

ROOSEVELT CAMPOBELLO INTERNATIONAL PARK COMMISSION

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August 10, 2010

Susan Lessard, Presiding Officer c/o Terry Hanson Board of Environmental Protection 17 State House Station Augusta, Maine 04333-0017

Re: Calais LNG Project Company, LLC and Calais Pipeline Company, LLC requested extension to September 11

Dear Presiding Officer Lessard:

The Roosevelt Campobello International Park Commission is in receipt of an electronic copy of Mr. Van Slyke's letter of August 9. In his letter, Mr. Van Slyke states that the Calais LNG Project Company, LLC and Calais Pipeline Company, LLC request that the Board of Environmental Protection (Board) extend the August 11 deadline earlier requested by Calais LNG, and granted by the Board, to September 11, 2010. In his letter, Mr. Van Slyke stated that although Calais LNG is actively engaged in negotiations with financial partners, those "... negotiations have not progressed as far as Calais LNG had hoped ..." and that Calais LNG was requesting an extension beyond its self-established (and Board granted) deadline of August 11, 2010 "... so that the negotiation process can move forward and the Project can secure new financing."

Calais LNG, for the third time, is attempting a last-minute extension of a deadline beyond what is reasonable to other parties involved. First, Calais LNG requested and was granted a postponement of the Board's Calais LNG hearing in order that Calais LNG, in Roosevelt Campobello's interpretation, rectify omissions in its applications that should have been available earlier. Then Calais LNG requested and was granted a postponement of a Board conference, because Calais LNG was trying to secure financial backing. Calais LNG stated that if it did not have this backing by August 11, that it would withdraw its applications before the Board. (Roosevelt Campobello found it difficult to believe that Calais LNG did not know of its financial difficulties long before Mr. Van Slyke was made aware of them and drafted a request for delay of the July 23 conference.) Now, Calais LNG seeks another last-minute extension because its financial backing is not yet secured.

Calais LNG DOES NOT CURRENTLY HAVE the financial capacity required by Site Location of Development Section 3. (Please see attached Chapter 373: FINANCIAL CAPACITY STANDARD OF THE SITE LOCATION LAW.) Calais LNG's Foreign Limited Liability Company, State of Maine Applications for Authority to Do Business now appear invalid, due to loss of backing by GS Power Holdings LLC. Calais LNG's State of Maine 2009 Annual Report For Limited Liability Companies on Files as of December 31, 2008 now appears invalid with regard to the application. In fact, most of the supporting information in Calais LNG's Site Location of Development Section 3, Financial Capacity now appears invalid.

Roosevelt Campobello has previously stated that Roosevelt Campobello International Park Commission staff have represented the Commission at all Calais LNG-related Board meetings and prehearing conferences; that Commission staff have spent considerable time reviewing <u>all</u> information submitted in this proceeding by Calais LNG and all intervenors; and that Commission representation and review have come at the expense of time and effort ordinarily devoted to other Commission projects, duties, and tasks, and at some financial expense to the Commission.

Roosevelt Campobello reiterates that Downeast LNG has planned to submit its applications to the Department of Environmental Protection in the near future, and that the concern remains that should the Calais LNG hearing be continually delayed, the necessity of having to keep up with, review, and participate in two on-going proceedings (Calais and Downeast) would be overwhelming to the Park Commission's limited staff. Costs of time, effort, and money would become excessive, prohibiting the Commission from participating as fully as necessary as an intervenor, prohibiting the Commission's active participation in one or both proceedings, and further restricting Commission staff time for necessary Commission projects, tasks, and other duties. Roosevelt Campobello also notes that as Calais LNG continues to receive postponements, it appears that the Board's Calais LNG hearing will be held late in October or in November or December - when the Park Commission staff member most familiar with the project will likely be unavailable to participate in the hearing.

Simply put, the Roosevelt Campobello International Park Commission believes that Calais LNG was not, and is not ready to support its applications before the Board, and does not have the funding to carry out the project for which it seeks approval. Roosevelt Campobello urges the Board to deny Calais LNG's request for an extension to September 11, 2010 and to hold Calais LNG to its promise to withdraw its applications before the Board if financial backing is not 100% secured and proven on August 11, 2010.

For the Roosevelt Campobello International Park Commission,

Ronald E. Beckwith, Jr.

Superintendent/Executive Secretary

cc: Cynthia S. Bertocci Peggy Bensinger Becky Blais

via e-mail: Service List