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Electricity Guide, 2017

Maine Office of the Public Advocate

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ELECTRICITY

GUIDE

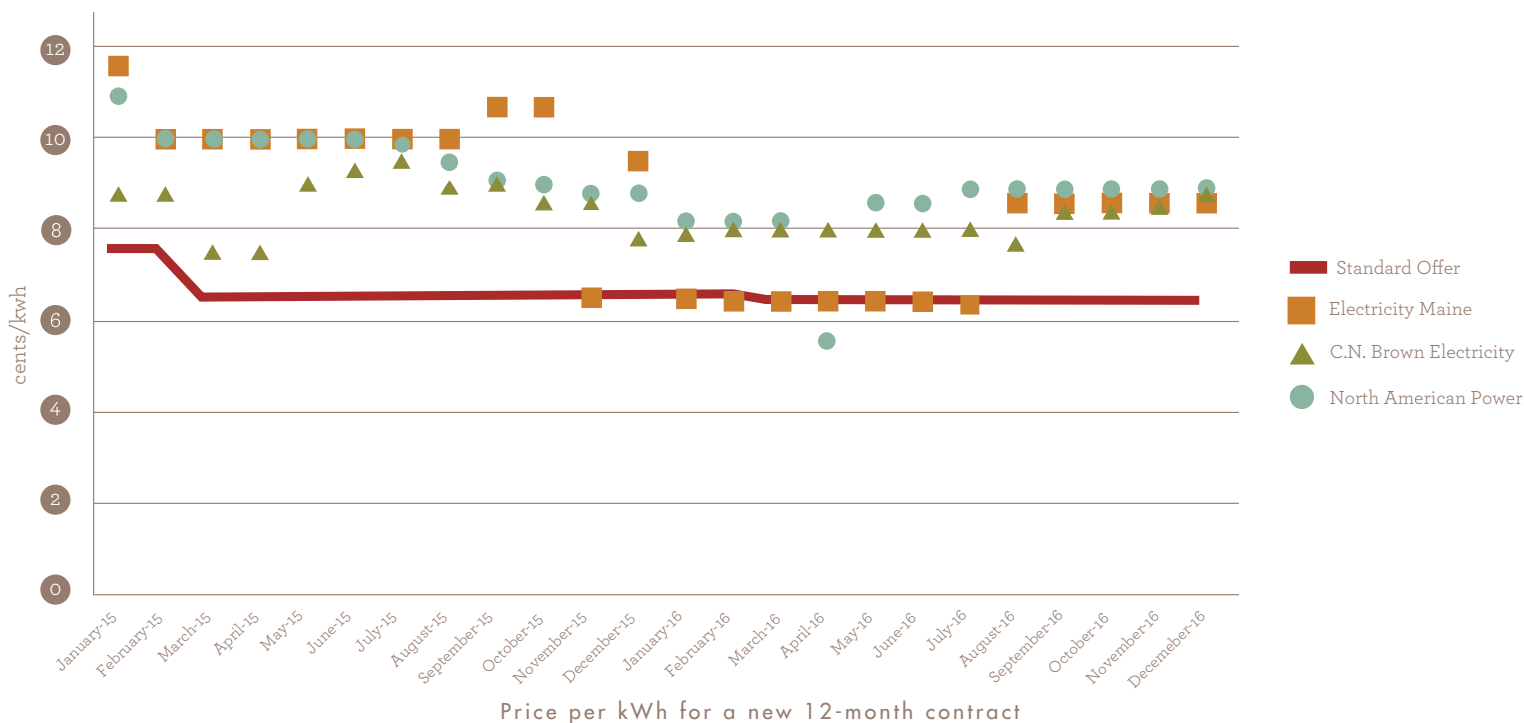
YOU HAVE THE POWER TO CHOOSE

Prior to 2000, your electric utility both generated electricity and delivered it to you on its poles and wires. That year a change in law kept the regulated utility responsible for delivery of electricity (transmission and distribution) but created a deregulated, competitive market for generation. As a result, residential and commercial customers can now choose to buy their electricity from licensed competitive electricity providers (CEPs). Those customers who choose not to shop for their electricity supply receive standard offer service, purchased on their behalf each year by the Maine Public Utilities Commission. The standard offer price changes annually on January 1st.

The Office of the Public Advocate tracks the rates for new CEP contracts each month. The chart below shows the price offered by three CEPs for new 12-month contracts over the

last two years. While there are more CEPs serving residential customers than ever before, savings are still hard to find. Except for short periods of time, CEP prices over the last two years were 40% higher than the standard offer.

Still, some CEPs offer products that are different from the standard offer that might appeal to you. If you are looking for long-term stability you can pay to lock-in for a multi-year contract. Companies also offer the option to purchase electricity generated from 100% renewable resources. This guide is designed to help you make an informed decision about choosing an electricity supplier. More information is available on our website (www.maine.gov/meopa) and the Maine Public Utilities Commission's website (www.maine.gov/mpuc).



WHAT TO CONSIDER

WHEN CHOOSING A SUPPLIER

If you are thinking about choosing a competitive electricity provider (CEP) for your electricity needs, here are six things you need to know before making a decision.

1. THE STANDARD OFFER PRICE.

Receiving electricity service from a CEP will only save you money if its price is lower than the standard offer price. The Maine Public Utilities Commission chooses the best offer submitted in a competitive auction for Central Maine Power and Emera Maine. The standard offer price changes on January 1st each year, with the change typically announced six weeks in advance. There is no contract or termination fee with the standard offer and you are free to switch at any time. You can find the current Standard Offer price on the OPA's website: <http://maine.gov/meopa/utilities/electric/supply.html>.

2. THE PRICE OFFERED BY A CEP.

This is the price you'll compare to the Standard Offer.

3. THE TERM OF THE CONTRACT.

If the price is fixed, find out for how long, so you know if the term will last beyond the next standard offer price change. Also, ask when the contract will end so you can make a note to review your options before this date.

4. WHETHER THE PRICE IS FIXED OR VARIABLE.

A fixed price contract will have the same cost per kwh for the length of the contract. If the price is variable it can change each month. While a variable rate may offer savings now it could change to a higher price in future months.

5. TERMINATION FEE.

Some CEPs charge a fee if you switch to the standard offer or to another CEP before your contract ends. Make sure you know if the CEP has one of these "termination" fees and how much they will charge before you switch.

6. YOUR RIGHTS.

CEPs are subject to oversight by the Public Utilities Commission, and there are rules to protect consumers. CEPs must provide you with their "Terms of Service" before you can become their customer, and you may change your mind within 5 days of signing up. CEPs also must notify you of an automatic renewal, or if they switch you to a variable price at the end of a fixed term. Always ask the CEP to confirm if they will be contacting you by mail or email. It is your responsibility to ensure that the CEP has up-to-date contact information.

CALCULATE YOUR SUPPLY COSTS

The Office of the Public Advocate's online calculator lets you compare what you would pay for your electricity supply with a CEP with what you would pay on the standard offer. Just enter your average monthly electricity use, the standard offer rate, and the CEP rate and the calculator shows the estimated monthly and yearly supply costs for each rate.

Visit <http://maine.gov/meopa/> and click the link for Electricity Supply Information to access the calculator.

MAINE GREEN POWER

Maine law requires that 40% of the electricity sold in Maine come from renewable generation. For customers looking for an even "greener" electricity supply, some CEPs offer 50% or 100% renewable products. Another option is to purchase "blocks" from Maine Green Power, a program sponsored by the Maine Public Utilities Commission. These blocks add a fixed cost to your monthly electricity bill that supports clean energy projects in Maine. There is no contract or termination fee associated with the Maine Green Power program.

For additional information, please visit <https://megreenpower.com/>

1) How do I know if I am in a contract with a CEP?

A. Central Maine Power customers - The last page of your electricity bill, the “Electricity Supply Account Detail” page, lists your electricity supplier and the price per kilowatt hour.

B. Emera Maine customers - The front page of the electricity bill has a Supplier Information box which lists the supplier and price per kilowatt hour.

2) My electricity is supplied by a CEP, not the standard offer. How do I switch to the standard offer?

A. Contact your CEP and ask when your current contract expires and if there is a termination fee for breaking your contract early.

B. If there is a termination fee and you have several months left on the contract, ask if the CEP can offer you a lower rate on your current contract.

C. If you still want to switch, tell your CEP that you want to break your contract and switch back to the standard offer.

3) My current CEP contract is expiring. How do I know if their new contract price is the best rate for me?

A. The Office of the Public Advocate website is updated with new supply prices each month. Visit <http://maine.gov/meopa/> and click Electricity Supply Information under the Important Links header.

B. Compare the new rate offered by the CEP with that of other CEPs and with the standard offer rate. The “What’s My Charge” tool on that page lets you estimate your monthly and annual supply bills based on your average monthly electricity usage, the standard offer rate, and the CEP rate.

4) I just discovered that I’m on a new contract with a CEP and didn’t agree to a new contract. How did this happen?

A. Under Maine Public Utilities Commission rule, CEPs are required to send you two notices between 30-60 days before a contract ends. They also need to keep proof of this notice in their files.

B. If you don’t remember seeing these notices, contact your CEP and ask them how they sent this information to you, either email or regular mail. It is your responsibility to update the CEP if your contact information changes.

C. Ask the CEP for proof of the notice. If they cannot provide it, contact the Consumer Assistance Division at the Public Utilities Commission (800)452-4699.



FREQUENTLY ASKED QUESTIONS ABOUT CEP CONTRACTS

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ABOUT THE OFFICE OF THE PUBLIC ADVOCATE

The Electricity Guide is published by the Office of the Public Advocate, the state agency created to represent public utility customers. In addition, the Office of the Public Advocate provides information to consumers about the Electricity market across Maine.

Paperless option: An electronic version of the Electricity Guide is available free of charge to all Maine residents on the Office of the Public Advocate's web page (www.maine.gov/meopa) or upon request by emailing opa@maine.gov. If you would like to receive future editions of the Electricity Guide electronically, please let us know.



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