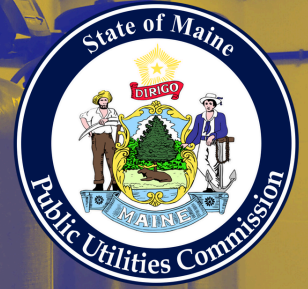


# Infrastructure Surcharge



## Infrastructure surcharges are temporary charges to rate payers for infrastructure replacement or repair.

There are times a water utility may need to spend money on necessary infrastructure replacement or repair and want to begin to recover some of the the cost immediately. Utilities can request approval to charge a temporary surcharge to the rate payers to do that.

If a water utility wants to charge a temporary surcharge they must:

- File a system infrastructure assessment with the PUC 90 days (or more) before implementing the surcharge.
- File its proposed surcharge with the PUC 30 days before the surcharge effective date.

Note: Increased operating costs due to replacement or repair cannot be added to the surcharge.

### The maximum funds recovered by this surcharge can be seen here:

Annual Water Utility Revenue:	less than \$250,000	\$250,000-\$750,000	more than \$750,000
Maximum funds that can be recovered per surcharge	Each surcharge can not increase the revenue requirement by more than 7.5%.	Each surcharge can not increase the revenue requirement by more than 5%.	Each surcharge can not increase the revenue requirement by more than 3%.
Total maximum surcharge	The total amount of surcharges that can be applied cannot exceed 20% of the annual revenue requirement before a rate increase (rate case) is needed.	The total amount of surcharges that can be applied cannot exceed 15% of the annual revenue requirement before a rate increase (rate case) is needed.	The total amount of surcharges that can be applied cannot exceed 10% of the annual revenue requirement before a rate increase (rate case) is needed.

### See **Chapter 675** of the Maine PUC Rules for more information

*This flyer is intended for informational purposes only. This information is not legal advice and does not set any legal standard. Regulated public utilities must comply with Maine law and regulations and should consult with legal counsel for interpretation of laws and regulations.*