

COMMONWEALTH OF KENTUCKY
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)
WATER SERVICE CORPORATION) CASE NO. 2018-00208
OF KENTUCKY FOR A GENERAL)
ADJUSTMENT IN EXISTING RATES)

**PROOF OF SERVICE OF NOTICE ON CUSTOMERS OF
PROPOSED CHANGES IN BASE RATE SCHEDULES**

Lori Jones, being duly sworn upon oath, deposes and says that:

1. I am a Billing Specialist for Utilities, Inc.
2. I caused to be mailed to each customer of Water Service Corporation of Kentucky a copy of the notice attached hereto as Exhibit "A." The attached notice summarizes the nature and extent of the proposed rate changes.
3. Such notice was mailed to each such customer by March 18, 2019 by United States mail, postage prepaid.

Lori Jones
Lori Jones



NOTARY CERTIFICATE

STATE OF Florida

COUNTY OF Seminole

Subscribed, acknowledged and sworn to before me by Lori Jones on this 25th day of March, 2019.

My commission expires: 7/12/2021

Ann M. Raponi
NOTARY PUBLIC

WATER SERVICE CORPORATION OF KENTUCKY

NEW MONTHLY WATER CHARGES

Rate Change Information

In July of 2018, Water Service Corporation of Kentucky (WSCK) asked the Public Service Commission (PSC) for approximately \$852,000 of new additional revenue, which would be used to pay for increases in operating and maintenance costs, as well as, infrastructure improvements throughout the State of Kentucky. Water rates were last adjusted in May of 2016, and those rates were based on costs from a test year ended June 30, 2015.

The original proposed rate increase would have increased a Middlesboro residential water customer's monthly bill (3,696 gallons a month) to \$33.07 and a Clinton residential water customer's monthly bill to (3,088 gallons a month) to \$29.68.

On February 11, 2019 the PSC issued their order approving a rate increase, and the final base rates approved by the PSC will be **effective on February 11, 2019**.

The PSC's final order will increase a Middlesboro residential water customer's monthly bill (3,696 gallons a month) to \$29.62 and a Clinton residential water customer's monthly bill (3,088 gallons a month) to \$26.63. Lower rates were made possible, in part, by the Tax Cut and Jobs Act which became effective January 1, 2018 and reduced the federal corporate income tax rates from 35% to 21%. A volumetric surcredit of .133 per 1000 gallons will apply to all gallonage billed from February 12, 2019 to February 11, 2020 for revenue collected at the 35% corporate tax rate from January 1, 2018 to February 11, 2019.

Also on February 11, 2019, the Public Service Commission approved WSCK to collect \$3.33 per month from customers within the Ambleside subdivision of Middlesboro. This monthly charge is required to continue the operation and maintenance of the hydrants in the Ambleside subdivision.

Rate approved by the PSC and full tariff can be located on our website here:

<https://www.uiwater.com/kentucky/regulations/tariff-rates>.

A handwritten signature in blue ink, appearing to read "Steve Liberty", is written over a horizontal line.

WATER SERVICE CORPORATION OF KENTUCKY

NEW MONTHLY WATER CHARGES

On February 11, 2019 the Public Service Commission issued their final order, in Docket No. 2018-00208, authorizing Water Service Corporation of Kentucky to increase its rates and charges as of February 11, 2019. Increases are provided below:

WSCK Rates - Docket 2018-00208

Middlesboro

Description	Meter Size	Assumed Usage	Customer Charge	Per 1,000 Gal. Rate	TCJA Per 1,000 Gal. Rate	Average Bill
Prior Average Residential Bill	5/8" & 3/4"	3,696	\$ 10.00	\$ 4.06	\$ -	\$ 25.00
New Average Residential Bill	5/8" & 3/4"	3,696	\$ 11.45	\$ 5.05	\$ (0.13)	\$ 29.62
Average Bill Increase						\$ 4.62
% Increase						18.50%

Clinton

Description	Meter Size	Assumed Usage	Customer Charge	Per 1,000 Gal. Rate	TCJA Per 1,000 Gal. Rate	Average Bill
Prior Average Residential Bill	5/8" & 3/4"	3,088	\$ 10.00	\$ 4.36	\$ -	\$ 23.47
New Average Residential Bill	5/8" & 3/4"	3,088	\$ 11.45	\$ 5.05	\$ (0.13)	\$ 26.63
Average Bill Increase						\$ 3.16
% Increase						13.48%

By calling WSCK's customer service number (844-310-5556) a live representative of WSCK can explain how the proposed increase might impact your individual bill. Customers can find tips on water conservation at the following link on our website:

<https://www.uiwater.com/kentucky/education/water-conservation>

CLICK CLEAN
CHOOSE PAPERLESS BILLING

Going paperless is just one way to protect the Earth. But this small change can have an enormous impact.

During the months of May and June, our Customer Service Department launched an Arbor Day paperless billing campaign. For every customer that signed up, we committed to donating \$1 to plant trees and promote a healthier environment within our communities.

Nearly 2,000 customers made the switch to paperless. Together we can do more - with less waste.

A MESSAGE FROM:
WATER SERVICE CORPORATION OF KENTUCKY