



Milburn Water District
P O Box 550
Cunningham, KY 42035
270-748-7040

February 2, 2026

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

RE: Case No. 2021-00341
Milburn Water District
Revenue Sufficiency Analysis

Dear Ms. Bridwell:

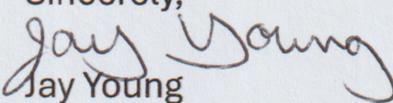
Attached is the Rate Sufficiency Analysis from Milburn Water District as required in the Final Order for Case No. 2021-00341 entered March 6, 2025:

“Milburn District shall file an application for a general rate adjustment, alternative rate adjustment pursuant to 807 KAR 5:076, or file a detailed explanation of why neither rate adjustment is necessary on or before September 1, 2025.”

The Rate Sufficiency Analysis prepared by Kentucky Rural Water Association states that Milburn Water District rates are sufficient:

“Using the Debt Service Coverage method, the total Revenue Required from Sales of Water comes to \$52,292; this is an increase above existing pro forma sales of \$785 and indicates an overall rate increase of 1.52% percent is computed. Using the Operating Ratio method, the total Revenue Required from Sales of Water comes to \$53,028; this is an increase above existing pro forma sales of \$1,521 and indicates an overall rate increase of 2.95% percent is computed... This analysis indicates that Milburn Water District’s current water rates are sufficient to cover operating expenses; the additional revenue requirements are insufficiently small to justify a rate application.”

Please contact me if you have any questions.

Sincerely,

Jay Young
Operator/Manager