek advice from such a professional. If you or your tax advisor have any questions or comments, they you certainly are free to contact me.

Typically, we would indicate that the amount necessary for the initiation of your business is the capital contribution which is expressed on Exhibit B, some accountants may differ in this regard.

Your accountant can also assist you in the process of obtaining a Tax Identification Number from the federal government. We are also enclosing a pamphlet put forth by the Internal Revenue Service for your review and edification.

Kindly advise me if the proposed Member Agreement meets with your approval, and I will prepare and forward an original for execution.

As we discussed, the placing of the real property into the name of the LLC requires the execution and recording of a deed. If you have not provided us with a copy of the pre-existing deed, then you should certainly do so at the present time so that we might prepare a deed from the present owner or owners to the new LLC.

We have not been requested to perform a title search of the subject premises, so that we will rely upon the state of title as reflected by the deed. If this is not your desire or the desire of the Grantee, please advise me.

In addition, please note that the conveyance into the LLC will trigger New Hampshire's Real Estate Transfer Tax which is currently at the rate of 1.5% of the fair market value of the premises being conveyed to the LLC. If you advise me as to the amount of the value you are placing upon the premises, we can discuss the payment of transfer tax and recording fees as well.

Kind regards,



John J. McCormack

JJM:jsm

William D. Fay, Sole Member, GOLDEN POND HYDRO, LLC

Encls.

R(jsm) [C:\WPWIN60\wpdocs\LETTERS\CLIENT\LLC\FY\goldenpondhydro.wpd]

IV) Mortgage

**Transfer of Freshwater Hydro, Inc.
Security Agreement**

On this _____ day of February, 2004, (the "Effective Date") George K. Lagassa and Parthenia P. Lagassa ("Obligees") agree to the sale of all their shares, rights, liabilities and obligations in **Freshwater Hydro, Inc.** ("Freshwater") to William Fay ("Obligor") in consideration of \$20,000.00 with the following terms and conditions to apply regarding the sale:

1. Collateral and Encumbrances. Any or all of the following property is subject to a security interest, available to be exercised by Obligees, in the event of a lapse in payments according to the Schedule of Payments set forth in Exhibit I hereto:
 - a. Shares of Freshwater. All shares of Freshwater issued and outstanding, representing 100% ownership of Freshwater, held and owned by Obligees and fully transferred and conveyed by this sale of Freshwater to Obligor.
 - b. Real Property, including a certain parcel of land together with the buildings and improvements thereon located on the Squam River in the Town of Ashland, County of Grafton NH, and registered by a warranty deed in the county of Grafton, recorded in book 1875, page 0204.
 - c. Goods and Fixtures. All things that are movable when the security interest attaches, which shall include all fixtures located on the property in Ashland, NH, which shall include:
 - i. all the machinery and equipment and betterments including control systems, a programmable controller, switchgear, transformers, hydraulic equipment, one turbine-generator unit, motors, gates, flashboards, and trashracks
 - ii. future proceeds or revenue from electricity sales by Freshwater Hydro, Inc. or at Ashland, NH.
2. Waivers. Upon final payment for the purchase of Freshwater, Obligees waive all rights and claims to Freshwater, past, present and future.
3. Schedule of Payments and Interest Calculation. Obligor agrees to the following payment terms:
 - a. An initial payment of \$1000.00 which has already been made as a good faith deposit
 - b. A second payment of \$4000.00 is due upon execution of this Agreement, which shall occur no later than March 1, 2004.
 - c. Additional payments according to the schedule provided in Exhibit I, incorporated and made a part hereto, which reflects the following agreed payment terms:

- i. \$1000 paid as good faith deposit,
- ii. \$4000 is due on or before March 1, 2004.
- iii. \$ 852.31 is due on or before January 1, April 1, July 1 and September 1 of each subsequent year, starting in January 2005, until the balance is paid off with a final payment due and payable on or before October 1, 2009.
- iv. The specific schedule of payments is calculated based on an annual interest rate of 5%, calculated on the remaining principal balance, beginning on January 1, 2005, and declining as set forth in Exhibit I below:

Exhibit I

<u>Payment Number</u>	<u>Due Date</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Total Payment</u>
1	January 1, 2005	\$187.50	\$664.81	\$852.31
2	April 1, 2005	\$179.19	\$673.12	\$852.31
3	July 1, 2005	\$170.78	\$681.53	\$852.31
4	October 1, 2005	\$162.26	\$690.05	\$852.31
6	January 1, 2006	\$153.63	\$698.68	\$852.31
6	April 1, 2006	\$144.90	\$707.41	\$852.31
7	July 1, 2006	\$136.06	\$716.25	\$852.31
8	October 1, 2006	\$127.10	\$725.21	\$852.31
9	January 1, 2007	\$118.04	\$734.27	\$852.31
10	April 1, 2007	\$108.86	\$743.45	\$852.31
11	July 1, 2007	\$99.57	\$752.74	\$852.31
12	October 1, 2007	\$90.16	\$762.15	\$852.31
13	January 1, 2008	\$80.63	\$771.68	\$852.31
14	April 1, 2008	\$70.98	\$781.33	\$852.31
15	July 1, 2008	\$61.22	\$791.09	\$852.31
16	October 1, 2008	\$51.33	\$800.98	\$852.31
17	January 1, 2009	\$41.32	\$810.99	\$852.31
18	April 1, 2009	\$31.18	\$821.13	\$852.31
19	July 1, 2009	\$20.91	\$831.40	\$852.31
20	October 1, 2009	<u>\$10.52</u>	<u>\$841.79</u>	<u>\$852.31</u>
Total:		\$2,046.12	\$15,000.08	\$17,046.20

- d. If Obligor fails to remit payment as required herein Obligees shall give notice in writing and Obligor shall have the opportunity to cure said non-payment within 90 days of receipt of said notice.
4. Other Liabilities, Duties and Obligations.
- a. George K. Lagassa shall resign as director, President and Treasurer of Freshwater and as a consequence shall turn over documents, rights and responsibilities to the bank account, including checking account balance therein, located at Bank of New Hampshire.

- b. Parthenia P. Lagassa shall resign as director and Secretary of Freshwater.
 - c. Obligees shall assist in the transition, which shall include turning over all records, documents, and paperwork associated with Freshwater.
 - d. Obligor shall not sell, transfer, or encumber assets without prior express written approval of Obligee. Obligee shall not unduly withhold approval of sale, transfer, or encumbrance and approval by Obligee shall occur within a reasonable amount of time.
5. Notices. Unless otherwise specified herein, any notice hereunder shall be in writing and shall be sent either by first class or express mail, postage prepaid, addressed to the recipient, shall be effective upon receipt.
 6. Choice of Law and Forum. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of New Hampshire, without giving effect to the conflict of laws principles thereof. All legal actions arising out of or relating to this Agreement shall be commenced and maintained in a state or federal court sitting in the State of New Hampshire. By execution and delivery of this Agreement, each of the parties accepts for such party, generally, exclusively and unconditionally, the jurisdiction of said courts. This Section 6 shall not be construed to limit any other legal rights of the parties.
 7. Amendments and Waivers. No amendment to or modification of this Agreement and no waiver of any provision hereof, shall be effective unless the same shall be in writing and shall be signed by each of the parties hereto. Forbearance or indulgence in any form or manner by a party shall not be construed as a waiver, nor in any way limit the remedies available to that party.
 8. Severability. Each provision of this Agreement shall be treated as a separate and independent clause and any decision from a court of competent jurisdiction to the effect that any clause or provision of this Agreement is null or unenforceable shall in no way impair the validity, power or enforceability of any other clause or provision of this Agreement.
 9. Binding Effect; Benefit; Entire Agreement and Attachments. This Agreement shall be binding on the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of the parties and their respective successors and permitted assigns. Except as provided in the immediately preceding sentence, nothing in this Agreement shall be construed to create any rights or obligations except between the parties hereto, and no Person shall be regarded as a third party beneficiary of this Agreement. This Agreement embodies the entire understanding and agreement between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior oral or written agreements and understandings relating to such subject matter. No statement, representation, warranty,

covenant or agreement of any kind not set forth in this Agreement will affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

10. Headings. The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and will in no way modify or affect the meaning or construction of any of the terms or provisions hereof.

11. Counterparts. This Agreement may be executed in two or more counterparts, and by different parties hereto on separate counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as a document under seal as of the Effective Date set forth in the first paragraph hereof.

George K. Lagassa

Signed: _____

Date: _____

Parthenia P. Lagassa

Signed: _____

Date: _____

William K. Fay

Signed: _____

Date: _____

William K. Fay
February 23, 2004

V) Historical Production Records, Jan 1st, 1987 to Catastrophic fire of June 24th, 2002 that Ceased Operations

Freshwater Hydro
Ashland, NH

Annual Output

1987	565,400
1988	418,200
1989	307,200
1990	582,960
1991	408,960
1992	552,000
1993	479,087
1994	560,320
1995	429,120
1996	528,785
1997	398,740
1998	543,674
1999	366,704
2000	365,529
2001	<u>256,098</u>
Ave.	450,852
High	582,960
Low	256,098 (2001 drought year)

Freshwater Hydro
Ashland, NH

Freshwater Hydro Monthly Energy Output

<u>1987</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-87	25,800	36,800	62,600
01-Feb-87	24,400	31,000	55,400
01-Mar-87	16,800	20,200	37,000
01-Apr-87	23,600	31,000	54,600
01-May-87	17,800	21,800	39,600
01-Jun-87	20,000	24,200	44,200
01-Jul-87	21,400	29,800	51,200
01-Aug-87	23,200	29,800	53,000
01-Sep-87	13,200	16,400	29,600
01-Oct-87	16,600	23,800	40,400
01-Nov-87	20,400	28,200	48,600
01-Dec-87	<u>21,600</u>	<u>27,600</u>	<u>49,200</u>
	244,800	320,600	565,400

<u>1988</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-88	18,800	28,800	47,600
01-Feb-88	16,400	20,200	36,600
01-Mar-88	19,800	23,400	43,200
01-Apr-88	19,000	23,200	42,200
01-May-88	23,000	28,600	51,600
01-Jun-88	19,000	23,200	42,200
01-Jul-88	8,400	11,000	19,400
01-Aug-88	16,400	20,800	37,200
01-Sep-88	11,000	25,600	36,600
01-Oct-88	1,800	2,000	3,800
01-Nov-88	4,000	25,200	29,200
01-Dec-88	<u>12,400</u>	<u>16,200</u>	<u>28,600</u>
	170,000	248,200	418,200

<u>1989</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-89	11,200	17,400	28,600
01-Feb-89	12,800	16,600	29,400
01-Mar-89	9,800	11,800	21,600
01-Apr-89	1,200	800	2,000
01-May-89	13,600	17,000	30,600
01-Jun-89			0
01-Jul-89	12,800	17,800	30,600
01-Aug-89	14,000	15,200	29,200
01-Sep-89			0
01-Oct-89	17,200	21,800	39,000
01-Nov-89	24,000	29,400	53,400
01-Dec-89	<u>19,800</u>	<u>23,000</u>	<u>42,800</u>
	136,400	170,800	307,200

Freshwater Hydro
Ashland, NH

<u>1990</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-90	24,000	36,600	60,600
01-Feb-90	26,400	33,400	59,800
01-Mar-90	23,800	30,200	54,000
01-Apr-90	23,000	28,600	51,600
01-May-90	20,400	28,400	48,800
01-Jun-90	20,400	26,800	47,200
01-Jul-90	16,400	19,400	35,800
01-Aug-90	14,400	17,400	31,800
01-Sep-90	15,200	20,800	36,000
01-Oct-90	16,640	23,120	39,760
01-Nov-90	23,360	30,880	54,240
01-Dec-90	<u>27,840</u>	<u>35,520</u>	<u>63,360</u>
	251,840	331,120	582,960

<u>1991</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-91	24,800	39,200	64,000
01-Feb-91	25,760	33,120	58,880
01-Mar-91	22,240	26,880	49,120
01-Apr-91	17,600	20,800	38,400
01-May-91	15,680	22,560	38,240
01-Jun-91	13,120	16,640	29,760
01-Jul-91	10,080	12,640	22,720
01-Aug-91	0	0	0
01-Sep-91	160	1,440	1,600
01-Oct-91	0	0	0
01-Nov-91	17,440	25,120	42,560
01-Dec-91	<u>27,680</u>	<u>36,000</u>	<u>63,680</u>
	174,560	234,400	408,960

<u>1992</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-92	24,800	40,000	64,800
01-Feb-92	25,280	32,640	57,920
01-Mar-92	19,200	24,640	43,840
01-Apr-92	17,920	21,280	39,200
01-May-92	20,640	26,720	47,360
01-Jun-92	15,200	16,640	31,840
01-Jul-92	11,040	15,040	26,080
01-Aug-92	20,160	23,620	43,680
01-Sep-92	15,840	24,320	40,160
01-Oct-92	20,320	26,240	46,560
01-Nov-92	18,400	25,120	43,520
01-Dec-92	<u>27,200</u>	<u>39,840</u>	<u>67,040</u>
	236,000	316,000	552,000

Freshwater Hydro
Ashland, NH

<u>1993</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-93	22,400	33,760	56,160
01-Feb-93	14,880	19,200	34,080
01-Mar-93	14,880	20,320	35,200
01-Apr-93	21,600	26,400	48,000
01-May-93	19,360	22,880	42,240
01-Jun-93	17,440	24,800	42,240
01-Jul-93	15,620	17,120	32,640
01-Aug-93	18,240	22,880	41,120
01-Sep-93	14,880	19,840	34,720
01-Oct-93	13,303	17,624	30,927
01-Nov-93	14,880	20,960	35,840
01-Dec-93	<u>19,680</u>	<u>26,240</u>	<u>45,920</u>
	207,063	272,024	479,087

<u>1994</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-94	22,400	33,760	56,160
01-Feb-94	23,520	28,640	52,160
01-Mar-94	19,200	28,800	48,000
01-Apr-94	26,080	31,040	57,120
01-May-94	26,560	32,160	58,720
01-Jun-94	23,620	32,480	56,000
01-Jul-94	13,760	16,000	29,760
01-Aug-94	17,600	23,680	41,280
01-Sep-94	14,880	19,200	34,080
01-Oct-94	16,160	19,680	35,840
01-Nov-94	20,800	28,160	48,960
01-Dec-94	<u>17,600</u>	<u>24,640</u>	<u>42,240</u>
	242,080	318,240	560,320

<u>1995</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-95	18,400	30,880	49,280
01-Feb-95	24,160	28,480	52,640
01-Mar-95	17,440	24,480	41,920
01-Apr-95	21,440	24,960	46,400
01-May-95	18,880	22,080	40,960
01-Jun-95	16,160	23,520	39,680
01-Jul-95	16,640	21,600	38,240
01-Aug-95	13,120	14,400	27,520
01-Sep-95	6,240	2,400	8,640
01-Oct-95	12,960	13,440	26,400
01-Nov-95			0
01-Dec-95	<u>23,520</u>	<u>33,920</u>	<u>57,440</u>
	188,960	240,160	429,120

Freshwater Hydro
Ashland, NH

<u>1996</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-96	19,200	30,880	50,080
01-Feb-96	24,000	27,040	51,040
01-Mar-96	24,000	32,000	56,000
01-Apr-96	23,752	28,723	52,475
01-May-96	20,320	29,280	49,600
01-Jun-96	20,640	25,120	45,760
01-Jul-96	14,140	16,250	30,390
01-Aug-96	21,600	22,880	44,480
01-Sep-96	15,040	20,640	35,680
01-Oct-96	13,440	18,400	31,840
01-Nov-96	16,320	19,360	35,680
01-Dec-96	<u>16,960</u>	<u>28,800</u>	<u>45,760</u>
TOTAL:	229,412	299,373	528,785

<u>1997</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-97	27,911	38,206	66,117
01-Feb-97	25,499	33,867	59,366
01-Mar-97	25,991	31,820	57,811
01-Apr-97	27,246	35,397	62,643
01-May-97	23,853	31,442	55,295
01-Jun-97	7,378	8,232	15,610
01-Jul-97	0	0	0
01-Aug-97	0	0	0
01-Sep-97	0	0	0
01-Oct-97	0	0	0
01-Nov-97	15,516	19,212	34,728
01-Dec-97	<u>17,518</u>	<u>29,652</u>	<u>47,170</u>
TOTAL:	170,912	227,828	398,740

<u>1998</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-98	23,617	33,273	56,890
01-Feb-98	22,879	32,310	55,189
01-Mar-98	30,327	40,302	70,629
01-Apr-98	28,507	32,073	60,580
01-May-98	22,506	29,562	52,068
01-Jun-98	9,850	13,623	23,473
01-Jul-98	23,086	27,247	50,333
01-Aug-98	15,154	17,842	32,996
01-Sep-98	10,343	12,737	23,080
01-Oct-98	14,078	15,108	29,186
01-Nov-98	20,123	26,631	46,754
01-Dec-98	<u>17,465</u>	<u>25,031</u>	<u>42,496</u>
TOTAL:	237,935	305,739	543,674

Freshwater Hydro
Ashland, NH

<u>1999</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-99	25,073	18,530	43,603
01-Feb-99	16,085	21,016	37,101
01-Mar-99	26,525	34,823	61,348
01-Apr-99	26,034	31,047	57,081
01-May-99			0
01-Jun-99	3,269	4,552	7,821
01-Jul-99	10,681	14,011	24,692
01-Aug-99	12,137	15,355	27,492
01-Sep-99	2,524	3,203	5,727
01-Oct-99			0
01-Nov-99	15,894	23,454	39,348
01-Dec-99	<u>28,845</u>	<u>33,646</u>	<u>62,491</u>
TOTAL:	167,067	199,637	366,704

<u>2000</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-00	13,914	16,669	30,583
01-Feb-00	16,359	23,540	39,899
01-Mar-00	19,736	23,097	42,833
01-Apr-00	26,576	34,107	60,683
01-May-00	23,173	34,985	58,158
01-Jun-00	19,686	22,601	42,287
01-Jul-00	12,187	16,578	28,765
01-Aug-00	11,342	16,751	28,093
01-Sep-00	358	250	608
01-Oct-00	0	0	0
01-Nov-00	6,990	7,853	14,843
01-Dec-00	<u>7,909</u>	<u>10,868</u>	<u>18,777</u>
TOTAL:	158,230	207,299	365,529

<u>2001</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-01	12,613	19,579	32,192
01-Feb-01	12,669	16,722	29,391
01-Mar-01	21,173	25,658	46,831
01-Apr-01	23,257	28,646	51,903
01-May-01			0
01-Jun-01	9,794	14,183	23,977
01-Jul-01	11,678	17,198	28,876
01-Aug-01	9,181	10,192	19,373
01-Sep-01	8,443	11,569	20,012
01-Oct-01	1,694	1,849	3,543
01-Nov-01	0	0	0
01-Dec-01	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL:	110,502	145,596	256,098

Freshwater Hydro
Ashland, NH

<u>2002</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-02	0	0	0
01-Feb-02	0	0	0
01-Mar-02	6,541	10,858	17,399
01-Apr-02	17,096	20,770	37,866
01-May-02	24,108	30,082	54,190
01-Jun-02	10,000	15,000	25,000
01-Jul-02			0
01-Aug-02			0
01-Sep-02			0
01-Oct-02			0
01-Nov-02			0
01-Dec-02			0
TOTAL:	57,745	76,710	134,455

- VI) New Hampshire Department of Environmental Services Letter Acknowledging George Lagassa's Intent to Abandon the Site.



State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES
6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-3406 FAX (603) 271-7894



January 24, 2003

Dr. George K. Lagassa, President
Freshwater Hydro, Inc.
26 Maple Road
North Hampton, NH 03862

Re: Freshwater Hydro, Inc.- Water User Fee
Squam Project

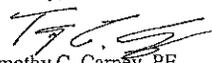
Dear Mr. Lagassa:

We understand from earlier telephone conversations this fall that Freshwater Hydro, Inc. intended to accept a rate contract buyout as offered by Public Service of New Hampshire (PSNH) for the above-referenced facility. At that time you indicated that the facility would cease generation of electricity once the contract buyout occurred. We understand that PSNH completed their contract buyouts in September of 2002. However, we have not been informed in writing if you have, in fact, ceased operations at the facility. Such notification is required by Article 7 of the July 1993 Contract with Water Users (executed in 1995) which was signed by you.

If appropriate, and in accordance with Article 7, please submit written notification to the New Hampshire Water Resources Council that the facility is no longer generating electricity. When preparing the written notification please include the date of last generation, the contract termination date and your intentions with respect to the future operation of the facility. Until this written notification is received, Freshwater Hydro, Inc. remains responsible for the payment of semi-annual water user fees for the Squam project as described in Article 7.

If you have ceased generation at the site, it would appear to be in the interest of both parties to terminate the Contract as soon as possible. If we can be of any assistance, or if you need any additional information, please contact me at 603-271-8871.

Sincerely,


Timothy C. Carney, PE
Civil Engineer
Dam Bureau

VII) First Production Check received on May 22nd, 2008 for energy produced in 2008.

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER AND ORIGINAL DOCUMENT SECURITY SCREEN ON BACK WITH PARCHMENT SECURITY FIBER

TOWN OF ASHLAND
ELECTRIC DEPARTMENT
6 COLLINS STREET
ASHLAND, NH 03217

FRANKLIN SAVINGS BANK

6156

54-7017/2117

4/18/2008

PAY TO THE ORDER OF Golden Pond Hydro, LLC

\$ **1,264.08

One Thousand Two Hundred Sixty-Four and 08/100*****

DOLLARS
Security Printing
and Mfg. Co. Inc.

Golden Pond Hydro, LLC
P.O. Box 625
Thorndike, MA 01079

MEMO Feb. 2008 Power Purchase

Linda J. Dwyer
AUTHORIZED SIGNATURE

⑈008156⑈ ⑆21177017⑆ 33 079963⑈

TOWN OF ASHLAND

6156

Date	Type	Reference	Original Amt	Balance Due	Discount	Payment
4/9/2008	Bill	PO#278	1,264.08	1,264.08		1,264.08
				Check Amount		1,264.08

#33079963 Gen. Che Feb. 2008 Power Purchase

1,264.08

French River Land Company Inc.

P.O. Box 624

Thorndike, MA. 01079

1-413-335-0570

February 16, 2004

Town of Ashland
Ashland Electric Department
Ashland, NH 03217

Attention: Mr. Lee Nichols

Regarding: PURPA Self Certification of Freshwater Hydro Project FERC LP #5638 NH,
Letter of Transmission

Dear Mr. Nichols,

The attached copy of the completed, FERC form 556, for PURPA self-certification is required to be sent to you by FERC for the certification process. The required fourteen copies and the original application have been sent to Ms. Magalie Roman Salas of FERC.

This cover letter serves as official notice of self-certification.

If you should have any questions with regard to this matter, please do not hesitate to contact us.

Sincerely,

William K. Fay P.E., Vice President
French River Land Company Inc.

IV) FERC 2004 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

January 3, 2005

Mr. Anton J. Sidoti
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400 New
York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the new owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

(1) During 2004 we purchased the project and have been struggling to find parts for the Leroy Somers tube turbine. The machine was badly damaged by an internal electrical fire. We had a difficult time finding the internal wiring diagrams for the generator. We also had difficulty finding a new mechanical oil seal and a replacement Firestone airbag. During the last nine months we have now had the generator rewound by Independent Electric Company of Hillsborough, N.H. We had Firestone special make a new airbag. We had FlowServe Company design and manufacture for us a replacement oil seal. The unit is currently being re-assembled. Weather permitting we would like the unit installed and operational by March 1st.

Additionally, we negotiated a combined power sales and O&M contract with the Ashland Municipal Light Company. They will purchase the power and be responsible for onsite, local operations.

(2) There have been no generation since the last inspection.

(3) Annual maintenance shutdowns occur on a schedule dictate by the upstream L. W. Packard Woolen Mill. In 2004 this occurred in the early part of July.

(4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.

(5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2004 calendar year.

V) FERC 2005 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

February 12, 2005

Mr. Anton J. Sidoti
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400 New
York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

(1) During 2005 we have been struggling to find parts for the Leroy Somers tube turbine. We found the speed increaser needle bearings had been contaminated with water and were corroded beyond use. We had to dismantle the planets and install new needle bearings. We also replaced all the roller bearings. We also replaced all the hydraulic lines with stainless steel fittings. Weather permitting we would like the unit installed and operational by May 1st.

Additionally, we negotiated a combined power sales and O&M contract with the Ashland Municipal Light Company. They will purchase the power and be responsible for onsite, local operations.

(2) There have been no generation since the last inspection.

(3) Annual maintenance shutdowns occur on a schedule dictated by the upstream L. W. Packard Woolen Mill. In 2005 this occurred in the early part of July.

(4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.

(5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2004 calendar year.

(6) To the best of our knowledge, the project features (excluding the TG set) are in good condition.

VI) FERC 2006 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

July 12, 2007

Mr. Chuck Goggins
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400 New
York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

- (1) During 2006 we completed the rebuild of the Leroy Somers tube turbine.
- (2) There have been no generation since the last inspection.
- (3) The L. W. Packard Woolen Mill has permanently closed. The annual river draw down has been terminated.
- (4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.
- (5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2005 calendar year.
- (6) To the best of our knowledge, the project features, including the TG set are in good condition.

Please be advised that this minimum flow was maintained by means of setting the butterfly valve such that it never closes fully, and there is always a minimum flow through the turbine even when the turbine is not in operation. Calculations in support of this method were submitted to your office by letter of July 17, 1987.

Because this system for maintaining minimum flow releases is largely self-regulated (as the partial opening of the butterfly valve guarantees compliance with the minimum flow requirement), future daily observation by the station operator will proved adequate as a means of monitoring our compliance with these requirements. We hasten to add that this project is an extremely high plant factor project. Therefore, the turbine-generator will be in

VII) FERC 2007 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

January 28, 2008

Mr. Chuck Goggins
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400
New York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

- (1) During 2007, we installed a mono rail crane beam to allow the turbine to easily installed and removed for maintenance. We finished our repairs to the turbine. We transported the turbine to the site. We installed the unit. The unit is now operational. In addition, we repaired some leaks in the dam. These were located next to the flood gate outlet on the downstream wall. We repaired them with SIKA PRO PLUS. We chipped out the flaking concrete and filled the cracks in by hand parging. We also restained the powerhouse walls.

- (2)

Additionally, we signed a combined power sales and O&M contract with the Ashland Municipal Light Company. They will purchase the power and be responsible for onsite, local operations.

- (2) There has been minimal generation since the last inspection.

- (3) Annual maintenance shutdowns occur on a schedule dictate by the upstream L. W. Packard Woolen Mill. In 2004 this occurred in the early part of July.

- (4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.

- (5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2007 calendar year.

VIII) Followup Letter to 2006 FERC Inspection

RIPUC Use Only

Date Application Received: ___/___/___
Date Review Completed: ___/___/___
Date Commission Action: ___/___/___
Date Commission Approved: ___/___/___

GIS Certification #:

RENEWABLE ENERGY RESOURCES ELIGIBILITY FORM

**The Standard Application Form
Required of all Applicants for Certification of Eligibility of Renewable Energy Resource
(Version 6 – January 21, 2008)**

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
Pursuant to the Renewable Energy Act
Section 39-26-1 et. seq. of the General Laws of Rhode Island**

NOTICE:

When completing this Renewable Energy Resources Eligibility Form and any applicable Appendices, please refer to the State of Rhode Island and Providence Plantations Public Utilities Commission Rules and Regulations Governing the Implementation of a Renewable Energy Standard (RES Regulations, Effective Date: January 1, 2006), and the associated RES Certification Filing Methodology Guide. All applicable regulations, procedures and guidelines are available on the Commission's web site: www.ripuc.org/utilityinfo/res.html. Also, all filings must be in conformance with the Commission's Rules of Practice and Procedure, in particular, Rule 1.5, or its successor regulation, entitled "Formal Requirements as to Filings."

- Please complete the Renewable Energy Resources Eligibility Form and Appendices using a typewriter or black ink.
- Please submit one original and three copies of the completed Application Form, applicable Appendices and all supporting documentation to the Commission at the following address:

Rhode Island Public Utilities Commission
89 Jefferson Blvd
Warwick, RI 02888

Attn: Renewable Energy Resources Eligibility

In addition to the paper copies, electronic/email submittals are required under Commission regulations. Such electronic submittals should be sent to: Luly E. Massaro, Commission Clerk at lmassaro@puc.state.ri.us

- In addition to filing with the Commission, Applicants are required to send, electronically or electronically and in paper format, a copy of the completed Application including all attachments and supporting documentation, to the Division of Public Utilities and Carriers and to all interested parties. A list of interested parties can be obtained from the Commission's website at www.ripuc.org/utilityinfo/res.html.
- Keep a copy of the completed Application for your records.
- The Commission will notify the Authorized Representative if the Application is incomplete.
- Pursuant to Section 6.0 of the RES Regulations, the Commission shall provide a thirty (30) day period for public comment following posting of any administratively complete Application.
- Please note that all information submitted on or attached to the Application is considered to be a public record unless the Commission agrees to deem some portion of the application confidential after consideration under section 1.2(g) of the Commission's Rules of Practice and Procedure.
- In accordance with Section 6.2 of the RES Regulations, the Commission will provide prospective reviews for Applicants seeking a preliminary determination as to whether a facility would be eligible prior to the formal certification process described in Section 6.1 of the RES Regulations. Please note that space is provided on the Form for applicant to designate the type of review being requested.
- Questions related to this Renewable Energy Resources Eligibility Form should be submitted in writing, preferably via email and directed to: Luly E. Massaro, Commission Clerk at RES@puc.state.ri.us

SECTION I: Identification Information

1.1 Name of Generation Unit (sufficient for full and unique identification):
_____ Golden Pond Hydro _____

1.2 Type of Certification being requested (check one):
X Standard Certification Prospective Certification (Declaratory Judgment)
RI "New" Resource

1.3 This Application includes: (Check all that apply)¹

- APPENDIX A: Authorized Representative Certification for Individual Owner or Operator
- APPENDIX B: Authorized Representative Certification for Non-Corporate Entities Other Than Individuals
- APPENDIX C: Existing Renewable Energy Resources
- APPENDIX D: Special Provisions for Aggregators of Customer-sited or Off-grid Generation Facilities
- APPENDIX E: Special Provisions for a Generation Unit Located in a Control Area Adjacent to NEPOOL
- APPENDIX F: Fuel Source Plan for Eligible Biomass Fuels

1.4 Primary Contact Person name and title: Bill Fay, President

1.5 Primary Contact Person address and contact information:
Address: _____ P.O. BOX 624, Thorndike, MA 01079 _____

Phone: (413) 427 2665 Fax: (413) 599 1291
Email: William Fay [wfay@frenchriverland.com]

1.6 Backup Contact Person name and title: Will Fay

1.7 Backup Contact Person address and contact information:
Address: _____ P.O. Box 624, Thorndike, MA. 01079 _____

Phone: (413) 244-6445 Fax: (413) 289-1707
Email: wfay7593@yahoo.com

¹ Please note that all Applicants are required to complete the Renewable Energy Resources Eligibility Standard Application Form and all of the Appendices that apply to the Generation Unit or Owner or Operator that is the subject of this Form. Please omit Appendices that do not apply.

1.8 Name and Title of Authorized Representative (*i.e.*, the individual responsible for certifying the accuracy of all information contained in this form and associated appendices, and whose signature will appear on the application): _____ Bill Fay, President

Appendix A or B (as appropriate) completed and attached? Yes No N/A

1.9 Authorized Representative address and contact information:

Address: _____

Phone: _____ Fax: _____

Email: _____

1.10 Owner name and title: Golden Pond Hydro LLC

1.11 Owner address and contact information:

Address: P.O. Box 624
Thorndike, MA. 01079

Phone: (413) 427 2665 Fax: (413) 599 1291

Email: William Fay [wfay@frenchriveland.com]

1.12 Owner business organization type (check one):

Individual

Partnership

Corporation

Other: _____

1.13 Operator name and title: Same as above

1.14 Operator address and contact information:

Address: _____

Phone: _____ Fax: _____

Email: _____

1.15 Operator business organization type (check one):

Individual

Partnership

Corporation

Other: _____

SECTION II: Generation Unit Information, Fuels, Energy Resources and Technologies

2.1 ISO-NE Generation Unit Asset Identification Number or NEPOOL GIS Identification Number (either or both as applicable): GIS Application pending

2.2 Generation Unit Nameplate Capacity: 0.85 MW

2.3 Maximum Demonstrated Capacity: 0.85 MW

2.4 Please indicate which of the following Eligible Renewable Energy Resources are used by the Generation Unit: (Check ALL that apply) – *per RES Regulations Section 5.0*

- Direct solar radiation
- The wind
- Movement of or the latent heat of the ocean
- The heat of the earth
- Small hydro facilities
- Biomass facilities using Eligible Biomass Fuels and maintaining compliance with all aspects of current air permits; Eligible Biomass Fuels may be co-fired with fossil fuels, provided that only the renewable energy fraction of production from multi-fuel facilities shall be considered eligible.
- Biomass facilities using unlisted biomass fuel
- Biomass facilities, multi-fueled or using fossil fuel co-firing
- Fuel cells using a renewable resource referenced in this section

2.5 If the box checked in Section 2.4 above is “Small hydro facilities”, please certify that the facility’s aggregate capacity does not exceed 30 MW. – *per RES Regulations Section 3.31*

← check this box to certify that the above statement is true

N/A or other (please explain) _____

2.6 If the box checked in Section 2.4 above is “Small hydro facilities”, please certify that the facility does not involve any new impoundment or diversion of water with an average salinity of twenty (20) parts per thousand or less. – *per RES Regulations Section 3.31*

← check this box to certify that the above statement is true

N/A or other (please explain) _____

2.7 If you checked one of the Biomass facilities boxes in Section 2.1 above, please respond to the following:

A. Please specify the fuel or fuels used or to be used in the Unit: _____

B. Please complete and attach Appendix F, Eligible Biomass Fuel Source Plan.

Appendix F completed and attached?

Yes

No

N/A

2.8 Has the Generation Unit been certified as a Renewable Energy Resource for eligibility in another state's renewable portfolio standard?

Yes No If yes, please attach a copy of that state's certifying order.

Copy of State's certifying order attached? Yes No N/A

SECTION III: Commercial Operation Date

Please provide documentation to support all claims and responses to the following questions:

3.1 Date Generation Unit first entered Commercial Operation: 04 / 09 / 82 at the site.

3.2 Is there an Existing Renewable Energy Resource located at the site of Generation Unit?

Yes
 No

3.3 If the date entered in response to question 3.1 is earlier than December 31, 1997 or if you checked "Yes" in response to question 3.2 above, please complete Appendix C.

Appendix C completed and attached? Yes No N/A

3.4 Was all or any part of the Generation Unit used on or before December 31, 1997 to generate electricity at any other site?

Yes
 No

3.5 If you checked "Yes" to question 3.4 above, please specify the power production equipment used and the address where such power production equipment produced electricity (attach more detail if the space provided is not sufficient):

SECTION IV: Metering

4.1 Please indicate how the Generation Unit's electrical energy output is verified (check all that apply):

- ISO-NE Market Settlement System
- Self-reported to the NEPOOL GIS Administrator
- Other (please specify below and see Appendix D: Eligibility for Aggregations):

Appendix D completed and attached? Yes No N/A

SECTION V: Location

5.1 Please check one of the following that apply to the Generation Unit:

- Grid Connected Generation
- Off-Grid Generation (not connected to a utility transmission or distribution system)
- Customer Sited Generation (interconnected on the end-use customer side of the retail electricity meter in such a manner that it displaces all or part of the metered consumption of the end-use customer)

5.2 Generation Unit address: 39 Mill Pond Road
Ashland, NH 03217

5.3 Please provide the Generation Unit's geographic location information:

A. Universal Transverse Mercator Coordinates: E284976 / N1846654

B. Longitude/Latitude: 43.7034 / -71.6121

5.4 The Generation Unit located: (please check the appropriate box)

- In the NEPOOL control area
- In a control area adjacent to the NEPOOL control area
- In a control area other than NEPOOL which is not adjacent to the NEPOOL control area ← *If you checked this box, then the generator does not qualify for the RI RES – therefore, please do not complete/submit this form.*

5.5 If you checked "In a control area adjacent to the NEPOOL control area" in Section 5.4 above, please complete Appendix E.

Appendix E completed and attached?

- Yes No N/A

SECTION VI: Certification

6.1 Please attach documentation, using one of the applicable forms below, demonstrating the authority of the Authorized Representative indicated in Section 1.8 to certify and submit this Application.

Corporations

If the Owner or Operator is a corporation, the Authorized Representative shall provide **either**:

- (a) Evidence of a board of directors vote granting authority to the Authorized Representative to execute the Renewable Energy Resources Eligibility Form, **or**
- (b) A certification from the Corporate Clerk or Secretary of the Corporation that the Authorized Representative is authorized to execute the Renewable Energy Resources Eligibility Form or is otherwise authorized to legally bind the corporation in like matters.

Evidence of Board Vote provided? Yes No N/A

Corporate Certification provided? Yes No N/A

Individuals

If the Owner or Operator is an individual, that individual shall complete and attach APPENDIX A, or a similar form of certification from the Owner or Operator, duly notarized, that certifies that the Authorized Representative has authority to execute the Renewable Energy Resources Eligibility Form.

Appendix A completed and attached? Yes No N/A

Non-Corporate Entities

(Proprietorships, Partnerships, Cooperatives, etc.) If the Owner or Operator is not an individual or a corporation, it shall complete and attach APPENDIX B or execute a resolution indicating that the Authorized Representative named in Section 1.8 has authority to execute the Renewable Energy Resources Eligibility Form or to otherwise legally bind the non-corporate entity in like matters.

Appendix B completed and attached? Yes No N/A

6.2 Authorized Representative Certification and Signature:

I hereby certify, under pains and penalties of perjury, that I have personally examined and am familiar with the information submitted herein and based upon my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties, both civil and criminal, for submitting false information, including possible fines and punishment. My signature below certifies all information submitted on this Renewable Energy Resources Eligibility Form. The Renewable Energy Resources Eligibility Form includes the Standard Application Form and all required Appendices and attachments. I acknowledge that the Generation Unit is obligated to and will notify the Commission promptly in the event of a change in a generator's eligibility status (including, without limitation, the status of the air permits) and that when and if, in the Commission's opinion, after due consideration, there is a material change in the characteristics of a Generation Unit or its fuel stream that could alter its eligibility, such Generation Unit must be re-certified in accordance with Section 9.0 of the RES Regulations. I further acknowledge that the Generation Unit is obligated to and will file such quarterly or other reports as required by the Regulations and the Commission in its certification order. I understand that the Generation Unit will be immediately de-certified if it fails to file such reports.

Signature of Authorized Representative:

SIGNATURE: William J. Jones DATE: October 20th 2008
Member, Golden Puget Hydro LLC
(Title)

APPENDIX C

(Required of all Applicants with Generation Units at the Site of Existing Renewable Energy Resources)

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

RENEWABLE ENERGY RESOURCES ELIGIBILITY FORM

**Pursuant to the Renewable Energy Act
Section 39-26-1 et. seq. of the General Laws of Rhode Island**

If the Generation Unit: (1) first entered into commercial operation before December 31, 1997; or (2) is located at the exact site of an Existing Renewable Energy Resource, please complete the following and attach documentation, as necessary to support all responses:

- C.1 Is the Generating Unit seeking certification, either in whole or in part, as a New Renewable Energy Resource? Yes No
- C.2 If you answered "Yes" to question C.1, please complete the remainder of Appendix C. If you answered "No" and are seeking certification entirely as an Existing Renewable Energy Resource, you do NOT need to complete the remainder of Appendix C.
- C.3 If an Existing Renewable Energy Resource is/was located at the site, has such Existing Renewable Energy Resource been retired and replaced with the new Generation Unit at the same site? Yes No
- C.4 Is the Generation Unit a Repowered Generation Unit (as defined in Section 3.28 of the RES Regulations) which uses Eligible Renewable Energy Resources and which first entered commercial operation after December 31, 1997 at the site of an existing Generation Unit? Yes No
- C.5 If you checked "Yes" to question C.4 above, please provide documentation to support that the entire output of the Repowered Generation Unit first entered commercial operation after December 31, 1997.
- C.6 Is the Generation Unit a multi-fuel facility in which an Eligible Biomass Fuel is first co-fired with fossil fuels after December 31, 1997? Yes No

- C.7 If you checked "Yes" to question C.6 above, please provide documentation to support that the renewable energy fraction of the energy output first occurred after December 31, 1997.
- C.8 Is the Generation Unit an Existing Renewable Energy Resource other than an Intermittent Resource (as defined in Section 3.9 and 3.14 of the RES Regulations)? Yes No
- C.9 If you checked "Yes" to question C.8 above, please attach evidence of completed capital investments after December 31, 1997 attributable to efficiency improvements or additions of capacity that are sufficient to, were intended to, and can be demonstrated to increase annual electricity output in excess of ten percent (10%). As specified in Section 3.22.v of the RES Regulations, the determination of incremental production shall not be based on any operational changes at such facility **not directly** associated with the efficiency improvements or additions of capacity.
- C.10 Is the Generating Unit an Existing Renewable Energy Resource that is an Intermittent Resource? Yes No
- C.11 If you checked "Yes" to question C.10 above, please attach evidence of completed capital investments after December 31, 1997 attributable to efficiency improvements or additions of capacity that are sufficient to, were intended to, and have demonstrated on a normalized basis to increase annual electricity output in excess of ten percent (10%). The determination of incremental production shall not be based on any operational changes at such facility **not directly** associated with the efficiency improvements or additions of capacity. In no event shall any production that would have existed during the Historical Generation Baseline period in the absence of the efficiency improvements or additions to capacity be considered incremental production. Please refer to Section 3.22.vi of the RES Regulations for further guidance.
- C.12 If you checked "Yes" to C.10, provide the single proposed percentage of production to be deemed incremental, attributable to the efficiency improvements or additions of capacity placed in service after December 31, 1997. Please provide backup information sufficient for the Commission to make a determination of this incremental production percentage.
- C.13 If you checked "no" to both C.3 and C.4 above, please complete the following:
- a. Was the Existing Renewable Energy Resource located at the exact site at any time during calendar years 1995 through 1997? Yes No
 - b. If you checked "yes" in Subsection (a) above, please provide the Generation Unit Asset Identification Number and the average annual electrical production (MWhs) for the three calendar years 1995 through 1997, or for the first 36 months after the Commercial Operation Date if that date is after December 31, 1994, for each such Generation Unit.

- c. Please attach a copy of the derivation of the average provided in (b) above, along with documentation support (such as ISO reports) for the information provided in Subsection (b) above. Data must be consistent with quantities used for ISO Market Settlement System.

Freshwater Hydro
Ashland, NH

1990	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-90	24,000	36,600	60,600
01-Feb-90	26,400	33,400	59,800
01-Mar-90	23,800	30,200	54,000
01-Apr-90	23,000	28,600	51,600
01-May-90	20,400	28,400	48,800
01-Jun-90	20,400	26,800	47,200
01-Jul-90	16,400	19,400	35,800
01-Aug-90	14,400	17,400	31,800
01-Sep-90	15,200	20,800	36,000
01-Oct-90	16,640	23,120	39,760
01-Nov-90	23,360	30,880	54,240
01-Dec-90	<u>27,840</u>	<u>35,520</u>	<u>63,360</u>
	251,840	331,120	582,960

1991	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-91	24,800	39,200	64,000
01-Feb-91	25,760	33,120	58,880
01-Mar-91	22,240	26,880	49,120
01-Apr-91	17,600	20,800	38,400
01-May-91	15,680	22,560	38,240
01-Jun-91	13,120	16,640	29,760
01-Jul-91	10,080	12,640	22,720
01-Aug-91	0	0	0
01-Sep-91	160	1,440	1,600
01-Oct-91	0	0	0
01-Nov-91	17,440	25,120	42,560
01-Dec-91	<u>27,680</u>	<u>36,000</u>	<u>63,680</u>
	174,560	234,400	408,960

1992	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-92	24,800	40,000	64,800
01-Feb-92	25,280	32,640	57,920
01-Mar-92	19,200	24,640	43,840
01-Apr-92	17,920	21,280	39,200
01-May-92	20,640	26,720	47,360
01-Jun-92	15,200	16,640	31,840
01-Jul-92	11,040	15,040	26,080
01-Aug-92	20,160	23,520	43,680
01-Sep-92	15,840	24,320	40,160
01-Oct-92	20,320	26,240	46,560
01-Nov-92	18,400	25,120	43,520
01-Dec-92	<u>27,200</u>	<u>39,840</u>	<u>67,040</u>
	236,000	316,000	552,000

Freshwater Hydro
Ashland, NH

<u>1993</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-93	22,400	33,760	56,160
01-Feb-93	14,880	19,200	34,080
01-Mar-93	14,880	20,320	35,200
01-Apr-93	21,600	26,400	48,000
01-May-93	19,360	22,880	42,240
01-Jun-93	17,440	24,800	42,240
01-Jul-93	15,520	17,120	32,640
01-Aug-93	18,240	22,880	41,120
01-Sep-93	14,880	19,840	34,720
01-Oct-93	13,303	17,624	30,927
01-Nov-93	14,880	20,960	35,840
01-Dec-93	<u>19,680</u>	<u>26,240</u>	<u>45,920</u>
	207,063	272,024	479,087

<u>1994</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-94	22,400	33,760	56,160
01-Feb-94	23,520	28,640	52,160
01-Mar-94	19,200	28,800	48,000
01-Apr-94	26,080	31,040	57,120
01-May-94	26,560	32,160	58,720
01-Jun-94	23,520	32,480	56,000
01-Jul-94	13,760	16,000	29,760
01-Aug-94	17,600	23,680	41,280
01-Sep-94	14,880	19,200	34,080
01-Oct-94	16,160	19,680	35,840
01-Nov-94	20,800	28,160	48,960
01-Dec-94	<u>17,600</u>	<u>24,640</u>	<u>42,240</u>
	242,080	318,240	560,320

<u>1995</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-95	18,400	30,880	49,280
01-Feb-95	24,160	28,480	52,640
01-Mar-95	17,440	24,480	41,920
01-Apr-95	21,440	24,960	46,400
01-May-95	18,880	22,080	40,960
01-Jun-95	16,160	23,520	39,680
01-Jul-95	16,640	21,600	38,240
01-Aug-95	13,120	14,400	27,520
01-Sep-95	6,240	2,400	8,640
01-Oct-95	12,960	13,440	26,400
01-Nov-95			0
01-Dec-95	<u>23,520</u>	<u>33,920</u>	<u>57,440</u>
	188,960	240,160	429,120

Freshwater Hydro
Ashland, NH

<u>1996</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-96	19,200	30,880	50,080
01-Feb-96	24,000	27,040	51,040
01-Mar-96	24,000	32,000	56,000
01-Apr-96	23,752	28,723	52,475
01-May-96	20,320	29,280	49,600
01-Jun-96	20,640	25,120	45,760
01-Jul-96	14,140	16,250	30,390
01-Aug-96	21,600	22,880	44,480
01-Sep-96	15,040	20,640	35,680
01-Oct-96	13,440	18,400	31,840
01-Nov-96	16,320	19,360	35,680
01-Dec-96	<u>16,960</u>	<u>28,800</u>	<u>45,760</u>
TOTAL:	229,412	299,373	528,785

<u>1997</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-97	27,911	38,206	66,117
01-Feb-97	25,499	33,867	59,366
01-Mar-97	25,991	31,820	57,811
01-Apr-97	27,246	35,397	62,643
01-May-97	23,853	31,442	55,295
01-Jun-97	7,378	8,232	15,610
01-Jul-97	0	0	0
01-Aug-97	0	0	0
01-Sep-97	0	0	0
01-Oct-97	0	0	0
01-Nov-97	15,516	19,212	34,728
01-Dec-97	<u>17,518</u>	<u>29,652</u>	<u>47,170</u>
TOTAL:	170,912	227,828	398,740

<u>1998</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-98	23,617	33,273	56,890
01-Feb-98	22,879	32,310	55,189
01-Mar-98	30,327	40,302	70,629
01-Apr-98	28,507	32,073	60,580
01-May-98	22,506	29,562	52,068
01-Jun-98	9,850	13,623	23,473
01-Jul-98	23,086	27,247	50,333
01-Aug-98	15,154	17,842	32,996
01-Sep-98	10,343	12,737	23,080
01-Oct-98	14,078	15,108	29,186
01-Nov-98	20,123	26,631	46,754
01-Dec-98	<u>17,465</u>	<u>25,031</u>	<u>42,496</u>
TOTAL:	237,935	305,739	543,674

Freshwater Hydro
Ashland, NH

<u>1999</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-99	25,073	18,530	43,603
01-Feb-99	16,085	21,016	37,101
01-Mar-99	26,525	34,823	61,348
01-Apr-99	26,034	31,047	57,081
01-May-99			0
01-Jun-99	3,269	4,552	7,821
01-Jul-99	10,681	14,011	24,692
01-Aug-99	12,137	15,355	27,492
01-Sep-99	2,524	3,203	5,727
01-Oct-99			0
01-Nov-99	15,894	23,454	39,348
01-Dec-99	<u>28,845</u>	<u>33,646</u>	<u>62,491</u>
TOTAL:	167,067	199,637	366,704

<u>2000</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-00	13,914	16,669	30,583
01-Feb-00	16,359	23,540	39,899
01-Mar-00	19,736	23,097	42,833
01-Apr-00	26,576	34,107	60,683
01-May-00	23,173	34,985	58,158
01-Jun-00	19,686	22,601	42,287
01-Jul-00	12,187	16,578	28,765
01-Aug-00	11,342	16,751	28,093
01-Sep-00	358	250	608
01-Oct-00	0	0	0
01-Nov-00	6,990	7,853	14,843
01-Dec-00	<u>7,909</u>	<u>10,868</u>	<u>18,777</u>
TOTAL:	158,230	207,299	365,529

<u>2001</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-01	12,613	19,579	32,192
01-Feb-01	12,669	16,722	29,391
01-Mar-01	21,173	25,658	46,831
01-Apr-01	23,257	28,646	51,903
01-May-01			0
01-Jun-01	9,794	14,183	23,977
01-Jul-01	11,678	17,198	28,876
01-Aug-01	9,181	10,192	19,373
01-Sep-01	8,443	11,569	20,012
01-Oct-01	1,694	1,849	3,543
01-Nov-01	0	0	0
01-Dec-01	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL:	110,502	145,596	256,098

Freshwater Hydro
Ashland, NH

<u>1999</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-99	25,073	18,530	43,603
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TOTAL:	167,067	199,637	366,704

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01-Feb-01	12,669	16,722	29,391
01-Mar-01	21,173	25,658	46,831
01-Apr-01	23,257	28,646	51,903
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01-Aug-01	9,181	10,192	19,373
01-Sep-01	8,443	11,569	20,012
01-Oct-01	1,694	1,849	3,543
01-Nov-01	0	0	0
01-Dec-01	0	0	0
TOTAL:	110,502	145,596	256,098

Freshwater Hydro
Ashland, NH

<u>2002</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-02	0	0	0
01-Feb-02	0	0	0
01-Mar-02	6,541	10,858	17,399
01-Apr-02	17,096	20,770	37,866
01-May-02	24,108	30,082	54,190
01-Jun-02	10,000	15,000	25,000
01-Jul-02			0
01-Aug-02			0
01-Sep-02			0
01-Oct-02			0
01-Nov-02			0
01-Dec-02			0
TOTAL:	57,745	76,710	134,455

Freshwater Hydro
Ashland, NH

Annual Output

1987	565,400
1988	418,200
1989	307,200
1990	582,960
1991	408,960
1992	552,000
1993	479,087
1994	560,320
1995	429,120
1996	528,785
1997	398,740
1998	543,674
1999	366,704
2000	365,529
2001	<u>256,098</u>
Ave.	450,852

High 582,960

Low 256,098 (2001 drought year)

2. Power Purchase

a. Commencing on the Commencement Date, Seller shall sell and Buyer shall purchase from Seller all of the electricity produced by the Facility as measured at the meter located on Seller's property, less 2.5% of such electricity (the "Power"). Seller shall provide Buyer with prompt written notice of any material change in its ability to generate Power during the time this Agreement is in effect.

b. Buyer shall purchase the Power at a purchase price equal to the amount paid by Buyer for the electricity it purchases from the Vermont Public Power Supply Authority ("VPPSA") less \$0.015/kilowatt-hour ("kWh") (the "Purchase Price").

c. Seller's obligation to sell the Power provided for in Section 2(a) shall be excused only to the extent that, and for the period during which, such performance is prevented by Force Majeure affecting Seller.

3. Billing and Payment

a. Seller shall render a bill to Buyer reflecting the amount of Power delivered to it (the "Invoiced Quantity") for the prior calendar month by the tenth (10) day of the following month (the "Invoiced Amount"). Buyer shall calculate the amount of payment due by multiplying the Invoiced Quantity by the Purchase Price.

b. Bills may be based in whole or in part upon estimates. Within fifteen (15) days of receipt of its most current invoice from VPPSA (the "Due Date"), Buyer shall calculate the Purchase Price and submit payment to Seller for the Invoiced Amount, and shall include with such payment a copy of the most recent invoice from VPPSA. All amounts due which remain unpaid after the Due Date and through the end of the following calendar month shall bear interest at the annual rate of eighteen percentage points (18%). If any bill remains unpaid thereafter, any amounts due shall be subject to an additional amount of interest at one and a half (1.5) percentage points for each month that the bill remains unpaid.

c. Seller shall have the right to terminate this Agreement if any bill remains unpaid sixty (60) days from the Buyer's receipt of the bill. Seller shall provide Buyer with five (5) days written notice of its intent to terminate the Agreement based on Buyer's non-payment.

4. Maintenance. Buyer shall conduct minor maintenance on the Facility, including, but not limited to cleaning grates as needed and adjusting gate(s) to waterflow. In addition, Buyer shall notify Seller of any abnormal conditions of the Facility that it observes. Buyer shall have no other obligations whatsoever with regard to the Facility.

5. Liability, Indemnification, and Insurance

a. Nothing in this Agreement shall create any duty, standard of care, or liability to, or any right in, any person not a party to it. Neither party shall be liable to the other party for any consequential or punitive damages.

b. Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party (the "Indemnified Party") (including its corporate parent, corporate subsidiaries, affiliates, agents, officers, directors, employees, successors, and assigns) from and against any damages or losses whatsoever, including but not limited to damages resulting from the willful misconduct or gross negligence of the Indemnifying Party, suffered by the Indemnified Party by reason of personal injury, death or damage to property directly or indirectly caused by, arising out of, sustained on, or in any way connected with the Indemnifying Party's use or operation of its own facilities in the performance of this Agreement, except that each party shall be solely responsible for, and shall bear all costs arising from, any such injury, death, or damage to third parties caused by or claimed to have been caused by the actions of the applicable party's own employees or contractors covered by any workers' compensation law.

6. Laws, Regulations, Orders, Approvals, Permits and Taxes. This Agreement is made subject to all applicable present and future local, state, and federal laws and to the regulations or orders of any local, state, or federal regulatory authority having jurisdiction over the matters set forth herein, and performance hereunder is conditioned upon securing and retaining such local, state, and federal approvals, grants, or permits as may from time to time be necessary with respect to such performance. Both parties agree to use their respective best efforts to secure and retain all such approvals, grants, and permits.

7. Minimum Damages. In the event that Seller terminates this Agreement as provided for in Section 3(c), Seller shall be entitled to minimum cover damages ("Minimum Damages"). Such Minimum Damages shall be equal to the amount to cover fully the difference (where negative) between the amount received by Seller for the resale of the Power purchased for Buyer and the price that Buyer would have paid for such Power if the Agreement had not been terminated. The amount determined to be due and payable hereunder as Minimum Damages shall bear interest at the annual rate of two percentage points over the prime rate as published in the Wall Street Journal through the date of payment by Buyer.

8. Remedies. Subject to the provisions of Article 7 hereof, upon either party's failure to perform any obligation of this Agreement, the other party, in addition to the rights described in specific sections of this Agreement, and except to the extent specifically limited by this Agreement, may exercise, at its election, any rights and claim and obtain any remedies it may have at law or in equity including, without limitation, compensation for monetary damages, injunctive relief and specific performance.

9. Assignment. The rights and/or obligations of a party under this Agreement may not be assigned without the prior written consent of the other party, which consent shall not be unreasonably withheld.

10. Interpretation. The interpretation and performance of this Agreement shall be in accordance with, and controlled by, the laws of the State of New Hampshire.

11. Force Majeure.

a. "Force Majeure" shall mean any cause beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure, including, without limitation, storm, flood, lightning, drought, earthquakes, hurricane, tornado, landslide, fire, epidemic, war, riot, sabotage, explosions, civil disturbance, labor dispute, act of God or the public enemy, action of a court, public authority or governmental entity, change in law, or inability to obtain necessary regulatory approvals. Notwithstanding the foregoing, none of the following shall constitute Force Majeure hereunder: (i) the inability of a party to obtain financing at any time or from time to time; (ii) the failure or inability of a party to realize a profit or avoid a loss attributable to the performance of its obligations or the exercise of its rights under this Agreement; or (iii) the failure or inability of Buyer to use or resell the power made available to it by Seller.

b. A party shall be excused from performing under this Agreement, to the extent and for the period that the party's inability to perform is caused by a Force Majeure, provided that the nonperforming party promptly gives the other party written notice describing the particulars of the Force Majeure, and that the nonperforming party shall exert its best efforts to resume performance hereunder within the earliest practicable time following any such Force Majeure. A Force Majeure shall not excuse the obligations of either party under the indemnification provisions of Article 5.

12. Severability of Provisions. If any one or more provisions contained herein shall be finally determined by any court of competent jurisdiction to contravene, or be invalid under, any applicable provision of law, or shall at any time fail to be effective or operational for any reason other than a default under this Agreement, including without limitation disallowance or invalidation by any regulatory authority having jurisdiction over the matters contained in the Agreement, such contravention, invalidity, disallowance, or failure to be effective or operational shall not invalidate this entire Agreement, but such provision or provisions shall be severed from this Agreement, and the Agreement shall be construed as if not containing such provision or provisions, and the rights and obligations of the parties shall be construed and enforced accordingly; provided, however, that no new obligation shall thereby be imposed on either party. The parties will negotiate in good faith to provide a substitute for such severed provision or provisions, but no such substitute shall be binding on either party unless set forth in a written document executed and delivered by each of the parties to this Agreement and filed with and accepted for filing by such regulatory authorities as have jurisdiction.

13. Miscellaneous.

a. Each party shall execute and deliver to the other party any documents reasonably required to implement any provision hereof.

b. Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as the original.

c. This Agreement may be modified only by an instrument in writing signed by duly authorized representatives of all of the parties hereto.

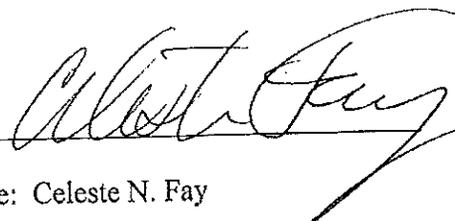
d. Delay or failure of either party to enforce all or part of any provision of this Agreement, or to require performance by the other party of all or part of any provision hereof, shall not be construed as a waiver of such provision, or any other provision, or affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision.

e. All written notices or requests (including without limitation bills rendered pursuant to Section 3(b)) shall be deemed to have been given or made when delivered by mail, similar private carrier, telecopy, or other electronic means, to a party at the address shown below its name on the signature page hereto, or to such other address as may be hereafter designated in writing by such party to the other party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective authorized officers as of the date first written above.

GOLDEN POND HYDRO, LLC

TOWN OF ASHLAND ELECTRIC
DEPARTMENT

By: 

By: Melvin C Holland

Name: Celeste N. Fay

Name: Melvin C Holland

Title:

Title: CHAIRMAN A.E.D. Com.

Address: P.O. Box 624
Thorndike, MA 01079

Address: 6 Collins Street
Ashland, NH 03217

PURCHASED POWER AGREEMENT

BETWEEN

GOLDEN POND HYDRO, LLC

AND

TOWN OF ASHLAND ELECTRIC DEPARTMENT

THIS PURCHASED POWER AGREEMENT ("Agreement") is made and entered into as of June 30, 2007 by and between Golden Pond Hydro, LLC ("Seller") and the Town of Ashland Electric Department ("Buyer").

WHEREAS, Seller owns a hydro-electric facility in Ashland, New Hampshire (the "Facility") and desires to sell the net output of electricity from the Facility to Buyer;

WHEREAS, Buyer is a New Hampshire municipal utility, which provides retail electric service in Ashland, New Hampshire; and

WHEREAS, Seller seeks to sell, and Buyer seeks to purchase, electric power on a wholesale basis for use by Buyer in the operation of its municipal electric utility.

NOW, THEREFORE, in consideration of the premises and of the mutual obligations and undertakings set forth herein, the parties agree as follows:

1. **Term**: This Agreement shall become effective on August 1, 2007 (the "Commencement Date") unless the parties shall agree otherwise in writing, and shall have an initial term of one year. The Agreement shall automatically renew for successive one year terms unless terminated during any such successive one year terms by either party with ninety (90) days written notice or as set forth in Section 3(c) of this Agreement. The applicable provisions of this Agreement shall continue in effect after the termination of this Agreement to the extent necessary to provide for final billing and billing adjustments, but all such billing and billing adjustments shall be made not later than six months following the termination of this Agreement. If information necessary to provide for any final billing or billing adjustment remains unavailable at the end of such six month period, such final billing or billing adjustments shall be made based on the good faith estimates of the parties.



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051

DOCKET NO. 08-05-11 APPLICATION OF GOLDEN POND HYDRO LLC FOR
QUALIFICATION AS A CLASS I RENEWABLE ENERGY
SOURCE

July 2, 2008

By the following Commissioners:

Anne C. George
Donald W. Downes
John W. Betkoski, III

DECISION

I. INTRODUCTION

A. SUMMARY

In this Decision, the Department of Public Utility Control determines that the Golden Pond Hydro, LLC generating facility qualifies as a Class I renewable energy source as a run-of-river hydroelectric facility, beginning with the calendar quarter commencing April 1, 2008, and assigns it Connecticut Renewable Portfolio Standard (RPS) Registration Number CT00269-08.

B. BACKGROUND OF THE PROCEEDING

By application dated May 21, 2008, Golden Pond Hydro LLC (Golden Pond) requested that the Department of Public Utility Control (Department) determine that the Golden Pond Hydro generation facility qualifies as a Class I renewable energy source.

C. CONDUCT OF THE PROCEEDING

There is no statutory requirement for a hearing, no person requested a hearing, and none was held.

D. PARTICIPANTS IN THE PROCEEDING

The Department recognized Golden Pond Hydro, LLC, Box 624, Thorndike, MA 01079, and the Office of Consumer Counsel, Ten Franklin Square, New Britain, Connecticut 06051, as Participants in this proceeding.

II. DEPARTMENT ANALYSIS

Pursuant to Connecticut General Statutes (C.G.S.) §16-1(a)(27), as amended by Public Act 03-221, An Act Concerning Technical Revisions to the Utility Statutes and Telecommunications Towers on Agricultural Land, "Class I renewable energy source" includes energy derived from a run-of-the-river hydropower facility provided such facility has a generating capacity of not more than five megawatts, does not cause an appreciable change in the river flow, and began operation after July 1, 2003.

In interpreting C.G.S. §16-1(a)(26), the Department determined that:

(1) "Facility" refers to an entire hydroelectric plant at a single site rather than a turbine generating unit within a hydroelectric plant;

(2) The "generating capacity of not more than five megawatts" refers to a hydroelectric facility's nameplate capacity, not its actual or average generation output;

(3) In order to qualify as "run-of-the-river," a hydroelectric facility must show a current FERC license or exemption that requires the facility to operate in run-of-river mode. In addition, a facility can qualify as a Class I or Class II renewable energy facility only to the extent that its FERC license or exemption requires run-of-river operation. Hydroelectric facilities that are not regulated by FERC will be required to show a FERC order or a court decision stating that FERC has no jurisdiction, or has declined to exercise jurisdiction, over such facility. In such cases, the hydroelectric facility must show that its operation allows the river inflow to equal outflow instantaneously and therefore, does not cause an appreciable change in the river flow; and

(4) "Began operations" means (A) the date an existing facility with generation began commercial operation as shown in documentation from FERC; (B) the new date given to an abandoned or destroyed facility that comes back into operation as shown in its documentation from FERC or as determined by the Department; (C) the date upon which a facility changes operation from store and release to run-of-river as shown in

documentation from FERC; or (D) the new date that incremental generation is in operation at an existing facility as shown in its documentation from FERC.

See Docket No. 04-02-07, DPUC Declaratory Ruling Concerning "Run-of-the-River Hydropower" as That Term is Used in the Definitions of Class I and Class II Renewable Energy Source in C.G.S. §16-1(a)(26) &(27).

Golden Pond Hydro is located on the Squam River at 39 Mill Pond Lane in Ashland, New Hampshire. The facility has a rated capacity of 0.079 MW.

The Golden Pond Hydro facility was severely damaged by a lightning strike on June 24, 2002 and deactivated. In March of 2004, French River Land Company, parent of Golden Pond, purchased the facility and began rehabilitation of the facility. Rehabilitation work included rebuilding the turbine and generators, including rewinding the generator stator, replacement of various bearings and seals, new oil lines, a new motor controller, new DC power supply and batteries, a new supervisory control and data acquisition system, a new monocrane lifting system miscellaneous other repairs and replacements. The total rehabilitation cost is \$42,588.80. Application Attachment, Golden Pond Hydro Turbine Rebuild Costs.

In the Decision in Docket No. 04-02-07, the Department determined that it would consider a facility abandoned (for the purpose of establishing a new in-service date) if the facility had been out of service for more than two years. Golden Pond Hydro was out of service for more than two years (July 24, 2002 – February 3, 2008) and was also removed from service due to a catastrophic act of nature. Based on the damage and significant costs incurred to rehabilitate the facility, and the fact that the project was completely out of service since July 24, 2002, the Department finds that the Golden Pond Hydro in-service date is February 3, 2008.

According to its FERC Exemption, Golden Pond Hydro operates as a run-of-river facility. FERC Exemption, April 9, 1982, Project No. 5638-000, (FERC Exemption). The facility controls head pond level utilizing a new programmable logic controller (PLC) that senses head pond level via a pressure transducer. The PLC controls flow through the turbine to track head pond level. Flows in excess of station capacity are passed over the spillway crest. Letter from Golden Pond dated June 3, 2008 in response to Interrogatories EL-1 through 4. Therefore, the facility is capable of maintaining outflows equal to inflows, and, by definition, run of river operations.

Based on the foregoing, the Department determines that Golden Pond Hydro qualifies as a Class I renewable energy facility with a new in-service date beginning February 3, 2008.

III. FINDINGS OF FACT

1. Golden Pond Hydro is located on the Squam River at 39 Mill Pond Lane in Ashland, New Hampshire.
2. The facility has a rated capacity of 0.079 MW.

3. The Golden Pond Hydro facility was severely damaged by a lightning strike on June 24, 2002 and deactivated.
4. In March of 2004, French River Land Company, parent of Golden Pond, purchased the facility and began rehabilitation of the facility.
5. The total rehabilitation cost is \$42,588.80.
6. According to its FERC Exemption, Golden Pond Hydro operates as a run-of-river facility.
7. The facility controls head pond level utilizing a new PLC that senses head pond level via a pressure transducer.

IV. CONCLUSION

Based on the evidence submitted, the Department finds that Golden Pond Hydro qualifies as a Class I renewable generation source pursuant to Connecticut General Statutes §16-1(a)(26). The Golden Pond Hydro facility is eligible to receive Class I Renewable Energy Credits as of the calendar quarter beginning April 1, 2008.

The Department assigns each renewable generation source a unique Connecticut Renewable Portfolio Standard (RPS) registration number. Golden Pond Hydro's Connecticut RPS registration number is CT00269-08.

The Department's determination in this docket is based on the information submitted by Golden Pond. The Department may reverse its ruling or revoke the Applicant's registration if any material information provided by the Applicant proves to be false or misleading. The Department reminds Golden Pond that it is obligated to notify the Department within 10 days of any changes to any of the information it has provided to the Department.

**DOCKET NO. 08-05-11 APPLICATION OF GOLDEN POND HYDRO LLC FOR
QUALIFICATION AS A CLASS I RENEWABLE ENERGY
SOURCE**

This Decision is adopted by the following Commissioners:

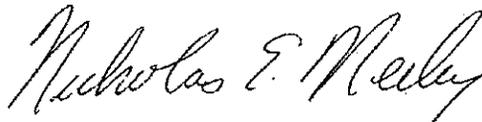
Anne C. George

Donald W. Downes

John W. Betkoski, III

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the Decision issued by the Department of Public Utility Control, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.



Nicholas E. Neeley
Acting Executive Secretary
Department of Public Utility Control

July 8, 2008

Date

IX) Original FERC License Application

EXHIBIT A

The Ashland Paper Mill dam is situated on Squam River in Ashland, New Hampshire approximately one-half mile upstream from the U. S. Highway 93 bridge and about 200 feet upstream from a Boston and Maine railroad bridge. The river flows in a southwesterly direction at the dam, which is located .9 mile above the Pemigewasset River. Exhibit B included herein shows the general layout of the project.

Mill Pond Associates, Inc. proposes to redevelop the hydro portion of the former Ashland Paper Mill, which shut down its operations in 1970.

The civil work remains in good condition since originally constructed ca. 1864. The dam was repaired in 1937 and is generally in good condition, but repairs need to be made on the downstream side of the dam at the toe, as well as replacement of the flashboards, rebuilding of the floodgate and hoist, and repointing of worn or spalled areas in the concrete and stone dam. A new trash rack and head gate will be required. The tailrace needs to be cleared of debris and silt. The turbine will be removed and overhauled, then replaced and tied to new electrical equipment.

The original plant was mechanical, rated at 180 hp, using a run-of-the-river type of operation. The turbine is a vertical type with a Francis runner. The Squam River has a controlled flow which is regulated by the State of New Hampshire Water Resources Board. There is a minimum flow maintained throughout the year of 60 cfs. (See flow duration curve, Appendix A). The plant will generate an estimated 630,000 kwh annually. The gross head is 18 feet. The turbine has a capacity of 100 cfs at full gate. The pond has an approximate surface area of 5.6 acres at elevation 500.0 feet with a gross storage capacity of about 20 acre feet.

Exhibit A

- 2 -

Construction will begin in April, 1982 and operation is to begin 6 months later in October, 1982.

Table 1 below gives the necessary statistics:

TABLE 1

Dam :

Height:	14.5'
Length:	200'
Material:	Split stone and concrete
Design:	Gravity dam, 56' long controlled spillway

Penstock:

Length:	19'
Diameter:	5.5'
Material:	Steel

Impoundment:

Surface elevation:	500.0'
Storage:	20 acre feet \pm
Surface area:	5.6 acres

TABLE 1 (continued)

Power Plant:

Rating:	1 unit at 100 kw
Manufacturer:	Rodney Hunt
Operating Head:	18 feet
Hydraulic capacity:	100 cfs
Plant factor:	70%
Annual output:	630,000 kwh

Customer:

Power output is proposed for sale to Public Service Company of New Hampshire under rates established by the New Hampshire Public Service Commission pursuant to the Public Utility Regulatory Policies Act.

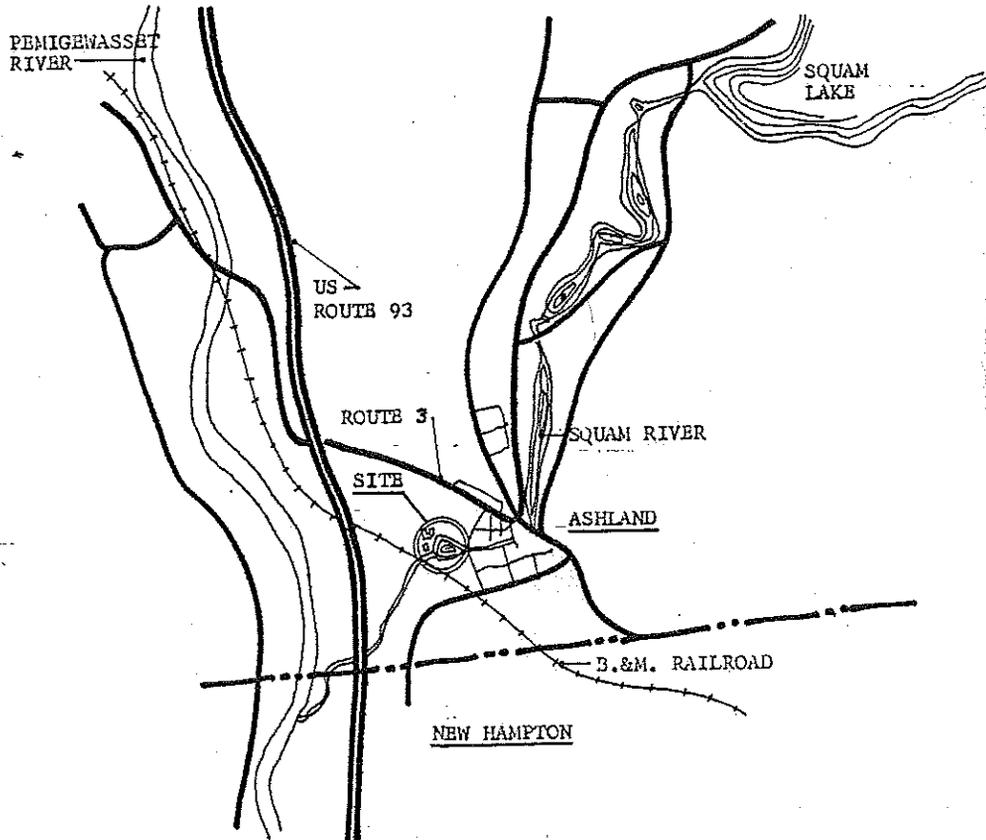
Transmission:

5 KV - approximately 1,000' to the existing substation.

Flow Duration Curve:

See Appendix A.

EXHIBIT B



General Location Map

scale : 1"=1/2 mile

EXHIBIT E

Environmental Report

There are approximately 65 square miles of water shed upstream of the project consisting primarily of wooded hills. The primary water sources are Squam River, Owl Brook and Ames Brook. Squam River flows from Squam Lake and passes through the Town of Ashland, where there are five dams. This is the last dam in the sequence. The first dam is controlled by the New Hampshire Water Resources Board and regulates and measures the flow of water in the river. Due to an agreement between the L. W. Packard Co., a user of the water, and the Squam Lakes Association, a group of Lake residents, there is a guaranteed flow of at least 60 cfs at all times throughout the year, with a yearly average of about 90 cfs. There is a recreational use of the water in the form of Squam Lake and Little Squam Lake above the dams. This project will have no effect on these areas. The paper mill dam forms a pond having a surface area of approximately 5.6 acres which will not be changed by this project. Within the project boundaries there are open areas on the north side, buildings on the west, and semi-wooded areas on the south. A road bounds the east. The pond has small vegetation out-croppings.

Typical vegetation includes cat-tails, marsh grass, golden rod, dogwood, white and grey birch, alders, elm, white pine, evergreens, maples, wild cherry, and oak. Typical bird life includes red-winged black birds, crows, blue jays, and robins. Typical wildlife includes muskrat, raccoon, mice, rabbits, squirrels, and chipmunks.

The proposed hydro operation would not affect the quality of the river, as the

The project would utilize existing structures and would require no further encroachment on the river than that which was previously established at this site over 100 years ago.

The Ashland Dam is shut down each year in July for two weeks for maintenance and repair of the Packard Mill hydro equipment. We will use this same period to do our maintenance work also. Being fed at this time only by Ames Brook and residual flow through the stop logs at the Squam Lake dam, the flow is reduced to about 5 cfs. This schedule of operation has been in effect for the past 30 years. Attached in Appendix B are copies of correspondence with appropriate agencies.

All the water flowing through the proposed project's turbine would be returned to the river through the existing tailrace which rejoins the river approximately 150 feet below the dam. It does not appear that the natural environment in this section of the river between the dam and tailrace canal would be adversely affected even by extremely low flow conditions.

The U. S. Fish and Wildlife and N. H. Fish and Game Departments have indicated that they are not aware of any endangered species in the project area:

New Hampshire Fish and Game indicates that they currently have no plans to reinstate anadromous fish to the Squam River. Existing dams above the project have no fishway installed or planned. The proposed project, therefore, does not include plans to construct a fishway. We will be glad to cooperate with the Fish and Game Department and with the U.S. Fish and Wildlife Department if and when there is a change in current policy.

Exhibit E

- 3 -

The following species of fish populations are to be found in the area of the project:

E. Chain Pickerel	Yellow Perch
Common White Sucker	Pumpkin Seed
N. Brown Bullhead	Bluegill
Golden Shiner	

Public access for fishing would be permitted in the dam area except in the immediate vicinity of the intake. This area would be fenced off to ensure public safety.

This project would displace 1,033 gallons of imported oil per year based on an equivalent of 600 kwh per barrel of oil.

The proposed project will be adjacent to an existing paper mill site. The building immediately involved with the hydro installation has been removed due to a fire which destroyed most of the structure about three years ago.

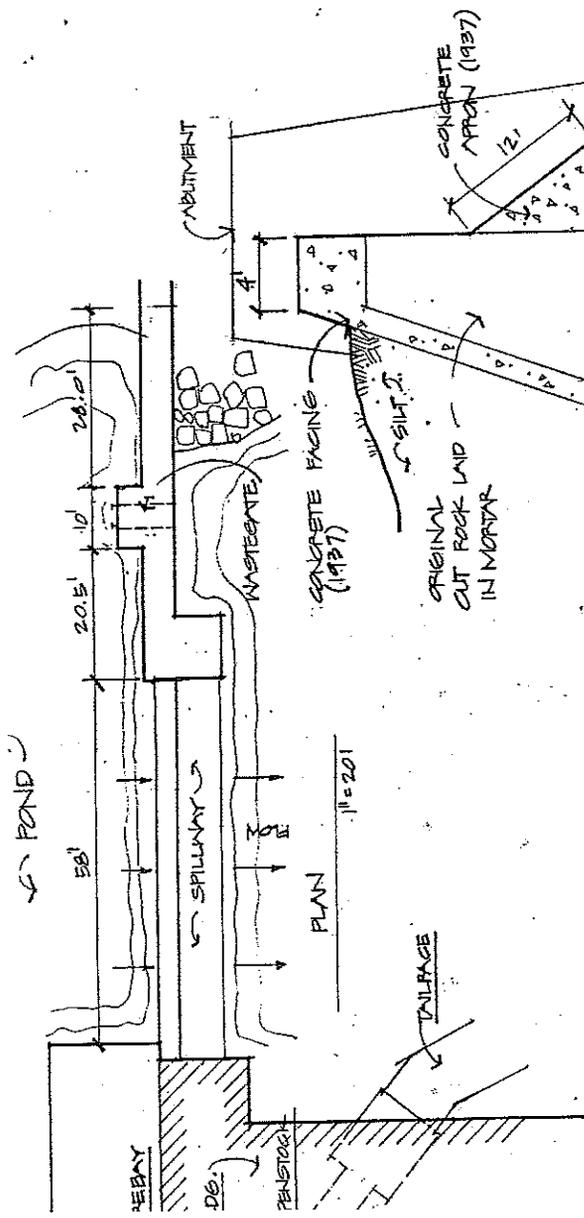
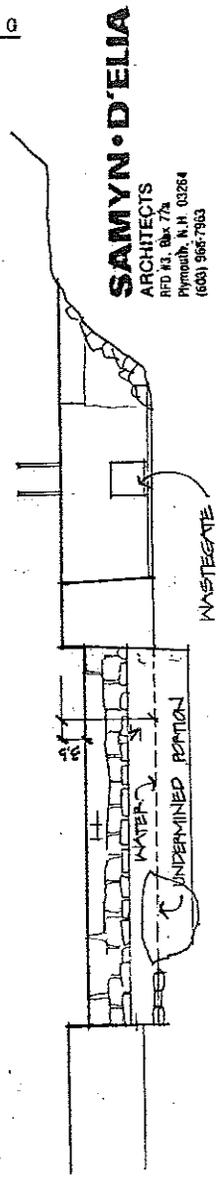


EXHIBIT G

SECTION
NO SCALE



SAMYN D'ELIA
 ARCHITECTS
 RFD #3, Box 7A
 Plymouth, N.H. 03264
 (603) 986-7963

PAPER MILL DAM

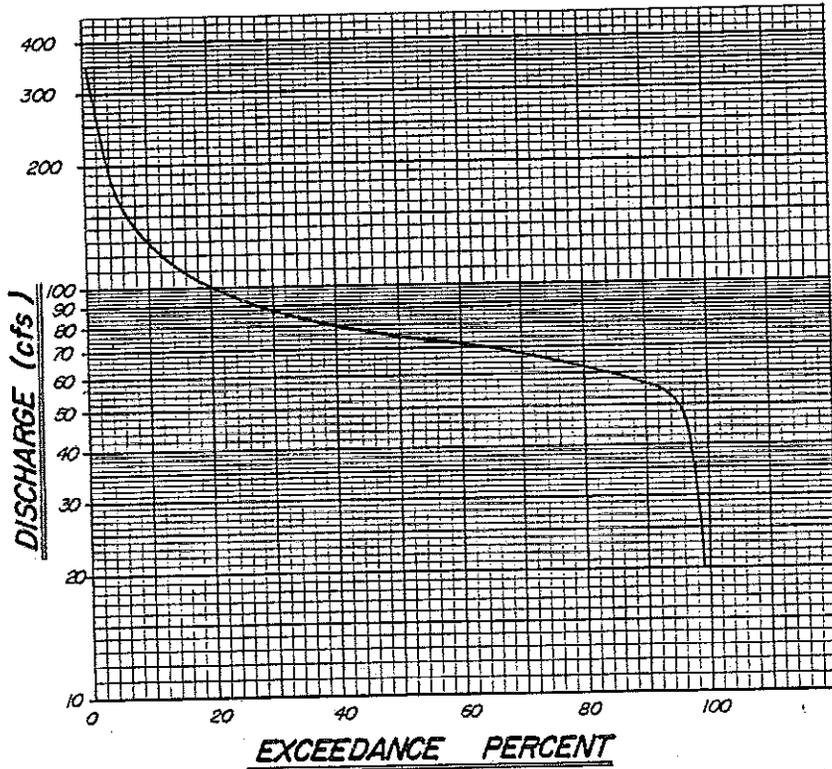
ASHLAND, N.H.

1

Appendix H

35
 23.0
 1971 - 79
 84

1971 - 79 @ 12.5%
 84



<u>EXCEEDANCE PERCENT</u>	<u>DISCHARGE (cfs)</u>
10	130
25	94
--	--

HISTORICAL DURATION CURVE
 SQUAM LAKE DAM



UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
ECOLOGICAL SERVICES
P.O. Box 1518
Concord, New Hampshire 03301

Appendix B-1

Mr. Tom Samyn
Samyn-D'Elia Architects
Box 77A, RFD 3
Plymouth, New Hampshire 03264

RECEIVED

AUG 26 1981

AUG 27 1981

SAMYN • D'ELIA

Dear Mr. Samyn:

We have reviewed your draft application for exemption for the Ashland Paper Mill hydroelectric project on the Squam River in Ashland, New Hampshire. Based on the information on the project enclosed in your August 10, 1981, letter and on our visit to the site, we request that you state in your final Exhibit E that the U. S. Fish and Wildlife Service requests inclusion in the exemption of the following terms and conditions pursuant to Section 30(c) of the Federal Power Act and Section 408 of the Energy Security Act:

1. The Exemptee shall provide fish-passage facilities at the project when the New Hampshire Fish and Game Department implements a plan to restore runs of anadromous fish through the project area. There currently are no plans to restore such runs in the near future (next 25 years).
2. The Exemptee shall provide an aquatic base flow of no less than 32 cubic feet per second (cfs) below the project. Whenever inflows to the project area fall below 32 cfs, outflows shall be no less than inflows.
3. The Exemptee shall provide access for anglers to project waters, except where such access would risk personal safety.

We hope these comments will help you in planning for this project. If you need further assistance, please let us know.

Sincerely yours,

Gordon E. Beckett
Supervisor

STATE OF NEW HAMPSHIRE

FISH AND GAME DEPARTMENT



CHARLES E. BARRY
EXECUTIVE DIRECTOR

Box 2003
34 Bridge Street
Concord, N.H. 03301
(603) 271-3421

RECEIVED

SEP 29 1981

September 28, 1981

SAMYN • D'ELIA

Tom Samyn
Samyn-D'Elia Architects
Box 77A, RFD 3
Plymouth, New Hampshire 03264

Dear Mr. Samyn:

We have reviewed your draft application for exemption for the Ashland Paper Mill hydroelectric project on the Squam River in Ashland, New Hampshire. Based on the information on the project enclosed in your August 10, 1981, letter and on our visit to the site, we request that you state as condition for the license exemption the following terms and conditions pursuant to Section 30(c) of the Federal Power Act and Section 408 of the Energy Security Act:

1. The Exemptee shall provide fish-passage facilities at the project when the New Hampshire Fish and Game Department implements a plan to restore runs of anadromous fish through the project area. There currently are no plans to restore such runs in the near future (next 25 years).
2. The Exemptee shall provide an aquatic base flow of no less than 32 cubic feet per second (cfs) below the project. Whenever inflows to the project area fall below 32 cfs, outflows shall be no less than inflows.
3. The Exemptee shall provide access for anglers to project waters, except where such access would risk personal safety.

Sincerely,

George R. Morrison
George R. Morrison
Fish and Game Department

FEDERAL ENERGY REGULATORY COMMISSION
NEW YORK REGIONAL OFFICE
26 FEDERAL PLAZA, ROOM 2207
NEW YORK, NEW YORK 10278

March 31, 1982

Mill Pond Associates, Inc.
Box 77 A, RFD 3
Plymouth, New Hampshire 03264

Re: Ashland Paper Mill
Project No. 5638-NH

Gentlemen:

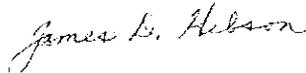
This is in reference to the Commission's Order, dated March 22, 1982, issuing an exemption for the proposed Ashland Paper Mill Project No. 5638-NH. Please refer to the referenced project number on all future correspondence.

The New York Regional Office has been assigned the responsibility to monitor your compliance with the terms of the exemption. In this regard, you are subject to the standard articles in Section 4.106 of the Commission's regulations. In conformance with Article No. 3, it is required that the construction of the proposed hydroelectric facilities be started within 18 months and completed within 4 years from the date of issuance of this exemption. The corresponding calendar dates are September 22, 1983 and March 22, 1986, respectively. Prior to these dates, we will contact your office to make arrangements for our staff engineers to conduct two follow-up inspections of the project site to verify your compliance in this matter. If construction is planned to start prior to September 22, 1983, please notify us at least two weeks before the initiation of work.

In accordance with Article No. 1, other inspections may be necessary to investigate any matters of concern to the Commission related to the construction, operation or maintenance of the project.

You are reminded that if any term or condition of your exemption is violated, the Commission may revoke it. Please do not hesitate to contact this office should you have any questions regarding this matter. We look forward to your continued cooperation.

Sincerely,



James D. Helson

D) Ashland Electric Light Power Purchase Agreement

PURCHASED POWER AGREEMENT

BETWEEN

GOLDEN POND HYDRO, LLC

AND

TOWN OF ASHLAND ELECTRIC DEPARTMENT

THIS PURCHASED POWER AGREEMENT ("Agreement") is made and entered into as of June 30, 2007 by and between Golden Pond Hydro, LLC ("Seller") and the Town of Ashland Electric Department ("Buyer").

WHEREAS, Seller owns a hydro-electric facility in Ashland, New Hampshire (the "Facility") and desires to sell the net output of electricity from the Facility to Buyer;

WHEREAS, Buyer is a New Hampshire municipal utility, which provides retail electric service in Ashland, New Hampshire; and

WHEREAS, Seller seeks to sell, and Buyer seeks to purchase, electric power on a wholesale basis for use by Buyer in the operation of its municipal electric utility.

NOW, THEREFORE, in consideration of the premises and of the mutual obligations and undertakings set forth herein, the parties agree as follows:

1. **Term**: This Agreement shall become effective on August 1, 2007 (the "Commencement Date") unless the parties shall agree otherwise in writing, and shall have an initial term of one year. The Agreement shall automatically renew for successive one year terms unless terminated during any such successive one year terms by either party with ninety (90) days written notice or as set forth in Section 3(c) of this Agreement. The applicable provisions of this Agreement shall continue in effect after the termination of this Agreement to the extent necessary to provide for final billing and billing adjustments, but all such billing and billing adjustments shall be made not later than six months following the termination of this Agreement. If information necessary to provide for any final billing or billing adjustment remains unavailable at the end of such six month period, such final billing or billing adjustments shall be made based on the good faith estimates of the parties.

2. Power Purchase

a. Commencing on the Commencement Date, Seller shall sell and Buyer shall purchase from Seller all of the electricity produced by the Facility as measured at the meter located on Seller's property, less 2.5% of such electricity (the "Power"). Seller shall provide Buyer with prompt written notice of any material change in its ability to generate Power during the time this Agreement is in effect.

b. Buyer shall purchase the Power at a purchase price equal to the amount paid by Buyer for the electricity it purchases from the Vermont Public Power Supply Authority ("VPPSA") less \$0.015/kilowatthour ("kWh") (the "Purchase Price").

c. Seller's obligation to sell the Power provided for in Section 2(a) shall be excused only to the extent that, and for the period during which, such performance is prevented by Force Majeure affecting Seller.

3. Billing and Payment

a. Seller shall render a bill to Buyer reflecting the amount of Power delivered to it (the "Invoiced Quantity") for the prior calendar month by the tenth (10) day of the following month (the "Invoiced Amount"). Buyer shall calculate the amount of payment due by multiplying the Invoiced Quantity by the Purchase Price.

b. Bills may be based in whole or in part upon estimates. Within fifteen (15) days of receipt of its most current invoice from VPPSA (the "Due Date"), Buyer shall calculate the Purchase Price and submit payment to Seller for the Invoiced Amount, and shall include with such payment a copy of the most recent invoice from VPPSA. All amounts due which remain unpaid after the Due Date and through the end of the following calendar month shall bear interest at the annual rate of eighteen percentage points (18%). If any bill remains unpaid thereafter, any amounts due shall be subject to an additional amount of interest at one and a half (1.5) percentage points for each month that the bill remains unpaid.

c. Seller shall have the right to terminate this Agreement if any bill remains unpaid sixty (60) days from the Buyer's receipt of the bill. Seller shall provide Buyer with five (5) days written notice of its intent to terminate the Agreement based on Buyer's non-payment.

4. Maintenance. Buyer shall conduct minor maintenance on the Facility, including, but not limited to cleaning grates as needed and adjusting gate(s) to waterflow. In addition, Buyer shall notify Seller of any abnormal conditions of the Facility that it observes. Buyer shall have no other obligations whatsoever with regard to the Facility.

5. Liability, Indemnification, and Insurance

a. Nothing in this Agreement shall create any duty, standard of care, or liability to, or any right in, any person not a party to it. Neither party shall be liable to the other party for any consequential or punitive damages.

b. Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party (the "Indemnified Party") (including its corporate parent, corporate subsidiaries, affiliates, agents, officers, directors, employees, successors, and assigns) from and against any damages or losses whatsoever, including but not limited to damages resulting from the willful misconduct or gross negligence of the Indemnifying Party, suffered by the Indemnified Party by reason of personal injury, death or damage to property directly or indirectly caused by, arising out of, sustained on, or in any way connected with the Indemnifying Party's use or operation of its own facilities in the performance of this Agreement, except that each party shall be solely responsible for, and shall bear all costs arising from, any such injury, death, or damage to third parties caused by or claimed to have been caused by the actions of the applicable party's own employees or contractors covered by any workers' compensation law.

6. Laws, Regulations, Orders, Approvals, Permits and Taxes. This Agreement is made subject to all applicable present and future local, state, and federal laws and to the regulations or orders of any local, state, or federal regulatory authority having jurisdiction over the matters set forth herein, and performance hereunder is conditioned upon securing and retaining such local, state, and federal approvals, grants, or permits as may from time to time be necessary with respect to such performance. Both parties agree to use their respective best efforts to secure and retain all such approvals, grants, and permits.

7. Minimum Damages. In the event that Seller terminates this Agreement as provided for in Section 3(c), Seller shall be entitled to minimum cover damages ("Minimum Damages"). Such Minimum Damages shall be equal to the amount to cover fully the difference (where negative) between the amount received by Seller for the resale of the Power purchased for Buyer and the price that Buyer would have paid for such Power if the Agreement had not been terminated. The amount determined to be due and payable hereunder as Minimum Damages shall bear interest at the annual rate of two percentage points over the prime rate as published in the Wall Street Journal through the date of payment by Buyer.

8. Remedies. Subject to the provisions of Article 7 hereof, upon either party's failure to perform any obligation of this Agreement, the other party, in addition to the rights described in specific sections of this Agreement, and except to the extent specifically limited by this Agreement, may exercise, at its election, any rights and claim and obtain any remedies it may have at law or in equity including, without limitation, compensation for monetary damages, injunctive relief and specific performance.

9. Assignment. The rights and/or obligations of a party under this Agreement may not be assigned without the prior written consent of the other party, which consent shall not be unreasonably withheld.

10. Interpretation. The interpretation and performance of this Agreement shall be in accordance with, and controlled by, the laws of the State of New Hampshire.

11. Force Majeure.

a. "Force Majeure" shall mean any cause beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure, including, without limitation, storm, flood, lightning, drought, earthquakes, hurricane, tornado, landslide, fire, epidemic, war, riot, sabotage, explosions, civil disturbance, labor dispute, act of God or the public enemy, action of a court, public authority or governmental entity, change in law, or inability to obtain necessary regulatory approvals. Notwithstanding the foregoing, none of the following shall constitute Force Majeure hereunder: (i) the inability of a party to obtain financing at any time or from time to time; (ii) the failure or inability of a party to realize a profit or avoid a loss attributable to the performance of its obligations or the exercise of its rights under this Agreement; or (iii) the failure or inability of Buyer to use or resell the power made available to it by Seller.

b. A party shall be excused from performing under this Agreement, to the extent and for the period that the party's inability to perform is caused by a Force Majeure, provided that the nonperforming party promptly gives the other party written notice describing the particulars of the Force Majeure, and that the nonperforming party shall exert its best efforts to resume performance hereunder within the earliest practicable time following any such Force Majeure. A Force Majeure shall not excuse the obligations of either party under the indemnification provisions of Article 5.

12. Severability of Provisions. If any one or more provisions contained herein shall be finally determined by any court of competent jurisdiction to contravene, or be invalid under, any applicable provision of law, or shall at any time fail to be effective or operational for any reason other than a default under this Agreement, including without limitation disallowance or invalidation by any regulatory authority having jurisdiction over the matters contained in the Agreement, such contravention, invalidity, disallowance, or failure to be effective or operational shall not invalidate this entire Agreement, but such provision or provisions shall be severed from this Agreement, and the Agreement shall be construed as if not containing such provision or provisions, and the rights and obligations of the parties shall be construed and enforced accordingly; provided, however, that no new obligation shall thereby be imposed on either party. The parties will negotiate in good faith to provide a substitute for such severed provision or provisions, but no such substitute shall be binding on either party unless set forth in a written document executed and delivered by each of the parties to this Agreement and filed with and accepted for filing by such regulatory authorities as have jurisdiction.

13. Miscellaneous.

a. Each party shall execute and deliver to the other party any documents reasonably required to implement any provision hereof.

b. Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as the original.

c. This Agreement may be modified only by an instrument in writing signed by duly authorized representatives of all of the parties hereto.

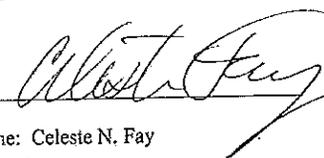
d. Delay or failure of either party to enforce all or part of any provision of this Agreement, or to require performance by the other party of all or part of any provision hereof, shall not be construed as a waiver of such provision, or any other provision, or affect the validity of this Agreement, any part hereof, or the right of either party thereafter to enforce each and every provision.

e. All written notices or requests (including without limitation bills rendered pursuant to Section 3(b) shall be deemed to have been given or made when delivered by mail, similar private carrier, telecopy, or other electronic means, to a party at the address shown below its name on the signature page hereto, or to such other address as may be hereafter designated in writing by such party to the other party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective authorized officers as of the date first written above.

GOLDEN POND HYDRO, LLC

TOWN OF ASHLAND ELECTRIC
DEPARTMENT

By: 

By: Melvin C. Holland

Name: Celeste N. Fay

Name: Melvin C. Holland

Title:

Title: CHAIRMAN A.E.D. Com.

Address: P.O. Box 624
Thorndike, MA 01079

Address: 6 Collins Street
Ashland, NH 03217

II) Deed to the Property and Assets

MICHAEL J. DONAHUE
CHARLES F. TUCKER
ROBERT D. CIANDELLA
ELIZABETH M. MACDONALD
JOHN J. RANSAN
DENISE A. POULOS
ROBERT A. BATTLES
SHARON CUDDY SCHMERS
CHRISTOPHER L. BOLDT
DOUGLAS M. MANSFIELD

OF COUNSEL

ROBERT M. DEROSTER
ROBERT B. DONOVAN
KATHERINE B. ~~W~~

July 12, 2004

ATTORNEYS
DTCL
A T T O R N E Y S
DONAHUE, TUCKER & CIANDELLA, PLLC

Please Reply to the Portsmouth Office

KEARSARGE HOUSE
104 CONGRESS STREET, SUITE 304
PORTSMOUTH, NEW HAMPSHIRE
03801
TELEPHONE
603-766-1686
TOLL FREE
800-566-0506
FAX
603-766-1687
WWW.DTCLAWYERS.COM
GENERALMAIL@DTCLAWYERS.COM

Mr. William K. Fay
French River Land Co., Inc.
P.O. Box 624
Thomdike, MA 01079

RE: Freshwater Hydro, Inc.

Dear Mr. Fay:

Enclosed herewith please find the original recorded Warranty Deed for your records.

I trust you will find everything in order, please contact me with any questions.

Very truly yours,
Donahue, Tucker & Ciandella, PLLC


Nancy Cannon
R.E. Paralegal
Enclosure

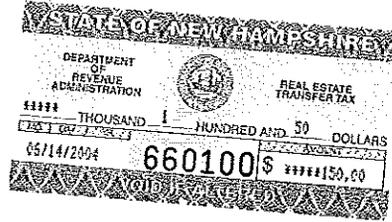
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GRAFTON COUNTY
REGISTRY OF DEEDS

251



WARRANTY DEED

KNOW ALL PERSONS BY THESE PRESENTS that **FRESHWATER HYDRO, INC.**, a corporation organized and existing under the laws of the State of New Hampshire, with a principal place of business at North Hampton, County of Rockingham, State of New Hampshire, for consideration paid, grants to **FRENCH RIVER LAND CO., INC.**, a corporation organized and existing under the laws of the Commonwealth of Massachusetts, with a principal place of business at Wilbraham, County of Hampden, Commonwealth of Massachusetts, with a post office address of PO Box 624, Thorndike, MA 01079, with **WARRANTY COVENANTS**, the following described premises:

A certain tract or parcel of land, together with the buildings and improvements located thereon, situate in the Town of Ashland, County of Grafton and State of New Hampshire, depicted as Lot #1, containing 33,370 square feet on a plan entitled "Subdivision Plat for Elizabeth A. and Mark S. Mertens, Grafton County, Ashland, N.H." prepared by Hodges and Hayden, Holderness, New Hampshire, dated August 24, 1981, and revised July 27, 1982, and further depicted as Lot #1 on a plan entitled "Property of Elizabeth A. and Mark S. Mertens (former Ashland Paper Mill) Showing Overall Parcel and Lot to be Subdivided for Hydro Site" prepared by Hodges and Hayden, both of which plans are recorded in the Grafton County Registry of Deeds as Plan #1612, which premises are more particularly bounded and described as follows:

Beginning at a point on the southerly shore of Squam River at the southwest corner of the within described premises, thence running in a general northeasterly southerly and southeasterly direction along the southerly shore of said River and the Mill Pond, also known as Wilder Pond, to a point at the southeasterly corner of the within described premises which lie North 89° 16' 56" East a distance of 119.27 feet from the point of beginning; thence turning and running North 9° 17' 42" West a distance of 182.55 feet to a point at the northeast corner of the within described premises; thence turning and running South 88° 50' 31" West a distance of 215.00 feet to a drill hole set in a retaining wall; thence turning and running along said retaining wall South 2° 19' 44" East a distance 71.11 feet to a point at land now or formerly of the Boston and Maine Railroad; thence turning and running South 49° 53' East a distance of 162.00 feet, more or less, to the point of beginning.

This conveyance is made together with the benefits and subject to the terms and provisions of a certain Agreement entered into between Levi Clough and Charles T. Wilder, et al, dated April 16, 1877, and recorded in the Grafton County Registry of Deeds at Volume 361, Page 236.

MLZ

BK300960819

This conveyance is made together with the rights and easements for the benefit of said premises, which were granted and deemed to run with the land by instrument dated July 29, 1983 and recorded in the Grafton County Registry of Deeds at Volume 1477, Page 859.

EXCEPTING AND RESERVING, however, to the Town of Ashland, New Hampshire, such rights with respect to the construction and maintenance of a sewer line as were acquired by it under instrument dated June 17, 1968, and recorded in the Grafton County Registry of Deeds at Volume 1072, Page 247.

This conveyance is made subject to such rights as the Boston and Maine Railroad acquired under Quitclaim Deed of Continental Paper & Bag Corporation to it, dated November 12, 1935, and as recorded in the Grafton County Registry of Deeds at Volume 657, Page 537.

MEANING AND INTENDING hereby to describe and convey a portion of the premises described in and conveyed by the Quitclaim Deed of Mary B. Fletcher to Mark S. Mertens, dated September 29, 1981, and recorded in the Grafton County Registry of Deeds at Volume 1432, Page 19.

MEANING AND INTENDING hereby to describe and convey the premises, rights, easements, dam rights, rights of flowage and rights of drainage described in and conveyed by the Warranty Deed of Mill Pond Associates to Golden Pond Hydroelectric Company, Inc., dated July 27, 1983, and recorded in the Grafton County Registry of Deeds at Volume 1477, Page 859.

MEANING AND INTENDING hereby to describe and convey the premises, rights, easements, dam rights, rights of flowage, rights of drainage and all other rights described in and conveyed by the Warranty Deed of Golden Pond Hydroelectric Company, Inc. to Golden Pond Hydroelectric Company, Inc. and Forge Development Corporation, doing business as Golden Pond Hydropower Associates, dated June 30, 1984, and recorded in the Grafton County Registry of Deeds at Volume 1532, Page 119 and by the Deed of Flowage Rights of Golden Pond Hydroelectric Company, Inc. to Golden Pond Hydroelectric Company, Inc. and Forge Development Corporation, doing business as Golden Pond Hydropower Associates, dated June 30, 1984 and recorded in the Grafton County Registry of Deeds at Volume 1532, Page 124.

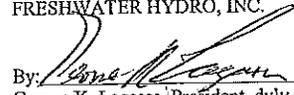
MEANING AND INTENDING hereby to describe and convey the premises, rights, easements, dam rights, rights of flowage, rights of drainage and all other rights described in and conveyed by the Warranty Deed of Golden Pond Hydropower Associates to Freshwater Hydro, Inc. dated August 9, 1990 and recorded on August 21, 1990 in the Grafton County Registry of Deeds at Volume 1875, Page 204.

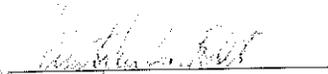
Said lot is conveyed subject to any and all encumbrances of record, as the same may apply to the premises herein described.

NO TITLE EXAMINATION REQUESTED.

IN WITNESS WHEREOF, FRESHWATER HYDRO, INC., by its President, has caused these presents to be executed this 11th day of June, 2004.

FRESHWATER HYDRO, INC.

By: 
George K. Lagassa, President, duly authorized


Witness

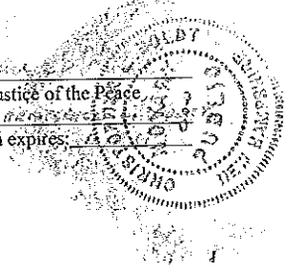
6X3009P60820

STATE OF NEW HAMPSHIRE
COUNTY OF Rockingham, SS

On this 11 day of June, 2004, before me, personally appeared George K. Lagassa, in his capacity as President of Freshwater Hydro, Inc., known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained on behalf of the Corporation.

CHRISTOPHER L. BOLDI, Notary Public
My Commission Expires December 4, 2007

Notary Public/Justice of the Peace
Printed Name: Christopher L. Boldi
My Commission expires: December 4, 2007



S:\Freshwater Hydro, Inc\Documents\WARRANTY DEED.doc

Joel A. Dupuis REGISTER
GRAFTON COUNTY REGISTRY OF DEEDS

EXAMINED, ATTEST:
GRAFTON COUNTY REGISTRY OF DEEDS

Joel A. Dupuis

DONAHUE, TUCKER & CIANDELLA
ATTORNEYS AT LAW
225 WATER STREET
EXETER, NEW HAMPSHIRE 03833

III) Formation of Golden Pond Hydro LLC with Will, Celeste and Bill as equal owners

John J. McCormack
Attorney at Law

62 Main Street, P.O. Box 720
Ashland, New Hampshire 03217

Telephone (603) 968-7894
Telefax (603) 968-2153

June 4, 2007

William K. Fay, General Manager
FRENCH RIVER LAND COMPANY, INC.
PO Box 624
Thorndike, MA 01079

Re: **GOLDEN POND HYDRO, LLC**

Dear Mr. Fay:

Enclosed herewith please find a Certificate of Formation (Form LLC 1) and Addendum (Form SRA). Kindly sign both pages of both originals and date both the LLC 1 and SRA forms. Once executed, please return the originals to me for filing with the New Hampshire Secretary of State's Office.

Pursuant to your request, the Member of the new LLC are now characterized as William K. Fay, William D. B. Fay, and Celeste N. Fay.

I am also enclosing a draft copy of a proposed Member Agrément for the above-named LLC for your review and comment.

I trust that you have received whatever tax advice you deem to be necessary or desirable with respect to the creation of this LLC.

Please note that often decisions as to the formation of an LLC involve advise from not only a lawyer, but also a certified public accountant or a tax advisor. Consequently, you are encouraged to seek advice from such a professional. If you or your tax advisor have any questions or comments, they you certainly are free to contact me.

Typically, we would indicate that the amount necessary for the initiation of your business is the capital contribution which is expressed on Exhibit B, some accountants may differ in this regard.

Your accountant can also assist you in the process of obtaining a Tax Identification Number from the federal government. We are also enclosing a pamphlet put forth by the Internal Revenue Service for your review and edification.

Kindly advise me if the proposed Member Agreement meets with your approval, and I will prepare and forward an original for execution.

As we discussed, the placing of the real property into the name of the LLC requires the execution and recording of a deed. If you have not provided us with a copy of the pre-existing deed, then you should certainly do so at the present time so that we might prepare a deed from the present owner or owners to the new LLC.

We have not been requested to perform a title search of the subject premises, so that we will rely upon the state of title as reflected by the deed. If this is not your desire or the desire of the Grantee, please advise me.

In addition, please note that the conveyance into the LLC will trigger New Hampshire's Real Estate Transfer Tax which is currently at the rate of 1.5% of the fair market value of the premises being conveyed to the LLC. If you advise me as to the amount of the value you are placing upon the premises, we can discuss the payment of transfer tax and recording fees as well.

Kind regards,



John J. McCormack

JJM:jsm
William D. Fay, Sole Member, GOLDEN POND HYDRO, LLC
Encls.
R(jsm) [C:\WPWIN60\wpdocs\LETTERS\CLIENT\LLC\FY\goldenpondhydro.wpd]

IV) Mortgage

**Transfer of Freshwater Hydro, Inc.
Security Agreement**

On this _____ day of February, 2004, (the "Effective Date") George K. Lagassa and Parthenia P. Lagassa ("Obligees") agree to the sale of all their shares, rights, liabilities and obligations in **Freshwater Hydro, Inc.** ("Freshwater") to William Fay ("Obligor") in consideration of \$20,000.00 with the following terms and conditions to apply regarding the sale:

1. Collateral and Encumbrances. Any or all of the following property is subject to a security interest, available to be exercised by Obligees, in the event of a lapse in payments according to the Schedule of Payments set forth in Exhibit I hereto:
 - a. Shares of Freshwater. All shares of Freshwater issued and outstanding, representing 100% ownership of Freshwater, held and owned by Obligees and fully transferred and conveyed by this sale of Freshwater to Obligor.
 - b. Real Property, including a certain parcel of land together with the buildings and improvements thereon located on the Squam River in the Town of Ashland, County of Grafton NH, and registered by a warranty deed in the county of Grafton, recorded in book 1875, page 0204.
 - c. Goods and Fixtures. All things that are movable when the security interest attaches, which shall include all fixtures located on the property in Ashland, NH, which shall include:
 - i. all the machinery and equipment and betterments including control systems, a programmable controller, switchgear, transformers, hydraulic equipment, one turbine-generator unit, motors, gates, flashboards, and trashracks
 - ii. future proceeds or revenue from electricity sales by Freshwater Hydro, Inc. or at Ashland, NH.
2. Waivers. Upon final payment for the purchase of Freshwater, Obligees waive all rights and claims to Freshwater, past, present and future.
3. Schedule of Payments and Interest Calculation. Obligor agrees to the following payment terms:
 - a. An initial payment of \$1000.00 which has already been made as a good faith deposit
 - b. A second payment of \$4000.00 is due upon execution of this Agreement, which shall occur no later than March 1, 2004.
 - c. Additional payments according to the schedule provided in Exhibit I, incorporated and made a part hereto, which reflects the following agreed payment terms:

- i. \$1000 paid as good faith deposit,
- ii. \$4000 is due on or before March 1, 2004.
- iii. \$ 852.31 is due on or before January 1, April 1, July 1 and September 1 of each subsequent year, starting in January 2005, until the balance is paid off with a final payment due and payable on or before October 1, 2009.
- iv. The specific schedule of payments is calculated based on an annual interest rate of 5%, calculated on the remaining principal balance, beginning on January 1, 2005, and declining as set forth in Exhibit I below:

Exhibit I

<u>Payment Number</u>	<u>Due Date</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Total Payment</u>
1	January 1, 2005	\$187.50	\$664.81	\$852.31
2	April 1, 2005	\$179.19	\$673.12	\$852.31
3	July 1, 2005	\$170.78	\$681.53	\$852.31
4	October 1, 2005	\$162.26	\$690.05	\$852.31
6	January 1, 2006	\$153.63	\$698.68	\$852.31
6	April 1, 2006	\$144.90	\$707.41	\$852.31
7	July 1, 2006	\$136.06	\$716.25	\$852.31
8	October 1, 2006	\$127.10	\$725.21	\$852.31
9	January 1, 2007	\$118.04	\$734.27	\$852.31
10	April 1, 2007	\$108.86	\$743.45	\$852.31
11	July 1, 2007	\$99.57	\$752.74	\$852.31
12	October 1, 2007	\$90.16	\$762.15	\$852.31
13	January 1, 2008	\$80.63	\$771.68	\$852.31
14	April 1, 2008	\$70.98	\$781.33	\$852.31
15	July 1, 2008	\$61.22	\$791.09	\$852.31
16	October 1, 2008	\$51.33	\$800.98	\$852.31
17	January 1, 2009	\$41.32	\$810.99	\$852.31
18	April 1, 2009	\$31.18	\$821.13	\$852.31
19	July 1, 2009	\$20.91	\$831.40	\$852.31
20	October 1, 2009	<u>\$10.52</u>	<u>\$841.79</u>	<u>\$852.31</u>
Total:		\$2,046.12	\$15,000.08	\$17,046.20

- d. If Obligor fails to remit payment as required herein Obligees shall give notice in writing and Obligor shall have the opportunity to cure said non-payment within 90 days of receipt of said notice.
4. Other Liabilities, Duties and Obligations.
- a. George K. Lagassa shall resign as director, President and Treasurer of Freshwater and as a consequence shall turn over documents, rights and responsibilities to the bank account, including checking account balance therein, located at Bank of New Hampshire.

- b. Parthenia P. Lagassa shall resign as director and Secretary of Freshwater.
 - c. Obligees shall assist in the transition, which shall include turning over all records, documents, and paperwork associated with Freshwater.
 - d. Obligor shall not sell, transfer, or encumber assets without prior express written approval of Obligee. Obligee shall not unduly withhold approval of sale, transfer, or encumbrance and approval by Obligee shall occur within a reasonable amount of time.
5. Notices. Unless otherwise specified herein, any notice hereunder shall be in writing and shall be sent either by first class or express mail, postage prepaid, addressed to the recipient, shall be effective upon receipt.
 6. Choice of Law and Forum. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of New Hampshire, without giving effect to the conflict of laws principles thereof. All legal actions arising out of or relating to this Agreement shall be commenced and maintained in a state or federal court sitting in the State of New Hampshire. By execution and delivery of this Agreement, each of the parties accepts for such party, generally, exclusively and unconditionally, the jurisdiction of said courts. This Section 6 shall not be construed to limit any other legal rights of the parties.
 7. Amendments and Waivers. No amendment to or modification of this Agreement and no waiver of any provision hereof, shall be effective unless the same shall be in writing and shall be signed by each of the parties hereto. Forbearance or indulgence in any form or manner by a party shall not be construed as a waiver, nor in any way limit the remedies available to that party.
 8. Severability. Each provision of this Agreement shall be treated as a separate and independent clause and any decision from a court of competent jurisdiction to the effect that any clause or provision of this Agreement is null or unenforceable shall in no way impair the validity, power or enforceability of any other clause or provision of this Agreement.
 9. Binding Effect; Benefit; Entire Agreement and Attachments. This Agreement shall be binding on the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of the parties and their respective successors and permitted assigns. Except as provided in the immediately preceding sentence, nothing in this Agreement shall be construed to create any rights or obligations except between the parties hereto, and no Person shall be regarded as a third party beneficiary of this Agreement. This Agreement embodies the entire understanding and agreement between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior oral or written agreements and understandings relating to such subject matter. No statement, representation, warranty,

covenant or agreement of any kind not set forth in this Agreement will affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

10. Headings. The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and will in no way modify or affect the meaning or construction of any of the terms or provisions hereof.

11. Counterparts. This Agreement may be executed in two or more counterparts, and by different parties hereto on separate counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as a document under seal as of the Effective Date set forth in the first paragraph hereof.

George K. Lagassa

Signed: _____

Date: _____

Parthenia P. Lagassa

Signed: _____

Date: _____

William K. Fay

Signed: 

Date: February 23, 2004

V) Historical Production Records, Jan 1st, 1987 to Catastrophic fire of June 24th, 2002 that Ceased Operations

Freshwater Hydro
Ashland, NH

Annual Output

1987	565,400
1988	418,200
1989	307,200
1990	582,960
1991	408,960
1992	552,000
1993	479,087
1994	560,320
1995	429,120
1996	528,785
1997	398,740
1998	543,674
1999	366,704
2000	365,529
2001	<u>256,098</u>
Ave.	450,852
High	582,960
Low	256,098 (2001 drought year)

Freshwater Hydro
Ashland, NH

Freshwater Hydro Monthly Energy Output

<u>1987</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-87	25,800	36,800	62,600
01-Feb-87	24,400	31,000	55,400
01-Mar-87	16,800	20,200	37,000
01-Apr-87	23,600	31,000	54,600
01-May-87	17,800	21,800	39,600
01-Jun-87	20,000	24,200	44,200
01-Jul-87	21,400	29,800	51,200
01-Aug-87	23,200	29,800	53,000
01-Sep-87	13,200	16,400	29,600
01-Oct-87	16,600	23,800	40,400
01-Nov-87	20,400	28,200	48,600
01-Dec-87	<u>21,600</u>	<u>27,600</u>	<u>49,200</u>
	244,800	320,600	565,400

<u>1988</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-88	18,800	28,800	47,600
01-Feb-88	16,400	20,200	36,600
01-Mar-88	19,800	23,400	43,200
01-Apr-88	19,000	23,200	42,200
01-May-88	23,000	28,600	51,600
01-Jun-88	19,000	23,200	42,200
01-Jul-88	8,400	11,000	19,400
01-Aug-88	16,400	20,800	37,200
01-Sep-88	11,000	25,600	36,600
01-Oct-88	1,800	2,000	3,800
01-Nov-88	4,000	25,200	29,200
01-Dec-88	<u>12,400</u>	<u>16,200</u>	<u>28,600</u>
	170,000	248,200	418,200

<u>1989</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-89	11,200	17,400	28,600
01-Feb-89	12,800	16,600	29,400
01-Mar-89	9,800	11,800	21,600
01-Apr-89	1,200	800	2,000
01-May-89	13,600	17,000	30,600
01-Jun-89			0
01-Jul-89	12,800	17,800	30,600
01-Aug-89	14,000	15,200	29,200
01-Sep-89			0
01-Oct-89	17,200	21,800	39,000
01-Nov-89	24,000	29,400	53,400
01-Dec-89	<u>19,800</u>	<u>23,000</u>	<u>42,800</u>
	136,400	170,800	307,200

Freshwater Hydro
Ashland, NH

<u>1990</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-90	24,000	36,600	60,600
01-Feb-90	26,400	33,400	59,800
01-Mar-90	23,800	30,200	54,000
01-Apr-90	23,000	28,600	51,600
01-May-90	20,400	28,400	48,800
01-Jun-90	20,400	26,800	47,200
01-Jul-90	16,400	19,400	35,800
01-Aug-90	14,400	17,400	31,800
01-Sep-90	15,200	20,800	36,000
01-Oct-90	16,640	23,120	39,760
01-Nov-90	23,360	30,880	54,240
01-Dec-90	<u>27,840</u>	<u>35,520</u>	<u>63,360</u>
	251,840	331,120	582,960

<u>1991</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-91	24,800	39,200	64,000
01-Feb-91	25,760	33,120	58,880
01-Mar-91	22,240	26,880	49,120
01-Apr-91	17,600	20,800	38,400
01-May-91	15,680	22,560	38,240
01-Jun-91	13,120	16,640	29,760
01-Jul-91	10,080	12,640	22,720
01-Aug-91	0	0	0
01-Sep-91	160	1,440	1,600
01-Oct-91	0	0	0
01-Nov-91	17,440	25,120	42,560
01-Dec-91	<u>27,680</u>	<u>36,000</u>	<u>63,680</u>
	174,560	234,400	408,960

<u>1992</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-92	24,800	40,000	64,800
01-Feb-92	25,280	32,640	57,920
01-Mar-92	19,200	24,640	43,840
01-Apr-92	17,920	21,280	39,200
01-May-92	20,640	26,720	47,360
01-Jun-92	15,200	16,640	31,840
01-Jul-92	11,040	15,040	26,080
01-Aug-92	20,160	23,620	43,680
01-Sep-92	15,840	24,320	40,160
01-Oct-92	20,320	26,240	46,560
01-Nov-92	18,400	25,120	43,520
01-Dec-92	<u>27,200</u>	<u>39,840</u>	<u>67,040</u>
	236,000	316,000	552,000

Freshwater Hydro
Ashland, NH

<u>1993</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-93	22,400	33,760	56,160
01-Feb-93	14,880	19,200	34,080
01-Mar-93	14,880	20,320	35,200
01-Apr-93	21,600	26,400	48,000
01-May-93	19,360	22,880	42,240
01-Jun-93	17,440	24,800	42,240
01-Jul-93	15,620	17,120	32,640
01-Aug-93	18,240	22,880	41,120
01-Sep-93	14,880	19,840	34,720
01-Oct-93	13,303	17,624	30,927
01-Nov-93	14,880	20,960	35,840
01-Dec-93	<u>19,680</u>	<u>26,240</u>	<u>45,920</u>
	207,063	272,024	479,087

<u>1994</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-94	22,400	33,760	56,160
01-Feb-94	23,520	28,640	52,160
01-Mar-94	19,200	28,800	48,000
01-Apr-94	26,080	31,040	57,120
01-May-94	26,560	32,160	58,720
01-Jun-94	23,620	32,480	56,000
01-Jul-94	13,760	16,000	29,760
01-Aug-94	17,600	23,680	41,280
01-Sep-94	14,880	19,200	34,080
01-Oct-94	16,160	19,680	35,840
01-Nov-94	20,800	28,160	48,960
01-Dec-94	<u>17,600</u>	<u>24,640</u>	<u>42,240</u>
	242,080	318,240	560,320

<u>1995</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-95	18,400	30,880	49,280
01-Feb-95	24,160	28,480	52,640
01-Mar-95	17,440	24,480	41,920
01-Apr-95	21,440	24,960	46,400
01-May-95	18,880	22,080	40,960
01-Jun-95	16,160	23,520	39,680
01-Jul-95	16,640	21,600	38,240
01-Aug-95	13,120	14,400	27,520
01-Sep-95	6,240	2,400	8,640
01-Oct-95	12,960	13,440	26,400
01-Nov-95			0
01-Dec-95	<u>23,520</u>	<u>33,920</u>	<u>57,440</u>
	188,960	240,160	429,120

Freshwater Hydro
Ashland, NH

<u>1996</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-96	19,200	30,880	50,080
01-Feb-96	24,000	27,040	51,040
01-Mar-96	24,000	32,000	56,000
01-Apr-96	23,752	28,723	52,475
01-May-96	20,320	29,280	49,600
01-Jun-96	20,640	25,120	45,760
01-Jul-96	14,140	16,250	30,390
01-Aug-96	21,600	22,880	44,480
01-Sep-96	15,040	20,640	35,680
01-Oct-96	13,440	18,400	31,840
01-Nov-96	16,320	19,360	35,680
01-Dec-96	<u>16,960</u>	<u>28,800</u>	<u>45,760</u>
TOTAL:	229,412	299,373	528,785

<u>1997</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-97	27,911	38,206	66,117
01-Feb-97	25,499	33,867	59,366
01-Mar-97	25,991	31,820	57,811
01-Apr-97	27,246	35,397	62,643
01-May-97	23,853	31,442	55,295
01-Jun-97	7,378	8,232	15,610
01-Jul-97	0	0	0
01-Aug-97	0	0	0
01-Sep-97	0	0	0
01-Oct-97	0	0	0
01-Nov-97	15,516	19,212	34,728
01-Dec-97	<u>17,518</u>	<u>29,652</u>	<u>47,170</u>
TOTAL:	170,912	227,828	398,740

<u>1998</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-98	23,617	33,273	56,890
01-Feb-98	22,879	32,310	55,189
01-Mar-98	30,327	40,302	70,629
01-Apr-98	28,507	32,073	60,580
01-May-98	22,506	29,562	52,068
01-Jun-98	9,850	13,623	23,473
01-Jul-98	23,086	27,247	50,333
01-Aug-98	15,154	17,842	32,996
01-Sep-98	10,343	12,737	23,080
01-Oct-98	14,078	15,108	29,186
01-Nov-98	20,123	26,631	46,754
01-Dec-98	<u>17,465</u>	<u>25,031</u>	<u>42,496</u>
TOTAL:	237,935	305,739	543,674

Freshwater Hydro
Ashland, NH

<u>1999</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-99	25,073	18,530	43,603
01-Feb-99	16,085	21,016	37,101
01-Mar-99	26,525	34,823	61,348
01-Apr-99	26,034	31,047	57,081
01-May-99			0
01-Jun-99	3,269	4,552	7,821
01-Jul-99	10,681	14,011	24,692
01-Aug-99	12,137	15,355	27,492
01-Sep-99	2,524	3,203	5,727
01-Oct-99			0
01-Nov-99	15,894	23,454	39,348
01-Dec-99	<u>28,845</u>	<u>33,646</u>	<u>62,491</u>
TOTAL:	167,067	199,637	366,704

<u>2000</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-00	13,914	16,669	30,583
01-Feb-00	16,359	23,540	39,899
01-Mar-00	19,736	23,097	42,833
01-Apr-00	26,576	34,107	60,683
01-May-00	23,173	34,985	58,158
01-Jun-00	19,686	22,601	42,287
01-Jul-00	12,187	16,578	28,765
01-Aug-00	11,342	16,751	28,093
01-Sep-00	358	250	608
01-Oct-00	0	0	0
01-Nov-00	6,990	7,853	14,843
01-Dec-00	<u>7,909</u>	<u>10,868</u>	<u>18,777</u>
TOTAL:	158,230	207,299	365,529

<u>2001</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-01	12,613	19,579	32,192
01-Feb-01	12,669	16,722	29,391
01-Mar-01	21,173	25,658	46,831
01-Apr-01	23,257	28,646	51,903
01-May-01			0
01-Jun-01	9,794	14,183	23,977
01-Jul-01	11,678	17,198	28,876
01-Aug-01	9,181	10,192	19,373
01-Sep-01	8,443	11,569	20,012
01-Oct-01	1,694	1,849	3,543
01-Nov-01	0	0	0
01-Dec-01	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL:	110,502	145,596	256,098

Freshwater Hydro
Ashland, NH

<u>2002</u>	<u>On-Peak</u>	<u>Off-Peak</u>	<u>Total</u>
01-Jan-02	0	0	0
01-Feb-02	0	0	0
01-Mar-02	6,541	10,858	17,399
01-Apr-02	17,096	20,770	37,866
01-May-02	24,108	30,082	54,190
01-Jun-02	10,000	15,000	25,000
01-Jul-02			0
01-Aug-02			0
01-Sep-02			0
01-Oct-02			0
01-Nov-02			0
01-Dec-02			0
TOTAL:	57,745	76,710	134,455

- VI) New Hampshire Department of Environmental Services Letter Acknowledging George Lagassa's Intent to Abandon the Site.



State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES
6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-3406 FAX (603) 271-7894



January 24, 2003

Dr. George K. Lagassa, President
Freshwater Hydro, Inc.
26 Maple Road
North Hampton, NH 03862

Re: Freshwater Hydro, Inc.- Water User Fee
Squam Project

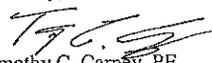
Dear Mr. Lagassa:

We understand from earlier telephone conversations this fall that Freshwater Hydro, Inc. intended to accept a rate contract buyout as offered by Public Service of New Hampshire (PSNH) for the above-referenced facility. At that time you indicated that the facility would cease generation of electricity once the contract buyout occurred. We understand that PSNH completed their contract buyouts in September of 2002. However, we have not been informed in writing if you have, in fact, ceased operations at the facility. Such notification is required by Article 7 of the July 1993 Contract with Water Users (executed in 1995) which was signed by you.

If appropriate, and in accordance with Article 7, please submit written notification to the New Hampshire Water Resources Council that the facility is no longer generating electricity. When preparing the written notification please include the date of last generation, the contract termination date and your intentions with respect to the future operation of the facility. Until this written notification is received, Freshwater Hydro, Inc. remains responsible for the payment of semi-annual water user fees for the Squam project as described in Article 7.

If you have ceased generation at the site, it would appear to be in the interest of both parties to terminate the Contract as soon as possible. If we can be of any assistance, or if you need any additional information, please contact me at 603-271-8871.

Sincerely,


Timothy C. Carney, PE
Civil Engineer
Dam Bureau

VII) First Production Check received on May 22nd, 2008 for energy produced in 2008.

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER AND ORIGINAL DOCUMENT SECURITY SCREEN ON BACK WITH PARCHMENT SECURITY FIBER

TOWN OF ASHLAND
ELECTRIC DEPARTMENT
6 COLLINS STREET
ASHLAND, NH 03217

FRANKLIN SAVINGS BANK

6156

54-7017/2117

4/18/2008

PAY TO THE ORDER OF Golden Pond Hydro, LLC

\$ **1,264.08

One Thousand Two Hundred Sixty-Four and 08/100*****

DOLLARS
Security Printing
and Mfg. Co. Inc.

Golden Pond Hydro, LLC
P.O. Box 625
Thorndike, MA 01079

MEMO Feb. 2008 Power Purchase

Linda J. Ruppelle
AUTHORIZED SIGNATURE

⑈008156⑈ ⑆211770171⑆ 33 079963⑈

TOWN OF ASHLAND

6156

Date	Type	Reference	Original Amt	Balance Due	Discount	Payment
4/9/2008	Bill	PO#278	1,264.08	1,264.08		1,264.08
				Check Amount		1,264.08

#33079963 Gen. Che Feb. 2008 Power Purchase

1,264.08

French River Land Company Inc.

P.O. Box 624

Thorndike, MA. 01079

1-413-335-0570

February 16, 2004

Town of Ashland
Ashland Electric Department
Ashland, NH 03217

Attention: Mr. Lee Nichols

Regarding: PURPA Self Certification of Freshwater Hydro Project FERC LP #5638 NH,
Letter of Transmission

Dear Mr. Nichols,

The attached copy of the completed, FERC form 556, for PURPA self-certification is required to be sent to you by FERC for the certification process. The required fourteen copies and the original application have been sent to Ms. Magalie Roman Salas of FERC.

This cover letter serves as official notice of self-certification.

If you should have any questions with regard to this matter, please do not hesitate to contact us.

Sincerely,

William K. Fay P.E., Vice President
French River Land Company Inc.

IV) FERC 2004 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

January 3, 2005

Mr. Anton J. Sidoti
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400 New
York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the new owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

(1) During 2004 we purchased the project and have been struggling to find parts for the Leroy Somers tube turbine. The machine was badly damaged by an internal electrical fire. We had a difficult time finding the internal wiring diagrams for the generator. We also had difficulty finding a new mechanical oil seal and a replacement Firestone airbag. During the last nine months we have now had the generator rewound by Independent Electric Company of Hillsborough, N.H. We had Firestone special make a new airbag. We had FlowServe Company design and manufacture for us a replacement oil seal. The unit is currently being re-assembled. Weather permitting we would like the unit installed and operational by March 1st.

Additionally, we negotiated a combined power sales and O&M contract with the Ashland Municipal Light Company. They will purchase the power and be responsible for onsite, local operations.

(2) There have been no generation since the last inspection.

(3) Annual maintenance shutdowns occur on a schedule dictate by the upstream L. W. Packard Woolen Mill. In 2004 this occurred in the early part of July.

(4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.

(5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2004 calendar year.

V) FERC 2005 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

February 12, 2005

Mr. Anton J. Sidoti
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400 New
York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

(1) During 2005 we have been struggling to find parts for the Leroy Somers tube turbine. We found the speed increaser needle bearings had been contaminated with water and were corroded beyond use. We had to dismantle the planets and install new needle bearings. We also replaced all the roller bearings. We also replaced all the hydraulic lines with stainless steel fittings. Weather permitting we would like the unit installed and operational by May 1st.

Additionally, we negotiated a combined power sales and O&M contract with the Ashland Municipal Light Company. They will purchase the power and be responsible for onsite, local operations.

(2) There have been no generation since the last inspection.

(3) Annual maintenance shutdowns occur on a schedule dictated by the upstream L. W. Packard Woolen Mill. In 2005 this occurred in the early part of July.

(4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.

(5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2004 calendar year.

(6) To the best of our knowledge, the project features (excluding the TG set) are in good condition.

VI) FERC 2006 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

July 12, 2007

Mr. Chuck Goggins
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400 New
York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

- (1) During 2006 we completed the rebuild of the Leroy Somers tube turbine.
- (2) There have been no generation since the last inspection.
- (3) The L. W. Packard Woolen Mill has permanently closed. The annual river draw down has been terminated.
- (4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.
- (5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2005 calendar year.
- (6) To the best of our knowledge, the project features, including the TG set are in good condition.

Please be advised that this minimum flow was maintained by means of setting the butterfly valve such that it never closes fully, and there is always a minimum flow through the turbine even when the turbine is not in operation. Calculations in support of this method were submitted to your office by letter of July 17, 1987.

Because this system for maintaining minimum flow releases is largely self-regulated (as the partial opening of the butterfly valve guarantees compliance with the minimum flow requirement), future daily observation by the station operator will proved adequate as a means of monitoring our compliance with these requirements. We hasten to add that this project is an extremely high plant factor project. Therefore, the turbine-generator will be in

VII) FERC 2007 Compliance Letter

**French River Land Company Inc.
Post Office Box 624
Thorndike, Massachusetts 01079**

January 28, 2008

Mr. Chuck Goggins
Regional Director
Federal Energy Regulatory Commission
19 West 34th Street - Suite 400
New York, New York 10001

SUBJECT: Project No. 5638-NH, Ashland Paper Mill

Dear Mr. Sidoti,

As the owners of Project No. 5638-NH, Ashland Paper Mill, we wish to report on the Exemptee Standard Requirements

- (1) During 2007, we installed a mono rail crane beam to allow the turbine to easily installed and removed for maintenance. We finished our repairs to the turbine. We transported the turbine to the site. We installed the unit. The unit is now operational. In addition, we repaired some leaks in the dam. These were located next to the flood gate outlet on the downstream wall. We repaired them with SIKA PRO PLUS. We chipped out the flaking concrete and filled the cracks in by hand parging. We also restained the powerhouse walls.

(2)

Additionally, we signed a combined power sales and O&M contract with the Ashland Municipal Light Company. They will purchase the power and be responsible for onsite, local operations.

(2) There has been minimal generation since the last inspection.

(3) Annual maintenance shutdowns occur on a schedule dictate by the upstream L. W. Packard Woolen Mill. In 2004 this occurred in the early part of July.

(4) There have been no downstream changes that would effect the project's hazard classification. The project is still a low hazard project.

(5) I hereby confirm, as the senior operating official, that the minimum flow requirement of 32 cfs or inflow (whichever is less) has been adhered to during the 2007 calendar year.

VIII) Followup Letter to 2006 FERC Inspection