

NOTICE OF PROPOSED RATE INCREASE CHARGES FOR HARRISON COUNTY WATER
ASSOCIATION, INC.'S CUSTOMERS DUE TO WHOLESALE WATER RATE INCREASE

All customers of the Harrison County Water Association, Inc., which serves the majority of Harrison County, parts of: Scott County, Bourbon County, Pendleton County, and Nicholas County, Kentucky, PLEASE TAKE NOTICE OF THE FOLLOWING:

The Harrison County Water Association, Inc. ("HCWA") is filing a wholesale purchased water rate adjustment request with the Kentucky Public Service Commission, pursuant to KRS. 278 AND 807 KAR 5:068, due to a increase in wholesale water rates charged by KY American Water to Harrison County Water Association, of an increase from \$0.0049527 per 1000 gallons, plus QIP fee, and KY Riv w/fee, to \$0.0083091 per 1000 gallons and KY River w/ fee, as approved by KY PSC in Case No. 2025-00122.

Therefore, pursuant to amended resolution and approved motion of the Board of Directors on or about January 12, 2026, for an amended wholesale water rate increase adjustment, for the Harrison County Water Association, Inc., to increase rates to all of its customers; all pursuant to KRS 278 & 807 KAR 5:068, in KY PSC case No. 2025-00412. The Harrison County Water Association, Inc., is proposing increases (exact percentages stated and dollar amounts stated), in all minimum monthly bills and all purchases over the minimum monthly billing usage, of each customer's purchased water and/or used for each of its customers. The proposed increase for each category of meters and/or meter class, minimum purchase/use amounts and purchase/use amounts proposed for increases shall be as follows:

HCWA has proposed the effective date to be beginning with the January 13, 2026 billing period, which ends February 12, 2026, and which will be billed in March 2026, with a due date of March 17, 2026, and the proposed rates or the approved rate by KY PSC, in Case No. 2025-00412, will remain in effect thereafter, until further rate proceedings are approved in the future.

(The current rate is reflected in the chart with the new proposed rate)

**THIS RATE DOES NOT REFLECT ANY PASS-THROUGH FEES/TAXES IMPOSED BY COUNTY
GOVERNMENTS SUCH AS TAXES, FEES, 911 SURCHARGES, ETC.**

A) 5/8 inch x 3/4 inch meter

CURRENT RATE

First 2,000 gallons	\$21.72 minimum bill
Next 1,000 gallons	\$0.00841 per gallon
Next 2,000 gallons	\$0.00822 per gallon
Next 45,000 gallons	\$0.00766 per gallon
Over 50,000.00 gallons	\$0.00668 per gallon

PROPOSED PWA ADJUSTMENT RATE	Percentage change	Dollar change
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First 2,000 gallons	\$23.55 minimum bill	0.0842541436	\$1.83
Next 1,000 gallons	\$0.0093232 p/ gallon	0.1085850178	\$0.0009132
Next 2,000 gallons	\$0.0091332 p/ gallon	0.1110948905	\$0.0009132
Next 45,000 gallons	\$0.0085732 p/ gallon	0.1192167102	\$0.0009132
Over 50,000 gallons	\$0.0075932 p/ gallon	0.1367065868	\$0.0009132

B) ¾ inch Meter

CURRENT RATE

First 3,000 gallons	\$30.48 minimum bill
Next 2,000 gallons	\$0.00822 per gallon
Next 45,000 gallons	\$0.00766 per gallon
Over 50,000 gallons	\$0.00668 per gallon

PROPOSED PWA ADJUSTMENT RATE	Percentage change	Dollar change
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First 3,000 gallons	\$33.22 minimum bill	0.0898950131	\$2.74
Next 2,000 gallons	\$0.0091332 per gallon	0.1110948905	\$0.0009132
Next 45,000 gallons	\$0.0085732 per gallon	0.1192167102	\$0.0009132
Over 50,000 gallons	\$0.0075932 per gallon	0.1367065868	\$0.0009132

C) 1 inch meter

CURRENT RATE

First 5,000 gallons	\$46.58 minimum bill
Next 45,000 gallons	\$0.00766 per gallon
Over \$50,000 gallons	\$0.00668 per gallon

PROPOSED PWA ADJUSTMENT RATE	Percentage change	Dollar change
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First 5,000 gallons	\$51.15 minimum bill	0.0981107772	\$4.57
Next 45,000 gallons	\$0.0085732 p/ gallon	0.1192167102	\$0.0009132
Over \$50,000 gallons	\$0.0075932 p/ gallon	0.1367065868	\$0.0009132

D) 1 ½ inch meter

CURRENT RATE

First 10,000 gallons	\$84.83 minimum bill
Next 40,000 gallons	\$0.00766 per gallon
Over 50,000 gallons	\$0.00668 per gallon

PROPOSED PWA ADJUSTMENT RATE	Percentage change	Dollar change
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First 10,000 gallons	\$93.97 minimum bill	0.1077449016	\$9.14
Next 40,000 gallons	\$0.0085732 per gallon	0.1192167102	\$0.0009132
Over 50,000 gallons	\$0.0075932 per gallon	0.1367065868	\$0.0009132

E) 2 inch meter

CURRENT RATES

First 15,000 gallons	\$123.06 minimum bill
Next 35,000 gallons	\$0.00766 per gallon
Over 50,000 gallons	\$0.00668 per gallon

PROPOSED PWA ADJUSTMENT RATE		Percentage change	Dollar change
First 15,000 gallons	\$136.76 minimum bill	0.1113278076	\$13.70
Next 35,000 gallons	\$0.0085732 per gallon	0.1192167102	\$0.0009132
Over 50,000 gallons	\$0.0075932 per gallon	0.1367065868	\$0.0009132

The average usage for of gallons for each class is stated below, wherein, the average bill for each meter classification at current rate and proposed increased rates with dollar change and percentage change are stated as follows:

- a) $\frac{3}{4}$ x 5/8 meter, has an average monthly usage of 4400 gallons, with a current average bill of \$41.64. The proposed rate increase on the same average usage for the same meter category would increase \$4.03, for a total bill of \$45.67 a month, a percentage change of 0.0967819404;
- b) $\frac{3}{4}$ Inch meter, has an average monthly usage of 972 gallons, with an average monthly bill of \$30.48. The proposed rate increase on the same average usage for the same meter category would increase to \$2.74, for a total bill of \$33.22 a month, a percentage change of 0.0898950131;
- c) 1 inch meter, has an average usage of 10,066 gallons, with an average monthly bill of \$85.39. The proposed rate increase on the same average usage for the same meter category would increase to \$9.19, for a total bill of \$94.58 a month, a percentage change of 0.1076238435;
- d) 1 $\frac{1}{2}$ inch meter, has an average monthly usage of 7000 gallons, with an average monthly bill of \$84.83. The proposed rate increase on the same average usage for the same meter category would increase to \$9.14 for a total bill of \$93.97 a month, a percentage change of 0.1077449016;
- e) 2 inch meter, has an average usage of 21,406 gallons, with an average monthly bill of \$172.13. The proposed rate increase on the same average usage for the same meter category would increase to \$19.55, for a total bill of \$191.68 a month, a percentage change of 0.1135769477;

These proposed rate changes do not include pass through fees and taxes imposed by applicable local, state government,

THE RATE INCREASE PROPOSED WILL NOT BEGIN UNTIL THE PROPOSED RATES ARE APPROVED BY THE KENTUCKY PUBLIC SERVICE COMMISSION ("KY PSC"), BUT HAVE BEEN REQUESTED TO BEGIN AT ON JANUARY 13, 2026 FOR THE JANUARY 13, 2026 TO FEBRUARY 12, 2026 BILLING PERIOD; BILLED IN MARCH.

APPROVAL OF RATES WHICH DIFFER FROM THE PROPOSED RATES REQUESTED BY HCWA AS STATED HEREIN, SHALL BE ADVERTISED BY HCWA WITHIN THIRTY (30) DAYS OF APPROVAL OF DIFFERENT RATES BY KY PSC.

A copy of the rate application of the Harrison County Water Association, Inc., stating and/or showing the proposed rate increase and a copy of the application and all attachments not deemed confidential by KY PSC filed in request by HCWA for approval of the wholesale water rate increase to the Kentucky Public Service Commission, can be obtained by request to the office staff of the Harrison County Water Association, Inc. during normal business hours and days of operation, which is located at 433 Sea Biscuit Way, Cynthiana Kentucky, Monday-Friday, 8:00 a.m. to 4:30 p.m., or on its website (notice section. www.harrisoncountywaterky.nextbillpayonline.com). Additionally, a copy of the application can be examined at the Kentucky Public Service Commission's office, located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday-Friday, 8:00 a.m. to 4:30 p.m., or through their website at <http://psc.ky.gov>, Case No. 2025-00412, Electronic Application of Harrison County Water Association, Inc. for a wholesale purchased water rate increase.