

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

Versant Power

)

Docket No. ER20-1977-000

**INITIAL RESPONSES OF VERSANT POWER TO THE
FIRST SET OF INFORMATIONAL DATA REQUESTS
OF AROOSTOOK ENERGY ASSOCIATION**

In accordance with the Protocols for Implementing and Reviewing Charges Established by the Attachment J Rate Formulas (the “Protocols”) of the Versant Power Open Access Transmission Tariff for Maine Public District (“MPD OATT”), Versant Power hereby submits these Initial Responses to the First Informational Data Requests tendered by Aroostook Energy Association (“AEA”) on May 26, 2022 (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
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-1

Please provide a copy of all responses to the data requests submitted on the update filing by all parties, along with the data requests if those requests are not circulated to all customers. Please provide this information on a continuing basis.

RESPONSE NO. AEA-MPD-1-1

In accordance with Section V.B.8 of the Protocols for Implementing and Reviewing Charges Established by the Attachment J Formulas, Versant Power has and will continue to post all data responses publicly to its website at the same time they are served on the requesting party (except for any responses that contain confidential information, which will be made available to requesting parties pursuant to an appropriate confidentiality agreement).

Response Prepared By: Counsel

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-2

Please identify, describe, and quantify any errors or corrections that VP has discovered since the May 2, 2022, filing of the formula rate update. Please provide this information on a continuing basis.

RESPONSE NO. AEA-MPD-1-2

See response to MPUC-MPD-1.2. See also MPUC-MPD-1-06 Attachments A and B.

In addition, the following two changes have been made since the May 18, 2022 updated filing that resulted in numerical changes.

1. The correction for MPUC-MPD 1-43 resulted in a new value in Exhibit 4 at Line 32r of \$419,836, a reduction of \$918.
2. The correction for MPUC-MPD 1-47 resulted in a new value in WP ADIT at Line 62p of (\$7,863,324), an increase of \$10,304.

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

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-3

Please provide a schedule of VP's changes in accounting or financial reporting policies since December 31, 2020.

RESPONSE NO. AEA-MPD-1-3

The accounting policy and process changes the Company made from 2020 through 2021 that impact accounting information used in the development of the MPD OATT Formula Rate were the following:

- Moved taxes receivable from Account 165 and to Account 143.
- Accounted for subsidiaries under the equity method rather than the consolidation method, which changed the balance in Account 216 and Account 165.

See also response to MPUC-MPD-1.3.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-4

Please describe how VP has accounted for merger-related costs since December 31, 2020 including a summary of merger-related costs incurred and the account(s) to which such costs were recorded.

RESPONSE NO. AEA-MPD-1-4

For merger-related costs incurred, a project (mapped to a specific general ledger code) is setup to track these costs. These costs include both third party costs and internal labor costs related to time spent on the transaction.

This project code is shared with all persons involved in the transaction, and individuals are required to charge all internal labor and third-party costs associated with the merger to this project number.

Since December 31, 2020, Versant Power has incurred \$8,494 of merger-related costs. This amount was recorded in Account 426, which is not included in any of Versant Power's transmission formula rates.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-5

In reference to retail rates determined on Exhibit 1b, please identify the regulator (e.g., FERC, MPUC, etc.) responsible for authorizing or approving the return on equity embedded in transmission rates charged to retail customers.

RESPONSE NO. AEA-MPD-1-5

FERC is the regulator responsible for authorizing and approving the return on equity embedded in transmission rates charged to retail customers.

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

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-6

Please provide a one-line diagram of VP's MPD Transmission System.

RESPONSE NO. AEA-MPD-1-6

See AEA-MPD-1-6 Attachment A, which is a public map of the MPD system that was most recently updated in March 2022.

Response Prepared By: David Norman, Manager, Regulatory Support & Market Based Solutions

List of Attachments: AEA-MPD-1-6 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-7

Please explain how the 2022-2023 estimated rates reflect the rate change proposed by VP in MPUC Docket No. 2022-00090.

RESPONSE NO. AEA-MPD-1-7

There are no changes in the 2022-2023 estimated rates under the MPD OATT due to the change proposed by Versant Power in MPUC Docket No. 2022-00090.

The change proposed by Versant Power in MPUC Docket No. 2022-00090 concerns the application of a minimum charge associated with Residential Transmission charges as calculated as part of the VP Tariff Compliance filing with the MPUC.

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

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-8

Please provide a detailed explanation of how VP has addressed the findings from FERC's 2021 audit and whether VP has, or intends to, provide transmission-related refunds to retail customers associated with such findings.

RESPONSE NO. AEA-MPD-1-8

Versant Power has completed all tasks directed by the Audit Report in Docket No. FA20-9. Retail refunds directed by the Audit Report are reflected in the MPD 2022-2023 annual update, as shown in WP Retail Adjustments.

Response Prepared By: Counsel

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-9

Explain changes and/or corrective actions taken by VP to address the findings documented in FERC's 2021 audit under FERC Docket No. FA20-9.

RESPONSE NO. AEA-MPD-1-9

Versant Power has completed all tasks directed by the Audit Report in Docket No. FA20-9 including, but not limited to, adopting revised policies, training personnel, and issuing refunds.

Response Prepared By: Counsel

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-10

Please provide a detailed tabulation of Transmission Plant additions totaling \$36,260,526 recorded to Account Nos. 350 through 359 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Project ID
- c) Project description
- d) Description of addition
- e) Recorded cost of addition
- f) FERC account
- g) Month placed in service

RESPONSE NO. AEA-MPD-1-10

See AEA-MPD-1-10 Attachment A. Note that Company 1 is Bangor Hydro District (“BHD”) and Company 9 is Maine Public District (“MPD”).

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-10 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-11

Please provide a detailed tabulation of Transmission Plant retirements totaling \$5,865,959 recorded to Account Nos. 350 through 359 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Project ID, as applicable
- c) Project Description, as applicable
- d) Description of retired asset
- e) Cost of retired asset
- f) FERC account to which retirement was recorded
- g) Cost of removal for each retirement
- h) FERC account to which the cost of removal was recorded
- i) Salvage value for each retirement
- j) FERC account to which the salvage value was recorded
- k) Month retired

RESPONSE NO. AEA-MPD-1-11

See AEA-MPD-1-11 Attachment A.

Note that cost of removal and salvage values are allocated at the group asset level and not at the retired asset level. Such amounts are allocated to the group asset associated with the FERC account listed in part f of AEA-MPD-1-11 Attachment A. As such, the information provided in the attachment does not include responses to parts g and i. Company 1 is BHD and Company 9 is MPD.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-11 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-12

Please provide a detailed tabulation of adjustments totaling (\$103,668) recorded to Account Nos. 350 through 359 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Description of adjusted asset
- c) Explanation for why adjustment was necessary
- d) FERC account to which the adjustment was recorded
- e) FERC account used to record adjustment offset (e.g., the account debited to record an adjusted credited to Transmission Plant)
- 0 Month of adjustment

RESPONSE NO. AEA-MPD-1-12

See AEA-MPD-1-12 Attachment A. Company 1 is BHD and Company 9 is MPD.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-12 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-13

Please provide a detailed tabulation of General Plant additions totaling \$8,828,679 recorded to Account Nos. 389 through 398 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Project ID
- c) Project description
- d) Description of addition
- e) Recorded cost of addition
- f) FERC account
- g) Month placed in service

RESPONSE NO. AEA-MPD-1-13

See AEA-MPD-1-13 Attachment A. Company 1 is BHD and Company 9 is MPD.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-13 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-14

Please provide a detailed tabulation of General Plant retirements totaling \$1,415,802 recorded to Account Nos. 389 through 398 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Project ID, as applicable
- c) Project number, as applicable
- d) Description of retired asset
- e) Cost of retired asset
- f) FERC account to which retirement was recorded
- g) Cost of removal for each retirement
- h) FERC account to which the cost of removal was recorded
- i) Salvage value for each retirement
- j) FERC Account to which the salvage value was recorded
- k) Month of retirement

RESPONSE NO. AEA-MPD-1-14

See AEA-MPD-1-14 Attachment A. Company 1 is BHD and Company 9 is MPD.

Note cost of removal and salvage values are allocated at the group asset level and not at the retired asset level. Such amounts are allocated to the group asset associated with the FERC account listed in part f of AEA-MPD-1-11 Attachment A. As such, the information provided in AEA-MPD-1-14 Attachment A does not include response to parts g and i.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-14 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-15

Please provide a detailed tabulation of Adjustments totaling \$99,915 recorded to Account Nos. 389 through 398 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Description of adjusted Asset
- c) Explanation for adjustment
- d) FERC account to which the adjustment was recorded
- e) FERC account used to record adjustment offset (e.g., the account debited to record an adjusted credited to Transmission plant)
- 0 Month of adjustment

RESPONSE NO. AEA-MPD-1-15

See AEA-MPD-1-15 Attachment A. Company 1 is BHD and Company 9 is MPD.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-15 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-16

Please provide a detailed tabulation of General Plant additions totaling \$12,651,695 recorded to Account 303 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Project ID
- c) Project number
- d) Description of addition
- e) Recorded cost of addition
- f) FERC account
- g) Month placed in service

RESPONSE NO. AEA-MPD-1-16

See MPUC-MPD-1-7. In column A, "Category Company" 1 represents BHD and Category Company 9 represents MPD.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-17

Please provide a detailed tabulation of Intangible Plant retirements totaling \$2,179,096 recorded to Account Nos. 303 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Project ID, as applicable
- c) Project number, as applicable
- d) Description of retired asset
- e) Cost of retired asset
- f) FERC account to which retirement was recorded
- g) Cost of removal for each retirement
- h) FERC Account to which the cost of removal was recorded
- i) Salvage value for each retirement
- j) FERC account to which the salvage value was recorded
- k) Month of retirement

RESPONSE NO. AEA-MPD-1-17

See AEA-MPD-1-17 Attachment A. Company 1 is BHD and Company 9 is MPD.

Note cost of removal and salvage values are allocated at the group asset level and not at the retired asset level. Such amounts are allocated to the group asset associated with the FERC account listed in part f of AEA-MPD-1-11 Attachment A. As such, the information provided in AEA-MPD-1-17 Attachment A does not include response to parts g and i.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-17 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-18

Please provide a detailed tabulation of Adjustments totaling (\$40,034) recorded to Account 303 during 2021, as shown in VP's 2021 FERC Form 1, including the following information:

- a) District (i.e., BHD or MPD)
- b) Description of adjusted asset
- c) Explanation for adjustment
- d) FERC account to which the adjustment was recorded
- e) FERC account used to record adjustment offset (e.g., the account debited to record an adjusted credited to Transmission Plant)
- f) Month of adjustment

RESPONSE NO. AEA-MPD-1-18

See AEA-MPD-1-18 Attachment A. Company 1 is BHD and Company 9 is MPD.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: AEA-MPD-1-18 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-19

In reference to Exhibit 4, line 29, please provide a detailed tabulation of items included in each monthly balance of Prepayments — Account 165, including a description and cost for each item.

RESPONSE NO. AEA-MPD-1-19

See AEA-MPD-1-19 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: AEA-MPD-1-19 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-20

In reference to Exhibit 4, line 32, please provide a detailed tabulation of items included in each monthly balance of Transmission Plant Materials and Supplies, including a description and cost for each item.

RESPONSE NO. AEA-MPD-1-20

See AEA-MPD-1-20 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: AEA-MPD-1-20 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-21

In reference to Exhibit 4, line 33, please provide a detailed tabulation of items included in each monthly balance of Transmission Stores Expense Undistributed, including a description and cost for each item.

RESPONSE NO. AEA-MPD-1-21

Transmission Stores Expense Undistributed represents the Company's lobby stock (i.e. high volume, low cost inventory items). For details of this balance see AEA-MPD-1-21 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: AEA-MPD-1-21 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-22

In reference to Exhibit 5, line 2, please provide the monthly workpapers and calculations supporting the derivation of \$1,807,444 Transmission Plant Depreciation for the 2021 calendar year, and confirm that such depreciation was calculated using rates reflected on Exhibit 9.

RESPONSE NO. AEA-MPD-1-22

The depreciation calculation is systematically calculated in Versant Power's fixed asset subledger. As such, the Company does not have monthly workpapers supporting the derivation of the Transmission Plant Depreciation.

The depreciation rates reflected on Exhibit 9 are the rates at which Versant Power's MPD transmission plant is depreciated.

Response Prepared By: Sarah Hesseltine, Manager Financial Reporting

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-23

In reference to Exhibit 5, line 3, please provide the monthly workpapers and calculations supporting the derivation of \$738,451 General Plant Depreciation and Amortization for the 2021 calendar year, and confirm that such depreciation and amortization was calculated using rates reflected on Exhibit 9

RESPONSE NO. AEA-MPD-1-23

The depreciation calculation is systematically calculated in Versant Power's fixed asset subledger. As such, the Company does not have monthly workpapers supporting the derivation of the General Plant Depreciation.

The depreciation rates reflected on Exhibit 9 are the rates at which Versant Power's MPD general plant is depreciated.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-24

In reference to Exhibit 5, line 4, please provide the monthly workpapers and calculations supporting the derivation of \$521,796 Intangible Plant Amortization for the 2021 calendar year, and confirm that such amortization was calculated using rates reflected on Exhibit 9.

RESPONSE NO. AEA-MPD-1-24

The depreciation calculation is systematically calculated in Versant Power's fixed asset subledger. As such, the Company does not have monthly workpapers supporting the derivation of the Intangible Plant Depreciation.

The depreciation rates reflected on Exhibit 9 are the rates at which Versant Power's MPD intangible plant is depreciated.

Response Prepared By: Sarah Hesseltine, Manager, Financial Reporting

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-25

In reference to the activity for Account 920 — Administrative and General Salaries, as reported in VP's 2021 FERC Form 1, please address the following:

- a) Provide a detailed explanation for the 18.8% increase in Administrative and General Salaries from \$5,520,698 in 2020 to \$6,557,917 in 2021,
- b) Provide a summary of costs recorded to Account 920 in 2021, by department, and
- c) Provide a summary of costs recorded to Account 920 in 2020, by department.

RESPONSE NO. AEA-MPD-1-25

- a) Increases in A&G salaries from 2020 to 2021 were driven primarily by:
 - a. the creation of the Distributed Generation team in 2020 and fully staffing this team throughout 2021;
 - b. increases in affiliated services for Internal Audit and Human Resources;
 - c. increased headcount in IT; and
 - d. backfilling of positions in 2021 that were vacant in 2020.
- b) See AEA-MPD-1-25 Attachment A.
- c) See AEA-MPD-1-25 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: AEA-MPD-1-25 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-26

In reference to the activity for Account 923 — Outside Services Employed, as reported in VP's 2021 FERC Form 1, please address the following:

- a) Provide a detailed explanation for the 266% increase in Outside Services from \$2,007,142 in 2020 to \$5,338,993 in 2021,
- b) Provide a detailed tabulation of costs recorded to Account 923 during 2021 including:
 - i) Amount,
 - ii) Description of related service,
 - iii) Vendor or Payee, and
 - iv) Internal order or Project ID

RESPONSE NO. AEA-MPD-1-26

See MPUC-MPD-1-33 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: MPUC-MPD-1-33 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-27

In reference to Exhibit 5, line 22, please provide calculations and workpapers supporting the input of (\$420,000) for Account No. 926 MPD PBOP (neg.), and confirm that such input removes all activity recorded to Account No. 926 from the calculation of Transmission-Related Administrative and General Expense shown on Exhibit 5, line 29.

RESPONSE NO. AEA-MPD-1-27

Versant Power filed corrections on May 18, 2022, which updated the Exhibit 5, line 22 PBOP value to (\$387,996). See MPUC-MPD-1-32 for the calculation of this input. This input removes all activity recorded to Account 926 for MPD's annual PBOP from the calculation of Transmission-Related Administrative and General Expense on Exhibit 5, line 29.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-28

Please provide the total amount paid to the Northern Maine ISA (NMISA) in 2021, by FERC Account.

RESPONSE NO. AEA-MPD-1-28

Versant Power paid NMISA \$243,718 in 2021, recorded in Subaccount 561.01. The difference between this amount and what was reported on Exhibit 10, line 2 is due to accruals and reversals recorded in 2021.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-29

In reference to Exhibit 6, lines 44-47, please address the following:

- a) Provide a detailed explanation for the 23.7% increase in transmission Salaries and Wages from \$2,777,761 in 2020 to \$3,435,661 in 2021,
- b) Provide a detailed tabulation of Salaries in Wages recorded in 2021, by department, by function (e.g., Transmission, Distribution, General, etc.), and
- c) Provide a detailed tabulation of Salaries in Wages recorded in 2020, by department, by function (e.g., Transmission, Distribution, General, etc.).

RESPONSE NO. AEA-MPD-1-29

- a) The increase in Transmission Salaries and Wages from 2020 to 2021 is primarily driven by System Operations to allow for succession planning related to planned retirements within the department and increased Asset Management labor.
- b) See AEA-MPD-1-29 Attachment A.
- c) See AEA-MPD-1-29 Attachment A.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: AEA-MPD-1-29 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-30

In reference to Point-to-Point Revenues shown on Exhibit 7, please provide the following:

- a) A schedule of monthly billing demands for each customer in 2021, and
- b) A schedule of monthly charges for each customer in 2021.

RESPONSE NO. AEA-MPD-1-30

See AEA-MPD-1-30 Attachment A.

Response Prepared By: Haley Ambrose, Sales & Revenue Analyst

List of Attachments: AEA-MPD-1-30 Attachment A

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-31

In reference to Exhibit 7, Note 2, please provide a schedule of "revenues associated with O&M performed on other utilities' facilities" that was separately tracked and excluded from Transmission O&M, A&G, and Payroll Tax Expenses for 2021.

RESPONSE NO. AEA-MPD-1-31

Versant Power did not have any revenues in 2021 associated with O&M performed on other utilities' facilities as described in Exhibit 7, Note 2.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-32

In reference to WP Customer Costs, and activity for Account No. 904 — Uncollectible Accounts reported in VP's 2021 FERC Form 1, please provide a detailed explanation for the 218% increase in Uncollectible Accounts from \$2,017,098 in 2020 to \$4,392,318 in 2021.

RESPONSE NO. AEA-MPD-1-32

See Response No. MPUC-MPD-1-26.

Response Prepared By: Jennifer Ireland, Controller

List of Attachments: None

VERSANT POWER'S RESPONSES TO
DATA/INFORMATION REQUEST NO. 1
OF AROOSTOOK ENERGY ASSOCIATION ("AEA")
REGARDING 2022 MAINE PUBLIC DISTRICT OATT
FERC DOCKET NO. ER20-1977-000

RESPONSES PROVIDED JUNE 21, 2022

QUESTION NO. AEA-MPD-1-33

In reference to Exhibit lb, lines 19-27, column c, please provide the detailed Company records, as referenced, supporting the 12-CP quantifications for each class.

RESPONSE NO. AEA-MPD-1-33

See AEA-MPD-1-33 Attachment A.

Response Prepared By: Briana Littlefield, Senior Sales & Revenue Analyst

List of Attachments: AEA-MPD-1-33 Attachment A