COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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| PROPOSED ADJUSTMENT OF THE WHOLESALE |) | |
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| WATER SERVICE RATES OF THE CITY OF |) | Case No. 2019-00080 |
| PIKEVILLE TO MOUNTAIN WATER DISTRICT |) | |

PLAN FOR REFUND

In its December 19, 2019, Order, the Commission ordered the City of Pikeville "file with the Commission a report on the amount of excess revenues collected from September 5, 2019, through the date of this Order and a plan for refunding these revenues. Pikeville, by counsel, provides the following response to that ordering paragraph.

Based on a comparison of the proposed rate of \$2.30 per 1,000 gallons and a rate of \$1.97 per 1,000 gallons, Pikeville collected an additional \$34,955.25 from Mountain Water District ("MWD"). Interest on payments received by MWD at a rate of 1.68% APR would total \$94.49. Accordingly, Pikeville will credit MWD the amount of \$35,049.73 on the next invoice issued on or about February 1, 2020. (The calculation is provided in an Attachment to this filing.)

Pikeville reserves the right to collect additional amounts from MWD based on consumption on and after September 5, 2019, pending the outcome of Pikeville's Petition for Rehearing and related matters. Because the Commission cannot order a rate be retroactively changed, Pikeville has no legal obligation to refund any amounts to Southern Water and Sewer District.

Respectfully submitted,

STURGILL, TURNER, BARKER & MOLONEY, PLLC

M. Todd Osterloh
James W. Gardner
333 W. Vine Street, Suite 1500
Lexington, Kentucky 40507

Telephone No.: (859) 255-8581 Facsimile No.: (859) 231-0851 jgardner@sturgillturner.com tosterloh@sturgillturner.com *Attorneys for City of Pikeville*

CERTIFICATE OF COMPLIANCE

In accordance with 807 KAR 5:001, Section 8(7), this is to certify that the January 17, 2020, electronic filing is a true and accurate copy of the documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on January 17, 2020; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and a copy of the filing are being delivered to the Commission within two (2) business days.

Counsel for City of Pikeville.

M. JON ON

ATTACHMENT

CALCULATION OF REFUND TO MWD

| | Consumption | Billed | Adj Billed | Difference | Bill Date | Date Pmt Rec'd | 2/1/2020 | Rate | Interest Due |
|------------------------|--------------|--------------|--------------|-------------|-----------|----------------|----------|-------|--------------|
| September (from 09/05) | 34,797,000 | \$80,033.10 | \$68,550.09 | \$11,483.01 | 10/1/2019 | 11/4/2019 | 89 | 1.68% | \$47.04 |
| October | 35,100,000 | \$80,730.00 | \$69,147.00 | \$11,583.00 | 11/1/2019 | 12/12/2019 | 51 | 1.68% | \$27.19 |
| November | 36,028,000 | \$82,864.40 | \$70,975.16 | \$11,889.24 | 12/2/2019 | 12/26/2019 | 37 | 1.68% | \$20.25 |
| Total | 105,925,000 | \$243,627.50 | \$208,672.25 | \$34,955.25 | | | | | \$94.48 |
| Rate Billed/1000 | \$2.30 | | | | | | | | |
| PSC Set Rate/1000 | \$1.97 | | | | | | | | |
| Difference | \$0.33 | | | | | | | | |
| 1000 Gallons | 105,925 | | | | | | | | |
| Difference in Rate | \$0.33 | | | | | | | | |
| Credit Due | \$ 34,955.25 | | | | | | | | |
| Interest | \$ 94.48 | | | | | | | | |
| Total | \$ 35,049.73 | | | | | | | | |