

March 19, 2026

Ms. Amy Dumeny, Administrative Director  
Maine Public Utilities Commission (PUC)  
State House Station #18  
Augusta, Maine 04333-0018

Re: Public Comment on Town of Bar Harbor Rate Case Filing for PWSID No. ME 0090120,  
Docket No. 2026-00013

and

Ten-Person Complaint Pursuant to 35-A M.R.S.A. Section 1302

Dear Director Dumeny:

We, the undersigned, are customers of the Town of Bar Harbor Water Utility, and hold 10 separate accounts with the utility. (We could also get you 20, 50 or even 100 more if you wanted.) For many years our town's residents have experienced discriminatory water rates that have substantially favored larger customers, thus both disrespecting and causing substantial economic hardship to average citizens such as ourselves. We have complained to the Town on several occasions as part of this rate increase process (s/a) and the problems have not been addressed. We therefore request the Public Utilities Commission (PUC) to investigate and intervene. The narrative below provides both a Public Comment asking for disapproval of Bar Harbor's current rate increase request, and a more general 10-Person Complaint seeking the end of years of inequitable treatment on the part of our municipal authorities. If attention by other state offices might also be appropriate, we would welcome their involvement as well.

The substance of our complaint generally and objections to the rate increase request specifically before the Commission now are two-fold. First and fundamentally, both the past rate structure and the present proposal are harmfully preferential and discriminatory, designed and operating to extract substantial subsidies from smaller users for the benefit of larger. "Just", "fair", "equitable" and "reasonable" are all published watchwords and goals of the PUC, but Bar Harbor is operating according to none of these. Second and procedurally, the lack of transparency and accuracy by our officials in proposing, explaining and administering these rates are unacceptable to many citizens and warrant examination (and hopefully intervention) by higher external authorities. We address all of these issues below.

First addressing "fairness", the agreed-on-by-all facts are that 70% of Bar Harbor's water accounts are residential, and consume 23% of the town's water. Astoundingly, however, these generally smaller users pay approximately double their share (40%) of the system's total costs, at a per unit rate of up to seven times that of larger users. The Town thus subsidizes larger

users (labs, schools, medical facilities, commercial operations and itself) at the expense of smaller, against any reasonable (but not the Town's!) definition of fairness, and effectively encourages consumption rather than conservation of ever-scarcer resources. The Town attempts to justify this favoritism of larger users with a variety of smokescreens and distractions, but the essential inequity and unfairness are not reasonably disputable.

Further, despite claiming that the rate increase proposals are fair and reasonable to all users, the reality is that the new rates decrease the percentage of total system costs borne by the 70% of smaller residential accounts by only 4%, i.e., they still extract 36% of total system costs in return for 23% of the water used. While marginally better, this persisting 50% overcharge (36% of costs for 23% of water used) is still discriminatory and unfair. **If the PUC is truly committed to equity, fairness and justice, the rate increases currently applied for by our Town should be refused and replaced by proportional charges for units of water actually consumed.** We stand ready to support all of these statements using Town-supplied figures.

Our second complaint regards the non-transparency and untruthfulness of Bar Harbor's officials, which hardly represent the manner in which governments and professional consultants are supposed and assumed to operate. This second issue is evidenced in multiple ways.

Procedurally, Bar Harbor filed their rate increase proposal with the PUC on January 16, i.e., more than a month before the February 17 Public Hearing where the proposal was supposed to be first presented for public examination, possible input and potential modification. This does not seem to constitute required due process.

Next, our officials have stated numerous times that without these requested rate increases, the system would become insolvent and unable to pay its bills, having previously made up for long inadequate revenues by using "reserves". This statement warrants several responses. First, the amount of additional revenue that the system requires for financial solvency might be, but is not being, challenged at present, only its apportionment. Any amount of revenue can be raised by a "Single Block Rate" or "Increasing Block Rate", rather than the regressive and discriminatory "Decreasing Block Rate" that historically has been used and the town and its consultants continue to favor. Second, the financials filed with the rate increase state that Bar Harbor's water system still has 4-5 million dollars in available reserves, so what is the urgency for a rate increase at this time? Not finding ready correspondence with the town's overall financial reports, it is worth asking where the non-bond reserve amounts come from, and whether these reserves are "on" or "off" the town's overall balance sheet?

Further, our officials have repeatedly claimed that a Single Block Rate would lead to up to a 4x increase in the water charges to residential users. In fact, however, and using their own figures,

allocating total system costs proportionately to water actually used would lead to a 17% decrease in residential water rates, with the balance equitably provided by the 30% minority of larger users who consume 77% of Bar Harbor's water. Is this the kind of truthfulness expected and permitted by governmental officials?

The Town Council at the public hearing on 2/17 also attempted to shift the blame and responsibility for these unfair and unsupportable rate increases from themselves to the PUC, by stating that the Town was only proposing the requested rates, but that the PUC would be the ones to actually approve and enact them. Does the Commission accept the onus of being the "bad guy" here?

Our Council Chair then claimed that the increased rates that have already been built into Bar Harbor's 2027 proposed budget are only "placeholders", to be changed if not approved. This ignores the fact that the increased water rates requested were already built into, and taxed to property owners, in the current 2026 fiscal year. Our fiscal cart has seemingly run away without its governing horse!

Finally, the consultant spearheading Bar Harbor's current water rate proposal stated at the public hearing that the PUC would not in any case consider and allow a "Single Block Rate" for Bar Harbor's water system. Where is this written, and how to square it with the PUC's very helpfully pointing us to an excellent primer ([https://www.rcap.org/wp-content/uploads/2021/11/RCAP\\_RatesGuide-2021-FIN-LO.pdf](https://www.rcap.org/wp-content/uploads/2021/11/RCAP_RatesGuide-2021-FIN-LO.pdf)) describing just such an "easy to administer and simple to understand" rate structure that would seemingly best meet the PUC's criteria and goals?

**In summary, we customers of the Bar Harbor water utility urge and request the PUC to disapprove rate increase proposal 2026-00013, and send the matter of Bar Harbor's water rates back to the Town for more equitable treatment.**

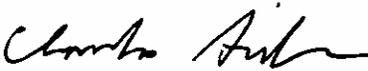
Sincerely,

Charles Sidman  
Citizen and Water Customer in Bar Harbor, Maine  
PO Box 200, Bar Harbor, ME 04609  
207-288-0428  
[csidman@acadia.net](mailto:csidman@acadia.net)

Signatures for 10-Person Complaint:

We hereby request that the Maine Public Utilities Commission promptly investigate this complaint and take all necessary action to satisfy this complaint.

Printed Name (LEAD PETITIONER): Charles Sidman

Signature (LEAD PETITIONER): 

Telephone Number: 207-288-0428

Address: PO Box 200, Bar Harbor, ME 04609. (and Argosy Gallery, 6 Mt. Desert St., Bar Harbor, ME 04609)

Printed Name: *Nathan W Young*

Signature: 

Telephone Number: (207) 266-5428

Address: 181 Sand point rd, Bar Harbor, Me. 04609

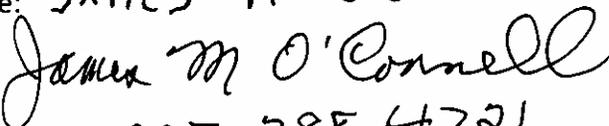
Printed Name: *David Rappkivian*

Signature: 

Telephone Number: 303-461-0690

Address: 14 School St., Bar Harbor, ME 04609

Printed Name: JAMES M O'CONNELL

Signature: 

Telephone Number: 207 288 4721

Address: 5 Higgins Terrace  
Bar Harbor Me 04609

Printed Name: JEFFREY MILLER

Signature: 

Telephone Number: 207-664-3355

Address: 26 ASH PL, BAR HARBOR ME

Printed Name: Rick Seabury

Signature: 

Telephone Number: 413-219-7127

Address: 18 Shannon Rd., BH, ME

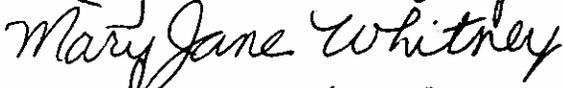
Printed Name: JAMES Schramm

Signature: 

Telephone Number: 813-857-5784

Address: 15 Newton Way, BH, ME

Printed Name: Mary Jane Whitney

Signature: 

Telephone Number: 207-266-8869

Address: 200 Main St. B.H.

Printed Name: Deekarnofsky

Signature: Deekarnofsky

Telephone Number: 801-1661

Address: 17 Pine St. Bar Harbor, Me 04609

Printed Name: NORAH F. O'BRIEN

Signature: Norah F. O'Brien

Telephone Number: 207-266-5779

Address: AA Halland Ave B. H. Vme

Attachments:

Oped published week of 2/2/26 in Bar Harbor Story and Mount Desert Islander

Oped published week of 3/2/26 in Bar Harbor Story, Mount Desert Islander and Quiet Side Journal

## New Bar Harbor Water Rate Proposal Still Not Fair to Residents

Customer Sample BH Water Rate Proposal 2026

Account	Meter	2025 ft3	Past \$	Proposed \$	Proposed %+	Past \$/cf3	Proposed \$/cf3
11460	5/8"	\$8,314	\$460	\$621	35%	0.055	0.075
8859425	5/8"	\$2,474	\$279	\$377	35%	0.113	0.152
711760	1"	\$238,262	\$6,153	\$10,942	78%	0.026	0.046
460035	1.5"	\$270,118	\$6,524	\$12,267	88%	0.024	0.045
611315	2"	\$226,590	\$5,669	\$10,701	89%	0.025	0.047
611025	2"	\$266,197	\$6,386	\$12,348	93%	0.024	0.046
711795	2"	\$268,946	\$6,788	\$12,225	80%	0.025	0.045
58155	2"	\$323,119	\$7,446	\$14,778	98%	0.023	0.046
47027	2"	\$253,862	\$6,475	\$11,594	79%	0.026	0.046
47000	2"	\$405,508	\$7,785	\$17,640	127%	0.019	0.044
47021	2"	\$467,652	\$8,929	\$20,749	132%	0.019	0.044
47028	2"	\$557,419	\$10,434	\$24,633	136%	0.019	0.044
611316	3"	\$442,400	\$9,559	\$23,728	148%	0.022	0.054
46006	3"	\$453,010	\$9,473	\$23,998	153%	0.021	0.053
47018	3"	\$818,416	\$14,738	\$39,700	169%	0.018	0.049
46970	3"	\$961,255	\$16,789	\$45,977	174%	0.017	0.048
88445	4"	\$879,000	\$15,607	\$41,060	163%	0.018	0.047
47010	4"	\$1,697,537	\$26,729	\$75,231	181%	0.016	0.044
988764	6"	\$1,687,085	\$30,594	\$57,823	89%	0.018	0.034

The new water rate proposal formulated by town staff and scheduled for town council hearing and vote later this month still seems fundamentally unfair to Bar Harbor residents. According to town data presented on January 20, 2026 (s/a selected Powerpoint slides/PDF), residential users constitute 70% of town water users and account for 23% of total water consumed. However, while the previous rate schedule required some smaller users to pay seven-times more dollars per gallon than certain larger users, the recently proposed schedule still sets the rate for some smaller users at more than 4x that for certain larger users (s/a town-provided customer examples.) Even the town's averages from January 20 have smaller (mostly residential) users still paying more than twice as much per gallon as larger users.

Larger commercial, government, and research water users all have variable revenue sources with which to pay evidently now-required increased water rates, whereas

residential users, many on limited and fixed incomes, do not. Is it thus fair and tolerable to Bar Harbor taxpaying citizens, who find it increasingly difficult to survive in this increasingly non-residential town, to continue to pay a significant premium rate for their minimal required water use, thus contributing directly to larger users' bottom lines? Will the town council finally and decisively end this imposed subsidy by their residents of larger, and mostly commercial, users, who are putting so much economic stress on Bar Harbor as an affordable residential community? Citizens should make their opinions known to the council before it votes to continue the past or implement a new and still indefensible subsidy of big business at the expense of their residents. A single, uniform, and fair rate per cubic foot of water consumed should be implemented.

Charles Sidman

Bar Harbor

[https://www.mdislander.com/opinion/commentary/bar-harbor-water-rates-a-call-to-action/article\\_22a93016-3662-4e32-9109-25442a467d89.html](https://www.mdislander.com/opinion/commentary/bar-harbor-water-rates-a-call-to-action/article_22a93016-3662-4e32-9109-25442a467d89.html)

## Bar Harbor water rates: A call to action

By Charles Sidman

Mar 2, 2026

Dear fellow Bar Harbor residents and water users:

This piece provides an update on our town's current water rate situation, with a call to action for anyone concerned about the exorbitant and ever-rising costs of living in Bar Harbor imposed by a local government more loyal to major and commercial entities than its own residents. If at least 15% (about 300) of the town's slightly less than 2,000 water customers sign a petition to Maine's Public Utilities Commission objecting to the newly proposed rates, the PUC would examine whether these increases are "just and reasonable" and free from "undue or unreasonable preference" (their stated criteria), and either approve or reject them. Please feel free to stop by my usual favorite coffee shop to sign a petition, or email [csidman@acadia.net](mailto:csidman@acadia.net) or call 207-288-0428 to arrange another meeting time and place. You can also request forms from me to sign yourselves or share with neighbors who are also water customers, to be returned to me for inclusion with all other signatures.

Currently, our situation is that at the required but apparently predetermined public hearing on Feb. 17, the Bar Harbor Town Council voted 6-1 to ignore unified public comment and rubber stamp its proposed new water rates, already filed with PUC over a month earlier and before residents were given the opportunity to comment. Numerous statements by town officials at this hearing were inaccurate or misleading, as well as blatant attempts to avoid their own responsibility and proper allegiance. Residents now have a rare opportunity to do something practical and immediate to influence their living costs as well as local governance. If they do not do so now, they cannot reasonably complain in the future.

Regarding fairness, PUC provided a link to an independent water consultancy report ([https://www.rcap.org/wp-content/uploads/2021/11/RCAP\\_RatesGuide-2021-FIN-LO.pdf](https://www.rcap.org/wp-content/uploads/2021/11/RCAP_RatesGuide-2021-FIN-LO.pdf)), in which pages 6-7 summarize various rate structures and the advantages or drawbacks of each (as quoted in

this paragraph.) Our town continues to insist on a “Decreasing Block Rate” that incentivizes and encourages major users through preferential volume discounts, inescapably leading to “low-volume users subsidizing large-volume users.” Instead, an “Increasing Block Rate” has been suggested but ignored by the town, even though likely beneficial to the overall community “based on the assumption that water rates should promote water conservation and reduce the stress on the system caused by increased demand.” The major drawback of such a structure is that it “may discourage industry from locating in service area,” which seems hardly relevant to our increasingly resource-constrained community. Alternatively, a “Single Block Rate” — a uniform price per unit of water consumed, applied equally to all customers — might be a reasonable compromise, as it is recognized to be “Easy to administer and simple to understand, and cost to customer is in roughly direct proportion to amount used.” Town officials disagree.

At the Feb. 17 public hearing, officials and employees made numerous inaccurate or misleading statements that included the following. (Interested parties can review this hearing through the town website, or via my private copy.)

Town Manager Smith began (as other officials reiterated throughout) by patronizingly stating that water rates are complex and hard to explain, implying that they are probably too much for ordinary citizens to understand and are best left to professionals such as the consultant present at the hearing. In answer to Manager Smith (and disregarding his repeated self-contradictions, inconsistencies and misuse of terms), the agreed-on-by-all fact is that roughly 70% of the town’s users (primarily but not exclusively residents) consume just over 20% of our water, but pay about double this proportion (about 40%) of the system’s total costs. This imbalance is due to overstated and unused minimum charges and higher per-gallon rates for smaller users versus larger, and cannot be justified by distractions about fixed versus variable costs, system availability versus actual consumption, percentage rate increase versus share of total cost, system maintenance, unbilled wastage, continuation of past inequities, seasonal versus year-round use, etc. It is simply unfair to the majority of Bar Harbor’s residents and water customers.

Public Works Director Leavitt then introduced several remarkable concepts that were also echoed by other officials. First, she claimed that without these particular, overly complex and unfairly distributed rate increases, the town could not pay its bills and would become insolvent. This is utterly misleading, as the costs and funding amounts needed are not in

question, only their equitable allocation among different consumer groups. Any amount can be raised through a uniform charge per unit consumed. She also asserted, again without explanation, that a flat rate would lead to smaller customers paying up to four times their current bills, which seems mathematically impossible since we are only discussing the unfair double burden (40% of expenses for 20% of usage) long placed on smaller users and inescapably subsidizing larger. At four times their current charges, smaller users would be supporting more than the entire system (4 x 40%, or 160%), which seems hard to credit.

Finally, after an evening of harping on and hiding behind the distractions of a rate adjustment only after 10 years and the pain involved for everyone, Chair Peacock attempted to distance the Council from its own role and responsibility by stating that they were not adopting these proposed rates but only forwarding them to the PUC, which would then bear the onus of deciding and enacting them. Further, she assured us that the increased rates being requested are not yet actually being collected. Such a placeholder characterization may apply to the 2027 budget now under discussion, but the 2026 fiscal year is largely behind us and these still-unapproved water rates were included as town revenues, already being collected through property taxes. (Perhaps they provide part of the “reserves” paying for our long-overlooked water budget irresponsibility.) How much such sleight-of-hand will Bar Harbor tolerate?

In short, Bar Harbor water customers (local and permanent or otherwise) have an opportunity to demand some control and fairness for their own accounts. Our town has not competently, adequately or honestly justified its requested water rate increases, and we can only hope that the PUC will at least require it to establish if and how these proposed new rates will more closely and properly align different customers’ proportional water usage and bills. We have only until March 19 to appeal to the PUC, so it is now time to step up by signing a petition or forever hold our peace.

*Charles Sidman is a long-term resident of Bar Harbor.*

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Charles Sidman is a long-term resident of Bar Harbor.