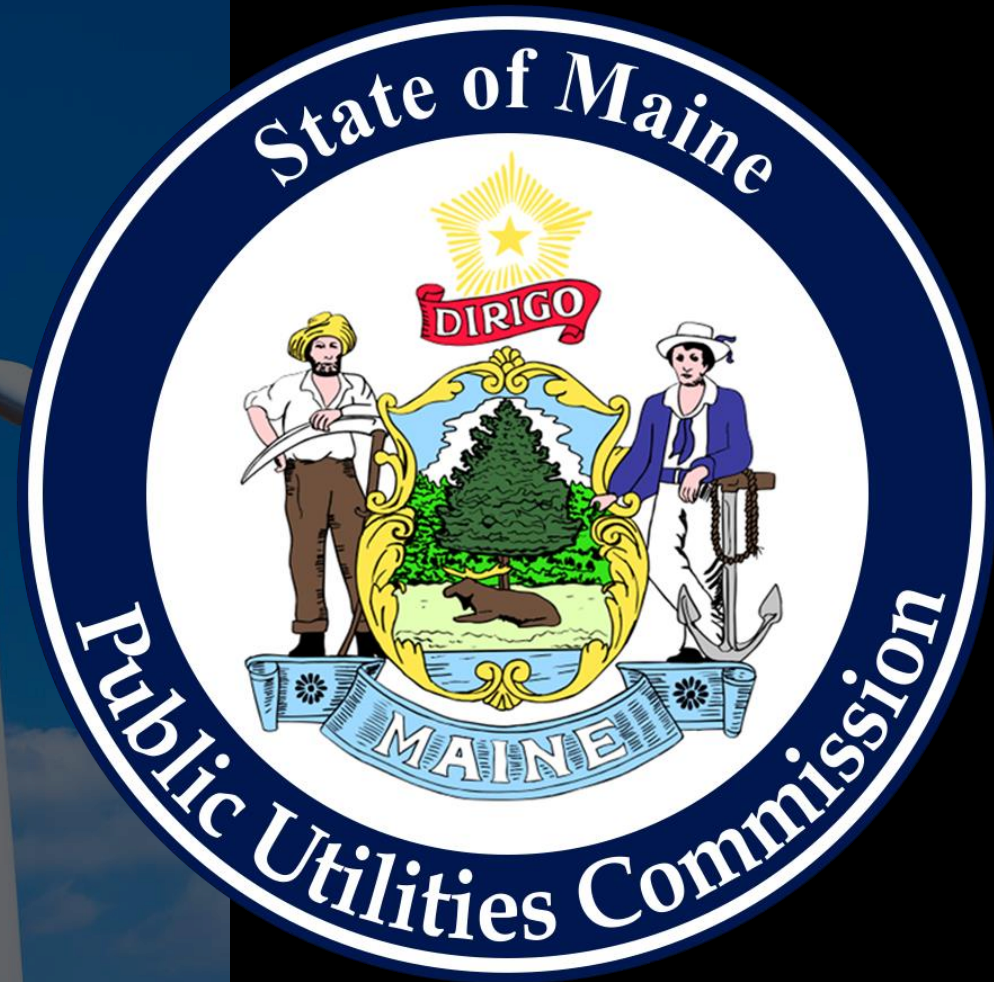


**Electric Rate Changes as of
July 2023**

**Maine Public Utilities
Commission**



Electric Bill Components

Three parts to your Electricity Bill

1) Delivery 2) Stranded Costs and 3) Supply

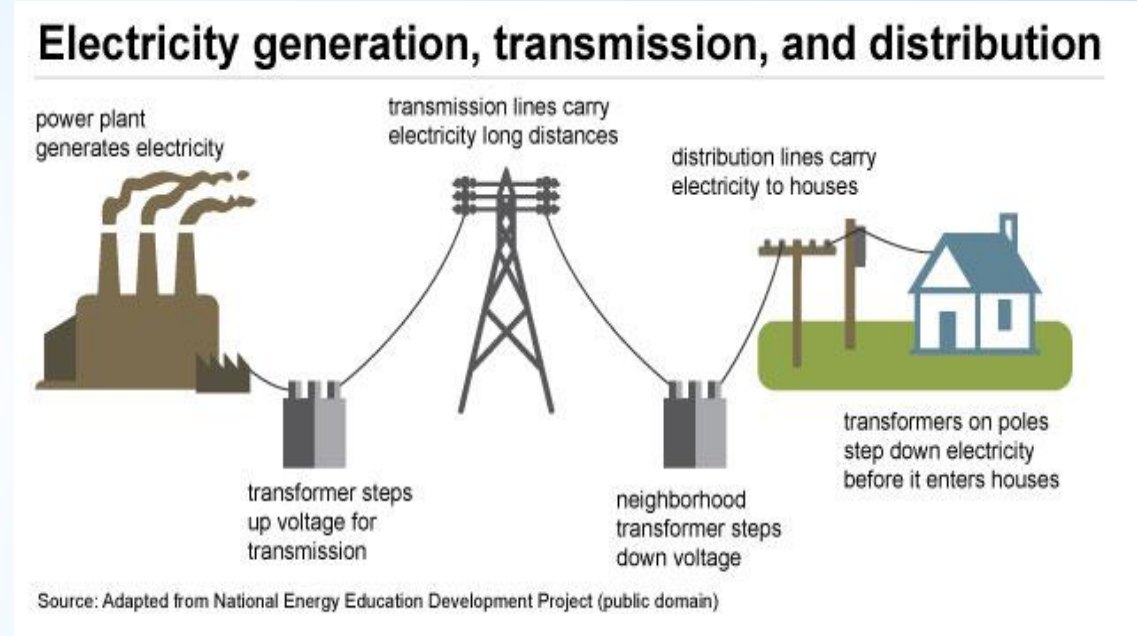
Delivery is about 37% of the bill and includes:

- Distribution Costs-regulated by the PUC
- Transmission Costs-regulated by the Federal Energy Regulatory Commission

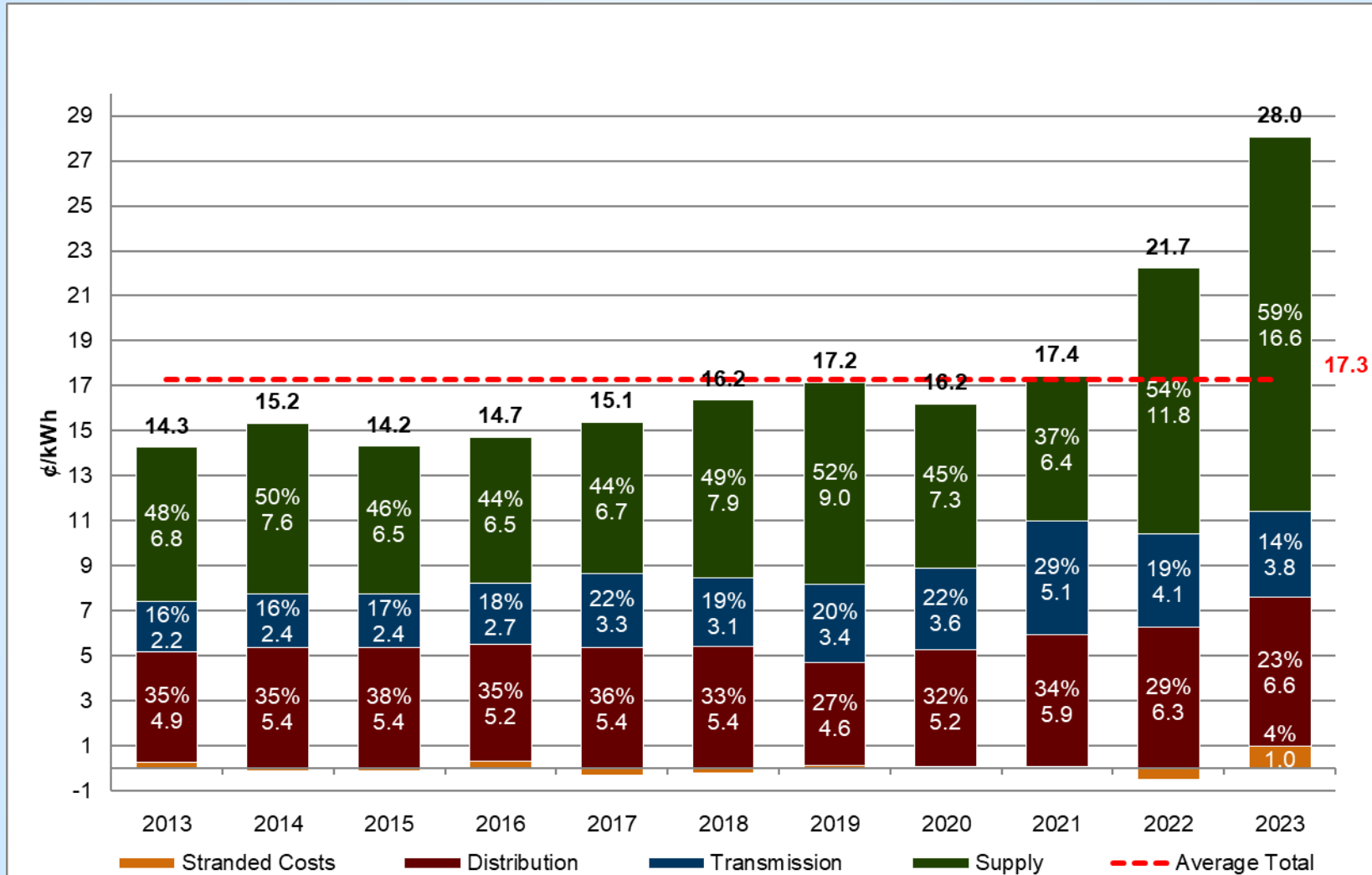
Stranded Costs is about 4% of the bill

- Primarily Net Energy Billing programs
- Costs are reviewed by the PUC

Electricity Supply is unregulated and is about 59% of a bill. (Standard Offer or Competitive Electricity Supplier)

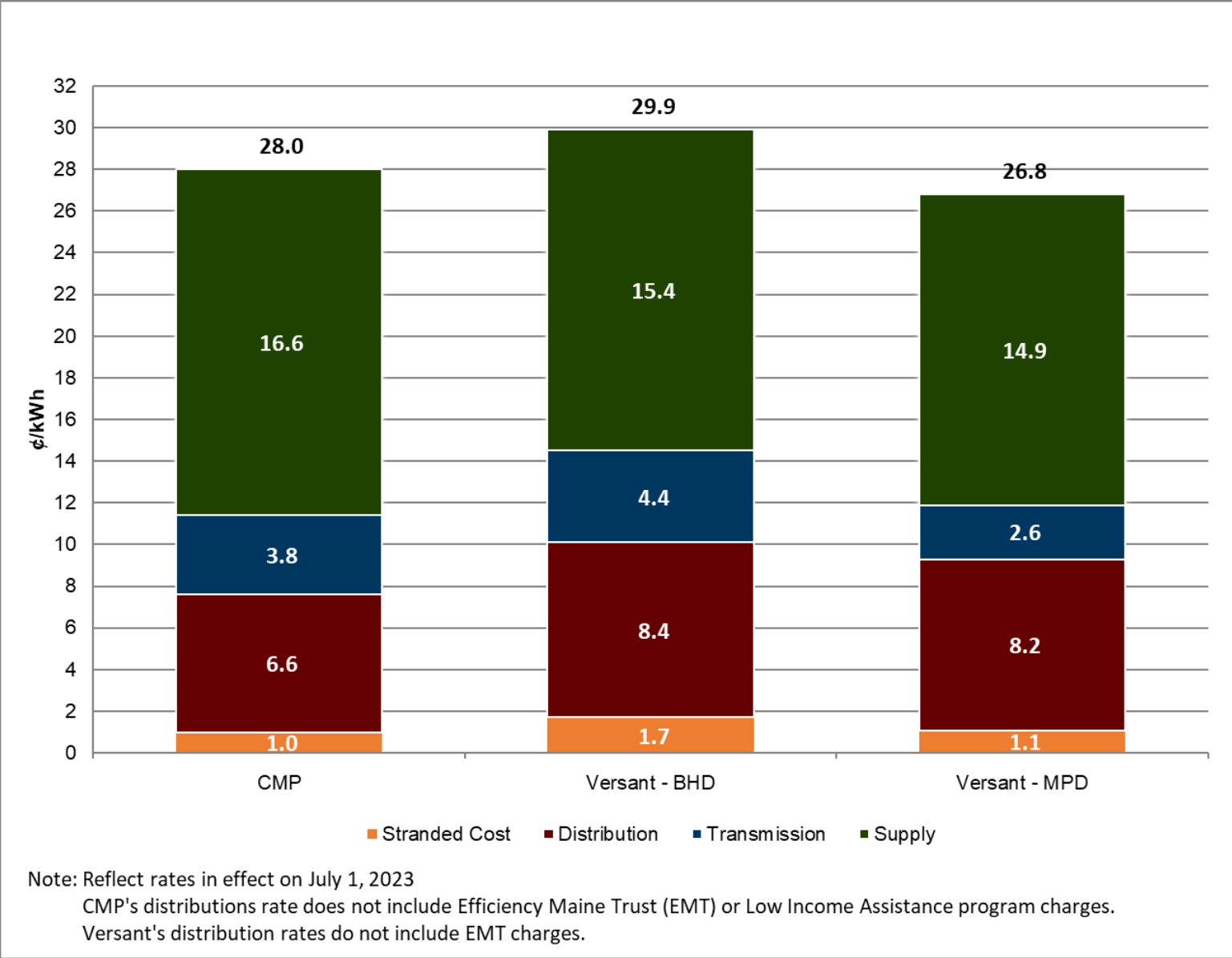


Residential Electricity Prices by Component (CMP)



Note: 2023 rates reflect distribution, transmission and stranded cost rates in effect on July 1, 2023.
 Rates calculated using component revenue divided by total kWh (assumes no minimum charge).
 Does not include Efficiency Maine Trust or Low Income Assistance program charges

Residential Electricity Prices by Component July 2023



CMP Distribution Rate Increases Beginning July 1, 2023

- ✓ Implemented in four phases over a two-year period to mitigate the impact on customers.
- ✓ Increases spending to provide for enhanced reliability and resiliency

Date of Increase	Average Residential Monthly Impact	% Increase
July 2023	\$1.25	.8%
January 2024	\$1.40	.9%
July 2024	\$1.70	1.1%
January 2025	\$1.31	.8%

*These increases are estimates based on current rates and will be impacted by additional rate changes occurring over the course of the two-year implementation period.

Versant Power Distribution Rates Beginning July 1, 2023

- ✓ Implemented in two phases to mitigate the impact on customers
- ✓ Increases spending to provide for enhanced reliability and resiliency

Date of Increase	Average Residential Monthly Impact	
	<u>BHD</u>	<u>MPD</u>
July 2023	\$5.33 or 3.9%	\$5.23 or 4.3%
January 2024	\$5.33 or 3.9%	\$5.23 or 4.3%

*These increases are estimates based on current rates and will be impacted by additional rate changes occurring over the course of the two-year implementation period.

Stranded Costs

Primarily costs and benefits related to long-term contracts for electricity generation and NEB Programs created by the Legislature to facilitate the transition to renewable power.

- Contracts for renewable energy
- Community renewable energy contracts
- Renewable Portfolio Standard contracts
- Net Energy Billing (NEB) programs detailed on the following slide.



Net Energy Billing (NEB)

- In 2019, Maine significantly expanded its NEB program.
- Customers can offset bills using output from renewable generators.

Maine's two NEB programs:

kWh program

- Customers may own their own project or share in a project with other customers (community solar)
- Customers' reduce billed usage is recovered from ratepayers.

Tariff Rate program

- Commercial and institutional customers
- When the value the utility receives from the sale of energy is less than the financial credit to customers' bill, net cost is recovered from ratepayers.



Stranded Cost Estimates

	Year-End Feb 24	Year-End Feb 25	Year-End Feb 26
Long Term Contracts Savings	(\$17.3M)	(\$22.1M)	(\$24.7M)
NEB kWh Netting (Residential/Community Solar)	\$18.0M	\$26.1M	\$31.1M
NEB Tariff Rate (Commercial/Institutional)	\$94.6M	\$143.0M	\$160.6M
Total Stranded Costs	\$95.2M	\$147.0M	\$167.0M



Net Energy Billing Benefits

- Advance Maine's transition to renewable energy
- Increase resiliency in our distribution system
- Help achieve Maine's climate goals
- Reduce dependence on fossil fuels and associated greenhouse gas emissions
- Help drive down costs over the long term
- Contribute to winter reliability of the transmission system



Stranded Costs Bill Impact

- ✓ Long term contracts have reduced stranded costs
- ✓ Cost drivers are the two NEB Programs

CMP:

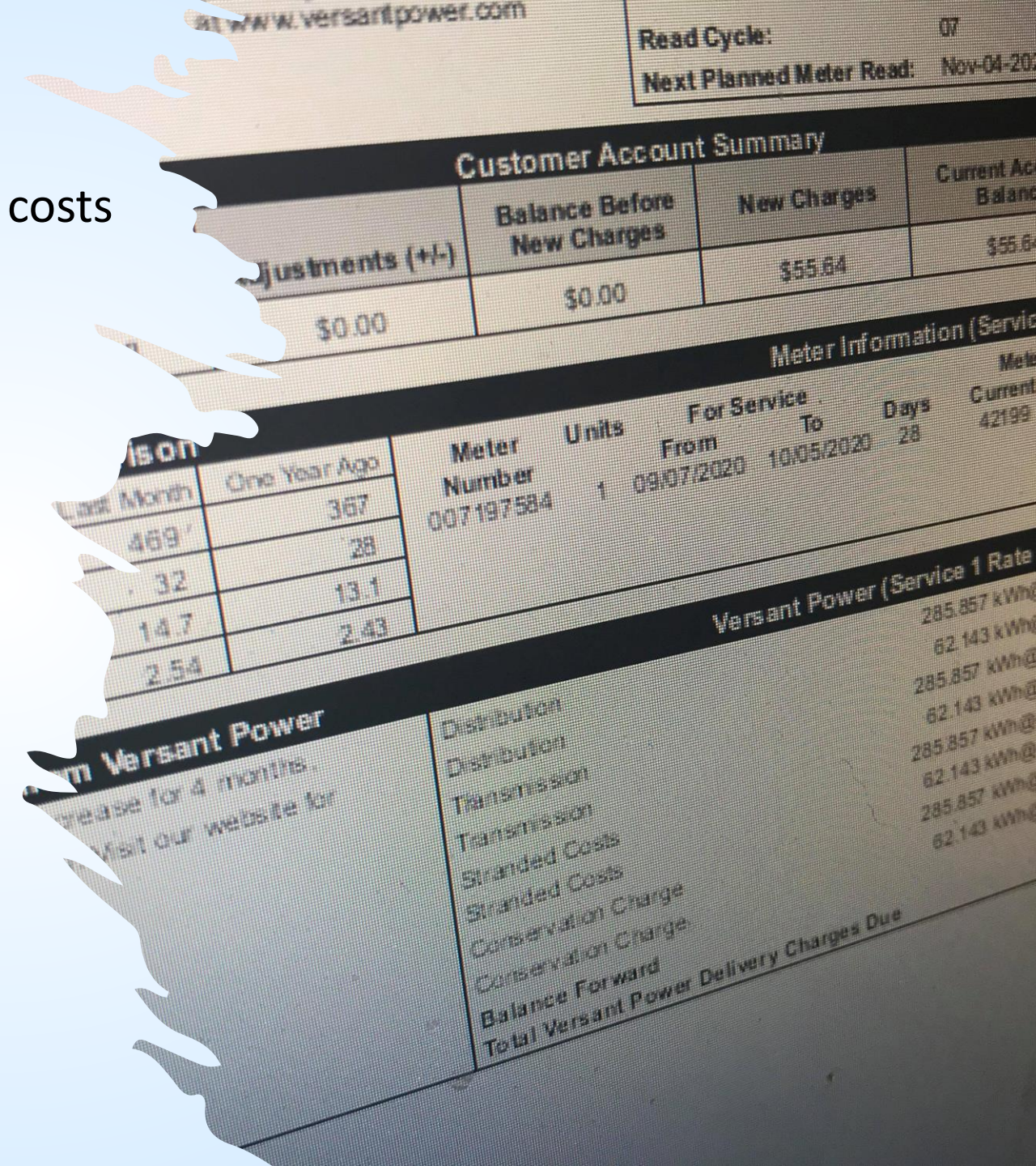
- Increase of \$8.90 per month
- Total bill increase of about 5.8%

Versant Bangor Hydro District:

- Increase of \$12.97 per month
- Total bill increase of about 9.3%

Versant Maine Public District:

- Increase of \$7.91 per month
- Total bill increase of about 6.5%



Electric Supply Price Reduction

- As of July 15, Standard Offer Supply was reduced by 1 cent per kWh
- This equates to about \$5.00 per month reduction on the average residential customer's total bill
- Applicable to CMP and Versant Bangor Hydro District
- The reduction is effective through December 2023
- The Commission will conduct a procurement for standard offer supply and set a new rate effective January 1, 2024.



Total bill impact of rate increases and decreases for the average residential customer as of July 15, 2023

CMP

- Current Total Bill: \$154
- Distribution Increase: \$1
- Stranded Cost Increase: \$9
- Electricity Supply decrease: -\$5
- Total Bill as of July 1, 2023: \$159

3.2%
Increase

Versant - Bangor Hydro District

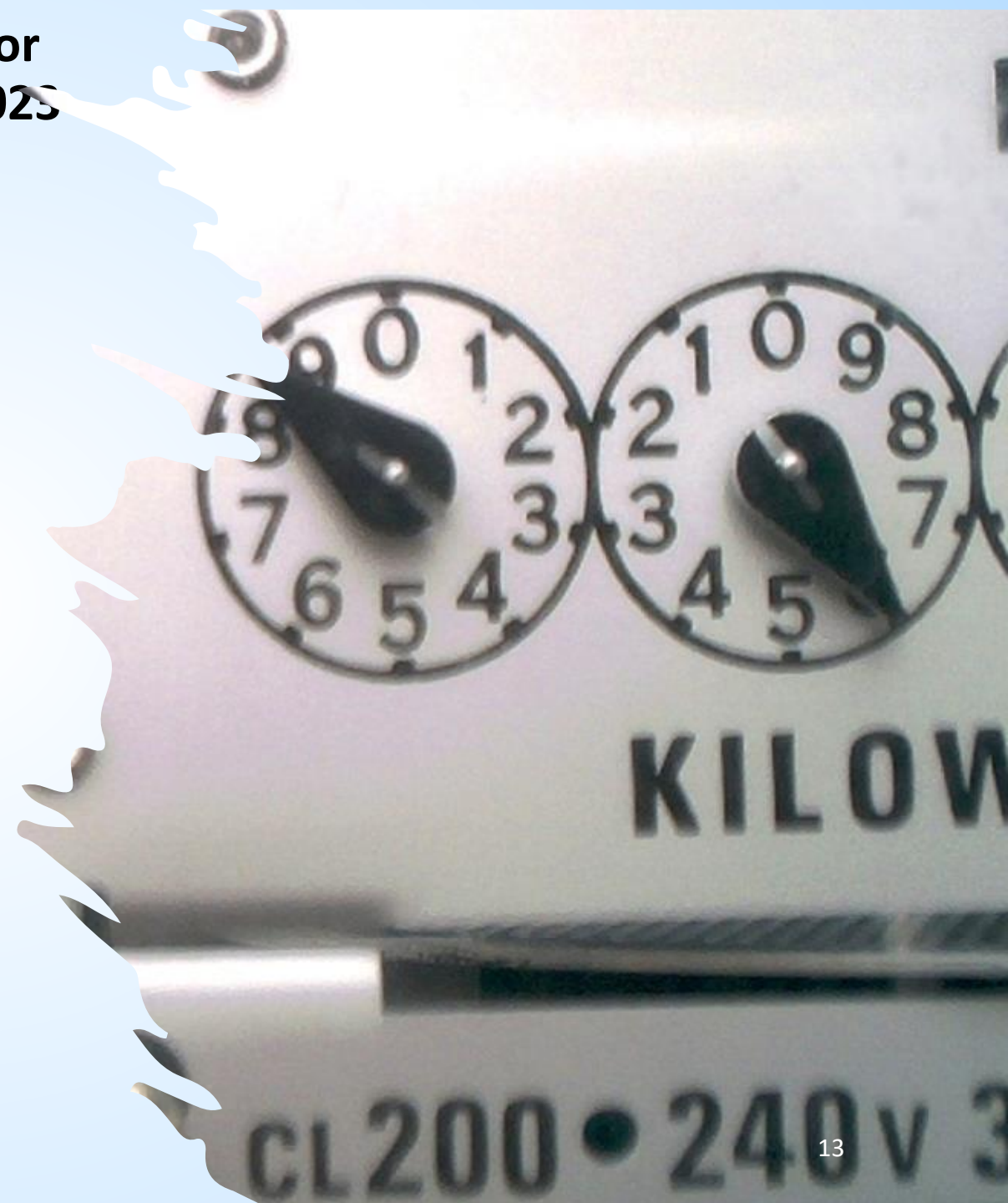
- Current Total Bill: \$139
- Distribution Increase: \$5
- Stranded Cost Increase: \$13
- Electricity Supply decrease: -\$5
- Total Bill as of July 1, 2023: \$152

9.3%
Increase

Versant - Maine Public District

- Current Total Bill: \$122
- Distribution Increase: \$5
- Stranded Cost Increase: \$8
- Total Bill as of July 1, 2023: \$135

11.1%
Increase



Questions?

