

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF FOUNTAIN	)	CASE NO.
RUN WATER DISTRICT #1 FOR A RATE	)	2026-00106
ADJUSTMENT PURSUANT TO 807 KAR 5:076	)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO FOUNTAIN RUN WATER DISTRICT #1

Fountain Run Water District #1 (Fountain Run 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 September 22, 2026. The Commission directs Fountain Run 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

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).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Fountain Run District #1 shall make timely amendment to any prior response if Fountain Run District #1 obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Fountain Run District #1 fails or refuses to furnish all or part of the requested information, Fountain Run 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, Fountain Run 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. Confirm that each of the commissioners completed 12 hours of training within 12 months of their initial appointment as required by KRS 74.020(8)(a)–(b). If training was completed, for each commissioner, provide the specific date(s) of attendance, the location of the program and any records documenting their attendance.

2. Refer to Fountain Run District #1's response to Commission Staff's First Request for Information (Staff's First Request), 20260825_PSC_ORDER_Response.pdf, Item 19b. Provide the wage rate for the full-time operator that started August 3.

3. Refer to the Application, Attachment 4, SAO, Adjustment F, Table A Depreciation Expense Adjustments, Meters.

a. Provide an explanation for the proposed twenty-year service life for meters. Include in this explanation any engineering reports, testing reports, or technical specifications that support the proposed twenty-year service life for each meter model and brand.

b. Confirm that each meter proposed for twenty-year service life is a radio-read or Automated Meter Reading (AMR) meter. If not confirmed, explain the response.

4. Refer to Application, Attachment 4, SAO, Adjustment D. Also refer to Fountain Run District #1's response to Staff's First Request, Item 3a, 3a_Gen_Ledger_2025.xlsx, Cells G1364, G1380, G3615, G4424. In the Application, Fountain Run District #1 proposed the adjustment to remove the labor and material expenses for the two chicken house meters.

a. Confirm the two chicken house meters are the only new meters installed during the test year.

b. The general ledger reports that the costs were already removed from the expenses and capitalized. Provide an explanation for the proposed additional adjustment.

5. Refer to Fountain Run District #1's response to Staff's First Request, Item 4. Also refer to Fountain Run District #1's Annual Report for year 2025.

a. In Fountain Run District #1's Current Billing Analysis states that 40,475,600 gallons were sold, while the 2025 Annual Report reports 41,262,000 gallons sold which results in a difference of 786,400 gallons. Reconcile and explain the difference.

b. In Fountain Run District #1's Current Billing Analysis states that total Sales Revenue is \$350,289, while the 2025 Annual Report reports Total Metered Sales Revenue of \$337,732 which results in a difference of \$12,557. Reconcile and explain the difference.

6. Refer to Fountain Run District #1's response to Staff's First Request, Item 8c, Commissioner_Training_Receipt.pdf. Fountain Run District #1 did not provide a training receipt for Frances Howard. Provide the most recent training record for Frances Howard.

7. Refer to Fountain Run District #1's response to Staff's First Request, Item 15, 15_non-recurring_charges_cost_justification.pdf.

a. Provide an updated cost justification sheet for the Meter Test nonrecurring charge that contains the amounts that produce the \$10 Total Clerical and Office Expense amount.

b. Provide an updated cost justification sheet for the Service Call/Investigation nonrecurring charge that correctly calculates the Total Nonrecurring Charge Expense amount.

8. Refer to Fountain Run District #1's response to Staff's First Request, Item 16, 5_eighths_x_3_qtr_avg_mtr_conn_cost_just.pdf. Fountain Run District #1 incorrectly calculated the Average Installation Equipment Expense amount by dividing the total cost by two instead of three. Provide updated cost justification sheets that correctly calculate the Meter Connection/Tap-on Charge.

9. Refer to Fountain Run District #1's response to Staff's First Request, Item 15, 2025_Non_Recurring_Charges.pdf. Also refer to Fountain Run District #1's response to Staff's First Request, Item 17.

a. Explain why the dollar amount of Late Penalties included in Other Water Revenues does not match the amount collected for the year 2025.

b. Explain where the revenue collected from the Return Checks and the Meter Relocation nonrecurring charge is reported.


Justin McNeil
Executive Director
Public Service Commission
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DATED SEP 08 2026

cc: Parties of Record

Service List for Case 2026-00106

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* Fountain Run Water District #1

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* Sue Purdy

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