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New Report Finds Competitive Electricity Suppliers Overcharge Low-Income Maine Ratepayers

January 29, 2026 | HALLOWELL, Maine – A new report finds that Maine electricity customers who purchased power from competitive electricity suppliers (CEPs) overpaid by \$156 million between 2016 and 2024 compared to standard offer rates. In addition, the report, produced for the Electric Ratepayer Advisory Council (ERAC) which advises the Maine Office of the Public Advocate (OPA) on affordability issues, found that much of the increased cost falls disproportionately on low-income households.

In Maine, residential electricity customers can purchase the supply portion of their electricity either from the Public Utilities Commission-designated standard offer supplier or from one of many competitive electricity suppliers.

In 2024, an ERAC-commissioned analysis found that over the eight-year period from 2016 through 2023, Maine residential customers who purchased electricity from CEPs paid more than **\$135 million** above what they would have paid under the standard offer.

Today, Maine's Public Advocate, Heather Sanborn, presented ERAC's latest report, "*Is Maine's CEP-Served Residential Retail Electric Supply Market Affordable?*" to the Legislature's Energy, Utilities and Technology (EUT) Committee. The updated analysis finds that, although the number of residential CEP customers has declined for the nine-year period from 2016-2024, cumulative residential ratepayer overpayments now exceed \$156 million.

Over the last several years, as overall CEP customer enrollment has declined, the number of CEP customers who are participants in Maine's Low-Income Assistance Program (LIAP) has increased. LIAP-enrolled customers consistently paid a higher premium to their CEP than non-LIAP customers. In one of the months studied, LIAP participants paid **more than 100 percent above the standard offer rate**, effectively double what they would have paid under the standard offer. The estimated annual overpayment for electricity supply by LIAP-enrolled customers in the most recent period tops \$1.2 million.

"These higher charges undermine the purpose of the LIAP program by diverting limited assistance dollars away from household energy security and toward private companies

charging more than the standard offer for electricity supply costs,” said Sanborn in testimony to the EUT Committee.

The issue is expected to become more urgent later this year. In October, a redesign of the LIAP program will change how benefits are delivered, shifting from a lump-sum payment to a monthly discount applied directly to an eligible customer’s entire electric bill. Under this new structure, higher supply costs will diminish the effectiveness of the program and result in less assistance reaching eligible households.

Based on these findings, ERAC recommends that the Legislature consider policy changes this session to ensure that LIAP-enrolled customers do not pay more than the standard offer rate for electricity supply. According to the Council, this targeted, commonsense approach would protect low-income households and ensure that state assistance dollars administered through LIAP are used as intended.

ERAC’s recommendation presented to the Energy, Utilities and Technology Committee by the OPA is available [HERE](#), and the complete ERAC report can be found [HERE](#).