

MAINE • GAS UTILITIES • CAPITAL BRIEFING

Maine built a gas system just as the state turned toward heat pumps. Your capital plan lives in that gap.

Fewer than 58,000 homes and businesses statewide burn natural gas, roughly 60% of Maine still heats with oil, and more than 200,000 heat pumps are already in the ground. Every main you extend has to earn its keep against declining throughput and a shrinking window. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every dollar.

~58K¹	~60%²	200K+³	\$18.95⁴
Total natural gas customers in all of Maine (2024) — one of the smallest gas markets in the country.	Share of Maine households that heat with fuel oil — the highest of any state; another 12% use propane.	Heat pumps installed in Maine — now more common than oil heat in new homes.	Residential natural gas price per Mcf (2024) — among the highest in the nation.

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THE MAINE LANDSCAPE

Four forces are moving your project list at once

Maine's gas sector is small, young, and squeezed from both ends. The capital plan that made sense when the system was expanding is not the plan for a market where the customer base has stopped growing.

SAFETY — A NEW SYSTEM, NOT AN OLD ONE

Young pipe, but the integrity clock still runs

Maine's distribution network is among the newest in the country — much of it is modern plastic and coated-steel main installed during the 2000s–2010s gas expansion, so it carries little of the legacy cast-iron and bare-steel main that drives mandated replacement programs in older states. Unitil now runs roughly 43,900 Maine gas customers across about 2,070 miles of distribution and 96 miles of transmission pipe in its three-state footprint.⁵

The other major operator, Summit Natural Gas of Maine, built out the Kennebec Valley and southern communities in the same era.

⁶ Even a new system carries PHMSA distribution-integrity obligations — and on a base this small, every safety and monitoring dollar lands on comparatively few bills.¹

DECARBONIZATION — ELECTRIFICATION

Heat pumps are winning the homes gas never got

Maine leads the nation in heating-oil reliance — about 60% of households heat with oil and another 12% with propane² — so natural gas never became the default home fuel. Now the state is electrifying that heat directly: more than 200,000 heat pumps are already installed, and they are more common than oil heat in new homes.³

For a gas utility that reorders the long-horizon plan. Line extensions face declining conversion odds, throughput per customer is under pressure, and low-carbon gas — the RNG that Summit's Peaks Renewables affiliate is developing — becomes part of the answer rather than a footnote.⁶

SUPPLY — WINTER & PRICE

At the end of the pipe, in the coldest corner

Most of the gas that moves in Maine never reaches a home: of about 74,760 MMcf delivered in 2024, roughly 42,650 MMcf went to electric power and under 3,000 MMcf to residential customers⁷ Natural gas is now the single largest source of Maine's electricity generation,⁸ so homes and power plants compete for the same molecules on a cold day.

New England sits at the end of the interstate system, and winter pipeline constraints have repeatedly driven regional price spikes and reliability warnings.⁹ Maine is fed largely by the 295-mile Portland Natural Gas Transmission System and the Maritimes & Northeast Pipeline from Canada,¹⁰ and its residential gas price — about \$18.95 per Mcf in 2024 — is among the highest in the country.⁴

CAPITAL — RECOVERY & STRANDED RISK

A small base, a long horizon, and the write-down question

The core capital tension is uptake. Despite a heavily promoted 2010s expansion, all of Maine still counts fewer than 58,000 gas customers,¹ which leaves any long-lived main exposed to stranded-cost risk as electrification advances. The market's answer has been consolidation: Unitil acquired Bangor Natural Gas in January 2025⁵ and Maine Natural Gas — about 6,000 customers across 12 central and mid-coast communities — in November 2025.¹¹

Both deals cleared the Maine PUC,¹² concentrating the state's investor-owned gas system in fewer hands. Maine has no ISRS- or DSIC-style infrastructure surcharge; capital is recovered through traditional base-rate cases, so timing and prudence review matter more, not less.

WHO MOVES MAINE'S GAS

Two investor-owned operators, no municipal systems, and the pipelines that feed them

Maine's gas distribution sector is entirely investor-owned and, after the 2024–2025 acquisitions, unusually concentrated. Interstate pipelines and a small RNG effort sit alongside the regulated LDCs.

Investor-owned gas utilities

Rates & capital recovery regulated by the Maine PUC

Unitil (Northern Utilities)	~43,900 Maine gas customers · Kittery to Lincoln
Summit Natural Gas of Maine	Kennebec Valley & southern Maine · Summit Utilities
Bangor Natural Gas	Bangor area · joined Unitil Jan 2025
Maine Natural Gas	~6,000 customers · joined Unitil Nov 2025

Three of Maine's four investor-owned gas LDCs now sit under Unitil after the 2024–2025 acquisitions.

Pipelines, RNG & public gas

Interstate transmission and low-carbon supply — not PUC rate-regulated

Portland Natural Gas Transmission System	295-mile interstate line into New England
Maritimes & Northeast Pipeline	Canadian gas into Maine & New England
Peaks Renewables	Summit's renewable-natural-gas affiliates

Maine has essentially no municipal or cooperative gas utilities — unlike many states, its entire distribution sector is investor-owned.

Every gas dollar has to clear the PUC

Maine's gas LDCs answer to one regulator, and — without a between-cases surcharge — recover capital the traditional way.

Maine Public Utilities Commission (MPUC) regulates the investor-owned gas LDCs and reviews their rates and mergers; its stated mission balances safe, reliable service with just rates while “minimizing energy costs and greenhouse gas emissions.”¹³

No infrastructure surcharge tracker. Maine has no ISRS/DSIC-style rider; because the system is new, capital is recovered through traditional base-rate cases rather than a between-cases mechanism — on a small customer base that puts more weight on prudence and forecasting.¹

The 2024–2025 consolidation. The MPUC approved Unital's purchase of Bangor Natural Gas (Dec 18, 2024) and Maine Natural Gas (Sept 12, 2025), reshaping who files Maine's gas rate cases.⁵¹¹

Little federal gas money — and subsidies flowing the other way

Maine's newer, smaller gas system sits outside most federal pipe-replacement programs, while public dollars actively fund the electric alternative.

Traditional rate-base recovery. With no DSIC/ISRS rider, Maine gas utilities recover capital through base rates — and at about \$18.95 per Mcf residential in 2024, among the nation's highest, there is little headroom to add cost.⁴

Efficiency Maine heat-pump rebates of \$2,000–\$6,000 per two-unit system steer public dollars toward the electric alternative, accelerating the load loss any gas plan must absorb.³

Renewable natural gas. Private capital — Summit's Peaks Renewables among it — is the main decarbonization play available to the pipe, since Maine's gas throughput is small.⁶

Few legacy-pipe modernization grants. Federal replacement money (e.g., PHMSA modernization grants) targets old cast-iron and bare-steel systems; Maine's newer network largely does not qualify, so modernization here is investor-funded through the PUC.¹

MAINE'S GAS SECTOR, IN BRIEF

Questions Maine gas leaders are asking

Short, sourced answers — the same facts we work through with utilities looking at their capital programs.

How many natural gas customers does Maine have?

Fewer than 58,000 in total — about 42,989 residential and 57,968 across all classes in 2024 — one of the smallest gas markets in the country.

Why is natural gas use so low in Maine?

Maine leads the nation in heating-oil reliance: roughly 60% of households heat with oil and 12% with propane, so gas arrived late and never became the default fuel.¹ Electrification is now filling the gap, with more than 200,000 heat pumps installed.²

Who are Maine's natural gas utilities?

Two investor-owned operators dominate: Unitol (Northern Utilities, ~43,900 Maine customers, now including the former Bangor Natural Gas and Maine Natural Gas systems)³ and Summit Natural Gas of Maine.⁴ There are essentially no municipal or cooperative gas systems.

Why are winters a supply risk?

New England sits at the end of the interstate pipeline network; most Maine gas actually feeds power plants⁵ and winter pipeline constraints have repeatedly caused regional price spikes and reliability warnings.⁶

How is gas capital recovered in Maine?

Through traditional MPUC rate cases — Maine has no ISRS/DSIC infrastructure surcharge — against residential prices already among the nation's highest.⁷

How does Invizion help Maine gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. For a small, newly built system facing flat or falling throughput, it lets you model how faster electrification, an acquisition, or an RNG project reshuffles the whole project list, re-sequence the portfolio automatically, and keep a defensible record of every trade-off for the MPUC.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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3. Efficiency Maine — Heat Pumps: more than 200,000 installed and more common than oil heat in new homes; rebates of \$2,000–\$6,000 per two-unit system. www.efficiencymaine.com
4. U.S. Energy Information Administration — Natural Gas Prices, Maine (residential \$18.95/Mcf; citygate \$5.86, 2024). www.eia.gov
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12. StockTitan — Unitil (UTL) completed the acquisitions of Bangor Natural Gas and Maine Natural Gas in 2025. www.stocktitan.net
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ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See how utilities keep capital plans current and defensible with Invizion.

Explore Invizion →