



April 21, 2026

Celina Cunningham, Acting Commissioner
Maine Department of Energy Resources
62 State House Station
Augusta, ME 04333

RE: Maine Department of Energy Resources Draft RFP for Energy Storage Projects

Dear Acting Commissioner Cunningham:

Versant Power ("Versant" or "Company") respectfully offers the following comments on the Maine Department of Energy Resources ("DOER" or "Department") Draft Request for Proposals for Energy Storage Projects ("Draft RFP") and appreciates the opportunity to provide input.

Versant supports Maine's climate and energy goals and understands the role it has to play as a Transmission & Distribution ("T&D") utility in facilitating the accomplishment of such goals. Versant believes Maine's energy policy, and the usage of ratepayer funds, is best focused on solutions that can provide the maximum benefits to Maine customers while minimizing costs. Versant shares the Department's perspective that energy storage technologies have the potential to play an important role in Maine's future electric grid and can provide significant and overlapping values to ratepayers and the electrical system alike.

Versant's comments focus on ensuring the Department's bid evaluation process carefully and fully assesses the actual costs and benefits of potential projects to ensure selected bids provide verifiable and meaningful benefits to Maine ratepayers in excess of their costs, as contemplated by statute.

Reliability & Resiliency Benefits

The Draft RFP notes that the Department's most recent Maine Energy Plan "further contemplates advancing energy storage systems, as part of a diverse portfolio of energy resources, because these resources can provide important reliability and resilience benefits to Maine ratepayers." Versant agrees. In order to realize such benefits for the maximum number of ratepayers, energy storage projects should be carefully designed and constructed in such a way that they can fully integrate into the operations of the relevant T&D utility, which bears the ultimate responsibility of providing safe and reliable service to its customers. For example, reliability could be materially enhanced in an area that has historically experienced an abnormally high number or duration of outages by strategically siting an energy storage system on the grid capable of providing instantaneous back-up power in the event of an outage while

repairs are made. Community resiliency can be built by designing a battery-powered microgrid capable of powering critical safety or economic infrastructure in the event of a prolonged outage.

Energy storage projects planned and built by the utility, due to their integration into utility planning and operations, are capable of offering reliability and resiliency benefits, along with other potential values including the integration of additional renewable energy resources.

Reliability and resilience benefits can also accrue to individual customers who elect to install energy storage systems behind the meter (“BTM”) in their homes or businesses. While these types of installations may provide additional benefits to other ratepayers if carefully deployed and managed (e.g. when aggregated and strategically discharged to avoid RNS peak periods), their reliability and resilience benefits are generally limited to the individual customer.

Section 3.3 of the Draft RFP (“Qualitative and Quantitative Evaluation”) discusses how projects that meet the requirements of the RFP’s threshold evaluation “will be subject to a quantitative and qualitative evaluation, assessing the costs, benefits, and risks of each proposal as a mechanism to procure Energy Storage on a long-term basis to the benefit of Maine ratepayers.” Section 3.3.1 covers Qualitative Factors, including those specified by the authorizing statute. Included among these is: “f) Avoids and Minimizes Curtailment of Other Renewable or Clean Resources: Proposals will be favorably evaluated to the extent to which: i. The project provides enhanced electric reliability within the State. ii. The project supports grid resilience within the State.”

As discussed above, these are important goals which energy storage systems are technically capable of achieving. However, it is not clear how the Draft RFP can reasonably evaluate the reliability or resiliency benefits an energy project may provide if its operation is solely controlled by the project owner and not meaningfully coordinated with the utility. Versant would suggest the Department exercise caution in assigning qualitative reliability or resiliency benefits to proposed projects unless such benefits can be quantified and the project owner holds direct and ongoing responsibility for achieving those benefits. Versant Power suggests that proposals should specify a defined use case and location, as storage value and performance are highly application and site dependent. Similarly, renewable optimization benefits depend on site-specific conditions and should reflect coordination between the developer and utility.

Proposals also should clearly identify primary use cases and any trade-offs or boundaries, including how dispatch priorities are managed between competing objectives. Benefits should not be overstated through incompatible use cases, such as a storage solution that promises local reliability support while simultaneously claiming availability for wholesale market participation.

T&D Cost Deferral

Section 3.3.2 of the Draft RFP (“Quantitative Factors”) discusses how the Department intends to evaluate the direct and indirect costs and benefits to Maine ratepayers of proposed projects. Direct costs are identified as “Contract revenues that flow from the T&D Utilities to the Seller.” Direct Benefits are identified



as “Contract revenues that flow from the Seller to the T&D Utilities.”

Among the indirect costs and benefits identified by the Draft RFP are “Deferred or Avoided Transmission and Distribution Costs,” which are defined as: “The impact of storage operations on Maine’s expected costs for grid infrastructure, reducing Regional Network Service charges through reducing Regional Network Load, or other potential cost reductions.”

Versant notes that quantification of deferred or avoided T&D grid infrastructure may be very difficult to quantify for projects that are not being planned, sited or developed in coordination with a T&D utility. Valuing the deferral of grid infrastructure investment would require knowledge of system plans, asset health, and load forecasts, among other factors, as well as a mechanism to evaluate whether an alternative is less (or more) costly than a specific utility capital investment while maintaining the ability to reliably meet an identified system need. Utility planning and operational considerations must be properly accounted for to ensure use cases and associated benefits are accurately assessed and realized.

Versant believes such an evaluation would be difficult for a non-utility developer within the parameters of the Draft RFP. Thus, Versant encourages the Department to carefully consider how projects are proposing to evaluate T&D investment deferral or avoidance including the specific grid needs in question.

Yours truly,

Eric Feigenbaum
Director, Public Affairs