

Lawsuit alleges CMP workers were told to blame customers for their high bills

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By Edward D. Murphy

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A trio of law firms filed an amended lawsuit Wednesday against Central Maine Power Co., adding an allegation that the company instructed workers to falsely tell customers that excessive bills were the result of high usage or other problems caused by consumers, rather than by the company's faulty billing and metering systems.

Thousands of CMP customers complained this past winter that their electric bills shot up dramatically in December, January and February compared with a year earlier. Maine's public advocate said nearly 100,000 customers had bills that were at least 50 percent higher than the previous year.

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At the time, CMP said the higher bills were related to electric rates that had increased in the early fall, and a midwinter cold snap.

The Maine Public Utilities Commission and an independent auditor are investigating the complaints. Gail Rice, a spokeswoman for CMP, vigorously denied the allegations in the suit. She said the company is conducting its own internal review to see if a new billing system that went into use last fall, or problems with the company's "smart meter" technology, were responsible for higher bills.

Rice said CMP's review has so far not found "any systemic issues" in its operations that might be behind the higher bills.

However, the amended lawsuit accuses the company of committing fraud based on allegations that CMP's customer service workers were "trained to always tell the customers that any charges or abnormalities in the bills were the customer's fault and not CMP's," the suit said. The company's policy, according to the complaint, was intended "to conceal the unauthorized charges that CMP was attempting to collect." The suit filed in Cumberland County Superior Court amends an earlier complaint that accuses CMP of overcharging customers. The original lawsuit was filed July 19. The law firms are seeking class-action status for the lawsuit, and it could become the largest such suit in state history.

The amended suit doesn't provide evidence of the fraud allegations. In a news conference Wednesday, lead lawyer Sumner Lipman said he has proof that instructions were given to CMP customer service reps to blame customers for the high bills, but he declined to provide

any details, saying such information would endanger CMP employees' jobs.

Damages in the suit are not specified. Lipman said three of the four counts call for damages based on the amount that CMP allegedly overcharged customers. The fourth count – the fraud allegation – would allow customers to claim damages for specific acts that took place as a result of CMP's responses to their complaints, such as hiring an electrician to check their electricity consumption or rewire a house, along with punitive damages.

SPOKESWOMAN: FRAUD CHARGE AN 'INSULT'

Rice reacted strongly to the suit's contentions.

"To malign our customer representatives' efforts as fraud is an insult. These people were doing their jobs," she said. "We vehemently deny any allegations of fraud."

Rice said the customer reps are trained to help customers identify the reasons for a higher bill and run down the list of potential causes, such as colder weather; old, inefficient appliances; wiring issues; or other potential problems in the customers' homes.

That's standard procedure to help customers understand potential reasons behind high bills, she said. A CMP web page also lists possible reasons for high bills, Rice said.

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The suit also alleges that CMP charged customers higher rates than those approved by the Maine PUC, and broke state law by threatening to cut off electricity service to customers who couldn't pay their bills. Maine law prohibits disconnecting electricity service in the winter.

In a statement issued Wednesday afternoon, Rice called the timing of the suit "peculiar" because the PUC's investigation isn't complete.

She also said that the company tries to collect payments fairly, but "when it became clear that some customers felt factors other than extreme cold and supply price increases were affecting their bills, CMP stopped all collection activity."

The company and PUC agreed that CMP would set aside the portions of disputed bills while the PUC investigated the complaints, she said.

But Lipman said CMP "is being unfair to Maine customers." He also derided a current [CMP advertising campaign](#) that apologizes for the billing problems and the company's response to an October storm that knocked out power to more than 450,000 customers, some of whom lost electric service for up to a week. A review of the company's storm response by the PUC recently concluded that the company handled the situation "[reasonably](#)."

The company's ads say it is hiring more customer service representatives.

“More customer service representatives may mean more people answering the phones,” but it won’t solve the complaints over billing, Lipman said.

TEN OF THOUSANDS OF POSTED COMPLAINTS

Judith Hopkins of Pownal, who attended Wednesday’s news conference, said her call to CMP this year to complain about her bill went unanswered for nearly two hours and she was never given an opportunity to leave a message. Hopkins said her electric bill in January was double what it had been for that month during the previous three years.

“CMP didn’t care,” Hopkins said.

She and others started Facebook pages and online message groups for CMP customers to post complaints.

Lauren Loomis of Kittery said that between the Facebook page and other online sites, 63,000 people have posted complaints about their bills.

The suit was filed by Lipman & Katz of Augusta, Trafton Matzen of Auburn and Napoli & Shkolnik of New York. Lipman said the New York firm is involved because it specializes in class-action suits.

The law firms estimated the suit could eventually cover 297,000 CMP customers, nearly half the company’s customer base in southern and central Maine. That would make it the largest, by far, class-action suit in Maine history. The biggest class-action suit to date had 47 plaintiffs, according to the state Administrative Office of the Courts.

Edward D. Murphy can be contacted at 791-6465 or at:

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