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Our Power's Response to CMP's Announcement that Maine Ratepayers may see Double-digit Rate Hike in August

Stephanie Clifford, campaign manager for Our Power a group of Maine ratepayers, business leaders, energy experts, conservationists, and others committed to putting the Pine Tree State's energy future in the hands of Mainers said:

“The 25% rate hike CMP announced yesterday is mostly due to transmission costs. We are helpless to change this unless we have a consumer-owned utility. By converting to a consumer-owned utility, Maine families and businesses are projected to save close to \$4 billion in regional transmission costs alone. This will dramatically reduce costs including this 25% CMP rate hike. [Versant also recently announced a 25% rate hike.](#)*

“These savings occur because under regional tariffs, the Pine Tree Power Company will be able to charge transmission rates to other New England states similar to those of for-profit utilities. By federal law, these include a minimum 10.57% return on equity, or profit margin. Because Pine Tree Power is consumer-owned, these double-digit “profits” will be passed on directly as savings to Maine families and businesses, instead of to distant investors.

“We will also see significant savings from storm restoration efforts, since consumer-owned utilities are uniquely eligible for FEMA storm assistance, while investor-owned utilities are not. After major storms, it is not uncommon for consumer-owned utilities like Pine Tree Powers to receive hundreds of millions of dollars in federal assistance.”

*Transmission savings are discussed on p. 3 of Dr. Silkman's 2020 analysis of LD 1646, the progenitor of LD 1708; bit.ly/MPSilkmanLEIReport From the report: “Adjusting the WACC upward results in an increase of roughly \$4 billion in revenues to the MPDA over the 30 year period, the majority of which is paid for by ratepayers in the other five New England states.”

“We are shocked by and mad about the rate hike announced by CMP yesterday. CMP announced the largest one-time hike ever in its retail delivery rates, according to the Office of Public Advocate. Maine has the [tenth highest rates](#) and the [worst customer service](#) and [worst reliability in the nation](#). It's time for a change. Mainers deserve so much better. We urge the legislature to vote for LD 1708 on Wednesday, a bill to

establish the Pine Tree Power Company, a non-profit consumer-owned utility that is 100% accountable to Mainers, not foreign investors.”

“In other relevant news, the Iberdrola Chairman (the company that owns CMP), was named as a suspect in a [spying scandal](#) similar to one CMP was involved in, in 2020. [“Clean Energy Matters, a political action committee funded by CMP, said it hired the private investigator”](#) to track opponents of the company’s proposed transmission corridor.

“CMP has failed Maine and proven it should not be trusted. It is past time to stop their monopoly control of our electricity system, and to support LD 1708 and create a customer-focused utility for Maine to take the place of those beholden to their investors instead.

[“CMP has also ranked last in another recent survey of utility customers.”](#) This is in addition to the 2020 JD Power surveys of residential and business customers, that rank CMP and Versant at the bottom. In fact, [CMP has ranked at the bottom for three years running.”](#)

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