NOTICE OF APPLICATION OF ROWAN WATER, INC. TO ADJUST RATES FOR WATER SERVICE BEFORE THE PUBLIC SERVICE COMMISION OF KENTUCKY CASE NO. 2022-00252

Pursuant to the Kentucky Public Service Commission’s regulation 807 KAR 5:076, Rowan Water, Inc. gives notice that an application has been filed on or after September 1, 2022, with the Kentucky Public Service Commission seeking approval to adjust its rates for water service. This rate adjustment will apply to all of Rowan Water, Inc.’s customers. The proposed increase is to be effective March 1, 2023, or sooner, if approved by the Kentucky Public Service Commission. If Rowan Water, Inc.’s application is approved, monthly water bills from Rowan Water, Inc. will increase as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Customer Class | Present Rates | Proposed Rates | % Increase | $ Increase |
| **5/8 Inch Meter** |  |  |  |  |
| First 2000 gallons minimum | $19.42 | $23.68 | 21.94% | $4.26 |
| Next 3000 gallons | 0.00817 | $0.00996 | 21.91% | $0.00179 |
| Next 10,000 gallons | 0.00762 | $0.00929 | 21.92% | $0.00167 |
| Next 10,000 gallons | 0.00745 | $0.00909 | 22.01% | $0.00164 |
| Next 10,000 gallons | 0.00707 | $0.00862 | 21.92% | $0.00155 |
| Next 15,000 gallons | 0.00674 | $0.00822 | 21.96% | $0.00148 |
| Over 50,000 gallons | 0.00652 | $0.00795 | 21.93% | $0.00143 |
|  |  |  |  |  |
| **3/4 Inch Meter** |  |  |  |  |
| First 4000 gallons minimum | $36.64 | $44.68 | 21.94% | $8.04 |
| Next 1000 gallons | 0.00817 | 0.00996 | 21.91% | $0.00179 |
| Next 10,000 gallons | 0.00762 | 0.00935 | 22.70% | $0.00173 |
| Next 10,000 gallons | 0.00745 | 0.00909 | 22.01% | $0.00164 |
| Next 10,000 gallons | 0.00707 | 0.00862 | 21.92% | $0.00155 |
| Next 15,000 gallons | 0.00674 | 0.00822 | 21.96% | $0.00148 |
| Over 50,000 gallons | 0.00652 | 0.00795 | 21.93% | $0.00143 |
|  |  |  |  |  |
| **1 Inch Meter** |  |  |  |  |
| First 5000 gallons minimum | $44.80 | $54.63 | 21.94% | $9.83 |
| Next 10,000 gallons | 0.00762 | 0.00929 | 21.92% | $0.00167 |
| Next 10,000 gallons | 0.00745 | 0.00909 | 22.01% | $0.00164 |
| Next 10,000 gallons | 0.00707 | 0.00862 | 21.92% | $0.00155 |
| Next 15,000 gallons | 0.00674 | 0.00822 | 21.96% | $0.00148 |
| Over 50,000 gallons | 0.00652 | 0.00795 | 21.93% | $0.00143 |
|  |  |  |  |  |
| **1.5 Inch Meter** |  |  |  |  |
| First 15000 gallons minimum | $120.98 | $147.54 | 21.95% | $26.56 |
| Next 10,000 gallons | 0.00745 | 0.00909 | 22.01% | $0.00164 |
| Next 10,000 gallons | 0.00707 | 0.00862 | 21.92% | $0.00155 |
| Next 15,000 gallons | 0.00674 | 0.00822 | 21.96% | $0.00148 |
| Over 50,000 gallons | 0.00652 | 0.00795 | 21.93% | $0.00143 |
|  |  |  |  |  |
| **2.0 Inch Meter** |  |  |  |  |
| First 25000 gallons minimum | $195.50 | $238.41 | 21.95% | $42.91 |
| Next 10,000 gallons | 0.00707 | 0.00862 | 21.92% | $0.00155 |
| Next 15,000 gallons | 0.00674 | 0.00822 | 21.96% | $0.00148 |
| Over 50,000 gallons | 0.00652 | 0.00795 | 21.93% | $0.00143 |
|  |  |  |  |  |
| **Wholesale Rate** | $ 0.00212 | 0.00258 | 21.70% | $0.00046 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Customer Class | 2021 average usage per customer | Average monthly customer usage | Average monthly cost present rates | Average monthly cost per customer  Proposed rates | Cost increase based on average usage  $ | Cost increase based on average usage % |
| 5/8 Inch Meter | 3397 gallons | 283 gallons | $19.42 | $23.68 | 21.94% | $4.26 |
| 3/4 Inch Meter | 15219 gallons | 1268 gallons | $36.64 | $44.68 | 21.94% | $8.04 |
| 1 Inch Meter | 11831 gallons | 986 gallons | $44.80 | $54.63 | 21.94% | $9.83 |
| 1.5 Inch Meter | 3373 gallons | 281 gallons | $120.98 | $147.54 | 21.95% | $26.56 |
| 2.0 Inch Meter | 24104 gallons | 2008 gallons | $195.50 | $238.41 | 21.95% | $42.91 |
| Wholesale | 153880 gallons | 12823 gallons | $27.18 | $33.08 | 21.71% | $5.90 |

The following table shows the effect on a customer’s bill if the average usage was 4,000 gallons for the 5/8 Inch meter.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Gallons | Existing Rate | Total | Proposed Rate | Total | Total Increase  $ | Total Increase  % |
| First 2000 – min. bill | 2000 | 19.42 | 19.42 | 21.68 | 23.68 |  |  |
| Next 3000 | 2000 | 0.00817 | 16.34 | 0.00996 | 19.92 |  |  |
| Totals | 4000 |  | 35.76 |  | 43.60 | $7.84 | 21.92% |

The cost increase is if the proposed rates are approved by the Kentucky Public Service Commission. The rates contained in this notice are the rates proposed by Rowan Water, Inc. however, the Kentucky 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 to intervene to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request and including the status and interest of the party. If the Kentucky Public Service Commission does not receive a request to intervene within thirty (30) days of the initial publication or mailing of this notice, the Kentucky Public Service Commission may take final action on the application. Any comments regarding this application may be submitted through the Commission’s Web site at <http://psc.ky.gov/> or by mail to P.O. Box 615, Frankfort, Kentucky 40602.

Copies of Rowan Water, Inc.’s application may be obtained or viewed from Rowan Water, Inc. at 1765 Christy Creek, Morehead, KY 40351 Monday through Friday from 8:30 a.m. to 4:30 p.m., The application and all documents filed with the Kentucky Public Service Commission may be viewed and downloaded at the Kentucky Public Service Commission’s Web site at <http://psc.ky.gov/> or a copy can be obtained from the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 between the hours of 8:00 a.m. to 4:30 p.m.