

§6105. Rates for municipal and quasi-municipal water utilities

1. Scope of section. Notwithstanding any other provision of this Title or any charter to the contrary and in addition to any charter or private and special laws creating or affecting a consumer-owned water utility, the rate, toll or charge made, exacted, demanded or collected by a consumer-owned water utility is governed by this section.

[PL 1987, c. 490, Pt. B, §13 (AMD).]

2. Just and reasonable rates. The governing body shall establish rates, tolls or charges that are just and reasonable and that provide revenue as may be required to perform its public utility service and to attract necessary capital on just and reasonable terms. The governing body shall provide the rate schedule and any changes to the rate schedule to the commission.

[PL 2013, c. 573, §1 (AMD).]

3. Uniform rates. The governing body shall establish rates that are uniform within the territory supplied whenever the installation and maintenance of mains and the cost of service is substantially uniform. If, for any reason, the cost of construction and maintenance or the cost of service in a section of the territory exceeds the average, the governing body may establish higher rates for that section, but these higher rates must be uniform throughout that section. The governing body shall provide the rate schedule and any changes to the rate schedule to the commission.

[PL 2013, c. 573, §1 (AMD).]

3-A. Impact fees and connection fees; affordable housing. Notwithstanding subsection 3 and section 703, the governing body may reduce the impact fee or connection fee, as those terms are defined in Title 30-A, section 5061, for water service to newly constructed affordable housing in accordance with Title 30-A, chapter 202-A.

[PL 2007, c. 174, §3 (NEW).]

4. Purposes. The governing body may establish rates under this section to provide revenue for the following purposes, but no other:

A. To pay the current expenses for operating and maintaining the water system and to provide for normal renewals and replacements; [PL 1987, c. 141, Pt. A, §6 (NEW).]

B. To provide for the payment of the interest on the indebtedness created or assumed by the utility; [PL 1987, c. 141, Pt. A, §6 (NEW).]

C. To provide each year a sum equal to not less than 2% nor more than 10% of the term indebtedness represented by the issuance of bonds created or assumed by the utility; the sum must be turned into a sinking fund and there kept to provide for the extinguishment of term indebtedness. The money set aside in this sinking fund must be devoted to the retirement of the term obligations of the utility and may be invested in such securities as savings banks in the State are allowed to hold; [PL 2013, c. 573, §2 (AMD).]

D. To provide for annual principal payments on serial indebtedness created or assumed by the utility; [PL 1989, c. 59, §1 (AMD).]

E. To provide for a contingency allowance as provided in section 6112; [PL 2011, c. 602, §1 (AMD).]

F. To provide for rate adjustments to reflect the cost of anticipated construction of plants or facilities required by the 1986 amendments to the United States Safe Drinking Water Act, Public Law 93-523, or related projects, except that rates established under this paragraph are not subject to section 6104; and [RR 2011, c. 2, §39 (COR).]

G. To provide for recovery of the amounts necessary to fund the replacement of water system infrastructure. Those funds must be deposited in a capital reserve account and used in accordance with section 6107-A. [PL 2011, c. 602, §3 (NEW).]

[PL 2013, c. 573, §2 (AMD).]

SECTION HISTORY

PL 1987, c. 141, §A6 (NEW). PL 1987, c. 490, §§B13,B14 (AMD). PL 1989, c. 59, §§1-3 (AMD). RR 1991, c. 2, §131 (COR). PL 1991, c. 221, §1 (AMD). PL 2003, c. 529, §1 (AMD). PL 2007, c. 174, §3 (AMD). RR 2011, c. 2, §39 (COR). PL 2011, c. 602, §§1-3 (AMD). PL 2013, c. 573, §§1, 2 (AMD).

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