

PENOBSCOT RIVER RESTORATION TRUST

PRESS RELEASE

Landmark Purchase of Dams Opens New Chapter for Penobscot River Fisheries *Penobscot River Restoration Trust purchases three dams from PPL Corp.*

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Old Town, ME: Old Town, ME: A new chapter begins for Maine's Penobscot River with the Penobscot River Restoration Trust taking ownership of the Veazie, Great Works, and Howland dams. This \$24 million dollar purchase from PPL is a monumental accomplishment for the historic Penobscot River Restoration Project, an unprecedented agreement among PPL, the Penobscot Indian Nation, federal and state agencies, and seven conservation groups to help restore severely depleted sea-run fisheries while also maintaining hydropower production and offering new community and economic benefits throughout the watershed.

The Penobscot Trust will remove the Veazie and Great Works dams and build a fish bypass around the Howland dam to open up nearly 1,000 miles of river habitat, long blocked by dams, to eleven species of sea-run fish, such as endangered Atlantic salmon, sturgeon and river herring. When the project is complete, hydropower generation will be maintained at the same levels as before the project began, and may even increase.

"This landmark partnership has proven that business, government and interested citizens can reach mutually agreeable solutions that benefit the community, the economy and the environment," said Dennis J. Murphy, vice president and chief operating officer of PPL's Eastern Fossil and Hydro Generation unit. "PPL congratulates the Penobscot River Restoration Trust, the Penobscot Indian Nation and all of the organizations that had a hand in making this day possible."

While PPL sold most of its Maine holdings to Black Bear Hydro Partners, LLC in 2009, it retained the three dams subject to the agreement. Black Bear Hydro, meanwhile, is continuing to increase energy production at other nearby dams supported by all of the partners as part of the project. These include increasing energy at three dams, re-powering of the Orono Dam that PPL completed in 2008 and other improvements.

"The Penobscot River is a tremendous resource for our economy providing clean energy, fishing, and other recreational activities for our region. The restoration project enhances the management of the river by boosting our local economy, maintaining energy production, and strengthening this critical watershed," said U.S. Senator Olympia Snowe. "I am pleased to have supported this historic project that demonstrates the potential when diverse stakeholders collaborate to enhance the economic use of our natural resources."

Permits from the Federal Energy Regulatory Commission, Maine Department of Environmental Protection, and the U.S. Army Corps of Engineers were approved earlier this year. Work to remove the Great Works dam, combined with pre-dam removal scientific monitoring, will yield nearly \$5 million in jobs for the region including in engineering, hydrology, construction, science, and local contracting services. Similar benefits are expected for the Veazie Dam removal and Howland bypass construction.

“I am extremely proud to see the work on the Penobscot River Restoration Project coming to fruition,” said Chief Kirk Francis of the Penobscot Indian Nation. “To see our sacred river being restored to a more natural state is extremely gratifying. The cultural significance of this project has uplifted our community and given us hope that we may bring back the health of the river, which is very much a living, breathing entity to our Nation.”

Private donors generously invested about \$10 million toward dam purchase. With strong leadership from Maine’s Congressional Delegation along with NOAA Fisheries and the US Fish and Wildlife Service project partners successfully secured approximately \$15 million in federal funds for the project.

“We are pleased to have reached this milestone of purchasing the dams, and, with federal and state permits in hand, are now one giant step closer to our goal,” said Don Hudson, president of the Penobscot River Restoration Trust board. “In an atmosphere of respect and collaboration, we are restoring a river system that is at the heart of Maine’s natural-resource based economy, while providing certainty for existing hydropower and providing new, diverse business opportunities.”

“Orono is already benefitting from Black Bear Hydro’s new energy development under the Penobscot Project: increased tax revenues from the refurbished Orono Dam, which is next to Downtown, are helping to pay for a new express shuttle bus between Downtown and the University,” said Evan Richert, Orono’s town planner. “And with hydropower alive and well on the Stillwater and the restored fish habitat on the Penobscot, we have a great opportunity to educate the public about both along a new riverfront park and trail system.”

The groundbreaking, multi-party agreement has become a symbol of collaboration described at conferences in Europe, Australia and South and North America. Visitors have come to Maine from as far away as China to look for leadership from the Penobscot Project in areas including science, large-scale ecosystem planning and innovation in the collaborative resolution of environmental and energy issues.

“Rebuilding Maine’s fisheries is crucial to a strong, diversified natural resource economy for our state,” said George Lapointe, Commissioner, Maine Department of Marine Resources. “Under the Trust’s ownership, fisheries restoration on the Penobscot river system will now proceed right alongside projects to increase energy at other Penobscot dams – both smart investments in Maine’s future. In the Penobscot Project, industry, conservation groups, and tribal, state and federal government together crafted a new balance for the largest river within Maine with benefits extending throughout the watershed and into the Gulf of Maine.”

“The purchase of the dams is an investment in the natural infrastructure -- the Penobscot River -- needed to rebuild and sustain Maine’s valuable recreational and commercial fisheries,” said Laura Rose Day, Executive Director, Penobscot Trust. “Thanks to so many generous supporters, the strong leadership of the Congressional delegation, and the work of Trust members and other partners, we will begin the on-the-ground work of restoring the river in the New Year.”

“I am thrilled that the Penobscot Trust can finally move forward with opening up the river,” said Scott Phillips, owner of Northeast Outdoors Sports. “We need to do everything possible to promote business and economic opportunities when they arise. The paddling, fishing, and other recreational opportunities that will come from a freer-flowing river will be a boon for paddle-sport outfitters, river guides, and many local businesses, and benefit the entire state of Maine. I can’t wait to be one of the first people to paddle an unobstructed river from Old Town to the sea again.”

“Everybody benefits when the Penobscot Trust gets on with the business of restoring many millions of migratory fish that provide much-needed food for commercially valuable groundfish like cod in the ocean,” said Ted Ames, fisherman and researcher with the Penobscot East Resource Center, currently working with the Bowdoin College Coastal Studies Center. “The river system becomes an economic engine not just for coastal Maine, and not just for river communities, it will become an economic engine that will revitalize the whole fishery, the whole complex of fisheries. It’s a great opportunity!”

The Penobscot Trust will continue to work with area towns, state and federal agencies, the Penobscot Nation, conservation partners and many others to complete the river restoration. Approximately twenty five million dollars is needed to fully implement the project. Thus far, about a third of those funds have been committed with the remainder expected to come from a mix of public and private sources.

Penobscot Trust members are American Rivers, Atlantic Salmon Federation, Maine Audubon, Natural Resources Council of Maine, Penobscot Indian Nation, The Nature Conservancy, and Trout Unlimited. In addition to PPL Corporation and Black Bear Hydro Partners, other project partners include the state of Maine (Department of Marine Resources, Department of Inland Fisheries and Wildlife, and State Planning Office), the U.S. Department of the Interior (U.S. Fish and Wildlife Service, the Bureau of Indian Affairs, the National Park Service), the National Oceanic and Atmospheric Administration (NOAA Fisheries and NOAA Restoration Center), and many individuals and organizational supporters.

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