

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-	)	CASE NO.
AMERICAN WATER COMPANY FOR AN	)	2025-00122
ADJUSTMENT OF RATES	)	

ORDER

On May 16, 2025; June 5, 2025; July 7, 2025; August 4, 2025; and October 6, 2025, Kentucky-American Water Company (Kentucky-American) filed petitions, pursuant to 807 KAR 5:001, Section 13, and KRS 61.878, requesting that the Commission grant confidential protection for five years for the compensation and benefits study provided as an attachment to Robert Mustich's direct testimony provided with the application,¹ as well as various responses, discussed below, to Commission Staff's Requests for Information,² the Attorney General of the Commonwealth of Kentucky's (Attorney General) Requests for Information³ and Lexington-Fayette Urban County Government's (LFUCG) Requests for Information.⁴

¹ Direct Testimony of Robert Mustich, Attachment A (Mustich Study) (filed May 16, 2025).

² Kentucky-American's Response to Commission Staff's First Request for Information (Staff's First Request) (filed June 5, 2025); Kentucky-American's Response to Commission Staff's Second Request for Information (Staff's Second Request) (filed July 7, 2025); Kentucky-American's Response to Commission Staff's Third Request for Information (Staff's Third Request) (filed Aug. 4, 2025); Kentucky-American's Response to Post-Hearing Request for Information (filed Oct. 27, 2025).

³ Kentucky-American's Response to Attorney General's First Request for Information (Attorney General's First Request) (filed July 7, 2025); Kentucky-American's Response to Attorney General's Second Request for Information (Attorney General's Second Request) (filed Aug. 4, 2025)

⁴ Kentucky-American's Response to LFUCG's First Request for Information (LFUCG's First Request) (filed July 7, 2025); Kentucky-American's Response to LFUCG's Second Request for Information (LFUCG's Second Request) (filed Aug. 4, 2025).

LEGAL STANDARD

The Commission is a public agency subject to Kentucky's Open Records Act, which requires that all public records “be open for inspection by any person, except as otherwise provided by KRS 61.870 to 61.884.”⁵ Exceptions to the free and open examination of public records contained in KRS 61.878 should be strictly construed.⁶ The party requesting that materials be treated confidentially has the burden of establishing that one of the exceptions is applicable.⁷ KRS 61.878(1)(a) exempts “[p]ublic records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy.”⁸ KRS 61.878(1)(c)(1) provides an exception to the requirement for public disclosure of records that are “generally recognized as confidential and proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records.”⁹

DISCUSSION

May 16, 2025 Petition

Mustich Study

Kentucky-American provided a compensation and benefits study by Robert V. Mustich, who is the managing director and east region rewards business leader for Willis Towers Watson. In support of its petition, Kentucky-American argued that the Mustich

⁵ KRS 61.872(1).

⁶ See KRS 61.871.

⁷ 807 KAR 5:001, Section 13(2)(c).

⁸ KRS 61.878(1)(a).

⁹ KRS 61.878(1)(c)(1).

Study has information that if released would provide a commercial advantage to competitors in hiring and competitors would benefit from using the study without having to dedicate resources into creating their own.¹⁰ Kentucky-American further argued that the study has information relating to its marketing positioning and that the Commission previously granted confidential treatment to similar information.¹¹

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's May 16, 2025 petition should be granted. The Commission finds that the designated material contained in the Mustich Study are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13. Disclosing the study could result in Kentucky-American having a commercial disadvantage and the Commission has previously held that similar studies should be granted confidential treatment.¹²

June 5, 2025 Petition

Present and Forecasted Chemical Pricing and Purchased Water Expenses provided in Response to Staff's First Request Item No. 1

In its petition, Kentucky-American argued that the present and forecasted chemical prices and purchased water expenses provided in response to Staff's First Request,

¹⁰ Petition of Kentucky-American for Confidential Protection (filed May 16, 2025) (Kentucky-American's May 16, 2025 Petition) at 2.

¹¹ Kentucky-American's May 16, 2025 Petition, citing Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, a Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions*, Order (Ky. PSC Oct. 10, 2023) at 3.

¹² Case No. 2018-00358, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates*, Order (Ky. PSC Mar. 14, 2019); Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, a Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC Oct. 10, 2023), Order.

Item No. 1 should be afforded confidential treatment because disclosure of pricing information could put Kentucky-American at a commercial disadvantage in negotiations with suppliers.¹³

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be granted in part and denied in part. The Commission finds that the forecasted chemical prices and forecasted purchased water expenses contained in Kentucky-American's response to Staff's First Request, Item No. 1 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13. The Commission has previously found that forecasted chemical prices should be afforded confidential treatment.¹⁴

The Commission further finds that the request for confidential treatment should be denied for present chemical prices and present purchased water expenses contained in Kentucky-American's response to Staff's First Request, Item No. 1, because the present prices are a matter of public concern. Denying confidential treatment will allow for the transparency necessary for the utility ratepayers to know the information relied upon in the Commission's final decision. Therefore, information related to present pricing found in response to Staff's First Request, Item No. 1 does not meet the criteria for confidential treatment and should not be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

¹³ Petition of Kentucky-American for Confidential Protection (filed June 5, 2025) (Kentucky-American's June 5, 2025 Petition) at 1-2.

¹⁴ Case No. 2023-00191, Oct. 10, 2023 Order at 2-3; Case No. 2018-00358, Mar. 14, 2019 Order at 2, 4-5

Spreadsheet of Current and Future Wages for Employees provided in Response to Staff's First Request Item No. 1

In support of its petition, Kentucky-American argued that disclosure of the spreadsheet with current and future wage information for employees, provided in response to Staff's First Request, Item No. 1, would violate employees' privacy rights.¹⁵ Kentucky-American argued that the information is personal and private information, and that disclosure would not be in line with the Open Records Act's purpose.¹⁶ Kentucky-American argued that the Commission has previously recognized that salary information should be confidential.¹⁷

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be granted in part and denied in part. The Commission finds that the spreadsheet of current and future wages of employees contained in Kentucky-American's response to Staff's First Request, Item No. 1 that relate to non-executive compensation are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13. The Commission has previously found that such information should be afforded confidential treatment and disclosure would be a violation of an employee's expectation of privacy.¹⁸

¹⁵ Kentucky-American's June 5, 2025 Petition at 4.

¹⁶ Kentucky-American's June 5, 2025 Petition at 4.

¹⁷ Kentucky-American's June 5, 2025 Petition at 4, citing Case No. 1989-00374, *In the Matter of Application of Louisville Gas and Electric Company for an Order Approving an Agreement and Plan of Exchange and to Carry Out Certain Transactions in Connection Therewith* (Ky. PSC Apr. 30, 1997), Order at 2.

¹⁸ See Case No. 2020-00104, *Electronic Application of Clark Energy Cooperative, Inc. for a General Adjustment of Rates Pursuant to Streamlined Procedure Pilot Program Established in Case No. 2018-00407* (Ky. PSC Jan. 25, 2022), Order at 3.

The Commission further finds that the request for confidential treatment should be denied for the executive compensation provided in the spreadsheet of current and future wages for employees provided in response to Staff's First Request, Item No. 1. The Commission has previously found that executive compensation should not be afforded confidential treatment.¹⁹ Therefore, information related to executive compensation found in response to Staff's First Request Item No. 1 does not meet the criteria for confidential treatment and should not be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13.

Accounting and budgeting practices and procedures provided in response to Staff's First Request, Items No. 4 and 5

In its petition, Kentucky-American argued that the accounting and budgeting practices provided in response to Staff's First Request, Items No. 4 and 5 are proprietary and that extensive resources were invested by its parent company, American Water Works Company, Inc. (American Water) to create it.²⁰ Kentucky-American argued that giving competitors free access to the materials would put Kentucky-American at a competitive disadvantage.²¹

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be granted for the accounting and budgeting practices and procedures provided in response to Staff's First Request, Items No. 4 and 5. The Commission finds that this information meets the criteria for confidential treatment

¹⁹ See Case No. 2021-00407, *Electronic Application of South Kentucky Rural Electric Cooperative Corporation for a General Adjustment of Rates, Approval of Depreciation Study, and Other General Relief* (Ky. PSC Aug. 30, 2022), Order at 2.

²⁰ Kentucky-American's June 5, 2025 Petition at 1-2

²¹ Kentucky-American's June 5, 2025 Petition at 1-2.

and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13. Release of Kentucky-American's internal practices and procedures could result in a competitive disadvantage. The Commission has previously found that internal accounting procedures meet the criteria for confidential treatment.²²

Comparison of Medical Benefits provided in response to Staff's First Request, Item No. 29; Employee contribution rates for annual premiums provided in response to Staff's First Request, Item No. 38; and Employee Health Care, Dental, and Vision Plans provided in response to Staff's First Request, Item No. 39

In its petition, Kentucky-American argued that the comparison of medical benefits provided in response to Staff's First Request, Item No. 29; employee contribution rates for annual premiums provided in response to Staff's First Request, Item No. 38; and Employee Health Care, Dental, and Vision Plans provided in response to Staff's First Request, Item No. 39 are proprietary and that extensive resources were invested by the American Water to create it.²³ Kentucky-American argued that giving competitors free access to the materials would put Kentucky-American at a competitive disadvantage, and that disclosure of this information could give competitors an advantage in the hiring of employees.²⁴

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be denied for the response to Staff's First Request, Items No. 29, 38, and 39. The Commission has previously found that aggregate

²² Case No. 2021-00129, *Electronic Application and Request for Decision by April 5, 2021 of Kentucky Power Company for an Order Approving Accounting Practices to Establish a Regulatory, Asset Related to the Extraordinary Expenses Incurred by Kentucky Power Company in Connection with Three February 2021 Major Storm Events* (Ky. PSC Apr. 13, 2021), Order at 1–2.

²³ Kentucky-American's June 5, 2025 Petition at 2.

²⁴ Kentucky-American's June 5, 2025 Petition at 2.

employee compensation, such as healthcare and dental plans that are not tied to a specific employee, should not be entitled to confidential treatment.²⁵ Therefore, comparison of medical benefits provided in response to Staff's First Request, Item No. 29; employee contribution rates for annual premiums in response to Staff's First Request, Item No. 38; and the employee health care, dental, and vision plans provided in response to Staff's First Request, Item No. 39 do not meet the criteria for confidential treatment and should not be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

Performance Pay provided in Response to Staff's First Request Item No. 33 and Salary and Benefit Information by Group Provided in Response to Staff's First Request, Item No. 37

Kentucky-American argued that disclosure of the performance pay information provided in response to Staff's First Request, Item No. 33 and the salary information by group provided in response to Staff's First Request, Item No. 37, would violate employees' privacy rights.²⁶ Kentucky-American also argued that the Commission has previously recognized that salary information should be confidential.²⁷

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be granted. The Commission finds that performance pay information provided in Attachment 4 is provided in response to Staff's First Request Item No. 33 and the salary information by group provided in response to

²⁵ Case No. 2020-00290, *Electronic Application of Bluegrass Water Utility Operating Company, LLC for an Adjustment of Rates and Approval of Construction* (Ky. PSC Dec. 27, 2021), Order at 12.; Case No. 2023-00191, Order (Ky. PSC Oct. 10, 2025) at 6.

²⁶ Kentucky-American's June 5, 2025 Petition at 3-5.

²⁷ Kentucky-American's June 5, 2025 Petition at 4-5, citing Case No. 1989-00374, Apr. 30, 1997 Order at 2.

Staff's First Request, Item No. 37 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13. The redacted information is related specifically to non-executive employees. Commission has previously found that non-executive compensation should be afforded confidential treatment.²⁸

July 7, 2025 Petition:

Bond rating reports provided in response to Staff's Second Request, Item No. 10 and Attorney General's First Request, Item No. 85

Kentucky-American provided documents from S&P in response to Staff's Second Request, Item No. 10, attachments 24 and 29, as well as bond rating agency reports from S&P and Moody's in response to Attorney General's First Request, Item No. 185. Kentucky-American stated that, per The Brattle Group's license agreement with S&P, these documents cannot be disclosed publicly.²⁹ Kentucky-American argued If this proprietary information is disclosed, S&P, Moody's, and other third-party suppliers of the same kinds of information and analyses may be less willing to supply reports to Kentucky-American and its consultants in the future and diminishing Kentucky-American's ability to receive this information would harm both the company and its customers.³⁰ Kentucky-American further argued the Commission has previously held that reports from

²⁸ See Case No. 2018-00358, Mar. 14, 2019 Order at 2.

²⁹ Petition of Kentucky-American for Confidential Protection (filed July 7, 2025) (Kentucky-American's July 7, 2025 Petition) at 2.

³⁰ Kentucky-American's July 7, 2025 Petition at 2-3.

subscription-based rating services such as Moody's and S&P should be granted confidential treatment.³¹

The Commission finds that the documents provided in response to Staff's Second Request, Item 10, attachments 24 and 29, and the bond rating agency reports from S&P and Moody's in response to Attorney General's First Request, Item No. 185, is information that meets the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

Corporate governance and asset investment strategy information provided in response to Attorney General's First Request, Item No. 1-58

In response to Attorney General's First Request, Item No. 1-58, Kentucky-American provided corporate governance and asset investment strategy information. Kentucky-American argued these policies are the result of significant investment and effort, and contain highly proprietary information related to American Water, the disclosure of which could commercially harm both American Water and Kentucky-American.³²

The Commission finds that the documents provided in response to Attorney General's First Request, Item No. 1-58, is information that meets the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

³¹ Kentucky-American's June 5, 2025 Petition at 3, citing Case No. 2021-00190, *Electronic Application of Duke Energy Kentucky, Inc. for: 1) an Adjustment of the Nat. Gas Rates; 2) Approval of New Tariffs, & 3) All Other Required Approvals, Waivers, & Relief*, (Ky. PSC Apr. 14, 2022 Order); Case No. 2021-00481, *Electronic Joint Application of Am. Elec. Power Co., Inc., Kentucky Power Co., & Liberty Utilities Co. for Approval of the Transfer of Ownership & Control of Kentucky Power Co.* (Ky. PSC Mar. 29, 2022 Order).

³² Kentucky-American's July 7, 2025 Petition at 2.

Employee compensation strategies provided in response to Attorney General's First Request, Items No. 1-41, 1-95, 1-107, 1-111, 1-5

In response to Attorney General's First Request, Items No. 1-41 and 1-95, Kentucky-American provided attachments that reveal the cost to employees of health care, dental, and vision plans, along with the employee contribution rate for annual premiums. Similarly, Kentucky-American provided copies of its incentive compensation plan information and specific performance metrics and payouts under its plans in response to Attorney General's First Request, Items No. 1-107, and 1-111, respectively. Also, Kentucky-American provided the expected wages and benefits for vacant positions in response to Attorney General's First Request, Item No. 1-5. Kentucky-American argued these documents contain information that is confidential and proprietary, the disclosure of which would unfairly disadvantage American Water and Kentucky-American relative to their competitors.³³ Kentucky-American acknowledged the Commission previously denied confidential protection for certain benefit information,³⁴ but requested the Commission to reconsider.³⁵

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be granted in part and denied in part. The Commission finds that the information provided in Kentucky-American's responses to Attorney General's First Request, Items No. 1-41, 1-95, 1-107, 1-111, 1-5 that relate to non-executive compensation are records that meet the criteria for confidential treatment

³³ Kentucky-American's July 7, 2025 Petition at 3.

³⁴ See Case No. 2023-00191, Order (Ky. PSC Oct. 10, 2023)

³⁵ Kentucky-American's July 7, 2025 Petition at 3.

and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13.

The Commission further finds that the request for confidential treatment should be denied for the executive compensation information provided in response to Attorney General's First Request, Items No. 1-41, 1-95, 1-107, 1-111, 1-5. The Commission has previously found that executive compensation should not be afforded confidential treatment.³⁶ Therefore, the information related to executive compensation found in these responses does not meet the criteria for confidential treatment and should not be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13.

Vendor quotes and contracts provided in response to Attorney General's First Request, Items No. 1-127, 1-134, 1-150

In response to Attorney General's First Request, Items No. 1-127, 1-134, and 1-150, Kentucky-American provided contracts and quotes from vendors. Kentucky-American argued if the pricing and terms are disclosed, this would provide an unfair commercial advantage to the suppliers.³⁷ Kentucky-American did not request confidential protection for the forecast expenses that were derived from these business documents, and stated its disclosure of this information allows ratepayers to know the facts the Commission considers in reaching its decisions.³⁸

³⁶ See Case No. 2021-00407, *Electronic Application of South Kentucky Rural Electric Cooperative Corporation for a General Adjustment of Rates, Approval of Depreciation Study, and Other General Relief* (Ky. PSC Aug. 30, 2022), Order at 2.

³⁷ Kentucky-American's July 7, 2025 Petition at 4.

³⁸ Kentucky-American's July 7, 2025 Petition at 4.

The Commission finds the vendor quotes and contracts provided in response to Attorney General's First Request, Items No. 1-127, 1-134, and 1-150 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

Current and projected employee wage information

In response to Attorney General's First Request, Items No. 1-2, 1-3, and 1-56, Kentucky-American provided current and projected wage information for employees. Kentucky-American requested confidential protection for all non-executive compensation information, and argued disclosure would constitute an unwarranted invasion of personal privacy.³⁹ Kentucky-American did not request confidential protection for the executive compensation information provided in these responses.

The Commission finds that the current and future wage information of non-executive employees contained in Kentucky-American's response to Attorney-General's First Request, Items No. 1-2, 1-3, and 1-56 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13.

Fire hydrant inspection form and practices provided in response to LFUCG's Request for Information Item No. 24.

Kentucky-American argued the two attachments provided in response to LFUCG's First Request, Item No. 24, if disclosed, would create an unfair commercial advantage to

³⁹ Kentucky-American's July 7, 2025 Petition at 4-5.

its competitors, and that the Commission has previously found that Kentucky-American's fire hydrant maintenance procedures should be afforded confidential treatment.⁴⁰

The Commission finds the attachments in response to LFUCG's First Request, Item No. 24 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

Account information provided in response to LFUCG's First Request, Item No. 2

In response to LFUCG's First Request, Item No. 2, Kentucky-American provided account information regarding LFUCG, including account numbers, premise locations, billing information and related customer-identifying information. Kentucky-American argued this type of private and personal information and information that will reveal specific customers' billing information is exempt from disclosure and that the Commission previously granted confidential protection to similar information.⁴¹

The Commission finds the account information provided in response to LFUCG's First Request, Item No. 2, are records that meet the criteria for confidential treatment and should be exempted pursuant to KRS 61.878(1)(a).

August 4, 2025 Petition:

Copy of compensation and benefits policy provided in response to Staff's Third Request, Item No. 3-39

In response to Staff's Third Request, Item No. 3-39, Kentucky-American provided a copy of its compensation and benefits policy containing its policy for granting

⁴⁰ Kentucky-American's July 7, 2025 Petition at 1-2, citing Case No. 2018-00358, Mar. 14, 2019 Order.

⁴¹ Kentucky-American's July 7, 2025 Petition at 7.

performance awards. Kentucky-American argued this policy is the product of extensive time and money invested by American Water and consists of commercial information that is confidential and proprietary, the disclosure of which would unfairly disadvantage American Water and Kentucky-American.⁴²

The Commission finds the compensation and benefits study provided in response to Staff's Third Request, Item No. 3-39, is information that meets the criteria for confidential treatment and should be exempted pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

Updated attachment to Attorney General's First Request, Item No. 5, provided in response to Attorney General's Second Request, Item No. 3.

In response to Attorney General's Second Request, Item No. 2-3, Kentucky-American provided a supplemental update for the expected wages and benefits for vacant positions and argued the disclosure of this wage and benefit information would unfairly disadvantage American Water and Kentucky-American relative to their competitors.⁴³

For the same reasons as discussed above, the Commission finds the updated information provided in Kentucky-American's response to Attorney General's Second Request, Item No. 2-3, that relates to non-executive compensation are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13.

⁴² Petition of Kentucky-American for Confidential Protection (filed Aug. 4, 2025) at 1-2.

⁴³ Kentucky-American's Aug. 4, 2025 Petition at 2.

Excel version of attachments provided in response to Attorney General's First Request, Items No. 1-2, 1-3, and 1-4, as requested in Attorney General's Second Request, Item No. 2-1.

In response to Attorney General's Second Request, Item No. 2-1, Kentucky-American provided excel versions of the attachments previously provided in response to Attorney General's First Request, Items No. 1-2, 1-3, and 1-4, which contained current and projected wage information for employees. Kentucky-American requested confidential protection for all non-executive compensation information, and argued disclosure would constitute an unwarranted invasion of personal privacy.⁴⁴

For the same reasons as discussed above, the Commission finds that the current and future wage information of non-executive employees contained in Kentucky-American's response to Attorney-General's First Request, Items No. 1-2, 1-3, and 1-4 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13.

October 6, 2025 Petition

Base period supplemental updates in response to Staff's First Request, Item No. 1-1, for current and projected wages, chemical prices, purchased water expense, and waste disposal expense - provided in response to Staff's Post-Hearing Request, Item No. 6.

In response to Staff's Post-Hearing Request, Item No. 6, Kentucky-American provided a spreadsheet that contained an update to the prior information in response to Staff's First Request, Item No. 1, with current wages and projected wages for employees. Kentucky-American argued that its response to Staff's Post-Hearing Request, Item No. 6, regarding current and projected should be granted confidential treatment because

⁴⁴ Kentucky-American's Aug. 4, 2025 Petition at 2-3.

disclosure of this information would constitute an unwarranted invasion of personal privacy in contravention of KRS 61.878(1)(a).⁴⁵

Kentucky-American also argued that the attachments provided in response to Staff's Post-Hearing Request, Item No. 6, contained additional information related to forecasted chemicals, waste disposal, and purchased water that should be granted confidential treatment pursuant to KRS 61.878(1)(c)(1).⁴⁶ Kentucky-American stated that, if the pricing information is disclosed, this may impede Kentucky-American's ability to negotiate with potential suppliers for more favorable pricing terms if potential suppliers are aware of the amount Kentucky-American is paying or expects to pay.⁴⁷

Having considered the petition and the material at issue, the Commission finds that Kentucky-American's petition should be granted in part and denied in part, for the same reasons discussed above. The Commission finds that the forecasted chemical prices and forecasted purchased water expenses contained in Kentucky-American's response to Staff's Post-Hearing Request Item No. 6 are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13. The Commission further finds that the request for confidential treatment should be denied for present chemical prices and present purchased water expenses contained in Kentucky-American's response to Staff's First Request Item No. 6, because the present prices are a matter of public concern and

⁴⁵ Petition of Kentucky-American for Confidential Protection (filed Oct. 6, 2025) (Kentucky-American's Oct. 6, 2025 Petition) at 1-3.

⁴⁶ Kentucky-American's Oct. 6, 2025 Petition at 4.

⁴⁷ Kentucky-American's Oct. 6, 2025 Petition at 4.

does not meet the criteria for confidential treatment and should not be exempted from public disclosure pursuant to KRS 61.878 (1)(c)(1) and 807 KAR 5:001, Section 13.

The Commission also finds that Kentucky-American's updated current and future wages of employees contained in Kentucky-American's response to Staff's Post-Hearing Request, Item No. 6 that relate to non-executive compensation are records that meet the criteria for confidential treatment and should be exempted from public disclosure pursuant to KRS 61.878 (1)(a) and 807 KAR 5:001, Section 13, but the updated executive compensation does not meet the criteria for confidential treatment and should not be exempted from public disclosure.

IT IS THEREFORE ORDERED that:

1. Kentucky-American's May 16, 2025 Petition is granted.
2. Kentucky-American's June 5, 2025 Petition is granted in part and denied in part: granted for forecasted chemical prices and forecasted purchased water expenses contained in Kentucky-American's response to Staff's First Request Item No. 1; denied for present chemical prices and present purchased water expenses contained in Kentucky-American's response to Staff's First Request Item No. 1; granted for the spreadsheet of current and future wages of employees contained in Kentucky-American's response to Staff's First Request Item No. 1 that relate to non-executive compensation; denied for the spreadsheet of current and future wages of employees contained in Kentucky-American's response to Staff's First Request Item No. 1 that relate to executive compensation; granted for the accounting and budgeting practices and procedures provided in response to Staff's First Request Items No. 4 and 5; denied for the comparison of medical benefits provided in response to Staff's First Request Item No. 29; denied for

the employee contribution rates for annual premiums in response to Staff's First Request Item No. 38; denied for the employee health care, dental, and vision plans provided in response to Staff's First Request Item No. 39; and granted for the performance pay information provided in Attachment 4 in response to Staff's First Request Item No. 33 and the salary information by group provided in response to Staff's First Request Item No. 37.

3. Kentucky-American's July 7, 2025 Petition is granted in part and denied in part: granted for the bond rating reports provided in response to Staff's Second Request Item No. 10 and Attorney General's First Request, Item No. 85; granted for the corporate governance and asset investment strategy information provided in response to Attorney General's First Request, Item No. 1-58; granted for responses to Attorney General's First Request, Items No. 1-41, 1-95, 1-107, 1-111, 1-5 that relate to non-executive compensation; denied for responses to Attorney General's First Request, Items No. 1-41, 1-95, 1-107, 1-111, 1-5 that relate to executive compensation; granted for the vendor quotes and contracts provided in response to Attorney General's First Request, Items No. 1-127, 1-134, and 1-150; granted for current and future wage information of non-executive employees contained in Kentucky-American's response to Attorney-General's First Request, Items No. 1-2, 1-3, and 1-56; granted for the fire hydrant inspection form and practices provided in response to LFUCG's Request for Information Item No. 24; and granted for the account information provided in response to LFUCG's First Request, Item No. 2.

4. Kentucky-American's August 4, 2025 Petition is granted.

5. Kentucky-American's October 6, 2025 Petition is granted in part and denied in part: granted for forecasted chemical prices and forecasted purchased water expenses

contained in Kentucky-American's response to Staff's Post-Hearing Request Item No. 6; denied for present chemical prices and present purchased water expenses contained in Kentucky-American's response to Staff's First Request Item No. 6; granted for the updated current and future wages of employees contained in Kentucky-American's response to Staff's Post-Hearing Request, Item No. 6 that relate to non-executive compensation; denied for updated current and future wages of employees contained in Kentucky-American's response to Staff's Post-Hearing Request, Item No. 6 that relate to executive compensation

6. The designated material granted confidential treatment by this Order shall not be placed in the public record or made available for public inspection for five years or until further Order of this Commission.

7. Use of the designated material granted confidential treatment by this Order in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

8. Kentucky-American shall inform the Commission if the designated material granted confidential treatment becomes publicly available or no longer qualifies for confidential treatment.

9. If a nonparty to this proceeding requests to inspect the material granted confidential treatment by this Order and the period during which the material has been granted confidential treatment has not expired, Kentucky-American shall have 30 days from receipt of written notice of the request to demonstrate that the material still falls within the exclusions from disclosure requirements established in KRS 61.878. If Kentucky-American is unable to make such demonstration, the requested material shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

10. The Commission shall not make the requested material for which confidential treatment was granted available for inspection for 30 days from the date of service of an Order finding that the material no longer qualifies for confidential treatment in order to allow Kentucky-American to seek a remedy afforded by law.

11. The designated material denied confidential treatment by this Order is not exempt from public disclosure and shall be placed in the public record and made available for public inspection.

12. If Kentucky-American objects to the Commission's determination that the requested material not be granted confidential treatment, it must seek either rehearing pursuant to KRS 278.400 or judicial review of this Order pursuant to KRS 278.410. Failure to exercise either of these statutory rights will be deemed as agreement with the Commission's determination of which materials shall be granted confidential treatment.

13. Within 30 days of the date of service of this Order, Kentucky-American shall file a revised version of the designated material for which confidential treatment was denied, reflecting as unredacted the information that has been denied confidential treatment.

14. The designated material for which Kentucky-American's request for confidential treatment has been denied shall neither be placed in the public record nor made available for inspection for 30 days from the date of service of this Order to allow Kentucky-American to seek a remedy afforded by law.

Entered on this 9th day of October, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair



Mary Pat Regan
Vice Chair



Andrew W. Wood
Commissioner



Barry L. Mayfield
Commissioner

by AH
w/ permission

ATTEST:



Justin McNeil
Executive Director

Service List for Case 2025-00122

* Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate Intervention
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

* David Pippen
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

* Honorable David J. Barberie
Managing Attorney
Lexington-Fayette Urban County Government
Department Of Law
200 East Main Street
Lexington, KY 40507

* Dominic DeGrazia
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

* Gabriel Thatcher
Attorney Senior
Lexington-Fayette Urban County Government
Department Of Law
200 East Main Street
Lexington, KY 40507

* James W Gardner
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street
Suite 1400
Lexington, KY 40507

* John Horne
Office of the Attorney General Office of Rate Intervention
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

* Honorable Lindsey W Ingram, III
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507-1801

* Lawrence W Cook
Assistant Attorney General
Office of the Attorney General Office of Rate Intervention
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

* Mary Ellen Wimberly
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507-1801

* Michael West
Office of the Attorney General Office of Rate Intervention
700 Capitol Avenue
Suite 20
Frankfort, KY 40601-8204

* Molly Van Over
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

* Monica Braun
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507-1801

* Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

* Rebecca C. Price
Sturgill, Turner, Barker & Moloney
155 East Main Street
Lexington, KY 40507

* Toland Lacy
Office of the Attorney General
700 Capital Avenue
Frankfort, KY 40601

* M. Todd Osterloh
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street
Suite 1400
Lexington, KY 40507