

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL REGULATORY COMMISSION**

Versant Power

)

Docket No. ER20-2054-000

**RESPONSES OF VERSANT POWER TO THE
SECOND SET OF INFORMATIONAL DATA REQUESTS
OF THE MASSACHUSETTS ATTORNEY GENERAL’S OFFICE ET AL.**

In accordance with Attachment F, Appendix C of the ISO New England Inc. Open Access Transmission Tariff (the “Protocols”), Versant Power hereby submits these Responses to the Second Set of Information Requests tendered by the Massachusetts Attorney General’s Office, the Connecticut Office of Consumer Counsel, the Maine Office of the Public Advocate, the New Hampshire Office of Consumer Advocate, and the Rhode Island Division of Public Utilities and Carriers on August 30, 2024 (hereinafter, the “Data Requests”).

Versant Power’s responses are based upon the best available information known to it as of the date of this response. While a good faith attempt has been made to identify all applicable objections, it may later be determined that further objections are relevant and appropriate. Accordingly, Versant Power expressly reserves the right to raise any such additional objections, concerning both general and specific matters, at any time that they may later be identified.

Versant Power objects to the Data Requests to the extent that they seek information not in the possession or control of Versant Power, seek information in a form other than that in which Versant Power’s files and records are maintained, seek information or documents protected by an applicable privilege, doctrine, law, or rule, and/or require Versant Power to undertake new studies or analyses. Versant Power further objects to the Data Requests as unduly burdensome to the extent that they request “any” or “all” materials.

Versant Power provides its attached responses to the Data Requests subject to and without waiver of the foregoing objections.

VERSANT POWER'S RESPONSES TO
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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-1

On an ongoing basis, for all data and information requests pertaining to the 2024 Annual Update submitted by parties other than the issuing Consumer Advocates, please provide copies of the company's responses in their original formats.

RESPONSE NO. CA-VP-2-1

In accordance with the terms of Attachment F, Appendix C of the ISO-NE OATT (the "Transmission Formula Rate Protocols"), Versant Power will serve on or notify the Consumer Advocates of the posting of any data responses.

Responses provided to date are available at <https://versantpower.com/oasis/annual-update-information-filing-%E2%80%932024-bhd/responses/>

Response Prepared By: Counsel

List of Attachments: None

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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-2

On an ongoing basis, please identify any and all errors in the 2024 Annual Update known to the company.

OBJECTION NO. CA-VP-2-2

Insofar as this request asks for information to be provided on a continuing basis, Versant Power objects to this request as exceeding the parameters of the Transmission Formula Rate Protocols, as well as Rule 403(d) of the Commission's Rules of Practice and Procedure, which Versant Power neither admits nor denies is applicable to the Annual Review Procedures under the Transmission Formula Rate Protocols.

Notwithstanding and subject to the foregoing objections, Versant Power states as follows.

RESPONSE NO. CA-VP-2-2

See Response No. MPUC-BHD-1-2 available at <https://versantpower.com/oasis/annual-update-information-filing-%E2%80%93-2024-bhd/responses/>.

Objection Prepared By: Counsel

Response Prepared By: Tim Olesniewicz, Senior Rates and Regulatory Analyst

List of Attachments: None

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REGARDING BANGOR HYDRO DISTRICT 2025 CHARGES
UNDER THE ISO NEW ENGLAND OATT
FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-3

Please provide a copy of the capitalization policy the company used to determine whether expenditures should be capitalized or expensed during 2023.

RESPONSE NO. CA-VP-2-3

See CA-VP-2-03 Attachment A.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: CA-VP-2-03 Attachment A

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SECOND SET OF INFORMATION REQUESTS
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REGARDING BANGOR HYDRO DISTRICT 2025 CHARGES
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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-4

Refer to Att 3 – Att F – App B – Att 1 (Regional), Attachment Supplemental – 3.3 For the “Other” Reliability Projects that are not broken out by project, for 2024 and 2025, please provide a breakdown of what portion of these costs pertain to: (i) costs associated with specific projects with total costs under \$5 million, (ii) costs associated with specific projects with total costs equal to or greater than \$5 million, where the costs for the portion(s) of the project forecast to be put in service during the period are less than \$5 million, or (iii) costs not associated with a specific project.

RESPONSE NO. CA-VP-2-4

- (i) Total cost of projects under \$5 million: \$5.108 million
- (ii) Total costs of projects over \$5 million (Boggy Brook Condenser): \$29.02 million
- (iii) None

Response Prepared By: David Norman, PE, Mgr. - Reg. Support

List of Attachments: None

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REGARDING BANGOR HYDRO DISTRICT 2025 CHARGES
UNDER THE ISO NEW ENGLAND OATT
FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-5

Refer to Att – 3 – Att F – App B – Att 1 (Regional), WS 4 Forecast, Line 1 Forecasted Regional Service Additions for 2024 and 2025.

- a) Identify by project title and ISO-NE ID any projects included in this forecast that have received from FERC an incentive rate order for: (i) the inclusion of Construction Work in Progress (“CWIP”) in rate base, (ii) added Return on Equity (“ROE”) incentive, (iii) accelerated depreciation, (iv) recovery of abandoned plant costs, and/or (v) any other incentive rate treatment.
- b) For any project identified in response to subpart (a), describe any incentive(s) for which the project has received approval and provide the citation to the applicable FERC incentive rate order.
- c) Identify any projects included in this forecast for which the company has requested but not yet received approval for incentive rate treatment by FERC and provide the FERC docket number(s) for the proceeding(s) in which the company has requested incentive rate treatment.

RESPONSE NO. CA-VP-2-5

There are no projects included in Att – 3 – Att F – App B – Att 1 (Regional), WS 4 Forecast, Line 1 Forecasted Regional Service Additions for 2024 and 2025 that have received an incentive rate order from FERC.

Response Prepared By: David Norman, PE, Mgr. - Reg. Support

List of Attachments: None

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REGARDING BANGOR HYDRO DISTRICT 2025 CHARGES
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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-6

Confirm that ISO-NE exercises Operating Authority over each facility included in the company's Regional Service Plant.

RESPONSE NO. CA-VP-2-6

Correct; ISO-NE exercises Operating Authority over the facilities within Versant's BHD Regional Service Plant.

Response Prepared By: David Norman, PE, Mgr. Reg. Support

List of Attachments: None

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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-7

Refer to Att 3 – Att F – App A (ATTR), WS 8 T Plant >\$5M; and Att – 3 – Att F – App B – Att 1 (Regional), WS 4 Forecast. For any projects: (i) with costs greater than or equal to \$5 million that were placed in service in 2023, or (ii) with forecasted costs greater than or equal to \$5 million that have an estimated in-service date in 2024 or 2025,

- a) Please identify the date(s) on which:
 - i) the company presented the project to the Planning Advisory Committee (“PAC”),
 - ii) the company submitted any Proposed Plan Application (“PPA”) to ISO-NE,
 - iii) the company presented any PPA to the New England Power Pool (“NEPOOL”) Reliability Committee,
 - iv) the company submitted any Transmission Cost Allocation (“TCA”) application to ISO-NE,
 - v) the company presented any TCA application to the NEPOOL Reliability Committee, and
 - vi) ISO-NE issued any determination on the TCA application.
- b) For any presentations or applications identified in response to subpart (a), please provide a link to the materials on the ISO-NE website.
- c) Did the company provide to ISO-NE any documents regarding the project other than through the PAC, PPA, and/or TCA processes? If so, please provide any such documents.

RESPONSE NO. CA-VP-2-7

- a) The Boggy Brook Synchronous Condenser is the only project which meets the above criteria.

Dates answering the questions are below:

| | |
|--|-----------|
| PAC meeting presentation | 1/18/2017 |
| Notification of Initiation of the Upper Maine Needs Assessment | 6/12/2019 |
| Solutions Study posted for PAC comments | 2/12/2021 |
| Final Solutions Study Posted | 6/8/2021 |
| PPA submittal | 1/27/2022 |

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UNDER THE ISO NEW ENGLAND OATT
FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

| | |
|---|--------------|
| PPA RC presentation | 2/15/2022 |
| TCA submittal | 6/26/2024 |
| TCA presentation | 8/13-14/2024 |
| ISO TCA determination – RC Actions Letter | 8/14/2024 |

b) See https://smd.iso-ne.com/operations-services/ceii/pac/2021/02/a4_upper_maine_2029_preliminary_preferred_solutions_ceii.pdf

See https://www.iso-ne.com/static-assets/documents/2022/02/versant_power_upper_maine_solutions_project_i_3_9_letter_vp_22_t01_t02_t03.pdf

c) For all the related documents for the Upper Maine Solutions (including the Boggy Synchronous Condenser), see <https://www.iso-ne.com/system-planning/key-study-areas/maine/>

Response Prepared By: David Norman, PE, Mgr. - Reg. Support

List of Attachments: None

VERSANT POWER'S RESPONSES TO
SECOND SET OF INFORMATION REQUESTS
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REGARDING BANGOR HYDRO DISTRICT 2025 CHARGES
UNDER THE ISO NEW ENGLAND OATT
FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-8

Refer to Att 3 – Att F – App A (ATTR), WS 3 Inv Base Detail and WS 3b 5QAve Prepay MS, Line 2. Please provide an itemized list of Transmission Material and Supplies for 2022 Year End and 2023 Year End.

RESPONSE NO. CA-VP-2-8

The 2022 and 2023 inventory listings provided in CA-VP-2-08 Attachment A and CA-VP-2-08 Attachment C represent the quantities of transmission and distribution materials and supplies on hand as of December 31, 2022 and 2023, respectively, with a value of the current average costs. A portion of these materials and supplies are allocated to transmission using the following methodology:

- All inventory issues and returns for a calendar year are produced by Construction Class and FERC Account.
- This information is summarized into O&M, Capital, and Other categories, with each category's *pro rata* share of inventory issues and returns calculated.
- The *pro rata* share of inventory issues and returns are then applied to the December 31 balances for FERC Account 154.
 - o Construction is further allocated by taking the Construction total and applying the Construction Class' *pro rata* share of total Construction inventory issues and returns, with Transmission including both Transmission and General.

CA-VP-2-08 Attachment B reflects the 2022 allocation. CA-VP-2-08 Attachment D reflects the 2023 allocation.

Response Prepared By: Sarah Hesseltnie, Manager, Financial Reporting

List of Attachments: CA-VP-2-08 Attachment A through CA-VP-2-08 Attachment D

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SECOND SET OF INFORMATION REQUESTS
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REGARDING BANGOR HYDRO DISTRICT 2025 CHARGES
UNDER THE ISO NEW ENGLAND OATT
FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-9

Please provide a list of Transmission Expense entries recorded to the following FERC Accounts during 2023: 561.2, 561.3, 561.4, 561.5, 561.6, 561.7, 561.8, 562, 562.1, 563, 564, 565, 566, 567, 567.1, 568, 569, 569.1, 569.2, 569.3, 569.4, 570, 570.1, 571, 572, 573, and 574. For each entry, include the following information:

- a) FERC Account
- b) Transaction date
- c) Amount
- d) Description of transaction
- e) Department ID, and
- f) Vendor, as applicable.

RESPONSE NO. CA-VP-2-9

See CA-VP-2-09 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: CA-VP-2-09 Attachment A

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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-10

Please provide a list of Administrative and General Expense entries recorded to the following FERC Accounts in 2023: 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930.1, 930.2, 931, 933, and 935. For each entry, include the following information:

- a) FERC Account
- b) Transaction date
- c) Amount
- d) Description of transaction
- e) Department ID, and
- f) Vendor, as applicable.

RESPONSE NO. CA-VP-2-10

See CA-VP-2-10 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: CA-VP-2-10 Attachment A

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RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-11

Please confirm that any and all 2023 depreciation expense included in the 2024 Annual Update was determined using the depreciation rates in Appendix D to Attachment F of the ISO-NE Open Access Transmission Tariff ("OATT"). If any 2023 depreciation expense was not determined using these rates, please explain.

RESPONSE NO. CA-VP-2-11

Versant received FERC approval to update its depreciation rates effective July 1, 2023 and therefore the depreciation rates in Appendix D to Attachment F of the ISO-NE Open Access Transmission Tariff ("OATT") were used to calculate the depreciation expense for the period of July 1, 2023 to December 31, 2023. The depreciation expense for the period of January 1, 2023 to June 30, 2023 were based on the previously approved depreciation rates as included in the 2023 Appendix D to Attachment F of the ISO-NE Open Access Transmission Tariff ("OATT").

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting.

List of Attachments: None

VERSANT POWER'S RESPONSES TO
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FERC DOCKET NO. ER20-2054-000

RESPONSES PROVIDED SEPTEMBER 16, 2024

QUESTION NO. CA-VP-2-12

Refer to Attachment 1 – Schedule 9, Attachment Supplemental – 1.

- a) Please provide a workpaper:
 - (i) showing the company's Coincident Regional Network Load by month for 2023, and
 - (ii) identifying the day and hour used to measure the Coincident Regional Network Load during each month in 2023.
- b) Please also confirm that the company's Coincident Regional Network Load was measured during the same day and hour as the ISO-NE peak demand for each month in 2023.

RESPONSE NO. CA-VP-2-12

- a) Please see CA-VP-2-12 Attachment A for Versant's monthly Regional Network Load, including the day and hour used to measure.
- b) Regional Network Load is measured at the day and hour of the peak demand for the Bangor Hydro District, not the ISO-NE peak demand.

Response Prepared By: Tim Olesniewicz, Senior Rates and Regulatory Analyst

List of Attachments: CA-VP-2-12 Attachment A