

**UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY**

Versant Power

Docket No. PP-81-1

**APPLICATION OF VERSANT POWER
TO RESCIND PRESIDENTIAL PERMIT PP-81 AND
FOR THE COINCIDENT ISSUANCE OF PRESIDENTIAL PERMIT**

Pursuant to Executive Order No. 10485, as amended by Executive Order No. 12038, Section 202(e) of the Federal Power Act, 16 U.S.C. § 824a(e), and Section 320, *et seq.*, of the Rules of Administrative Procedure of the Department of Energy (the “Department”), 10 C.F.R. §§ 205.320, *et seq.*, Versant Power (formally known as Emera Maine) hereby tenders for filing the instant Application and respectfully requests that the Department:

- (1) rescind Presidential Permit PP-81 covering certain transmission facilities (collectively, the “Interconnection Facilities”) described, *infra*, that currently interconnect Versant Power’s bulk power electrical transmission system with the transmission facilities owned by NB Power and located in the Province of New Brunswick, Canada; and
- (2) coincidentally issue a Presidential Permit for the Interconnection Facilities to Versant Power.

Applicant Versant Power seeks to ensure that the provisions contained in Presidential Permit PP-81 authorizing the interconnection, maintenance and operation of certain specified electric transmission facilities located at the international border of the United States and Canada remain in effect during the voluntary rescission and reissuance of the Presidential Permit.

I. BACKGROUND

Presidential Permit PP-81 had originally been held by Maine Public Service Company (“Maine Public”). On November 29, 2012, Maine Public and Bangor Hydro Electric Company (“Bangor Hydro”) submitted a filing with the Maine Public Utilities Commission (“MPUC”) requesting approval of a merger between Maine Public and Bangor Hydro, both of which were indirect subsidiaries of Emera Incorporated. On March 19, 2013, Bangor Hydro and Maine Public filed with the Federal Energy Regulatory Commission (“FERC”) an application under Section 203 of the Federal Power Act seeking authorization for the merger of Bangor Hydro and Maine Public. On July 18, 2013, FERC issued an order authorizing the proposed merger. On December 17, 2013, the MPUC conditionally approved the corporate merger of Bangor Hydro and Maine Public. Emera Maine became the surviving corporation following the merger of Bangor Hydro and Maine Public on January 1, 2014. Following the merger, Emera Maine remained an indirect subsidiary of Emera Inc.

On December 30, 2013, prior to the merger of Maine Public and Bangor Hydro, the two companies jointly filed with the Department an application to rescind PP-81 and to reissue that permit in the name of Emera Maine.¹ Maine Public and Bangor Hydro requested that the issuance of the permit be made effective upon the merger of the companies, which occurred on January 1, 2014. That application was noticed in the Federal Register on April 22, 2014. However, no action has been taken by the Department on the application. Presidential Permit PP-81 remains in the name of Maine Public.

¹ On December 30, 2013, Maine Public and Bangor Hydro also submitted a joint application for the reissuance of three other Presidential Permits to Emera Maine: PP-12, PP-29-2, and PP-89-2. Concurrent with the present filing, Versant Power is also filing applications with the Department for the reissuance of these three Presidential Permits to Versant Power.

On March 24, 2020, ENMAX Corporation (“ENMAX”) indirectly acquired from Emera Inc. all interests in BHE Holdings Inc. (“BHE Holdings”), a Delaware corporation and the parent company of Emera Maine. More specifically, under the terms of the sale, Emera Inc.’s equity interests in BHE Holdings were sold to 3456 Inc., a wholly-owned indirect subsidiary of ENMAX. As a result, ENMAX now indirectly controls 100 percent of BHE Holdings. BHE Holdings was the direct and sole parent company of Emera Maine. Under the terms of the sale, Emera Maine was required to change its name. Thus, Emera Maine announced in May 2020 that it had been renamed Versant Power. The contents of the Articles of Incorporation and Bylaws of Emera Maine, as well as the terms of office of the Directors and Officers of the corporation, did not change as a result of the sale and subsequent name change. Versant Power will operate as a stand-alone utility, as had Emera Maine.

The exact legal name of the applicant is Versant Power. Versant Power is a Maine Corporation formed under Maine law with its principal place of business at 970 Illinois Avenue, Bangor, Maine. Versant Power is primarily engaged in the transmission and distribution of electric energy and related services in eastern and coastal Maine and in northern Maine. Versant Power retains all of Emera Maine’s system: approximately 1,265 miles of transmission lines that includes the United States portion of four transmission lines that run from Aroostook County to New Brunswick, Canada, as well as the United States portion of the Northeast Reliability Interconnect, a 345 kV transmission line, which runs from the Bangor area to New Brunswick, Canada.

II. INFORMATION REGARDING APPLICANT

A. Versant Power

Versant Power is a Maine corporation in the business of the purchase, sale, transmission

and distribution of electricity in the state of Maine. Versant Power is engaged in the transmission and distribution of electric energy and related services to approximately 159,000 retail customers in portions of northern, eastern, and coastal Maine. It installs, operates, and maintains transmission and distribution infrastructure including poles and wires, substations and meters and provides programs to help customers learn about efficient energy use. Versant Power maintains electricity transmission infrastructure and conducts inspections, but it does not generate electricity. It services areas in eastern, coastal, and northern Maine. Versant Power is the principal operating subsidiary of BHE Holdings, and in 2019 had approximately U.S. \$204 million in total operating revenue and employed approximately 400 people.

Versant Power provides transmission service and electric delivery service to two areas – the Bangor Hydro District and the Maine Public District – under two separate Open Access Transmission Tariffs (“OATTs”) on file with FERC. The Bangor Hydro District includes Hancock, Piscataquis and Washington Counties and most of Penobscot County. The Maine Public District serves Aroostook County and a small piece of Penobscot County. Open access to the Bangor Hydro District is provided pursuant to the ISO New England Inc. Open Access Transmission Tariff. More specifically: (a) transmission service over Versant Power’s facilities designated as Pool Transmission Facilities (“PTF”) is provided pursuant to Section II of the ISO-NE Tariff and (b) transmission service over Versant Power’s non-PTF assets is provided pursuant to Schedule 21-VP of the ISO-NE Tariff.² Open access to the Maine Public District (“MPD”) is provided pursuant to the Open Access Transmission Tariff for Maine Public District. The transmission facilities in Versant Power’s two districts are not directly interconnected.

² In addition, transmission service over HVDC facilities known as the Hydro-Quebec Interconnection is provided pursuant to Schedule 20A-VP of the ISO-NE Tariff.

Indeed, the MPD transmission system is not directly interconnected with any portion of the United States transmission grid. Rather, entities interconnected with the MPD transmission system can only access the ISO-NE system or other parts of the U.S. transmission grid over transmission facilities in New Brunswick, Canada.

Versant Power owns no generating facilities, but has long-term energy purchase contracts for certain qualifying facilities. All energy produced from these facilities is sold into the markets operated by ISO-NE.³

Versant Power holds direct interests in the following companies: Bangor Line Company (100%); Bangor Fiber Company, Inc. (100%); The Pleasant River Gulf Improvement Company (100%); East Branch Improvement Company (60%); Bangor Var Co., Inc. (100%), Maine Electric Power Company, Inc. (21.7%), Maine Yankee Atomic Power Company (12%). In turn, Bangor Var Co., Inc. owns 50% of Chester SVC Partnership.

BHE Holdings does not have business activity independent of its subsidiary Versant Power. BHE Holdings owns all the issued and outstanding common stock of Versant Power.

BHE Holdings is directly owned by 3456 Inc., a wholly-owned special purpose subsidiary of ENMAX. ENMAX is owned by the City of Calgary, but operates as an independent private corporate entity and is not controlled by the City. ENMAX provides electricity and energy services in Alberta, Canada. ENMAX Power Corporation (“ENMAX Power”), a wholly-owned subsidiary of ENMAX, owns the electric transmission and distribution system in the Calgary

³ Versant Power has received market-based rate authority from FERC. Bangor Hydro Elec. Co., Docket No. ER14-264-000, Letter Order dated Dec. 19, 2013.

area. ENMAX Energy Corporation (“ENMAX Energy”), a wholly-owned subsidiary of ENMAX, is a licensed and registered energy retailer in the Province of Alberta, Canada, and provides energy and energy-related products and services to residential, commercial, and industrial customers throughout Alberta.

B. Communications

Communications regarding this Application should be addressed to the following persons:

Versant Power

Philip C. Smith
Corporate Counsel
Versant Power
P.O. Box 932
Bangor, ME 04401-0932
philip.smith@versantpower.com

Suchman Law LLC

Bonnie A. Suchman
Suchman Law LLC
8104 Paisley Place
Potomac, Maryland 20854
(202) 236-8859
bonnie@suchmanlawllc.com

A signed opinion of counsel, stating that the construction, connection, operation, and maintenance of the proposed facilities will be within the corporate powers of Versant Power and that Versant Power has complied with or will comply with all pertinent federal and state laws, is attached hereto as Attachment B.

C. Foreign Ownership and Affiliations

Versant Power is a wholly-owned subsidiary of BHE Holdings. ENMAX Corporation, acting through its wholly-owned indirect subsidiary 3456 Inc., acquired all interests in BHE Holdings. Following the transaction, ENMAX indirectly controls 100% of BHE Holdings, and BHE Holdings remains the sole, direct parent company of Versant Power. Versant Power operates as a stand-alone utility, as had Emera Maine.

ENMAX Corporation is headquartered in Calgary, Alberta, Canada, and is a wholly-owned corporate subsidiary of the City of Calgary. Through its subsidiaries, ENMAX generates, transmits, distributes and sells electricity to residential, small business and large commercial customers with approximately \$5.6 billion CAD in assets and revenues of \$2.4 billion CAD in 2018. ENMAX operates through two main business segments, ENMAX Energy and ENMAX Power. ENMAX Energy includes the competitive generation and sale of electricity. ENMAX Power owns and operates electric transmission and distribution infrastructure. Through its subsidiaries, ENMAX offers a range of innovative energy solutions to over 669,000 customers across Alberta including electricity, natural gas, renewable energy and other services. ENMAX operates as an independent private corporate entity and is not controlled in any manner by the City of Calgary.

On May 29, 2019, ENMAX Corporation informed the Committee on Foreign Investment in the United States (“CIFIUS”) about the expected acquisition of BHE Holdings by ENMAX Corporation. CIFIUS determined that there were no unresolved national security concerns with such acquisition.⁴

D. Existing Contracts with Foreign Governments or Foreign Private Concerns

As discussed above, Versant Power is a wholly-owned subsidiary of BHE Holdings, which is indirectly controlled by 3456 Inc., which in turn is an indirect subsidiary of ENMAX Corporation. In addition, Versant Power provides transmission service from time to time to NB Power, a New Brunswick Crown corporation, pursuant to two agreements subject to the jurisdiction of FERC.

⁴ See July 18, 2019 letter from Thomas P. Feddo, Deputy Assistant Secretary, Investment Security, Department of the Treasury.

III. THE INTERCONNECTION FACILITIES

The Interconnection Facilities are currently identified as follows:

- (a) one 7.2 kV single phase distribution line energized by the NBEPCC and crossing the U.S.-Canadian international border in the Town of Easton, Aroostook County, Maine. MPS will make the interconnection to NBEPCC's existing facilities at this tie point and extend the 7.2 kV single phase distribution line along a public way for approximately 436 feet with a service drop of approximately 200 feet.

The Presidential Permit was issued on September 21, 1984.

The Interconnection Facilities identify an interconnection to NBEPCC, or New Brunswick Electric Power Commission. NBEPCC is now known as the NB Power. Accordingly, in the new Presidential Permit to be issued to Versant Power, the interconnection facilities will need to be identified as follows:

- (a) one 7.2 kV single phase distribution line energized by NB Power and crossing the U.S.-Canadian international border in the Town of Easton, Aroostook County, Maine. Versant Power will make the interconnection to NB Power's existing facilities at this tie point and extend the 7.2 kV single phase distribution line along a public way for approximately 436 feet with a service drop of approximately 200 feet.

All maps used in support of the original Presidential Permit application, and any amendments thereto, continue to show accurately the physical location (longitude and latitude) and ownership of the facilities on the international border, except as otherwise provided in this Application. There will be no changes in bulk power system information regarding the interconnection facilities.

IV. REASONS FOR CHANGES IN CORPORATE STRUCTURE

The application filed by Bangor Hydro and Maine Public for issuance of a new Presidential Permit on December 30, 2013, explained that the requested transfer of the permit was due to the merger of Maine Public and Bangor Hydro. The utilities noted that, following the merger, Emera Maine would administer the appropriate Open Access Transmission Tariffs and that

Emera Maine would maintain two OATTs following consummation of the merger – one for the “Northern Division” (former Maine Public transmission facilities) and one for the “Southern Division” (legacy Bangor Hydro transmission facilities). The utilities further noted that, following consummation of the merger, Emera Maine would operate two separate transmission systems that are not directly interconnected (and not interconnected at all but through transmission facilities owned by NB Power). Bangor Hydro’s legacy facilities remain under the functional control of ISO-NE and service over them is provided pursuant to the ISO-NE Tariff. The former Maine Public transmission facilities were not to come under the functional control of ISO-NE as part of the merger. Rather they were to remain in the New Brunswick System Operator Balancing Authority Area and subject to the oversight of the Northern Maine Independent System Administrator, both of which are wholly separate from ISO-NE and its Balancing Authority Area. Consistent with these representations, since consummation of the merger, Emera Maine had operated two separate transmission systems that are not directly interconnected and not interconnected at all but through transmission facilities owned by NB Power, the transmission owning utility in the Province of New Brunswick, Canada.

The Maine Public Utilities Commission approved the indirect purchase by ENMAX Corp. of BHE Holdings’ shares on March 17, 2020. As a condition of that transaction, it was agreed that Emera Maine’s name would be changed. Accordingly, in May 2020, it was announced that Emera Maine’s name was changed to Versant Power. No other changes were made to the utility or the manner in which it conducts its business.

V. ENVIRONMENTAL IMPACT INFORMATION

This Application for rescission and the coincident issuance of a Presidential Permit will have no effect on any of the subject facilities. Accordingly, since there will be no physical

change in the facilities and no change in the way the facilities will be operated, Versant Power anticipates no environmental impacts whatsoever as a result of the requested actions.

VI. SERVICE AND FEE

In accordance with the requirements of 10 C.F.R. § 205.326, copies of this application will be provided to the following:

Ms. Kimberly D. Bose	Maine Public Utilities Commission
Secretary	242 State Street
Federal Energy Regulatory Commission	18 State House Station
888 First Street, N.W.	Augusta, Maine 04333-0018
Washington, D.C. 20426	

A check in the amount of \$150.00 made payable to the Treasurer of the United States is enclosed in payment of the fee specified in 10 C.F.R. § 205.326.

VII. EXHIBITS

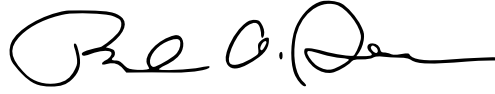
The following exhibits are included:

- Exhibit A Presidential Permit PP-81
- Exhibit B Opinion of Counsel for the Applicant

VIII. CONCLUSION.

Versant Power respectfully requests that the Department rescind and coincidentally issue the Presidential Permit pursuant to the terms and conditions set forth in this Application.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Bonnie A. Suchman". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bonnie A. Suchman, Esq.
Suchman Law LLC
8104 Paisley Place
Potomac, Maryland 20854
(202) 236-8859

*Attorney for
Versant Power*

Dated: October 7, 2020

ATTACHMENT A

PRESIDENTIAL PERMIT PP-81

PRESIDENTIAL PERMIT PP-81
AUTHORIZING
THE MAINE PUBLIC SERVICE COMPANY
TO CONSTRUCT, CONNECT, OPERATE AND MAINTAIN
ELECTRIC TRANSMISSION FACILITIES ACROSS
THE INTERNATIONAL BORDER BETWEEN
THE UNITED STATES AND CANADA

BACKGROUND

On April 25, 1984, Maine Public Service Company (MPS) filed an application with the Economic Regulatory Administration (ERA) of the Department of Energy (DOE) for a Presidential Permit pursuant to Executive Order 10485, as amended by Executive Order 12038. MPS requested authority to construct, connect, operate and maintain at the international border of the United States and Canada one single phase, 7.2 kilovolt (kV) electric distribution line. The line is required to provide electric service to a residential customer in the United States. Electric service will be provided by the New Brunswick Electric Power Commission (NBEPCC) of Canada.

Since these facilities will not be connected to any portion of the U.S. electric supply system, DOE staff has concluded that the subject facilities will not impact adversely on the reliability of the U.S. electric power supply system.

On July 3, 1984, after a review of the subject application with respect to the requirements of the National Environmental Policy Act of 1969 (NEPA), DOE determined that the issuance of the Permit would not constitute a major Federal action significantly affecting the quality of the human environment, as defined in Section 102 of NEPA, 42 U.S.C. 4321 et seq. Accordingly,

neither an environmental assessment nor an environmental impact statement was required and the conditions of the NEPA were satisfied.

The Secretary of State by letter dated August 3, 1984 and the Secretary of Defense by letter dated July 10, 1984 have recommended that the Presidential Permit be granted. Upon consideration of this matter, the Administrator of ERA finds that the issuance of this Presidential Permit, as provided hereafter, is appropriate and consistent with the public interest.

AUTHORIZATION

Pursuant to the provisions of Executive Order 10485, as amended by Executive Order 12038, and the Rules and Regulations, (Title 10, Code of Federal Regulations, section 205.320 et seq.), permission hereby is granted to MPS to construct, connect, operate and maintain at the international border of the United States and Canada, one 7.2 kV single phase distribution line as further described in Article 2 below, upon the following conditions.

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this Permit. This Permit may be modified or revoked by the President of the United States without notice, or by DOE after public notice, and may be amended by DOE after proper application thereto.

Article 2. The facilities covered by and subject to this Permit shall include the following facilities and all

supporting structures within the right-of-way occupied by such facilities.

One 7.2 kV single phase distribution line energized by the NBEPC and crossing the U.S.-Canadian international border in the Town of Easton, Aroostook County, Maine. MPS will make the interconnection to NBEPC's existing facilities at this tie point and extend the 7.2 kV single phase distribution line along a public way for approximately 436 feet with a service drop of approximately 200 feet.

The facilities authorized by this Permit are more specifically shown and described in the application filed by MPS with the DOE on April 25, 1984.

Article 3. No change shall be made in the facilities covered by this Permit or in the authorized operation of these facilities unless such change has been approved by DOE.

Article 4. MPS or its agent shall at all times maintain the facilities covered by this Permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 5. The operation and maintenance of the facilities covered by this Permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for such purposes. MPS shall allow officers or employees of the United States with written authorization free and unrestricted access into, through and across any lands occupied by these facilities in the performance of their duties.

Article 6. MPS shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this Permit. MPS shall take appropriate action to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuits are the only ones which must be resolved. MPS shall maintain written records of all complaints received and of the corrective actions taken.

Article 7. The United States shall not be responsible or liable for damages to or loss of the property of, or injuries to, persons; or for damages to or loss of the property of MPS; or for damages to or loss of the property of, or injuries to, MPS's officers, agents, servants or employees, or others who may be on said premises, any of which may arise from or be incident to the exercise by MPS of the privileges granted herein. MPS shall hold the United States harmless from any and all such claims.

Article 8. MPS shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United states and Canada over the facilities authorized herein. MPS shall prepare, maintain and preserve complete and accurate records concerning the transfer of such electric energy; and shall furnish to DOE an annual report, which will be due on or before February 15th of each year, detailing the transmission of such electric energy, as follows: (1) the gross amount

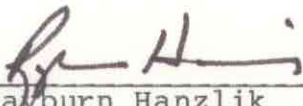
of kilowatt-hours of electric energy received and delivered;
(2) the maximum hourly rate of transmission in kilowatts;
and (3) the consideration paid and received for such energy during
each month of the preceding calendar year.

Article 9. Neither this Permit nor the facilities covered by this Permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this Permit shall continue in effect for a period of sixty days and then shall terminate unless an application for a new Permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by DOE. Upon receipt by DOE of such an application, this existing Permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 10. Upon the termination, revocation or surrender of this Permit, the 7.2 kV primary distribution line which is owned, connected, operated and maintained by MPS and described in Article 2 of this Permit, shall be removed within such time as DOE may specify and at the expense of MPS. If MPS fails to remove such facilities or any portion thereof authorized by this Permit, DOE may direct that actions be taken for the removal of the facilities or the restoration of same at the expense of MPS. MPS shall have no claim for damages by reason of such possession, removal or repair.

Article 11. This Permit shall be valid upon receipt by DOE of the Testimony of Acceptance properly executed.

In Witness Whereof, I, Rayburn Hanzlik, Administrator, Economic Regulatory Administration, hereunto sign my name, this 21st day of September 1984, in the city of Washington, District of Columbia.



Rayburn Hanzlik
Administrator
Economic Regulatory Administration

TESTIMONY OF ACCEPTANCE
OF
PRESIDENTIAL PERMIT PP-81
AUTHORIZING
THE MAINE PUBLIC SERVICE COMPANY
TO CONSTRUCT, CONNECT, OPERATE AND MAINTAIN
ELECTRIC TRANSMISSION FACILITIES ACROSS
THE INTERNATIONAL BORDER BETWEEN
THE UNITED STATES AND CANADA

IN TESTIMONY OF ACCEPTANCE of all the provisions and conditions of Presidential Permit PP-81 dates September 24, 1984, Maine Public Service Company, this 24th day of October, 1984, has caused its name to be signed and its corporate seal to be affixed hereto by Frederick C. Bustard, its duly authorized, Vice President, and attested by Paul R. Cariani, its Secretary.

MAINE PUBLIC SERVICE COMPANY

By

FC Bustard

Vice President

ATTEST:

By

PR Cariani

Secretary

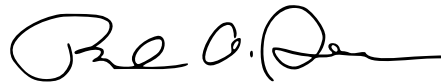
ATTACHMENT B

OPINIONS OF COUNSEL

Statement and Opinion of Counsel

The undersigned, being Counsel for Versant Power, states and gives his opinion, pursuant to 10 CFR Section 205.322(a)(6), as follows: (a) that he has examined and is familiar with the corporate powers of Versant Power, pursuant to its Articles of Organization and Operating Agreement; (b) that he has examined and is familiar with the contents of this “Application of Versant Power to Rescind Presidential Permit PP-81 and for the Coincident Issuance of Presidential Permit,” to which this statement and opinion is attached as an exhibit; (c) that in his opinion the construction, connection, operation and maintenance of the facilities as proposed in the Application will be within the corporate power of Versant Power; and (d) that, with respect thereto, Versant Power has complied or will comply with all pertinent federal and state laws.

DATED: October 7, 2020



Bonnie A. Suchman