

In its May 28, 2026 Order, the Commission continued review of Invoice No. KY0223461 to allow for additional clarification regarding the installation status of the meters, who performed the installation work, and the labor assumptions previously referenced in the record.

1. Meter Purchase and Installation

McKinney Water District's Qualified Infrastructure Improvement Plan ("QIIP") specifically contemplated the implementation of an automated meter reading ("AMR") system through the purchase and installation of Mueller radio-read meters. The QIIP further contemplated that the District would "begin implementing an upgrade of the meters in the system to an automated reading system" and would utilize "automation ready meters with manual read capability" as part of its meter replacement program.

The QIIP additionally projected Year One surcharge expenditures of \$57,500 for Mueller meters.

Consistent with the approved QIIP, McKinney Water District purchased 100 Mueller radio-read meters under Invoice No. KY0223461 for a total purchase cost of \$20,000.

At this time, 80 of the 100 purchased meters have been installed. The remaining 20 meters remain in inventory and will continue to be installed as part of the District's ongoing meter replacement and AMR conversion efforts.

The meter installation work was performed and will continue to be performed by District personnel at cost to the District. McKinney Water District **is not requesting** reimbursement for district labor associated with Invoice No. KY0223461.

The previously referenced estimate of approximately \$170 per meter represented an estimated planning-level installation cost projection associated with systemwide implementation activities and was not intended as a reimbursement request tied to Invoice No. KY0223461.

2. Operations Targeting Water Loss

The QIIP identified improvement of customer meter accuracy, implementation of AMR capability, and replacement of deficient meters as operational priorities for reducing water loss.

To date, 80 replacement AMR meters have been installed in the system. The replacement program has focused on meters identified as deficient due to age, malfunction, inaccurate registration, or other operational concerns affecting accurate accounting of water usage.

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The installed AMR meters directly advance the QIIP objective of converting the District's meter system to automated reading capability by the end of 2026.

The replacement of deficient meters also improves accounting of customer usage and assists the District in reducing unaccounted-for water resulting from slow or failing meters. The QIIP specifically recognized that aging meters and low-flow under-registration were contributing factors to system water loss.

3. Capital Expenditures Targeting Water Loss

The QIIP identified targeted meter replacement in high water loss zones as a principal capital expenditure strategy for reducing water loss.

Replacement of 80 meters represents approximately 3.5% of the District's approximately 2,280-meter systemwide AMR conversion effort. McKinney Water District estimates that approximately 2,200 deficient or aging meters remain to be replaced or converted as part of the systemwide implementation plan.

Additionally, one of the replacement meters has been installed within the Maywood Loop area. The QIIP specifically identified the Maywood Loop area as a recurring leak and service line problem area subject to elevated system pressures and contemplated targeted improvements affecting approximately 400 customer taps.

The District intends to continue replacing deficient meters throughout the system as funding and operational scheduling permit.

4. Request for Reimbursement

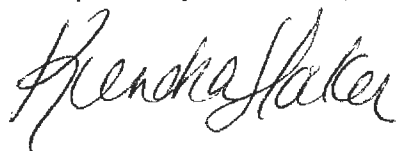
Invoice No. KY0223461 represents a direct QIIP-related expenditure specifically contemplated within the District's approved water loss reduction plan and associated surcharge-funded capital expenditures.

The purchase and installation of the Mueller AMR meters has already resulted in measurable progress toward the District's operational and capital improvement objectives, including:

- implementation of AMR capability,
- replacement of deficient meters,
- improved customer usage accounting,
- and targeted reduction of unaccounted-for water in high-loss areas.

Accordingly, McKinney Water District respectfully requests that the Commission approve reimbursement of Invoice No. KY0223461 in the amount of \$20,000 from surcharge funds so that the District may continue implementing the approved QIIP and preserve available capital resources for continued water loss reduction initiatives.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kendra Hockner". The signature is written in a cursive, flowing style.

Kendra Hockner
Office Manager
McKinney Water District
2900 KY-198
Hustonville, KY 40437

AFFIDAVIT

STATE OF KENTUCKY
COUNTY OF LINCOLN

I, **Lonnie Brown**, being first duly sworn, state as follows:

1. I am employed as the Field Manager for McKinney Water District and have personal knowledge of the matters stated herein.
2. McKinney Water District purchased 100 Mueller radio-read water meters under Invoice No. KY0223461 in the amount of \$20,000 as part of the District's Qualified Infrastructure Improvement Plan ("QIIP") and automated meter reading ("AMR") conversion efforts.
3. As of the date of this Affidavit, 80 of the 100 purchased meters have been installed within the District's water distribution system.
4. The remaining 20 meters remain in District inventory and are intended for future installation as part of the ongoing meter replacement and AMR conversion program.
5. The installed meters replaced deficient, aging, malfunctioning, or otherwise inaccurate customer meters within the District's system.
6. The installation work associated with these meters was performed by McKinney Water District personnel.
7. McKinney Water District is not requesting surcharge reimbursement for District labor associated with installation of the meters identified in Invoice No. KY0223461.
8. Any previously referenced installation cost estimates were planning-level estimates associated with broader implementation activities and were not submitted as a request for reimbursement tied specifically to Invoice No. KY0223461.
9. The purchased Mueller radio-read meters are being used to further the District's approved QIIP goals related to reduction of unaccounted-for water, replacement of deficient meters, and implementation of AMR technology throughout the District's system.

I declare under penalty of perjury that everything I have stated in this document is true and correct.

Lonnie Brown

Lonnie Brown
Field Manager
McKinney Water District

Subscribed and sworn to me on this 9 day of July, 2026.

Cinde B Jillett KYNP98768

NOTARY PUBLIC, STATE AT LARGE

My Commission Expires: 4-10-2029

