#### 12. <u>SERVICE CLASSIFICATIONS AND TARIFFS/RATES/FEES</u>

#### 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**

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

	Rate Per	Rate Per
Customer	1,000 Gallons	100 Gallons
<b>Category</b>	All consumption	All Consumption
Residential	\$5.7570	\$0.57570
Commercial	5.2066	0.52066
Industrial	4.3050	0.43050
Municipal & Other		
Public Authority	4.7960	0.47960
Sales for Resale	4.2360	0.42360

#### **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.

		<b>Residential</b>		All Classes	
T)		Service Cha	<u>rge</u>	Service Char	<u>ge</u>
,	Size of Meter	Per Month		Per Month	
	5/8"	\$12.49	(D)	\$ 15.00	(I)
	3 /4"	18.74	(D)	22.40	(I)
	1"	31.23	(D)	37.30	(I)
	1-1 /2"	62.45	(D)	74.70	(I)
	2"	99.92	(D)	119.50	(I)
	3"	187.35	(D)	224.00	(I)
	4"	312.25	(D)	373.40	(I)
	6"	624.50	(D)	746.70	(I)
	8"	999.20	(D)	1,194.70	(I)

- (I) Indicates increase
- (D) Indicates deletion
- (T) Indicates change in text

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2018-00358 dated June 27, 2019

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KENTUCKY
PUBLIC SERVICE COMMISSION

Gwen R. Pinson
Executive Director

FFECTIVE

6/28/2019

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

**Approved:** 

#### **Water Sold to Judy Water Association**

(T) (T)	Volume Up to 70,000 gallons per day Over 70,000 gallons per day	Rate per each 1,000 gallons \$4.52 \$4.62
(D) (D)	<u>CLASSIFICATION OF S</u> <u>SERVICE CLASSIFICATI</u>	
(D) (D)	Applicable Applicable to Kentucky-American Water Company c	ustomers in Eastern Rockcastle County.
(D) (D) (D)	Availability of Service Available for Residential, Commercial, Industrial, Sa Public Authority metered service.	les for Resale, Municipal and All Other
(D) (D) (D)	Meter Rates and Service Charges The following shall be the rates for consumption. The consumption beyond the minimum bill shall be:	e Minimum Bill, and each 1,000 gallons of

(D) (D)	Meter Size	<u>Minimum</u> <u>Bill</u>	Volume included in Minimum Bill	Rate per 1,000 gallons over Minimum Bill
(D)	5/8"	\$28.28	2,000	\$11.53
(D)	3 / 4"	\$28.28	2,000	11.53
(D)	1"	\$62.87	5,000	11.53
(D)	2"	\$178.17	15,000	11.53

- (D) Indicates deletion
- (T) Indicates text change

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2018-00358 dated June 27, 2019

**Approved:** 

**KENTUCKY**PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

Steven R. Punson

EFFECTIVE

6/28/2019

#### KENTUCKY-AMERICAN WATER COMPANY

(D) (D)	CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 1
(D) (D)	Applicable Applicable to Kentucky-American Water Company customers in North Middletown.
(D) (D) (D)	<u>Availability of Service</u> Available for Residential, Commercial, Industrial, Sales for Resale, Municipal and All Other Public Authority metered service.
(D) (D) (D)	Meter Rates and Service Charges The following shall be the water rates for water consumption. The Minimum Bill, and each 1,000 gallons of consumption beyond the minimum bill shall be:

(D	Customer Class	<u>Minimum</u>	<u>Volume</u>	Rate per each
(D)		<u>Bill</u>		<b>1,000 gallons</b>
(D)				
(D)	With Sanitary	\$28.79	0 - 2,000	\$0.00
(D)	Service		2,001 -5,000	\$12.17
(D)			5,001 - 10,000	\$10.91
(D)			Over 10,000	\$9.32
(D)	Without Sanitary	\$33.84	0 - 2,000	\$0.00
(D)	Service		2,001 -5,000	\$12.48
(D)			5,001 - 10,000	\$11.22
(D)			Over 10,000	\$9.64
(D)	Farm Customers		All	\$17.87
(D)	Water Sold to Judy		Up to 70,000 per	\$4.52
(D)	Water Association		day	\$4.62
(D)			Over 70,000 per day	

(D) Indicates deletion

**ISSUED:** November 28, 2018 June 28, 2019 **EFFECTIVE:** 

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe **President** 

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

KENTUCKY Approved:
Gwen R. Pinson

**Executive Director** 

wer R. Punson

**EFFECTIVE** 

6/28/2019

## CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 3

Doto Dor

#### **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.

Doto Don

#### Rates

(T)

		Rate Per	Rate Per
	Size of Service	<b>Month</b>	<u>Annum</u>
(I)	2" Diameter	\$ 8.76	\$ 105.12
(I)	4" Diameter	35.28	423.36
(I)	6" Diameter	79.37	952.44
(I)	8" Diameter	141.09	1,693.08
(I)	10" Diameter	220.51	2,646.12
(I)	12" Diameter	330.03	3,960.36
(I)	14" Diameter	317.98	3,815.76
(I)	16" Diameter	564.63	6,775.56

#### **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.

(I) Indicates Increase

(T) Indicates text change

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2018-00358 dated June 27, 2019

Approved:

KENTUCKY
PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

Swen R. Punso

EFFECTIVE

6/28/2019

#### **TAPPING FEES**

#### **Applicable**

(T)

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

#### **Availability of Service**

Available for residential, commercial, industrial, other public authority and sales for resale customers.

#### **Tapping (Connection) Fees**

#### **Size of Meter Connected**

(R)	5/8-Inch	\$1,223.00
(R)	1-Inch	2,174.00
(R)	2-Inch	4,002.00
	Service larger than 2"	Actual Cost

For services greater than 2", a cost-adjustable deposit is required upon application. The tapping fee will be required upon application for all services installed on or after the effective date of this tariff, except in cases where a complete application for service (including plumbing inspection) is on file with the Company prior to the effective date of this tariff.

- (R) Indicates reduction/decrease
- (T) Indicates text change

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

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Case No. 2018-00358 dated June 27, 2019

Approved:

KENTUCKY
PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

EFFECTIVE

6/28/2019

#### CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 4

#### **Applicable**

(T)

(I)

(I)

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		
Agencies or Institutions.	\$48.70	\$584.40

#### **Rates for Private Service**

For each private fire hydrant contracted for by Industries

or Private Institutions. \$76.57 \$918.84

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,
- (I) Indicates Increase
- (T) Indicates change in text

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2018-00358 dated June 27, 2019

Approved:

KENTUCKY
PUBLIC SERVICE COMMISSION

Timen R. Punso

Gwen R. Pinson Executive Director

**EFFECTIVE** 

6/28/2019

(2) the customer does not substantially correct the problem within 90 days of the written notice, and, (3) the Company thereafter gives three business days' notice, which shall include a cost estimate, that it will install the meter at the customer's expense.

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

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**Approved:** 

**KENTUCKY**PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

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6/28/2019

P.S.C. KY NO. 9 First Sheet Nos. 1-36, 38-44 Second Sheet Nos. 45-48 Sixth Sheet Nos. 37 Seventh Sheet No. 49

Cancelling P.S.C KY NO. 8

#### KENTUCKY-AMERICAN WATER COMPANY

2300 Richmond Road Lexington, KY 40502

http://www.amwater.com/kyaw

### RATES – CHARGES – RULES – REGULATIONS

FOR FURNISHING

#### WATER SERVICE

ΑT

BOURBON, CLARK, FAYETTE, FRANKLIN, GALLATIN, GRANT, HARRISON, JACKSON, JESSAMINE, NICHOLAS, OWEN, SCOTT, WOODFORD, AND ROCKCASTLE COUNTIES IN KENTUCKY

FILED WITH THE

PUBLIC SERVICE COMMISSION

OF

**KENTUCKY** 

ISSUED: February 27, 2024 EFFECTIVE: March 31, 2024

ISSUED BY: /s/ Kathryn Nash

Kathryn Nash President

2300 Richmond Road, Lexington, KY 40502

KENTUCKY

Approved: Linda C. Bridwell Executive Director

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EFFECTIVE

3/31/2024

#### **CLASSIFICATION OF SERVICE** SERVICE CLASSIFICATION NO. 6

#### **Applicable**

Applicable to the entire Service Territory of Kentucky-American Water Company supplied water from the Kentucky River.

#### **Availability of Service**

Available for Residential, Commercial, Industrial, Other Public Authority and Sales for Resale customers.

#### **Rates**

Kentucky-American Water Company in accordance with the tariff shown in First Sheet No. 36 shall charge a rate of \$0.0298 per 100 gallons.

Except for rate changes imposed by the Kentucky River Authority, which will be put in effect immediately upon notification of such change by the Kentucky River Authority, this fee will be adjusted annually beginning January, 2002 to reflect any over or under collection of Kentucky River Authority fees existing at the time of the adjustment

**ISSUED:** February 27, 2024 **EFFECTIVE:** March 31, 2024

ISSUED BY: /s/ Kathryn Nash

Kathryn Nash **President** 

2300 Richmond Road, Lexington, KY 40502

**KENTUCKY** 

Approved: Linda C. Bridwell

**Executive Director** 

**EFFECTIVE** 

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

(I)

# CLASSIFICATION OF SERVICE SERVICE CLASSIFICATION NO. 6 BILLING OF LICENSE, OCCUPATION, FRANCHISE OR OTHER SIMILAR CHARGES OR TAXES INCLUDING SCHOOL TAX

#### **Applicable**

Applicable to all customers in the Service Territory of Kentucky-American Water Company.

#### **Availability of Service**

Available for Residential, Commercial, Industrial, Other Public Authority and Sales for Resale customers.

#### Rates

There shall be added to the Customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise, fee or other similar fee, charge or tax now or hereafter imposed upon the Company by local taxing authorities or the Kentucky River Authority, whether imposed by ordinance, franchise, statute or otherwise, and which fee, tax or charge is based upon Kentucky River water usage or a percentage of the gross receipts, net receipts, or revenues from sales of water or services rendered by the Company to the customer. Where more than one such charge, fee or tax is imposed, the total of such charges, fees or taxes applicable to a Customer may be billed to the customer as a single amount. Charges, fees or taxes herein referred to shall in all instances be billed to customers on the basis of Company rates or usage effective at the time of billing, and on the basis of the tax rate of usage effective at the time billing is made.

There shall be added to the Customer's bill, as a separate item, an amount equal to the proportionate amount of school tax in any county requiring a utility gross receipts license tax for schools under KRS 160.613.

There shall also be added to the Customer's bill, as a separate item, any fee, tax or charge imposed upon the customer by a municipality or governmental agency, the purpose of which is to allocate among those customers identified by ordinance, franchise, statute, or otherwise, the cost of fire hydrants imposed upon the municipality or governmental agency. Failure to pay this charge shall not constitute grounds for termination of service.

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2018-00358 dated June 27, 2019

Approved:

KENTUCKY
PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

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Liven R. F.

6/28/2019

#### RECONNECTION CHARGE

#### **Applicable**

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

#### **Availability of Service**

Available for all customers

When it is necessary to discontinue water service to any premises because of a violation of the Company's Rules and Regulations on account of nonpayments of any bill for water service, a charge of Fifty-six Dollars (\$56.00) will be made to cover the expense of turning on the water service.

**ISSUED: November 28, 2018** June 28, 2019 **EFFECTIVE:** 

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe **President** 

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

**Approved:** 

KENTUCKY PUBLIC SERVICE COMMISSION

> **Gwen R. Pinson Executive Director**

Steven R. Punson **EFFECTIVE** 

6/28/2019

#### **INSUFFICIENT FUNDS CHARGE**

In those instances where a customer renders payment to the Company by check or electronic funds transfer which is not honored upon deposit by the Company, the customer will be charged (\$12.00) to cover the processing costs.

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

**Approved:** 

**KENTUCKY**PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

wen R. Punson EFFECTIVE

6/28/2019

#### **INSPECTION OF SERVICE LINE**

#### **Applicable:**

Applicable to the entire service territory of Kentucky-American Water Company where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 9(3).

#### **Availability of Service:**

Inspection of service lines is available to all customers of Kentucky-American Water Company where neither the Kentucky Department of Housing, Building and Construction or local government conducts an inspection of service lines comparable to that required of water utilities by 807 KAR 5:066 Section 9(3). The customer shall leave the trench open and the service line uncovered. The service line must be determined to be free from any tee, branch connection, irregularity or defect before service will be initiated.

#### Rate:

The customer shall be charged \$25.00 for each inspection of a service line.

**ISSUED: November 28, 2018 EFFECTIVE:** June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe **President** 

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

**Approved:** 

**KENTUCKY** PUBLIC SERVICE COMMISSION

> Gwen R. Pinson **Executive Director**

> > **EFFECTIVE**

Liven R. F.

6/28/2019

#### NEW ACCOUNT SET UP ACTIVATION FEE

#### **Applicable**

Applicable to all customers who request a new account or a change in ownership of an existing account.

#### **Availability of Service**

Available for all customers.

#### Rate

An activation fee of Twenty-eight (\$28.00) Dollars shall be charged to set up a new account or change an existing account. The activation fee covers the cost of meter reading and record change.

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

**Approved:** 

**KENTUCKY**PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

Simen R. Punsor

6/28/2019

#### LATE PAYMENT FEE

#### **Applicable**

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

#### **Availability of Service**

Available for all customers.

#### **Rates**

Kentucky American Water Company shall charge a 5% late fee on all charges that are paid after the due date on the bill. The late payment fee is 5% calculated upon all amounts owed with the exception of any amounts Kentucky-American Water Company collects pursuant to a third-party billing services contract, or on previously assessed late payment fees or other penalty charges. The late payment charge will only be assessed once on any bill for rendered services. Customers who receive a pledge for or notice of low income water assistance from an authorized agency will not be assessed or required to pay a late payment charge for the bill for which the pledge or notice is received.

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2018-00358 dated June 27, 2019

**Approved:** 

**KENTUCKY**PUBLIC SERVICE COMMISSION

Timen R. Punso

Gwen R. Pinson Executive Director

**EFFECTIVE** 

6/28/2019

#### 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.

Bulk Sales Rate \$.1674 per 50 gallons

#### **Terms and Conditions of Service**

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

ISSUED: November 28, 2018 EFFECTIVE: June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

**Approved:** 

**KENTUCKY**PUBLIC SERVICE COMMISSION

Twen R. Punson

Gwen R. Pinson Executive Director

EFFECTIVE

6/28/2019

#### SERVICE CLASSIFICATION NO. 6 HIDDEN LEAK ADJUSTMENT RATE

#### **Applicable**

Applicable to entire Service Territory of Kentucky-American Water Company.

#### **Availability of Service**

Available for Residential and Commercial customers.

A charge of twenty-five (25) percent of the applicable tariff will be applied to all water usage determined to be the result of a hidden underground leak.

#### **Terms and Conditions**

A hidden underground leak is defined as a leak in the customer service line between the meter and the premises. Hidden underground leak adjustments will be granted to residential and commercial customers. The customer must provide a plumber's statement or list of materials showing that the leak has been repaired. After verification of repairs by the Water Company, the bill will be adjusted by comparing the usage during the leak billing period to the average usage for the past six billing periods. A reasonable estimate will be used in cases when six prior periods of information do not exist. The excess usage will be billed at the rate specified above. During the lifetime of a water service line only two leak adjustments will be permitted. Each adjustment may cover a maximum of two billing periods. Before a third adjustment can be considered, the entire water service line from the meter box to the premises must be replaced. Plastic pipe for repair of underground water service lines must be certified to withstand a working pressure of 160 pounds per square inch or greater.

ISSUED: November 28, 2018 **EFFECTIVE:** June 28, 2019

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe **President** 

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in

Case No. 2018-00358 dated June 27, 2019

Approved:

**KENTUCKY** PUBLIC SERVICE COMMISSION

> Gwen R. Pinson **Executive Director**

> > **EFFECTIVE**

Liven R. F.

6/28/2019

#### **QUALIFIED INFRASTRUCTURE PROGRAM RIDER ("QIP RIDER")**

#### APPLICABLE SERVICE AREA

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

#### APPLICABILITY OF RIDER

Applicable to Residential, Commercial, Industrial, Other Public Authority, Sales for Resale, Public and Private Fire Service and Hydrant customers.

# <u>CALCULATION OF QUALIFIED INFRASTRUCTURE PROGRAM RIDER REVENUE REQUIREMENT</u>

(N) The QIP rate base in any forecasted period will be calculated in a manner consistent with 807 (N) KAR 5:001, Section 16(6)(c). The QIP Rider Revenue Requirement includes the following:

- a. QIP-eligible Plant In-Service not included in base water rates minus the associated QIP-related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to OIP-eligible construction;
- c. Return on the net QIP-eligible plant in-service at the overall rate of return on capital authorized in the Company's latest base water rate case, grossed up for federal and state income taxes:
- d. Depreciation expense on the QIP-eligible Plant In-Service less retirement and removals;
- e. Property taxes related to the QIP.

#### **QIP ELIGIBLE UTILITY PLANT:**

Distribution Infrastructure – distribution and transmission system structures and improvements, mains and valves installed as replacements for existing facilities; hydrants, distribution tanks; services, meters and meter installations, power generation and pumping equipment installed as replacements for existing facilities; unreimbursed funds related to capital projects to relocate facilities required by governmental infrastructure projects.

Water Treatment Infrastructure – source of supply and water treatment structures, pipe and equipment including sampling equipment, SCADA equipment, power generation and pumping equipment installed as replacements for existing facilities.

(N) signifies new rate or requirement.

ISSUED: July 1, 2021 EFFECTIVE: July 1, 2021

ISSUED BY: /s/ Nick O. Rowe

Nick O. Rowe President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2021-00090 dated June 21, 2021 KENTUCKY
Approved UBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

EFFECTIVE

7/1/2021

#### **RATES**

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 and subsequently adjusted to true-up the projected costs with the actual costs. The initial annual prospective QIP period will be the first full twelve month period following the Forecast Test Period utilized by the Commission in establishing Base Rates of the Company in its prior Base Rate Case proceeding. A filing with the projected costs for each twelve month QIP period will be submitted annually at least 90 days prior to the commencement of that QIP period, to become effective with the first day of the QIP period. The Company will submit a balancing adjustment annually no later than 90 days after the end of each 12 month QIP period to true-up the projected program costs and revenues, with the actuals for the same period. The balancing adjustment true-up to the rider will become effective 180 days after the end of the QIP period.

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. 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:

Approved:

(I) 8.27%

(I) signifies increase

ISSUED: October 16, 2023

**EFFECTIVE:** October 1, 2023

ISSUED BY: /s/ Kathryn Nash

Kathryn Nash President

2300 Richmond Road, Lexington, KY 40502

Issued by authority of an Order of the Public Service Commission in Case No. 2023-00030 Dated September 29, 2023