

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:)
)
APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR AN ADJUSTMENT)
OF ITS WASTEWATER RATES PURSUANT)
TO 807 KAR 5:076)

CASE NO. 2014-00390

AFFIDAVIT OF NICK O. ROWE REGARDING CUSTOMER NOTICE OF PHASE III
RATES

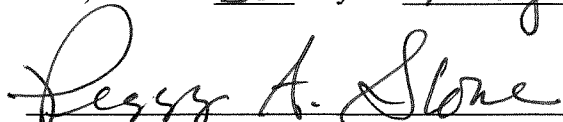
Comes Nick O. Rowe, President, Kentucky-American Water Company, and states that on May 23, 2017, the notice attached hereto as Exhibit 1 was mailed to the Owenton and Rockwell wastewater customers.



NICK O. ROWE

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FAYETTE)

Subscribed and sworn to before me by Nick O. Rowe, President, Kentucky-American Water Company, for and on behalf of said corporation, this the 30th day of May, 2017.



NOTARY PUBLIC, State-At-Large
My Commission expires: 10-3-2020

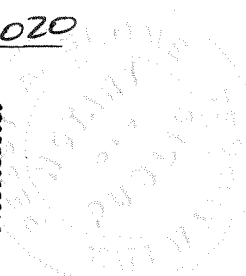
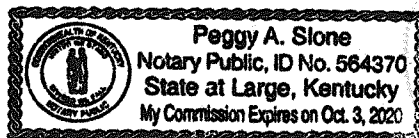


EXHIBIT 1

NOTICE

On December 9, 2014, the Kentucky Public Service Commission ("PSC") accepted for filing Kentucky-American Water Company's ("Kentucky-American") application requesting to increase its sewer service revenues by approximately 21% to be implemented over two phases. After performing a review of Kentucky-American's application and records, the PSC Staff recommended that Kentucky-American be granted an increase in sewer service revenues of approximately 62% in four phases. Pursuant to the PSC's Orders of July 2 and 24, 2015, in Case No. 2014-00390, Kentucky-American will implement the revised rates, effective July 2, 2017:

Phase 3: To be implemented one year after the effective date of Phase 2 on July 2, 2017.

<u>Owenton – Within the City Limits</u>		<u>Phase 2 Rate</u>	<u>Phase 3 Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First	2,000 gallons (Minimum Bill)	\$22.11	\$25.02	\$2.91	13% Increase
Next	1,000 gallons (per 1,000 gallons)	10.04	11.36	1.32	13% Increase
Next	2,000 gallons (per 1,000 gallons)	7.90	8.94	1.04	13% Increase
Next	5,000 gallons (per 1,000 gallons)	7.16	8.10	0.94	13% Increase
Next	10,000 gallons (per 1,000 gallons)	6.40	7.24	0.84	13% Increase
Next	20,000 gallons (per 1,000 gallons)	5.65	6.39	0.74	13% Increase
Over	40,000 gallons (per 1,000 gallons)	5.37	6.08	0.71	13% Increase

<u>Owenton – Outside the City Limits</u>		<u>Phase 2 Rate</u>	<u>Phase 3 Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First	2,000 gallons (Minimum Bill)	\$24.18	\$25.02	\$0.84	4% Increase
Next	1,000 gallons (per 1,000 gallons)	10.98	11.36	0.38	4% Increase
Next	2,000 gallons (per 1,000 gallons)	8.65	8.94	0.29	4% Increase
Next	5,000 gallons (per 1,000 gallons)	7.82	8.10	0.28	4% Increase
Next	10,000 gallons (per 1,000 gallons)	6.99	7.24	0.25	4% Increase
Next	20,000 gallons (per 1,000 gallons)	6.17	6.39	0.22	4% Increase
Over	40,000 gallons (per 1,000 gallons)	5.88	6.08	0.20	4% Increase

<u>Rockwell Village</u>		<u>Phase 2 Rate</u>	<u>Phase 3 Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First	12,000 gallons (Minimum Bill)	\$26.57	\$30.06	\$3.49	13% Increase
Over	12,000 gallons (per 100 gallons)	0.2213	0.2504	0.0291	13% Increase

Average Monthly Bills

<u>Owenton- Inside City</u>	<u>Average Monthly Usage</u>	<u>Phase 2 Average Bill</u>	<u>Phase 3 Average Bill</u>	<u>\$ Change</u>	<u>% Change</u>
Residential	2,866 gallons	\$30.80	\$34.86	\$4.06	13% Increase
Commercial	17,437 gallons	131.35	148.60	17.25	13% Increase
Public Authority	20,595 gallons	151.11	170.96	19.85	13% Increase

<u>Owenton – Outside City</u>		<u>Phase 2 Average Bill</u>	<u>Phase 3 Average Bill</u>	<u>\$ Change</u>	<u>% Change</u>
Residential	2,657 gallons	\$31.39	\$32.48	\$1.09	4% Increase

<u>Rockwell Village</u>		<u>Phase 2 Average Bill</u>	<u>Phase 3 Average Bill</u>	<u>\$ Change</u>	<u>% Change</u>
Residential	2,990 gallons	\$26.57	\$30.06	\$3.49	13% Increase
Commercial	56,573 gallons	125.21	141.67	16.46	13% Increase
Industrial	16,532 gallons	36.60	41.41	4.81	13% Increase

Owenton – Inside City and Outside City Limits rates will be the same from this point forward.