Letter from Steven Carothers and Gail Roberts
Title, Right, Interest
(Nov 17, 2010)

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Susan Lessard, Chair
Board of Environmental Protection
17 State House Station
Augusta, Maine 04333-0017

November 17, 2010

BY CERTIFIED MAIL

RE: Calais LNG Project - Title Right Interest

Dear Chair Lessard:

This letter is to update you and the board of the BEP of relevant information pertaining to the permitting application filed by the Calais LNG Project. As you may know, we are the sole and rightful owners of the 250 acre parcel of land upon which much of the Calais LNG facility and pier are proposed to be built. Our land is identified in part as Calais Tax Map/Lot 022-007 located at 112 Arborhaven Lane, Calais.

It has been brought to our attention that under Maine DEP Rules Concerning the Processing of Applications it states under section D. Title, Right or Interest that: "***An applicant must maintain sufficient title, right or interest throughout the entire application processing period.***" (see attached.)

Whereas, as of August 31, 2010, Calais LNG and their assigns, collectively failed to exercise or renew their Option to Purchase Agreement with us, and consequently as of September 1st 2010, Calais LNG Project lost any rights to use or to purchase our property; we currently have no new or existing contract with CLNG, nor do we have any obligation to sell our property to them. Presently, Calais LNG has absolutely no title, right or interest in our land.

Therefore, in that Calais LNG currently has no legal right nor title to our land, AND in that their permit application for their proposed LNG facility relies almost solely upon the use of our land, **we hereby respectfully request that the Board of Environmental Protection enforce the regulations and continue to postpone or suspend the processing of CLNG's permitting application** until such time as Calais LNG can legally satisfy the requirements of Title, Right or Interest for their project and that they consequently can produce appropriate title documentation that can be properly and adequately verified.

Thank you for your attention to this important matter.

Respectfully,

Steven M. Carothers Gail J. Roberts

Steven M. Carothers Gail J. Roberts (Carothers)
Mr. & Mrs. Steven Carothers, landowners
P.O. Box 422
Calais, ME 04619

encl: Chapter 2: Rules Concerning the Processing of Application (pg.10)

A determination that an application is accepted as complete for processing is based on staff's determination that the application fee has been paid pursuant to section 12 of this rule and that the application form is properly filled out and information is provided for each of the items required by the forms. It is not a review of the sufficiency of that information and does not preclude the Department from requesting additional information during processing or denying the application for failure to provide information necessary for the processing of that application.

C. **Projects requiring multiple licenses.** Upon filing of an application which involves an activity or project which will require more than one license from the Department, the Board or Commissioner may require the applicant to submit all other required applications before any such application will be accepted as complete for processing. The processing time for all such consolidated applications is the longest processing time associated with any of the applications. An applicant for a project requiring approval from more than two bureaus should contact the Commissioner's Office of Permit Assistance in the early phase of project development to arrange a departmental pre-application meeting and application coordination.

D. **Title, right or interest.** Prior to acceptance of an application for processing, an applicant shall demonstrate to the Department's satisfaction sufficient title, right or interest in all of the property that is proposed for development or use. An applicant must maintain sufficient title, right or interest throughout the entire application processing period. Methods of proving title, right or interest include, but are not limited to, the following:

(1) When the applicant owns the property, a copy of the deed(s) to the property must be supplied;

(2) When the applicant has a lease or easement on the property, a copy of the lease or easement must be supplied. The lease or easement must be of sufficient duration and terms, as determined by the Department, to permit the proposed construction and reasonable use of the property, including reclamation, closure and post closure care, where required. If the project requires a submerged lands lease from the State, evidence must be supplied that the lease has been issued, or that an application is pending and likely to be approved.

(3) When the applicant has an option to buy or lease the property, a copy of the option agreement must be supplied. The option agreement must be sufficient, as determined by the Department, to give rights to title, or a leasehold or easement of sufficient duration and terms to permit the proposed construction and use of the property including closure and post closure care, where required;