

July 21, 2010

BY ELECTRONIC & U.S. MAIL

Susan Lessard, Chair
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

Dear Chair Lessard:

By this letter, and for the reason described below, Calais LNG Project Company, LLC and Calais Pipeline Company, LLC ("Calais LNG"), respectfully request that you postpone the conference of counsel in this matter currently scheduled for July 23, 2010.

Calais LNG currently is in the process of transitioning ownership interests and financial backing of the project to another entity. In particular, GS Power Holdings, LLC, the managing member of Calais LNG, is in the process of selling its interest in the project to a new financial partner for Calais LNG unrelated to GS Power Holdings, LLC. Calais LNG anticipates that this transaction will occur within three weeks (i.e., by August 11, 2010). Upon completion of this transaction, Calais LNG will amend Section 3 of its Site Location of Development application (financial capacity) to reflect the new ownership and financial backing of the project.

Once the new ownership structure is in place and the Site Location application amendment is filed, Calais LNG would anticipate, and welcome, a conference of counsel to address all of the topics identified in the agenda transmitted in the July 15th email setting up the July 23rd conference of counsel. In the event that the transaction noted above does not close by August 11, 2010, Calais LNG would expect to withdraw all Calais LNG applications filed with the Maine Board of Environmental Protection.

In the meantime, by letters (dated today) to DEP Commissioner Littell and State Planning Office Director Freeman, Calais LNG is, respectively, withdrawing and simultaneously re-filing its CWA § 401 Water Quality Certification request and forwarding an executed stay agreement regarding its request for a Consistency Determination under CZMA § 307. These actions are being taken by Calais LNG to address the conditions contained in your letter of July 14, 2010 regarding postponement of the BEP hearings originally scheduled for July 19-23, 2010.

1753965.1

Preti Flaherty Beliveau & Pachios LLP Attorneys at Law

Mailing address: P.O. Box 9546 | Portland, ME 04112-9546 | TEL 207.791.3000 | FAX 207.791.3111 | One City Center | Portland, ME 04101

Augusta

Boston

Concord

Portland

Washington, DC

Bedminster, NJ

www.preti.com

PRETI FLAHERTY

Susan Lessard, Chair

July 21, 2010

Page 2

In order to allow sufficient lead time for those parties that would be traveling to the conference of counsel currently scheduled for this Friday, Calais LNG respectfully requests that the Chair rule on this request by 11:00 a.m. EDT on Thursday, July 22, 2010.

Very truly yours,

A handwritten signature in black ink, appearing to read "D.B.V. Slyke", followed by a long horizontal line.

David B. Van Slyke

cc: David P. Littell, Commissioner - DEP
Service List