

Maine's Energy Challenges in an Atmosphere of Changing Demand, Extreme Weather, and New Environmental Rules

Lisa Smith, Governor's Energy Office

NASEO Annual Meeting

September 15, 2015

Portland Press Herald

March 20, 2015

Did Portland area just have its worst winter ever, or its best?

2 – the most consecutive days that Portland went without measurable snowfall between Jan. 24 and Feb. 25

13 – the number of days the temperature dropped below zero in February

89 – the number of inches of snow Portland received by the end of February





February 28, 2015

Coldest Month Ever: Northeast Bids a Bitter Goodbye to February

You weren't imagining things. It really was the coldest month ever.

At least if you live in a handful of cities in the shivering Northeast. They just weathered the coldest month since reliable records were first kept, which for most places means a century or more of weather data.

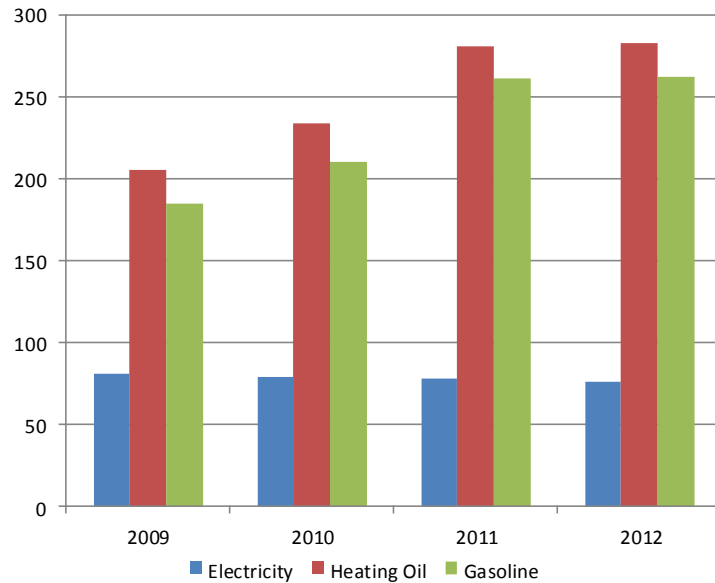
Topping the misery index: Bangor, Maine — that's pronounced "bang-or," not "banger," if you can stop your teeth from chattering long enough to say it.

The average temperature there should come in at 6.2 degrees for this month, said Corey Bogel, a meteorologist for the National Weather Service. That's about 15 degrees below normal and easily beats the old record of 8.4 degrees, from January 1994.

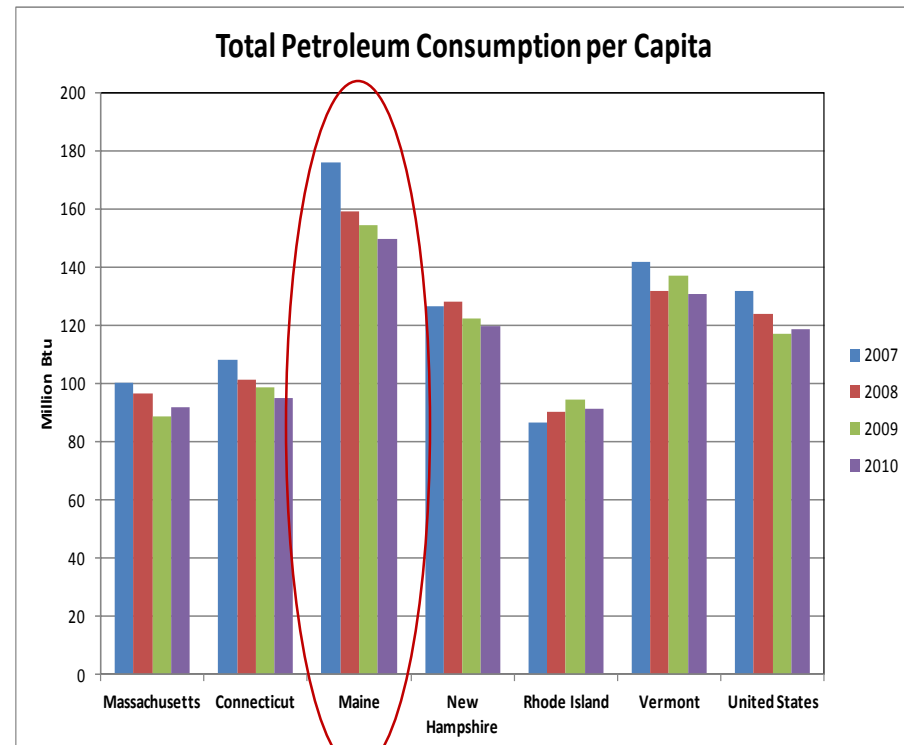
Maine's Residential Energy Challenges

Maine experiences some of the highest residential energy costs in the country.

Residential Energy Costs



Exposure to Oil

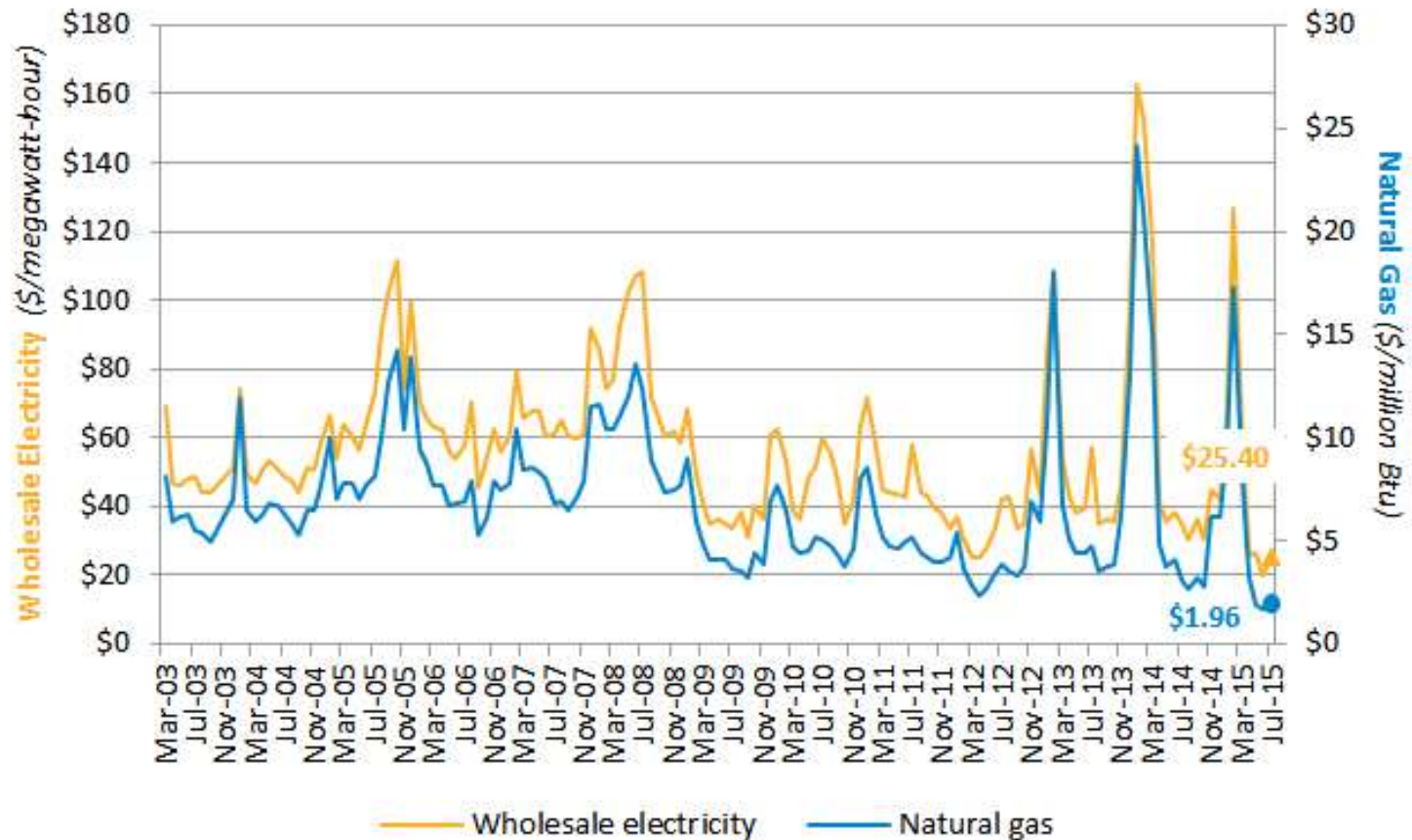


Maine has the highest oil consumption per capita in New England.

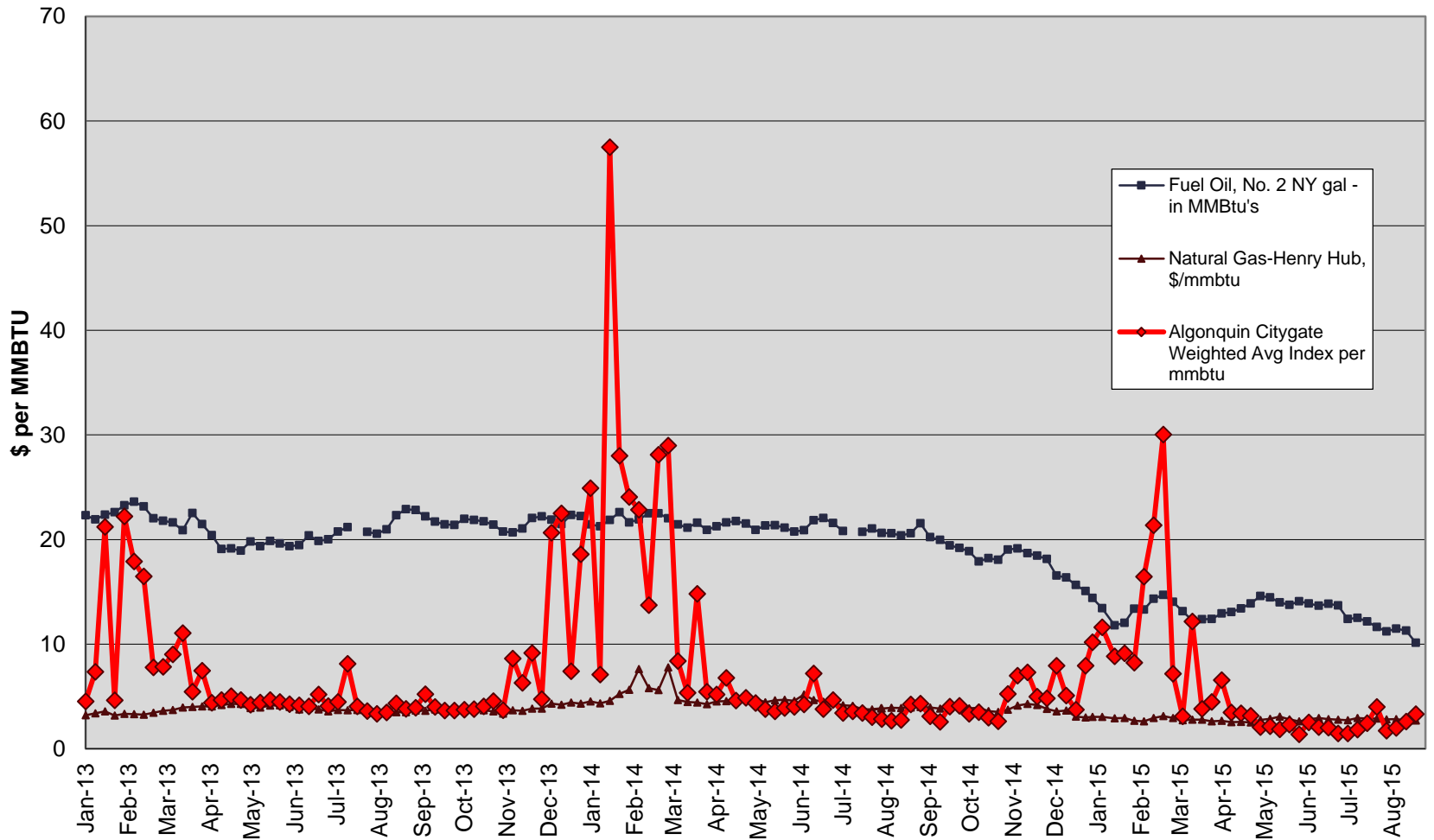
Year	Monthly Electricity Cost	Monthly Heating Oil Cost	Monthly Motor Gasoline Cost
2009	\$80.70	\$205.62	\$184.94
2010	\$79.27	\$234.35	\$210.97
2011	\$78.35	\$281.12	\$261.15
2012	\$75.69	\$282.76	\$262.44

New England exposed to natural gas price volatility

July wholesale electricity and natural gas prices



Maine Home Heating Oil and Natural Gas Prices 2013-2015





Major Pipelines:

- Maritimes & Northeast Pipeline
- Jointly Owned Facilities*
- Algonquin Gas Transmission Company
- PNGTS Pipeline
- Tennessee Gas Pipeline Company
- TransQuebec and Maritimes

Other Pipelines and Supply Projects:

- Sable Offshore Energy
- Corridor Resources Supply Lateral
- Brunswick Pipeline
- ▲ Repsol-Irving Canaport LNG Terminal

* Owned Jointly by Maritimes & Northeast Pipeline, L.L.C. U.S. and Portland Natural Gas Transmission System (PNGTS).



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Pipeline Expansion Proposals



Algonquin Incremental Market (AIM)

Atlantic Bridge



Northeast Energy Direct (NED)

Propane Delivery – *Infrastructure lags behind markets*

2010

- 60% imported (NH and RI ports, then trucked to Maine)
- 40% by rail, primarily through Western Canada on MMA

2015

- 80-90% by rail
- No product being delivered across Western Maine
- Primary RR into Maine – almost tenfold increase in propane traffic from 2010-2014

The rail system in Maine

Including the Montreal, Maine & Atlantic Railway

The Montreal, Maine & Atlantic Railway owns 510 route miles of track in Maine, Vermont and Quebec. It has operated about 15 trains daily with a fleet of 26 locomotives. Main-line operations have been conducted between Millinocket and Searsport and from Brownville Junction, to Montreal, Quebec.

