



NKWD RATE ADJUSTMENT

The Northern Kentucky Water District (NKWD) has filed an application for a rate adjustment with the Kentucky Public Service Commission (PSC). NKWD is proposing a two-year phase in of the adjustment to mitigate the impact to its customers. NKWD's last application to the PSC for a rate adjustment was 3 years ago in 2007. The average customer will see their monthly bill increase about \$4 per month in 2011 and about \$4.00 per month in 2012. The increase each year is approximately 14 cents per day. Driving the request for an adjustment are: capital improvements to water production facilities to meet 2012 regulations that are mandated, but not paid for, by the federal government; repair and replacement of aging infrastructure; and rising operations and maintenance costs such as power, chemicals, and materials that are beyond the direct control of the District.

The filing of the rate application is part of a very rigorous and thorough process with the PSC that includes public notification and involvement, leading to a hearing 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 opportunity to comment by phone, fax, email, in writing or in person through a public meeting and hearing held 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** – Certificate of Convenience and Necessity approved by PSC for projects related to the proposed rate adjustment.
- **June 4, 2010** – NKWD filed rate adjustment application with PSC.
- **June 4, 11, & 18, 2010 and June 10, 17, & 24, 2010 respectively** – Legal notices were run in both *The Enquirer* and *The Campbell County Recorder* (publications of record in NKWD service area) notifying the public of the rate adjustment request.
- **Thursday, October 14, 2010, 6:00 pm** – PSC held public meeting at Thomas More College.
- **Wednesday, October 27, 2010, 10:00 am** – PSC hearing at their offices in Frankfort, KY.
- **Wednesday, November 30, 2010** – Deadline for submission of comments to the PSC.
- **Friday, January 7, 2011** – PSC issued order approving rate adjustment.
- **March 2011** – Customer will begin seeing approved rate on bills.



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. \$1.25/day) is less than the cost of a 20 ounce soft drink, bottled water, gourmet cup of coffee, or 1/2 gallon of milk. Put another way, you can buy 200 gallons of water for the price of other drinks depicted in the photo.

