

GRAY WATER DISTRICT
INFORMATIONAL RATE FILING
EXHIBITS AND SCHEDULES
FILED UNDER 35-A MRSA SECTION 6104

Submitted to.

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Submitted:
Proposed Hearing Date: June 1, 2026
Proposed Effective Date: July 1, 2026

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Gray Water District
80 Shaker Rd, Gray, ME 04039
(207) 657-3500

GRAY WATER DISTRICT

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| Number | Item | Included |
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GRAY WATER DISTRICT

Rate Filing

PROPOSED SCHEDULE FOR RATE FILING

| Num. | Item | Timeline | Proposed Date | Board Approved Date On |
|-------------|---|--|------------------------------------|-------------------------------|
| 1 | Submit the rate case information package to PUC and the Public Advocate this will ensure you have a correct timeline. | | (before) May 1, 2026 (Fri.) | 4/28/2026 |
| 2 | A copy of all materials supporting the proposed rate change shall be made available to customers for examination at the offices of the utility for at least 30 days prior to the hearing. | 30 days before Public Hearing | May 1, 2026 (Fri.) | 4/28/2026 |
| 3 | Send notices to all customers and publish/post the legal notice (must be done at least 14 days prior to the public hearing) | 14 days before Public Hearing | (before) May 18, 2026 (Mon.) | 4/28/2026 |
| 4 | Hold public hearing | 30 days before Proposed effective date | June 1, 2026 (Mon.) | 4/28/2026 |
| 5 | File final rate case documents to the PUC (within 30 days of hearing, but not sooner than 10 days) | Within 30 days of hearing, but not sooner than 10 days after hearing | June 11-30, 2026 | 4/28/2026 |
| 6 | Authority to investigate rate changes | Within 30 days after rate hearing | | |
| 7 | Proposed effective date | Must be 30 days after public hearing, but no more the nine months | July 1, 2026 (Wed.) | 4/28/2026 |

1. Rate Justification Letter

Gray Water District
80 Shaker Rd, Gray, ME 04039
(207) 657-3500

April 2026

Re: Gray Water District 6104 Rate Case

On behalf of the Gray Water District (GWD), this letter serves as a cover submission for the GWD's proposed rate increase filing pursuant to Title 35-A MRSA Section 6104. The proposed rates are requested to become effective July 1, 2026.

The GWD's most recent 6104 rate adjustment took effect in 2024. Since that time, the cost of maintaining reliable and compliant water service has continued to rise. Expenses associated with system maintenance, treatment operations, regulatory compliance, and debt service have steadily increased, placing ongoing financial pressure on GWD's operations.

The purpose of this filing is to ensure the continued financial stability of the Gray Water District and its ability to provide safe, reliable drinking water to its customers. While GWD has taken steps to manage expenses responsibly, existing revenues are no longer sufficient to fully support current operating and capital needs. The proposed rate adjustment is intended to better align revenues with actual costs and to support ongoing system upkeep and long-term infrastructure reliability.

The rate case will also include a rate restructuring that eliminates the current decreasing block rate structure and replaces it with a single block rate so that customers are charged a constant flow rate for every 100 cubic feet used above the minimum allowance.

The Gray Water District appreciates the Public Utilities Commission's review of this request and remains available to provide any additional information or clarification that may be required during this proceeding.

Respectfully submitted,

Gray Water District

2. Water Budgets and Adjustments

| | 2022 | 2023 | 2024 | 2025 | adjustment | 2026 Projection (Pro forma) |
|---|-------------------|-------------------|-------------------|---------------------|-------------------|--------------------------------|
| Income | | | | | | |
| 461-10 · Metered sales (Residential) | 407,394.01 | 411,474.09 | 437,947.95 | 547,372.37 | | 764,898.68 |
| 461-20 · Metered sales (Commercial) | 112,825.69 | 108,047.89 | 119,357.25 | 157,251.29 | | 208,228.92 |
| 461-40 · Metered sales (Public auth.) | 45,167.74 | 33,639.40 | 45,796.53 | 67,523.90 | | 54,871.88 |
| 461-00 · Metered Water Revenue - Other | 78.19 | 26.68 | 329.89 | 66.61 | | - |
| Total 461-00 · Metered Water Revenue | 565,465.63 | 553,188.06 | 603,431.62 | 772,214.17 | | 1,027,999.48 |
| 462-10 · Public Fire Protection | 236,640.00 | 254,364.00 | 283,414.00 | 324,084.00 | | 453,285.75 |
| 462-20 · Private Fire Protection | 15,715.92 | 16,281.12 | 18,908.82 | 22,587.60 | | 33,189.00 |
| Total 462-00 · Fire Protection Revenue | 252,355.92 | 270,645.12 | 302,322.82 | 346,671.60 | | 486,474.75 |
| 471-00 · Misc. Service Revenues | 4,703.72 | 1,942.91 | 5,666.57 | 1,670.23 | | - |
| TOTAL OPERATING REVENUES | 822,525.27 | 825,776.09 | 911,421.01 | 1,120,556.00 | | 1,514,474.23 |
| Expense | | | | | | |
| Total 600-00 · Payroll Expenses | 186,920.04 | 206,909.17 | 242,608.32 | 259,763.65 | 124,771.64 | 384,535.29 |
| Total 603-80 · Salaries, officers... | 2,966.00 | 2,966.00 | 2,966.00 | 2,966.00 | 0.00 | 2,966.00 |
| Total 604-80 · Employee Benefits/pensions | 94,791.97 | 92,211.46 | 103,000.02 | 91,885.68 | 7,851.47 | 99,737.15 |
| Total 615-00 · Purchased Power | 25,419.09 | 34,995.46 | 45,077.40 | 51,794.09 | 14,758.46 | 66,552.55 |
| Total 618-00 · Chemicals | 4,048.90 | 4,347.84 | 6,159.03 | 8,754.80 | 2,101.15 | 10,855.95 |
| Total 620-00 · Materials & Supplies | 37,174.97 | 51,887.36 | 39,631.17 | 65,412.14 | 136,186.75 | 201,598.89 |
| Total 631-50 · Engineering serv., Trans/Distr | 7,999.47 | 10,036.75 | 15,381.32 | 10,056.00 | 89.24 | 10,145.24 |
| Total 632-00 · Contractual Services - Actcing | 7,500.00 | 0.00 | 17,000.00 | 0.00 | 12,862.50 | 12,862.50 |
| Total 633-00 · Contractual Services - Legal | 288.00 | 4,544.10 | 2,989.50 | 18,071.28 | -8,807.17 | 9,264.11 |
| Total 635-00 · Contractual Services - Other | 114,369.02 | 120,080.54 | 169,104.24 | 154,868.20 | 22,670.68 | 177,538.88 |
| Total 650-00 · Transportation expenses | 7,295.64 | 7,618.92 | 15,792.72 | 48,294.68 | -28,172.92 | 20,121.76 |
| Total 656-00 · Insurance - Vehicle | 1,549.00 | 1,489.00 | 1,819.00 | 1,475.25 | 186.97 | 1,662.22 |
| Total 657-00 · Insurance - General Liability | 12,043.00 | 13,188.00 | 16,202.00 | 12,144.75 | 2,846.25 | 14,991.00 |
| Total 658-00 · Insurance - Workman's Comp | 5,093.94 | 4,009.00 | 2,456.56 | 2,092.45 | 1,881.55 | 3,974.00 |
| Total 666-00 · Regulatory Commission exp | 5,268.96 | 844.13 | 843.96 | | 2,434.97 | 2,434.97 |
| Total 670-70 · Bad Debts expense | | 5,026.61 | | | 5,277.94 | 5,277.94 |
| Total 675-00 · Miscellaneous Expenses | 5,882.02 | 11,573.00 | 1,080.00 | 430.00 | 4,681.64 | 5,111.64 |
| Total 675-80 · Administrative & General | 5,297.09 | 4,782.75 | 11,984.18 | 7,975.32 | 530.07 | 8,505.39 |
| Water Main Replacement Reserve | 20,000.00 | 30,000.00 | | 20,000.00 | 10,000.00 | 30,000.00 |
| Hydrant replacement Program | | | | 12,000.00 | -12,000.00 | |
| TOTAL OPERATING EXPENSES | 525,845.19 | 576,510.09 | 694,145.42 | 735,984.29 | 301,789.16 | 1,037,773.45 |
| Other Expenses | | | | | | |
| Total 304-00 · Building Maintenance | | | | | 100,000.00 | 100,000.00 |
| Total 403-00 · Depreciation Expense | 93,963.96 | 94,942.00 | 104,834.04 | 141,779.00 | 28,355.80 | 170,134.80 |
| Total 407-00 · Amortization Expense | 5,658.67 | 4,749.00 | 7,398.96 | 7,399.00 | 1,479.80 | 8,878.80 |
| Total 408-10 · Utility Reg Assessments | 5,565.80 | 5,188.80 | 5,303.80 | 5,228.60 | 359.24 | 5,587.84 |
| Total 408-13 · P/R exp - FICA & Licenses | 16,524.37 | 17,900.37 | 21,681.38 | 21,321.98 | 1,918.98 | 23,240.96 |
| Total 408-14 · P/R exp - Unemployment | 704.40 | 605.64 | 344.63 | 297.09 | 215.25 | 512.34 |
| Total 416-00 · Mdse & Jobbing | 54,947.51 | 17,302.23 | -3,772.39 | -5,873.71 | 22,307.17 | 16,433.46 |
| Total 427-30 · Long term debt | 55,481.76 | 47,063.45 | 44,267.52 | 75,381.64 | -0.01 | 75,381.63 |
| Total 428-00 · Amortiz of Debt disc & exp | 1,027.20 | 999.62 | 999.24 | | 1,059.12 | 1,059.12 |
| TOTAL OTHER EXPENSES | 233,873.67 | 188,751.11 | 181,057.18 | 245,533.60 | 155,695.34 | 401,228.94 |

| | |
|----------------------------|---------------------|
| All Expenses | 1,439,002.39 |
| 5% Contingency Allowance | 71,950.12 |
| Revenue Requirement | 1,510,952.51 |

| Operations & Maintenance | Adjustment | Pro-forma | Comments |
|-----------------------------------|-------------|------------|--|
| | | | Adjustment includes new full time employee at \$30/hr and parttime employee at \$24/hr plus annual employee cost of living raises. |
| 1 Payroll Expenses | \$ 124,772 | \$ 384,535 | |
| 2 Employee Benefits/pensions | \$ 7,851 | \$ 99,737 | Based on trending expenses from the past four years. |
| 3 Purchased Power | \$ 14,758 | \$ 66,553 | Adjustment accounts for 20% CMP rate increase. |
| 4 Chemicals | \$ 2,101 | \$ 10,856 | Based on trending expenses from the past four years. |
| | | | Adjustment includes purchase of 250 new meters and install hardware(\$103,827.50) and 3 hydrants repairs at \$10,000 per hydrant. |
| 5 Materials & Supplies | \$ 136,187 | \$ 201,599 | |
| 6 Engineering serv., Trans/Distr | \$ 89 | \$ 10,145 | Based on trending expenses from the past four years. |
| 7 Contractual Services - Accting | \$ 12,863 | \$ 12,863 | Based on average expenses from the past four years. |
| 8 Contractual Services - Legal | \$ (8,807) | \$ 9,264 | Based on average expenses from the past four years. |
| | | | Based on trending expenses from the past four years. |
| 9 Contractual Services - Other | \$ 22,671 | \$ 177,539 | Adjustment includes price of new IT contractor (\$4200). |
| 10 Transportation expenses | \$ (28,173) | \$ 20,122 | Based on average expenses from the past four years. |
| 11 Insurance - Vehicle | \$ 187 | \$ 1,662 | Based on trending expenses from the past four years. |
| 12 Insurance - General Liability | \$ 2,846 | \$ 14,991 | Based on trending expenses from the past four years. |
| 13 Insurance - Workman's Comp | \$ 1,882 | \$ 3,974 | Based on trending expenses from the past four years. |
| 14 Regulatory Commission exp | \$ 2,435 | \$ 2,435 | Based on average expenses from the past four years. |
| 15 Bad Debts expense | \$ 5,278 | \$ 5,278 | Based on trending expenses from the past four years. |
| 16 Miscellaneous Expenses | \$ 4,682 | \$ 5,112 | Based on trending expenses from the past four years. |
| 17 Administrative & General | \$ 530 | \$ 8,505 | Based on trending expenses from the past four years. |
| 18 Water Main Replacement Reserve | \$ 10,000 | \$ 30,000 | Based on trending expenses from the past four years. |
| 19 Building Maintenance | \$ 100,000 | \$ 100,000 | Office building requires maintenance. |
| 20 Depreciation Expense | \$ 28,356 | \$ 170,135 | Based on accounting figures. |
| 21 Amortization Expense | \$ 1,480 | \$ 8,879 | Based on trending expenses from the past four years. |
| 22 Utility Reg Assessments | \$ 359 | \$ 5,588 | Based on trending expenses from the past four years. |
| 23 P/R exp - FICA & Licenses | \$ 1,919 | \$ 23,241 | Based on trending expenses from the past four years. |
| 24 P/R exp - Unemployment | \$ 215 | \$ 512 | Based on trending expenses from the past four years. |
| 25 Mdse & Jobbing | \$ 22,307 | \$ 16,433 | Based on trending expenses from the past four years. |
| 26 Long term debt | \$ (0) | \$ 75,382 | See loan schedule. |
| 27 Amortiz of Debt disc & exp | \$ 1,059 | \$ 1,059 | Based on trending expenses from the past four years. |

3. Debt Service Coverage

| Issuer | Date of Maturity | Value Authorized | Principal Forgiveness | Value Outstanding | |
|--------------|------------------|------------------|-----------------------|-------------------|----------|
| | | | | 4/1/2026 | Rate |
| Androscoggin | 3/25/2033 | \$ 82,000.00 | - | \$ 82,000.00 | 5.79% |
| Androscoggin | 3/25/2033 | \$ 70,000.00 | - | \$ 70,000.00 | 5.79% |
| Androscoggin | 8/31/2027 | \$ 89,000.00 | - | \$ 18,771.10 | 5.79% |
| Angroscoggin | 9/12/2028 | \$ 40,429.00 | - | \$ 18,925.02 | 5.59% |
| MMBB | 11/1/2054 | \$ 700,000.00 | - | \$ 687,511.75 | variable |

| Year | Payment | Interest | Principal | Balance |
|-------|-----------------|---------------|---------------|---------------|
| 2025 | \$ 75,381.64 | \$ 34,561.88 | \$ 40,819.76 | \$ 752,896.68 |
| 2026 | \$ 75,381.63 | \$ 34,727.53 | \$ 40,654.11 | \$ 712,242.57 |
| 2027 | \$ 102,411.63 | \$ 33,395.32 | \$ 69,411.97 | \$ 669,522.86 |
| 2028 | \$ 82,553.71 | \$ 30,508.00 | \$ 25,015.70 | \$ 647,171.15 |
| 2029 | \$ 70,994.79 | \$ 29,551.02 | \$ 14,413.76 | \$ 632,757.39 |
| 2030 | \$ 70,994.79 | \$ 29,052.30 | \$ 14,912.48 | \$ 617,844.91 |
| 2031 | \$ 70,994.79 | \$ 28,537.82 | \$ 15,426.96 | \$ 602,417.95 |
| 2032 | \$ 70,994.78 | \$ 28,002.50 | \$ 15,962.27 | \$ 586,455.68 |
| 2033 | \$ 70,994.80 | \$ 27,448.62 | \$ 16,516.17 | \$ 569,939.51 |
| 2034 | \$ 43,964.78 | \$ 26,872.20 | \$ 17,092.58 | \$ 552,846.93 |
| 2035 | \$ 43,964.79 | \$ 26,268.84 | \$ 17,695.95 | \$ 535,150.98 |
| 2036 | \$ 43,964.78 | \$ 25,605.76 | \$ 18,359.02 | \$ 516,791.96 |
| 2037 | \$ 43,964.79 | \$ 24,887.20 | \$ 19,077.59 | \$ 497,714.37 |
| 2038 | \$ 43,964.79 | \$ 24,105.02 | \$ 19,859.77 | \$ 477,854.60 |
| 2039 | \$ 43,964.79 | \$ 23,269.32 | \$ 20,695.47 | \$ 457,159.13 |
| 2040 | \$ 43,964.78 | \$ 22,378.58 | \$ 21,586.20 | \$ 435,572.93 |
| 2041 | \$ 43,964.78 | \$ 21,418.64 | \$ 22,546.14 | \$ 413,026.79 |
| 2042 | \$ 43,964.79 | \$ 20,386.94 | \$ 23,577.85 | \$ 389,448.94 |
| 2043 | \$ 43,964.77 | \$ 19,292.44 | \$ 24,672.33 | \$ 364,776.61 |
| 2044 | \$ 43,964.79 | \$ 18,130.88 | \$ 25,833.91 | \$ 338,942.70 |
| 2045 | \$ 43,964.79 | \$ 16,901.96 | \$ 27,062.83 | \$ 311,879.87 |
| 2046 | \$ 43,964.77 | \$ 15,589.40 | \$ 28,375.37 | \$ 283,504.50 |
| 2047 | \$ 43,964.78 | \$ 14,213.20 | \$ 29,751.58 | \$ 253,752.92 |
| 2048 | \$ 43,964.79 | \$ 12,770.26 | \$ 31,194.53 | \$ 222,558.39 |
| 2049 | \$ 43,964.79 | \$ 11,257.32 | \$ 32,707.47 | \$ 189,850.92 |
| 2050 | \$ 43,964.78 | \$ 9,671.00 | \$ 34,293.78 | \$ 155,557.14 |
| 2051 | \$ 43,964.78 | \$ 7,924.08 | \$ 36,040.70 | \$ 119,516.44 |
| 2052 | \$ 43,964.78 | \$ 6,088.16 | \$ 37,876.62 | \$ 81,639.82 |
| 2053 | \$ 43,964.79 | \$ 4,158.74 | \$ 39,806.05 | \$ 41,833.77 |
| 2054 | \$ 43,964.79 | \$ 2,131.02 | \$ 41,833.77 | \$ - |
| TOTAL | \$ 1,613,963.03 | \$ 629,105.95 | \$ 823,072.69 | |

4. Public Fire Protection

Gray Water District
80 Shaker Rd, Gray, ME 04039
(207) 657-3500

Gray Fire Flow Requirements

| Item | Description | Number | Units | Notes |
|----------------------------------|--|----------|----------------------|--------------------|
| Peak Flow Rate | | 460 | Peak Flow GPM | 600 gpm well yield |
| Pop Served | | 2665 | Pop served | |
| Pop Served / 1,000 | = X | 2.665 | Pop / 1,000 | |
| Required Fire Flow (RFF) Formula | $1020 \sqrt{X(1-0.01\sqrt{X})} = \text{RFF}$ | 1,637.95 | RFF | |
| Peak Flow / RFF | | 0.281 | Determine % on curve | |
| Percent on the curve | | 0.41 | The max is 30% | |

The Curve

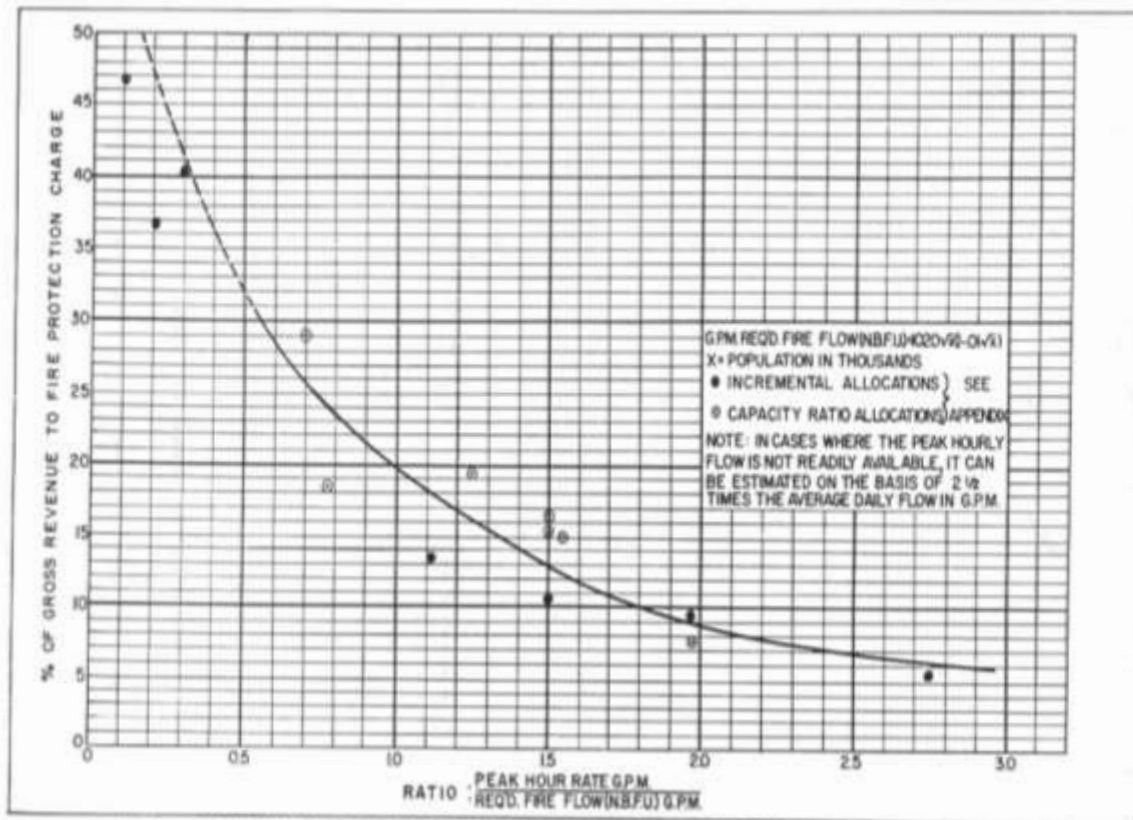


FIG. 1 DETERMINATION OF PERCENTAGE OF GROSS REVENUE FOR PUBLIC FIRE PROTECTION CHARGE

5. Billing Analysis

| 2025 Test Year | | | | | | 2026 Proposed | | Increase | | |
|---|--------------------|----------------|------------|-------------|-------------|---------------------|--------------|-----------------------|---------------------|----------|
| Rate Code | Rate Name | Allowance (CF) | # of Bills | Base Charge | Gross | Quarterly Rate | Gross | Amount | Percentage | |
| Residential | 5/8" Q | 900 | 556 | | \$91.00 | \$50,596.00 | \$130.39 | \$72,495.72 | \$21,899.72 | 43.3% |
| | 5/8" M | 300 | 2967 | | \$30.33 | \$89,999.00 | \$43.46 | \$128,953.72 | \$38,954.72 | 43.3% |
| | 3/4" M | 700 | 0 | | \$56.93 | \$0.00 | \$81.58 | \$0.00 | \$0.00 | 43.3% |
| | 1" M | 1200 | 0 | | \$90.18 | \$0.00 | \$129.22 | \$0.00 | \$0.00 | 43.3% |
| | 2" M | 4000 | 12 | | \$276.38 | \$3,316.60 | \$396.01 | \$4,752.14 | \$1,435.54 | 43.3% |
| | 5/8" seasonal | 2400 | 13 | | \$364.00 | \$4,732.00 | \$521.55 | \$6,780.18 | \$2,048.18 | 43.3% |
| | Unmetered Seasonal | | 1 | | \$332.88 | \$332.88 | \$476.96 | \$476.96 | \$144.08 | 43.3% |
| | Usage | per 100 c.f. | | | | | | | | 43.3% |
| | 1,000-15,000 Q | | 654 | | \$6.65 | \$106,558.45 | \$9.53 | \$152,680.68 | \$46,122.23 | 43.3% |
| | 400-5,000 M | | 3319 | | \$6.65 | \$229,375.45 | \$9.53 | \$328,657.19 | \$99,281.74 | 43.3% |
| | 15,000-100,000 Q | | 2 | | \$6.12 | \$2,889.62 | \$8.77 | \$4,140.35 | \$1,250.73 | 43.3% |
| | 51,00-33,300 M | | 36 | | \$6.12 | \$35,571.96 | \$8.77 | \$50,968.75 | \$15,396.79 | 43.3% |
| | over 100,000 Q | | 0 | | \$3.90 | \$0.00 | \$5.59 | \$0.00 | \$0.00 | 43.3% |
| | over 33,400 M | | 4 | | \$3.90 | \$10,463.86 | \$5.59 | \$14,992.99 | \$4,529.13 | 43.3% |
| | | | | | | \$533,835.82 | | \$764,898.68 | \$231,062.86 | 43.3% |
| Commercial | 5/8" Q | 900 | 0 | | \$91.00 | \$0.00 | \$130.39 | \$0.00 | \$0.00 | 43.3% |
| | 5/8" M | 300 | 304 | | \$30.33 | \$9,091.99 | \$43.46 | \$13,027.32 | \$3,935.33 | 43.3% |
| | 3/4" M | 700 | 0 | | \$56.93 | \$0.00 | \$81.58 | \$0.00 | \$0.00 | 43.3% |
| | 1" M | 1200 | 142 | | \$90.18 | \$11,697.93 | \$129.22 | \$16,761.20 | \$5,063.27 | 43.3% |
| | 1 1/2" M | 2400 | 0 | | \$169.98 | \$0.00 | \$243.56 | \$0.00 | \$0.00 | 43.3% |
| | 2" M | 4000 | 12 | | \$276.38 | \$3,316.56 | \$396.01 | \$4,752.08 | \$1,435.52 | 43.3% |
| | Usage | per 100 c.f. | | | | | | | | 43.3% |
| | 1,000-15,000 Q | | 30 | | \$6.65 | \$8,349.25 | \$9.53 | \$11,963.10 | \$3,613.85 | 43.3% |
| | 400-5,000 M | | 354 | | \$6.65 | \$56,145.87 | \$9.53 | \$80,447.77 | \$24,301.90 | 43.3% |
| | 15,000-100,000 Q | | 1 | | \$6.12 | \$1,193.89 | \$8.77 | \$1,710.65 | \$516.76 | 43.3% |
| | 51,00-33,300 M | | 74 | | \$6.12 | \$48,335.40 | \$8.77 | \$69,256.66 | \$20,921.26 | 43.3% |
| | over 100,000 Q | | 0 | | \$3.90 | \$0.00 | \$5.59 | \$0.00 | \$0.00 | 43.3% |
| | over 33,400 M | | 3 | | \$3.90 | \$7,195.62 | \$5.59 | \$10,310.14 | \$3,114.52 | 43.3% |
| | | | | | | \$145,326.51 | | \$208,228.92 | \$62,902.41 | 43.3% |
| | Governmental | 5/8" M | 300 | 46 | | \$30.33 | \$1,395.18 | \$43.46 | \$1,999.06 | \$603.88 |
| 1" M | | 1200 | 128 | | \$90.18 | \$11,543.04 | \$129.22 | \$16,539.27 | \$4,996.23 | 43.3% |
| 2" M | | 4000 | 27 | | \$276.38 | \$7,511.26 | \$396.01 | \$10,762.40 | \$3,251.14 | 43.3% |
| Usage | | 100 c.f. | | | | | \$0.00 | \$0.00 | \$0.00 | 43.3% |
| 400-5,000 M | | | 0 | | \$6.65 | \$0.00 | | | | 43.3% |
| 51,00-33,300 M | | | 3 | | \$6.12 | \$3,415.44 | \$8.77 | \$4,893.76 | \$1,478.32 | 43.3% |
| over 33,400 M | | | 5 | | \$3.90 | \$14,431.10 | \$5.59 | \$20,677.39 | \$6,246.29 | 43.3% |
| | | | | | | \$38,296.02 | | \$54,871.88 | \$16,575.86 | 43.3% |
| Residential, Commercial, & Governmental | | | | | | \$717,458.35 | | \$1,027,999.48 | \$310,541.13 | 43.3% |
| public fire protection | | | 12 | | \$27,006.67 | \$324,080.00 | \$113,321.44 | \$453,285.75 | \$129,205.75 | 39.9% |
| private fire hydrant | | | 44 | | \$332.90 | \$5,326.56 | \$476.99 | \$7,632.08 | \$2,305.52 | 43.3% |
| sprinkler/hose connection (per inch) | | | 198 | | \$40.69 | \$17,836.61 | \$58.30 | \$25,566.92 | \$7,720.31 | 43.3% |
| Private Fire Protection | | | | | | \$20,705.30 | | \$33,189.00 | \$12,483.70 | 43.3% |

| Quarterly Consumption Charge | | |
|------------------------------|----------------------------|----------|
| Usage (CF per quarter) | Original Rate (per 100 cf) | Proposed |
| first 900 | \$91.00 | \$130.39 |
| next 14,100 | \$6.65 | \$9.53 |
| next 85,000 | \$6.12 | \$9.53 |
| over 100,000 | \$3.90 | \$9.53 |

| | | | |
|-------------------------|----------------|----------------|--------------|
| Metered Revenue | \$717,458.35 | \$1,027,999.48 | \$310,541.13 |
| Public Fire Protection | \$324,080.00 | \$453,285.75 | \$129,205.75 |
| Private Fire Protection | \$20,705.30 | \$33,189.00 | \$12,483.70 |
| Wholesale Services | | \$0.00 | \$0.00 |
| Total Revenue | \$1,062,243.65 | \$1,514,474.23 | \$452,230.58 |
| Net Income | | \$3,521.72 | |

| Seasonal Consumption Charge | | |
|-----------------------------|----------------------------|----------|
| Usage (CF) | Original Rate (per 100 cf) | Proposed |
| first 1,800 | \$364.00 | \$521.55 |
| next 28,200 | \$6.65 | \$9.53 |
| next 170,000 | \$6.12 | \$9.53 |
| over 200,000 | \$3.90 | \$9.53 |

| Calculation of Percent Increase to Cover 2026 Projected Expenses | |
|--|--------------|
| Revenue Requirement | 1,510,952.51 |
| Public Fire Protection (30% revenue) | 453,285.75 |
| Amount Generated by other users | 1,057,666.75 |
| divided by (metered revenue + private fire protection) | 738,163.65 |
| Increase required to cover 2026 Total Expense projection | 1,433 |
| District Increase | 43.3% |

"EPA conducted a thorough literature review of multiple affordability threshold values. EPA selected two thresholds, 3% and 4.5% of household income spent on drinking water and wastewater bills, to estimate a range of the number of households throughout the U.S. experiencing high water burden." *Water Affordability Needs Assessment Report to Congress 2024*

Gray, Maine, median household income (MHI) according to 2024 Census Data: **\$123,833**
 New minimum water bill: **\$518.92/year**
 % of MHI: **0.419%**

Appendices

Gray Water District
80 Shaker Rd, Gray, ME 04039
(207) 657-3500

Gray Water District
80 Shaker Rd.
Gray, Maine 04039

Dear Customer,

The Gray Water District (GWD) will be filing a revised water rate schedule with the Maine Public Utilities Commission (MPUC) to be effective on July 1, 2026. The filing is made under Title 35-A MRSA Sec. 6104. The proposed increase is necessitated by increasing costs over the past several years. The proposed rate will increase the average residential bill by \$13.12 per month or \$39.39 per quarter.

Increases by all customer classes, on an annual basis, are as follows:

| | | |
|------------------------|------------|-------|
| Residential | \$ 231,063 | 43.3% |
| Commercial | 62,902 | 43.3% |
| Governmental | 16,575.86 | 43.3% |
| Public Fire Protection | 129,205 | 39.9% |
| Private Hyd. | 2,306 | 43.3% |
| Sprinklers | 7,720.31 | 43.3% |
| Total Increase | \$ 452,231 | |

A public hearing will be held on June 1, 2026, at 6:00 PM at the Gray Public Library, 5 Hancock Street, Gray at which time details will be furnished in support of the increase and you may question GWD personnel regarding the issue.

If, within 30 days of the public hearing, 15% of the customers of the Company file with the Treasurer of HWC and the MPUC, petitions demanding a review of the rate changes by the MPUC, the rate change may be suspended, investigated, reviewed and changed in accordance with Section 310. Signatures on the petition are invalid unless accompanied by the printed names and addresses of the signers. Upon request, the Company will provide customers with the appropriate petition forms that include space for signatures and the printed names and addresses of the signers.

You may request and inspect data relating to the present and proposed rates at the Company's office before the hearing. You have the right to an open and fair hearing and the right to a further hearing before the Commission. The Public Advocate is available for assistance to you in this matter upon request. The Public Utilities Commission may be contacted at (207) 287-3831, State House Station #18, Augusta, Me 04333; or the Public Advocate at (207) 624-3687, State House Station 112, Augusta, Me 04333.

We thank you for your cooperation on this matter.

Board of trustees
Gray Water District

**Gray Water District
Gray, Maine 04039**

**SHEET #1
Sixth Revision**

SCHEDULE OF METERED RATES

This rate is available to all residential, commercial and governmental customers not covered by any other special rates in this schedule.

Quarterly Billing

For the first 900 Cubic Feet per quarter, or fraction thereof: \$ 130.38
For the next 14,100 Cubic Feet per quarter \$ 9.53 per 100 cu. ft.

If billed monthly, consumption steps and the Minimum Charge will be one-third of the quarterly charges.

Minimum Charge

For each customer served through a single meter, there will be a minimum charge based on the size of the meter installed.

| <u>SIZE OF METER</u> | <u>Quarterly</u> | | <u>Monthly</u> | |
|----------------------|------------------|---------------|------------------|---------------|
| | <u>Allowance</u> | <u>Charge</u> | <u>Allowance</u> | <u>Charge</u> |
| 5/8" | 900 | \$130.38 | 300 | \$43.46 |
| 3/4" | 2,100 | \$244.73 | 700 | \$81.58 |
| 1" | 3,600 | \$387.65 | 1,200 | \$129.22 |
| 1-1/2" | 7,200 | \$730.67 | 2,400 | \$243.56 |
| 2" | 12,000 | \$1,188.04 | 4,000 | \$396.01 |
| 3" | 24,000 | \$2,263.08 | 8,000 | \$754.36 |
| 4" | 36,000 | \$3,315.35 | 12,000 | \$1,105.12 |
| 6" | 72,000 | \$6,472.17 | 24,000 | \$2,157.39 |

Issued:
Effective:
Docket No.

**William Gardner
Superintendent**

**Gray Water District
Gray, Maine 04039**

**SHEET #2
Sixth Revision**

SEASONAL METER RATES

Seasonal water use includes any intermittent use, season after season, at the same premises.

The seasonal minimum charges will not be prorated for fractions of a year. The full seasonal minimum charge shall be due and payable in advance at the time the water is turned on for the season.

The District will not charge seasonal users a turn-on or a turn-off charge or a special charge for annual meter installation or removal.

CONSUMPTION CHARGE:

| | | | | |
|-------|---------|---|----|--------|
| First | 1,800 | cubic feet per season or fraction thereof- | \$ | 521.55 |
| Next | 28,200 | cubic feet per season | \$ | 9.53 |
| Next | 170,000 | cubic feet per season | \$ | 9.53 |
| Next | 200,000 | cubic feet per season | \$ | 9.53 |

MINIMUM CHARGE

For each customer served through a single meter, there will be a minimum charge based on the size of the meter installed.

MINIMUM PER SEASON

| <u>METER SIZE</u> | <u>ALLOWANCE (CUBIC FEET)</u> | <u>CHARGE</u> |
|-------------------|-----------------------------------|---------------|
| 5/8" | 1,800 | \$ 521.55 |
| 3/4" | 4,200 | \$ 835.99 |
| 1" | 7,200 | \$ 1,121.84 |
| 1-1/2" | 14,400 | \$ 1,807.88 |
| 2" | 24,000 | \$ 2,722.60 |
| 3" | 48,000 | \$ 4,872.71 |
| 4" | 72,000 | \$ 6,977.26 |
| 6" | 144,000 | \$ 13,290.91 |

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Docket No.

**William Gardner
Superintendent**

**Gray Water District
Gray, Maine 04039**

**SHEET #3
Sixth Revision**

PUBLIC FIRE PROTECTION

The rate for existing hydrants as installed on the system at July 1, 2026 shall have a charge of:

**\$453,285.75 Annually
\$113,321.44 Quarterly
\$37,773.81 Monthly**

Rate for hydrants installed after August 1, 2024, shall be determined in accordance with the Public Utilities Commission Rules and Regulations Chapter 690.

For each fire hydrant connected to any main owned by the Gray Water District installed after August 1, 2024, there shall be paid to the District by the Town of Gray an annual fire protection charge, which, together with the revenue from any customers connected to said main installed after August 1, 2024, and/or the revenue from any additional customers to be connected within one year to any additional main required to be installed to feed the hydrant, shall be sufficient to support the District's total investment since August 1, 2024, in such main, service connections, hydrants and hydrant connections.

All hydrants will be cared for and maintained in good working order (unavoidable accidents excepted) by the Gray Water District. No hydrant will be installed on mains less than 6" in diameter. Once fire hydrants are actually installed and operative, the fire protection charge then in effect shall not be reduced, should the Town order one or more hydrants discontinued. Should the Town order any hydrant moved to a different location, the Town shall pay all costs of moving said hydrant.

TERMS OF PAYMENT:

Charges under these rates are net and will be billed and payable monthly, quarterly or annually in advance, at the option of the District.

Issued:
Effective:
Docket No.

**William Gardner
Superintendent**

**Gray Water District
Gray, Maine 04039**

**SHEET #4
Sixth Revision**

PRIVATE FIRE PROTECTION

For each private fire hydrant taking water from the public water system:

\$1,907.96 per year \$476.99 quarterly

For each sprinkler and/or hose connection taking water from the public water system for each inch in diameter of the service pipe or connection:

\$233.20 per inch per year

\$58.30 per inch per quarter

CONDITIONS OF CONTRACT

The District reserves the right to meter any fire line when evidence indicates that water is being taken from the line for purposes other than for fire protection, and such metered service shall be billed in accordance with the regular schedule of meter rates, in addition to the above rates, with proper allowance for water consumed in fire fighting.

**Issued:
Effective:
Docket No.**

**William Gardner
Superintendent**

**Gray Water District
Gray, Maine 04039**

**SHEET #5
Sixth Revision**

WHOLESALE SERVICES

AVAILABLE:

This schedule is available for the purchase of bulk water.

RATES:

THE RATE SHALL BE:

| | | |
|----------------|----------------|----------------------|
| Minimum | \$93.15 | 8,000 Gallons |
|----------------|----------------|----------------------|

**Issued:
Effective:
Docket No.**

**William Gardner
Superintendent**