

Analysis of Maine's Residential Competitive Electricity Providers

Presentation to ERAC

by Susan Baldwin and Tim Howington

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Who we are

- Susan Baldwin
- Tim Howington

Who we are

- **Ms. Baldwin** has been actively involved in public policy for forty-six years, which includes forty years in telecommunications policy and regulation, and fourteen years in energy policy and regulation. Since 2001, she has been consulting to public sector agencies, consumer advocates, and others as an independent consultant. Ms. Baldwin earned her Master of Economics from Boston University, her Master of Public Policy from the Harvard Kennedy School, and her Bachelor of Arts degree in Mathematics and English from Wellesley College. ■ **Mr. Howington** is an analyst with over twenty years of experience in a variety of disciplines, including economic development, utility regulation, and geospatial modelling. Mr. Howington earned an M.S. in Geo-Information Science from Salem State University, an M.A. in Economics from Boston University, and a B.A. in Near Eastern Languages and Civilizations from the University of Chicago. **Reports and Expert Testimony on the Residential Retail Electric Supply Market:** PURA Establishment of Rules for Electric Suppliers and EDCs Concerning Operations and Marketing in the Electric Retail Market, Connecticut Public Utilities Regulatory Authority Docket No. 13-07-18, testimony and supplemental testimony on behalf of the Connecticut Office of Consumer Counsel, March 10, 2014 and March 17, 2014 ■ Connecticut Public Utilities Regulatory Authority Docket No. 18-06-02, Review of Feasibility, Costs, and Benefits of Placing Certain Customers on Standard Service Pursuant to Conn. Gen. Stat. § 16-245o(m), testimony on behalf of Connecticut Office of Consumer Counsel, February 27, 2019 ■ Maryland Public Service Commission Case No. 9613, In the Matter of the Complaint by the Staff of the Public Service Commission v. SmartEnergy Holdings LLC, testimony on behalf of Maryland Office of People’s Counsel, January 31, 2020 and July 8, 2020 ■ Maryland Public Service Commission Case No. 9615, In the Matter of the Complaint by the Staff of the Public Service Commission v. U.S. Gas & Electric Services Providers, Inc., d/b/a Maryland Gas & Electric, testimony on behalf of Maryland Office of People’s Counsel, February 14, 2020, March 27, 2020, February 5, 2021, and March 19, 2021 ■ Maryland Public Service Commission Case No. 9614, In the Matter of the Complaint by the Staff of the Public Service Commission v. Direct Energy Services, LLC testimony on behalf of Maryland Office of People’s Counsel, March 6, 2020, February 12, 2021, March 19, 2021, and May 5, 2021 ■ Maryland Public Service Commission Case No. 9624, In the Matter of the Complaint by the Staff of the Public Service Commission Atlantic Energy MD, LLC, testimony on behalf of Maryland Office of People’s Counsel, October 15, 2020, February 22, 2021, and March 17, 2021 ■ “A Predatory and Broken Market: the 2024 Update, prepared for the Massachusetts Attorney General’s Office, April 2024. ■ “Consumers Continue to Lose Big: the 2023 Update to An Analysis of the Individual Residential Electric Supply Market in Massachusetts,” prepared for the Massachusetts Attorney General’s Office, May 2023 ■ “Are Connecticut’s Residential Third-Party Supply Rates Just and Reasonable?” on behalf of Connecticut Office of Education, Outreach, & Enforcement for Docket No. 18-06-02RE01, February 9, 2023. ■ “Reform of Electricity Supply: CEP-Served Residential Retail Electric Market,” on behalf of Maine Office of Public Advocate, January 13, 2023. ■ “Are Consumers Benefiting from Competition? An Analysis of the Individual Residential Electric Supply Market in Massachusetts: 2021 Update,” prepared for Massachusetts Attorney General’s Office, March 2021 ■ “Are Consumers Benefiting from Competition? An Analysis of the Individual Residential Electric Supply Market in Massachusetts,” prepared for Massachusetts Attorney General’s Office, July 2019 Update ■ “Residential energy supply market: Unmet promises and needed reforms” (with Frank A. Felder), *The Electricity Journal*, 32 (2019) 31–38. ■ “Maryland’s Residential Electric and Gas Supply Markets: Where Do We Go from Here?” (with Sarah M. Bosley), prepared for the Maryland Office of People’s Counsel, November 2018. ■ “Are Consumers Benefiting from Competition? An Analysis of the Individual Residential Electric Supply Market in Massachusetts” (with Sarah M. Bosley), prepared for the Massachusetts Attorney General’s Office, March 29, 2018. ■ “Retail Supplier Abuses and High Prices for Consumers: Does Retail Choice Still Make Sense?” 2019 National Association of State Utility Consumer Advocates Mid-Year Meeting, Portland, Oregon, June 21, 2019. ■ “Discussion of Massachusetts Report,” Presentation to Nevada Governor’s Committee on Energy Choice, Technical Working Group on Consumer Protection, April 20, 2018 ■ Quoted in the *Wall Street Journal*, *Boston Globe*, WBUR.

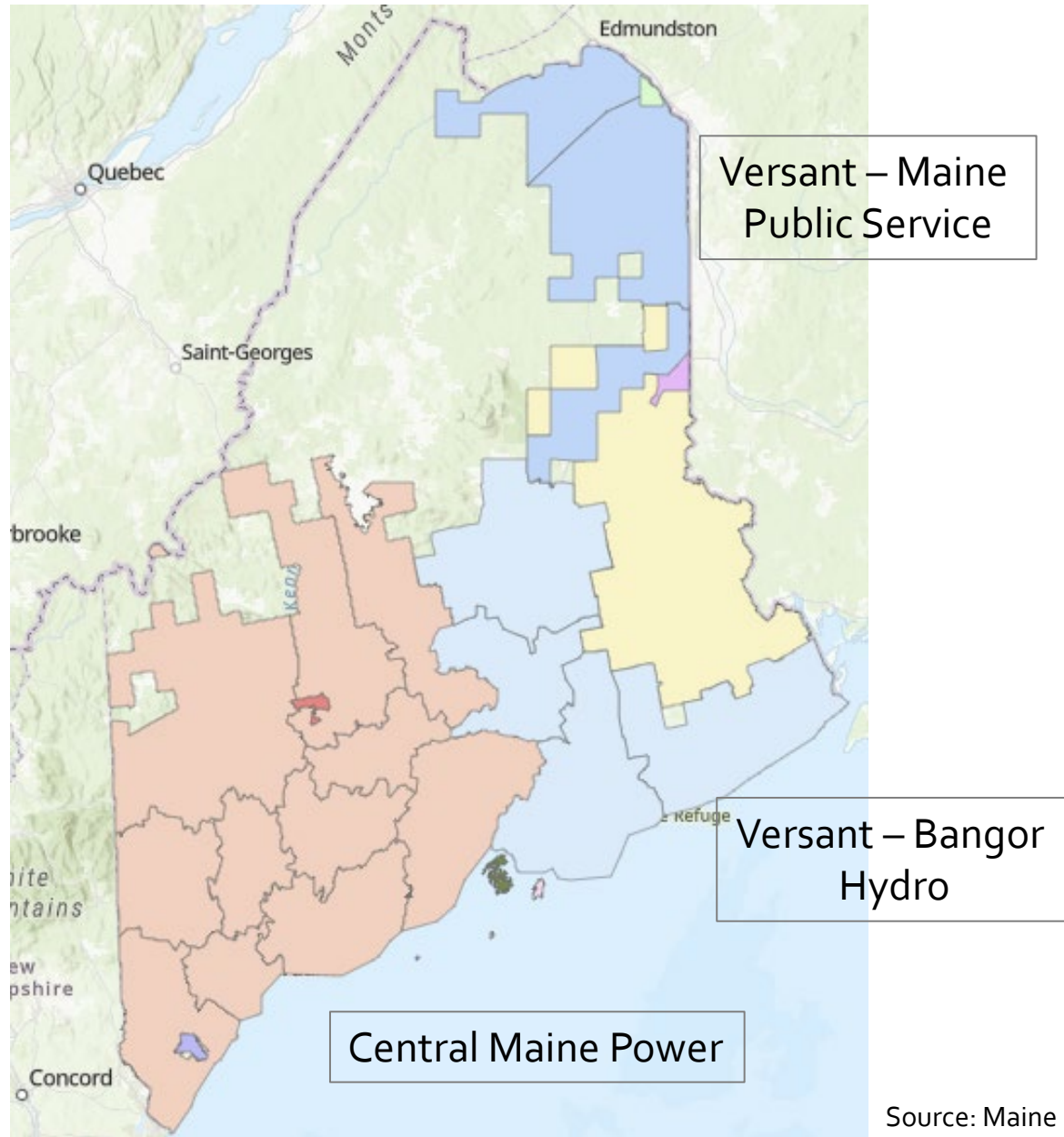
Goals of our research and analysis

- Look out for the interest of consumers
- Assess impact on households and communities
- Quantify losses and savings
- Update and expand our prior work for the Office of Public Advocate

Electricity Restructuring

- A very short introduction to residential competitive electric suppliers
 - When? Why? What were the goals?
 - Who are the utilities?
 - What is the Standard offer rate for supply?
 - Contrast with generation, transmission
 - Who are the Competitive Electricity Suppliers?

Utility Service Areas



Source: Maine PUC

Maine's Competitive Electricity Providers



Actual Energy, Inc
Ambit Energy Holdings, LLC
Clearview Electric Inc.
C. N. Brown Electricity, LLC
Constellation NewEnergy, Inc
Electricity Maine, LLC
First Point Power, LLC
Freedom Logistics
NextEra Energy Services
Major Energy Electric Services
North American Power and Gas, LLC
SmartEnergy Holdings, LLC
ENGIE Resources
ENGIE / Think Energy
Town Square Energy
Energy Rewards
XOOM Energy Maine, LLC



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

Sample Versant Bill

New Charges

Bangor Hydro District (Rate A Residential Service)				
	Versant Delivery 	kWh	Price	
	Distribution	646	\$0.07475	\$48.29
	Transmission	646	\$0.04181	\$27.01
	Stranded Costs	646	-\$0.00839	-\$5.42
	Conservation	646	\$0.00455	\$2.94
Versant Delivery Subtotal				\$72.82

Standard Offer Service 				
	Supply Service	kWh	Price	
	Electricity Supply	646	\$0.11684	\$75.48
Supplier Subtotal				\$75.48

Versant Delivery + Supplier Charges = \$148.30

Meter Read

Meter#: 000101000
Service Period: Jul 13, 2022 - Aug 14, 2022

Current Reading	Previous Reading
62010	61364
Total kWh: 32 Day(s)	
	646

Supplier Message Standard Offer

Your electricity price for Standard Offer service for the period of January 1, 2022 through December 31, 2022 is \$0.116840 per kWh.



About Your Energy Supply

You're on Standard Offer. Did you know you can choose your Energy Supplier? Versant Power does not supply energy, but provides billing & payment services on behalf of your electricity supplier.

January 2023 report

Goals of the January 2023 report

- Assist OPA with its response to legislative mandate (per 2021 P.L. ch.164 (LD 318))
- Our report includes:
 - Background on competitive electricity suppliers in Maine and in other states, pricing analyses, recommendations for improved consumer protection
- Describe the data we used
- EIA – aggregated to supplier
- Not able to map usage to utility service areas

January 2024 report

January 2024 update

- CEP data as reported to MPUC
- We used MPUC data because it allows us to examine each service area separately
- Some errors in CEPs' reporting

January 2024 results

Total Payments in Excess of Standard Offer Rate

2016	\$30,350,984
2017	\$18,841,561
2018	\$15,920,084
2019	\$4,735,869
2020	\$18,163,917
2021	\$25,551,475
2022	-\$33,205,291
2023	<i>forthcoming</i>
2016-2022 total	\$80,358,598

January 2024 results

	Residential CEP Customers	Total Residential CEP Overcharges
2016	115,040	\$30,350,984
2017	116,700	\$18,841,561
2018	85,843	\$15,920,084
2019	71,600	\$4,735,869
2020	67,553	\$18,163,917
2021	64,693	\$25,551,475
2022	51,834	-\$33,205,291

What's next?

Autumn 2024 Report

- Address data gaps and inconsistencies
- Continue focus on residential customers
- Municipal level allows alignment with demographic analysis
- Multi-year analyses

Draft Data Request

Pursuant to 35-A M.R.S. § 1702, the Office of the Public Advocate (OPA) respectfully requests that the Commission issue an order authorizing Maine's large investor-owned transmission and distribution utilities, Central Maine Power Company (CMP) and Versant Power (Versant), to provide the OPA with certain data related to service provided by competitive electricity providers (CEPs) to their customers. In particular, the OPA is seeking for the period from April 2019 through April 2024, for each Zip Code in the utilities' service territories:

- A. the name of each competitive supplier operating in that ZIP Code, the total number of residential accounts billed for that supplier at each supply rate offered by that supplier, the total kWh billed at each rate for supply, the total non-usage-based monthly fees (e.g. monthly service fees) if any, charged by the supplier (associated with each rate), and the total amount billed for supply on behalf of the CEP, including usage-based and non-usage-based supply charges, but not delivery or transmission charges; and
- B. the number of all residential customers who subscribe to Standard Offer Service (that is, customers who do not receive service from a competitive supplier) in that ZIP Code.

Next steps

- Get data
- Analyze data
- Write report for OPA by early Fall

Recent Related Work

- [April 2024 Update for Massachusetts Office of the Attorney General](#)
- 2023 Report for Connecticut Public Utilities Regulatory Authority Office of Education, Outreach & Enforcement

Thank you!