

The Maine Water Company  
Biddeford and Saco Division  
**NOTICE OF PROCEEDING**  
September 15, 2021  
Docket No. 2021-00289



The Maine Water Company hereby notifies its Biddeford and Saco Division customers that a proposed increase in rates has been filed with the Maine Public Utilities Commission. This notice is given pursuant to Chapter 110 §8 of the Commission's Rules of Practice and Procedure. The proposed rate increase is being filed pursuant to section 307 of Title 35-A of the Maine Revised Statutes and Chapter 120 of the Commission's Rules.

This rate increase is primarily due to capital improvements in the system, including the construction of a new Saco River Drinking Water Treatment Facility located in Biddeford, which will serve customers throughout the division starting in Spring 2022.

The application includes investments made since the last general rate increase in 2017, and is a supplemental filing to our earlier application in March, 2021. The impact to customers' bills resulting from this request will be incremental over the periods of July 1, 2022 through July 1, 2023, as a result of the current Rate Smoothing Mechanism (RSM) surcharge that was applied to customer bills beginning July 1, 2021. If the proposal is approved, base rates will increase but will be partially offset with a credit from the previously applied RSM surcharge from July 1, 2022 - June 30, 2023..

The allocation of proposed rates reflects a Cost of Service Study completed in August 2021. The study examined the cost of providing water service to each customer class, to assist in adopting equitable rates among customer classes. Adopting the results of this study does not change the total cost of providing service division-wide, but can result in changes in rate design, or how much of the total cost is allocated to each customer class.

The proposed base rates, if approved, will provide a total of \$6,880,681 in additional annual revenue to The Maine Water Company, resulting from infrastructure investments in the division.

### Customer Questions

We want to assure you that we have taken steps to operate efficiently, upgrade the water system and make the best use of customers' dollars. The rate increase is necessary to continue to deliver the high quality water and service you expect and deserve.

**Please contact us at 1-800-287-1643 with questions about the rate application or your water service.**

### About the New Saco River Drinking Water Treatment Facility



**The new facility replaces the existing 137 year-old existing facility.** Believed to be the oldest operating water treatment facility in the nation, comprehensive engineering evaluations determined renovations to the 1884 building would be more costly than constructing a new facility.



**The existing facility is at risk of catastrophic flooding damage.** The current facility lies in the flood plain of the Saco River. It has flooded in the past and is predicted to flood again. A flood would cause widespread water outages and loss of water for fire protection. Relocating the facility ensures continued reliability of the water system.



**The new facility will improve quality, efficiency and reliability for generations.** When completed in Spring 2022, the new facility will allow for improved water quality, system reliability and greatly enhanced water treatment processes to more cost efficiently support drinking water, fire protection and economic development needs in the communities served for generations to come.

Questions? Please contact our Customer Service team: **1-800-287-1643**

# Proposed Net Bill Impacts based on Customer Class

	7/1/21 – 6/30/22 Actual Net Bill Impact vs. prior year <i>(Result of RSM Surcharge, No Base Rate Changes)</i>	7/1/22 – 6/30/23 Proposed Net Bill Impact vs. prior year <i>(Proposed Base Rate, Minus RSM Credit)</i>	July 1, 2023 Proposed Net Bill Impact vs. prior year <i>(Proposed Base Rate, Expiration of RSM Credit)</i>
Metered Residential	22.65%	31.14%	15.95%
Metered Commercial/Public Authorities	22.65%	34.94%	15.95%
Metered Industrial	22.65%	33.39%	15.95%
Public Fire	22.65%	2.8%	15.95%
Private Fire	22.65%	2.8%	15.95%

\*Estimated percentages based on average water use in the year 2020

As proposed,  
in 2023, the cost of water service for an  
average residential customer will be just  
over a penny a gallon, or about \$1.37 a day

As proposed,  
The average residential customer bill would  
increase by 20-30 cents per day beginning  
July 1, 2022.

Customer Class	Proposed Base Rate Increase (Over 2017 Base Rates)
Metered Residential	86.50%
Metered Commercial & Public Authorities	91.90%
Metered Industrial	89.70%
Public Fire	46.20%
Private Fire	46.20%
Total	80.08%



Total proposed  
Base Rate Increase  
to be partially offset by  
RSM credit from July 1,  
2022 - June 30, 2023

## Ways to participate in the rate application process:

- You may add your name to the notification list using the Commission's Case Management System (CMS). For information on how to register and use CMS please see the information at the following link: <http://www.maine.gov/mpuc/online>. The case is Docket No. 2021-00289.
- You may petition to intervene. If your petition to intervene is granted, you will be a party with the right to participate formally in the hearings and in negotiations. Your petition must be made in writing using the Commission's electronic CMS. Your petition must state the name and docket number of this proceeding, and the manner in which you are affected by this proceeding. Your petition must also include a short and plain statement of the nature and extent of the participation you seek, and a statement of the nature of the evidence or argument you intend to submit. Your petition must be filed electronically no later than October 8, 2021.
- You may appear as a witness if the Commission schedules a public witness hearing. At the public witness hearing, you would have the option of giving your views on the proposed increase under oath.

If you would like more information about this proceeding, you may contact the Administrative Director of the Commission (207-287-3831) or by visiting [www.maine.gov/mpuc](http://www.maine.gov/mpuc), and you may contact Maine Water at 800-287-1643 or by visiting [www.mainewater.com](http://www.mainewater.com). Additional information regarding the rate proceeding is also available on Maine Water Company's website at [www.mainewater.com](http://www.mainewater.com).