COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PROPOSED)ADJUSTMENT OF THE WHOLESALE)WATER SERVICE RATES OF)LEBANON WATER WORKS)

REFUND REPORT

Pursuant to the Commission's Orders dated July 12, 2018 and July 31, 2018, Lebanon Water Works Company (the "Company"), by counsel, submits the following Refund Report.

1. The Company implemented new rates at the proposed amount requested in its Application, subject to refund, for usage on and after April 16, 2018. The Company has calculated the difference between the proposed rates and the final rates in the July 12, 2018 Order. These calculations are shown in **Exhibit 1**.

2. Marion County Water District ("Marion District") made payments at the proposed rates in June for service rendered during the period from April 16 – May 15 and in July for service rendered during the period from May 16 – June 15. After the Commission issued its July 12, 2018 Order, the Commission's approved rates were put into effect for Marion District's next billing cycle. Excess revenues of \$22,228.32 and \$26,482.04 were collected in June and July, respectively. 3. The Company plans to make these refunds in one lump sum payment on Monday, September 10, 2018. Accordingly, the Company calculated interest through September 10, 2018. Marion District made the June payment on June 7, 2018 and the July payment on July 9, 2018. Interest for the excess amount collected in June was calculated for 95 days. Interest for the excess amount collected in July was calculated for 63 days. For the interest rate, the Company used the average of the Three-Month Commercial Paper Rate for July 12, 2018 of 2.14%.

4. The sum of the excess revenues collected in June and July and the interest calculated through September 10, 2018 results in a total amount to be refunded of \$48,935.07.

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Dated: August 10, 2018

Respectfully submitted,

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Counsel for Lebanon Water Works Company

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Lebanon Water Works Company's August 10, 2018 electronic filing of this Refund Report is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on August 10, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and one copy in paper medium of this Refund Report will be delivered to the Commission on or before August 14, 2018.

Exhibit 1

Overpayment Calculation Commission Excess Marion District Approved Revenues Collected Payment Rates June Invoice \$165,609.37 \$143,381.05 \$22,228.32 (for water used 4-16-18 - 5-15-18) July Invoice \$197,275.92 \$170,793.88 \$26,482.04 (for water used 5-16-18 -6-15-18) **Total Excess Revenues Collected** \$48,710.36

Interest Calculation	
June Invoice Overpayment	\$22,228.32
Per Diem Rate	\$1.321
(\$22,228.32 x (2.14%/360))	
Interest Owed From 6-7-18 - 9-10-18	\$125.53
(\$1.321 x 95 days)	
July Invoice Overpayment	\$26,482.04
Per Diem Rate	\$1.574
(\$26,482.04 x (2.14%/360))	
Interest Owed From 6-7-18 - 9-10-18	\$99.18
(\$1.574 x 63 days)	
Total Interest to be Refunded	\$224.71

Total Amount to be Refunded

\$48,935.07