



VIA ELECTRONIC FILING

December 5, 2017

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

RE: *ISO New England Inc. and Emera Maine*
Original Service Agreement under Schedule 21-EM the ISO-NE Tariff
Docket No. ER18- -000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”)¹ and Part 35 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (the “Commission”),² ISO New England Inc. (“ISO-NE”)³ and Emera Maine (“Emera Maine”) (together, the “Filing Parties”) hereby submit for filing a Local Service Agreement by and among Emera, Stored Solar J&WE (“Stored Solar”), and ISO-NE for Non-Firm Local Point-To-Point Service under Schedule 21-EM of the ISO-NE Tariff (“Stored Solar LSA”).⁴

¹ 16 U.S.C. § 824d (2006).

² 18 C.F.R. Part 35 (2017).

³ Emera Maine, and not ISO-NE, has the FPA section 205 rights over Schedule 21-EM of Section II of the ISO Transmission, Markets and Services Tariff, which contains the Open Access Transmission Tariff (the “ISO-NE Tariff”), pursuant to which Emera Maine offers and administers Local Service. ISO-NE does not offer or administer Local Service. ISO-NE joins this filing solely to fulfill its obligations to file non-conforming Local Service Agreements on behalf of the applicable Participating Transmission Owner (“PTO”), in accordance with Article 3.03(d)(ii) of the Transmission Operating Agreement (“TOA”) between ISO-NE and the PTOs. *See ISO New England Inc.*, 124 FERC ¶ 61,297 (2008).

⁴ The Stored Solar LSA is filed under Schedule 21-Common of the ISO-NE Tariff that applies to Local Service provided by New England utilities and Schedule 21-EM of the ISO-NE Tariff that applies to Emera Maine’s provision of Local Service under the ISO-NE Tariff. The Stored Solar LSA has been designated as Original Service Agreement No. TSA-EM-17-01 under Schedule 21-EM of the ISO-NE Tariff.

1. The Filing Parties

a. ISO-NE

ISO-NE is the private, non-profit entity that serves as the regional transmission organization (“RTO”) for New England. ISO-NE plans and operates the New England bulk power system and administers New England’s organized wholesale electricity market pursuant to the ISO-NE Tariff and the TOA with its member PTOs. In its capacity as an RTO, ISO-NE has the responsibility to protect the short-term reliability of the New England Balancing Authority Area and to operate the system according to reliability standards established by the Northeast Power Coordinating Council and the North American Electric Reliability Corporation.

b. Emera Maine

Emera Maine, a Maine corporation, is the successor to Bangor Hydro Electric Company (“Bangor Hydro”) and Maine Public Service Company (“Maine Public”). More specifically, Maine Public merged into Bangor Hydro on January 1, 2014, and, on that same day, was renamed Emera Maine.

Emera Maine is engaged in the transmission and distribution of electric energy and related services to approximately 158,000 retail customers in portions of northern, eastern, and coastal Maine. Emera Maine directly owns approximately 1,265 miles of transmission lines and approximately 6,090 miles of distribution lines. Emera Maine also holds a 21.7 percent voting interest in Maine Electric Power Company, a transmission-only public utility.

Open access to Emera Maine’s local transmission facilities in eastern and coastal Maine (the “Emera Maine, Bangor Hydro District”) is provided pursuant to Schedule 21-EM of the ISO-NE Tariff.⁵ Emera Maine has received market-based rate authority.⁶ Emera Maine owns and operates only 2 MW (nameplate) of generating capacity and has long-term energy purchase contracts for certain qualifying facilities.

2. Background and Description of the Stored Solar LSA

Stored Solar J&WE LLC (“Stored Solar”) is the successor in interest to Covanta Maine LLC (“Covanta”) with regards to the ownership and operation of a 25 MW biomass generating facility located in Jonesboro, Maine (the “Jonesboro Facility”).

⁵ Open access to Emera Maine’s transmission facilities in northern Maine (the “MPD”) is provided pursuant to the Emera Maine Open Access Transmission Tariff for Maine Public District on file with the Commission. The transmission facilities in Emera Maine’s two districts are not directly interconnected. 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.

⁶ *Bangor Hydro Elec. Co.*, Docket No. ER14-264-000, Letter Order, Dec. 19, 2013.

From December 1, 2000 through December 31, 2015, Emera Maine (and its predecessor in name, Bangor Hydro) provided transmission service for transmission from the Jonesboro Facility at a discounted rate of \$1/kW-month (equivalent to \$12/kW-year) for monthly reservations.⁷ This discount was first provided to Indeck Maine, LLC pursuant to a settlement agreement reached on November 1, 2000 in resolution of Bangor Hydro's transmission rate proceeding in Docket No. ER00-980-000.⁸ The same discount was later extended to Covanta, the successor in interest to the Jonesboro Facility, in a settlement agreement and transmission service agreement between the parties dated June 17, 2009, and accepted for filing by the Commission on November 19, 2009 (the "Covanta LSA").⁹ The Covanta LSA expired by its terms on December 31, 2015,¹⁰ but the facility continued to operate into spring of 2016.

In early 2016, Stored Solar acquired the Jonesboro Facility. Stored Solar requested from Emera Maine non-firm local transmission service from the Jonesboro Facility on the same pricing terms as previously provided to Covanta and Indeck Maine. Emera Maine agreed to such a discounted rate for service in view of the facts that: (i) the current rate under Schedule 21-EM is substantially higher than \$1/kW-month and, thus, would result in rate shock to Stored Solar, (ii) the Jonesboro facility provides much-needed jobs in Jonesboro, Maine, primarily in the forest products industry which has been especially hard hit with the closure of other industrial uses for forest products, such as paper making, and (iii) according to Stored Solar, such a discount is necessary for the Jonesboro facility to be economically viable. Emera Maine also notes that the biomass industry has received favorable financial support from the government of the State of Maine and Emera Maine has been encouraged to support efforts to keep biomass facilities in operation.

The Stored Solar LSA has a term of January 1, 2016, through December 31, 2018. This term is necessary to avoid any gap in service between the expiration of the Covanta LSA and the Stored Solar LSA.

3. Request for Acceptance; Effective Date; Waivers

The Filing Parties request that the Stored Solar LSA be accepted for filing, without suspension, condition, or refund requirement, effective January 1, 2016, and request waiver of the Commission's prior notice requirements to permit this effective date.

⁷ At certain times, the discounted rate for monthly reservations was technically \$7/kW-year during all months except June, July, and August when the charge would be \$15/kW-year. On a levelized, blended basis, these rates equate to \$1/kW-month.

⁸ *Bangor Hydro-Elec. Co.*, Docket No. ER00-980-000, Settlement Agreement § 2.10 (filed Nov. 1, 2000). See also *Bangor Hydro-Elec. Co.*, 94 FERC ¶ 61,208 (2001) (approving settlement).

⁹ *Bangor Hydro Elec. Co.*, Docket No. ER09-1642-000, Letter Order dated Nov. 19, 2009. Schedule 21-BHE was renamed Schedule 21-EM concurrent with the name change of Bangor Hydro to Emera Maine on January 1, 2014.

¹⁰ See *Emera Maine*, Docket No. ER16-840-000, Letter Order dated Mar. 18, 2016 (accepting for filing Notice of Termination of Covanta LSA).

Emera Maine apologizes for the lateness of this submission which was the result of administrative oversight and the complexities involved. No parties or the Commission will be adversely affected by the lateness of this filing because the discounted rate has been agreed to (indeed, it was requested by) Stored Solar and has been timely reported in Emera Maine's EQRs since Q1 2016 (albeit under the name "Indeck Maine LLC/now Covanta"). Thus, the Commission and interested parties were on notice that a discount was being provided.

In addition, the Filing Parties respectfully request waiver of any provision of the Commission's regulations as needed in order for the Commission to accept the Stored Solar LSA for filing. The Filing Parties aver that this filing includes no expenses or costs that have been alleged or judged in any administrative proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices as defined in 18 C.F.R. Section 35.13(b)(7).

4. Contents of Filing

This filing includes following materials:

- This transmittal letter; and
- The Stored Solar LSA as executed by ISO-NE, Emera Maine, and Stored Solar.

5. Correspondence

All correspondence and communications in this proceeding should be addressed to the following persons:

Monica Gonzalez
Senior Regulatory Counsel
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One Sullivan Road
Holyoke, MA 01040
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6. Conclusion

For the foregoing reasons, the Filing Parties respectfully request that the Commission accept the Stored Solar LSA for filing without suspension, condition, or refund requirement effective January 1, 2016.

Respectfully submitted,

/s/ *Monica Gonzalez*

Monica Gonzalez
Senior Regulatory Counsel
ISO New England Inc.
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/s/ *Jeffrey M. Jakubiak*

Jeffrey M. Jakubiak
Jennifer C. Mansh
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, NY 10166

Enclosure

cc: William Harrington, Stored Solar J&WE

ISO New England Inc. Transmission, Markets and Services Tariff

LOCAL SERVICE AGREEMENT

BY AND AMONG

ISO NEW ENGLAND INC.

AND

EMERA MAINE

AND

STORED SOLAR J&WE LLC

**SCHEDULE 21
ATTACHMENT A
FORM OF LOCAL SERVICE AGREEMENT**

This LOCAL SERVICE AGREEMENT, dated as of _____, is entered into, by and between Emera Maine, a Corporation organized and existing under the laws of the State/Commonwealth of Maine ("Transmission Owner"), Stored Solar J&WE, a limited liability company organized and existing under the laws of the State/Commonwealth of Illinois ("Transmission Customer") and ISO New England, Inc., a non-stock corporation organized and existing under the laws of the State of Delaware ("ISO"). Under this Agreement the Transmission Owner, Transmission Customer, and the ISO each may be referred to as a "Party" or collectively as the "Parties."

PART I – General Terms and Conditions

1. Service Provided (Check applicable):

- Local Network Service
- Local Point-To-Point Service
- Firm
- Non-Firm

Regional Network Service customers must take either Local Network Service or Local Point-To-Point Service.

- 2. The Transmission Customer is an Eligible Customer under the Tariff and is a party to either a Market Participant Service Agreement or a Transmission Service Agreement.
- 3. The Transmission Customer has submitted a Completed Application and the required deposit, if applicable, for service under this Local Service Agreement and the Tariff.
- 4. The Transmission Customer agrees to supply information to the Transmission Owner that the Transmission Owner deems reasonably necessary in accordance with Schedule 21 and Good Utility Practice in order for it to receive the requested service.
- 5. The Transmission Owner agrees to provide and the Transmission Customer agrees to take and pay for service in accordance with the provisions of the Tariff and this Local Service Agreement.

6. Service may be subject to some combination of the charges detailed in Schedule 21 of the OATT. The appropriate charges will be determined in accordance with the terms and conditions of Schedule 21.

7. Any notice or request made to or by either party regarding this Local Service Agreement shall be made to the representative of the other party as indicated below.

Transmission Customer:

Kevin Crossman, COO
Stored Solar Services, LLC
1231 Main Rd., P.O. Box 287
West Enfield, ME 04493

Transmission Owner:

Legal Notices, Emera Maine
970 Illinois Ave., PO Box 932
Bangor, ME 04402-0932
legalnotices@emeramaine.com

The ISO:

ISO New England Inc., Attn: Cheryl A. Ruell
1 Sullivan Road
Holyoke, MA 01040
(413) 530-4219

8. The ISO New England Inc. Transmission, Markets and Services Tariff (the "Tariff") is incorporated herein and made a part hereof. Capitalized terms used in this Local Service Agreement shall have the meanings ascribed in the Tariff.

9. Nothing contained in this Local Service Agreement shall be construed as affecting in any way the right of the Transmission Owner to file with the Commission under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder for a change in any rates, terms and conditions of this Local Service Agreement. Nothing contained in this Local Service Agreement shall be construed as affecting in any way the ability of the Transmission Customer to file with the Commission under Section 206 of the Federal Power Act

and pursuant to the Commission's rules and regulations promulgated thereunder for a change in any rates, terms and conditions of this Local Service Agreement.

10. Nothing contained in this Local Service Agreement shall be construed as affecting or enlarging, in whole or in part, the limited responsibility of the ISO under the Transmission Operating Agreement ("TOA") to coordinate the Transmission Owner's provision of Local Service and to determine whether the provision of Local Service would have an impact on facilities used for the provision of Regional Transmission Service.

PART II – Local Network Service

1. The Transmission Customer has been determined by the Transmission Owner and the ISO to have a Completed Application for Local Network Service under the Tariff.
2. Service shall commence on the later of: (1) _____, or (2) the date on which construction of all interconnection equipment, any Direct Assignment Facilities and/or facility or Local Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service shall terminate on _____.
3. Specifications for Local Network Service.
 - a. Term of Service:
 - b. List of Network Resources and Point(s) of Receipt:
 - c. Description of capacity and energy to be transmitted:
 - d. Description of Local Network Load:
 - e. List of Point(s) of Delivery and metering point(s) when they differ from Point(s) of Delivery:
 - f. List of non-Network Resource(s), to the extent known:

g. Ancillary Services requested or proof of satisfactory arrangements for Ancillary Services:

h. Identity of Designated Agent:

Authority of Designated Agent:

Term of Designated Agent's authority:

Division of responsibilities and obligations between Transmission
Customer and Designated Agent:

i. Interconnection facilities and associated equipment:

j. Project name:

k. Interconnecting Transmission Customer:

l. Location:

m. Transformer nameplate rating:

n. Interconnection point:

o. Additional facilities and/or associated equipment:

p. Service under this Local Service Agreement shall be subject to the following charges:

q. Additional terms and conditions:

4. Planned work schedule.

Estimated Time

Milestone

(Activity)

Period For Completion

(# of months)

5. Payment schedule and costs.

(Study grade estimate, +___% accuracy, year \$s)

Milestone Amount (\$)

6. Policy and practices for protection requirements for new or modified load interconnections.
7. Insurance requirements.

PART III – Local Point-To-Point Service

1. The Transmission Customer has been determined by the Transmission Owner and the ISO to have a Completed Application for Local Point-To-Point Service under the Tariff.
2. Service shall commence on the later of: (1) 1/1/2016, or (2) the date on which construction of any Direct Assignment Facilities and/or Local Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service shall terminate on 12/31/2018.
3. Non-firm Local Point-To-Point Service shall be provided by the Transmission Owner upon request by an authorized representative of the Transmission Customer.
4. Specifications for Local Point-To-Point Service.
 - a. Term of Transaction: 3 years
 - b. Description of capacity and energy to be transmitted by the Transmission Owner including the electric Control Area in which the transaction originates:
Non-PTF service by Emera Maine
 - c. Point(s) of Receipt: Emera Maine Washington County Substation 34.5kV Bus
 - d. Delivering Party: Stored Solar J&WE
 - e. Point(s) of Delivery: Emera Maine Epping Substation
 - f. Receiving Party: Stored Solar J&WE

- g. Maximum amount of capacity and energy to be transmitted (Reserved Capacity):
Reservation to be made on hourly, weekly, monthly, or annual basis up to 25 MW
- h. Designation of party(ies) subject to reciprocal service obligation:
NA
- i. Name(s) of any intervening Control Areas providing transmission service:
N/A
- j. Service under this Local Service Agreement shall be subject to the following charges:
\$1,000/MW-month or its equivalent for shorter durations
- k. Interconnection facilities and associated equipment: Legacy plant already in operation
- l. Project name: Stored Solar's Jonesboro, Maine biomass generation facility
- m. Interconnecting Transmission Customer: Stored Solar J&WE
- n. Location: Jonesboro, Maine
- o. Transformer nameplate rating: NA
- p. Interconnection point: Emera Maine's Washington County 34.5kV Substation
- q. Additional facilities and/or associated equipment: NA
- r. Additional terms and conditions: NA

5. Planned work schedule. Legacy plant already in operation

Estimated Time

Milestone

Period For Completion

(Activity)

(# of months)

6. Payment schedule and costs. NA

(Study grade estimate, +___% accuracy, year \$s)

Milestone

Amount (\$)

- 7. Policy and practices for protection requirements for new or modified load interconnections.
NA
- 8. Insurance requirements.

IN WITNESS WHEREOF, the Parties have caused this Local Service Agreement to be executed by their respective authorized officials.

Transmission Customer:

By: _____
 Name Title Date
William J. Harrington Director June 6, 2017
 Print Name William J. Harrington

Transmission Owner:
 By: *R. Belliveau* VP, Engineering & Operations June 28, 2017
 Name Title Date

Print Name: Robert Belliveau

The ISO:
 By: *Stephen J. Rowke* V.P. System Planning 11/29/17
 Name Title Date
Stephen J. Rowke Print Name