

NOTICE OF ADJUSTMENT OF WATER AND SEWER RATES

Edmonson County Water District
Edmonson, Warren, Grayson and Hart Counties, Kentucky

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky (the "Commission") under KRS 278.023 by the Edmonson County Water District (the "District"), the District proposes to adjust its monthly water and sewer service rates and charges effective as of August 4, 2014, as follows:

Water Rates:

	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
First 1,500 gallons	\$12.00 minimum	\$13.00 minimum	\$1.00	8.33%
All over 1,500 gallons	\$4.50 per 1,000 gallons	\$4.90 per 1,000 gallons	\$0.40	8.89%
Wholesale to City of Brownsville	\$2.70 per 1,000 gallons	\$2.90 per 1,000 gallons	\$0.20	7.41%

Sewer Rates - Residential:

	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
First 1,500 gallons	\$9.85 minimum	\$13.00 minimum	\$3.15	31.98%
Next 6,500 gallons	\$4.25 per 1,000 gallons	\$4.90 per 1,000 gallons	\$0.65	15.30%
Next 12,000 gallons	\$3.90 per 1,000 gallons	\$4.90 per 1,000 gallons	\$1.00	25.64%
All over 20,000 gallons	\$2.90 per 1,000 gallons	\$4.90 per 1,000 gallons	\$2.00	68.97%

Sewer Rates - Non-Residential:

	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
First 1,500 gallons	\$14.78 minimum	\$19.50 minimum	\$4.72	31.94%
Next 6,500 gallons	\$6.38 per 1,000 gallons	\$7.35 per 1,000 gallons	\$0.97	15.20%
Next 12,000 gallons	\$5.85 per 1,000 gallons	\$7.35 per 1,000 gallons	\$1.50	25.64%
All over 20,000 gallons	\$4.35 per 1,000 gallons	\$7.35 per 1,000 gallons	\$3.00	68.97%

The proposed water and sewer increases are expected to result in the following impact on the average monthly bill for each of the District’s customer classifications based upon their average monthly usage:

Water Rates:

<u>Customer Classification</u>	<u>Average Monthly Usage</u>	<u>Increase in Average Monthly Bill</u>
Residential Customers	3,200 gallons	\$1.68
Wholesale Customers	2,774,417 gallons	\$554.88

Sewer Rates:

<u>Customer Classification</u>	<u>Average Monthly Usage</u>	<u>Increase in Average Monthly Bill</u>
Residential Customers	3,200 gallons	\$4.25
Non-Residential Customers	6,800 gallons	\$9.87

By use of federal loan and grant proceeds and local funds, the District plans to construct and install (i) intake screen modifications at its Wax Water Treatment Plant; (ii) approximately 2.3 miles of new water lines to serve approximately 9 new customers; and (iii) improvements to several of its booster pumping stations. The proposed rates are required under the terms of an agreement between District and United States Department of Agriculture, Rural Development (“USDA”) and KRS 278.023 does not grant the Commission discretionary authority to modify or reject any portion of the agreement between USDA and the District or to defer the issuance of all necessary orders to implement the terms of that agreement.

Interested persons may inspect the District’s application regarding the proposed water rate increase at either (i) the office of the Commissioner of the Commission located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m.; (ii) through the Commission’s website at <http://psc.ky.gov>; or (iii) the District’s offices located at the address provided below. Comments regarding the application may be submitted to the Commission through its website or by mail addressed to the Public Service Commission of Kentucky, Post Office Box 615, Frankfort, Kentucky 40602.

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