

CANCELLED

NORTHERN KENTUCKY WATER DISTRICT

August 29, 2019

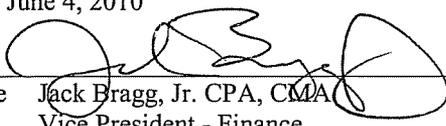
**KENTUCKY PUBLIC
SERVICE COMMISSION**

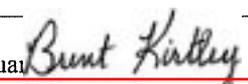
FOR NKWD Area Served
PSC No. 4
Sheet No. 20
Canceling PSC No. 3
Canceling Sheet No.

SECTION XIV-D – DISTRIBUTION MAIN EXTENSION POLICY FOR SUBDISTRICTS

1. Pursuant to 807 KAR 5:066 Section 11(4), when the District determines that the cost of a main extension using any other main extension tariff creates an unreasonable financial hardship on potential customers or that an alternative extension method will benefit the public interest by allowing the extension of water facilities into unserved areas that would otherwise be uneconomical to serve or would benefit the District, the District may use a subdistrict and rate surcharge as an alternative to other extension procedures.
2. The use of a subdistrict, including the imposition of a rate surcharge for the customers within the subdistrict, is subject to the following criteria:
 - a. There must be a demand for the extension of the service sufficient to make the extension hydraulically and financially feasible as determined by the District.
 - b. There must be funds available to the District from third party sources, such as governmental loans and grants, customer contributions or other non-rate based revenue to supplement the District's financial contribution to the extension to make the extension financially feasible in the discretion of the District.
 - c. The demand for service must be within an area or areas in which the potential customers share common geographic characteristics or can be served through common utility plant and facilities. The area of the proposed subdistrict may include non-contiguous locations of potential customers.
 - d. Common geographic characteristics include but are not limited to greater customer population density when compared to other unserved areas within the District's service area. In areas where customer density may be lower than other potentially served areas, factors such as location of customers along the route needed to connect higher density areas, hydraulic improvements to the District's system, geotechnical factors, location of existing distribution facilities, adequate customer participation in the project, financial contributions by a customer or group of customers to fund the extension, availability of sewer service in an area or other similar factors may be used by the District in assessing the feasibility of the subdistrict.
3. Customers served from any extension of facilities installed to serve a subdistrict shall become customers of that subdistrict and subject to the currently effective surcharge.
4. If any funds remain after completion of the subdistrict facilities, those remaining funds may be used to complete additional extensions or improvements and any new customers served shall become customers of that subdistrict.
5. The subdistrict and collection of its rate surcharge shall continue until the debt associated with the extension has been recovered through the surcharge.

Date of Issue: June 4, 2010

Issued by: 
Officer & Title Jack Bragg, Jr. CPA, CMA
Vice President - Finance

Date Effective: January 
2835 Crescent Springs Road, Erlanger, KY 41018

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

EFFECTIVE

1/7/2011

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)