



NKWD RATE ADJUSTMENT

The Northern Kentucky Water District (NKWD) filed an application for a rate adjustment with the Kentucky Public Service Commission (PSC). Approved by the PSC December 20, 2012, the two-year phase in of the adjustment will mitigate the impact to its customers. The first adjustment will be implemented in January 2013. The average customer bill* will be adjusted approximately 4.6 cents per day, or \$1.37 per month (from \$40.91 per month to \$42.28 per month), or \$4.10 per quarter (from \$122.73 per quarter to \$126.83 per quarter), for a 3.34% adjustment. The second adjustment is anticipated to become effective in early 2014. The average customer bill will be adjusted approximately 4.3 cents per day, or \$1.28 per month (from \$42.28 per month to \$43.56 per month), or \$3.84 per quarter (from \$126.83 to \$130.67), for a 3.03% adjustment. The major drivers for these rate adjustments: EPA regulations that are mandated, but not paid for, by the federal government; repair and replacement of aging infrastructure; and addressing distribution system deficiencies. NKWD's last application to the PSC for a rate adjustment was 2 years ago in 2010.

The filing of the rate application is part of a very rigorous, thorough, and public process with the PSC. The PSC has a detailed public involvement process that NKWD fully cooperates with as part of its filing for any rate adjustment: 1) NKWD must place three ads in local papers to notify the public of filing; and 2) Customers have the opportunity to comment by phone, fax, Email, in writing or appear in person at any public hearing scheduled by the PSC. The PSC also closely regulates NKWD by requiring annual independent audits, annual inspections and review of NKWD operations, annual reporting of financial data, and oversight of construction projects, rates, fees and service standards.

www.psc.ky.gov

Significant steps in the PSC process:

- **April 21, 2010** – All Projects requiring a Certificate of Convenience and Necessity were approved by PSC.
- **March 1, 2012** – Notice of Intent to File per PSC requirements.
- **June 29, 2012** – NKWD filed rate adjustment application with PSC.
- Legal notices were placed in both publications of record in NKWD service area notifying the public of the rate adjustment request – **June 30, July 7 & 14, 2012** (*The Enquirer* – daily paper) and **July 5, 12 & 19, 2012** (*The Campbell County Recorder* – weekly paper)

- **December 20, 2012** – Rate adjustment approved by PSC
- **January 2013** – First adjustment of rates implemented in first billing cycle of 2013
- **January 2014** – Second adjustment of rates implemented in first billing cycle of 2014



The daily and monthly price of water for the average customer is still a good buy when compared to other monthly bills such as electric, cable, gas, cell phone, etc. In fact, the daily cost (approx. \$1.45/day) is less than the cost of a 20 ounce soft drink, bottled water, gourmet cup of coffee, or ½ gallon of milk. Put another way, you can buy approximately 200 gallons of water for the price of other drinks depicted in the photo.

*** Based on estimated usage of 6,000 gallons per month.**

