

# Public Hearing

# KLPD Rate Adjustment

February 18, 2026

# Public Hearing Disclosures

- This meeting is being recorded.
- Any customer of KLPD may present testimony and may question the officials of the utility regarding the proposed rate filing.
- At the commencement of the hearing, the utility must inform those present:
  - I. of customers' right to request information relating to the present and proposed rates;
  - II. of customers' right to an open and fair hearing, and to further hearings before the Commission;
  - III. of the availability of assistance from the Public Advocate; and
  - IV. that the rate filing may be investigated by the Commission in accordance with 35-A M.R.S.A. § 3502.

# Consumer Owned

KLPD is a consumer-owned utility. It does not earn a return or pay dividends. All margins are held for operating reserves or reinvested through capital projects.

# Trustees (Term Expiration)

Bob Georgitis, President (2029)

Wayne Berry, Vice President (2027)

Curtis Mildner, Clerk (2026)

Bob Emmons (2030)

Beverly Freudenreich (2028)

# KLPD Management

Anna Henderson, General Manager

Kathleen DeMarre, Customer Service  
Manager

Matthew Rancourt, Finance Director

Kevin Vezina, Operations Superintendent

# Strategic Priorities

Grid Reliability & Resilience



Future Ready Energy Planning



Customer Experience & Engagement



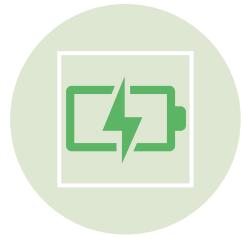
Financial Stewardship & Affordability

KLPD rates are regulated by the Maine Public Utilities Commission.

# Rate Components



DELIVERY  
RATES



ENERGY  
SUPPLY



TRANSMISSION



TAXES

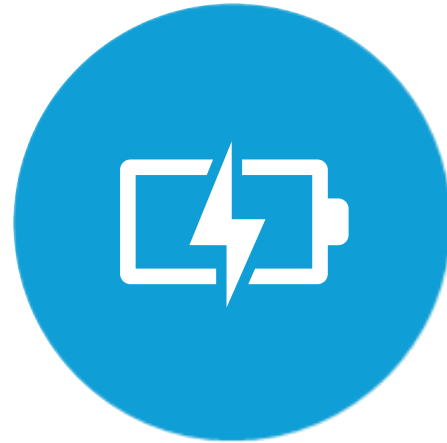


REGULATORY  
CHARGES

# Average Residential Monthly Bill (735 kWh)

\*Energy, Transmission, LIAP, ECA, are variable rates and subject to change.

Rate Category	Current Rates	Effective Date 4/2026
Delivery - Minimum Charge	\$ 12.00	\$ 12.00
Delivery - kWh	23.82	33.01
Energy*	66.70	66.70
Transmission*	27.12	27.12
Low Income Assistance Program (LIAP)*	0.79	0.79
Energy Conservation Assessment (ECA)*	2.04	2.04
Sales Tax	-	-
<b>Total Monthly Bill</b>	<b>\$ 132.47</b>	<b>\$ 141.66</b>



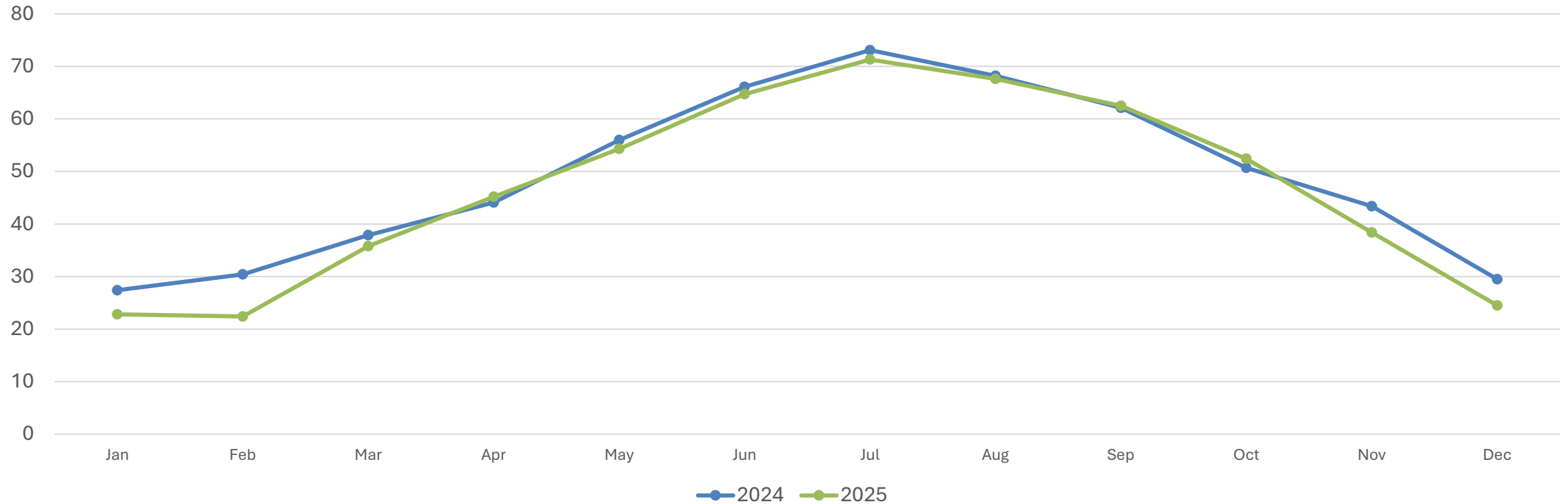
## ENERGY SUPPLY

2025 Energy Supply Costs \$7.46 Million

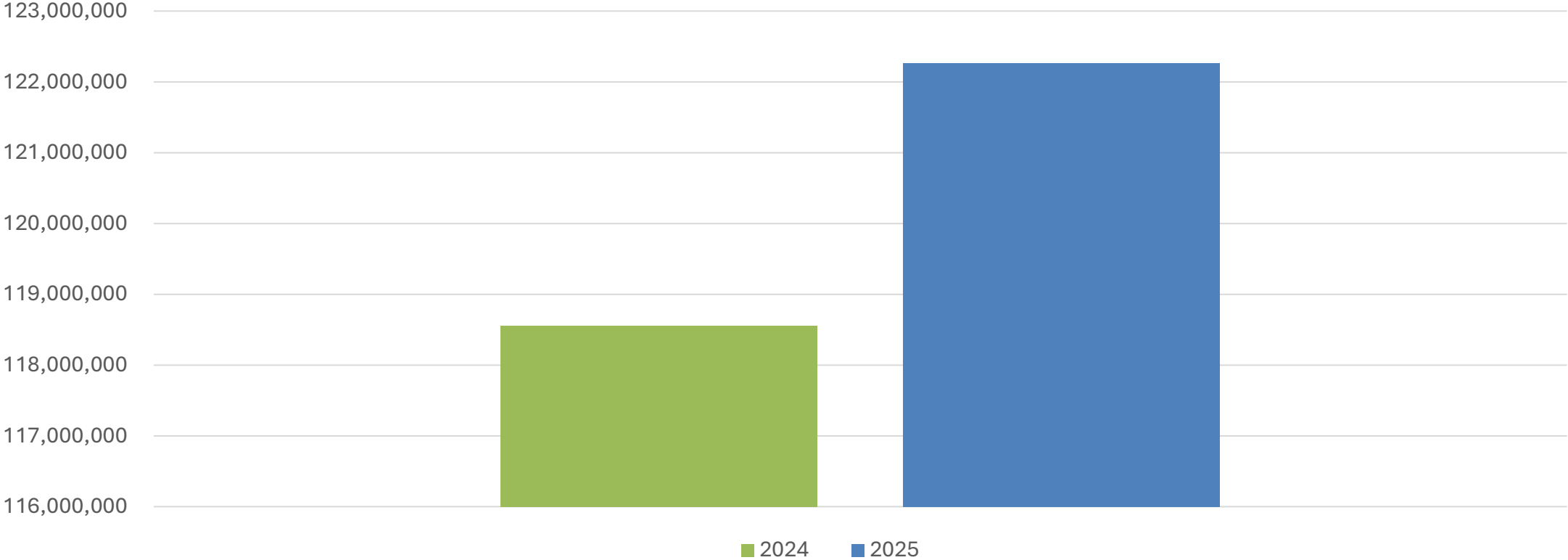
# Energy Supply Rate

- A variable pass-through rate updated monthly to recover the actual costs of Standard Offer Service and the West Kennebunk Solar Farm. Pass through means that actual costs are billed to customers.
- Supply Costs are subject to regulatory changes, market volatility, weather, and other economic factors.
- Variability in consumption also affects the ability to forecast and prevent over/under recovery of the rate.
- KLPD is part of the ISO-NE market.
- Current contract with NextEra expires December 2026. KLPD will be issuing an RFP for electric supply in 2026. Additional notice of customers rights will be sent at a later date.

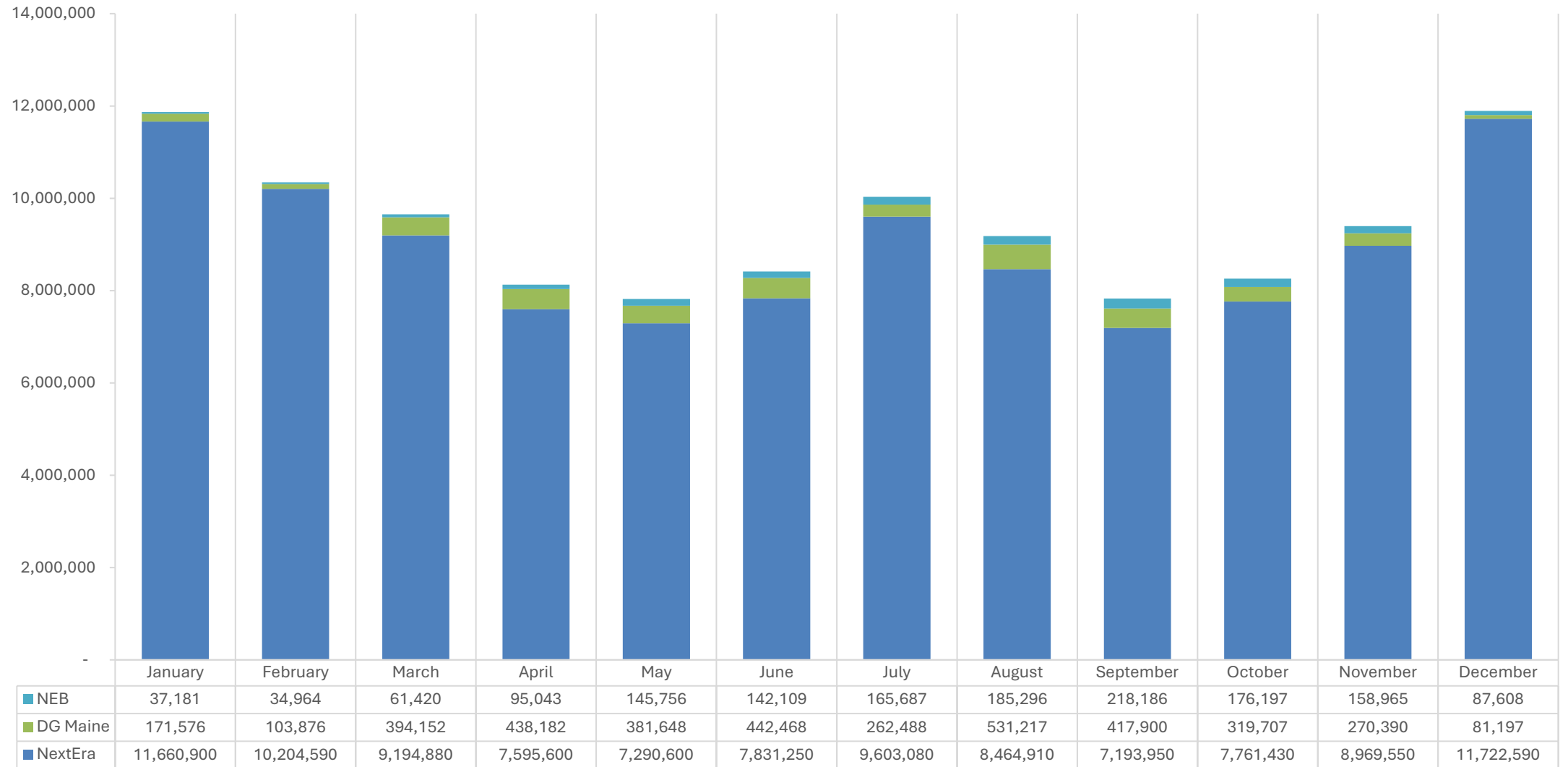
# 2024 vs 2025 Mean Monthly Temperature (PWM)



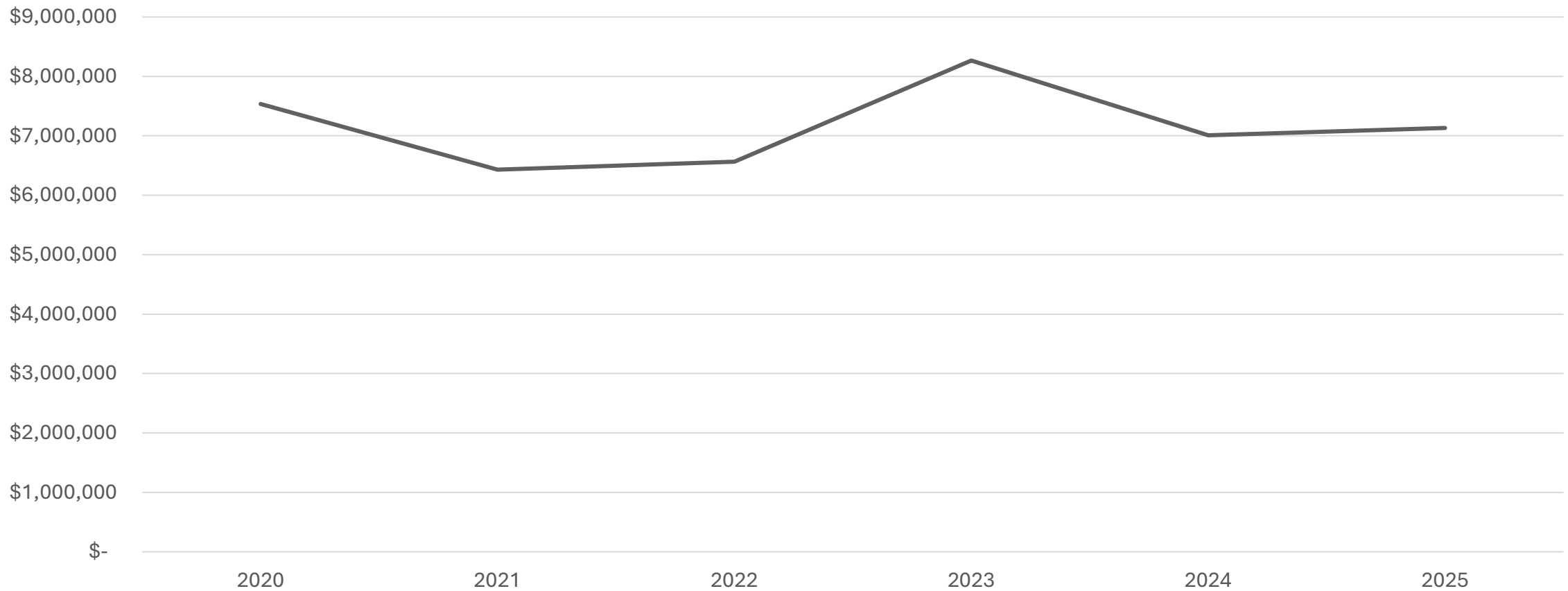
# Annual kWh Sales



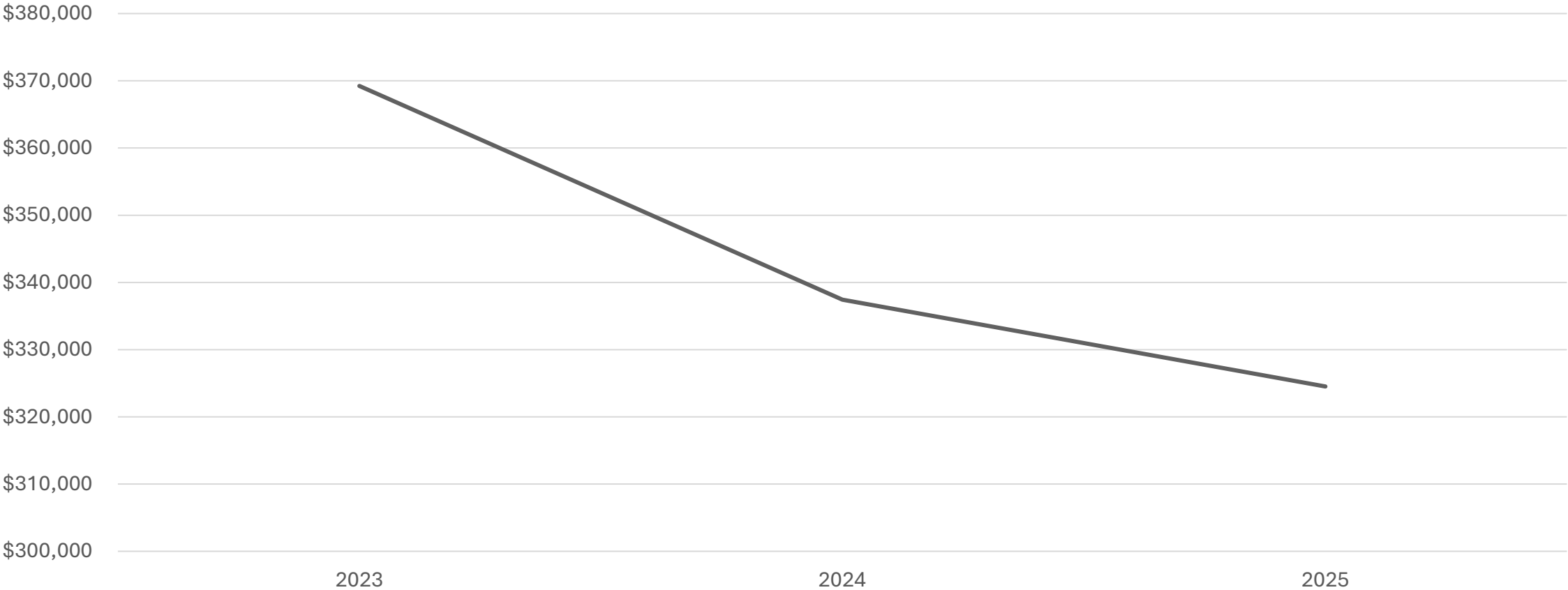
## 2025 KWH BY ENERGY SUPPLY SOURCE



# Energy Supply Costs-Standard Offer



# West Kennebunk Solar Field Energy Costs





# TRANSMISSION

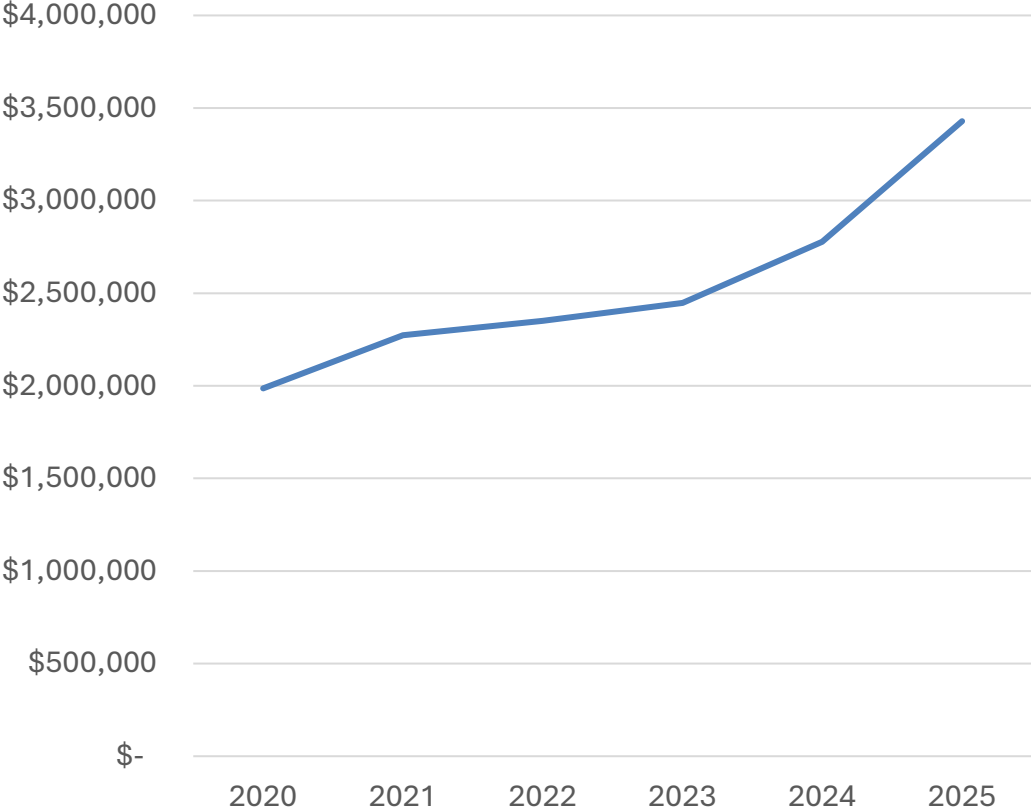
2025 Transmission Costs \$3.9 Million

# Transmission Rate

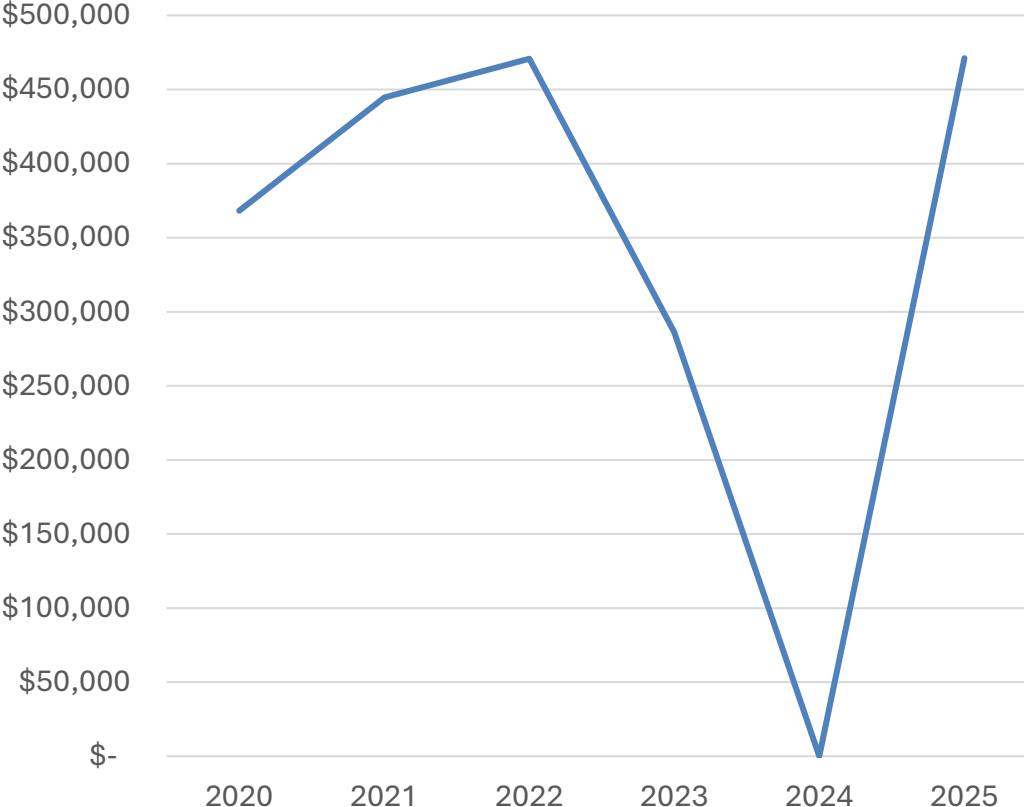
- A variable pass-through rate updated monthly to recover the cost of transmitting purchased power from the generator to KLPD's service territory. Pass through means that actual costs are billed to customers.
- Costs are subject to regulatory changes and market volatility.
- Variability in consumption also effects the ability to forecast and prevent over/under recovery of the rate.

# Transmission Service Costs

## Regional Network Service Costs



## Local Transmission Service Costs





## TAXES

\$317,104 in 2025



## REGULATORY CHARGES

\$699,314 in 2025

# Taxes & Regulatory Charges

- Variable pass-through rate to recover the actual costs.
- In 2025, KLPD customers paid for the following through utility rates:
  - LIAP Program \$89,062
  - Efficiency Maine Trust – Energy Conservation Assessment \$610,252

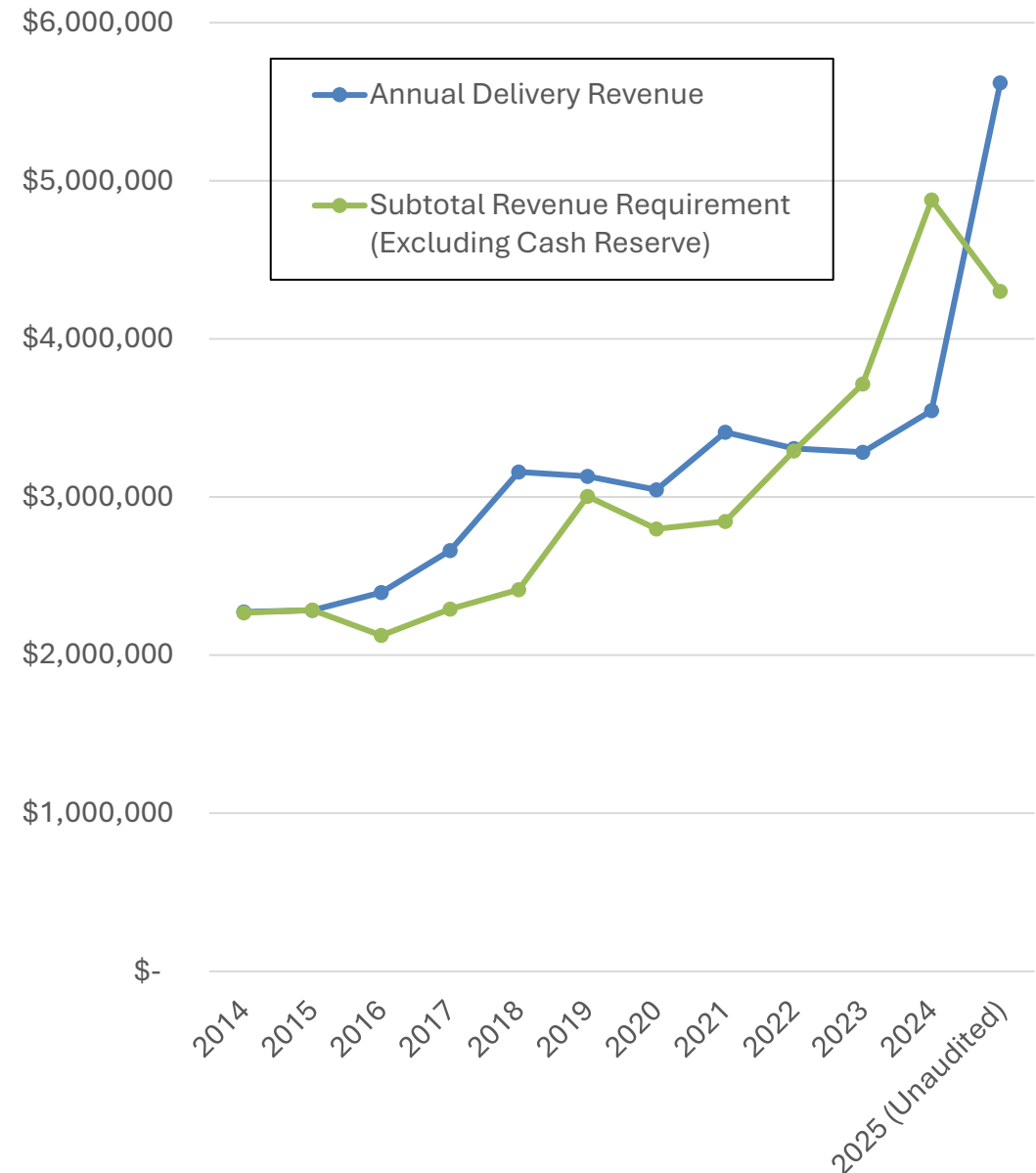


# DELIVERY RATES

# Delivery Rates:

Fund all distribution system costs (i.e. substations to meters) and the administrative cost of managing energy supply, transmission, tax collection, and regulatory programs.

- Fixed and variable components
- KLPD's delivery rate revenue was insufficient to recover the revenue requirement for three years beginning in 2022.



The delivery rate includes four subcategories:



Expenses

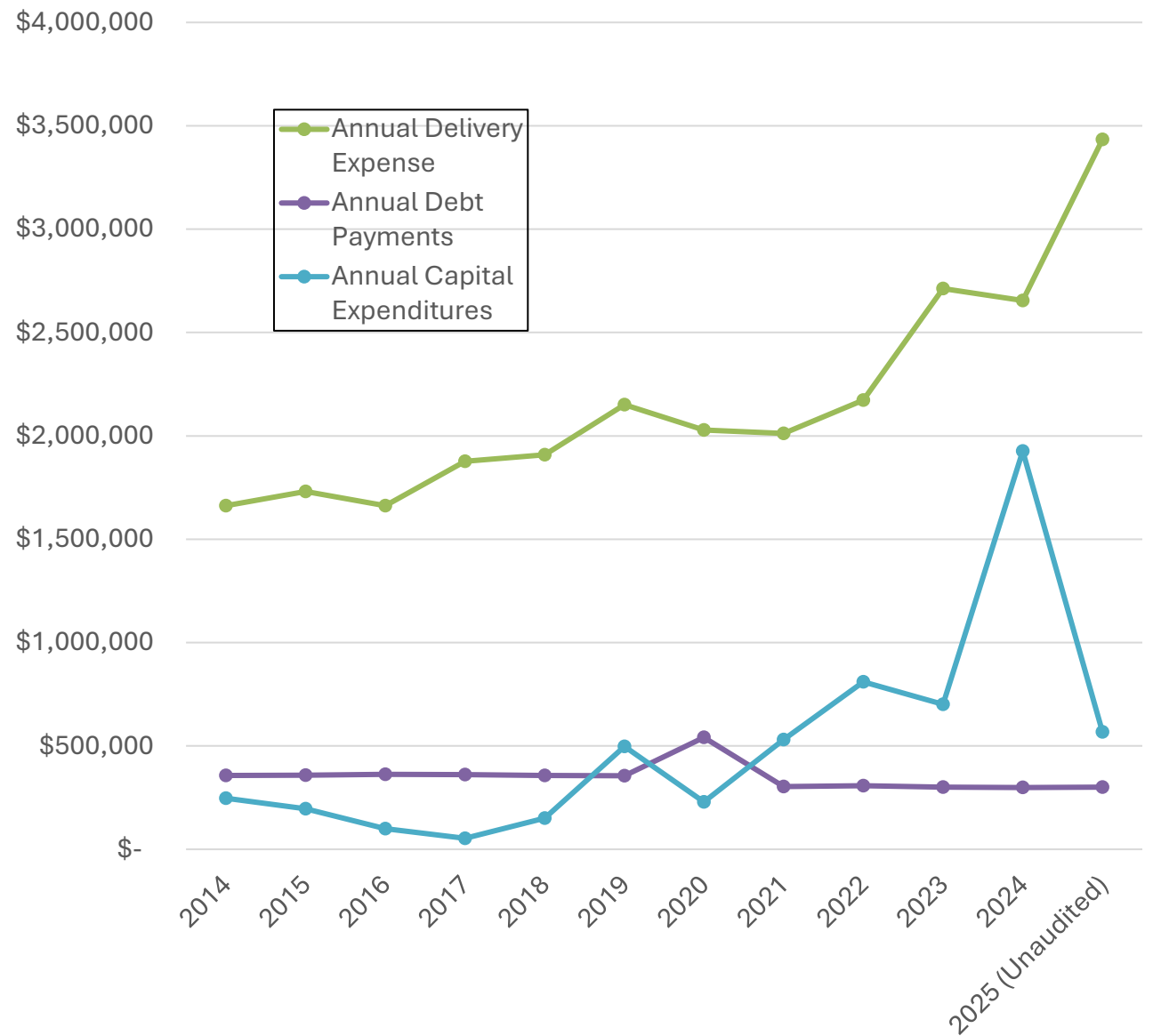
Capital

Debt  
Service

Cash  
Reserves

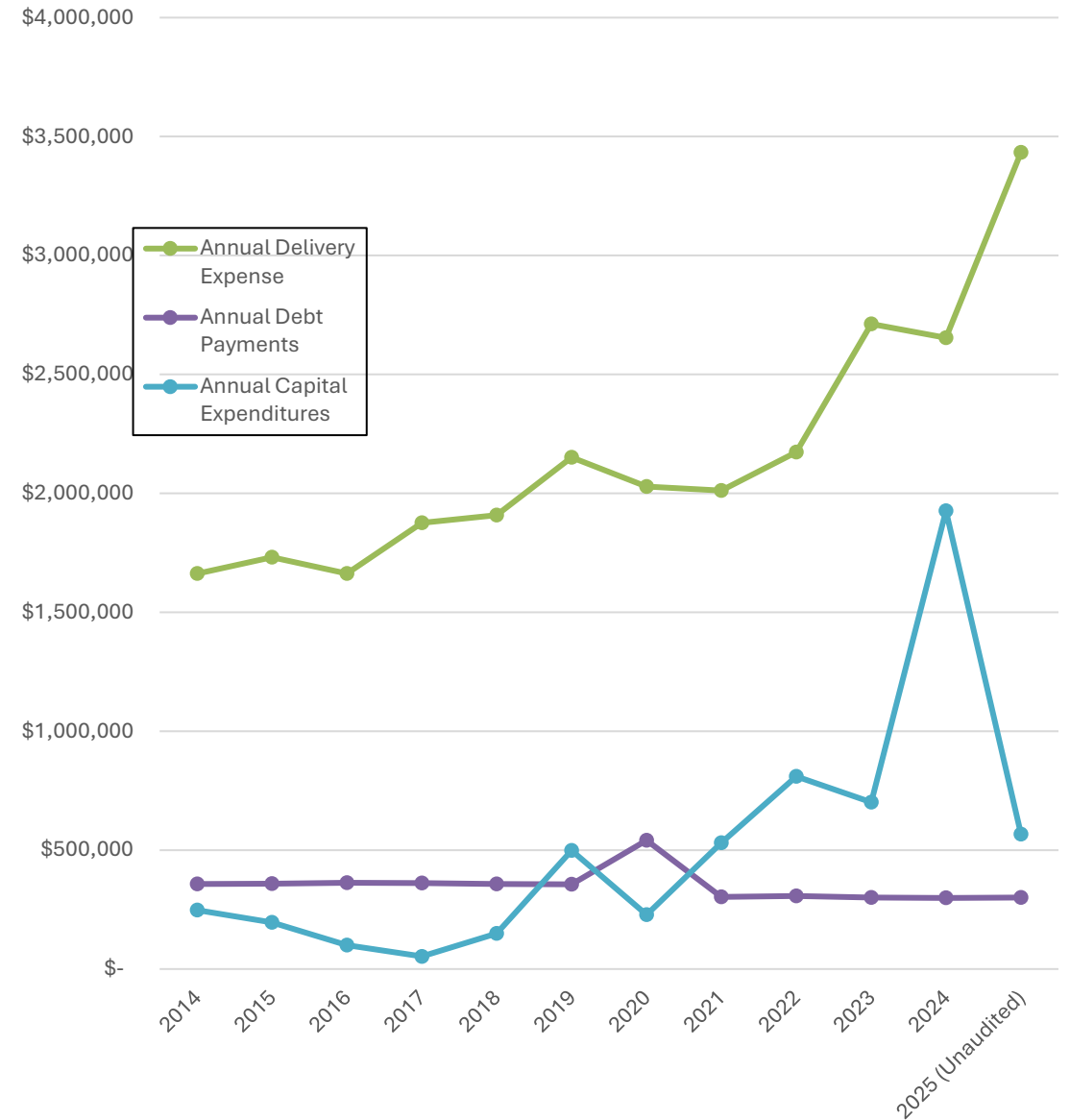
# Delivery Rate - Expenses

- In 2025, KLPD began to focus on increased reliability and amplifying compliance initiatives.
- Top five expenses
  - Labor & Benefits
  - Tree Trimming
  - Engineering
  - Information Technology
  - Insurance Expense



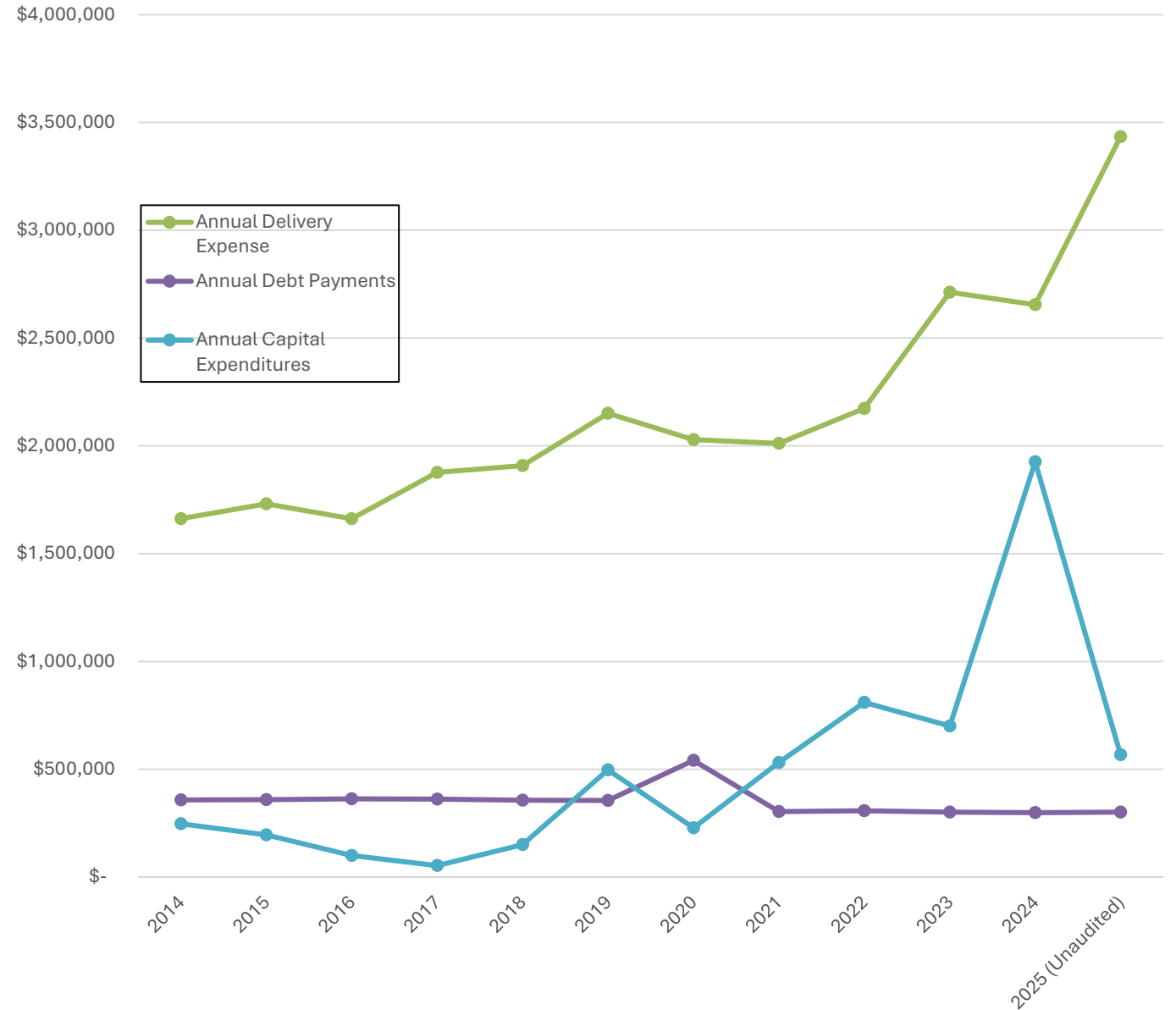
# Delivery Rate – Capital Allowance

- Capital investments have been insufficient for many years, predominantly investing in repairs and new services.
- In 2024, KLPD invested in a new AMI metering system, a new bucket truck, and transformer inventory.
- In 2025, KLPD invested in completing the AMI metering system, building and substation security system, fire alarms, HVAC, and phone system.



# Delivery Rate – Debt Service

- KLPDs debt payment for the West Kennebunk Substation, built in 2007 has been fixed in accordance with a schedule.



# Delivery Rate - Cash Reserves

KLPD's unrestricted cash reserves are limited by statute.

In 2025, KLPD and other consumer-owned utilities successfully lobbied the legislature to permit a level of cash that supports financial health and stability.

KLPD is targeting 25%-35% of total operating expenses, or \$4.1 million minimum as its cash reserve target over three years.

# 2025 In Review

KLPD added 109  
Residential & 15  
Commercial Services

Added Staff  
Accountant Position

Completed Advanced  
Metering Infrastructure  
Project

Security  
Improvements;  
Cameras, Fire Alarm,  
Access Control,  
Security Alarm

HVAC and Phone  
System Replacements

KLPD applied for fish  
passage grants with  
NOAA and NFWF

Department of Energy  
Fellowship Grant –  
Energy  
Security/Resilience  
Plan

# 2026 Projects



Customer billing and  
finance software  
replacement



Water Street  
Substation  
improvement project



Mousam River dams  
license surrender  
process



Securing Energy  
Supply Contract for  
2027 and beyond



FEMA Mitigation  
Grant – Circuit 2 & 4

<b>Revenue Requirement Category</b>	<b>Amount</b>
Delivery Rate Expenses (3503.5.A)	\$ 4,896,676
Renewals and Replacements (3503.5.A)	1,380,000
Debt Interest (3503.5.B)	28,250
Debt Principal (3503.5.C.2)	275,000
Debt Reserve Fund (3503.5.C.1)	-
Contingency Reserve Fund (3503.5.C.3)	992,325
<b>Total</b>	<b>\$ 7,572,251</b>

## Delivery Rate Revenue Requirement Formula

**2025 Estimated Delivery Rate Revenue**

**\$5,463,855**

## 2026 Delivery Revenue Deficiency

\$2,108,396

# Average Residential Monthly Bill Comparison - Maine

Utility	Current Residential Monthly Bill (5/1/25 rates)	Residential Monthly Bill after KLPD's April 2026 Delivery Rate Increase <sup>1</sup>
Monhegan	\$ 588	\$ 588
Isle Au Haut	\$ 305	\$ 305
Matinicus	\$ 249	\$ 249
Fox Island	\$ 241	\$ 241
Versant Power - BHD	\$ 233	\$ 233
Versant Power - MPD	\$ 219	\$ 219
CMP	\$ 199	\$ 199
Madison Electric Works	\$ 154	\$ 154
Brunswick Landing	\$ 143	\$ 143
<b>Kennebunk Light &amp; Power District</b>	<b>\$ 133</b>	<b>\$ 143</b>
Eastern Maine Electric Cooperative	\$ 114	\$ 114
Houlton	\$ 83	\$ 83
Van Buren	\$ 80	\$ 80

<sup>1</sup>Based on average 735 kWh. Rates as of 05/01/2025, except KLPD's based on 11/1/2025 rates and forecast for 2026 Delivery Rate Increase, respectively

# Energy Price Comparison – Northeast Residential

Total Cost/ kWh (Monthly Bill Amount/Average kWh)		
Current	Effective 4/1/2026	Northeast Region Average at 11/25 <sup>1</sup>
\$ 0.180186	\$ 0.192690	\$ 0.277500

<sup>1</sup> [https://www.eia.gov/electricity/monthly/epm\\_table\\_grapher.php?t=epmt\\_5\\_06\\_b](https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_06_b)

# Next Steps



FINAL FILING WITH PUC  
SUMMARIZING PUBLIC HEARING



SUBJECT TO PUC APPROVAL, NEW  
DELIVERY RATES EFFECTIVE APRIL  
1, 2026

# Ratepayer assistance

