

DIRECT TELEPHONE: (304) 340-1251

DIRECT TELECOPIER: (304) 340-1080

E-Mail: [callas@jacksonkelly.com](mailto:callas@jacksonkelly.com)

**State Bar No. 5991**

April 30, 2021

**Via Hand Delivery**

*Confidential Materials Enclosed*

Connie Graley, Director  
Executive Secretary Division  
Public Service Commission of  
West Virginia  
201 Brooks Street  
Charleston, West Virginia

Re: West Virginia-American Water Company  
2021 Rate Case Filing (Wastewater)  
Case No. 21-\_\_\_\_\_ -S-42T

Dear Ms. Graley:

Enclosed is a general rate case filing submitted by West Virginia-American Water Company for its wastewater operations in Fayetteville, West Virginia. The Company's filing seeks an additional \$340,289 in annual revenue, or an approximate 31.0% increase on a total-Company basis over current rates. The Company proposes to implement the wastewater increase across-the-board to all customer classes.

The Company also filed a general rate case for its water operations throughout West Virginia today. Some of the material provided with the water 42T filing also applies to the wastewater filing, but for reasons of economy and administrative convenience, the Company has not duplicated that material in this wastewater filing. If you wish, the Company will be pleased to provide your office with duplicate materials for filing in the wastewater docket. The Company proposes that the Commission consolidate the water and wastewater rate cases and provide common procedural schedules for them as it has done in the past.

Assuming a Commission-ordered suspension of the implementation of new rates, the effective date of the proposed rates is February 25, 2022.

Connie Graley, Director

April 30, 2021

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This filing is labeled “Volume IV,” to complete the sequence of volumes in the water rate filing (Volumes I, II, and III). Volume IV is comprised of the following materials:

- The Company’s proposed wastewater tariff
- Tariff Form No. 2 (Report on Tariff Change)
- Tariff Form No. 8 (Public Notice of Change in Rates)
- Rule 42 Financial Exhibit and associated workpapers
- Addendum to Rule 42 Financial Exhibit and associated workpapers
- Annual Reports of American Water Works Company, Inc., and the Company (also included in water filing)

This filing also includes a sealed envelope containing unredacted versions of the following documents that contain confidential information that has been redacted in the public version of the filing:

- Pages 14-16 of Statement C – debt and equity details of American Water
- Workpapers 6-8 & 31 – salary, wage, and other compensation detail
- Supplemental Statement A, Schedule 5 – federal income tax information

Please handle this material in accordance with your office’s standard practices for confidential filings. The Company will provide other parties with copies of this material upon execution of standard interim protective agreements.

As noted in the Company’s filing letter for the water case, materials denoted with an asterisk there also apply to this wastewater filing. These include the Company’s direct testimony, the Utility Management Report, the Motion for Limited Waiver, and the Motion for Protective Order.

As required in Rule 23 of the Commission’s Tariff Rules, the Company will provide notice of the filing pursuant to the posting, legal publication, press release, and mailing requirements specified therein, including separate mailings of Tariff Form No. 8 to each of the Company’s customers via bill insert. When the Company has completed the required notice, it will file Tariff Form No. 6 with the Commission to evidence its compliance with these rules.

Please show Robert O. Passmore, Nicklaus A. Presley, and me as counsel for the Company, and include our names on your office’s electronic docket notifications.

Connie Graley, Director

April 30, 2021

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If there are any questions about the filing or the nature of the enclosed materials, please contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Callas', with a stylized flourish at the end.

Christopher L. Callas

CLC/s

Enclosures

Cc: Robert Williams (w/enc.)  
Robert Burton (w/o enc.)  
Christina Chard (w/o enc.)  
Robert Passmore (w/o enc.)

**Volume IV**  
*Wastewater Rate Case Filing*  
*(Tariff, Forms, Rule 42 Exhibits, Workpapers, & Reports)*

***Filing Forms***

1 – Proposed Tariff Sheet

2 – Tariff Form 2

3 – Tariff Form 8

***Test Year***

Statement A – Revenue Requirement

Statement B – Average Rate Base

Statement C – Detail of Equity and Debt

Statement D – Water Bill Analysis

Statement E – Allocation of Corporate Costs

Statement F – Balance Sheet and Cash Flow Statement

Statement G – Detail of Adjustments

Workpaper 1

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Workpaper 45

***Addendum***

Statement A – Revenue Requirement

Statement B – Average Rate Base

Statement C – Detail of Equity and Debt

Statement D – Water Bill Analysis

Statement E – Allocation of Corporate Costs

Statement F – Balance Sheet and Cash Flow Statement

Statement G – Detail of Adjustments

Workpaper 1

↓

Workpaper 9

***Annual Reports***

American Water Works Company, Inc.

West Virginia-American Water Company

WEST VIRGINIA-AMERICAN WATER COMPANY  
OF  
CHARLESTON, WEST VIRGINIA  
RATES, RULES, AND REGULATIONS FOR FURNISHING  
SEWERAGE AND SEWAGE DISPOSAL SERVICE  
AT  
CITIES, TOWNS, COMMUNITIES, ETC.,  
AS DIRECTED ON SHEET NO. 1

Filed With The Public Service Commission of West Virginia

Issued February 25, 2019 by Final Order of the Public Service  
Commission of West Virginia in Case No. 18-0576-S-42T  
dated February 8, 2019

Effective: February 25, 2019

West Virginia-American Water Company

By: \_\_\_\_\_  
Christina E. Chard, Director Rates & Regulatory Support

**Index of Communities/Territories Served (by County)**

**FAYETTE COUNTY**

Fayetteville  
Oak Ridge

Issued February 25, 2019 by Final Order of the Public Service  
Commission of West Virginia in Case No. 18-0576-S-42T  
dated February 8, 2019

Effective: February 25, 2019

West Virginia-American Water Company

By: \_\_\_\_\_  
Christina E. Chard, Director Rates & Regulatory Support

### **RULES AND REGULATIONS**

Rules and Regulations for the Government of Sewer Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

The rates and charges herein shall be billed to the owners, tenants or other occupants of the premises served by the Company's sewerage system.

No free use of the services and facilities of said Company's sewerage system shall be permitted.

### **RULES AND REGULATIONS APPLICABLE TO PRIVATE SERVICE LINES**

To assure the orderly development of its system, and to provide adequate service to its customers, the Company should ordinarily provide sewer service only at the property line of the customer requesting service, and in those instances where the Company's service does not extend to the customers' property line, an extension should be made by the Company in accordance with Rule 5.5 e of the Rules and Regulations for the Government of Sewer Utilities. The provisions of this rule shall apply to all persons now or hereafter receiving sewer service through a privately owned service line extending from the Company's main to the property to be served.

### **RULES AND REGULATIONS APPLICABLE TO ACCESS TO METERS, SERVICE CONNECTIONS AND OTHER PROPERTIES OWNED BY THE COMPANY ON THE CUSTOMER'S PREMISES**

Agents and employees of the Company shall, in the proper discharge of their duties, have access at all reasonable times to meters, service connections and other properties owned by the Company on the customer's premises. The customer shall maintain his premises in a reasonably safe condition and shall keep all agencies thereon, including dogs and other animals, under reasonable control for the purpose of providing such access free from hazard or threat of danger to such agents and employees.

Every employee, whose duties require him to enter the customer's premises shall wear a distinguishing uniform, or other insignia, identifying him as an employee of the Company, or carry on his person a badge or other identification which will identify him as an employee of the Company.

Neglect or refusal on the part of the customer to comply with this rule and to supply free and safe access to his premises shall be sufficient cause for discontinuance of service on the part of the Company.

### **RULES AND REGULATIONS GOVERNING NON-PAYMENT OF SEWER BILLS**

The following provisions apply to discontinuance of service for nonpayment and to resumption or reconnection of service:

- (a) Discontinuance for non-payment. If any current usage billing is not fully paid within sixty (60) days after the date of such billing, water service to the customer shall be discontinued. Water service shall not be restored or resumed until payment to the Company of all past-due billings, any and all accrued penalties and, if applicable, interest, as well as the applicable discontinuance/restoration or administrative fee for water and sewer service.
- (b) Discontinuance/restoration fee; administrative fee. Whenever water service has been discontinued for non-payment of sewer billing, a discontinuance fee of \$20.00 shall be charged; or in the event the delinquent sewer bill is collected by Company representative(s) in the field, an administrative fee of \$20.00 shall be charged. A \$20.00 restoration fee will be assessed for each occurrence where water service to sewer customers is restored, after water service has been discontinued for non-payment of sewer bills.

### **AVAILABILITY OF SERVICE**

Available for residential, commercial, governmental, industrial ( except unusual industrial waste) and resale sewerage service and facilities

### **RATE**

All sewer services provided shall be by meter measurement.

The regular published meter rates shall apply to the city, village or district in which application is made will be charged, but in no case shall be less than the monthly minimum.

### **SPECIAL TERMS AND CONDITIONS**

In those cities, villages and districts for which the Company has published and files with the Public Service Commission of West Virginia a requirement for "Service Connection" deposit, applicants for temporary or construction purpose service shall comply with such requirement.

A charge for making each service connection shall be \$300.00 to make an ordinary connection to the sewerage system. Project service connections shall be charged \$125.00 if paid prior to bidding of the project, but \$300.00 if paid after the project has been let or put out for bid.

Applicable in the entire territory served by the Company's public sewerage utility.

**AVAILABILITY OF SERVICE**

Available for residential, commercial, governmental, industrial (except unusual industrial waste) and resale sewerage service and facilities.

**RATE**

- (I) First 2,500 gallons used per month \$24.5520 per 1,000 gallons
- (I) All over 2,500 gallons used per month \$20.9200 per 1,000 gallons

**MINIMUM CHARGE**

- (I) No bill will be rendered for less than a minimum charge of \$61.38.

**UNMETERED/UNMEASURED CHARGE**

- (I) In the event the customer's/user's water supply is unmetered or otherwise unmeasurable by the Company, a flat rate of \$103.22 per month shall be charged (based on 4,500 gallons used per month).

**INCREMENTAL COST OF WATER**

A cost of \$1.82 per 1,000 gallons is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such unusual consumption above the customer's historical average usage.

**DELAYED PAYMENT PENALTY**

The Company's tariffs are net. On all current usage bills not paid within twenty-one (21) days of the date of bill, ten percent (10%) will be added to the net amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

**RETURNED CHECK CHARGE**

A service charge equal to the actual bank fee assessed to the Company, not to exceed \$15.00, will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

- (I) *Indicates increase in rates*

SCHEDULE II

**SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE COMPANY'S SANITARY SEWER SYSTEM**

**APPLICABILITY**

Where the Company has discovered that a customer's roof drain, downspout, storm sewer, or other similar facilities conducting surface water have been connected to the sewer system, and such customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the Company, in accordance with the rules and regulations of the Public Service Commission, to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times .0006233 \times C$$

- S - The surcharge in dollars
- A - The area under roof and/or the area of any other water collection surface connected to the sanitary sewer, in square feet.
- R - The measured monthly rainfall, in inches
- .0006233 - A conversion factor to change inches of rain x square feet of surface to thousands of gallons of water
- C - The Company's approved rate per thousand gallons of metered water usage.

The Company shall not impose the surcharge unless, and until, the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing, or on-site inspection that rain or other surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system.

Said surcharge shall be calculated and imposed for each month that said condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the Rules and Regulations of the Public Service Commission of West Virginia.

1.1 General Terms

- (a) Pursuant to W. Va. Code §24-2A-5, this Special Reduced Rate Residential Service (“SRRRS”) tariff schedule is available to all current residential service (RS) customers and prospective RS customers who present to the Company satisfactory proof that the customer is receiving:
- (1) Social Security Supplemental Security Income (SSI),
  - (2) Temporary Assistance for Needy Families (TANF),
  - (3) Temporary Assistance for Needy Families-Unemployed Parent Program (TANF-UP), or
  - (4) Assistance from the Supplemental Nutrition Assistance Program (SNAP) if they are sixty years of age or older.
- (b) Any customer desiring to qualify for service under the SRRRS tariff schedule shall send by US mail or other form of delivery to the Company’s Charleston, WV office an application completed in accordance with rules adopted by the West Virginia Department of Health and Human Resources (WVDHHR). Provided, if an SSI, TANF, TANFUP or SNAP recipient is living in a household that is served under the name of a person who is not an SSI, TANF, TANF-UP or SNAP recipient, that service may not be changed or have been changed subsequent to July 1, 2012 to the name of the SSI, TANF, TANF-UP or SNAP recipient in order to qualify for service under the SRRRS tariff schedule. Provided, further that the Company shall not reject an application for service under the SRRRS tariff schedule on the basis that the customer is not a recipient of SSI, TANF, TANF-UP or SNAP when said customer is:
- (1) A member of the support group or payment group receiving aid under TANF or TANF-UP, as determined by WVDHHR; or
  - (2) A member of the support group or payment group receiving SNAP, as determined by WVDHHR, and is over sixty (60) years of age; or
  - (3) The spouse of a person who is over sixty (60) years of age and a recipient of SNAP; or
  - (4) The spouse of a person who receives SSI; or
  - (5) Otherwise determined to be eligible to receive service under the SRRRS tariff schedule.

In determining whether a customer qualifies to receive service under the SRRRS tariff schedule, the Company is entitled to rely on the information which is provided to it directly or indirectly by WVDHHR.

1.2 Applicable Rates

- (a) The service to eligible customers will be billed under the Company's current applicable tariffs for all residential service rendered on a monthly basis less a credit of 20% before application of local taxes as provided for by West Virginia Code §24-2A-5. The Company shall apply all relevant and applicable requirements and conditions of W. Va. Code §24-2A-5 and all other requirements of the rules and regulations and terms of conditions of service of the Company's West Virginia P.S.C. Tariff and the SRRRS tariff schedule, as amended from time to time.
- (b) The SRRRS tariff schedule shall apply to any charges based on wastewater usage during the periods in which a customer is eligible to receive service under such tariff schedule. Minimum bills for qualified customers will be discounted under the SRRRS tariff. Surcharges not based on wastewater usage, disconnection fees, reconnection fees, tap fees and similar charges shall not be discounted.
- (c) After any period during which a customer does not receive wastewater service under the SRRRS tariff schedule, that customer must reapply in order to resume receiving service under the SRRRS tariff schedule.
- (d) The Company shall use due diligence to reflect applicable SRRRS charges on the bills it renders to customers qualified to receive service under such tariff schedule. However, the Company shall not be required to alter the timing of its meter-reading or billing schedules, but it may make adjustment to subsequent bills to correct billing errors or to reflect the initiation, continuation or termination of service under the SRRRS tariff schedule.

1.3 Certification of Revenue Deficiency. No more than twice per year the Company may make application to the Commission for a determination and certification of the revenue deficiency which it has experienced as a result of offering service under the SRRRS tariff schedule instead of under the Company's standard residential rates. Each such application should contain sufficient information to enable the Commission to determine the revenue deficiency experienced by the Company. This information shall include a comprehensive monthly report of the Company's disposition of the applications received and the resulting revenue deficiency for each month and a summary report for the entire certification period. All information submitted for determination and certification of the Company's revenue deficiency shall be verified by the Company to be true and accurate to the best of its knowledge and information. Each determination and certification by the Commission of a revenue deficiency shall be issued in the form of a final order.

1.4 Notice to Customers

The Company shall provide notice of the availability of service under the SRRRS tariff schedule at least once per year by bill message or bill insert. Such notice will advise the Company's customers that detailed information on eligibility may be obtained from the WVDHHR and/or this tariff.

End of Section 1

SCHEDULE III

**SURCHARGE FORMULA TO BE APPLIED IN THE CASE OF USERS PRODUCING UNUSUAL WASTE**

The charge for the treatment of unusual waste will be calculated on the basis of the following formula:

$$C_i = V_o V_i + B_o B_i + S_o S_i$$

- CI = charge to unusual users per year
- Vo = average unit cost of transport and treatment chargeable to volume, in dollars per gallon
- Vi = volume of wastewater from unusual users in gallons per year
- Bo = average unit cost of treatment, chargeable to Biochemical Oxygen Demand (BOD) in dollars per pound
- Bi = weight of BOD from unusual users in pounds per year
- So = average unit cost of treatment (including sludge treatment) chargeable to total solids in dollars per pound
- Si = weight of total solids from unusual users in pounds per year

When an unusual user is to be served, a preliminary study of its wastes, and the cost of transport and treatment thereof, will be made. Waste containing materials which, in the judgment of the Company, should not be introduced into the sewer system need not be handled by it. The results of this preliminary study will be used to determine the feasibility of the proposed sewer service and the charge therefore, based upon the formula set out above.

Thereafter, unusual sewage will be monitored on a regular basis and at the conclusion of each fiscal year, based on the investigation aforesaid and audit of the Company records, new cost figures will be calculated for use in the above formula. The cost of establishing the monitoring facilities shall be paid by the unusual user. Based on these audited figures, additional billings covering the past fiscal year will be made for payment by each unusual user, or refund given by the Company, as the case may be. Such audited figures will then be used for the preliminary billing for the next fiscal year, at the end of which an adjustment will be made as aforesaid.

SCHEDULE IV

**INDUSTRIAL WASTE IN CERTAIN INSTANCES**

Where the amount of sanitary sewage discharged into the Company's wastewater collection and/or transmission and/or treatment system by an industrial plant or plants cannot be accurately determined by the use of the plant's water meter or meters, and said plant cannot or will not install a flow meter to measure such waste, a special formula will be used whereby such plant or plants will pay to the Company a sewer charge calculated at fifty (50) gallons of water per each employee at the plant each working day.

SCHEDULE V

**APPLICABILITY**

The rates, fees and charges set forth hereinbelow are applicable in all areas served by the Company's public sewerage utility.

**AVAILABILITY OF SERVICE**

Available for wastewater and leachate haulers

**RATES**

Each hauler shall pay a commodity charge of \$20.00 per 1,000 gallons per load. The term "load" means the actual capacity of the truck or other transport method delivering wastewater and leachate as determined or verified by the Company.

**DELAYED PAYMENT PENALTY**

The Company's tariffs are net. On all current usage bills not paid within twenty-one (21) days of the date of bill, ten percent ( 10%) will be added to the net amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

**RETURNED CHECK CHARGE**

A service charge equal to the actual bank fee assessed to the Company, not to exceed \$15.00, will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

**LOCAL BUSINESS AND OCCUPATION TAX (LOCAL SALES TAX) SURCHARGE**

The following municipalities, having imposed an excise tax, exaction or fee based upon a percentage of revenue from sewer billings by the Company, within the territorial limits of such municipalities, such taxes, exactions or fees shall be billed as a "surcharge" to the customers receiving service within the said territorial limits. This "surcharge" shall be computed at the appropriate effective tax rate levied by the municipality giving consideration for the additional State gross sales tax resulting there from.

Any increase, decrease, elimination or creation of any such taxes, exactions or fees by the municipalities shall become effective after the Company has given thirty (30) days notice to the Commission of the imposition of or any change in said taxes, by filing a revision of the appropriate tariff sheet(s).

The monthly bills to such customers referred to above will reflect the amount resulting from Base Rate, Minimum Charge, Local Business and Occupation Tax Surcharge and any other applicable surcharges.

Customers receiving service within such municipalities shall pay a surcharge on the following effective surcharge rates:

<u>Municipality</u>	<u>Local Sewer Sales Tax Rate</u>	<u>Surcharge Rate</u>
Fayetteville	0.0150	0.01594

$$\text{Surcharge Rate} = \frac{\text{Local Sewer Sales Tax Rate}}{1 - (\text{Local Sewer Sales Tax Rate} + \text{W.Va. State Tax Rate})}$$

**LOCAL PUBLIC UTILITIES EXCISE TAX SURCHARGE**

The municipalities listed below, having imposed public utility tax computed on the basis of two percent of the revenues from sewer billing revenue by the Company, within the territorial limits of such municipalities, such taxes, exactions or fees shall be billed as a "surcharge" to the customers receiving service within the said territorial limits. This "surcharge" shall be computed at the appropriate effective tax rate levied by the municipality.

Any increase, decrease, elimination or creation of any such taxes, exactions or fees by the municipalities shall become effective after the Company has given thirty (30) days' notice to the Commission of the imposition of or any change in said taxes, by filing a revision of the appropriate tariff sheet(s).

The monthly bills to such customers referred to above will reflect the amount resulting from Base Rate, Minimum Charge, Local Public Utilities Excise Tax Surcharge and any other applicable surcharges.

Customers receiving service within such municipalities shall pay a surcharge on the following effective surcharge rates:

<u>Municipality</u>	<u>Local Tax Rate Sewer Sales</u>	<u>Surcharge Rate</u>
Fayetteville	0.0200	0.0200

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(N) **REVENUE STABILIZATION MECHANISM**

(N) **APPLICABILITY**

Applicable to the entire territory served by the Company and all residential, commercial, industrial, and other public authority water customers.

(N) **DEFINITIONS**

The terms below are defined to mean:

**Actual Revenue (AR)** shall mean the actual dollar amount of revenues billed to customers for the applicable service classifications, excluding revenues arising from adjustments under this tariff and any other tariff, which were billed for the applicable Fiscal Year.

**Actual Production Costs (APC)** shall mean the actual dollar amount of power, chemicals, purchased water and waste disposal incurred by the Company to serve applicable customers in the Fiscal Year.

**Effective Period** shall mean the period for which the adjustments in section 8.3 are to be billed to customers and shall be the nine-month period April through December after the Filing Month.

**Effective Period Usage (G)** shall mean the number of 100-gallon units delivered to customers by the Company, including the number of 100-gallon units for the applicable Effective Period.

**Filing Month** shall mean the month in which an adjustment is determined by the Company and submitted to the Commission, on or before January 31.

**Fiscal Year** shall mean the Fiscal Year of the Company that ended as of the most recent December 31.

**Qualifying Consumption** shall mean the metered consumption of all residential, commercial, industrial, and other public authority customers.

**Previous Amortization Period** shall mean the nine-month reconciliation amortization period that ended as of the most recent Fiscal Year.

(N) *Indicates new tariff provision*

**Rate Case Revenue (RCR)** shall mean the dollar amount of revenues reflected in the revenue requirements approved by the Commission for the applicable service classifications in the Company's most recent general rate case. In a month or year in which new rates come into effect, the RCR shall be prorated based upon the number of days in the month or year under the old rates and the number of days in the month or year under the new rates

**Rate Case Production Costs (RPC)** shall mean the dollar amount of power, chemicals, purchased water and waste disposal expenses reflected in revenue requirements used to serve applicable approved by the Commission in the Company's most recent general rate case. In a month or year in which new rates come into effect, the RPC shall be prorated based upon the number of days in the month or year under the old rates and the number of days in the month or year under the new rates.

(N) **DETERMINATION OF ADJUSTMENT**

- a. Determination of Over-/Under-Collection Amount (RA)

$$RA = (RCR - RPC) - (AR - APC)$$

Where:

- RCR represents the Rate Case Revenue for the Fiscal Year.  
RPC represents the Rate Case Production Costs for the Fiscal Year.  
AR represents the Actual Revenue for the Fiscal Year.  
APC represents the Actual Production Costs for the Fiscal Year.  
RA represents the dollar amount due the Company (+RA) or the customers (-RA) arising from adjustments under this tariff that were under-billed or over-billed in the prior Fiscal Year.

- b. Calculation of Surcharge/Credit Rate Per Hundred Gallons

$$C = RA/G \text{ if } RA \text{ is positive or } C = RA/CST \text{ if } RA \text{ is negative}$$

(N) *Indicates new tariff provision*

Where:

- C represents the surcharge rate per hundred gallons
- RA represents the dollar amount due the Company (+RA) or the customers (-RA) arising from adjustments under this tariff that were under-billed or over-billed in the prior Fiscal Year.
- G represents the projected Effective Period Usage for the Effective Period
- CST represents the projected Effective Period customer count for the Effective Period

The adjustment components above shall be summed together for billing purposes. If either component of the adjustments computes to \$0.0001 per 100 gallons or more, any fraction of \$0.0001 in the computed per 100 Gallons adjustment amount shall be dropped if less than \$0.00005 or, if \$0.00005 or more, shall be rounded up to the next full \$0.0001.

Any over- or under-recovery of an RA for a previous Fiscal Year that rose from the application of a surcharge rate during any Previous Amortization Period will be added to/subtracted from the calculation of RA for inclusion in the surcharge/credit calculated for the next succeeding Effective Period.

(N) **APPLICATION OF ADJUSTMENT TO EFFECTIVE PERIOD USAGE**

- a. In any year following a Fiscal Year in which the RA calculated under Section 8.3(a) is positive, the Company will apply the surcharge rate per hundred gallons (C) to each one hundred-gallon unit of Qualifying Consumption during the Effective Period.
- b. In any year following a Fiscal Year in which the RA calculated under Section 8.3(a) is negative, the Company will apply a one-time credit to the bill of each customer covered under this tariff at the beginning of the Effective Period.

(N) **REPORTS AND RECONCILIATIONS**

The Company shall file with the Commission on or before January 31 of each year, the RSM calculation and support for any annual adjustments to be effective under this tariff. The Commission Staff will have 60 days to review. The reconciliation amount will be surcharged from April 1 through December 31 of each calendar year. Any credit will be issued as soon as administratively possible.

(N) *Indicates new tariff provision*

(N) **UNCOLLECTIBLE EXPENSE RIDER**

(N) **APPLICABILITY**

Applicable to the entire territory served by the Company.

(N) **RATE**

The purpose of this Rider is to recover or refund the amount by which the Company's actual annual uncollectible expense in a calendar year exceeds or is less than the uncollectible expense amount included in the Company's rates in effect for the reporting year. Any over-or-under recoveries of the Company's actual uncollectible expense amounts for a reporting year, as determined in accordance with this Rider, shall be included in the monthly customer charge for each respective rate class. Costs subject to this Rider are those costs that are classified as Uncollectible Expense in Account 670. Such adjustments will be the incremental difference between the amount of Uncollectible Expense in Account 670 and the Uncollectible Expense included in base rates and as allocated by customer class in the Cost of Service study for that case.

The Uncollectible Expense Rider shall be a fixed amount per customer monthly bill.

(N) **CALCULATION OF UNCOLLECTIBLE EXPENSE RIDER**

A separate Uncollectible Expense Rider shall be calculated for Private Fire Service and All Other customers. The Uncollectible Expense will be allocated to each customer classification based on each customer class Cost of Service study in accordance with the last base rate case.

<u>Customer Class</u>	<u>Allocation</u>
Residential, Commercial, Industrial, and OPA	100.00%

(N) *Indicates new tariff provision*

The Uncollectible Expense Rider shall be determined as follows:

$$\frac{(\text{Uncollectible Expense in Dollars} - \text{Authorized Uncollectible Expense}) * \text{Customer Class Allocation \%} + \text{Reconciliation Adjustment}}{\text{Customer Class Count} * \text{Months Rider will be Effective}}$$

$$\text{UEX Charge} = ((\text{UEX} - \text{AUEX}) * \text{CA} + \text{RA}) / \text{CC} * \text{X}$$

Where:

UEX Charge represents the Uncollectible Expense Rider Charge, rounded to the nearest cent.

The Uncollectible Expense Rider Charge will be reviewed on an annual basis.

X represents the number of months in the effective period.

UEX represents the uncollectible expense recorded in Account 670 during the measurement period.

AUEX represents Authorized Uncollectible Expense for the Company established in the last base rate case; as allocated by customer class in the Cost of Service study for that case.

CA represents the customer class allocation in the Customer service study.

CC represents the estimated number of monthly customers to whom the charge will apply.

RA represents the reconciliation adjustment.

(N) **FILING SCHEDULE**

The Company shall file a formal proceeding annually by March 1<sup>st</sup> for a request to establish a UEX Charge to recover the applicable amounts over a twelve-month period. The measurement period for the determination of the UEX Charge will be the activity for the calendar year ended December. The filings shall include a statement showing the determination of such charges or credits as noted within this Tariff.

(N) **RECONCILIATION**

Each annual filing will include a reconciliation of actual revenues collected under this Rider during the measurement period with the anticipated amount of revenues that were to be recovered or refunded under this Rider. The reconciliation amount will be recovered or refunded under this Rider over a twelve-month period.

(N) *Indicates new tariff provision*



**PUBLIC NOTICE OF CHANGE IN WASTEWATER RATES**  
**WEST VIRGINIA-AMERICAN WATER COMPANY**

Notice is hereby given that WEST VIRGINIA-AMERICAN WATER COMPANY, a public utility, has filed with the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA a tariff containing a requested increase in rates, tolls, and charges for furnishing wastewater service to approximately 1,100 customers in Fayette County.

The proposed increased rates and charges will become effective February 25, 2022, and will produce, on a total Company basis, \$340,289 annually in additional revenues, or an overall increase in revenues of approximately 31.0%, with such revenues being collected from the customers as more fully described herein. The Company expects that the Commission will order the suspension of the new rates and charges for the full 300-day suspension period under W. Va. Code §24-2-4a, or until February 25, 2022.

The following schedule shows the change from rates currently in effect based on representative levels of consumption and the monthly dollar and percentage changes if the full rate increase is granted.

	<b>PROPOSED RATES</b>	<b>PRESENT RATES</b>	<b>DIFFERENCE</b>	<b>PERCENTAGE DIFFERENCE</b>
<b>RESIDENTIAL</b>				
Minimum Bill (2,500 Gallons)	\$61.38	\$46.26	\$15.12	32.68%
Avg Residential Usage (3,000 Gallons)	\$71.84	\$54.14	\$17.70	32.69%
4,500 Gallons	\$103.22	\$77.80	\$25.42	32.67%
7,500 Gallons	\$165.98	\$125.11	\$40.87	32.67%
10,000 Gallons	\$218.28	\$164.53	\$53.75	32.67%
<b>COMMERCIAL (1" meter)</b>				
10,000 Gallons	\$218.28	\$164.53	\$53.75	32.67%
15,000 Gallons	\$322.88	\$243.37	\$79.51	32.67%
20,000 Gallons	\$427.48	\$322.22	\$105.26	32.67%
25,000 Gallons	\$532.08	\$401.06	\$131.02	32.67%
<b>OTHER PUBLIC AUTHORITY (1" meter)</b>				
10,000 Gallons	\$218.28	\$164.53	\$53.75	32.67%
15,000 Gallons	\$322.88	\$243.37	\$79.51	32.67%
20,000 Gallons	\$427.48	\$322.22	\$105.26	32.67%
25,000 Gallons	\$532.08	\$401.06	\$131.02	32.67%

The rate increases shown above are based on averages for customers in the indicated class at varying usages. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increase or decrease) by the Public Service Commission in its review of this filing. Any increase in rates and charges will not become effective until authorized and approved by the Public Service Commission. If a hearing is conducted, notice will be given of the time and place of hearing.

A complete copy of the Company's tariff proposals and a representative of the Company to provide information concerning this tariff are available to all customers, prospective customers or their agents at the following

offices:

West Virginia-American Water  
Central Division  
1600 Pennsylvania Avenue  
Charleston, WV 25302

West Virginia-American Water  
Southern Division  
12 Mile Road @ Route 460  
Princeton, West Virginia 24740

Anyone desiring to intervene and act as a party in either of these cases should file on or before July 29, 2021 a Petition to Intervene complying with the Commission rules on intervention in the Rules of Practice and Procedure, 150 C.S.R. 1, unless otherwise modified by Commission order. Anyone desiring to protest should file a written protest as soon as possible, although protests will be accepted by the Commission through the pendency of this proceeding. All written protests should briefly state the reason for the protest. All protests and Petitions to Intervene should clearly state the case name and number and be addressed to Connie Graley, Executive Secretary, Public Service Commission of West Virginia, P.O. Box 812, Charleston, West Virginia 25323.

A copy of this tariff is also available for public inspection at the Offices of the Secretary of the Public Service Commission at 201 Brooks Street, Charleston, West Virginia 25301.