



Notice of Proposed Increase in Distribution Rates
Maine Public Utilities Commission Docket No. 2020-00316

January 5, 2021

Dear Customer:

On or after January 18, 2021, Versant Power will be filing a request with the Maine Public Utilities Commission (the "Commission") to increase its distribution rates. Distribution rates are one portion of a customer's overall electricity bill and cover the costs of delivering electricity over the local electric system to your home or business. The proposed increase to distribution rates is required to allow Versant Power to make necessary investments in system reliability, customer service, and operations. Versant Power's current distribution rates went into effect on July 1, 2018, and this would represent the first distribution rate increase in 39 months. In addition, Versant Power was pleased to provide customers with a temporary rate decrease that saved customers \$8.1 million between September and December of 2020.

Versant Power recognizes the challenges faced by our customers and the communities we serve during the COVID-19 pandemic. To mitigate the impact of this rate increase on our customers, Versant Power will request approval of an alternative rate plan which will phase in the rate increase over two years in approximately equal amounts. Specifically, Versant Power will request that rates are increased by approximately 12.7% percent each year for two years, rather than 25.4% percent over one year. This increase will produce approximately \$21.6 million in additional annual revenues, phased in over two years.

Versant Power will request that the alternative rate plan goes into effect beginning on October 1, 2021, and that the new rates become effective on October 1, 2021, and October 1, 2022, respectively. If Versant Power's alternative rate plan proposal is granted, a typical residential customer with usage of 500kWh per month will see the following bill impact beginning October 1, 2021:

Date of Rate Change	Dollar Bill Impact	Total Bill Percentage Increase
October 1, 2021	Approximately \$4/month	Approximately 4.7%
October 1, 2022	Approximately \$4/month	Approximately 4.7%

Versant Power will propose that any percentage increase in rates approved by the Commission be applied equally to the current rates for all residential, commercial and industrial customers.

You may participate in the proceeding in one of three ways:

1. If you wish to be notified when a filing is made in the case or when Commission orders are issued, you may add your name to the case notification list using the Commission's case management system (CMS). For information on how to register and use the Commission's CMS, please access this information at www.maine.gov/mpuc/online. The case is Docket No. 2020-00316.

2. You may petition to intervene. If your petition to intervene is granted, you will be a party with the right to participate formally in the hearings and in negotiations. Your petition must be submitted through the Commission's CMS and must include the name and docket number (2020-00316), and the manner in which you are affected by this proceeding. Your petition must also include a short and plain statement of the nature and extent of the participation you seek, and a statement of the nature of the evidence or argument you intend to submit. You may also submit your petition in writing via U.S. mail to the Commission's Administrative Director, Public Utilities Commission, 18 State House Station, Augusta ME 04333-0018. Your petition to intervene must be filed with the Commission no later than January 22, 2021. An initial case conference is scheduled to be held on January 27, 2021 at 2pm. Given the Covid-19 pandemic and the necessity for safety, this conference will be held virtually, with access by telephone and by Microsoft Teams (which functions like Zoom). Instructions for participating in the conference will be set in advance in a procedural order in the docket.

3. The Commission usually holds public witness hearings in Versant rate proceedings like this one. You may appear as a witness at a public witness hearing and give your views. If you wish to be notified when and if a public witness hearing is scheduled, you can file a request through the Commission's CMS or by U.S. mail to Maine Public Utilities Commission, State House Station 18, Augusta, ME 04333, on or before February 1, 2021. If a public witness hearing is scheduled, the Commission will at a minimum provide notice of the time, date and manner of participation in the docket and in a press release.

If you would like more information about this proceeding, you may contact the Administrative Director of the Commission at 207-287-3831 or by visiting www.maine.gov/mpuc, and you may contact Versant Power at 207-973-2000 or by visiting www.versantpower.com. Additional information regarding the rate case is also available on Versant Power's website at www.versantpower.com.

The distribution rate proposal and alternative rate plan will be filed in accordance with Maine law, 35-A M.R.S. §§ 307 & 3195 and Chapter 120 of the Commission's Rules, and has been assigned Docket No. 2020-00316 by the Commission. This notice is provided in accordance with Chapter 110 § 8.A.1(c) of the Commission's Rules of Practice and Procedure.

Sincerely,

Tim Pease
Vice President, Legal and Regulatory Affairs