COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:)	
)	
THE APPLICATION OF KENTUCKY-AMERICAN)	CASE NO. 2012-00520
WATER COMPANY FOR AN ADJUSTMENT OF)	
RATES ON AND AFTER JANUARY 27, 2013)	

NOTICE OF INTENTION TO IMPLEMENT RATES

Pursuant to Kentucky Revised Statute 278.190(2), Kentucky-American Water Company hereby gives notice to the Commission of its intention to place the proposed rates, charges, classifications and services set forth in the attached tariffs, which were included as part of its December 28, 2012 Application, Statement and Notice, in effect for service rendered on and after July 27, 2013. Kentucky-American Water Company does not intend to place any other tariffs in effect pursuant to Kentucky Revised Statute 278.190(2) other than those attached to this Notice until the Commission issues its final order in this proceeding.

Dated: July 26, 2013 Respectfully submitted,

Lindsey W. Ingram III Monica H. Braun STOLL KEENON OGDEN PLLC 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507-1801 Telephone: (859) 231-3000

BY: Mosey W. Ing Tu

Attorneys for Kentucky-American Water Company

CERTIFICATE

In accordance with Ordering Paragraph No. 10 of the Commission's December 17, 2012 Order, this is to certify that Kentucky-American Water Company's July 26, 2013 electronic filing is a true and accurate copy of the documents to be filed in paper medium; that the electronic filing has been transmitted to the Commission on July 26, 2013; that an original and one copy of the filing will be delivered to the Commission on July 26, 2013; and that no party has been excused from participation by electronic means.

STOLL KEENON OGDEN PLLC

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Attorneys for Kentucky-American Water Company

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CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 1

Applicable

Applicable to the entire Service Territory of Kentucky-American Water Company.

Availability of Service

Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority metered service.

Meter Rates

The following shall be the rates for consumption, in addition to the service charges provided for herein;

		Rate Per	Rate Per	Rate Per
(N)	Customer	1,000 Gallons	100 Gallons	100 Cubic Feet
	Category	All consumption	All Consumption	All Consumption
(I)	Residential	\$5.4462	\$0.5446	\$4.0738
(I)	Commercial	4.8751	0.4875	3.6466
(I)	Industrial	4.6000	0.4600	3.4408
	Municipal & Other			
(I)	Public Authority	4.5530	0.4553	3.4056
(I)	Sales for Resale	4.2452	0.4245	3.1754

Service Charges

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

	Service Charge
Size of Meter	Per Month
5/8"	\$14.00
3 /4"	21.00
1"	35.00
1-1 /2"	70.00
2"	112.00
3"	210.00
4"	350.00
6"	700.00
8"	1,120.00
	5/8" 3 /4" 1" 1-1 /2" 2" 3" 4" 6"

(N) Indicates New Text (Additional Column added for per 100 gallon rate)

(I) Indicates Increase

ISSUED: December 28, 2012

EFFECTIVE: July 27, 2013

ISSUED BY: Cheryl D. Norton, President

2300 Richmond Road, Lexington, KY 40502

CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 3

Applicable

Applicable to the entire Service Territory of Kentucky-American Water Company.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates

	\$ P.	Rate Per	Rate Per
	Size of Service	<u>Month</u>	<u>Annum</u>
(I)	2" Diameter	\$ 8.92	\$ 107.04
(I)	4" Diameter	35.89	430.68
(I)	6" Diameter	80.74	968.88
(I)	8" Diameter	143.54	1,722.48
(I)	10" Diameter	224.33	2,691.96
(I)	12" Diameter	323.13	3,877.56
(I)	14" Diameter	439.88	5,278.56
(I)	16" Diameter	574.41	6,892.92

Special Provisions

No charge shall be made for water used in extinguishing accidental fires or for Underwriters' tests, and water shall be drawn from a private fire service connection for any other purpose.

Fire service connections are furnished for the sole purpose of supplying water for the extinguishment of fires. If the Company has reason to believe water is being used for other purposes, including that the connection or line is leaking, the Company may install a meter to monitor usage, and, in addition to the rates for fire protection listed above, all usage shall be billed at the Commercial rate in Service Classification No. 1. The applicable Service Charge listed In Service Classification No. 1 shall also be charged.

The charges under this provision are in addition to any general water service and sewer charges.

(I) Indicates Increase

ISSUED: Decem

December 28, 2012

EFFECTIVE: July 27, 2013

ISSUED BY:

Cheryl D. Norton, President

2300 Richmond Road, Lexington, KY 40502

CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 4

Applicable

Applicable to the entire Service Territory of Kentucky-American Water Company.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

	Rates For Public Fire Service	Rate Per <u>Month</u>	Rate Per <u>Annum</u>
(I)	For each public fire hydrant contracted for or ordered by Urban County, County, State or Federal Governmental Agencies or Institutions.	\$45.30	\$543.60
(I)	Rates For Private Service For each private fire hydrant contracted for by Industries or Private Institutions	\$79.77	\$957.24

Fire service connections are furnished for the sole purpose of supplying water for the extinguishment of fires. If the Company has reason to believe water is being used for other purposes, including that the connection or line is leaking, the Company may install a meter to monitor usage, and, in addition to the rates for fire protection listed above, all usage shall be billed at the Commercial rate in Service Classification No. 1. The applicable Service Charge listed In Service Classification No. 1 shall also be charged.

The charges under this provision are in addition to any general water service and sewer charges.

Special Provisions

A few hydrants are connected to mains by a "special connection." A "special connection" exists when a customer and the Company entered into a service contract in which the customer agreed to maintain an unmetered water line from a Company main to the customer's service line. If the Company has reason to believe water from a special connection is being used for purposes other than fire protection, including that the connection or line is leaking, the Company may install a meter and charge for usage under this tariff. The Company may require the customer to pay for

(I) Indicates Increase

ISSUED: December 28, 2012 \ EFFECTIVE: July 27, 2013

ISSUED BY: 2300 Richmond Road, Lexington, KY 40502
Cheryl D. Norton, President