



Contacts:

- **Laura Rose Day, conservation groups (207) 242-2780**
- **Paul Wirth, PPL Corporation (610) 774-5532**
- **John Banks, Penobscot Indian Nation (207) 356-5022**

More information about the Penobscot River Restoration Project can be found on our website at www.penobscotriver.org.

Unprecedented Project to Restore Balance between Power Generation and Environment on Penobscot River

Balancing the Environment, Economy and Quality of Life in Maine's Largest Watershed

Old Town, Maine – Today, on the banks of the Penobscot River, PPL Corporation, conservation groups, the Penobscot Indian Nation, the State of Maine, and the U.S. Department of Interior, announced an agreement aimed at restoring sea-run fish to the Penobscot River, while giving PPL Corporation the opportunity to maintain more than 90% of its current hydropower generation.

The Penobscot River Restoration Project will significantly improve access to over 500 miles of river habitat, allowing for the recovery of native species of sea-run fish. It will also strengthen the river's ecological connection to the ocean, helping feed fisheries and wildlife in the river and the Gulf of Maine.

A not-for-profit corporation will receive the option to purchase, within five years from the signing of the final agreement, the Veazie, Great Works and Howland dams. All three dams will be purchased for approximately \$25 million. Under this unprecedented and innovative project:

- PPL Corporation receives the option to increase generation at six existing dams, which would result in more than 90% of the current energy generation being maintained;
- A not-for-profit corporation will receive the option to purchase and subsequently remove the two lowermost dams on the Penobscot: Veazie and Great Works;
- The not-for-profit corporation will also, with the U.S. Fish and Wildlife Service, pursue a state-of-the-art fish bypass around the Howland dam that will, if found feasible, maintain the impoundment;
- PPL Corporation will improve fish passage at four additional dams.

“We’ve united for the purpose of restoring the Penobscot River for the people, fish and wildlife of Maine,” said Laura Rose Day, spokesperson for the conservation organizations. “By redesigning how the river is used to generate power, the Penobscot River Restoration Project will improve access to more than 500 miles of habitat for sea-run fish, improve water quality, boost wildlife, and create new opportunities in communities along New England's second largest river.”

“This is a groundbreaking agreement, balancing our obligation to our shareowners and our energy customers with our strong commitment to the environment,” said Dennis Murphy, PPL’s Vice President and CEO-Eastern Fossil and Hydro. “It’s truly a win-win situation for PPL, for the Penobscot Indian Nation, for people and businesses that will benefit from a restored fish run, and for the environment.”

In the near future, there will be public meetings held throughout the region to answer questions, provide more detailed information, and present opportunities to get involved in the Penobscot River Restoration Project.

Ecological Benefits

The Penobscot is Maine's largest river, draining 8,570 square miles, about one-third of the state. For thousands of years, sea-run fish migrations defined this river. Populations of many of these fish, such as Atlantic salmon, sturgeon, shad, alewives, blueback herring, and striped bass, are at or near all-time lows.

The project will provide an essential ingredient for the successful restoration of Atlantic salmon and ten other species of native sea-run fish in the Penobscot -- the ability to reach their spawning habitat. “This agreement is the single-most significant step that we can take to restore Atlantic salmon because it would significantly improve adult salmon’s ability to reach vast quantities of productive spawning and rearing habitat on the Penobscot,” said Joan Trial, Acting Executive Director, Maine Atlantic Salmon Commission. “This project will improve access to hundreds of miles of river and dozens of lakes and ponds that historically provided habitat for shad, alewife, blueback herring and American eel,” said Clem Fay, Fisheries Manager for the Penobscot Indian Nation. This project will restore unimpeded access to 100% of the historic habitat for striped bass, rainbow smelt, tomcod, and Atlantic and endangered shortnose sturgeon.

Restoration of sea-run fish will provide abundant new food sources to both the river and sea. The project will have other tremendous benefits for the environment, creating improved water quality, new feeding opportunities for aquatic birds and mammals, restored nutrient cycling and native habitats, which will support diverse species, including aquatic insects, mussels, amphibians, turtles and fish.

Benefits to Culture and Tradition

The project holds the potential to help revitalize time honored fishing traditions and cultures that for generations have connected people to the river.

“Maine’s Penobscot River watershed has been the homeland for the Penobscot Indian Nation for more than 10,000 years,” said Chief Barry Dana. “This agreement will restore our ability to obtain our sustenance, culture, and identity from the river that bears our name.”

For more than 100 years, the Penobscot Indian Nation has been unable to exercise its tribal fishing rights because the river is virtually devoid of native sea-run fish above Veazie Dam.

The abundant salmon runs of the past also supported generations of salmon anglers. The river is home to the nation’s first salmon club and once was known for its tradition of sending the first salmon caught each year to the U.S. President. President George Bush in 1992 was the last President to participate in this tradition which was suspended due to declining wild Atlantic salmon populations. Over time, a restored river could contribute to the revitalization of social, recreational, and business opportunities along the Penobscot.

Benefits to Community and Economic Development

Water quality in the Penobscot River has greatly improved during the last 30 years due to the reduction in industrial pollution required by the Clean Water Act. Communities across Maine already have turned toward these cleaner waters, revitalizing their riverfronts. The return of the Penobscot sea-run fishery and free-flowing river sections will provide opportunities to realize the river's full potential.

Many new and improved recreational opportunities on the Penobscot -- including canoeing, kayaking, fishing, river festivals, and wildlife watching -- could bring an influx of recreational enthusiasts and their dollars. Shad festivals, for example, generate substantial revenue each spring in river communities along the Susquehanna River in Connecticut and the Hudson River in New York.

Governor John Baldacci has assigned the Department of Economic and Community Development (DECD) to take the lead in pulling together a team of representatives from towns in the project area and economic development organizations. The team will help design a program aimed at assisting local communities in taking advantage of economic opportunities created by the project. An effort will be made to secure \$3-5 million to increase local economic development capabilities, build a regional economic development collaborative, and fund river-related economic development activities.

Power Generation Benefits

The conservation groups and Penobscot Indian Nation will support PPL Corporation's opportunity to increase generation at six dams, part of the overall improved balancing of energy, fisheries and wildlife. This will allow the company to focus on efficient energy production at its remaining generation sites. The company also will gain a predictable way to meet its fish passage obligations on the Penobscot River with the potential for no significant loss of power production. PPL Corporation expects to maintain current staffing levels in Maine.

Signatories to the Penobscot River Restoration Project are: PPL Corporation, Penobscot Indian Nation, Atlantic Salmon Federation, American Rivers, Natural Resources Council of Maine, Trout Unlimited, the State of Maine, and the U.S. Department of Interior Bureaus of Fish and Wildlife, Indian Affairs, and the National Park Service. Maine Audubon joined the project after the signing of the initial agreement.