

NOTICE

On or about February 17, 2023, Mountain Water District will file applications with the Kentucky Public Service Commission for the purpose of adjusting its monthly rates for water and sewer service. Mountain Water District is making these applications to comply with the Kentucky Public Service Commission's Order of December 13, 2021 in Case No. 2021-00412.

Mountain Water District proposes to charge the following rates for water service beginning March 20, 2023:

WATER RATES				
	Present Rate	Proposed Rate	Change (\$)*	Change (%)
Residential				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 28.23 Minimum Bill	\$ 4.14	17.19
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 3.21	37.54
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.76 Per 1,000 Gallons	\$ 4.14	54.33
Commercial (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 33.00 Minimum Bill	\$ 8.91	36.99
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 63.09 Minimum Bill	\$ 13.35	26.84
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 1.48	17.31
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 173.42 Minimum Bill	\$ 4.73	2.80
Next 4,000 Gallons		\$ 10.03 Per 1,000 Gallons	\$ 44.85	26.59
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 333.90 Minimum Bill	\$ 89.01	36.35
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 73.77	30.12
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.627
Commercial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 514.44 Minimum Bill	\$117.15	29.49
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Commercial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,015.94 Minimum Bill	\$237.65	30.53
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 10.03 Per 1,000 Gallons	\$ 2.41	31.63
Public Authority (5/8 x 3/4-Inch Meter)				
First 2,000 Gallons	\$ 24.09 Minimum Bill	\$ 48.05 Minimum Bill	\$ 23.96	99.46
Next 8,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 77.00 Minimum Bill	\$ 27.26	54.80
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 1.10	12.87
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 183.15 Minimum Bill	\$ 14.46	8.57

Next 4,000 Gallons		\$ 9.65 Per 1,000 Gallons	\$ 53.06	31.45
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 337.55 Minimum Bill	\$ 92.66	37.84
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$ 77.42	29.76
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 511.25 Minimum Bill	\$113.96	28.68
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Public Authority (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$ 993.75 Minimum Bill	\$215.46	27.68
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 9.65 Per 1,000 Gallons	\$ 2.03	26.64
Industrial (1-Inch Meter)				
First 5,000 Gallons	\$ 49.74 Minimum Bill	\$ 106.08 Minimum Bill	\$ 56.34	113.27
Next 5,000 Gallons	\$ 8.55 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 2.66	31.11
Over 10,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (2-Inch Meter)				
First 16,000 Gallons	\$ 168.69 Minimum Bill	\$ 229.39 Minimum Bill	\$ 60.70	35.98
Next 4,000 Gallons		\$ 11.21 Per 1,000 Gallons	\$105.54	62.56
Over 20,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (3-Inch Meter)				
First 30,000 Gallons	\$ 244.89 Minimum Bill	\$ 408.75 Minimum Bill	\$163.86	66.91
Next 2,000 Gallons	\$ 7.62 Per 1,000 Gallons		\$148.62	60.69
Over 32,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (4-Inch Meter)				
First 50,000 Gallons	\$ 397.29 Minimum Bill	\$ 610.53 Minimum Bill	\$213.24	53.67
Over 50,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Industrial (6-Inch Meter)				
First 100,000 Gallons	\$ 778.29 Minimum Bill	\$1,171.03 Minimum Bill	\$392.74	50.46
Over 100,000 Gallons	\$ 7.62 Per 1,000 Gallons	\$ 11.21 Per 1,000 Gallons	\$ 3.59	47.11
Wholesale				
Martin County Water District	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Mingo County PSD	\$4.74 per 1,000 gallons	\$ 5.83 per 1,000 gallons	\$ 1.13	23.00
City of Jenkins				
First 50,000 Gallons	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.02
Over 50,000 Gallons	\$3.58 per 1,000 gallons	\$ 4.40 per 1,000 gallons	\$ 0.82	22.9
City of Elkhorn				
First 215,000 per day	\$2.99 per 1,000 gallons	\$ 3.67 per 1,000 gallons	\$ 0.68	22.74
Over 215,000 per day	\$3.17 per 1,000 gallons	\$ 3.90 per 1,000 gallons	\$ 0.73	23.03
*If the volume of water available in a minimum bill for a rate classification has changed, the amount of the change is calculated using the proposed minimum charge's volume and the prior minimum charge's volume.				

Mountain Water District further proposes to classify its customers based upon the following customer classes:

Commercial: private schools, colleges, hospitals, private educational, cultural, social or religious organizations, and business or manufacturing establishments if the water is not used principally in manufacturing or processing functions.

Industrial: manufacturing or processing establishments if the water is used principally in manufacturing or processing function.

Residential: single premise residences, multiple premises residences in which each premises is served through a single meter, multiple premises residences served through a single meter, and churches.

Public Authority: municipal, county, state or federal agencies (other than the sales of water for resale) and includes city buildings, public schools, public housing developments, libraries and hospitals, fire stations, county, state and federal buildings and agencies.

Wholesale: A private or public water utility which resells water to its customers.

If the Public Service Commission approves the proposed water rates, the increase in a customer's monthly bill will be:

Customer*	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Proposed Rate	Monthly Bill Increase (\$)	Monthly Bill Increase (%)
Residential	3,100	\$ 33.50	\$ 41.17	\$ 7.67	22.90
Commercial					
5/8-x 3/4-Inch Meter	3,455	\$ 36.53	\$ 47.59	\$ 11.06	30.28
1-Inch Meter	8,067	\$ 75.96	\$ 93.85	\$ 17.89	23.55
2-Inch Meter	50,688	\$ 402.53	\$ 521.34	\$ 118.81	29.52
3-Inch Meter	209,832	\$ 1,615.21	\$ 2,117.55	\$ 502.34	31.10
4-Inch Meter	156,570	\$ 1,209.35	\$ 1,583.34	\$ 373.99	30.92
6-Inch Meter	331,462	\$ 2,542.03	\$ 3,337.50	\$ 795.47	31.29
Public Authority					
5/8-x 3/4-Inch Meter	1,622	\$ 24.09	\$ 48.05	\$ 23.96	99.46
1-Inch Meter	11,662	\$ 105.15	\$ 141.29	\$ 36.14	34.37
2-Inch Meter	38,445	\$ 309.24	\$ 399.74	\$ 90.50	29.27
3-Inch Meter	161,182	\$ 1,244.50	\$ 1,584.16	\$ 339.66	27.29
4-Inch Meter	49,972	\$ 397.29	\$ 511.25	\$ 113.96	28.68
6-Inch Meter	37,673	\$ 778.29	\$ 993.75	\$ 215.46	27.68
Industrial					
2-Inch Meter	8,500	\$ 168.69	\$ 229.39	\$ 60.70	35.98
4-Inch Meter	678,250	\$ 5,184.56	\$ 7,653.21	\$2,468.65	47.62
Martin County Water District	10,633	\$ 33.71	\$ 41.47	\$ 7.76	23.00
Mingo County Public Service District	184,712	\$ 875.53	\$ 1,076.87	\$ 201.34	23.00
Jenkins Utilities	0	\$ 0.00	\$ 0.00	\$ 0.00	0
City of Elkhorn	4,627,241	\$13,835.45	\$16,981.97	\$3,146.52	22.74

*Meter sizes not listed did not have any customers during the period used to establish the proposed rates.

Mountain Water District further proposes to assess, beginning March 20, 2023, a Water Infrastructure Improvement Surcharge of \$5.61 on each water customer's monthly bill for 36 months to finance proposed infrastructure improvements to reduce water loss and improve service quality. Prior Kentucky Public Service

Commission approval will be required for each use of surcharge proceeds. All surcharge proceeds must be maintained in a separate interest-bearing account. All collections and uses of surcharge proceeds must be reported monthly to the Kentucky Public Service Commission. Failure to comply with the conditions attached to the proposed surcharge will result in termination of the Water Infrastructure Improvement Charge Surcharge and refund of all surcharge proceeds Mountain Water District's possession or control and all proceeds disbursed for expenses or projects not approved by the Kentucky Public Service Commission.

Mountain Water District also proposes to adjust its rates for monthly sewer service. Mountain District proposes to place the Phase 1 rates into effect on March 20, 2023. Phase 2 rates will become effective one year later. Phase 3 rates will become effective two years later. The proposed rates for sewer service are as follows:

SEWER RATES (PHASE 1)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 43.39 Minimum Bill	\$ 5.66	15.00
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 19.57 Per 1,000 Gallons	\$ 3.40	21.03
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 83.62 Per Month	\$ 5.47	7.00

SEWER RATES (PHASE 2)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 47.92 Minimum Bill	\$10.19	27.01
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 22.15 Per 1,000 Gallons	\$ 5.98	36.98
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 87.80 Per Month	\$ 9.65	12.35

SEWER RATES (PHASE 3)				
All Users With Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
First 2,000 Gallons	\$37.73 Minimum Bill	\$ 52.44 Minimum Bill	\$14.71	38.99
Over 2,000 Gallons	\$16.17 Per 1,000 Gallons	\$ 24.74 Per 1,000 Gallons	\$ 8.57	53.00
All Users Without Metered Water Service				
	Present Rate	Proposed Rate	Change (\$)	Change (%)
Monthly Rate	\$78.15 Per Month	\$ 90.44 Per Month	\$12.29	15.73

If the Public Service Commission approves the proposed sewer rates, the increase in a customer's monthly bill will be:

Customer	Average Usage (gals)	Monthly Bill at Current Rate	Monthly Bill at Phase 1 Rate	Increase Over Current (%)	Monthly Bill at Phase 2 Rate	Increase Over Current (%)	Monthly Bill at Phase 3 Rate	Increase Over Current (%)
User with Metered Water Service	4,134	\$72.24	\$85.15	17.87	\$95.19	31.77	\$105.24	45.68
User w/o Metered Water Service	NA	\$78.15	\$83.62	7.00	\$87.80	12.35	\$90.44	15.73

The Kentucky Public Service Commission has established Cases No. 2022-00366 (Water) and No. 2022-00367 (Sewer) to review Mountain Water District's applications. Any person may examine these applications at Mountain Water District's office, Mountain Water District, 6332 Zebulon Highway, Pikeville, Kentucky or at the Kentucky Public Service Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Public Service Commission's Web site at <https://psc.ky.gov/Case/ViewCaseFilings/2022-366> (Water) or <https://psc.ky.gov/Case/ViewCaseFilings/2022-367> (Sewer).

Comments regarding either application may be submitted to the Kentucky Public Service Commission through the Commission's Web Site at <https://psc.ky.gov/Case/SearchCasesPublicComments> or by e-mail to psc.info@ky.gov or by mail to the Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Mountain Water District. However, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates. Such action may result in rates for consumers other than the rates in this notice.

A person may submit a timely written request for intervention to the Kentucky Public Service Commission, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the person's status and interest. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of notice, it may take final action on the proposed rates.

Mountain Water District

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