Breathitt County Water District

Making Breathitt County

A Better Place One Drop at a Time.

Mr. Justin McNeil
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RE: Request to Maintain Existing Water Rates and Withdraw Rate Adjustment Application
Case No. 2026-00227

Dear Mr. McNeil:

On behalf of the Board of Commissioners of the Breathitt County Water District (District), I respectfully request that the Kentucky Public Service Commission (PSC) allow the District to maintain its existing water rates and not require an additional rate increase at this time. This request is based primarily on concerns regarding the affordability of water service for the District's customers.

As the PSC is aware, the District's customers have experienced annual water rate increases over the past three years as a result of Case No. 2022-00136, in which the PSC determined that the District required a 54.07 percent increase in its water rates. In response to the PSC Staff Report in that case, the District requested that the increase be phased in over four years to reduce the financial burden on its customers. The PSC ultimately approved a three-year phase-in of the rate increase.

The District's Board fully recognizes its responsibility to provide safe, reliable water service and to maintain the financial stability necessary to operate and maintain the system. The Board does not seek relief from those obligations and believes the District is presently fulfilling them while continuing to provide essential service to its customers.

Accordingly, the District respectfully requests approval to retain its current water rates and refrain from implementing an additional rate increase at this time. Furthermore, the District has complied with the Commission's Order in Case No. 2025-00234 requiring the filing of an application for a rate adjustment on or before August 31, 2026. Having satisfied that

requirement, the District respectfully requests permission to withdraw its rate adjustment application and continue charging its existing water rates.

The Board appreciates the Commission's consideration of the financial challenges facing the residents of Breathitt County and respectfully requests favorable action on this matter.

Thank you for your time and consideration.

Respectfully submitted,

BOBBY THORPE, Chairman
On Behalf of the Board of Commissioners
Breathitt County Water District