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June 24, 2024

Open Customer Meeting

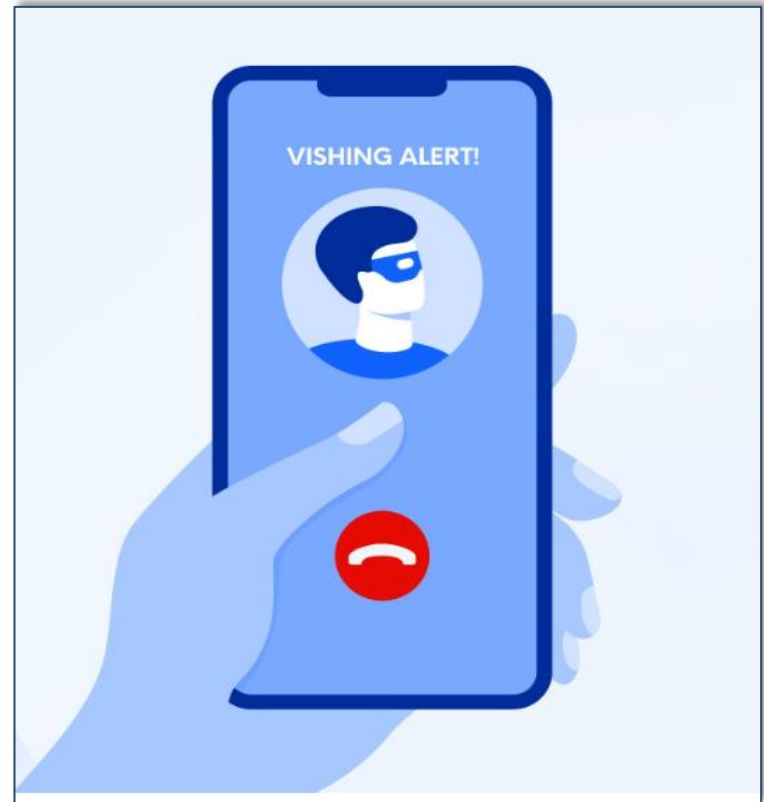
Agenda

- Welcome (*Marissa Minor*)
- Safety Message (*Norm Bolliger*)
- Versant Power & Rates Overview (*Stephen Johnston*)
- Transmission Rates Effective July 1 (*Lloyd Maynard*)
- Updates on Rates Effective July 1 (*team*)
- Closing Remarks (*Stephen Johnston*)
- Discussion and Questions (*All*)

Safety message: Scammers

UTILITY SCAM AWARENESS
KNOW THE SIGNS





In today's technology-driven environment, customers must be vigilant to protect their personal I.D. and account information.

Be Aware, Don't Fall for Scams!

- Versant **will not** call customers demanding immediate payment.
- MPUC rules require utilities to provide customers with proper notices regarding disconnection.
- Customers should always contact their utility using the phone number found on their utility bill.
- We will not ask a customer to wire money or tell them to send them a gift card to make a payment.

Door-to-door Energy Scams:

- Typically involve someone visiting your home and pretending to be a representative from an energy provider, utility, or solar company.
- A scammer's goal is to get you to give them your money, your personal information, or to sign you up for a service that you did not request.
- They will often ask to see a copy of your Utility Bill.

Don't become a victim:

- Do not share any personal or account information.
- Ask to see company I.D. (Even if person has company uniform).
- Report the incident to Versant Power or other utility.
- Tell your neighbors and friends.

What is Vishing?

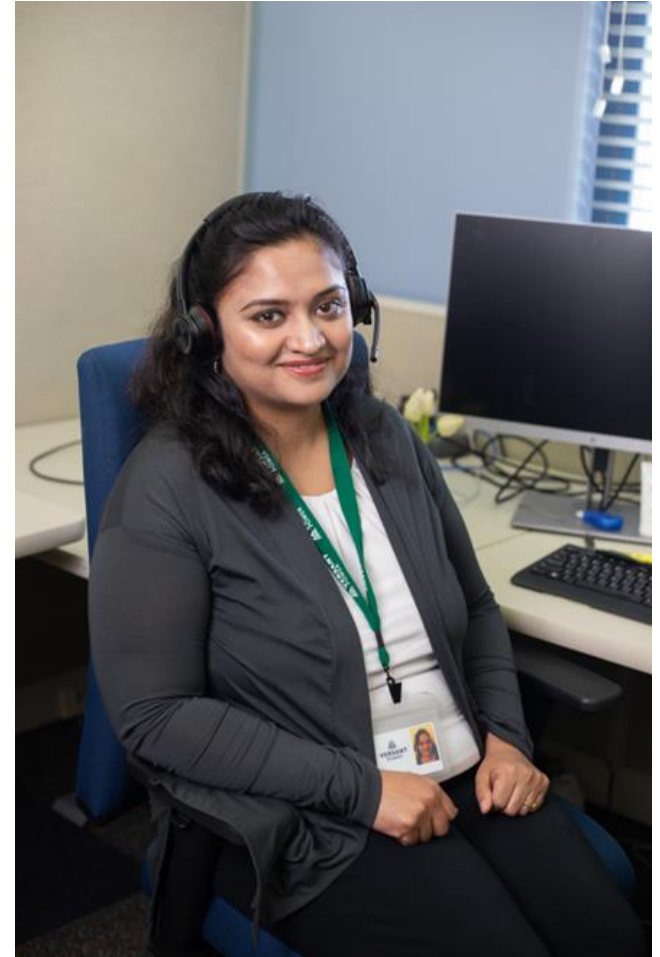
Voice + Phishing

In Vishing, a scammer uses a mix of social engineering and psychological conning to trick you or a representative into sharing personal data. Vishing mainly targets account numbers, login credentials, and PIN details.

- Versant Power has recently seen an uptick in Vishers trying to get customer information.
- Our Customer Service Representatives (CSRs) complete a comprehensive training to potentially identify scamming scenarios. Versant has also established support systems (Security Specialist) to help the CSRs with stopping fraudulent activity/attempts.

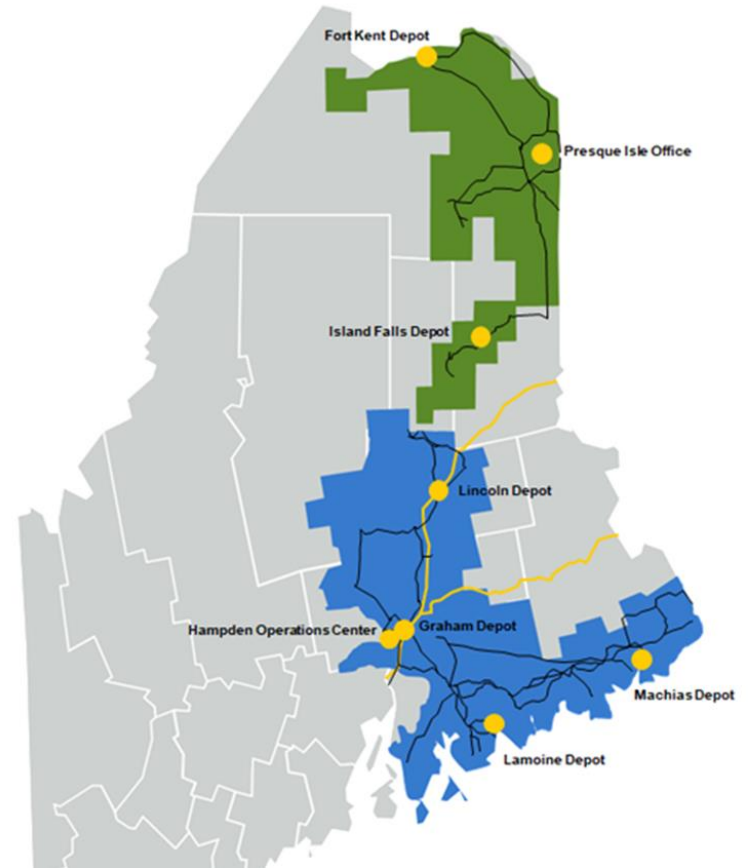
What can You do to Stop Vishers?

- Have all the pertinent information about your account ready when calling the Contact Center.
- Request a CSR to establish a password for your account and update it periodically.
- Review the list of authorized users on your account annually to make sure that it is accurate.

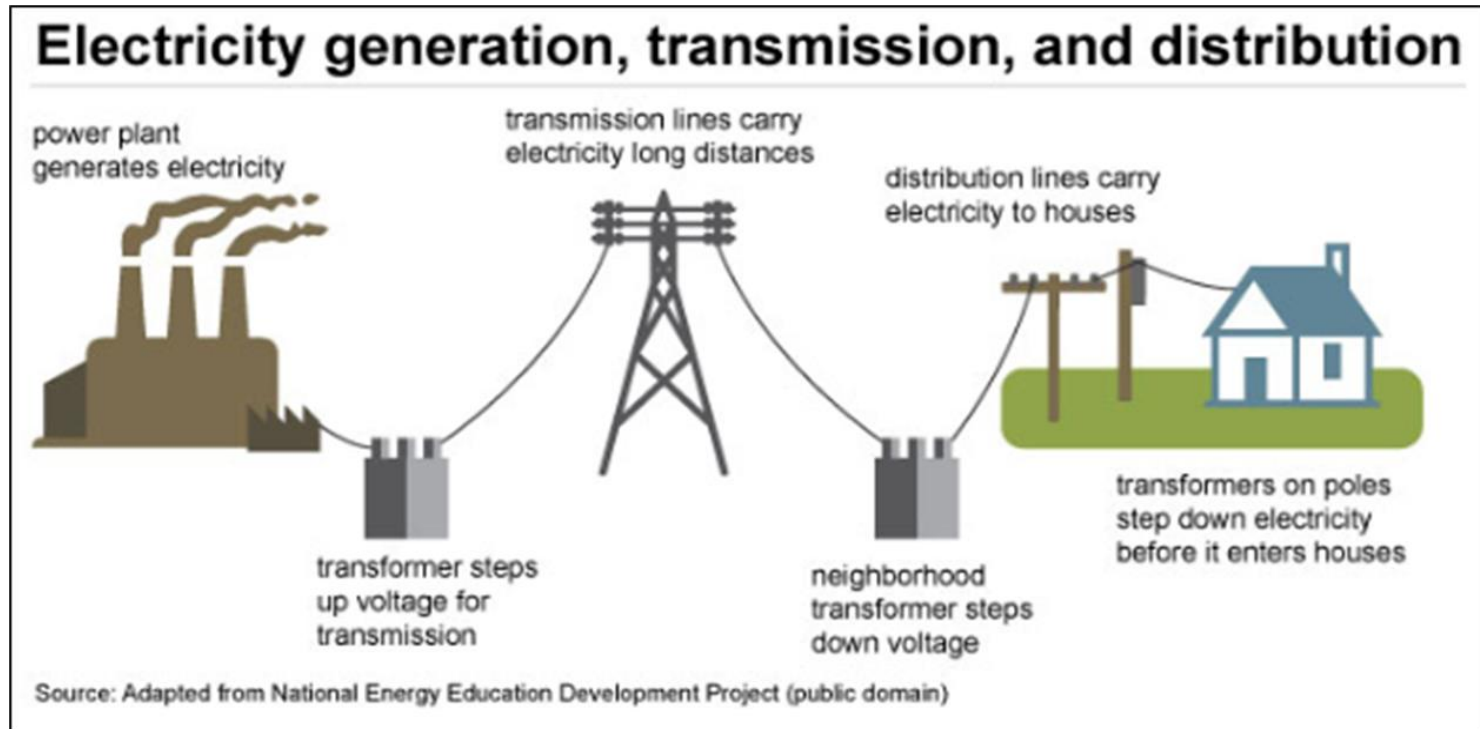


Versant Power Service Territory

Service Territory	10,400 sq. miles
Customer Accounts	165,000
Employees	530+
Transmission Lines	1,265 miles
Primary Distribution Lines	6,300 miles



Transmission & Distribution

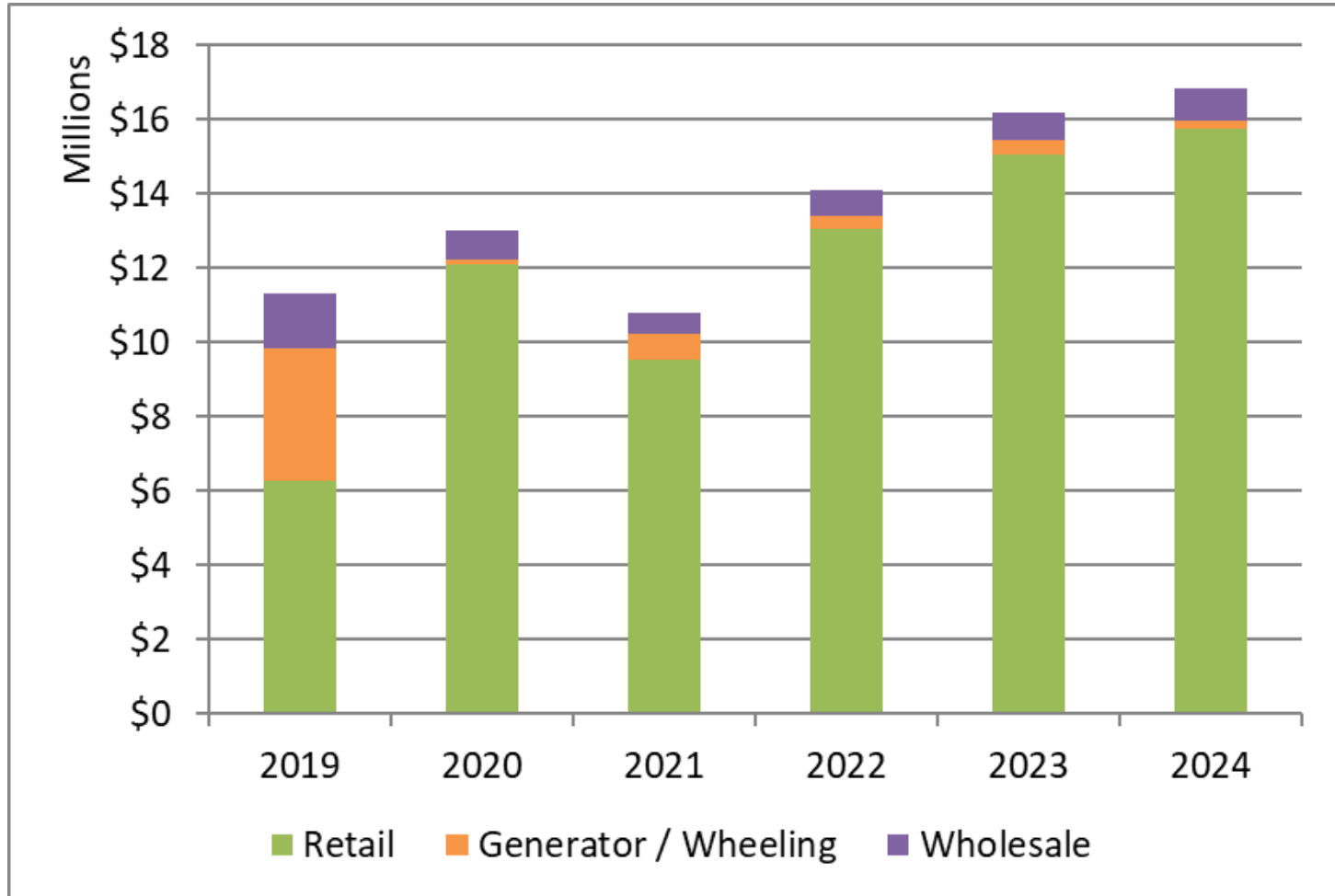


Versant controls Transmission and Distribution costs.
Electric supply, stranded cost, and conservation costs are set by others.

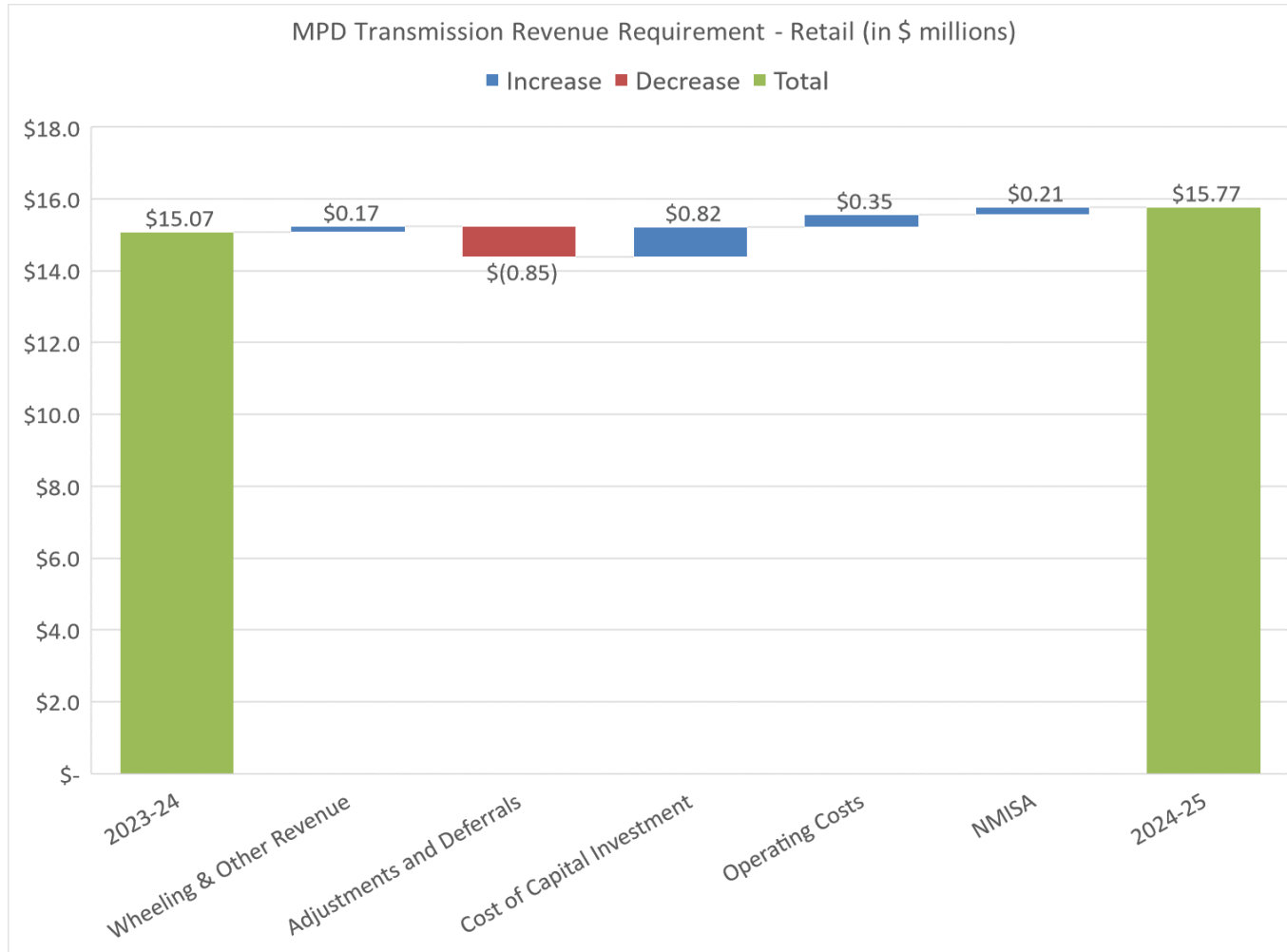
Transmission Rates – Basics

- Versant Power is a cost-of-service utility
- Transmission rates are based on the cost to provide safe and reliable service, calculated using an established formula
- Customers pay according to their usage of the electric system during peak hours
- Versant Power is keeping with the plan to spread needed upgrades to the transmission system over 15-20 years in the most cost-effective way to keep the grid reliable

Transmission Revenue Requirement



Transmission Retail Revenue Requirement



Cost of Capital Investment is comprised of Interest, Depreciation, Taxes, and Return

NMISA is the Northern Maine Independent System Administrator

Transmission Retail Rate Changes on July 1

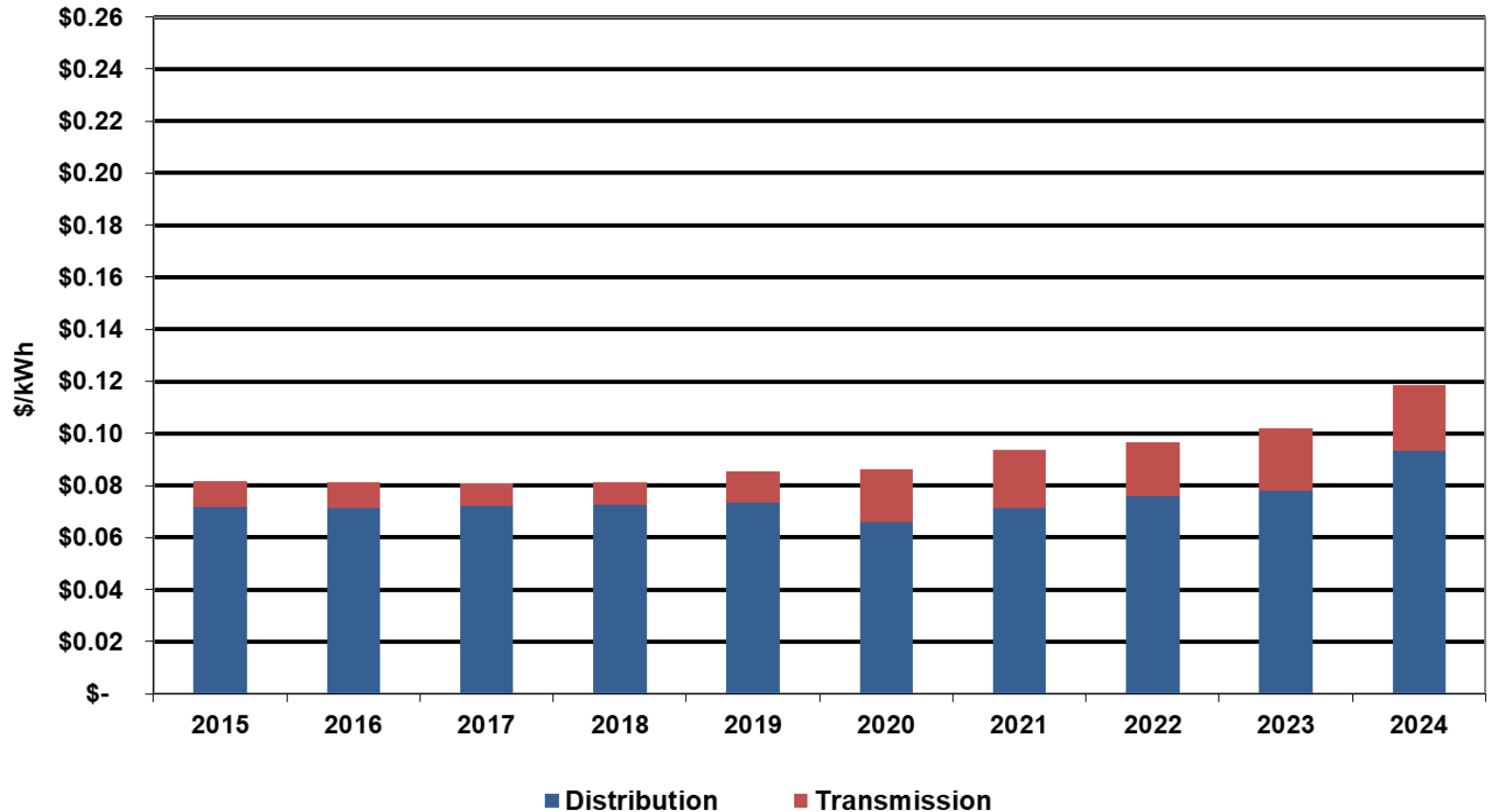
- For a typical residential customer using 500 kWh per month:
 - Transmission bill component will decrease by \$0.74
- General Service and Medium commercial customers are seeing an increase in the transmission rate
- Large customers are seeing a decrease in the transmission rate

MPD Rate Class Designation	July 2024 to June 2025 rate	% Change From Prior Year
Residential (A/A1/AH/AHN)	\$ 0.024567 / kWh	-5.7%
General Service (C,C2, C3, D-2,F,SNO)	\$ 0.048432 / kWh	14.0%
Medium Power Service - Primary (EP)	\$ 9.27 / kW	98.9%
Medium Power Service - Secondary (ES)	\$ 9.78 / kW	74.3%
Large Power Service - Primary TOU (E-P-T)	\$ 6.76 / kW	-22.1%
Large Power Service - Secondary TOU (E-S-T)	\$ 11.16 / kW	-20.8%
Sub-Transmission Power Service (S-T)	\$ 10.27 / kW	-25.6%
Transmission Power Service (H-T)	\$ 14.56 / kW	-9.3%
Street & Area Lighting (SL, T)	\$ 0.007997 / kWh	7.6%

Changes in each rate class are due to the allocation of costs from the transmission rate formula. Versant is analyzing a change to the formula which would reduce this year-to-year volatility

Transmission and Distribution Rates in MPD: 10 Year History

Delivery Rate Components for Basic Residential Service
(amounts expressed in 2023 real dollars)



Changes in Other Delivery Rates

Stranded Cost

- 59% increase in revenue requirement
- Change to fixed charge for Net Energy Billing (NEB) and post-restructuring costs (listed as Public Policy Charge)
- Very small volumetric rate remains to recover pre-restructuring costs

Distribution

- 0.7% increase from annual true-up mechanism
- Rate Case underway, proposed to take effect April 1, 2025

Conservation / DSM (Demand Side Management)

- Increase to support Efficiency Maine Trust programs

Transmission and All Delivery Bill Impacts: Monthly

Estimates for average customers, starting July 1, 2024

Rate Class	Sample Usage	2024 Transmission Change	2024 Change for All Delivery (including T&D, Stranded Cost, and Conservation)
Residential	500 kWh	(\$0.74)	\$7.61
General (C)	1,000 kWh	\$5.96	\$19.99
Medium (ES)	50 kW to 250 kW	\$205 to \$1,040	\$680
Medium (EP)	100 kW to 350 kW	\$460 to \$1,610	\$1,870 to \$1,980
Large (EP-T)	500 kW to 1,500 kW	(\$960) to (\$2,880)	\$4,550 to (\$1,735)
Large (ES-T)	500 kW to 750 kW	(\$1,465) to (\$2,195)	\$1,360 to (795)
Trans (ST)	1,000 kW to 2,500 kW	(\$3,540) to (\$8,850)	\$3,080 to (\$11,140)
Trans (HT)	1,000 kW to 2,500 kW	(\$1,490) to (\$3,725)	\$50,060 to \$38,865

Changes in monthly bills are primarily due to the change in rate design for Stranded Costs to a fixed charge, affecting all customers across the State.

Residential Monthly Bill with All Charges

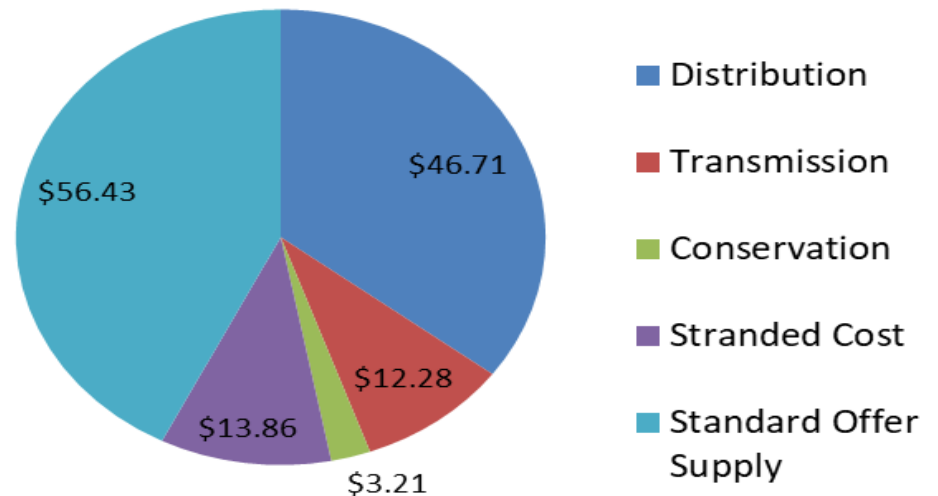
A typical MPD residential bill will be \$132.49/month

T&D charges: 45%

All Delivery: 57%

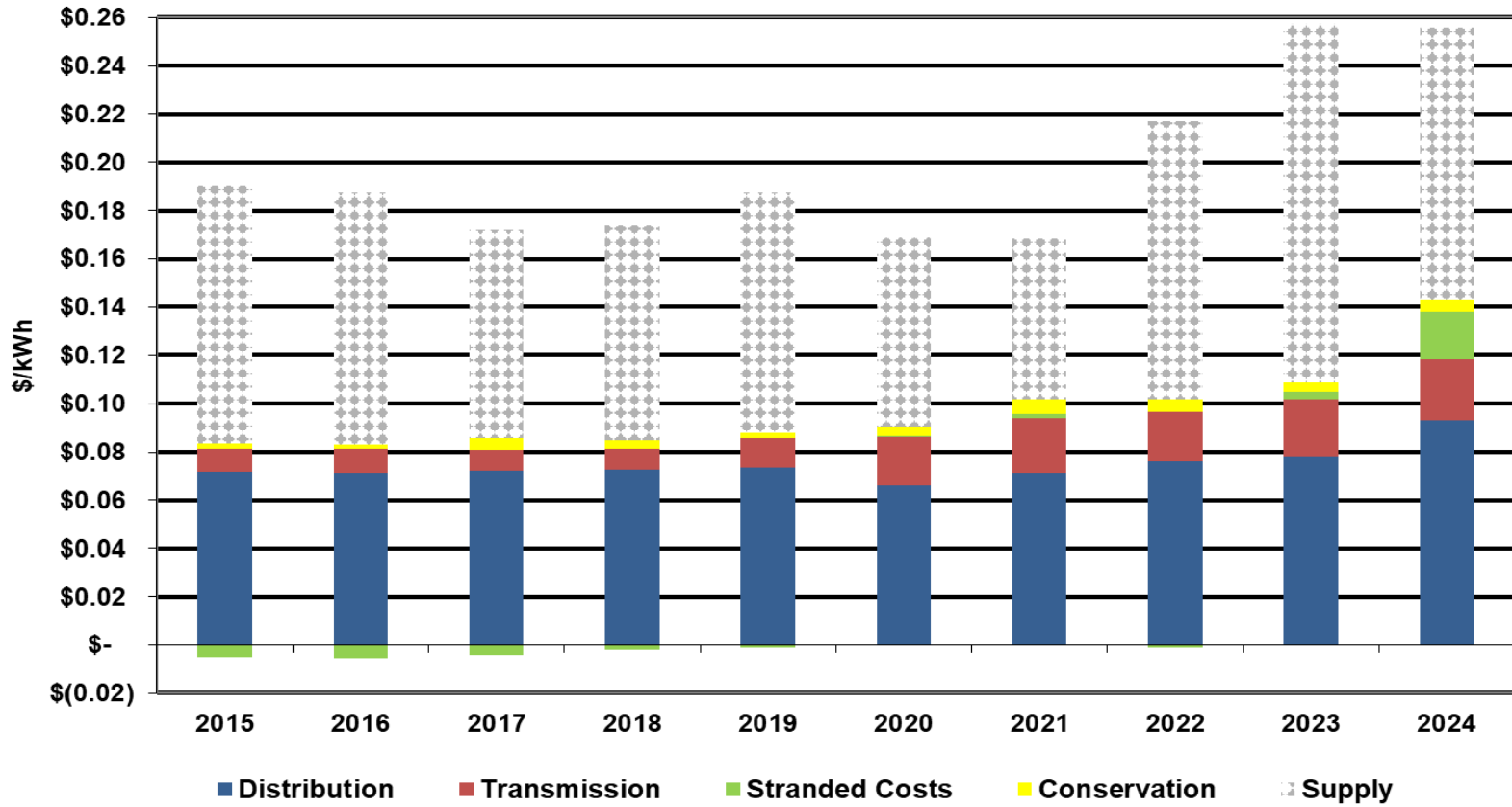
Standard Offer Supply: 43%

**Maine Public District
Residential Bill at 500 kWh/month**



All Rate Changes in MPD: 10 Year History

Rate Components for Basic Residential Service
(amounts expressed in 2023 real dollars)



2024 Stranded Cost is shown as \$/kWh for comparison.
Standard Offer is used for Supply rates.

Summary of Rate Changes

A 4.2% increase to the Transmission Revenue Requirement

- \$16.8M primarily met by Retail customers
- Details of the projects will be discussed in the PAG meeting
- Each rate class will experience a different rate impact

All other rates are changing

- Stranded Costs have risen 59% and are converting to a fixed charge
- Distribution rates and Conservation rates have increased
- Each customer will experience a different bill impact

Looking Forward

Versant is analyzing several options that may help MPD medium and large commercial customers manage their energy costs

- 1) Modifications to the Transmission rate 12 CP allocation
 - Goal to reduce volatility in annual rate changes
 - Allocate across rate classes similar to BHD

- 2) New rate options for commercial customers adopting EV's and energy storage
 - Versant intends to file new rates available on August 1st
 - Transmission rate component offers a coincident peak option
 - Versant working to provide instantaneous system load on website this summer



Questions and Discussion