



June 17, 2021

Versant Power

2021 Transmission Rates
Maine Public District

Welcome

This open customer meeting is an annual event in which Versant Power as your electric transmission provider discusses our annual transmission rate update.

We appreciate your time today, and thank you for joining us.

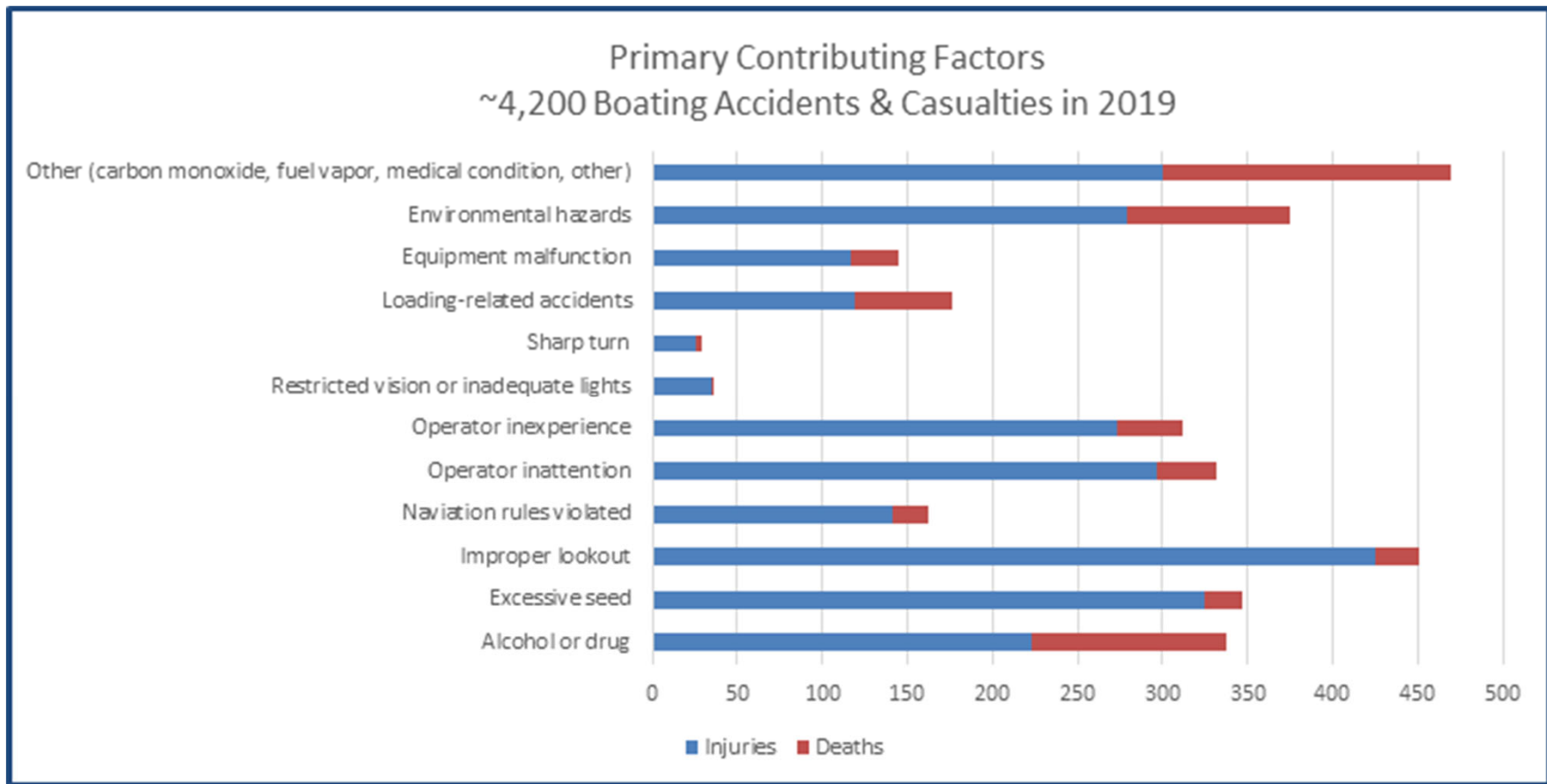
Agenda

- Welcome & introductions (Marissa Minor)
- Safety message (Gina LeBlanc-Eggert)
- Versant Power & rates overview (Lisa Martin)
- Transmission rates effective July 1 (Tim Olesniewicz)
- Discussion and questions (All)

Safety Moment



Safety Moment



Safety Moment

10 Essential Boat Safety Tips

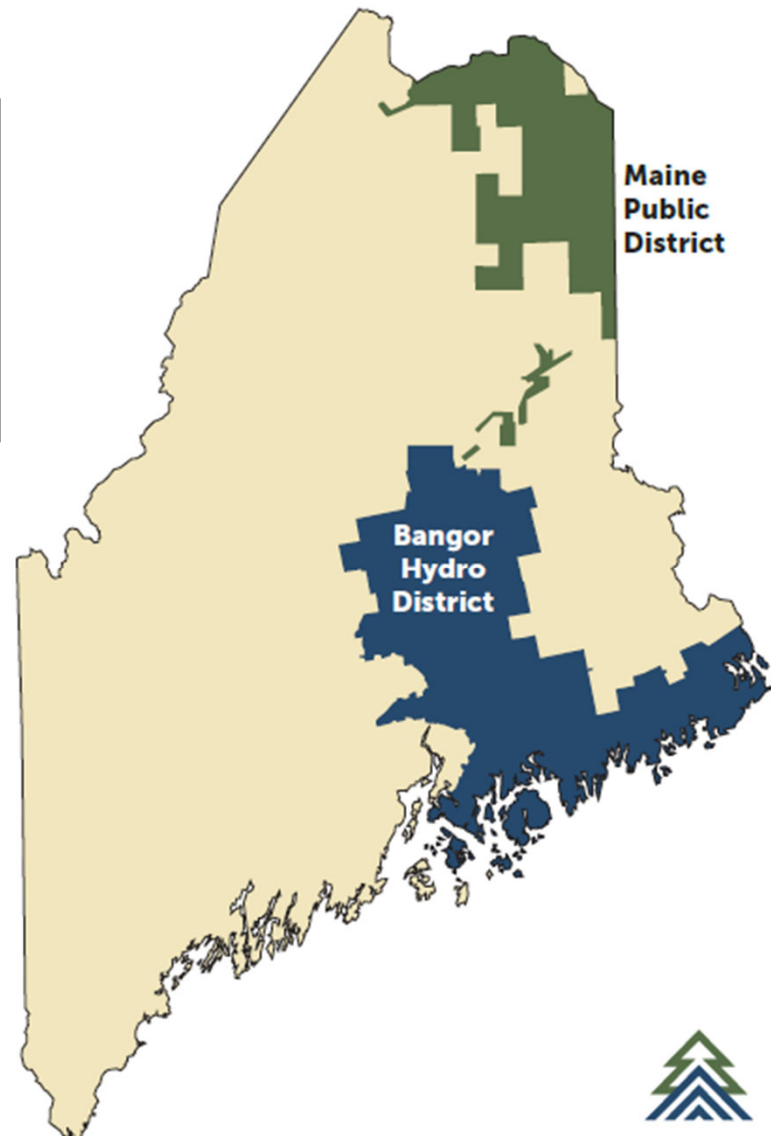
1. Be Prepared with a Boat Safety Kit
2. Bring the Proper Life Jackets
3. Check the Weather Beforehand
4. Don't Overload the Boat with People or Equipment
5. Check for Harmful Fumes
6. Use Common Sense on the Water
7. Follow Proper Anchoring Procedures
8. Follow Proper Docking Procedures
9. Take a Boating Safety Course
10. Get Your Boat Checked

Enjoy Your Summer with Boat Safety

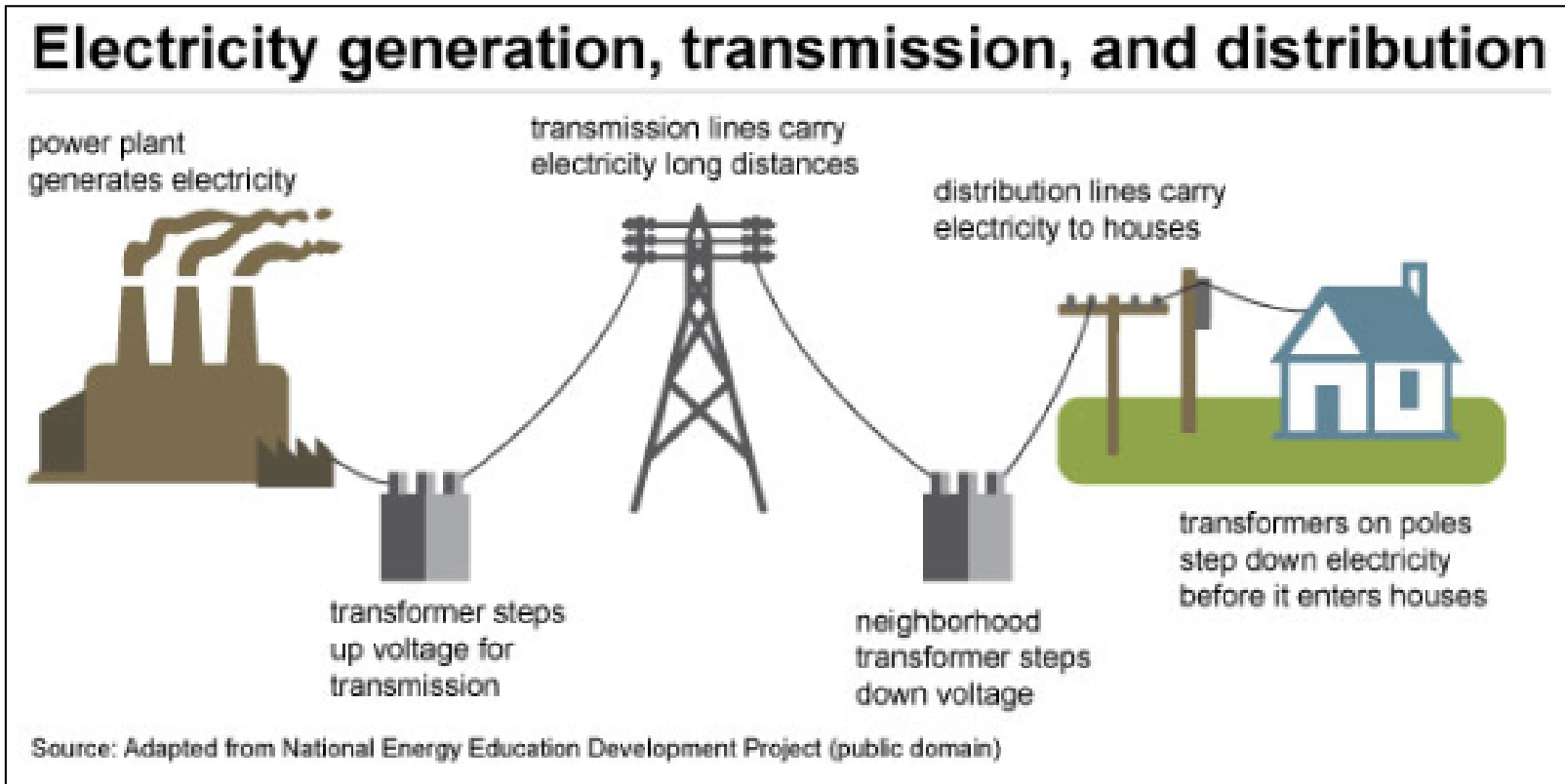


Versant Power Service Territory

<i>Service Territory</i>	10,400 sq miles
<i>Customers</i>	159,000
<i>Employees</i>	406
<i>Transmission Lines</i>	1,265 miles
<i>Primary Distribution Lines</i>	6,090 miles



Transmission & Distribution



Versant Power delivers electricity supplied by others

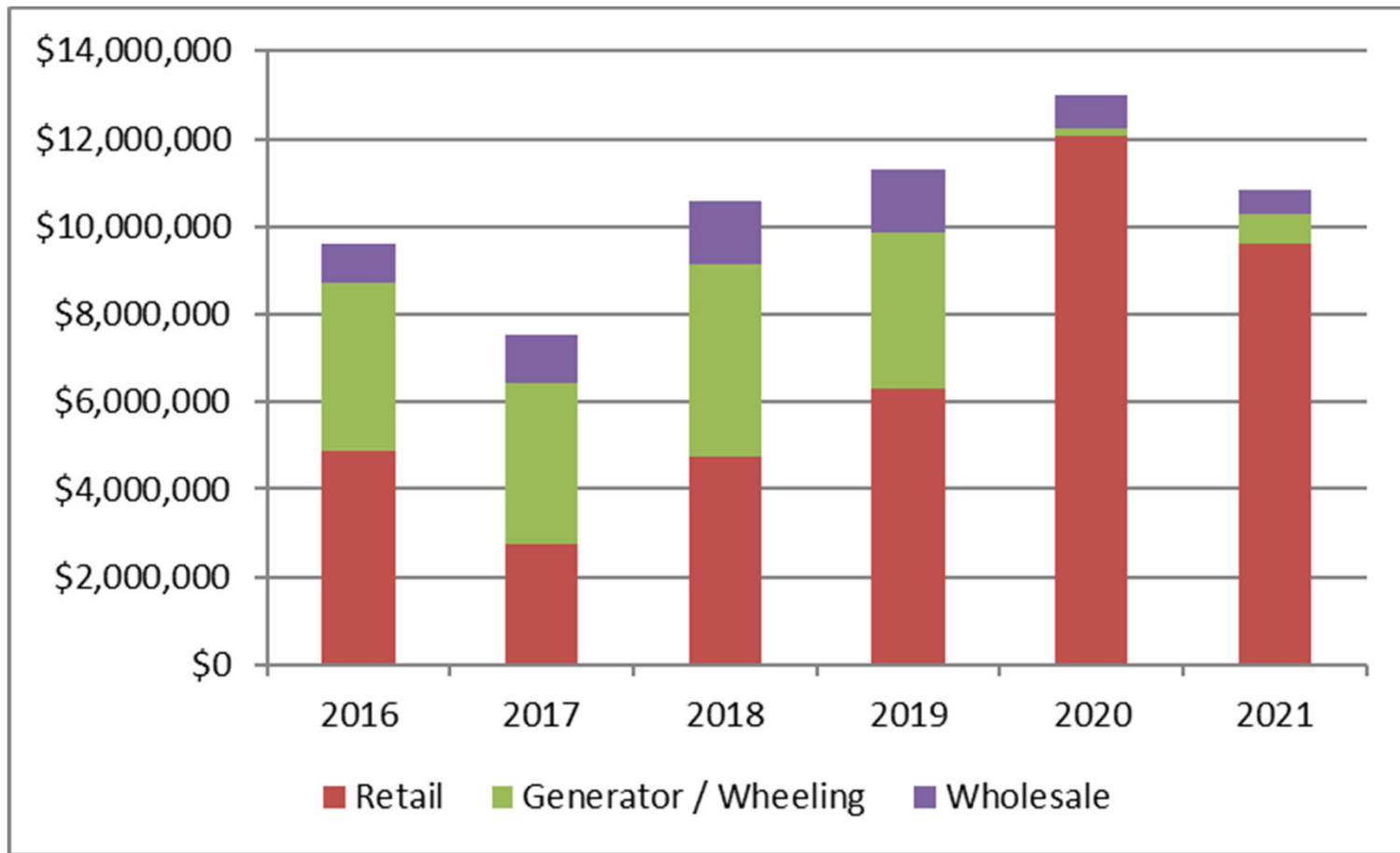
Transmission Rates – Basics

- Versant Power is a cost-of-service utility
- Rates are set based on the cost to provide safe and reliable service, based on an established formula
- Customers pay according to their usage of the electric system
- 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 system reliable

Transmission Rate Change July 1

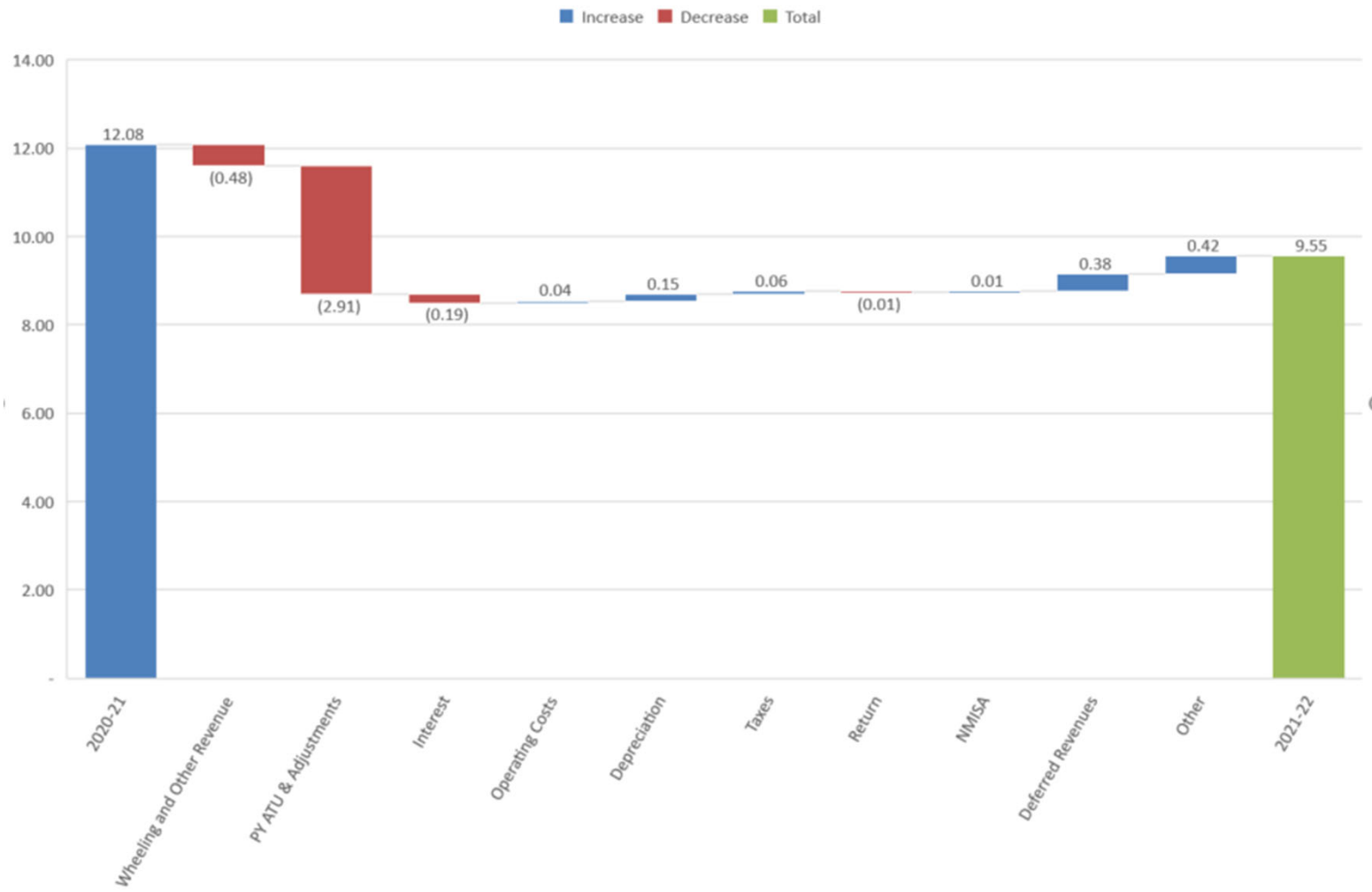
- On July 1, most customers will see their bills decrease for delivery of electricity
- A typical residential customer using 500 kilowatt-hours per month will see the Transmission component of their bill go down from \$11.57 to \$8.87 per month
 - total delivery & supply bill go from about \$76.27 to \$73.97 including changes to Transmission, Stranded Cost and Conservation
- Commercial and Industrial rates are also decreasing for most customers (will share some ranges in the slides to follow)
- Versant Power will work offline with any customer who wants an individual analysis

Revenue Contribution by Customer Group



MPD Retail Revenue Requirement

2020/21 to 2021/22



Annual Costs & Revenue Requirements

	Actual Cost for the Year			
	2017	2018	2019	2020
Investment Return and Associated Income Taxes	4,486,365	4,774,026	4,723,220	4,727,557
Depreciation	1,409,312	1,635,815	1,621,445	1,779,738
Operating Expense	3,374,814	3,234,537	3,534,978	3,896,580
Versant Power Operating Costs	9,270,491	9,644,379	9,879,642	10,403,876
Adjustments	(104,972)	406,184	(452,824)	866,237
Annual True Up	1,176,672	1,304,773	3,576,594	(483,377)
Total	10,342,191	11,355,335	13,003,412	10,786,736
	Revenue Requirement for the Transmision Year			
	2018/2019	2019/2020	2020/2021	2021/2022
Generator Revenue / Wheeling	4,412,007	3,568,910	163,546	674,994
Wholesale	1,182,777	1,501,317	759,609	559,496
Retail	4,747,407	6,285,108	12,080,257	9,552,246
	10,342,191	11,355,335	13,003,412	10,786,736

Transmission Rate Change - Monthly

July 1, 2021 Transmission Only Rate Change

Customer Class	Sample Usage	2021 Change
Residential	500 kWh	(\$2.70)
General (C)	1000 kWh	(\$4.76)
Medium (ES)	50 kW – 250 kW	(\$120)- (\$610)
Medium (EP)	100 kW – 350 kW	(\$80) - (\$280)
Large (EP-T)	500 kW – 1,500 kW	\$180 - \$550
Large (ES-T)	500 kW – 750 kW	(\$1,960) – (\$2,950)
Trans (ST)	1,000 kW – 2,500 kW	(\$890) – (\$2,230)
Trans (HT)	1,000 kW – 2,500 kW	(\$2,430) – (\$6,080)

Delivery Rate Impact - Monthly

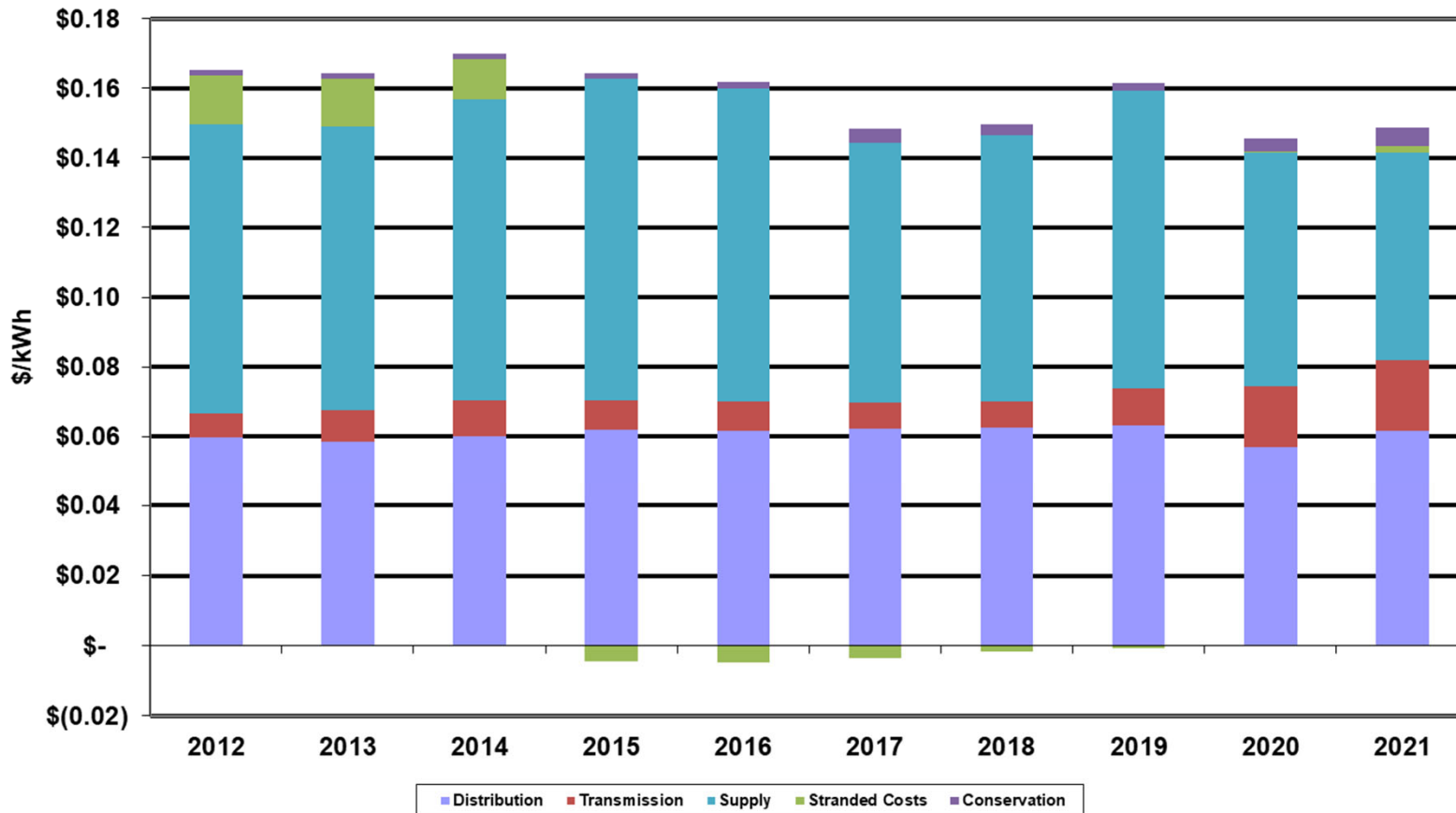
July 1, 2021 Rate Change

For Transmission, Conservation & Stranded Cost

Customer Class	Sample Usage	2021 Change
Residential	500 kWh	(\$2.30)
General (C)	1000 kWh	(\$3.95)
Medium (ES)	50 kW – 250 kW	(\$26) – (\$130)
Medium (EP)	100 kW – 350 kW	(\$52) – (\$182)
Large (EP-T)	500 kW – 1,500 kW	\$340 – \$1,010
Large (ES-T)	500 kW – 750 kW	(\$1,760) – (\$2,640)
Trans (ST)	1,000 kW – 2,500 kW	(\$410) – (\$1,030)
Trans (HT)	1,000 kW – 2,500 kW	(\$1,950) – (\$4,880)

MPD Residential Rate History

Versant Power - Maine Public District
 Rate Components for Basic Residential Service
 2012-2021 Calendar Years
 (amounts expressed in 2020 real dollars)

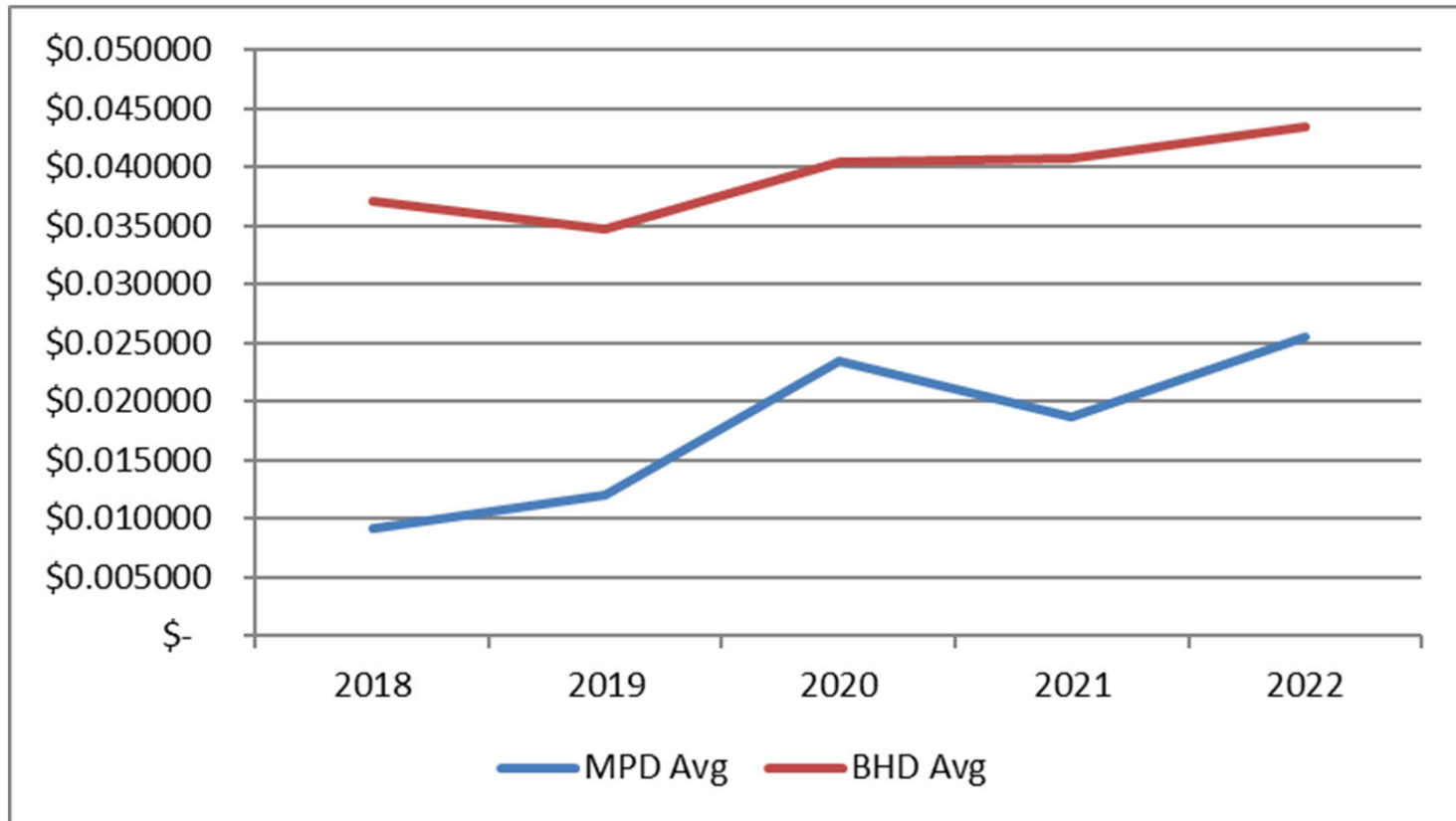


Rate Changes on July 1, 2021

Residential Customer (500 kWh/mo.)

Category	New Rate	Previous Rate	Explanation
Transmission	\$8.87 / month \$0.017733/ kWh	\$11.57 / month \$0.023149/ kWh	<ul style="list-style-type: none"> Expense and Return on Rate Base was flat Expiration of True-up related to loss of Wheeling and Wholesale Customers Estimate pending Min Charge Adjustment
Stranded Cost	\$1.18 / month \$0.002364 / kWh	\$0.58 / month \$0.001162 / kWh	<ul style="list-style-type: none"> Pass-through of State energy policy costs (Energy contracts and Net Energy Billing) Estimate pending MPUC decision
Conservation	\$2.62 / month \$0.00524 / kWh	\$2.82 / month \$0.00563 / kWh	<ul style="list-style-type: none"> Pass-through charge to fund energy efficiency and greenhouse gas reduction programs Administered by Efficiency Maine Trust Estimate pending MPUC decision
Distribution	\$31.17 / month \$0.062334 / kWh	\$31.17 / month \$0.062334 / kWh	<ul style="list-style-type: none"> Rate change pending Commission review Current Rates effective since July 2018
TOTAL delivery without supply:	\$43.84 / month \$0.0877 / kWh	\$46.14 / month \$0.092 / kWh	<ul style="list-style-type: none"> Approximately \$2.30 / month decrease

Transmission Rate Averages (cents/kWh)



Final Thoughts

Versant Power Is:

- A local team providing service
- Implementing a long term plan to provide customers with safe, reliable service, and spread out costs
- Strives to keep costs stable; aging system requires investment
- Supporting state renewable energy goals

Questions & Discussion