

**Portland Water District  
Proposed Rate Filing Exhibits**

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Portland Water District  
Operating Statement - 3 Prior, Test and Proforma Years

Attachment 2.1

OPERATING STATEMENT-WATER									
Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	(c)	Proforma	Proforma Adjust	2023 Actual	2022 Actual	2021 Actual	2020 Actual
1		<b>UTILITY OPERATING INCOME</b>							
2	400	Operating Revenues (should equal W-3 line 28)	W-3	31,052,595	2,961,164	28,091,431	27,780,678	26,455,997	26,163,382
3	401	Operating Expenses	W-2	20,922,556	295,712	20,626,844	18,345,948	17,220,135	17,172,069
4	403	Depreciation Expense	W-4	4,605,473	0	4,605,473	4,451,394	4,111,536	3,743,334
5	406	Amortization of Utility Plant Acquisition Adjustment		17,000	0	17,000	17,000	17,000	17,000
6	407	Amortization Expense							
7	408.1	Taxes Other Than Income	F-18	284,477	0	284,477	285,120	271,912	260,212
8	409.1	Income Taxes	F-18						
9	410.1	Deferred Federal Income Taxes	F-18						
10	411.1	Provision for Deferred Income Taxes-Credit	F-18						
11	412.1	Investment Tax Credits Deferred to Future Periods	F-18						
12	412.11	Investment Tax Credits Restored to Op Inc Utility Op Exp	F-18						
13		<b>Total Utility Operating Expenses</b>		25,829,506	295,712	25,533,794	23,099,462	21,620,583	21,192,615
14		<b>Utility Operating Income</b>		5,223,089	2,665,452	2,557,637	4,681,216	4,835,414	4,970,767
15	413	Income From Utility Plant Leased to Others		442,314	0	442,314	438,438	450,063	444,250
16	414	Gains (Losses) From Disposition of Utility Property							
17		<b>Total Utility Operating Income</b>		5,665,403	2,665,452	2,999,951	5,119,654	5,285,477	5,415,017
18		<b>OTHER INCOME AND DEDUCTIONS</b>							
19	415	Revenues From Merchandising, Jobbing and Contract Work		721,099	0	721,099	524,257	478,648	432,208
20	416	Costs and Expenses of Merchandising, Jobbing and Contract Work		336,411	0	336,411	269,442	240,464	224,737
21									
22	419	Interest and Dividend Income		741,943	-266,134	1,008,077	219,124	6,988	348,170
23	420	Allowance for Funds Used During Construction			0				
24	421	Nonutility Income		208,123	0	208,123	142,318	92,115	134,993
25	426	Miscellaneous Nonutility Expenses							
26		<b>Total Other Income and Deductions</b>		1,334,754	-266,134	1,600,888	616,257	337,287	690,635
27		<b>TAXES APPLICABLE TO OTHER INCOME</b>							
28	408.2	Taxes Other Than Income	F-18						
29	409.2	Income Taxes	F-18						
30	410.2	Provision for Deferred Income Taxes	F-18						
31	411.2	Provision for Deferred Income Taxes - Credit	F-18						
32	412.2	Investment Tax Credits - Net	F-18						
33	412.3	Investment Tax Credits Restored to Nonoperating Income	F-18						
34		<b>Total Taxes Applicable To Other Income</b>		0	0	0	0	0	0
35		<b>INTEREST EXPENSE</b>							
36	427	Interest Expense	F-19	1,885,508	318,467	1,567,041	1,346,225	1,259,056	1,300,872
37	428	Amortization of Debt Discount & Expense	F-14	291,407	0	291,407	125,247	158,538	100,847
38	429	Amortization of Premium on Debt	F-14						
39		<b>Total Interest Expense</b>		2,176,915	318,467	1,858,448	1,471,472	1,417,594	1,401,720
40		<b>EXTRAORDINARY ITEMS</b>							
41	433	Extraordinary Income		0	0				0
42	434	Extraordinary Deductions							
43	409.3	Income Taxes, Extraordinary Items	F-18						
44		<b>Total Extraordinary Items</b>		0	0	0	0	0	0
45									
46		<b>NET INCOME</b>		4,823,242	2,080,851	2,742,391	4,264,439	4,205,169	4,703,932

**Portland Water District  
Balance Sheet - 3 Prior and Unaudited 2016**

Attachment 2.2.1

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS							
Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	(c)	2023 Actual	2022 Actual	2021 Actual	2020 Actual
1		<b>UTILITY PLANT</b>					
2							
3	101-105	Utility Plant	F-6	393,295,701	378,822,083	370,215,964	355,563,610
4	108-110	Less: Accumulated Depreciation and Amortization	F-7	138,636,419	132,161,914	125,599,534	119,227,470
5							
6		Net Plant		254,659,282	246,660,169	244,616,430	236,336,140
7	114-115	Utility Plant Acquisition Adjustments (Net)	F-6	36,189	53,189	70,189	87,189
8		Other Plant Adj. (Specify)					
9							
10							
11		<b>Total Net Utility Plant</b>		254,695,471	246,713,358	244,686,619	236,423,329
12							
13		<b>OTHER PROPERTY AND INVESTMENTS</b>					
14							
15	121	Nonutility Property	F-8	103,935	103,935	103,935	103,935
16	122	Less: Accumulated Depreciation and Amortization					
17							
18		Net Nonutility Property		103,935	103,935	103,935	103,935
19							
20	123	Investment In Associated Companies	F-9	0	0	0	0
21	124	Utility Investments	F-9	0	0	0	0
22	125	Other Investments	F-9	0	0	0	0
23	127	Other Special Funds	F-9a	0	0	0	0
24							
25		<b>Total Other Property &amp; Investments</b>		103,935	103,935	103,935	103,935
26							
27		<b>CURRENT AND ACCRUED ASSETS</b>					
28							
29	131	Cash		27,221,177	24,885,767	22,629,505	23,923,023
30	132	Special Deposits	F-8	0	0	0	0
31	134	Working Funds		1,300	1,300	1,300	1,300
32	135	Temporary Cash Investments					
33	141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-10	1,901,816	1,496,845	4,183,778	2,102,656
34							
35	145	Accounts Receivable from Associated Companies	F-11	0	0	0	0
36	146	Notes Receivable from Associated Companies	F-11	0	0	0	0
37	151	Material and Supplies	F-12	3,985,351	2,531,628	1,909,325	1,597,495
38	162	Prepayments	F-13	558,582	900,772	657,155	313,357
39	171	Accrued Interest and Dividends Receivable		146,844	73,187	33,733	72,012
40	174	Misc. Current and Accrued Assets	F-12	3,303,262	3,172,948	3,437,720	3,191,518
41							
42		<b>Total Current and Accrued Assets</b>		37,117,332	33,062,447	32,852,516	31,201,361
43							
44	181-190	<b>DEFERRED DEBITS</b>	F-13	0	0	0	0
45			& F-14				
46		<b>TOTAL ASSETS AND OTHER DEBITS</b>		291,916,738	279,879,740	277,643,071	267,728,625

Portland Water District  
Balance Sheet - 3 Prior and Unaudited 2015

Attachment 2.2.2

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES							
Line Number	ACCT. NO. (a)	ACCOUNT NAME (b)	(c)	2023 Actual	2022 Actual	2021 Actual	2020 Actual
1		<b>EQUITY CAPITAL</b>					
2	201	Common Stock Issued	F-16				
3	204	Preferred Stock Issued	F-16				
4	211	Other Paid-In Capital					
5	212	Discount on Capital Stock					
6	213	Capital Stock Expense					
7	214	Appropriated Retained Earnings		143,078,039	139,849,790	136,017,060	131,318,369
8	215	Unappropriated Retained Earnings		6,803,197	7,289,055	6,824,529	7,311,797
9	216	Reacquired Capital Stock					
10	218	Proprietary Capital (Proprietorship and Partnership Only)					
11		<b>Total Equity Capital</b>		149,881,236	147,138,845	142,841,589	138,630,166
12		<b>LONG-TERM DEBT</b>					
13	221	Bonds	F-17	64,854,086	58,717,198	58,804,455	54,931,858
14	223	Advances from Associated Companies	F-17				
15	224	Other Long-Term Debt	F-17				
16		<b>Total Long-Term Debt</b>		64,854,086	58,717,198	58,804,455	54,931,858
17		<b>CURRENT AND ACCRUED LIABILITIES</b>					
18	231	Accounts Payable		3,219,457	1,504,910	2,591,380	1,383,899
19	232	Notes Payable	F-15	0	0	0	0
20	233	Accounts Payable to Associated Companies	F-15	0	0	0	0
21	234	Notes Payable to Associated Companies	F-15	0	0	0	0
22	235	Customer Deposits		461,844	472,163	436,374	353,640
23	236	Accrued Taxes	F-18				
24	237	Accrued Interest	F-19	378,596	334,743	320,694	284,287
25	238	Accrued Dividends					
26	239	Matured Long-Term Debt					
27	240	Matured Interest					
28	241	Miscellaneous Current and Accrued Liabilities	F-20	3,876,591	3,476,149	4,548,881	5,589,533
29		<b>Total Current and Accrued Liabilities</b>		7,936,488	5,787,965	7,897,330	7,611,359
30		<b>DEFERRED CREDITS</b>					
31	251	Unamortized Premium on Debt	F-14				
32	252	Advances for Construction	F-20	987,069	1,051,892	939,441	934,266
33	253	Other Deferred Credits		4,222,788	3,045,076	2,946,315	2,398,771
34	255	Accumulated Deferred Investment Tax Credits					
35		<b>Total Deferred Credits</b>		5,209,857	4,096,968	3,885,756	3,333,037
36	261-265	<b>OPERATING RESERVES</b>	F-21	1,758,878	1,711,910	1,815,864	1,802,899
37		<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>					
38	271	Contributions In Aid Of Construction	F-21	62,276,193	62,426,854	62,398,077	61,419,307
39	272	Accumulated Amortization of Contrib. In Aid of Construction.	F-21				
40		<b>Total Net C.I.A.C</b>	F-21	62,276,193	62,426,854	62,398,077	61,419,307
41		<b>ACCUMULATED DEFERRED INCOME TAXES</b>					
42	281	Accumulated Deferred Income Taxes-Accelerated Depreciation					
43	282	Accumulated Deferred Income Taxes-Liberalized Depreciation					
44	283	Accumulated Deferred Income Taxes-Other					
45		<b>Total Accumulated Deferred Income Taxes</b>		0	0	0	0
46							
47		<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>		291,916,738	279,879,740	277,643,071	267,728,625

**Portland Water District  
Operating Statement - Test Year with Proforma Adjustments**

Attachment 2.3

OPERATING STATEMENT-WATER						
Line Number	ACCT. NO.	ACCOUNT NAME		2023	Proforma	Proforma
				Test Year	Adjust	
1		<b>UTILITY OPERATING INCOME</b>				
2	400	Operating Revenues (should equal W-3 line 28)	W-3	28,091,431	2,961,164	31,052,595
3	401	Operating Expenses	W-2	20,626,844	295,712	20,922,556
4	403	Depreciation Expense	W-4	4,605,473	0	4,605,473
5	406	Amortization of Utility Plant Acquisition Adjustment		17,000	0	17,000
6	407	Amortization Expense		0		
7	408.1	Taxes Other Than Income	F-18	284,477	0	284,477
8	409.1	Income Taxes	F-18	0		
9	410.1	Deferred Federal Income Taxes	F-18	0		
10	411.1	Provision for Deferred Income Taxes-Credit	F-18	0		
11	412.1	Investment Tax Credits Deferred to Future Periods	F-18	0		
12	412.1.1	Investment Tax Credits Restored to Operating Income Utility Operating Expense	F-18	0		
13		<b>Total Utility Operating Expenses</b>		25,533,794	295,712	25,829,506
14		<b>Utility Operating Income</b>		2,557,637	2,665,452	5,223,089
15	413	Income From Utility Plant Leased to Others		442,314	0	442,314
16	414	Gains (Losses) From Disposition of Utility Property		0		
17		<b>Total Utility Operating Income</b>		2,999,951	2,665,452	5,665,403
18		<b>OTHER INCOME AND DEDUCTIONS</b>		0		
19	415	Revenues From Merchandising, Jobbing and Contract Work		721,099		721,099
20	416	Costs and Expenses of Merchandising, Jobbing and Contract Work		336,411	0	336,411
21				0		
22	419	Interest and Dividend Income		1,008,077	-266,134	741,943
23	420	Allowance for Funds Used During Construction		0		
24	421	Nonutility Income		208,123	0	208,123
25	426	Miscellaneous Nonutility Expenses		0		
26		<b>Total Other Income and Deductions</b>		1,600,888	-266,134	1,334,754
27		<b>TAXES APPLICABLE TO OTHER INCOME</b>		0		
28	408.2	Taxes Other Than Income	F-18	0		
29	409.2	Income Taxes	F-18	0		
30	410.2	Provision for Deferred Income Taxes	F-18	0		
31	411.2	Provision for Deferred Income Taxes - Credit	F-18	0		
32	412.2	Investment Tax Credits - Net	F-18	0		
33	412.3	Investment Tax Credits Restored to Nonoperating Income	F-18	0		
34		<b>Total Taxes Applicable To Other Income</b>		0	0	0
35		<b>INTEREST EXPENSE</b>		0		
36	427	Interest Expense	F-19	1,567,041	318,467	1,885,508
37	428	Amortization of Debt Discount & Expense	F-14	291,407	0	291,407
38	429	Amortization of Premium on Debt	F-14	0		
39		<b>Total Interest Expense</b>		1,858,448	318,467	2,176,915
40		<b>EXTRAORDINARY ITEMS</b>		0		
41	433	Extraordinary Income		0	0	0
42	434	Extraordinary Deductions		0		
43	409.3	Income Taxes, Extraordinary Items	F-18	0		
44		<b>Total Extraordinary Items</b>		0	0	0
45				0		
46		<b>NET INCOME</b>		2,742,391	2,080,851	4,823,242
		Principal Payments		-5,968,585	-637,436	-6,606,021
		Depreciation not included in rates		3,095,992	-665,972	2,430,020
		Net Cap Reserve Available to transfer to fund			-1,339,609	-1,339,609
		Net Income after Principal Payments reduced by Depreciation not included		-130,202	-562,166	-692,368
		Contingency		0	1,126,652	-1,126,652
		<b>Net Income before Rate Adjustment</b>		-130,202	564,486	-1,819,020
		Water Rate Adjustment				1,819,020
		Water Rate Adjustment - Capital Reserve 1% of revenue				0
		<b>Net Income after Adjustment</b>				0



Portland Water District  
Operating Expenses Proforma Adjustment Summary

Attachment 2.4

Line Number	ACCT.	ACCOUNT NAME (b)	Proforma	Proforma Adjustment	Test Year			
	NO.				2023 Actual	2022 Actual	2021 Actual	
	-3 Prior an							
1	601	Salaries and Wages - Employees	5,783,998	209,060	5,574,938	4,891,211	4,957,292	
2	603	Salaries and Wages - Officers, Directors and Majority Stockholders	0	0				
3			0	0				
4	604	Employee Pensions and Benefits	2,562,417	86,652	2,475,765	1,949,520	2,282,052	
5	610	Purchased Water	18,913	0	18,913	18,223	15,219	
6	615	Purchased Power	460,302	0	460,302	402,156	383,655	
7	616	Fuel for Power Purchased	152,672	0	152,672	133,618	101,804	
8	618	Chemicals	887,419	0	887,419	651,446	415,913	
9	620	Materials and Supplies	972,363	0	972,363	759,905	668,645	
10	631	Contractual Services - Engineering	1,048,721	0	1,048,721	896,171	637,592	
11	632	Contractual Services - Accounting	612,388	0	612,388	554,996	554,151	
12	633	Contractual Services - Legal	0	0	0	0	31,483	
13		Contractual Services - Management Fees	1,002,925	0	1,002,925	1,092,372	1,022,320	
14	635	Contractual Services - Other	5,669,272	0	5,669,272	4,952,397	4,418,488	
15	641	Rental of Building/Real Property	26,460	0	26,460	26,460	26,460	
16	642	Rental of Equipment	7,697	0	7,697	5,139	3,920	
17	650	Transportation Expenses	919,879	0	919,879	852,865	801,581	
18	656	Insurance - Vehicle	0	0	0	0	0	
19	657	Insurance - General Liability	0	0	0	0	0	
20	658	Insurance - Workman's Compensation	0	0	0	0	0	
21	659	Insurance - Other	41,650	0	41,650	43,505	16,605	
22	660	Advertising Expense	2,257	0	2,257	4,060	3,159	
23	666	Regulatory Commission Expenses -	0	0				
24		Normalization of Rate Case Expense	0	0				
25	667	Regulatory Commission Expenses - Other	0	0				
26	670	Bad Debt Expense	-150,000	0	-150,000	0	50,000	
27	675	Miscellaneous Expenses	903,223	0	903,223	1,111,904	829,795	
28								
29		Total Water Utility Expenses	20,922,556	295,712	20,626,844	18,345,948	17,220,135	

**Portland Water District  
Proforma Adjustment Details**

Attachment 2.5

Account	Description	Amount	Note:
427	Interest Expense		
	Test Year	\$ 1,567,041	
	Adjustment to Projected Actual	\$ 318,467	New debt
	Proforma	<u>\$ 1,885,508</u>	
	Principal Payments		
	Test Year	\$ 5,968,585	
	Adjustment to Projected Actual	\$ 637,436	New debt
	Proforma	<u>\$ 6,606,021</u>	
419	Interest Income		
	Test Year	\$ 1,008,077	
	Adjustment	<u>\$ (266,134)</u>	Higher interest rates - Actually a decrease 2025 project is \$741943
	Proforma	<u>\$ 741,943</u>	





Portland Water District  
Water Revenue Summary

	2023	Proforma Adjustment	Proforma	Adjustment	Requested Revenue	Percent Change
Residential	\$ 16,706,497	\$ 1,735,585	\$ 18,442,082	\$ 1,013,869	\$ 19,455,951	5.5%
Commercial	\$ 5,209,729	\$ 574,218	\$ 5,783,947	\$ 388,148	\$ 6,172,095	6.7%
Industrial	\$ 2,078,860	\$ 23,252	\$ 2,102,112	\$ 155,566	\$ 2,257,678	7.4%
Public	\$ 958,159	\$ 386,667	\$ 1,344,826	\$ 95,420	\$ 1,440,246	7.1%
Public Fire Protection	\$ 1,641,304	\$ 96,884	\$ 1,738,188	\$ 89,517	\$ 1,827,705	5.2%
Private Fire Protection	\$ 1,369,621	\$ 116,819	\$ 1,486,440	\$ 76,500	\$ 1,562,940	5.1%
Subtotal	\$ 27,964,170	\$ 2,933,425	\$ 30,897,595	\$ 1,819,020	\$ 32,716,615	5.9%
Other	\$ 127,261	\$ 27,739	\$ 155,000	\$ -	\$ 155,000	0.0%
	\$ 28,091,431	\$ 2,961,164	\$ 31,052,595	\$ 1,819,020	\$ 32,871,615	5.9%

Proforma adjustments include changes in number of customers and billing usage adjustments.

Adjustment consists of:

Capital Reserve Contribution	\$ -
Additional Adjustments	\$ 1,819,020
<b>Total</b>	<b>\$ 1,819,020</b>

Portland Water District  
Capital Reserve

Requested Contribution to Capital Reserve \$ 3,287,162

Asset Test

Gross Utility Plant Assets	\$ 393,295,701
Maximum	1%
Maximum Capital Reserve Contribution	<u>\$ 3,932,957</u>

Revenue Test

Revenue Requirement	\$ 32,871,615
Maximum	10%
Maximum Capital Reserve Contribution	<u>\$ 3,287,162</u>

District is allocating 10% of revenue for the capital reserve. It had increased 1% a year with 2024 bringing the amount up the the maximum 10% limit per the law.

## PROPOSED WATER RATE ADJUSTMENT

Portland Water District (PWD) is proposing a rate adjustment effective January 1, 2025. The impact on a typical residential customer is \$1.49 per month. The proposed increase does not affect wastewater fees which are set by city and town governments, but billed by PWD.

### ADJUSTMENT BY CUSTOMER TYPE

Customer Classification	Percent Increase	Revenue Increase	Avg. Monthly Increase*
<b>Residential</b>	5.5%	\$1,013,869	\$1.49
<b>Commercial</b>	6.7%	\$388,148	\$6.94
<b>Industrial</b>	7.4%	\$155,566	\$174.44
<b>Government</b>	7.1%	\$95,420	\$16.44
<b>Private Fire</b>	5.2%	\$ 76,500	\$2.28
<b>Public Fire</b>	5.2%	\$89,517	
	<b>5.9%</b>	<b>\$1,819,020</b>	

\*For the typical customer in this classification

Investments in critical infrastructure are necessary to ensure dependable and optimally performing operations. Despite rising operational costs, like electricity and supplies, PWD is committed to maintaining a balanced budget and containing costs where possible.



### MORE INFORMATION

Customers will have an opportunity to learn more and ask questions at a public hearing to be held on November 12, 2024, at 6:30 p.m. in the Nixon Development Center located at 225 Douglass Street in Portland. Customers have the right to request additional information relating to rates. Materials supporting the rate increase are available online and can be mailed on request.

## Portland Water District

[www.pwd.org](http://www.pwd.org) • 207.761.8310

(Monday through Friday between 8:00 a.m. and 4:30 p.m.)

[Customerservice@pwd.org](mailto:Customerservice@pwd.org)



**PORTLAND WATER DISTRICT  
LEGAL NOTICE**

**Notice of Public Hearing**

The Portland Water District will hold a public hearing on Tuesday, November 12, 2024, at 6:30 p.m. in the Jeff P. Nixon Development Center, 225 Douglass Street, Portland, Maine. The public may attend in person or via Zoom. <https://tinyurl.com/Ratehearing>

The purpose of the hearing is to:

1. Review a proposed 5.9% average increase in water rates, and
2. Give customers the opportunity to testify, pose questions, and make comments regarding the proposed rate increase.

The proposed increase in water rates would provide an increase of \$1,819,020 in annual revenues.

<b>Customer Classification</b>	<b>% Increase</b>	<b>Revenue Increase</b>
Residential	5.5%	\$ 1,013,869
Commercial	6.7%	\$ 388,148
Industrial	7.4%	\$ 155,566
Government	7.1%	\$ 95,420
Private Fire	5.2%	\$ 76,500
Public Fire	5.2%	\$ 89,517
<b>TOTAL</b>	<b>5.9%</b>	<b>\$ 1,819,020</b>

Customers have the right and are encouraged to request additional information relating to rates. Materials supporting the rate increase are available online at [www.pwd.org](http://www.pwd.org) and can be mailed upon request.

October 29, 2024

Donna M. Katsiaficas  
Corporate Clerk