

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF	)	
KENTUCKY-AMERICAN WATER COMPANY'S	)	CASE No.
ALLEGED VIOLATION OF A TARIFF AND	)	2022-00299
COMMISSION REGULATIONS REGARDING	)	
METERS AND MONITORING CUSTOMER USAGE	)	

ATTORNEY GENERAL'S POST-HEARING BRIEF

The intervenor, the Attorney General of the Commonwealth of Kentucky, through his Office of Rate Intervention ("OAG"), hereby submits his Post-Hearing Brief in the above-styled matter.

I. STATEMENT OF THE CASE

On September 27, 2022, the Commission, pursuant to KRS 278.260, issued an Order ("Initiating Order") opening the instant docket for the purpose of conducting a formal investigation into Kentucky-American Water Company's ("KAW" or "the Company") acts and practices relating to its service or any service in connection therewith, including, but not limited to, KAW's obligation to provide adequate, efficient and reasonable service and its compliance with 807 KAR 5:006, Section 7,¹ and Kentucky-American's tariff. The Initiating Order included Commission Staff's initial data requests, to which KAW filed its responses on November 11, 2022. On October 3, 2022 the OAG filed its motion to intervene in this docket, which was granted by order dated October 12, 2022. Pursuant to the Commission's order of

¹ Entitled "Billings, Meter Readings and Information."

procedure issued on January 5, 2023, Commission Staff and the OAG issued several sets of data requests, to which KAW filed timely responses. The evidentiary hearing in this matter was held on June 8, 2023, after which KAW filed its responses to several sets of post-hearing data requests. On August 5, 2026, the Commission issued an order incorporating by reference the record of Case No. 2025-00240 (“AMI Docket”) ² into the record of the instant docket. The August 5, 2026 order also noted that the AMI Docket includes evidence regarding KAW’s existing automated meter reading system (“AMR”) meter performance and replacement, billing accuracy, leak detection, customer access to usage information, and the operational capabilities of AMI, all of which overlap with the meter-reading and customer-usage issues under investigation in this proceeding.³

II. BACKGROUND

In 2013, KAW transitioned to an automatic meter reading (“AMR”) system which are read remotely when KAW vehicles equipped with radio receivers drive by the meter location, and the Meter Interface Unit (“MIU”) attached to the meter transmits usage data.⁴ However, beginning in approximately 2017, the Commission and the OAG began receiving an increasing number of complaints from KAW customers pertaining to meters and related infrastructure, and water usage. In fact, the Commission’s Initiating Order noted that the Company’s meters and metering practices have been the subject of multiple cases.⁵ To underscore the impact that these metering-related complaints were having on the Company

² Case No. 2025-00240, *Electronic Application of Kentucky-American Water Company for a CPCN for Public Convenience and Necessity for Installation of Advanced Metering Infrastructure*, in which by order dated Feb. 11, 2026, the Commission granted KAW a CPCN to deploy cellular AMI throughout its service territory.

³ Case No. 2022-00299, Order dated Aug. 6, 2026 at 2.

⁴ Initiating Order at 3 (citing Case No. 2016-00394, *Electronic Kentucky-American Water Company’s Request for Permission to Deviate From 807 KAR 5:006, Section 26(6)(B)*, Order dated Dec. 12, 2017, at 2).

⁵ *Id.* at 4 (citing Case No. 2019-00373, *Needham Betz Thoroughbreds, Inc. v. KAW*; Case No. 2019-00259, *Lowell Dewayne Shepherd v. KAW*; Case No. 2019-00093, *Earl D. Ison, Jr. and Brenda C. Ison v. KAW*; Case No. 2019-00016, *William Ellis Bollinger III v. KAW*; Case No. 2017-00452, *Roger W. Parry v. KAW*).

itself, KAW provided a chart indicating that KAW field service representatives, meter readers and meter technicians had been working an increased number of overtime hours to address the problems raised in the complaints.⁶ The Company also revealed that the issues giving rise to the multitude of complaints were not limited to any one type of problem, but rather involved a broad range of issues, including but not necessarily limited to: (1) consecutive meter estimated meter readings;⁷ (2) inoperable meters;⁸ (3) inoperable MIUs;⁹ (4) inoperable meter reading devices;¹⁰ (5) obstructions to the meter; (6) supply chain delays in delivering meter-related equipment;¹¹ (7) poor wireless connectivity for transmitting metering data;¹² (8) the number of meters that require manual reading each month;¹³ and (9) other instances in which no meter reading could be obtained.^{14,15, 16}

In discovery, the OAG asked KAW to discuss whether the Company would seek Commission approval to procure new residential meters, and if so, what types of technical

⁶ KAW Responses to Commission Staff's First Data requests, item no. 6, Figure 2; see also response to Staff's First Data Requests, item no. 8.

⁷ See Responses to OAG-DR-2-9, OAG-DR-2-12, PSC-DR-2-5, and Supplemental Response to OAG-DR-2-1, filed March 22, 2023, indicating that the number of consecutive estimated meter reads had decreased to 4,902.

⁸ See Response to OAG-DR-2-7. In response to subpart (b) of that data request, the Company disclosed that its 4% rate of unscheduled meter replacements for the period 2018-2023 was in-line with industry norms. KAW also disclosed in its response to OAG-DR-2-8 that during the same timeframe, the Company returned 577 meters to the manufacturer for warranty claims, all of which claims were made in 2020.

⁹ *Id.*

¹⁰ See Response to OAG-DR-2-3, in which the Company confirmed that from 2018-2023, it experienced 27,653 broken reading devices. See also response to OAG-DR-2-4.

¹¹ See Response to OAG-DR-2-9 (c)(4).

¹² See Response to OAG-DR-2-9, and Supplemental Response to AG-DR-2-9, filed June 7, 2023.

¹³ See Response to OAG-DR-2-9(c)(5).

¹⁴ Between 2018-2023, the Company had 43,108 instances of "no read can be obtained." Response to OAG-DR-2-3.

¹⁵ See generally, responses to Staff's First Data Requests.

¹⁶ KAW stated in its June 7, 2023 Supplemental Response to AG-DR-2-9, *inter alia*, that from January 2023 through May 2023 it completed an additional 7,100 meter replacements, which had been delayed due to supply chain restrictions and a loss of tenured field service employees. The improvement in both of these issues resulted in a decreased number of consecutive estimated meter reads.

features the Company might seek in order to mitigate the then-high levels of consecutive estimated meter readings.¹⁷ The Company responded:

“KAW does not generally seek Commission approval for procurement of like kind meters. KAW would seek Commission approval, however, to procure Advanced Metering Infrastructure (AMI) technology, which is an integrated system of meters, communications networks, and data management systems that can produce a wide range of benefits. In addition to AMI meters, AMI cellular-network systems can utilize smart cellular endpoints to transmit meter data through existing 3rd party cellular infrastructure to the Company’s database system for analysis and reporting (“meter data management system”).

The implementation of AMI would increase billing accuracy and reduce the likelihood of estimated bills (e.g., due to weather events or other obstacles to accessing customer meters) by automatically providing timely, accurate reads through the network. In addition, AMI would reduce the number of service orders by eliminating the need to drive by premises to collect reads and eliminate the need to roll a truck to complete certain high volume service orders such as “Move in-Move out orders.””¹⁸

In Case No. 2025-00240, KAW filed a CPCN for permission to install a new metering system in its service territory based on Advanced Metering Infrastructure (“AMI”), utilizing a cellular network. Rather than replace new meters throughout its system at the same time, KAW’s now-approved plan¹⁹ is for the Company to install AMI meters and related infrastructure only when metering equipment is necessary due to meter failure or in the ordinary course of business through length-of-service (“LOS”) replacements.²⁰ As noted in the Company’s Advanced Meter Infrastructure Plan (“AMIP”) accompanying the application, KAW noted that the efficiencies, and quantitative and operational benefits would

¹⁷ OAG 2-10 (e).

¹⁸ *Id.*

¹⁹ Case No. 2025-00240, Final Order dated Feb. 12, 2026. *See also* Direct Testimony of OAG Witness Larry W. Holloway, P.E., Case No. 2025-00240, at pp. 3 and 23, who found the Company’s proposed AMI plan to be reasonable.

²⁰ Application, Case No. 2026-00240, at 2.

provide a system that would greatly mitigate, if not eliminate, many of the issues identified in the 2022-00229 docket.²¹ As the Company previously noted, AMI will reduce the likelihood of both estimated bills, and service orders and related truck rolls.²² Moreover, customers will be able to log into their “MyWater” account and be able to observe usage details on a much-more real time basis as opposed to only once per month.²³

III. CONCLUSION

The record of Case No. 2022-00299 demonstrates that KAW responded to the host of meter-related issues it encountered from 2018-2023. The Company brought on additional service technicians when necessary, and through the means discussed at length in the record was able to mitigate most of the issues, especially consecutive estimated meter readings. Moreover, since the conclusion of Case No. 2022-00299, the Company filed for and obtained a CPCN for new AMI infrastructure to be deployed throughout its territory over a ten-year period. The new AMI system will doubtlessly even further mitigate the scope of issues the Company encountered from 2018-2023.

²¹ See, e.g., Case No. 2022-00299, AMIP at 8 (“The Company looks forward to leveraging AMI to empower customers with timely consumption data to enable smart water use choices, enhance customer communication regarding customer water consumption patterns and unusually high-water use, and improve water system operations and management. Implementation of AMI will allow KAWC to realign its business processes and redeploy personnel previously focused on meter reading to other work. . . .”).

²² Case No. 2022-00299, Company Response to OAG-DR-2-10 (e), *supra*.

²³ Case No. 2025-00240, AMIP at 8.

Respectfully submitted,

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Certificate of Service

Pursuant to the Commission's Orders in Case No. 2020-00085, and in accord with all other applicable law, Counsel certifies that an electronic copy of the forgoing was served and filed by e-mail to the parties of record.

This 28th day of August, 2026



Assistant Attorney General