

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF NORTH LOGAN	)	
WATER DISTRICT #1 FOR AN ALTERNATIVE	)	CASE NO.
RATE FILING ADJUSTMENT PURSUANT TO 807	)	2026-00195
KAR 5:076	)	

ORDER

On August 17, 2026,¹ North Logan Water District #1 (North Logan District #1) filed its application with the Commission requesting an adjustment to its water rates pursuant to 807 KAR 5:076. North Logan District #1 filed its application in compliance with the final Order in Case No. 2025-00003.² In that proceeding, North Logan District #1 was ordered, amongst other things, to file an application by July 31, 2026, for either a general rate adjustment pursuant to 807 KAR 5:001, Section 16, or for an alternative rate adjustment (ARF) pursuant to 807 KAR 5:076 to ensure its revenue is sufficient to support adequate and reliable service.

¹ North Logan District #1 tendered its application on July 31, 2026. By letter dated August 3, 2026, the Commission rejected the application for filing deficiencies. The deficiencies were subsequently cured, and the application is deemed filed on August 17, 2026.

² See Case No. 2025-00003, *Electronic Purchased Water Adjustment Filing of North Logan Water District* (Ky. PSC Feb. 12, 2025), final Order at 5, ordering paragraph 5.

The Commission finds that a procedural schedule³ should be established to ensure an orderly review of North Logan District #1's application. The procedural schedule is attached as Appendix A to this Order.

In addition, North Logan District #1 should file on or before the date set forth in the procedural schedule its responses to the Commission Staff's request for information, attached to this Order as Appendix B, and should respond to any future requests for information propounded by Commission Staff by the date or dates set forth on any such requests.

IT IS THEREFORE ORDERED that:

1. The procedural schedule set forth in Appendix A to this Order shall be followed.
2. On or before the date set forth in the procedural schedule, North Logan District #1 shall file its responses to the Commission Staff's request for information, attached to this Order as Appendix B.
3. North Logan District #1 shall respond to any additional requests for information propounded by Commission Staff as provided in those requests.
4. No later than the date set forth in the procedural schedule, Commission Staff shall file with the Commission and serve upon all parties of record a written report (Staff Report) containing its recommendations regarding North Logan District #1's requested rate adjustment.

³No action is necessary to suspend the effective date of North Logan District #1's proposed rates for service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set for in 807 KAR 5:076 may not place its proposed rates into effect until the Commission approves those rates or six months from the date of the filing of its application.

5. No later than 14 days after the date of service of the Staff Report, each party of record shall file with the Commission:

a. Its written comments on and any objections to the findings contained in the Staff Report; and

b. Any additional evidence for the Commission to consider.

6. If Commission Staff recommends that North Logan District #1's financial condition supports a higher rate than North Logan District #1 proposes or the assessment of an additional rate or charge not proposed in North Logan District #1's application, North Logan District #1 in its response to the Staff Report shall also state its position in writing on whether the Commission should authorize the assessment of the higher rate or the additional rate or charge.

7. If Commission Staff recommends that changes should be made to the manner in which North Logan District #1 accounts for the depreciation of North Logan District #1's assets, North Logan District #1 in its response to the Staff Report shall also state its position in writing on whether the Commission should require North Logan District #1 to implement the proposed change for accounting purposes.

8. A party's failure to file written objections to a recommendation contained in the Staff Report within 14 days after the date of the filing of the Staff Report shall be deemed a waiver of all objections to that finding.

9. If a party requests a hearing or informal conference, then the party shall make the request in its written comments and state the reason a hearing or informal conference is necessary.

10. A party's failure to request a hearing or informal conference in the party's written response shall be deemed a waiver of all rights to a hearing on the application and a request that the case stand submitted for decision.

11. A party's failure to file a written response within 14 days after the date of service of the Staff Report shall be deemed a waiver of all rights to a hearing on the application.

12. As set forth in 807 KAR 5:001, Section 4(11), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented or the issues and facts the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of the utility consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

13. Any motion to intervene filed after the date established in the procedural schedule attached as Appendix A to this Order shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

14. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085⁴ regarding filings with the Commission.

⁴ 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).

Entered on this 4th day of September, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair



Mary Pat Regan
Vice Chair



Andrew W. Wood
Commissioner



Barry L. Mayfield
Commissioner

ATTEST:



Justin McNeil
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2026-00195 DATED SEP 04 2026

Requests for intervention shall be filed no later than 9/21/2026

All requests for information to North Logan District #1
shall be filed no later than 9/28/2026

North Logan District #1 shall file responses to requests
for information no later than 10/12/2026

All supplemental requests for information to
North Logan District #1 shall be filed no later than..... 11/2/2026

North Logan District #1 shall file responses to supplemental
requests for information no later than 11/16/2026

Commission Staff's Report shall be filed no later than..... 1/11/2027

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00195 DATED SEP 04 2026

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO NORTH LOGAN WATER DISTRICT #1

North Logan Water District #1 (North Logan District #1), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on October 12, 2026. The Commission directs North Logan District #1 to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ 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.

North Logan District #1 shall make timely amendment to any prior response if North Logan District #1 obtains information that indicates the response was incorrect or

¹ 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).

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

For any request to which North Logan District #1 fails or refuses to furnish all or part of the requested information, North Logan District #1 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, North Logan District #1 shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide the following information related to billing software:
 - a. Brand or common name for software.
 - b. State whether the software is locally installed on a utility-owned computer or is a subscription service that is internet based.
 - c. If locally installed, state the installation date.
 - d. State whether the system is still serviced by the manufacturer and whether the utility maintains a service contract.
2. Provide the following information related to general ledger software:
 - a. State if the billing software and general ledger software are integrated.

- b. Brand or common name for software.
 - c. State whether the software is locally installed on a utility-owned computer or is a subscription service that is internet based.
 - d. If locally installed, state the installation date.
 - e. State whether the system is still serviced by the manufacturer and whether the utility maintains a service contract.
- 3. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.
 - a. The general ledger with all transactions for the year ended December 31, 2025, and year-to-date 2026.
 - b. The trial balance in Excel spreadsheet format for the year ended December 31, 2025, and year-to-date 2026.
 - c. Provide a cross reference that matches each test year general ledger account to each revenue and expense line that is reported in the Schedule of Adjusted Operations (SAO) and reconcile amounts that do not match the respective SAO line item.
- 4. Refer to the Application, Attachment #7, Depreciation Expense Table. Provide the Report in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.
- 5. Refer to the Application, Attachment #4, SAO and Adjustment References, and Attachment #5, Revenue Requirements Calculation. Provide all schedules used to support each proposed adjustment in Excel format. Component details of each schedule

should tie to the general ledger accounts that comprise the test year SAO line item including any adjustment for unreconciled amounts.

6. Refer to Application, Attachment #4, SAO, and Attachment #6, Current Billing Analysis – 2025 Existing Rates (Current Billing Analysis). North Logan District #1 did not propose any adjustments to the proforma operating revenues for Metered Water Sales and Sales for Resale in the SAO even though the Current Billing Analysis produces higher revenues from Water Sales compared to the Test Year.

a. Explain why North Logan District #1 did not propose any adjustments based on the Current Billing Analysis results.

b. State whether the Operating Revenues component of the SAO needs revision. If yes, provide updated SAO and Revenue Requirement Calculation forms.

7. Refer to Application, Attachment #6, Current Billing Analysis. Also refer to North Logan District #1's Annual Report for year 2025. The Current Billing Analysis states that 49,575,180 gallons were sold, while the 2025 Annual Report reports 50,468,000 gallons were sold which results in a difference of 892,820 gallons. Reconcile and explain the difference.

8. Refer to the Application, Attachment 6, Current Billing Analysis – 2025 Usage and Existing Rates and Proposed Billing Analysis – 2025 Usage and Proposed Rates. Provide the billing analysis in Excel Spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

9. Refer to the Application, Attachment 6, Current Billing Analysis – 2025 Usage and Existing Rates. Explain whether North Logan District #1 provided to

customers any leak adjustments or billing adjustments that were not applied to the billing analysis. If so, please provide a detailed list of the adjustments with supporting documentation.

10. Refer to the Application, Attachment #4, SAO.

a. Provide a detailed explanation of the unmetered water sales of \$70,510.

b. Explain how North Logan District #1 accounts for the unmetered gallons.

11. Refer to the Application, Attachment #4, SAO. Provide an itemization of the Other Water Revenues of \$11,544 and state whether each component will recur.

12. Using a table format, provide an Excel spreadsheet with all formulas, rows, and columns fully accessible and unprotected that lists each position (Position 1, Position 2, etc.), job titles, pay rates, and match cost for each employee for the year ended December 31, 2025. Include the date the employee was hired and, if applicable, the employee's termination date. If a position is recently vacated but the intent is to fill it, note the vacancy and the amount of time that it has been vacant. Employee names should be redacted from all documents.

a. Provide calculations by employee that support pro forma wages of \$139,184. This may be provided as a separate table or combined with the table above. Include hours worked, any bonus payments, total wages paid, and total FICA (both social security and Medicare) If a position is recently vacated, but the intent is to fill it, note the vacancy and the amount of time that it has been vacant.

b. State whether yearly hours for full-time employees are 1950 hours (37.5 weekly) or 2080 hours (40 weekly).

c. For any part-time employees, state how many weekly hours a part-time employee is expected to work.

d. Provide a summary of overtime hours worked and costs due to vacant positions and, thus, will be eliminated when the vacant positions are filled.

e. For any bonuses, provide written personnel policies including a description of the measurement determinates.

13. Provide a complete description of each employee benefit, paid to or on behalf of each employee for test year 2025. Supplemental coverage for which the employee pays 100 percent of the cost should also be included.

a. Provide a copy of one invoice for 2025 for each employee benefit described above.

b. State whether there were any significant changes to any benefit coverage described above subsequent to the test year.

c. Provide a copy of the most recent invoice for each employee benefit described above.

14. Provide certificates of insurance and most recent invoices for general liability, workers' compensation, automobile, property and casualty, and any other coverage for 2025 and 2026.

15. Purchased Water for 2025.

a. Provide gallons purchased, total cost, and average unit cost by month for each supplier and in total for all suppliers.

b. Reconcile reported gallons purchased in the annual report water statistics to the amounts reported in Item 12(a).

c. Provide the current per gallon price for each supplier.

16. Provide the minutes from North Logan District #1's Board of Commissioners' meetings for calendar year 2025, and year-to-date 2026. Consider this a continuing request through the date of issuance of the Staff Report.

a. Designate each action that authorizes hiring.

b. Designate each action that authorizes adjustments to wage rates, any other compensation (including bonuses), or fringe benefit actions.

17. Provide a document that lists the name of each commissioner for 2025 and 2026, their term (beginning and ending), and current authorized annual compensation.

a. State, individually, the amount of wages and each benefit (i.e., health insurance premiums, life insurance premiums, FICA taxes, etc.) paid to, or on behalf of, each commissioner for each year.

b. Provide documentation from the Fiscal Court that authorizes each commissioner's appointment and compensation.

c. Provide training records for each commissioner for 2025 and 2026 or a statement that the individual has not attended training.

18. Provide the following information regarding the rate case expense.

a. State whether North Logan District #1 plans to incur any expense related to the preparation of this rate case.

b. If so, provide a quote or invoice for the amount project or incurred.

c. State whether the amount projected is a fixed amount or describe what factors would cause the stated amount to increase or decrease.

d. State whether the expected rate case expense will be paid for by North Logan District #1 or a third party (i.e. grant funds).

19. Provide the following for new tap installations.

a. Number of installations during the test year.

b. State whether labor costs were capitalized and, if so, provide the total amount and designate the line in the fixed assets listing that reflects the capitalization.

c. State whether material costs were capitalized and, if so, provide the total amount and designate the line in the fixed assets listing that reflects the capitalization.

20. Provide the date that North Logan District #1's billing cycle begins (meter read date).

21. State whether the date that the billing cycle begins is the date that would be best stated as the effective date of any order the Commission issues concerning rates in this case.

22. State the last time North Logan District #1 performed a cost-of-service study (COSS) to review the appropriateness of its current rates and rate design.

a. Explain whether North Logan District #1 considered filing a COSS with the current rate application and the reasoning for not filing one.

b. Explain whether any material changes to North Logan District #1's system would cause a new COSS to be prepared since the last time it completed one.

c. If there have been no material changes to North Logan District #1's system, state when North Logan District #1's anticipates completing a new COSS.

d. Provide a copy of the most recent COSS that has been performed for North Logan District #1's system in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

23. Provide the number of occurrences and dollar amount for late fees that were recorded during the test year.

24. Provide a schedule that lists the number of occurrences of each nonrecurring charge and the revenue amount that was recorded during the test year. Include nonrecurring charges for which there were no occurrences or reported revenue. Include the general ledger account numbers where each nonrecurring charge is recorded.

25. Provide updated cost justification sheets to support each nonrecurring charge listed in North Logan District #1's tariff.

26. Provide cost justification sheets to support any proposed new nonrecurring charges.

27. Provide updated cost justification sheets to support each Meter Connection/Tap-on Charge listed in North Logan District #1's tariff.

Service List for Case 2026-00195

* David P. Foster
Rural Community Assistance Partnership
101 Burch Court
Frankfort, KY 40601

* North Logan Water District #1
3221 Lewisburg Road
Russellville, KY 42276

* Tim Barr
North Logan Water District #1
3221 Lewisburg Road
Russellville, KY 42276