

M&M NEWSPAPERS, INC.

d/b/a

MT. STERLING ADVOCATE

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I, Matt Hall, publisher of the Mt. Sterling Advocate Newspaper, a newspaper printed and published in the State of Kentucky, County of Montgomery, hereby certify that the attached legal notice for Montgomery County Water District #1 appeared in the March 23, 2023 edition.

Matt Hall

Subscribed and sworn to before me, a Notary Public within and for the State and County aforesaid, by Matt Hall to me personally known, this 23 day of March, 2023.

My commission expires the 7 day of September, 2025.

County of Montgomery Notary Public Mathna Boldeen

NOTICE OF PROPOSED RATE CHANGE

On or about March 27, 2023, Montgomery County Water District #1 ("District") anticipates filing an application with the Kentucky Public Service Commission ("PSC") pursuant to KRS 278.023 requesting approval of an increase in its rates for water service. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$225,000 to be evidenced by the issuance by the District of its waterworks revenue bonds in such amount, which RD has agreed to purchase provided the District meets certain conditions of RD, including revising the water rates as set forth below:

Current Monthly Water Rates

First 2,000 gallons	\$24.21 Minimum Bill
Next 3,000 gallons	\$0.00796 Per Gallon
Next 5,000 gallons	\$0.00724 Per Gallon
Over 10,000 gallons	\$0.00652 Per Gallon
Wholesale	\$0.00377 Per Gallon

Proposed Monthly Water Rates

	<u>Monthly Rate</u>	<u>Dollar Amount of Change</u>	<u>Percentage Change</u>
First 2,000 gallons	\$26.46 Minimum Bill	\$2.25	9.3%
Next 3,000 gallons	\$0.00856 Per Gallon	\$0.00060	7.5%
Next 5,000 gallons	\$0.00775 Per Gallon	\$0.00051	7.0%
Over 10,000 gallons	\$0.00694 Per Gallon	\$0.00042	6.5%
Wholesale	\$0.00384 Per Gallon	\$0.00070	18.5%

Customer Class	Average Monthly Usage Per Customer (Gallons)	Average Monthly Bill (Present Rates)	Average Monthly Bill (Proposed Rates)	Increase in Average Monthly Bill (\$)	Increase in Average Monthly Bill (Per Gallon)	Increase in Average Monthly Bill (%)
All meters	5,000	\$48.09	\$52.14	\$4.05	\$0.00081	8.42%

The proposed monthly water rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application and the meeting of the minimum filing requirements. Such date is expected to be on or about April 27, 2023. The Application for approval of the rate change will be filed with the PSC and may be examined during normal business hours at the following locations: (i) Montgomery County Water District #1 Office, 4412 Camargo Road, Mt. Sterling, KY 40353; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at <http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSC any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used to finance the costs of new radio read meters, a utility dump truck and trailer, and new fire hydrants.

Signed: Steve Hall, Chairman, Montgomery County Water District #1.