

ELECTRONICALLY FILED ON 10/16/17

Harry Lanphear
Administrative Director
Public Utility Commission
State House Station #18
Augusta, Maine 04333-0018

**RE: Kittery Water District, Proposed Rate Change
Pursuant to 35-A M.R.S.A. § 6104 (\$76,919.00 or 2.47% Increase in Revenue)**

Dear Mr. Lanphear:

We are submitting this informational rate filing pursuant to 35-A, M.R.S.A., Section 6104, on behalf of the Kittery Water District. We have also included a copy of the draft public notice and a proposed rate schedule. A copy of supporting material will be available to its customers' at the Kittery Water District.

Please be advised that under separate cover the District will be filing a System Infrastructure Needs Assessment pursuant to Chapter 675 §3 of the Commission Rules.

If you require additional information or clarification. Inquiries should be directed to Cathy Robinson at 846-4155, Kirsten Hebert at 737-7144, or Michael Rogers or Linda Johnson, Kittery Water District at 439-1128.

Sincerely,



Cathy Robinson
Financial Analyst

Cc: Barry Hobbins, Public Advocate
Mike Rogers, Kittery Water District
Linda Johnson, Kittery Water District
Kirsten Hebert, Maine Rural Water Association

**KITTERY WATER DISTRICT
KITTERY, MAINE 03904**

INFORMATIONAL RATE FILING

EXHIBITS AND SCHEDULES

FILED UNDER 35-A M.R.S.A. SECTION 6104

Submitted: October 16, 2017
Proposed Hearing Date: November 16, 2017
Proposed Effective Date: January 1, 2018

Prepared by: Maine Rural Water Association
254 Alexander Reed Road
Richmond, Maine 04357
207/737-7144

**KITTERY WATER DISTRICT
KITTERY, MAINE 03904**

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APPENDICES:

**PROPOSED SCHEDULE
CUSTOMER NOTICE
TARIFF SHEETS NOS. 1, 2 AND 4 Effective 1/1/17
TARIFF SHEET NO. 3 Proposed Effective 1/1/18**

**Kittery Water District
Water Utility Expense Accounts**

Acct	Account Name	2014	2015	2016	adjustment	Pro Forma	
						2017/2018	
601	Salaries and Wages - Employees	\$719,510	\$710,337	\$655,599	1	\$81,401	\$737,000
603	Salaries and Wages - Officers, Directors	\$114,475	\$110,407	\$116,322	2	\$3,678	\$120,000
604	Employee Pensions and Benefits	\$368,515	\$387,485	\$395,594	3	\$79,406	\$475,000
615	Purchased Power	\$92,948	\$82,286	\$92,877	4	\$5,123	\$98,000
618	Chemicals	\$98,589	\$79,885	\$89,728	5	\$11,272	\$101,000
620	Materials & Supplies	\$122,162	\$87,492	\$90,253	6	\$9,747	\$100,000
631	Contractual Services - Engineering	\$25,472	\$273	\$6,481	7	\$3,519	\$10,000
632	Contractual Services - Acct	\$12,165	\$12,675	\$38,701	8	-\$22,701	\$16,000
633	Contractual Services - Legal	\$4,852	\$7,802	\$12,456	9	-\$2,456	\$10,000
635	Contractual Services - Other	\$0	\$0	\$0	10	\$10,000	\$10,000
641	Rental of Building	\$0	\$0	\$0		\$0	\$0
642	Rental of Equipment	\$0	\$0	\$0		\$0	\$0
650	Transportation Expenses	\$69,406	\$63,872	\$44,944	11	\$25,056	\$70,000
656	Insurance - Vehicle	\$9,640	\$10,058	\$9,826	12	\$1,174	\$11,000
657	Insurance - General Liability	\$8,302	\$8,449	\$8,674	13	\$2,326	\$11,000
658	Insurance - Workman's Comp	\$15,000	\$14,479	\$15,122	14	\$878	\$16,000
659	Insurance - Other	\$11,146	\$11,222	\$10,909	15	\$1,091	\$12,000
660	Advertising	\$0	\$0	\$0		\$0	\$0
667	Regulatory Commission Expense	\$0	\$0	\$0		\$0	\$0
670	Bad Debt Expense	\$164	\$398	\$4,738		-\$4,238	\$500
675	Miscellaneous Expenses	\$306,191	\$345,788	\$276,923	17	\$180,277	\$457,200
	Capital Reserve	\$0	\$0	\$0		\$319,000	\$319,000
	TOTAL EXPENSES	\$1,978,537	\$1,932,908	\$1,869,147	A	\$704,553	\$2,573,700
	Interest Expense	\$73,818	\$66,749	\$54,413	B	-\$14,372	\$40,041
	Principal Repayment	\$250,415	\$254,686	\$276,377	C	-\$104,141	\$172,235
	Fees	\$1,257	\$1,256	\$1,256	D	\$0	\$1,256
	TOTAL EXPENSES PLUS DEBT	\$2,304,027	\$2,255,599	\$2,201,193		\$586,039	\$2,787,232

Contingency Allowance		
Operating Expense	\$ 2,573,700	
Depreciation	\$ 405,000	2017-2018
Amortization	\$ -	-
Taxes other than Income	\$ 110,033	2016
Miscellaneous Non Utility Expenses	\$ 5,000	2017-2018
Income Items	\$ (262,174)	2017-2018
Debt Service:		
Interest	\$ 40,041	Average 2018-2019
Principal	\$ 172,235	Average 2018-2019
Fees	\$ 1,256	Average 2018-2019
TOTAL BASE	\$ 3,045,092	
Contingency Allowance	5.0%	
	\$ 152,255	E

GROSS REVENUE	
All expenses	\$ 3,045,092
Contingency Allowance	\$ 152,255
Gross Revenue	\$ 3,197,346

PRO FORMA ADJUSTMENTS

<u>Operation and Maintenance</u>	<u>Adjustment</u>	<u>Pro Forma</u>
1 Salaries Fully Staffed Employment Figures Two employees were out on short term disability in 2016 Regular staff increases are included	\$ 81,401	\$ 737,000
2 Salaries and Wages - Officers, Directors	\$ 3,678	\$ 120,000
3 Employee Pensions and Benefits Fully staffed employment benefit figures (see 1. Salaries)	\$ 79,406	\$ 475,000
4 Purchased Power	\$ 5,123	\$ 98,000
5 Chemicals Increase due to higher usage by Portsmouth Naval Shipyard	\$ 11,272	\$ 101,000
6 Materials & Supplies 500 meter exchanges included	\$ 9,747	\$ 100,000
7 Contractual Services - Engineering Projected Annual Expense due to upcoming project	\$ 3,519	\$ 10,000
8 Contractual Services - Accounting	\$ (22,701)	\$ 16,000
9 Contractual Services-Legal	\$ (2,456)	\$ 10,000
10 Contractual Services - Other	\$ 10,000	\$ 10,000
Rental of Building	\$ -	\$ -
Rental of Equipment	\$ -	\$ -
11 Transportation Expenses Purchase of a new vehicle	\$ 25,056	\$ 70,000
12 Insurance - Vehicle Purchase of a new vehicle	\$ 1,174	\$ 11,000
13 Insurance - General Liability Projected Increase	\$ 2,326	\$ 11,000
14 Insurance - Workman's Comp Projected Increase	\$ 878	\$ 16,000
15 Insurance - Other Projected Increase	\$ 1,091	\$ 12,000
Advertising Expense	\$ -	\$ -
Bad Debt Expense	\$ (4,238)	\$ 500
17 Miscellaneous Expenses Projected, Includes Rate Case Fee amortized over two years	\$ 180,277	\$ 457,200
Capital Reserve Account	\$ 319,000	\$ 319,000
A Operating Expense Adjustments	<u>\$ 704,553</u>	<u>\$ 2,573,700</u>
B Interest Expenses 2 year projected payment average	\$ (14,372)	\$ 40,041
C Principal Payment 2 year projected payment average	\$ (104,141)	\$ 172,235
D SRF Fees 2 year projected payment average	\$ (0)	\$ 1,256
	<u>\$ 586,039</u>	<u>\$ 2,787,232</u>

**Kittery Water District
Billing Analysis**

Test Year		Ended: 2016/2017				Pro Forma		Increase	
Residential	Minimums	Bills	Rate	Gross	Rate	Gross	\$	%	
461.1	5/8"	16,251	1,200	\$36.65	595,599	\$36.65	595,599	-	
	3/4"	1,660	2,100	\$58.97	97,890	\$58.97	97,890	-	
	1"	294	3,600	\$92.30	27,136	\$92.30	27,136	-	
	1 1/2"	44	7,500	\$172.25	7,579	\$172.25	7,579	-	
	2"	48	12,000	\$264.50	12,696	\$264.50	12,696	-	
	3"	4	22,500	\$441.53	1,766	\$441.53	1,766	-	
	4"	1	37,500	\$675.53	676	\$675.53	676	-	
	6"	8	75,000	\$1,260.53	10,084	\$1,260.53	10,084	-	
	8"	4	120,000	\$1,962.53	7,850	\$1,962.53	7,850	-	
Seasonal	5/8"	62	3,000	\$147.57	9,149	\$147.57	9,149	-	
Seasonal	3/4"	6	5,500	\$209.57	1,257	\$209.57	1,257	-	
	Usage	56,539	hcf	\$ 2.48	140,216	\$2.48	140,216	-	
		44,800	hcf	\$ 2.05	91,840	\$2.05	91,840	-	
		25,864	hcf	\$ 1.56	40,347	\$1.56	40,347	-	
					1,044,087		1,044,087	-	0.00%
Commercial									
461.2	5/8"	579	1,200	\$36.65	21,220	\$36.65	21,220	-	
	3/4"	162	2,100	\$58.97	9,553	\$58.97	9,553	-	
	1"	158	3,600	\$92.30	14,583	\$92.30	14,583	-	
	1 1/2"	85	7,500	\$172.25	14,641	\$172.25	14,641	-	
	2"	100	12,000	\$264.50	26,450	\$264.50	26,450	-	
	3"	4	22,500	\$441.53	1,766	\$441.53	1,766	-	
	4"	4	37,500	\$675.53	2,702	\$675.53	2,702	-	
	Usage	234	hcf	\$2.48	580	\$2.48	580	-	
		17,062	hcf	\$2.05	34,976	\$2.05	34,976	-	
		27,313	hcf	\$1.56	42,608	\$1.56	42,608	-	
					169,081		169,081	-	0.00%
Industrial									
461.3	2"	8	12,000	\$264.50	2,116	\$264.50	2,116	-	
	6"	4	75,000	\$1,260.53	5,042	\$1,260.53	5,042	-	
	Usage	-	hcf	\$2.48	-	\$2.48	-	-	
		-	hcf	\$2.05	-	\$2.05	-	-	
		45,536	hcf	\$1.56	71,037	\$1.56	71,037	-	
					78,195		78,195	-	0.00%
Governmental									
461.4	5/8"	772	1,200	\$36.65	28,294	\$36.65	28,294	-	0.00%
	Usage	1,500	hcf	\$2.48	3,720	\$2.48	3,720	-	0.00%
		1,587	hcf	\$2.05	3,254	\$2.05	3,254	-	0.00%
		61	hcf	\$1.56	95	\$1.56	95	-	0.00%
PNS									
2017 Pro Forma	Usage	64,792	thcf	\$19.50	1,263,451	\$20.69	1,340,370	76,919	6.09%
					1,298,815		1,375,734		5.92%
Municipal									
461.4	5/8"	50	1,200	\$36.65	1,833	\$36.65	1,833	-	
	3/4"	16	2,100	\$58.97	944	\$58.97	944	-	
	1"	22	3,600	\$92.30	2,031	\$92.30	2,031	-	
	1 1/2"	4	7,500	\$172.25	689	\$172.25	689	-	
	2"	43	12,000	\$264.50	11,374	\$264.50	11,374	-	
	3"	6	22,500	\$441.53	2,649	\$441.53	2,649	-	
	Usage	2,037	hcf	\$2.48	5,052	\$2.48	5,052	-	
		670	hcf	\$2.05	1,373	\$2.05	1,373	-	
		5,879	hcf	\$1.56	9,171	\$1.56	9,171	-	
					35,114		35,114	-	0.00%
TOTAL METERED					2,625,292		2,702,211	76,919	2.93%
Private Fire Protection			462.2		103,607		103,607	-	0.00%
Other Revenues			471,474		13,168		13,168	-	0.00%
Public Fire Protection (full year of 2017 tariff rate)			462.1		378,349		378,349	-	0.00%
TOTAL REVENUES					3,120,416		3,197,335	76,919	2.47%

Calculation of Percent Increase	
Revenue Requirement	3,197,346
Less Public Fire Protection	378,349
Amount Generated by Other Users	2,818,997
Divided by:	2,742,808
Increase for District	1,02778
Metered Increase	2.78% over 2016/2017
	2.47%

**Kittery Water District
Long Term Debt**

Issuer	Date of Issue	Date of Maturity	Par Value Authorized	Principal Forgiveness/Grant	Loan Outstanding 12/31/2015	Rate
TD Bank	12/14/2012	12/14/2017	\$ 590,000	\$ -	\$236,000.00	2.06%
MMBB	05/1999	11/2019	\$ 1,000,000	\$ -	\$282,217.00	var
MMBB	07/2009	04/2024	\$ 350,000	\$ -	\$216,235.00	1.00%
MMBB	10/2009	11/2029	\$ 1,200,000	\$ -	\$930,337.00	var
Gail Deperrio	12/2010	12/2020	\$ 190,400	\$ -	\$102,300.15	3.00%

Payment schedule of the above bonds:
Principal

Years Ending	TD Bank	MMBB 1999C	MMBB 2009G	DWSRF 2009LA	Deperrio 2010	Totals
31-Dec						
2013	\$118,000.00	\$56,113.00	\$46,338.00	\$22,403.00	\$17,604.25	\$260,458.25
2014	\$118,000.00	\$58,989.00	\$48,786.00	\$22,626.00	\$18,138.34	\$266,539.34
2015	\$118,000.00	\$62,057.00	\$49,762.00	\$22,852.00	\$18,688.65	\$271,359.65
2016	\$118,000.00	\$65,283.00	\$50,757.00	\$23,081.00	\$19,255.64	\$276,376.64
2017	\$118,000.00	\$68,678.00	\$51,772.00	\$23,312.00	\$19,839.84	\$281,601.84
2018	\$0.00	\$72,250.00	\$52,808.00	\$23,545.00	\$20,441.77	\$169,044.77
2019	\$0.00	\$76,006.00	\$54,578.00	\$23,780.00	\$21,061.95	\$175,425.95
Average	\$0.00	\$74,128.00	\$53,693.00	\$23,662.50	\$20,751.86	\$172,235.36

Interest

Years Ending	TD Bank	MMBB 1999C	MMBB 2009G	DWSRF 2009LA	Deperrio 2010	Totals
31-Dec						
2013	\$7,191.12	\$24,024.64	\$38,701.16	\$2,729.20	\$4,505.13	\$77,151.25
2014	\$9,669.19	\$21,126.96	\$36,253.14	\$2,504.05	\$3,971.02	\$73,524.36
2015	\$7,292.40	\$18,036.52	\$35,277.42	\$2,276.66	\$3,420.74	\$66,303.74
2016	\$4,861.60	\$14,785.36	\$34,282.18	\$2,046.99	\$2,853.72	\$58,829.85
2017	\$2,430.80	\$11,365.18	\$33,267.04	\$1,815.02	\$2,269.52	\$51,147.56
2018	\$0.00	\$7,767.14	\$32,231.60	\$1,580.73	\$1,667.61	\$43,247.08
2019	\$0.00	\$3,981.96	\$30,460.94	\$1,344.10	\$1,047.41	\$36,834.41
2 year average	\$0.00	\$5,874.55	\$31,346.27	\$1,462.42	\$1,357.51	\$40,040.75

Kittery Water District Operating Statement

		2014	2015	2016	Adjustment		Pro Forma
					From		
					Page 1		
	Utility Operating Income						
400	Operating Revenues	2,913,293	2,643,832	3,148,387		48,948	3,197,335
401	Operating Expenses	1,978,537	1,932,908	1,869,148	A	704,552	2,573,700
403	Depreciation Expenses	438,872	375,279	347,467		57,533	405,000
407	Amortization Expense	-	-	-		-	-
408.1	Taxes Other Than Income	118,214	115,612	110,033		-	110,033
	Utility Operating Expenses	2,535,623	2,423,799	2,326,648		762,085	3,088,733
	Utility Operating Income	377,670	220,033	821,739		(713,137)	108,602
413	Income from Utility Plant Leased to Others	143,397	148,228	152,583		(1,583)	151,000
414	Gains (Losses) From Disposition of Utility Property	(13,283)	161,439	1,346		6,154	7,500
	Total Utility Operating Income	507,784	529,700	975,668		(708,566)	267,102
	Other Income and Deductions					-	
	Other Income:					-	
415	Revenues from Merchandising, Jobbing (net of costs)	1,998	1,560	16,124		(1,124)	15,000
419	Interest Income	-	-	-		-	-
421	Non Utility Income	78,562	45,216	205,112	*	(116,438)	88,674
	Deductions:						
	Debt Retirement Provision	250,415	254,686	276,377	C	(104,141)	172,235
	Debt Service Fees	1,257	1,256	1,256	D	(0)	1,256
	Total Other Income and Deductions	(171,112)	(209,166)	(56,397)		(13,421)	(69,818)
426	Miscellaneous Nonutility Expense	11,657	4,778	14,229		(9,229)	5,000
427	Interest Expense	73,818	66,749	54,413	B	(14,372)	40,041
428	Amortization of Debt Discount & Expense	-	-	-		-	-
	Total Interest Expense	85,475	71,527	68,642		(23,601)	45,041
	Net Income (for rates)	251,198	249,007	850,629	E	(698,386)	152,243

*\$95,000 was from 2016 grant proceeds

Kittery Water District Water Operating Revenues

		2014	2015	2016	Adjustment	Pro Forma
	OPERATING REVENUES					
	SALES OF WATER					
460	Unmetered Sales to Residential Customers	-	-	-	-	
461	Metered Sales to General Customers					
461.1	Residential	872,200	923,725	1,044,087	-	1,044,087
461.2	Commercial	147,250	153,217	169,081	-	169,081
461.3	Industrial	62,631	65,210	78,195	-	78,195
461.4	Public Authorities	1,404,445	1,062,058	1,372,912	37,936	1,410,848
	Total	2,486,526	2,204,210	2,664,275	37,936	2,702,211
462.1	Public Fire-Protection Services	322,564	333,953	367,737	10,612	378,349
462.2	Private Fire-Protection Services	90,867	92,767	103,607	-	103,607
	Other Sales to Public Authorities	-	-	-	-	
	Total Sales of Water	2,899,957	2,630,930	3,135,619	48,548	3,184,167
	OTHER OPERATING REVENUES					
471	Miscellaneous Service Revenue	13,336	12,902	13,168	-	13,168
474	Other Water Revenues	-	-	-	-	-
	TOTAL OPERATING REVENUES	2,913,293	2,643,832	3,148,787	48,548	3,197,335

**Kittery Water District
BALANCE SHEETS**

ASSETS		2016	2015	2014
UTILITY PLANT				
101-105	Utility plant	\$32,847,152	\$32,262,228	\$31,862,058
108-110	Less accumulated depreciation	<u>\$12,779,177</u>	<u>\$12,485,799</u>	<u>\$12,115,202</u>
	Net Plant	<u>\$20,067,975</u>	<u>\$19,776,429</u>	<u>\$19,746,856</u>
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	\$0	\$0	\$0
122	Less: Accumulated Depreciation and Amortization	\$0	\$0	\$0
125	Other Investments	\$0	\$0	\$0
127	Other Special Funds	<u>\$1,202,252</u>	<u>\$629,752</u>	<u>\$431,752</u>
	Total Other Property and Investments	<u>\$1,202,252</u>	<u>\$629,752</u>	<u>\$431,752</u>
CURRENT AND ACCRUED ASSETS:				
131	Cash	\$147,981	\$149,382	\$152,413
132	Special Deposits	\$0	\$0	\$0
134	Working Funds	\$300	\$300	\$300
141-144	Accounts and Notes Receivable, Less Uncollectible Accounts	\$218,923	\$197,838	\$209,616
151	Materials and Supplies	\$422,640	\$376,255	\$327,299
162	Prepayments	\$39,703	\$44,241	\$36,493
174	Misc. Current and Accrued Assets	<u>\$166,817</u>	<u>\$145,399</u>	<u>\$145,399</u>
	Total Current and Accrued Assets	<u>\$996,364</u>	<u>\$913,415</u>	<u>\$871,520</u>
181-190	DEFERRED DEBITS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	TOTAL ASSETS AND OTHER DEBITS	<u>\$22,266,591</u>	<u>\$21,319,596</u>	<u>\$21,050,128</u>
LIABILITIES & EQUITY				
EQUITY CAPITAL				
211	Other Paid-In Capital	\$0	\$0	\$0
214	Appropriated Retained Earnings	\$13,994,156	\$13,717,779	\$13,446,419
215	Unappropriated Retained Earnings	<u>\$3,859,436</u>	<u>\$3,007,551</u>	<u>\$2,773,962</u>
	Total Equity Capital	<u>\$17,853,592</u>	<u>\$16,725,330</u>	<u>\$16,220,381</u>
LONG TERM DEBT				
221	Bonds	\$1,407,668	\$1,664,789	\$1,917,460
224	Other Long-Term Debt	\$0	\$0	\$0
	Total Long Term Debt	<u>\$1,407,668</u>	<u>\$1,664,789</u>	<u>\$1,917,460</u>
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable	\$21,981	\$23,901	\$29,221
232	Notes Payable	\$83,045	\$102,300	\$120,989
233	Accounts Payable to Associated Companies	\$0	\$0	\$0
236	Accrued Taxes	\$8,004	\$6,752	\$5,101
237	Accrued interest	\$6,661	\$9,283	\$10,054
241	Misc Current and Accrued Liabilities	<u>\$67,431</u>	<u>\$61,312</u>	<u>\$67,794</u>
	Total Current and Accrued Liabilities	<u>\$187,122</u>	<u>\$203,548</u>	<u>\$233,159</u>
252	Advances for Construction	\$12,781	\$1,315	\$1,441
253	Other Deferred Credits	<u>\$1,550</u>	<u>\$1,550</u>	<u>\$1,550</u>
	Total Deferred Credits	<u>\$14,331</u>	<u>\$2,865</u>	<u>\$2,991</u>
CONTRIBUTION IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	\$3,686,231	\$3,556,121	\$3,449,340
272	Accumulated Amortization of CIAC	<u>\$882,353</u>	<u>\$833,057</u>	<u>\$773,203</u>
	Total Net CIAC	<u>\$2,803,878</u>	<u>\$2,723,064</u>	<u>\$2,676,137</u>
	TOTAL EQUITY CAPITAL AND LIABILITIES	<u>\$22,266,591</u>	<u>\$21,319,596</u>	<u>\$21,050,128</u>

APPENDIX

KITTERY WATER DISTRICT

**PROPOSED SCHEDULE
DRAFT CUSTOMER NOTICE
TARIFF SHEETS NOS. 1, 2 AND 4 Effective 1/1/17
TARIFF SHEET NO. 3 Proposed Effective 1/1/18**

KITTERY WATER DISTRICT

RATE FILING

PROPOSED SCHEDULE FOR RATE FILING

	<u>On or before:</u>
Submit rate case information package to: Public Utilities Commission Public Advocate	October 17, 2017
Send notices to all customers and Publish the legal notice	No later than: October 31, 2017
Hold public hearing	November 16, 2017
File final rate case documents	December 1, 2017
Proposed Effective date	January 1, 2018

Kittery Water District Legal Notice

The Kittery Water District gives notice to the public that on **November 16, 2017, 7:00 p.m. at the Kittery Water District Office, 17 State Road, Kittery**, a public hearing will be held to discuss and hear comments on a proposed water rate increase.

	Effective on January 1, 2018	
	<u>% Increase</u>	<u>\$ Increase</u>
Residential Customers	0.00%	\$ 0
Commercial Customers	0.00%	\$ 0
Industrial Customers	0.00%	\$ 0
Portsmouth Naval Shipyard	6.09%	\$76,919
Other Governmental Customers	0.00%	\$ 0
Municipal Customers	0.00%	\$ 0
Other Revenues	0.00%	\$ 0
Private Fire Protection	0.00%	\$ 0
Public Fire Protection	<u>0.00%</u>	<u>\$ 0</u>
Overall Increase	2.47%	\$76,919

The District is preparing to secure a bond to fund renovations at the Filtration Plant to be done in 2018/2019. A Cost of Service Study completed in 2016 recommended a realignment of the water rates for the Portsmouth Naval Shipyard. This realignment is being phased in over several years. This water rate case is only affecting the rates for the Portsmouth Naval Shipyard, and will become effective on January 1, 2018.

Pursuant to 35-A MRSA Section (6104), a customer has the right to request additional information relating to the present and proposed rates from the District, the right to an open and fair hearing, and the right to assistance from the Public Advocate. Customers also have the right under 35-A MRSA Section (6104) to petition the Maine Public Utilities Commission to suspend and investigate the District's rates pursuant to 35-A MRSA Section 310, if, on or before **December 16, 2017, seven hundred and eighty-two (782)** of the District's customers (15% of customers or 1000 customers, whichever is less) file with the Office Manager, Kittery Water District, Kittery, Maine and with the Public Utilities Commission, c/o Administrative Director, State House Station #18, Augusta, ME 04333-0018, a petition or petitions demanding review by the PUC of the proposed rate changes. Signatures on the petitions filed pursuant to Section 7 are invalid unless accompanied by the printed names and addresses of the signers. Upon request the District will provide customers with petition forms that include space for the signatures and the printed names and addresses of the signers.

A copy of material supporting the proposed rate changes will be available at the Kittery Water District and on its web site, www.kitterywater.org, for inspection on and after **October 16, 2017**. If you have any questions or desire additional information, you may call Michael Rogers, Superintendent, or Linda Johnson, Office Manager, Kittery Water District, at (207)-439-1128, or the Administrative Director of the PUC at (207)-287-3831. For additional assistance, contact the Public Advocate, State House Station #112, Augusta, ME 04333-0112, (207)-624-3687.

KITTERY WATER DISTRICT
KITTERY, MAINE 03904

SHEET #1
NINTH REVISION

RATES FOR WATER
TO METERED CUSTOMERS

Quarterly:


For the first	1,200	Cu. Ft. or less	\$ 36.65
Next	1,500	Cu. Ft. per quarter	\$ 2.48 per 100 cubic feet
Next	12,000	Cu. Ft. per quarter	\$ 2.05 per 100 cubic feet
For all in excess of	14,700	Cu. Ft. per quarter	\$ 1.56 per 100 cubic feet

MINIMUM CHARGES

For each customer served through a single meter, there shall be a Minimum Charge, based on the size of the meter installed:

<u>Size of Meter</u>	<u>Quarterly Allowance</u>	<u>Charge</u>
5/8"	1,200	\$36.65
3/4"	2,100	\$58.97
1"	3,600	\$92.30
1-1/2"	7,500	\$172.25
2"	12,000	\$264.50
3"	22,500	\$441.53
4"	37,500	\$675.53
6"	75,000	\$1,260.53
8"	120,000	\$1,962.53
10"	180,000	\$2,898.53

Issued: October 20, 2016
Effective: January 1, 2017
Docket No. 2016-00254


Robert P Wyman - Treasurer
Kittery Water District

KITTERY WATER DISTRICT
KITTERY, MAINE 03904

SHEET #2
NINTH REVISION

SEASONAL RATES
TO METERED CUSTOMERS

Per Season:

For the first	3,000 Cu. Ft. or less	\$ 147.57
Next	12,000 Cu. Ft. per quarter	\$ 2.48 per 100 cubic feet
Next	15,000 Cu. Ft. per quarter	\$ 2.05 per 100 cubic feet
For all in excess of	30,000 Cu. Ft. per quarter	\$ 1.56 per 100 cubic feet

MINIMUM CHARGES

For each customer served through a single meter, there shall be a Minimum Charge, based on the size of the meter installed:

<u>Size of Meter</u>	<u>Seasonal Allowance</u>	<u>Charge</u>
5/8"	3,000	\$147.57
3/4"	5,500	\$209.57
1"	13,700	\$412.93
1-1/2"	27,800	\$707.57
2"	54,500	\$1,134.87

Issued: October 20, 2016
Effective: January 1, 2017
Docket No. 2016-00254


Robert P. Wyman - Treasurer
Kittery Water District

**KITTERY WATER DISTRICT
KITTERY, MAINE 03904**

**SHEET #3
TENTH REVISION**

PORTSMOUTH NAVAL SHIPYARD

By Contract at the Following Meter Rate:

\$20.69 per one thousand cubic feet per month

PRIVATE FIRE PROTECTION RATES

AVAILABLE:

To customers using the District's service for private fire protection. The following rates apply to fire protection only and include no allowance of water or other than fire fighting purposes.

RATE:

Each private hydrant furnished, installed and maintained by the user for private fire protection,

PER YEAR: \$970.15

Private fire service rate for automatic sprinklers, standpipes, or hose connections to be used only for fire protection inside of buildings, a charge per inch of service pipe diameter;

PER INCH: \$161.69

Issued: October 16, 2017
Effective: January 1, 2018
Docket No. 2017-

Robert P Wyman - Treasurer
Kittery Water District

KITTERY WATER DISTRICT
KITTERY, MAINE 03904

SHEET #4
NINTH REVISION

PUBLIC FIRE PROTECTION

Available:

For the public hydrants connected to the Water District's system on January 1, 2017, there shall be paid to the Water District by the municipality served an annual fire protection charge as follows:

Rate:

Town of Kittery

For the existing 262 hydrants,
a total annual amount of: \$254,173

Town of Eliot

For the existing 82 hydrants,
a total annual amount of: \$79,550

Town of York

For the existing 46 hydrants,
a total annual amount of: \$44,626

Total Annual Charge: \$378,349

Rate for hydrants installed after January 1, 2017, shall be determined in accordance with the Public Utilities Commission Rules and Regulations Chapter 690.

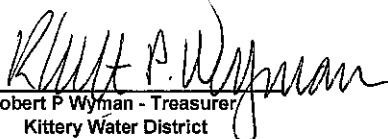
All public fire hydrants now existing or to be installed will be cared for and maintained in good working order (unavoidable accidents excepted) by the District. Once any fire hydrant is actually installed and in operation, the total annual fire protection service charge then in effect will not be reduced should the municipality served order one or more hydrants discontinued.

Should the municipality served order any hydrant or hydrants moved to a different location, the municipality served shall pay to the District all costs of moving said hydrant or hydrants.

Payment Terms:

Charges for these services shall be due and payable annually.

Issued: October 20, 2016
Effective: January 1, 2017
Docket No. 2016-00254


Robert P Wyman - Treasurer
Kittery Water District