

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:** )  
 )  
**APPLICATION OF KENTUCKY-AMERICAN )**  
**WATER COMPANY FOR AN ADJUSTMENT )** **CASE NO. 2021-00434**  
**OF ITS WASTEWATER RATES PURSUANT )**  
**TO 807 KAR 5:076 )**

**KENTUCKY AMERICAN WATER’S**  
**COMMENTS ON STAFF REPORT**

Kentucky American Water (“KAW”) hereby submits the following comments in response to the Commission’s Staff’s April 25, 2022 Report (“Report”) in this matter.

1. KAW agrees with and requests the Commission approve the \$940,985 revenue increase set forth in the Report and that the increase should be phased in over a four-year period as set forth in the Appendix to the Report.

2. KAW requests that this matter be submitted for a decision on the existing written record and does not request a hearing or an informal conference.

3. KAW will give notice to customers of the rates the Commission approves if the Commission so orders.

4. KAW will submit revised tariff sheets to the Commission in accordance with the directives the Commission makes in its Order setting the new rates.

5. Ordering Paragraph 5 of the Commission’s December 10, 2021 Order in this matter requires KAW to state whether it agrees with any change Commission Staff recommends to the manner in which KAW depreciates its wastewater assets. In the Report (pp. 20-21), Commission Staff recommends using the same depreciation rate for a particular wastewater asset class regardless of service territory. KAW agrees with that recommendation and would agree with

a Commission Order directing KAW to revise its depreciation rates in accordance with Commission's Staff's recommendation on this issue. KAW hereby requests the Commission's Order to provide that directive to KAW.


6. KAW disagrees with the Report's recommendation to remove labor costs from non-recurring charges (Report, pp. 10-11) because KAW believes the costs of those charges should be borne by those who cause them. However, this does not change KAW's agreement with the revenue increase of \$940,985 and KAW does not object to the removal of a portion of non-recurring charges as it pertains to this case for the adjustment of wastewater rates.

Date: May 9, 2022

Respectfully submitted,

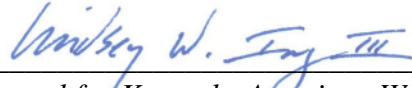
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By:

  
Lindsey W. Ingram III

**CERTIFICATE**

This is to certify that Kentucky American Water's May 9, 2022 electronic filing is a true and accurate copy of the original documents in paper medium; that the electronic filing was transmitted to the Commission on May 9, 2022; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.



*Counsel for Kentucky American Water*