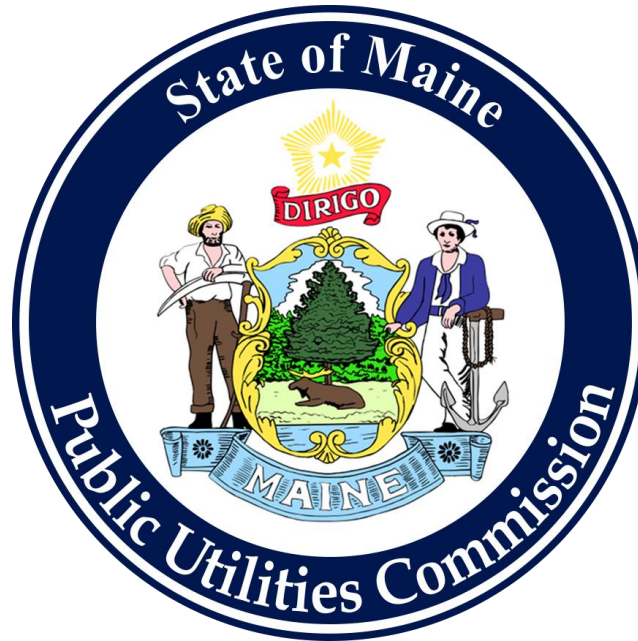


STATE OF MAINE PUBLIC UTILITIES COMMISSION



2023 Annual Report

February 1, 2024

Maine Public Utilities Commission

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Commissioner Patrick J. Scully
Commissioner Carolyn C. Gilbert



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Commissioners

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Chair

Patrick J. Scully
Commissioner

Carolyn C. Gilbert
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David Braley
Telephone and
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Communication
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Harry Lanphear
Administration

Elizabeth Wyman
Legal

Commissioners' Letter

This report provides an overview of the work conducted by the Maine Public Utilities Commission (Commission) in 2023 administering the laws concerning public utilities in Maine.

The Commission's demanding caseload and legislative requirements created significant challenges in 2023. The Commission addressed these challenges with exceptional work by our staff coupled with support from industry leading consulting firms.

The Executive Summary of the report is detailed on page two and highlights the more noteworthy cases and initiatives that occurred during the year, but we would like to highlight a few items in this letter.

We were pleased to announce in November 2023 that Standard Offer Electric Supply rates would decrease significantly in January 2024 for CMP and Versant customers. The Commission's procurement process resulted in supply rates decreasing by about 30%, saving the average residential customer over \$380 annually.

The Commission also approved amendments to its Low-income Assistance Program again this year, expanding it to cover 46,000 additional utility customers most in need and increasing funding from \$15 million to \$22.5 million for the 2023-2024 Program Year due to a general fund allocation.

The Commission extended the life of Maine's 207 area code another three and a half years to September 2032 by addressing a number of practices that have impacted the rate at which our numbers were being tied up, including forecasting and block request practices, curbing the use of numbering resources by robocallers, and encouraging providers to work collaboratively.

In all aspects of our work, the Commission's dedicated staff continues to exercise its regulatory and public policy responsibilities diligently to ensure that utility services for Maine consumers are provided at rates that are just and reasonable and consistent with good utility practice. We look forward to working with the Legislature this year on utility issues.

With regards,

Handwritten signature of Philip L. Bartlett II in black ink.

Philip L. Bartlett II
Chair

Handwritten signature of Patrick J. Scully in black ink.

Patrick J. Scully
Commissioner

Handwritten signature of Carolyn C. Gilbert in black ink.

Carolyn C. Gilbert
Commissioner

2. EXECUTIVE SUMMARY

This section highlights some of the more noteworthy cases and initiatives in 2023.

Topic	Description
Standard Offer Electricity Supply Rates	Standard offer supply rates decreased dramatically beginning January 1, 2024. In response to the Commission’s annual standard offer RFP for electricity supply, the winning bids were significantly lower than 2023 rates. CMP residential and small business consumers saw a decrease averaging about \$32 a month and Versant customers saw a decrease averaging about \$19 a month. Maine supply prices continue to be the lowest in New England.
207 Area Code	The Commission continued its aggressive approach to preserving Maine’s 207 Area Code, resulting in the exhaust date for the 207 area code being extended another three and a half years to September 2032, according to a semi-annual review by the North American Numbering Plan Administrator (NANPA). The Commission has a docket opened involving rate center consolidation that could result in the exhaust date being extended for decades. This case is expected to conclude in mid-2024.
Northern Maine Renewable Energy Development Program	The Commission conducted a bidding process in accordance with The Northern Maine Renewable Energy Development Program established by P.L. 2021, Chapter 380 and selected LS Power Base for its transmission project and Longroad Energy for its wind generation project. Commission staff worked tirelessly to negotiate a contract with LS Power, Massachusetts utilities, and other parties consistent with the approved contract term sheets. LS Power stated they could not hold their original bid price, and the Commission formally terminated the procurement in December. The Commission intends to issue a new procurement in 2024.
Summit Natural Gas Rate Case	Summit’s 2022 filing requested a year 1 increase of 30% and up to a 15% increase in years 2 through 7. In November, a Stipulation was proposed by the parties. Given concerns by Commission Staff, Oral Argument was heard in January 2023. Ultimately, the Commission rejected the Stipulation as not in the public interest due to concerns about rate shock and the amount of costs being shifted to customers based on risks undertaken by the Company. After additional process, a new stipulation was proposed and approved in June, resulting in a year 1 rate increase of 12% and increases of 9% in years 2 and 3.
Low-income Assistance Program	In September, the Commission approved an increase to its Low-Income Assistance Program (LIAP) and the Federal Poverty Level (FPL) eligibility threshold for Department of Health and Human Services (DHHS) means-tested programs from 75 percent to 150 percent, extending assistance to 46,000 additional Mainers. \$22.5 million in LIAP funding is available to Maine electric utility customers who qualify.

Topic	Description
CMP and Versant Proposed Rate Increases	In August 2022, Central Maine Power Company (CMP) filed a distribution rate case, seeking a 21% increase in year 1, followed by a 12% increase in year 2. In October 2022, Versant Power (Versant) filed a distribution rate case seeking approval of an increase of approximately 31% from current rates. Commission staff evaluated these requests extensively and public witness hearings were held in the spring. The Commission decided both of these cases in June 2023, approving increases significantly less than what the utilities proposed. In addition, both utilities will be required to meet Service Quality Indices (SQIs) related to frequency and duration of outages, call answering metrics, and billing accuracy. For example, for any SQI where CMP does not meet the metric for a particular year, they could pay a penalty of up to \$8.8 million annually.
Grid Modernization	The Commission continues its work in Docket No. 2022-00290 on identifying priorities to be included by Maine’s Investor-Owned Utilities in future integrated grid plans. The Commission retained an engineering consultant to assist in this work and has conducted numerous stakeholder workshops that have included utilities, citizens, businesses, solar developers and others. The Commission expects to conclude its work of identifying priorities in the first quarter of 2024. Utility integrated grid plans, based on these priorities, will be filed in 2025.
911 PSAP Study	2023 Legislation required the Commission’s Emergency Services Communication’s Bureau to conduct a study assessing whether Maine Public Safety Answering Points (PSAPs) can be more efficiently managed to ensure stability of the state’s 911 system. The Commission is working closely with an expert consultant and expects the report to be completed by February 2024.
Gas Safety and Dig Safe	The federal Pipeline and Hazardous Materials Safety Administration (PHMSA) conducts annual evaluations of the pipeline safety programs for all states that have agency certification. PHMSA’s evaluation of the Commission’s pipeline safety program in Maine for calendar year 2022, resulted in a score of 100%. The Commission’s Damage Prevention Program for Maine received perfect scores from PHMSA from 2019-2023.
Maine Water (Biddeford and Saco Division) Rate Case	In March 2023, the Maine Water Company (Biddeford and Saco Division) filed for a \$3 million rate increase, which would have increased rates by almost 30%. The Commission conducted extensive discovery, held technical conferences as well as a public witness hearing in Biddeford. Settlement discussions between the Office of the Public Advocate and Maine Water Company began in August and concluded in December. The Commission approved a proposed stipulation in January 2024 which resulted in a rate increase of about 18%.

3. ORGANIZATION OVERVIEW

The Commission regulates electric, gas, telephone and water utilities to ensure that Maine citizens have access to safe and reliable utility services at rates that are just and reasonable for residential and business consumers and public utilities, while also helping achieve reductions in state greenhouse gas emissions.

The Commission, created by the Maine Legislature in 1913, has broad powers to regulate public utilities in Maine including electricity, telephone, water, and gas providers. The Commission also responds to customer questions and complaints, grants utility operating authority, regulates utility service standards and monitors utility operations for safety and reliability, and has authority over rates and service of ferry transportation in Casco Bay.

Like a court, the Commission adjudicates cases and may take testimony, subpoena witnesses and records, issue decisions or orders, and holds public and evidentiary hearings. The Commission encourages participation by all affected parties, including utility customers and the public. The Commission also conducts investigations and rulemakings, investigates allegations of illegal utility activity, and responds to legislative directives.

The three full-time Commissioners (**see page 55**) are nominated by the Governor, reviewed by the Legislature’s Joint Standing Committee on Energy, Utilities and Technology, and confirmed by the full Senate, for staggered terms of six years. The Governor designates one Commissioner as Chair. The Commissioners make all final Commission decisions by public vote and action of the majority.

The legislature authorized an additional two positions in the last legislative session, increasing the Commission’s staff from 75.5 to 77.5. This includes accountants, engineers, lawyers, financial analysts, technical analysts, consumer specialists, administrative and support staff. The Commission’s knowledgeable and dedicated staff work tirelessly on behalf of the people of Maine to keep utility rates reasonable. The current staffing level is detailed in the chart below. The Commission is actively interviewing to fill a few open positions.

Functional Area	Employees
Administrative Division and Commissioners	12
Consumer Assistance and Safety Division	19
Electric and Gas Division	13
Emergency Services Communications Bureau	9
Legal Division	15
Telephone and Water Division	5
Total Current Employees	73

The Commission is divided into six operating areas according to industry area or function.

The Telephone and Water Division and the **Electric and Gas Division** staff conduct technical and financial investigations and analyses of telephone, water, electric and gas utility operations, analyze applications by utilities to issue securities, advise the Commissioners on matters of rate base, revenues, expenses, depreciation, cost of capital, engineering, rate design, energy science, statistics and other technical elements of these utility areas. Staff also conduct various supply procurement processes, including standard offer electricity supply service.

The Emergency Services Communication Bureau manages the statewide Enhanced 911 system, including program development and implementation. The statewide 911 system is the component of the emergency response system that delivers 911 calls and displays the telephone number and physical location of the caller at one of Maine's 24 Public Safety Answering Points.

The Consumer Assistance and Safety Division (CASD) provides information and assistance to utility customers to help them resolve disputes with utilities. The CASD investigates a variety of complaints involving utility service, including quality of utility service, billing disputes, payment arrangements, rates or charges, disconnection, and utility repairs. The CASD also educates the public and utilities about consumer rights and responsibilities, evaluates utility compliance with state statutes and Commission rules, and oversees gas safety regulation and enforcement statewide as well as underground facilities damage prevention.

The Legal Division provides hearing officers in cases before the Commission and assists in preparing and presenting Commission testimony on legislative proposals. This division represents the Commission before federal and state appellate and trial courts, and various regional and federal administrative and regulatory agencies.

The Administrative Division handles day-to-day operational management of the Commission, with responsibilities for fiscal and personnel matters, contract and docket management, legislative analysis, media and communications and the Commission's facilities. This division also oversees information technology including the Commission's Case Management and Consumer Complaint System.

Case Management

The Commission handles an average of about 350 utility cases a year. In 2023 the Commission received over 330 new cases. This year included several major rate cases and procurements requiring significant staff time as well as consulting expertise. Many of these large cases were detailed in the Executive Summary.

4. TELECOMMUNICATIONS

The Commission regulates Provider of Last Resort (POLR) service, which is offered by Maine's incumbent local exchange carriers (ILECs) and provides consumers with the option of receiving basic telephone service at a flat rate within a basic calling area. POLR service also provides access to emergency services, operator services, long-distance service, directory assistance, and a toll limitation option for low-income customers.¹

The Commission also has jurisdiction over the enforcement of certain provisions of Federal telecommunications statutes related to wholesale telephone services and the interactions between competitive providers of telecommunications services. The Commission has the authority to certify competitive local exchange carriers (CLECs) that wish to operate in Maine, but it does not regulate their service. The Commission has no regulatory authority over wireless (*i.e.*, cellular), VoIP voice services, or Internet/Broadband service.

The telecommunications industry in Maine is impacted by increasing competition and other factors, resulting in the reduction of ILEC access lines and POLR service subscribers. There has been a noticeable reduction of POLR service subscribers in recent years and only about 11% of ILEC customers opt for POLR service. If a POLR customer adds an advanced service such as voice mail or a broadband bundle, they are no longer considered a POLR customer.

Consumers can obtain long distance service from a variety of sources, including VoIP technology offered by cable television providers, mobile wireless service, and cable for traditional wireline service.

The Commission also actively manages numbering requests from telecommunication providers that impact Maine's 207 area code. For years the Commission has monitored the status of the 207 area code closely as the number of service providers in Maine has been increasing significantly along with the volume of numbering requests. See Key Events below for more details on the Commission's successful efforts.

¹ POLR service provides access to these services, but any other charges, *e.g.* long-distance charges, are not included in the flat rate.

Table 1 shows historical data for both ILEC access lines and POLR service customers.

Telephone Company	ILEC Data					POLR Data				
	2008 Access Lines	2021 Access Lines	2022 Access Lines	Change 2021-2022	Change 2008-2022	2014	2021	2022	Change 2021-2022	Change 2014-2022
Consolidated Communications of Maine Company	47,914	13,731	12,538	-9%	-74%	5,354	1,934	1,788	-8%	-67%
Consolidated Communications	411,345	101,222	89,015	-12%	-78%	24,488	5,385	4,922	-9%	-78%
UniTel Co.	4,386	2,653	1,928	-27%	-56%	428	183	218	19%	-57%
Union River	1,260	1,239	1,230	-1%	-2%	1,048	1,237	1,228	-1%	18%
Cobboosecontee Tel & Tel Co.	645	202	178	-12%	-72%	77	36	28	-22%	-53%
Hampden Telephone Co.	2,857	1,110	947	-15%	-67%	314	146	135	-8%	-54%
Hartland & St. Albans Telephone Co.	3,659	1,973	1,927	-2%	-47%	441	210	205	-2%	-52%
Island Telephone Co.	620	547	550	1%	-11%	209	136	140	3%	-35%
Somerset Telephone Co.	10,509	6,755	6,585	-3%	-37%	1,586	927	909	-2%	-42%
Warren Telephone Co.	1,528	493	452	-8%	-70%	184	84	74	-12%	-54%
West Penobscot Telephone Co.	2,207	1,627	1,530	-6%	-31%	282	160	158	-1%	-43%
Lincolnton Networks	1,794	1,623	1,671	3%	-7%	154	114	93	-18%	-26%
Tidewater Telecom	10,261	6,012	5,854	-3%	-43%	1,070	521	493	-5%	-51%
Mid-Maine Communications	5,228	1,523	1,416	-7%	-73%	1,343	14	13	-7%	-99%
Pine Tree Tel & Tel Co.	5,373	1,253	1,178	-6%	-78%	1,802	54	42	-22%	-97%
Saco River Tel. & Tel Co.	7,079	1,846	1,673	-9%	-76%	1,723	31	27	-13%	-98%
Oxford West Telephone Co.	6,373	2,259	1,849	-18%	-71%	4,348	2,186	1,988	-9%	-50%
Oxford Telephone Co.	5,595	1,764	1,586	-10%	-72%	3,666	1,749	1,575	-10%	-52%
Total Retail Lines	528,633	147,832	132,107	-11%	-75%	48,517	15,107	14,036	-7%	-69%

*Consolidated Communications of Maine Company includes the former Consolidated ILECs: China Telephone, Northland Telephone Co., Community Service Telephone Co., Sidney Telephone Co. Maine Telephone Co., and Standish Telephone Co.

KEY EVENTS

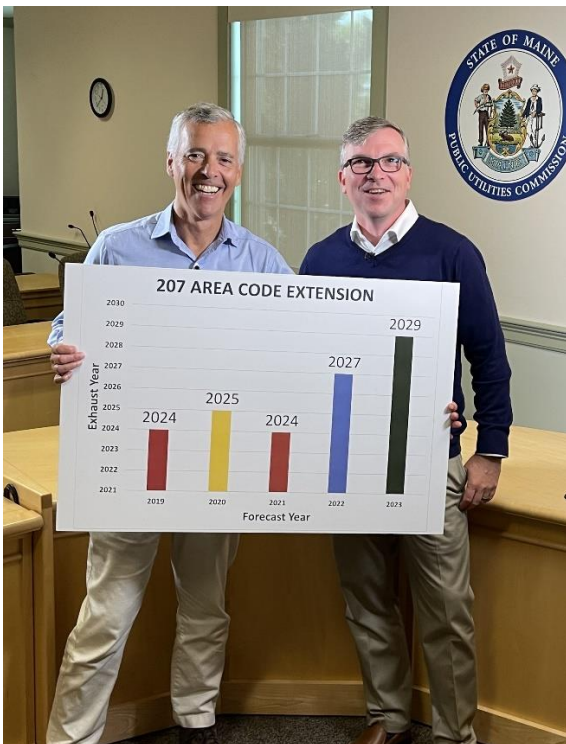
207 Area Code Exhaustion

The life of Maine's single area code was extended another three and a half years to September 2032, according to a semi-annual review by the North American Numbering Plan Administrator (NANPA).

While only about 38 percent of telephone numbering resources are currently in use, the 207 Area Code has been in danger due to the way numbers have been distributed to providers.

The Commission has been monitoring the status of the 207 area code closely for several years as the number of service providers in Maine has been increasing significantly along with the volume of numbering requests. In January 2021, the predicted exhaust date was 2025. In April 2023, the predicted date when Maine would need to implement a second area code was early 2029. In October 2023, the Commission announced it had been extended to 2032, a total of more than seven additional years.

Maine is one of only 11 states that still has only one area code, but the entire country is impacted by limited numbering resources and the entire North American Numbering system could run out of area codes by 2051. Should that happen, current phone systems that utilize the standard 10-digit telephone number would need to be re-programmed to a 12-digit number, which could cost up to \$270 billion by some FCC estimates. By taking innovative steps to preserve the 207 area code, Maine is leading the way in reforming numbering practices nationwide.



Michael Johnson, PUC Utility Analyst in the Water and Telecommunications Division was featured on the 20th anniversary edition of the 207 Show with Rob Caldwell on the efforts to preserve Maine's single 207 area code.

Amendments to Chapter 880 Rule Regarding Pole Attachments

Having completed four phases of its modernization of Maine’s pole attachment rules (terms and conditions, rates, one-touch make-ready, pole ownership and administration), the Commission issued a Notice of Rulemaking in Docket No. 2023-00058 in March 2023 initiating a rulemaking to amend Chapter 880 to require participation by pole attachers in any pole management database implemented by the owners of the majority of joint-use utility poles in Maine.

In addition, the Commission proposed to amend Chapter 880 to implement the provisions of a waiver that corrected an error in portions of Chapter 880, § 2(A)(14)(a) that prescribe the order in which attaching entities must move attachments from a replaced joint-use utility pole to a new pole. On September 12, 2023, the Commission approved the amendments.

Maine Telecommunications Education Access Fund (MTEAF)

The Commission administers the MTEAF, which provides funding that allows Networkmaine (an entity within the University of Maine System) to operate the Maine School and Library Network (MSLN). The MSLN provides qualified schools and libraries in the State high-speed Internet access, content databases, search capabilities, content filtering, and training. The MTEAF collects funds from voice network service providers operating in the State. In 2023, the Commission approved the amount of up to \$4,097,837 from the MTEAF’s 2023/24 fiscal year budget.

Maine Universal Service Fund

Pursuant to 35-A M.R.S. §7104 and Chapter 288, the Commission administers the Maine Universal Service Fund (MUSF), which supports universal service and reasonable rates. The MUSF distributes approximately \$7.4 million annually to ensure that POLR service is available in all areas of the State at reasonable rates by providing support from the MUSF to eligible providers.

The MUSF also provides support for the Telecommunications Relay Services (TRS), Communications Equipment Fund (CEF), Blind and Visually Impaired News Access Fund, and the Public Interest Payphone (PIP) program.

TRS allows deaf, hard-of-hearing and speech impaired persons to place and receive voice telephone calls with the assistance of a third-party intermediary. The Commission, by statute, must establish funding support for these services, including related outreach programs, within the MUSF² to ensure the affordability of TRS throughout the State.

The TRS Advisory Council (Council) implements the Maine TRS program as certified by the FCC. The Council submits an annual budget of projected costs to the Commission, not to exceed \$600,000, and the Commission transfers the funds quarterly to the Council fund. In 2023, the Commission transferred \$435,096 from the MUSF to the Council as requested. The Council is also required to submit an annual report to the Commission by December 1.

² 35-A M.R.S. § 7104(7)

Title 35-A M.R.S § 7104(5) requires the Commission to transfer \$85,000 annually from the MUSF to the CEF, which is administered by the Bureau of Rehabilitation Services within the Department of Labor (the Bureau). The CEF is used by the Division of Deaf, Hard of Hearing and Late Deafened within the Bureau to purchase, lease, distribute, upgrade, install, maintain, repair, administer, and train on the use of specialized customer communications equipment for deaf, hard of hearing, late deafened or speech impaired persons and persons with disabilities. In addition, the Bureau has requested and received an additional \$100,000 for the last 13 years for the CEF because it did not receive adequate funds from federal or other sources.

In 2019, the Maine Legislature established the Blind and Visually Impaired News Access Fund pursuant to 35-A M.R.S. §7104(9) within the Maine State Library for access to a news service provided by a national federation for blind and visually impaired persons. The Commission is required to annually transfer \$40,000 from the MUSF to this program.

The Commission oversees the installation of Public Interest Payphone (PIP) sites across Maine. A new PIP in Jackman, Maine was approved June 27, 2023, but has not yet been put into service. On December 19, 2023, the Mahoosuc Land Trust requested a PIP in Bethel, Maine. The Commission has initiated a review of the request. The annual cost of the PIP program, which currently includes 33 PIPs, is approximately \$28,000 and is funded by the Maine Universal Service Fund (MUSF).³

Lifeline

The federal Lifeline program provides a monthly benefit to reduce or eliminate the cost of a monthly phone or Internet bill for those who qualify. One benefit is available per household and may be applied to either phone or Internet service. To participate, consumers must have an income at or below 135% of the federal poverty guidelines, or must participate in a qualifying state, federal or tribal assistance program.

Telephone Exemptions

In accordance with statutory changes enacted by the 125th Maine Legislature, the Commission may grant exemptions from certain portions of Title 35-A to POLR service providers. The Commission received no requests for exemptions from POLR service providers in 2023.⁴

³ The Commission is required to report on this information pursuant to 35-A M.R.S. § 7508(4).

⁴ The Commission is required to report on this information pursuant to 35-A M.R.S. § 120(5).

5. ELECTRIC

In addition to reporting on the electric industry, this section includes the Commission's Reports on Electric Restructuring required pursuant to 35-A M.R.S. § 3217, Electric Incentive Ratemaking required pursuant to 35-A M.R.S. § 3195(5) and Smart Grid Infrastructure pursuant to 35-A M.R.S. § 3143.

THE ELECTRIC INDUSTRY IN MAINE

There are two components of electricity service in Maine: **delivery** and **supply**. Delivery includes transmission, distribution, and customer-related items such as metering and billing. Delivery also encompasses high-voltage transmission and lower-voltage distribution systems, including the construction, operation, and maintenance of those facilities.

Supply includes the production and provision of electric energy and capacity. Supply is not considered a monopoly service and is provided by various entities operating in regional and state wholesale and retail markets with less regulation and oversight.

There are approximately 268 licensed Competitive Electricity Providers (CEPs) that supply about 46% of Maine's retail electricity. The remaining supply is provided by the suppliers selected by the Commission to provide default or "standard offer" service.

Transmission and Distribution (T&D) rates have three components: **transmission**, **distribution**, and **stranded costs**.

Transmission rates cover the cost of constructing and operating the transmission system in Maine, as well as costs allocated to Maine for regional pool transmission facilities (PTF), which are the high voltage transmission lines that serve as the backbone of the New England system. Transmission rates are regulated by the Federal Energy Regulatory Commission (FERC) and have increased significantly over the last 10 years for both CMP and Versant. For CMP and Versant's Bangor-Hydro District, these increases are due largely to major transmission system upgrades throughout New England. Under the ISO-NE tariff, costs of PTF projects in New England are shared among all New England states in proportion to load, so that Maine customers pay 8%-9% of the cost of regional PTF projects regardless of where they are physically located. As a result of recent changes to the regional transmission tariff, beginning in 2023, CMP's and Versant Bangor Hydro District's transmission rates change on January 1 each year instead of July 1. Versant Maine Public District is not affected by the regional tariff change and will continue to change on July 1.

Distribution rates cover costs incurred by the T&D utility to construct and operate the local distribution system, as well as costs for customer-related activities such as metering and billing. Stranded costs include the few remaining net above-market costs for generation obligations that utilities incurred prior to industry restructuring, including expenses associated with prior nuclear power arrangements.

Stranded costs also include more recent net costs from newer contracts authorized pursuant to specific statutory provisions, such as the Long-term Contracting Statute (35-A M.R.S. § 3210-

C), the Community-based Renewable Energy Pilot Program statute (35-A M.R.S. § 3601-3609), the Renewable Portfolio Standard statute (35-A M.R.S. § 3210-G), and Net Energy Billing Program costs. Stranded costs for CMP and Versant residential customers increased in July of 2023 due primarily to Maine's two Net Energy Billing (NEB) programs. CMP residential customers saw an increase of \$8.90 per month. Versant's Bangor Hydro District residential customers saw an increase of \$12.97 per month, and Versant's Maine Public District residential customers saw an increase of \$7.91 per month.

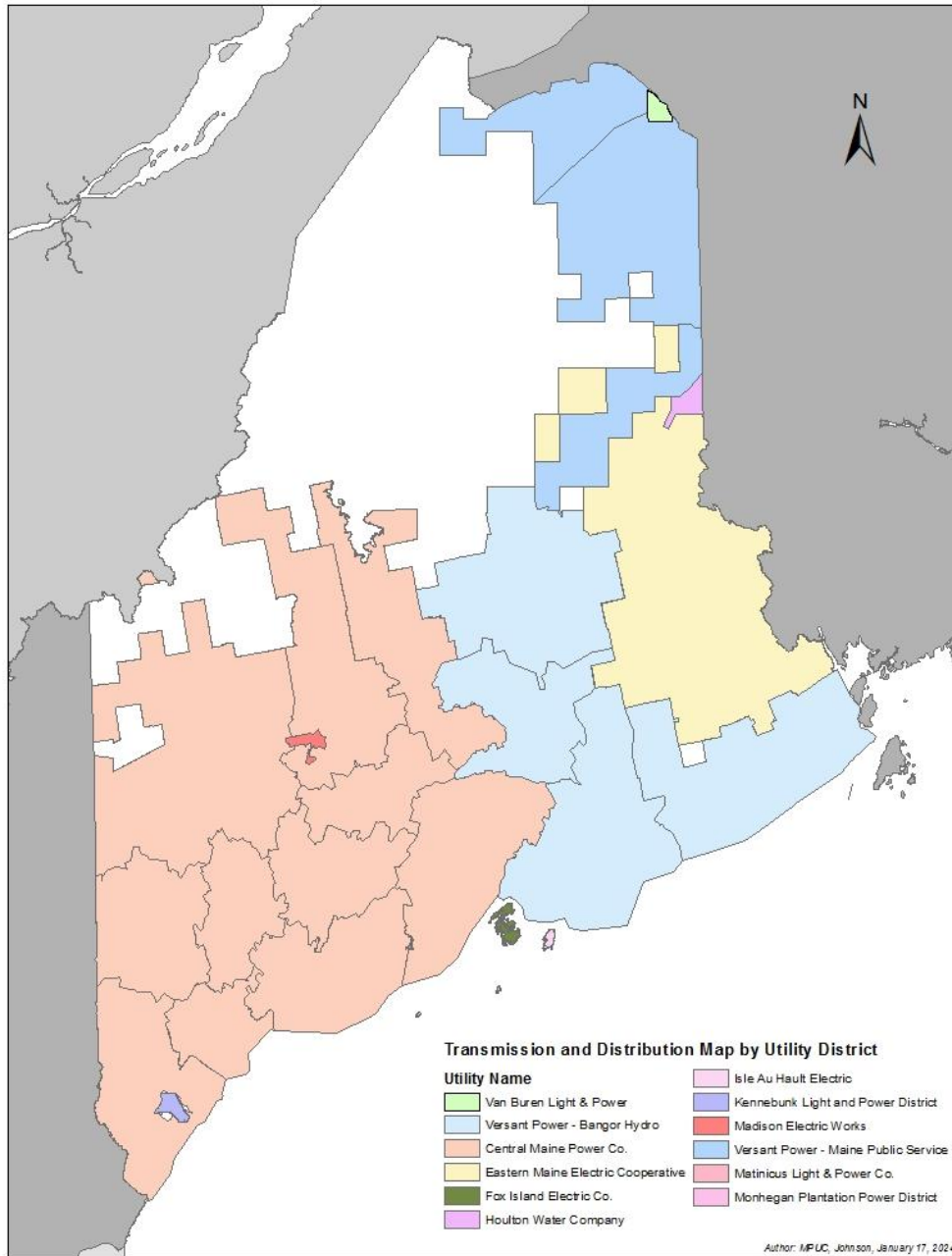
Most of Maine is part of the regional bulk power and wholesale market systems that are operated and administered by the New England Independent System Operator (ISO-NE). The exception to this is northern Maine, which is not directly interconnected with the ISO-NE system. Northern Maine is interconnected to the New Brunswick Power system, and has its own system administrator, the Northern Maine Independent System Administrator (NMISA).

Electricity use by Maine consumers is currently about 12 million megawatt hours (MWh) per year, with a peak demand of about 2,000 MW. The total nameplate generation capacity of in-state plants is in the range of 5,292 MW. These plants operate in response to the ISO New England's dispatch instructions which at times may require them to operate at full output and at other times, to not operate at all.

The Commission regulates the operations and distribution rates of the Maine T&D utilities, except for transmission rates, which are regulated by the FERC. The Commission licenses retail electricity suppliers and marketers, and generally oversees the Maine retail market. The Commission also administers competitive procurement processes for standard offer service and administers other power supply procurement processes pursuant to specific statutory direction and authority. Finally, the Commission monitors regional wholesale markets and bulk power and transmission systems, including the ISO-NE and NMISA systems, and advocates for Maine consumers in regional forums and before the FERC.

There are 12 T&D utilities in Maine: two investor-owned utilities (IOUs) and ten consumer-owned utilities (COUs). The IOUs, CMP and Versant Power, serve about 95% of the total state load. Figure 1 below shows the geographic areas each utility serves.

Figure 1 – T&D Service Areas



MARKET TRENDS AND CONSUMER PRICES

Wholesale Electricity Market

Wholesale electricity market costs to Maine consumers for the period December 2022 to November 2023 were \$607,299,904. This is approximately a 43% decrease from the \$1,067,263,891 market costs the year prior. Between the two periods, wholesale energy costs decreased 46% and capacity costs decreased by 3%. The decreased electricity costs were a result of energy prices declining from 2022 prices that were driven by the highest natural gas costs the region has experienced since 2014.

Retail Supply Prices and Standard Offer Procurement

In November 2023, the Commission accepted bids and set new Standard Offer electricity supply rates for residential and business customers of CMP and Versant Power effective January 1, 2024. The bidding process this year for CMP and Versant's residential and small non-residential class customers was conducted on two separate days, three weeks apart, to mitigate potential market risks associated with single day pricing.

Residential customers of CMP who receive standard offer service will see a decrease of about \$32 a month; residential customers of Versant Power, Bangor Hydro District will see a decrease of about \$23 a month; and for Versant's Maine Public District, a decrease of about \$18 a month.

The new Standard Offer supply rates were set through a competitive bid process conducted by the Commission, as required by Maine law. The decreases reflect prevailing energy market conditions, including those in the regional electric power market in which prices are strongly influenced by natural gas as noted above. Maine's supply prices are lower than other New England states, as shown in table 2 below.

Table 2: New England Investor-Owned Utility Fixed Residential Supply Rates 12-21-2023

State	Average Price	Lowest Price	Highest Price
Maine	10.961	10.763	11.285
Connecticut	15.888	14.714	17.063
Massachusetts	18.129	15.845	21.206
New Hampshire	12.817	12.582	13.257
Rhode Island	16.525*		
Vermont	18.989*		
New England	15.081	10.763	21.206

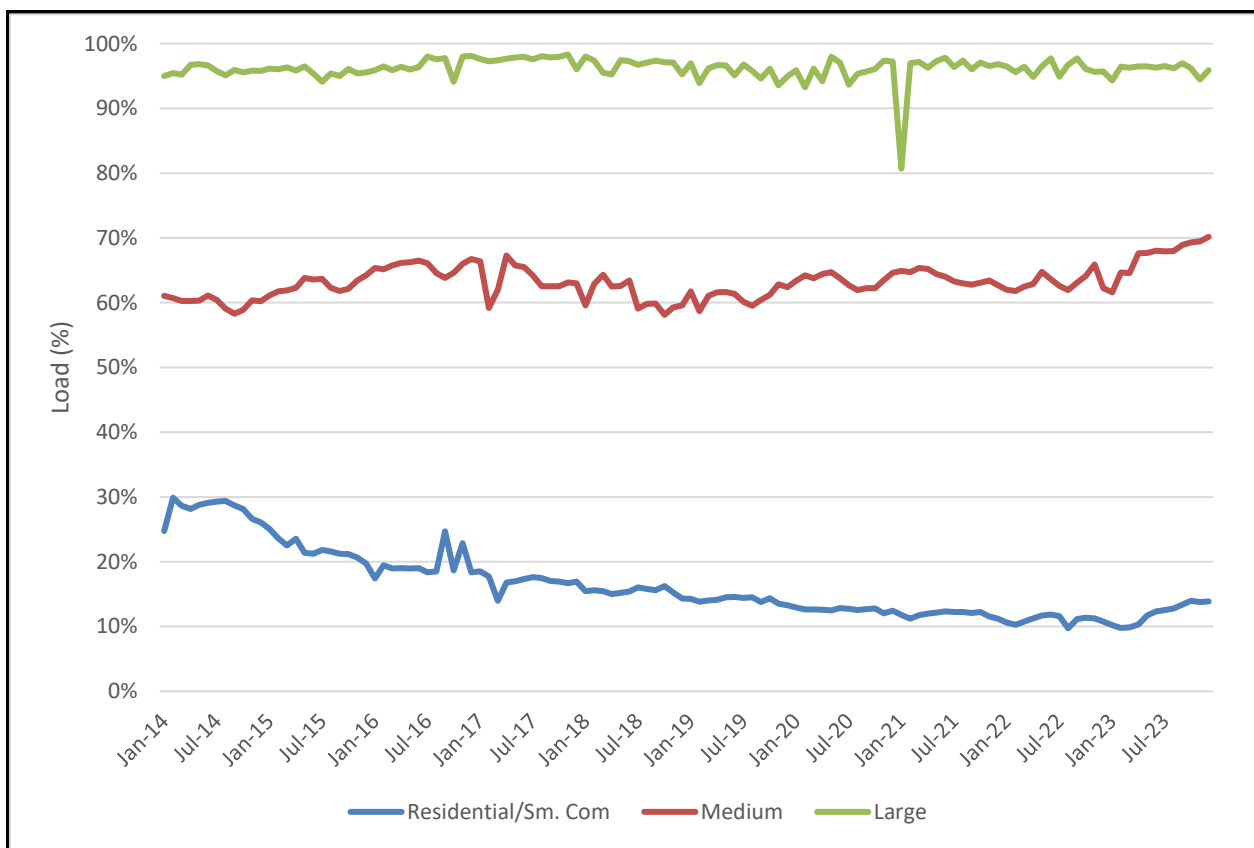
*Note: Rhode Island and Vermont have only one investor-owned utility and therefore the average price is the price of that single utility.

These supply decreases apply to customers who do not purchase electricity from a competitive supplier of their choosing and instead receive Standard Offer Electricity Supply by default.

Retail Supply Market Activity

Since March 2000, consumers in Maine have had the option of selecting their electricity supply products and suppliers. For many years there was a robust market throughout most of Maine for medium and large commercial and industrial (C&I) customers, but virtually none for residential and small commercial customers. Beginning in 2012, however, the percentage of residential and small commercial customers served by a CEP increased significantly, peaking at 35% in mid-2013. Since that time, the amount of residential and small commercial supply served by CEPs has declined gradually to its current level of about 14%. Chart 1 below shows the migration patterns by sector. In short, most large businesses use a CEP, while most residential and small business customers utilize standard offer for their electricity supply.

Chart 1 – Load Served by Competitive Electric Providers, Jan. 2014 – July 2023



In 2023 retail competition remained weak in northern Maine due to its electrical isolation from a functional wholesale market. This isolation has hindered the retail market from developing in this part of the state since retail access began in 2000.

Utility Delivery Service Rates

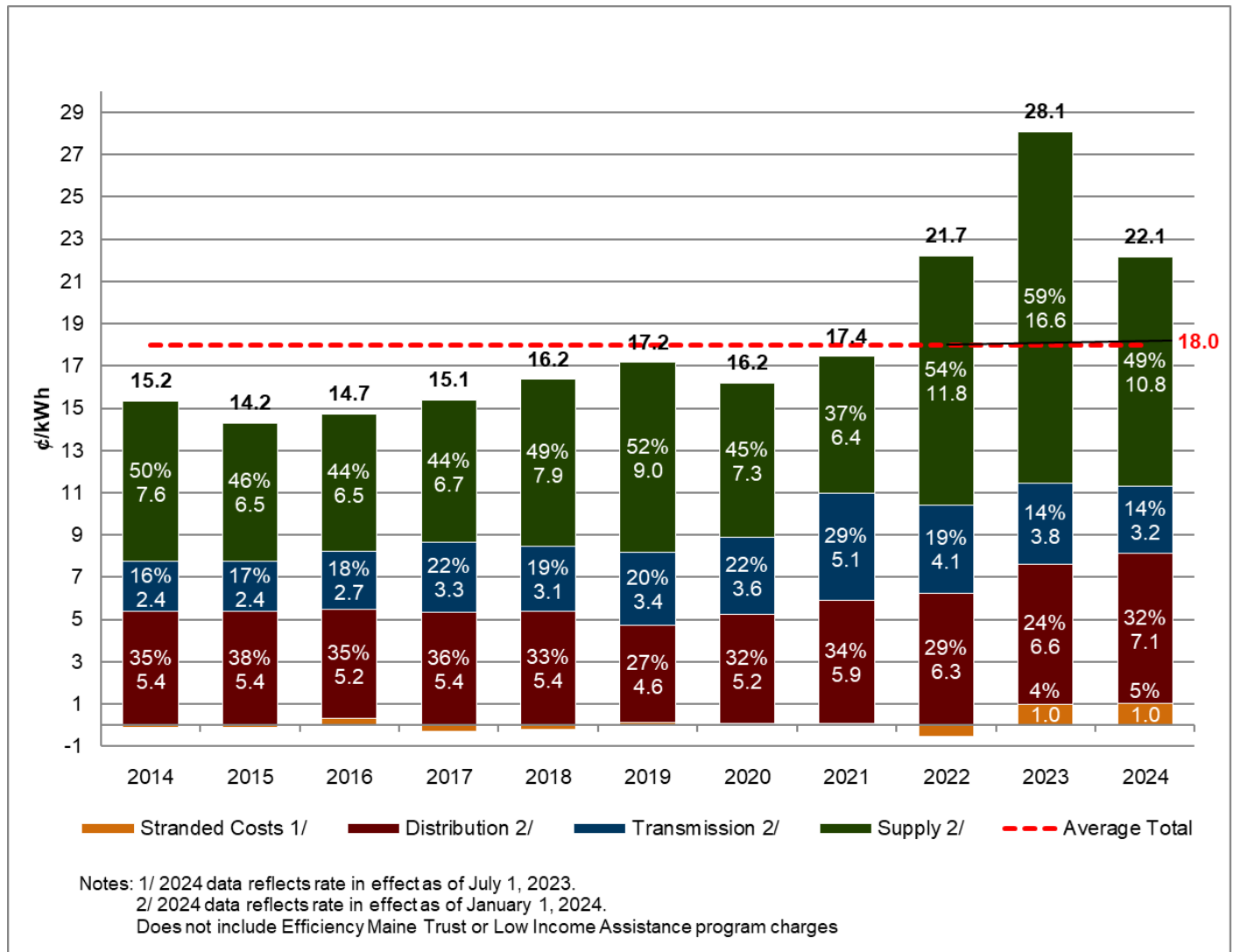
Delivery service rates include distribution, transmission, stranded cost, and Efficiency Maine Trust assessment components. Current retail rates for Maine residential consumers for all electric utilities in Maine are summarized in Table 3 below.

Table 3 – Residential Electricity Rates

RESIDENTIAL ELECTRICITY RATES IN MAINE¹							
	% of State Residential Load	kWh	Delivery Rate			Standard Offer Rate ¢/kWh	Total Rate ¢/kWh
			T&D ¢/kWh	Stranded Cost ¢/kWh	Total Delivery ¢/kWh		
INVESTOR-OWNED UTILITIES							
Central Maine Power	78.9%	4,007,383,000	10.7	1.0	11.8	10.8	22.6 ¢/kWh
Versant Power - BHD	13.4%	682,868,000	14.3	2.2	16.5	10.8	27.3 ¢/kWh
Versant Power - MPD	4.0%	200,676,000	12.2	1.5	13.7	11.3	25.0 ¢/kWh
COOPERATIVES & MUNICIPAL-OWNED UTILITIES							
Brunswick Landing	0.0%	674,975	13.0	N/A	13.0	6.6	19.5 ¢/kWh
Eastern Maine Electric Cooperative	1.2%	62,698,548	10.4	N/A	10.4	5.9	16.3 ¢/kWh
Houlton	0.7%	33,699,257	4.9	N/A	4.9	6.2	11.1 ¢/kWh
Van Buren	0.2%	7,939,551	5.9	N/A	5.9	6.2	12.1 ¢/kWh
Kennebunk Light & Power	1.1%	54,995,991	2.9	N/A	2.9	10.0	12.9 ¢/kWh
Madison Electric Works	0.4%	19,376,280	3.9	N/A	3.9	11.3	15.3 ¢/kWh
Matinicus	0.0%	192,818	Exempt from Standard Offer requirements				51.4 ¢/kWh
Monhegan	0.0%	389,713	Exempt from Standard Offer requirements				74.9 ¢/kWh
Fox Island	0.1%	7,112,501	20.8	N/A	20.8	18.2	39.0 ¢/kWh
Isle au Haut	0.0%	182,040	19.4	N/A	19.4	31.5	50.8 ¢/kWh
STATE AVERAGE	100.0%	5,078,188,674					23.0 ¢/kWh
<p><small>1. Central Maine Power, Versant Power - Bangor Hydro District and Versant Power - Maine Public District information based on residential rates in effect as of 1/2024. Consumer-owned utilities' information based on 2022 annual reports, page 50 (filed in 2023). Rate components not readily available for some consumer-owned utilities.</small></p>							

Chart 2 provides a year-by-year price comparison by component for CMP residential customers. Distribution rates have been trending upward in recent years. Transmission rates have continued to decline since the peak in 2021. The percentage figures are the proportion of the component as compared to the total price. For example, in 2024 the 10.8 cents/kWh electricity supply component represents 49% of the total price.

Chart 2 – CMP Historical Prices by Component



MAJOR CASES, ISSUES AND PROCEEDINGS

CMP Distribution Rate Case

In August 2022, Central Maine Power Company submitted a general rate case filing consistent with the provisions of Chapter 120 of the Commission’s Rules. In its filing CMP requested a \$98 million increase to its distribution revenue requirement, citing the need to build a smarter,

stronger, and more resilient grid to serve its customers; advance Maine's clean energy policy; and provide predictability over time in rates.

The Commission approved a settlement in the case in June 2023 submitted by CMP and signed by the Office of the Public Advocate, AARP Maine, Competitive Energy Services, Efficiency Maine Trust, Walmart Inc., IBEW Local #1837, The Industrial Energy Consumers Group (IECG), and others. The settlement was significantly lower than the original amount requested.

The new rates will be implemented in four phases over a two-year period to mitigate the impact on customers. Total bill increases amount to about 1%, or \$1.25/month, with the first increase effective July 1, 2023, and subsequent increases on January 1, 2024, July 1, 2024, and January 1, 2025, for a total of about \$5 monthly over the two-year period for an average residential customer. These increases are estimates based on current rates and will be impacted by additional rate changes occurring over the course of the two-year implementation period.

The new rates include funding for grid reliability improvements, clean energy investments, and hardening the system against storm damage. They system reliability improvements are paired with performance metrics, known as Service Quality Indices (SQIs), related to frequency and duration of outages, call answering metrics, billing accuracy and the effectiveness of a new automation program.

For any SQI where CMP does not meet the metric for a particular year, the company could pay a penalty of up to \$8.8 million annually.

Versant Power Distribution Rate Case

In October 2022, Versant Power submitted a general rate case filing consistent with the provisions of Chapter 120 of the Commission's Rules. In its filing, Versant requested an increase of \$33.5 million to its distribution revenue requirement, necessitating a rate increase of approximately 31.47%.

Public hearings were held in the spring of 2023. In May 2023, the Commission approved a stipulation in the case submitted by Versant and signed by the Office of the Public Advocate, AARP Maine, Efficiency Maine Trust, the Aroostook Energy Association, and Walmart Inc. The settlement resulted in a rate increase less than the amount originally requested.

The new rates will be implemented in two phases to mitigate the impact on customers, with about half beginning July 1, 2023, and half January 1, 2024. This amounted to an increase of approximately 14% in the distribution rate in July 2023 and another 12.5% in January 2024. For the average residential customer, this equates to about \$5 per month in July and an additional \$5 per month in January 2024.

The new rate includes funding for infrastructure investments, smart meter upgrades, and inflation. It also includes system reliability improvements with stringent penalties holding Versant accountable for missing new, stricter Service Quality Indices (SQIs) related to

frequency and duration of outages, call answering metrics, billing accuracy and timeliness of fulfilling field service requests.

For any SQI where Versant does not meet the metric for a particular year, Versant will pay a penalty based on the percentage by which the performance deviates from the benchmark. Penalties of up to \$3 million would be paid back to customers through stranded costs.

Central Maine Power Company (CMP) Annual Compliance Filing

Each year, CMP makes its Annual Compliance Filing where the company requests recovery of certain costs, including storm recovery costs, to be included in distribution rates. CMP made this filing in March 2023. CMP's proposal included an extended period for recovery of certain 2022 storm costs in an effort to smooth the rate impact.

Following CMP's filing, the Office of the Public Advocate (OPA) expressed concern over the scope of CMP's storm costs and proposed omitting some of the costs. The Hearing Examiners ordered the OPA to make a filing in the case outlining their concerns with the storm costs.

In June 2023, the Commission approved a stipulation by CMP and the OPA in which the parties agreed that CMP's incremental storm costs would be the subject of an ongoing adjudicatory proceeding for the Commission to determine whether the incremental storm costs were prudently incurred. Any adjustment to the amount of incremental storm costs allowed in rates will be incorporated into a future CMP Annual Compliance Filing, or as otherwise ordered by the Commission. In September 2023 the OPA filed testimony contesting over \$50 million of these costs. Public Witness hearings were held in December 2023. This case is expected to be deliberated in May 2024 and, if approved, any rate changes would go into effect in July.

Stranded Costs

In June 2023, the Commission approved recovery of stranded costs for Maine's two investor-owned electric utilities. Stranded costs include the impacts of long-term contracts for renewable power as well as the net energy billing programs created by the Legislature to facilitate the transition to renewable power. These programs are primarily made up of residential and community solar projects with above-market costs that are a contributing factor to the rate increases below.

The new stranded cost rates went into effect July 1, 2023, and impacted the total bill for an average residential customer as follows:

Monthly Bill Impact	CMP	Versant Bangor Hydro District	Versant Maine Public District
Stranded Cost Increase per month	\$8.90	\$12.97	\$7.91
Total Bill Increase Per Month	5.8%	9.3%	6.5%
Total Stranded Costs per month July 1, 2023	\$5.95	\$8.77	\$5.47
Second Phase Increase 1/1/24		\$2.10	\$2.03

Service Quality Standards

In July 2022, the Commission adopted amendments to the Electric Transmission and Distribution Utility Service Standards Rule (Ch. 320) which include substantial modifications to the existing rule intended to measure utility performance with respect to power outage frequency and duration, storm restoration, call-center responsiveness, billing errors and customer satisfaction as a means of motivating improvement in these critical areas. The amended rule also requires the utilities to annually report to customers and to the Commission concerning these performance metrics via a report card.

In July 2023, CMP, Versant, and the OPA submitted a stipulation to settle outstanding matters in this case, which among other things, approved the methodology and reporting obligations for customer contact surveys to gauge customer satisfaction. The stipulation was approved in August and modified in November 2023.

Grid Planning Proceeding

In September 2022, the Commission initiated an Inquiry to obtain input from stakeholders on the process to identify priorities to be addressed in a filing by investor-owned electric transmission and distribution utilities regarding a grid plan and how best to encourage participation, especially by those stakeholders who do not frequently participate in Commission proceedings. The inquiry was directed by the Legislature through An Act Regarding Utility Accountability and Grid Planning for Maine’s Clean Energy Future, Public Law 2022, ch. 702.

The Commission conducted stakeholder workshops throughout 2023. About 100 participants receive notifications and about 50 participants, including Commission staff, attend stakeholder workshops. Staff has prepared memorandums related to the potential future stakeholder engagement process and priorities. Stakeholder workshops are scheduled throughout January 2024 to discuss these documents and stakeholders have until January 31 to comment.

Northern Maine Renewable Energy and Transmission Project RFP

During its 2021 session, the Legislature enacted an Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine, P.L. 2021, Chapter 380 (Act). The purpose of the Act is to "remove obstacles to the use of and to promote development of the substantial renewable energy resources in northern Maine." The Act directs the Commission to approve a contract or contracts for selected transmission line and generation proposals.

In 2022, The Commission selected two projects for the development of a 345 kilovolt (kV) transmission line to connect renewable energy resources located in northern Maine with the New England grid and a renewable energy generation project to transmit power across that transmission line.

LS Power was selected for its transmission project at an estimated ratepayer cost of \$2.78 billion and Longroad Energy's King Pine 1,000 MW wind generation project was chosen resulting in estimated ratepayer savings of \$1.08 billion. Together, the net ratepayer cost of the two projects was a projected \$1.7 billion over a 30-year period.

Commission staff worked with LS Power, Longroad Energy, Central Maine Power, Versant Power, and Massachusetts partners in the negotiation of a Transmission Service Agreement (TSA) and a Power Purchase Agreement to implement the Northern Maine Renewable Energy Development Program. In November 2023, LS Power notified the Commission it was not able to hold to the fixed price approved in the term sheet. In December 2023, the Commission terminated the procurement, noting that pursuant to 35-A M.R.S. § 3210-I, it has the authority to initiate a new procurement, which we, as a Commission, intend to do. In the meantime, the Commission will consider what changes, if any, might be made to the procurement process to increase the likelihood of success in implementing the Northern Maine Renewable Energy Development Program.

Electricity Maine Investigation

In February 2023, the Commission opened a formal investigation of Electricity Maine LLC, a licensed competitive electricity provider (CEP) in Maine, at the request of the Commission's Consumer Assistance and Safety Division (CASD) after the CASD received more than 170 complaints from customers regarding their terms of service. Many of the concerns related to the expiration of fixed rate terms of service and the conversion of the fixed rate into a higher, monthly, variable rate. The Commission is investigating whether Electricity Maine is in full compliance with all applicable statutory and regulatory requirements. The Hearing Examiners and the Parties in the case continue to meet and are discussing potential settlement options in the case.

BENEFICIAL ELECTRIFICATION

During its 2023 first special session, the Legislature enacted An Act to Enact the Beneficial Electrification Policy Act (P.L. 2023, chapter 328) (Act). The Act, among other things, directs the Commission to conduct a study on how to cost-effectively provide consumer financing of beneficial electrification. In the fall of 2023, the Commission issued an RFP and entered into a contract with a consultant to evaluate and report on how to cost-effectively provide consumer financing of beneficial electrification products, including products for energy efficiency, home or

business energy storage, electric vehicle charging equipment and other distributed energy products through methods including, but not limited to, on-bill financing by standard-offer service providers or competitive electricity providers. The Commission's consultant is in the process of conducting its analysis and a report of the findings will be delivered to the Joint Standing Committee on Energy, Utilities and Technology. The report is anticipated in the spring of 2024.

The committee may report out a bill during the Second Regular Session of the 131st Legislature concerning the subject matter of the report.

REGIONAL MATTERS

Maine electric customers indirectly participate in the regional power market in order to receive access to the bulk power system. ISO New England (ISO-NE) operates the wholesale power markets, as well as provides access to transmission lines for Maine based customers and generators. The New England Power Pool (NEPOOL) are the market participants whose tariff governs the markets and the access to the transmission system. The Federal Energy Regulatory Commission (FERC) is the federal agency that regulates both NEPOOL and ISO-NE.

The Commission participates in electricity-related regional and national matters in five ways: No additional staff resources are needed to complete this work.

1. The Commission participates directly in electricity market rule development and transmission system and reliability planning at stakeholder meetings of NEPOOL and ISO-NE.
2. The Commission may join other state commissions in participating in federal advocacy, through the National Association of Regulatory Utility Commissioners (NARUC) or the New England Conference of Public Utility Commissioners (NECPUC).
3. The Commission Chair currently represents Maine on the New England States Committee on Electricity (NESCOE), established by FERC to advise and advocate on behalf of the six New England states on NEPOOL issues.
4. Individual commissioners participate in regional and national activities (such as the Regional Greenhouse Gas Initiative) and various committees of NARUC that may have an impact on utilities or utility customers in Maine. The Chair serves on the RGGI Board of Directors and its Executive Committee.
5. Finally, in addition to joining NECPUC and NESCOE filings, when deemed necessary, the Commission directly participates as a party in proceedings at the FERC.

Summarized below are the major regional matters that the Commission was involved in during 2023. The overwhelming focus of the region is transitioning to the grid of the future (2050).

THE FUTURE GRID

The electrification of the heating and the transportation sectors combined with the rapid commercialization of renewable generation are spurring a national transformation of the electric power industry. In 2023, FERC has issued several groundbreaking orders applicable to the regional power systems to achieve this transformation. The Commission monitors the implementation of these FERC orders through tariff changes at NEPOOL and operational system changes at ISO-NE.

In New England, Maine's Governor joined four other New England governors in 2020 calling for a revised partnership with ISO-New England to help advance State policies. The Governors' Statement is available at: (http://nescoe.com/wp-content/uploads/2020/10/Electricity_System_Reform_GovStatement_14Oct2020.pdf).

The Governors' statement was followed closely by a more detailed "Vision Statement" by NESCOE, calling for significant changes in three core segments of New England's energy system: Wholesale Electricity Market Design, Transmission System Planning, and ISO-NE Governance.

Read the Vision Statement at this link: (<https://nescoe.com/resource-center/vision-stmt-oct2020/#:~:text=October%202020%20%E2%80%93%20The%20New%20England,system%3A%20Wholesale%20Electricity%20Market%20Design>).

Throughout 2023, the Commission, along with other states, ISO-NE, and the NEPOOL Stakeholders have embarked on the largest and most complex reforms to the regional rules and ISO-NE planning tools necessary to implement the objectives of the Vision Statement. Major market rule reforms, several years in the making, to better accommodate changing energy needs are well underway. These rule reforms are highly consultative and typically include at least three stakeholder meetings per month.

There are four major rule reforms underway. The first is capacity accreditation which seeks to provide better targeted economic incentives to generators based on the future reliability needs of our changing electricity grid. The reform is described here. <https://www.iso-ne.com/committees/key-projects/resource-capacity-accreditation-in-the-fcm>

The second major rule reform is providing economic opportunity for our ratepayers if they reduce their electric demand during high demand periods. Maine is well poised to unlock this economic value through our investment in "smart meters". The Commission has been a leader in this effort through both NECPUC and direct filings with FERC. The reform is described here. <https://www.iso-ne.com/committees/key-projects/order-no-2222-key-project/>

The third major rule reform is extended transmission planning to address future changes to the grid. A major goal of these rule reforms is to rationalize investments in the transmission system by creation of synergies of incremental investments in nearer term reliability projects to reduce future spending on future needs. The reform is described here. <https://www.iso-ne.com/committees/key-projects/extended-term-transmission-planning-key-project>

The fourth major rule reform is generator interconnections to the bulk power systems. As additional generation is installed at the distribution level, the cumulative effects of small power generators are increasingly triggering regional studies through clusters at ISO-NE. The consequence to local generators could be the delay in commercial operation as well as increased costs to mitigate their impacts to the regional system (in addition to costs to mitigate distribution level effects). The reform is described here <https://www.iso-ne.com/committees/key-projects/order-no-2023-key-project/>

The Commission is extensively involved in each of these rule reform efforts.

As noted in last year's report, Electric Power Research Institute (EPRI) examined the impacts of extreme weather on the New England grid. During 2023 the Commission participated extensively in the study design. The study identified the winter of 1961 as the most difficult set of conditions for operation of the regional system. This study is providing the framework for future studies to identify many aspects of the new grid, specifically around the effects of varying types of future uses of electricity, weather conditions, generator types, fuel availability, and the economic impact on our ratepayers. The Commission is very active in shaping the future use of this study as the basis for designing regional rates and identifying investments in physical assets.

ELECTRIC RESTRUCTURING ACTIVITY IN OTHER STATES

The Restructuring Act directs the Commission to report activities in other states associated with changes in the regulation of electric utilities. Fully implemented restructured markets remain primarily concentrated in the northeast and mid-Atlantic states. State-by-state data are provided at this link: http://www.eia.gov/electricity/policies/restructuring/restructure_elect.html

RENEWABLE PORTFOLIO STANDARD (RPS)

In 2023, a substantive change to the RPS was made when the legislature passed An Act to Amend the Portfolio Requirements for Class II Resources and Require Money Collected from Alternative Compliance Payments to Be Used for Financial Assistance to address historically high market prices for Class II renewable energy credits (RECs). The Act added an Alternative Compliance Mechanism (ACM) for Class II REC compliance and set a cap of \$10 on the alternative compliance payment (ACP) rate. Subsequently, the Commission conducted a rulemaking proceeding (Docket No. 2023-00225) which adopted a change to Chapter 311 to set the Class II ACP rate at \$5 per REC.

In-State Generation Resources

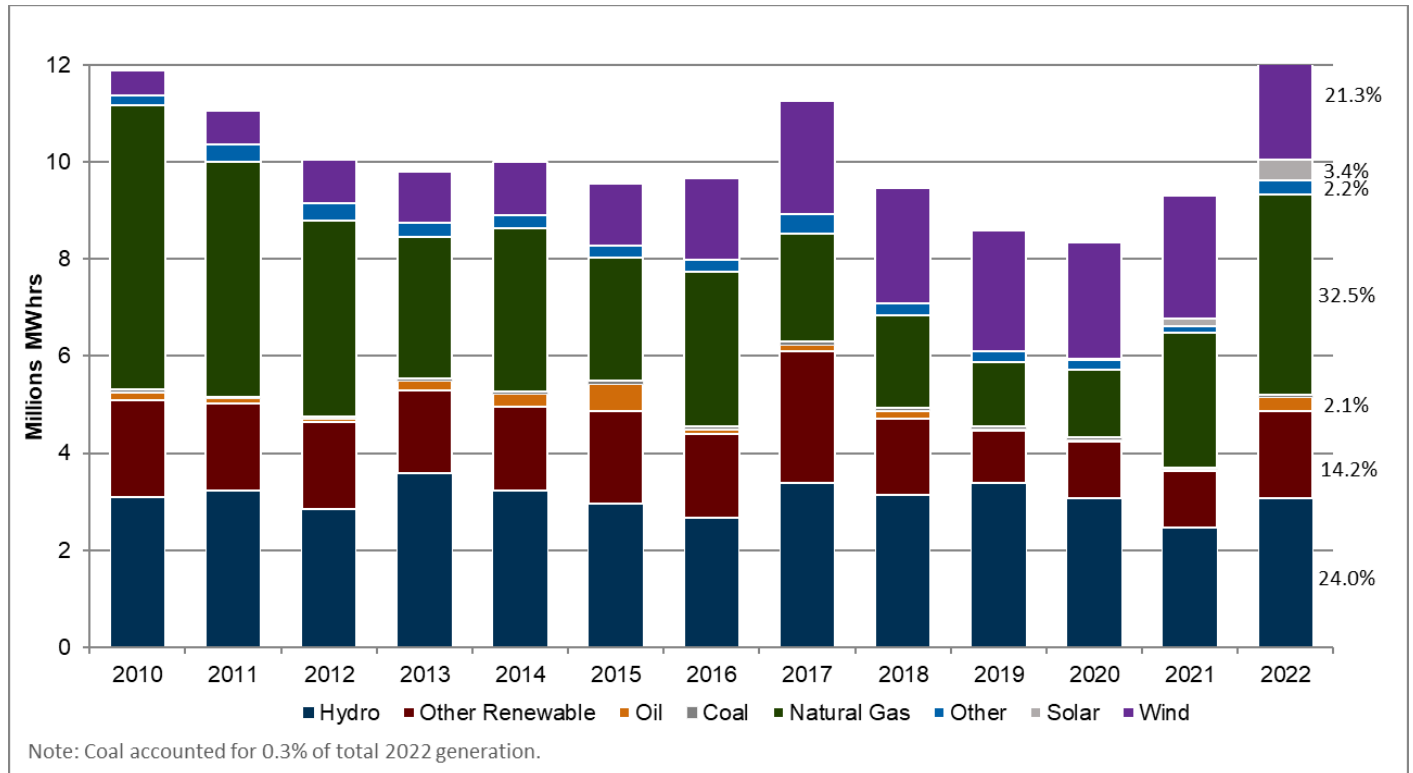
As of April 1, 2023, there are approximately 5,292 MW of nameplate generating capacity located in Maine (244 MW in NMISA). These plants operate in response to the ISO NE's dispatch instructions, which may require them to operate at full output or not at all. A complete list of generating plants in Maine is available at:

ISO-NE 2023 CELT Report: <https://www.iso-ne.com/system-planning/system-plans-studies/celt>

NMISA 18 Month Load and Capacity Assessment SCP 2023:
<https://www.nmisa.com/documents-2/>

The fuel sources of electricity produced in Maine in 2022 (the most recent EIA data available) are shown in Chart 3 below. About 63% of electricity produced in Maine in 2022 came from renewable resources.

Chart 3 – Electricity Generation in Maine by Fuel, in 2022



*Does not reflect behind-the meter generation.

EIA-923 Power Plant Operations Report: <https://www.eia.gov/electricity/data/state/>

RATE ADJUSTMENT MECHANISMS

The Commission is authorized by statute⁵ to adopt rate adjustment mechanisms, such as multi-year rate plans and the decoupling of utility profits from sales through revenue reconciliation. Significant developments must be included in the annual report.

As part of CMP’s rate case, the Stipulating Parties agreed to the continuation of CMP’s distribution revenue decoupling mechanism (RDM), subject to certain changes to how the RDM would be applied. The purpose of an RDM is to reduce the Company’s dependence on its actual kilowatt-hour sales and kW customer demand to collect its revenues. This reduces the exposure of the Company to risks associated with fluctuating electricity consumption and

⁵ 35-A M.R.S. § 3195

removes any potential disincentives for the Company to supporting energy efficiency efforts. The risks and benefits of the RDM flow to all ratepayers.

As part of Versant's last Distribution Rate Case, the Commission approved establishment of an RDM. Versant's first RDM adjustment filing was April 1, 2023 and resulted in approximately \$2 million being returned to customers beginning July 1, 2023.

6. NATURAL GAS

THE NATURAL GAS INDUSTRY IN MAINE

Natural gas service in Maine is comprised of delivery and supply service. Local delivery service is provided by Maine local distribution companies (LDCs) at rates and terms regulated by the Commission. Interstate pipeline companies provide transportation of natural gas from supply producing regions, such as Canada and the Marcellus Shale, at rates and terms regulated by the FERC. Natural gas supply is provided to some customers by an LDC and for others by non-utility suppliers or marketers. Business customers have the option of purchasing their gas supply from a non-LDC supplier or marketer.

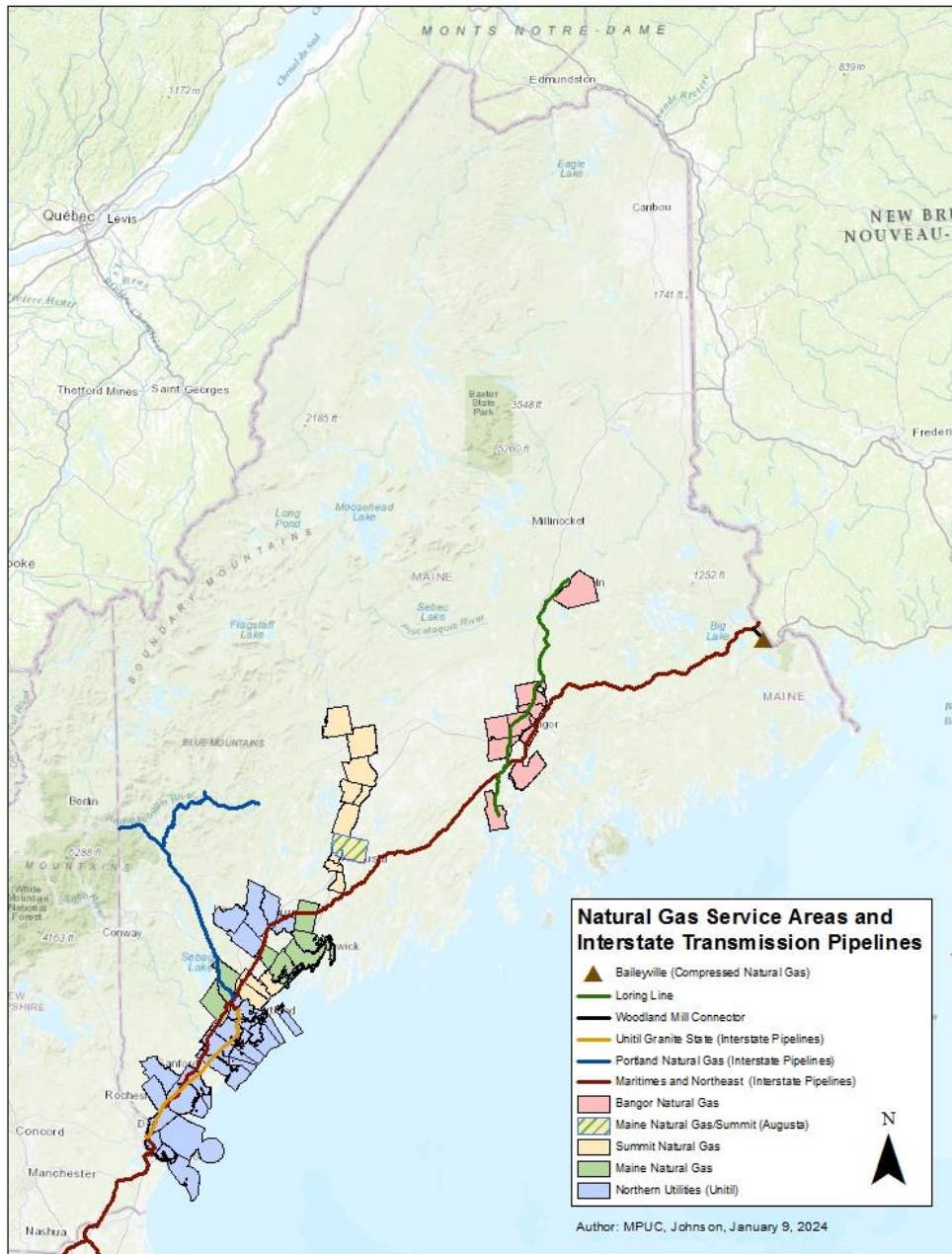
Prices for supply from the LDCs are set by Commission-approved cost-of-gas rates, which reflect the actual costs incurred by an LDC for natural gas as well as for upstream transportation and storage arrangements. The supply prices of non-utility suppliers and marketers are not regulated.

The Commission also regulates sales, acquisitions or mergers among corporations owning LDCs doing business in the State. In addition, the Commission oversees the safety aspects of LDC operations and facilities and certain propane facilities (See Section 7). Finally, in areas of the natural gas industry where federal agencies have jurisdiction over issues that affect Maine consumers, the Commission actively monitors federal proceedings and participates as warranted.

There are four natural gas LDCs authorized to provide service in Maine. Northern Utilities, Inc. d/b/a Unitil (Northern) serves customers in the south-central Maine area, primarily in greater Portland/South Portland/Westbrook, greater Lewiston/Auburn, Biddeford/Saco and Kittery. Maine Natural Gas Corporation serves customers in the Windham, Gorham, Brunswick, Freeport, Bath, Topsham and Augusta areas. Bangor Gas Company, LLC serves customers in the greater Bangor area. Summit Natural Gas of Maine (SNG-Maine or Summit) serves customers in the Kennebec Valley area as well as in the municipalities of Yarmouth, Cumberland, and Falmouth.

There are three FERC jurisdictional interstate pipelines with facilities located in Maine: Maritimes & Northeast Pipeline, Portland Natural Gas Transmission System (PNGTS), and Granite State Gas Transmission, an affiliate of Northern. Figure 2 below provides a map of the LDC service areas and interstate pipelines located in Maine.

Figure 2-Natural Gas Pipelines and LDC Service Areas



MARKET TRENDS AND CONSUMER PRICES

In past years, New England wholesale natural gas prices have been volatile and have deviated significantly from the rest of the country, particularly during cold winter weather. Fortunately, this year, natural gas prices have begun to decrease, but are still higher than they were several years ago.

Table 4 below provides the current average retail residential natural gas rates for each of the four Maine LDCs.

Table 4 –LDC Residential Rates

Local Distribution Company	Average Customers in 2022	2022 Rates (\$/dth)*		
		Distribution Rate	Cost of Gas Rate	Total Rate
Bangor Natural Gas Company	7,885	\$5.01	\$13.78	\$18.79
Maine Natural Gas Company	5,738	\$9.94	\$11.43	\$21.37
Summit Natural Gas	5,193	\$11.11	\$11.17	\$22.28
Northern Utilities	32,647	\$9.99	\$9.69	\$19.68

* From LDC Annual Reports filed with MPUC.

**Converted from MCF for MNG, Summit, BG and Therms for Northern. Not weather normalized.

MAJOR CASES, ISSUES AND PROCEEDINGS

Summit Natural Gas Rate Case

On January 27, 2022, Summit filed a Notice of Intent to file a request for approval of an alternative rate plan for its natural gas delivery rates, requesting a seven-year rate plan that would increase rates by 30 percent in year one, and up to 15 percent in years two through seven.

Public hearings were held in 2022 and after extensive settlement negotiations, a stipulation was submitted by the interested parties, including the OPA, Summit, Competitive Energy Services, the IECG, Huhtamaki and Backyard Farms. On January 27, 2023, the Commission issued an Order rejecting that stipulation, finding that it was not in the public interest because it would result in rates that are not just and reasonable for Summit’s customers and place upon those customers the consequences of risks voluntarily undertaken by the Company. The Commission also ordered the Hearing Examiner to consult with the parties and issue a schedule to resume litigation.

Following additional hearings, the Commission approved a new stipulation in June 2023 which resulted in a three-year rate plan with a year 1 rate increase of 12% and increases of 9% in years two and three.

Northern Utilities, Inc. (d.b.a. Until) Rate Case

In May 2023, Northern submitted a request for an increase in distribution rates. In August, a stipulation was filed by the OPA, formalizing a settlement proposal. The Commission approved the settlement in September 2023, and the new rates went into effect October 1, 2023. For an average residential heating customer, the monthly bill increased by \$9.22, from \$121.65 to \$130.87. The average monthly bill for a residential, non-heating customer increased by \$7.99, from \$45.34 to \$53.33. Northern’s initial request would have amounted to an increase of \$14.51 for the average residential heating customer and \$12.37 for the average residential non-heating customer.

Northern cited inflation, increased depreciation expenses, and a new training center for pipeline employees as the reasons necessitating the rate increase.

35-A M.R.S. § 4706 REQUIRED REPORTING

Alternative Rate-Making Mechanisms

The Commission is authorized by statute⁶ to adopt alternative ratemaking mechanisms for gas utilities “to promote efficiency in operations, create appropriate financial incentives, promote rate stability and promote equitable cost recovery.” In particular, the Commission may adopt multi-year ratemaking plans with mechanisms for future rate changes, reconcile costs and revenue, index revenues or rate changes, establish financial incentives, streamline regulation, or deregulate services when not required to protect the public interest, approve rate flexibility programs, and modify cost-of-gas adjustment requirements. The Commission must report any significant developments with respect to action or proposed action by the Commission in its annual report.

In 2016, the Commission approved alternative rate plans for Augusta and Non-Augusta customers of Maine Natural Gas. Summit Natural Gas Company and Bangor Natural Gas Company continued to operate pursuant to previously established multi-year rate plans. Bangor Gas’ ARP was set to expire at the end of 2021. The Company had sought an extension of its ARP but withdrew its case. This raised questions about the effect of the expiration of its ARP on both rates and the mechanism included in the ARP for its cost-of-gas recovery. After comments from Bangor Gas and interested parties, the Commission concluded that Bangor Gas’s current rates and cost-of-gas methodology would remain in effect until Bangor Gas files a new rate case. Summit’s rate plan expired at the end of 2022. As noted above, a new rate plan was approved in June 2023.

Low-Income Assistance Programs

Section 4706-B requires the Commission to report on low-income assistance programs offered by LDCs. In 2023, Northern Utilities continued to provide a discount of 30% of total service charges to qualifying, low-income residential customers. Maine Natural Gas, Summit Natural Gas and Bangor Gas continued to provide qualifying, low-income customers with a 28% discount on delivery charges (excluding the cost of gas).

⁶ 35-A M.R.S. § 4706

7. GAS SAFETY

GAS SAFETY REGULATION AND ENFORCEMENT IN MAINE

The Commission regulates natural gas service reliability and ensures compliance with safety standards for 1,433 miles of natural gas distribution mains, 84 miles of intra-state transmission pipelines (including the five-mile private pipeline operated by Woodland Pulp, LLC), and 42,058 services. These facilities were in service throughout Maine as of December 31, 2022, as noted in the operators' annual reports to the U.S. Department of Transportation's Pipeline and Hazardous Material Safety Administration (PHMSA) filed in March of 2023. In addition, the Commission enforces safety standards for approximately 557 Liquid Propane Gas (LPG) distribution facilities that provide LPG service to multi-unit housing complexes, commercial buildings, and other facilities where LPG system failures would likely impact large numbers of people.

The Commission derives its authority for safety oversight from both state and federal laws. Chapters 420 and 421 of the Commission's rules adopt federal safety regulations for pipelines that transport hazardous gases to protect the public and govern the safe operation of distribution and intrastate transmission facilities within the State.

The Commission is also a certified agent for PHMSA, working to ensure that intrastate natural gas transmission and distribution systems comply with federal pipeline safety standards and corresponding state regulations through operator inspections. Additionally, the Commission investigates natural gas safety incidents and pursues enforcement actions for violations of the federal or state safety regulations.

PHMSA conducts annual evaluations of the pipeline safety programs for all states that have agency certification. PHMSA's evaluation of the Commission's pipeline safety program for calendar year 2023 resulted in a score of 100%. Maine's Damage Prevention Program, which works closely with the gas safety staff and enforces damage prevention law pertaining to violations of Chapter 895 of the Commission's rules, including those violations that involve natural gas pipelines, also received perfect scores from PHMSA in 2023.

PHMSA requires that each certified state actively participate in the National Association of Pipeline Safety Representatives (NAPSR). The Gas Safety staff is currently active on multiple NAPSR and PHMSA/NAPSR committees. In addition, all State and Federal Pipeline Safety Inspectors are required to complete an extensive training program at PHMSA's Training and Qualification Center in Oklahoma City. One of the Commission's Gas Pipeline Safety Inspectors is an Associate Instructor in PHMSA's Welding and Welding Inspection Course.

In 2023 the gas safety staff spent 237 inspection person days conducting inspections and compliance audits of LPG and natural gas facilities. The purpose of the inspections and audits are to determine whether operators complied with the design, construction, operating, and maintenance requirements of the Commission's safety rules and federal regulations. Approximately 94.5 inspection days were devoted to LPG operations and 136.5 inspection

days involved natural gas operations. Table 5 below shows the various types of inspections completed by the gas safety staff over the past five years.

Table 5 – Natural Gas and Propane Inspection Data

Inspection Type – Natural Gas	Inspection Person Days*				
	2019	2020	2021	2022	2023
Operating Procedures & Records	32	37.5	50.5	25.5	35.5
Construction & Related Records	102	74	53	71	63
Integrity Management Programs	8	10	6.5	3	1
Operator Qualification Programs	12	16.5	13	10.5	4
Accident or Incident Investigations	N/A	N/A	N/A	1	0
Damage Prevention	1.5	4.5	5.5	1	4
Public Awareness Programs	1.5	6	12	2	4
Drug & Alcohol Testing Programs	1	1.5	6.5	0	0
Compliance Follow-Up	17	32	23.5	29	23
Operator Training	0.5	2	6	0	5
Inspection Type - Propane					
Procedures, Facilities & Records	36	27	75.5	85	46.5
Operator Qualification Programs	N/A	3	**	2.5**	6**
Accident or Incident Investigations	N/A	1.5	N/A	N/A	N/A
Integrity Management Programs	N/A	N/A	**	**	**
Damage Prevention	1	1	0.5	0	0
Compliance Follow-Up	7.5	15.5	3	5	30
Operator Training	1	3	10	6	9
# of Facilities Inspected (not Inspection Person Days)	106	94	88	129	167

* An “inspection person day” is defined by PHMSA as all or part of a day spent by pipeline safety staff in on-site evaluation of an operator’s system to determine compliance with Federal or State pipeline safety regulations; or in on-site investigation of a pipeline incident; or in training of an operator.

** Integrity Management and Operator Qualification inspections were also conducted in conjunction with inspections of the Operating and Maintenance Procedures and Records.

LPG inspections conducted in 2023 resulted in some required corrective actions to bring facilities, procedures, or record keeping into compliance. Most of these corrective actions were handled through informal proceedings, without notices of probable violations (NOPVs) or civil penalties.

On August 11, Gas Safety staff issued an NOPV to a jurisdictional propane operator regarding failure to follow Operating, Maintenance, and Emergency procedures, inadequate procedures, and failure to comply with Chapter 895 – Underground Facility Damage Prevention Requirements. The NOPV included a recommended civil penalty of \$30,000.

During 2023, inspections of natural gas operators also resulted in corrective enforcement, addressed through informal processes including warning letters and compliance reminders.

2023 Construction

The four natural gas local distribution companies in Maine added a total of 18.15 miles of new distribution mains and 994 new services. These 2023 mains and services are an estimated total based on preliminary reports from the companies. Distribution companies will report final, verified 2023 totals to PHMSA via the Gas Distribution System Annual Report Information in March 2024.

Cast Iron and Bare Steel Replacement Program

In 2010, the Commission approved a 14-year replacement program for Northern Utilities' cast iron and bare steel facilities. The program is intended to improve the safety of the system and increase capacity to serve the Portland area.

In 2023, Northern Utilities retired 2.02 miles of cast iron main, 0.298 miles of bare/unprotected steel main, and 2.194 miles of plastic pipe on its low-pressure system. Remaining pipe to be retired in 2024, the planned final year of the project, includes 8.114 miles of cast iron, 0.45 miles of bare/unprotected steel, and 2.66 miles of low-pressure plastic.

8. DIG SAFE

UNDERGROUND FACILITY DAMAGE PREVENTION AND ENFORCEMENT

The Damage Prevention section of the Consumer Assistance and Safety Division (CASD) is charged with enforcing Maine’s underground facilities damage prevention law, called “the Dig Safe Law” (23 M.R.S. § 3360-A). This law is intended to prevent damage to underground utility facilities such as gas lines, water lines, or underground telecommunications and electric cables resulting from excavation.

Under the Dig Safe Law and the Commission’s rule implementing the law, Chapter 895, any person or company planning to excavate near underground facilities must follow certain safety procedures and must notify facility owners of the planned excavation. Most facility operators, such as large utilities, can be notified using the Dig Safe System. Excavators can access the Dig Safe System online at www.digsafe.com, or by calling 1-800-DIGSAFE or 811.

Excavators must also notify facility operators who are not members of the Dig Safe System, such as municipalities and smaller utilities. To help excavators identify the non-member operators that own underground facilities near their intended excavation site, the Commission maintains the OKTODIG program, a database of non-member operators. Excavators can access this program by calling 1-800 OKTODIG or online at www.oktodig.com. Once informed of a pending excavation, utilities have an obligation to locate and mark their underground facilities in accordance with the Dig Safe Law so that excavators will be sufficiently aware of their location when they dig.

Violations of the Dig Safe Law and Chapter 895 must be reported to the Commission, which then investigates the incident and determines the appropriate enforcement action, if any. To increase awareness of the Dig Safe law and Chapter 895, the Commission performs regular training programs. The Commission also provides public education materials on its website to improve awareness among private property owners of the importance of preventing damage to underground facilities.

In 2017, the U.S. Department of Transportation’s Pipeline and Hazardous Material Safety Administration (PHMSA) began evaluating States’ damage prevention programs to determine whether each State adequately enforces its damage prevention laws and regulations. A finding of “inadequate” enforcement by PHMSA could result in PHMSA enforcement of Federal Damage Prevention standards in that state and the state losing a portion of its Gas Safety Program funding. PHMSA completed its review of Maine’s Damage Prevention Program in July of 2023 and for the fifth year in a row the Program received a perfect score.

INDUSTRY TRENDS

A review of Table 6 below shows that the overall number of damage incidents experienced in 2023 decreased 5% from 2022, with most incidents involving cable television facilities. This figure also includes some miscellaneous incidents which is why the subcategories do not add to the total.

The Commission conducts an on-site investigation for each incident as soon as possible, in many cases on the same day, to determine the cause of the incident and to assess the risks to people and underground facilities. Based on this investigation, the Commission determines any appropriate response to the incident, such as training or the assessment of a financial penalty for the violator.

Table 6 – Summary of Dig Safe Activity

Metric	2019	2020	2020	2022	2023
Reported Total Incidents	349	349	313	323	308
Reported Electric Incidents	74	47	58	75	52
Reported Gas Incidents	60	39	54	46	44
Reported Telecom Incidents	80	88	68	55	56
Reported Water Incidents	45	30	33	24	32
Reported Sewer Incidents	13	30	24	16	16
Reported CATV Incidents	44	36	45	70	67
Excavator Violations	61	74	81	75	61
Operator Violations	78	118	59	82	67
Penalties Assessed	\$180,000	\$245,000	\$188,500	\$245,000	\$200,500
Penalties Waived with Training	\$20,500	\$42,000	\$40,500	\$48,000	\$38,000
Penalties Not Waived	\$159,500	\$203,000	\$148,000	\$197,000	\$162,500

Public Awareness, Training and Education

The Commission continues to strongly support and promote education and training to reduce and prevent damage incidents involving underground facilities and ensure the safety of residents and property located near those facilities. Maine’s Underground Damage Prevention Rule (Chapter 895) allows the Commission to require an excavator or member operator who has violated the rule to attend an educational training program. Often, this training is offered in lieu of a financial penalty. In addition, the Commission encourages excavators and operators to periodically attend training sessions to ensure that they are up to date on the most recent technological and regulatory developments relating to underground facilities damage prevention.

The Commission also works with and financially supports training offered by the New England Committee of Managing Underground Safety Training (MUST), which includes Maine Dig Safe members, excavating contractors and underground facility location workers. The Commission also conducts its own training sessions, both at the Commission’s offices as well as by request at excavator and operator locations. In 2023, the Commission completed 34 different training sessions that were attended by 897 people.

Public Outreach Campaign

In the spring and fall of 2023, the Commission worked with Broadreach Public Relations and its partners to update its Dig Safe public service announcements and continue its campaign to include traditional television in addition to social media and digital devices.

To gauge the effectiveness of the Dig Safe campaign originally launched in 2021, the Commission participated in a Spring Tracking Study on Critical Insights in Maine conducted by Digital Research, Inc. The study surveyed 650 respondents across the state of Maine asking, *“State law requires Mainers to notify Dig Safe at least 72 hours before digging on their property in most circumstances – even for small projects, like installing a mailbox or planting shrubs. Before this survey, were you aware of that law?”*

- **Need to call Dig Safe** – Over half (58%) of Mainers are aware of the law requiring them to call Dig Safe. This increased from 51% in the spring of 2022 and 54% in the fall of 2022. There is a significant difference in awareness by gender (66% of males and 51% of females are aware).
- **Need to call Dig Safe** – Not surprisingly, Mainers who have seen the PUC’s advertising are much more likely to be aware of the Dig Safe law (71% vs. 47%).
- **Need to call Dig Safe (age)** – We saw a significant increase in awareness of the Dig Safe law by Mainers under 35. It went from 28% in the fall of 2022 to 40% in the Spring of 2023. The other age segments ranged from 57% to 67%.

The Dig Safe campaign ran a mix of programmatically targeted digital, streaming TV and social media from March through November. The campaign delivered a projected 1,355,000 Impressions. An impression occurs each time a user opens an app or website, and the ad is visible.

9. WATER AND WATERBORNE TRANSPORTATION

THE WATER INDUSTRY IN MAINE

The Commission regulates 152 water utilities in Maine, which include both investor and consumer-owned organizations. Consumer-owned water utilities are water departments or districts, which are municipal or quasi-municipal entities governed by municipal officials or elected or appointed boards of trustees. Water utilities, whether investor-owned or consumer-owned, are created by private and special laws (charters) enacted by the Legislature. These charters establish corporate (territorial) limits, grant powers, define authority and responsibilities and specify other provisions and criteria which govern the administration and operation of the water utility.

The Commission is charged with oversight of the rates and services of water utilities. In 2023, the Commission received 70 new water cases, which included rate cases, issue of securities, revisions of non-rate-related terms and conditions, infrastructure surcharge filings, and other requests.

The Department of Health and Human Services' Drinking Water Program regulates water quality through the administration of the Federal Safe Drinking Water Act. The Department of Environmental Protection also oversees some water utility issues such as regulations protecting water sources.

KEY EVENTS

Legislative Changes

The Legislature made several statutory changes in 2023 that provided significant regulatory relief in title 35-A for consumer owned water utilities in Maine. Changes included providing a simpler method for small water utilities to consolidate operations and services to help defray the increasing costs associated with Safe Drinking Water Act compliance. There is very little "economies of scale" in the water industry. Consolidating things like meter reading, billing and operator services can help smaller water utilities reduce the cost of providing water to their customers. Commission approval of securities issuances is no longer required for consumer owned water utilities. These utilities are overseen by local boards of trustees who are familiar with the financial position of their utility and the investments required for continued operations and use that knowledge to make decisions regarding appropriate spending. Another change allows the Commission to approve alternatives to newspaper postings for providing notice regarding Section 6104 rate cases. Direct written notice to customers is still required, but consumer owned water utilities can now request Commission approval to utilize their web pages, Facebook and Twitter accounts or other more modern and effective methods for providing widespread notice of a pending rate proceeding.

Finally, the Legislature created a new and novel method for consumer owned water utilities to adjust rates annually to help keep up with rising costs without having to complete a formal rate case. Section 6104-B allows consumer owned water utilities to increase their annual revenue by up to 1.5% once a year by simply providing notice to customers, the Commission, and the

OPA at least 30 days prior to the increase taking affect. This should be a valuable tool for consumer owned water utilities. Small incremental increases are much easier for customers to absorb and help limit the size of increases required when additional revenue is needed to fund large projects.

The Maine Water Company Rate Cases

In February 2022, the Maine Water Company filed Applications for Rate Changes pertaining to its Millinocket, Oakland, Freeport, and Camden-Rockland Divisions, requesting that the Commission approve a revised rate schedule for each, representing an overall rate increase of 14.47 percent, 9.89 percent, 6.10 percent, and 3.4 percent respectively. Maine Water Company cited increased water infrastructure costs as the reason for the proposed increases.

The proposed implementation date for these increases was July 2, 2022, however the cases were litigated until February 2, 2023, when the Commission approved rate increases lower than initially proposed. The Company's customers would have paid between approximately \$4.97 and \$16.74 more per calendar quarter (or between approximately \$1.66 and \$5.58 per month) depending on Company division under the initial proposal. Under the approved rate, customers will pay between approximately \$1.23 and \$6.89 more per calendar quarter (or between approximately 41¢ and \$2.30 per month), depending on Company division. The new rates were effective January 1, 2023.

The Maine Water Company Saco/Biddeford Division Rate Case

On March 31, 2023, Maine Water filed an Application for Rate Increase pertaining to the Saco-Biddeford Division, pursuant to 35-A M.R.S. § 307 and Chapter 120 of Commission Rules. The company was seeking a two-year phased-in adjustment to water rates to mitigate the impact of the rate increase. The increase, if approved, would amount to about \$14.69 quarterly in year 1 and \$14.87 quarterly in year 2 for the average residential customer.

On December 22, 2023, the parties filed a stipulation in the case and the Hearing Examiners suspended the procedural schedule while the stipulation was considered. The Commission approved the stipulation on January 5, 2024.

The Maine Water Company Camden/Rockland Division Request for Approval of Water Infrastructure Charge

On June 30, 2023, The Maine Water Company – Camden/Rockland Division filed a request for approval of a water infrastructure surcharge to cover capital costs associated with a series of projects, such as water main replacements and a filter system, that have been completed and put in-service since the Company's rates were last established. In July 2023, the OPA requested that the Commission further investigate the matter to determine if the proposed surcharge is just and reasonable. In September 2023, the Commission directed the Maine Water Company (Company) to provide customer notice under Chapter 675 of the Commission's rules. A Public Witness Hearing was scheduled in the case and held on January 17, 2024.

INDUSTRY TRENDS

Aging Water Infrastructure and Costs

Water utilities in Maine and across the nation are confronted with the urgent need to replace water infrastructure that is at or will soon reach the end of its useful life. Much of the infrastructure currently used to deliver water service flows through pipes that were installed in response to growth and economic development in the late 1800s through the post-World War II period. A significant portion of system components, including piping, are becoming antiquated at approximately the same time.

The Maine Drinking Water Program estimates that over the next 20 years, an investment of approximately \$1.3 billion is needed to fund water infrastructure replacement in Maine. The cost associated with replacing this infrastructure for water utilities nationally is estimated at \$385 billion. In 2023, the Commission approved filings from 12 water utilities related to infrastructure investment totaling \$ 25.2 million.

Water utilities can recover the cost of new infrastructure through rates over the life of the plant and consumer-owned water utilities are also able to include in rates the full debt repayment for such projects. However, water infrastructure is expensive and the pumping and treatment facilities necessary to serve a hundred customers are roughly the same cost as those needed to serve a thousand customers. Due to the cost and scope of water systems, replacement of water infrastructure can present significant financial challenges to water utilities and in some cases can drive substantial rate increases to water utility customers. Also, small water utilities run by volunteer boards and trustees are often reluctant to increase rates, compounding this challenge.

Chapter 62 Rule Amendments

The Commission amended Chapter 62 of its rules to address issues raised by water utilities at two workshops. The Rule, which was last comprehensively amended in 1987, has been updated and modernized, including changing the designation of the Rule from Chapter 62 to Chapter 620 to conform with the Commission's current rule organization conventions. Chapter 62, now Chapter 620, sets forth comprehensive regulations for water utilities, including rules applicable to jobbing (work by a water utility for a customer that is outside the scope of regulated utility service), terms and conditions of service, seasonal service, low- and high-pressure areas, limited-service contracts, and metering. Chapter 620 also makes permanent an emergency amendment promulgated by the Commission in 2021, that included provisions for water utilities to utilize during periods of low water availability to help them during what have become very dry summers in Maine. Chapter 620 also addresses the advancements in metering technologies, meter testing and other changes intended to address issues encountered by water utilities. Together the amendments to Chapter 620 give water utilities more tools for dealing with water supply shortages and better align the rule with modern metering technologies.

Chapter 615 Rule Amendments

Chapter 615 establishes rules for the form, content, and procedure for granting, modifying, and rescinding exemptions from regulatory requirements for consumer-owned water utilities before the Commission pursuant to 35-A M.R.S. § 6114. The amended rule no longer requires that

petitions for waivers to the Commission by consumer-owned water utilities include notices published in a newspaper and instead allows notices to be published and disseminated using more modern and readily available methods of communication. This change should make the notice process significantly less expensive while likely reaching a larger segment of the potentially affected population as on-line communication has replaced printed news as the most common method for the public to access information.

Chapter 616 Rule Adopted

This Rule establishes exemptions that are applicable to consumer-owned water utilities as granted by the Commission pursuant to Chapter 615 discussed above. The first exemption granted to consumer-owned water utilities concerns the requirements found in 35-A M.R.S. § 6104 and § 6104-A for rate case notifications to be published in a local newspaper. As with Chapter 615 the Commission will exempt this requirement in favor of consumer-owned water utilities utilizing more modern electronic forms of communication to reduce the financial burden and increase the likelihood of notices being read by potentially affected parties.

Rate Adjustment Mechanism for Water Utilities

Title 35-A provides that the Commission may establish or authorize a reasonable rate-adjustment mechanism to decouple water utility revenues from water utility sales through revenue reconciliation when changes in sales are due to a change in the number of customers or a change in the volume of consumption. Section 6102-A(2) requires the Commission to include in its annual report rate information regarding any adjustments requested and those granted. No rate adjustment mechanisms were requested or granted in 2023.

Waterborne Transportation in Casco Bay

Pursuant to 35-A M.R.S. §§ 5101-5111, and Chapters 510, 520, and 560 of the Commission's rules, the Commission regulates the provision of ferry, charter, water taxi, and unscheduled freight services between Peaks Island, Great Diamond Island, Little Diamond Island, Long Island, Chebeague Island, Cliff Island, and the mainland of Cumberland County.

No person, other than Casco Bay Island Transit District (CBITD), which was created by Private and Special Law 1981, c. 22, may provide ferry service within this regulated territory of Casco Bay without obtaining a certificate of public convenience and necessity from the Commission. Further, no person may provide charter, water taxi, or unscheduled freight service within this regulated territory without obtaining authorization from the Commission.

The Commission issued one license for charter service in Casco Bay in 2023 and received a second application in December of 2023 which will be processed in the first quarter of 2024.

10. EMERGENCY SERVICES COMMUNICATION BUREAU

911 SERVICES IN MAINE

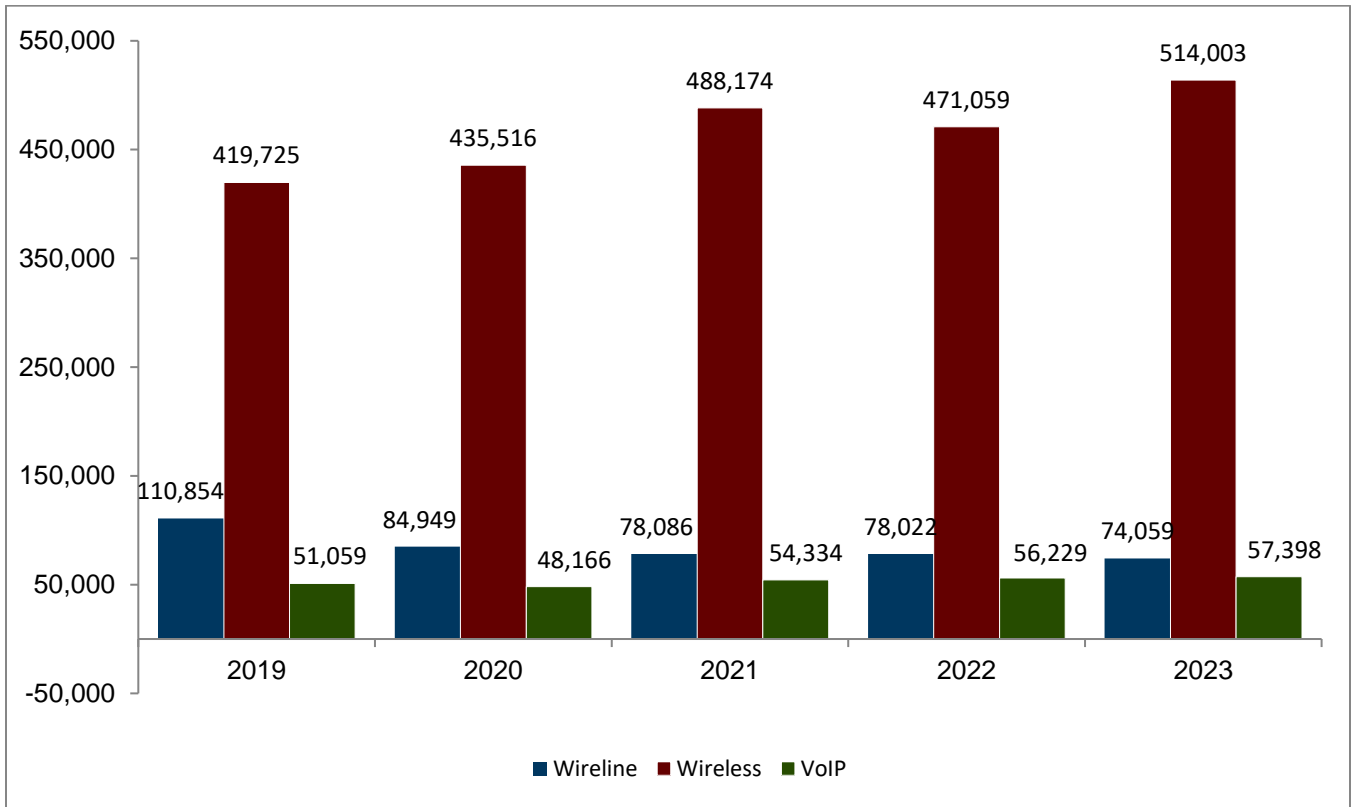
The Emergency Services Communication Bureau (ESCB) manages the statewide 911 system, which is the component of the emergency response system that delivers 911 calls and displays the telephone number and physical location of the caller at one of Maine’s 25 Public Safety Answering Points (PSAPs). The ESCB is funded by the E911 surcharge which is assessed on all wireline, wireless (prepaid and postpaid) and VoIP service.

INDUSTRY TRENDS

In Maine and the nation, wireless phones have accounted for the largest portion of payments of the E911 surcharge. Fees collected from wireline phones continue a downward trend. Overall, however, this program has adequate funding. The Commission will review the surcharge again in 2024 to determine the appropriate surcharge to meet operational needs.

In 2023, 79 percent of all calls to 911 came from wireless phones. See Chart 4.

Chart 4 - 911 Calls



KEY EVENTS

911 Crisis Response Services

Integration of crisis response services into 911 continued to move forward on a voluntary basis beginning with the finalization of the stakeholder developed policy, *Call Receipt, Acknowledgement, and Transfer of Behavior Health Calls*. An online training course was launched to help familiarize 911 call takers with the policy and provide examples of how to apply the procedures. For a PSAP to use the policy, it must first both adopt the policy and have all its call takers complete the training. As of December 21, 2023, 187 out of approximately 400 call takers had completed the training; another 34 have started but not yet completed it. Four PSAPs report they have adopted the policy.

PSAP Challenges

The stability of PSAPs due to staffing challenges continued to be problematic in 2023. In January 2023, 16 towns in Kennebec County received notice from their PSAP that starting July 1, 2023, it would no longer be providing PSAP service to these municipalities. This short notice left these towns scrambling to find PSAP services, which was particularly difficult considering the staffing shortages. Seven towns in the greater Winthrop area were able to find services through Androscoggin County Regional Communications Center (RCC), but for the other nine communities in the greater Waterville area, there were no options, including through the default option of Department of Public Safety, which was short staffed as well.

A potential solution was to make Waterville Police Department Communications a PSAP. While the Commission was supportive of the plan, Maine law did not clearly give the Commission the ability to add a PSAP. The Commission requested an after-deadline bill, LD 1828, An Act Regarding Enhanced 9-1-1 Public Safety Answering Points, to create the necessary tools to address this situation and to put some safeguards in place to prevent this type of situation in the future. The bill was signed into law in May 2023.

In addition to providing clear authority for the Commission to add a PSAP in exigent circumstances, the bill also requires the Commission to conduct a study to assess whether PSAPs can be more efficiently managed and what changes might be needed to ensure the stability of the system. The Commission is required to report back to the Joint Standing Committee on Energy, Utilities and Technology the results of the study and any recommended legislation in February 2024. The Committee is authorized to report out legislation to the 131st Legislature.

The second notable PSAP issue was Knox Regional Communications Center (Knox RCC) temporarily giving up PSAP services in August due to severe staffing problems. Knox County established a contract with Waldo Regional Communications Center for PSAP services for up to one year while they try to hire staff. Knox RCC continues to provide dispatch services and reports regularly to the ESCB on its progress towards resuming PSAP services.

Call Taker and Dispatch Training

The ESCB offers a variety of courses to ensure that 911 call takers and dispatchers have all the necessary skills to handle emergency calls including basic dispatching, Emergency Medical Dispatch and Emergency Fire Dispatch protocol certification and NG911 Equipment and Policy certification. The number of persons trained increased in 2023, requiring an additional five sessions of the NG911 Equipment and Policy Certification course alone. Two of the additional classes were for Waterville RCC as they were added as a PSAP in July 2023. The increases in students reflect the hiring and retention challenges being experienced at PSAPs across the State.

For more advanced personnel, the ESCB provided the NG911 Train-the-Trainer class four times in 2023, attended by 34 people. This class is designed for in-house PSAP trainers who work with newly hired personnel or for those that feel they need a NG911 equipment refresher. Additionally, the ESCB sponsored the National Emergency Number Association's 9-1-1 Center Supervisor Program. Twenty-seven supervisors or aspiring supervisors from nearly every PSAP attended the three-day course.

PSAP Audits

25 MRS §2926 1-A requires the Bureau to implement and manage a quality assurance program. As part of the program, the ESCB conducts audits of each PSAP annually to ensure that each PSAP is meeting the requirements for call efficiency as well as other statutory and administrative rule requirements.

Staffing levels at a few agencies increased and they reported being fully staffed or nearly fully staffed. PSAPs with low staffing levels find it difficult to perform the required quality assurance review process for calls processed that used Emergency Medical Dispatch or Emergency Fire Dispatch protocols. A few PSAPs established contracts with Priority Dispatch to assist with required call reviews.

ESCB rules require PSAPs to answer all calls in ten seconds or less 90% of the time. All but three PSAPs, Portland PD, DPS Augusta, and Penobscot RCC met this requirement. Staffing challenges are directly related to the ability to meet this metric. See Table 7 below.

Table 7 – 2023 PSAP Call Center Efficiency

PSAP	Incoming 911 Calls - 2023	% Calls Answered ≤ 10 seconds	Avg Ring Duration (seconds)
Androscoggin RCC	19,314	92.60%	7
Biddeford PD	25,535	98.50%	5
Brunswick PD	14,268	98.30%	5
Cumberland RCC	36,756	91.70%	7
DPS Bangor	11,081	93.20%	11
DPS CMRCC	44,577	89.10%	9
DPS Houlton	33,480	98.60%	6
Franklin RCC	13,688	97.20%	5
Hancock RCC	19,296	97.20%	6
Knox RCC ⁷	10,593	97.40%	6
Lewiston Auburn RCC	52,278	91.80%	6
Lincoln RCC	16,827	98.30%	5
Oxford RCC	27,176	97.70%	6
Penobscot RCC	72,103	82.40%	8
Piscataquis RCC	7,369	96.90%	6
Portland PD	66,736	70.00%	10
Sagadahoc RCC	13,904	99.20%	4
Sanford PD	30,916	97.70%	5
Scarborough PD	16,674	95.50%	6
Somerset RCC	38,478	98.20%	5
Waldo RCC	18,940	92.40%	7
Washington RCC	12,806	97.90%	6
Waterville RCC ⁸	9,637	96.70%	5
Westbrook RCC	17,643	96.70%	6
York PD	15,385	95.70%	6
Total Calls	645,460	91.30%	7

⁷ Knox RCC stopped taking 911 calls August 14, 2023, and closed as of August 23, 2023, at noon.

⁸ Waterville RCC began taking calls on July 11, 2023.

11. CONSUMER ASSISTANCE

The Consumer Assistance section of the Consumer Assistance and Safety Division (CASD) is the Commission's primary link with utility customers. The CASD is charged with ensuring that consumers, utilities, and the public receive fair and equitable treatment through education, complaint resolution, and evaluation of utility compliance with consumer protection rules.

As part of its mission, the CASD is responsible for educating the public and utilities about consumer rights and responsibilities and other utility-related consumer issues, for investigating and resolving disputes between consumers and utilities, and for evaluating utility compliance with State statutes, Commission rules and the utility's Terms & Conditions for service. The Commission also uses information about consumer contacts with the CASD and other CASD data as a basis for enforcement actions, Commission investigations and in other Commission proceedings.

Public Education

Due to inflation and the continued cost of energy, the Commission has worked to provide information regarding consumer assistance programs and customer choices via social media. In April, a survey was conducted as part of the Spring Tracking Study on Critical Insights in Maine to gauge knowledge of consumer assistance programs and the need. A number of questions related to consumer assistance were asked and results are as follows:

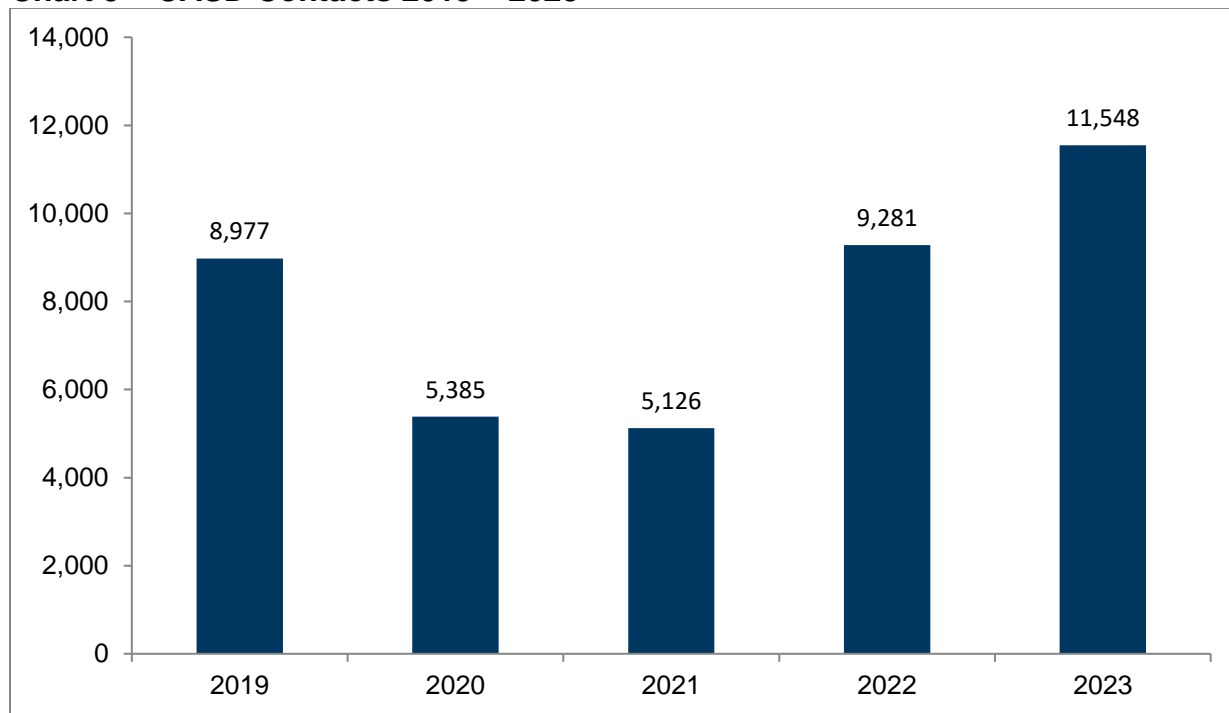
- **Ability to pay (overall)** – Over half (53%) of Mainers continue to say they have difficulty paying their utility bills some of the time.
- **Ability to pay (always)** We have seen a steady (3 pts) increase in each successive survey among Mainers noting that they *Always have difficulty paying* their utility bills. It has risen from 8% in Spring 2022 to 11% in Fall 2022 to 14% in Spring 2023.
- **Ability to pay – (never have difficulty)** – The number of Mainers citing *never have difficulty paying* dropped from 33% to 30%.
- **Ability to pay (age)** – People 65+ continue to have the lowest percentage (43%) citing any difficulty paying their utility bills. Conversely, people under 35 continue to struggle with their ability to pay their utility bills some of the time. This number increased from 55% in Spring 2022 to 58% in Fall 2022 **to 65%** in Spring 2023.
- **Awareness of financial assistance programs** – While overall awareness of financial assistance programs is at 56%, we are starting to see some variance among gender and age segments. Overall awareness is at 49% for males and 63% for females (this is a significant difference at the 95% confidence level). Additionally, by age segment awareness ranges from a low of 46% among Mainers under 35, to a high of 68% among Mainers 35 – 44 (this is a significant difference at the 95% confidence level).
- **Awareness of financial assistance programs (how did you find out)** – The greatest source of knowledge regarding assistance programs is now TV (news/ads) and radio (news/ads) at 20%. This is closely followed by friend or family (17%); utility bill inserts (15%); and case worker/social programs (11%).

The Commission continued its ad campaign in early 2023 and again in the fall to inform Mainers of where they can go to get help paying their electric bill, remind them to look for ways to conserve energy, to be conscious of neighbors who may need help and not know where to go, and to talk about getting help, which is something many families have never done before. The campaign consists of two public service announcements that ran on traditional television and tv streaming apps, social media, and digital video platforms.

CASD Contacts

The CASD tracks its contacts with both consumers and utilities, as detailed in Chart 5 below. Contacts take several forms, such as the general provision of information and assistance, investigation of a complaint involving a customer dispute with a utility that the parties have been unable to resolve, or processing utility requests for waivers of Commission rules. The CASD recorded 11,548 consumer contacts in 2023.

Chart 5 – CASD Contacts 2019 – 2023



Consumer Complaints

As shown in Chart 6 below, the CASD received 2,191 complaints in 2023.

Chart 6 - Consumer Complaints 2019 – 2023

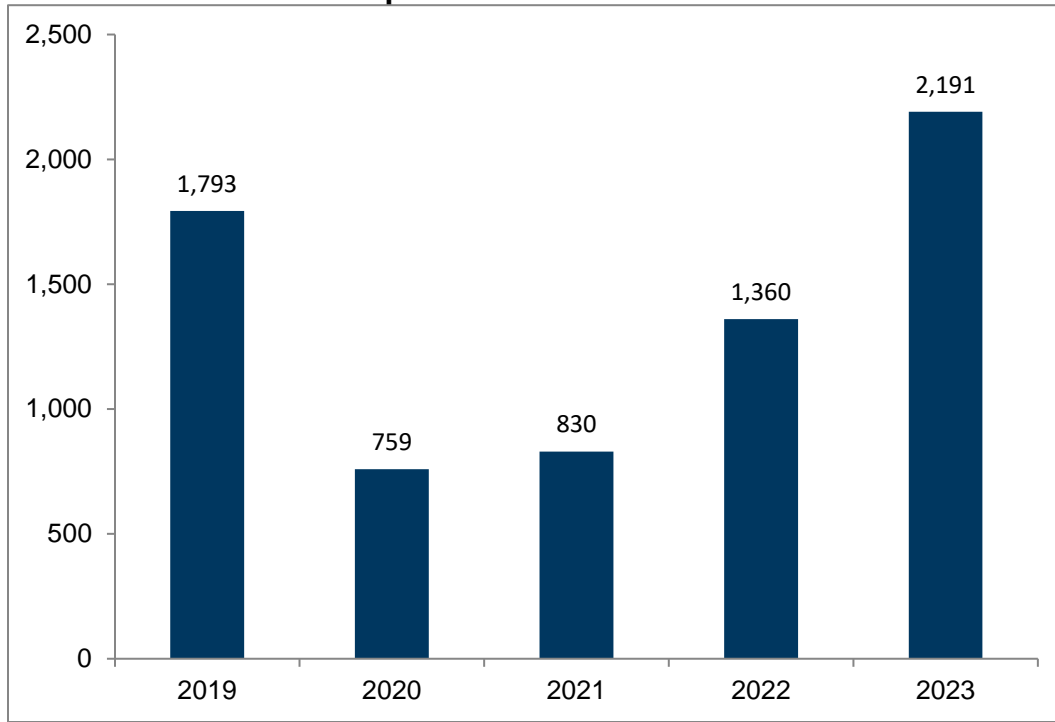
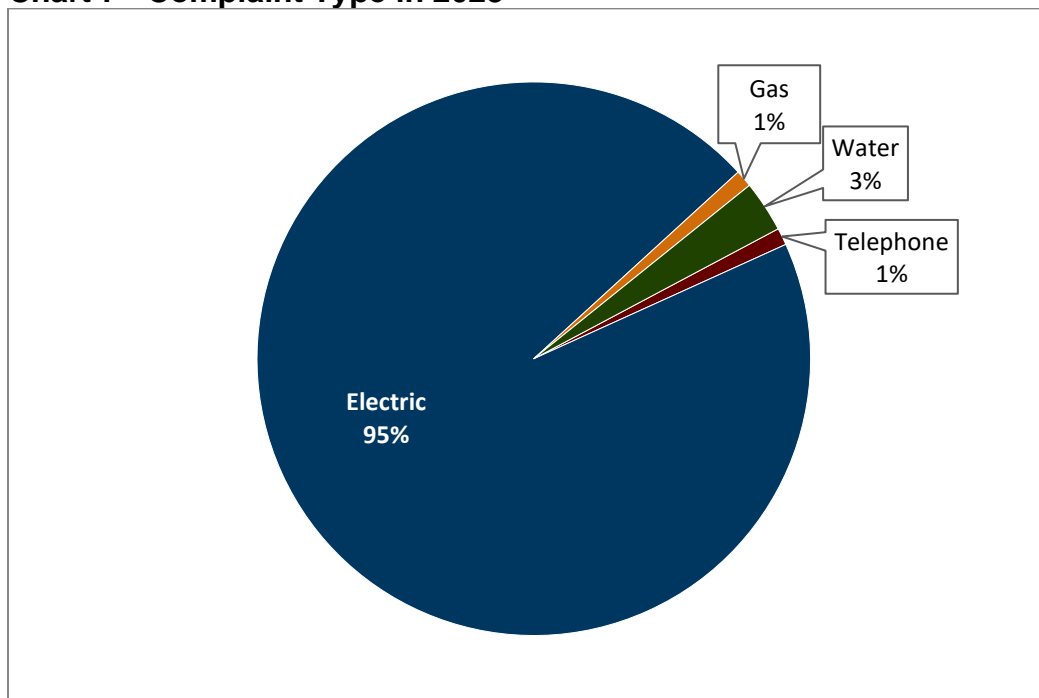


Chart 7 below breaks down complaints received by utility industry. Chart 7 shows that electric complaints represented 95% of complaints received by the CASD in 2023.

Chart 7 - Complaint Type in 2023



Refunds to Consumers

The CASD often obtains credits or refunds for customers as part of its resolution of customer complaints against utilities. In 2023, the CASD obtained \$153,472 in refunds to customers.

Call Answer Time

In 2023, the CASD answered 93% of all calls within 30 seconds. The average call-answer time was 11 seconds. This is a significant achievement given the increase in contacts and complaints.

LOW INCOME PROGRAMS

While it is not the primary role of the CASD to enroll customers in low-income programs, staff does have the capability to do so. In 2023, the CASD managed 686 LIAP enrollment requests by electric customers.

Expansion of Low-Income Assistance Program

In September 2023, the Commission approved an increase to its Low-Income Assistance Program (LIAP) and an increase in the Federal Poverty Level (FPL) eligibility threshold for Department of Health and Human Services (DHHS) means-tested programs from 75 percent to 150 percent, which extended assistance to potentially 46,000 additional Mainers. The program is currently available to Maine electric utility customers who qualify for the Low-Income Heating Assistance Program (LIHEAP) or who qualify for DHHS means-tested programs at 150% of the FPL.

LIAP helps qualified low-income electricity consumers pay for electricity costs and eligibility can be determined by local Community Action Agencies or through means-testing for DHHS programs. Those who qualify will receive a credit on their electric bill based on income and electricity usage. The decision increased funding for the program from \$15 million to \$22.5 million for the 2023-2024 Program Year.

LIAP is funded through the rates paid by all electric utility customers. This year, \$7.5 million in additional funding was provided by L.D. 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024, and June 30, 2025.

Net Energy Billing (NEB) Credits for Customers Participating in the Arrearage Management Program (AMP)

During its 2021 session, the Legislature enacted An Act To Support Arrearage Management Programs through Unused Kilowatt-hour Credits Derived from Net Energy Billing Arrangements. P.L. 2021, c.370 (kWh Credit Act) requiring utilities to apply unused, expired NEB credits to benefit customers participating in Arrearage Management Programs. In 2023, \$482,338 in NEB credits were applied to AMP accounts for CMP and \$163,247 in NEB credits were applied to AMP accounts for Versant Power.

Electric Low-Income Assistance and Oxygen Pump/Ventilator Programs Pursuant to 35-A M.R.S. § 3214(6)

The Commission is required by 35-A M.R.S. § 3214(6) to report annually the results of the Low-Income Assistance Program (LIAP) and Oxygen Pump/Ventilator benefits to the Utilities and Energy Committee. The report must include the number of participants in each program and amounts paid each month, which is shown below in Table 8. It must also include an assessment of the effectiveness of the oxygen pump and ventilator benefit in covering only those electric charges directly related to use of an oxygen pump or ventilator.

Table 8 – Program Statistics based on quarterly reports from electric utilities

Month	LIAP Program		Oxygen Program		Ventilator Program	
	Number of Participants	Benefit Amount	Number of Participants	Benefit Amount	Number of Participants	Benefit Amount
Oct 2022	3,080	322,642	12	6,600	-	-
Nov 2022	12,229	1,768,396	6	7,789	-	-
Dec 2022	17,764	916,353	6	96,390	4	1,712
Jan 2023	23,927	969,085	5	65,533	4	469
Feb 2023	29,357	2,685,208	5	111,281	4	946
Mar 2023	36,808	903,259	5	53,730	-	-
Apr 2023	37,122	591,760	6	46,804	-	-
May 2023	37,797	142,818	5	40,671	-	-
June 2023	37,825	20,444	5	36,876	-	-
July 2023	38,026	4,602,651	2,733	19,914	-	-
Aug 2023	38,060	36,334	3,060	26,091	-	-
Sept 2023	38,192	738,530	3,381	(16,929)	-	-
Total		13,697,480		494,748	-	\$3,127

Intervenor Funding Rule

During its 2022 session, the Legislature enacted An Act To Implement Recommendations Regarding the Incorporation of Equity Considerations in Regulatory Decision Making. P.L. 2021, ch. 736 (Act). The Act amends existing intervenor funding provisions to clarify the eligibility requirements, funding sources and other related requirements and provisions to be adopted by rule by the Commission.

In the past, funding was provided to qualified participants at the end of a proceeding. Under the new rule, which was adopted in early 2023, as allowed by the Act, qualified intervenors could receive funding upfront, which the Commission hopes will encourage more participation. Additionally, to encourage participation, requests for intervenor funding could be for participants in both adjudicatory and non-adjudicatory proceedings.

12. SUMMARY OF LAW COURT APPEALS

Unlike most governmental agencies, the adjudicatory process utilized by the Commission is comparable to that of a court proceeding. Recognizing this unique aspect of the Commission's adjudicatory decision-making process, Title 35-A provides that appellate jurisdiction to review final Commission decisions, except for rulemakings, resides exclusively with the Law Court. This differs from the process for judicial review that applies to most governmental agencies where appeals are taken, in the first instance, to Superior Court. The following provides a summary of the cases appealed to the Law Court that involve the Commission.

Office of the Public Advocate Appeal Regarding Depreciation Expense in the Millinocket Division of the Maine Water Company

On February 2, 2023, the Commission issued an order over the objection of the OPA, granting a request of the Millinocket Division of the Maine Water Company (Company) to extend an existing waiver of Chapter 68 of the Commission's rules, which governs the application of estimated depreciation rates for the plant of water utilities. The order allows the Company to continue to calculate depreciation expense using Chapter 68, but to record reduced depreciation expense pursuant to a waiver under Chapter 110 of the Commission's rules, which governs practice and procedure. The waiver capped depreciation expense and provided a means to avoid what otherwise would have been a 37.8% rate increase.

The basis for the waiver rested on the ongoing lagging economy in the region and a demonstrated decline in water sales in Millinocket. Additionally, by prior Commission orders and without objection from any party, the waiver had been in place for approximately two decades, and the Commission determined that abruptly returning Millinocket to full depreciation expense would result in rate shock. The Commission conditionally granted the waiver, directing the Company to consult with its customers and file a plan no later than January 2026 to gradually return to full depreciation.

The OPA's appeal centered on whether the Commission properly interpreted Chapters 68 and 110 of its rules, whether the Commission soundly exercised its discretion in capping the recording of depreciation expense in the public interest, and whether an administrative record existed to support the Commission's order. On appeal, the Commission explained its decision was rooted in its sound discretion to choose appropriate ratemaking methodologies and balance customer and utility interests in setting just and reasonable rates, and that the decision was based upon substantial, unopposed, record evidence filed in the Commission's public docketing system. The Commission, the Company, and the OPA participated in oral argument before the Law Court on December 5, 2023. A decision by the Law Court is pending.

Office of the Public Advocate Appeal Regarding Commission Approval of a Special Rate Contract Between Bangor Natural Gas Company and Bucksport Generation LLC

On January 27, 2023, the Commission issued an order pursuant to 35-A M.R.S. § 703(3-A), approving the extension of the existing special rate contract between Bangor Natural Gas Company (Bangor Gas) and Bucksport Generation LLC (Bucksport) for an additional three

years. In doing so, the Commission found that: (1) the revenues from the special rate contract would exceed the marginal costs of serving Bucksport and the excess revenues would benefit other ratepayers by defraying the cost of serving them; (2) the marginal costs as calculated by Bangor Gas appeared to include the majority, if not all, of the costs reasonably associated with serving Bucksport; and (3) the special rate contract made it less likely that Bucksport would turn to an alternative fuel such as oil.

The Office of the Public Advocate (OPA), a party to the case, filed an appeal asserting that the Commission erred in approving the special rate contract because it contained rates that were unjust and unreasonable, would result in an undue preference for one customer of Bangor Gas or place its other customers at an undue disadvantage, and there was no evidentiary record supporting approval. On appeal, the Commission demonstrated that it had applied the standard of review it has historically and consistently used to evaluate special rate contracts proposed by natural gas utilities by: (1) determining whether the contract is related to competition or the expansion of service; and (2) ensuring that the revenue produced by the contract exceeds the marginal cost of providing service to the special rate customer. The Commission also noted that it had all of the information filed in its public docketing system before it when making its decision in this proceeding, constituting a record that even the OPA had referred to. The Commission and the OPA participated in oral argument before the Law Court on September 14, 2023. On December 28, 2023, the Law Court issued a decision upholding the Commission's approval of the special rate contract between Bangor Gas and Bucksport and finding that the OPA had waived its argument concerning the evidentiary record by not raising its concerns about this issue with the Commission prior to appeal.

13. FISCAL INFORMATION

The Commission is required by 35-A M.R.S. § 120 to report annually to the Joint Standing Committee on Energy, Utilities and Technology on its planned expenditures for the fiscal year and on its use of funds in the previous year. This section of the report fulfills this statutory requirement and provides additional information regarding the Commission's budget. All references in this section are to fiscal years, July 1 to June 30.

In FY2023, the Commission regulated electric, gas, telephone, water and water common carrier utilities, enforced Maine's underground facilities damage prevention law, and managed the state-wide E911 system.

The Commission operates with two main programs and funds: The Emergency Services Communications Fund and the Regulatory Related Funds as detailed below.

The Emergency Services Communications Fund (E911)

This fund had an unencumbered balance of \$10,121,675 and an encumbered balance of \$1,573,281 brought forward from FY2022. In FY2023 \$6,951,400 was expended. An unencumbered balance of \$10,147,713 and an encumbered balance of \$1,737,423 were brought forward to FY2024. The surcharge collected in FY2023 was \$6,039,085. The prepaid wireless fees collected in FY2023 were \$972,308.

PUC Regulatory Related Accounts

Regulatory Fund

The authorized Regulatory Fund assessment for FY2023 was \$11,259,250. An unencumbered balance of \$2,562,960 and an encumbered balance of \$1,418,787 were brought forward from FY2022. The Commission spent \$11,118,149 in FY2023.

An unencumbered balance of \$2,943,296 and an encumbered balance of \$655,968 were brought forward to FY2024. The encumbered balances generally represent ongoing contracts.

Reimbursement Fund

In FY2023, the Commission collected \$500 in filing fees. Also, the Commission collected \$286,500 in Digsafe Penalties, \$32,000 in fines, and returned \$85,600 in filing fees to Central Maine Power (PUC Docket #2011-00138). An unencumbered balance of \$1,150,289 and an encumbered balance of \$155,681 were brought forward from FY2022. During FY2023, \$246,268 was expended. An unencumbered balance of \$883,389 and an encumbered balance of \$159,713 were brought forward to FY2024. In October 2021, the Commission transferred \$250,000 to the Governor's Energy Office in accordance with Public Law 2021, Chapter 398 to fund one limited period position. A second transfer for \$250,000 for the same purpose took place in Fiscal Year 2023.

The Budget in Perspective

In June 2023, the Legislature approved the Commission's biennial budget. Table 17 details the Commission's FY24 expenditure plan including position count, based on original work program.

Table 17 - FY2023 Work Program

Regulatory Fund	
Position Count	66.5
Personal Services	9,526,673
All Other	3,310,937
Capital	0
Total	12,837,610
Commission Reimbursement Fund	
All Other	50,000
Commission Damage Prevention	
Position Count	0
Personal Services	58,934
All Other	1,066
Capital	0
Total	60,000
Oversight and Evaluation Fund	
All Other	252,660
Prepaid Wireless Fee Fund	
All Other	1,992,409
Emergency Services Comm. Bureau (E-911)	
Position Count	9
Personal Services	1,073,976
All Other	6,273,992
Capital	0
Total	7,347,968

The Regulatory Fund Assessment in Perspective

Table 18 below details the most recent five years of Regulatory Fund assessments from Annual Reports filed by the utilities with the Commission. They include revenues for the previous year ending December 31. Calculations are made to determine what percentage of the revenues reported by regulated utilities will produce the amount authorized by statute. The derived factors that will raise the authorized amount are applied against the reported revenues of each utility.

Under 35-A M.R.S. § 116, on May 1 of each year the Commission sends an assessment notice to each utility with a July 1 due date. Funds derived from this assessment are used during the fiscal year beginning July 1. The total assessment for FY2023 was \$11,259,250.

Assessment breakdown by utility sector is described below in Table 19.

Table 18 - Regulatory Fund Assessments for the Past Five Years

Year	Electric Revenues	Telecom Revenues	Water Revenues	Gas Revenues	Water Carriers Revenues	Total Utilities Revenues	Amount Billed
2018	424,462,677	200,597,876	146,728,469	148,263,936	4,565,770	924,618,728	7,573,098
2019	432,019,555	198,012,954	173,111,963	172,002,568	6,037,222	981,184,262	8,957,718
2020	440,030,482	153,789,147	162,436,723	147,950,803	6,037,000	910,244,155	9,400,542
2021	477,075,093	152,582,462	168,297,639	176,426,217	5,420,783	979,802,194	10,319,348
2022	476,198,138	152,296,497	169,820,139	182,389,888	4,765,072	985,469,733	11,259,250

Table 19 – Total Assessment by Utility Sector

Sector	Assessment
Electric	\$7,681,554
Telecommunications	\$726,865
Natural Gas	\$1,927,483
Water	\$921,453
Water Common Carrier	\$1,895
Total	\$11,259,250

14. COMMISSIONER BIOGRAPHIES

Philip L. Bartlett II, J.D., was appointed to the Commission as Chair in June 2019 by Governor Janet Mills. Prior to his appointment, he practiced law with Scaccia, Bartlett & Chabot. He also served in the Maine Senate from 2004 to 2012 and was elected by his peers to serve as Senate Majority Leader from 2008 to 2010. Bartlett chaired the Energy, Utilities and Technology Committee as well as the Joint Select Committee on Maine's Energy Future and he served on the Government Oversight Committee, Natural Resources Committee and Labor Committee. He taught micro and macroeconomics at the collegiate level. Chairman Bartlett holds a juris doctorate degree from Harvard Law School. He completed his undergraduate work at Tufts University, where he graduated Summa Cum Laude majoring in Economics and Political Science. His term expires in March 2025.

Patrick J. Scully, Esq. was appointed to the Commission in June 2021 by Governor Janet Mills. Prior to his appointment, Scully was employed with Berstein Shur, where he spent his 36-year career as a municipal, energy and utility regulatory attorney. He was named CEO of the firm in January 2014 and retired at the end of 2019. He has a BA degree from Dartmouth College with a major in Biology and Environmental Studies and he earned his JD degree, magna cum laude, from the University of Maine School of Law. He is recognized by Best Lawyers in America and Chambers USA for his energy law and administrative law work and is AV-rated by Martindale-Hubbell. His term expires in March 2027.

Carolyn C. Gilbert was appointed to the Commission in May 2023 by Governor Janet Mills. Prior to her appointment, she was a Managing Consultant at Daymark Energy Advisors where she worked with utility commissions across the country on renewable energy policy and economics. She began her career as a consulting environmental engineer for municipal water and wastewater utilities. Commissioner Gilbert has served on the Energy Working Group of the Maine Climate Council and is the Maine Chapter Chair of New England Women in Energy and Environment (NEWIEE). Gilbert holds a Master of Business Administration from the Stephen M. Ross School of Business at the University of Michigan. She completed her undergraduate work at Dartmouth College and holds bachelor's degrees in Engineering and Environmental Earth Sciences. Her term expires in March 2029.

15. PAST COMMISSIONERS

1915 – 2023

* Benjamin F. Cleaves	1915-1919	Cheryl Harrington	1982-1991
William B. Skelton	1915-1919	* David Moskowitz	1984-1989
Charles W. Mullen	1915-1916	* Kenneth Gordon	1988-1993
John E. Bunker	1917-1917	Elizabeth Paine	1989-1995
Herbert W. Trafton	1918-1936	Heather F. Hunt	1995-1998
* Charles E. Gurney	1921-1927	William M. Nugent	1991-2003
Albert Greenlaw	1924-1933	* Thomas L. Welch	1993-2005
* Albert J. Stearns	1928-1934		2011-2014
Edward Chase	1934-1940	Stephen L. Diamond	1998-2006
* Frank E. Southard	1935-1953	* Sharon M. Reishus	2003-2010
C. Carroll Blaisdell	1937-1941	* Kurt Adams	2005-2008
James L. Boyle	1941-1947	Vendean Vafiades	2007-2012
George E. Hill	1942-1953	* Jack Cashman	2008-2011
Edgar F. Corliss	1948-1954	David P. Littell	2010-2015
* Sumner T. Pike	1954-1955	Carlisle J.T. McLean	2015-2017
Frederick N. Allen	1954-1967	* Mark A. Vannoy	2012-2019
Richard J. McMahon	1955-1961	R. Bruce Williamson	2015-2021
* Thomas E. Delahanty	1955-1958	Randall Davis	2017-2023
* David M. Marshall	1958-1969		
* Earle M. Hillman	1962-1968		
* John G. Feehan	1968-1977		
Leslie H. Stanley	1970-1976		
* Peter Bradford	1971-1977		
	1982-1987		
Lincoln Smith	1975-1982		
* Ralph H. Gelder	1977-1983		
Diantha A. Carrigan	1977-1982		

* Denotes Chairman

15. Recently Retired Commission Staff

Name	Title	State Service	Department Years
Paula Cyr	Management Analyst	30 years	30 years
Randall Davis	Commissioner	5 years	5 years
Harry Lanphear	Administrative Director	13 years	11 years
Myong Randall	Office Associate II	23 years	21 years
Mitchell Tannenbaum	Staff Attorney	37 years	37 years