

Water Service Company of Kentucky

NOTICE OF PROPOSED INCREASE

Pursuant to the regulations of the Public Service Commission of Kentucky, Water Service Corporation of Kentucky gives notice to its customers in Middlesboro that it intends to adopt an increase in its water rates. The utility is requesting an increase in annual revenue totaling \$1,080,300, which will be a total increase of 38.32% to the utility. The rates listed below are proposed to be effective July 1, 2020.

	Present Fixed Charge	Present First 100k gal Vol Rate	Present Over 100k gal Vol Rate	Proposed Fixed Charge	Proposed First 100k gal Vol Rate	Proposed Over 100k gal Vol Rate	Current Avg Bill	Proposed Avg Bill	Dollar Increase	% Increase
Water Service Corporation of Kentucky										
5/8" and 3/4" Meter	\$ 11.45	\$ 5.00	\$ 3.35	\$ 15.84	\$ 7.55	\$ 5.21	\$ 28.66	\$ 41.81	\$ 13.16	45.91%
1" Meter	\$ 28.63	\$ 5.00	\$ 3.35	\$ 39.60	\$ 7.55	\$ 5.21	\$ 103.17	\$ 152.12	\$ 48.95	47.45%
1.5" Meter	\$ 57.25	\$ 5.00	\$ 3.35	\$ 79.19	\$ 7.55	\$ 5.21	\$ 229.15	\$ 338.69	\$ 109.54	47.80%
2" Meter	\$ 91.60	\$ 5.00	\$ 3.35	\$ 126.70	\$ 7.55	\$ 5.21	\$ 192.77	\$ 279.42	\$ 86.66	44.95%
3" Meter	\$ 171.75	\$ 5.00	\$ 3.35	\$ 237.56	\$ 7.55	\$ 5.21	\$ 2,194.72	\$ 3,360.06	\$ 1,165.34	53.10%
4" Meter	\$ 286.25	\$ 5.00	\$ 3.35	\$ 395.94	\$ 7.55	\$ 5.21	\$ 2,733.63	\$ 4,178.25	\$ 1,444.62	52.85%
6" Meter	\$ 572.50	\$ 5.00	\$ 3.35	\$ 791.88	\$ 7.55	\$ 5.21	\$ 992.49	\$ 1,425.90	\$ 433.41	43.67%
Municipally Owned Hydrants	\$ 7.40			\$ 8.10			\$ 7.40	\$ 10.24	\$ 2.84	38.32%
Private Hydrants & Sprinkler Systems	\$ 33.50			\$ 36.50			\$ 33.50	\$ 46.34	\$ 12.84	38.32%
Ambleside Private Fire Surcharge	\$ 3.33			\$ 3.63			\$ 3.33	\$ 4.61	\$ 1.28	38.32%

WSCK has proposed additions to its tariff to include a Qualified Infrastructure Program surcharge that would be applied to all customer classifications for qualified infrastructure investments. This surcharge would be calculated annually based on qualified infrastructure costs and applied to each customer's monthly bill. The surcharge would then be updated annually until the next rate case, at which time the investment costs would be incorporated into base rates and the surcharge reset at zero.

To increase the affordability for our most at-risk customers; WSCK is proposing an opt-in, low-income rate such that residences whose income falls below the poverty line can take advantage of a lower volumetric rate. The proposal would set a volumetric charge to \$5.93 per thousand gallons for the essential water consumption up to 3,000 gallons per month for qualifying customers. WSCK is also proposing a leak adjustment policy, whereby customers can receive a partial credit for underground leaks on customer-owned infrastructure under certain circumstances. In addition, WSCK is proposing a new wholesale water rate, proposed to be set at \$2.20 per 1,000 gallons.

The rates contained in the notice are the rates proposed by Water Service Corporation of Kentucky on or about June 1, 2020, with the Commission but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

A corporation, association, or person may within thirty (30) days after the initial publication or mailing of notice of the proposed rate changes, submit a written request to intervene to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 that establishes the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.

A person may examine this filing and any other documents Water Service Corporation of Kentucky has filed with the Public Service Commission at the offices of Water Service Corporation of Kentucky located at 100 East Jackson Street, Clinton, Kentucky 42031.

This filing and any other related documents can be examined at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or found on the Public Service Commission's Web site at <http://psc.ky.gov/>. Written comments regarding the proposed rate may be submitted to the Public Service Commission by mail or through the Public Service Commission's Web site.

If you have any questions, feel free to contact us at (844) 310-5556. Please have your account number ready.

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