

Maine Public Utilities Commission

NEWS RELEASE

Website: <http://www.maine.gov/mpuc/>, Email: maine.puc@maine.gov
CONTACT: Fred Bever, 207-287-6141, Fred.Bever@maine.gov

FOR IMMEDIATE RELEASE

July 29, 2008

New Electric Standard Offer Prices to Begin in September for Commercial and Industrial Customers

Prices for Residential and Small Commercial Customers Unchanged

AUGUSTA, Maine - Today the Maine PUC accepted bids on new standard offer energy prices for medium and large commercial and industrial customers of Central Maine Power Company (CMP) and Bangor Hydro-Electric Company (BHE).

The prices are effective September 1, 2008, and extend for six months. The new standard offer prices apply only to customers that have not made their own electricity supply arrangements.

For CMP's medium business customers, standard offer prices will increase by 23%, and for CMP's large business customers, standard offer prices will increase by 32%. For BHE's medium business customers prices will increase by 21% and large business customers, prices will increase by just under 20%.

"Energy costs are going up for Maine's businesses, as they are for everyone," said Sharon Reishus, the Maine PUC's Chairman. "Wholesale electricity costs are rising, in large part, because of the increase in fuel costs for natural-gas fired power plants."

Currently, about 25% of the electric load for CMP and BHE medium and large C&I customers is on standard offer; the remaining customers receive their energy supply directly from other retail suppliers.

Residential and small commercial consumers, meanwhile, will not see a change in their standard offer supply prices through February 2009.

"It's increasingly important for Maine businesses and residential consumers to do all they can to reduce energy use and to use electricity more efficiently," Reishus said. "Efficiency Maine can help, with expert technical advice and incentives for businesses that install electricity-saving equipment."

For CMP, the new medium class standard offer prices will be on average about 12.3 cents/kilowatt hour (kWh), up from 10 cents/kWh. CMP large-class customer rates will be about 12.9 cents/kWh, up from the previous rate of 9.8 cents/kWh.

Maine Public Utilities Commission

Page 2

For BHE, new standard offer prices will be about 12.2 cents/kWh for the medium class, up from 10 cents/kWh. For BHE large-class customers, rates will be about 13.3 cents/kWh, up from 11.2 cents/kWh.

Under Maine's retail electric access rules, the PUC must ensure that standard offer service is available to all customers in Maine. The selected rates were chosen following a competitive bid process administered by the PUC, and the names of the suppliers selected will be withheld for two weeks, allowing time for supply arrangements.

Standard offer service is the default supply for electricity customers, meaning customers receive it if they have not purchased supply from another retail supplier or through an aggregator.

For more information on standard offer and energy delivery rates, go online to http://www.maine.gov/mpuc/industries/electricity/standard_offer/standard_offer_rates.html . For more information about commercial efficiency measures, go to www.energymaine.com .

#####

The Public Utilities Commission is committed to ensuring that consumers have access to safe and reliable service for public utilities and that the rates for these utilities are just and reasonable. PUC programs include Maine Enhanced 911 Service, Dig Safe, and Efficiency Maine.

To arrange an interview with Chairman Reishus or Commissioner Vendean Vafiades, please contact Fred Bever at 207.287.6141 or by e-mail at fred.bever@maine.gov. The Commission's website, www.maine.gov/mpuc may be accessed through the Maine School and Library Network at all public libraries in Maine.