

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)	
MOUNTAIN WATER DISTRICT FOR A)	CASE NO. 2022-00366
GENERAL ADJUSTMENT OF WATER)	
RATES)	

MOTION FOR APPROVAL TO DEVIATE FROM 807 KAR 5:001, SECTION 17(4)

Pursuant to 807 KAR 5:001, Section 5 and Section 22, Mountain Water District (“Mountain District”) moves for a deviation from 807 KAR 5:001, Section 17(4) because Mountain District has substantially complied with the requirements of that regulation.

In support of its motion, Mountain District states:

1. On February 18, 2023, Mountain District filed in this proceeding an application for general adjustment of its rates for water service.

2. Prior to the filing of its application, Mountain District caused to be published in the February 17, 2023 edition of the *Appalachian News-Express*, the newspaper of general circulation in Mountain District’s territory, notice of the filing of its application with the Public Service Commission. This notice conformed with the requirements of 807 KAR 5:001, Section 17(4) in all respects but one. The notice failed to state the effective date of the proposed rates for water service. A copy of the notice is attached as Exhibit 1.

3. On February 22, 2023, Mountain District learn of the omission of the effective date for the proposed rates for water service and immediately contacted the *Appalachian News-Express* to ensure that notices of the filing to be published in the February 24, 2023 and March 3, 2023 editions of that newspaper would include the effective date for the proposed water rates. A copy of the electronic mails requesting the revision and the newspaper publisher’s response are attached

as Exhibit 2 and Exhibit 3. A copy of the revised notice to be published on February 24 and March 3 is attached as Exhibit 4.

4. The purpose of 807 KAR 5:001, Section 17 is to ensure that the public has adequate notice of an increase in utility rates and adequate time to act upon that notice. Despite the absence of the effective date on the first published notice, Mountain District has provided adequate notice to ensure that its customers are aware of the application's filing and may timely act upon that notice.

a. While the notice published on February 17, 2023, did not contain the effective date of the proposed water rates, it stated that Mountain District was seeking to establish a Water Infrastructure Improvement Surcharge and an adjustment of its rates for sewer service and that those proposed rates would become effective on March 20, 2023. A person reviewing the notice would reasonably conclude that the proposed water rates would be effective on the same day. Moreover, the notice expressly stated that the Public Service Commission may take final action on the proposed rates 30 days after the initial publication of the notice and stated an initial publication date of February 17, 2023. The notice thus advised the public that the rates could become effective as of March 20, 2023.

b. Notices containing the effective date will be published on February 24, 2023 and March 3, 2023 and will inform the public of the effective date of the proposed rates for water service.

c. A notice of the proposed water rate adjustment with the effective dates of March 20, 2023 is currently posted on Mountain District's website and in its offices.

d. On February 17, 2023 Mountain District's Board of Commissioners caused to be published in the *Appalachian News-Express* a separate public statement indicating that

Mountain District was filing an application for water rate adjustment. The *Appalachian News-Express* reported on this statement and the pending rate adjustment on February 17, 2023.¹

5. Mountain District has substantially complied with the provisions of 807 KAR 5:001, Section 17 and has met the purpose of that regulation. As stated by the Kentucky Supreme Court,

Substantial compliance in regard to publication requirements has been authorized The purpose of the statute is to allow the public an ample opportunity to become sufficiently informed on the public question involved.²

6. The omission of the effective date from the first published notice was inadvertent. It was not intended to mislead or confuse the public or to conceal the filing of the application.

7. Requiring Mountain District to publish the notice a fourth time will require the District to incur an additional \$3,300 in publication expense and is not likely to greatly expand or increase public knowledge of the application's filing.

8. The Public Service Commission has authority to permit Mountain District to deviate from the publication requirements pursuant to 807 KAR 5:001, Section 22.

9. Because Mountain District is in substantial compliance with the publication requirements of 807 KAR 5:001, Section 17(4), good cause exists for the Public Service Commission to permit Mountain District to deviate from the requirement of the regulation and to accept the publication of notice of the filing of Mountain District's application as sufficient.

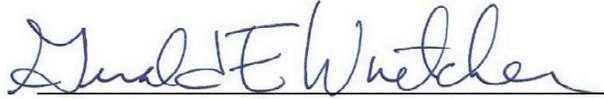
¹ Kristi Strouth, *MWD Applying For Water, Sewer Rate Increases*, *Appalachian News-Express* (Feb. 17, 2023) https://www.news-expressky.com/news/mwd-applying-for-water-sewer-rate-increases/article_0c8f8160-aea8-11ed-a93e-675925af317b.html.

² *Conrad v. Lexington-Fayette Urban County Government*, 659 S.W.2d 190, 195 (Ky. 1983) (citing *Queenan v. City of Louisville*, 233 S.W.2d 1010 (Ky. 1950)). See also *Lyon v. County of Warren*, 325 S.W.2d 302 (Ky. 1959) (publishing notice of bond referendum outside statutory time limits, accompanied by media attention and other means, held sufficient notice to public).

WHEREFORE, Mountain District respectfully requests that the Public Service Commission authorize Mountain District to deviate from the notice content requirements of 807 KAR 5:001, Section 17(4) and accept that publication of the notice as described in this Motion as sufficient.

Dated: February 23, 2023

Respectfully submitted,

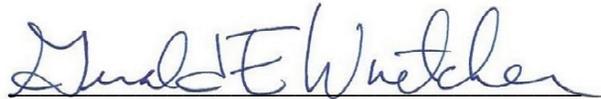


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Counsel for Mountain Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8 and the Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on February 23, 2023 and that no parties have been excused from electronic filing procedures.



Counsel for Mountain Water District

EXHIBIT 1

NOTICE

On or about February 17, 2023, Mountain Water District will file applications with the Kentucky Public Service Commission for the purpose of adjusting its monthly rates for water and sewer service. Mountain Water District is making these applications to comply with the Kentucky Public Service Commission's Order of December 13, 2021 in Case No. 2021-00412.

Mountain Water District proposes to charge the following rates for water service:

WATER RATES				
	Present Rate	Proposed Rate	Change (\$)*	Change (%)
Residential				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 28.23 Minimum Bill	\$ 4.14	17.19
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 3.21	37.54
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 4.14	54.33
Commercial (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 33.00 Minimum Bill	\$ 8.91	36.99
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 63.09 Minimum Bill	\$ 13.35	26.84
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 173.42 Minimum Bill	\$ 4.73	2.80
Next 4,000 Gallons		\$ 10.03 Per 1,000 Gallons	\$ 44.85	26.59
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 333.90 Minimum Bill	\$ 89.01	36.35
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 73.77	30.12
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.627
Commercial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 514.44 Minimum Bill	\$117.15	29.49
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,015.94 Minimum Bill	\$237.65	30.53
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Public Authority (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 48.05 Minimum Bill	\$ 23.96	99.46
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 77.00 Minimum Bill	\$ 27.26	54.80
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 183.15 Minimum Bill	\$ 14.46	8.57

Next 4,000 Gallons		\$ 9.65 Per 1,000 Gallons	\$ 53.06	31.45
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 337.55 Minimum Bill	\$ 92.66	37.84
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 77.42	29.76
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 511.25 Minimum Bill	\$113.96	28.68
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$ 993.75 Minimum Bill	\$215.46	27.68
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Industrial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 106.08 Minimum Bill	\$ 56.34	113.27
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 2.66	31.11
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 229.39 Minimum Bill	\$ 60.70	35.98
Next 4,000 Gallons		\$ 11.21 Per 1,000 Gallons	\$105.54	62.56
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 408.75 Minimum Bill	\$163.86	66.91
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$148.62	60.69
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 610.53 Minimum Bill	\$213.24	53.67
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,171.03 Minimum Bill	\$392.74	50.46
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Wholesale				
Martin County Water District	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Mingo County PSD	\$4.74 per 1,000 gallons	\$ 5.83 per 1,000 gallons	\$ 1.13	23.00
City of Jenkins				
First 50,000 Gallons	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Over 50,000 Gallons	\$3.58 per 1,000 gallons	\$ 4.40 per 1,000 gallons	\$ 0.82	22.9
City of Elkhorn				
First 215,000 per day	\$2.99 per 1,000 gallons	\$ 3.67 per 1,000 gallons	\$ 0.68	22.74
Over 215,000 per day	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.03
*If the volume of water available in a minimum bill for a rate classification has changed, the amount of the change is calculated using the proposed minimum charge's volume and the prior minimum charge's volume.				

Mountain Water District further proposes to classify its customers based upon the following customer classes:

Commercial: private schools, colleges, hospitals, private educational, cultural, social or religious organizations, and business or manufacturing establishments if the water is not used principally in manufacturing or processing functions.

Industrial: manufacturing or processing establishments if the water is used principally in manufacturing or processing function.

Residential: single premise residences, multiple premises residences in which each premises is served through a single meter, multiple premises residences served through a single meter, and churches.

Public Authority: municipal, county, state or federal agencies (other than the sales of water for resale) and includes city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies.

Wholesale: A private or public water utility which resells water to its customers.

If the Public Service Commission approves the proposed water rates, the increase in a customer’s monthly bill will be:

Customer*	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Proposed Rate	Monthly Bill Increase (\$)	Monthly Bill Increase (%)
Residential	3,100	\$ 33.50	\$ 41.17	\$ 7.67	22.90
Commercial					
5/8-x 3/4-Inch Meter	3,455	\$ 36.53	\$ 47.59	\$ 11.06	30.28
1-Inch Meter	8,067	\$ 75.96	\$ 93.85	\$ 17.89	23.55
2-Inch Meter	50,688	\$ 402.53	\$ 521.34	\$ 118.81	29.52
3-Inch Meter	209,832	\$ 1,615.21	\$ 2,117.55	\$ 502.34	31.10
4-Inch Meter	156,570	\$ 1,209.35	\$ 1,583.34	\$ 373.99	30.92
6-Inch Meter	331,462	\$ 2,542.03	\$ 3,337.50	\$ 795.47	31.29
Public Authority					
5/8-x 3/4-Inch Meter	1,622	\$ 24.09	\$ 48.05	\$ 23.96	99.46
1-Inch Meter	11,662	\$ 105.15	\$ 141.29	\$ 36.14	34.37
2-Inch Meter	38,445	\$ 309.24	\$ 399.74	\$ 90.50	29.27
3-Inch Meter	161,182	\$ 1,244.50	\$ 1,584.16	\$ 339.66	27.29
4-Inch Meter	49,972	\$ 397.29	\$ 511.25	\$ 113.96	28.68
6-Inch Meter	37,673	\$ 778.29	\$ 993.75	\$ 215.46	27.68
Industrial					
2-Inch Meter	8,500	\$ 168.69	\$ 229.39	\$ 60.70	35.98
4-Inch Meter	678,250	\$ 5,184.56	\$ 7,653.21	\$2,468.65	47.62
Martin County Water District	10,633	\$ 33.71	\$ 41.47	\$ 7.76	23.00
Mingo County Public Service District	184,712	\$ 875.53	\$ 1,076.87	\$ 201.34	23.00
Jenkins Utilities	0	\$ 0.00	\$ 0.00	\$ 0.00	0
City of Elkhorn	4,627,241	\$13,835.45	\$16,981.97	\$3,146.52	22.74
*Meter sizes not listed did not have any customers during the period used to establish the proposed rates.					

Mountain Water District further proposes to assess, beginning March 20, 2023, a Water Infrastructure Improvement Surcharge of \$5.61 on each water customer’s monthly bill for 36 months to finance proposed infrastructure improvements to reduce water loss and improve service quality. Prior Kentucky Public Service

Commission approval will be required for each use of surcharge proceeds. All surcharge proceeds must be maintained in a separate interest-bearing account. All collections and uses of surcharge proceeds must be reported monthly to the Kentucky Public Service Commission. Failure to comply with the conditions attached to the proposed surcharge will result in termination of the Water Infrastructure Improvement Charge Surcharge and refund of all surcharge proceeds Mountain Water District's possession or control and all proceeds disbursed for expenses or projects not approved by the Kentucky Public Service Commission.

Mountain Water District also proposes to adjust its rates for monthly sewer service. Mountain District proposes to place the Phase 1 rates into effect on March 20, 2023. Phase 2 rates will become effective one year later. Phase 3 rates will become effective two years later. The proposed rates for sewer service are as follows:

SEWER RATES (PHASE 1)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 43.39 Minimum Bill	\$ 5.66	15.00
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 19.57 Per 1,000 Gallons	\$ 3.40	21.03
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 83.62 Per Month	\$ 5.47	7.00

SEWER RATES (PHASE 2)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 47.92 Minimum Bill	\$10.19	27.01
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 22.15 Per 1,000 Gallons	\$ 5.98	36.98
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 87.80 Per Month	\$ 9.65	12.35

SEWER RATES (PHASE 3)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 52.44 Minimum Bill	\$14.71	38.99
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 24.74 Per 1,000 Gallons	\$ 8.57	53.00
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 90.44 Per Month	\$12.29	15.73

If the Public Service Commission approves the proposed sewer rates, the increase in a customer's monthly bill will be:

Customer	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Phase 1 Rate	Increase Over Current (%)	Monthly Bill at Phase 2 Rate	Increase Over Current (%)	Monthly Bill at Phase 3 Rate	Increase Over Current (%)
User with Metered Water Service	4,134	\$72.24	\$85.15	17.87	\$95.19	31.77	\$105.24	45.68
User w/o Metered Water Service	NA	\$78.15	\$83.62	7.00	\$87.80	12.35	\$90.44	15.73

The Kentucky Public Service Commission has established Cases No. 2022-00366 (Water) and No. 2022-00367 (Sewer) to review Mountain Water District’s applications. Any person may examine these applications at Mountain Water District’s office, Mountain Water District, 6332 Zebulon Highway, Pikeville, Kentucky or at the Kentucky Public Service Commission’s offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission’s Web site at <https://psc.ky.gov/Case/ViewCaseFilings/2022-366> (Water) or <https://psc.ky.gov/Case/ViewCaseFilings/2022-367> (Sewer).

Comments regarding either application may be submitted to the Kentucky Public Service Commission through the Commission’s Web Site at <https://psc.ky.gov/Case/SearchCasesPublicComments> or by e-mail to psc.info@ky.gov or by mail to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Mountain Water District. However, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the person’s status and interest. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of notice, it may take final action on the proposed rates.

Mountain Water District
First Publication Date: February 17, 2023

EXHIBIT 2

Gerald Wuetcher

From: Tammy Olson <tolson@mtwater.org>
Sent: Wednesday, February 22, 2023 11:16 AM
To: Class Ads
Cc: Gerald Wuetcher
Subject: CORRECTION TO AD
Attachments: NewspaperNotice_Revised 2-22-23.docx

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Deb,

The water rate notice that the Mountain Water District has scheduled to run the next two Friday's needs a correction. Please see attached the notice and I have highlighted the only change that needs to be made. We should have put the effective date on the first page. The rest of the notice is fine as you published it, just please make this correction for the next two Friday's run dates.

Thanks,
Tammy Olson
Office/Compliance Manager
Mountain Water District
(606) 631-6165

NOTICE

On or about February 17, 2023, Mountain Water District will file applications with the Kentucky Public Service Commission for the purpose of adjusting its monthly rates for water and sewer service. Mountain Water District is making these applications to comply with the Kentucky Public Service Commission's Order of December 13, 2021 in Case No. 2021-00412.

Mountain Water District proposes to charge the following rates for water service beginning March 20, 2023:

WATER RATES				
	Present Rate	Proposed Rate	Change (\$)*	Change (%)
Residential				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 28.23 Minimum Bill	\$ 4.14	17.19
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 3.21	37.54
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 4.14	54.33
Commercial (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 33.00 Minimum Bill	\$ 8.91	36.99
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 63.09 Minimum Bill	\$ 13.35	26.84
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 173.42 Minimum Bill	\$ 4.73	2.80
Next 4,000 Gallons		\$ 10.03 Per 1,000 Gallons	\$ 44.85	26.59
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 333.90 Minimum Bill	\$ 89.01	36.35
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 73.77	30.12
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.627
Commercial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 514.44 Minimum Bill	\$117.15	29.49
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,015.94 Minimum Bill	\$237.65	30.53
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Public Authority (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 48.05 Minimum Bill	\$ 23.96	99.46
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 77.00 Minimum Bill	\$ 27.26	54.80
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 183.15 Minimum Bill	\$ 14.46	8.57

Next 4,000 Gallons		\$ 9.65 Per 1,000 Gallons	\$ 53.06	31.45
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 337.55 Minimum Bill	\$ 92.66	37.84
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 77.42	29.76
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 511.25 Minimum Bill	\$113.96	28.68
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$ 993.75 Minimum Bill	\$215.46	27.68
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Industrial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 106.08 Minimum Bill	\$ 56.34	113.27
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 2.66	31.11
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 229.39 Minimum Bill	\$ 60.70	35.98
Next 4,000 Gallons		\$ 11.21 Per 1,000 Gallons	\$105.54	62.56
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 408.75 Minimum Bill	\$163.86	66.91
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$148.62	60.69
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 610.53 Minimum Bill	\$213.24	53.67
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,171.03 Minimum Bill	\$392.74	50.46
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Wholesale				
Martin County Water District	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Mingo County PSD	\$4.74 per 1,000 gallons	\$ 5.83 per 1,000 gallons	\$ 1.13	23.00
City of Jenkins				
First 50,000 Gallons	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Over 50,000 Gallons	\$3.58 per 1,000 gallons	\$ 4.40 per 1,000 gallons	\$ 0.82	22.9
City of Elkhorn				
First 215,000 per day	\$2.99 per 1,000 gallons	\$ 3.67 per 1,000 gallons	\$ 0.68	22.74
Over 215,000 per day	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.03
*If the volume of water available in a minimum bill for a rate classification has changed, the amount of the change is calculated using the proposed minimum charge's volume and the prior minimum charge's volume.				

Mountain Water District further proposes to classify its customers based upon the following customer classes:

Commercial: private schools, colleges, hospitals, private educational, cultural, social or religious organizations, and business or manufacturing establishments if the water is not used principally in manufacturing or processing functions.

Industrial: manufacturing or processing establishments if the water is used principally in manufacturing or processing function.

Residential: single premise residences, multiple premises residences in which each premises is served through a single meter, multiple premises residences served through a single meter, and churches.

Public Authority: municipal, county, state or federal agencies (other than the sales of water for resale) and includes city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies.

Wholesale: A private or public water utility which resells water to its customers.

If the Public Service Commission approves the proposed water rates, the increase in a customer's monthly bill will be:

Customer*	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Proposed Rate	Monthly Bill Increase (\$)	Monthly Bill Increase (%)
Residential	3,100	\$ 33.50	\$ 41.17	\$ 7.67	22.90
Commercial					
5/8-x 3/4-Inch Meter	3,455	\$ 36.53	\$ 47.59	\$ 11.06	30.28
1-Inch Meter	8,067	\$ 75.96	\$ 93.85	\$ 17.89	23.55
2-Inch Meter	50,688	\$ 402.53	\$ 521.34	\$ 118.81	29.52
3-Inch Meter	209,832	\$ 1,615.21	\$ 2,117.55	\$ 502.34	31.10
4-Inch Meter	156,570	\$ 1,209.35	\$ 1,583.34	\$ 373.99	30.92
6-Inch Meter	331,462	\$ 2,542.03	\$ 3,337.50	\$ 795.47	31.29
Public Authority					
5/8-x 3/4-Inch Meter	1,622	\$ 24.09	\$ 48.05	\$ 23.96	99.46
1-Inch Meter	11,662	\$ 105.15	\$ 141.29	\$ 36.14	34.37
2-Inch Meter	38,445	\$ 309.24	\$ 399.74	\$ 90.50	29.27
3-Inch Meter	161,182	\$ 1,244.50	\$ 1,584.16	\$ 339.66	27.29
4-Inch Meter	49,972	\$ 397.29	\$ 511.25	\$ 113.96	28.68
6-Inch Meter	37,673	\$ 778.29	\$ 993.75	\$ 215.46	27.68
Industrial					
2-Inch Meter	8,500	\$ 168.69	\$ 229.39	\$ 60.70	35.98
4-Inch Meter	678,250	\$ 5,184.56	\$ 7,653.21	\$2,468.65	47.62
Martin County Water District	10,633	\$ 33.71	\$ 41.47	\$ 7.76	23.00
Mingo County Public Service District	184,712	\$ 875.53	\$ 1,076.87	\$ 201.34	23.00
Jenkins Utilities	0	\$ 0.00	\$ 0.00	\$ 0.00	0
City of Elkhorn	4,627,241	\$13,835.45	\$16,981.97	\$3,146.52	22.74
*Meter sizes not listed did not have any customers during the period used to establish the proposed rates.					

Mountain Water District further proposes to assess, beginning March 20, 2023, a Water Infrastructure Improvement Surcharge of \$5.61 on each water customer's monthly bill for 36 months to finance proposed infrastructure improvements to reduce water loss and improve service quality. Prior Kentucky Public Service

Commission approval will be required for each use of surcharge proceeds. All surcharge proceeds must be maintained in a separate interest-bearing account. All collections and uses of surcharge proceeds must be reported monthly to the Kentucky Public Service Commission. Failure to comply with the conditions attached to the proposed surcharge will result in termination of the Water Infrastructure Improvement Charge Surcharge and refund of all surcharge proceeds Mountain Water District's possession or control and all proceeds disbursed for expenses or projects not approved by the Kentucky Public Service Commission.

Mountain Water District also proposes to adjust its rates for monthly sewer service. Mountain District proposes to place the Phase 1 rates into effect on March 20, 2023. Phase 2 rates will become effective one year later. Phase 3 rates will become effective two years later. The proposed rates for sewer service are as follows:

SEWER RATES (PHASE 1)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 43.39 Minimum Bill	\$ 5.66	15.00
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 19.57 Per 1,000 Gallons	\$ 3.40	21.03
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 83.62 Per Month	\$ 5.47	7.00

SEWER RATES (PHASE 2)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 47.92 Minimum Bill	\$10.19	27.01
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 22.15 Per 1,000 Gallons	\$ 5.98	36.98
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 87.80 Per Month	\$ 9.65	12.35

SEWER RATES (PHASE 3)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 52.44 Minimum Bill	\$14.71	38.99
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 24.74 Per 1,000 Gallons	\$ 8.57	53.00
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 90.44 Per Month	\$12.29	15.73

If the Public Service Commission approves the proposed sewer rates, the increase in a customer's monthly bill will be:

Customer	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Phase 1 Rate	Increase Over Current (%)	Monthly Bill at Phase 2 Rate	Increase Over Current (%)	Monthly Bill at Phase 3 Rate	Increase Over Current (%)
User with Metered Water Service	4,134	\$72.24	\$85.15	17.87	\$95.19	31.77	\$105.24	45.68
User w/o Metered Water Service	NA	\$78.15	\$83.62	7.00	\$87.80	12.35	\$90.44	15.73

The Kentucky Public Service Commission has established Cases No. 2022-00366 (Water) and No. 2022-00367 (Sewer) to review Mountain Water District's applications. Any person may examine these applications at Mountain Water District's office, Mountain Water District, 6332 Zebulon Highway, Pikeville, Kentucky or at the Kentucky Public Service Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's Web site at <https://psc.ky.gov/Case/ViewCaseFilings/2022-366> (Water) or <https://psc.ky.gov/Case/ViewCaseFilings/2022-367> (Sewer).

Comments regarding either application may be submitted to the Kentucky Public Service Commission through the Commission's Web Site at <https://psc.ky.gov/Case/SearchCasesPublicComments> or by e-mail to psc.info@ky.gov or by mail to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Mountain Water District. However, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the person's status and interest. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of notice, it may take final action on the proposed rates.

Mountain Water District

First Publication Date: February 17, 2023

EXHIBIT 3

Gerald Wuetcher

From: Tammy Olson <tolson@mtwater.org>
Sent: Wednesday, February 22, 2023 11:44 AM
To: Class Ads
Cc: Gerald Wuetcher
Subject: RE: CORRECTION TO AD

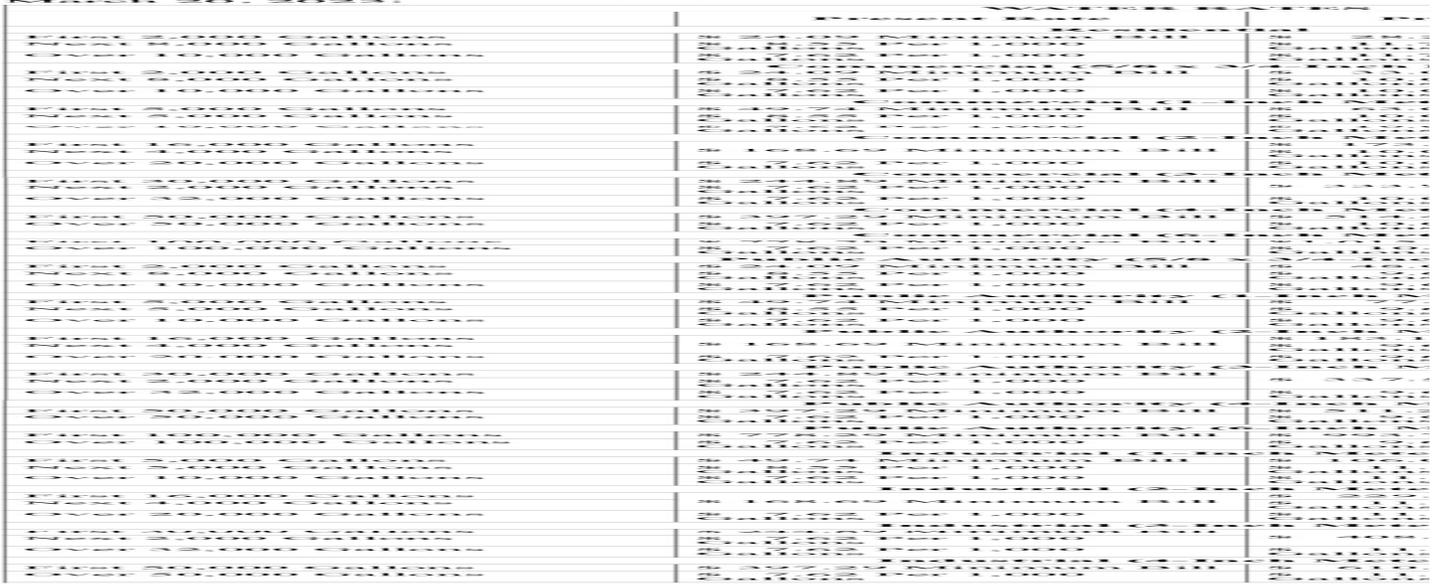
CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

That looks good. Thank you for making the change for the next two publications.

Tammy Olson
Mountain Water District

From: Class Ads <classads@news-expressky.com>
Sent: Wednesday, February 22, 2023 11:38 AM
To: Tammy Olson <tolson@mtwater.org>
Subject: Re: CORRECTION TO AD

Attached is the revised ad



Deborah Chambers
Classified/Legal Manager
Appalachian Newspapers Inc.
PO Box 802 Pikeville, KY 41502
606-437-4054 Office
606-437-1375 Fax

On Feb 22, 2023, at 11:15 AM, Tammy Olson wrote:

Deb,

The water rate notice that the Mountain Water District has scheduled to run the next two Friday's needs a correction. Please see attached the notice and I have highlighted the only change that needs to be made. We should have put the effective date on the first page. The rest of the notice is fine as you published it, just please make this correction for the next two Friday's run dates.

Thanks,

Tammy Olson

Office/Compliance Manager

Mountain Water District

(606) 631-6165

<NewspaperNotice_Revised 2-22-23.docx>

EXHIBIT 4

NOTICE

On or about February 17, 2023, Mountain Water District will file applications with the Kentucky Public Service Commission for the purpose of adjusting its monthly rates for water and sewer service. Mountain Water District is making these applications to comply with the Kentucky Public Service Commission’s Order of December 13, 2021 in Case No. 2021-00412.

Mountain Water District proposes to charge the following rates for water service beginning March 20, 2023:

WATER RATES				
	Present Rate	Proposed Rate	Change (\$)*	Change (%)
Residential				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 28.23 Minimum Bill	\$ 4.14	17.19
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 3.21	37.54
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 4.14	54.33
Commercial (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 33.00 Minimum Bill	\$ 8.91.	36.99
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 63.09 Minimum Bill	\$ 13.35	26.84
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 173.42 Minimum Bill	\$ 4.73	2.80
Next 4,000 Gallons		\$ 10.03 Per 1,000 Gallons	\$ 44.85	26.59
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 333.90 Minimum Bill	\$ 89.01	36.35
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 73.77	30.12
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.627
Commercial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 514.44 Minimum Bill	\$117.15	29.49
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,015.94 Minimum Bill	\$237.65	30.53
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Public Authority (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 48.05 Minimum Bill	\$ 23.96	99.46
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 77.00 Minimum Bill	\$ 27.26	54.80
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 183.15 Minimum Bill	\$ 14.46	8.57

Next 4,000 Gallons		\$ 9.65 Per 1,000 Gallons	\$ 53.06	31.45
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 337.55 Minimum Bill	\$ 92.66	37.84
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 77.42	29.76
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 511.25 Minimum Bill	\$113.96	28.68
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$ 993.75 Minimum Bill	\$215.46	27.68
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Industrial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 106.08 Minimum Bill	\$ 56.34	113.27
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 2.66	31.11
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 229.39 Minimum Bill	\$ 60.70	35.98
Next 4,000 Gallons		\$ 11.21 Per 1,000 Gallons	\$105.54	62.56
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 408.75 Minimum Bill	\$163.86	66.91
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$148.62	60.69
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 610.53 Minimum Bill	\$213.24	53.67
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,171.03 Minimum Bill	\$392.74	50.46
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Wholesale				
Martin County Water District	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Mingo County PSD	\$4.74 per 1,000 gallons	\$ 5.83 per 1,000 gallons	\$ 1.13	23.00
City of Jenkins				
First 50,000 Gallons	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Over 50,000 Gallons	\$3.58 per 1,000 gallons	\$ 4.40 per 1,000 gallons	\$ 0.82	22.9
City of Elkhorn				
First 215,000 per day	\$2.99 per 1,000 gallons	\$ 3.67 per 1,000 gallons	\$ 0.68	22.74
Over 215,000 per day	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.03
*If the volume of water available in a minimum bill for a rate classification has changed, the amount of the change is calculated using the proposed minimum charge's volume and the prior minimum charge's volume.				

Mountain Water District further proposes to classify its customers based upon the following customer classes:

Commercial: private schools, colleges, hospitals, private educational, cultural, social or religious organizations, and business or manufacturing establishments if the water is not used principally in manufacturing or processing functions.

Industrial: manufacturing or processing establishments if the water is used principally in manufacturing or processing function.

Residential: single premise residences, multiple premises residences in which each premises is served through a single meter, multiple premises residences served through a single meter, and churches.

Public Authority: municipal, county, state or federal agencies (other than the sales of water for resale) and includes city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies.

Wholesale: A private or public water utility which resells water to its customers.

If the Public Service Commission approves the proposed water rates, the increase in a customer’s monthly bill will be:

Customer*	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Proposed Rate	Monthly Bill Increase (\$)	Monthly Bill Increase (%)
Residential	3,100	\$ 33.50	\$ 41.17	\$ 7.67	22.90
Commercial					
5/8-x 3/4-Inch Meter	3,455	\$ 36.53	\$ 47.59	\$ 11.06	30.28
1-Inch Meter	8,067	\$ 75.96	\$ 93.85	\$ 17.89	23.55
2-Inch Meter	50,688	\$ 402.53	\$ 521.34	\$ 118.81	29.52
3-Inch Meter	209,832	\$ 1,615.21	\$ 2,117.55	\$ 502.34	31.10
4-Inch Meter	156,570	\$ 1,209.35	\$ 1,583.34	\$ 373.99	30.92
6-Inch Meter	331,462	\$ 2,542.03	\$ 3,337.50	\$ 795.47	31.29
Public Authority					
5/8-x 3/4-Inch Meter	1,622	\$ 24.09	\$ 48.05	\$ 23.96	99.46
1-Inch Meter	11,662	\$ 105.15	\$ 141.29	\$ 36.14	34.37
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6-Inch Meter	37,673	\$ 778.29	\$ 993.75	\$ 215.46	27.68
Industrial					
2-Inch Meter	8,500	\$ 168.69	\$ 229.39	\$ 60.70	35.98
4-Inch Meter	678,250	\$ 5,184.56	\$ 7,653.21	\$2,468.65	47.62
Martin County Water District	10,633	\$ 33.71	\$ 41.47	\$ 7.76	23.00
Mingo County Public Service District	184,712	\$ 875.53	\$ 1076.87	\$ 201.34	23.00
Jenkins Utilities	0	\$ 0.00	\$ 0.00	\$ 0.00	0
City of Elkhorn	4,627,241	\$13,835.45	\$16,981.97	\$3,146.52	22.74
*Meter sizes not listed did not have any customers during the period used to establish the proposed rates.					

Mountain Water District further proposes to assess, beginning March 20, 2023, a Water Infrastructure Improvement Surcharge of \$5.61 on each water customer’s monthly bill for 36 months to finance proposed infrastructure improvements to reduce water loss and improve service quality. Prior Kentucky Public Service

Commission approval will be required for each use of surcharge proceeds. All surcharge proceeds must be maintained in a separate interest-bearing account. All collections and uses of surcharge proceeds must be reported monthly to the Kentucky Public Service Commission. Failure to comply with the conditions attached to the proposed surcharge will result in termination of the Water Infrastructure Improvement Charge Surcharge and refund of all surcharge proceeds Mountain Water District's possession or control and all proceeds disbursed for expenses or projects not approved by the Kentucky Public Service Commission.

Mountain Water District also proposes to adjust its rates for monthly sewer service. Mountain District proposes to place the Phase 1 rates into effect on March 20, 2023. Phase 2 rates will become effective one year later. Phase 3 rates will become effective two years later. The proposed rates for sewer service are as follows:

SEWER RATES (PHASE 1)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 43.39 Minimum Bill	\$ 5.66	15.00
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 19.57 Per 1,000 Gallons	\$ 3.40	21.03
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 83.62 Per Month	\$ 5.47	7.00

SEWER RATES (PHASE 2)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 47.92 Minimum Bill	\$10.19	27.01
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 22.15 Per 1,000 Gallons	\$ 5.98	36.98
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 87.80 Per Month	\$ 9.65	12.35

SEWER RATES (PHASE 3)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 52.44 Minimum Bill	\$14.71	38.99
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 24.74 Per 1,000 Gallons	\$ 8.57	53.00
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 90.44 Per Month	\$12.29	15.73

If the Public Service Commission approves the proposed sewer rates, the increase in a customer's monthly bill will be:

Customer	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Phase 1 Rate	Increase Over Current (%)	Monthly Bill at Phase 2 Rate	Increase Over Current (%)	Monthly Bill at Phase 3 Rate	Increase Over Current (%)
User with Metered Water Service	4,134	\$72.24	\$85.15	17.87	\$95.19	31.77	\$105.24	45.68
User w/o Metered Water Service	NA	\$78.15	\$83.62	7.00	\$87.80	12.35	\$90.44	15.73

The Kentucky Public Service Commission has established Cases No. 2022-00366 (Water) and No. 2022-00367 (Sewer) to review Mountain Water District’s applications. Any person may examine these applications at Mountain Water District’s office, Mountain Water District, 6332 Zebulon Highway, Pikeville, Kentucky or at the Kentucky Public Service Commission’s offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission’s Web site at <https://psc.ky.gov/Case/ViewCaseFilings/2022-366> (Water) or <https://psc.ky.gov/Case/ViewCaseFilings/2022-367> (Sewer).

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Mountain Water District
First Publication Date: February 17, 2023