

NOTICE

On November 14, 2014, Kentucky-American Water Company ("Kentucky American Water") filed with the Kentucky Public Service Commission ("PSC") to increase the sewer rates charged to residents of Rockwell Village. Kentucky American Water requested the proposed rates be implemented to all customer classifications in two (2) phases as shown below:

Phase I (Effective for service rendered from December 14, 2014 to December 13, 2015):

	<u>Current Rate</u>	<u>Phase-1 Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First 12,000 gallons (Minimum bill)	\$20.7500	\$22.8300	\$2.0800	10% Increase
Over 12,000 gallons (per 100 gallons)	0.1729	0.1902	0.0173	10% Increase

The Phase I bill for an average residential customer using 3,000 gallons each month would increase \$2.08 per month, from \$20.75 to \$22.83 or 10%.

The Phase I bill for an average commercial customer using 56,800 gallons each month would increase \$9.83 per month, from \$98.21 to \$108.04 or 10%.

The Phase I bill for an average industrial customer using 16,500 gallons each month would increase \$2.86 per month, from \$28.53 to \$31.39 or 10%.

Phase II (Effective for service rendered on and after December 14, 2015):

	<u>Phase-1 Rate</u>	<u>Phase-2 Rate</u>	<u>\$ Change</u>	<u>% Change</u>
First 12,000 gallons (Minimum Bill)	\$22.8300	\$25.1100	\$2.2800	10% Increase
Over 12,000 gallons (per 100 gallons)	0.1902	0.2092	0.0190	10% Increase

The Phase II bill for an average residential customer using 3,000 gallons each month would increase \$2.28 per month, from \$22.83 to \$25.11 or 10%.

The Phase II bill for an average commercial customer using 56,800 gallons each month would increase \$10.79 per month, from \$108.04 to \$118.83 or 10%.

The Phase II bill for an average industrial customer using 16,500 gallons each month would increase \$3.13 per month, from \$31.39 to \$34.52 or 10%.

After both phases are implemented, the bill for an average residential customer using 3,000 gallons each month would increase \$4.36 per month, from \$20.75 to \$25.11 or 21%. After both phases are implemented, the bill for an average commercial customer using 56,800 gallons each month would increase \$20.62 per month, from \$98.21 to \$118.83 or 21%. After both phases are implemented, the bill for an average industrial customer using 16,500 each month would increase \$5.99 per month, from \$28.53 to \$34.52 or 21%. This filing may be examined at the offices of Kentucky American Water located at 2300 Richmond Road in Lexington, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The rates contained in this notice are the rates proposed by Kentucky American Water but the Public Service Commission may order rates that differ from the proposed rates.

Any person may submit a timely written request for intervention to the PSC which establishes the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.