

**KITTERY WATER DISTRICT
KITTERY, ME 03904**

2026 Rate Filing Exhibits and Schedules
Filed Pursuant To Title 35-A M.R.S.A Section 6104

Docket Number: 2026-00163

**KITTERY WATER DISTRICT
KITTERY, ME 03904**

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**KITTERY WATER DISTRICT
INCOME STATEMENTS
YEARS ENDED DECEMBER 31,**

EXHIBIT 1

| | 2024 Actual | 2026 Budget | Pro Forma |
|--|-------------------------|------------------------|----------------------|
| Operating Revenues: | | | |
| Metered Sales - Non-PNS | 3,703,025 | 3,833,741 | |
| Metered Sales - PNS | | | |
| Public Fire Protection | 421,574 | 421,574 | Exhibit 6 |
| Private Fire Protection | 134,361 | 210,994 | |
| Miscellaneous Service Revenues | 6,664 | 0 | |
| Total Operating Revenues | <u>4,265,624</u> | <u>4,466,309</u> | <u>4,778,000</u> |
| Operating Expenses: | | | |
| Salaries and Wages | 1,075,922 | 1,488,000 | 1,548,000 |
| Benefits Expense | 500,290 | 786,611 | 819,000 |
| Power | 88,600 | 160,000 | 167,000 |
| Chemicals | 256,663 | 305,000 | 318,000 |
| Materials and Supplies | 40,463 | 56,000 | 59,000 |
| Contractual Services | 34,815 | 226,335 | 236,000 |
| Transportation | 64,757 | 77,000 | 81,000 |
| Insurance | 53,866 | 64,000 | 67,000 |
| All Other | 462,059 | 532,000 | 554,000 |
| Depreciation - Exhibit 3 | 600,757 | 705,000 | 640,000 |
| Total Operating Expenses | <u>3,178,192</u> | <u>4,399,946</u> | <u>4,489,000</u> |
| Net Operating Income | <u>1,087,432</u> | <u>66,363</u> | <u>289,000</u> |
| Other Income: | | | |
| Lease Income | 198,937 | 176,610 | 195,000 |
| Interest Income | 118,063 | 0 | 110,000 |
| Miscellaneous Income | 60,003 | 0 | 30,000 |
| Total Other Income | <u>377,003</u> | <u>176,610</u> | <u>335,000</u> |
| Debt Service Expenses: | | | |
| Interest Expense - Exhibit 4 | 39,009 | 234,240 | 187,915 |
| Debt Retirement - Exhibit 4 | 220,679 | | 436,085 |
| Total Debt Service Expenses | <u>259,688</u> | <u>234,240</u> | <u>624,000</u> |
| Contingency Allowance | <u>0</u> | <u>0</u> | <u>0</u> |
| Capital Reserve Allocation - Exhibit 5 | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Income (Loss) | <u><u>1,204,747</u></u> | <u><u>8,733</u></u> | <u><u>0</u></u> |

KITTERY WATER DISTRICT
SUMMARY OF PRO FORMA ADJUSTMENTS

EXHIBIT 2

| | <i>Base Amount</i> | <i>Pro Forma Calculated Amount</i> | <i>Pro Forma</i> |
|--|------------------------|--|----------------------|
| Salaries and Wages <i>4% annual increase.</i> | 1,488,000 | 1,547,520 | 1,548,000 |
| Benefits Expense <i>4% annual increase.</i> | 786,611 | 818,075 | 819,000 |
| Power <i>4% annual increase.</i> | 160,000 | 166,400 | 167,000 |
| Chemicals <i>4% annual increase.</i> | 305,000 | 317,200 | 318,000 |
| Materials and Supplies <i>4% annual increase.</i> | 56,000 | 58,240 | 59,000 |
| Contractual Services <i>4% annual increase.</i> | 226,335 | 235,388 | 236,000 |
| Transportation <i>4% annual increase.</i> | 77,000 | 80,080 | 81,000 |
| Insurance <i>4% annual increase.</i> | 64,000 | 66,560 | 67,000 |
| All Other <i>4% annual increase.</i> | 532,000 | 553,280 | 554,000 |
| <u>Contingency Calculation</u> | | | |
| Total Operating Expenses | | | \$4,489,000 |
| Other Income | | | (\$335,000) |
| Debt Service Expense | | | <u>\$624,000</u> |
| Revenue Requirement | | | \$4,778,000 |
| Contingency Allowance Percentage (Section 6112) | | | <u>5%</u> |
| Contingency Allowance - Calculated | | | <u>\$238,900</u> |
| Contingency Allowance - Pro Forma | | | <u><u>\$0</u></u> |

| BASIS FOR WATER DEPRECIATION CHARGES | | | | EXHIBIT 3 | | |
|--|---------------|---|----------------------|-----------------------|-----------------------|-------------------------|
| Line Number | ACCT. NO. (a) | ACCOUNT NAME (b) | Total Investment (c) | Depreciation Base (d) | Depreciation Rate (e) | Annual Depreciation (f) |
| 1 | 304 | Structures and Improvements | 1,829,465 | | 2% | 22,988 |
| 2 | 305 | Collecting and Impounding Reservoirs | 5,863,790 | | 1% | 58,638 |
| 3 | 306 | Lake, River and Other Intakes | | | | |
| 4 | 307 | Wells and Springs | | | | |
| 5 | 308 | Infiltration Galleries and Tunnels | | | | |
| 6 | 309 | Supply Mains | 477,101 | | 1% | 4,467 |
| 7 | 310 | Power Generation Equipment | | | | |
| 8 | 311 | Pumping Equipment | 577,915 | | 5% | 14,951 |
| 9 | 320 | Water Treatment Equipment | 3,605,397 | | 2% & 4% | 142,920 |
| 10 | 330 | Distribution Reservoirs and Standpipes | 1,612,150 | | 1% | 14,818 |
| 11 | 331 | Transmission and Distribution Mains | 21,331,805 | | 1% | 207,899 |
| 12 | 333 | Services | 1,723,155 | | 3% | 36,042 |
| 13 | 334 | Meters and Meter Installations | 1,107,339 | | 4% | 23,388 |
| 14 | 335 | Hydrants | 257,235 | | 2% | 2,941 |
| 15 | 339 | Other Plant and Miscellaneous Equipment | | | | |
| 16 | 340 | Office Furniture and Equipment | 45,192 | | 10% | 5,529 |
| 17 | 341 | Transportation Equipment | 942,132 | | 10% & 20% | 99,750 |
| 18 | 342 | Stores Equipment | | | | |
| 19 | 343 | Tools, Shop and Garage Equipment | 334,758 | | 7% | 12,804 |
| 20 | 344 | Laboratory Equipment | 57,827 | | 4% | 1,691 |
| 21 | 345 | Power Operated Equipment | 752,297 | | 10% | 54,726 |
| 22 | 346 | Communication Equipment | 117,957 | | 10% | 11,627 |
| 23 | 347 | Miscellaneous Equipment | | | | |
| 24 | 348 | Other Tangible Plant | | | | |
| 25 | | Total Depreciable Water | | | | |
| 26 | | Plant In Service | 40,635,515 | | | 715,179 |
| Less: CIAC Amortization | | | | | | (114,424) |
| PUC Depreciation | | | | | | 600,755 |
| <u>2025 & Pro Forma Additions:</u> | | | | | | |
| SRF 2026 Bond Project | | | | 4,272,300 | 2.0% | 85,446 |
| Meter Replacement Project | | | | 1,600,000 | 4.0% | 64,000 |
| Transportation Equipment | | | | 381,000 | 20.0% | 76,200 |
| Power Operated Equipment | | | | 160,000 | 10.0% | 16,000 |
| Pumping Equipment | | | | 163,000 | 5.0% | 8,150 |
| Equipment | | | | 119,000 | 10.0% | 11,900 |
| Treatment Equipment | | | | 24,000 | 4.0% | 960 |
| Mains | | | | 269,000 | 1.0% | 2,690 |
| Services | | | | 20,000 | 3.0% | 600 |
| Meters | | | | 45,000 | 4.0% | 1,800 |
| Adjustment To Limit Rate Increase | | | | | | (228,501) |
| | | | | | | 640,000 |

**KITTERY WATER DISTRICT
DEBT SERVICE**

EXHIBIT 4

| | <i>Issuer</i> | <i>Issued</i> | <i>Maturity</i> | <i>12/31/25 Balance</i> | <i>Interest Rates</i> |
|---|---------------|---------------|-----------------|-----------------------------|---------------------------|
| 1 | MMBB | 2009 | 2029 | 323,807 | 2.0%-5.5% |
| 2 | MMBB | 2018 | 2039 | 1,896,127 | 1.0% |
| 3 | MMBB SRF (1) | 2026 | 2046 | 0 | 2.0% |
| 4 | MMBB (2) | 2026 | 2046 | 0 | 4.0% |
| | | | | <u>2,219,934</u> | |

(1) \$4,272,300 bond for treatment plant upgrades

(2) \$1,600,000 bond for infrastructure improvements

Pro Forma Debt Service

| | | <i>Principal</i> | <i>Interest</i> | <i>Total</i> |
|---|--------------|------------------|-----------------|----------------|
| 1 | MMBB | 78,563 | 3,238 | 81,801 |
| 2 | MMBB | 126,853 | 25,586 | 152,439 |
| 3 | MMBB SRF (1) | 175,834 | 87,913 | 263,747 |
| 4 | MMBB (2) | 54,835 | 71,178 | 126,013 |
| | Totals | <u>436,085</u> | <u>187,915</u> | <u>624,000</u> |

KITTERY WATER DISTRICT
CAPITAL RESERVE CALCULATION

EXHIBIT 5

***Calculations in Accordance with Maine Public Utilities Commission
Chapter 675: Infrastructure Surcharge and Capital Reserve Accounts***

| | <i>Pro Forma 1</i> | |
|--|-------------------------------|---|
| 12/31/24 Gross Utility Plant | 43,302,077 | |
| Exhibit 3: 2025 & Pro Forma Additions | 0 | |
| Projected Gross Utility Plant | <u>43,302,077</u> | |
| Allowed Capital Reserve Percentage | <u>1%</u> | |
| Maximum Capital Reserve | <u><u>433,021</u></u> | A |
| | | |
| Pro Forma Operating Expenses | 4,489,000 | |
| Pro Forma Non-Operating Revenues | (335,000) | |
| Pro Forma Debt Service Expenses | 624,000 | |
| Pro Forma Contingency Allowance | 0 | |
| Pro Forma Revenue Requirement | <u>4,778,000</u> | |
| Allowed Capital Reserve Percentage | <u>10%</u> | |
| Maximum Capital Reserve | <u><u>477,800</u></u> | B |
| | | |
| Maximum Capital Reserve Allowed (Lesser of A or B) | <u><u>433,021</u></u> | |
| | | |
| Pro Forma Capital Reserve | <u><u>0</u></u> | |

**KITTERY WATER DISTRICT
SUMMARY OF PRESENT AND PROPOSED REVENUE**

EXHIBIT 6

| | At Present Rates | At Proposed Rates | Amount Increase | % Increase |
|----------------------------|---------------------------------|----------------------------------|----------------------------|-----------------------|
| Metered Sales | 3,833,741 | 4,007,000 | 173,259 | 5% |
| Public Fire Protection (1) | 421,574 | 550,000 | 128,426 | 30% |
| Private Fire Protection | 210,994 | 221,000 | 10,006 | 5% |
| | <u>4,466,309</u> | <u>4,778,000</u> | <u>311,691</u> | 7% |

(1) % of Total

9%

12%

| | | |
|-------------------------|------------------|-------------|
| Metered Sales - Non-PNS | 1,823,000 | 45% |
| Metered Sales - PNS | 2,184,000 | 55% * |
| | <u>4,007,000</u> | <u>100%</u> |

** 2016 cost of service study concluded that revenue recovery for Portsmouth Navy Shipyard should be 55%*

KITTERY WATER DISTRICT
ESTIMATED REVENUE
PRESENT & PROPOSED METERED RATES

| Present Rates | | <i>Usage</i> | <i>No. of</i> | <i>Minimum</i> | <i>Billing</i> |
|---|--------------|------------------|---------------|----------------|--------------------|
| | | <i>Allowance</i> | <i>Bills</i> | <i>Rate</i> | |
| 5/8" | Quarterly | 1,200 | 18,275 | \$37.16 | \$679,099 |
| 3/4" | Quarterly | 2,100 | 2,045 | \$59.75 | \$122,189 |
| 1" | Quarterly | 3,600 | 520 | \$93.53 | \$48,636 |
| 1 1/2" | Quarterly | 7,500 | 120 | \$174.65 | \$20,958 |
| 2" | Quarterly | 12,000 | 197 | \$268.25 | \$52,845 |
| 3" | Quarterly | 22,500 | 12 | \$447.65 | \$5,372 |
| 4" | Quarterly | 37,500 | 9 | \$684.65 | \$6,162 |
| 6" | Quarterly | 75,000 | 12 | \$1,277.15 | \$15,326 |
| 8" | Quarterly | 120,000 | 8 | \$1,988.15 | \$15,905 |
| 5/8" | Seasonal | 3,000 | 67 | \$149.63 | \$10,025 |
| 3/4" | Seasonal | 5,500 | 6 | \$212.38 | \$1,274 |
| | Excess Usage | HCF | 65,409 | \$2.51 | \$164,177 |
| | | HCF | 66,058 | \$2.08 | \$137,400 |
| | | HCF | 102,713 | \$1.58 | \$162,287 |
| Subtotal - Metered Sales - Non-PNS | | | | | \$1,441,654 |
| PNS | | THCF | 74,530 | \$30.94 | \$2,305,958 |
| Subtotal | | | | | \$3,747,612 |
| Variance (less than 5%) - partial bills and adjustments | | | | | \$86,129 |
| Total Revenue at Present Rates | | | | | <u>\$3,833,741</u> |

| Pro Forma Rates | | <i>Usage</i> | <i>No. of</i> | <i>Minimum</i> | <i>Billing</i> |
|---|--------------|------------------|---------------|----------------|--------------------|
| | | <i>Allowance</i> | <i>Bills</i> | <i>Rate</i> | |
| 5/8" | Quarterly | 1,200 | 19,189 | \$39.00 | \$748,361 |
| 3/4" | Quarterly | 2,100 | 2,147 | \$62.75 | \$134,740 |
| 1" | Quarterly | 3,600 | 546 | \$98.25 | \$53,645 |
| 1 1/2" | Quarterly | 7,500 | 126 | \$183.40 | \$23,108 |
| 2" | Quarterly | 12,000 | 207 | \$281.65 | \$58,259 |
| 3" | Quarterly | 22,500 | 13 | \$470.00 | \$5,922 |
| 4" | Quarterly | 37,500 | 9 | \$718.90 | \$6,794 |
| 6" | Quarterly | 75,000 | 13 | \$1,341.00 | \$16,897 |
| 8" | Quarterly | 120,000 | 8 | \$2,087.55 | \$17,535 |
| 5/8" | Seasonal | 3,000 | 70 | \$157.10 | \$11,052 |
| 3/4" | Seasonal | 5,500 | 6 | \$223.00 | \$1,405 |
| | Excess Usage | HCF | 68,680 | \$2.65 | \$182,001 |
| | | HCF | 177,209 | \$2.20 | \$389,860 |
| Subtotal - Metered Sales - Non-PNS | | | | | \$1,649,579 |
| PNS | | THCF | 67,200 | \$32.50 | \$2,184,000 |
| Subtotal | | | | | \$3,833,579 |
| Variance (less than 5%) - partial bills and adjustments | | | | | \$173,421 |
| Total Revenue at Pro Forma Rates | | | | | <u>\$4,007,000</u> |

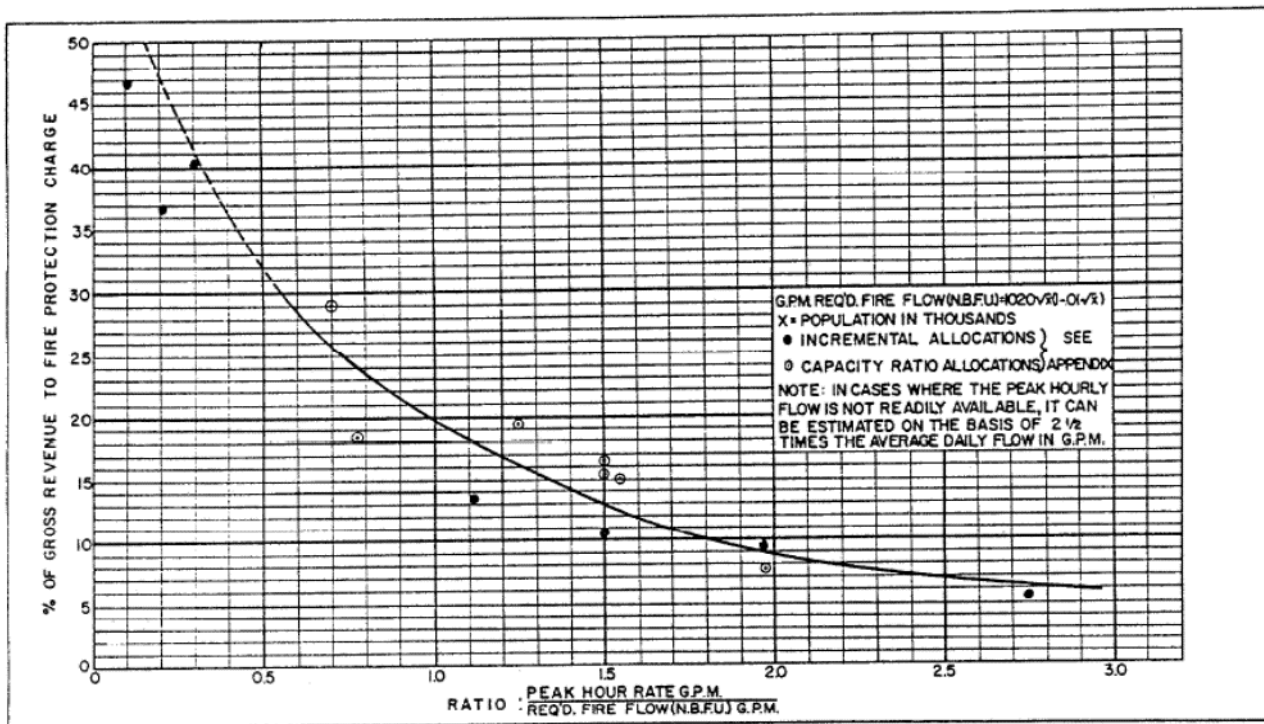


FIG. 1 DETERMINATION OF PERCENTAGE OF GROSS REVENUE FOR PUBLIC FIRE PROTECTION CHARGE

Population = 10,400

Gallons Produced = 1,029,712,000

Average Daily Flow = 1,959 GPM

Peak Flow = $2 \frac{1}{2} \times 1,959 = 4,898$ GPM

Required Fire Flow = $1020\sqrt{10.4 \times (1 - .01\sqrt{10.4})} = 3,177$ GPM

Ratio = $4,898 / 3,177 = 1.54$ or 12%

KITTERY WATER DISTRICT
KITTERY, ME 03904

STATE OF MAINE
PUBLIC UTILITIES COMMISSION
SCHEDULE OF RATES

Proposed Effective Date: September 1, 2026

Docket Number: 2026-00163

James E. Golter
Treasurer

**RATES FOR WATER
 TO METERED CUSTOMERS**

Quarterly:

| | | | |
|----------------------|---------------------------|---------|-----------------|
| For the first | 1,200 Cu. Ft. Per Quarter | \$39.00 | |
| For the next | 1,500 Cu. Ft. Per Quarter | \$2.65 | Per 100 Cu. Ft. |
| For all in excess of | 2,700 Cu. Ft. Per Quarter | \$2.20 | Per 100 Cu. Ft. |

MINIMUM CHARGES

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

| Meter Size | Quarterly Allowance | Charge |
|-------------------|----------------------------|---------------|
| 5/8" | 1,200 | \$39.00 |
| 3/4" | 2,100 | \$62.75 |
| 1" | 3,600 | \$98.25 |
| 1 1/2" | 7,500 | \$183.40 |
| 2" | 12,000 | \$281.65 |
| 3" | 22,500 | \$470.00 |
| 4" | 37,500 | \$718.90 |
| 6" | 75,000 | ##### |
| 8" | 120,000 | ##### |
| 10" | 180,000 | ##### |

Proposed Effective Date: September 1, 2026

Docket Number: 2026-00163

James E. Golter
 Treasurer

SEASONAL RATES
TO METERED CUSTOMERS

Per Season:

| | | | |
|----------------------|----------------------------|----------|-----------------|
| For the first | 3,000 Cu. Ft. Per Quarter | \$157.10 | |
| For the next | 12,000 Cu. Ft. Per Quarter | \$2.65 | Per 100 Cu. Ft. |
| For all in excess of | 15,000 Cu. Ft. Per Quarter | \$2.20 | Per 100 Cu. Ft. |

MINIMUM CHARGES

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

| Meter Size | Seasonal Allowance | Charge |
|-------------------|---------------------------|---------------|
| 5/8" | 3,000 | \$157.10 |
| 3/4" | 5,500 | \$223.00 |
| 1" | 13,700 | \$439.10 |
| 1 1/2" | 27,800 | \$752.90 |
| 2" | 54,500 | \$1,207.45 |

Proposed Effective Date: September 1, 2026

Docket Number: 2026-00163

James E. Golter
Treasurer

PORTSMOUTH NAVAL SHIPYARD

By contract at the following meter rate:

\$32.50 per one thousand cubic feet per month

PRIVATE FIRE PROTECTION

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 other than fire fighting purposes.

Rates:

For each private hydrant furnished, installed and maintained by the user for private fire protection:

Per Year: \$1,032.90

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 Year \$172.15

Proposed Effective Date: September 1, 2026

Docket Number: 2026-00163

James E. Golter
Treasurer

PUBLIC FIRE PROTECTION

Available:

For the public hydrants connected to the District's system on September 1, 2026, there shall be paid to the District by the municipality served an annual fire protection charge as follows:

| | <u>Hydrants</u> | <u>Amount</u> |
|-----------------|-----------------|---------------------|
| Town of Kittery | 267 | \$362,000.00 |
| Town of Eliot | 89 | \$120,000.00 |
| Town of York | 50 | \$68,000.00 |
| Total | <u>406</u> | <u>\$550,000.00</u> |

Rate for hydrants installed after September 1, 2026, shall be determined in accordance with the Public Utilities Commission Rules and Regulations Chapter 69.

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.

Proposed Effective Date: September 1, 2026

Docket Number: 2026-00163

James E. Golter
Treasurer