



James A. Carter
Mayor

CITY OF PIKEVILLE

243 Main Street
Pikeville, Kentucky 41501
(606) 437-5100
Fax Number (606) 437-5106

Philip R. Elswick, P.E.
City Manager

September 13, 2018

Mr. Dean Hall
Southern Water & Sewer District
P.O. Box 610
McDowell, KY 41647

RE: Rate Increase

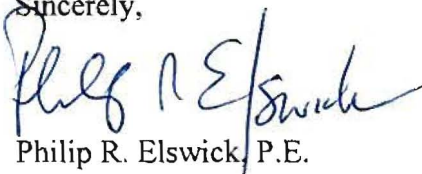
Dear Dean:

As we discussed on September 10, 2018, the City of Pikeville will agree to increase wholesale water rates to the Southern Water & Sewer District at a rate of \$2.25 per 1,000 gallons to be effective on October 16, 2018. I am attaching a copy of the customer notice that the Public Service Commission has previously required to be mailed.

It is my understanding that Southern's Board will consider Pikeville's rate increase at its board meeting on September 24, 2018. After that meeting, please confirm that Southern will not object to Pikeville's rate increase.

If you have any questions, please contact me at (606) 437-5100 or via e-mail at philip.elswick@pikevilleky.gov.

Sincerely,



Philip R. Elswick, P.E.
City Manager

NOTICE

Notice is hereby given that the City of Pikeville proposes to increase its rate for wholesale water service to Southern Water and Sewer District effective October 16, 2018. On or about September 13, 2018, documentation will be filed with the Kentucky Public Service Commission to increase rates as follows:

<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change Ave. Month</u>	<u>% Change Ave. Rate</u>
\$1.72 per 1,000 gallons	\$2.25 per 1,000 gallons	\$5,653.33*	30.81%

* Based on an average of 128,000,000 gallons per year

The proposed effective date is October 16, 2018. Water flowing through the meter(s) before the effective date will be charged at the current rate while water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

The rates contained in this notice are the rates proposed by the City of Pikeville but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may examine this filing at the offices the Pikeville City Hall, City Manager's Office, located at 213 Main Street in Pikeville, Kentucky; telephone (606) 437-5100.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00am to 4:30pm or through the PSC website at <http://psc.ky.gov>.

Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. If the PSC does not receive a written request for intervention within thirty (30) days of the date notice was initially provided, the PSC may take final action on the filing.