

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:)
ELECTRONIC ALLEGED FAILURE OF)
NORTH SHELBY WATER COMPANY) CASE NO. 2025-00273
TO COMPLY WITH KRS 278.014)
AND 807 KAR 5:0006, SECTION 9)

**NORTH SHELBY WATER COMPANY'S RESPONSE TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

Comes North Shelby Water Company, in person and by counsel, and in response to the
Commission Staff's First Request for Information submits the following:

1. Explain in detail the unique circumstances that caused the late fees to be billed to the customer in Case No. 2025-0040 and eventually waived.

In most cases involving customers with late fees, the customer is notified that if the bill is not fully current, the customer's utility will be terminated. The customer involved in Case No. 2025-0040 (for simplicity the customer shall be noted as "K.H.C." so as to protect his identity), received the notification that his services were to be stopped. He contacted North Shelby Water to inform North Shelby that he had made the payment by mail but the payment had been delayed due to the blizzard that impacted mail service in January 2025. He was informed that he would have to pay the late fee since North Shelby had not received his payment on time, even if that was through no fault of his own. His services were not stopped. KHC then filed the complaint with the Public Service Commission (hereinafter "the Commission").

Again, in normal circumstances, a missed payment leads to cessation of services. However, North Shelby did not terminate KHC's services as the complaint was filed. This created a unique problem regarding the billing system used by North Shelby, AMPSTUN. The system is set up so that if a bill is not paid timely, the customer will be charged a late fee. Because KHC still had an outstanding balance on his bill, AMPSTUN automatically charged a late fee. Tara Peyton explained to KHC that while the automatically generated bill charged a late fee, any late fees would be waived after the complaint process with the Commission was completed. She instructed him to just pay the costs of water each month and not any late fees. Throughout the pendency of Case No. 2025-0040, the only payments made by KHC were for the services provided by North Shelby.

In September of 2025, following advice from a representative from the Public Service Commission, the bills of KHC were amended to reflect that no late fees would be charged outside of the initial late fee from January 2025. This was done by Ms. Peyton by resetting the customer's account to

stop all late fees from being charged. North Shelby That new bill was sent to the Commission.

While the bills reflected the late fee charged, North Shelby had informed KHC that he would not be charged beyond the initial late fee from January 2025.

Person Responsible

Tara Peyton, Office Manager

2. *Explain how such an occurrence will be prevented from happening to other North Shelby Water customers in the future.*

If North Shelby Water is faced with this circumstance again, it will reset the customer's bill at the outset so that late fees are stopped. While this puts North Shelby in the position that the customer's bill will be required to be reviewed manually for any late payments while the action is proceeding, that will have to be done.

Person Responsible

Tara Peyton, Office Manager

- 3. Detail any policy adjustments or additional procedures North Shelby Water has put in place to ensure that this situation does not occur again.*

While there have been no written policies or procedures changed, it is understood by the management of North Shelby Water that if North Shelby is faced with similar circumstances in the future, the customer's bill will be reset so any further late fees are stopped by the billing software and any reviewed each month for manual adjustments.

Person Responsible

David Hedges, Manager

4. *Confirm that the billing software AMPSTUN is programmed in compliance with 807 KAR 5:0006.*

AMPSTUN was installed and updated by their service technicians. AMPSTUN has confirmed to North Shelby Water that their software is in compliance with 807 KAR 5:0006. Furthermore, it is widely used by multiple utility companies in Kentucky and in the country.

Person Responsible

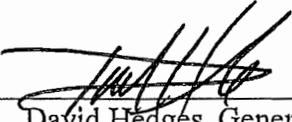
David Hedges, Manager

WHEREFORE, North Shelby Water Company requests that the Commission dismiss its Complaint.

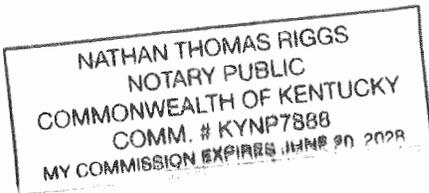
The undersigned, David Hedges, General Manager of North Shelby Water Company, being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: 2/3/, 2026.

NORTH SHELBY WATER COMPANY

By: 
David Hedges, General Manager

The foregoing was subscribed, sworn to and acknowledged before me by David Hedges, General Manager, on behalf of North Shelby Water Company, this 17 day of February, 2026.

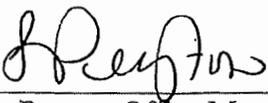



Notary Public, State at Large
My Comm. Expires: 6/30/2028
Notary ID No: KYNP 7888

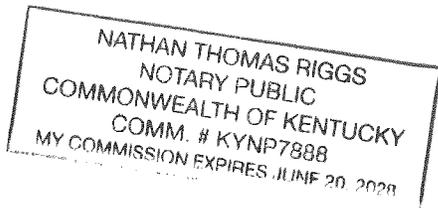
The undersigned, Tara Peyton, Office Manager of North Shelby Water Company, being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: 2/17/26, 2026.

NORTH SHELBY WATER COMPANY

By: 
Tara Peyton, Office Manager

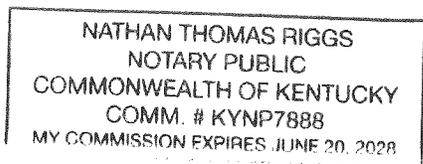
The foregoing was subscribed, sworn to and acknowledged before me by Tara Peyton, Office Manager, on behalf of North Shelby Water Company, this 17 day of February, 2026.



Nat Riggs
Notary Public, State at Large
My Comm. Expires: 6/20/2028
Notary ID No: KYNP7888

RESPECTFULLY SUBMITTED,

RIGGS & PIPPIN, PSC



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CERTIFICATE OF SERVICE

I, the undersigned attorney, do hereby certify that the foregoing responses were mailed to the following on February 17, 2026:

Electronically served:

Ms. Linda C. Bridwell, Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40602

Nat Riggs
Nathan T. Riggs