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Suite 100  
Washington, DC 20036

November 30, 2008

Via eFiling

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
Attn.: DHAC, PJ-12.2  
888 First Street, NE  
Washington, DC 20426

Re: *Six-Month Progress Report #1*  
*P-12666-000-Maine (Kennebec Tidal Energy Project)*

Dear Ms. Bose:

As required by the Commission pursuant to Article 4 of the preliminary permit granted to the above-referenced project number, Maine Tidal Energy Company (METidal) hereby submits this first Six-Month Progress Report via eFiling for your consideration. Article 4 requires that this Six-Month Progress Report contain information on the Permittee's satisfaction of the pre-filing requirements of 18 C.F.R. 4.38 and any other applicable regulations.

**(1) Studies conducted within the past six-month period**

No physical environmental studies were conducted during this first six-month period, but detailed discussions of planned studies are continuing with prospective participants. METidal has focused its efforts on compiling and analyzing available data on the flow regimes to identify target sites for physical investigations within the preliminary permit boundaries, with an overall goal of determining resource development potential and constraints. Physical current profiling will proceed based on supplementing METidal's current database with information becoming available from other sources and modeling results. Other environmental studies will be undertaken once all stakeholder agencies and entities are aware of the nature and scope of any proposed physical activities and the environmental study plan is considered to be consistent with applicable regulations and policies. Important physical characteristics for early evaluation include current/flow profile and physical suitability of the site for location of units and infrastructure. Potential use conflicts have been discussed and continue to be evaluated with stakeholders.

## **(2) Summary of Consultations with all relevant Federal, State, and interstate resource agencies**

METidal and its environmental permitting consultants have had continuing discussions about this project with various stakeholders, including resource agencies, environmental advocacy groups, and prospective project partners. Discussions were held about the permitting procedures and thresholds applicable to different stages of testing and site development. Consultations with other federal, state, local, and non-governmental agencies will continue during the next six-month period as required by the project needs.

METidal will continue to engage regulatory agencies, state and federal resource agencies, tribal entities, environmental groups, academic institutions and the public to identify and understand possibilities for resolution of potential multi-use conflicts, as well as environmental issues and concerns. These interactions contribute to feasibility screening as well as the scoping of the more detailed studies to be performed later in support of licensing.

## **(3) Future Engineering and Environmental Investigation**

Future engineering and environmental investigations are dependent on further agency consultations and data analysis. Future engineering investigations will focus on the size and design of the range of pilot-to full-scale energy generating units, the method for deployment of those units and the location of the units in the River. All environmental investigations will reflect the emerging availability of prototypes for testing and the baseline engineering requirements while providing data for minimizing environmental impacts at all stages of testing, monitoring and potential future construction phases.

Environmental studies are being planned with a phased approach. The first phase involves identifying and understanding flow and bathymetric characteristics to screen site suitability, as well as biological and human use patterns at initial and subsequently refined target sites within the permit area. The first phase of planned baseline studies will utilize vessel-mounted ADCPs to quantify current direction and strength throughout the water column. This would screen site suitability and prioritize sites for demonstration testing and potential future development. METidal will be developing a 3D river flow profile at sites with promising flow and infrastructure connection characteristics.

## **(4) Project Feasibility Assessment**

METidal reassessed project feasibility during this six-month period and concluded that the project warrants further expenditures of capital for the necessary consultations, studies and investigations. The project will be reassessed at the end of the upcoming six-month evaluation period.

Please feel free to contact me at (202) 494-9232 if we can be of further assistance. Thank you for your consideration in this matter.

With regards,

/s/ Mike Hoover  
Mike Hoover  
General Counsel  
Oceana Energy Company  
On behalf of Maine Tidal Energy Company

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated on this 10th day of December 2008.

/s/ Mike Hoover  
Mike Hoover  
General Counsel  
Oceana Energy Company  
On behalf of Maine Tidal Energy Company  
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