

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

**Versant Power**

**Docket No. EA-\_\_\_\_**

**APPLICATION OF VERSANT POWER TO RESCIND E-6751 AND FOR THE  
COINCIDENT ISSUANCE OF AN  
AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO CANADA**

Pursuant to Section 202(e) of the Federal Power Act (“FPA”), 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. §§ 205.300 *et seq.*, Versant Power (formally known as Emera Maine) files with the Department an original and five (5) copies of the instant application (“Application”) to (1) rescind Export Authorization E-6751 and (2) coincidentally grant Versant Power blanket authority to transmit electric energy from the United States to Canada.

Export Authorization E-6751 had originally been issued to Maine Public Service Company (“Maine Public”). On January 1, 2014, Maine Public merged with Bangor Hydro Electric Company (“Bangor Hydro”) to form Emera Maine. In May 2020, it was announced that Emera Maine had changed its name to Versant Power. Accordingly, Versant Power seeks to rescind Export Authorization E-6751 and coincidentally have the authorization to transmit electric energy to Canada, including over the transmission facilities referenced in E-6751, issued to Versant Power. In addition, Versant Power seeks to eliminate the annual export limits from the Export Authorization and to increase the maximum coincident, instantaneous transmission rate across the relevant transmission facilities to 97.8 MW.

## **I. DESCRIPTION OF THE APPLICANT**

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, Inc. (“BHE Holdings”), a Delaware corporation, and in 2019 had approximately U.S. \$204 million in total operating revenue and employed approximately 400 people. Versant Power has received market-based rate authority from the Federal Energy Regulatory Commission (“FERC”).<sup>1</sup>

Versant Power holds direct interests in the following companies: Bangor Line Company (100%); Bangor Fiber Company, Inc. (100%); Pleasant River Gulf Improvement Company (100%); East Branch Improvement Company (60%); Bangor Var Co., Inc. (100%); Maine Electric Power Company, Inc. (21.7%); and 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 owned by 3456 Inc., a wholly-owned special purpose subsidiary of

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<sup>1</sup> Bangor Hydro Elec. Co., Docket No. ER14-264-000, Letter Order dated Dec. 19, 2013.

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, a wholly-owned subsidiary of ENMAX, owns the electric transmission and distribution system in the Calgary area. ENMAX Energy Corporation, 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.

## **II. 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](mailto: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](mailto:bonnie@suchmanlawllc.com)

## **III. JURISDICTION.**

Under Section 202(e) of the FPA, 16 U.S.C. § 824a(e), and the Department's regulations, 10 C.F.R. § 205.300 *et seq.*, any person seeking to transmit electric energy from the United States to a foreign country must first secure an order from the Department authorizing the export. No other known federal, state or local government has jurisdiction over the actions to be taken under the authority set out in this application.

#### **IV. TECHNICAL DISCUSSION OF PROPOSAL.**

On December 5, 1963, Maine Public was issued an order (E-6751) authorizing it to transmit electric energy from the United States to the Maine and New Brunswick Electrical Power Company<sup>2</sup> (1) in an amount not to exceed 8,200,000 kwh per year at a maximum rate of transmission of 2,200 kW over facilities covered by Presidential Permit IT-6027 (now Presidential Permit PP-12) and (2) in an amount not to exceed 30,000,000 kWh per year at a maximum rate of transmission of 20,000 kW to the New Brunswick Electric Power Company<sup>3</sup> over facilities covered by Presidential Permit E-6752 (now Presidential Permit PP-29-2).<sup>4</sup>

On March 26, 1968, the amount of electric energy authorized to be transmitted to the Maine and New Brunswick Electrical Power Company was increased to 12,600,000 kWh per year at a maximum rate of transmission of 3,100 kW and to redeliver energy to the New Brunswick Electric Power Commission in Canada at an amount not to exceed 100,000,000 kWh per year at a maximum rate of transmission of 40,000 kW.

On March 20, 1979, the amount of electric energy authorized to be transmitted to the Maine and New Brunswick Electrical Power Company was increased to 40,000,000 kWh per year at a transmission rate not to exceed 9800 kW and the amount redelivered to New Brunswick

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<sup>2</sup> Maine & New Brunswick Electrical Power Company, Limited is an inactive Canadian subsidiary of Maine Public, which, prior to deregulation and generation divestiture, owned Maine Public's Canadian electric generation assets. In 2003, the Maine Public Utility Commission ("MPUC") authorized the dissolution of Maine & New Brunswick Power Co., Ltd. In a letter dated September 3, 2008, Maine Public notified the MPUC that it had substantially wound-up the business of Maine & New Brunswick Power Co., Ltd., but it had not yet dissolved the corporation. As part of the merger of Maine Public and Bangor Hydro, Maine & New Brunswick was dissolved and any assets of Maine & New Brunswick were distributed to Maine Public, its sole shareholder, which was subsequently merged into Bangor Hydro to form Emera Maine. Emera Maine is now Versant Power.

<sup>3</sup> The New Brunswick Electric Power Company is now NB Power.

<sup>4</sup> Concurrent with the present filing, Versant Power is also filing with the Department for the reissuance of Presidential Permits PP-12 and PP-29-2 to Versant Power. For purposes of this filing, references to PP-12 and PP-29-2 assume that the Presidential Permits have been reissued to Versant Power.

Electrical Power Company increased to an amount not to exceed 250,000,000 kWh per year at a transmission rate not to exceed 50,000 kW.

On January 1, 2014, Emera Maine became the surviving corporation following the merger of Bangor Hydro and Maine Public. Emera Maine was an indirect subsidiary of Emera Inc. On March 31, 2016, Emera Maine filed an application to rescind Export Authorization Order E-6751 and for the coincident issuance of an authorization to transmit electric energy from the United States to Canada. In that application, Emera Maine requested that the Export Authorization issued to it eliminate the annual export limits and increase the maximum coincident, instantaneous transmission rate across the relevant transmission facilities to 97.8 MW. The application was noticed in the Federal Register on September 20, 2016. The Department has taken no action on that application.

On March 24, 2020, ENMAX Corporation (“ENMAX”) indirectly acquired from Emera Inc. all interests in BHE Holdings. More specifically, under the terms of the sale, Emera Inc.’s equity interests in BHE Holding were sold to 3456 Inc., a wholly-owned indirect subsidiary of ENMAX. As a result, ENMAX now indirectly controls 100 percent of BHE Holdings.<sup>5</sup> BHE Holdings remains the direct and sole parent company of Versant Power.

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 operates as a stand-alone utility, as had Emera Maine.

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<sup>5</sup> 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 in such acquisition. See July 18, 2019 letter from Thomas P. Feddo, Deputy Assistant Secretary, Investment Security, Department of the Treasury.

In connection with the Maine Restructuring Act, Maine Public divested all its generation assets. Accordingly, Emera Maine – and now Versant Power – own no generation and only engage in the wholesale marketing of generation pursuant to the resale of long term contracts for power pursuant to Maine state law and as directed by Maine Public Utility Commission rule Chapter 307. These sales are made solely in the ISO New England Inc. Balancing Area and are not transmitted over facilities governed by the authorizations that are the subject of this request. In the Maine Public District – the former service area of Maine Public – Versant Power neither buys nor sells electric energy. However, Versant Power provides transmission service to move such energy from the generating facilities to New Brunswick in accordance with the rates, terms, and conditions of its Open Access Tariff for Maine Public District on file with FERC.

As Emera Maine had requested and explained in its application to the Department in 2016, Versant Power is seeking to eliminate the annual export limits of 40,000,000 kWh and 250,000,000 kWh upon the issuance of the export authorization. Versant Power follows the requirements of the Northern Maine Independent System Administrator (“NMISA”), which administers the facilities subject to PP-12 and PP-29-2. Moreover, Versant Power will provide the necessary transmission access and its customers schedule each transaction over the applicable transmission facilities with NMISA. Both Versant Power and the NMISA must follow the relevant reliability standards criteria. Accordingly, the annual export limits are unnecessary, and Versant Power is requesting their removal from the Export Authorization.

Versant Power, as the holder of PP-12 and PP-29-2, accepts the inclusion of a maximum rate of transmission into its Export Authorization. Currently, E-6751 has maximum rates of transmission of 9.8 MW for delivery to what had been the Maine & New Brunswick Electrical Power Company (now Algonquin Power, serving the Perth Andover community in New

Brunswick) and 50 MW to NB Power. This rating was based on studies relied upon to justify increasing the maximum rate of transmission in 1979. The Department has since relied upon more recent studies to authorize exports over those same transmission lines to not exceed a coincident, instantaneous transmission rate of 97.8 MW.<sup>6</sup> Versant Power respectfully requests that the Export Authorization issued to it provide that the maximum rates of transmission on the combination of facilities referenced in Presidential Permits PP-12 and PP-29-2 not exceed a coincident, instantaneous transmission rate of 97.8 MW.

Versant Power intends to export power over existing transmission interconnections between the United States and Canada, including those facilities referenced in PP-12 and PP-29-2. Exhibit C to this Application provides the location and description of the transmission facilities through which the electric energy may be delivered into Canada. Versant Power is regulated by the Maine Public Utility Commission (“MPUC”). Moreover, Versant Power is primarily a transmission and distribution utility. Thus, any sales of electric energy will be surplus to the needs of the customers within Versant Power’s service territory, so that the export of power will not impair the sufficiency of electric power supply in the U.S.

Versant Power will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any power exports. This will include: (1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation (“NERC”) and applicable Regional Entities in effect at the time of export; (2) obtaining all necessary transmission access over the existing facilities listed in Exhibit C; and (3) providing evidence of the agreements with transmission owners to the Department.

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<sup>6</sup> *EPCOR Energy Marketing (US) Inc.*, Order Authorizing Electricity Exports to Canada, Order No. EA-260-C (April 8, 2009).

Consistent with past Department precedent, Versant Power requests that the Department use the reliability analyses performed in the most recent export authorization proceedings that rely upon the border transmission facilities referenced in Exhibit C. Versant Power agrees to abide by the export limits of these transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by the Department on the referenced transmission facilities are sufficient to ensure that exports by Versant Power will not impede or tend to impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

## **V. PROCEDURES.**

Versant Power seeks authority to deliver the power it transmits into Canada over existing cross-border transmission lines, as well as any additional cross-border facilities that Versant Power may secure the rights to use.<sup>7</sup> Versant Power is willing to accept all conditions imposed by the Department on its authorization to export power. In particular, if required by the Department, exports made by Versant Power will not exceed the export limits for the transmission facilities utilized by Versant Power, or otherwise cause a violation of the terms and conditions set forth in the export authorization. When scheduling the delivery of power, Versant Power will comply with the applicable NERC reliability criteria, standards, and guidelines. Versant Power will comply with all reporting requirements.

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<sup>7</sup> Insofar as the exports under this Authorization will take place over existing transmission lines, an environmental impact statement or an environmental assessment under the National Environmental Policy Act is not required.



## **VI. SERVICE AND FEE.**

In accordance with the requirements of 10 C.F.R. § 205.309, 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 \$500.00 made payable to the Treasurer of the United States is enclosed in payment of the fee specified in 10 C.F.R. § 205.309.

## **VII. VERIFICATION.**

Verification executed by Applicant's authorized representative, Michael Herrin, in accordance with 10 C.F.R. § 205.302(h) is enclosed with this Application.

## **VIII. EXHIBITS.**

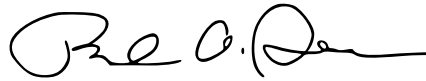
In accordance with the requirements of 10 C.F.R. § 205.303, the following exhibits are attached hereto:

Exhibit A	Transmission Agreements
Exhibit B	Opinion of Counsel
Exhibit C	International Transmission Facilities (Submitted in lieu of Maps)
Exhibit D	Power of Attorney
Exhibit E	Statement of Any Corporate Relationship or Existing Contract
Exhibit F	Operating Procedures

**IX. CONCLUSION.**

WHEREFORE, Versant Power respectfully requests that this Application of Versant Power to Rescind E-6751 and for the Coincident Issuance of an Authorization to Transmit Electric Energy to Canada be considered and approved.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Bonnie A. Suchman", with a horizontal line underneath.

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

*Attorney for  
Versant Power*

Dated: October 7, 2020

**VERIFICATION**

I, MICHAEL HERRIN, having knowledge of the matters set forth in the above Application of Versant Power to Rescind E-6751 and for the Coincident Issuance of an Authorization to Transmit Electric Energy to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

Michael Herrin

SUBSCRIBED AND SWORN before me, a notary public this 2<sup>nd</sup> day of October, 2020

Karen A. Bell  
Notary Public

My Commission Expires:

**KAREN A. BELL**  
Notary Public, State of Maine  
My Commission Expires 7/8/2026

**EXHIBIT A**

**Transmission Agreements**

*Not Applicable*

## **EXHIBIT B**

### **Statement of Opinion of Counsel**

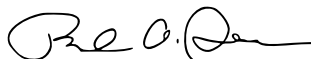
This opinion is rendered in connection with the Application of Versant Power for Authorization to Transmit Electric Energy to Canada, dated October 7, 2020, and pursuant to 10 C.F.R. Section 205.303(b).

Based on my understanding and review of Versant Power, my knowledge of the corporate powers of Versant Power, and my examination of such documents, records and matters of laws as I have considered to be relevant, it is my opinion that:

1. The proposed exports of electrical power described in the Application are within the corporate powers of Versant Power; and
2. Versant Power has complied and will comply with all pertinent Federal and State laws.

I am opining herein only as to federal laws of the United States and laws of relevant States within the United States, and I express no opinion as to the laws of any other jurisdiction. I am not assuming any obligation to review or update this opinion should the law or existing facts or circumstances change. This opinion is provided by me as counsel for Versant Power solely to you for your exclusive use and is not to be made available to or relied upon by any other person or entity without my prior written consent.

Respectfully Submitted,



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Bonnie A. Suchman

Dated: October 7, 2020

## EXHIBIT C

### International Transmission Facilities At the U.S.-Canada Authorized for Use by Third-Party Transmitters

<b><u>Present Owner</u></b>	<b><u>Location</u></b>	<b><u>Voltage</u></b>	<b><u>Presidential Permit No</u></b>
Bangor Hydro Electric Company	Baileyville, ME	345-kV	PP-89-2
Basin Electric Power Cooperative	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA	2-500-kV	PP-10
	Nelway, WA	230kV	PP-36
	Nelway, WA	230-kV	PP-46
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International Transmission Company	Detroit, MI	230-kV	PP-230
	Marysville, MI	230-kV	PP-230
	St. Claire, MI	230-kV	PP-230
	St. Claire, MI	345-kV	PP-230
Joint Owners of the Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc	Massena, NY	2-115-kV	PP-24
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME	69-kV	PP-12
	Fort Fairfield, ME	69-kV	PP-12
	Easton, ME	138-kV	PP-29-2
	Madawaska, ME	2-69-kV	PP-29-2
Minnesota Power Inc	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative	Roseau County, MN	230-kV	PP-61
Montana Alberta Tie Ltd.	Cut Bank, MT	230-kV	PP-305
New York Power Authority	Massena, NY	765-kV	PP-56
	Massena, NY	2-230-kV	PP-25
	Niagara Falls, NY	2-345-kV	PP-74
	Devil's Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devil's Hole, NY	230-kV	PP-190
Northern States Power Company	Red River, ND	230-kV	PP-45
	Roseau County, MN	500-kV	PP-63
	Rugby, ND	230-kV	PP-231
Sea Breeze Olympic Converter LP	Port Angeles, WA	±450-kV DC	PP-299
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76

**EXHIBIT D**

**Power of Attorney**

*Not Applicable*

**EXHIBIT E**

**Statement of Any Corporate Relationship or Existing Contract**

*Not Applicable.*



**EXHIBIT F**

**Operating Procedures**

*Not Applicable*