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Six dams in Maine to be sold for \$95M

Energy investment firm wants hydroelectric sites

By Kevin Miller

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AUGUSTA, Maine — PPL Corp. announced Wednesday that it plans to sell all of the company's hydroelectric facilities in Maine to an energy investment firm for \$95 million.

The deal, which must be approved by state and federal regulators, would transfer full ownership of six dams in the following locations: Milford, Orono, Stillwater, Ellsworth, Medway and West Enfield. Collectively, the dams produce 36 megawatts of hydropower.

The firm purchasing the dams from PPL, Black Bear Hydro Partners LLC, already owns a 50 percent stake in the West Enfield facility.

PPL officials said late Wednesday they do not anticipate that the sale will have any impact on power generation or other operations at the dams. Black Bear Hydro has agreed to retain all 17 employees at the facilities and to honor its union contract.

Additionally, the deal will not affect PPL's separate agreement to sell three other facilities to a coalition planning to remove two dams and bypass a third as part of a historic river restoration project within the Penobscot River watershed.

PPL will hold on to those three dams — the Veazie, Great Works and Howland facilities — and transfer ownership to the Penobscot River Restoration Trust when federal regulators sign off on the proposal.

"We're committed to seeing that through to the successful completion," said PPL spokesman George Biechler.

Black Bear Hydro Partners is a subsidiary of Boston-based ArcLight Capital Partners, which has a stake in energy generation, transmission and infrastructure throughout the United States and Europe.

A company representative could not be reached for comment Wednesday evening.

However, the company's Web site said that ArcLight's investment funds are valued at \$6.8 billion.

Biechler said PPL decided to sell the hydropower facilities in large part because they are outside of the company's core areas. PPL, which is based in Allentown, Pa., will maintain the company's 8.3 percent ownership share of the oil-fired Wyman power plant in Yarmouth.

Reached by phone Wednesday, PPL Maine employee Scott Hall said he also understands that the sale is not expected to have any impact on generation, operations or employees at the six dams.

Representatives of the Penobscot River Restoration Trust, meanwhile, said they were pleased that PPL remains committed to the sale of the three dams. The trust has already secured \$25 million to purchase the dams, pending federal approval, and is working to raise the

additional \$25 million needed to remove the Great Works and Veazie dams and bypass the Howland dam.

The project is expected to open up nearly 1,000 miles of habitat to endangered Atlantic salmon, shad, alewives and other sea-run fish. In return for agreeing to sell the three dams, PPL was granted authorization to increase power generation at the six other facilities involved in Wednesday's deal in order to offset the loss of the three dams. That agreement will now transfer to Black Bear Hydro.

"We look forward to continuing to work with PPL, including on the purchase of the Veazie, Great Works, and Howland dams, and as well as working productively with Black Bear Hydro Partners and their parent company to fully implement the Penobscot Project," Laura Rose Day, executive director of the trust, said in a statement.

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