COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC APPLICATION OF KENTUCKY-)	
AMERICAN WATER COMPANY FOR AN)	
ADJUSTMENT OF RATES, A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY)	CASE NO. 2023-00191
FOR INSTALLATION OF ADVANCED METERING $)$	
INFRASTRUCTURE, APPROVAL OF CERTAIN)	
REGULATORY AND ACCOUNTING)	
TREATMENTS, AND TARIFF REVISIONS	

KENTUCKY AMERICAN WATER'S NOTICE OF INTENTION TO IMPLEMENT PROPOSED RATES

Pursuant to Kentucky Revised Statute 278.190(2), Kentucky American Water ("KAW") hereby gives notice to the Commission of its intention to place the proposed rates, charges, classifications, and services set forth in the attached tariffs, which were included as part of its June 30, 2023 Application, Statement and Notice, in effect for service rendered on and after February 6, 2024. The attached includes Sheet 49 which resets KAW's Qualified Infrastructure Program Rider to zero which is consistent with KAW's proposal to roll QIP assets into the base rates KAW is implementing. KAW does not intend to place any other tariffs in effect pursuant to Kentucky Revised Statute 278.190(2) other than those attached to this Notice until the Commission issues its final order in this proceeding.

Date: February 5, 2024

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CERTIFICATE

In accordance with the Commission's Order of July 22, 2021 in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), this is to certify that the electronic filing has been transmitted to the Commission on February 5, 2024; and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

STOLL KEENON OGDEN PLLC

BY: Milsey W. Ing The

Attorneys for Kentucky-American Water Company

12. SERVICE CLASSIFICATIONS AND TARIFFS/RATES/FEES

CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 1

Applicable

Applicable to the entire Service Territory of Kentucky-American Water Company unless otherwise noted.

Availability of Service

Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority metered service.

Meter Rates

(I) (I) (I) (I)

(I)

The following shall be the rates for consumption, in addition to the service charges provided for herein;

Rate Per 1,000 Gallons	Rate Per 100 Gallons
All consumption	All Consumption
\$7.8249	\$0.78249
7.0760	0.70760
5.8505	0.58505
6.5179	0.65179
5.7566	0.57566
	1,000 Gallons All consumption \$7.8249 7.0760 5.8505

Service Charges

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

		All Classes	
		Service Charge	
	Size of Meter	Per Month	
(I)	5/8"	\$ 20.00	
(I)	3 /4	29.80	
(I)	1"	49.60	
(I)	1-1 /2"	99.40	
(I)	2"	158.90	
(I)	3"	297.90	
(I)	4"	496.60	
(I)	6"	993.10	
(I)	8"	1,589.00	

ISSUED: June 30, 2023 Approved: **EFFECTIVE:**

July 30, 2023

ISSUED BY: /s/ Kathryn Nash

Kathryn Nash **President**

CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 3

Applicable

Applicable to the entire Service Territory of Kentucky-American Water Company unless otherwise noted.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates

		Rate Per	Rate Per
	Size of Service	<u>Month</u>	<u>Annum</u>
(I)	2" Diameter	\$ 11.90	\$ 142.80
(I)	4" Diameter	48.00	576.00
(I)	6" Diameter	107.90	1,294.80
(I)	8" Diameter	191.90	2,302.80
(I)	10" Diameter	299.90	3,598.80
(I)	12" Diameter	448.80	5,385.60
(I)	14" Diameter	432.50	5,190.00
(I)	16" Diameter	767.90	9,214.80

Special Provisions

No charge shall be made for water used in extinguishing accidental fires or for Underwriters' tests, and water shall not be drawn from a private fire service connection for any other purpose.

Fire service connections are furnished for the sole purpose of supplying water for the extinguishment of fires. If the Company has reason to believe water is being used for other purposes, including that the connection or line is leaking, the Company may install a meter to monitor usage, and, in addition to the rates for fire protection listed above, all usage shall be billed at the Commercial rate in Service Classification No. 1. The applicable Service Charge listed in Service Classification No. 1 shall also be charged.

The charges under this provision are in addition to any general water service charges.

ISSUED: June 30, 2023 Approved:

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ISSUED BY: /s/ Kathryn Nash

Kathryn Nash President

<u>CLASSIFICATION OF SERVICE</u> SERVICE CLASSIFICATION NO. 4

Applicable

Applicable to the entire Service Territory of Kentucky-American Water Company unless otherwise noted.

Availability of Service

Available for municipal or private fire connections used exclusively for fire protection purposes.

Rates for Public Fire Service

Rate Per Month Rate per Annum

For each public fire hydrant contracted for or ordered by Urban County, County, State or Federal Governmental

(I) Agencies or Institutions. \$66.00 \$792.00

Rates for Private Service

For each private fire hydrant contracted for by Industries

(I) or Private Institutions. \$104.30 \$1,251.60

Fire service connections are furnished for the sole purpose of supplying water for the extinguishment of fires. If the Company has reason to believe water is being used for other purposes, including that the connection or line is leaking, the Company may install a meter to monitor usage, and, in addition, to the rates for fire protection listed above, all usage shall be billed at the Commercial rate in Service Classification No. 1. The applicable Service Charge listed In Service Classification No. 1 shall also be charged.

The charges under this provision are in addition to any general water service charges.

Special Provisions

A few hydrants are connected to mains by a "special connection." A "special connection" exists when a customer and the Company entered into a service contract in which the customer agreed to maintain an unmetered water line from a Company main to the customer's service line. If the Company has reason to believe water from a special connection is being used for purposes other than fire protection, including that the connection or line is leaking, the Company may install a meter and charge for usage under this tariff. The Company may require the customer to pay for the meter and its installation if:

(1) the Company gives the customer written notice of the usage problem, requests that the customer correct the problem, and informs the customer that failure to correct the problem within 90 days could result in liability of the customer for the cost of installing a meter to monitor usage,

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Kathryn Nash President

BULK SALES OF WATER THROUGH LOADING STATIONS

Availability of Service

This service is available at locations deemed appropriate by Kentucky-American Water Company.

Rate

The following rates and charges are prescribed for the customers in the area served by Kentucky-American Water Company.

(I) Bulk Sales Rate

\$.228065 per 50 gallons

Terms and Conditions of Service

Service taken under this tariff must be prepaid by the customer.

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Kathryn Nash President

RATES

(T)

(T)

(T)

(T)

(T)

(T)

(T)

(N)

(N)

(N)

(N)

All customers subject to this QIP Rider receiving water service shall be assessed a monthly QIP Rider charge in addition to the service charge, consumption charge or monthly fee component of their applicable rate schedule that will enable the Company to complete the Qualified Infrastructure Program.

The QIP Rider will be updated annually in a filing that includes the (1) projected costs for each QIP period and (2) a balancing adjustment that trues up the projected program costs and revenues with the actuals for the preceding annual QIP period. The annual filing will be submitted at least 120 days prior to the commencement of the QIP period. The first QIP period following Case No. 2023-00191 is February 1, 2025 to December 31, 2025. Subsequent QIP periods will be twelve month calendar periods from January 1 to December 31 each year.

The monthly QIP Rider charges for all respective water service classifications will be calculated as a percentage and applied to all water charges including meter fees, volumetric water sales, fire service fees, and public and private hydrant fees from the Company's most recent base rate case, but excluding any other surcharge or add-on taxes. The percentage is calculated by dividing the QIP revenue requirement by the water revenues authorized in the Company's most recent rate case and multiplying the resulting QIP period by the number of days the QIP percentage will be in effect, divided by 365 days (366 days in a leap year). It will be listed as a separate line item on the customer bill. The QIP percentage shall be calculated on an annual prospective basis. The QIP Rider charge effective on and after the effective date is:

(R) 0.0%

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Kathryn Nash President