

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF EAST LOGAN	)	CASE NO.
WATER DISTRICT, INC. FOR A RATE	)	2025-00265
ADJUSTMENT PURSUANT TO 807 KAR 5:076	)	

ORDER

By Order dated January 24, 2025, the Commission ordered East Logan Water District (East Logan District) to file:

On or before August 30, 2025, East Logan District shall file an application for a general rate adjustment pursuant to 807 KAR 5:001, Section 16, or an application for an alternative rate adjustment pursuant to 807 KAR 5:076, or in the alternative, file a formal motion with a detailed analysis of its rates and revenues explaining the reasons why no modifications are necessary.¹

On August 7, 2025, East Logan District filed its Notice of Intent to file an application pursuant to 807 KAR 5:076. However, on August 30, 2025, East Logan District filed a motion to accept analysis of revenues and rates (Motion to Accept) in both this case and Case No. 2024-00400. East Logan District's Motion to Accept sought the Commission to

(1) accept the results of the rate analysis attached to and embedded in this Motion; (2) find that the District's present rates are adequate and that the District should not be required to submit an application for an adjustment of its rates for water service at this time; (3) find that the District has satisfied the requirements set forth in Ordering Paragraph 5 of its Order of

¹ Case No. 2024-00400, *Electronic Purchased Water Adjustment Filing of East Logan Water District* (Ky. PSC Jan. 24, 2025), Order at 7, ordering paragraph 5.

January 24, 2025; and (4) close and remove from its docket Cases No. 2024-00400 and No. 2025-00265.²

The Commission, having reviewed that filing, finds that East Logan District has complied with the Order in Case No. 2024-00400. However, the Commission also finds that further investigation is required to resolve the remainder of East Logan District's Motion to Accept. As such, Commission Staff's First Request for Information is attached hereto as an Appendix. The Commission finds that the remainder of East Logan District's motion should be continued to be revisited once sufficient evidence of record has been gathered.

Concurrent to this Order, an Order will be issued in Case No. 2024-00400 closing that case.

IT IS THEREFORE ORDERED that:

1. East Logan District's Motion to Accept filed in this case is continued for discovery.
2. East Logan District shall respond to all requests for information propounded by Commission Staff, as provided in those requests. See attached Appendix.
3. East Logan District's Motion to Accept filed in Commission Case No. 2024-00400 is granted, in part, denied as moot, in part. The Motion to Accept is granted to the extent that East Logan District has complied with the requirements of the January 24, 2025 Order in Case No. 2024-00400. All remaining portions of East Logan District's Motion to Accept filed in Commission Case No. 2024-00400 are denied as moot.

² East Logan District's Motion to Accept Analysis of Revenues and Rates (filed Aug. 30, 2025) at 6.

PUBLIC SERVICE COMMISSION


Chairman


Commissioner


Commissioner

ATTEST:


Executive Director



Case No. 2025-00265

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00265 DATED OCT 28 2025

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO EAST LOGAN WATER DISTRICT

East Logan Water District (East Logan District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on November 12, 2025. The Commission directs East Logan District to the Commission's July 22, 2021 Order in Case No. 2020-00085³ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

East Logan District shall make timely amendment to any prior response if East Logan District obtains information that indicates the response was incorrect or incomplete

³ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which East Logan District fails or refuses to furnish all or part of the requested information, East Logan District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, East Logan District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to East Logan District's Motion to Accept Analysis of Revenues and Rates, Rate Analysis Excel Document, AvgDebt Tab. Also refer to East Logan District's 2024 Audited financial statements that were filed with the Commission on March 31, 2025. The balance sheet on page 7 reflects current portion of long-term debt of \$34,000 and long-term debt of \$158,000 for a total debt of \$192,000. Note D on pages 15 and 16 also reflect total debt of \$192,000. Commission Staff did not identify any other debt instruments. Both documents referenced above indicate interest payments of \$55,358 for 2025 and total interest payments of \$309,996 for the period 2025 through 2031 on total principal payments of \$192,000. The income statement on page 8 reflects lesser

amounts with 2023 and 2024 interest expense being reported at \$10,422 and \$7,712, respectively.

a. Provide an explanation for the difference between the stated interest payments in the rate analysis, the footnotes to the 2024 audited financial statements, and the approximately \$7,920 amount calculated for 2025 interest expense based on the information.

b. Confirm that all amounts reported as debt service are correct. If unable to confirm, identify any and all amounts utilized for debt service which were incorrect in the rate analysis file or the revenue requirement, provide the correct amounts and provide revised calculations.

c. Explain whether the future interest amounts stated in note D are correct, and if so, provide supporting documentation and calculations. If incorrect, provide corrected future interest amounts along with corresponding supporting documentation and calculations.

2. Refer to East Logan District's motion to accept analysis of revenues and rates, Attachment A, Schedule of Adjusted Operations (SAO), Depreciation Expense, which reflects a test year depreciation amount of \$435,765 and an adjustment of (\$101,914). Also refer the Rate Analysis Workpapers, Dep Tab which reflects Current Depreciation of \$320,946.84.

a. Provide a revised Depreciation Schedule, Dep Tab, that reflects each item that when reconciled resulted in SAO Depreciation of \$435,765 rather than the \$320,946.84 that is reported in the Dep Tab. Include any applicable adjustments for NARUC depreciation lives for each of the items.

b. State whether the adjustments to the Dep Tab result in a change in the adjustment for NARUC depreciation of \$(101,914). If either or both of the items above result in modifications to East Logan District's original filing, provide the following:

- (1). Revised SAO.
- (2). Revised Revenue Requirement.
- (3). Any revised schedules that reflect calculation modifications.
- (4). A statement describing whether the impact of the adjustments results in a modification to East Logan District's motion and identifying all modifications.

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