

RESOLUTION NO. _____ - 2019

A RESOLUTION EXPRESSING THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S OPPOSITION TO SENATE BILL 163, RELATING TO THE ACQUISITION OF WATER OR SEWER UTILITIES BY INVESTOR OWNED UTILITIES.

WHEREAS, the residents of Lexington-Fayette County comprise most of Kentucky American Water Company's ("Kentucky American"), an investor-owned utility, customers; and

WHEREAS, the existing customers end up bearing most or all of the costs associated with Kentucky American's acquisition of water utilities with little or no measurable benefit to the existing customers; and

WHEREAS, Senate Bill 163 outlines an unnecessary process that would make it easier for Kentucky American to place all of its future water utility acquisition costs on the existing customers in future rate cases; and

WHEREAS, Kentucky American has nearly doubled the rates paid by its Fayette County customers since 2009 (more than 18% in 2009, 29% in 2010, more than 8% in 2013, and more than 7.5% in 2016), and has a pending rate case before the Public Service Commission (Case No. 2018-00358) requesting an increase of more than 22%; and

WHEREAS, Senate Bill 163 will make it easier for Kentucky American to request even more rate increases should it continue to acquire other water utilities.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That the above recitals are incorporated herein as if fully stated.

Section 2 - That the Urban County Council of the Lexington-Fayette Urban County Government opposes Senate Bill 163 relating to the acquisition of water or sewer utilities by investor-owned water or sewer utilities.

Section 3 – That the Clerk of the Urban County Council is hereby authorized and directed to send a copy of this resolution to Robert Stivers, President of the Kentucky State Senate; David Osborne, Speaker of the Kentucky State House of Representatives; Senate Bill 163 Sponsors: Senator Jared Carpenter (District 34) and Senator Paul

Hornback (District 20); the following state Representatives: George Brown Jr. (District 77), Kelly Flood (District 75), Joe Graviss (District 56), Matthew Koch (District 72), Stan Lee (District 45), Russ A. Meyer (District 39), Ruth Ann Palumbo (District 76), Philip Pratt (District 62), Cherlynn Stevenson (District 88), Susan Westrom (District 79); and the following state Senators: Ralph Alvarado (District 28), Tom Buford (District 22), Alice Forgy Kerr (District 12), Reginald Thomas (District 13).

Section 4 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL
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