



# Energy Market 2005

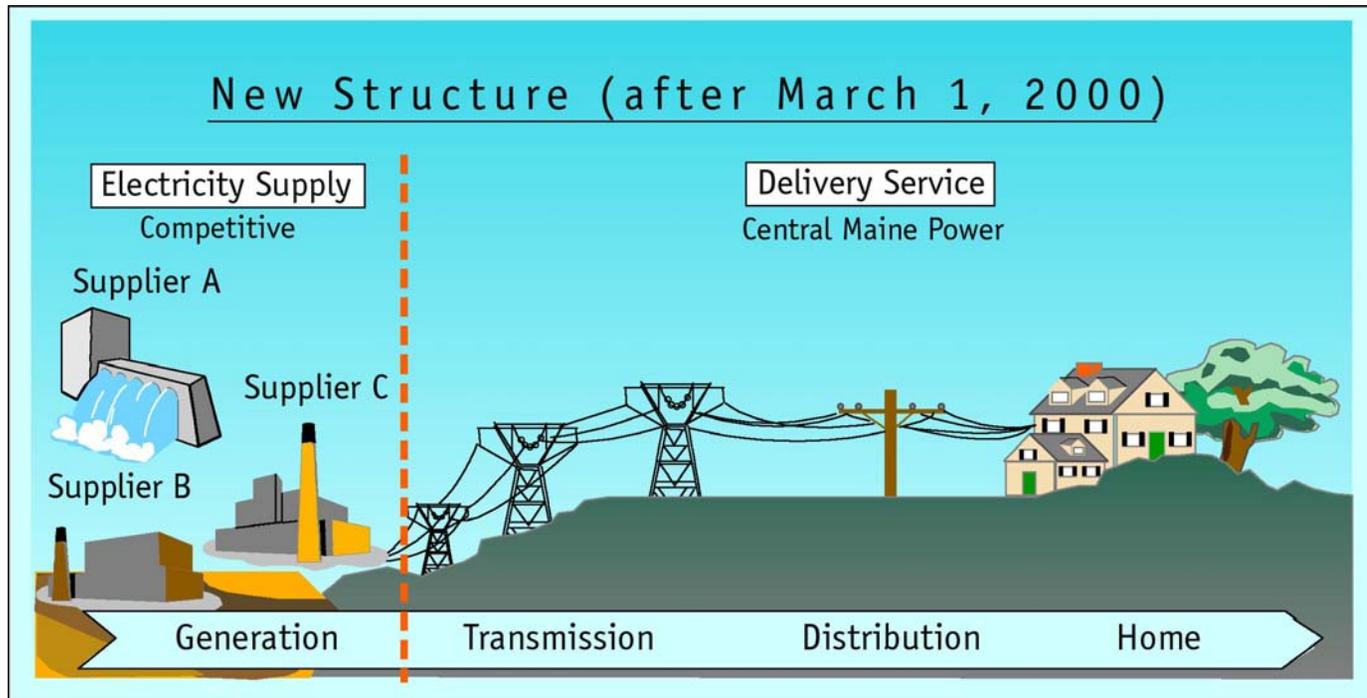
Seminars for Business Customers & Municipalities

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Research, Central Maine Power

# Overview of the Electricity Market

- Prior to March 1, 2000 - Vertically Integrated
- March 1, 2000 Forward - Deregulation
  - Generation
  - Marketers, Aggregators & Brokers
  - Transmission & Distribution Companies
  - ISO-NE
- Competitive Bidding Process for Standard Offer
- Competitive Electricity Providers Contract to Serve Individual Customers



- CMP Sold Power Plants
- Competition Sets Energy Supply Price
  - MPUC Licenses Providers; Does Not Set Price
  - MPUC Conducts Standard Offer Auctions
- MPUC Regulates CMP Delivery Prices

## Role of T&D in Deregulated Market

- Delivery Company - Poles & Wires
- Meter Equipment & Meter Reading
- Billing Agent for Standard Offer - Consolidated
- Billing Agent for Competitive Electricity Providers - Dual or Consolidated Billing Options
- Facilitate Enrollments in the Competitive Market
- Settlement Agent for ISO-NE - Load Estimation & Reporting
- Customer Service for T&D and Standard Offer

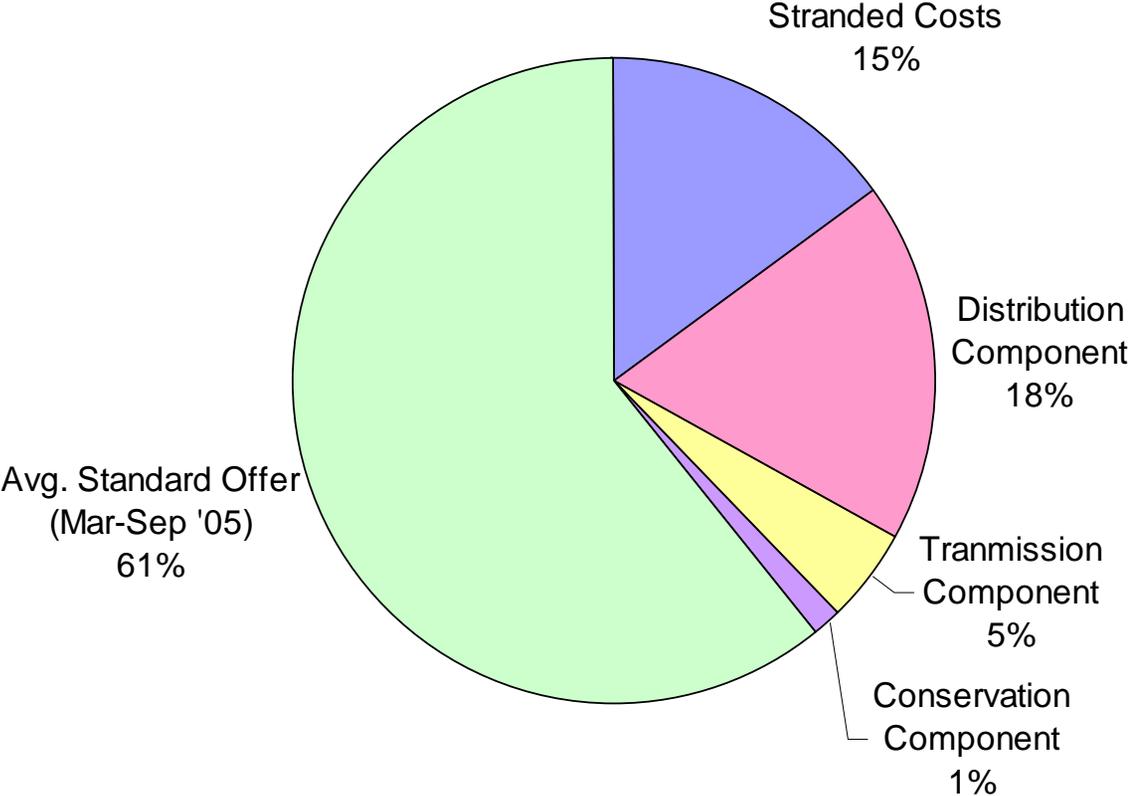
# ISO-NE & MPUC Rules & Regulations

- Ch 301 - Standard Offer Bidding Process
- Ch 305 - CEP Licensing, Reporting, Consumer Protection
- Ch 311 - Renewable Requirement (30%)
- Ch 321 - Load Profiling & Settlement
- Ch 322 - Metering, Billing & Enrollment
- Ch 323 - Maine EBT Standards
- ISO-NE - Market Rule 1
  - Manual 20 - Capacity
  - Manual 28 - Accounting
  - Manual 29 - Billing

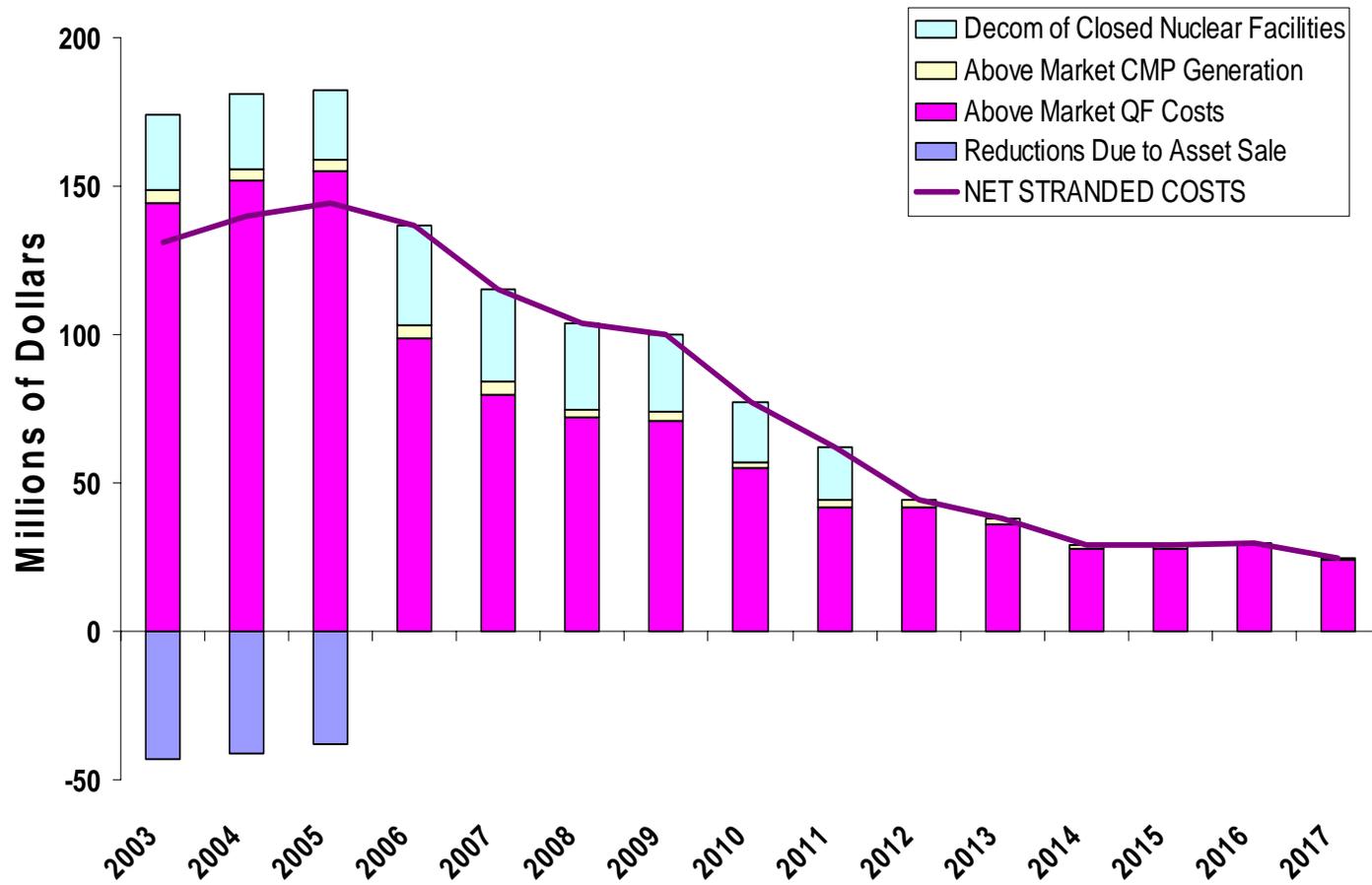
# Alternative Rate Plan (ARP)

- 1995 -2007 ARP ensures that CMP's annual increase in delivery prices will be below the rate of inflation.
- Delivery Component - distribution lines, poles, meters, trucks, people and office space.
- Standard Costs - power contracts (NUGS) and Nuclear.
- Conservation Assessment - for energy efficiency initiative.
- Transmission Costs - FERC Regulated Costs - transmission lines and substations. (MPUC input regarding cost recovery).
- MGS customers have received 5 price cuts in the past 6 years; resulting in lower T&D prices now than 5 years ago.
- CMP's delivery prices should remain stable through 2007.

# MGS Average Cost Components



# CMP Stranded Costs





Your CMP account number:  
**211-TEST-ACCT-01**



CMP customer assistance line  
Monday - Friday 7:30 - 5:00  
**1-800-565-3181**  
To report a power outage: 1-800-696-1000



TEST ACCOUNT NUMBER 1  
TEST ADDRESS 1  
TESTCITY ME  
Service location

Billing date: 03/07/05

Read cycle: 03

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Customer Meter Summary							
Meter Number	Read Date	Prior Read Date	Number of Days	Meter Reading	Prior Meter Reading	Meter Multiplier	Total KWH
AB03404889	03/04/05	02/03/05	29	14273	13145	120	135360
Account Summary							
<b>Prior balance</b>							
Payments received through 03/07/05 - thank you						\$15,677.27-	\$15,677.27
<b>Balance forward</b>						\$0.00	
<b>New charges</b>							
Electricity Delivery: Central Maine Power (see detail below)						\$5,592.41+	
Electricity Supply: Standard Offer Service (Standard Offer provider, p. 3)						\$10,515.83+	
<b>Total new charges</b>						\$16,108.24	
<b>Current Account Balance:</b>				Please pay before 04/03/05		<b>\$16,108.24</b>	

**Central Maine Power Delivery Service Account Detail**

<b>Prior balance for Central Maine Power delivery</b>			
Payments received - thank you		\$5,490.54-	\$5,490.54
<b>Balance forward</b>			\$0.00
<b>Current delivery charges</b>			
Delivery Charges: MGS Secondary 3 Phase			
Service charge			
Delivery Service:		135360 KWH	\$2,359.23+
Demand charge			
Measured		290.88 KW	\$2,935.48+
Billed		290.88 KW	
Reactive demand			
Measured		141.12 KVAR	\$0.00+
Billed		0.00 KVAR	
Maine sales tax			
			\$266.31+
<b>Total current delivery charges</b>			\$5,592.41
<b>Central Maine Power account balance</b>			\$5,592.41

Please see back page for important information.

	# of days	Your electricity usage (cost)		Total KWH
		\$/day	KWH/day	
This bill	29	\$192.84	4,668	135,360
Last bill	28	\$196.09	4,637	129,840
1 yr ago	0	\$0.00	0	0

Please return this stub with payment to CMP. If applicable, supply payments are forwarded to the appropriate energy provider. Do not send cash or coins, and do not return with staples or paper clips. Refer to back to fill in information for mail address changes or to sign up for the AutoPay Payment Option plan.



Your CMP account number:  
**211-TEST-ACCT-01**

Central Maine Power Co.  
PO Box 1084  
Augusta ME 04332-1084

Please pay this amount  
**\$16,108.24**  
before 04/03/05 so you  
can avoid late charges

00001 D  
TEST ACCOUNT NUMBER 1  
C/O TEST NAME 1  
TEST ADDR 1  
TESTCITY1 ME 04330-TEST



Please write  
amount paid:

\$ \_\_\_\_\_

Thank you!

Please do not write below this line

27030705211TESTACCT01001610824

# Electricity Supply

Standard Offer Service provided by:  
Standard Offer Service

Account: 211-TEST-ACCT-01  
Billing date: 03/07/05

TEST ACCOUNT NUMBER 1  
TEST ADDRESS 1  
TESTCITY ME

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## Electricity Supply Account Detail

Your electricity is supplied by:  
Standard Offer Service (Standard Offer Service)

<b>Prior balance for Standard Offer electricity</b>			\$10,186.73
Payments received - thank you		\$10,186.73-	
<b>Balance forward</b>			\$0.00
<b>Current electricity supply charges</b>			
Medium Non-residential Service (02/04/05-02/28/05)			
Energy Charge	116690 KWH @ .074970	\$8,748.22+	
Medium Non-residential Service (03/01/05-03/04/05)			
Energy Charge	18670 KWH @ .067854	\$1,266.86+	
Maine Sales Tax		\$500.75+	
<b>Total current electricity supply charges</b>			\$10,515.83
<b>Standard Offer Service account balance</b>			\$10,515.83

## Messages about your Standard Offer electricity supply

Central Maine Power provides billing services for your electricity supplier. Supply payments are forwarded on your behalf, in accordance with the rules of the Maine Public Utilities Commission.

Competitive bidding for the right to supply Standard Offer electricity is supervised by the Maine Public Utilities Commission.

Your electricity supply (standard offer service) is provided by Select Energy (60%) and Dominion Retail Inc., (40%).

# Electricity Supply



Energy Supplier

Your Energy Suppli      TESTBB  
Billing date:            03/07/05  
Phone:                 1-888-808-7731  
Hours:                 8:00 A.M. - 5:00 P.M.

TEST ACCOUNT NUMBER BB  
TEST ADDRESS BB  
TESTCITYAA ME

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## Electricity Supply Account Detail

Your electricity is supplied by:  
Energy Supplier

<b>Prior balance for Energy Supplier electricity</b>			\$12,167.03
Payments received - thank you		\$12,167.03-	
<b>Balance forward</b>			\$0.00
<b>Current electricity supply charges</b>			
Rate N0301 (02/03/05-03/04/05)			
Energy Charge	232000	KWH @ .052960	\$12,286.72+
Maine Sales Tax			\$614.34+
<b>Total current electricity supply charges</b>			\$12,901.06
<b>Energy Supplier account balance</b>			\$12,901.06

## Messages about your Energy Supplier electricity

Central Maine Power provides billing services for your electricity supplier. Supply payments are forwarded on your behalf, in accordance with the rules of the Maine Public Utilities Commission.

The average price per KWH for your electricity supply is \$0.052960.

