



STATE ENERGY OFFICIALS ENCOURAGE BUSINESS TO PREPARE FOR WINTER AND HIGH PRICES

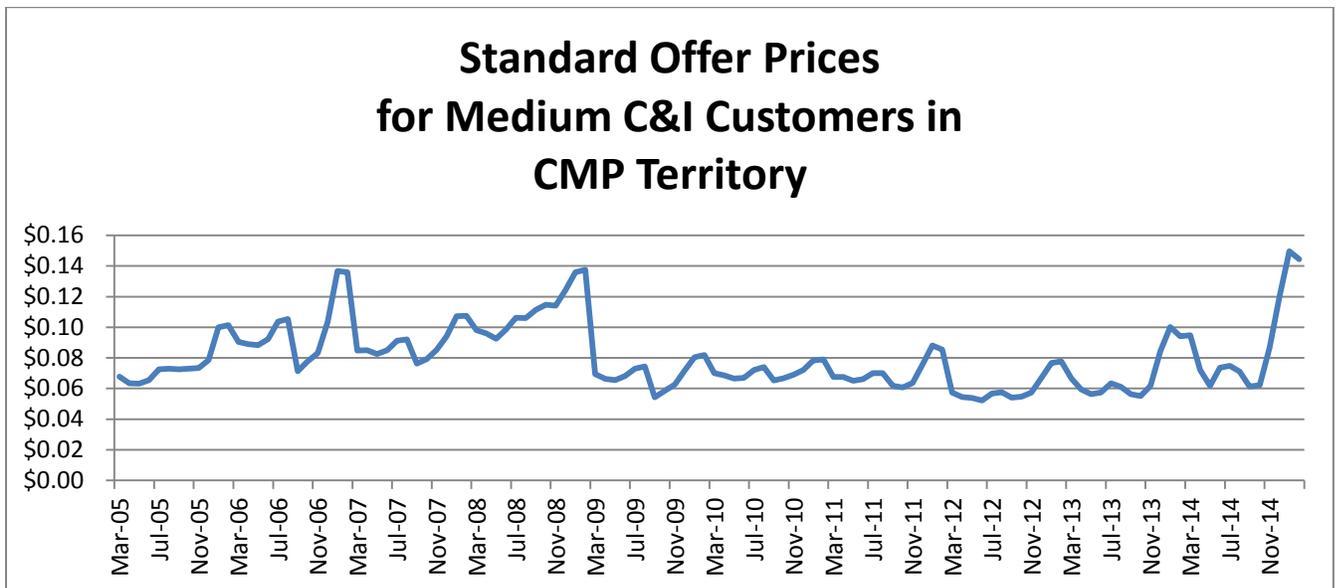
Nearly Unprecedented Regional Spike in Electricity this Winter

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Augusta – State energy officials are encouraging Maine businesses to prepare for a sharp rise in electricity prices this winter. According to the Maine Public Utilities Commission, these price increases will be most pronounced for medium-sized business customers on the standard offer, as well as for customers whose electricity price fluctuates with time of use. For example, the price of the electricity supply for a medium-sized commercial and industrial customer, such as a grocery store or a small saw mill, under the Standard Offer rate in Central Maine Power's territory will rise from 6 cents/kWh this month up to 15 cents/kWh in January.

This will be the highest monthly price for these customers since 2008. For a typical customer--without any mitigating measures--this would increase their monthly electricity bill by more than \$1,100 compared to their current bill (the electricity supply portion of their bill would increase from \$870 per month in September to over \$2,000 per month in January). Prices for residential customers who take standard offer service are fixed for one year, and will not change until March 2015. That rate has not yet been established.



Source: Maine Public Utilities Commission

The principal cause of these electricity price increases is the high cost of natural gas delivered to New England in the winter months, which translates into higher prices for the region's gas-fired electric

generators, or use of more expensive generators powered by other fuels such as coal and oil. Until a long-term solution is in place, short-term efforts will be needed to moderate the impacts of these price increases. There are options that customers can consider to prepare for this winter. These include:

- **Energy Efficiency.** There are some easy steps all customers can take to reduce their exposure to high prices as soon as this winter and for many years to come. All businesses can access Efficiency Maine discounts and rebates on high-efficiency lights. During dark winter months, Mainers use a lot of light. Switching out old lights with new high-efficiency fluorescent and LED lights, on sale in most Maine hardware stores and electrical distributors, can cut usage as much as 75%. LED lights work well in most settings, and are especially economical in parking lots and street lights. Lighting controls are also an easy option for offices, and recent studies show that most Maine offices are not taking advantage of this technology.

Business customers can also look to Efficiency Maine for financial incentives that will speed the payback on new equipment installations. A long menu of high-efficiency air compressors, commercial refrigerators, pumps and drives are eligible for incentives and will help cut electricity costs. Large custom projects can be accommodated as well. Efficiency Maine just awarded a rebate on a custom project to invest in super-high efficiency snow guns now taking place at a major Maine ski area.

- **Managing Time of Operation.** In acute cases, another short-term option is to schedule voluntary reductions in energy use during peak winter demand periods. For example, a manufacturing facility might shift some of its planned production to non-peak hours of the day, or a school or training facility might shift its hours of use or reduce the number of days it stays open and make up for the downtime in warmer (and lighter) months.

According to Michael Stoddard, Efficiency Maine's Director, "The financial incentives we are now offering to businesses have changed – they are bigger and better than ever." He encouraged customers wanting to keep their costs down through this winter and next to ask their contractor about the Efficiency Maine incentives or call the toll free number at 866-ES-MAINE.

Tom Welch, Chairman of the Maine Public Utilities Commission said, "There is no doubt that we are faced with difficult times ahead with respect to electricity costs in Maine. Businesses are likely to be especially exposed this winter to rising electricity prices. I join my colleagues in urging all customers to take advantage of the opportunity to reduce their costs by using electricity as efficiently as possible."

Patrick Woodcock, Director of the Governor's Energy Office stated, "While it is imperative that we move forward with a regional effort to reduce the price of electricity, residential and business energy customers have opportunities today through Efficiency Maine Trust to manage a very challenging situation."

Tim Schneider, the Maine Public Advocate, added "Business customers can't simply assume that their electricity bills will be the same month to month this winter, since the price for electricity supply will more than double in a short period of time. We want to make sure these customers are aware of what's coming and plan accordingly."

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