

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND WATER ASSOCIATIONS (807 KAR 5:068)			
Name of Utility	Garrard County Water Association		
Date	July 13, 2026		
Address	315 Lexington Road		
City, State, Zip	Lancaster, KY	40444	
Telephone Number	859-792-4501		
Email Address	ssmith@garrardwater.com		
1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.			
Supplier(s)	Base Rate	Changed Rate	
City of Lancaster First 325,000,000	3.0044	3.3788	
City of Lancaster Next 325,000,000	1.7138	1.9476	
Ky River Authority Fee	\$.29 per 1,000	\$.29 per 1,000	
City of Danville	\$2.41 per 1,000	\$2.41 per 1,000	
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Attachment A			
2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).			
From	June 2025	through	May 2026
	(month and year)		(month and year)
3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.			

Supplier(s)	Gallons Purchased during 12 month period
City of Lancaster	451,089,500
City of Danville	27,252,123
TOTAL PURCHASES	478,341,623
4. Total gallons sold for the 12 month period	345,493,258
5. Increased water cost	\$151,159.73
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Attachment B	
6. Purchased water adjustment factor	.44
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.	
7. A schedule listing the current and proposed rates is attached as Attachment C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Attachment D	
9. Proposed effective date	July 1, 2026
	
Signature of Utility Officer	
General Manager	
Title	

Exhibit A

CUSTOMER NOTICE TO GARRARD COUNTY WATER ASSOCIATION, INC.

City of Lancaster ("Lancaster") is providing notice that it plans to file with the Public Service Commission, on or before July 1, 2025, to increase its wholesale water rate to Garrard County Water Association, Inc. ("Garrard County") effective for water service on and after August 1, 2025 and then on and after July 1 of the next two years. The proposed rates are as follows:

Effective August 1, 2025

WHOLESALE WATER RATES IN THOUSAND GALLONS						
Previous		New		Difference		
First 325,000,000 Gallons Minimum Annual Purchase	\$ 2.63	First 325,000,000 Gallons Minimum Annual Purchase	\$ 3.0044	\$ 0.3744	14.24%	
All Over 325,000,000 Gallons Annual Purchase	\$ 1.48	All Over 325,000,000 Gallons Annual Purchase	\$ 1.7138	\$ 0.2338	15.80%	

Effective July 1, 2026

WHOLESALE WATER RATES IN THOUSAND GALLONS						
Previous		New		Difference		
First 325,000,000 Gallons Minimum Annual Purchase	\$ 3.0044	First 325,000,000 Gallons Minimum Annual Purchase	\$ 3.3788	\$ 0.3744	12.46%	
All Over 325,000,000 Gallons Annual Purchase	\$ 1.7138	All Over 325,000,000 Gallons Annual Purchase	\$ 1.9476	\$ 0.2338	13.64%	

Effective July 1, 2027

WHOLESALE WATER RATES IN THOUSAND GALLONS						
Previous		New		Difference		
First 325,000,000 Gallons Minimum Annual Purchase	\$ 3.3788	First 325,000,000 Gallons Minimum Annual Purchase	\$ 3.7531	\$ 0.3743	11.08%	
All Over 325,000,000 Gallons Annual Purchase	\$ 1.9476	All Over 325,000,000 Gallons Annual Purchase	\$ 2.1815	\$ 0.2339	12.01%	

Garrard County purchased 365,127 thousand gallons of water from Lancaster during the Test Year (FYE June 30, 2024). Its average monthly purchases were 30,427.25 thousand gallons of which 27,083.33 thousand gallons were at \$2.63 per thousand gallons and 3,343.92 thousand gallons were at \$1.48 per thousand gallons. Under the current rates, Garrard County's average monthly bill was \$76,178.16. Under the proposed rate effective August 1, 2025, Garrard County's average monthly bill will be \$87,099.97, for an increase of \$10,921.81 per month or 14.34%. Under the proposed rate effective July 1, 2026, Garrard County's average monthly bill will be \$98,021.78, for an increase of \$10,921.81 per month or 12.54%. Under the proposed rate effective July 1, 2027, Garrard County's average monthly bill will be \$108,940.21, for an increase of \$10,918.43 per month or 11.14%.

Water flowing through the meters before the effective date will be charged at the current rate while water flowing through the meters on and after the effective date will be charged at the new rate.

This filing may be examined at the office of Lancaster located at 308 Maple Avenue, Lancaster, Kentucky 40444. Please contact Mayor Michael Gaffney at (859) 792-22241 regarding any questions related to the proposed rate.

The filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday-Friday from 8:00 am - 4:30 pm or on the Commission website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; or through its website at <http://psc.ky.gov>.

The new rates are the rates proposed by Lancaster in its filing, but the Public Service Commission may order rates that differ from the proposed rates contained in this Customer Notice.

Intervention by Garrard County or another person with a substantial interest may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request prior to the effective date of the proposed rate, the Public Service Commission may take final action on the proposed rate.

Exhibit B

Supplier	New Rate (per 1,000 gallons)	Old Rate (per 1,000 gallons)
Lancaster First 325m	\$ 3.38	\$ 3.00
Lancaster Over 325m	\$ 1.95	\$ 1.71
Ky River Authority Fee*	\$ 0.29	\$ 0.29
Danville	\$ 2.41	\$ 2.41

Supplier	Gallons Purchased During Test Period
Lancaster First 325m	325,000,000
Lancaster Over 325m	126,089,500
Ky River Authority Fee*	451,089,500
Danville	27,252,123
Total Gallons Purchased	478,341,623

Supplier	Cost at New Rate	Cost at Old Rate
Lancaster First 325m	\$ 1,098,110.00	976,430.00
Lancaster Over 325m	245,571.91	216,092.19
KY River Authority Fee*	130,815.96	130,815.96
Danville	65,677.62	65,677.62

			Increased Water Cost
Total	\$ 1,540,175.48	1,389,015.76	\$ 151,159.72

Total Gallons Sold for the Test Period	345,493,258
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Increased Water Cost	\$ 151,159.72
Divided by gals. sold/1,000	345,493
Purchased Water Adj. Factor	\$ 0.438

Purchased Water Adjustment Factor per 1,000 Gallons	\$ 0.44
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Exhibit C

Current Rates			Proposed Rates				
<u>Minimum Bills Based on Meter Size</u>			<u>Minimum Bills Based on Meter Size</u>				
Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill	Meter Size	Gals. Incl'd. in Minimum	Minimum Monthly Bill	Dollar Increase	Percent Increase
5/8x3/4 inch	1,000	\$ 14.93	5/8x3/4 inch	1,000	\$ 15.37	\$ 0.44	2.95
1 inch	5,000	\$ 43.56	3/4 inch	5,000	\$ 45.76	\$ 2.20	5.05
1 1/2 inch	10,000	\$ 74.86	1 inch	10,000	\$ 79.26	\$ 4.40	5.88
2 inch	25,000	\$ 168.73	1 1/2 inch	25,000	179.73	\$ 11.00	6.52
<u>Rates for Water Usage in Addition to Minimum</u>			<u>Rates for Water Usage in Addition to Minimum</u>				
No. of Gallons per Month	Charge per 1,000 gals.		No. of Gallons per Month	Charge per 1,000 gals.			
First 1,000 Gallons (lump sum)	\$	14.93	First 1,000 Gallons (lump sum)	\$	15.37	\$ 0.44	2.95
Next 1,000 Gallons	\$	0.00839	Next 1,000 Gallons	\$	0.00883	\$ 0.00044	5.24
Next 1,000 Gallons	\$	0.00693	Next 1,000 Gallons	\$	0.00737	\$ 0.00044	6.35
Next 2,000 Gallons	\$	0.00665	Next 2,000 Gallons	\$	0.00709	\$ 0.00044	6.62
Next 5,000 Gallons	\$	0.00626	Next 5,000 Gallons	\$	0.00670	\$ 0.00044	7.03
Next 10,000 Gallons	\$	0.00626	Next 10,000 Gallons	\$	0.00670	\$ 0.00044	7.03
Over 25,000 Gallons	\$	0.00626	Over 25,000 Gallons	\$	0.00670	\$ 0.00044	7.03
<u>Bulk Loading Station</u>			<u>Bulk Loading Station</u>				
All Usage per Gallon	\$	0.00754	All Usage per Gallon	\$	0.00798	0.00044	5.835544

Exhibit D

Board Meeting
August 5, 2025

The directors of the Garrard County Water Association held their monthly meeting on August 5, 2025. The meeting was held at the Association's office and began at 6:30 p.m. Board members present were Bill Doolin, Jenny Lynn Whittaker, Gary Clark, Robert Ballard, Bill Oliver, Jessica Fyfe, and Sean Smith.

Bill Doolin called the meeting to order and asked that the minutes of the July 1, 2025 meeting be read. Robert Ballard proceeded to read those and when he finished Robert Ballard made a motion to accept the minutes as read. Jenny Lynn Whittaker seconded Mr. Ballard's motion and the motion carried by voice vote.

The Board next reviewed the profit and loss statement for the month of July.

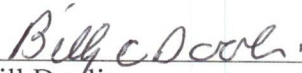
The Board then reviewed the proposed purchase water increase from the City of Lancaster. Bill Oliver made a motion to approve the pass-through rate increase from the city of Lancaster for the next three years. Jessica Fyfe seconded Mr. Oliver's motion and the motion carried by voice vote.

Sean Smith next recommended a \$2.00/hr. raise for Hagan Poynter due to his hard work and his eagerness to learn our system. Bill Oliver made a motion to give Hagan Poynter a \$2.00/hr. raise. Gary Clark seconded Mr. Oliver's motion and the motion carried by voice vote.

The Board next discussed ordering 120 AMRs due to the absence of meter readers. Bill Oliver made a motion to order 120 AMRs. Robert Ballard seconded Mr. Oliver's motion and the motion carried by voice vote.

Sean Smith reminded the Board that the upcoming KRWA Annual Conference in Louisville, KY was on August 18th and that it starts at 8:00 A.M.

Gary Clark next made a motion to adjourn the meeting. Robert Ballard seconded Mr. Clark's motion and the motion carried by voice vote.



Bill Doplin
President



Jenny Lynn Whittaker
Secretary/Treasurer
