

## NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Kentucky Public Service Commission ("PSC") as set out in 807 KAR 5:069, Section 3, notice is hereby given to the customers of the Bracken County Water District ("District") of a change in water rates for users of the District's water system. The changes in water rates are required by the U.S. Department of Agriculture, acting through Rural Development ("RD") in connection with a loan by RD to the District in the principal amount of \$3,427,000 to be evidenced by the issuance by the District of its waterworks revenue bonds in such amount, which RD has agreed to purchase Provided the District meets certain conditions of RD, including revising the water rates as set forth below:

### Current Monthly Water Rates

Residential, Commercial and Industrial

First 2,000 gallons and Minimum Bill	\$25.89
Next 38,000 gallons	\$ 9.89 per 1,000 gallons
Over 40,000 gallons	\$ 7.86 per 1,000 gallons
Wholesale Rate	\$ 3.79 per 1,000 gallons
Bulk Sales: Loading Stations	\$ 9.00 per 1,000 gallons

### Proposed Monthly Water Rates

Residential, Commercial and Industrial

	<u>New Monthly Rate</u>	<u>Dollar Change</u>	<u>Percent Change</u>
First 2,000 gallons	\$27.85	\$1.96	8%
Next 38,000 gallons	\$10.63	\$ .74	8%
Over 40,000 gallons	\$ 8.43	\$ .57	8%
Wholesale	\$ 4.04	\$ .25	7%
Bulk Sales	\$ 9.50	\$ .50	6%

The proposed monthly water rates shall be effective for water sold after the date of the final approving Order of the PSC, which Order is expected to be issued no later than 30 days of the filing of the Application. Based on the average monthly usage of 5,000 gallons, the average bill of all Bracken County Water District customer classifications would increase \$4.18 from \$55.56 to \$59.74 or 8%. The Application for approval of the rate change has been filed with the PSC and may be examined during normal business hours at the following locations: (i) Bracken County Water District Office, 1324 Brooksville Germantown Road, Brooksville, Kentucky 41004; (ii) PSC, 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., E.T.; and (iii) via the PSC website at

<http://psc.ky.gov>. Comments regarding the Application may be submitted to the PSC via its website or by mail to PSC, P.O. Box 615, Frankfort, Kentucky 40602.

The proposed rates are required under the terms of an agreement between the District and RD and KRS 278.023 does not grant the PSC any discretionary authority to modify or reject any portion of the agreement between the District and RD, or to defer the issuance of all necessary orders to implement the terms of the agreement. The RD loan proceeds will be used to finance the costs of the installation of approximately 20,000 LF of 8" water main, 90,000 LF of 6" water main, 45,000 LF of 4" water main, 20,000 LF of 3" water main and all related appurtenances. Signed: Anthony Habermehl, Chairman, Bracken County Water District.