

Reasons for Application

Edmonson County Water District (“the District”) is filing this application in accordance with the Public Service Commission’s Order dated February 3, 2022, in Case No. 2021-00463. The District is requesting a 144.68 percent rate increase for its sewer customers to be implemented in two phases. This sewer rate increase will generate an approximate total of \$25,345 in additional annual revenue after implementation of the second phase.

The District needs this rate increase for the following reasons:

1. To enable the District to continue making its annual principal and interest payments on its existing long-term debt from current sewer revenues rather than from depreciation reserves;
2. To enable the District to meet the requirements set forth in its existing debt instrument;
3. To ensure the District’s Sewer Division remains in a sound financial condition by charging rates that recover its cost of providing service; and
4. To enable the District to make reasonable, additional deposits to its depreciation reserve account for future repairs and replacements.