



Less Than Meets the Eye: Why the Settlement Package for CMP's Corridor Project is a Bad Deal for Mainers

Faced with growing opposition from Maine people and towns in the affected region, Central Maine Power (CMP) is scrambling to come up with a “settlement package” of goodies that might attract support. The settlement agreement as described in the media does not change the fact that the corridor project would be bad deal for Maine.

However you cut it, what CMP is offering is simply not worth the damage that would be done to the North Woods, especially when CMP and Hydro-Quebec have failed to demonstrate that the project would actually reduce carbon pollution.

The proposed settlement agreement is a bad deal for Maine:

CMP is trying to fool Maine people into thinking its “settlement package” is worth more than it actually is by spreading its proposed payments out until the year 2060. This practice significantly reduces the actual value that Mainers would receive.

- **Less than meets the eye:** When spread across as many as 40 years, as proposed by CMP, the \$258 million they are offering would be worth only \$108 million in today's dollars. This is significantly less than the \$128 million payment (in today's dollars) that was part of New Hampshire's Northern Pass project. Even with the payment, that project was defeated as a bad deal for New Hampshire.
- **Inconsequential rate relief:** When spread across forty years, households in Maine would receive only 6 cents off their monthly electric bill, and low-income Mainers would receive a benefit of only \$2.37 per year.
- **Minor new funding for heat pumps:** CMP's proposed heat pump fund would increase funding by a mere 10% for eight years over what is already being invested in heat pumps by Efficiency Maine.
- **Modest electric vehicle funding:** Maine needs much more robust strategies and resources to promote electric vehicles, and lawmakers, the governor, and Efficiency Maine are hard at work to develop better long-term solutions that don't come at the price of Maine's environment.
- **Irrelevant or small baubles added:** Other proposals seem like weak efforts to garner support from specific audiences – such as funds for broadband that pale in comparison to the need or planning studies that can't remotely mitigate the risk the project poses to in-state renewable energy development.
- **Fails to address damage to forests and wildlife:** CMP has done virtually nothing to address concerns about impacts on the environment in Somerset and Franklin Counties, including fragmentation of forests, damage to brook trout streams, and disruption of the scenic and recreational resources that the regional economy relies on.

Settlement proposal in real terms:

Item	Claimed value	Real value (present alue)
Total	\$258 M	\$108 M
<i>Partial list of settlement items:</i>		
Rate relief	\$140 M	\$47 M
Low-income fund	\$50 M	\$17 M
Heat pumps & electric vehicle funds	\$30 M	\$26 M
Franklin County economic development	\$5 M	\$3.5 M
Fiber optic & education grants	\$21 M	\$12 M

Maine people don't support this project because it is a bad deal for the state. We should have a utility company that is working in Maine's interest to advance home-grown clean energy projects. It shouldn't take a damaging corridor project for Massachusetts to get CMP to the table to discuss investments like this. CMP's settlement offer is a weak, deceptive, and last-ditch effort to win support for a flagging project.