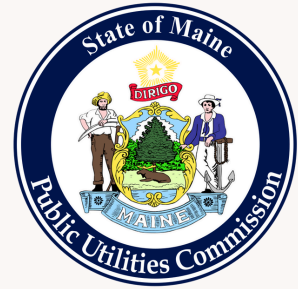


Ways to Increase Revenues

WATER UTILITIES ARE EXPERIENCING INCREASING COSTS ASSOCIATED WITH PRODUCING, TREATING AND DISTRIBUTING WATER. THERE ARE VARIOUS WAYS UTILITIES CAN SEEK COMMISSION APPROVAL TO INCREASE REVENUES TO COVER THESE COSTS.



	<p>Rate Increases- A water utility can increase rates that are charged to consumers. Some water utilities do small incremental increases as often as annually, others choose to do larger rate increases and some do both.</p>
	<p>Fees- Water utilities can update their terms and conditions to increase fees for services (such as disconnections) to reflect the increased costs of doing the work. This keeps the cost on the “cost causer” instead of distributing it across all rate payers.</p>
	<p>Save Costs- A way to save costs is to consolidate utilities or resources. Utilities can save money by sharing a bookkeeper, operator, billing system or equipment with another water utility. Utilities can also consolidate and be run by one board.</p>
	<p>Infrastructure Surcharge- When a utility needs to spend money on necessary infrastructure improvements, they can recover a portion of the cost of the repair or replacement by charging a temporary surcharge to the rate payers (which will be in effect until they have their next full rate case).</p>
	<p>Capital Reserve Account- Utilities can collect revenue and keep it in a designated account to pay for future infrastructure replacement and repair.</p>

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.