



NKWD RATE ADJUSTMENT

The Northern Kentucky Water District (NKWD) filed an application for a rate adjustment with the Kentucky Public Service Commission (PSC). The two-year phase in of the adjustment will mitigate the impact to its customers. The first adjustment is anticipated to be implemented in the third quarter of 2019. The average residential customer bill* will be adjusted approximately 6 cents per day, or \$1.92 per month (from \$34.94 per month to \$36.86 per month), or \$5.76 per quarter (from \$104.82 per quarter to \$110.58 per quarter) for a 5.8% adjustment. The second adjustment is anticipated to become effective in the third quarter of 2020. The average customer bill will be adjusted approximately 6 cents per day, or \$1.92 per month (from \$36.86 per month to \$38.78 per month) or \$5.76 per quarter (from \$110.58 per quarter to \$116.34 per quarter) for a 5.8% adjustment. The major drivers for these rate adjustments are: to allow the District to be fiscally responsible and good stewards of our infrastructure in a cost effective manner and to meet operational costs and debt requirements of bond holders.

After much deliberation on the most recent rate application to the PSC, NKWD took these factors into account: the current economic conditions of the Northern Kentucky region; its need for additional revenues; how the rate adjustment would impact customers; and the local tolerance for rate increases from utility companies. NKWD spread the adjustment out over two years to lessen the impact on its customers.

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 the local paper to notify the public of the 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 inspection and review of NKWD operations, annual reporting of financial data, and oversight of construction projects, rates, fees, and service standards.

Significant steps in the PSC process:

- **August 24, 2018** – Notice of Intent to File per PSC requirements.
- **September 28, 2018** – NKWD filed rate adjustment application with PSC.
- Legal notices were placed in the publication of general circulation in the NKWD service area notifying the public of the rate adjustment request – **September 27, October 4 & 11, 2018** (*The Enquirer* – daily paper; Boone, Campbell and Kenton County *Recorders* – weekly papers)

***Based on estimated usage of 4,000 gallons per month.**



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. \$1.29 /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 over 200 gallons of water for the price of other drinks depicted in the photo.

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