

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

CASE NO. 25-0595-WS-DSIC

WEST VIRGINIA-AMERICAN WATER COMPANY
2026 Distribution System Improvement Charge

**PUBLIC NOTICE OF CHANGE IN RATES and
NOTICE OF PUBLIC HEARING**

On June 30, 2025, West Virginia-American Water Company (WVAWC) filed an application for approval of a Distribution System Improvement Plan and Charge (Application) pursuant to the direction of the Public Service Commission of West Virginia (Commission) in its February 24, 2016 Order that resolved WVAWC's 2015 rate application, Case Nos. 15-0675-S-42T and 15-0676-W-42T.

WVAWC proposes to invest approximately \$37.7 million in water and \$6.1 million in wastewater infrastructure replacement and system upgrades in 2026. The investment will include the replacement of transmission and distribution mains, hydrants, water service lines, meters, collection mains, services, manholes, valves, structures, communication equipment, process plant facilities and equipment and treatment and disposal (T&D) equipment, pumping equipment, wastewater troubled system acquisition investment, and post-acquisition collection system investment. WVAWC is requesting to recover the costs related to the investment through its Distribution System Improvement Charge (DSIC). The projects proposed for 2026 are identified in the Application, which is on file and available for public inspection at the Commission's offices at 201 Brooks Street, Charleston, West Virginia, and may be viewed on the Commission's website, www.psc.state.wv.us.

As with the DSIC currently in place, WVAWC proposes to recover costs associated with these investments through a surcharge on customer bills, calculated as a percentage of the total monthly bill for service (comprised of both the minimum meter charge and the volumetric rate component). WVAWC proposes to include a Wastewater System Improvement Charge (WSIC) as a subcomponent of the DSIC to recover qualified investments in wastewater utility plant, as authorized by the Commission Order issued March 1, 2024 in Case No. 23-0558-WS-DSIC. The proposed DSIC rate combines WVAWC's DSIC qualified wastewater revenue requirement with its water revenue

requirement to calculate a single DSIC rate that is the same percentage adder for both water and wastewater customers.

WVAWC projects that if the DSIC and WSIC revenue requirement are approved as requested, the 2026 DSIC/WSIC adders will recover \$5.8 million through a DSIC Rate Component of 2.79%. The average monthly bill for various classes of customers when compared with current authorized base rates, will change as follows:

Water

DSIC RATE OF 2.79 % (Effective 03/01/2026)

Wastewater

WSIC Rate of 2.79% (Effective 03/01/2026)
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Customer Class (Average Monthly Usage)	(\$) Increase	(%) Increase
Residential (3K gallons)	\$ 2.00	2.87%
Commercial (16K gallons)	\$ 10.64	2.87%
Industrial (650K gallons)	\$ 260.85	2.87%
OPA (33K gallons)	\$ 45.20	2.87%
Sale for Resale (5,652K gallons)	\$1,557.84	2.87%

Customer Class (Average Monthly Usage)	(\$) Increase	(%) Increase
Residential (3K gallons)	\$ 5.28	7.35%
Commercial (16K gallons)	\$ 25.29	7.35%
Industrial (650K gallons)	\$ 1,000.86	7.35%
OPA (33K gallons)	\$ 51.45	7.35%
Sale for Resale (5,652K gallons)	N/A	N/A

If approved, the 2026 DSIC and WSIC rate increments will also directly or indirectly affect customers of the following public service districts, regional development authorities, municipalities, or other governmental subdivisions who, under agreements approved by the Commission, are charged water service or wastewater service rates that are in whole or in part based on the rates of WVAWC:

Water

- Boone County Public Service District
- Cumberland Public Service District
- Jumping Branch-Nimitz Public Service District
- Kanawha County Regional Development Authority
- Lashmeet Public Service District
- Lewis County Economic Development Authority
- New Haven Public Service District
- Oakvale Road Public Service District
- Putnam County Building Commission
- Salt Rock Public Service District
- Webster County Economic Development Authority

Wastewater

- New Haven Public Service District

The increase and percentage increase for customers of the above listed utilities will be approximately the same as those shown for the WVAWC customers.

Some of the customers receiving service from these entities under Operation and Maintenance Agreements with WVAWC also pay a surcharge in addition to the rates that mirror WVAWC rates. These surcharge amounts were approved by the Commission in prior cases, and those surcharges will not increase or otherwise be affected by this filing.

Wholesale resale customers of WVAWC subject to the DSIC surcharge include Bluefield Valley Water Works Company, Flatwoods Canoe Run Public Service District, and South Putnam Public Service District.

The increase shown above are based on averages of all customers in the indicated class. Each class may receive an increase greater or less than stated here. Individual customers may receive increase that are greater or less than average. The requested rates and charges are only a proposal and are subject to changes (decreases or increase) by the Commission in its review of the filing. In addition, WVAWC has proposed new base rates in its pending base rate proceedings, Case Nos. 25-0426-W-42T and 25-0428-S-42T, which have been suspended until March 1, 2026. The percentage change in average monthly bills noticed herein may be higher or lower depending on the result of the Commission decision in Case Nos. 25-0426-W-42T and 25-0428-S-42T. The new DSIC and WSIC rate increments are recommended by WVAWC to become effective on March 1, 2026, coincidental with the effective date of rates in Case Nos. 25-0426-W-42T and 25-0428-S-42T, which date is currently March 1, 2026. No rate change will become effective unless and until approved by the Commission.

The Commission set a hearing date on the Application which will begin at 9:30 a.m. on December, 11, 2025, in the Howard M. Cunningham Hearing Room at the Commission's offices at 201 Brooks Street, Charleston, West Virginia. The Commission may cancel the hearing for good cause shown. Interested persons intending to attend the hearing should monitor the web docket.

Anyone desiring to protest or intervene should file a written protest or request to intervene that briefly states the reason for the protest or request to intervene. Requests to intervene must comply with the rules on intervention set forth in the Commission's Rules of Practice and Procedure and must be filed within twenty (20) days following the date of this publication unless otherwise modified by Commission order. The Commission will receive public comments throughout the entirety of the proceeding. All written comments and requests to intervene should state the case name and number

and be addressed to Karen Buckley, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323. Public comments may also be filed online at <http://www.psc.state.wv.us/scripts/onlinecomments/default.cfm> by clicking the "Formal Case" link.

WEST VIRGINIA-AMERICAN WATER COMPANY