

Analysis of Maine's Residential Competitive Electricity Providers

Presentation to ERAC

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Today's Agenda

- Methodology
- Preliminary Results
- Proposed Outline for Report

Our Methodology

- Compare prices CEPs actually charge to residential customers with prices the same universe of customers would have paid had they purchased standard offer service.
- Use publicly available data and make sure all our analyses are transparent, our assumptions are clearly stated, and our calculations can be replicated.

Methodology:

Sources for CEP Prices Actually Charged

MPUC	US DOE-EIA
Confidential	Public
Residential is aggregated with small commercial	Residential-only is available
Separately by CMP, Versant Bangor, Versant Maine Public District	Statewide
Annual; 2023 most recent	Annual; 2023 most recent
Data at the zip code level unavailable	Data at the zip code level unavailable
Data separately for low-income accounts unavailable	Data separately for low-income accounts unavailable

Standard Offer Rates

Standard Offer Rates			
	Central Maine Power	Versant Bangor Hydro District	Versant Maine Public District
2016	\$0.065	\$0.066	\$0.083
2017	\$0.067	\$0.063	\$0.071
2018	\$0.079	\$0.072	\$0.074
2019	\$0.090	\$0.084	\$0.085
2020	\$0.073	\$0.069	\$0.067
2021	\$0.064	\$0.062	\$0.060
2022	\$0.118	\$0.117	\$0.111
2023	\$0.176 / \$0.166	\$0.164 / \$0.154	\$0.149
2024	\$0.108	\$0.108	\$0.113

Source: Maine Public Utility Commission.

CEP Summary

CEP Residential Market in Maine

Year	Revenues	mWh	Customers
2016	\$80,200,000	792,916	117,544
2017	\$69,055,800	723,472	112,504
2018	\$70,964,600	685,362	105,786
2019	\$62,434,200	535,970	76,053
2020	\$52,701,700	471,783	67,730
2021	\$48,996,200	450,870	64,279
2022	\$58,644,600	415,484	62,100
2023	\$73,725,200	398,550	62,747

Source: Department of Energy, Energy Information Administration.

Average Prices paid to CEPs

CEP	2016	2017	2018	2019	2020	2021	2022	2023
Standard Offer	\$0.065	\$0.067	\$0.079	\$0.090	\$0.073	\$0.064	\$0.118	\$0.170
Agera Energy LLC	\$0.080	\$0.078	\$0.088	\$0.088				
Ambit Energy Holdings, LLC	\$0.071	\$0.076	\$0.081	\$0.099	\$0.082	\$0.071	\$0.124	\$0.173
C. N. Brown Electricity, LLC	\$0.096	\$0.088	\$0.087	\$0.084	\$0.080	\$0.074	\$0.097	\$0.134
Clearview Electric Inc.	\$0.112	\$0.109	\$0.114	\$0.174	\$0.167	\$0.171	\$0.192	\$0.296
Constellation Energy Services, Inc.	\$0.074	\$0.072						
Constellation NewEnergy, Inc		\$0.063	\$0.070	\$0.067	\$0.068	\$0.067	\$0.072	
Electricity Maine, LLC	\$0.104	\$0.099	\$0.106	\$0.121	\$0.121	\$0.121	\$0.140	\$0.227
Energywell LLC							\$0.133	\$0.150
ENGIE Retail, LLC	\$0.085	\$0.066	\$0.090	\$0.095	\$0.091	\$0.092	\$0.138	
FairPoint Energy LLC	\$0.092	\$0.085	\$0.112	\$0.143	\$0.138	\$0.139	\$0.157	\$0.212
First Point Power, LLC	\$0.078	\$0.078	\$0.085	\$0.084	\$0.082	\$0.075	\$0.084	\$0.106
Major Energy Electric Services							\$0.200	\$0.163
Mega Energy of Maine, LLC	\$0.096	\$0.109	\$0.131	\$0.133		\$0.134	\$0.163	\$0.193
North American Power and Gas, LLC	\$0.103	\$0.110	\$0.107	\$0.120	\$0.119	\$0.123	\$0.145	
SmartEnergy Holdings, LLC					\$0.073	\$0.095	\$0.162	\$0.181
Town Square Energy			\$0.101	\$0.106	\$0.106	\$0.130	\$0.179	\$0.193
Union Atlantic Electricity			\$0.100					
XOOM Energy Maine, LLC	\$0.088	\$0.092	\$0.110	\$0.099	\$0.111	\$0.106	\$0.164	\$0.136

Source: Department of Energy, Energy Information Administration.

CEP Residential Market: 2023

CEP	Average Price	Number of Customers	Market Share by		
			Customers	Revenue	kWh
Ambit Energy Holdings, LLC	\$0.173	4,202	6.7%	7.0%	7.5%
C. N. Brown Electricity, LLC	\$0.134	5,005	8.0%	6.9%	9.6%
Clearview Electric Inc.	\$0.296	861	1.4%	1.5%	0.9%
Electricity Maine, LLC	\$0.227	19,004	30.3%	34.7%	28.3%
Energywell LLC	\$0.150	2,489	4.0%	3.5%	4.4%
FairPoint Energy LLC	\$0.212	3,735	6.0%	5.2%	4.5%
First Point Power, LLC	\$0.106	819	1.3%	0.7%	1.2%
Major Energy Electric Services	\$0.163	3,498	5.6%	5.8%	6.6%
Mega Energy of Maine, LLC	\$0.193	36	0.1%	0.0%	0.0%
SmartEnergy Holdings, LLC	\$0.181	18,331	29.2%	26.3%	26.8%
Town Square Energy	\$0.193	1,600	2.5%	3.0%	2.9%
XOOM Energy Maine, LLC	\$0.136	3,167	5.0%	5.3%	7.3%

Source: Department of Energy, Energy Information Administration.

Note: The data published by the EIA is public, and is based on data reported by CEPs to the DOE.

Payments in Excess of Standard Offer

Residential Payments in Excess of Standard Offer

Year	Average CEP Price	Standard Offer Rate	Overpayment
2016	\$0.101	\$0.065	\$28,885,648
2017	\$0.095	\$0.067	\$20,865,330
2018	\$0.104	\$0.079	\$17,062,249
2019	\$0.116	\$0.090	\$14,454,702
2020	\$0.112	\$0.073	\$18,481,864
2021	\$0.109	\$0.064	\$20,060,265
2022	\$0.141	\$0.118	\$9,616,242
2023	\$0.185	\$0.170	\$5,919,091
2016-2023 Total Overpayment			\$135,345,391

Source: Department of Energy, Energy Information Administration.

Proposed Outline for Report:

I. Introduction

- Purpose of report: assist the ERAC in assessing the impact of the CEP-served market on households in Maine
- Our report does not include policy recommendations

Proposed Outline for Report:

II. Background

Maine's Residential CEP Market - Overview

PUC Migration Statistics (residential and small commercial combined):

- Number of Customers by Class
- Percentage of Customers Enrolled with CEPs
- Small CEP Customers by IOU Region

DOE-EIA Form 861 Data (residential provided separately)

- Supply (Cooperative, Municipal, IOU, CEP)
- CEPs Serving Customers: Revenues, mWh, Customers, and Average Price per kWh

Proposed Outline for Report:

III. Sources for the Report

- Public data published by the U.S. Department of Energy's Energy Information Administration (EIA) (MPUC data is considered confidential)
- Available separately for residential market (MPUC aggregates with small commercial)
- EIA data is aggregated to the statewide level (vast majority of CEP market is in CMP region)
- CEP prices on their websites do not correspond with the prices customers are actually paying
- Neither EIA nor MPUC data provides information disaggregated by zip code or by low-income account

Proposed Outline for Report:

IV. Methodology and Results

- Compare average prices paid by customers served by CEPs with standard offer rates.
 - Explain assumptions.
 - Transparency: Our analyses can be replicated – our report, assumptions, methodology are set forth clearly.
- Tables, charts, figures summarizing analyses, with brief text
- Briefly discuss green products and freebies and explain how they distract from the overall impact of CEP market on households.

Proposed Outline for Report:

V. Recommended Areas for Future Analysis

We assess *aggregate* impact on residential customers. But:

- Households may experience the CEP market differently depending on:
 - Their income.
 - Where they live.
- A complete assessment would:
 - Compare the prices CEPs charge to households receiving energy assistance with all other households.
 - CEP prices as examined at a community-specific level (for example, do prices vary according to the median income of the community served?).
- Reference OPA filings with the PUC seeking this information

Next steps

- Complete first draft before November 4th ERAC meeting.
- Complete second (near-final) draft before November 18th ERAC meeting (incorporate ERAC feedback on first draft).
- Finalize report.

Questions?

Suggestions?

Thank you!