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## CMP ranks dead last again in residential customer satisfaction for the fourth year in a row out of 121 utilities ranked by JD Power in 2021, and Versant ranked at the bottom in its class

CMP and Versant - the two investor-owned electric utility companies charged with serving Maine people and businesses - scored dead last in their categories. CMP scored dead last in the nation, while Versant tied with Pacific Gas & Electric, a utility famous for causing fires that killed people.

This according to J.D. Powers authoritative 2021 Electric Utility Customer Satisfaction Study, released today: <u>jdpower.com/business/press-releases/2021-electric-utility-residential-customer-satisfaction-study</u>.

CMP and Versant have now ranked at or near the bottom for four straight years - see also 2020, 2019, and 2018.

"These profit-driven utilities, with a monopoly to deliver electricity to Maine ratepayers, have failed us time and time again," said <u>Our Power</u> member Bill Dunn of Yarmouth, an energy consultant with 50 years of international experience in the industry. "It is time to create a nonprofit, consumer-owned utility dedicated to providing Mainers with lower cost, locally-controlled, more reliable, cleaner electricity. This will break up CMP's and Versant's monopoly stranglehold on Maine people, businesses and our future."

As of 2020, Maine endures the worst and longest electricity outages in the nation along with among the worst customer satisfaction ratings. In 2020 customers of Maine's investor-owned utilities (IOUs) had over three times the outage minutes as customers of other US IOUs. They also had over 2½ times the number of outages.

Despite this extremely poor service, Mainers pay the 11th highest rates in the nation, sending hundreds of millions of hard earned dollars to the owners of these multinational companies. CMP and Versant charge their customers 58% more on average for delivery services than Maine's current consumer-owned utilities while providing some of the most unreliable service in the nation.

In total, Mainers have been sending \$150-\$325 million per year to the investors who own CMP / Avangrid / Iberdrola, and millions more to the City of Calgary, which owns Versant.

CMP is wholly owned by Avangrid, which is owned by Iberdrola, a company based in Spain, whose largest shareholders are government banks in Spain, Qatar, and Norway. Bangor Hydro was swallowed up by Emera, which was bought out by Versant, a company that is wholly-owned by the government of Calgary, Canada.

As of August 1st, CMP was granted an unprecedented 13% rate hike, with another double-digit increase next year. As of November 1st, Versant, Maine's most expensive mainland utility, was granted a 17.5% rate hike. These rate hikes are for transmission and distribution services alone, and do not include the additional and staggering increases in energy supply costs, which will increase for both utilities by over 80% starting in January. Taken together, Our Power estimates that these hikes in both supply and delivery will increase total electricity costs for the average CMP residential customer by over \$400 per year in 2022.

"It is past time to improve electricity reliability, ensure control by Mainers, lower cost and efficiently implement clean energy," said John Clark, an Our Power team member and retired General Manager of Houlton Water Company (HWC). The HWC is a consumerowned utility providing water and wastewater services to Houlton customers and electricity to Houlton and parts of 6 surrounding communities. <a href="https://doi.org/10.21/10.10/">HWC consumers will continue to pay 6.2 cents per kwh</a> for energy supply through the standard offer while northern Maine Versant customers pay over 11 cents per kWh in 2022. "A larger Maine consumer-owned electric utility would eliminate stockholder payments and save on profits, corporate salaries, borrowing costs, and storm cleanups while continuing to improve service, reliability and to prepare for the future."

Maine's two profit-driven utilities have failed Maine miserably. Versant's predecessor, Bangor Hydro, and CMP fought for decades to gut efforts to help Maine people and businesses improve energy efficiency, use clean renewable energy resources, and save money on power bills.

Long ago, the state of Maine granted these companies a monopoly to run our electric grid and Maine can take it back. It should come as no surprise that especially since they were acquired by foreign governments and by multinational corporations, these two profit-driven utilities have increasingly failed to act in Maine's interest.

"CMP and Versant serve their shareholders, not us." says Rep. Jennifer Poirier (R-Skowhegan), a cosponsor of the bill to banish both companies which passed both the House and Senate, but was vetoed. "We are their captive cash cow and they are laughing all the way to the bank."

CMP has fallen under intense scrutiny in recent years:

- Its poor customer service ranking was cited as a primary reason for New Mexico regulators to reject the acquisition of a large utility there by Avangrid, CMP's holding company which in turn is owned by Spanish company Iberdrola.
- A racketeering lawsuit was recently filed alleging that Avangrid used several companies it owns, including CMP, to rob customers of hundred of millions of dollars.
- It has slow-walked new solar interconnection processes and <u>dramatically inflated</u> <u>the cost of interconnection after developers</u> have already invested in projects, causing a <u>new PUC investigation</u> to commence earlier this year.
- A PUC audit funded by customers and released earlier this year found significant management issues and structural problems with the company.
- CMP mismanaged the rollout of a new billing system, while flatly denying there
  was any problem in the face of mounting evidence, sparking multiple
  investigations.
- In January, the Maine Public Utilities Commission ordered the company to pay a \$10 million penalty over 18 months, citing the company's longstanding customer service failures.

Stephanie Clifford, campaign manager for Our Power, a coalition of Maine ratepayers, businesses, energy experts, conservationists, and dozens of grassroots organizations emphasized that public support for the proposal is high: "Our Power is excited to undertake a statewide citizen initiative campaign to create a locally owned and operated company. 75% of registered Maine voters support replacing CMP and Versant with a non-profit consumer-owned utility company, so we know the people are with us."

Based on <u>in-depth analysis of the 2020 JD Power rankings</u>, Our Power has discovered that consumer-owned utilities are at the top for customer satisfaction nationwide, while investor-owned utilities are at the bottom.

Our Power is seeking volunteers to help collect the 63,067 required petition signatures to qualify the citizen initiative for the ballot. Mainers wanting to help should visit <a href="https://ourpowermaine.org">ourpowermaine.org</a> to sign up.

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Our Power is 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.

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