



Maine Water proposes 3 year rate phase-in for Biddeford-Saco Division

Critical need to replace 137 year-old drinking water facility

Saco, Maine — March 12, 2021 — Maine Water Company has filed an application with the Maine Public Utilities Commission (PUC) for new rates in its Biddeford-Saco Division. In response to feedback from customers, elected officials and municipal leaders, the company has designed and proposed a “rate smoothing mechanism” so that rate adjustments would be phased in over three years.

Construction of a new \$53 million drinking water treatment facility near the Saco River is the primary reason for the request. The new facility will serve Biddeford, Saco, Old Orchard Beach and the Pine Point portion of Scarborough. It will replace the current treatment plant that has been in service since 1884.

Rick Knowlton, President of Maine Water, said the company has updated community leaders throughout the design and development of the new facility. Maine Water outlined the rate proposal at recent meetings with city and town councils, and with the representatives and senators who serve the four communities in Augusta.

“We have strong consensus that a new water treatment facility is needed,” Knowlton said. “Local leaders recognize that healthy communities need healthy infrastructure, but we also understand that there’s never an ideal time to raise rates. Therefore, our proposal offers a three year phase in of the rate increase necessary to support the cost of the new water treatment facility, so that the full cost does not hit water bills all at once.”

The proposal filed with the PUC calls for increases to the average residential customer of approximately 20 cents per day, or \$6 a month, in each of the next three years. Knowlton said that when the rate phase-in is completed in 2023, customers will pay about a penny per gallon for their water service, which is in line with water utility rates across Maine. On a percentage basis, the adjustments will affect all customers equally. In percentage terms, the proposed adjustments are a 26.05% increase effective July, 2021, a 20.23% increase effective July, 2022, and a 17.12% increase effective July, 2023.

The proposed rate adjustments apply only to customers in the Biddeford-Saco Division, not to the other public water systems that the company operates throughout Maine.

The new drinking water treatment facility is under construction and will be completed in the spring of 2022. It will replace an existing facility that began service in 1884 and was renovated in 1936. Independent engineering studies concluded that a new facility would be more cost-effective than further renovation, and strongly recommended that a new facility should be out of the flood plain of the Saco River, to avoid severe

flooding that has shut down the existing facility several times in the past. The new facility is now being built on the west side of South Street in Biddeford, high above the flood plan elevation, but close enough to take advantage of existing infrastructure.

“The existing drinking water facility has served these communities well for 137 years, but it can’t last forever. It’s important to realize that there is only one source of water for 40,000 people who expect and deserve safe, reliable water service every day. The new facility will improve water quality, eliminate the risk of flood, improve system reliability and lower the cost of water production. Over the past several years, we have studied all options in meticulous detail. This path is the most responsible way to provide service to these communities today and for the next century,” Knowlton said.

The PUC has up to nine months to review the request and make a final decision, although it could decide sooner. Maine Water will mail a notice to all customers in the Biddeford-Saco Division, explaining their right to participate in the process.

The company’s Biddeford-Saco Division serves approximately 16,200 customers in Biddeford, Saco, Old Orchard Beach, and Scarborough, a population of more than 40,000. Recent research by an independent survey company reported that customers value the service provided by the company, and reported an overall customer satisfaction index among customers of more than 92%.

“We were pleased by our outstanding customer survey results. The data indicate general approval of our approach to investing for the future, while also keeping rates as low as possible. Our customers trust us to deliver high quality water and exceptional service, and they understand the need to replace aging infrastructure in order to do that,” Knowlton said.

For more information, please visit www.MaineWater.com. If customers would like more information about how the proposed rate increase plan would affect their water bill, they should contact customer service at (207) 282-1543 or 1-800-287-1643.

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About Maine Water

The Maine Water Company is a public water utility that owns 12 public water systems engaged in the collection, treatment and distribution of drinking water for homes, businesses and fire protection service. The Maine Water Company serves approximately 85,000 people in 21 communities across Maine. The Biddeford Saco division of Maine Water Company is the second-largest public water system in Maine, serving a population of approximately 40,000. For more information, visit www.MaineWater.com.

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