

Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41102
Office: (606) 928-9808
Fax: (606) 928-4788



January 8, 2025

Ms. Linda C. Bridwell, P.E.
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602-0615

RE: TFS2024-00584
Wholesale Provider: City of Ashland, Kentucky
Wholesale Purchaser: Cannonsburg Water District


Dear Ms. Bridwell:

Cannonsburg Water District (Cannonsburg District) has received written notice from the City of Ashland, Kentucky (Ashland) of Ashland's intent to increase its Wholesale Rate, effective February 1, 2025. Cannonsburg District has also reviewed the support materials filed by Ashland with the PSC on December 27, 2024.

A few months ago, Ashland provided Cannonsburg District with the Wholesale Rate Study prepared by HDR. Following Cannonsburg District's review of the Study, representatives from Ashland and Cannonsburg District, along with their respective counsel met on more than one occasion to discuss how Ashland's wholesale rate increase to Cannonsburg District could be structured to reduce the level of rate shock to Cannonsburg District's customers. These discussions were respectful, focused, and productive, and Cannonsburg District appreciates Ashland's cooperation and consideration during these discussions. Ashland and Cannonsburg have agreed that the best way to avoid rate shock is to structure Ashland's wholesale rate increase to Cannonsburg in three (3) phases.

Cannonsburg District does **not** plan to file a protest to the proposed Wholesale Rate, nor does it plan to file a Motion for Intervention in this matter.

Yours truly,
Cannonsburg Water District



Tim Web, District Manager

cc: City of Ashland, Kentucky