

## NOTICE

Kentucky-American Water Company ("Kentucky American Water") expects to file on May 16, 2025, an application with the Kentucky Public Service Commission proposing to increase annual water service revenues by approximately 19.9%, net of Qualified Infrastructure Program ("QIP") revenues. The proposed annual revenue increases by customer classification are: Residential - \$13,942,464 (18.8%); Commercial - \$6,636,729 (18.8%); Industrial - \$827,944 (24.9%); Other Public Authority - \$2,236,971 (24.9%); Sales for Resale - \$468,544 (24.9%); Private Fire Service and Hydrants - \$1,209,793 (24.9%); Public Fire Hydrants - \$1,415,542 (24.9%); Miscellaneous ("Bulk Sales of Water through Loading Stations") - \$18,564 (12.8%). The proposed effective date of rates is for service rendered on and after June 16, 2025. Kentucky American Water has requested proposed rates be implemented to all customer classifications as shown below:

### Average Monthly Bills:

	<u>Monthly Usage</u>	<u>Current Average Bill</u>	<u>Proposed Average Bill</u>	<u>\$ Change</u>	<u>% Increase</u>
Residential (5/8")	3,942 gallons	\$47.67	\$56.73	\$9.06	19%
Commercial (5/8")	36,304 gallons	257.97	313.98	56.01	22%
Industrial (2")	1,705,505 gallons	9,432.49	11,885.09	2,452.60	26%
Other Public Authority (2")	128,172 gallons	928.23	1,156.94	228.71	25%
Sales for Resale (6")	1,934,938 gallons	11,307.30	14,370.04	3,062.74	27%
Miscellaneous (1")	12,346 gallons	100.55	124.52	23.97	24%
Private Fire Hydrant	N/A	96.82	121.00	24.18	25%
Public Fire Hydrant	N/A	61.57	76.90	15.33	25%
Private Fire Line (6")	N/A	100.35	125.70	25.35	25%

### Proposed Rate Increase for all customers:

#### Monthly Service Charge by Meter Size:

<u>Meter Size</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>	<u>% Increase</u>
5/8"	\$ 17.55	\$ 19.45	\$ 1.90	11%
3/4"	26.20	29.00	2.80	11%
1"	43.60	48.30	4.70	11%
1 1/2"	87.30	96.80	9.50	11%
2"	139.70	154.80	15.10	11%
3"	261.90	290.30	28.40	11%
4"	436.60	483.90	47.30	11%
6"	873.00	967.50	94.50	11%
8"	1,396.80	1,548.00	151.20	11%

#### Consumption Charges:

	<u>Current Rate</u>		<u>Proposed Rate</u>		<u>\$ Change</u>		<u>% Increase</u>
	<u>Per 1000 Gallons</u>	<u>Per 100 Gallons</u>	<u>Per 1000 Gallons</u>	<u>Per 100 Gallons</u>	<u>Per 1000 Gallons</u>	<u>Per 100 Gallons</u>	
Residential	\$6.7291	\$0.67291	\$9.4567	\$0.94567	\$2.7276	\$0.27276	41%
Commercial	6.0875	0.60875	8.1129	0.81129	2.0254	0.20254	33%
Industrial	5.0324	0.50324	6.8779	0.68779	1.8455	0.18455	37%
Other Public Authority	5.6070	0.56070	7.8187	0.78187	2.2117	0.22117	39%
Sales for Resale	4.9527	0.49527	6.9266	0.69266	1.9739	0.19739	40%
Miscellaneous	<u>Per 100 Gallons</u>	<u>Per 50 Gallons</u>	<u>Per 100 Gallons</u>	<u>Per 50 Gallons</u>	<u>Per 100 Gallons</u>	<u>Per 50 Gallons</u>	
	\$0.40000	\$0.20000	\$0.61736	\$0.30868	\$0.21736	\$0.10868	54%

#### Fire Protection:

<u>Private Fire Line Size</u>	<u>Current Monthly Rate</u>		<u>Proposed Monthly Rate</u>		<u>\$ Change</u>	<u>% Increase</u>
2"	\$	10.25	\$	13.85	\$ 3.60	35%
4"		41.25		56.00	14.75	36%
6"		92.80		125.70	32.90	35%
8"		165.00		223.00	58.00	35%
10"		257.85		348.90	91.05	35%
12"		385.90		521.40	135.50	35%
14"		371.80		502.40	130.60	35%
16"		660.20		892.30	232.10	35%
Private Fire Hydrant		89.53		121.00	31.47	35% Increase

Public Fire Hydrant	56.94	76.90	19.96	35% Increase
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Kentucky American Water is proposing to reset the QIP surcharge to zero and incorporate the investment costs into base rates. The average monthly bills shown in this notice include the QIP surcharge in the current average bills and a \$0 amount for the QIP surcharge in the proposed average bills.

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.