

PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

CASE NO. 24-0557-WS-DSIC

WEST VIRGINIA-AMERICAN WATER COMPANY  
2025 Distribution System Improvement Charge.

**PUBLIC NOTICE OF CHANGE IN RATES**  
**and NOTICE OF PUBLIC HEARING**

On June 28, 2024, West Virginia-American Water Company filed an Application for approval of a Distribution System Improvement Plan and Charge pursuant to the direction of the Commission Order issued February 24, 2016, in the Company's 2015 base rate cases, Case Nos. 15-0675-S-42T and 15-0676-W-42T.

WVAWC proposes to invest approximately \$40.6 million in water and \$3.2 million in wastewater infrastructure replacement and system upgrades in 2025. The investment will include the replacement of transmission and distribution mains, hydrants, water service lines, meters, wastewater collection mains, manholes, wastewater service lines, pumping equipment, treatment and disposal equipment, and investment in troubled systems. To recover the costs related to the investment, WVAWC is requesting an increase to its Distribution System Improvement Charge (DSIC). The projects proposed for 2025 are identified in the application, which is, on file and available for public inspection at the Commission's offices at 201 Brooks Street, Charleston, West Virginia, and may be viewed on the Commission's website [www.psc.state.wv.us](http://www.psc.state.wv.us).

As with the DSIC currently in place, WVAWC proposes to recover costs associated with these investments through a surcharge on customer bills, calculated as a percentage of the total monthly bill for service (comprised of both the minimum meter charge and the volumetric rate component). WVAWC proposes to include a Wastewater System Improvement Charge (WSIC) as a subcomponent of the DSIC to recover qualified investments in wastewater utility plant, as authorized by the Commission Order issued March 1, 2024, in Case No. 23-0558-WS-DSIC. The proposed DSIC rate combines WVAWC's DSIC qualified wastewater revenue requirement with its water revenue requirement to calculate a single DSIC rate that is the same percentage adder for both water and wastewater customers.

WVAWC proposes to increase the current 4.23% DSIC/WSIC adders for water and wastewater bills to 7.01%, an increase of approximately 2.78%. If approved as requested, WVAWC projects that the average monthly bill for various classes of WVAWC customers will change as follows:

Water Service DSIC Rate of 7.01%			
<u>Customer Class</u>	<u>\$ Increase</u>	<u>% Increase</u>	<u>Average Usage</u>
Residential	\$1.94	2.78%	3,000 gallons per month
Commercial	\$10.31	2.78%	16,000 gallons per month
Industrial	\$252.79	2.78%	650,000 gallons per month
Other Public Authority	\$43.80	2.78%	33,000 gallons per month
Sale for Resale	\$1,509.74	2.78%	5,652,000 gallons per month

  

Wastewater Service WSIC Rate of 7.01%			
<u>Customer Class</u>	<u>\$ Increase</u>	<u>% Increase</u>	<u>Average Usage</u>
Residential	\$2.00	2.78%	3,000 gallons per month
Commercial	\$9.56	2.78%	16,000 gallons per month
Industrial	\$378.49	2.78%	650,000 gallons per month
Other Public Authority	\$19.46	2.78%	33,000 gallons per month
Sale for Resale	\$ N/A	2.78%	5,652,000 gallons per month

If approved, the 2025 DSIC and WSIC rate increments will also directly or indirectly affect customers of the following public service districts, regional development authorities, municipalities, or other governmental subdivisions who, under agreements approved by the Commission, are charged water service rates that are in whole or in part based on the rates of WVAWC:

Boone County Public Service District  
Cumberland Public Service District  
Flatwoods Canoe-Run Public Service District  
Jumping Branch-Nimitz Public Service District  
Kanawha County Regional Development Authority  
Lashmeet Public Service District  
Lewis County Economic Development Authority  
New Haven Public Service District  
Oakvale Road Public Service District  
Putnam County Building Commission  
Salt Rock Public Service District  
Webster County Economic Development Authority

The increases and percentage increases for customers of the above listed utilities will be approximately the same as those shown for the WVAWC customers.

Some of the customers receiving service from these entities under Operation and Maintenance Agreements with WVAWC also pay a surcharge in addition to the rates that mirror WVAWC rates. These surcharge amounts were approved by the Commission in prior cases, and those surcharges will not increase or otherwise be affected by this filing.

Resale customers of WVAWC include Bluefield Valley Water Works Company; Lavalette Public Service District; Flatwoods Canoe Run Public Service District; Aqua American Water; Jane Lew Public Service District; Lincoln Public Service District; City of Milton; and the City of Hurricane. The increases proposed by WVAWC may affect the costs of wholesale customers but their rates will not change unless they file separate rate cases.

The increases shown above are based on averages of all customers in the indicated class. Each class may receive an increase greater or less than stated here. Individual customers may receive increases that are greater or less than average. The requested rates and charges are only a proposal and are subject to changes (increases or decreases) by the Commission in its review of the filing. New DSIC/WSIC rate increments will not become effective unless and until they are approved by the Commission.

The Commission set a hearing date on the Application which will begin at 9:30 a.m. on November 6, 2024, in the Howard M. Cunningham Hearing Room at the Commission's offices at 201 Brooks Street,

Charleston, West Virginia. The Commission may cancel the hearing for good cause shown. Interested persons intending to attend the hearing should monitor the Commission web docket.

Anyone desiring to protest or intervene should file a written protest or request to intervene that briefly states the reason for the protest or request to intervene. Requests to intervene must comply with the rules on intervention set forth in the Commission's Rules of Practice and Procedure and must be filed within twenty (20) days following the date of this publication unless otherwise modified by Commission order. The Commission will receive public comments throughout the entirety of the proceeding. All written comments and requests to intervene should state the case name and number and be addressed to Karen Buckley, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323. Public comments may also be filed online at <http://www.psc.state.wv.us/scripts/onlinecomments/default.cfm> by clicking the "Formal Case" link.