

PURCHASED WATER ADJUSTMENT FOR WATER DISTRICTS AND WATER ASSOCIATIONS (807 KAR 5:068)			
Name of Utility		McKinney Water District	
Date		September 8, 2026	
Address		2900 KY Hwy 198 PO Box 7	
City, State, Zip		Houstonville, KY 40448	
Telephone Number		606-346-2220	
Email Address		mckinneywaterdistrict@gmail.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 Stanford		\$3.53	\$3.66
City of Eubank		Minimum first 5,000 gallons \$30.00	No Change
City of Eubank		\$5.30 first 5,000 gallons	No Change
City of Eubank		\$4.40 over 10,000 gallons	No Change
1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit 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	August 2025	through	July 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.			

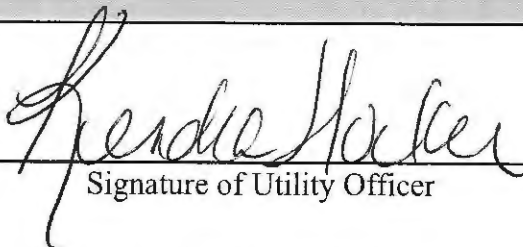
Supplier(s)	Gallons Purchased during 12 month period
City of Stanford	111,535,473
City of Eubank minimum bill first 5,000 gallons	60,000
City of Eubank next 5,000 gallons	60,000
City of Eubank over 10,000 gallons	45,301,764
TOTAL PURCHASES	156,957,237
4. Total gallons sold for the 12 month period	115,154,146
5. Increased water cost	14,499.61
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 Exhibit B	
6. Purchased water adjustment factor	.13
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 Exhibit C	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit D	
9. Proposed effective date	September 23, 2026
	
Signature of Utility Officer	
Office Manager	
Title	

Exhibit A

NOTICE:

The City of Stanford ("Stanford") is providing notice that it plans to file with the Public Service Commission, on or before August 13, 2026, to increase its wholesale rate to McKinney Water District effective for water service on and after September 23, 2026. The proposed rates are as follows:

<u>Current Rate</u>	<u>Proposed Rate</u>	<u>\$ Difference</u>	<u>% Difference</u>
\$3.53 per 1,000 gallons	\$3.66 per 1,000 gallons	\$0.13 per 1,000 gallons	3.7% Increase

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the new rates.

In accordance with Public Service Commission procedures, the effective date of the new rates cannot be prior to the expiration of a 30-day notice given to both the Commission and McKinney Water District.

This filing may be examined at the offices of Stanford located at 842 East Main Street in Stanford, Kentucky.

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 PSC 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 Stanford in its filing but the Public Service Commission may order rates that differ from the proposed rates.

Intervention 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 for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

Exhibit B

	New Rate		Base Rate
Eubank first 5,000 gallons			
Minimum Bill first 5,000 gallons		60,000	60,000
Volumetric Rate	\$	30.00	\$ 30.00
	\$	360	\$ 360
Eubank next 5,000 gallons			
Purchase in gallons		60,000	60,000
Volumetric Rate	\$	5.30	\$ 5.30
	\$	318	\$ 318
Eubank over 10,000 gallons			
Purchase in gallons		45,301,764	45,301,764
Volumetric Rate	\$	4.40	\$ 4.40
Total	\$	199,328	\$ 199,328
City of Stanford			
Purchase in gallons		111,535,473	111,535,473
Volumetric Rate	\$	3.66	\$ 3.53
Total	\$	408,219.83	\$ 393,720.22
Increased Water Cost	\$	14,499.61	
Divided by gals. sold/1,000		115,154.146	
Purchased Water Adj. Factor	\$	0.12591	

or \$.13 per 1,000 Gallons

Exhibit C

Current Rates				Proposed Rates Per Gallon & 1,000 Gallons					
<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	1,000	\$ 20.07		5/8x3/4	1,000	\$ 20.20	\$ 0.13	0.65	
1 Inch	5,000	\$ 67.21		1 Inch	5,000	\$ 67.86	\$ 0.65	0.97	
2 Inch	20,000	\$ 220.96		2 Inch	20,000	\$ 223.56	\$ 2.60	1.18	
<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 gallon		No. of Gallons per Month		Charge per gallon			
First 1,000 Gallons (lump sum)		\$ 20.07		First 1,000 Gallons (lump sum)		\$ 20.20	\$ 0.13	0.65	
Next 2,000 Gallons		\$ 0.01272		Next 2,000 Gallons		\$ 0.01285	\$ 0.00013	1.02	
Next 7,000		\$ 0.01085		Next 7,000		\$ 0.01098	\$ 0.00013	1.20	
All Over 10,000 gallons		\$ 0.00995		Next 10,000 Gallons		\$ 0.01008	\$ 0.00013	1.31	

Exhibit D

RESOLUTION NO. 2026-09-08

**A RESOLUTION OF MCKINNEY COUNTY WATER DISTRICT
ADJUSTING ITS WATER RATES TO OFFSET CITY OF STANFORDS'
WHOLESALE RATE INCREASE**

WHEREAS, the City of Stanford supplies potable water to McKinney Water District on a wholesale basis;

WHEREAS, on August 13, 2026, the City of Stanford informed McKinney Water District it would be increasing its wholesale rate effective September 23, 2026;

WHEREAS, based upon the water purchases from the City of Stanford during the previous 12 months, the estimated annual increased cost to McKinney Water District will be **\$14,499.61**;

WHEREAS, prudent financial management dictates that McKinney Water District take action to adjust its retail rates commensurate with the City of Stanford's wholesale rate increase; and

WHEREAS, KRS 278.015 and 807 KAR 5:068 provide the legal mechanism for McKinney Water District to increase its water rates to commensurate with the City of Standrord's wholesale rate increase via a Purchased Water Adjustment ("PWA")

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF MCKINNEY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The facts, recitals, and statements contained in the foregoing preamble of this Resolution are true and correct and are hereby affirmed and incorporated as a part of this Resolution.

Section 2. The PWA factor is **\$.13** per 1,000 gallons;

Section 3. All tiers of water usage and the wholesale water rate set forth in McKinney Water District's existing tariff shall be increased by **\$.13** per 1,000 gallons, subject to any minor adjustment that may be made by the PSC.

Section 4. The monthly water rates to be charged to and collected from the customers and users of the water system of McKinney Water District shall be as set forth in **Exhibit C**, which is attached hereto and is incorporated herein by reference as a part of this Resolution. The rates set forth in **Exhibit C** are subject to any minor adjustment that may be made by the PSC. These monthly rates shall be in effect for all water service rendered on and after September 23, 2026, upon PSC approval.

Section 5. The Chairman and the General Manager are hereby authorized and directed to execute and file the PWA Application, Tariff Sheet, and all other documents that may be required by the PSC.

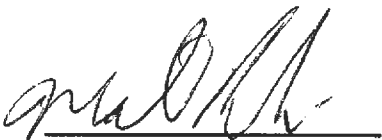
Section 6. The Chairman, General Manager, and all appropriate McKinney Water District Staff are hereby further authorized and directed to take any and all other actions and to execute and deliver any and all other documents as may be reasonably necessary to implement the PWA.

Section 7. This Resolution shall take effect upon its adoption.

ADOPTED BY THE BOARD OF COMMISSIONERS OF McKinney

WATER DISTRICT at a meeting held on September 8, 2026 signed by the
Chairman, and attested by the Secretary.

ATTEST:

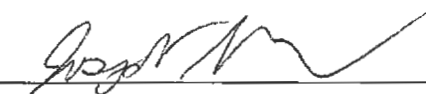

Chairman


Secretary

CERTIFICATION

This is to certify that I have supervised the preparation of the McKinney Water District's Response to the Commission's Request for Information. The response submitted on behalf of the McKinney Water District is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Date: September 8, 2026



Secretary