

Central Maine Power News



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CMP highlights job creation and economic benefits from \$1.5 billion transmission upgrade

Augusta, ME - March 5, 2009 – Central Maine Power Company released today a pair of economic impact and benefits reports for the Maine Power Reliability Program (MPRP), a \$1.5 billion upgrade of Maine’s bulk power transmission system. The reports highlight the creation of approximately 3,300 jobs during the peak year of construction and continuing benefits from efficiency savings and regional payments for Maine utility customers.

Commenting on a report prepared by Dr. Charles Colgan of the University of Southern Maine, CMP President Burns said, “CMP’s investment in the Maine Power Reliability Program will ensure the reliability of Maine’s bulk power transmission system and provide tremendous economic benefits to the state. The project will create 3,327 jobs at its peak, with an annual average of 2,100 jobs over the four-year construction. Plus, it will add \$289 million to Maine’s Gross Domestic Product, and generate \$18 million in state sales and income tax revenues over the four years it will take to build it.”

In the longer term, Maine will benefit by making its grid more reliable and better suited to serve the growing renewable energy industry, while Maine’s share of the construction and operating costs will be more than offset by gains in grid efficiency and the fact that Maine customers will pay only about 8 percent of those costs.

In a second report prepared by Central Maine Power, the company identified regional cost-sharing and efficiency benefits that average \$39 million per year, more than offsetting the annual average of \$18 million that Maine consumers will pay to finance the project’s construction.

- New property taxes paid to Maine municipalities are estimated at \$25 million annually, but cost-sharing among all New England utility customers means that Maine customers will pay only about \$2 million of that amount. The remaining \$23 million will be paid by customers in other states.
- Cost-sharing for maintenance and operating costs will produce a similar reallocation of \$9 million to customers outside of Maine.

- Improvements in the efficiency of the grid from adding newer equipment and more capacity will reduce costs that generation companies generally pass on to consumers, providing an estimated average annual savings of \$7 million for Maine consumers.

“Adding new equipment and more capacity to our system will produce an average annual savings of \$7 million per year over the next fifteen years through simple efficiency,” Burns said. “When you add the cost-sharing for expenses such as maintenance and local property taxes, it more than offsets our customers’ share of the capital costs by an average of \$21 million per year.”

The Maine Power Reliability Program includes a proposal to build a new, 345-kilovolt (kV) transmission line from Eliot to Orrington, Maine as well as new substations and improvements to other existing CMP facilities in nearly 80 towns and cities across the company’s service area. The project will be the largest construction project in the state in at least the last 30 years and will create needed jobs and stimulate needed spending in Maine’s economy.

[Click here](#) to read or download a copy of “Economic Impacts of the Proposed Maine Power Reliability Program,” by Charles Colgan, University of Southern Maine.

[Click here](#) to read or download a copy of “On-going Economic Benefits of the Maine Power Reliability Program,” by Central Maine Power Company.



About CMP: Central Maine Power, a subsidiary of Energy East Corporation, operates more than 25,000 miles of power lines and other facilities that deliver electricity to 80 percent of Maine’s population. Web site: www.cmpco.com.

About Energy East: Energy East Corporation is a respected, super-regional energy services and delivery company serving about 3 million customers throughout upstate New York and New England. By providing outstanding customer service and meeting customers’ energy requirements in an environmentally responsible manner, Energy East will continue to be a valuable asset to the communities we serve.