

EXHIBIT 18

— MILLER HYDRO GROUP —

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TO: Jeff Murphy – NMFS, Peter Yarrington – FERC
FROM: Devin McNeill – Miller Hydro Group
SUBJECT: Worumbo Spillway Rehabilitation Project Monthly Report: May
DATE: June 1, 2011
CC: Mark Isaacson – Miller Hydro Group

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Introduction

In a 5/4 letter to National Marine Fisheries Service (NMFS), the Federal Energy Regulatory Commission (FERC) requested the use of an emergency consultation to protect salmon during the construction project. As part of the emergency consultation, Miller Hydro Group (MHG) has agreed to file monthly reports detailing the following:

- I. Monthly Reporting Period
 - a. Summary of work related to the dam safety repair during the monthly reporting period
 - b. Measures taken to protect salmon during the work
- II. Work Scheduled to Occur Next Month
 - a. Summary of work scheduled to occur in the next month
 - b. Measures taken to protect salmon during work
- III. Summary of communications with NMFS and any other agencies.
- IV. Description of any specific problems encountered.
- V. A current schedule for:
 - a. Completion of dam safety work
 - b. Filing of Draft Biological Assessment with the Commission
 - c. Any other relevant milestones

Monthly Reporting Period: May, 2011 (I)

Work related to the Worumbo Spillway Rehabilitation Project during the month of May has primarily been in preparation for construction. The majority of the work took place away from the project site.

MHG, working with engineers HDR|DTA (HDR), finalized and released the project's bid documents to contractors on 5/10. A bidder's meeting was held at Worumbo on 5/16. During the meeting contractors discussed questions they had regarding the project and were offered the opportunity to visit the project site. Proposals for the project were received 5/24. Only one contractor indicated an ability to complete the project by the end of November. NMFS has confirmed that this is a minor change and is acceptable.

Proposals also questioned the feasibility of the grouting standards required in the bid. Alternative measures that would achieve the necessary anchoring tension, but would fail to protect against water infiltration, were discussed on a 5/25 conference call with FERC. The following day, FERC informed MHG that anchors may not be required at all. HDR is now recalculating factors of safety for the dam based on the revised assumptions provided by FERC. It is likely that these calculations will show that the previously proposed post-tension anchors are no longer required, but that the inclusion of dowel anchors would a prudent addition. MHG plans to issue a rebid with the final modifications Friday June 7th.

MHG provided FERC (addressed to Bill Atlas) with a comprehensive bid package for review 60 days prior to planned construction start date. The documents included were the final plan, specs, SDR, QCIP, and TCEAP. MHG has proposed expediting FERC's review process in a 5/13 letter sent to Gerry Cross. Our proposal would move the project start date to July 8th. Given the tight construction window and the fact that actions in response to Federal Agencies' design modifications have delayed the project provide Miller Hydro with a reasonable basis for the request.

Before each bid was distributed all contractors were provided an introduction to the bid that stressed the necessary diligence required for this project. We explained that Worumbo is located in the habitat of the endangered salmon, and that we expect all parties involved to take the necessary procedures to ensure that their actions will not negatively impact the surrounding wildlife. This message was again stressed in person at the bidder's meeting. MHG is confident that each contractor understands the importance of preserving the Androscoggin River environment throughout the construction process. Contractors are aware of and will follow all state, local, and federal permits and guidelines associated with work at or around the project site.

Upcoming Reporting Period: June, 2011 (II)

During the month of June MHG will be completing the rebid process. Please see the below dates for the proposed timeline of events:

Friday, June 3rd: Re-bids provided to contracts.

Wednesday June 8th: Re-bid proposal deadline.

Upon receipt of the proposals, we will work diligently to award the contract to the winning bidder and begin preparations for the construction project. Cofferdam design will be provided to FERC for review 30 days prior to construction start date.

As the current schedule stands (Attachment A), no construction will occur on the project site during the month of June. MHG will continue to work with the selected contractor to ensure that all actions taken during throughout the project will be in compliance with permit rules and guidelines, recognizing that the Worumbo project requires special care to preserve the surrounding natural habitat of the endangered salmon and other wildlife.

NMFS and Agency Communication (III)

In addition to the correspondence detailed above with FERC, MHG also had communications with NMFS, Maine State Game Warden Service, and USFWS, as detailed below:

-Don Dow of NMFS sent a memo dated 5/19 to Chris MacDonald of HDR that provided comments relating to the drawings submitted 5/3 to NMFS. Please see Attachment B for HDR and MHG's response to the comments. The installation of an eel passage was proposed. MHG has just received a conceptual eel passage design from HDR and is reviewing this design.

-On 5/24 Ben Rizzo from USFWS conducted the annual site inspection.

-Miller Hydro was contacted by the Maine State Game Warden Service requesting access to the site for enforcement purposes. The Maine Warden is hoping to catch a person who is fishing illegally downstream. MHG has provided the access to the site and use of Worumbo's video cameras.

Specific Problems (IV)

As discussed above, we anticipate the schedule to be tight. MHG hopes that the revised anchor design will make it easier for the contractor to meet the schedule.

Current Schedule (V)

Please see Attachment A for the proposed schedule of relevant milestones for the Worumbo Spillway Rehabilitation Project.

MHG looks to co-ordinate with the relevant agencies at their earliest convenience to establish a schedule for the completion of the Biological Assessment.

Attachment A:

Worumbo Spillway Rehabilitation Project Schedule

July 15, 2011: Cofferdam construction begins. The contractor is expected to mobilize prior to July 15 in order to have the resources in place to begin cofferdam construction on this date, and to begin construction of the dam as soon as possible thereafter. [July 8, if accelerated review is granted by FERC, but delay days will only begin on July 15]

October 1, 2011: Mass concrete placement has been completed, and all mass concrete has attained a minimum compressive strength of 2,000psi. Note that use of accelerating admixtures and/or higher water/cement ratios to attain strength early will not be allowed with mass concrete due to heat of hydration concerns. 31 separate placements are anticipated for the mass concrete.

October 15, 2011: Obermeyer bondout concrete has been poured and attained the specified 28-day compressive strength of 3,000 psi. The contractor may propose mixes for the bondouts that will attain 3,000 psi in a shorter time frame, provided evidence is presented by the contractor that the mix will achieve the desired strength in the desired time frame, and extra field cylinders are taken and tested verifying that the desired strength is reached on or before October 15. Site is available to crest control contractor for placement of Obermeyer system.

November 1, 2011 – November 15, 2011: Construction of the dam is complete, including installation of the Obermeyer system, and cofferdam removal/rewatering may commence.

November 15, 2011 – November 30, 2011: Cofferdam removal will commence upon Owner's Notice to Proceed. Owner will provide notice at least one week in advance of the actual date. Two weeks are allowed for removal of cofferdams. One additional week is allowed for demobilization and clean-up of project works not in the river.

Attachment B:

RE: Worumbo Timber Crib Dam Replacement (NMFS)

In response to the May 19, 2011 memo provided by Don Dow, PE, we offer the following responses presented in CAPS:

1. Continuous downstream bypass flows must be provided during construction.

MILLER HYDRO GROUP PLANS TO MAINTAIN CONTINUOUS BY-PASS FLOW AS NORMAL.

2. Upstream migration of adult Atlantic salmon must not be impeded at anytime and the upstream fishway must operate uninterrupted by construction.

UPSTREAM AND DOWNSTREAM FISH PASSAGE FACILITIES WILL OPERATE NORMALLY.

3. Our understanding of the construction dates are July 1, 2011 to November 1, 2011. Please inform us if there are any changes to the schedule.

CONSTRUCTION DATES HAVE SLIPPED BY TWO WEEKS AS A RESULT OF DESIGN MODIFICATIONS PREVIOUSLY REQUESTED BY NMFS. START OF CONSTRUCTION WILL BE JULY 15, UNLESS FERC PROVIDES FOR EXPEDITED REVIEW IN WHICH CASE START OF CONSTRUCTION WILL BE JULY 8. COMPLETION OF WORK IN THE RIVER IS EXPECTED BY NOVEMBER 15.

4. Nappe projections over the Obermeyer system should fall on the downward slope of the ogee crest under all spill conditions.

REVISED DESIGNS MEET THIS CRITERION.

5. The design should ensure that an adequate plunge pool (3ft or 25% of fall, whichever is greater) or transition is provided at the bottom of the spillway to prevent downstream migrating smolts from becoming injured on the ledge outcropping. The design should also ensure that there is a means of egress from the concentrated flow section as well as the remainder of the dam over the ledge.

REVISED DESIGN INTENT IS TO MEET THIS CRITERION. CONDITIONS WILL BE ASSESSED IN THE FIELD, AND ADDITIONAL EXCAVATION WILL BE PERFORMED AS REQUIRED.

6. Eel Passage – although we have not discussed eel passage, this may be an opportune time to provide upstream permanent eel passage in the three abutments at a minimal cost to the owner and we wish you to consider this at this time.

USFWS HAS REQUESTED THAT UPSTREAM EEL PASSAGE BE PROVIDE AS PART OF THIS CONSTRUCTION. LICENSEE IS AWAITING CONCEPTUAL DESIGN FROM USFWS VIA ARMY CORPS OF ENGINEERS.

7. All standard environmental requirements such as silt curtains, erosion control measures, etc. should be followed to prevent downstream turbidity.

THESE MEASURES ARE INCLUDED IN THE PROJECT SPECIFICATIONS

8. NMFS staff would like to have periodic access to the site to document the Construction.

NMFS WILL HAVE ACCESS TO THE SITE AT THEIR CONVENIENCE. PLEASE FOLLOW NORMAL SAFETY PROCEEDURES WHEN ON SITE. PERSONNEL ARRIVING ON THE SITE SHOULD MAKE THEMSELVES KNOWN AS FOLLOWS: POWER STATION – LISBON SIDE. CONTACT MR. KEN WELLS, STATION MANAGER. ON SITE DURING NORMAL BUSINESS HOURS CONSTRUCTION AREA – DURHAM SIDE. CONTACT CONSTRUCTION CONTRACTOR SUPERVISOR OR OTHER APPROPRIATE PERSON AT THE ON SITE CONSTRUCTION OFFICE.