



Testimony in Support of LD 1850
An Act Relating to Energy Storage and the State's Energy Goals
May 16, 2023

Senator Lawrence, Representative Zeigler, and members of the committee, my name is James Cote and I am here today on behalf of Versant Power in support of LD 1850, as proposed to be amended by Senator Vitelli

Versant Power has come before this committee on a number of occasions in recent years to describe how important energy storage will be to our state's ability to efficiently and cost-effectively transition to a grid powered by renewable energy while maintaining customer affordability and reliability. What was once a developing technology, energy storage is now a critical tool necessary for managing voltage, providing backup power for customers in the event of an outage, increasing the resilience of our grid in the face of worsening storms, and enabling the continued integration of additional amounts of renewable resources.

Versant Power agrees that additional legislative clarity and clear rules of the road regarding the statutory and regulatory treatment of utility operated and owned energy storage would be helpful. It is in that spirit that we support the proceedings that LD 1850 proposes the PUC undertake to generate commonsense legislative recommendations and appropriate guardrails for the ownership and operation of energy storage projects.

As demonstrated in other jurisdictions, energy storage projects offer "stackable benefits" and can bring long-term value for customers. When designed and managed properly, some of these benefits accrue to the grid, e.g. in the form of voltage support or regulation, and others to developers or customers, e.g. in the forms of energy arbitrage. The grid management benefits of storage will be vital to Versant Power's grid modernization efforts and will also allow us to maximize the effectiveness of our existing infrastructure.

To that end, Versant Power has been working with a range of stakeholders in various parts of our service territory to explore energy storage and microgrid projects that can provide these types of benefits while simultaneously offering increased resilience and enhanced renewable energy integration. In the Presque Isle area, Versant is working with the Mi'kmaq Nation on a project that would provide outage protection to the local fish farm, cost-effectively enable the interconnection of additional solar power and provide enhanced resilience for area customers.

In Eastport, we are working alongside the city, the Island Institute and ORPC, a renewable tidal energy company to develop a storage and microgrid project that would increase customer reliability and resilience following the failure of an existing diesel generator, facilitate the integration of ORPC's innovative tidal technology and allow for further renewable energy to be interconnected.



In both cases, Versant Power envisions partnering with developers, communities or tribes and sharing ownership and operation of these energy storage assets. We believe that multiple entities, each of which able to capture different benefits from a storage device, make these projects more economically viable for all parties. In both cases, Versant has also applied for significant federal funding to help defray the costs to ratepayers.

We do note that time is of the essence. While we believe that sending this analysis to the PUC for their evaluation is a reasonable step, we would encourage the committee to act with expediency upon any recommendations next session so that all stakeholders can put these solutions to work as soon as possible.

We look forward to working with the many relevant stakeholders- developers, customer advocates, tribes, nonprofits, regulators and state policy leaders- who we believe all have a role to play in Maine's energy storage future.

Thank you for your consideration, and we would be pleased to provide more information at the work session upon your request.