

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:)
)
APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR AN ADJUSTMENT) **CASE NO. 2021-00434**
OF ITS WASTEWATER RATES PURSUANT)
TO 807 KAR 5:076)

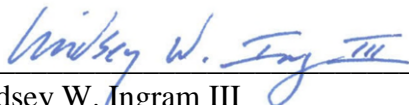
NOTICE OF FILING OF CUSTOMER NOTICE

In accordance with Ordering Paragraph 3 of the Commission’s July 6, 2022 Order, Kentucky American Water (“KAW”) KAW notified its customers of the implementation of the rates calculated in the Commission Staff’s April 25, 2022 report by mail on July 18, 2022. In accordance with Ordering Paragraph 4 of the Commission’s July 6, 2022 Order, KAW hereby provides proof of that notice as demonstrated by the attached mailing receipt and accompanying customer notification.

Date: July 21, 2022


Respectfully submitted,

STOLL KEENON OGDEN PLLC
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Lexington, KY 40507-1801
Telephone: (859) 231-3000
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Email:

By: 
Lindsey W. Ingram III

CERTIFICATE

This is to certify that Kentucky American Water's July 21, 2022 electronic filing is a true and accurate copy of the original documents in paper medium; that the electronic filing was transmitted to the Commission on July 21, 2022; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.



Counsel for Kentucky American Water

Company Detail	
Company Name	DIRECT RESPONSE, INC.
Address	157 VENTURE CT STE 4 LEXINGTON, KY 40511-2621
Contact Name	[REDACTED]
Phone Number	(859) [REDACTED]
Profit Indicator	P
PS Form 3607R - Mailing Transaction Receipt	
Account Holder Account Number	[REDACTED]
Account Holder Permit Number	[REDACTED]
Account Holder Permit Type	PI
Account Holder CRID	[REDACTED]
Post Office of Permit	LEXINGTON, KY 40511-9998
Post Office of Mailing	LEXINGTON, KY 40511-9998
Post Office of Permit Cost Center	204600-0399
Post Office of Mailing Cost Center	204600-0399
Mailing Agent Name	DIRECT RESPONSE, INC.
Mailing Agent CRID	[REDACTED]
Mail Owner Name	KY AMERICAN WATER CO
Mail Owner CRID	[REDACTED]
JOB ID	00065188
Customer Reference ID	19893
CAPS Transaction Number	N/A
Class of Mail	USPS Marketing Mail
Processing Category	Letters
Postage Statement ID	493789019
Mailing Group ID	366418978
Mailer's Mailing Date	07/18/2022
Mailer Declared Total Pieces	1,250 pcs.
Mailer Declared Total Weight	42.2500 lbs.
Mailer Declared Weight of a single-piece	0.0338 lbs.
USPS Determined Total Pieces	1,250 pcs.
USPS Determined Total Weight	42.2500 lbs.
USPS Determined Weight of a single-piece	0.0338 lbs.
Total Number of Containers	6
Total Adjusted Postage	\$ 343.76
Payment Date and Time	07/18/2022 14:38
Payment Transaction Number	202219913380280M1
Adjustment Transaction Number	
Mailer Figures Adjusted?	No
Person authorizing adjustment	
Name	
Phone Number	
Acceptance Site Mailer ID	
Clerk Initials	SS1
Mail Arrival Date and Time	07/18/2022 14:37

AMENDED NOTICE

This Amended Notice is hereby given to amend Kentucky-American Water Company’s December 1, 2021 notice of its request to adjust wastewater rates. The amended requested rates are set forth below and have been submitted for approval to Public Service Commission, Frankfort, Kentucky, for an adjustment of sewer rates with the rate change to be phased in over a four-year period in Case No. 2021-00434. New rates are expected to become effective no later than August 28, 2022. The first adjustment is for service rendered in August 2022; the second adjustment is for service rendered in August 2023; the third adjustment is for service rendered in August 2024; and the fourth adjustment is for service rendered in August 2025. With all four adjustments, the total amount of the requested increase is \$940,985 on an annual basis, which is an increase of 137.39%.

The table below summarizes the requested increase and percent by year for each customer class, including residential, commercial, industrial, and other public authority (“OPA”):

Class	Total Requested Increase	Total Percent Increase	Total Increase August 2022	Percent Increase August 2022	Total Increase August 2023	Percent Increase August 2023	Total Increase August 2024	Percent Increase August 2024	Total Increase August 2025	Percent Increase August 2025
Residential	\$ 710,192	137.6%	\$ 123,838	24.0%	\$ 154,010	24.1%	\$ 192,775	24.3%	\$ 239,568	24.3%
Commercial	210,180	137.5%	36,610	24.0%	45,642	24.1%	56,887	24.2%	71,042	24.3%
Industrial	725	46.2%	(372)	-23.7%	288	24.0%	359	24.2%	450	24.4%
OPA	19,888	137.4%	3,460	23.9%	4,319	24.1%	5,389	24.2%	6,721	24.3%
Total	\$ 940,985	137.4%	\$ 163,535	23.9%	\$ 204,259	24.1%	\$ 255,411	24.3%	\$ 317,781	24.3%

The present and proposed rates for each customer area are set forth in the table below. The proposed rates in the table below are applicable to all customer classes, including residential, commercial, industrial and other public authority, as referenced in the table above.

Customer Class	Present Monthly Rates	Proposed Monthly Rates (Effective no later than 8/28/2022)	Proposed Monthly Rates (Effective no later than 8/28/2023)	Proposed Monthly Rates (Effective no later than 8/28/2024)	Proposed Monthly Rates (Effective no later than 8/28/2025)	Percent Increase August 2022	Percent Increase August 2023	Percent Increase August 2024	Percent Increase August 2025
Ridgewood - Flat Rate	\$35.14	\$43.54	\$54.02	\$67.10	\$83.42	23.9%	24.1%	24.2%	24.3%
Millersburg									
All Usage	\$1.16 per 100 gallons	\$1.437 per 100 gallons	\$1.783 per 100 gallons	\$2.215 per 100 gallons	\$2.754 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Owenton									
First 2,000 Gallons	\$27.19 minimum bill	\$33.69 minimum bill	\$41.80 minimum bill	\$51.92 minimum bill	\$64.55 minimum bill	23.9%	24.1%	24.2%	24.3%
Next 1,000 Gallons	\$1.235 per 100 gallons	\$1.530 per 100 gallons	\$1.898 per 100 gallons	\$2.358 per 100 gallons	\$2.932 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Next 2,000 Gallons	\$0.972 per 100 gallons	\$1.204 per 100 gallons	\$1.494 per 100 gallons	\$1.856 per 100 gallons	\$2.307 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Next 5,000 Gallons	\$0.880 per 100 gallons	\$1.090 per 100 gallons	\$1.353 per 100 gallons	\$1.680 per 100 gallons	\$2.089 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Next 10,000 Gallons	\$0.787 per 100 gallons	\$0.975 per 100 gallons	\$1.210 per 100 gallons	\$1.503 per 100 gallons	\$1.868 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Next 20,000 Gallons	\$0.694 per 100 gallons	\$0.860 per 100 gallons	\$1.067 per 100 gallons	\$1.325 per 100 gallons	\$1.647 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Over 40,000 Gallons	\$0.662 per 100 gallons	\$0.820 per 100 gallons	\$1.018 per 100 gallons	\$1.264 per 100 gallons	\$1.572 per 100 gallons	23.9%	24.1%	24.2%	24.4%
North Middletown									
First 2,000 gallons	\$23.99 minimum bill	\$29.73 Minimum Bill	\$36.88 Minimum Bill	\$45.81 Minimum Bill	\$56.95 Minimum Bill	23.9%	24.0%	24.2%	24.3%
Next 3,000 gallons	\$1.012 per 100 gallons	\$1.254 per 100 gallons	\$1.556 per 100 gallons	\$1.932 per 100 gallons	\$2.402 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Next 5,000 gallons	\$0.877 per 100 gallons	\$1.087 per 100 gallons	\$1.348 per 100 gallons	\$1.675 per 100 gallons	\$2.082 per 100 gallons	23.9%	24.0%	24.3%	24.3%
All over 10,000 gallons	\$0.728 per 100 gallons	\$0.902 per 100 gallons	\$1.119 per 100 gallons	\$1.390 per 100 gallons	\$1.728 per 100 gallons	23.9%	24.1%	24.2%	24.3%
Rockwell									
First 10,000 Gallons	\$32.67 minimum bill	\$40.48 Minimum Bill	\$50.22 Minimum Bill	\$62.38 Minimum Bill	\$77.56 Minimum Bill	23.9%	24.1%	24.2%	24.3%
Over 10,000 Gallons	\$0.272 per 100 gallons	\$0.337 per 100 gallons	\$0.418 per 100 gallons	\$0.519 per 100 gallons	\$0.646 per 100 gallons	23.9%	24.0%	24.2%	24.5%

The effect upon the average bill for each customer class on which the proposed rate change will apply is set forth in the following table:

Area	Average Usage	Total Impact on Average Bill		August 2022 Impact		August 2023 Impact		August 2024 Impact		August 2025 Impact	
<u>Ridgewood</u>											
Residential	Flat Rate	\$ 48.28	137.4%	\$ 8.40	23.9%	\$ 10.48	24.1%	\$ 13.08	24.2%	\$ 16.32	24.3%
<u>Millersburg</u>											
Residential	2,702	\$ 43.07	137.4%	\$ 7.48	23.9%	\$ 9.35	24.1%	\$ 11.67	24.2%	\$ 14.56	24.3%
Commercial	10,960	\$ 174.70	137.4%	\$ 30.36	23.9%	\$ 37.92	24.1%	\$ 47.35	24.2%	\$ 59.07	24.3%
OPA	2,262	\$ 36.06	137.4%	\$ 6.27	23.9%	\$ 7.83	24.1%	\$ 9.77	24.2%	\$ 12.19	24.3%
<u>Owenton</u>											
Residential	2,583	\$ 47.25	137.4%	\$ 8.22	23.9%	\$ 10.26	24.1%	\$ 12.80	24.2%	\$ 15.98	24.3%
Commercial	11,952	\$ 162.58	137.4%	\$ 28.26	23.9%	\$ 35.33	24.1%	\$ 44.03	24.2%	\$ 54.96	24.3%
OPA	5,614	\$ 88.45	137.4%	\$ 15.38	23.9%	\$ 19.20	24.1%	\$ 23.97	24.2%	\$ 29.90	24.3%
<u>North Middletown</u>											
Residential	3,238	\$ 50.17	137.4%	\$ 8.74	23.9%	\$ 10.89	24.1%	\$ 13.58	24.2%	\$ 16.96	24.3%
Commercial	9,449	\$ 128.27	137.4%	\$ 22.34	23.9%	\$ 27.82	24.1%	\$ 34.76	24.2%	\$ 43.35	24.3%
OPA	5,463	\$ 80.24	137.4%	\$ 13.97	23.9%	\$ 17.42	24.1%	\$ 21.72	24.2%	\$ 27.12	24.3%
<u>Rockwell</u>											
Residential	2,932	\$ 44.89	137.4%	\$ 7.81	23.9%	\$ 9.74	24.1%	\$ 12.16	24.2%	\$ 15.18	24.3%
Commercial	21,973	\$ 95.11	159.1%	\$ 21.03	35.2%	\$ 19.44	24.0%	\$ 24.25	24.2%	\$ 30.39	24.4%
Industrial	27,880	\$117.20	154.5%	\$ 24.87	32.8%	\$ 24.22	24.0%	\$ 30.22	24.2%	\$ 37.89	24.4%

This application may be examined at the offices of Kentucky American Water located at 2300 Richmond Road in Lexington, Kentucky. This application may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00 am – 4:30 pm or on the Commission’s website at <http://psc.ky.gov>. Comments regarding this application 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 to be charged that differ from the proposed rates contained in this notice. Any person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, 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 application.