

**GARRISON, QUINCY, KY-O-HEIGHTS WATER DISTRICT**

284 MURPHY'S LANE

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Equal Opportunity Employer and Provider

March 2, 2021

Ms. Linda Bridwell  
Executive Director  
Public Service Commission  
211 Sower Blvd  
Frankfort, KY 40601

RE: Case No. 2021-00094  
Garrison-Quincy-Ky-O-Heights Water District  
Alternative Rate Filing Adjustment – Water and Sewer

Dear Ms. Bridwell:

Enclosed for filing in the referenced case is Garrison-Quincy's ARF Application for an adjustment to its water and sewer rates. This ARF Application is being filed pursuant to 807 KAR 5:076 and uses calendar year 2019 as the test year with appropriate adjustments to normalize revenues and expenses.

The District is requesting an 18.5 percent increase in its retail water rates. The application does not include a change in the wholesale rate. By contract the District's wholesale rate is established relative to its cost of purchased water. Since the purchase price is not changing, it is not appropriate to increase the wholesale rate.

Garrison-Quincy is also requesting a 35 percent increase in its sewer rates. Although the information included in the application indicates a much larger increase could be approved, the District views such a huge increase as placing an unnecessary burden on its customers. All operating expenses and debt service is covered with the 35 percent increase, plus over \$41,000 per year is available for the depreciation fund. The sewer system is relatively new, so this contribution to the depreciation fund is adequate for the next several years.

I certify that the District's electronic filing of this Application is a true and accurate copy of the same documents that will be delivered to the PSC in paper medium within 30 days following the end of the current state of emergency.

The Attorney General's Office of Rate Intervention has also been provided a copy of this application by electronic mail. My electronic mail address is [teunderwood@windstream.net](mailto:teunderwood@windstream.net).

Sincerely,



Trent Underwood, Manager

Enclosures