

(N) **RATES**

(N) All customers subject to this QIP Rider receiving water service shall be assessed a monthly
(N) QIP Rider charge in addition to the service charge, consumption charge or monthly fee
(N) component of their applicable rate schedule that will enable the Company to complete the
(N) Qualified Infrastructure Program.

(N) The QIP Rider will be updated annually and subsequently adjusted to true-up the projected
(N) costs with the actual costs. The initial annual prospective QIP period will be the first full
(N) twelve month period following the Forecast Test Period utilized by the Commission in
(N) establishing Base Rates of the Company in its prior Base Rate Case proceeding. A filing
(N) with the projected costs for each twelve month QIP period will be submitted annually at
(N) least 90 days prior to the commencement of that QIP period, to become effective with the
(N) first day of the QIP period. The Company will submit a balancing adjustment annually no
(N) later than 90 days after the end of each 12 month QIP period to true-up the projected
(N) program costs and revenues, with the actuals for the same period. The balancing
(N) adjustment true-up to the rider will become effective 180 days after the end of the QIP
(N) period.

(N) The monthly QIP Rider charges for all respective water service classifications will be
(N) calculated as a percentage and applied to all water charges including meter fees,
(N) volumetric water sales, fire service fees, and public and private hydrant fees from the
(N) Company's most recent base rate case, but excluding any other surcharge or add-on taxes..
(N) It will be listed as a separate line item on the customer bill. The QIP percentage shall be
(N) calculated on an annual prospective basis. The QIP Rider charge effective on and after the
(N) effective date is:

0.00%

(N) indicates new rate or requirement



ISSUED: November 28, 2018
EFFECTIVE: June 28, 2019

Approved:

ISSUED BY: /s/ Nick O. Rowe
Nick O. Rowe
President
2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in
Case No. 2018-00358 dated June 27, 2019

