



Office of the Utility Director  
1700 Greenup Ave  
PO BOX 1839  
Ashland, KY 41101

April 1, 2024

Linda C. Bridwell  
Executive Director  
Public Service Commission 211 Sower  
Boulevard  
Frankfort, KY 40601

RE: Response to TFS2024-00085  
Wholesale Supplier: City of Ashland, Kentucky  
Wholesale Purchaser: Cannonsburg Water District

Ms. Bridwell:

On March 25, 2024, Damon R. Talley, representing Cannonsburg Water District, filed a letter with the Kentucky Public Service Commission requesting an investigation into the reasonableness of Ashland's proposed wholesale rate change to Cannonsburg. The letter details their protest based on their claim that Ashland has high water loss, provided inadequate communication to Cannonsburg and their Cost-of-Service Study was out of date.

Ashland does have high water loss which we have continued to address through main line replacement and leak detection services. Due to our awareness of this issue our Cost-of-Service Study was prepared to allow for a maximum of 15% water loss with respect to wholesale customers.

Ashland feels that the proposed September 1, 2024 effective date provided adequate notification of their intent to implement a rate change.

Please consider this official notice that the City of Ashland concedes that their recently submitted Cost of Service Study is out of date. We are in the process of updating this study with current information and will resubmit the updated study upon completion.

It is for this reason that we withdraw our submission to request a rate increase.

Please contact me with any questions concerning this or any other matter.

Sincerely,

A handwritten signature in black ink that reads "Mark Hall".

Mark Hall  
Director of Utilities