KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

1. Refer to the Application, unnumbered page 1, paragraphs 1 and 2. Refer also to the Application generally.
   a. Provide an organizational chart of Kentucky American. Designate what city each position is located in within Kentucky, and whether any position is vacant. If a position is based outside of Kentucky provide the city and state where it is located.
   b. Provide an organizational chart of Kentucky American's parent company, American Water Works Company, Inc. ("American Water"). Designate what city each position is located in, what the allocation factor to Kentucky American is for each position, and whether any position is vacant. If a position is based outside of Kentucky provide the city and state where it is located. If for any reason the allocation factor is not provided then explain in detail how American Water's costs are allocated to Kentucky American.
   c. Provide an organizational chart of the American Water Works Service Company ("Service Company"), which is a subsidiary of American Water. Designate what city each position is located in, what the allocation factor to Kentucky American is for each position, and whether any position is vacant. If a position is based outside of Kentucky provide the city and state where it is located. If for any reason the allocation factor is not provided then explain in detail how the Service Company's costs are allocated to Kentucky American.
   d. Provide an organizational chart that includes a simplistic demonstration of all of the parent companies/holding companies/affiliated companies that are associated with Kentucky American.
   e. Provide a map of Kentucky American's water service area. Provide all updates to this map during the pendency of the case.
   f. Provide a map of American Water's service area. Provide all updates to this map during the pendency of the case.

Response:

a. Please refer to KAW_R_AGDR1_NUM001_062626_Attachment 1 for an organizational chart for Kentucky-American.
b. American Water Works Company, Inc. (AWK) is the parent company and employees are in subsidiary companies. See also the response to part d below.
c. KAWC does not maintain an organization chart for the Service Company, however, please refer to KAW_R_AGDR1_NUM001_062626_Attachment 2 for the current listing of open requisitions for Service Company.

   Service Company employees' time is either direct charged or allocated depending on the position and type of work performed. Service Company employees are regularly reminded and instructed to direct charge their hours or operational

expenses directly to an entity when appropriate. When the time or expenses are to the benefit of more than one subsidiary company, there is a list of Work-Breakdown-Structure elements to charge accordingly (ensuring the most accurate and appropriate allocation of those costs). Please see KAW_R_AGDR1_NUM001_062626_Attachment 5_CONFIDENTIAL which contains the American Water Works Service Company Cost Accounting Manual.

d. Please refer to KAW_R_AGDR1_NUM001_062626_Attachment 3 for the organizational chart Kentucky-American and all affiliated companies including AWK.
e. Please reference Company witness Lewis' testimony page 4.
f. Please refer to KAW_R_AGDR1_NUM001_062626_Attachment 4 for a map of American Water's service area.

AMERICAN WATER

Kentucky

2026 ORGANIZATIONAL CHARTS

EFFECTIVE May 31, 2026

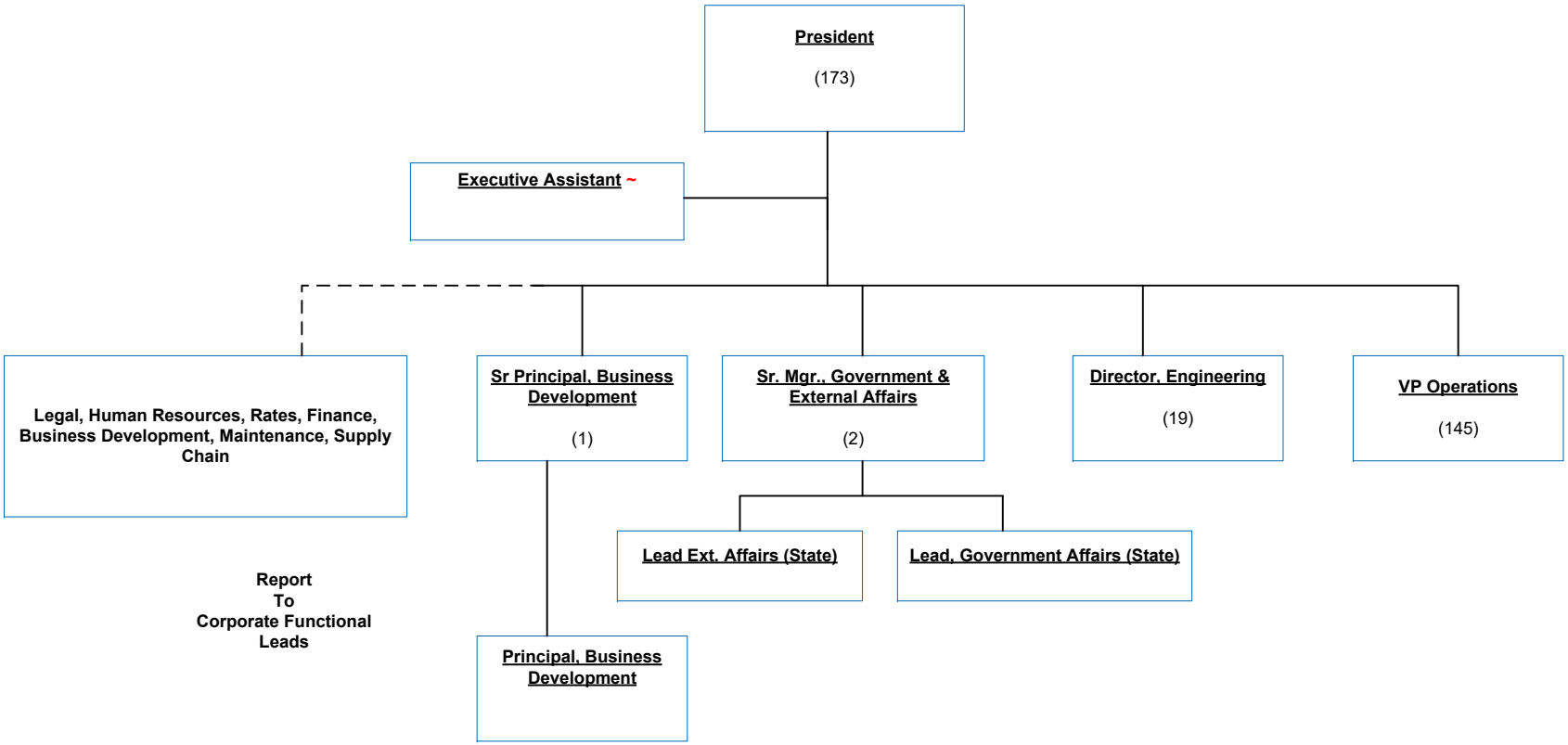
State

Service Company

Intern

Kentucky American Water

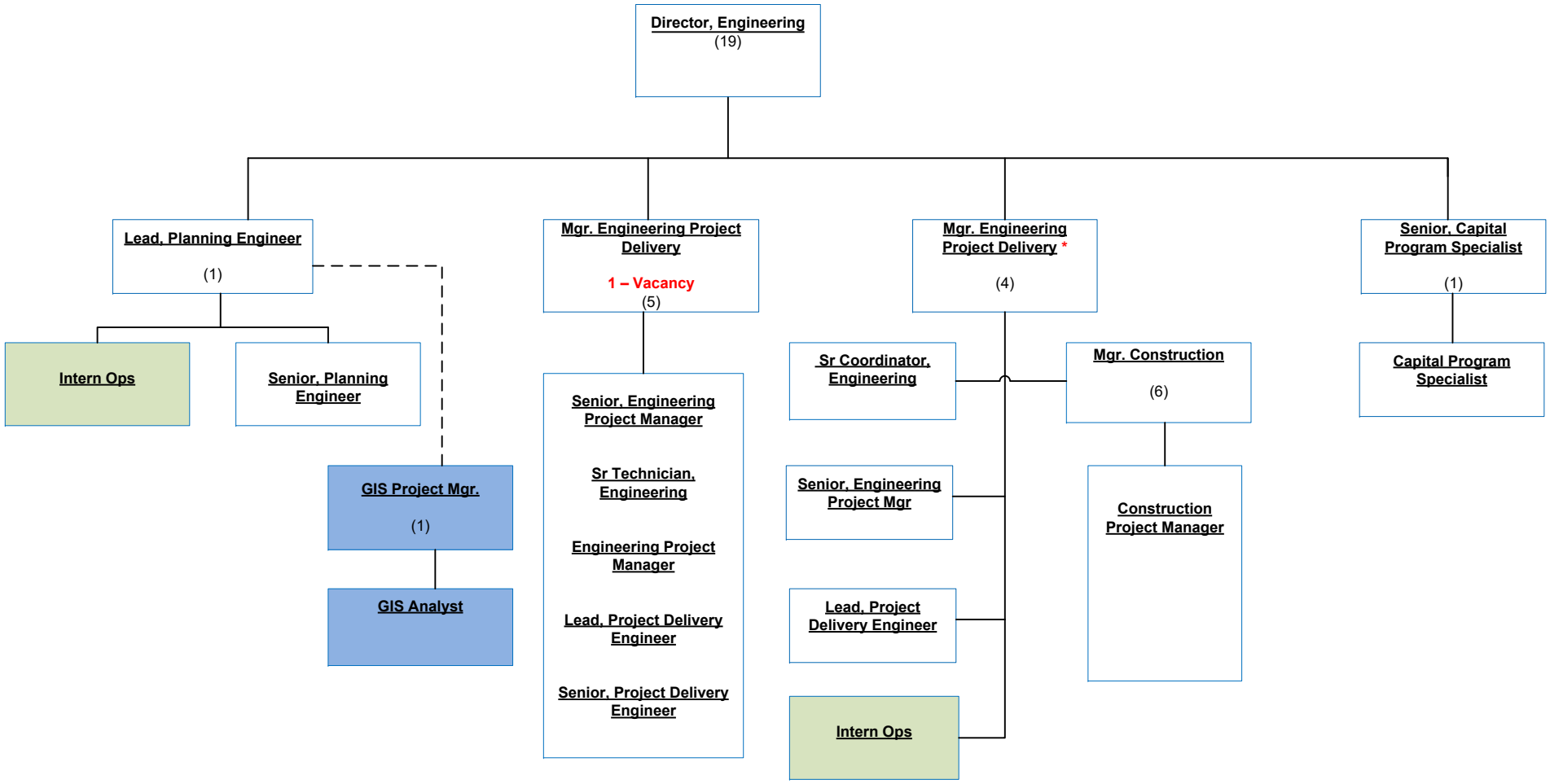
Directors



~Position also support the VP Operations – counted here
Positions located in Lexington

Kentucky American Water

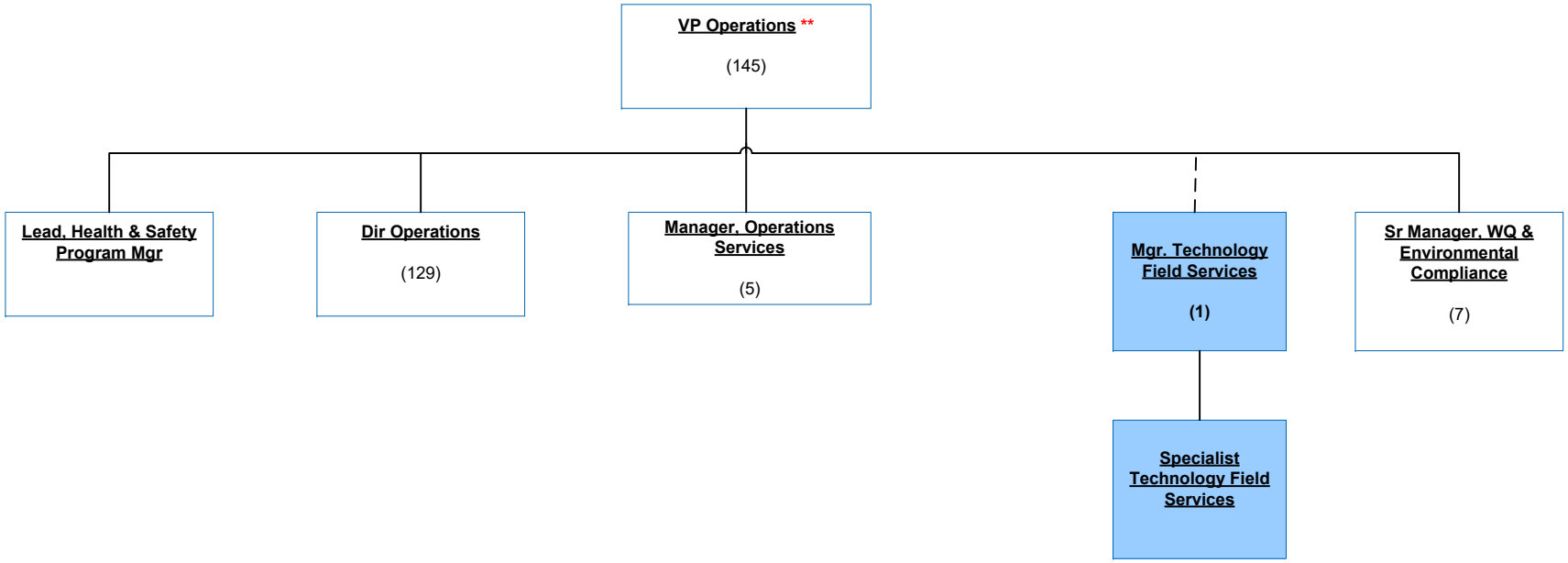
Engineering



**Position not counted here
Positions located in Lexington

Kentucky American Water

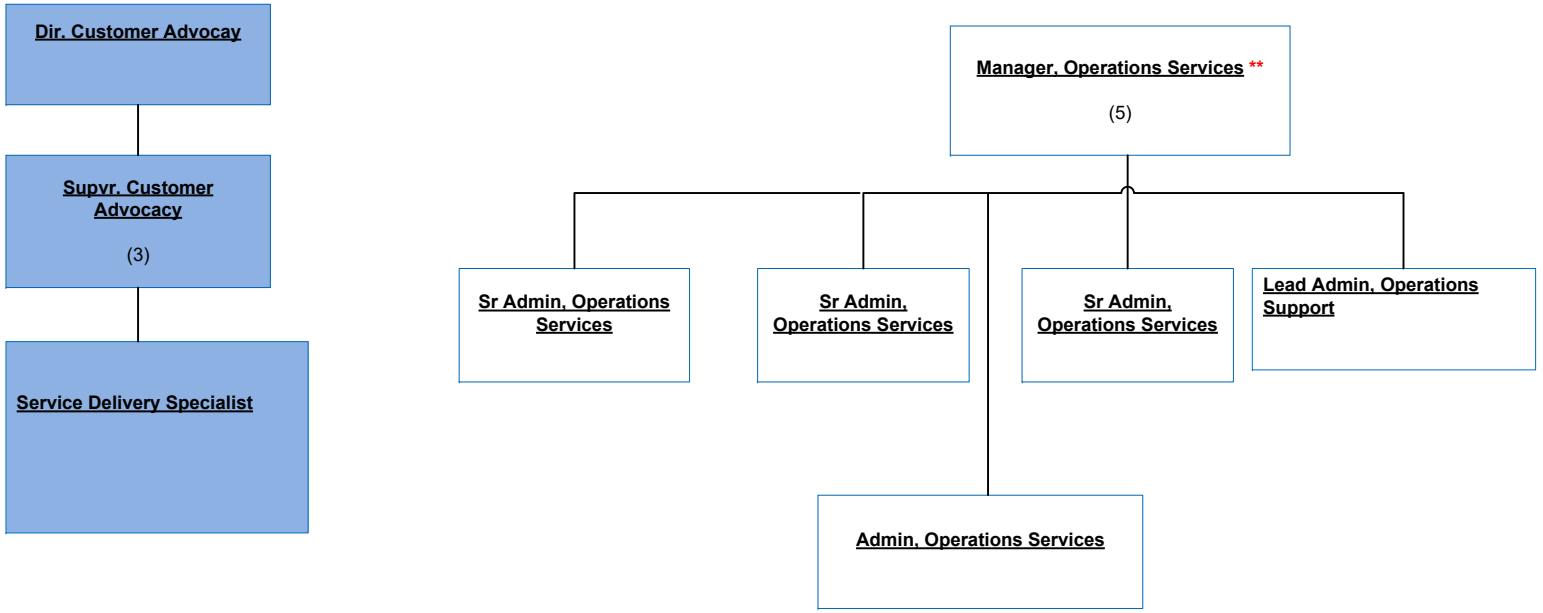
Operations



**Position not counted here
Positions located in Lexington

Kentucky American Water

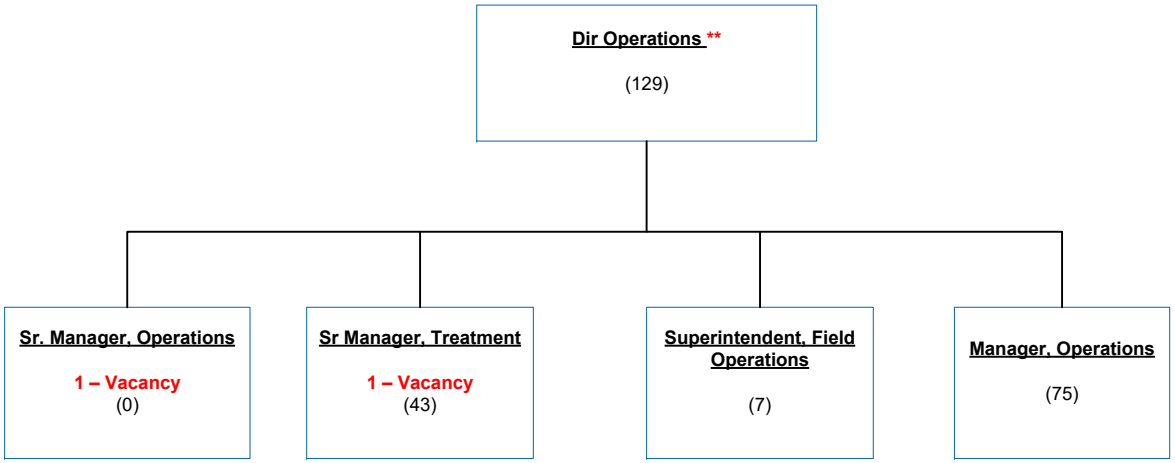
Customer Accounts



**Position not counted here
Positions are located in Lexington.

Kentucky American Water

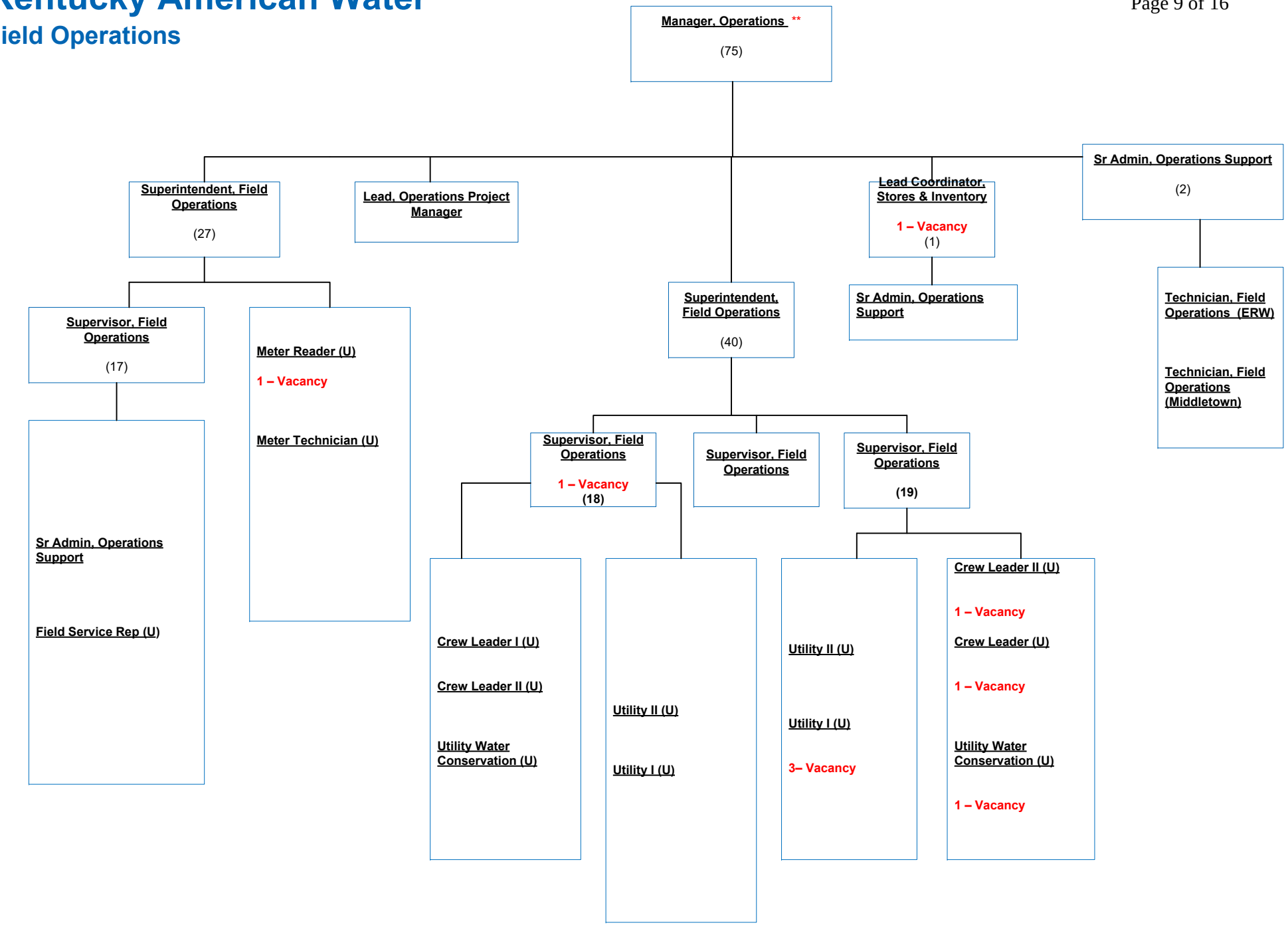
Operations (State)



**Position not counted here.
Positions are located in Lexington.

Kentucky American Water

Field Operations

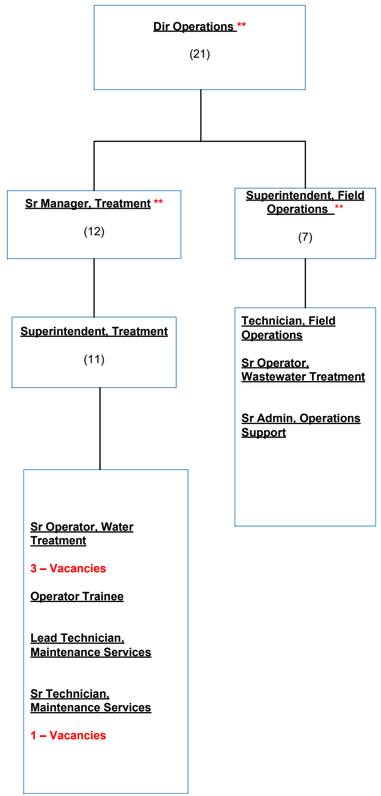


**Position not counted here

Positions are located in Lexington

Kentucky American Water

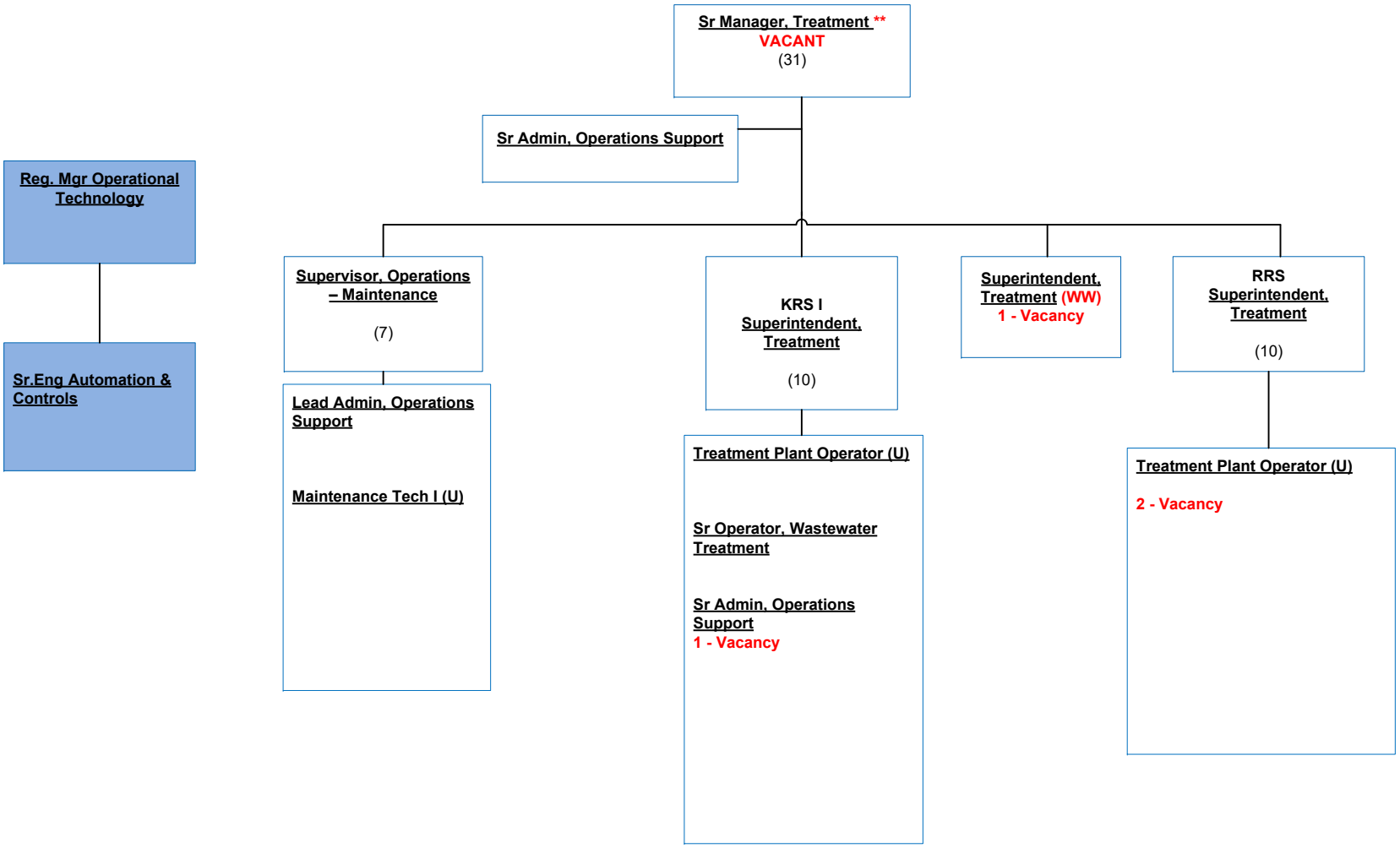
Field Operations – Northern Division



**Position not counted here
Positions are located in Owenton.

Kentucky American Water

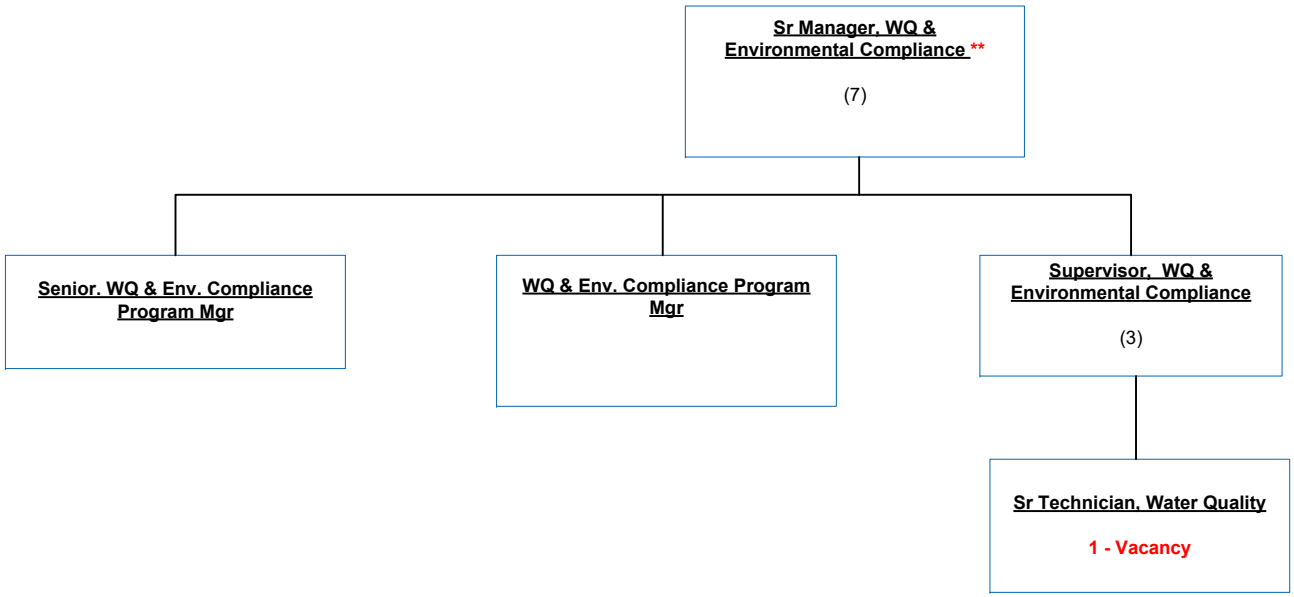
Production



** Position not counted on this page.
*Admin Asst – Staff Supp repurposed to Supvr Opns (Maintenance)

Kentucky American Water

Water Quality



** Position not counted here

*Ops Specialist swapped for Sr Technician, Water Quality

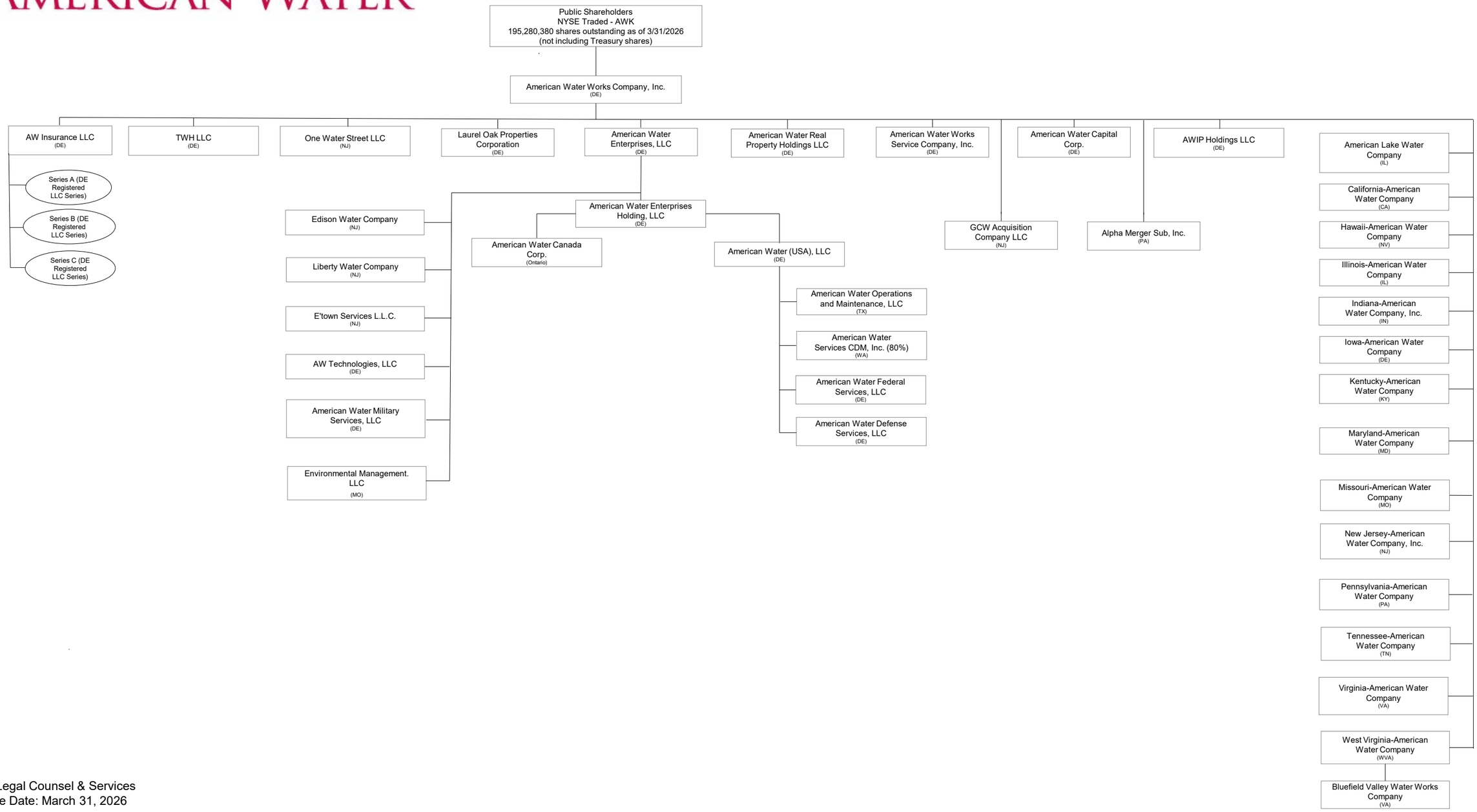
Kentucky-American Water Company
Case No. 2026-00094
Service Company Open Requisition

KAW_R_AGDR1_NUM001_062626_Attachment 2

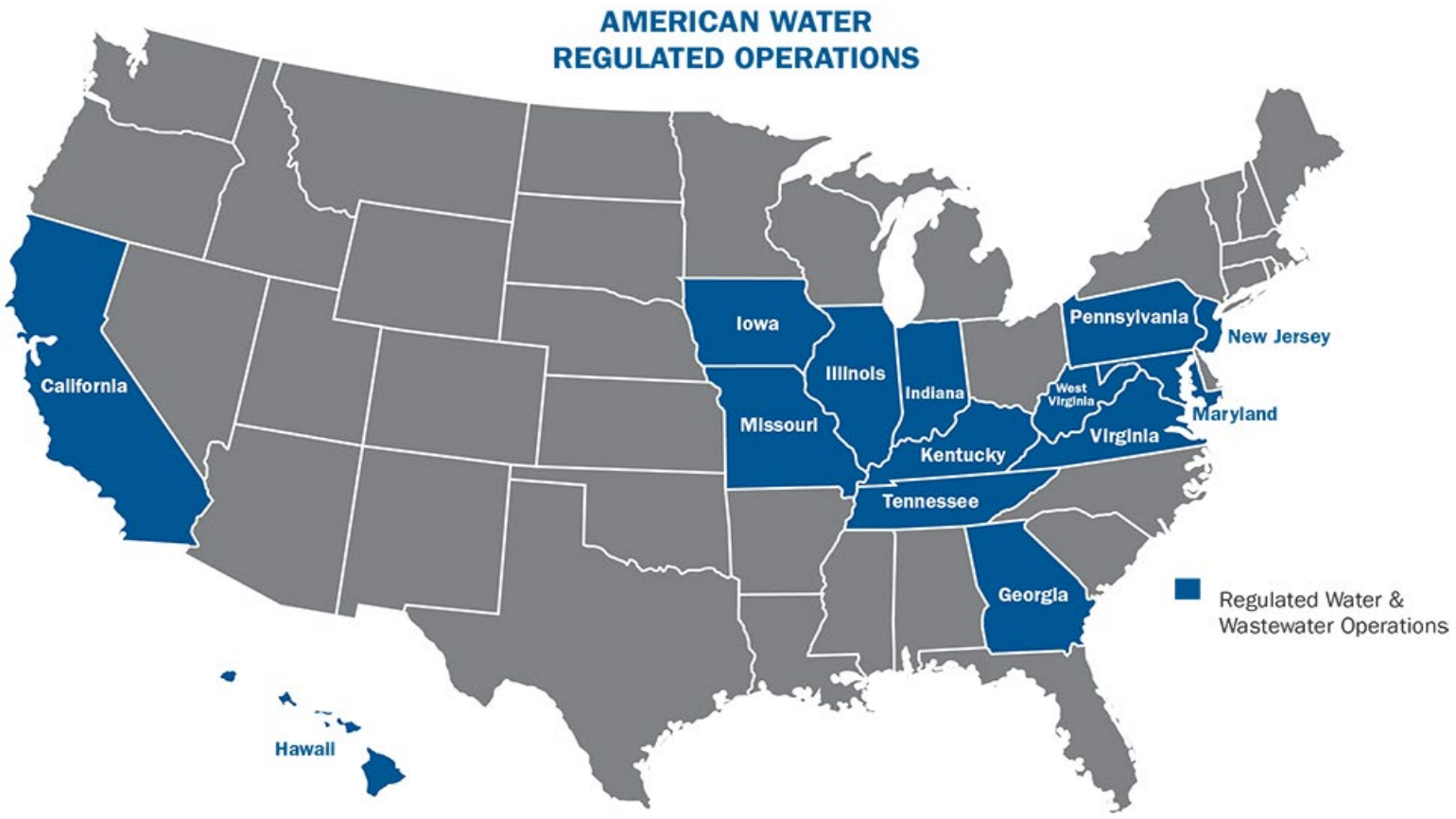
Salary Grade	Job Title	Location	Status	Division	Union Code	Functional Area
20	Administrator, Laboratory Services	ILSV-Belleville (Illinois St) (2039)	Open	Service Company	Non-Union	Operational Excellence
45	Principal, Planning Engineer	NJSV-Camden (2430)	Open	Service Company	Non-Union	Engineering
40	Lead, Project Delivery Engineer	MDSV-Bel Air (Archer St) (2548)	Open	Service Company	Non-Union	Engineering
45	Principal, Solution Engineer	NJSV-Camden (2430)	Open	Service Company	Non-Union	Information Technology
45	Principal, Solution Engineer	NJSV-Camden (2430)	Open	Service Company	Non-Union	Information Technology
35	Senior, Developer Services Specialist	VASV-Alexandria (2217)	Open	Service Company	Non-Union	Engineering
40	Lead, Planning Engineer	ILSV-Belleville (100 Water Wk) (2037)	Open	Service Company	Non-Union	Engineering
35	Senior, Engineering Project Manager	ILSV-Belleville (100 Water Wk) (2037)	Open	Service Company	Non-Union	Engineering
35	Senior Analyst, Liability Claims	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
50	Director, Rates & Regulatory	SVAW-Remote (2456)	Open	Service Company	Non-Union	Rates & Regulatory Services
40	Manager, GIS	VASV-Hopewell (2218)	Open	Service Company	Non-Union	Operational Excellence
35	Senior, Eng Automation & Controls (SCADA)	ILSV-Saint Charles (2570)	Open	Service Company	Non-Union	Information Technology
	CCATRAIN	SVAW-Remote (2456)	Open	Service Company	UWUA_640 CSO	Customer Service
50	Director, Rates & Regulatory	SVAW-Remote (2456)	Open	Service Company	Non-Union	Rates & Regulatory Services
40	Lead, Infrastructure Engineer	SVAW-Remote (2456)	Open	Service Company	Non-Union	Information Technology
50	Director, Program Management - Strategic Programs	NJSV-Camden (2430)	Open	Service Company	Non-Union	Strategic Services and Programs
25	Sr Operator, Water & Wastewater Treatment	VASV-Hopewell (2218)	Open	Service Company	Non-Union	Direct Operations
30	Supervisor, Operations	VASV-Hopewell (2218)	Open	Service Company	Non-Union	Direct Operations
60	Sr Director, Transformation Program Operations- Strategic Programs	NJSV-Camden (2430)	Open	Service Company	Non-Union	Strategic Services and Programs
45	Principal, Solution Engineer	NJSV-Camden (2430)	Open	Service Company	Non-Union	Information Technology
L99	Intern Ops	NJSV-Camden (2430)	Open	Service Company	Non-Union	Engineering
L99	Intern Ops	NJSV-Camden (2430)	Open	Service Company	Non-Union	Engineering
40	Lead, Financial Analyst	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
L99	Intern Ops	NJSV-Camden (2430)	Open	Service Company	Non-Union	Engineering
25	Associate, Accountant	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
35	Senior, Design Engineer	NJSV-Camden (2430)	Open	Service Company	Non-Union	Engineering
30	Engineering Project Manager	ILSV-Belleville (100 Water Wk) (2037)	Open	Service Company	Non-Union	Engineering
45	Principal, Solution Engineer	NJSV-Camden (2430)	Open	Service Company	Non-Union	Information Technology
22	Technician, GIS	WVSV-Charleston (Penna Av) (2237)	Open	Service Company	Non-Union	Operational Excellence
22	Technician, GIS	KYSV-Lexington (Richmond Rd) (2079)	Open	Service Company	Non-Union	Operational Excellence
45	Sr Manager, Regulatory Services	MOSV-St Louis (Craig Rd) (2104)	Open	Service Company	Non-Union	Rates & Regulatory Services
35	Senior, Financial Analyst	INSV-Greenwood (N Emerson) (2066)	Open	Service Company	Non-Union	Finance
22	Technician, GIS	PASV-Norristown (Johnson Hwy) (2351)	Open	Service Company	Non-Union	Operational Excellence
22	Technician, GIS	PASV-Mechanicsburg (Wesley Dr) (2204)	Open	Service Company	Non-Union	Operational Excellence
50	Director, Physical Security Operations	NJSV-Camden (2430)	Open	Service Company	Non-Union	Safety Programs and Facilities
30	Fleet Operations Analyst	NJSV-Camden (2430)	Open	Service Company	Non-Union	Fleet
20	Specialist, Accounts Payable	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
22	FRCC Coordinator	SVAW-Remote (2456)	Open	Service Company	Non-Union	Customer Service
20	Ops Support Coordinator	SVAW-Remote (2456)	Open	Service Company	Non-Union	Customer Service
35	Senior, Tax Accountant	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
35	Senior, Capital Program Specialist	PASV-Mechanicsburg (Wesley Dr) (2204)	Open	Service Company	Non-Union	Engineering
30	Procurement Specialist	TNSV-Chattanooga (Wiehl St) (2373)	Open	Service Company	Non-Union	Supply Chain
55	Director, Finance	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
35	Senior, GIS Specialist	NJSV-Camden (2430)	Open	Service Company	Non-Union	Operational Excellence
35	Senior, Financial Analyst	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
50	Director, Finance	MOSV-St Louis (Craig Rd) (2104)	Open	Service Company	Non-Union	Finance
55	Counsel, Mergers & Acquisitions	NJSV-Camden (2430)	Open	Service Company	Non-Union	Legal
20	Customer Advocacy Representative	NJSV-Howell (2435)	Open	Service Company	Non-Union	Customer Service
35	Senior, Financial Controls and Compliance	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
30	Supervisor, CSO Performance and Administration	SVAW-Remote (2456)	Open	Service Company	Non-Union	Customer Service
45	Senior Manager, Research & Development	NJSV-Delran (213 Carriage Ln) (2426)	Open	Service Company	Non-Union	Operational Excellence
35	Senior, Tax Accountant	NJSV-Camden (2430)	Open	Service Company	Non-Union	Finance
50	Director, Operational Training	NJSV-Camden (2430)	Open	Service Company	Non-Union	Operational Excellence

AMERICAN WATER

Organizational Chart – American Water Works Company, Inc.



Prepared by Legal Counsel & Services
Chart Effective Date: March 31, 2026


AMERICAN WATER
REGULATED OPERATIONS
California
Hawaii
Iowa
Illinois
Missouri
Indiana
Kentucky
Tennessee
Georgia
West Virginia
Virginia
Pennsylvania
New Jersey
Maryland
Regulated Water & Wastewater Operations

KAW_R_AGDR1_NUM001_062626_Attachment 5_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

2. Refer to the Application generally. Provide the following information for Kentucky American's executive staff employees, as well as all executive staff employees whose costs are allocated to Kentucky American, and separate each response by company/utility.
   a. Provide the position, title, and salary for each executive staff employee for the years 2021 – 2026.
   b. Provide the average raise that the executive staff employees received, or will receive, for the years 2021 – 2026. Ensure to explain whether the annual raise is directly connected to a performance review.
   c. Provide the average bonus that each executive staff employee received, or will receive, for the years 2021 - 2026.
   d. Provide all awards given to the executive staff employees for the years 2021 – 2026.
   e. Provide all vehicle allowances given to the executive staff employees for the years 2021 – 2026.
   f. Provide all incentive compensation given to the executive staff employees for the years 2021 – 2026.
   g. Provide the average raise, if known, which will be given to executive staff employees for 2027.
   h. Provide a detailed explanation of the insurance benefits provided to the Company's executive staff employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by the Company's executive staff employees, premiums paid by the Company or parent company on the executive staff employees' behalf, as well as all copays, deductibles, and maximum out of pocket amounts.
   i. Provide a detailed explanation of the retirement benefits provided to the Company's executive staff employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.
   j. Explain whether any of the executive staff employees are members of a union.

Response:

   a. Please refer to KAW_R_AGDR1_NUM002_062626_Attachment _CONFIDENTIAL for the listing of position titles and salaries for each Kentucky-American employee and all Service Company employees that allocated expense to Kentucky for the years 2021-2026, including executive staff. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.
   b. Please refer to the table below for the average merit increase provided to Kentucky-American executive employees and all Service Company employees for the years

2021-2026. The Company issues merit increases based on a performance review of each employee.

Kentucky-American					
2021	2022	2023	2024	2025	2026
5.00%	3.75%	2.75%	3.25%	3.50%	3.50%

Service Company					
2021	2022	2023	2024	2025	2026
3.11%	3.20%	3.30%	3.94%	4.00%	3.75%

c. Please see below for the average referral, discretionary and sign-on bonuses for Kentucky-American and Service Company executive employees.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$0	$50,000	$0	$0	$0	$0

Service Company					
2021	2022	2023	2024	2025	2026
$0	$7,184	$1,726	$1,702	$732	$899

d. KAWC executives did not receive any awards in the relevant time period. Please see below for the total awards paid to Service Company executive employees.

Service Company					
2021	2022	2023	2024	2025	2026
$2,841	$541	$276	$1,187	$4,107	$5,670

e. No vehicle allowances were given to Kentucky-American executive employees or employees that allocate costs to Kentucky-American during the time period specified.

f. Please refer to the table below for performance-based compensation payments to KAWC executive employees. Please refer to KAW_R_AGDR1_NUM002_062626_Attachment_CONFIDENTIAL for the Service Company performance pay paid to employees that was allocated to Kentucky-American, including executive employees.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$42,352	$36,732	$141,336	$168,203	$330,691	$260,668

g. Merit increases for the future test year of 2027 are 3.89% and 3.9% for KAWC employees and shared services employees respectively.

h. Please refer to the Company's responses to KAW_R_PSCDR1_NUM032 and KAW_R_PSCDR1_NUM033.

i. Please refer to the Company's response to KAW_R_PSCDR1_NUM034.

j. Executives are not members of a union.

Executive Employees

Position	2021	2022	2023	2024	2025	2026
State President		270,000	278,100	290,615	298,620	305,325
VP, Operations	168,446	195,603	221,855	226,292	234,212	242,410
Director, Engineering						165,000

Salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]	123,937					
		141,932	146,615	152,480	158,579	
	127,655	131,932				
					158,579	164,129
	76,834	78,370	80,721			
			84,757	87,723	90,794	
		93,267	96,345	100,006		
				103,006	106,611	
	84,872	88,267				
					106,611	110,343
	69,984	72,713	75,258	78,269		
	64,501					
		82,000	84,542	87,755	90,826	
					90,826	94,005
					84,500	87,458
		71,000	73,343	76,277	79,328	
	60,216	62,083				
					84,500	
	90,680	93,400	96,482	100,149	104,492	
					104,492	108,672
			98,000	101,822	105,386	
	87,703	89,457	92,409			
					105,386	109,075
	85,000	87,550	90,439	94,042		
				107,067		
				107,067		111,350
				73,432	76,370	
					76,370	80,188
					81,000	83,025
					81,000	
	119,781	123,375	130,885	139,173	144,739	
					175,000	
					175,000	
			123,000		127,305	
					127,305	131,188
						92,736
			83,000	86,154	89,170	
					89,170	92,736
	70,432	72,545	74,866	78,235	80,974	
					93,120	
					93,120	96,752
		74,000		76,960	80,270	
					80,270	83,480
						97,552
	80,000	82,520	85,243	88,483	92,907	
					92,907	97,552
		151,998	157,014	165,179		
	147,000	151,998				
					85,000	87,975
					85,000	
	115,068	117,657				
	86,000	88,537				
				95,000	99,940	
		82,000	84,542	88,769		
					99,940	103,438
						87,000
			82,000	85,198	89,629	
					89,629	92,765
	71,925	74,083				

Salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]		76,304	79,356	82,371		
				89,093		
				89,093		92,656
	62,177	64,944	67,542			
			74,000	76,960	80,962	
					80,962	85,010
	114,065	118,057	121,599			
			131,237	136,224	140,992	
	109,065					
	57,135					
	98,800	102,258				
		112,000	115,360	120,897		
	86,299	88,802				
				106,532		
			94,500	98,186		
	83,100	85,593	89,016			
				106,532		110,260
					88,005	92,405
					88,005	
	79,224	89,438	92,658	96,364		
				120,120		
				105,000		
				120,120		124,324
	85,663	87,376	89,998			
	86,212					
	100,006	104,006	107,750	112,383		
	61,218	62,483				
					95,000	
		73,000	75,409	78,425	81,562	
					95,000	98,325
				92,739	99,725	
		77,000	79,618	86,115		
	67,253	69,808				
					103,000	106,605
					87,000	91,350
					87,000	
	67,504	69,866	72,305	75,342		
		95,000				
	78,790	81,232				
	111,868	115,224	119,027	123,550	128,492	
					128,492	134,917
	75,000	77,325	79,645	82,512	85,400	
					85,400	89,670
				67,574		
					129,887	
	103,000	106,605	109,910	114,086	118,080	
					129,887	134,434
						87,000
	133,250	137,514				
	103,500	106,605				
		115,000	118,795			
				102,850		
	95,738	98,610	102,061	105,940	110,177	
				87,689	91,021	
		82,176	84,888	87,689		
					91,021	94,207
	58,000	60,030	61,831	64,304		
					64,000	
					64,000	67,200

Salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]					151,200	
		82,000	84,706	88,095		
				121,506		
					135,000	
				105,000		
					151,200	156,492
				65,000	67,600	
				125,000	129,625	
					129,625	134,486
					65,000	
					65,000	67,275
					108,000	
					108,000	112,320
					82,400	
					82,400	85,284
					86,000	
					86,000	89,440
					98,000	
					98,000	101,430
						159,650
					65,000	
					65,000	67,275
					115,000	
					115,000	119,025
					110,000	
					98,000	
					98,000	
					170,000	
					170,000	
					125,000	
					125,000	
						90,000
						110,000
						88,000
						88,000
						90,000

Non-salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]	63,037	66,993	70,032	72,140	73,853	
	66,774	70,324	72,673	76,316	78,091	
	73,393	75,335				
	66,774	70,898	74,103			
	64,081	67,756				
	64,164	67,839	71,243	73,372	75,105	
	64,164	68,173	71,243	73,372	75,105	
	50,697					
			71,493	74,145	77,110	
	64,164	67,171				
					77,110	79,803
	63,037	66,993				
	73,560	75,774	78,049			
	68,048	70,303	72,537	75,586	78,613	
	68,048					
					78,613	81,369
	63,037	66,993	70,032	72,140	73,853	
	63,037	66,993	70,032	72,140	73,853	
	64,164					
	68,904	71,034	73,164	76,671	80,659	
					80,659	84,689
		52,722	54,831	59,550	63,747	
	46,479	47,398				
					63,747	66,294
	58,986	60,155				
		63,287	65,375	67,797	70,178	
					70,178	72,642
					73,853	
	64,081	67,756	71,159	73,289	73,289	
	69,656	71,806				
	57,566					
	67,171	68,507				
		68,507	70,762			
	45,059					
	63,037	66,993	70,032	72,140	73,853	
	63,037	66,993	70,032	72,140	73,853	
	63,037					
		66,002				
		66,993	70,032	72,140	73,853	
	63,037	66,993	70,032			
	72,600					
	63,037	66,993	70,032	72,140	73,853	
	55,645	56,898	58,610	60,949	64,122	
					64,122	66,357
	63,037	66,993	70,032	72,140	73,853	
	55,040	56,752	58,735	61,429		
	67,923	69,969				
		69,969	72,767	75,523	78,551	
					78,551	81,307
	63,037					
		66,993				
			69,008	72,140	73,853	
	63,037	66,993	70,032	72,140	73,853	
		69,426	71,514	73,832	75,899	
	63,037	66,002				
	67,275	69,301	70,888			
			71,932	74,583	77,569	

Non-salary Employees

	2021	2022	2023	2024	2025	2026
					77,569	80,284
				57,274	59,571	
	48,442	49,903	51,741	54,539		
					59,571	61,951
	50,613	52,137				
		53,766	55,478	59,456	62,870	
					62,870	65,062
	64,164	68,173	71,243	73,372	74,528	
	61,596					
	68,904	71,034	73,372			
	63,037	66,993	70,032	72,140	73,853	
	66,064	67,056				
		68,048	70,491	73,101	76,024	
					76,024	
	63,037	66,993				
			70,125			
	60,155					
		66,993	70,032	72,140	73,853	
	61,596					
						68,570
	66,774	70,898	74,103	76,316	78,091	
	60,448	61,659				
		64,791				
	69,614	72,391	75,001	77,778		
				80,304	83,123	
					83,123	86,026
			69,008	72,140	72,140	
	65,166	69,558				
	71,827					
	62,995	67,345	73,331	76,421	79,177	
	60,155	63,976	66,858			
				71,086	73,853	
	57,044					
	64,164	68,173				
			63,475	65,375	66,973	
	57,044					
		60,719	63,475			
	66,774	70,898	70,209	73,372	73,372	
	63,517	65,417				
		65,417	66,732	69,196	72,788	
	60,155	63,976	66,858			
				71,086	73,853	
				66,858		
		68,173	70,219	72,892	76,692	
	66,127	68,173				
					76,692	79,386
		69,426	71,723	74,959	78,864	
	60,155					
		66,002				
	66,774	70,324	71,243	73,372	76,518	
	70,428	72,725	74,917	77,924	80,659	
					80,659	83,478
	64,164	68,173	71,243	73,372	75,105	
	67,839	72,370	75,272			
	57,044	60,420				
				72,906	73,372	
	63,037	66,993	70,032	72,140	73,853	

Non-salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]	67,839	72,370	75,272	77,527	77,527	
					75,022	
	58,527					
	62,222					
	60,155					
		66,993	70,032	72,140	72,140	
	63,037	66,993	70,032			
	48,943	50,196				
		52,513	54,225	57,775	60,740	
	49,193	50,864				
					60,740	62,870
	57,942	59,139				
		62,870	65,062	67,338	69,697	
					69,697	72,140
	64,624	68,312	74,061	77,026	79,803	
	60,155	63,976	66,858			
					68,570	
					66,973	
	60,155	63,976	66,858	68,862	70,522	
						72,182
	57,044	60,420	63,475	65,375	66,973	
	57,044	60,420	63,475	65,375	66,973	
	60,155	63,976	66,858			
				67,526	70,522	
	60,155	63,976	66,858			
				71,086	73,853	
	63,997	65,918				
		65,918	68,298	70,825		
	63,037	66,993	70,032	72,140	73,853	
	66,774	70,547	74,103	72,307	74,528	
	64,853	67,129				
	55,144	56,856				
		59,988	61,972	64,269	66,837	
					66,837	69,175
	60,155	63,976				
	55,290	57,002				
		60,134	62,118	64,937	67,944	
					67,944	70,324
	64,248	66,503				
		66,503	68,904	71,451	74,312	
					74,312	76,922
	66,774	70,898	74,103			
	57,044	59,821				
		56,773	59,341	61,116	62,650	
					68,570	
					68,570	
	60,155	63,976		66,858		
			44,788			
	46,020					
			55,864			
				66,858		
	54,935					
	67,025					
		63,976				
		70,470		73,143	75,711	
	51,532					
		59,821				

Non-salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]					75,711	78,363
	60,155	63,976	66,858	68,862	70,522	
						72,182
	55,144	56,856				
		59,988	61,972	64,269	66,837	
					66,837	69,175
	56,982	58,735	60,761	63,183		
	47,439	49,527	51,490	54,267		
	61,909					
		61,909	63,955	66,315		
	65,166	69,558	72,349	74,521	74,521	
					75,022	
		63,976	66,858			
	57,044					
		59,821				
				67,526	70,522	
			66,210	68,862	68,862	
	43,597					
		49,204				
			61,617			
					70,522	
	49,131	50,112	51,824	53,891		
				60,239		
				67,526	68,862	
	43,597					
		49,204				
			62,546			
	80,451	82,935	86,255	89,784		
				67,860	70,522	
	48,431					
		54,246				
			62,856			
	57,044	60,420	63,475	65,375	66,973	
	46,020					
		49,204			68,570	
			62,856	65,375	66,973	
	52,200	53,829	55,666			
	67,839	72,370	75,272	77,527	78,425	
				67,860	70,522	
	46,020					
		49,204				
			62,546			
		70,386	72,704	75,314	77,945	
	67,025	70,386				
					77,945	80,680
	53,766					
	64,164	69,703	74,103	76,316	78,091	
	40,163	48,128				
					68,570	
			55,864	58,380		
				65,375	66,973	
	57,044	60,420	63,475	65,375	66,973	
	38,461					
	41,864	44,203				
		56,773				
		71,952	74,103	76,316	78,091	
					68,862	72,182

Non-salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]	1,864	48,128				
			55,864			
				64,425	65,375	
					70,522	
	3,597					
		43,921				
		45,978				
		56,376				
		67,171				
		55,207				
		41,760				
				56,376	58,631	
		37,584				
		41,760				
		41,760				
		70,898	74,103	76,316	78,091	
					70,522	
		49,204	51,427			
				57,535	58,380	
		61,617	63,475	65,375	66,973	
		46,667				
		60,719	63,475	65,375	66,973	
		45,978				
					70,522	
		49,204	51,427			
				56,689		
				64,425	65,375	
		46,667	50,676			
					68,570	
				57,535	58,380	
					66,973	
		46,719	49,402			
			60,552			
				64,206		
			65,887	68,862	70,522	
		49,204				
		49,204	51,427			
					68,570	
				56,689		
				64,425	66,973	
		70,898	74,103	76,316	78,091	
		56,376		58,360	60,406	
					60,406	62,515
			50,112	53,655		
			55,332	57,483	59,779	
					70,522	
			50,926	52,973		
				65,375	65,375	
			70,209	73,372	75,105	
				74,103		
				49,263	51,605	
					68,570	
					63,475	
				51,942	52,973	
					68,570	
					66,973	
				76,400	78,425	

Non-salary Employees

Position	2021	2022	2023	2024	2025	2026
[redacted]				75,210	78,091	
				54,288		
				49,506	54,852	
				50,237	55,791	
				52,973	57,159	
				50,237	55,791	
					59,508	65,772
					72,788	
					72,788	75,335
					57,159	
					57,159	
					78,425	
					45,936	
					55,791	
					57,159	
					45,936	
					45,936	50,112
					45,936	50,112
					57,159	
					78,091	
					70,324	
					72,788	75,335
					57,420	59,508
					57,420	
					59,717	
					59,717	61,805
					59,508	61,596
					59,508	
					78,683	
					78,725	
					75,105	
					81,119	
					72,788	
						73,289
						61,596
						81,119
						47,189
						61,345
						80,680
						61,345
						82,580
						67,338
						64,310
						58,464
						63,266
						75,377
						82,372
						63,266
						64,310
						61,345

Kentucky-American Water Company
Case No. 2026-00094
2021 Service Company Labor Allocations and Position Titles

Total 2021 Service Company Labor (incl. benefits) Allocation to Kentucky-American	$6,109,775
Total 2021 Service Company Performance Pay Allocation to Kentucky-American	$1,480,231
Total 2021 Service Company Labor Allocation to Kentucky-American	$7,590,006

Employee Number	Position Title
60003319	Senior Technologist
60003814	Senior Technologist
60005801	Operator, Integrated Operations Center
60000992	Principal Technologist
50302498	Admin Asst IV Rates & Regulatory (N)
50326971	Senior Regulatory Analyst
60006549	Technologist
50564924	Associate Director Technology Governance
50231146	Accountant II Cash Management
60001437	Senior Technologist
50392907	Sr Eng Automation & Controls (SCADA)
60003535	Senior Technologist
60005800	Operator, Integrated Operations Center
50604492	Sr Technology Expense Analyst
60003682	Learning Designer
60003061	Senior Technologist
60003119	Sr Buyer
60006372	Principal Project Manager
60002012	Learning Designer
3003464	Cash Management Specialist II (N)
60006550	Senior Manager, Business Analysis
60001553	Senior Technologist
60006834	Sr Financial Analyst
50433360	Sr Dir Internal Communication
60005109	Accountant II
60006237	Supply Chain Support Analyst
3017934	Tax Accountant Lead
60002040	Tax Specialist II
50396021	Specialist, Physical Security
60002302	Principal Technologist II
60002856	Scientist
60003265	Scientist

60001789	Principal Technologist
60003184	Sr. Manager, Plant Accounting
60005607	Intern
60006677	Financial Analyst
51000469	Sr Technology Expense Analys
60005548	Assoc Dir, Software Product Engineering
50325156	Sr Dir Budget Int Rprtg & Rev Analytic
60001658	Infrastructure Engineer
60002787	Accountant I
50027598	Director Rates and Regulatory
50220148	Category Manager
60005301	Associate Director, Digital Security
60005585	SVP, Corporate Tax, Accounting Technolog
60005799	Sr. Operator, Integrated Operations Cent
60002484	Director , Data Analytics & Data Managem
60006303	Sr. Manager Regulatory Services
60005940	Tax Accountant Lead
3016148	Principal Scientist
60005710	Principal- Quality Assurance
60001180	Buyer
60005804	Sr. Operator, Integrated Operations Cent
60001562	Principal Technologist II
50405288	Senior Supply Chain Support Analyst
60003561	Software Engineer
60000970	Principal Infrastructure Engineer
50449965	Accounts Payable Specialist II (N)
60001204	Accountant III
50333201	Accountant IV
50062328	Cash Management Specialist II (N)
60006445	Intern Admin
60005732	Coordinator, Health and Safety
50566912	Sr EAM Project Manager
50099158	Director Rates and Regulatory
50383035	Expert Technologist
60005277	Vice President of Business Development a
60005775	Senior Business Process Consultant
60003160	Senior Technologist
60005394	Program Manager - Strategic Planning
60002356	Tax Accountant Lead
18611053	Sr EAM Project Manager
50550472	Senior Program Coordinator
60003556	Exec Asst to EMT (N)
60003395	Transactional Buyer
50069219	Dir Technology Expense Management
60005261	Sr Category Lead
60005796	Operator, Integrated Operations Center
18506755	Cash Management Specialist III (N)

50085802	Lead Client Technology ITS
3000457	Sr. Regulatory Analyst
24013971	Mgr Cust Comm (State)
60006110	Sr. Manager, Plant Accounting
50634743	Tax Accountant III
60001984	Accountant I (N)
60006720	Director - Tax Reporting and Compliance
60003765	Sr Bus Process Consul
60005802	Operator, Integrated Operations Center
60001976	Sr. Manager Acquisitions
60001695	Specialist, Physical Security
60002495	Accountant III
60001712	Lead Client Technology ITS
60005795	Supervisor, Integrated Operations Center
60003839	Scientist
50438106	Technology Expense Analyst
50011032	Supvr, Cash Accounting
3017979	Accounts Payable Specialist I (N)
50387614	Sr. Mgr Internal Audit
50343492	VP, Customer Service & Solutions
60000549	Principal Reg Analyst
50323974	Principal Product Manager
60001955	Accts Payable Spec II
60003461	Internal Auditor III
60006624	Operational Technology Support Specialis
50383273	Sr. Manager, Accounts Payable
60005505	Financial Analyst IIB
60002634	Senior Software Engineer
3017573	Sr Mgr Supply Chain Support
3002566	Divisional Controller
60005353	Senior Infrastructure Engineer II
60006346	Senior Manager, Business Hyperautomation
60001948	Sr Specialist Payroll (N)
60005332	Sr EAM Project Manager
60006914	Principal Financial Analyst
18709966	SVP Communications & External Affairs
60002640	Senior Software Engineer II
3017515	Accounts Payable Specialist III (N)
60006451	Specialist, Technology Field Services
50654149	Software Engineer
60006629	Infrastructure Engineer
60006371	Senior Project Manager
60001010	Mgr I Accounting
60005432	Regulatory Specialist / Database Librari
60005146	Software Engineer
50115035	Reliability Eng Manager
60002002	Sr EAM Project Manager

50248959	Category Manager
50414550	Legal Operations Manager
60005803	Sr. Operator, Integrated Operations Cent
60005887	Infrastructure Engineer
60003829	Multimedia Specialist- 4
50485334	Technologist
60006035	Infrastructure Engineer
60006683	Financial Analyst
50541813	Sr Reliability Engineering Analyst
60006507	Intern Admin
50146191	Sr Category Lead
51000271	Dir Acquisitions
50480255	Senior Technologist
50568165	Mgr Cash Management
60005798	Operator, Integrated Operations Center
3017576	Sr EAM Project Manager
60005794	Supervisor, Integrated Operations Center
60002347	Accountant III
60003803	Senior Technologist
50427029	Sr Hydrogeologist
50566916	Sr Buyer
60003587	Software Engineer
60005580	AP Specialist
60006355	Transactional Buyer
60003323	Senior Technologist
60003414	Senior Technologist II
60003684	Sr Specialist Payroll (N)
60003761	Senior Infrastructure Engineer
60003412	Senior Infrastructure Engineer II
50315421	Principal Regulatory Analyst
60005914	Specialist, Physical Security
60003804	Accountant IV
60003760	Senior Technologist
50566911	Sr Manager Regulatory Servs
60005341	EAM Project Manager
60003171	Accountant III
60005056	Program Manager - Strategic Planning
60005711	Infrastructure Engineer II
60006348	Lead, Quality Assurance
60002503	Senior Technologist II
50090809	Sr Tech Client Technology ITS
60003815	Software Engineer
50239365	Accounts Payable Specialist II (N)
50499769	Accountant II
50409428	Financial Analyst III
50233830	Principal Regulatory Analyst
10000229	President, Regulated Operations & MSG

60005457	Mgr Health and Safety Programs
60005516	Sr Specialist Safety
60005258	Senior Product Manager II
50654123	Internal Auditor II
60002630	Software Engineer II
50409494	Dir, Corporate Strategy
60001252	Sr. Project Manager Env & WQ
50437054	Internal Auditor III
50649586	Sr Dir, Asset Mgmnt-Metering&Oper System
50477607	Senior Specialist, Physical Security
50244425	Tax Specialist II
60006628	Accountant
60006817	Accountant
50164869	VP, Business Development Strategy
50575289	Sr Tech Client Technology ITS
50408293	Specialist, Physical Security
50444433	Senior Technologist
60003771	VP, Enterprise Technology Solutions
60003603	Software Engineer II
60003659	Senior Scientist
60006366	Sr Accountant
60003369	Sr Category Lead
60006597	Business Process Specialist II
60003542	Admin Asst - Staff Supp (N)
60006370	Senior Project Manager
60006325	Content Creator/Curator
3018062	Project Mgr, Operational Excellence
60005157	Mgr Health and Safety Programs
60005108	Senior Scientist
60001943	Learning Consultant
51005185	Principal Infrastructure Engineer
60005099	Principal Program Coordinator
60003079	Senior Technologist II
60003468	Technologist
9015412	Mgr Automation & Controls (SCADA)
17003587	VP Regulatory Services
60005352	Technologist II
51000264	Sr Analyst Client Technology ITS
50551406	Sr EAM Project Manager
18623214	Analyst - Tariff Administration
60003416	Software Engineer II
60005053	Senior Technologist
60006806	Enterprise Architect
60005599	Supply Chain Support Analyst
18504371	Sr Dir, Environmental Leadership
60005385	Intern
60001552	Sr Analyst Client Technology ITS

50171199	Sr Mgr Internal Audit
60003698	Senior Technologist
60005469	Supply Chain Bus Intelligence Analyst
60001025	Director, Health and Safety
60005197	Software Engineer
60002027	Chief Procurement Officer
50325108	Sr EAM Project Manager
18505541	SVP, Chief Operational Excellence & Safe
60005265	Accountant III
60001002	Sr Technology Expense Analys
60003586	Software Engineer
60005681	Principal Technologist
60006807	IT Business Relationship Manager
60003743	Senior Technologist
60002824	Senior Technologist II
60001395	Tax Accountant Lead
60006516	Associate Director, Delivery Management
50570375	Supvr Accounts Payable
50622593	Associate Director - Platform
60002588	Dir Learning & Dev.
50654047	Manager Physical Security
60005181	Software Engineer
60001403	Sr Analyst Client Technology ITS
60000999	Accountant III
60000244	Sr EAM Project Manager
50437991	Principal Technologist II
60003083	Senior Technologist II
60003372	Principal Software Engineer
18678039	Sr Mgr, EAM
60006856	Internal Auditor II
60002180	Sr Dir, Digital Finance
60000527	Specialist, Physical Security
3018180	Sr Analyst Prfmc Rptng CSC (N)
50042211	Sr Mgr, EAM
60006608	Principal Plant Analyst
60005921	Senior Software Engineer II
60005929	Intern Admin
50615229	Accountant II
60002277	Analyst - Tariff Administration
60002863	Scientist
51000192	Tech Client Technology ITS
60002813	Software Engineer II
60003709	Mgr, Contracts
51000521	Infrastructure Engineer
50247296	Accounts Payable Specialist III (N)
60001244	Sr. Diversity Program Lead
60006185	Principal Business Consultant

50615230	Principal Regulatory Analyst
60006209	Principal Regulatory Analyst
50305215	Dir, Env Health & Safety Audit
60005503	Software Engineer
50218969	Accountant III
50429620	Divisional Controller
60001515	Tech Client Technology ITS
50408283	Specialist, Physical Security
60000988	Associate Director - Physical Security &
60002915	Senior Technologist II
60003264	Project Mgr, Enterprise Environmental WQ
60005718	Divisional Controller
60001907	Learning Designer
60000933	VP Treasurer
50199914	VP Chief M&A Counsel
51000182	Technology Procurement Analyst
60001076	Senior Program Coordinator
60001256	Senior Technologist II
18508241	Cash Management Specialist II (N)
60001485	Specialist, Physical Security
60005334	Senior Infrastructure Engineer
50201217	Senior Software Engineer
60003124	Associate Hydrogeologist
60005185	Sr Specialist Health & Safety
60002847	Technologist
60006902	Financial Analyst IIA
60006996	Specialist, Technology Field Services
60005357	Senior Technologist II
3001971	Lead Client Technology ITS
60001739	Manager, Integrated Operations Center
50491468	Mgr I Accounting
60005284	Software Engineer
50506035	Sr. Mgr, Financial Services
60005909	Coordinator - Physical Security
60006744	Scientist
60002819	Technologist II
60001719	Divisional Controller
50547633	Senior Software Engineer
50441512	Principal Business Process Consultant
60003178	Mgr Tax Reporting & Compliance
50655731	Principal Product Manager
60001396	Accounts Payable Specialist I (N)
60001401	Financial Analyst IV
50028532	Senior Technologist
60003672	Software Engineer II
60002166	VP, Labor Affairs and Community Engageme
50323977	Principal Technologist II

50217359	Program Mgr, Corporate Giving
60001302	Software Engineer II
60005152	Software Engineer - Java
60005842	Intern Admin
60002599	Senior Technologist
50299072	Exec Asst (N)
60001254	Project Analyst
50299166	Engineering Practice Lead
3000204	SVP, Chief Enviro Officer & NJAW Preside
60003624	Tech Client Technology ITS
60003266	Software Engineer II
60002301	VP Safety Leadership
60003261	Technologist II
3000131	Principal Regulatory Analyst
60003588	Admin Assistant-Staff Support
60005360	Financial Analyst IIB
60005448	Scientist
50273031	Principal Regulatory Analyst
60003240	Principal, Corporate Finance
60002576	Software Engineer II
60001373	Internal Auditor II
60005426	Senior Software Engineer II
60002697	Senior Infrastructure Engineer II
60002904	Spec Wtr Qlty & Env Compl II
60005827	Senior Technologist II
60005472	Software Engineer
60006113	Contract Analyst
60003175	Software Engineer II
60005797	Supervisor, Integrated Operations Center
60003310	Technologist II
60003654	Technologist
50395995	Mgr Cust Comm (State)
60001167	Mgr Investment Rec/Inventory
50063939	Exec Asst (N)
3000003	Principal Regulatory Analyst
3000143	Financial Analyst III
18506683	Sr Mgr, EAM
60005742	Principal Business Analyst
60001268	Principal Technologist
22000088	Sr. Manager Regulatory Services
3016456	Project Manager Operations
60005722	Associate Director Technology Operations
60003260	Software Engineer
60005067	Fin Analyst IIA
60003100	Webmaster
60003490	Tech Client Technology ITS
60005054	Software Engineer

60003604	Software Engineer
50348193	Director , IT Architecture & Innovation
60005401	Project Mgr Bid Development
60003263	Principal Product Manager
60002164	Accountant II
60006690	Senior Project Manager
60005519	AI Researcher
60002355	Sr SC Business Intelligence Analyst
50516281	Principal Product Manager
60003575	Software Engineer
60002780	Director Rates and Regulatory
50552976	Principal Product Manager
60005386	Senior Infrastructure Engineer
50112416	Sr Reliability Engineering Analyst
60005517	Associate Director - Product Management
60002216	Dir Copr Procurement Categories
50502025	Sr Reliability Engineering Analyst
60000344	Senior Infrastructure Engineer
60005205	Sr. Payroll Specialist
50596877	Senior Mgr BIRS Revenue Analytics
60005195	Accountant I (N)
51005283	Infrastructure Engineer
60001980	Buyer
60003139	Sr. Dir External Communication
50638325	Technologist
60005373	Specialist, Physical Security
60005289	Senior Infrastructure Engineer
60002799	Buyer
60000830	Senior Technologist II
50345804	Principal Regulatory Analyst PT
3017835	Mgr, Learning & Development
50369122	Accounts Payable Specialist I (N)
50539667	Senior Technologist II
60002637	Principal Software Engineer
60003311	Software Engineer II
17003640	Transactional Buyer
60005506	Technologist II
60003259	Principal Software Engineer
60005454	Intern - Tax
60005279	Senior Technologist
60005089	Senior Technologist
50305144	VP, Digital Infrastructure & Security
60006867	Software Engineer II
60006946	Scientist
60005162	Infrastructure Engineer II
60006387	Financial Analyst
50305073	Sr EAM Project Manager

60005161	Senior Software Engineer- Java
50481432	Sr Principal, Finance
60002188	Mgr Budgeting & Int Reporting
50616321	Sr EAM Project Manager
60006412	Director Rates and Regulatory
60003669	Associate Technology Expens
50584125	Senior Product Manager II
60005927	Intern Admin
60000843	Director , Business Partnership & Delive
60003577	Software Engineer II
50031722	VP Internal Audit
60005144	Senior Technologist
50425924	Accounts Payable Specialist II
60005151	Principal Technologist
50323981	Sr Engineering Project Manager
60000860	Principal Client Technology
60001282	Sr Category Lead
60006231	Intern Admin
50114015	Infrastructure Engineer
3017395	Accountant III
50412396	VP, Technology Strategy & Governance
50366974	Financial Analyst III
60000898	Sr Buyer
3017514	Treasury Analyst III ShortTerm Financing
60003553	Supervisor - Tax
60000769	Sr. Operator, Integrated Operations Cent
60005145	Senior Technologist II
60005055	Senior Technologist
60006877	Operator, Integrated Operations Center
60005350	Senior Software Engineer II
60006072	Sr Analyst Client Technology ITS
50049784	Sr Mgr, Operational Excellence
50557980	Project Mgr, Enterprise Environmental WQ
50544666	Principal Infrastructure Engineer
60003518	Asst Treasurer
60005198	Sr. Payroll Specialist
60001659	Senior Technologist
60003531	Senior Business Process Consultant
60006293	Principal, Operational & Process Control
60005951	Director Rates and Regulatory
50080217	Accountant III
60002177	Mgr External Affairs (Corp)
50084609	Sr Mgr, Treasury
60000613	Mgr Sup Chain Bus Perf
50297720	Accountant IV
60005312	Principal Regulatory Analyst
50552234	Senior Technologist

50332082	Accountant II Cash Management
17003513	Sr Analyst Client Technology ITS
60003483	Compensation Analyst
60000133	Sr Manager Procurement - RG
50420233	Associate Director ,Technology Strategy
60001071	Sr Manager Procurement
18505111	Sr EAM Project Manager
60003110	Director, State Procurement
60005504	Senior Infrastructure Engineer
50434554	Regulatory Analyst
50344468	Senior Technologist II
60005470	Internal Auditor II
60006826	Operator, Integrated Operations Center
60005402	Program Manager - Strategic Planning
60000996	Financial Analyst III
60006465	Infrastructure Engineer II
60002684	Senior Technologist
60003035	Supervisor,Planner
50606394	Mgr Business Dev
50376817	Dir, Operational Excellence
60003742	Software Engineer
60002992	Technologist II
60005564	Intern Admin
60003643	Sr Analyst Client Technology ITS
60001219	Principal Technologist
60002636	Senior Technologist
3002229	Accounts Payable Specialist I (N)
18508195	Accounts Payable Specialist II (N)
50575288	Sr Technology Expense Analyst
3002531	Sr. Director Regulatory Services
18648403	Supvr, Cash Operations
50270557	Sr EAM Project Manager
60003736	Senior Technologist
18507643	Sr. Manager Regulatory Services
50196563	Principal Scientist
50036510	Senior Specialist, Physical Security
60001319	Senior Infrastructure Engineer II
60006528	Principal Business Process Specialist
60003476	Financial Analyst III
50270528	Senior Infrastructure Engineer
60005456	Software Engineer
60005748	Accountant I (N)
60001525	Mgr, Learning & Development
24007249	Sr Regulatory Revenue Analyst
51005358	Principal Infrastructure Engineer
50097960	Accountant III
60002242	Sr Mgr, Nat'l Supplier Diversity

3017840	Sr. Manager Regulatory Services
60006579	Financial Analyst
50404178	Planning Engineer
60003681	Accountant I (N)
50075099	Category Manager
50525790	Principal - BIRS
50493791	Principal Program Coordinator
60002170	Learning Systems Specialist
60003457	Software Engineer II
51000568	Senior Business Analyst
60002293	Supply Chain Support Analyst
60003417	Senior Software Engineer II
60005889	Scientist
24007076	Transactional Buyer
60005459	Software Engineer

Kentucky-American Water Company
Case No. 2026-00094
2022 Service Company Labor Allocations and Position Titles

Total 2022 Service Company Labor (incl. benefits) Allocation to Kentucky-American	$5,528,705
Total 2022 Service Company Performance Pay Allocation to Kentucky-American	$1,373,501
Total 2022 Service Company Labor Allocation to Kentucky-American	$6,902,206

Employee Number	Position Title
60006996	Specialist, Technology Field Services
60003319	Manager, Advanced Analytics
60003814	Senior Solution Engineer
60000992	Sr Manager, DevSecOps
50302498	Admin Asst IV Rates & Regulatory (N)
50426972	Dir Engineering (Large 2)
60000244	Sr. Program Manager, EAM-GIS
60006549	Technologist
50231146	Accountant
60001437	Senior Technologist
50392907	Sr Eng Automation & Controls (SCADA)
60003535	Senior Technologist
60005800	Sr. Operator, Integrated Operations Cent
50604492	Principal Business Process Specialist
60003682	Content Creator/Curator
60003061	Senior Solution Engineer
60002012	Content Creator/Curator
3003464	Cash Management Specialist II (N)
60006550	Senior Manager, Business Analysis
60001553	Senior Business Process Specialist
60006834	Sr Financial Analyst
50433360	Sr Dir Internal Communication
60005109	Internal Auditor II
60006237	Supply Chain Support Analyst
60007007	Intern Admin
60007827	Coordinator, Health and Safety
3017934	Manager, Tax
60002040	Tax Accountant II
50396021	Specialist, Physical Security
60002302	Associate Director, Enterprise Systems O
60003265	Scientist
60001789	Sr Manager, ESD ERP

60001437	Senior Technologist
60005607	Accountant
60006677	Financial Analyst
60005548	Associate Director, Software Engineering
50325156	Sr Dir Budget, Int Rprtg & Rev Analytics
60001658	Senior Infrastructure Engineer
50027598	Sr. Director Rates and Regulatory
50220148	Category Manager
60005301	Director, Cyber Security & Privacy
60005585	SVP, Planning, Regulatory and Financial
60000416	Dir, Eng-Electrical Design & Planning
60005799	Sr. Operator, Integrated Operations Cent
60007501	Intern Admin
60002484	Sr Dir, Data Analytics & Data Management
60006303	Sr. Manager Regulatory Services
3016148	Principal Scientist
60005710	Sr. Manager, Quality Assurance
60001180	Sr Category Lead
60005804	Specialist, Technology Field Services
60001562	Associate Director, Enterprise Systems D
60007413	Supply Chain Business Intelligence Analy
60007497	Senior Project Manager
50405288	Senior Supply Chain Support Analyst
60000970	Sr Manager End Point & Collaboration
50449965	Sr Accounts Payable Specialist
60001204	Sr Accountant
60007441	Technologist
50333201	Principal Regulatory Analyst
50062328	Cash Management Specialist II (N)
60005732	Coordinator, Health and Safety
50566912	Sr EAM Project Manager
50099158	Sr. Director Rates and Regulatory
50383035	Expert Technologist
60005775	Senior Business Process Specialist
60007762	Sr Principal Regulatory Analyst
60002356	Manager, Tax
18611053	Sr EAM Project Manager
60007719	Financial Analyst
60001076	IT Business Relationship Manager
50550472	Senior Business Process Specialist
60008118	Principal Regulatory Analyst
60003556	Exec Asst to EMT (N)
60003395	Transactional Buyer
50069219	Principal Business Process Specialist
3016948	Sr. Dir Finance
60005261	Sr Category Lead
60005796	Operator, Integrated Operations Center

18506755	Cash Management Specialist III (N)
50085802	Sr Specialist, Technical Support - Execu
3000457	Sr. Regulatory Analyst
60005500	Sr. Diversity Program Lead
24013971	Sr Mgr, External Communications
60006110	Sr. Manager, Plant Accounting
50634743	Sr Tax Accountant
60001984	Accountant
60006720	Director - Tax Reporting and Compliance
60003765	Senior Business Process Specialist
60005802	Operator, Integrated Operations Center
60007211	Financial Analyst
60001976	Sr. Manager Acquisitions
60001695	Specialist, Physical Security
60002495	Lead Accountant
60001712	Manager, Technology Field Services
60005795	Supervisor, Integrated Operations Center
60003839	Scientist
50438106	Infrastructure Engineer
50011032	Supvr, Cash Accounting
60002842	Spec Ops Support Cust Rltns
3017979	Associate AP Specialist
50387614	Director, Internal Audit
50343492	VP, Customer Service & Solutions
60000549	Principal Regulatory Analyst
50323974	HR Business Partner
60001955	Sr Accounts Payable Specialist
60003461	Mgr Internal Audit
60006624	Operational Technology Support Specialis
50383273	Sr. Manager, Accounts Payable
60002634	Senior Software Engineer
3017573	Sr Manager Supply Chain Support
3002566	Controller, Operations
60003340	VP Chief Environmental & Safety Officer
60005353	Senior Technologist II
60002801	Buyer
60006346	Senior Manager, Business Hyperautomation
60001948	Sr Specialist Payroll (N)
60005332	Sr EAM Project Manager
18709966	SVP Communications & External Affairs
60002640	Senior Software Engineer II
3017515	Lead Account Specialist
60007840	Senior Technologist
60006451	Specialist, Technology Field Services
50654149	Technologist II
60006629	Infrastructure Engineer
60007339	Procurement Specialist

60006371	Senior Project Manager
60005432	Regulatory Specialist / Database Librari
60006999	Financial Analyst
50115035	Reliability Eng Mgr
60002002	Sr EAM Project Manager
50248959	Category Manager
50414550	Legal Operations Manager
60005803	Sr. Operator, Integrated Operations Cent
60005887	Technologist
60003829	Multimedia Specialist
50485334	Senior Technologist
60006035	Infrastructure Engineer
60006683	Financial Analyst
50541813	Sr Reliability Engineering Analyst
50146191	Sr Category Lead
51000271	Asst Treasurer
50480255	Sr Manager, Data Engineering
50568165	Mgr Cash Management
60007767	Senior Solution Engineer
60005798	Operator, Integrated Operations Center
3017576	Sr Program Manager, Business Performance
60005794	Supervisor, Integrated Operations Center
60003803	Senior Technologist
50427029	Sr Hydrogeologist
50566916	Sr Buyer
60003587	Software Engineer
60006355	Transactional Buyer
60007093	Sr. Manager Acquisitions
60007089	Intern Admin
60003323	Senior Technologist
60003414	Senior Software Engineer II
50289586	Sr Mgr, Treasury
60003684	Sr Specialist Payroll (N)
60003761	Senior Infrastructure Engineer
60003412	Enterprise Architect
50315421	Sr Mgr Rates & Regulatory
60005914	Specialist, Physical Security
60003804	Mgr Accounting Operations
50220274	Specialist, Technology Field Services
60005341	Capital Program Administrator
60003171	Sr Accountant
60005056	Program Manager
60005711	Technologist II
60006348	Lead, Quality Assurance
50090809	Specialist, Technology Field Services
60003815	Technologist
60006987	Intern Admin

50239365	Sr Accounts Payable Specialist
50499769	Sr Accountant
60006914	Principal Financial Analyst
50409428	Supervisor Financial Analyst
50233830	Sr. Manager Regulatory Services
60005457	Mgr Health and Safety Programs
60007588	Sr. Manager, Cyber Security Operations
60005516	Lead Health & Safety Specialist
50538416	Project Manager Operations
50654123	Lead Accountant
50655782	Spec Ops Support Cust Rltns
60002630	Technologist II
60007641	Specialist, Technology Field Services
50427050	Engineering Practice Lead
50437054	Mgr Internal Audit
50649586	Sr Dir, Asset Mgmnt-Metering&Oper System
50477607	Senior Specialist, Physical Security
50244425	Tax Specialist II (N)
60006628	Accountant
60006817	Accountant
50164869	VP, Business Development Strategy
50575289	Specialist, Technology Field Services
50408293	Senior Specialist, Physical Security
50444433	Senior Technologist
60005319	Employee Experience Business Partner
60003603	Lead Software Engineering
24007022	Project Analyst
60003659	Senior Scientist
60006366	Sr Accountant
50297742	Project Manager - Meter Operations
60003369	Sr Category Lead
60006597	Business Process Specialist II
60007569	Associate AP Specialist
24007474	Mgr Customer Relations
60003542	Admin Asst - Staff Supp (N)
60006370	Senior Project Manager
3018062	Project Mgr, Operational Excellence
60005157	Dir Health & Safety (Ops)
60001943	Learning Consultant
60005099	Sr. Manager, PMO
60003079	Enterprise Architect
60003468	Technologist
60007763	Financial Analyst
60007589	Accountant
17003587	VP Regulatory Services
60005352	Senior Technologist
60007232	Associate Project Manager EAM

51000264	Specialist, Technology Field Services
50551406	Sr EAM Project Manager
18623214	Analyst - Tariff Administration
60003416	Software Engineer II
60005053	Senior Technologist
60006806	Enterprise Architect
60005599	Supply Chain Support Analyst
18504371	Sr Dir, Environmental Leadership
60001552	Specialist, Technology Field Services
50171199	Principal Technologist
60007679	Operator, Integrated Operations Center
60005469	Supply Chain Business Intelligence Analy
60007817	Sr. Manager, PMO
60001025	Dir, Health & Safety
60005197	Software Engineer - Java
60002027	Chief Procurement Officer
50325108	Sr EAM Project Manager
18505541	SVP, Chief Operational Excellence & Safe
60005265	Sr Accountant
50655831	CSO Quality Analyst
60001002	Mgr Finance
60003586	Technologist
60001002	Mgr Finance
60002204	Sr Mgr Business Performance
60005681	Sr Manager, Enterprise Systems Operation
60006807	IT Business Relationship Manager
60007405	Principal Business Analyst Payroll/HR
60003743	Senior Solution Engineer
60002824	Senior Technologist II
60001395	Principal Tax Accountant
60006516	Associate Director, Delivery Management
50570375	Supvr Accounts Payable
50622593	Director, Software Engineering & Platfor
50654047	Manager Physical Security
60005181	Senior Software Engineer II
60001403	Manager, Technology Field Services
60007705	Senior Technologist
50437991	Enterprise Architect
60003083	Senior Technologist II
60003372	Principal Software Engineer
60006397	Accountant
18678039	Sr Mgr, EAM
60006856	Internal Auditor II
60000527	Senior Specialist, Physical Security
50042211	Sr Mgr, EAM
60002277	Analyst - Tariff Administration
60006733	Accountant

51000192	Technician, Technology Field Services
3016678	Manager, Tariff Administration
50247296	Legal Operations Coordinator
60006360	Plant Operator
60006185	Principal Business Process Specialist
50589596	WQ & Env Compliance Lead
50615230	Principal Regulatory Analyst
60007537	Sr Procurement Specialist
60006209	Principal Regulatory Analyst
50305215	Dir Env Health & Safety Audit
60005503	Technologist
50218969	Accountant III (PT)
60001515	Sr. Operator, Integrated Operations Cent
50408283	Project Coordinator
60000988	Associate Director - Physical Security &
60007586	Senior Project Manager
60002915	Senior Solution Engineer
60007879	Sr Specialist Payroll (N)
60001907	Content Creator/Curator
60000933	VP Treasurer
50657031	Spec Ops Support Cust Rltns
60001256	Enterprise Architect
60007759	Sr. Operator, Integrated Operations Cent
51000167	Supervisor - Meter Operations
18508241	Cash Management Specialist II (N)
60001485	Specialist, Physical Security
60005334	Senior Infrastructure Engineer
50201217	Senior Software Engineer
60003124	Associate Hydrogeologist
60002847	Technologist
60006902	Financial Analyst IIA
60005357	Senior Solution Engineer
3001971	Sr. Manager, Technology Field Services
60001739	Manager, Integrated Operations Center
50491468	Mgr, Accounting
60005284	Technologist
50506035	Senior Manager, Financial Services
60005909	Business Process Associate
60006744	Scientist
60001719	Controller, Operations
60007552	Dir Acquisitions
50547633	Senior Technologist
50441512	Associate Director Technology Governance
60003178	Sr Manager, General Tax Reporting & Comp
50655731	Principal Project Manager
60001396	Accounts Payable Specialist
60001401	Supervisor Financial Analyst

50028532	Senior Technologist
50323977	Sr Manager, Enterprise GIS
60002901	Dir Health & Safety (Ops)
60007125	Lead Health & Safety Specialist
60005152	Technologist
60005842	Accountant
60002599	Senior Technologist
50299072	Exec Asst to EMT (N)
60001254	EAM Project Manager
3000204	EVP & COO
60003624	Technician, Technology Field Services
60003266	Software Engineer
60001071	Sr Mgr Procurement
50200149	Sr Accountant
60002301	VP Safety Leadership
60003261	Senior Business Process Specialist
3000131	Sr. Manager Regulatory Services
60003588	Sr Specialist Payroll (N)
60005360	Financial Analyst
60002924	Accountant
60002923	Coordinator FRCC U648FC
50273031	Sr. Manager Regulatory Services
60002576	Technologist II
60001373	Regulatory Analyst
60005426	Manager, Software Engineering
60002697	Principal Infrastructure Engineer
60002904	Project Manager, WQ & Env Excellence
60005827	Manager, Enterprise Systems Operations (
60006113	Contract Analyst
60003175	Technologist II
60005797	Supervisor, Integrated Operations Center
60003310	Technologist II
60003654	Technologist
50395995	Sr Mgr, External Communications
50063939	Exec Asst (N)
3000003	Principal Regulatory Analyst
3000143	Sr. Regulatory Analyst
18506683	Sr Mgr, EAM
60005742	Principal Business Analyst
60001268	Principal Solution Engineer
60007701	Financial Analyst IIA
60005722	Associate Director Infrastructure Operat
3016132	Sr Design Engineer
60005067	Financial Analyst
60007272	Senior Infrastructure Engineer
60003100	Webmaster
60007696	Software Engineer

60005054	Software Engineer
50348193	Sr Dir, IT Architecture & Innovation
60005401	Sr Manager, Government and External Affa
60007659	Regulatory Specialist / Database Librari
60002164	Sr Accountant
60006690	Senior Project Manager
60002355	Sr Financial Analyst
50516281	IT Business Relationship Manager
60003575	Software Engineer
60002780	Director Rates and Regulatory
60005386	Senior Infrastructure Engineer
50112416	Sr Reliability Engineering Analyst
60005517	Principal Project Manager
60002216	Dir Corporate Procurement & National Cat
50284062	Manager, Tariff Administration
50502025	Sr Reliability Engineering Analyst
60000344	Senior Infrastructure Engineer
60005205	Sr Specialist Payroll (N)
50596877	Sr Mgr BIRS
60005195	Accountant
50326971	Sr. Regulatory Analyst
60003139	Sr Dir Ext Communications
60005373	Specialist, Physical Security
60005289	Senior Project Manager
60000830	Sr. Manager, Mergers & Acquisitions
60007452	Mgr Int Comm (State)
60006801	Accountant
3017835	Learning Advisor
50369122	Accounts Payable Specialist
50539667	Sr. Manager, API & Integration
60002637	Sr Manager, ESD EAM/MapCall
60007090	Sr Tax Accountant
60003311	Software Engineer II
60005506	Technologist II
60003259	Principal Software Engineer
60005279	Senior Technologist
60005089	Manager - Data Governance
50305144	VP, Digital Infrastructure & Security
60006867	Software Engineer II
60005162	Infrastructure Engineer II
60006387	Financial Analyst
50305073	Sr EAM Project Manager
60006608	Principal Plant Analyst
60005161	Senior Software Engineer- Java
60002188	Principal Regulatory Analyst
50616321	Sr EAM Project Manager
60006412	Director Rates and Regulatory

60003669	Associate Technology Expense Analyst
60007521	Intern Admin
50584125	Senior Business Analyst
60000843	Sr Dir, Business Partnership & Delivery
60003577	Technologist II
60000466	Sr Accountant
50031722	VP, Enterprise Risk and Internal Audit
60005144	Senior Solution Engineer
50425924	Lead Account Specialist
50323981	Sr Engineering Project Manager
60000860	Principal, Technology Field Services
50114015	Technologist
60002887	Executive Projects Coord
3017395	Sr Accountant
60007724	Infrastructure Engineer
50598903	Dir, Integrations
50412396	VP, Technology Strategy & Governance
50366974	Principal Regulatory Analyst
60006946	Scientist
60000898	Sr Buyer
3017514	Sr Treasury Analyst
60003553	Manager, Tax
60000769	Sr. Operator, Integrated Operations Cent
60005145	Sr Manager Data Products
60006877	Operator, Integrated Operations Center
60007491	Lead Account Specialist
60007071	Intern Admin
50049784	Sr Mgr, Operational Excellence
50557980	Manager WQ & Env Compliance
60007828	Accounts Payable Specialist
50544666	Sr. Manager, Infrastructure Operations
60003518	VP, Business Development
60005198	Sr Specialist Payroll (N)
60001659	Senior Business Process Specialist
60003531	Senior Business Process Specialist
60006293	Principal, Operational & Process Control
60007108	Infrastructure Engineer
60005951	Sr. Director Rates and Regulatory
50080217	Sr Accountant
60002177	Mgr External Affairs (Corp)
50084609	Sr Mgr BIRS
60000613	Manager Supply Chain Business Performanc
50297720	Principal Regulatory Analyst
50552234	Senior Technologist
50332082	Accountant
17003513	Specialist, Technology Field Services
50420233	Associate Director ,Technology Strategy

50420131	Sr Design Engineer
60003483	Compensation Analyst
18505111	Sr EAM Project Manager
60003110	Director, State Procurement
60005504	Manager, Network & Telephony
50434554	Sr. Regulatory Analyst
60006269	Associate, Supply Chain Rotational Progr
50344468	Manager Platform Tools
60006847	Accountant
60007018	Intern Admin
60001758	Talent Development Business Partner
60006826	Operator, Integrated Operations Center
60006866	Software Engineer II
60000996	Sr Financial Analyst
60006465	Infrastructure Engineer II
60002684	Senior Technologist
50606394	Mgr Business Dev
50376817	Dir, Operational Excellence
60003742	Technologist
60005378	Mgr Int Comm (State)
60005564	Associate, Supply Chain Rotational Progr
60003643	Specialist, Technology Field Services
60001219	Principal Technologist
60002636	Senior Technologist
24006988	Spec Ops Support Cust Rltns
18508195	Sr Accounts Payable Specialist
50575288	Principal Business Process Specialist
3002531	Sr. Director Regulatory Services
18648403	Supvr, Cash Operations
50270557	Sr EAM Project Manager
60003736	Senior Technologist
18507643	Sr. Manager Regulatory Services
50196563	Principal Scientist
50036510	Senior Infrastructure Engineer
60001319	Principal Infrastructure Engineer
60006528	Principal Business Process Specialist
60003476	Supervisor Financial Analyst
50270528	Senior Infrastructure Engineer
60007000	Software Engineer II
50217359	Mgr, Corporate and Foundation Relations
60005748	Accountant
60001525	Mgr, Learning & Development
50097960	Lead Accountant
60002242	Sr Manager National Supplier Diversity
60006579	Regulatory Analyst
50404178	Planning Engineer
50075099	Category Manager

50525790	Principal BIRS
50493791	Associate Director, Technology Spend Man
60001247	Sr Mgr Procurement
51000568	Senior Business Analyst
60006974	Intern Admin
60005889	Scientist
60000051	Coordinator FRCC U648FC

Kentucky-American Water Company
Case No. 2026-00094
2023 Service Company Labor Allocations and Position Titles

Total 2023 Service Company Labor (incl. benefits) Allocation to Kentucky-American	$5,334,625
Total 2023 Service Company Performance Pay Allocation to Kentucky-American	$1,753,789
Total 2023 Service Company Labor Allocation to Kentucky-American	$7,088,415

Employee Number	Position Title
50362144	Sr Dir, HR Operations
3017978	Senior Benefits Specialist
50652115	Retirement Analyst
50546905	Inclusion, Diversity, & Equity Business
60003799	Inclusion, Diversity, & Equity Business
50267313	Labor Relations Business Partner
50397017	HR Coordinator
50415614	Employee Relations Business Partner
50427070	HR Business Partner
50482453	HR Business Partner
50580953	Dir HR Business Partner
50604464	Vice President, External Affairs and Chi
50655098	Sr Dir, HR Operations
60000116	Employee Relations Business Partner
60000281	HR Business Partner
60000981	HR Business Partner
60001148	Employee Relations Business Partner
60001538	HR Business Partner
60001628	Dir HR Business Partner
60001955	HR Coordinator
60002278	Employee Relations Business Partner
60002623	Sr Dir, HR Operations
60002628	Program Mgr, HR Compliance
60002804	Labor Relations Business Partner
60003185	HR Coordinator
60003685	Compensation Analyst
60003753	HR Business Partner
60003770	Labor Relations Business Partner
60003817	HR Business Partner
60003836	HR Business Partner
60005038	HR Business Partner
60005440	Employee Relations Business Partner
60005736	Dir HR Business Partner
60005911	HR Coordinator
60007266	Employee Relations Business Partner
60007298	HR Business Partner

60007746	HR Coordinator
60007902	Employee Relations Business Partner
60008014	HR Business Partner
60008064	HR Business Partner
60008564	HR Business Partner
50255349	Benefits Lead
50432031	Mgr Leave Programs and Workers Comp.
50434674	Lead-Leave of Absence Coordinator
60001745	Benefits & Retirement Consultant
60002775	Analyst Claims WC
60005127	Sr. Benefits Strategy Manager
60006095	Dir Benefits & Retirement Services
60006199	Benefits/Compensation Project Manager
60007802	Senior Benefits Specialist
60008199	Benefits Compliance Lead
60008400	Retirement Lead
24009421	Employee Relations Business Partner
50197689	Employee Relations Business Partner
51000505	Employee Relations Business Partner
60001316	HR Business Partner
60003730	Employee Relations Business Partner
60002275	Labor Relations Business Partner
60002284	Dir Labor Relations
60005041	Labor Relations Business Partner
60005696	Labor Relations Business Partner
3017835	Sr Learning Advisor
50041705	VP, Employee Experience & Talent Develop
50397145	Learning Advisor
60000284	Mgr Health and Safety Programs
60001758	Talent Development Business Partner
60001907	Content Creator/Curator
60002012	Content Creator/Curator
60003682	Sr Content Creator/Curator
60005319	Employee Experience Business Partner
60005756	Learning Advisor
60006440	Talent Development Specialist
50285834	Principal Compensation Analyst
60000506	Director Compensation
50433360	Sr Dir Internal Communication and Employ
60001882	Sr Mgr, Internal Communications
60003829	Digital Media Manager
60005047	Communications Specialist
60005377	Sr Mgr, Internal Communications
18709966	SVP Communications & External Affairs
24013971	Sr Mgr, External Communications
50217359	Mgr, Corporate and Foundation Relations
50395995	Sr Mgr, External Communications
51001136	Dir Corporate Comm & EA
60003100	Webmaster

60003139	Sr Dir Ext Communications
60003690	Senior Project Manager Corporate BD
60006090	Spec Ext Affairs
60006328	Spec Ext Affairs
60008092	VP National Gov't & Regulatory Affairs
60008284	Government and Regulatory Affairs Specia
3000822	Dir. Engineering Drinking Water Process
3002816	Sr. Director, Engineering Technical Serv
50426972	Dir Engineering
3000555	Sr Dir, Eng Construction & Capital Progr
3000364	Sr Engineering Designer
3016132	Principal Design Engineer
50299166	Director Engineering - Asset Planning an
50323981	Sr Engineering Project Manager
50392907	Sr Engineering Project Manager
50401362	Sr Engineering Project Manager
50415566	Engineering Practice Lead
50420131	Sr Design Engineer
50427029	Engineering Practice Lead, Hydrogeologis
50427050	Technical Dir. Wastewater Engineering
50593199	Principal Design Engineer
60000054	Sr Planning Engineer
60000416	Dir, Eng-Electrical Design & Planning
60000684	CAD Technician
60000859	Sr Design Engineer
60001283	Sr GIS Analyst
60001670	Design Engineer
60001790	Lead Design Engineer
60002501	Principal Design Engineer
60003124	Associate Hydrogeologist
60003637	Engineer II
60008235	Senior Electrical Engineer - Design
60008305	Intern Ops
60008447	Intern Ops
50408163	Mgr Engineering
50654127	Sr Construction Engineer
51000111	Construction Project Manager
60000879	Construction Engineer
60002902	Construction Engineer
60005734	Capital Program Administrator
60007604	Intern Ops
60007832	Sr Construction Engineer
50196563	Principal Scientist
60001883	Scientist
60003659	Senior Scientist
60006946	Scientist
3000373	Sr Dir, Eng Planning & Asset
50139422	Engineering Project Manager
50210614	VP Engineering (Corp)

50297664	Capital Program Manager
50318719	Mgr Engineering
50404178	Sr Planning Engineer
50482423	Mgr Engineering
50589455	Sr Planning Engineer
50641315	Engineering Project Manager
51000228	Sr Planning Engineer
60000415	Sr Planning Engineer
60000485	Capital Program Manager
60001227	Engineering Project Manager
60005168	Sr Planning Engineer
60005245	Engineering Practice Lead
60005483	Exec Asst (N)
60005560	Planning Engineer Water & Wastewater
60006235	Engineer
60006906	Software Administrator - E-Builder
60007736	Intern Admin
60008039	Intern Ops
60008448	Intern Ops
60008566	Sr Planning Engineer
60002027	SVP Supply Chain & Strategic Projects
3016948	Sr Dir Business Performance
60002204	Principal Program Manager
50551406	Sr EAM Project Manager-W&WW
50657031	Spec Ops Support Cust Rltns
60006381	Dir Customer Relations
3003464	Accounts Payable Specialist
3017515	Lead Account Specialist
18508195	Accounts Payable Specialist
50080217	Sr Accountant
50085682	Associate AP Specialist
50239365	Sr Accounts Payable Specialist
50247296	Legal Operations Coordinator
50369122	Associate AP Specialist
50383273	Sr. Manager, Accounts Payable
50425924	Accountant
50449965	Accounts Payable Specialist
50570375	Mgr Accounting Operations
60001396	Associate AP Specialist
60006817	Staff Accountant
60007007	Associate AP Specialist
60007569	Associate AP Specialist
60007828	Accounts Payable Specialist
60007995	Associate AP Specialist
60008321	Accounts Payable Specialist
3017395	Sr Accountant
50218969	Accountant III (PT)
50491468	Sr. Manager Acquisitions
60000466	Lead Accountant

60001984	Accountant
60005607	Accountant
60005842	Accountant
60006110	Sr. Manager, Plant Accounting
60006366	Lead Accountant
60006397	Accountant
60006628	Accountant
60006662	Accountant
60006974	Staff Internal Auditor
60007589	Accountant
18506755	Cash Management Specialist III (N)
18508241	Cash Management Specialist II (N)
18648403	Supvr, Cash Operations
50011032	Supvr, Cash Accounting
50062328	Cash Management Specialist II (N)
50231146	Accountant
50332082	Accountant
50568165	Mgr Cash Management
3000131	Sr. Manager Regulatory Services
3000143	Principal Regulatory Analyst
3000457	Sr. Regulatory Analyst
3002531	Sr. Director Regulatory Services
17003587	SVP Regulatory Services and Chief Regula
18507643	Sr. Manager Regulatory Services
50027598	Sr. Director Rates and Regulatory
50099158	Sr. Director Rates and Regulatory
50233830	Sr. Manager Regulatory Services
50273031	Sr. Manager Regulatory Services
50297720	Principal Regulatory Analyst
50302498	Admin Asst IV Rates & Regulatory (N)
50333201	Principal Regulatory Analyst
50365813	Principal Regulatory Analyst
50366974	Principal Regulatory Analyst
50434554	Sr. Regulatory Analyst
50615230	Principal Regulatory Analyst
51000821	Principal Regulatory Analyst
60000541	Principal Regulatory Analyst
60000549	Sr. Manager Regulatory Services
60001373	Sr. Regulatory Analyst
60002188	Principal Regulatory Analyst
60002780	Sr Dir Enterprise-Wide Regulatory Pricin
60005067	Principal Regulatory Analyst
60005432	Regulatory Analyst
60005951	Sr Dir Enterprise-Wide Regulatory Strate
60006209	Principal Regulatory Analyst
60006303	Sr. Manager Regulatory Services
60006412	Director Rates and Regulatory
60006579	Sr. Regulatory Analyst
60007659	Regulatory Specialist / Database Librari

60007762	Sr Principal Regulatory Analyst
60008037	Principal Regulatory Analyst
60008118	Principal Regulatory Analyst
60008143	Sr. Manager Regulatory Services
60008373	Sr Principal Regulatory Analyst
60008532	Principal Regulatory Analyst
60008544	Director Rates and Regulatory
3002566	Director Accounting
50028532	Senior Technologist
50097960	Lead Accountant
50499769	Sr Accountant
60001204	Sr Accountant
60001719	Controller, Operations
60002164	Sr Accountant
60002495	Lead Accountant
60003804	Mgr Accounting Operations
60006801	Accountant
51000271	Sr Dir Asst Treasurer
60001976	Principal Acquisitions
60005001	Sr Financial Analyst
60007552	Dir Acquisitions
60007701	Financial Analyst
60008245	Financial Analyst
60005378	Mgr Int Comm (State)
60007452	Mgr Int Comm (State)
60002887	Dir Customer Insights and Performance
50114015	Senior Technologist
50201217	Manager, Software Engineering
50539667	Sr. Manager, API & Integration
50547633	Senior Technologist II
50622593	Sr. Director, Business Solutions
60000378	Senior Technologist
60000830	Sr. Manager, Mergers & Acquisitions
60001562	Dir Enterprise Systems Development
60001789	Associate Dir, ESS ERP
60002503	Principal Technologist - SAP System Deve
60002630	Technologist II
60002634	Senior Software Engineer
60002636	Senior Technologist
60002637	Sr Manager, ESD EAM/MapCall
60002640	Senior Software Engineer II
60002684	Principal Technologist
60003061	Senior Solution Engineer
60003259	Principal Software Engineer
60003266	Software Engineer
60003323	Senior Technologist
60003603	Manager, Software Engineering
60003743	Senior Solution Engineer
60003803	Senior Technologist

60003814	Principal Solution Engineer
60005054	Senior Software Engineer
60005144	Principal Solution Engineer
60005161	Senior Software Engineer
60005197	Senior Software Engineer
60005279	Senior Technologist
60005357	Principal Solution Engineer
60005426	Principal Software Engineer
60005548	Associate Director, Software Engineering
60005681	Sr Manager, Enterprise Systems Operation
60005827	Sr. Manager, Enterprise Systems Operatio
60006867	Software Engineer II
60007597	Senior Solution Engineer
60007767	Senior Solution Engineer
60008212	Principal Solution Engineer
60008537	Senior Solution Engineer
50323977	Sr Manager, Enterprise GIS
50348193	Sr Dir, IT Architecture & Innovation
50383035	Expert Technologist
50552234	Senior Technologist
60001256	Enterprise Architect
60002824	Senior Technologist II
60003079	Enterprise Architect
60003412	Enterprise Architect
60003577	Senior Technologist
60005284	Technologist
60005503	Technologist
60006293	Associate Director, Operational Technolo
60006806	Enterprise Architect
60007840	Senior Technologist
3001971	Sr. Manager, Technology Field Services
17003513	Sr. Specialist, Technology Field Service
50069219	Principal Business Process Specialist
50085802	Sr. Specialist, Technology Field Service
50090809	Specialist, Technology Field Services
50220274	Specialist, Technology Field Services
50408283	Senior Project Manager
50420233	Associate Director ,Technology Strategy
50516281	IT Business Relationship Manager
50575289	Specialist, Technology Field Services
50584125	Senior Business Analyst
50655731	Principal Project Manager
51000192	Specialist, Technology Field Services
51000264	Specialist, Technology Field Services
51000568	Senior Business Analyst
60000769	Sr. Operator, Integrated Operations Cent
60000843	Sr Dir, Business Partnership & Delivery
60000860	Associate Director, Technology Field Ser
60001076	IT Business Relationship Manager

60001403	Manager, Technology Field Services
60001552	Sr. Specialist, Technology Field Service
60001712	Manager, Technology Field Services
60001739	Manager, Integrated Operations Center
60003261	Senior Business Process Specialist
60003643	Specialist, Technology Field Services
60005506	Technologist II
60005710	Sr. Manager, Quality Assurance
60005794	Sr. Supervisor, Integrated Operations Ce
60005795	Specialist, Physical Security
60005798	Sr. Operator, Integrated Operations Cent
60005799	Sr. Operator, Integrated Operations Cent
60005800	Supervisor, Integrated Operations Center
60005802	Operator, Integrated Operations Center
60005803	Supervisor, Integrated Operations Center
60005804	Specialist, Technology Field Services
60006348	Lead, Quality Assurance
60006370	Principal Project Manager
60006451	Specialist, Technology Field Services
60006516	Associate Director, Delivery Management
60006550	Senior Manager, Business Analysis
60006807	IT Business Relationship Manager
60006826	Operator, Integrated Operations Center
60006877	Operator, Integrated Operations Center
60006996	Specialist, Technology Field Services
60007497	Senior Project Manager
60007586	Senior Project Manager
60007641	Specialist, Technology Field Services
60007679	Operator, Integrated Operations Center
60007759	Sr. Operator, Integrated Operations Cent
60007817	Sr. Manager, PMO
60008054	Senior Business Analyst
60008055	IT Business Relationship Manager
60008079	Sr. Operator, Integrated Operations Cent
50171199	Sr. Manager, Data Governance
50480255	Sr Manager, Data Engineering
60002484	Sr Dir, Data Analytics & Data Management
60003175	Senior Technologist
60003414	Senior Software Engineer II
60003742	Analyst, Enterprise Risk Management
60007000	Software Engineer II
60007441	Technologist
60007696	Software Engineer
60007705	Senior Technologist
60007954	Senior Technologist
60008012	Senior Manager, Intelligent Automation
60008125	Principal Software Engineer
50036510	Business Continuity Program Manager
50270528	Senior Infrastructure Engineer

50305144	Chief Information Officer
50344468	Senior Technologist II
50396021	Senior Specialist, Physical Security
50408293	Senior Specialist, Physical Security
50438106	Senior Infrastructure Engineer
50441512	Associate Director Technology Governance
50444433	Senior Technologist
50477607	Senior Specialist, Physical Security
50485334	Senior Technologist
50544666	Sr. Manager, Infrastructure Operations
50654047	Manager Physical Security
60000344	Senior Infrastructure Engineer
60000527	Senior Specialist, Physical Security
60000970	Sr Manager End Point & Collaboration
60000988	Director, Business Continuity Program
60000992	Sr Manager, DevSecOps
60001219	Principal Technologist
60001319	Principal Infrastructure Engineer
60001437	Senior Technologist
60001485	Specialist, Physical Security
60001515	Sr. Operator, Integrated Operations Cent
60001658	Senior Infrastructure Engineer
60001695	Specialist, Physical Security
60002576	Senior Technologist
60002599	Principal Technologist
60002697	Principal Infrastructure Engineer
60002847	Senior Technologist
60003083	Senior Technologist II
60003417	Senior Technologist II
60003468	Technologist
60003531	Principal Business Process Specialist
60003535	Senior Technologist
60003761	Principal Infrastructure Engineer
60005053	Senior Technologist
60005289	Senior Project Manager
60005301	Sr. Director, Chief Security Officer
60005334	Business Continuity Program Manager
60005386	Senior Infrastructure Engineer
60005504	Sr. Manager Network & Telephony
60005711	Technologist II
60005722	Director, Infrastructure & Cloud Operati
60005775	Senior Business Process Specialist
60005797	Infrastructure Engineer
60005887	Senior Infrastructure Engineer
60005914	Specialist, Physical Security
60006035	Infrastructure Engineer
60006185	Dir Corp Counsel
60006465	Infrastructure Engineer II
60006528	Principal Business Process Specialist

60006549	Technologist
60007108	Infrastructure Engineer
60007272	Senior Infrastructure Engineer
60007588	Sr. Manager, Cyber Security Operations
60007724	Infrastructure Engineer
60007861	Senior Technologist
60007986	Specialist, Physical Security
60008372	Intern Admin
60008374	Intern Admin
50248959	Sr Mgr Procurement
50493791	Associate Director, Technology Spend Man
50575288	Principal Business Process Specialist
50604492	Principal Business Process Specialist
60003669	Associate Technology Expense Analyst
60005909	Business Process Associate
60008314	Intern Admin
3016148	Principal Scientist
60003265	Scientist
60005889	Scientist
60006744	Scientist
50424631	Mgr Engineering
50031722	SVP Enterprise Risk, Internal Audit & Co
50387614	Director, Internal Audit
50437054	Mgr Internal Audit
60003461	Mgr Internal Audit
60005109	Sr. Internal Auditor
60005341	Regulatory Analyst
60006360	Sr. Internal Auditor, Operations and Com
60007943	Sr. Internal Auditor
3017514	Sr Treasury Analyst
60006768	Treasury Capital Markets Analyst III
60007093	Sr Mgr, Treasury
3017934	Sr. Manager, Income Tax
50634743	Sr Tax Accountant
60001395	Principal Tax Accountant
60002040	Tax Accountant II
60002356	Manager, Tax
60003171	Manager, Tax
60003178	Dir, General Tax
60003598	Tax Specialist II (N)
60005748	Accountant
60007090	Sr Tax Accountant
60008096	Sr Manager, Tax
60008556	Sr Tax Accountant
3000204	EVP & COO
3017576	Sr. Manager Business Performance
50299072	Senior Exec Asst
50376817	Dir, Operational Excellence
60001254	Sr. Business Performance Analyst

60005150	SVP-Deputy COO
60005891	Business Performance Analyst
60006619	Sr Dir Business Performance
60008011	Sr. Manager Business Performance
3016354	Business Integration Manager
50087138	Business Integration Manager
50164869	VP, Business Development Strategy
50198892	Business Integration Manager
50499807	Business Integration Manager
50598903	Sr Dir Integrations
50606394	Sr Mgr Corporate BD
60000393	Dir Valuation Strategies
60001985	Program Mgr, Customer Experience
60002285	Sr Dir Integrations
60003518	VP, Business Development
60007018	Business Development Specialist (Corp)
60007501	Business Development Specialist (Corp)
60008094	Business Development Specialist (Corp)
60002901	Dir, Health & Safety
60005157	Dir Health & Safety (Ops)
60005732	Mgr Health and Safety Programs
60007125	Lead Health & Safety Specialist
60007827	Coordinator, Health and Safety
60008010	Mgr Health and Safety Programs
18505111	Sr EAM Project Manager-W&WW
18506683	Sr Mgr, EAM
50042211	Sr Mgr, EAM
50112416	Sr Reliability Engineering Analyst
50115035	Reliability Eng Mgr
50325108	Sr EAM Project Manager-W&WW
50486398	Sr EAM Project Manager-W&WW
50502025	Sr Reliability Engineering Analyst
50541813	Sr Reliability Engineering Analyst
50566912	Sr EAM Project Manager-W&WW
50616321	Sr EAM Project Manager-W&WW
60000244	Dir. GIS
60002002	Sr EAM Project Manager-W&WW
60007232	Associate Project Manager EAM
60002216	Sr. Dir Supply Chain
60005562	Sr Dir CFO Operations
60007351	Dir Corp Counsel
3002229	Associate AP Specialist
50231145	Sr Accountant
60002339	Lead Accountant
60002394	Controller, Operations
60005265	Sr Accountant
60005431	Financial Reporting Manager
60005718	Mgr Accounting Operations
60006733	Sr Accountant

60007150	Accountant
60007358	Dir External Financial Reporting
60007472	Intern Admin
60007559	Sr Accountant
60007843	Manager, SOX Compliance and Internal Con
50414550	Legal Operations Manager
50305215	Dir Env Health & Safety Audit
60006759	Dir Enterprise Risk Management
60008553	Sr. Internal Auditor
3012250	Sr Treasury Analyst
50289586	Dir, Treasury
3000114	Sr Tax Accountant
50405291	Director - Tax Reporting and Compliance
50434673	Sr Tax Accountant
60001691	Sr Tax Accountant
60001933	Manager, Tax
60005126	Sr Tax Accountant
60005438	VP, Tax
60006409	Manager, Tax
60007578	Accountant
60003070	Sr. Mgr. ESG
50142988	Dir Corp Counsel - MSG
50199914	VP Chief M&A Counsel
50407298	SVP Deputy Gnrl Counsel
50423515	Legal Compliance Analyst
50524921	VP Chief Rates & Regulatory Counsel
51000378	Corporate & Commercial Counsel
60000348	VP Chief Rates & Regulatory Counsel
60001625	VP, Chief Labor Employment and Commercia
60003567	Paralegal
60005119	SVP Deputy Gnrl Counsel
60006179	Dir Corp Counsel
60007039	Employment & Labor Law Counsel
60007171	EVP, General Counsel
60008024	Intern Admin
50303423	Dir Financial Services
50321879	Sr. Director of Accounting
60001903	SVP, Chief Accounting Officer
60003714	Exec Asst to EMT (N)
60007053	Director Accounting
50084609	Director, Corporate FP&A
50325156	Sr Dir Finance & Special Projects
50481432	Sr Principal Finance
60000985	Principal, Finance
60001793	Sr Financial Analyst
60002295	Sr Financial Analyst
60003194	Sr. Business Performance Analyst
60005515	Financial Analyst
60006267	Sr. Director Corporate FP&A

60006432	Sr Financial Analyst
60006855	Financial Analyst
60007511	Financial Analyst
60007719	Financial Analyst
60008176	Financial Analyst
60008221	Financial Analyst
60001002	Mgr Finance
60003476	Sr Mgr Finance
60005360	Sr Financial Analyst
60006387	Sr Financial Analyst
60006683	Sr Financial Analyst
60006999	Financial Analyst
60007211	Financial Analyst
60007763	Financial Analyst
60008043	Sr Financial Analyst
50338153	EVP, Chief Human Resources Officer
60005402	Program Manager
60007834	SVP, Deputy CHRO
60008083	Chief Inclusion Officer
60008455	VP Total Rewards
60001399	Director of Payroll Services
60001495	Payroll Analyst Lead
50506035	Senior Manager, Financial Services
60001948	Payroll Analyst Lead
60003588	Payroll Analyst
60003684	Payroll Analyst
60005198	Payroll Analyst
60005742	Principal Business Analyst
60007405	Principal Business Analyst Payroll/HR
60007879	Sr Specialist Payroll (N)
60008302	Payroll Tax Analyst
50057221	Analyst Claims WC
60001781	Sr Mgr Claims & Risk Management
60007332	EVP & CFO
60002182	ESG and IR Analyst
60002324	Sr Mgr, Investor Relations
60006793	VP Investor Relations
60007318	Accountant
50405352	Talent Acquisition Partner
60005597	Sr Talent Acquisition Partner
60006889	Talent Acquisition Partner
60007661	Program Manager, Talent Acquisition
3000129	Sr. Customer Experience(CX) Business Par
50198960	Specialist Business Svcs
50284062	Manager, Tariff Administration
60006804	Sr. Manager, Customer Digital Products &
60007890	Sr Customer Experience Analyst
60008568	Manager, Tariff Administration
18611053	Sr Mgr, Meter Data Quality Control

18678039	Sr Mgr, EAM
50281530	Metering Systems Administrator
50411320	Manager - Meter Operations
50538416	Project Mgr, Operational Excellence
60006333	Dir, Corporate Compliance
60008379	Compliance Counsel
60002619	Environmental Program Lead
60002900	Sr. Director, Compliance
50457781	Manager, Digital HR Administration
60001514	Director, Digital HR & Analytics
60003720	HR Systems Analyst
60008385	Sr Dir, Insurance & Risk Mgmnt
60008502	Print Production & Mailroom Coordinator
50075099	Sr Manager Supply Chain Support
60000898	Principal Procurement Specialist
60005777	Procurement Specialist
60007537	Sr Procurement Specialist
60003110	Director, State Procurement
60005469	Supply Chain Business Intelligence Analy
60007413	Supply Chain Business Intelligence Analy
50049784	Sr Mgr, Operational Excellence
50589596	Sr. Project Manager Env & WQ
60006092	Corporate & Commercial Counsel
60008223	VP, Chief Regulatory Policy Counsel
60008395	Legal Support Coordinator
60002924	Accountant
3016456	Manager, Customer Service Center
3017165	Trainer II
50113909	Workforce Analyst
50202870	Trainer III
50277448	Mgr, Learning & Development
60002930	Sr. Quality Assurance Analyst
60007988	Sr. Quality Assurance Analyst
60007837	Principal Software Engineer
60007859	Software Engineer II
60008397	Fleet DOT Compliance Program Manager

Kentucky-American Water Company
Case No. 2026-00094
2024 Service Company Labor Allocations and Position Titles

Total 2024 Service Company Labor (incl. benefits) Allocation to Kentucky-American	$5,667,746
Total 2024 Service Company Performance Pay Allocation to Kentucky-American	$2,253,689
Total 2024 Service Company Labor Allocation to Kentucky-American	$7,921,435

Employee Number	Position Title
50362144	Sr Dir, HR Operations
50652115	Retirement Analyst
50546905	Director, ID&E
60003799	Inclusion, Diversity, & Equity Business
60009103	Inclusion, Diversity, & Equity Business
24009421	Human Resources Business Partner
50197689	Human Resources Business Partner
50267313	Employee and Labor Relations Business Pa
50397017	HR Coordinator
50415614	Sr Human Resources Business Partner
50427070	Sr Human Resources Business Partner
50482453	Sr Human Resources Business Partner
50655098	Sr Dir, HR Operations
51000505	Human Resources Business Partner
60000116	Human Resources Business Partner
60000281	Sr Human Resources Business Partner
60000981	Sr Human Resources Business Partner
60001148	Sr Human Resources Business Partner
60001316	Sr Human Resources Business Partner
60001949	Mgr, HR Compliance
60001955	HR Coordinator
60002623	Sr Dir, HR Operations
60002628	Mgr, HR Compliance
60002804	Employee and Labor Relations Lead
60003185	Human Resources Business Partner
60003685	Compensation Analyst
60003753	Sr Human Resources Business Partner
60003770	Employee and Labor Relations Lead
60003817	Sr Human Resources Business Partner
60003836	Sr Human Resources Business Partner
60005038	Sr Human Resources Business Partner
60005296	Employee and Labor Relations Business Pa
60005440	Employee and Labor Relations Business Pa
60005911	HR Coordinator

60007298	Sr Human Resources Business Partner
60007746	HR Coordinator
60007902	Employee and Labor Relations Business Pa
60008014	Human Resources Business Partner
60008064	Human Resources Business Partner
60008564	Human Resources Business Partner
60009128	HR Coordinator
50255349	Benefits Lead
50401329	Leave Coordinator
50432031	Mgr Leave Programs and Workers Comp.
50434674	Lead-Leave of Absence Coordinator
60001745	Benefits & Retirement Consultant
60002775	Insurance Analyst
60005127	Sr. Benefits Strategy Manager
60006095	Dir Benefits & Retirement Services
60006199	Benefits/Compensation Project Manager
60007802	Senior Benefits Specialist
60008199	Benefits Compliance Lead
60008400	Retirement Lead
60009216	Leave Coordinator
60002278	Employee and Labor Relations Business Pa
60003730	Employee and Labor Relations Business Pa
60008974	Employee and Labor Relations Business Pa
60002009	Employee and Labor Relations Business Pa
60002275	Employee and Labor Relations Business Pa
60002284	Dir Labor & Employee Relations
60005041	Employee and Labor Relations Lead
60005696	Employee and Labor Relations Business Pa
60009037	Employee and Labor Relations Business Pa
3017835	Sr. Learning Business Partner
50041705	VP, Learning and Talent Development
50397145	Operations Training Business Partner
60001758	Senior Talent Development Business Partn
60001907	Learning Technology & Compliance Special
60003682	Sr Learning Solutions Designer
60005319	Employee Experience Business Partner
60005756	Operations Training Business Partner
60006440	Talent Development Business Partner
50285834	Principal Compensation Analyst
60000506	Director Compensation
50433360	Vice President, Internal Communications
60001882	Sr Mgr, Internal Communications
60003829	Digital Media Manager
60005047	Communications Specialist
60005377	Sr Mgr, Internal Communications
18709966	EVP, Communications & External Affairs
24013971	Sr Mgr, External Communications

50217359	Mgr, Corporate and Foundation Relations
50395995	Sr Mgr, External Communications
51001136	Dir Corporate Comm & EA
60003100	Webmaster
60003139	Sr Dir Ext Communications
60003690	Mgr Corporate BD
60006090	Manager Corporate Comm & EA
60006328	Sr. Ext Affairs Specialist
60008092	VP/Chief, Legislative & External Affairs
60008284	Government and Regulatory Affairs Specia
60008697	Manager Corporate Comm & EA
3000822	Dir. Engineering Drinking Water Process
3002816	Sr. Director, Engineering Technical Serv
50426972	Dir Engineering
3000555	Sr Dir, Eng Construction & Capital Progr
3000364	Sr Engineering Designer
3016132	Principal Design Engineer
50299166	Director Engineering - Asset Planning an
50323981	Sr Engineering Project Manager
50392907	Senior Technologist
50401362	Sr Engineering Project Manager
50415566	Engineering Practice Lead
50420131	Principal Design Engineer
50427029	Engineering Practice Lead, Hydrogeologis
50427050	Technical Dir. Wastewater Engineering
50593199	Principal Design Engineer
60000416	Dir, Eng-Electrical Design & Planning
60000684	CAD Technician
60000859	Sr Design Engineer
60001283	Engineering Project Manager
60001670	Design Engineer
60001790	Lead Design Engineer
60002501	Principal Design Engineer
60003124	Hydrogeologist
60003637	Staff Engineer
60008235	Senior Electrical Engineer - Design
60008447	Intern Ops
60008566	Sr Planning Engineer
60008696	Intern Ops
60008764	Dir. Wastewater Engineering
60009116	Intern Ops
3017574	Construction Project Manager
50408163	Mgr Engineering
50654127	Sr Construction Engineer
60002295	Sr Financial Analyst
60002902	Construction Engineer
60005253	Capital Program Administrator

60005734	Capital Program Administrator
60007832	Sr Construction Engineer
60009151	Intern Ops
3016148	Principal Scientist
50196563	Principal Scientist
60001883	Scientist
60003659	Senior Scientist
60006946	Scientist
3000373	Sr Dir, Eng Planning & Asset
50139422	Engineering Project Manager
50210614	VP, Chief Engineering Officer
50297664	Dir, Capital Program Management
50318719	Mgr Engineering
50395083	Dir, Engineering Technologies
50404178	Principal Planning Engineer
50482423	Mgr Engineering
50641315	Engineering Project Manager
51000228	Sr. Due Diligence Project Manager
60000054	Sr Planning Engineer
60000243	Principal Project Manager, Engineering T
60000415	Principal Planning Engineer
60000485	Sr Mgr Business Dev
60005168	Sr Planning Engineer
60005245	Engineering Practice Lead
60005483	Coordinator, Engineering
60006235	Engineer II
60006906	Software Administrator - E-Builder
60008448	Intern Ops
60008716	Intern Ops
60008758	Sr Planning Engineer
60008851	Intern Ops
60002027	SVP, Strategic Services and Programs
50420133	CSO Product Manager
60002204	Principal Program Manager
60006381	Dir Customer Relations
3003464	Accounts Payable Specialist
3017515	Lead Account Specialist
18508195	Accounts Payable Specialist
50080217	Sr Accountant
50085682	Accounts Payable Specialist
50239365	Sr Accounts Payable Specialist
50247296	Legal Operations Coordinator
50369122	Associate AP Specialist
50383273	Sr. Manager, Accounts Payable
50425924	Accountant
50449965	Accounts Payable Specialist
50570375	Mgr Accounting Operations

60001396	Accounts Payable Specialist
60006817	Staff Accountant
60007007	Accounts Payable Specialist
60007828	Accounts Payable Specialist
60007995	Associate AP Specialist
60008321	Accounts Payable Specialist
60008669	Associate AP Specialist
3017395	Sr Accountant
50218969	Accountant III (PT)
60000466	Lead Accountant
60000999	Sr. Manager, Plant Accounting
60001984	Accountant
60003804	Mgr, Accounting
60005607	Finance Systems Support Analyst
60005842	Sr Accountant
60006110	Sr. Manager, Plant Accounting
60006366	Lead Accountant
60006397	Accountant
60006628	Accountant
60006662	Accountant
60006974	Staff Internal Auditor
60007472	Accountant
60007589	Plant Accounting Specialist
60009340	Plant Accounting Specialist
18508241	Cash Management Specialist II (N)
18648403	Supvr, Cash Operations
50011032	Supvr, Cash Accounting
50062328	Cash Management Specialist II (N)
50332082	Accountant
50568165	Mgr Cash Management
3000131	Sr. Manager Regulatory Services
3000143	Principal Regulatory Analyst
3000457	Sr. Regulatory Analyst
3002531	Sr. Director Regulatory Services
17003587	SVP Regulatory Services and Chief Regula
18507643	Sr. Manager Regulatory Services
50027598	Sr. Director Rates and Regulatory
50099158	Sr. Director Rates and Regulatory
50165986	Principal Regulatory Analyst
50233830	Sr. Manager Regulatory Services
50273031	Sr. Manager Regulatory Services
50297720	Principal Regulatory Analyst
50302498	Regulatory Specialist / Database Librari
50333201	Principal Regulatory Analyst
50365813	Principal Regulatory Analyst
50366974	Principal Regulatory Analyst
50434554	Sr. Regulatory Analyst

50481432	Dir, Regulatory Policy & Affairs
50615230	Principal Regulatory Analyst
51000821	Principal Regulatory Analyst
60000541	Principal Regulatory Analyst
60000549	Sr Mgr Rates & Regulatory
60001373	Sr. Regulatory Analyst
60002188	Sr. Manager Regulatory Services
60002780	VP, Regulatory Pricing & Affordability
60005067	Sr. Manager Regulatory Services
60005341	Regulatory Analyst
60005432	Regulatory Analyst
60005951	VP, Regulatory Strategy & Services
60006209	Principal, Rates & Finance
60006303	Sr. Manager Regulatory Services
60006579	Sr. Regulatory Analyst
60007659	Regulatory Specialist / Database Librari
60007762	Sr Principal Regulatory Analyst
60008037	Principal Regulatory Analyst
60008118	Principal Regulatory Analyst
60008143	Sr. Manager Regulatory Services
60008223	VP, Regulatory Policy & Affairs
60008373	Sr Principal Regulatory Analyst
60008532	Principal Regulatory Analyst
60008544	Director Rates and Regulatory
60008710	Principal Regulatory Analyst
60008895	Director Rates and Regulatory
3002566	Director Accounting
50028532	Senior Manager, Financial Systems
50097960	Lead Accountant
50301233	Sr Accountant
50499769	Sr Accountant
60001204	Sr Accountant
60001719	Controller, Operations
60002164	Sr Accountant
60002495	Mgr, Accounting
60006801	Sr Accountant
50491468	Sr. Manager Acquisitions
60001976	Principal Acquisitions
60005001	Sr. Due Diligence Project Manager
60006914	Principal Treasury Capital Markets Analy
60007552	Dir Acquisitions
60007701	Financial Analyst
60008245	Financial Analyst
60009160	Financial Analyst
60009164	Sr Financial Analyst
60007452	Mgr Int Comm (State)
50114015	Senior Technologist

50201217	Manager, Software Engineering
50539667	Sr. Manager, API & Integration
50547633	Senior Technologist II
50622593	Sr. Director, Business Solutions
50654149	Technologist II
60000378	Senior Technologist
60001562	Dir Enterprise Systems Development
60001789	Associate Dir, ESS ERP
60002503	Principal Technologist - SAP System Deve
60002634	Senior Software Engineer
60002636	Sr Analyst, Technical Integration
60002637	Sr Manager, ESD EAM/MapCall
60002684	Principal Technologist
60003259	Principal Software Engineer
60003323	Senior Technologist
60003587	Senior Software Engineer
60003603	Manager, Software Engineering
60003803	Sr Analyst, Technical Integration
60003814	Principal Solution Engineer
60005054	Senior Software Engineer
60005144	Principal Solution Engineer
60005197	Senior Software Engineer
60005279	Principal Technologist
60005426	Principal Software Engineer
60005548	Associate Director, Software Engineering
60005681	Sr Manager, Enterprise Systems Operation
60006867	Software Engineer II
60007597	Senior Solution Engineer
60007767	Senior Solution Engineer
60008212	Principal Solution Engineer
60008537	Senior Solution Engineer
60008683	Senior Solution Engineer
60008961	Intern Admin
60009168	Senior Software Engineer
60009182	Senior Solution Engineer
50323977	Sr Manager, Enterprise GIS
50348193	Sr Dir, IT Architecture & Innovation
50383035	Expert Technologist
50552234	Principal Technologist
50653181	Regional Manager, Operational Technology
60000819	Regional Manager, Operational Technology
60001256	Enterprise Architect
60001422	Regional Manager, Operational Technology
60003079	Enterprise Architect
60003412	Enterprise Architect
60003577	Senior Technologist
60005284	Principal GIS Specialist

60005503	Senior Technologist
60006293	Dir. Operational Technology
60006806	Enterprise Architect
60007840	Senior Technologist
60009193	Technologist
3001971	Sr. Manager, Technology Field Services
17003513	Sr. Specialist, Technology Field Service
50069219	Associate Director, Technology Spend Man
50085802	Sr. Specialist, Technology Field Service
50090809	Specialist, Technology Field Services
50220274	Specialist, Technology Field Services
50420233	Director, Business Support & Engagement
50516281	IT Business Relationship Manager
50575289	Specialist, Technology Field Services
51000192	Specialist, Technology Field Services
51000264	Specialist, Technology Field Services
60000769	Sr. Operator, Integrated Operations Cent
60000860	Associate Director, Technology Field Ser
60001076	Dir Operational Systems
60001403	Manager, Technology Field Services
60001552	Sr. Specialist, Technology Field Service
60001712	Manager, Technology Field Services
60001739	Manager, Integrated Operations Center
60003600	Specialist, Technology Field Services
60003643	Specialist, Technology Field Services
60005794	Sr. Supervisor, Integrated Operations Ce
60005795	Specialist, Physical Security
60005798	Sr. Operator, Integrated Operations Cent
60005799	Sr. Operator, Integrated Operations Cent
60005800	Supervisor, Integrated Operations Center
60005802	Operator, Integrated Operations Center
60005803	Supervisor, Integrated Operations Center
60005804	Specialist, Technology Field Services
60005833	Operator, Integrated Operations Center
60006451	Specialist, Technology Field Services
60006807	IT Business Relationship Manager
60006826	Operator, Integrated Operations Center
60006877	Sr. Operator, Integrated Operations Cent
60006996	Specialist, Technology Field Services
60007641	Specialist, Technology Field Services
60007759	Sr. Operator, Integrated Operations Cent
60008055	IT Business Relationship Manager
60008079	Sr. Operator, Integrated Operations Cent
60008995	Operator, Integrated Operations Center
60009379	Specialist, Technology Field Services
60009428	Specialist, Technology Field Services
50171199	Sr. Manager, Data Governance

50480255	Sr Manager, Data Engineering
60002484	Sr Dir Technology, Strategic Programs
60003175	Senior Technologist
60003319	Principal Technologist SAP & Data Analyt
60003414	Senior Software Engineer II
60003416	Senior Software Engineer
60007000	Software Engineer II
60007441	Technologist
60007696	Software Engineer
60007705	Senior Technologist
60007837	Principal Software Engineer
60007935	Principal Data Engineer - Data Products
60007954	Senior Technologist
60008012	Senior Manager, Intelligent Automation
60008125	Principal Software Engineer
50036510	Business Continuity Program Manager
50396021	Senior Specialist, Physical Security
50408293	Senior Specialist, Physical Security
50441512	Associate Director Technology Governance
50477607	Senior Specialist, Physical Security
50485334	Senior Technologist
50654047	Manager Physical Security
60000527	Senior Specialist, Physical Security
60001219	Principal Technologist
60001437	Senior Technologist
60001695	Specialist, Physical Security
60002599	Principal Technologist
60002697	Principal Infrastructure Engineer
60002847	Senior Technologist
60003083	Senior Technologist II
60003531	Principal Business Process Specialist
60005301	Sr. Director, Chief Security Officer
60005775	Senior Business Process Specialist
60005827	Sr. Manager, Enterprise Systems Operatio
60005914	Specialist, Physical Security
60006528	Principal Business Process Specialist
60006549	Technologist
60007588	Sr. Manager, Cyber Security Operations
60008715	Technologist
60008952	Senior Technologist
50270528	Senior Infrastructure Engineer
50344468	Senior Technologist II
50438106	Senior Infrastructure Engineer
50544666	Sr. Manager, Infrastructure Operations
60000344	Senior Infrastructure Engineer
60000970	Sr Manager End Point & Collaboration
60000992	Sr Manager, DevSecOps

60001319	Principal Infrastructure Engineer
60001658	Senior Infrastructure Engineer
60002576	Senior Technologist
60003260	Senior Technologist
60003417	Senior Technologist II
60003468	Technologist
60003761	Principal Infrastructure Engineer
60005053	Senior Technologist
60005386	Senior Infrastructure Engineer
60005504	Sr. Manager Network & Telephony
60005711	Senior Infrastructure Engineer
60005722	Director, Infrastructure & Cloud Operati
60005797	Infrastructure Engineer
60005887	Senior Infrastructure Engineer
60006035	Infrastructure Engineer
60006465	Infrastructure Engineer II
60007108	Infrastructure Engineer
60007272	Senior Infrastructure Engineer
60007724	Infrastructure Engineer
60007861	Senior Technologist
60009046	Infrastructure Engineer
50248959	Dir Supply Chain, Strategic Programs
50305144	SVP, Chief Information Officer
50408283	Senior Project Manager
50493791	Director, Technology, Strategic Programs
50575288	Principal Business Process Specialist
50584125	Senior Business Analyst
50604492	Principal Business Process Specialist
50655731	Principal Project Manager
51000568	Senior Business Analyst
60000843	Sr Dir, Business Partnership & Delivery
60003261	Senior Business Process Specialist
60003669	Sr Financial Analyst
60005289	Customer Lead, Strategic Programs
60005506	Technologist II
60005710	Sr. Manager, Quality Assurance
60005909	Business Process Associate
60006370	Principal Project Manager
60006516	Associate Director, Delivery Management
60006550	Senior Manager, Business Analysis
60007211	Financial Analyst
60007497	Senior Project Manager
60008054	Senior Business Analyst
60003265	Scientist
60003839	Scientist
60006744	Scientist
60009176	Scientist

50424631	Mgr Engineering
50031722	SVP Enterprise Risk, Internal Audit & Co
50387614	Director, Internal Audit
50437054	Mgr Internal Audit
50654123	Mgr, Accounting
60003461	Mgr Internal Audit
60005109	Sr. Internal Auditor
60006360	Principal Operations Advisor- Wastewater
60007943	Sr. Internal Auditor
60008553	Sr. Internal Auditor
60008987	Internal Auditor
3017514	Sr Treasury Analyst
60006768	Principal, Rates & Finance
3017934	Sr. Manager, Income Tax
50634743	Sr Tax Accountant
60001395	Principal Tax Accountant
60002040	Tax Accountant II
60002356	Manager, Tax
60002632	Sr Tax Accountant
60003178	Dir, General Tax
60003598	Tax Specialist II (N)
60007090	Sr Tax Accountant
60008096	Sr Manager, Tax
60008556	Sr Tax Accountant
60009052	Sr Tax Accountant
60009121	Dir, Tax - Regulatory
60009351	Sr Tax Accountant
3000204	EVP & COO
3017576	Sr Mgr, Operational Performance
50299072	Senior Exec Asst
50376817	Dir, Operations Risk Management
60001254	Sr. Business Performance Analyst
60005150	SVP Deputy COO & Chief H&S Officer
60005891	Capital Program Administrator
60008011	Director, Operational Performance & Plan
3016354	Sr Analyst, Technical Integration
50043538	Sr. Project Manager, Business Integratio
50087138	Manager, Business Integrations
50164869	VP, Business Development Strategy
50198892	Sr. Project Manager, Business Integratio
50198960	Sr. Project Manager, Business Integratio
50251097	Sr Supvr Operations
50499807	Sr. Project Manager, Business Integratio
50606394	Dir, Corp Business Development
60000393	Dir Valuation Strategies
60000830	Manager, Technical Integration
60001587	VP, Business Development

60001985	Sr. Project Manager, Business Integratio
60002285	Sr Dir, Business Development
60002535	Dir. Acquisitons Due Diligence
60003211	Sr. Specialist, Corp Business Developmen
60003518	VP Business Development (State)
60003644	Project Manager, Business Integration
60006368	Sr. Due Diligence Project Manager
60007501	Business Development Specialist
60008094	Corp Business Development Analyst
60009096	Analyst, Technical Integration
3016243	Dir, Health & Safety
50037431	VP Health & Safety
50349655	Dir, Health & Safety
60000284	Mgr Health and Safety Programs
60002901	Dir, Health & Safety
60005732	Mgr Health and Safety Programs
60007125	Lead Health & Safety Specialist
60007827	Coordinator, Health and Safety
60008010	Mgr Health and Safety Programs
60008179	Health & Safety Compliance Lead
60009167	Lead Industrial Hygienist
18505111	Sr EAM Project Manager-W&WW
18506683	Sr Mgr, EAM
50042211	Principal Operations Advisor- Maintenanc
50112416	Sr Reliability Engineering Analyst
50115035	Reliability Eng Mgr
50325108	Sr EAM Project Manager-W&WW
50486398	Sr EAM Project Manager-W&WW
50502025	Sr Reliability Engineering Analyst
50520778	VP Operational Advisory Services
50541813	Sr Reliability Engineering Analyst
50551406	Sr EAM Project Manager-W&WW
50566912	Sr EAM Project Manager-W&WW
50616321	Operations Training Business Partner
60000244	Dir. GIS
60002002	Sr. Operational Systems Analyst
60007232	Associate Project Manager EAM
50414550	Legal Operations Manager
60002216	VP, Supply Chain
60005562	VP, Financial Planning & Analysis
60006258	Supervisor Paralegal
60007351	Dir Corp Counsel
3002229	Associate AP Specialist
18506755	Cash Management Specialist III (N)
50231145	Sr Accountant
60002339	Lead Accountant
60002394	Controller, Operations

60005265	Sr Accountant
60005431	Senior Manager, Financial Reporting
60006733	Sr Accountant
60007358	Dir External Financial Reporting
60007559	Sr Accountant
60007843	Manager, SOX Compliance and Internal Con
60009094	Accountant
60009387	Sr Accountant
60009420	Accountant
60006759	Director, ERM & Insurance
3012250	Insurance Claims Specialist
50289586	Director, Assistant Treasurer
51000271	VP, Treasurer
60007093	Sr Mgr, Treasury
50405291	Director - Tax Reporting and Compliance
50434673	Sr Tax Accountant
60001933	Manager, Tax
60003171	Manager, Tax
60005438	VP, Tax
60006409	Manager, Tax
60007578	Accountant
60009066	Intern Admin
60003070	Dir, Sustainability
50199914	VP Chief M&A Counsel
50423515	Legal Support Coordinator
50564904	VP, Managing General Counsel
60005119	EVP, General Counsel
60006179	Dir Corp Counsel
60007171	EVP, General Counsel
60008668	Litigation & Investigations Counsel
50303423	Dir Financial Services
50321879	Vice President, Accounting
60001903	SVP, Chief Accounting Officer
50084609	Director, Corporate FP&A
60000985	Sr Principal Finance
60001793	Principal Financial Analyst
60003194	Sr. Business Performance Analyst
60005515	Sr Financial Analyst
60006267	VP, Strategic Finance
60006432	Principal, Rates & Finance
60006855	Sr Financial Analyst
60007511	Financial Analyst
60008176	Financial Analyst
60008221	Financial Analyst
60008997	Financial Analyst
60009124	Sr Financial Analyst
50525790	Principal Financial Analyst

60001002	Mgr Finance
60003476	Sr Mgr Finance
60005360	Sr Financial Analyst
60006387	Principal, Rates & Finance
60006683	Sr Financial Analyst
60006999	Financial Analyst
60007763	Financial Analyst
60008043	Sr Financial Analyst
60008946	Financial Analyst
60009355	Financial Analyst
50338153	EVP, Chief Human Resources Officer
60007834	SVP, Deputy CHRO
60008083	Chief ID&E Officer and SVP, Talent Manag
60008455	VP Total Rewards
60001495	Payroll Analyst Lead
50506035	Senior Manager, Financial Services
60001948	Payroll Analyst Lead
60003588	Payroll Analyst
60003684	Payroll Analyst
60005198	Payroll Analyst
60005742	Principal Business Analyst
60007405	Principal Business Analyst Payroll/HR
60007879	Sr Specialist Payroll (N)
60008302	Payroll Tax Analyst
50057221	Sr. Claims Analyst
60005585	EVP & CFO
60007332	President
60002182	ESG and IR Analyst
60002324	Sr Mgr, Investor Relations
60006793	VP Investor Relations
50323983	Principal, Finance - Strategic Programs
50346905	Lead Accountant
51000488	Senior Business Process Specialist
60005118	Lead Accountant
60007318	Accountant
60007917	Sr Accountant
50379363	Dir, Talent Acquisition
50405352	Talent Acquisition Partner
50545441	Talent Acquisition Partner
51000966	Talent Acquisition Coordinator
60003725	Program Manager, Talent Acquisition
60005500	Supplier Diversity Program Manager
60005597	Sr Talent Acquisition Partner
60005821	Talent Acquisition Partner
60006079	Talent Acquisition Partner
60006667	Talent Acquisition Partner
60006889	Sr Talent Acquisition Partner

60009172	Talent Acquisition Coordinator
60009322	Sr Talent Acquisition Partner
60009349	Talent Sourcer
50502017	Sr Mgr Business Dev
60002887	Dir Customer Insights and Performance
60007890	Sr Customer Experience Analyst
60008568	Manager, Tariff Administration
60008709	CSO Rates & Regulatory Program Manager
12004324	GIS Manager
50107211	Meter Operations Technical Specialist
50281530	Metering Systems Administrator
50646256	Regional Manager, GIS
60000850	Regional Manager, GIS
60007474	Meter Operations Technical Specialist
60002282	Sr Compliance & Ethics Analyst
60008379	Compliance Counsel
3018540	Dir, Water Quality and Environmental
60000303	Dir, Water Quality and Environmental
60007800	HR Systems Admin
60008385	Sr Dir, Insurance & Risk Mgmnt
60008849	Sr Mgr Claims & Risk Management
60008387	Sr Print Production & Mailroom Coordinat
60008502	Print Production & Mailroom Coordinator
60007339	Sr Procurement Specialist
60009009	Associate Procurement Specialist
60000613	Director Fleet & Logistics
60002865	Principal Fleet Planning Analyst
60003039	Principal Procurement Specialist
60003675	Paralegal
60000348	VP Chief Rates & Regulatory Counsel
60008260	Dir Corp Counsel
60008394	Dir Corp Counsel
60008395	Legal Support Coordinator
60009262	Dir Corp Counsel
60007817	Sr. Manager, PMO
50202870	Trainer III
60002930	Sr. Quality Assurance Analyst
60007988	Sr. Quality Assurance Analyst
60008766	Mgr, Learning, Development & Quality Ass
60008838	Dir, Customer Care
3016862	Sr CSO Business Analyst
60005334	Business Continuity Program Manager
60008688	Sr. Analyst, Enterprise Risk Management
50328938	Sr. Business Performance Analyst
51000091	Sr. Business Performance Analyst
60002255	Sr Mgr, Operational Performance
60003571	Sr. Business Performance Analyst

51001178	Principal Operations Advisor- Water
60005401	Dir Organizational Change Mgmnt, Strateg
60001310	Principal GIS Specialist
60003407	GIS Technical Manager
60005295	Sr. GIS Specialist

Kentucky-American Water Company
Case No. 2026-00094
2025 Service Company Labor Allocations and Position Titles

Total 2025 Service Company Labor (incl. benefits) Allocation to Kentucky-American	$6,905,184
Total 2025 Service Company Performance Pay Allocation to Kentucky-American	$2,369,193
Total 2025 Service Company Labor Allocation to Kentucky-American	$9,274,377

Employee Number	Position Title
50546905	Sr Director, Employee Experience, Cultur
60003799	Principal, Culture & Inclusion
60009103	Principal, Culture & Inclusion
50362144	Sr Director, HR Operations
50397017	Sr Coordinator, HR
50415614	Principal, Human Resources Business Part
50482453	Principal, Human Resources Business Part
50655098	Sr Director, HR Operations
60000116	Principal, Human Resources Business Part
60000281	Principal, HR Operations - Mergers & Acq
60000981	Director, HR Operations
60001949	Director, HR Compliance
60001955	HR Coordinator
60002623	Sr Director, HR Operations
60003185	Lead, Human Resources Business Partner
60003753	Principal, Human Resources Business Part
60003817	Principal, Human Resources Business Part
60003836	Principal, Human Resources Business Part
60005038	Director, Human Resources - Strategic Pr
60005296	Lead, Employee & Labor Relations Busines
60005440	Principal, Employee & Labor Relations
60005911	Sr Coordinator, HR
60007298	Principal, Human Resources Business Part
60007746	Lead, Human Resources Business Partner -
60007902	Principal, Employee & Labor Relations
60008014	Lead, Human Resources Business Partner
60008564	Lead, Human Resources Business Partner
60009128	Senior, Employee & Labor Relations Analy
60009464	Lead, Employee & Labor Relations Busines
60009559	Principal, Human Resources Business Part
50255349	Manager, Benefits

50401329	Sr Coordinator, Leave Programs
50432031	Manager, Leave Programs
50434674	Lead Coordinator, Leave Programs
50652115	Senior, Retirement Analyst
60001745	Principal, Benefits Analyst
60002775	Insurance Analyst
60005127	Sr Manager, Benefits Strategy
60006095	Director, Benefits & Retirement Services
60006199	Senior, Benefits Analyst
60007802	Benefits Analyst
60008199	Lead, Benefits Compliance
60008400	Lead, Retirement Analyst
60003730	Principal, Compliance & Ethics
60008974	Lead, Employee & Labor Relations Busines
60002009	Lead, Employee & Labor Relations Busines
60002275	Lead, Operational Training Program Manag
60002284	Sr Director, Labor & Employee Relations
60003770	Principal, Employee & Labor Relations
60005041	Employee and Labor Relations Lead
60009037	Lead, Employee & Labor Relations Busines
3017835	Principal, Learning Business Partner
50041705	VP, Learning and Talent Development
60001758	Principal, Talent Development Business P
60001907	Senior, Technology & Compliance Speciali
60003682	Principal, Learning & Development - Stra
60006440	Lead, Talent Development Business Partne
50285834	Principal, Compensation Analyst
60000506	Director, Compensation
60003685	Senior, Compensation Analyst - Strategic
50433360	VP, Communications & Engagement - Strate
50467006	VP, External Communications
60001139	Director, External Communications
60001882	Principal, Internal Communications
60003829	Lead, Digital Media
60005047	Communications Specialist
60005377	Principal, Internal Communications
18709966	EVP, Communications & External Affairs
24013971	Principal, External Communications
50217359	Principal, Corporate & Foundation Relati
50395995	Principal, External Communications
51001136	Director, Corporate Communications & Ext
60003100	Senior, Webmaster
60003139	Sr Director, External Communications
60006090	Lead, Corporate Communications & Externa

60006328	Senior, External Affairs Specialist
60008092	VP, Chief Legislative & External Affairs
60008284	Senior, Government & Regulatory Affairs
60009531	Principal, Legislature & External Affair
60009532	Director, Legislature & External Affairs
3016132	Principal, Design Engineer
50323981	Lead, Engineering Project Manager
50401362	Lead, Engineering Project Manager
50415566	Principal, Water Process Engineer
50420131	Principal, Design Engineer
50427029	Principal, Hydrogeologist
50427050	Sr Principal, Wastewater Engineer
50593199	Principal, Design Engineer
60000416	Director, Electrical Engineering
60000684	Technician, CAD
60001283	Senior, Engineering Project Manager
60001670	Senior, Design Engineer
60001790	Lead Design Engineer
60003124	Senior, Hydrogeologist (PT)
60003637	Senior, Design Engineer
60008235	Principal, Electrical Engineer
60008566	Lead, Planning Engineer
60008764	Sr Principal, Wastewater Engineer
60009116	Intern Ops
3017574	Construction Project Manager
50408163	Principal, Construction Engineer
50654127	Principal, Construction Engineer
51000111	Senior, Construction Project Manager
60002295	Senior, Capital Program Specialist
60002902	Senior, Construction Engineer
60005253	Senior, Capital Program Specialist
60005599	Sr Coordinator, Business Systems Support
60005734	Senior, Capital Program Specialist
60005744	Sr Director, Capital Performance
60007832	Lead, Construction Engineer
60009151	Intern Ops
50196563	Director, Research & Development
60001883	Principal, Operational Compliance
60006946	Senior, Scientist
3000373	Sr Director, Engineering Planning
50139422	Senior, Engineering Project Manager
50210614	VP, Chief Engineering Officer
50297664	Director, Capital Program Management
50318719	Sr Manager, Engineering Planning

50404178	Principal, Planning Engineer
50482423	Director, Engineering Planning
50538427	Lead, Engineering Technologies Project M
50641315	Lead, Engineering Project Manager
60000054	Sr Planning Engineer
60000243	Principal, Engineering Technologies Proj
60003159	Senior, Engineering Technologies Project
60005168	Principal, Environmental Sustainability
60005245	Sr Principal, Planning Engineer
60005483	Sr Coordinator, Engineering
60006235	Planning Engineer
60006906	Senior, Engineering Technologies Special
60008758	Lead, Planning Engineer
60008851	Associate, Engineering Analyst
60009578	Planning Engineer
60009637	Planning Engineer
50420133	Lead, CSO Product Manager
60002204	Sr Manager, Data Strategy - Strategic Pr
60006381	Director, Customer Relations
3003464	Accounts Payable Specialist
3017515	Lead Specialist, Accounts Payable
18508195	Accounts Payable Specialist
50080217	Supervisor, Accounts Payable
50085682	Specialist, Accounts Payable
50239365	Lead Specialist, Accounts Payable
50383273	Director, Accounting Operations
50425924	Lead Specialist, Accounts Payable
50449965	Specialist, Accounts Payable
50570375	Manager, Accounts Payable
60001396	Specialist, Accounts Payable
60006817	Associate, Accountant
60007007	Senior, Finance Systems Support Analyst
60007828	Sr Specialist, Accounts Payable
60007995	Associate, Supply Chain Analyst
60008321	Accounts Payable Specialist
60008669	Specialist, Accounts Payable
60009478	Specialist, Accounts Payable
60009533	Specialist, Accounts Payable
3017395	Senior, Accountant
50218969	Accountant (PT)
60000466	Manager, Accounting
60000999	Director, Accounting
60001984	Accountant
60003804	Manager, Accounting - Strategic Programs

60005607	Finance Systems Support Analyst
60005842	Senior, Accountant
60007472	Accountant
60007589	Coordinator, Plant Accounting
60009340	Coordinator, Plant Accounting
18508241	Associate, Cash Management Specialist
50062328	Associate, Cash Management Specialist
3000457	Senior, Regulatory Analyst
3002531	Sr Director, Regulatory Services
17003587	SVP, Chief Regulatory Officer
18507643	Director, Rates & Regulatory
50027598	Sr Director, Rates & Regulatory
50099158	Sr. Director Rates and Regulatory
50165986	Lead, Financial Analyst
50273031	Sr Manager, Regulatory Services
50297720	Lead, Regulatory Analyst
50302498	Regulatory Specialist / Database Librari
50333201	Lead, Regulatory Analyst
50365813	Lead, Regulatory Analyst
50366974	Principal, Regulatory Analyst
50434554	Senior, Regulatory Analyst
50481432	Director, Regulatory Policy & Affairs
50615230	Lead, Regulatory Analyst
51000821	Lead, Regulatory Analyst
60000541	Lead, Regulatory Analyst
60000549	Director, Rates & Regulatory
60001373	Senior, Regulatory Analyst
60002188	Sr Manager, Regulatory Services
60002780	VP, Regulatory Pricing & Affordability
60005067	Sr Manager, Regulatory Services
60005206	VP, Rates & Regulatory
60005341	Regulatory Analyst
60005432	Senior, Regulatory Analyst
60005951	VP, Regulatory Strategy & Services
60006209	Lead, Rates & Finance
60006579	Senior, Regulatory Analyst
60007659	Lead Coordinator, Regulatory Database Li
60007762	Principal, Regulatory Analyst
60008037	Lead, Regulatory Analyst
60008118	Lead, Regulatory Analyst
60008143	Principal, Regulatory Services
60008223	VP, Regulatory Policy & Affairs
60008250	Regulatory Analyst
60008373	Principal, Rates & Regulatory

60008532	Lead, Regulatory Analyst
60008544	Director, Rates & Regulatory
60008710	Lead, Regulatory Analyst
60008895	Director, Rates & Regulatory
60009530	Principal, Regulatory Analyst
50028532	Sr Manager, Financial Systems
50301233	Senior, Accountant
50499769	Senior, Accountant
60002495	Manager, Accounting
60009094	Accountant
50491468	Principal, Business Development Valuatio
60005001	Sr Manager, Acquisitions Modeling
60007552	Director, Acquisitions Modeling
60008245	Senior, Acquisitions Modeling Analyst
60009160	Financial Analyst
60009164	Senior, Acquisitions Modeling Analyst
60007452	Lead, Internal Communications (State)
50114015	Lead, Solution Engineer
50201217	Manager, Software Engineering
50539667	Sr Manager, Enterprise Systems & Integra
50622593	VP, Enterprise Technology Solutions
60000378	Lead, Solution Engineer
60001562	Director, Enterprise System Development
60001789	Director, ESS ERP
60002503	Principal, Technologist - SAP System Dev
60002634	Lead, Solution Engineer
60002637	Principal, Solution Engineer
60002684	Principal, Technologist
60003587	Lead, Solution Engineer
60003603	Manager, Operations Systems
60003814	Principal, Solution Engineer
60005054	Lead, Solution Engineer
60005144	Principal, Solution Engineer
60005197	Lead, Solution Engineer
60005279	Principal, Technologist
60005426	Principal, Solution Engineer
60005548	Associate Director, Software Engineering
60005681	Sr Manager, Enterprise Systems Operation
60006867	Senior, Software Engineer
60007597	Senior, Solution Engineer
60007767	Senior, Solution Engineer
60008212	Principal, Solution Engineer
60008683	Senior, Solution Engineer
60009168	Senior, Solution Engineer

60009182	Senior, Solution Engineer
50323977	Sr Manager, Enterprise GIS
50348193	Sr Director, IT Architecture & Innovatio
50383035	Director, Enterprise Architect
50552234	Principal, Solution Engineer
60001256	Principal, Enterprise Architect
60003079	Principal, Enterprise Architect
60003412	Principal, Enterprise Architect
60003577	Lead, Solution Engineer
60005503	Lead, Solution Engineer
60006293	Director, Operational Technology
60006806	Principal, Enterprise Architect
60007773	Eng Automation & Controls (SCADA)
60007840	Lead, Technologist
60008298	Senior, Eng Automation & Controls (SCADA
60009193	Technologist
60009439	Senior, Solution Engineer
3001971	Sr Manager, Technology Field Services
50069219	Director, Technology Spend Management
50085802	Manager, Technology Field Services
50220274	Senior, Technology Field Services Specia
50420233	Director, Business Support & Engagement
50516281	Dir Operational Systems
50575289	Senior, Technology Field Services Specia
51000192	Senior, Technology Field Services Specia
51000264	Senior, Technology Field Services Specia
60000769	Sr Operator, Integrated Operations Cente
60000860	Director, Technology Field Services
60001552	Lead, Technology Field Services
60001712	Manager, Technology Field Services
60001739	Manager, Integrated Operations Center
60003600	Senior, Technology Field Services Specia
60003643	Senior, Technology Field Services Specia
60005794	Manager, Integrated Operations Center
60005798	Sr Operator, Security Operations Center
60005799	Sr Operator, Security Operations Center
60005800	Senior, Integrated Operations Center
60005802	Operator, Security Operations Center
60005803	Superintendent, Security Operations Cent
60005804	Senior, Technology Field Services Specia
60005833	Operator, Integrated Operations Center
60006451	Senior, Technology Field Services Specia
60006807	Principal, Project Manager
60006877	Sr Operator, Security Operations Center

60006996	Senior, Technology Field Services Specia
60007641	Senior, Technology Field Services Specia
60008055	Principal, Business Relationship Manager
60008079	Sr Operator, Integrated Operations Cente
60008995	Specialist, Accounts Payable
60009379	Senior, Technology Field Services Specia
60009428	Senior, Technology Field Services Specia
60009522	Senior, Technology Field Services Specia
60009539	Operator, Integrated Operations Center
60009547	Operator, Integrated Operations Center
50171199	Sr. Manager, Data Governance
50480255	Sr Manager, Data Engineering
60002576	Senior, Technologist
60003175	Lead, Data & Analytics Technologist
60003319	Principal, Technologist SAP & Data Analy
60003414	Lead, Software Engineer
60003417	Lead, Technologist
60007000	Senior, Software Engineer
60007441	Lead, Data & Analytics Technologist
60007696	Senior, Software Engineer
60007705	Senior Technologist
60007837	Principal Software Engineer
60007859	Senior, Data & Analytics Technologist
60007935	Principal, Data & Analytics Engineer
60008012	Senior Manager, Intelligent Automation
60008125	Principal, Software Engineer
50305144	VP, Chief Information Security Officer
50396021	Lead, Physical Security Specialist
50408293	Lead, Physical Security Specialist
50477607	Lead, Physical Security Specialist
50485334	Lead, Technologist
50654047	Sr Manager, Physical Security
60000527	Lead, Physical Security Specialist
60001219	Principal, Technologist
60001437	Sr Manager, Cyber Security Operations
60001695	Senior, Physical Security Specialist
60002599	Principal, Technologist
60002847	Lead, Technologist
60003531	Principal, Business Process Specialist
60005301	VP, Chief Information Security Officer
60005775	Lead, Business Process Specialist
60005795	Senior, Physical Security Specialist
60005827	Sr. Manager, Enterprise Systems Operatio
60005914	Senior, Physical Security Specialist

60006528	Principal, Business Process Specialist
60007588	Director, Cybersecurity
60008715	Senior, Technologist
60008952	Lead, Technologist
60009619	Senior, Solution Engineer
60009643	Lead, Technologist
50270528	Lead, Infrastructure Engineer
50344468	Lead, Technologist
50438106	Lead, Infrastructure Engineer
50544666	Sr Manager, Infrastructure Operations
60000344	Lead, Infrastructure Engineer
60000970	Director, Identity & Access Management
60000992	Principal, Infrastructure Engineer
60001319	Principal, Infrastructure Engineer
60001658	Lead, Infrastructure Engineer
60003260	Senior, Technologist
60003468	Senior, Technologist
60003761	Principal, Infrastructure Engineer
60005053	Lead, Technologist
60005386	Lead, Infrastructure Engineer
60005504	Principal, Network Operations
60005711	Senior, Infrastructure Engineer
60005722	Director, Infrastructure & Cloud Operati
60005797	Senior, Infrastructure Engineer
60006035	Senior, Infrastructure Engineer
60006465	Senior, Infrastructure Engineer
60007108	Senior, Infrastructure Engineer
60007724	Senior, Infrastructure Engineer
60009046	Senior, Infrastructure Engineer
60009480	Sr Manager, Network Operations
50343492	VP, Chief Technology & Information Offic
50408283	Lead, Project Manager
50493791	Director, Technology - Strategic Program
50575288	Principal, Business Process Specialist
50584125	Lead, Business Analyst
50655731	Principal, Project Manager - Strategic P
51000568	Senior Business Analyst
60000843	Sr Dir, Business Partnership & Delivery
60005710	Principal, Quality Assurance
60006370	Principal Project Manager
60006516	Associate Director, Delivery Management
60006550	Sr Manager, Business Analysis - Strategi
60007211	Business Process Analyst
60007497	Lead, Project Manager - Strategic Progra

60007586	Senior Project Manager
60007817	Sr. Manager, PMO
60008054	Lead, Business Analyst - Strategic Progr
3016148	Principal Scientist
60003265	Senior, Scientist
60003659	Lead, Scientist
60003839	Senior, Scientist
60006744	Senior, Scientist
60009176	Senior, Scientist
50424631	Sr Manager, Engineering Planning
50387614	VP, Internal Audit
50437054	Manager, Internal Audit
60006974	Associate, Internal Auditor
60008553	Senior, Internal Auditor
60008987	Internal Auditor
3017514	Sr Treasury Analyst
60006768	Lead, Rates & Finance
50634743	Senior, Tax Accountant
60001395	Lead, Tax Accountant
60002632	Senior, Tax Accountant
60003178	Director, General Tax
60003598	Specialist, Tax
60007090	Senior, Tax Accountant
60008096	Sr Manager, Tax
60009052	Sr Tax Accountant
60009527	Manager, Tax
3000204	EVP, COO
50299072	Lead Assistant, Executive
60005150	SVP, Deputy COO & Chief H&S Officer
60009473	SVP, Customer Strategy
3016354	Lead, Acquisitions Integration Project M
50043538	Lead, Project Manager Business Integrati
50087138	Director, Acquisitions Integration
50164869	VP, Business Development Strategy
50198892	Lead, Operations Project Manager
50198960	Lead, Project Manager Business Integrati
50499807	Lead, Acquisitions Integration Project M
51000228	Lead, Acquisitions Project Manager
60000393	Sr Principal, Valuation Strategies
60000830	Manager, Technical Integration
60001587	SVP, Chief Growth Officer
60001985	Lead, Acquisitions Integration Project M
60002285	Sr Director, Data Strategy - Strategic P
60002535	Director, Acquisitions Due Diligence

60002636	Lead, Technical Integration Analyst
60003211	Senior, Corporate Business Development S
60003644	Senior, Acquisitions Integration Project
60003803	Lead, Technical Integration Analyst
60005769	VP, Business Development
60006368	Lead, Acquisitions Project Manager
60007501	Financial Analyst, Acquisitions Modeling
60008094	Corporate Business Development Analyst
60009096	Analyst, Technical Integration
3016243	Director, Health & Safety
50037431	VP, Safety, Security, & Facilities
50349655	Dir, Health & Safety
60002901	Dir, Health & Safety
60007125	Principal, Health & Safety Compliance
60007827	Lead, Health & Safety - Strategic Progra
60008179	Director, Health & Safety
60009167	Lead Industrial Hygienist
60002027	SVP, Strategic Services and Programs
60002216	VP, Supply Chain
60005562	VP, Financial Planning & Analysis
3002566	Director, Accounting
60001204	Senior, Accountant
60002339	Manager, Accounting
60002347	Manager, Accounting
60002394	Sr Manager, Accounting
60005265	Senior, Accountant
60005431	Sr Manager, Financial Reporting
60006733	Senior, Accountant
60006801	Senior, Accountant
60006847	Senior, Accountant
60007358	Director, External Financial Reporting
60007559	Senior, Financial Controls and Complianc
60009387	Senior, Accountant
60009420	Accountant
60009487	Senior, Accountant
60009501	Accountant
60003461	Manager, Internal Audit
60005756	Lead, Operations & Compliance Auditor
60007943	Senior, Financial Analyst
3012250	Risk Analyst - Claims
50289586	Sr Director, Assistant Treasurer
51000271	VP, Treasurer
60006914	Principal Treasury Capital Markets Analy
3000114	Senior, Tax Accountant

50405291	Director, Tax Reporting & Compliance
50434673	Senior, Tax Accountant
60001933	Lead, Tax
60002040	Tax Accountant II
60003171	Manager, Tax
60006409	Manager, Tax
60007578	Accountant
60009066	Intern Admin
60003070	Director, Sustainability
50247296	Sr Coordinator, Legal Operations
50414550	Sr Manager, Legal Operations
50423515	Sr Coordinator, Legal Operations
50564904	VP, Managing General Counsel
60005119	EVP, General Counsel
60008668	Counsel, Litigation
50303423	Sr Director, Financial Services - Strate
50321879	VP, Accounting
60001903	SVP, Chief Accounting Officer
50084609	Director, Corporate FP&A
50269627	Director, Strategic Finance
50525790	Lead, Financial Analyst
60000985	Sr Manager, Finance
60001793	Principal, Regulatory Analyst
60002986	Sr Manager, Finance
60005515	Senior, Financial Analyst
60006267	VP, Strategic Finance
60006432	Lead, Rates & Finance
60006855	Senior, Financial Analyst
60007511	Financial Analyst
60008176	Financial Analyst
60008997	Financial Analyst
60009124	Sr Financial Analyst
60003476	Sr Manager, Finance
60005360	Sr Financial Analyst
60006387	Lead, Rates & Finance
60006683	Lead, Financial Analyst
60007763	Senior, Financial Analyst
60008946	Financial Analyst
60009355	Financial Analyst
50338153	EVP, Chief Human Resources Officer
60007834	SVP, HR Operations
60008083	EVP, Chief Human Resources Officer
60008455	VP, Total Rewards
60001399	Director, Payroll Services

60001495	Manager, Payroll
50506035	Director, Financial Services
60001948	Manager, Payroll
60003684	Payroll Analyst
60005198	Payroll Analyst
60005742	Principal, Business Analyst
60007405	Principal, Business Analyst
60007879	Sr Coordinator, Payroll
60008302	Senior, Payroll Tax Analyst
50057221	Senior, Risk Analyst - Claims
60005585	EVP, CFO
60007332	President and CEO
60002182	Senior, IR & Sustainability Analyst
60002324	Director, Investor Relations
60006793	VP, Investor Relations
60005909	Associate, Business Process Analyst
50346905	Senior, Regulatory Analyst
51000488	Lead, Business Process Specialist
60005118	Lead Accountant
60007318	Senior, Accountant
60007917	Senior, Accountant
50379363	Director, Talent Acquisition
50405352	Talent Acquisition Partner
50545441	Talent Acquisition Partner
51000966	Sr Coordinator, Talent Acquisition
60003725	Manager, Talent Acquisition - Strategic
60005597	Senior, Talent Sourcer
60005821	Talent Acquisition Partner
60006079	Talent Acquisition Partner
60006667	Talent Acquisition Partner
60006889	Senior, Talent Acquisition Partner
60007471	Talent Acquisition Partner
60008643	Sr Coordinator, Talent Acquisition
60009085	Senior, Strategic Talent Acquisition Spe
60009172	Sr Coordinator, Talent Acquisition
60009215	Talent Acquisition Partner
60009322	Senior, Talent Acquisition Partner
60009349	Senior, Talent Sourcer
60009515	Talent Acquisition Coordinator
60009563	Senior, Talent Acquisition Partner
60009565	Senior, Talent Acquisition Partner
60009568	Senior, Talent Acquisition Partner
60009574	Sr Coordinator, Talent Acquisition
60009581	Manager, Talent Acquisition

60009595	Talent Acquisition Partner
60009596	Talent Acquisition Partner
3017079	Project Coordinator - Strategic Programs
3017083	Analyst, Customer Business
3018081	Analyst, Customer Business
50037453	Supervisor, Administrative Support
50326971	Senior, Analyst Customer Business
50335865	Director Tariff Administration
50425978	Analyst, Customer Business
50476675	Admin Assistant
50584105	Analyst, Customer Business
60000949	VP, Chief Customer Officer
60002887	VP, Internal Communications & Employee E
60003169	Admin Assistant
60003322	Admin Assistant
60006804	Sr Manager, Customer Digital Products &
60007439	Senior, Data Analyst
60007890	Senior, Analyst Customer Business
60008568	Sr Manager, Tariff Administration
60008709	Principal, CSO Rates & Regulatory Progra
18505111	Sr EAM Project Manager-W&WW
18506683	Sr Manager, Operational Systems
18611053	Sr Mgr, Operational Analytics
18678039	Sr Manager, Meter Quality
50107211	Sr Administrator, Meter Operations
50270557	Lead, Operational Systems Analyst
50281530	Senior, Metering Systems Specialist
50297742	Lead, Meter Operations Project Manager
50305073	Principal, Meter Quality Analyst
50411320	Sr Manager, Metering Systems
50427008	SVP, Chief Operational Excellence Office
50486398	Lead, Project Manager - Strategic Progra
50538416	Principal, Business Integrations Project
50551406	Lead, Operational Systems Analyst
50566912	Lead, Operational Systems Analyst
51000167	Manager, Meter Operations
60000555	Sr Administrator, Meter Operations
60001076	Director, Operational Systems - Strategi
60002002	Lead, Operational Performance Analyst
60002174	Sr Administrator, Meter Operations
60005332	Sr Director, Meter Operations
60006624	Senior, Metering Systems Specialist
60007428	Sr Administrator, Meter Operations
60007474	Lead Administrator, Meter Operations

60002282	Lead, Compliance & Ethics
60006333	Sr Counsel, Compliance, Ethics & Privacy
60008379	Employment, Labor, and Compliance Counse
60009458	Counsel, Employment & Labor
50441512	Director, Technology Governance
60007232	Operational Systems Analyst
60009590	Principal, Finance
60006262	Director, Finance
3018540	Director, Water Quality & Environmental
18504371	Sr Dir, Environmental Leadership
50198714	Sr Principal, Environmental Policy & Pla
60000303	Director, Water Quality & Environmental
60002305	Environmental Program Lead
60003340	VP, Environmental Policy, Research & Pla
60008846	Lead, Water Quality & Environmental Comp
60002536	Director, Source Water Protection
50349620	FRCC Coordinator
50377972	FRCC Coordinator
3017512	Principal, HR Systems Analyst
50039533	Lead, HR Data Analyst - Strategic Progra
50457781	Manager, Digital HR Administration
60001514	Director, Human Resources - Strategic Pr
60003720	HR Systems Analyst
60007800	Sr Administrator, HR Systems
60009105	Sr Administrator, HR Systems
60008849	Sr Mgr Claims & Risk Management
60001129	Mgr Facilities
60002796	Maintenance Service Supervisor (HQO)
60003597	Sr Coordinator, Facilities
60005698	Supervisor, Mailroom Operations
60007973	Coordinator, Mailroom Operations
60008387	Coordinator, Mailroom Operations
60008502	Coordinator, Facilities
60002242	Director, Supplier Diversity
60005492	Supplier Diversity Specialist
60005500	Lead, Supplier Diversity Program Manager
50075099	Director, Supply Chain Support
50220148	Principal, Procurement
50566916	Principal, Supply Chain - Strategic Prog
60000898	Sr Manager, Procurement
60001071	Director, National Categories, Corporate
60006355	Senior, Procurement Specialist
60007339	Senior, Procurement Specialist
60007537	Senior, Procurement Specialist

60008902	Procurement Specialist
60009009	Associate, Procurement Specialist
60009075	Senior, Procurement Specialist
60003110	Director, State Procurement
60009141	Procurement Specialist
50405288	Manager, Supply Chain Business Performan
60006113	Senior, Contract Analyst
60006237	Fleet Operations Specialist
60006973	Fleet Operations Specialist
60007413	Senior, Supply Chain Intelligence Analys
60007993	Procurement Specialist - Strategic Progr
60008557	Associate, Supply Chain Analyst
60009191	Supply Chain Business Intelligence Analy
60009369	Senior, Procurement Specialist
60003039	Sr Manager, National Categories
60009313	Senior, Procurement Specialist
60001167	Manager, Inventory & Investment Recovery
60002865	Manager, Fleet Capital Program
60006529	Inventory & Investment Recovery Analyst
50049784	Principal, Meter Quality Analyst
50589596	Lead, Operational Systems Analyst
60001520	Lead, Operational Systems Analyst
60003675	Paralegal
60000348	VP, Chief Rates & Regulatory Counsel
60006179	Counsel, Rates & Regulatory
60008260	Sr Counsel, Rates & Regulatory
60008394	Counsel, Rates & Regulatory
60009262	Counsel, Rates & Regulatory
50604492	Principal, Business Process Specialist
51000182	Associate, Business Process Analyst
60008707	Intern Admin
50406249	Senior Paralegal
60001331	VP, Chief SEC Counsel & Corp Secretary
60006707	Counsel, SEC
50200149	Senior, Accountant
50654123	Manager, Accounting
60002924	Senior, Accountant
3016378	Workforce Planning Coordinator
3016788	Workforce Planning Coordinator
3017165	Associate, Trainer
3018007	Learning Coordinator, CSO
50053128	Associate, Trainer
50057144	Workforce Planning Coordinator
50113909	Analyst, Customer Business

50198894	Quality Assurance Coordinator
50198913	Quality Assurance Coordinator
50198958	Instructional Design Specialist
50202870	Trainer
50399062	Workforce Planning Coordinator
51000398	Quality Assurance Coordinator
60000577	Quality Assurance Coordinator
60002930	Quality Assurance Coordinator
60006948	Manager, Workforce Management
60007988	Quality Assurance Coordinator
60008766	Manager, Learning, Development & Quality
60008838	Director, Customer Care
3016456	Project Manager Operations
3016862	Senior, Customer Business Analyst
50582251	Director, Customer Accounts
60000785	Senior, Customer Business Analyst
60008688	Senior, Enterprise Risk Analyst
60009152	Senior, Solution Engineer
3011642	Executive Assistant, CEO
60003793	CEO
18505752	VP, Fleet
60000613	Director, Fleet
60005485	Fleet Operations Manager
60008397	Manager, DOT Compliance
3017576	Sr Manager, Operational Performance - St
50328938	Lead, Operational Performance Analyst
50418815	Lead, Operational Performance Analyst
51000091	Sr. Business Performance Analyst
60000559	Lead, Operational Analytics
60002255	Sr Manager, Operational Performance
60003571	Sr. Business Performance Analyst
60008011	Director, Operational Performance & Plan
50199914	VP, Chief Mergers & Acquisitions Counsel
60007039	VP, Employment & Labor Law Counsel
28007648	Director, Operational Training
50397145	Sr Manager, Operational Training
50616321	Sr Manager, Operational Training
50036510	Principal, Business Continuity
50112416	Senior, Reliability Engineering Analyst
50115035	Manager, Reliability Engineering
50502025	Senior, Reliability Engineering Analyst
50520778	VP, Operational Advisory Services
50541813	Senior, Reliability Engineering Analyst
51001178	Principal, Water Operations Advisor

60005334	Principal, Business Continuity
60006360	Principal, Wastewater Operations Advisor
10000072	VP, Operations - Strategic Programs
50122342	Lead, Customer - Strategic Programs
50271950	Director, Business Performance - Strateg
51000554	Director, Water Quality & Environmental
60001605	Director, Business Performance - Strateg
60005289	Lead, Customer - Strategic Programs
60005401	Sr Director, Organizational Change Manag
60009406	VP, Strategic Programs
60009579	Lead, Regulatory Analyst
60002900	VP, Water Quality & Environmental Compli
60008784	Lead, Operational Compliance
60000244	Sr Director, GIS
60000850	Sr Manager, Regional GIS
60001310	Senior, GIS Specialist
60001389	Sr Manager, Regional GIS
12004324	Manager, GIS
60005207	Sr. GIS Specialist
60005295	Specialist, GIS
60009026	Sr Technician, GIS
60009038	Sr Technician, GIS
60002352	VP, General Counsel
60005267	Sr Counsel (TN, KY, IN)
60002239	Senior, Eng Automation & Controls (SCADA
60005792	Senior, Eng Automation & Controls (SCADA
60000400	Sr Eng Automation & Controls (SCADA)
60009543	Senior, Eng Automation & Controls (SCADA
60009616	Senior, Eng Automation & Controls (SCADA
60009580	Senior, Technology Field Services Specia
60005309	Supervisor, Customer Advocacy
60007998	Specialist Service Delivery
60009163	Sr Representative, Customer Advocacy
60001152	Director, Customer Advocacy
50427070	Principal, Human Resources Business Part
51000505	Principal, Human Resources Business Part
60009683	Lead, Human Resources Business Partner
60009746	Lead, Employee & Labor Relations Busines
60009818	Lead, Employee & Labor Relations Busines
60009827	Lead, Employee & Labor Relations Busines
60009727	Senior, Talent Management Specialist
60009835	Senior, HR Data Analyst
60009915	Senior, Compensation Analyst
60008672	Sr Coordinator, External Affairs

60009679	External Affairs Specialist
60009686	Lead, External Communications
3000364	Lead Technician, CAD
60000859	Lead, Design Engineer
60002501	Principal, Design Engineer
60008696	Intern Ops
60009747	Sr Manager, Capital Project Support & Co
18613518	Principal, Planning Engineer
50214931	Principal, Planning Engineer
50395083	Director, Engineering Technologies
60003025	Director, Engineering Planning
60009653	Intern Ops
60009654	Intern Ops
60009692	Planning Engineer
60009800	Specialist, Accounts Payable
60009808	Accountant
60009699	Lead Coordinator, Regulatory Database Li
60009852	Principal, Regulatory Analyst
60009880	Principal, Regulatory Analyst
60009575	Communications Specialist - Strategic Pr
50547633	Lead, Solution Engineer
60007954	Senior Technologist
60007272	Lead, Infrastructure Engineer
60007861	Senior Technologist
60009648	Senior, Infrastructure Engineer
60009726	Principal, Infrastructure Engineer
50031722	SVP Enterprise Risk, Internal Audit & Co
60009930	Director, Internal Audit
50273918	Sr Director, Health & Safety
60006966	Lead, Supplier Diversity Program Manager
60009658	Accounts Receivable Representative
60005438	VP, Tax & Financial Services
60008556	Senior, Tax Accountant
60009825	Senior, Tax Accountant
50289489	Lead Assistant, Executive
60009820	Sr Counsel, Environmental
60009811	Director, Finance - Strategic Programs
60009615	Director, Revenue Analytics
60009626	Principal Financial Analyst
60009700	Financial Analyst
60009933	Principal, Operational Performance & Pla
60009962	Senior, Financial Analyst
60003588	Payroll Analyst
60009640	Senior, Talent Acquisition Partner

60009819	Talent Acquisition Partner
50655831	Sr Manager, Operational Analytics
60009790	Sr Manager, Risk - Insurance & Claims
60009744	Director, Facilities
50248959	Director, Supply Chain - Strategic Progr
60009670	Associate, Supply Chain Analyst
60009791	Lead, Procurement Specialist
60009706	Principal Procurement Specialist
60006269	Supply Chain Support Analyst
60009925	Sr Coordinator, Fleet Systems
60009947	DOT Compliance Specialist
60005777	Procurement Specialist
60009711	Procurement Specialist
60009842	Counsel, Compliance
50655782	Quality Assurance Coordinator
60007028	Fleet Operations Specialist
60007978	Fleet Operations Specialist
60007035	Sr Coordinator, Fleet Capital Program
60009806	Sr Coordinator, Fleet Capital Program
60006781	Sr Director, Finance
60005746	Senior, Operational Training Instructor
50042211	Sr Manager, Reliability Engineering
3016239	Sr Director, Customer Operations - Strat
50530615	Sr Manager, Operations - Strategic Progr
60002484	Sr Dir Technology, Strategic Programs
60009677	Principal, Organizational Change Managem
60008276	Lead, Operational Compliance
60006258	Sr Principal, Mergers & Acquisitions
50653181	Sr Manager, Operational Technology (regi
50392907	Lead, Technologist
60001403	Manager, Technology Field Services
60001422	Sr Manager, Operational Technology (regi
60009972	Sr Coordinator, HR
60010073	Sr Coordinator, Leave Programs
60010022	Senior, Design Engineer
60010102	Sr Principal, Dam Safety Engineer
60005030	Senior, Capital Program Specialist
60000355	Lead, Planning Engineer
60000415	Principal, Planning Engineer
60010140	Accountant
50568165	Manager, Cash Management
60009884	Senior, Regulatory Analyst (PT)
50654149	Senior, Solution Engineer
60002630	Senior, Solution Engineer

60008537	Senior, Solution Engineer
50606394	Director, Corporate Business Development
60006250	Senior, Acquisitions Integration Project
60003739	Director, Health & Safety
60009494	Manager, Accounting
60010120	Senior, Finance Systems Support Analyst
60010049	Senior, Capital Markets Analyst
60009351	Senior, Tax Accountant
60010075	Lead, Financial Analyst
60006915	Risk Analyst - Claims
60010132	Talent Acquisition Partner
60010158	Manager, Talent Acquisition
60009948	DOT Compliance Specialist
60009990	Fleet Operations Analyst
60009991	DOT Compliance Specialist
60002525	Manager, Procurement
60009978	Senior, Procurement Specialist
60010076	Workforce Planning Coordinator
50652208	Lead, Operational Performance Analyst
50204331	Senior, Operational Training Instructor
50258699	Senior, Operational Training Instructor
50355350	Senior, Operational Training Instructor
51000779	Lead, Operational Training Program Manag
60000856	Senior, Operational Training Instructor
60002326	Sr Instructor, Operations Training
60002373	Senior, Operational Training Instructor
60003195	Senior, Operational Training Instructor
50305313	VP, Operations - Strategic Programs
50550377	Principal, Water Quality Programs
60009936	Director, Operational Compliance
60001485	Senior, Physical Security Specialist
60010035	Senior, Technology Field Services Specia
60010002	Sr Representative, Customer Advocacy
60010150	Sr Representative, Customer Advocacy
60003471	Principal, Organizational Change Managem
60010281	Lead, Employee & Labor Relations Busines
60010291	Lead, Employee & Labor Relations Busines
60010304	Lead, Employee & Labor Relations Busines
60010195	Senior, Hydrogeologist
60010159	Intern Ops
60006514	Lead, Engineering Project Manager
60010123	Intern Ops
60010270	Specialist, Accounts Payable
60010379	Manager, Accounting

28007583	Sr Director, Rates & Regulatory
60007757	Director, Rates & Regulatory
60005357	Principal, Solution Engineer
60010193	Senior, Solution Engineer
60010338	Principal, Technologist
60010398	Financial Analyst, Acquisitions Modeling
60010212	Senior, Operational Training Instructor
60010269	VP, General Counsel
60010223	Senior, Accountant
60010310	Senior, Finance Systems Support Analyst
60000640	Lead, Operations & Compliance Auditor
60005351	Director, Treasury
60010372	Lead, Financial Analyst
60010339	Manager, Risk - Claims
60010381	Senior, Risk Analyst - Insurance
50323983	Principal, Finance - Strategic Programs
60010387	Lead, HR Data Analyst
60010368	Manager, Facilities
60005635	Procurement Specialist
60010401	Associate, Supply Chain Analyst
60010221	Fleet Operations Specialist
60010240	Manager, Fleet Operations
60010352	Principal, Procurement
60010273	Counsel (TN, KY, IN)
50633238	Associate, Trainer
50276499	Senior, Customer Business Analyst
60001464	Senior, Operational Training Instructor
50367865	Director, State Operations - Strategic P
60001449	Sr Manager, Operations - Strategic Progr
60010198	Intern Admin
60010243	Lead, Communications - Strategic Program
60010272	Principal, Process Architect - Strategic
60010346	Lead, Labor Relations Strategy - Strateg
60010397	Senior, Business Process Owner - Strateg
60006881	Senior, Technology Field Services Specia
50012119	Manager, Automation & Controls (SCADA)
60010280	Senior, Eng Automation & Controls (SCADA
50484138	Sr Supervisor, Operations

Kentucky-American Water Company
Case No. 2026-00094
2026 (Jan-May) Service Company Labor Allocations and Position Titles

Total 2026 Service Company Labor (incl. benefits) Allocation to Kentucky-American	$3,032,812
Total 2026 Service Company Performance Pay Allocation to Kentucky-American	$759,888
Total 2026 Service Company Labor Allocation to Kentucky-American	$3,792,701

Employee Number	Position Title
50546905	Sr Director, Employee Experience, Cultur
60003799	Principal, Culture & Inclusion
60009103	Principal, Culture & Inclusion
50362144	VP, HR Operations, Compliance & Technolo
50397017	Sr Analyst, HR Projects and Compliance
50415614	Principal, Human Resources Business Part
50482453	Principal, Human Resources Business Part
50655098	Sr Director, HR Operations
60000116	Principal, Human Resources Business Part
60000281	Principal, HR Operations - Mergers & Acq
60000981	Director, HR Operations
60001949	Director, HR Compliance
60002623	Sr Director, HR Operations
60003185	Lead, Human Resources Business Partner
60003753	Principal, Human Resources Business Part
60003817	Principal, Human Resources Business Part
60003836	Principal, Human Resources Business Part
60005296	Lead, Employee & Labor Relations Busines
60005440	Sr Manager, Employee & Labor Relations
60005911	Sr Coordinator, HR
60007298	Principal, Human Resources Business Part
60007902	Sr Manager, Employee & Labor Relations
60008014	Lead, Human Resources Business Partner
60008564	Lead, Human Resources Business Partner
60009128	Senior, Employee & Labor Relations Analy
60009464	Lead, Employee & Labor Relations Busines
60009559	Principal, Human Resources Business Part
60009972	Sr Coordinator, HR
60010428	Principal, Human Resources Business Part
50255349	Manager, Benefits
50401329	Sr Coordinator, Leave Programs

50432031	Manager, Leave Programs
50434674	Lead Coordinator, Leave Programs
50652115	Senior, Retirement Analyst
60001745	Principal, Benefits Analyst
60005127	Sr Manager, Benefits Strategy
60006095	Director, Benefits & Retirement Services
60006199	Senior, Benefits Analyst
60007802	Benefits Analyst
60008199	Lead, Benefits Compliance
60008400	Lead, Retirement Analyst
60010073	Sr Coordinator, Leave Programs
60008974	Lead, Employee & Labor Relations Busines
60009683	Lead, Human Resources Business Partner
60002009	Lead, Employee & Labor Relations Busines
60002284	Sr Director, Labor & Employee Relations
60003770	Sr Manager, Employee & Labor Relations
60009037	Lead, Employee & Labor Relations Busines
60009746	Lead, Employee & Labor Relations Busines
60009818	Lead, Employee & Labor Relations Busines
60009827	Lead, Employee & Labor Relations Busines
60010281	Lead, Employee & Labor Relations Busines
60010291	Lead, Employee & Labor Relations Busines
60010304	Lead, Employee & Labor Relations Busines
60010576	Lead, Employee & Labor Relations Busines
3017835	Principal, Learning Business Partner
60001758	Principal, Talent Development Business P
60001907	Senior, Technology & Compliance Speciali
60009727	Senior, Talent Management Specialist
60010455	Lead, Talent Development Business Partne
60010551	Lead, Learning Solutions Designer
50285834	Principal, Compensation Analyst
60000506	Director, Compensation
60009915	Senior, Compensation Analyst
50433360	VP, Communications & Engagement - Strate
50467006	VP, External Communications
60001139	Director, External Communications
60001882	Sr Manager, Internal Communications
60003829	Lead, Internal Communications (State)
60005047	Communications Specialist
60005377	Principal, Internal Communications
18709966	EVP, Communications & External Affairs
24013971	Principal, External Communications
50217359	Principal, Corporate & Foundation Relati
50395995	Director, Customer Insights & Performanc

51001136	Director, Corporate Communications & Ext
60003100	Senior, Webmaster
60003139	Sr Director, External Communications
60006090	Lead, Corporate Communications & Externa
60006328	Senior, External Affairs Specialist
60008092	VP, Chief Legislative & External Affairs
60008284	Senior, Government & Regulatory Affairs
60008672	Sr Coordinator, External Affairs
60009531	Principal, Legislature & External Affair
60009532	Director, Legislature & External Affairs
60009679	External Affairs Specialist
60009686	Lead, External Communications
3016132	Principal, Design Engineer
50401362	Lead, Engineering Project Manager
50415566	Director, Water Process Engineering
50420131	Principal, Design Engineer
50427029	Principal, Hydrogeologist
50427050	Sr Principal, Wastewater Engineer
50593199	Principal, Design Engineer
60000416	Director, Electrical Engineering
60000684	Technician, CAD
60001283	Senior, Engineering Project Manager
60001670	Senior, Design Engineer
60002501	Principal, Design Engineer
60003124	Senior, Hydrogeologist (PT)
60003637	Senior, Planning Engineer
60008566	Lead, Planning Engineer
60008764	Sr Principal, Wastewater Engineer
60010022	Senior, Design Engineer
60010102	Sr Principal, Dam Safety Engineer
60010195	Senior, Hydrogeologist
60010498	Lead Technician, CAD
9007999	Director, Engineering Project Delivery (
50408163	Principal, Construction Engineer
50654127	Principal, Construction Engineer
60002295	Senior, Capital Program Specialist
60002902	Senior, Construction Engineer
60005030	Senior, Capital Program Specialist
60005253	Senior, Capital Program Specialist
60005599	Sr Coordinator, Business Systems Support
60005734	Sr Manager, Capital Program
60005744	Sr Director, Capital Performance
60007832	Lead, Construction Engineer
60009747	Sr Manager, Capital Project Support & Co

60010159	Intern Ops
50196563	Director, Research & Development
60006946	Senior, Scientist
3000373	Sr Director, Engineering Planning
18613518	Principal, Planning Engineer
50139422	Senior, Engineering Project Manager
50210614	VP, Chief Engineering Officer
50214931	Principal, Planning Engineer
50297664	Director, Capital Program Management
50318719	Sr Manager, Engineering Planning
50395083	Director, Engineering Technologies
50404178	Principal, Planning Engineer
50482423	Director, Engineering Planning
50538427	Lead, Engineering Technologies Project M
50641315	Lead, Engineering Project Manager
60000243	Principal, Engineering Technologies Proj
60000355	Lead, Planning Engineer
60003025	Director, Engineering Planning
60003159	Senior, Engineering Technologies Project
60005245	Sr Principal, Planning Engineer
60005483	Sr Coordinator, Engineering
60006235	Planning Engineer
60006514	Lead, Engineering Project Manager
60006906	Senior, Engineering Technologies Special
60008758	Lead, Planning Engineer
60008851	Associate, Engineering Analyst
60009578	Planning Engineer
60009637	Planning Engineer
60009653	Intern Ops
60009692	Planning Engineer
60010123	Intern Ops
60006381	Director, Customer Relations
3017515	Lead Specialist, Accounts Payable
50080217	Supervisor, Accounts Payable
50085682	Specialist, Accounts Payable
50239365	Lead Specialist, Accounts Payable
50383273	Director, Accounting Operations
50425924	Lead Specialist, Accounts Payable
50449965	Specialist, Accounts Payable
50570375	Manager, Accounts Payable
60001396	Specialist, Accounts Payable
60006817	Associate, Accountant
60007828	Sr Specialist, Accounts Payable
60008669	Specialist, Accounts Payable

60009478	Specialist, Accounts Payable
60009533	Specialist, Accounts Payable
60009800	Specialist, Accounts Payable
60010270	Specialist, Accounts Payable
3017395	Senior, Accountant
50028532	Sr Manager, Financial Systems
50218969	Accountant (PT)
60000466	Manager, Accounting
60000999	Director, Accounting
60001984	Accountant
60003804	Manager, Accounting - Strategic Programs
60005842	Senior, Accountant
60007472	Senior, Accountant
60007589	Coordinator, Plant Accounting
60009340	Coordinator, Plant Accounting
60009808	Accountant
60010140	Accountant
60010379	Manager, Accounting
18508241	Associate, Cash Management Specialist
50062328	Associate, Cash Management Specialist
3000457	Senior, Regulatory Analyst
3002531	Sr Director, Regulatory Services
17003587	SVP, Chief Regulatory Officer
18507643	Director, Rates & Regulatory
50027598	Sr Director, Rates & Regulatory
50165986	Lead, Financial Analyst
50273031	Director, Rates & Regulatory
50297720	Lead, Regulatory Analyst
50333201	Lead, Regulatory Analyst
50346905	Senior, Regulatory Analyst
50365813	Lead, Regulatory Analyst
50366974	Principal, Regulatory Analyst
50434554	Senior, Regulatory Analyst
50481432	Director, Regulatory Policy & Affairs
50615230	Lead, Regulatory Analyst
51000821	Lead, Regulatory Analyst
60000541	Lead, Regulatory Analyst
60001373	Senior, Regulatory Analyst
60001401	Lead, Regulatory Analyst
60001793	Principal, Regulatory Analyst
60002780	VP, Regulatory Pricing & Affordability
60005067	Sr Manager, Regulatory Services
60005206	VP, Rates & Regulatory
60005341	Regulatory Analyst

60005432	Senior, Regulatory Analyst
60005951	VP, Regulatory Strategy & Services
60006209	Lead, Rates & Finance
60006579	Senior, Regulatory Analyst
60007659	Lead Coordinator, Regulatory Database Li
60007757	Director, Rates & Regulatory
60007762	Principal, Regulatory Analyst
60008037	Lead, Regulatory Analyst
60008118	Lead, Regulatory Analyst
60008143	Principal, Regulatory Services
60008223	VP, Regulatory Policy & Affairs
60008250	Regulatory Analyst
60008532	Lead, Regulatory Analyst
60008544	Director, Rates & Regulatory
60008710	Lead, Regulatory Analyst
60008895	Director, Rates & Regulatory
60009530	Principal, Regulatory Analyst
60009699	Lead Coordinator, Regulatory Database Li
60009852	Principal, Regulatory Analyst
60009880	Principal, Regulatory Analyst
60009884	Senior, Regulatory Analyst (PT)
60010474	Director, Rates & Regulatory
50499769	Senior, Accountant
60002347	Manager, Accounting
60002495	Manager, Accounting
60005265	Senior, Accountant
60009094	Accountant
50491468	Principal, Business Development Valuatio
60005001	Sr Manager, Acquisitions Modeling
60007552	Director, Acquisitions Modeling
60008245	Senior, Acquisitions Modeling Analyst
60009164	Senior, Acquisitions Modeling Analyst
60007452	Lead, Internal Communications (State)
60009575	Communications Specialist - Strategic Pr
50114015	Lead, Solution Engineer
50201217	Manager, Software Engineering
50539667	Sr Manager, Enterprise Systems & Integra
50547633	Lead, Solution Engineer
50622593	VP, Enterprise Technology Solutions
50654149	Senior, Solution Engineer
60000378	Lead, Solution Engineer
60001562	Director, Enterprise System Development
60001789	Director, ESS ERP
60002503	Principal, Technologist - SAP System Dev

60002630	Senior, Solution Engineer
60002634	Lead, Solution Engineer
60002637	Principal, Solution Engineer
60002684	Principal, Technologist
60003175	Lead, Data & Analytics Technologist
60003319	Principal, Technologist SAP & Data Analy
60003587	Lead, Solution Engineer
60003603	Manager, Operations Systems
60003814	Principal, Solution Engineer
60005054	Lead, Solution Engineer
60005144	Principal, Solution Engineer
60005197	Lead, Solution Engineer
60005279	Principal, Technologist
60005357	Principal, Solution Engineer
60005426	Principal, Solution Engineer
60006867	Senior, Software Engineer
60007441	Lead, Data & Analytics Technologist
60007597	Senior, Solution Engineer
60007767	Senior, Solution Engineer
60007859	Senior, Data & Analytics Technologist
60007935	Principal, Data & Analytics Engineer
60008212	Principal, Solution Engineer
60008537	Senior, Solution Engineer
60008683	Senior, Solution Engineer
60009152	Senior, Solution Engineer
60009168	Senior, Solution Engineer
60009182	Senior, Solution Engineer
60009619	Senior, Solution Engineer
50323977	Sr Manager, Enterprise GIS
50383035	Director, Enterprise Architect
50552234	Principal, Solution Engineer
60001256	Principal, Enterprise Architect
60003079	Principal, Enterprise Architect
60003412	Principal, Enterprise Architect
60003577	Lead, Solution Engineer
60005503	Lead, Solution Engineer
60006806	Principal, Enterprise Architect
60009439	Senior, Solution Engineer
60010193	Senior, Solution Engineer
60000769	Sr Operator, Integrated Operations Cente
60000860	Director, Technology Field Services
60005794	Manager, Integrated Operations Center
60005798	Sr Operator, Security Operations Center
60005799	Sr Operator, Security Operations Center

60005800	Manager, Cybersecurity Monitoring
60005802	Operator, Security Operations Center
60005803	Superintendent, Security Operations Cent
60005833	Operator, Integrated Operations Center
60006807	Principal, Project Manager
60006877	Sr Operator, Security Operations Center
60008079	Sr Operator, Integrated Operations Cente
60009539	Operator, Integrated Operations Center
60009547	Operator, Integrated Operations Center
60007696	Senior, Software Engineer
50485334	Lead, Technologist
60001219	Principal, Technologist
60001437	Sr Manager, Cyber Security Operations
60002599	Principal, Technologist
60002847	Lead, Technologist
60003531	Principal, Business Process Specialist
60005301	VP, Chief Information Security Officer
60005775	Lead, Business Process Specialist
60006528	Principal, Business Process Specialist
60007588	Director, Cybersecurity
60008715	Senior, Technologist
60009643	Lead, Technologist
60009726	Principal, Infrastructure Engineer
60010338	Principal, Technologist
60010642	Technologist, Cybersecurity Analyst
60010643	Technologist, Cybersecurity Analyst
50270528	Sr Manager, Infrastructure
50344468	Lead, Technologist
50438106	Lead, Infrastructure Engineer
50480255	Sr Manager, Data Engineering
50544666	Sr Manager, Infrastructure Operations
60000344	Lead, Infrastructure Engineer
60000970	Director, Identity & Access Management
60000992	Principal, Infrastructure Engineer
60001319	Principal, Infrastructure Engineer
60001658	Lead, Infrastructure Engineer
60003260	Senior, Technologist
60003417	Lead, Technologist
60003468	Senior, Technologist
60003761	Principal, Infrastructure Engineer
60005053	Lead, Technologist
60005386	Lead, Infrastructure Engineer
60005504	Principal, Network Operations
60005711	Senior, Infrastructure Engineer

60005797	Senior, Infrastructure Engineer
60006035	Senior, Infrastructure Engineer
60006465	Lead, Infrastructure Engineer
60007108	Senior, Infrastructure Engineer
60007272	Lead, Infrastructure Engineer
60007724	Senior, Infrastructure Engineer
60008125	Principal, Software Engineer
60009046	Senior, Infrastructure Engineer
60009480	Sr Manager, Network Operations
60009648	Senior, Infrastructure Engineer
50069219	Director, Technology Spend Management
50343492	SVP, Chief Technology & Information Offi
50575288	Principal, Business Process Specialist
50584125	Lead, Business Analyst
50655731	Principal, Project Manager - Strategic P
60003669	Senior, Financial Analyst - Strategic Pr
60005710	Principal, Quality Assurance
60006550	Sr Manager, Business Analysis - Strategi
60007211	Business Process Analyst
60003265	Senior, Scientist
60003659	Principal, Scientist
60003839	Senior, Scientist
60006744	Senior, Scientist
60009176	Senior, Scientist
50387614	VP, Internal Audit
60000640	Lead, Operations & Compliance Auditor
60006974	Associate, Internal Auditor
60008987	Internal Auditor
60009930	Director, Internal Audit
60006768	Lead, Rates & Finance
50634743	Senior, Tax Accountant
60002632	Senior, Tax Accountant
60003178	Director, General Tax
60003598	Associate, Accountant
60007090	Senior, Tax Accountant
60008096	Sr Manager, Tax
60009527	Manager, Tax
3000204	EVP, COO
50299072	Lead Assistant, Executive
60005150	SVP, Deputy COO & Chief H&S Officer
60009473	SVP, Transformation Strategy and Executi
3017914	Lead, Acquisitions Project Manager
50087138	Director, Acquisitions Integration
50164869	VP, Business Development Strategy

50198960	Lead, Project Manager Business Integrati
50499807	Sr Manager, Acquisitions Integration
50538416	Sr Manager, Acquisitions Integration
50606394	Director, Corporate Business Development
51000228	Lead, Acquisitions Project Manager
60000393	Sr Principal, Valuation Strategies
60001299	Lead, Acquisitions Integration Project M
60001587	SVP, Chief Growth Officer
60001985	Lead, Acquisitions Integration Project M
60002535	Director, Acquisitions Due Diligence
60002636	Lead, Technical Integration Analyst
60003211	Senior, Corporate Business Development S
60003644	Senior, Acquisitions Integration Project
60003803	Lead, Technical Integration Analyst
60005769	VP, Business Development
60006250	Senior, Acquisitions Integration Project
60006368	Lead, Acquisitions Project Manager
60007501	Financial Analyst, Acquisitions Modeling
60008094	Corporate Business Development Analyst
60010398	Financial Analyst, Acquisitions Modeling
3016243	Director, Health & Safety
50037431	VP, Safety, Security, & Facilities
50273918	Sr Director, Health & Safety
60003739	Director, Health & Safety
60007125	Principal, Health & Safety Compliance
60007827	Lead, Health & Safety - Strategic Progra
60008179	Director, Health & Safety
60008645	Lead, Health & Safety (Corporate)
60010212	Senior, Operational Training Instructor
60005562	VP, Financial Planning & Analysis
3002566	Director, Accounting
50200149	Senior, Accountant
50301233	Senior, Accountant
50654123	Manager, Accounting
60001204	Senior, Accountant
60002339	Manager, Accounting
60002394	Sr Manager, Accounting
60002924	Senior, Accountant
60005431	Sr Manager, Financial Reporting
60006733	Senior, Accountant
60006801	Senior, Accountant
60006847	Senior, Accountant
60007358	Director, External Financial Reporting
60007559	Senior, Financial Controls and Complianc

60007917	Senior, Accountant
60009387	Senior, Accountant
60009420	Accountant
60009487	Senior, Accountant
60009494	Manager, Accounting
60009501	Accountant
60009658	Accounts Receivable Representative
60010120	Senior, Finance Systems Support Analyst
60010223	Senior, Accountant
60010310	Senior, Finance Systems Support Analyst
50437054	Manager, Internal Audit
60003461	Manager, Internal Audit
60005756	Lead, Operations & Compliance Auditor
60008553	Senior, Internal Auditor
60010582	Senior, Internal Auditor
50289586	Sr Director, Assistant Treasurer
50655100	Director, Treasury
60005351	Director, Treasury
60010049	Senior, Capital Markets Analyst
3000114	Senior, Tax Accountant
50405291	Director, Tax Reporting & Compliance
50434673	Senior, Tax Accountant
60001933	Lead, Tax
60003171	Manager, Tax
60005438	VP, Tax & Financial Services
60006409	Manager, Tax
60007578	Accountant
60009825	Senior, Tax Accountant
60003070	Director, Sustainability
50199914	VP, Chief Mergers & Acquisitions Counsel
50201213	VP, Managing General Counsel
50247296	Sr Coordinator, Legal Operations
50289489	Lead Assistant, Executive
50414550	Sr Manager, Legal Operations
60005119	EVP, General Counsel
60006258	Sr Principal, Mergers & Acquisitions
60009820	Sr Counsel, Environmental
50321879	VP, Accounting
60001903	SVP, Chief Accounting Officer
60000549	Director, Rates & Regulatory
50084609	Director, Corporate FP&A
50269627	Director, Strategic Finance
50525790	Lead, Financial Analyst
60000985	Sr Manager, Finance

60002986	Sr Manager, Finance
60005109	Senior, Financial Analyst
60005515	Senior, Financial Analyst
60006267	VP, Strategic Finance
60006432	Lead, Rates & Finance
60006855	Senior, Financial Analyst
60007273	Senior, Financial Analyst
60007511	Financial Analyst
60007569	Financial Analyst
60008176	Financial Analyst
60008997	Financial Analyst
60009615	Director, Revenue Analytics
60009700	Financial Analyst
60009933	Principal, Operational Performance & Pla
60009962	Senior, Financial Analyst
60010075	Lead, Financial Analyst
60006387	Lead, Rates & Finance
60006683	Lead, Financial Analyst
60007763	Senior, Financial Analyst
60007943	Senior, Financial Analyst
60009355	Financial Analyst
60010372	Lead, Financial Analyst
60001716	VP, Talent Management
60007834	SVP, Integration Management Office Lead
60008083	EVP, Chief Human Resources Officer
60008455	VP, Total Rewards
60001399	Director, Payroll Services
60001495	Manager, Payroll
50506035	Director, Financial Services
60001948	Manager, Payroll
60003588	Payroll Analyst
60003684	Payroll Analyst
60005198	Payroll Analyst
60005742	Principal, Business Analyst
60007405	Principal, Business Analyst
60007879	Sr Coordinator, Payroll
60008302	Senior, Payroll Tax Analyst
3012250	Risk Analyst - Claims
50057221	Senior, Risk Analyst - Claims
60006915	Risk Analyst - Claims
60009790	Sr Manager, Risk - Insurance & Claims
60010339	Manager, Risk - Claims
60010381	Senior, Risk Analyst - Insurance
60005585	EVP, CFO

60002182	Senior, IR & Sustainability Analyst
60002324	Director, Investor Relations
60006793	VP, Investor Relations
50408283	Lead, Project Manager
50323983	Principal, Finance - Strategic Programs
60007318	Senior, Accountant
50379363	Director, Talent Acquisition
50405352	Talent Acquisition Partner
51000966	Sr Coordinator, Talent Acquisition
60005597	Senior, Talent Sourcer
60005821	Talent Acquisition Partner
60006079	Talent Acquisition Partner
60006667	Talent Acquisition Partner
60006889	Senior, Talent Acquisition Partner
60007471	Talent Acquisition Partner
60008643	Sr Coordinator, Talent Acquisition
60009085	Senior, Strategic Talent Acquisition Spe
60009172	Sr Coordinator, Talent Acquisition
60009215	Talent Acquisition Partner
60009322	Senior, Talent Acquisition Partner
60009349	Senior, Talent Sourcer
60009563	Senior, Talent Acquisition Partner
60009565	Senior, Talent Acquisition Partner
60009568	Senior, Talent Acquisition Partner
60009574	Sr Coordinator, Talent Acquisition
60009581	Manager, Talent Acquisition
60009595	Talent Acquisition Partner
60009596	Talent Acquisition Partner
60009640	Senior, Talent Acquisition Partner
60009819	Talent Acquisition Partner
60010132	Talent Acquisition Partner
60010158	Manager, Talent Acquisition
3017079	Project Coordinator - Strategic Programs
3017083	Senior, Customer Business Analyst
3018081	Analyst, Customer Business
50037453	Supervisor, Administrative Support
50326971	Senior, Customer Business Analyst
50420133	Lead, CSO Product Manager
50425978	Supervisor, CSO Tax
50476675	Admin Assistant
60000949	VP, Chief Customer Officer
60002887	VP, Internal Communications & Employee E
60003169	Admin Assistant
60003322	Admin Assistant

60006804	Sr Manager, Customer Digital Products &
60007439	Senior, Data Analyst
60007890	Senior, Customer Business Analyst
60008568	Sr Manager, Tariff Administration
60008709	Principal, CSO Rates & Regulatory Progra
18506683	Sr Manager, Operational Systems
18678039	Sr Manager, Meter Quality
50049784	Principal, Meter Quality Analyst
50107211	Sr Administrator, Meter Operations
50270557	Lead, Operational Systems Analyst
50281530	Senior, Metering Systems Specialist
50297742	Lead, Meter Operations Project Manager
50305073	Principal, Meter Quality Analyst
50411320	Sr Manager, Metering Systems
50427008	SVP, Chief Operational Excellence Office
50516281	Director, Operational Systems
50551406	Lead, Operational Systems Analyst
50566912	Lead, Operational Systems Analyst
50589596	Lead, Operational Systems Analyst
51000167	Manager, Meter Operations
60000555	Sr Administrator, Meter Operations
60001076	Director, Operational Systems - Strategi
60001520	Lead, Operational Systems Analyst
60002002	Lead, Operational Performance Analyst
60002174	Sr Administrator, Meter Operations
60005332	Sr Director, Meter Operations
60006624	Senior, Metering Systems Specialist
60007232	Operational Systems Analyst
60007428	Sr Administrator, Meter Operations
60007474	Lead Administrator, Meter Operations
60002282	Lead, Compliance & Ethics
60003730	Principal, Compliance & Ethics
60006333	VP, Chief Compliance, Ethics & Privacy C
60009842	Counsel, Compliance
50441512	Director, Technology Governance
60009590	Principal, Finance
60006262	Director, Finance
3018540	Director, Water Quality & Environmental
60000303	Director, Water Quality & Environmental
60008846	Lead, Water Quality & Environmental Comp
60002536	Director, Source Water Protection
50349620	FRCC Coordinator
50377972	FRCC Coordinator
3017512	Sr Manager, HR Information Systems

50457781	Manager, Digital HR Administration
60003720	HR Systems Analyst
60007800	Sr Administrator, HR Systems
60009105	Sr Administrator, HR Systems
60010387	Lead, HR Data Analyst
60003597	Sr Coordinator, Facilities
60005698	Supervisor, Mailroom Operations
60007973	Coordinator, Mailroom Operations
60008387	Coordinator, Mailroom Operations
60008502	Coordinator, Facilities
60009744	Director, Facilities
60010368	Manager, Facilities
60005635	Procurement Specialist
60002242	Director, Supplier Engagement and Develo
50220148	Principal, Procurement
50248959	Director, Supply Chain - Strategic Progr
60000898	Sr Manager, Procurement
60001071	Director, National Categories, Corporate
60003039	Sr Manager, National Categories
60005777	Procurement Specialist
60006355	Senior, Procurement Specialist
60007339	Senior, Procurement Specialist
60007537	Senior, Procurement Specialist
60008902	Procurement Specialist
60009009	Associate, Procurement Specialist
60009075	Senior, Procurement Specialist
60009369	Senior, Procurement Specialist
60009670	Associate, Supply Chain Analyst
60009711	Procurement Specialist
60009791	Lead, Procurement Specialist
60010401	Associate, Supply Chain Analyst
60003110	Director, State Procurement
60007993	Procurement Specialist - Strategic Progr
50405288	Manager, Supply Chain Business Performan
60006113	Senior, Contract Analyst
60009191	Supply Chain Business Intelligence Analy
60010459	Supply Chain Business Intelligence Analy
60010352	Principal, Procurement
60009313	Senior, Procurement Specialist
60009978	Senior, Procurement Specialist
60001743	Lead, Procurement Specialist - Strategic
60001167	Manager, Inventory & Investment Recovery
60006529	Inventory & Investment Recovery Analyst
60003675	Paralegal

50423515	Sr Coordinator, Legal Operations
60000348	VP, Chief Rates & Regulatory Counsel
60006179	Counsel, Rates & Regulatory
60008260	Sr Counsel, Rates & Regulatory
60008394	Counsel, Rates & Regulatory
60009262	Counsel, Rates & Regulatory
50604492	Principal, Business Process Specialist
51000182	Associate, Business Process Analyst
60010557	Director, Technology Management
60001331	SVP, Chief SEC Counsel & Corp Secretary
60006707	Sr Counsel, SEC
60010490	Senior, Governance Analyst
3016378	Workforce Planning Coordinator
3016788	Workforce Planning Coordinator
3017165	Associate, Trainer
3018007	Learning Coordinator, CSO
50053128	Associate, Trainer
50057144	Workforce Planning Coordinator
50113909	Analyst, Customer Business
50198894	Quality Assurance Coordinator
50198913	Quality Assurance Coordinator
50198958	Instructional Design Specialist
50202870	Trainer
50399062	Workforce Planning Coordinator
51000398	Quality Assurance Coordinator
60000577	Quality Assurance Coordinator
60002930	Quality Assurance Coordinator
60006948	Manager, Workforce Management
60007988	Quality Assurance Coordinator
60008766	Manager, Learning, Development & Quality
60008838	Director, Customer Care
60010076	Workforce Planning Coordinator
3016862	Senior, Customer Business Analyst
50276499	Senior, Customer Business Analyst
50582251	Director, Customer Accounts
60000785	Senior, Customer Business Analyst
60008688	Senior, Enterprise Risk Analyst
60006759	VP, ERM & Insurance
60002204	Sr Manager, Data Strategy - Strategic Pr
3011642	Executive Assistant, CEO
60007332	President and CEO
18505752	VP, Fleet
60000613	Director, Fleet
60006237	Fleet Operations Specialist

60006973	Fleet Operations Specialist
60007028	Fleet Operations Specialist
60007978	Fleet Operations Specialist
60008397	Manager, DOT Compliance
60009948	DOT Compliance Specialist
60009990	Fleet Operations Analyst
60009991	DOT Compliance Specialist
60010240	Manager, Fleet Operations
50328938	Sr Manager, Operational Performance
50418815	Lead, Operational Performance Analyst
50652208	Lead, Operational Performance Analyst
60000559	Lead, Operational Analytics
60002255	Sr Manager, Operational Performance
60008011	Director, Operational Performance & Plan
60007039	VP, Employment & Labor Law Counsel
60009458	Counsel, Employment & Labor
60006781	Sr Director, Finance
28007648	Director, Operational Training
50204331	Senior, Operational Training Instructor
50258699	Senior, Operational Training Instructor
50355350	Senior, Operational Training Instructor
50397145	Sr Manager, Operational Training
50616321	Sr Manager, Operational Training
51000779	Lead, Operational Training Program Manag
60000856	Senior, Operational Training Instructor
60001464	Senior, Operational Training Instructor
60002275	Lead, Operational Training Program Manag
60002373	Senior, Operational Training Instructor
60003195	Senior, Operational Training Instructor
60003722	Senior, Operational Training Instructor
60005746	Senior, Operational Training Instructor
50036510	Principal, Business Continuity
50042211	Sr Manager, Reliability Engineering
50112416	Senior, Reliability Engineering Analyst
50115035	Manager, Reliability Engineering
50502025	Senior, Reliability Engineering Analyst
50520778	VP, Operational Advisory Services
50541813	Senior, Reliability Engineering Analyst
51001178	Principal, Water Operations Advisor
60005334	Principal, Business Continuity
60006360	Principal, Wastewater Operations Advisor
3016239	Sr Director, Customer Operations - Strat
10000072	VP, Operations - Strategic Programs
26000078	Lead, Billing - Strategic Programs

50271950	Director, Business Performance - Strateg
50303423	Sr Director, Financial Services - Strate
50305313	VP, Operations - Strategic Programs
60001449	Sr Manager, Operations - Strategic Progr
60001605	Director, Business Performance - Strateg
60005401	Sr Director, Organizational Change Manag
60006750	Operations Specialist - Strategic Progra
60007746	Lead, Human Resources Business Partner -
60009406	VP, Strategic Programs
60009414	Lead, Organizational Change Management -
60009677	Principal, Organizational Change Managem
60009811	Director, Finance - Strategic Programs
60010243	Lead, Communications - Strategic Program
60010349	Principal, Internal Controls & Complianc
60010397	Senior, Business Process Owner - Strateg
50550377	Principal, Water Quality Programs
60002900	VP, Water Quality & Environmental Compli
60009936	Director, Operational Compliance & Risk
60008784	Lead, Operational Compliance
50646256	Director, Operations
60000244	Sr Director, GIS
60000850	Sr Manager, Regional GIS
60001310	Lead, GIS Specialist
60001389	Sr Manager, Regional GIS
60002064	Lead, GIS Specialist
60003407	Sr Manager, GIS Technical
60005284	Lead, GIS Specialist
12004324	Manager, GIS
60005295	GIS Specialist
60009026	GIS Specialist
60009038	Sr Technician, GIS
60010596	Technician, GIS
50043538	Lead, Project Manager Business Integrati
50653181	Sr Manager, Operational Technology (regi
60002239	Senior, Eng Automation & Controls (SCADA
60005792	Senior, Eng Automation & Controls (SCADA
60006293	Director, Operational Technology
60006881	Senior, Technology Field Services Specia
60006996	Senior, Technology Field Services Specia
50392907	Lead, Technologist
51000192	Senior, Technology Field Services Specia
60001403	Manager, Technology Field Services
60003600	Senior, Technology Field Services Specia
60006451	Senior, Technology Field Services Specia

60007641	Senior, Technology Field Services Specia
50477607	Lead, Physical Security Specialist
50654047	Sr Manager, Physical Security
60001695	Senior, Physical Security Specialist
60005909	Associate, Business Process Analyst
17003437	Senior, Eng Automation & Controls (SCADA
50012119	Manager, Automation & Controls (SCADA)
60005908	Senior, Eng Automation & Controls (SCADA
60010280	Senior, Eng Automation & Controls (SCADA
60010541	Senior, Eng Automation & Controls (SCADA
3001971	Sr Manager, Technology Field Services
50575289	Senior, Technology Field Services Specia
51000264	Senior, Technology Field Services Specia
60001552	Lead, Technology Field Services
60005804	Supervisor, Integrated Operations Center
60009428	Senior, Technology Field Services Specia
60010035	Senior, Technology Field Services Specia
60000527	Lead, Physical Security Specialist
60005309	Supervisor, Customer Advocacy
60009163	Sr Representative, Customer Advocacy
50484138	Sr Supervisor, Operations
60001152	Director, Customer Advocacy
60010002	Sr Representative, Customer Advocacy
60003471	Principal, Organizational Change Managem
50198714	Sr Principal, Environmental Policy & Pla
60005168	Principal, Environmental Sustainability
60005267	Sr Counsel (TN, KY, IN)
60010269	VP, General Counsel
60010273	Counsel (TN, KY, IN)
60005038	Principal, Program Manager
60010806	Lead, Employee & Labor Relations Busines
60010637	Senior, Compensation Analyst
60010726	Senior, Digital Media Specialist
60010811	External Affairs Specialist
60010821	Intern Admin
60010902	External Affairs Specialist
3002816	Sr Director, Engineering Technical Servi
60008235	Principal, Electrical Engineer
60010671	Director, Engineering Design
60010590	Intern Ops
60010650	Senior, Scientist
60005574	Senior, Engineering Project Manager
60008689	Principal, Planning Engineer
60010579	Intern Ops

50323981	Lead, Engineering Project Manager
51000488	Lead, Business Process Specialist
60010912	Associate, Cash Management Specialist
60010915	Associate, Cash Management Specialist
28007583	Sr Director, Rates & Regulatory
60009579	Lead, Regulatory Analyst
60010625	Principal, Rates & Regulatory
60010784	Lead, Regulatory Analyst
60007093	Principal, Acquisitions Modeling
60001514	Director, Artificial Intelligence
60010830	Lead, Technologist
60002576	Senior, Technologist
60007000	Senior, Software Engineer
60010823	Lead, Technologist
50424631	Sr Manager, Engineering Planning
50584104	Lead, Acquisitions Integration Project M
60003828	Senior, Acquisitions Integration Project
60010675	Intern Ops
60010767	Lead, Corporate Business Development Spe
60010805	Sr Manager, Financial Controls and Compl
60010816	Intern Admin
60010817	Intern Admin
60010907	Accountant
60009693	Sr Manager, Acquisitions Modeling
60010714	Lead, Operations & Compliance Auditor
60010828	Senior, Capital Markets Analyst
60010658	Senior, Tax Accountant
60010696	Counsel, SEC
60010648	Intern Ops
60010684	Financial Analyst
60002441	Analyst, Customer Business
60003360	Analyst, Customer Business
50452237	Sr Administrator, Meter Operations
60007898	Director, Water Quality & Environmental
60010639	Senior, LIMS Administrator
51000271	VP, Treasurer
60010713	Intern Ops
60006966	Lead, Supplier Engagement and Developmen
50075099	Director, Supply Chain Support
60010116	Senior, Procurement Specialist
60007995	Associate, Supply Chain Analyst
50655782	Quality Assurance Coordinator
60010764	CCATRAIN
50493791	Director, Enterprise Risk

60010544	Operator, Integrated Operations Center
60002865	Manager, Fleet Capital Program
60009925	Sr Coordinator, Fleet Systems
60009947	DOT Compliance Specialist
3017576	Principal, Data - Strategic Programs
50607544	Lead, Operational Performance Analyst
60001047	Lead, Operational Performance Analyst
60001254	Lead, Operational Analytics
60007043	Lead, Operational Performance & Planning
60003685	Senior, Program Manager
60003725	Lead, Program Manager
60006440	Lead, Talent Development Business Partne
60008953	Operations Specialist - Strategic Progra
60010272	Principal, Process Architect - Strategic
60010346	Lead, Employee & Labor Relations Busines
60008462	Senior, Paralegal
60008952	Lead, Technologist
50396021	Lead, Physical Security Specialist
50085802	Manager, Technology Field Services
60001422	Sr Manager, Operational Technology (regi
60007840	Lead, Technologist
60010656	Eng Automation & Controls (SCADA)
60010807	Technologist - Operational Technology
50408293	Lead, Physical Security Specialist
60010150	Sr Representative, Customer Advocacy
60007889	Analyst, Customer Business

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

3. Refer to the Application generally. Provide the following information for Kentucky American's salaried employees, as well as all salaried employees whose costs are allocated to Kentucky American, and separate each response by company/utility.
   a. Provide the position, title, and salary for each salaried employee for the years 2021 – 2026.
   b. Provide the average raise that the salaried employees received, or will receive, for the years 2021 – 2026. Ensure to explain whether the annual raise is directly connected to a performance review.
   c. Provide the average bonus that each salaried employee received, or will receive, for the years 2021 - 2026.
   d. Provide all awards given to the salaried employees for the years 2021 – 2026.
   e. Provide all vehicle allowances given to the salaried employees for the years 2021 – 2026.
   f. Provide all incentive compensation given to the salaried employees for the years 2021 – 2026.
   g. Provide the average raise, if known, which will be given to salaried employees for 2027.
   h. Provide a detailed explanation of the insurance benefits provided to the Company's salaried employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by the Company's salaried employees, premiums paid by the Company or parent company on the salaried employees' behalf, as well as all copays, deductibles, and maximum out of pocket amounts.
   i. Provide a detailed explanation of the retirement benefits provided to the Company's salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.
   j. Explain whether any of the salaried employees are members of a union.

Response:

   a. Please refer to KAW_R_AGDR1_NUM002_062626_Attachment _CONFIDENTIAL for the listing of position titles and salaries for each Kentucky-American employee and all Service Company employees that allocated expense to Kentucky for the years 2021-2026, including salaried employees. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.
   b. Please refer to the table below for the average merit increase provided to Kentucky-American salaried employees and all Service Company employees for the years for the years 2021-2026. The Company issues merit increases based on a performance review of each employee.

Kentucky-American					
2021	2022	2023	2024	2025	2026
3.04%	3.41%	3.41%	4.20%	4.01%	3.86%

Service Company					
2021	2022	2023	2024	2025	2026
3.11%	3.20%	3.30%	3.94%	4.00%	3.75%

c. Please see below for the average referral, discretionary and sign-on bonuses for Kentucky-American and Service Company salaried employees.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$0	$0	$1,519	$3,024	$5,212	$0

Service Company					
2021	2022	2023	2024	2025	2026
$164	$208	$237	$143	$212	$141

d. Please see below for the total awards paid to Kentucky-American and Service Company salaried employees.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$6,500	$6,661	$15,300	$2,000	$5,000	$17,000

Service Company					
2021	2022	2023	2024	2025	2026
$7,133	$8,527	$10,016	$6,162	$15,359	$14,562

e. No vehicle allowances were given to Kentucky-American salaried employees or employees that allocate costs to Kentucky-American during the time period specified.

f. Please refer to the table below for performance-based compensation payments to KAWC salaried employees. Please refer to KAW_R_AGDR1_NUM002_062626_Attachment_CONFIDENTIAL for the Service Company performance pay paid to employees that was allocated to Kentucky-American, including salaried employees. The attachment is confidential and is being provided pursuant to a petition for confidential protection.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$327,037	$366,842	$383,763	$395,798	$471,264	$551,109

g. Merit increases for salaried employees in the forecasted test year of 2027 are 3.89% and 3.9% for KAWC employees and shared services employees respectively.
h. Please refer to the Company's responses to KAW_R_PSCDR1_NUM032 and KAW_R_PSCDR1_NUM033.
i. Please refer to the Company's response to KAW_R_PSCDR1_NUM034.
j. Salaried employees are not members of a union.

KENTUCKY-AMERICAN WATER COMPANY
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Witness: Robert Prendergast

4. Refer to the Application generally. Provide the following information for Kentucky American's non-salaried employees, as well as for all non-salaried employees whose costs are allocated to Kentucky American, and separate each response by company/utility.
   a. Provide the position, title, and wages for each non-salaried employee for the years 2021 – 2026.
   b. Provide the average raise that the non-salaried employees received, or will receive, for the years 2021 – 2026. Ensure to explain whether the annual raise is directly connected to a performance review.
   c. Provide the average bonus that the non-salaried employees received, or will receive, for the years 2021 – 2026.
   d. Provide all awards given to the non-salaried employees for the years 2021 – 2026.
   e. Provide all vehicle allowances given to the non-salaried employees for the years 2021 – 2026.
   f. Provide all incentive compensation given to the non-salaried employees for the years 2021 – 2026.
   g. Provide the average raise, if known, which will be given to non-salaried employees for 2027.
   h. Provide a detailed explanation of the insurance benefits provided to the Company's non-salaried employees, including but not limited to health, dental, vision, life insurance, etc. Ensure to include all premiums paid by the Company's non-salaried employees, premiums paid by the Company or parent company on the non-salaried employees' behalf, as well as all copays, deductibles, and maximum out of pocket amounts.
   i. Provide a detailed explanation of the retirement benefits provided to the Company's non-salaried employees, including but not limited to, whether there is a defined benefit plan, 401(k) matching, etc.
   j. Explain whether any of the non-salaried employees are members of a union.

Response:

a. Please refer to KAW_R_AGDR1_NUM002_062626_Attachment _CONFIDENTIAL for the listing of position titles and salaries for each Kentucky-American employee and all Service Company employees that allocated expense to Kentucky for the years 2021-2026, including non-salaried employees. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.
b. Please refer to the table below for the average merit increase provided to Kentucky-American non-salaried employees for the years 2021-2026. The Company issues

merit increases based on a performance review of each employee. For union non-salaried employees, increases are based on collective bargaining agreements. Please note that the Service Company non-salaried employees contract expires September 2026, thus the 2026 merit increase below was projected consistent with the 2024 and 2025 merit increases.

Kentucky-American					
2021	2022	2023	2024	2025	2026
3.54%	2.99%	2.90%	4.13%	3.68%	4.22%

Service Company					
2021	2022	2023	2024	2025	2026
3.00%	2.75%	2.75%	2.60%	2.60%	2.60%

c. Please see below for the average referral, discretionary and sign-on bonuses for Kentucky-American and Service Company non-salaried employees.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$1,426	$1,585	$1,563	$2,145	$3,376	$1,838

Service Company					
2021	2022	2023	2024	2025	2026
$79	$424	$58	$0	$106	$66

d. Please see below for the total awards paid to Kentucky-American and Service Company non-salaried employees.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$6,204	$3,750	$9,850	$8,333	$8,577	$43,550

Service Company					
2021	2022	2023	2024	2025	2026
$170	$761	$348	$439	$657	$53

e. No vehicle allowances were given to Kentucky-American non-salaried employees or employees that allocate costs to Kentucky-American during the time period specified.

f. Please refer to the table below for performance-based compensation payments to KAWC non-salaried employees. Please refer to KAW_R_AGDR1_NUM002_062626_Attachment1_CONFIDENTIAL for the Service Company performance pay paid to employees that was allocated to Kentucky-American, including non-salaried employees. The attachment is confidential and is being provided pursuant to a petition for confidential protection.

Kentucky-American					
2021	2022	2023	2024	2025	2026
$388,900	$375,118	$474,500	$567,745	$653,511	$707,312

g. The average raise in 2027 for non-salaried employees who are members of a union is negotiated at 3.00% per the union contract. Merit increases for non-union non-salaried employees in the forecasted test year of 2027 are 3.89%.
h. Please refer to the Company's responses to KAW_R_PSCDR1_NUM032 and KAW_R_PSCDR1_NUM033.
i. Please refer to the Company's response to KAW_R_PSCDR1_NUM034.
j. Some of the non-salaried employees are members of a union.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast & William A. Lewis

5. Refer to the Application generally. Explain whether any vacant position costs are included in the proposed revenue requirement. If so, provide the job title, salary/wage/benefit amounts, necessity of the position, date the job was created and vacated, explanation as to why the position is currently vacant, and an estimated date as to when the position will be filled. Provide updates during the pendency of the case.

Response:

Yes, compensation for a full complement of employees is included in the revenue requirement as explained in the response to AG 2-38. Please also see KAW_R_AGDR1_NUM005_062626_Attachment_CONFIDENTIAL. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.

CONFIDENTIAL INFORMATION REDACTED

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM005_062626_Attachment_CONFIDENTIAL

Job Title	Salary	Taxes	Benefits	Group Insurance	Total Compensation	Hire Date/ Planned Hire Date	Period of vacancy	Reason for vacancy	Organizational need
Treatment Plant Operator	[redacted]					12/31/2026	11/24/2025	EE turnover and Union Bidding Cycle	Required staffing for water treatment plant operations
Utility						6/3/2026	3/9/2026	EE turnover and Union Bidding Cycle	Required staffing to support field operations maintenance and emergency services at current asset, compliance, and customer levels
Utility						6/29/2026	3/19/2026	EE turnover and Union Bidding Cycle	Required staffing to support field operations maintenance and emergency services at current asset, compliance, and customer levels
Utility						12/31/2026	6/15/2026	EE turnover and Union Bidding Cycle	Required staffing to support field operations maintenance and emergency services at current asset, compliance, and customer levels
Utility Water Conservation						12/31/2026	4/13/2026	EE turnover and Union Bidding Cycle	Required to support unaccounted for water reduction program
Meter Reader						12/31/2026	5/15/2026	EE turnover and Union Bidding Cycle	Required to support current water meter reading requirements
Sr Admin, Operations Services						12/31/2026	7/1/2023	EE Retirement	Required to meet reporting and compliance requirements for treatment operations
Sr Operator, Water Treatment						12/31/2026	12/31/2025	EE Retirement	Required staffing for water treatment plant operations
Sr Operator, Water Treatment						12/31/2026	6/25/2025	EE turnover	Required staffing for water treatment plant operations
Sr Operator, Water Treatment						12/31/2026	6/25/2025	EE turnover	Required staffing for water treatment plant operations
Sr Technician, Maintenance Services						6/30/2026	6/24/2024	EE Promotion	Required to support maintenance and repair of water treatment plants and pumping stations
Manager, Engineering Project Delivery						12/31/2026	2/3/2025	EE Promotion	Required to support capital project delivery
Sr Manager, Treatment						12/31/2026	12/5/2025	EE turnover	Required to provide overall treatment and pumping operations management. All treatment, pumping and storage related employees report to this position
Lead Coordinator, Stores & Inventory						6/30/2026	3/16/2026	EE Promotion	Required to manage state-wide material inventory program for operations and capital programs
Supervisor Field Operations						6/8/2026	04/13/26	EE Promotion	Required management to oversee current level of frontline field personnel
Superinterndent, Treatment						6/22/2026	4/13/2026	EE Promotion	Required to manage water and/or wastewater system operations
Sr Technician Water Quality						12/31/2026	05/08/26	EE turnover	Required to support current water quality and environmental requirements including lead and copper program
Treatment Plant Operator						12/31/2026	05/01/26	EE turnover and Union Bidding Cycle	Required staffing for water treatment plant operations
Crew Leader						12/31/2026	4/2/2026	EE turnover and Union Bidding Cycle	Required field crew leadership position responsible for leading work crews in the field
Crew Leader						12/31/2026	2/1/2026	EE turnover and Union Bidding Cycle	Required field crew leadership position responsible for leading work crews in the field

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

6. Refer to the Application generally. Identify the utility(ies) that provides electric service to Kentucky American's service territory.

Response:

Utilities that provide electric service to Kentucky-American Water Company are:

Jackson Energy Cooperative
Kentucky Utilities Company
Owen Electric Cooperative, Inc.

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

7. Refer to the Application, page 2, paragraph 4 and page 3, paragraph 9. Kentucky American states that it is requesting an increase in rates because its existing rates for water service do not afford the Company the opportunity to recover its reasonable operating costs or to earn a just and reasonable rate of return on the investments made since the rates approved in the Company's last rate case.

   a. The Company states that it is requesting approximately $17.68 million of a rate increase in the pending case. Provide the exact rate increase that Kentucky American is requesting in the pending case without rounding. Also, provide citations to the record as to where this specific number can be found.

   b. Confirm that Kentucky American was provided a rate increase for water service of $18,200,097 on December 16, 2025,[1] in Case No. 2025-00122. If not confirmed, explain in detail why not.

   c. Confirm that Kentucky American filed the notice of intent for the pending rate increase request on April 16, 2026. If not confirmed, explain in detail why not.

   d. Confirm that there were exactly four months between the rate increase awarded to Kentucky American in Case No. 2025-00122, and the notice of intent to file for a new rate increase request in the pending rate case, Case No. 2026-00094. If not confirmed, explain in detail why not.

   e. Based upon the final rate increase granted in the December 16, 2025 Final Order in Case No. 2025-00122, provide the monthly dollar amount and percentage increase for the residential customer using the average amount of water, as well as the total bill for the average residential customer before the rate increase and after the rate increase in Case No. 2025-00122.

   f. Confirm that Kentucky American was provided a rate increase for water service of $10,606,517 on May 3, 2024,[2] which was increased on rehearing to $17,335,374 on

[1] Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order, page 66.
[2] Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 46.

November 6, 2024, in Case No. 2023-00191.[3] If not confirmed, explain in detail why not.

g. Confirm that Kentucky American was provided a rate increase for water service on June 27, 2019, of $13,399,178 (Final Order, page 67), but in the Appendix A of said Final Order it showed an impact on revenue of $13,399,169.[4] If not confirmed, explain in detail why not.

h. Confirm that Kentucky American was provided a rate increase for water service of $6,475,000 on August 23, 2016.[5] If not confirmed, explain in detail why not.

Response:

a. The Company is requesting a $17,684,459 revenue increase. This increase can be found in KAW_APP_EX37A_051526 and KAW_APP_EX37C_051526.

b. Confirmed.

c. Denied. Kentucky-American filed the notice of intent for the pending rate case on April 15, 2026.

d. Kentucky-American received the Final Order from Case No. 2025-00122 on December 16, 2025, and filed its notice of intent to file for a new rate case in the pending case, Case No. 2026-00094, on April 15, 2026. There are 120 days between the two dates.

e. Based upon the final rates granted in the December 16, 2025 Final Order in Case No. 2025-00122, the average residential bill went from $48.96 to $50.90 or a 3.96% increase on a monthly basis. On an annual basis, the average residential customer's bill went from $587.52 to $610.80, also a 3.96% increase.

f. Confirmed.

g. Kentucky American was granted a rate increase for water service of $13,399,169 on June 27, 2019.

h. Confirmed.

[3] Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC Nov. 6, 2024), Rehearing Order, page 13.
[4] Case No. 2018-00358, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC June. 27, 2019), Order, page 67.
[5] Case No. 2015-00418, *Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Aug. 23, 2016), Order, page 3.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Chuck Rea, William A. Lewis

8. Refer to the Application, unnumbered page 1, paragraph 2, in which Kentucky American states that it provides water service to the Central Division, consisting of Bourbon, Clark, Fayette, Harrison, Jessamine, Nicholas, Scott, and Woodford Counties; its Northern Division, consisting of Gallatin, Owen, Grant, and Franklin Counties; and, the Southern Division, consisting of Rockcastle and Jackson Counties. Kentucky American further asserts that based upon the filing of the Application, the company is involved in transactions that may result in it becoming engaged in the distribution of sale of water in Bell, Harlan, and Hickman Counties.
   a. Provide a detailed account of all economic issues that the Company's customers in the above-referenced counties are combating at the present time.
   b. Provide Kentucky American's actual number of customers for 2020 – 2026, using the most updated data.
   c. Explain in detail whether Kentucky American projects a future gain or loss of water customers, and provide copies of all projections concerning the same.
   d. Provide Kentucky American's total annual water sales for the years 2020 – 2026, using the most updated data.
   e. Explain whether Kentucky American expects annual water sales to increase or decrease, and provide copies of all projections concerning the same.
   f. Based upon the most recent United States Census information, the poverty rates for Kentucky American's water service area are as follows:

   <u>Current Water Service Area</u>

   Bourbon County – 13.9%,
   Clark County – 14.1%,
   Fayette County – 12.7%,
   Harrison County – 15.5%,
   Jessamine County – 12.6%,
   Nicholas County – 16.2%,
   Scott County – 8.8%,
   Woodford County – 9.7%,
   Gallatin County – 12.6%,
   Owen County – 13.9%,
   Grant County – 13.5%,
   Franklin County – 12.3%,
   Rockcastle County – 21.8%,
   Jackson County – 22%,
   <u>Potential Water Service Area</u>
   Bell County – 31.8%,
   Harlan County – 29.4%,

Hickman County – 18.9%.[6]

Confirm that Kentucky American is aware of the above percentages of its water customers/potential water customers who live at or below the poverty line.

g. Provide an update as to the merger with Water Service Corporation of Kentucky, including but not limited to: the date of the finalization of the merger; copy of all merger documentation; when Kentucky American will begin providing water service to the customers in Bell, Harlan, and Hickman Counties, how Kentucky American proposes to handle the rates of the new customers (i.e. leave the rates as is or unify the rates), etc. Consider this a continuing request during the pendency of the case.
h. Provide an update as to the merger with the City of Livingston, including but not limited to: the date of the finalization of the merger; copy of all merger documentation; when Kentucky American will begin providing water service to the customers in the City of Livingston; how Kentucky American proposes to handle the rates of the new customers (i.e. leave the rates as is or unify the rates), etc.
i. Provide an update as to the merger with Black Mountain Utility District, including but not limited to: the date of the finalization of the merger; copy of all merger documentation; when Kentucky American will begin providing water service to the customers of Black Mountain Utility District, how Kentucky American proposes to handle the rates of the new customers (i.e. leave the rates as is or unify the rates), etc. Consider this a continuing request during the pendency of the case.

Response:

a. Economic issues facing many Kentuckians are well documented. As examples, see the following:
   - https://fox56news.com/news/kentucky/unemployment-claims-are-growing-most-in-these-states-report/
   - https://kypolicy.org/affordability-is-a-crisis-for-kentuckians/
   - https://www.nku.edu/academics/cob/centers/cead.html

b. Please refer to the file labeled "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support" within the "Revenues" section of the .zip file included with the response labeled "KAW_R_PSCDR1_NUM001."
   Within this file, please refer to the 'KYAW' tab, which includes actual customer count information beginning in 2008 and ending in 2026. Monthly customer counts by class starting with January 2020 begin in cell E150 of the 'KYAW' tab. Monthly total customer counts starting with January 2020 begin in cell AE150 of the 'KYAW' tab.
c. The Company projects a future gain of water customers in total year-over-year.

[6] https://www.census.gov/quickfacts/fact/table/nicholascountykentucky,jessaminecountykentucky,harrisoncountykentucky,fayettecountykentucky,clarkcountykentucky,bourboncountykentucky/PST045222; https://www.census.gov/quickfacts/fact/table/franklincountykentucky,grantcountykentucky,owencountykentucky,gallatincountykentucky,woodfordcountykentucky,scottcountykentucky/PST045222; https://www.census.gov/quickfacts/fact/table/hickmancountykentucky,harlancountykentucky,bellcountykentucky,jacksoncountykentucky,rockcastlecountykentucky/PST045224.

Please refer to the file labeled "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support" within the "Revenues" section of the .zip file included with the response labeled "KAW_R_PSCDR1_NUM001."

Within this file please refer to the 'KYAW' tab, which includes projected customer count information beginning in 2026 and ending in 2030. Projected annual customer counts by class, starting with the year 2026, begin in cell E305 of the 'KYAW' tab. Projected annual average customer counts, inclusive of all classes, starting with the year 2026, begin in cell AE305 of the 'KYAW' tab.

d. Please refer to the file labeled "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support" within the "Revenues" section of the .zip file included with the response labeled "KAW_R_PSCDR1_NUM001."
Within this file, please refer to the 'KYAW' tab, which includes billed usage information beginning in 2008 and ending in 2026. Annual billed usage by class starting with the year 2020 begins in cell F299 of the 'KYAW' tab. Annual total billed usage starting with the year 2020 begins in cell AF299 of the 'KYAW' tab.

e. The Company projects annual billed usage, inclusive of all classes, to increase year-over-year on a normalized basis.

Please refer to the file labeled "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support" within the "Revenues" section of the .zip file included with the response labeled "KAW_R_PSCDR1_NUM001."

Additionally, within this file, please refer to the 'KYAW' tab, which includes projected billed usage information beginning in 2026 and ending in 2030. Projected annual billed usage by class, starting with the year 2026, begins in cell F305 of the 'KYAW' tab. Projected annual billed usage, inclusive of all classes, starting with the year 2026, begins in cell AF305 of the 'KYAW' tab.

f. Yes. The Company has provided an extensive analysis of the affordability of water service in this case which includes estimating the number of customers whose household incomes fall within different percentages of Federal Poverty Level by zip code.

g. KAWC and Water Service Corporation of Kentucky closed its merger on June 1, 2026. At this time, KAWC assumed ownership and operations responsibility for both the City of Middlesboro (Bell) and City of Clinton (Hickman) water utility operations. The Company is proposing as a part of this rate case to move the rates of these customers to the proposed rates of Kentucky American Water Company customers. Please reference Case No. 2025-00171 for relevant merger documentation.

h. KAWC and the City of Livingston closed its acquisition on April 15, 2026. At this time, KAWC assumed ownership and operations responsibility for the City of Livingston (Rockcastle) water utility operations. The Company is proposing as a part of this rate case to move the rates of these customers to the proposed rates of Kentucky American Water Company customers. Please reference Case No. 2025-00364 for relevant acquisition documentation.

i. KAWC and the Black Mountain utility District (BMUD) executed an Asset Purchase Agreement (APA) on April 10, 2026, and the Company is requesting approval from

the Commission in Case No. 2026-00097. Assuming Commission approval, KAWC expects to close this acquisition by October 2026. At that time, KAWC will assume ownership and operations responsibility for the BMUD (Harlan) water utility operations. The Company is proposing as a part of this rate case to move the rates of these customers to the proposed rates of Kentucky American Water Company customers.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

9. Refer to the Application generally.

a. Provide a detailed explanation of all salary and benefits provided to the members of the Board of Directors during the years 2021 – 2026. Ensure to provide the salary amounts, and specific details regarding all benefit packages including but not limited to health, dental, vision, accidental death and disability, life insurance, bonuses, awards, vehicle allowances, and the like.
b. Provide the total amount of the Board of Directors' fees for the test year.
c. Provide a breakdown of the total amount of the Board of Directors' fees for the test year.
d. Discuss whether there will be any changes to the Board of Directors' salaries and/or benefit packages for 2026 or 2027.
e. When setting the Board of Directors' fees and benefits did Kentucky American review other similarly situated water companies' fees and benefits? If so, explain in detail the findings. If not, explain in detail why not.

Response:

a. The Board of Directors consists of five Internal (employed by KAWC) Directors and two External Directors who have no employment affiliation with the Company. The Internal Directors do not receive additional salary or benefits for their service on the Board of Directors. Each External Director receives an Annual Retainer and a Per Meeting Fee, but no additional benefits. There are four Board of Directors meetings per year. The below chart lists the Annual Retainer and Per Meeting fee received by each External Director during the years 2021 – 2026:

Year	Annual Retainer	Per Meeting Fee (x4)
2021	$5,000.00	$5,000.00
2022	$5,000.00	$5,000.00
2023	$2,500.00	$2,500.00
2024	$2,500.00	$2,500.00
2025	$2,500.00	$2,500.00
2026	$2,500.00	$2,500.00

b. The total amount of the Board of Directors' fees for External Directors (Retainer and Per Meeting Fee) for the test year in this case was $25,000.00.

c. Breakdown of the total amount of the Board of Directors' fees (Retainer and Per Meeting Fee) for the test year (2027) for External Directors:

	Amount x 2	**Total**
Annual Retainer	$2,500.00	$5,000.00
Per Meeting Fee Q1	$2,500.00	$5,000.00
Per Meeting Fee Q2	$2,500.00	$5,000.00
Per Meeting Fee Q3	$2,500.00	$5,000.00
Per Meeting Fee Q4	$2,500.00	$5,000.00
Total Board of Directors'	Fees for Test Year	**$25,000.00**

d. Kentucky-American does not currently plan to make any changes to the Board of Directors' retainer amounts or meeting fees for External Directors for 2026 or 2027.

e. Kentucky-American believes that the Retainer and Per Meeting Fee received by External Directors is reasonable given the size of the Company, governance responsibilities, and the experience and talent level desired.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

10. Refer to the Application generally. Provide the amount of Supplemental Executive Retirement Plan ("SERP") costs included in the test year expenses. Provide the amounts broken down between Kentucky American directly incurred costs and costs allocated separately from each other affiliate.

Response:

The Company has not requested recovery of any SERP expense in this proceeding.

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Mustich

11. Refer to the Application generally. Provide a copy of all formal studies conducted that compare Kentucky American's wage and benefit information to the local wage and benefit information for the geographic area in which Kentucky American operates. If no study exits, explain why not.

Response:

There are not comprehensive wage and benefits studies limited to Kentucky that capture a robust sample of comparable companies, comparable jobs that cover the majority of Kentucky American's jobs and employees, data that includes all components of Kentucky American's total remuneration program components (base salary, annual performance compensation, long-term performance compensation and benefits) and the market for talent.

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Witness: Robert Prendergast

12. Refer to the Application generally. Explain the current process of awarding wage/salary increases to salaried versus non-salaried and union versus non-union employees.

Response:

The Company may apply merit increases on an annual basis. The compensation team regularly reviews the salary structure to ensure alignment with the outside market. Employees must be hired into a non-union (salaried or hourly) position by September 30 of the prior year in order to be eligible for a merit increase during the annual year-end compensation process. Wage increases for union employees are based on their respective collective bargaining agreements.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

13. Refer to the Application generally. Has Kentucky American obtained and/or is the Company seeking any funds/grants from federal, state, or local sources which have been or will be made available? If so, identify the source and amount of those funds/grants. If not, and funds/grants are available for which the Company is eligible, explain why the Company is foregoing those opportunities.

Response:

No. KAWC has not nor currently intends to seek any funds/grants from federal, state, or local sources. As an investor-owned utility in Kentucky, KAWC is unaware of federal, state, or local grant funding to which it is eligible.

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

14. Refer to the Application generally.
    a. Explain whether Kentucky American has any utility office in Kentucky open for a customer to pay bills, obtain customer service, etc.
    b. If Kentucky American does not have any utility offices in Kentucky for a customer to pay bills, obtain customer service, etc. then explain whether the Commission granted Kentucky American a deviation from the applicable regulations.[7] If a deviation was granted then provide all of the corresponding case numbers regarding the same. If no deviation was granted, explain why a deviation from the regulations were not required.

Response:

    a. Yes, customer representatives are available at Kentucky American's office located at 2300 Richmond Road, Lexington, KY, Monday through Friday, 9 a.m. to 4 p.m.
    b. Not applicable.

[7] *See* 807 KAR 5:006, Section 14, https://apps.legislature.ky.gov/law/kar/titles/807/005/006/ (Requiring each utility to designate at least one representative to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office.); *See* 807 KAR 5:006, Section 23, https://apps.legislature.ky.gov/law/kar/titles/807/005/006/ (Requiring each utility to have system maps and records on file at its principal office located within the state.); *See* 807 KAR 5:006, Section 24, https://apps.legislature.ky.gov/law/kar/titles/807/005/006/ (Requiring all records pursuant to 807 KAR Chapter 5, to be kept in the office of the utility and made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.)

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

15. Refer to the Application generally. Provide a copy of each customer satisfaction survey that Kentucky American and/or its parent company, American Water, have been included in, such as the J.D. Power Customer Satisfaction Study, for 2025 and 2026.

Response:

American Water conducts the following customer satisfaction surveys. Please see KAW_R_AGDR1_NUM015_062626_Attachment_CONFIDENTIAL.

1. Residential NPS/Driver Study – A web-based relationship survey, conducted quarterly with residential customers. Includes both a Quality & Conservation module and a Communications module, fielded monthly.
2. Non-Residential NPS/Driver Study – A web-based relationship survey, conducted annually with non-residential customers.
3. Service Transaction Study – A web-based transaction survey, conducted daily. This survey measures customer satisfaction among customers with a recently completed service appointment.
4. Phone Transaction Study – A web-based transaction survey, conducted daily. This survey measures customer satisfaction among customers with a recently completed call to the call center.
5. Web Intercept Study – A web intercept survey that displays for MyWater users. This survey measures customer satisfaction with the web portal, MyWater.

American Water also subscribes to the syndicated J.D. Power Water Utility Residential Customer Satisfaction Study.

KAW_R_AGDR1_NUM15_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast, John Watkins

16. Refer to the Application generally. Provide a succinct list that identifies all proposed pro forma adjustments, the amount of each pro forma adjustment, along with a brief description of each adjustment.

Response:

Please refer to KAW_APP_EX37D_051526 as filed with Kentucky-American's application for the list of the proposed pro forma adjustments and brief descriptions.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / John Watkins

17. Explain in detail whether any expenses have been removed from the proposed rates for ratemaking purposes. Provide a detailed list of the removed expenses and explain why Kentucky American removed each expense from the rate case.

Response:

The following expense accounts were removed from the proposed rates for ratemaking purposes because the Company is not seeking recovery for these expenses.

Account Number	Account Name	Amount Removed	Direct/Allocated
50185000	Severance	$93,255	Direct
52514000	Charitable Contribution Deductible	87,889	Direct
52514100	Charitable Contribution Nondeductible	9,860	Direct
52567000	Relocation Expenses	6,041	Allocated
52503000	Advertising	0	Allocated
50630000	Pension Expense - SERP	8,825	Allocated
52556000	Lobbying Expenses	0	Allocated
75840000	Lobbying Expenses	0	Allocated
75815000	Donations Non-deductible	0	Allocated
52514000	Charitable Contribution Deductible	289	Allocated
52514700	Community Partnerships	212	Allocated
52515000	Community Relations - Events	39	Allocated
52522000	Community Relations	128	Allocated
52549000	Injuries and Damages	282	Allocated
52564000	Penalties Nondeductible	0	Allocated
53157000	Contract Services - Outplacement	0	Allocated

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

18. Refer to the Application generally. Explain in detail whether Kentucky American provides annual reports of any kind to the cities/counties that it operates in. Explain why or why not.

Response:

Kentucky-American files an annual report for its water and wastewater services to the Kentucky Public Service Commission (PSC) as required annually by March 31st. Those annual reports are available publicly on the Kentucky PSC website.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

19. Refer to the Application generally. Provide a list that identifies all miscellaneous costs for the test year, including but not limited to dinners (including all holiday dinners), gifts, donations, membership dues, annual meeting costs, etc. For each cost indicate whether it was removed from or included in the requested revenue requirement.

Response:

Kentucky-American did not forecast miscellaneous costs at a detail transaction level. Please see KAW_R_AGDR1_NUM019_062626_Attachment 1 for a listing of transaction details for the period of 01/01/2025 through 05/31/2026, which was the basis for the forecast year. Charitable Contributions and non-recurring costs were removed before calculating the forecast year amount.

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Witness: Robert Prendergast

20. Refer to the Application generally. Explain in detail whether there are any direct charges, allocated costs, surcharges, pass-through charges, etc., from American Water, a subsidiary of American Water, the Service Company, or any other entity, to Kentucky American. If so, provide a detailed list of the same with explanations for each allocated charge.

Response:

Please see KAW_R_PSCDR1_NUM021_Attachment 1 for a copy of the agreement between the Company and American Water Works Service Company, Inc. Please see "DT_Watkins_KY2026GRC" for the Direct Testimony of John Watkins and the services provided by American Water Capital Corp. ("AWCC"). Please see KAW_APP_EX35_051526 for information on Service Company, AWCC and American Water Insurance (AWI).

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Chuck Rea

21. Refer to the Application generally. Explain in detail whether Kentucky American provides any assistance program(s) for customers experiencing difficulty paying their water bills.

Response:

Yes, Kentucky American operates the H2O – Help to Others Program, which is presently administered by the Community Action Council for Bell, Bourbon, Clark, Fayette, Franklin, Gallatin, Grant, Harrison, Hickman, Jackson, Jessamine, Nicholas, Owen, Rockcastle, Scott, and Woodford counties. for income-eligible residential customers needing assistance. This CAC organization partners on behalf of the company with other Community Action organizations in the company's service area to provide application intake services. The program is funded by donations from Company shareholders and customers.

Residential customers qualify for assistance if funds permit and if they meet the following guidelines:

- Customer's total gross household income must be at or below 225% of the application year's Federal Poverty Income Guidelines.
- The customer must have paid at least $25 toward their water bill in the 180 days prior to applying for assistance.
- Customer must have a balance of at least $50 outstanding on account.

The maximum grant is $250 and qualifying customers may receive one grant per calendar year. Agencies may make exceptions in extreme situations. The Company may also adjust these guidelines on a temporary basis as funds permit.

The Company also offers budget billing and installment plans for customers experiencing difficulty paying their water bills.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

22. Refer to the Application generally. Identify fully any and all organizations to which Kentucky American pays dues and/or membership fees of any type or sort (hereinafter referred to as "Dues Requiring Organizations"), which engage in any one or more of the following activities (hereinafter "covered activities"):
    i. legislative advocacy, regulatory advocacy, and/or public relations;
    ii. advertising;
    iii. marketing;
    iv. legislative policy research; and/or,
    v. regulatory policy research.

    a. If so confirmed with regard to any one or more of these organizations, identify that organization and provide the amount of Kentucky American dues which that organization applies to covered activities, both in dollar terms and percentages of total dues.
    b. Explain whether all or any portion of said dues are excluded from the pending rate case.

Response:

a. Please refer to KAW_R_AGDR1_NUM022_062626_Attachment for the membership dues and fees the Company has paid to "Dues Requiring Organizations" engaged in the "covered activities". The Company does not have specific information on how organizations spend the dues they collect from the Company unless the invoice explicitly identifies how the dues will be allocated. However, utilizing the most recent available IRS Tax Form 990 for Tax Exempt Organizations, KAWC has determined a reasonable proxy amount for the top 3 organizations to which it pays dues and has applied it to dues paid to organizations that do not identify amounts attributable to covered activities. Please see the table below for additional detail.
b. No portion of the dues included in KAW_R_AGDR1_NUM022_062626_Attachment are excluded from the current rate case.

Form 990				
Lobbying $ and %		Dues	**Organization**	**2025**
3,867,206	55.6%	6,956,592	American Water Works Association/AWWA Amortizatio	16,355
447,575	11.9%	3,745,793	Kentucky Chamber of Commerce	12,050
22,809	1.8%	1,259,670	Commerce Lexington	6,278
			Other Organizations	13,323
			KY Environment Protect	3,252
average	**23.1%**		**Total**	**51,258**
			Removed KY environment protect	(3,252)
			Total Dues	**48,006**
			Lobbying %	23.1%
			Lobbying	**11,097**
			Dues	**36,909**

Organization	Engages in Advocacy/Image Building Activities?	Industry/Non-Industry	2021	2022	2023	2024	2025	YTD 2026
American Water Works Association/AWWA Amortization	Yes	Industry	18,669	14,734	14,289	16,898	16,355	7,961
Better Business Bureau	Yes	Non-Industry	825	850	-	-	-	-
Building Industry Association of Central Kentucky	Yes	Non-Industry	650	-	650	-	-	-
Central Kentucky Apartment Association	Yes	Non-Industry	510	371	360	-	360	-
Commerce Lexington	Yes	Non-Industry	6,214	5,862	5,862	5,862	6,278	6,404
Downtown Lexington Partnership	Yes	Non-Industry	2,500	2,500	1,250	1,250	2,575	2,500
Frankfort Area Chamber of Commerce	Yes	Non-Industry	1,050	1,050	-	-	1,145	-
Georgetown-Scott City Chamber of Commerce	Yes	Non-Industry	663	625	781	1,781	781	800
Jessamine County Chamber of Commerce	Yes	Non-Industry	550	-	-	-	-	-
Kentucky Association for Economic Development	Yes	Non-Industry	2,500	-	425	425	600	-
Kentucky Association of Counties	Yes	Non-Industry	-	-	-	-	2,500	-
Kentucky Association of Manufacturers	Yes	Non-Industry	1,320	-	-	-	-	-
Kentucky Association of Mapping Professionals	No	Non-Industry	25	75	55	50	-	-
Kentucky Chamber of Commerce	Yes	Non-Industry	10,653	11,713	11,050	9,240	12,050	13,585
Kentucky League of Cities	Yes	Non-Industry	2,650	1,042	2,500	1,500	-	-
Kentucky League of Cities Cornerstone Partnership	Yes	Non-Industry	2,650	-	2,500	1,500	1,500	-

Organization	Engages in Advocacy/Image Building Activities?	Industry/Non-Industry	2021	2022	2023	2024	2025	YTD 2026
Kentucky Rural Water Association (KRWA)	Yes	Industry	550	990	565	600	600	225
KY Environment Protect	No	Industry	1,803	15,234	2,472	13,946	3,252	10,918
Leadership LEX Alumni	No	Non-Industry	35	250	35	35	-	-
National Association of Water Companies (NAWC)	Yes	Industry	69,164	67,395	42,601	-	-	-
Owen County Chamber of Commerce	Yes	Non-Industry	600	600	622	-	622	622
Paris-Bourbon County Chamber of Commerce	Yes	Non-Industry	-	650	650	650	650	-
Public Relations Society of America (PRSA)	Yes	Non-Industry	620	310	352	352	669	-
Rockcastle Co Chamber of Comm	Yes	Non-Industry	100	100	100	100	100	100
Water Environment Federation (WEF)	Yes	Industry	-	-	-	-	201	201
Winchester Clark County Chamber of Commerce	Yes	Non-Industry	500	500	500	500	500	-
Woodford County Chamber of Commerce	Yes	Non-Industry	-	-	572	520	520	1,299
Total			**124,800**	**124,851**	**88,191**	**55,209**	**51,258**	**44,615**

Organization	Industry/Non-Industry	Purpose/Objective	Rate Payer Benefit
American Water Works Association	Industry	This organization works to advance the water utility industry through professional development, public awareness of key industry issues and topics, collaboration and knowledge sharing of best practices among its members, as well as industry research.	Supports ethical, professional standards for water professionals and water utilities that support quality of water service and quality of life in communities.
Better Business Bureau	Non-Industry	BBB's work helps set standards for marketplace trust, encourages best practices for businesses, helps address substandard business behavior.	Supports professional, ethical marketplace for consumers and the community at large.
Building Industry Association of Central Kentucky	Non-Industry	This organization provides continuing education to members, advocates for the building industry, supports professional standards, provides affordable home ownership.	Supports ethical, professional standards and efficient processes in building industry, which impacts quality of life in communities served.
Central Kentucky Apartment Association	Non-Industry	This organization advocaes for safe and affordable housing, educates members for the betterment of the rental housing industry, fosters good relationships with community leadership, monitors public policy related to rental housing.	Supports ethical, quality standards for the rental housing industry, translating into better quality of life for those who live in rental housing as well as for the community at large.
Commerce Lexington	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Downtown Lexington Partnership	Non-Industry	This organization supports programs and actvities to create a downtown Lexington that is a vibrant place to live, work and play, which in turn supports quality of life throughout the community and region.	Enhanced quality of life through the unique amenities that a vibrant downtown provides to the region.
Frankfort Area Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Georgetown-Scott City Chamber of Commerce	Non-Industry	Chambers of Commerce - These organizations support the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Jessamine County Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Kentucky Association for Economic Development (KAED)	Non-Industry	This organization is dedicated to advancing economic growth and prosperity across the Commonwealth.	Programs provided to economic development professionals help drive progress in communities throughout Kentucky.
Kentucky Association of Counties	Non-Industry	This organization provides resources and support for county governments to foster growth and prosperity in Kentucky's counties.	Supports better quality of life in communities through effective, efficient county services.
Kentucky Association of Mapping Professionals	Non-Industry	Supports training to advance the quality of work provided by mapping professionals.	Supports ethical, professional standards for mapping professionals, impacting the quality of their work product for multiple stakeholders in communities.
Kentucky Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for Kentucky.
Kentucky League of Cities Cornerstone Partnership	Non-Industry	This organization provides cities, leaders and their employees with a variety of services and programs, including professonal development, to enhance the operation of municipal governments across the Commonwealth.	Supports better quality of life in communities through effective, efficient city services.
Kentucky Rural Water Association (KRWA)	Industry	This organization fosters professionalism in the water industry through training, technical assistancre programs and advocacy.	Supports ethical, professional standards for water professionals and water utilities that support quality of water service and quality of life in communities.
KY Environment Protect	Industry	Supports training to advance the quality of work provided by water professionals.	Supports continuing education, competence, and training for water professionals resulting in higher quality service and community safeguards.
Leadership LEX Alumni	Non-Industry	Supports collaboration and professional development of emerging leaders in the community.	Strong community leadership translates into enhanced quality of life for the community.
Owen County Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Paris-Bourbon County Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Public Relations Society of America (PRSA)	Non-Industry	Supports training to advance the quality of work provided by public relations professionals.	Supports ethical, professional standards for communications professionals, impacting the quality of communications efforts impacting multiple stakeholders in communities.
Rockcastle Co Chamber of Comm	Non-Industry	Chambers of Commerce - These organizations support the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Water Environment Federation	Industry	Provides water quality professionals with the latest in water quality education, training and business opportunities.	Supports water quality professionals' efforts to protect public health and the environment.

Organization	Industry/Non-Industry	Purpose/Objective	Rate Payer Benefit
Winchester Clark County Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.
Woodford County Chamber of Commerce	Non-Industry	This organization supports the quality of life of communities by connecting, informing, developing and advocating for businesses.	Supports ethical, professional standards for businesses and economic prosperity for communities served.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

23. Refer to the Application generally. Explain whether Kentucky American pays any dues or membership fees to law firms or trade groups which maintain an affiliate engaged in any of the covered activities identified in the preceding question.
    a. If so, identify fully the law firm or trade group by name, the name of the affiliate engaged in any such activities, and the amounts Kentucky American paid to the law firm, trade group, or affiliate thereof for those activities.
    b. Explain whether Kentucky American is seeking recovery from ratepayers for any such sums identified in subpart (a) of this question.

Response:

a. Please see the file KAW_R_AGDR1_NUM022_062626_Attachment for a full list of organizations engaged in the "covered activities" as that phrase is defined in AG 1-22 and the amounts KAWC has paid those organizations. KAWC does not have sufficient information to know whether these organizations maintain affiliates or whether these affiliates are engaged in the "covered activities." KAWC does not pay dues to any law firms.
b. Kentucky-American is seeking recovery of dues in general but does not have access to information regarding affiliates of other organizations.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

24. Refer to the Application generally. If any affiliate of Kentucky American pays dues to one or more Dues Requiring Organizations, and a jurisdictional portion of those dues are charged back to Kentucky American, explain whether the dues are being recovered in rates, the amounts thereof, and precisely where they can be found in the Application.

Response:

American Water Service Company pays dues to certain organizations and a portion of those dues are allocated to KAWC. Those dues are included in Support Services Expense and can be found in KAWC 2026 Rate Case – Support Services Exhibit. The amount of allocated dues included in this application is $41,331.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

25. Refer to the Application generally. For all expenses associated in any manner with any Dues Requiring Organization and for which the Company seeks reimbursement from ratepayers:
    a. Provide a complete copy of all invoices received from each such Dues Requiring Organization since the conclusion of the Company's last water rate case;
    b. Provide any and all documents in the Company's possession that depict how each such Dues Requiring Organization spends the dues it collects from the Company, including the percentage that applies to all covered activities.
    c. Provide a detailed description of the services and benefits each Dues Requiring Organization provided to the Company since the conclusion of its most recent water rate case. Of these services and benefits, identify which ones accrue directly to ratepayers, and explain fully how.
    d. Explain whether any Company personnel actively participate on committees and/or perform any other work for any Dues Requiring Organizations or any other industry organization to which the Company belongs. If so:
        i. State specifically which employees participate, how they are compensated for their time (amount and source of compensation), and the purpose and accomplishments of any such association related work; and,
        ii. List any and all reimbursements received from industry associations for work performed for such organizations by the Company's employees.

Response:

a. Please see the file KAW_R_AGDR1_NUM025_062626_Attachment for a complete copy of all invoices received from each dues requiring organization since the conclusion of the last rate case.
b. The only documents available to Kentucky-American that may show how organizations spend the dues collected from the Company are the invoices provided in part a of this request and public records. Please see the response to KAW_R_AGDR1_NUM022_062626 for a proxy estimate of this information.
c. Please see the list below for a detailed description of the services and benefits provided by these dues requiring organizations since the last rate case. Additional information regarding dues requiring organizations can be found in KAW_R_AGDR1_NUM022_062626_Attachment.
    1. **American Water Works Association (AWWA) –** This organization works to advance the water utility industry through professional development, public awareness of key industry issues and topics, collaboration and knowledge sharing of best practices among its members, as well as industry research. The

advancement of water industry professionals and the industry in general benefits customers by ultimately supporting the provision of safe, quality, reliable, affordable water service.

2. **Chambers of Commerce (including Commerce Lexington which does not have "chamber" in its name but is, indeed, a chamber of commerce) –** These organizations support the quality of life of communities by connecting, informing, developing and advocating for businesses. Many, such as the Kentucky Chamber of Commerce and Commerce Lexington, for example, facilitate partnerships between businesses and the education sector which benefit workforce and economic development for the communities we serve. In addition, leadership development programs available to members, such as Leadership Lexington and Leadership Kentucky, provide unique opportunities for members' employees to develop their management and leadership skills further in order to be more effective in their current and future roles and more knowledgeable about the communities they serve.
3. **Downtown Lexington Partnership -** The DLP is an umbrella organization dedicated to the advancement of the downtown Lexington area. Akin to a chamber, this organization supports quality of life in the community by connecting, informing, developing and advocating for businesses in Lexington's downtown geographic area. The company's involvement in this organization supports quality of life not only for our customers located in the downtown area but also for customers who work or visit this area and provides a central way to connect with customers in the downtown area who may have unique needs.
4. **Kentucky Association for Economic Development (KAED) –** KAED has provided an opportunity for the company to connect with other companies and support economic development in our service area and the Commonwealth to promote quality of life for customers and general consumers.
5. **Kentucky Association of Mapping Professionals (KAMP) –** KAMP is a professional development organization dedicated to the advancement of those in the mapping industry. For Kentucky-American Water this has served as a professional development resource for those in our Engineering Department who work in the GIS/Mapping profession. For customers, this translates into quality digital maps that are used by our employees for more accurate, efficient activities as well as for our newer customer outreach efforts to provide better geographic indications of where field activities, such as system flushing, are being conducted.
6. **Kentucky League of Cities (KLC) –** KLC is focused on helping municipal leaders and employees advance the quality of life for their current and future citizens, and therefore, many of our customers. The company's membership in KLC assists us in better understanding the complexities of city management, connecting with city leaders and employees, and supporting an organization that has an impact on the level of professionalism in city organizations that

Kentucky American Water interacts with on a frequent basis due to the nature of our operations.

7. **Kentucky Rural Water Association (KRWA) –** Similar to AWWA, this organization works to advance the water utility industry with a specific focus on those water utilities serving rural communities in Kentucky. KRWA's efforts benefit customers by ultimately supporting the provision of safe, quality, reliable, and affordable service.
8. **Public Relations Society of America –** This organization supports training to advance the quality of work provided by public relations professionals. Customers benefit from greater trust, confidence, and communication with Kentucky-American employees.

d. Kentucky American Water employees are involved in dues-requiring organizations in the capacities listed below. They are not compensated by organizations for their involvement as these are voluntary efforts.
   i. Current status of employees as of June 16, 2026:

American Water Works Association (AWWA)
Communications and Outreach Committee: Susan Lancho
Safety Committee: Curt Dillon
Water Utilities Council: Andy Lewis
General membership involvement/access to continuing education credits: Charles Dick, Andy Lewis, Mike Maggard, Nathan Napier, Justin Sensabaugh, Mike Maggard, and Alicia Jacobs
Benefits: This industry organization hosts conferences and trainings, keeps members apprised of industry news and information, connects members to other water utility professionals, advocates for the industry to support quality water for communities.

Building Industry Association of Kentucky
General membership involvement: John Magner, Tyler Singer
Benefits: Provides continuing education and information on industry issues, provides opportunities to connect with those in the construction industry, promotes ethical and professional construction standards that support quality of life in communities.

Bourbon County Chamber of Commerce
General membership involvement: Susan Lancho
Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

Clark County Chamber of Commerce
General membership involvement: Susan Lancho
Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

Commerce Lexington
Board of Directors: Rob Burton

Public Policy Council: Susan Lancho, Matt Frey
Regional Leadership Council: Rob Burton
Leadership Lexington Alumni Association: Ellen Williams
Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

Kentucky Association of Mapping Professionals
Conference Planning Committee Chair and Past President: Charles Altendorf
Benefits: Promotes information sharing and continuing education for mapping professionals.

Kentucky Chamber of Commerce
Board of Directors: Rob Burton
Energy and Environment Policy Council: Susan Lancho
Leadership Kentucky Class to begin in Summer 2026: Mel Kimmel
Benefits: Membership provides opportunities to build relationships with other businesses and stakeholders across the state, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity across the Commonwealth.

Kentucky Rural Water Association
General membership involvement: Mel Kimmel
Benefits: This industry organization hosts conferences and trainings, keeps members apprised of industry news and information, connects members to other water utility professionals, advocates for the industry to support quality water for communities.

Georgetown-Scott County Chamber of Commerce
General membership involvement: Susan Lancho, Ellen Williams, Matt Frey
Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

Jessamine County Chamber of Commerce
General membership involvement: Mel Kimmel
Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

Owen County Chamber of Commerce
General membership involvement: Jeremy Dempsey, Bart Banks
Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

Public Relations Society of America
General membership involvement: Susan Lancho, Ellen Williams

Benefits: Promotes ethical, professional standards in public relations fields by providing professional development opportunities and best practice sharing.

Rockcastle County Chamber of Commerce

Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

General membership involvement: Charlie Dick

Woodford County Chamber of Commerce

General membership involvement: Ellen Williams, Susan Lancho

Benefits: Membership provides opportunities to build relationships with other businesses and community stakeholders, access educational resources (including leadership development programs), advocate for the business community, and support economic prosperity.

ii. No reimbursements are received from industry associations for work performed for such organizations by the Company's employees.

Organization	2025	YTD 2026	Page # in PDF
Kentucky Chamber of Commerce	12,050	13,585	Page #2
KY Environment Protect	3,252	10,918	Pcard
American Water Works Association/AWWA Amortization	16,355	7,961	Pcard/Amortized
Commerce Lexington	6,278	6,404	Page #3
Downtown Lexington Partnership	2,575	2,500	Page #4
Woodford County Chamber of Commerce	520	1,299	Page #5
Georgetown-Scott City Chamber of Commerce	781	800	Page #6
Owen County Chamber of Commerce	622	622	Page #7
Kentucky Rural Water Association (KRWA)	600	225	Page #8
Water Environment Federation (WEF)	201	201	Pcard
Rockcastle Co Chamber of Comm	100	100	Page #9
Central Kentucky Apartment Association	360	-	Pcard
Frankfort Area Chamber of Commerce	1,145	-	Pcard
Kentucky Association for Economic Development	600	-	Pcard
Kentucky Association of Counties	2,500	-	Pcard
Kentucky League of Cities Cornerstone Partnership	1,500	-	Pcard
Paris-Bourbon County Chamber of Commerce	650	-	Pcard
Public Relations Society of America (PRSA)	669	-	Page #10
Winchester Clark County Chamber of Commerce	500	-	Pcard
Total	**51,258**	**44,615**	

Kentucky Chamber
Uniting Business. Advancing Kentucky.
464 Chenault Road Frankfort, KY 40601

Membership Renewal - Invoice No. 17672026

Date: 12/10/2025
Original Join Date: 12/01/1962
Membership Dates: 02/01/2026 - 01/31/2027

KCC Federal Tax ID: 61-0405718

Ms. Sharon Miller
Executive Assistant
Kentucky American Water
2300 Richmond Rd
Lexington, KY 40502-1308

(859) 268-6328
Sharon.Miller@amwater.com

Please verify information at left and note any updates.

Remit to:
Kentucky Chamber of Commerce
464 Chenault Road
Frankfort, KY 40601

Investing in membership with the Kentucky Chamber of Commerce makes good business sense. Whether you're a small, family-owned business or a Fortune 500 company, we have the tools to help you succeed, because our business is growing your business.

Company	Member Number	Due Date	Membership Dues
Kentucky American Water	1767	2/1/2026	12,350.00
**The Kentucky Chamber is committed to fostering a business-friendly environment by advocating for lower taxes, reducing burdensome regulations, and enhancing workforce development across the Commonwealth. To ensure these initiatives continue to move forward and our state remains competitive, we are asking for your help in strengthening our efforts with a voluntary increase in your membership dues.*			1,235.00
Membership dues are not deductible as a charitable contribution. In compliance with the Omnibus Budget Reconciliation Act of 1993, 80 percent of your dues may be deductible as an ordinary business expense and are not allocable to lobbying activity.			
		Total Due	13,585.00

Please return this portion with payment.

Company	Member Number	Due Date	Membership Dues	
Kentucky American Water	1767	2/1/2026		12,350.00
Please select your area(s) of interest: ☐ Human Resources ☐ Political Education ☐ Fiscal Policy ☐ OSHA ☐ Health & Wellness ☐ Energy & Environmental ☐ Workers' Compensation ☐ Manufacturing ☐ Small Business ☐ Education & Workforce Dev.			Voluntary Investment*	1,235.00
			Total Due	13,585.00

Pay by Check
Amount: $ _____
Check # _____

Pay by Credit Card ***(select one)*** VISA MasterCard AMEX Discover
Card # _____ **Exp. Date** _____ **CVV:** _____
Signature ***(required)*** _____ **Billing Zip Code:** _____

commerce lexington

Invoice

135925

Commerce Lexington
P.O. Box 1968
Lexington, KY 40588

Invoicing Date: 11/04/2025
Member ID: 8
Invoice Due: 01/01/2026

Robert Burton
Kentucky American Water
2300 Richmond Road
Lexington, KY 40502

Description	Qty	Rate	Amount
Membership Dues 01/01/2026 to 12/31/2026	1	6,404.00	6,404.00

Membership in Commerce Lexington can be cancelled at any time during the annual membership period. If the membership is cancelled, Commerce Lexington does not refund any portion of the remaining membership dues paid. Dues to Commerce Lexington are not deductible as a charitable deduction but may be deductible as an ordinary and necessary business expense. A portion of your dues, however, is not deductible as a business expense because of the organization's lobbying activity. The non-deductible portion is 5%. Commerce Lexington's federal tax ID number is 61-0258800. Please see your tax accountant for more information. Please note there is a 3% credit card fee for all credit card transactions.

Total:	**6,404.00**
Amt Paid:	**0.00**
Balance Due:	**6,404.00**

Member ID	Invoice	Due Date	Total Due	Total Payment Enclosed
8	135925	01/01/2026	$6,404.00	$

Please verify address and provide corrections

Robert Burton
Kentucky American Water
2300 Richmond Road
Lexington, KY 40502

Correct Address

Make checks payable to:

Commerce Lexington
P.O. Box 1968
Lexington, KY 40588

☐ MasterCard ☐ Visa ☐ Discover ☐ American Express

Card No. Exp. Date Signature Sec. Code

Convenient online payment option at: https://www.CommerceLexington.com

Downtown Lexington Partnership
333 W. Vine St., Ste 206
Lexington, KY 40507
Tel (859) 407-2227
E-Mail [redacted]

Downtown Lexington Partnership

INVOICE 43	PO NUMBER	3/1/2026

BILL TO

Kentucky American Water
Connie Bishop
2300 Richmond Rd.
Lexington, KY 40502

MESSAGE

ITEMS	QUANTITY	UNIT PRICE	PAID
Leader Membership	1	2,500.00	0.00

SUBTOTAL	2,500.00
SALES TAX	0.00
SHIPPING & HANDLING	0.00
TOTAL	**2,500.00**
PAYMENT/CREDIT/WRITE OFF/DISCOUNTS APPLIED	(0.00)
TOTAL DUE BY 3/1/2026	**2,500.00**

Thank you for your support!

CURRENT	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	TOTAL OPEN INVOICE
2,500.00	0.00	0.00	0.00	2,500.00

Woodford County Chamber of Commerce
126 S. Main St
Versailles, KY 40383
Tel (859) 873-5122
E-Mail [redacted]

INVOICE 3572	PO NUMBER	1/1/2026

BILL TO

Kentucky American Water Co
Ellen Williams
2300 Richmond Rd
Lexington, KY 40502

MESSAGE

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1	MEMBERSHIP LEVEL 5- Utility Partners	1,274.00	1,274.00
1	Annual Administrative Fee	25.00	25.00

SUBTOTAL	1,299.00
TOTAL	**1,299.00**
PAYMENT/CREDIT/WRITE OFF/DISCOUNTS APPLIED	(0.00)
TOTAL DUE BY 1/31/2026	**1,299.00**

Thank you for your business!

CURRENT	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	TOTAL OPEN INVOICE
1,299.00	0.00	0.00	0.00	1,299.00

Please note that as of June 1, 2025, the Woodford County Chamber board of directors has enacted a membership increase for annual membership. Thank you for understanding the increases we incur to demand us to also adjust to today's market. We also have more programming than ever and would love to talk to you about ways you can take advantage of the member benefits.

Please also note that due to increasing credit card processing fees, we are implementing a $25 annual administrative fee. If you are interested to use ACH or autopay, we will waive the $25 annual fee for membership. Please email [redacted] to sign up.

Thank you!
Submit payment online here

Georgetown/Scott County Chamber of Commerce
160 E Main St
Georgetown, KY 40324
Tel ([redacted]
E-Mail [redacted]

GEORGETOWN/SCOTT COUNTY CHAMBER OF COMMERCE

INVOICE 7073	PO NUMBER	4/1/2026

BILL TO

Kentucky American Water
Susan Lancho
2300 Richmond Road
Lexington, KY 40502

MESSAGE

QUANTITY	DESCRIPTION		UNIT PRICE	TOTAL
1	Utilities	Annual	800.00	800.00

SUBTOTAL	800.00
TOTAL	**800.00**
PAYMENT/CREDIT	(0.00)
TOTAL DUE BY 4/1/2026	**800.00**

Thank you for your business!

CURRENT	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	TOTAL OPEN INVOICE
800.00	0.00	0.00	0.00	800.00

Submit payment online here

$622.00

Due on December 18, 2025

Pay Invoice

Invoice #000174-R-0002
December 18, 2025
Repeats yearly
Repeats indefinitely

Customer
Kentucky American Water
susan.lancho@amwater.com

Download Invoice PDF

Message
$600 Check: Mail to PO Box 475, Owenton, KY 40359
$622 Credit Card.

Invoice summary

Chamber Dues Public Utilities	**$622.00**
Subtotal	$622.00
Total Due	**$622.00**

Owen County Chamber of Commerce
[redacted]

Kentucky Rural Water Association, Inc.
1151 Old Porter Pike
Bowling Green, KY 42103 US
[redacted]

Receipt

BILL TO
Susan Lancho
Kentucky-American Water
2300 Richmond Road
Lexington, KY 40502

Date: 01/05/2026

PAYMENT METHOD
Novi Pay - Credit Card

	Invoice Number	Invoice Date	Payment
1	23396	01/01/2026	225.00

Memo: Paid by x1979 via Novi Pay - Credit Card: Payment ID ch_3SmJnnK36aYNuupb0aAqrILc

BALANCE DUE **$0.00**

Invoice

Rockcastle Chamber of Commerce
PO Box 778
Mount Vernon, KY 40456

Susan Lancho
KY American Water
2300 Richmond Road
Lexington, KY 40502

Date	Amount
January 27, 2026	$100.00

2026 Rockcastle County Chamber membership fee.

Make check payable to: Rockcastle County Chamber

Thank you for your support!

If you have any questions regarding your billing, please contact Lynn Tatum, Treasurer at [redacted] or [redacted]

Follow us on Facebook

From: [redacted]
To: Susan L Lancho
Subject: Order Receipt
Date: Monday, June 22, 2026 3:41:12 PM

CAUTION: This Message Is from an External Email Address
Verify the sender before responding or opening links or attachments.

Report Suspicious

June 22, 2026
Trans # 1605082

BILL TO	Susan Lancho Kentucky American Water 1 Water St Camden, NJ 08102 United States (859) 268-6332 Customer ID 1590285	SHIP TO	Susan Lancho Kentucky American Water 2300 Richmond Road Lexington, KY 40502 United States (859) 268-6332

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL
1	REGULAR	Regular National Member Dues	$273.00	$273.00
1	CHAPT/101	Thoroughbred Chapter	$50.00	$50.00
Subtotal:				$323.00
Tax:				0.00
Total:				$323.00
Payment: (06/22/2026 - card ending: 0690)				($323.00)
Amount Due				$0.00

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Chuck Rea

26. Refer to the Application, Filing Exhibit 7, Customer Notice, Kentucky American Water/Black Mountain.

    a. Confirm that Kentucky American is proposing to increase the monthly customer charge of a residential customer with a 5/8" meter from $19.89 to $21.70. If not confirmed, provide the requested monthly residential customer charge.

    b. Confirm that prior to the December 16, 2026 Final Order in Case No. 2025-00122, the residential monthly customer charge was $17.55.

    c. Confirm that Kentucky American is proposing to increase the monthly customer charge of a commercial customer to $21.70. If not confirmed, provide the requested commercial monthly customer charge.

    d. Explain in detail why Kentucky American is proposing for the residential and commercial customers to pay the same monthly customer service charge.

    e. Explain in detail whether residential customers only have a 5/8" meter, or if residential customers also use larger meters as well.

    f. Explain in detail whether all commercial customers utilize a 5/8" meter, or if commercial customers also use larger meters as well.

    g. Explain which customer classes use the following meter sizes:

        i. 5/8" meter,

        ii. 3/4" meter,

        iii. 1" meter,

        iv. 1 ½" meter,

        v. 2" meter,

        vi. 3" meter,

        vii. 4" meter,

viii. 6” meter, and,

ix. 8” meter.

h. Provide the number of private fire hydrants that Kentucky American provides service to broken down by county/city.

i. Provide the number of public fire hydrants that Kentucky American provides service to broken down by county/city.

j. Explain in detail why Kentucky American is proposing to reduce the volumetric rate for the rate class “Other Public Authority.”

i. Provide a detailed explanation as to what type of customers are covered under the “Other Public Authority” tariff.

k. Explain in detail why Kentucky American is proposing to reduce the volumetric rate for the rate class “Miscellaneous.”

i. Provide a detailed explanation as to what type of customers are covered under the “Miscellaneous” tariff.

l. Explain in detail why Kentucky American is proposing to not increase the monthly rate for the rate class “Private Fire Hydrant.”

i. Provide a detailed explanation as to what type of customers are covered under the “Private Fire Hydrant” tariff.

m. Explain in detail why Kentucky American is proposing to reduce the monthly rate for the rate class “Public Fire Hydrant” from $75.00 to $11.53.

i. Provide a detailed explanation as to what type of customers are covered under the “Public Fire Hydrant” tariff.

n. Explain in detail why Kentucky American does not appear to be proposing to unify the Livingston or Bell and Hickman Counties’ rates with Kentucky American’s water rates in the pending case. Explain the response in detail.

Response:

a. Confirmed.

b. Confirmed.

c. Confirmed.

d. The Company is proposing to continue to have a single tariff for meter charges applicable to all classes to recover the costs to install and maintain meters for all classes.

e. Residential customers are served with 5/8" meters or larger. A single premise residence is typically equipped with a 5/8" meter. However, in cases where multiple residential premises are supplied through a single meter, a larger meter is required. Please refer to Exhibit 37, Schedule M-3 for base period, and forecasted test year residential meter billings for each meter size.

f. Commercial customers are served with 5/8" meters or larger. For premises with higher water demand, larger meters are required. Please refer to Exhibit 37, Schedule M-3 for base period, and forecasted test year commercial meter billings for each meter size.

g. Please refer to Exhibit 37, Schedule M-3 for base period, and forecasted test year meter billings for each meter size for each customer class.

h. Please see the table below for the number of billed private fire hydrants by Premise City as of May 31, 2026.

Premise City	# of Private Hydrants
Georgetown	201
Lexington	1228
Versailles	3

i. Please see the table below for the number of billed public fire hydrants by Premise City as of May 31, 2026.

Premise City	# of Public Hydrants
Georgetown	408
Lexington	7146
North Middletown	34
Paris	30
Sadieville	15
Versailles	4
Winchester	14

j. The Company's proposed rate design is based on the Class Cost of Service Study. Customers under "Other Public Authority" classification as defined by the

Company's Tariff Original Sheet No. 4 are municipal, county, state or federal agencies.

k. The Company's proposed rate design is based on the Class Cost of Service Study.
i. Customers under "Miscellaneous" are defined by the Company's Tariff Original Sheet No. 35.

l. The Company's proposed rate design is based on the Class Cost of Service Study. The revenue from the current Private Fire Tariff is sufficient to cover its associated costs.
i. Customers covered under the Private Hydrant Tariff are defined by the Company's Tariff Original Sheet No. 5.

m. The Company's proposed rate design is based on the Class Cost of Service Study. The proposed change in the cost allocation for fire services and decrease in proposed rates for public fire is described in Rea's Direct Testimony pages 33-36 and in William Lewis Direct Testimony pages 35-38.

n. The Company is proposing to continue to have a single tariff applicable to all areas. Consistent with the treatment discussed in the Livingston and Bell and Hickman Counties acquisition cases, these systems are currently billed based on their existing legacy rates. This reflects a transitional rate approach, however, once rates are implemented in this case, these counties will be moved to KAWC's rates. This approach does not alter or depart from the Company's proposed single tariff structure.

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Witness: Ann Bulkley

27. Refer to the Direct Testimony of Ann E. Bulkley ("Bulkley Testimony"), page 5. Ms. Bulkley states that her proposed range for the authorized return on equity ("ROE") is from 10.25% - 11.25%, and recommends an ROE of 10.75% as reasonable and appropriate for the Company.
    a. Confirm that Ms. Bulkley proposed an ROE of 10.75% for Kentucky American in Case No. 2025-00122.[8] If not confirmed, explain in detail why not.
    b. Confirm that the Commission rejected Ms. Bulkley's proposed ROE of 10.75% in the December 16, 2025 Final Order, and instead found that an ROE of 9.70% was fair, just, and reasonable.[9] If not confirmed, explain in detail why not.

Response:

a. Confirmed.
b. The order speaks for itself.

[8] Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order, page 49.
[9] *Id*., page 65.

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Witness: Chuck Rea

28. Refer to the Direct Testimony of Charles Rea ("Rea Testimony"), page 46, Chart 3.
    a. The chart appears to demonstrate that the median household income for Kentucky American's customers is $100,000. Provide the exact median household income that was used for Chart 1.
    b. Provide a detailed explanation of how the median household income of approximately $100,000 was calculated.
    c. Provide a detailed explanation of where Kentucky American obtained the median household income for Kentucky American's customers.
    d. The chart appears to demonstrate that the median household income for Kentucky is projected to be somewhere between $100,000 and $110,000 for the column titled "Present Rates" and "Proposed Rates." Explain why a different median household income was used in these columns versus the 2026 column.

Response:

a. Please refer to Exhibit CBR-2, page 5, which shows the median household income ("MHI") for Kentucky – American's customers used in Chart 3. The value is $99,058 for 2026 and $103,318 for 2027.
b. The KAWC customer median household incomes for 2026 and 2027 were calculated using projected statewide MHI based on U.S. Census Bureau Table H-8 (Median Household Income by State), resulting in values of $70,482 for 2026 and $73,512 for 2027. These values were then multiplied by an MHI adjustment factor of 1.405 which reflects the difference between MHI at the state level and MHI for the Company's customers in the specific communities and zip codes the Company serves. The MHI adjustment factor is used to convert MHI statistics at the state level to MHI statistics for the Company's particular customer base which includes an assumption that the Company's customers are households that are owner-occupied households and renter-occupied households in single family homes.
c. Please see the answer to subpart b above for details on how the MHI for KAWC customers was calculated.
d. Different median household incomes were used for 2026 and 2027 because the MHI for Kentucky is projected to increase from 2026 to 2027. An adjustment based on the Congressional Budget Office (CBO) projected personal income increase was made to account for the year-over-year increase in MHI.

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Witness: Chuck Rea

29. Refer to the Rea Testimony, pages 47 – 48.

a. Confirm that affordability of water service is generally challenging for low-income customers. If not confirmed, explain in detail why not.
b. Explain whether affordability of water service becomes more challenging when a utility such as Kentucky American files to increase rates four months after receiving a rate increase in a prior case. Provide a detailed response.

Response:

a. Confirmed. There will generally be customers who experience challenges with basic water service affordability, defined by the Company's benchmark as residential water customers whose bills exceed 2% of their household income.
b. The affordability of water service is influenced by both the cost of the water service and household income, which is what the Company has used in its affordability analysis to study the long-term impacts of changes to its rates on affordability of water service to customers (please see the discussion on the Enterprise-Level analysis beginning on page 44 of Company Witness Rea's Direct Testimony), and the impact the Company's proposed rates in this case will have on affordability of water services for individual groups of customers (please see the Community-Level analysis beginning on page 48 of Company Witness Rea's Direct Testimony). While the Company has not studied how the timing or frequency of rate changes specifically impacts affordability, the Enterprise-Level analysis does provide a high-level historical perspective on how the affordability of service has been trending over time and how it is expected to continue to trend under proposed rates. The Company's Enterprise-Level analysis is attached to Mr. Rea's Direct Testimony as KAWC Exhibit CBR-2.

However, as discussed in Mr. Rea's Direct Testimony, the Company's water service has been, is, and is expected to continue to be affordable for the vast majority of its residential customers, including under the rates proposed in this case. The affordability of the Company's water service indicates that the way the Company has invested in and managed its water systems has indeed been for the long-term benefit of our customers.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Chuck Rea

30. Refer to the Rea Testimony generally.

a. Confirm that there are both subjective and objective decisions made when creating a Class Cost of Service Study ("COSS"). If not confirmed, explain in detail.

b. Explain in detail all subjective decisions that Mr. Rea made when creating the COSS in the pending case.

Response:

a. Confirmed. Although developing a Class Cost of Service Study (COSS) requires some professional judgment, most of the analysis relies on objective data and established methodologies. Consistent with prior rate cases, the study follows the AWWA M1 Manual, which provides a standardized framework for cost classification and allocation, ensuring decisions are applied consistently and transparently in line with industry best practices.

b. In this case, most of the foundational decisions used in the COSS were consistent with those applied in prior rate proceedings. As such, the number of new subjective decisions was limited. Where professional judgment was applied, it was within the structure of the M1 Manual and aligned with prior regulatory precedent.

Subjective decisions made include the decisions to maintain previously approved allocation methodologies and cost classifications as well as the decision to update the public fire protection cost allocation. As described in Mr. Rea's Direct Testimony, the cost allocation for public fire service reflects the direct costs associated with providing hydrants; namely the cost of owning, operating and maintaining fire hydrants. Even though the hydrants are not directly owned by the retail water users, the standby capacity to provide needed water is clearly intended for the use of the utility's retail users.

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Witness: John Magner / Chuck Rea

31. Refer to the Direct Testimony of Robert Burton ("Burton Testimony"), pages 6 – 7. Mr. Burton asserts the pending rate case is primarily driven by investments the Company is making to the infrastructure, with $108.4 million of gross plant additions for the forecasted test year ending December 31, 2027.

    a. Explain whether the Company plans on continuing this level of investment in the future.

    b. If so, explain how the Company's customers will be able to afford the water rates.

Response:

a. Kentucky American Water's ("KAWC") anticipated annual capital investment for 2027-2029 is presented in Exhibit JM-1 to John Magner's Direct Testimony. KAWC's anticipated level of capital investment increases by only 12.5% across the three-year period, indicating a generally similar level of investment.

b. As described in Section II of John Magner's Direct Testimony, KAWC utilizes a robust process to identify and evaluate capital investments that allow KAWC to achieve the goals of providing safe and reliable water service to its customers, as well as other goals such as complying with regulatory requirements. KAWC balances the level of investment needed to achieve these goals with the goal of maintaining affordable rates for customers.

Affordability analyses are performed to ensure KAWC maintains affordable rates for customers. Detailed discussion regarding the affordability of KAWC's rates is provided in the Direct Testimony of Charles Rea. As shown on page 5 of attachment CBR-2 to his Direct Testimony, the average monthly bill divided by median household income for KAWC's customers under the proposed rates is nearly identical to the same metric for KAWC in 2016, indicating that KAWC has maintained affordable rates while making proactive investments to maintain safe and reliable service to its customers.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

32. Refer to the Burton Testimony, pages 12 – 13.

a. Provide the monetary amount that customers contributed to the Help to Others ("H2O") program for each of the years 2021 – 2026
b. Provide the monetary amount that Kentucky American's shareholders contributed to the H2O program for each of the years 2021 – 2026.
c. Explain how the $250 annual maximum for H2O grants was decided.
d. Provide the H2O account balances for each month for 2025 and 2026. Consider this a continuing request during the pendency of this case.
e. Explain the maximum amount of months/years that a customer can enter into for a payment arrangement installment agreement.
f. If a customer has a lapse in payment under a payment arrangement installment agreement, can the customer enter into a new payment arrangement installment agreement in the future? Explain in detail.

Response:

a. Customer contributions to the H2O Help to Others Program from 2021-2026 were:
   2021: $240
   2022: $238
   2023: $228
   2024: $219
   2025: $216
   2026: $90 (January – May)
b. Kentucky American Water shareholder contributions to the H2O Help to Others Program from 2021-2026 were:
   2021: $74,264
   2022: $74,264
   2023: $74,264
   2024: $74,264
   2025: $74,264
   2026: Payment scheduled for October 2026 and will be $74,264
c. Post-pandemic, the Company extended the maximum grant amount from $125 to $250 in an effort to further assist income-eligible customers who are still facing financial challenges and because the H2O Help to Others program had sustained an unusually high balance of funds. The Company funds the program annually with a minimum donation of $74,264 regardless of the customer demand for funds.

d.

Month	2025	2026
January	$135,617.84	$97,325.37
February	$124,458.04	$94,045.19
March	$116,215.51	$80,985.86
April	$102,668.10	$66,256.53
May	$86,564.33	$54,009.56
June	$81,406.46	
July	$74,281.76	
August	$63,587.77	
September	$55,061.16	
October	$49,069.02	
November	$43,380.68	
December	$36,926.68	

e. While typical payment agreements are between three to six months, the maximum payment arrangement is twelve months.

f. If a customer has defaulted on an installment plan within the past twelve months, they are not eligible for another payment arrangement until the twelve-month period has elapsed.

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Witness: William A. Lewis

33. Refer to the Burton Testimony, pages 15 – 17. Mr. Burton states that the Company is tackling water loss to mitigate increases in operating costs as well as to maintain the reliability and resiliency of the system. Mr. Burton states that water loss can be classified as (1) real loss of water escaping the distribution system, and (2) apparent loss due to meter inaccuracies, billing system data errors, and unauthorized consumption. Provide specific examples and explain in detail how Kentucky American is tackling water loss.

Response:

Please reference Mr. Lewis' testimony on pages 27-34.

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Witness: John Watkins

34. Refer to the Direct Testimony of John Watkins ("Watkins Testimony"), page 32, Table 3. Mr. Watkins states that the Company is proposing a capital structure of 52.29% common equity, 0.28% preferred stock, 46.97% long-term debt, and 0.45% short-term debt in the pending case. However, the common equity (10.75%) and preferred stock (8.50%) capital is a much more expensive form of capital than the long-term (4.84%) and short-term (3.32%) debt capital. Explain why Kentucky American is proposing a higher percentage of equity than debt if the equity portion represents a higher cost to the customers.

Response:

KAWC believes the capital structure composed of 52.29% common equity represents its optimal capital structure which provides a balance between minimizing the overall cost of capital, satisfying shareholder needs, while maintaining financial flexibility.

KAWC maintains a balanced capital structure with a mix of debt and equity, however, the specific ratio is influenced by many factors including the current regulatory environment, and the need for a stable and low-risk financial profile. KAWC's current debt and equity mix was adopted to support a strong credit rating, mitigate financial risks, and ensure a reasonable return for investors while maintaining stable customer rates.

KAWC's 52.29% equity ratio is consistent with the equity levels of the comparable utility proxy group used by witness Ann Bulkley (Exhibit AEB-9, page 1) and closely aligns with the 52.26% equity ratio authorized in KAWC's last rate case (Case No. 2025-00122). It also reflects how KAWC is financing the assets included in rate base on which it is authorized to earn a return. Because the proposed capital structure is based on KAWC's projected and actual test-year financing, it provides the most accurate measure of the Company's cost of capital.

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Witness: John Watkins

35. Refer to the Watkins Testimony, page 6.
    a. Explain why Kentucky American should be allowed to include costs associated with acquisitions that have not formally closed yet. Explain the response in detail.
    b. Provide a detailed explanation of all acquisition costs that Kentucky American is proposing to be included in base rates in the pending case, broken down by each of the acquisitions.

Response:

a. At the present time, the Black Mountain acquisition is the only one that has not closed. If approved by the Commission, Black Mountain is anticipated to close in October 2026, which is months prior to the start of the forecasted test year. The forecasted test year is the calendar year 2027. Based on the procedural schedule in the Black Mountain case, and if approved, the acquisition would be closed prior to the rate effective date in this case. Therefore, the revenues, expenses and capital should be allowed in this case for Black Mountain.
b. Revenue and Rate Base information for each acquisition can be found in the Company's response to KAW_R_PSCDR1_NUM001 in the files "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support" and "KAWC 2026 Rate Case - Capital-Depr Exp" respectively. The acquisition adjustments for each acquisition can be found in the Company's response to PSC 2-35.

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Witness: William A. Lewis

36. Refer to the Direct Testimony of William A. Lewis ("Lewis Testimony"), pages 12 – 15, in which Mr. Lewis discusses the new and emerging environmental standards for drinking water quality that will require enhancements or improvements in water treatment facilities and distribution systems.

    a. For each rule, regulation, and/or law that Mr. Lewis discusses, provide an update as to whether the current presidential administration has proposed any Executive Orders, modifications, roll-backs, of the same. Consider this an ongoing request during the pendency of this case.

    b. For each rule, regulation, and/or law that Mr. Lewis discusses, provide an update as to whether there is pending litigation against the same. Consider this an ongoing request during the pendency of this case.

Response:

This question requests publicly available information in the possession of government sources and not exclusive to KAWC. KAWC presumes this request does not seek the legal opinions or work product of KAWC's counsel and would note further information is available at (the pacer login requires an account to be established):

https://www.whitehouse.gov/presidential-actions/executive-orders/
https://www.epa.gov/newsreleases/search
https://pacer.login.uscourts.gov/csologin/login.jsf

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

37. Refer to the Lewis Testimony, pages 30 – 35.
    a. Provide Kentucky American's water loss percentage for each of the years 2021 – 2026.
    b. Provide Kentucky American's water loss percentage for each month of 2025 and 2026. Consider this an ongoing request during the pendency of this case.

Response:

a.

Annual Unaccounted for Water ("UFW")	
Year	**UFW**
2021	21.08%
2022	21.59%
2023	18.83%
2024	17.96%
2025	17.56%

b.

Monthly UFW												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2025	21.35	8.00	24.65	30.35	13.39	23.46	18.86	15.03	5.95	17.56	9.21	25.03
2026	22.80	24.55	19.86	21.78								

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Witness: William A. Lewis / Robert Prendergast

38. Refer to the Lewis Testimony, pages 39 – 40.
    a. Mr. Lewis states that the Company is basing the forecasted test period on 206 full-time employees. Mr. Lewis also admits that the Final Order in the Company's 2025 rate case authorized a level of O&M expense based on a headcount of 168 full-time employees. Further, the Commission granted rates to cover 156 employees in Case No. 2023-00191.
    b. Provide the actual headcount versus the forecasted headcount of Kentucky American for the years 2021 – 2026.
    c. Provide the actual headcount for Kentucky American for each month of 2025 and 2026. Consider this an ongoing request during the pendency of this case.
    d. Confirm that in past cases Kentucky American normally has less of a headcount than what rates are based upon. If not confirmed, explain why not.
    e. Confirm that Kentucky American normally receives revenues from customers for additional forecasted employees that the Company does not actually employ or pay. If not confirmed, explain why not.

Response:

a. There is no question asked in this subpart to respond to.
b. Please see KAW_R_AGDR1_NUM038_062626_Attachment.
c. Please see KAW_R_AGDR1_NUM038_062626_Attachment.
d. KAWC does not "normally" operate with fewer employees than reflected and used to establish rates. KAWC experiences variances in actual and forecasted headcount that occur due to typical business operations such as employee turnover, unexpected departures, and employee retirements. When these variances occur, the Company must continue to complete work necessary to continue to provide safe and reliable service to its customers using available resources, which requires KAWC to supplement its regular labor hours with additional contracted services and overtime hours.
e. Not confirmed. The Commission evaluates and determines whether the forecasted level of headcount is supported and reasonable for inclusion in KAWC's rates. The forecast KAWC provides is a reasonable projection of the full complement of employees needed to perform necessary work. The Commission has permitted this approach in

Orders issued in 1996,[1] 2005,[2] 2010,[3] 2019,[4] 2024,[5] and 2025.[6] The Commission has repeatedly authorized KAWC recovery of a full complement of employees necessary to complete the work necessary to provide safe and reliable service. As mentioned in subpart d, variances in actual headcount occur due to a variety of factors but KAWC has still balanced this challenge against its duty to provide safe and reliable service by supplementing its own labor with Contract Services and additional OT hours that were not a part of the Company's authorized headcount and labor calculations.

[1] *Application of Kentucky-American Water Company to Increase its Rates*, Case No. 95-554, Order at 32 (Ky. PSC Sept. 11, 1996).
[2] *Adjustment of the Rates of Kentucky-American Water Company*, Case No. 2004-00103, Order at 44 (Ky. PSC Feb. 28, 2005).
[3] *Application of Kentucky-American Water Company for an Adjustment of Rates Supported by a Fully Forecasted Test Year*, Case No. 2010-00036, Order at 24-25 (Ky. PSC Dec. 14, 2010).
[4] *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates*, Case No. 2018-00358, Order at 37-40 (Ky. PSC June 27, 2019).
[5] Case No. 2023-00191 (Ky. PSC May 3, 2024), Order at 15-16.
[6] *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates*, Case No. 2025-00122, Order at 16-20 (Ky. PSC Dec. 16, 2025).

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KAW_R_AGDR1_NUM038_062626_Attachment

Headcount at Dec 31,

	Actual	Forecasted
2021	144	149
2022	151	145
2023	146	145
2024	136	149
2025	154	166

Actual Headcount by Month

	2025	2026
Jan	138	153
Feb	143	154
Mar	141	152
Apr	144	153
May	149	156
Jun	149	169
Jul	150	
Aug	146	
Sep	149	
Oct	150	
Nov	152	
Dec	154	

*June 2026 Headcount is as of 6/15/2026

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Witness: William A. Lewis

39. Refer to the Lewis Testimony at 42 – 43.
    a. Provide an updated chart indicating the status of the proposed new positions at Kentucky American.
    b. Mr. Lewis states that there will not be a reduction of overtime with the proposed new positions because the additional employee resources are a direct response to new or changed requirements to meet system operational needs and regulatory requirements. Explain whether Kentucky American will reassess the need to hire all of the proposed new positions if the referenced rules/regulations are modified, rolled-back, overturned in court, etc. If not, explain why not.

Response:

a. See update chart as of 06/17/2026 below.

Position	Location	Headcount	Status
Superintendent, Operations	Middlesboro, Clinton, BMUD	1	Hired
Supervisor, Treatment	Middlesboro	1	Hired
Supervisor, Field Operations	Middlesboro	1	Hired
Supervisor, Operations	Clinton	1	Hired
Supervisor, Operations	BMUD	1	Will Hire Upon Close
Sr. Operator	Middlesboro	4	3 Hired
Technician, Field Operations	Middlesboro	4	Hired
Technician, Field Operations	BMUD	10	Will Hire Upon Close
Technician, Operations	Clinton	2	Hired
Manager, Operations	South Region	1	Will Hire Upon BMUD Close
PM, WQ & Environmental	South Region	1	Actively Recruiting
Safety Specialist	South Region	1	Actively Recruiting
PM, Construction Inspection	South Region	1	Will Hire Upon BMUD Close
Water Treatment Operator	Lexington, KRS1	2	Will Hire in 2027
Maintenance Technician	Lexington, KRS1	1	Will Hire in 2027
PM, Construction Inspector	Lexington	2	Hired
Sr. Principle, BD	Statewide	1	Hired
Lead, Government Affairs	Statewide	1	Hired
Wastewater Operator *(Not included in Water GRC)*	Lexington	2	1 Hired, 1 Actively Recruiting

b. KAWC must staff its operations based on current operational needs and the current regulatory requirements in place at this time. The USEPA has not officially noticed its intent to modify the rules/regulations as a result of policy or litigation. KAWC will continue to monitor for official USEPA guidance on these issues as it relates to both staffing and compliance requirements.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / William A. Lewis / Robert Mustich

40. Refer to the Lewis Testimony, page 45.
    a. Confirm that Mr. Lewis is aware of the extensive precedent, in which the Commission has, "consistently disallowed recovery of the cost of employee incentive compensation plans that are tied to financial measures because such plans benefit shareholders while ratepayers receive little benefit."[10]
    b. Provide the monetary amount that is associated with the Annual Performance Plan ("APP"), and the Long-Term Performance Plan ("LTPP"), tied to financial measures that Kentucky American included in the revenue requirement.

Response:

a. Mr. Lewis is aware of the Commission's precedent and acknowledges the Commission's Order in KAWC's last immediate general rate case in his Direct Testimony at page 49, lines 9-12. Mr. Lewis's Direct Testimony, pages 49 through 55, explains how KAWC's performance-based compensation programs, including the metric tied to financial performance, are structured to align the interests of customers, employees, and shareholders alike, and are integral components of total market based compensation.
As Mr. Mustich explains on page 6-7 of his Direct Testimony "Kentucky American Water employees are generally at the low end of the typical range (+/- 10%) of market median for each element of total remuneration". Mr. Mustich further states, "If KAWC employees didn't receive their performance pay, or even a portion of it, they would receive compensation that is well below reasonable and competitive levels of market median total remuneration".

KAWC's APP and LTPP plans, inclusive of the respective financial metrics associated with the plans encourage operational efficiency and cost control, which are benefits that flow through to customers in the form of improved service, reliability and long-term cost management. In this way, KAWC's performance compensation aligns the interests of our customers, employees and investors.

b. Please refer to KAW_R_AGDR1_NUM114_062626.

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[10] Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order, pages 21 – 22; Case No. 2018-00358, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC June 27, 2019), Order, page 43; Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, a Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 17.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

41. Refer to the Application generally.
    a. Confirm that according to the most recent data from the Bureau of Labor Statistics, the average share of premiums paid by the employer for single coverage in private industry is 80%.[11]
    b. Provide the average percentage share of premiums paid by Kentucky American for single coverage employee health insurance. In the response, ensure to provide a breakdown of the contribution percentage share rates for different sets of employees (i.e. union versus nonunion, exempt versus nonexempt, and the like).
    c. Confirm that according to the most recent data from the Bureau of Labor Statistics, the average share of premiums paid by the employer for family coverage in private industry is 69%.[12]
    d. Provide the average percentage share of premiums paid by Kentucky American for family coverage employee health insurance. In the response, ensure to provide a breakdown of the contribution percentage share rates for different sets of employees (i.e. union versus nonunion, exempt versus nonexempt, and the like).
    e. Explain whether Kentucky American made any adjustments to Health Benefits Expense based on health insurance benefit contributions in excess of the Bureau of Labor Statistics' average for single and family coverage. If not, explain why not and update the adjusted test year expense based on the most recent report available. Provide all supporting calculations and documents.
    f. Explain in detail whether Kentucky American provides health savings account contributions for its employees, and if so, provide the monetary amount regarding the same. Ensure to discuss the specific details as to whether employees are also required to contribute to the health savings accounts.
    g. Provide the contribution amounts to insurance costs that are paid by Kentucky American and the retirees.
    h. Provide the contribution amounts to dental insurance costs that are paid by Kentucky American and the employees.
    i. Provide the contribution amounts to vision insurance costs that are paid by Kentucky American and the employees.
    j. Provide the contribution amounts to term life insurance that are paid by Kentucky American and the employees.
    k. Provide the contribution amounts to disability insurance that are paid by Kentucky American and the employees.

Response:

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[11] https://www.bls.gov/news.release/ebs2.t03.htm, Table 3.
[12] https://www.bls.gov/news.release/ebs2.t04.htm, Table 4.

a. Confirmed. However, the Company's cost share is not set each year based on the Bureau of Labor Statistics and/or benchmarking data. Along with claim data, KAWC's cost share (employee / employer contributions) is set based upon the Union contract negotiation. Union negotiations take place every 5 years. The Non-Union cost share will mirror the Union cost share.
b. Overall in aggregate, the contribution breakdown is currently 84% / 16% per the Union contract in force, but the contract stipulates that the contribution will change to 83% / 17% in the forecasted test year, which is reflected in the revenue requirement. The Non-Union cost share mirrors the Union cost share. Please see KAW_R_AGDR1_NUM041_062626_Attachment_CONFIDENTIAL for the breakdown of rates as requested. The attachment is confidential and is being provided pursuant to a petition for confidential protection.
c. Confirmed.
d. Please see KAW_R_AGDR1_NUM041_062626_Attachment_CONFIDENTIAL.
e. No adjustments were made due to the fact that it is bargained every 5 years.
f. Yes, KAWC provides health savings contributions for its employees that participate in the CDHP program. Employees are not required to contribute in order to receive the Company contribution. Contributions for new hires are pro-rated based upon their hire date. The Annual Employer Contribution for employees who opt into the health savings account plan are: Single Coverage is $750 and $1,500 for Family Coverage.
g. Retiree rates vary based upon age at retirement. American Water froze employer contributions to retiree medical coverage in 2017 for Non-Union employees, and 2019 for Union employees. Any cost increases to the cost of retiree medical due to self-insured claims are passed on to the Retiree.
h. Please see KAW_R_AGDR1_NUM041_062626_Attachment_CONFIDENTIAL.
i. Please see KAW_R_AGDR1_NUM041_062626_Attachment_CONFIDENTIAL.
j. The Company contributes $0.16 per $1,000 coverage unit based on 1.25x annual salary up to a Max Coverage of $200,000 for Union employees and 1.5x annual salary up to a Max Coverage of $200,000 for Non-Union employees. Employees do not contribute to this plan.
k. The Company contributes $45.24 per year per employee for Short Term Disability Insurance. The Company provides Long Term Disability to non-union employees contributing $0.25 per $100 coverage unit based on an employee's salary up to a Max Coverage of $180,000. Employees do not contribute to either of these plans.

KAW_R_AGDR1_NUM041_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

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Witness: Robert Prendergast

42. Refer to the Application generally.

a. Provide a list of all entities that direct charge or allocate costs to Kentucky American, and include the total amount of costs that are direct charged and/or allocated to the Company in the test year.

b. Explain who is responsible to review the allocated costs to Kentucky American (provide name(s) and position description(s)), and whether any allocated costs have been rejected for any reason in the past five years. Provide specific examples of all rejected allocated costs in the past five years.

c. Identify all of the non-utility companies that are affiliates of Kentucky American.

d. Identify all of the non-utility companies that are affiliates of and provide services to Kentucky American.

Response:

a. Please refer to the response provided for KAW_R_AGDR1_NUM020_062626 and KAW_APP_EX35_051526.

b. Reviews are performed at various levels of Management at the time the expense is recognized. The Divisional CFO performs a review of the expenses allocated to Kentucky. Rejections would occur at the time of the review when the expense is being recognized. The Company does not maintain a list of rejected expenses. Please also see the Direct Testimony of Company witness Weiss, Exhibit JSW-2, for a description of the governance practices associated with Service Company charges, starting at page 47.

c. See part a.

d. See part a.

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Witness: Joseph Weiss

43. Refer to the Direct Testimony of Joseph Weiss ("Weiss Testimony"), pages 3 – 4.
    a. Identify the companies that had lower per customer A&G costs than Kentucky American's 2025 charges per customer from the Service Company.
    b. Explain in detail the primary reasons that Kentucky American's 2024 total Customer Accounts and A&G expense per customer was $162, which was above the 2024 average of $144 per customer for a comparison group of Kentucky water companies with a similar profile.

Response:

a. As noted in DT Weiss Exhibit JSW-2, Table 6 (p. 15), the utility holding companies whose service companies that had lower per customer A&G costs in 2025 than Kentucky-American Water Company ("KAWC") are: (1) Avangrid, Inc., (2) The Southern Company, (3) CenterPoint Energy Inc., (4) Dominion Energy, Inc. (5) Ameren Corporation, (6) WEC Energy Group, Inc. and (7) FirstEnergy Corp.
b. Kentucky-American Water Company's 2024 per customer total customer accounts and A&G expense of $162 was derived by the dividing the A&G and customer accounts costs by the customer count.

   While the Company cannot speak to the A&G and customer accounts expenses of the companies in the comparison group to know specific drivers behind their expense per customer, it should be noted that the KAWC's per customer total O&M expense is significantly below the comparison group average by about 29%. There was only one company from the comparison group having a per customer total O&M expense lower than KAWC.

KENTUCKY-AMERICAN WATER COMPANY
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Witness: John Magner

44. Refer to the Direct Testimony of John Magner ("Magner Testimony"), page 12. Mr. Magner states that all significant construction work is competitively bid to a prequalified group of independent contractors.

    a. Explain what is meant by significant. For example, is there a minimum monetary amount that requires construction work to be competitively bid.

    b. Explain why Kentucky American does not competitively bid all construction work.

    c. Identify the number of independent contractors that are in the prequalified group.

    d. Mr. Magner states that Kentucky American continues to expand its prequalified contractor list to create a more competitive bidding environment.

        i. Identify the additional number of independent contractors on the prequalified group between the pending case and the prior rate case, Case No. 2025-00122.

        ii. Explain in detail what construction work is not currently competitively bid.

Response:

a. Barring circumstances that would prevent Kentucky American Water ("KAWC") from doing so, KAWC bids all construction work exceeding $250k in value. Beyond this threshold, KAWC bids most construction work associated with capital improvement projects regardless of the total value of the work. Circumstances that may, at times, result in construction work not being competitively bid are listed below.
    i. Emergency situations where work must be performed quickly to protect the safety of KAWC personnel or the public, or to continue to provide safe and reliable service to KAWC's customers.
    ii. Work requires specialty expertise or equipment, such as performing work on asbestos cement or prestressed concrete pressure pipe or installing specialty fittings and appurtenances such as insertion valves.
    iii. Performing small water infrastructure relocations to facilitate construction by other public entities or utilities.
    iv. Another entity that is paying for the work to be performed by KAWC requests that a specific KAWC approved contractor perform the work.

b. Please see the response to item a.

c. There are currently twenty-seven independent pipeline/site construction contractors. As noted in my Direct Testimony on page 12, KAWC continues to expand its prequalified contractor list to create bidding competition.

d. Please see below.

i. The number of independent contractors in the prequalified group has increased by three, or 12%, since the prior rate case.

ii. Please see the response to item a. There are no types of construction work that are excluded from competitive bidding.

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Witness: John Magner / Jeffrey Newcomb

45. Refer to the Magner Testimony, the Direct Testimony of Jeffrey Newcomb ("Newcomb Testimony"), and the Application generally.
    a. Provide a detailed breakdown of the type of pipe that Kentucky American has in its system, the number of miles of each type of pipe, the estimated installation date for each type of pipe, and the average expected life of each type of pipe.
    b. Identify the year that Kentucky American initially implemented its prior Qualified Infrastructure Program ("QIP") Rider.
    c. Provide the annual revenue requirement impact of the QIP since its inception to the termination of the QIP.
    d. Explain in detail how many miles of pipe were replaced each year since the inception of the QIP until the termination of the QIP, and include in the discussion the type of pipe that was replaced.
    e. Discuss the other projects, besides pipeline replacement, that flowed through the QIP since its inception through the termination.
    f. Explain in detail what type of pipe Kentucky American focused on replacing through the QIP from the inception until termination of the same.
    g. Provide the QIP rate on the average customer bill right before the QIP was terminated by the Commission.

Response:

    a. Please see the attachment to this response.
    b. The QIP was approved in the Kentucky Public Service Commission's (PSC) June 27, 2019 Order for Case No. 2018-00358. The first QIP period began July 1, 2020.
    c. Annual revenue requirement impacts are a matter of public record and discussed in KAWC's previous QIP filings with the PSC. Case numbers for previous QIP filings are provided below.
        i. Case No. 2020-00027
        ii. Case No. 2021-00090
        iii. Case No. 2021-00376
        iv. Case No. 2022-00032
        v. Case No. 2022-00328
        vi. Case No. 2023-00030
        vii. Case No. 2023-00300
        viii. Case No. 2024-00173
        ix. Case No. 2024-00272
        x. Case No. 2025-00099

d. Information regarding the length and type of pipe installed as part of KAWC's QIP program through 2024 is a matter of public record and discussed in KAWC's previous QIP filings with the PSC. Case numbers for previous QIP filings are provided in the response to part c of this data request.

The QIP program was cancelled in the order for Case No. 2025-00122. Due to this cancellation, KAWC did not file a balancing adjustment case for QIP 2025, which typically includes information regarding the miles of main replaced as part of QIP. Information regarding the main installed during QIP 2025 is provided below.

Pipe Material	Length Replaced (Linear Feet)
Cast Iron	51,765
Galvanized/Steel	8,546
PVC	710
Asbestos Cement	1701
Ductile Iron	113

e. None. The PSC's June 17, 2020 Order in Case No. 2020-00027 specified that only projects that "are reasonably related or incidental to replacing aging mains" should be included in QIP Rider filings. Replacing hydrants, valves, and service lines that are incidental to the main replacements as part of the Budget Line B projects were also approved by the PSC.

f. Per orders issued by the PSC, KAWC has focused on the replacement of cast iron and galvanized steel water mains.

g. The QIP rate on the average customer bill right before the termination of QIP was 11.09% as approved in the PSC's June 26, 2025 Order in Case No. 2025-00099.

Kentucky American Water Water Main Summary							
Decade Installed	Material Type						
	Cast Iron	Asbestos Cement	PVC/Plastic	Ductile Iron	Galvanized/Steel	Concrete/Cement	Other[1]
1880-1889	6.3	0.0	0.0	0.2	0.0	0.0	0.0
1890-1899	0.8	0.0	0.0	0.0	0.0	0.0	0.0
1900-1909	5.8	0.0	0.0	0.0	0.0	0.0	0.0
1910-1919	10.3	0.0	0.0	0.0	0.0	0.0	0.0
1920-1929	12.4	0.0	0.1	0.0	0.0	0.0	1.6
1930-1939	12.3	0.1	0.0	0.0	0.0	0.0	0.0
1940-1949	8.7	7.6	0.0	0.0	0.0	0.0	0.0
1950-1959	64.5	77.7	4.5	0.6	0.1	10.7	11.7
1960-1969	120.5	106.1	56.3	51.3	0.3	8.4	6.2
1970-1979	56.8	119.8	144.2	15.0	0.3	0.0	40.0
1980-1989	2.2	24.9	52.5	147.3	0.0	0.0	3.4
1990-1999	1.3	0.4	109.6	277.1	0.1	0.0	5.4
2000-2009	1.9	0.4	178.8	300.0	0.0	0.0	2.5
2010-2019	0.7	0.3	20.9	124.8	0.0	0.0	1.0
2020-Present	0.7	4.6	35.0	116.7	0.0	0.0	2.2
Unknown	24.9	6.7	15.2	6.6	0.4	0.1	5.1
Total Miles	**330.0**	**348.6**	**617.2**	**1,039.8**	**1.2**	**19.3**	**78.9**

[1] *Other Represents Brass, Copper, and Unknown.*

Table 4 – Average Expected Life of Pipe Material						
Material Types						
Cast Iron Unlined	Cast Iron Lined	Asbestos Cement	PVC	Ductile Iron	Galvanized	Concrete
110 yrs	100 yrs	90 yrs	55 yrs	80 yrs	70 yrs	105 yrs

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Witness: Jeffrey Newcomb/ John Magner

46. Refer to the Magner Testimony and the Application generally.
    a. Identify the year that Kentucky American proposes to implement its proposed System Improvement Program ("SIP").
    b. Provide the proposed annual revenue requirement impact of the SIP for each of the next five years.
    c. Provide the proposed annual revenue requirement impact of the SIP for each of the next ten years, if known.
    d. Explain in detail how many miles of pipe is proposed to be replaced each year under the SIP, and include in the discussion the type of pipe that is proposed to be replaced.
    e. Discuss the other projects, besides pipeline replacement, that is being proposed to flow through the SIP.
    f. Explain in detail what type of pipe Kentucky American proposes to focus on replacing through the SIP.
    g. Provide all projects that Kentucky American plans to include in its proposed System Improvement Program ("SIP") over the next 5 years. Include the cost of each project the purpose of each project, i.e., pipe replacement, pumping station replacement, treatment plant replacement, etc., and the type of pipe to be replaced.
    h. If the Commission were to approve of Kentucky American's requested SIP, provide the specific cost impacts on each customer class. Ensure to include the proposed estimated monthly SIP rate for the residential class for each of the next five years, if available.
    i. Provide the proposed SIP rate for the residential class for each of the next five years.
    j. Confirm that in the December 16, 2025 Final Order, the Commission stated, "[t]he Commission finds that, given the frequency of rate cases, as well as Kentucky-American's failure to utilize the QIP rider consistently, the QIP mechanism should be terminated effective December 31, 2025."[13] If not confirmed, explain in detail why not.
    k. Explain why the Commission should grant the proposed SIP when it just terminated the Company's QIP on December 16, 2025.
    l. Compare and contrast the proposed SIP with the terminated QIP.
    m. Confirm that after the Commission initially granted the Company's QIP, the Commission limited the projects allowed to flow through the QIP to the replacement of 10 – 13 miles of cast iron and galvanized steel main through the QIP annually.[14] If not confirmed, explain why not.

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[13] Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order, page 45.

[14] Case No. 2020-00027, *Electronic Application of Kentucky-American Water Company to Amend Tariff for the Establishment of Qualified Infrastructure Program Charge (Ky. PSC Jun. 17, 2020);* Case No. 2021-00090, *Electronic Application of Kentucky-American Water Company to Amend Tariff to Revise Qualified Infrastructure Program Charge* (Ky. PSC Jun. 21, 2021), Order, page 12.

n. Confirm that in Case No. 2021-00090, the Commission stated that, "[a]ny future deviations from the QIP approved by the Commission, such as an accelerated replacement cycle, accelerated spending totals, or including standalone non-main plant replacement projects, will be looked upon with extreme disfavor."[15] If not confirmed, explain why not.
o. Confirm that in the Final Order in Case No. 2023-00122, the Commission stated, "Kentucky-American failed to provide sufficient evidence that expanding the QIP is reasonable, and the potential future costs associated with the expansion are fair, just and reasonable and would not cause rate shock to its customers."[16] If not confirmed, explain why not.
p. Confirm that the general reason that the Commission placed a multitude of limitations on the Company's prior QIP was out of concern that the proposed QIP rates would not be fair, just, and reasonable and would cause rate shock to the customers. If not confirmed, explain in detail why not.
q. Confirm that in Case No. 2018-00358, Kentucky American stated that it would cost approximately $153 per linear foot to replace a main through the QIP,[17] but in Case No. 2023-00122, the replacement cost more than doubled to $331 per linear foot.[18] If not confirmed, explain why not.
r. Provide the approximate cost per linear foot to replace a main through the proposed SIP in the pending case.

Response:

a. The Company is proposing that the first Annual Filing be filed by October 1, 2027, at least 90 days prior to the rate effective date of (January 1, 2028) of the SIP. This annual filing will use the subsequent calendar year, January 1, 2028, to December 31, 2028, as the test period, and will identify the projects the Company plans to place in-service during the test period ("SIP-1.1"). The Company is also proposing that the first Balancing Adjustment filing be filed by March 1, 2028, at least 90 days prior to the rate effective date (June 1, 2028) of the Balancing Adjustment. The filing will reconcile the SIP spending identified as part of this rate case as part of base rates ("GRC Balancing Adjustment"). The GRC Balancing Adjustment would: (1) true up the forecasted costs of capital, depreciation, and taxes associated with qualified infrastructure investments in the GRC SIP Period to actual costs, and (2) use the resulting December 31, 2027, actual balances to determine an updated SIP-1.1 total revenue requirement to minimize the future Balancing Adjustment for SIP-1.1 ("SIP-

[15]Case No. 2021-00090, *Electronic Application of Kentucky-American Water Company to Amend Tariff to Revise Qualified Infrastructure Program Charge* (Ky. PSC Jun. 21, 2021), Order, page 12.
[16] Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 54.
[17] Case No. 2018-00348, Direct Testimony of Brent E. O'Neill, page 40.
[18] Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Citron Testimony, page 8; VTE 11:41:00 – 11:41:25.

1.1" is a reference to the first SIP Period after the future test year in this GRC proceeding). The Company is proposing that the first SIP Balancing Adjustment be applicable to SIP projects included in this rate case and placed into service by December 31, 2027, to extend the amount of time between this proceeding and when the Company would consider filing its next base rate case. This first Balancing Adjustment, applicable to SIP investments through December 31, 2027, is an important part of the Company's ability to potentially extend the period between rate cases out to a filing in 2029, with rates effective in January 2030, because it addresses the SIP eligible portion of the difference between the terminal and 13-month average rate base for the 12-months ending December 31, 2027, future test year in this proceeding.

b. Please see the table below for the current estimated proposed incremental annual revenue requirement impact of the SIP for 2028 through 2032:

2028	2029	2030	2031	2032
$9,151,600	$10,446,192	$12,141,711	$8,965,627	$10,644,779

c. The estimated proposed incremental revenue requirement impact of the SIP beyond 2032 is not known at this time.

d. Please see the table below for the estimated length of pipe, in miles, to be replaced as part of the SIP. The exact type of pipe to be replaced each year will be evaluated on an annual basis using the process described in the Direct Testimony of John Magner, pages 4-6 and 37.

2028	2029	2030	2031	2032
13.8	15.2	14.7	16.7	21.5

e. Please see below from Kentucky-American's proposed tariff (Filing Exhibit 2 to the Application). Water Mains and Service Lines can generally be described as pipeline replacement projects.

(1.) "SIP Qualified Infrastructure Investments" include the below recurring and investment projects that are not for the purpose of serving a new customer ("non-revenue producing plant"):

- Water Mains: scheduled replacement, renewal, improvement, or relocation of existing water mains
- Hydrants and Valves: replacement of existing hydrants and valves
- Service Lines: replacement of existing service lines
- Meters: replacement or improvement of existing meters and end-points
- SCADA Equipment and Systems: installation or replacement of Supervisory Control and Data Acquisition ("SCADA") systems and equipment
- Process Plant Facilities and Equipment: new purchase or replacement of existing components of water supply, treatment, pumping, storage, and pressure regulation facilities, including associated building components

and equipment; replacement of existing laboratory equipment; replacement of existing filter media used in treatment

- Booster Stations: replacement or improvement of existing booster stations
- Water Storage Tanks: replacement or improvement of existing water storage tanks

f. KAWC will focus on replacing aging and undersized water main. Exact pipe materials and sizes will be determined on an annual basis using the processes and tools described in the Direct Testimony of John Magner, pages 4-6 and 37.

g. Please see KAW_R_AGDR1_NUM046_062626_Attachment1 to this response. The type of pipe to be replaced will be determined on an annual basis using the tools and processes described on pages 4-6 and 37 of John Magner's Direct Testimony.

h. The SIP rider mechanism would be billed to water customers as a percentage of base water and fire service charges for each customer class. The percentage would be applied to all billed Base Water Revenue, including water service charges based on the size of meter installed, volumetric water service charges based on consumption, municipal or private fire connection water service charges based on size of service, and water service charges for public or private fire hydrants, but excluding any other separately billed surcharges, surcredits, or taxes such as the Kentucky River Authority ("KRA") Withdrawal Fee, the PFAS Litigation Universal Surcredit ("PLUS"), Franchise Taxes, and School District Taxes. The SIP rider mechanism would be reflected as a line item on each water customer's bill. Please see the table below for the current *estimated* incremental percentage impact of the SIP for 2028 through 2032. The percentage impact would be the same for all customer classes, including residential, and the shape of that impact during a calendar year will be based on a customer's base water and fire service charges.

2028	2029	2030	2031	2032
5.15%	5.88%	6.84%	5.05%	5.99%

i. Please see the table below for the current *estimated* total SIP Surcharge Percentage for 2028 through 2032. The total SIP Surcharge Percentage would be the same for all customer classes, including residential, and would be applied to a customer's base water and fire service charges as described above in part h. Please also note that the SIP Surcharge Percentage for all years is using Base Water Revenue as proposed in this proceeding. As discussed in my Direct Testimony, upon the approval of new rates in a subsequent water GRC, Kentucky-American would begin using the newly authorized Base Water Revenues to calculate the Balancing Adjustment and SIP Surcharge percentages and is proposing that the SIP rider mechanism would continue to operate for the recovery of the costs of capital, depreciation, and taxes associated with qualified infrastructure investments outside of base rates.

2028	2029	2030	2031	2032
5.15%	11.03%	17.87%	22.92%	28.91%

j. Confirmed.

k. As discussed in my Direct Testimony, after terminating the QIP Rider as discussed above, the Commission stated, "Kentucky-American may file a request for a new rider mechanism at some point in the future for the intended purpose and use." The Company is seeking a new capital rider in this proceeding because of the scale of Kentucky-American's capital investment needs, as described in Company witness John Magner's testimony. The costs of these investments in infrastructure renewal increases pressure for the Company to place the capital investments into rates. These are similar conditions to what led the Commission to approve the original QIP as discussed above, i.e. replacement of aging infrastructure, the associated regulatory lag faced by the Company, and the steep rate increases generated for customers when utilizing base rates cases to address these circumstances. The Commission should grant the proposed SIP for multiple reasons. The mechanics of the proposed SIP rider mechanism were selected to be responsive to the reasons the Commission provided for terminating QIP and to accomplish multiple key policy goals. Please see the Company's response to KAW_R_PSCDR2_NUM041_062626 for what specific features of the proposed System Improvement Program (SIP) rider mechanism are different from the Qualified Infrastructure Program (QIP) that was terminated and how those features will prevent the same "inconsistent use" and "excess frequency of rate cases" that led to the QIP's termination in Case No. 2025-00122, and as discussed in my Direct Testimony, please see below for the multiple key policy goals the SIP rider mechanism would accomplish:
   - Reduce frequency of GRCs, which would minimize the time, expense, and regulatory burden associated with GRC proceedings;
   - Mitigate against larger rate adjustments in future GRCs by allowing for more gradual recovery of qualifying investment over time; and
   - Support the Company's timely investment in its aging infrastructure which is needed to maintain safe and reliable service.

l. Please see the Company's response to KAW_R_PSCDR2_NUM041_062626.

m. Confirmed.

n. Confirmed.

o. Confirmed. Please also note that Case No. 2023-00191 as referenced in footnote 16, not Case No. 2023-00122 as referenced in the question above, is the correct case number.

p. The Company can neither confirm nor deny without specific reference to a Commission Order.

q. Confirmed. The cost information presented in Case No. 2018-00358 was prepared prior to the COVID-19 pandemic. Like many utilities, KAWC has experienced increases in labor and material costs since the pandemic. KAWC has also experienced increases in the amount of restoration required by municipalities as part of main replacement

projects, which increases project costs. KAWC takes many measures to control costs of its projects, as described in pages 11-15 of the Direct Testimony of John Magner.

r. The current average estimated cost for SIP-eligible main replacement for the years 2027-2029 is $425 per linear foot.

Project #	Project Title	Project Type	Project Costs, 2028-2032
	RECURRING PROJECTS		
R12-**B1	Mains - Replaced / Restored	Water Main Replacement	201,367,148
R12-**D1	Mains - Relocated	Main Relocation	8,171,376
R12-**F1	Hydrants, Valves, and Manholes - Replaced	Valve/Hydrant Replacement	20,536,460
R12-**H1	Services and Laterals - Replaced	Service Line Replacement	11,206,966
R12-**J1	Meters - Replaced	Meter Replacement	23,810,772
R12-**L1	SCADA Equipment and Systems	SCADA/Controls Replacement	10,200,314
R12-**Q1	Process Plant Facilities and Equipment	Process Plant/Facilities Replacement	24,905,000
	INVESTMENT PROJECTS		
I12-02xxxx	KRS1 Chemical Building Improvements	Treatment Plant Replacement	7,500,000
I12-020097	Hall Booster	Pump Station Replacement	2,500,000
I12-02xx04	Woodlake Booster	Pump Station Replacement	2,250,000
I12-02xxx07	KRS 1 Rapid Mix Replacement	Treatment Plant Replacement	3,000,000
I12-02xx13	Winchester Road Reinforcement	Water Main Replacement	5,000,000
I12-02xx14	RRS Sedimentation Basin Improvement	Treatment Plant Replacement	10,000,000
I12-02xx15	KRS1 Switch Gear Improvement	Treatment Plant Replacement	4,000,000
I12-02xxxj	KRS1 Low Service Pump Replacement #4	Treatment Plant Replacement	3,200,000
I12-02xxxx	KRS1 Low Service Pump Replacement #2 and #5	Treatment Plant Replacement	6,000,000
I12-02xxxe	Clays Mill Pump Station	Pump Station Replacement	3,250,000
I12-02xxxx	North Middletown Tranmission Main	Water Main Replacement	23,500,000
I12-02xxxi	York Street Booster Station Replacement	Pump Station Replacement	3,000,000

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb / John Magner

47. Refer to the Magner Testimony and the Application generally.

a. Explain whether Kentucky American proposes to roll-in the SIP amounts into future base rates. Explain the response in detail.

b. Confirm that the Commission denied Kentucky-American's requested roll-in of the prior QIP amounts into base rates in a prior rate case, Case No. 2023-00191.[19] If not confirmed, explain why not.

c. Identify the replacement cycle for the Company's water system.

Response:

a. Please see the Company's response to PSC 2-41, part a.

b. Confirmed.

c. An overall replacement cycle for the "water system" cannot be calculated, as the numerous types of assets within the system are replaced at different rates based on their useful life. However, a replacement cycle for the largest asset within Kentucky American Water's ("KAWC") system, water main, can be estimated using a main replacement rate. As noted in the Direct Testimony of John Magner, KAWC's main replacement rate in 2025 was approximately 0.50%. Using this main replacement rate, the water main within KAWC's distribution system would be replaced every 200 years.

[19] Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 13.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

48. Refer to the Application generally.
    a. Provide copies of all inspection reports conducted by the Kentucky Division of Water for the years 2021 – 2026.
    b. Explain in detail whether there were any deficiencies in the inspection reports.

Response:

a. Please reference KAW_R_AGDR1_NUM48_062626_Attachment_2021 through KAW_R_AGDR1_NUM48_062626_Attachment_2025.
b. There were no deficiencies noted.

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

June 9, 2021

Kentucky American Water - Millersburg
304 E 4th St
Millersburg, Kentucky 40348

RE: Kentucky American Water – Millersburg
A.I. 296
Permit No.: KY0090287
Bourbon County, Kentucky
Activity ID: CIN20210001

To Whom It May Concern:

Attached for your information and records is a copy of the DW NonComp-Purchaser performed at Kentucky American Water - Millersburg on May 21, 2021.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Jarod Jones
Environmental Inspector
Frankfort Regional Office
Division of Water

Signed By: Jarod Jones

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Distribution Inspection

Site/Permit ID: KY0090287	Division: **Water**		Regional Office: Frankfort
Site Name: Kentuckcy American Water-Millersburg		Program: **Drinking Water**	
Site Address: 304 E 4th street			
City: Millersburg	State: KY	Zip: 40348	County: Bourbon
Inspection Type: Routine Distribution	Purpose: Noncomprehensive		AI #: 296
Inspection Date: 5/21/21	Time: Start 1000 AM End 1200 PM		
Latitude: N 38 17' 54.7	Longitude: W84 8 50.3		
Coordinate Collection Method: GP0-With differential correction			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water-Millersburg	Contact Name: Bob Money	
Phone No.: 859-268-6317	Fax No: cell: 859-797-7374	Email Address: Bob.Money@amwater.com

I. Administrative Requirements

Comments: **Not evaluated.**
I. Compliance Status - Not Evaluated

II. Operator Certification/Accreditation Requirements

Operator in Charge and on duty.

Operator Name	Plant Certification #	Distribution Certification #
Jon Wes Felts		**IVD#18681**

Comments: **Mr. Felts is the main distribution operator for the Millersburg system. Ky American has multiple certified operators.**
II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: **Not evaluated.**
III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **The facility provides the required timely reports to the Division of Water.**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:376 Population Served:1011
Average Purchased MGD: 0.152 Max. Purchased MGD: 0.287 Contract Amount MGD:
Source:City of Paris Water Works Seller PWSID: KY0090343 Multiple Sellers ☐ Yes ☒ No

RATING CODES: S1 = No Violations Observed; S2= No Violations Observed-but impending viol trends obs; U1 = Out of Compliance-No action taken; U2= Out of Compliance-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV Issued; NA = Not Applicable: NE = Not Evaluated. **(Add additional comments if U1-U3.)**

SELLER INFORMATION	Seller # 1	Name **City of Paris Water**	PWSID# KY0090343 Contract Amount:
	Seller # 2	Name	PWSID# Contract Amount:
	Seller # 3	Name	PWSID# Contract Amount:
	Seller # 4	Name	PWSID# Contract Amount:
	Seller # 5	Name	PWSID# Contract Amount:
	RATING	**Equipment / Inspection Data**	☐ **Checking block means item is present:**
STORAGE TANK INFORMATION	S1	a) Storage Tank 1 Size:125,000	Screened Vent:☒ Overflow☒ Telemetry: ☒
		Name: Millersburg tank	Last Cleaned: Coating condition: Good
		b) Storage Tank 2 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		c) Storage Tank 3 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		d) Storage Tank 4 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		e) Storage Tank 5 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		f) Storage Tank 6 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		g) Storage Tank 7 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		h) Storage Tank 8 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
GENERAL INFORMATION	NI	j) Master meter ☐	Last Calibrated: Recorder: ☐
	S1	k) Flushing Schedule	☒ Yes ☐ No/ Frequency: as needed
	S1	l) Chlorine Test Kit ☒	Type: HACH Last calibrated
	S1	m) DPD reagent up-to-date	☒ Yes ☐ No
	S1	n) Blow-off / Hydrants on dead	☐ Yes ☐ No
	S1	o) Monthly operating reports	☒ Daily Record Sheet ☐ Agreement: ☐
	S1	p) Bacteriological monitoring	Samples per mo.4 Records: ☐
BOOSTER PUMPS	S1	q) ☐Booster pumps ☒Disinfection	Capacity Disinfection Type: NA hypochlorite
	NA	r) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
	NA	s) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
ON SITE OBSERVATIONS	S1	t) Site Data: South - near tank	Cl. Free:DOW Total: 1.49 pH: KAW 1.34
	S1	u) Site Data: East - 6th st.	Cl. Free:DOW Total: 1.50 pH: KAW 1.42
	S1	v) Site Data: West - Marathon	Cl. Free:DOW Total: 1.02 pH: KAW 1.01
	S1	w) Site Data: North - Oak Ave.	Cl. Free:DOW Total: 1.32 pH: KAW 1.14
OTHER INFORMATION	S1	x) Cross connection program	☒ Yes ☐ No
	S1	y) Water meter replacement	☒ Yes ☐ No
	S1	z) Valve exercise program	☒ Yes ☐ No

	S1	aa) Is unaccounted for water	☒ Yes ☐ No If Yes what is % loss?
	S1	bb) Up to date distribution map	☒ Yes ☐ No

Comments: **No issues observed during the inspection. All components inspected were clean and well maintained.**

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: **Not applicable.**

VI. Compliance Status - Not Applicable

VII. Monitoring/Analyses Evaluation

Comments: **Not evaluated.**

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment: ☒ ATTACHED ☐ REVIEWED

Comments: **No major concerns were noted at the time of the inspection.**

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☒ **Instrument readings taken by DEP regional office**
☒ **Photographs obtained by DEP**
☐ **Copies of records obtained by DEP**
☐ **Other documentation**

Inspector: Jarod Jones	**Title:** Environmental Inspector II	**Date:** 05/21/2021

5/26/2021

X

Signature: Signed by: Jarod Jones

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance- LOW Non-recurrent administrative or O & M**
☐ **Out of Compliance – NOV**

Comments: No compliance issues noted during the inspection.

Delivery Method: E-mail	Cert. Mail #:

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

July 16, 2021

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20210001

Dear Mr. Money:

Attached for your information and records is a copy of the drinking water non-comprehensive inspection performed at KY American Water Co on June 21, 2021.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water Plant C		Program: **Drinking Water**	
Site Address: 16035 hwy 127 south			
City: Owenton	State: KY	Zip: 40359	County: Owen
Inspection Type: Routine Surface	Purpose: Noncomprehensive		AI #: 1063
Inspection Date: 6/21/21	Time: Start 09:00 AM End 11:30 AM		
Latitude:	Longitude:		
Coordinate Collection Method: G40-Handheld receiver		Revision Code: 112108	

Drinking Water Data

Plant Name: Kentucky River station #2	Contact Name: Robert Money	
Phone No.: 859-335-3660`	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: **Not evaluated. Non-comprehensive inspection performed**

I. Compliance Status - Not Evaluated

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Scott Huddleston	**IVA#21329**	
Justin Sensabaugh		**IVD#20165**

Comments: **A complete list of operators was provided during the inspection. No concerns noted.**

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: **Not evaluated.**

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **The facility provides timely reports to the Division of Water as required.**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections: Population Served:
Average Production MGD: 7.93 Max. Production MGD: 14.8 Design Capacity MGD: 20.0 MGD
Source:Kentucky River pool #3

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	NI	a) Intakes, pumps, piping ☐	# Of Levels # Pumps Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: If other: mechanical mixer
	S1	d) Flocculation ☒	# of Stages4 # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Conventional # of trains:4
	NI	f) Chemical feed coagulation	
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 5 Size702 Filtration Rate:5
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	NI	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	NI	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA	S1	n) Site Data: BM tank	Cl. Free:DOW Total: 2.8 pH: KAWC :2.56
	S1	o) Site Data: office	Cl. Free:DOW Total: 2.9 pH: KAWC 2.8
	S1	p) Site Data: brock	Cl. Free:DOW Total: 3.8 pH: KAWC 3.72
	S1	q) Site Data: on-line	Cl. Free:BM tank Total: 2.9 pH: brock 3.74
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: 2/26/21
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	NI	w) Monthly operating reports	☐ Daily Record Sheet ☐ Agreement: ☐
	S1	x) Housekeeping	good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	S1	aa) Water storage:	# of Tanks Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐
PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: online-4.61 total: 4.3 pH: 7.1
	S1	dd) Turbidity	Raw:36 Settled:0.16 Combined Filter:0.03
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐

	S1	gg) Wastewater discharge	KPDES Is sizing adequate? ☒ Yes ☐ N0

Comments: A Division of Water Non-Comprehensive inspection was conducted on May 21, 2021. no major concerns were noted during the inspection. The floc basins, sedimentation basins, laboratory, and filters were observed. The basins are cleaned monthly. The laboratory was satisfactory. Instrumentation was last calibrated by Morsten Technical Services on February 26, 2021. Standards were observed to be current. Standard Operating Procedures have been developed.

The Brock and Blue moon tanks were observed during the inspection. Both tanks were fenced, secure, and had overflow protection installed. Distribution system chlorine readings were acceptable and comparable between the DOW and KAWC readings along with the on-line instrumentation reading.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: A KPDES wastewater discharge inspection was performed after the drinking water inspection.

VI. Compliance Status - No violations observed

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments:

VIII. Compliance Status – No violations observed

IX. Documentation

- ☒ **Samples taken by DEP**
- ☐ **Samples taken by outside source**
- ☐ **Instrument readings taken by DEP regional office**
- ☐ **Photographs obtained by DEP**
- ☒ **Copies of records obtained by DEP**

☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** July 8, 2021

Signature:

Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

Inspection Report

GenTrack Item # 225		
Section	**Field Name**	**Response**
Facility		
	Inspector ID	4
	PWS ID:	0340250A
	Category:	Plants
	Facility Name:	KENTUCKY AMERICAN WATER CO. A
	Status:	Active
	Status Date:	
	Address 1:	6300 Cedar Creek Lane (plant)
	Address 2:	2300 Richmond Road (mail)
	City:	LEXINGTON
	State:	KY
	Zip Code:	40515
	Phone:	859-268-6317
	Email:	bob.money@amwater.com
	County:	Fayette
	Fluoridation:	Yes
	Contact First Name:	Bob
	Contact Last Name:	Money
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone Number	859-268-6317

GenTrack Item # 225 - 7		
Section	**Field Name**	**Response**
General		
	Inspection Date:	08/17/2021
	Inspector:	Lucas Bentley
	Inspector Information:	275 east Main Street Frankfort KY 40621 Office Phone: [redacted] Home Phone: [redacted] Active
	Contact First Name:	Ed
	Contact Last Name:	Sturgis
	Contact Address 1:	

	Contact Address 2:	Bob Money (cell)
	Contact Phone:	859-268-6317
	Certification Number:	25173
	Water Source:	Surface Water
	Fluoridation Type:	Acid
	Service Connections:	116000
	Populations Served:	290000.0
	AVG Production:	30 MGD
	Flow Rate:	30.4 mgd
	Design Capacity:	54 MGPD
	PWSI Number:	0340250a
	GPS Coordinates:	37.903847, -84.378059
Chemical Treatment		
	Activated Carbon:	No
	Aluminum Chloride (Brennfloc):	No
	Aluminum Chlorohydrate:	No
	Aluminum Potassium:	No
	Aluminum Sulfate:	No
	Amonia:	Yes
	Calcium Hydroxide:	No
	Calcium Oxide:	No
	Carbon Dioxide:	No
	Charcoal:	No
	Chlorine:	Yes
	Chlorine Dioxide:	No
	Copper Sulfate:	No
	Ferric Chloride:	Yes
	Ferric Sulfate:	No
	Fluorosilic Acid:	Yes
	Hydrochloirc Acid:	No
	Hydrochlorites:	No
	Hydrogen Peroxide:	No
	Hydroxide Ammonium:	No
	Phosphate:	No
	Polyaluminum Chloride:	No
	Polyelectrolytes:	No
	Polyphosphates:	No
	Potassium Hydroxide:	No

	Potassium Permanganate:	Yes
	Silica:	No
	Sodium Aluminate:	No
	Sodium Bicarbonate:	No
	Sodium Carbonate:	No
	Sodium Chloride:	Yes
	Sodium Fluoride:	No
	Sodium Fluorosilicate:	No
	Sodium Hydroxide:	No
	Sodium Permanganate:	No
	Sodium Thiosulfite:	No
	Sulfur Dioxide:	No
	Sulfuric Acid:	No
	Ultraviolet:	No
	Others:	POLYMER, ORTHOPHASPHATE,
Plant Safety Equipment		
	Syphon Breakers Rating:	Satisfactory
	Comments:	
	Ventilation Rating:	Satisfactory
	Comments:	
	Storage Rating:	Satisfactory
	Comments:	
	Method Of Measurement:	Volumeric
	Method of Measurement Rating:	Satisfactory
	Comments:	ULTRA SONIC
Operator Safety Equipments		
	Respirator:	Satisfactory
	Comments:	
	Face Shield:	Satisfactory
	Comments:	
	Gloves:	Satisfactory
	Comments:	
	Apron:	Satisfactory
	Comments:	
Laboratory and Records		
	Tester Brands:	CH EZ-CHECK
	Tester Brand Rating:	Satisfactory

	Comments:	
	Adequate Reagent Supply:	Satisfactory
	Comments:	
	Regeant Up-To-Date:	Satisfactory
	Comments:	
	Monthly Operating Reports:	Satisfactory
	Last Month AVG-Daily Usage in Pounds:	773.0
	Last Month AVG Daily Pre-Population Results:	3.7
	Last Month AVG Tap Reading:	0.88
	Last Month AVG Raw Reading:	0.20
	Comments:	
	Housekeeping:	Satisfactory
	Comments:	
Distribution		
	Master Meter:	Satisfactory
	Comments:	
	Point Of Injection:	Satisfactory
	Comments:	PRIOR TO THE CLEARWELL.
	Chemical Feeder:	Satisfactory
	Comments:	Day Tank - 280g max Bulk Tank - 8200 max
	Feeder's Brand:	Jesco
	Feeder Size:	
	Setting:	
	Speed:	
	Stroke:	
On-Site Observation		
	Fluoride Rating:	Satisfactory
	Comments:	PLANT IN COMPLIANCE ALL YEAR. SAMPLES SENT IN ON TIME. WELL RUN PLANT. VERY PROFESSIONAL PLANT.
	Private Labs:	State Lab
	Split Rating:	Satisfactory
	Comments:	
	Insp:	1.03
	Plant:	0.88
	LAB:	0.85

Inspection Report

GenTrack Item # 226		
Section	**Field Name**	**Response**
Facility		
	Inspector ID	4
	PWS ID:	0340250B
	Category:	Plants
	Facility Name:	KENTUCKY AMERICAN WATER CO. B
	Status:	Active
	Status Date:	
	Address 1:	2300 RICHMOND RD
	Address 2:	
	City:	LEXINGTON
	State:	KY
	Zip Code:	40505
	Phone:	859 268-6317
	Email:	bob.money@amwater.com
	County:	Fayette
	Fluoridation:	Yes
	Contact First Name:	Bob
	Contact Last Name:	Money
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone Number	859 268-6317

GenTrack Item # 226 - 7		
Section	**Field Name**	**Response**
General		
	Inspection Date:	08/17/2021
	Inspector:	Lucas Bentley
	Inspector Information:	275 east Main Street Frankfort KY 40621 Office Phone: [redacted] Home Phone: [redacted] Active
	Contact First Name:	Ben
	Contact Last Name:	Corbin
	Contact Address 1:	

	Contact Address 2:	
	Contact Phone:	859 268-6348
	Certification Number:	16483
	Water Source:	Surface Water
	Fluoridation Type:	Acid
	Service Connections:	130000
	Populations Served:	325000.0
	AVG Production:	12 MGPD
	Flow Rate:	7 MGD
	Design Capacity:	25 MGPD
	PWSI Number:	0340250b
	GPS Coordinates:	37.904274 -84.377505
Chemical Treatment		
	Activated Carbon:	Yes
	Aluminum Chloride (Brennfloc):	No
	Aluminum Chlorohydrate:	No
	Aluminum Potassium:	No
	Aluminum Sulfate:	No
	Amonia:	Yes
	Calcium Hydroxide:	No
	Calcium Oxide:	No
	Carbon Dioxide:	No
	Charcoal:	No
	Chlorine:	Yes
	Chlorine Dioxide:	No
	Copper Sulfate:	Yes
	Ferric Chloride:	No
	Ferric Sulfate:	No
	Fluorosilic Acid:	Yes
	Hydrochloirc Acid:	No
	Hydrochlorites:	No
	Hydrogen Peroxide:	No
	Hydroxide Ammonium:	No
	Phosphate:	No
	Polyaluminum Chloride:	No
	Polyelectrolytes:	No
	Polyphosphates:	No
	Potassium Hydroxide:	No

	Potassium Permanganate:	Yes
	Silica:	No
	Sodium Aluminate:	No
	Sodium Bicarbonate:	No
	Sodium Carbonate:	No
	Sodium Chloride:	Yes
	Sodium Fluoride:	No
	Sodium Fluorosilicate:	No
	Sodium Hydroxide:	No
	Sodium Permanganate:	No
	Sodium Thiosulfite:	No
	Sulfur Dioxide:	No
	Sulfuric Acid:	No
	Ultraviolet:	No
	Others:	POLYMER, ORTHOPHOSHATE.
Plant Safety Equipment		
	Syphon Breakers Rating:	Satisfactory
	Comments:	
	Ventilation Rating:	Satisfactory
	Comments:	
	Storage Rating:	Satisfactory
	Comments:	
	Method Of Measurement:	Volumeric
	Method of Measurement Rating:	Satisfactory
	Comments:	ULTRA SONIC
Operator Safety Equipments		
	Respirator:	Satisfactory
	Comments:	
	Face Shield:	Satisfactory
	Comments:	
	Gloves:	Satisfactory
	Comments:	
	Apron:	Satisfactory
	Comments:	
Laboratory and Records		
	Tester Brands:	CH EZ-CHECK
	Tester Brand Rating:	Satisfactory

	Comments:	
	Adequate Reagent Supply:	Satisfactory
	Comments:	
	Regeant Up-To-Date:	Satisfactory
	Comments:	
	Monthly Operating Reports:	Satisfactory
	Last Month AVG-Daily Usage in Pounds:	320.7
	Last Month AVG Daily Pre-Population Results:	3.7
	Last Month AVG Tap Reading:	0.85
	Last Month AVG Raw Reading:	0.42
	Comments:	
	Housekeeping:	Satisfactory
	Comments:	
Distribution		
	Master Meter:	Satisfactory
	Comments:	
	Point Of Injection:	Satisfactory
	Comments:	AFTER FILTERS
	Chemical Feeder:	Satisfactory
	Comments:	Setting: 1.03 GPH
	Feeder's Brand:	Vacon
	Feeder Size:	6.1 GPH
	Setting:	
	Speed:	
	Stroke:	
On-Site Observation		
	Fluoride Rating:	Satisfactory
	Comments:	PLANT IN COMPLIANCE ALL YEAR. SAMPLES SENT IN ON TIME. WELL RUN PLANT. VERY PROFESSIONAL PLANT.
	Private Labs:	
	Split Rating:	Satisfactory
	Comments:	Serve as their own certified lab
	Insp:	0.98
	Plant:	0.83
	LAB:	0.71

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

October 1, 2021

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20210003

Dear Mr. Money:

Attached for your information and records is a copy of the drinking water non-comprehensive inspection performed at KY American Water Co- plant A on September 2, 2021.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky Americal Water- Plant A		Program: **Drinking Water**	
Site Address: 6300 Cedar Creek Road			
City: Lexington	State: KY	Zip: 40515	County: Fayette
Inspection Type: Routine Surface	Purpose: Noncomprehensive		AI #: 1063
Inspection Date: 9/2/21	Time: Start 0830 AM End 0930 AM		
Latitude: 37 54' 16"	Longitude: 84 22' 42"		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water- Plant A	Contact Name: Robert Money	
Phone No.: 858-335-3660	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Edwin Sturgis	**Class 4A, #81**	
Janet Bemiss	**IVA#1551**	**I**

Comments: A complete list of operators was provided during the inspection.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated. Non-comprehensive inspection performed.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **Not evaluated. Non-comprehensive inspection performed.**

IV. Compliance Status - Not Evaluated

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:129,493 Population Served:348,336
Average Production MGD: 23.23 Max. Production MGD: 32.16 Design Capacity MGD: 45
Source:Kentucky River

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	S1	a) Intakes, pumps, piping ☒	# Of Levels1 # Pumps6 Max pump.
	NA	b) Aeration ☐	
	NI	c) Rapid mix ☐	Type: If other:
	NA	d) Flocculation ☐	# of Stages # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Hydrotreator # of trains:
	NI	f) Chemical feed coagulation	
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 10 Size718 Filtration Rate:4
	NI	j) Automatic analyzers:	Chlorine: ☐ Turbidity: ☐ Each filter: ☐ pH: ☐
	NI	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	NI	m) Pumps # and size in gpm	High Service61 @ Backwash @
SITE DATA		n) Site Data:	Cl. Free: Total: pH: :
		o) Site Data:	Cl. Free: Total: pH:
		p) Site Data:	Cl. Free: Total: pH:
		q) Site Data:	Cl. Free: Total: pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACh Last calibrated: 2/24/2021
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	good
DISTRIBUTION	NA	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NA	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	NA	aa) Water storage:	# of Tanks Total Storage:
	NA	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐
PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: total: 3.11 pH: 6.98
	S1	dd) Turbidity	Raw:16.0 Settled:1.7 Combined Filter:0.05
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐

	S1	gg) Wastewater discharge	Is sizing adequate? ☒ Yes ☐ N0

Comments: The facility was clean and operational at the time of the inspection. The new intake access car system has been completed. Flow is directed through arapid mix where DelPAC 202 and other polymers are added. Water is them processed through hydrotreators. All five hydrotreator valve houses have been reworked and new Swan Sewnaos Turbiwell instrumentation has been installed. Weekly calibration checks are performed on all sampling equipment by facility personnel. A new THM on-line analyzer has been installed on the plant effluent. The new chemical building has been completed. The facility is now using liquid chlorine for disinfection. Chemical areas are marked appropriately and are secure.
The laboratory was satisfactory. Standards were observed to be current. Records observed during the inspection include analytical bench sheets, temperature log books, and calibration logs. Laboratory instrumentation was calibrated by an outside source in February 2021. The plant on-line chlorine and bench top chlorine readings were comparable.

The distribution system for this plant is associated with the Richmond Road facility.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: Not evaluated.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☐ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**

☒ **Copies of records obtained by DEP**
☒ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 9/17/2021

Signature: **DES**

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

October 4, 2021

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20210005

Dear Mr. Money:

Attached for your information and records is a copy of the drinking water non-comprehensive inspection performed at KY American Water Co Plant B on September 2, 2021.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water- Plant B		Program: **Drinking Water**	
Site Address: 2300 Richmond Road			
City: Lexington	State: KY	Zip: 40502	County: Fayette
Inspection Type: Routine Surface	Purpose: Noncomprehensive		AI #: 1063
Inspection Date: 9/2/21	Time: Start 10:00 AM End 14:00 PM		
Latitude: 37 39' 24"	Longitude: 84 26' 11"		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water- Plant-B	Contact Name: Robert Money	
Phone No.: 423-355-8591	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Nathan Coyle	**IVA#31126**	
Benjamin Corbin	**IVA#16483**	
Richard Howard	**IVA#20165**	

Comments: A full list of operators was provided during the inspection. Justin Sensabaugh is in charge of the distribution system: active Class IVD, license #20165.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated. Non-comprehensive inspection performed.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: Not evaluated.

IV. Compliance Status - Not Evaluated

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections: 129493 Population Served: 348,336
Average Production MGD: 9.39 Max. Production MGD: 16.39 MGD Design Capacity MGD: 25 MGD
Source: Kentucky River and Jacobson Resesrvoir.

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	NI	a) Intakes, pumps, piping ☐	# Of Levels # Pumps Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: Mechanical paddle If other:
	S1	d) Flocculation ☐	# of Stages2 # of Trains2 Variable Speedyes
	S1	e) Sedimentation ☐	Type: Conventional # of trains:4
	S1	f) Chemical feed coagulation	Alum-polymer blends
	NA	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 8 Size Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	S1	k) Chemical storage:	Dry on pallets? ☒ Chemical containment: ☒
	NI	l) Clearwell / screened vents	Size:1.2 MG Baffling:☒ Locked ☒ Screened ☒
	NI	m) Pumps # and size in gpm	High Service6 @ Backwash 2 @ 9933
SITE DATA	S1	n) Site Data: Clays Mill	Cl. Free:-DOW Total: 1.7 pH: on-liine :1.54
	S1	o) Site Data: Clays Mill	Cl. Free:WTP Total: 1.55 pH:
	S1	p) Site Data: Mercer	Cl. Free:DOW Total: 2.6 pH: On-Line 2.50
	S1	q) Site Data: Mercer	Cl. Free:WTP Total: 2.25 pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NA	s) Automatic chlorinator ☒	Automatic changeover ☒ Proper Fan ☒
	NA	t) Separate room & ventilation	Crash Bar ☒ Alarm ☒
	NA	u) Safety equipment	SCBA ☒ Ammonia ☒ Detector ☒
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: 02/2021
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	Good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☒ Finished:☒ ; Raw: ☒ Finished: ☒
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☒ Blowoffs on deadends:☒
	S1	aa) Water storage:	# of Tanks 12 Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☒ Booster chlorinators: ☐

PLANT	S1	cc) Plant Data:	Cl free: total: 3.15 pH: 7.36
ON	S1	dd) Turbidity	Raw:7 Settled:0.16 Combined Filter:0.026
SITE	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
OBSERVATION	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☒
	NI	gg) Wastewater discharge	Is sizing adequate? ☒ Yes ☐ N0

Comments: The Division of Water conducted a comprehensive inspection on September 2, 2021. The inspection included a tour of the facility's process, laboratory procedures, and the KAW distribution system. No major concerns were noted during the inspection. The facility was clean and operational. Raw water is continually monitored as it enters the plant and is then directed to the rapid mix, floc basins, and sedimentation basins. The flow leaving the weirs were satisfactory. Basins are cleaned quarterly. Filters were satisfactory and used on a rotating basis. Online instrumentation is calibrated quarterly. Flow leaves the filters and is directed to one of two chlorine contact basins.
The new chemical building has been completed. The facility now used liquid chlorine for disinfection purposes. Liquid lime is now used. Current chemical storage areas are marked appropriately and are secure. The laboratory was satisfactory. Standards were observed to be current.

The following tanks were observed during the inspection: Arboretum, Clays MIll, Mercer, Briar Hill, and Eastland. The tanks were secure, flappered, and observed to be in good condition.

Chlorine residuals in the system were acceptable. Daily chlorine check standards are performed and recorded. Tanks are inspected once every five years. System flushing is performed in the spring. Most meters are radio read. Additional chlorine sample: Briar Hill: DOW 1.4; WTP 1.31; On-Line- 1.0.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: A KPDES inspection was performed and the facility was found to be in compliance.

VI. Compliance Status - No violations observed

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☒ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☒ **Copies of records obtained by DEP**
☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 09/17/21

Signature: E-Signed by Singleton, Deborah
VERIFY authenticity with e-Sign
Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Distribution Inspection

Site/Permit ID: KY1020288	Division: **Water**		Regional Office: London
Site Name: Kentucky American Water - Eastern Rockcastle		Program: **Drinking Water**	
Site Address: 9264 Main Street			
City: Livingston	State: KY	Zip: 40445	County: Rockcastle
Inspection Type: Routine Distribution	Purpose: Comprehensive		AI #: 34097
Inspection Date: 9/22/21	Time: Start 11:00 AM End 6:15 PM		
Latitude:	Longitude:		
Coordinate Collection Method:			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water - Eastern Rockcastle	Contact Name: Dorothy Johnson 859-335-3670 (office) 859-537-0744 (mobile)	
Phone No.: Livingston Office 606-453-0019	Fax No:	Email Address: Dorothy.Johnson@amwater.com

I. Administrative Requirements

Comments: As required, the system submitted a written response to the August 2019 Sanitary Survey's non-significant deficiencies.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge and on duty.

Operator Name	Plant Certification #	Distribution Certification #
Charles Dick - AI 46253		**64535 - IV**
Justin Sensabaugh AI 30399	**9579 - IV**	**20165 - IV**

Comments: The Class II distribution system is adequately staffed. Mr. Sensabaugh is the Senior Manager of Field Operation and Mr. Dick is the Manager of Field Operations. Their licenses have been renewed through 6/30/22. Daily operation of the distribution system is conducted by Rodney Trowbridge and Josh Martin.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: The system does not maintain a line break log in accordance with 401 KAR 8:150 Section 4(2). The system should maintain a log of all breaks or ruptures, which shall include the:

a. date and location of the break;
b. time it was discovered;
c. the population affected;
d. length of time required to repair the break;
e. date and time disinfectant residuals are detected;
f. date and time bacteriological samples are taken.

Daily distribution chlorine monitoring logs are maintained well. One log is maintained for four of the areas within the system: Brush Creek, Jackson Co. Water, Sand Springs and Sand Hill. Each log includes all pertinent information, including the date and time, location, analysts' initials and chlorine result.

Chains of custody and laboratory analysis reports are maintained and available for review.

Mr. Trowbridge maintains a monthly seondary standard check for the Hach II pocket colorimeter used for compliance monitoring. The log includes all pertinent information including the standard reading and its acceptable range.

Customer complaints are stored electronically.

III. Compliance Status - No violations obs- but impending viol trends obs

IV. Reporting Requirements

Comments: BWAs are reported well.

MORs are signed by Dorothy Johnson (Ky American Water - Water Quality Specialist) and submitted as required. The system normally reports 4 daily chlorine residual readings: Jackson Co. supplied water at Three Links (reported as the North), Livingston supplied water on Sand Hill (East), Mt. Vernon supplied water at Sand Springs (West) and Mt. Vernon supplied water at the Brush Creek master meter (South).

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☐ C ☐ N ☒ P Service Connections:667 Population Served:1794
Average Purchased MGD: 0.089 Max. Purchased MGD: Contract Amount MGD:
Source: Seller PWSID: Multiple Sellers ☒ Yes ☐ No

RATING CODES: S1 = No Violations Observed; S2= No Violations Observed-but impending viol trends obs; U1 = Out of Compliance-No action taken; U2= Out of Compliance-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV Issued; NA = Not Applicable: NE = Not Evaluated. **(Add additional comments if U1-U3.)**

SELLER INFORMATION	Seller # 1	Name **Jackson County**	PWSID# KY0550209 Contract Amount: 0.049 MGD
	Seller # 2	Name Mt. Vernon	PWSID# KY1020299 Contract Amount: 0.038 MGD
	Seller # 3	Name Livingston	PWSID# KY1020253 Contract Amount: 0.015 MGD
	Seller # 4	Name	PWSID# Contract Amount:
	Seller # 5	Name	PWSID# Contract Amount:
	RATING	**Equipment / Inspection Data**	☐ **Checking block means item is present:**
STORAGE TANK INFORMATION	S1	a) Storage Tank 1 Size:80,000	Screened Vent:☐ Overflow☒ Telemetry: ☐
		Name: Three Links (Jackson Co.	Last Cleaned:2019 Coating condition: Good
	S1	b) Storage Tank 2 Size:15,000	Screened Vent:☒ Overflow☒ Telemetry: ☐
		Name: Sand Springs aka Pongo	Last Cleaned:2019 Coating condition: Good
		c) Storage Tank 3 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		d) Storage Tank 4 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		e) Storage Tank 5 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		f) Storage Tank 6 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		g) Storage Tank 7 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		h) Storage Tank 8 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
GENERAL INFORMATION		j) Master meter ☐	Last Calibrated: Recorder: ☐
		k) Flushing Schedule	☐ Yes ☐ No/ Frequency: Annually
	S1	l) Chlorine Test Kit ☒	Type: HACH II Last calibrated 9/6/21
	S1	m) DPD reagent up-to-date	☒ Yes ☐ No
	S1	n) Blow-off / Hydrants on dead	☒ Yes ☐ No
	S1	o) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☐
	S1	p) Bacteriological monitoring	Samples per mo.5 Records: ☒
BOOSTER PUMPS	NI	q) ☒Booster pumps ☐Disinfection	Capacity2 @80 Disinfection Type:
	NI	r) ☒Booster pumps ☐Disinfection	Capacity2 @80 Disinfection Type:
	NI	s) ☒Booster pumps ☐Disinfection	Capacity2 @60 Disinfection Type:
ON SITE OBSERVATIONS	S1	t) Site Data: Buffalo Baptist Ch.	Cl. Free:0.60 Total: 0.72 pH: Turbidity: 0.08
	S1	u) Site Data: Climax VFD	Cl. Free:0.77 Total: pH: Turbidity: 1.46
	S1	v) Site Data: Ballinger Farms	Cl. Free:1.11 Total: pH: Turbidity: 0.18
	S1	w) Site Data: 3753 Sand Hill Rd	Cl. Free:1.41 Total: pH: Turbidity: 0.21
OTHER INFORMATION	S1	x) Cross connection program	☒ Yes ☐ No
	S1	y) Water meter replacement	☒ Yes ☐ No
	S1	z) Valve exercise program	☒ Yes ☐ No
	S1	aa) Is unaccounted for water	☒ Yes ☐ No If Yes what is % loss? 35.6
	S1	bb) Up to date distribution map	☒ Yes ☐ No

Comments: The system is serviced by 4 master meters; 2 from Mt. Vernon/KY1020299 (Brush Creek and Sand Springs), 1 from Jackson Co./KY0550209 in the Three Links community and 1 from Livingston/KY1020253 in the Sand Hill area.

In August 2021, the system averaged 134 ga/connection/day.

The 25', Mt. Vernon Water fed tank at Pongo is controlled by an altitude valve, it is set to kick on at 8' and off at 23.5'. The tank was inspected in 2019 by Tank Industry Consultants and found to be in good condition. The tank's exterior was blasted and painted late 2019/early 2020.

The Jackson Co. Water fed tank at Three Links was fully restored on the inside & outside and painted on the exterior. The work was performed by Currens Construction in the fall of 2019/early 2020.

Distribution pump stations include 2 at Sand Hill, 2 at Pongo and 2 which are currently out of operation at Ole Gauley.

The system's Neptune radio-read meter replacement project was completed in 2018.

KAW (Jennifer Shrewsberry) implements the system's Cross Connection Control Program.

The system's GIS mapping project was completed in early 2020.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments:

VI. Compliance Status - Not Applicable

VII. Monitoring/Analyses Evaluation

Comments: Daily chlorine monitoring is conducted by Rodney Throwbridge and Josh Martin. Normally four locations are monitored for free residual daily. The locations include water from all three of the suppliers. The normal locations include Three Links (Jackson Co. Water), Sand Hill Road (Livingston Water), Sand Springs (Mt. Vernon Water on the West side of the system) and at the Brush Creek master meter (Mt. Vernon Water on the East side of the system). To adequately monitor the chlorine residual throughout the distribution system, sampling should routinely occur further down the Jackson Co. line and past the Brush Creek master meter. On August 25th, 2021 the chlorine level at the Brush Creek master meter was 0.52 mg/l.

Mr. Trowbridge maintains a monthly seondary standard check for the Hach II pocket colorimeter used for compliance monitoring. The log for 2021 was reviewed and includes all pertinent information including the standard reading and its acceptable range. The standard kit lot number is A0007 and it expires 1/22.

The system is required to collect 2 bact samples/month based on population. The system collects 5 monthly; 3 samples during the first week and 2 samples during the third week. The samples are collected by Mr. Trowbridge. Prior to the sample collection, he performs a secondary reference

standard check on his pocket colorimeter. The check is documented on the chain of custody. Lab reports indicate hold times are met. Sample sites are repeated weekly. The system should routinely sample from other DOW approved monitoring locations to adequately represent the entire distribution system.

Special BACT samples are collected by Mr. Trowbridge and delivered to the Ky American Richmond Road lab (#00011) for analysis.

The system is required to collect DBP samples from 2 locations quarterly. Their monitoring sites are Big Cave Road (Mt. Vernon Water) and 3333 Upper Piney Branch Road (Jackson Co. Water). Until the most recent 8/2/21 monitoring event, the system had not exceeded the MCL for HAA5s or TTHMs since the 3Q20. On 8/2/21, HAA5s and TTHMs were just slightly over the MCL at one of the two monitoring locations. The system conducts DBP monitoring at the Jackson MM, Sand Springs MM, and Brush Creek MM to have a background level. The samples are collected by Mr. Trowbridge and analyzed by the American Water lab in Bellville, Il (#90005).

VII. Compliance Status - No violations observed

VIII. Environmental /Health Impact

Work Site Hazard Assessment: ☒ ATTACHED ☐ REVIEWED

Comments:

VIII. Compliance Status – No violations observed

IX. Documentation

- ☐ **Samples taken by DEP**
- ☐ **Samples taken by outside source**
- ☒ **Instrument readings taken by DEP regional office**
- ☒ **Photographs obtained by DEP**
- ☒ **Copies of records obtained by DEP**
- ☐ **Other documentation**

Inspector: Beth Trent	**Title:** Environmental Inspector III	**Date:** 10/5/21

10/5/2021

X Beth Trent

Signature: Signed by: Beth Trent

Overall Compliance Status
☐ No violations observed
☒ No violations observed, but impending violation trends observed
☐ Out of Compliance- No action taken
☐ Out of Compliance- LOW Non-recurrent administrative or O & M
☐ Out of Compliance – NOV

Comments: The system does not maintain a line break log in accordance with 401 KAR 8:150 Section 4(2). The system should maintain a log of all breaks or ruptures, which shall include the:

a. date and location of the break;
b. time it was discovered;
c. the population affected;
d. length of time required to repair the break;
e. date and time disinfectant residuals are detected;
f. date and time bacteriological samples are taken.

To adequately monitor the chlorine residual throughout the distribution system, sampling should routinely occur further down the Jackson Co. line and past the Brush Creek master meter. On August 25th, 2021 the chlorine level at the Brush Creek master meter was 0.52 mg/l.

Delivery Method: E-mail	Cert. Mail #: N/A

Inspection Report

GenTrack Item # 227		
Section	**Field Name**	**Response**
Facility		
	Region:	Central
	PWS ID:	0340250C
	Category:	Plants
	Facility Name:	KENTUCKY AMERICAN WATER CO. C
	Status:	Active
	GPS Location:	38.358527 -84.865399
	Physical Address:	16035 HWY 127
	Mailing Address:	
	City:	OWENTON
	State:	KY
	Zip Code:	40359
	Phone:	502 484-8373
	Plant Email:	bob.money@amwater.com
	County:	Owen
	Fluoridation:	Yes
	Contact First Name:	Jason
	Contact Last Name:	Case
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone Number:	502 395-2945
	Contact Email:	bob.money@amwater.com

GenTrack Item # 227 - 8		
Section	**Field Name**	**Response**
General		
	Inspection Date:	03/11/2022
	Inspector:	Lucas Bentley
	Inspector Information:	275 east Main Street Frankfort KY 40621 Office Phone: [redacted] Home Phone: [redacted] Active
	Operator On Duty First Name:	Chris

	Operator On Duty Last Name:	Riddle
	Contact Address 1:	16035 HWY 127
	Contact Address 2:	
	Contact Phone:	502 484-8373
	Certification Number:	16208
	Water Plant Operator Certification Level:	
	Facility Classification Level:	
	[BLANK]	
	Water Source:	Surface Water
	Fluoridation Type:	Acid
	Service Connections:	3900
	Populations Served:	10491.00
	AVG Production:	7.5 MGPD
	Flow Rate (Influent):	4200 GPM
	Master Meter (Raw):	Satisfactory
	Design Capacity:	20 MGPD
	PWSI Number:	0340250C
	GPS Coordinates:	38.358527 -84.865399
	Comments:	
Chemical Treatment		
	Activated Carbon (Activated Charcoal):	Yes
	Aluminum Chloride:	Yes
	Aluminum Chlorohydrate:	No
	Aluminum Potassium:	No
	Aluminum Sulfate (Alum):	No
	Amonia:	Yes
	Calcium Hydroxide (Hydrated Lime):	No
	Calcium Oxide (Quick Lime):	No
	Carbon Dioxide:	No
	Charcoal:	No
	Chlorine (gas):	Yes
	Chlorine (liquid):	No
	Chlorine Dioxide:	No
	Copper Sulfate:	No
	Ferric Chloride:	No

	Ferric Sulfate:	No
	Hydrofluorosilicic Acid (HFS):	Yes
	Hydrochloric Acid:	No
	Hydrochlorites:	No
	Hydrogen Peroxide:	No
	Hydroxide Ammonium:	No
	Phosphate:	No
	Polyaluminum Chloride (PAC):	No
	Polyelectrolytes:	No
	Polyphosphates:	No
	Potassium Hydroxide (Caustic Potash):	No
	Potassium Permanganate:	Yes
	Silica:	No
	Sodium Aluminate:	No
	Sodium Bicarbonate (Baking Soda):	No
	Sodium Carbonate (Soda Ash):	No
	Sodium Chloride (Salt):	No
	Sodium Fluoride:	No
	Sodium Fluorosilicate:	No
	Sodium Hydroxide (Caustic Soda):	No
	Sodium Hypochlorite:	No
	Sodium Permanganate:	No
	Sodium Thiosulfite:	Yes
	Sulfur Dioxide:	No
	Sulfuric Acid:	No
	Ultraviolet:	No
	Others:	ORTHOPHOSPHATE, POLYMER & CAUSTIC SODA.
Fluoride System		
	Saturator System:	
	Saturator Cleanout Date (recommended annually or as needed):	
	[BLANK]	

	[BLANK]	
	Comments:	
	Dry System:	
	Comments:	
	Tablet System:	
	Tablet System Flow Rate:	
	Comments:	
	Hydrofluorosilicic Acid (HFS) System:	
	Hydrofluorosilicic Acid (HFS) Bulk Tank Size (gallons):	
	HFS Day Tank Size (dimensions in inches):	
	HFS Day Tank Size (gallons):	
	HFS Day Tank Limitations:	
	HFS Day Tank Loss of Suction Point (lbs if scale used and inches if volumetric loss used):	
	HFS Day/Bulk Tank Vented to the Outside Atmosphere:	
	Transfer Pump:	
	Liquid Level Limit Switch:	
	HFS Usage Table:	
	Comments:	
	[BLANK]	

Plant Safety Equipment

	Syphon Breakers Rating:	Satisfactory
	Comments:	
	Ventilation Rating:	Satisfactory
	Forced Ventilation Switch Location:	
	Comments:	
	Chemical Storage Rating:	Satisfactory
	Comments:	

	Method Of Measurement:	Volumeric
	Method of Measurement Rating:	Satisfactory
	Comments:	ULTRA SONIC
	Secondary Containment:	
	Comments:	
Operator Safety Equipment		
	Respirator Available:	Yes
	Comments:	
	Face Shield/Safety Glasses Available:	Yes
	Comments:	
	Gloves Available:	Yes
	Comments:	
	Apron/Coat Available:	Yes
	Comments:	
	Eye Wash Station/Deluge Shower:	Satisfactory
	Eye Wash Station/Deluge Shower Maintenance Check (recommended monthly):	
	Comments:	
Laboratory and Records		
	Tester Brands:	CH EZ-CHECK
	Tester Brand Rating:	Satisfactory
	Comments:	
	Adequate Reagent Supply:	Satisfactory
	Comments:	
	Reagent Up-To-Date (Include either the expiration date or the Lot number in the comments):	Satisfactory
	Comments:	
	Monthly Operating Reports:	Satisfactory
	Last Month AVG-Daily Usage in Pounds:	4.0
	Last Month AVG Daily Pre-Population Results:	0
	Last Month AVG Tap Reading:	0.87

	Last Month AVG Raw Reading:	0.13
	Comments:	
	505 Reporting:	Satisfactory
	505 Sample Locations (First Plant/Second Distribution):	Satisfactory
	505 Dates:	Satisfactory
	[BLANK]	
	In Compliance Year to Date:	Yes
	Housekeeping:	Satisfactory
	Comments:	
Distribution		
	Point Of Injection:	Satisfactory
	Injection Site:	
	Comments:	PRIOR TO THE CLEARWELL
	Chemical Feeder:	Satisfactory
	Comments:	Speed and Stroke are percentages
	Feeder's Brand:	JAC
	Feeder Model #:	1731
	Feeder Size:	4.9 GPH
	Setting:	0.88ppm
	Speed:	11
	Stroke:	15
On-Site Observation		
	Fluoride Rating:	Satisfactory
	Comments:	
	Private Labs:	Kentucky America
	Other Water Treatment Systems Directly Connected:	
	Other Water Treatment Systems Water Sold To:	
	Other Water Treatment Systems Water Purchased From:	
	[BLANK]	
	Facility Entrance:	
	Laboratory:	

	Fluoride Tester:	
	Fluoride Room:	
	Ventilation:	
	Fluoride Metering Pump Tag:	
	Overall Fluoride System (Saturator, Bulk/Day Tank, Dry Hopper, Tablet):	
	Injection Site:	
	Scales (if applicable):	
	Anti-Syphon Device (if applicable):	
	Eye Wash/Deluge Shower Station (if applicable):	
	[BLANK]	
	Split Rating:	Satisfactory
	Insp:	0.64
	Plant:	0.91
	LAB:	0.87
	Comments:	Well Ran Facility In Compliance YTD
	[BLANK]	

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

August 10, 2022

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co
AI# 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20220001

Dear Mr. Money:

Attached for your information and records is a copy of the drinking water comprehensive inpection performed at KY American Water Co plant C on June 15, 2022.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water Plant C		Program: **Drinking Water**	
Site Address: 16035 hwy 127 south			
City: Owenton	State: KY	Zip: 40359	County: Owen
Inspection Type: Routine Surface	Purpose: Comprehensive		AI #: 1063
Inspection Date: 6/15/2022	Time: Start 09:00 AM End 1:30 PM		
Latitude:	Longitude:		
Coordinate Collection Method: G40-Handheld receiver		Revision Code: 112108	

Drinking Water Data

Plant Name: Kentucky River station #2	Contact Name: Robert Money	
Phone No.: 859-335-3660`	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: **Not evaluated.**

I. Compliance Status - Not Evaluated

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Scott Huddleston	**IVA#21329**	
Justin Sensabaugh		**IVD#20165**

Comments: **A complete list of operators was provided during the inspection. No concerns noted.**

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: **Not evaluated.**

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **The facility provides timely reports to the Division of Water as required.**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections: Population Served:
Average Production MGD: 7.62 Max. Production MGD: 14.02 Design Capacity MGD: 20.0 MGD
Source:Kentucky River pool #3

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	NI	a) Intakes, pumps, piping ☐	# Of Levels # Pumps Max pump.
	NA	b) Aeration ☐	
	NI	c) Rapid mix ☒	Type: If other: mechanical mixer
	NI	d) Flocculation ☒	# of Stages4 # of Trains Variable Speed
	NI	e) Sedimentation ☒	Type: Conventional # of trains:4
	NI	f) Chemical feed coagulation	
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	NI	h) Filters & controls	Mixed Media Filter to Waste ☒
	NI	i) Filters / size sq.ft each./ rate	# 5 Size702 Filtration Rate:5
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	NI	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	NI	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA	S1	n) Site Data: ellis tank	Cl. Free:DOW Total: 1.64 pH: KAWC :2.84
	S1	o) Site Data: wheatly	Cl. Free:DOW Total: 0.85 pH: KAWC 1.01
	S1	p) Site Data: blue moon	Cl. Free:DOW Total: > 2.20 pH: KAWC 2.80
	S1	q) Site Data: on-line	Cl. Free:BM tank Total: 2.81 pH: wheatly 0.8
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: 2/2022
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	NI	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	S1	aa) Water storage:	# of Tanks Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐
PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: total: 4.5 pH: 7.0
	S1	dd) Turbidity	Raw: Settled: Combined Filter:0.04
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐

	NI	gg) Wastewater discharge	KPDES Is sizing adequate? ☒ Yes ☐ N0

Comments: A Division of Water Comprehensive inspection was conducted on June 15, 2022. no major concerns were noted during the inspection. The facility was not producing water at the time of the inspection due to participating in an energy reduction event. Production was finished by the time distribution was completed The basins are cleaned monthly. The laboratory was satisfactory. Instrumentation was last calibrated by Morsten Technical Services on in February 2022. Standards were observed to be current. Standard Operating Procedures have been developed.

The Ellis, Wheatly, and Blue moon tanks were observed during the inspection. All three tanks were fenced and secure. Overflow protection was installed on the Ellis and Blue Moon tanks. Wheatly tank was missing part of the overflow pipe. Distribution system chlorine readings were acceptable and comparable between the DOW and KAWC readings along with the on-line instrumentation reading.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: Not inspected.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments:

VIII. Compliance Status – No violations observed

IX. Documentation

- ☒ **Samples taken by DEP**
- ☐ **Samples taken by outside source**
- ☐ **Instrument readings taken by DEP regional office**
- ☐ **Photographs obtained by DEP**
- ☒ **Copies of records obtained by DEP**
- ☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** July 11, 2022

Signature:

Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

September 29, 2022

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0093301
Fayette County, Kentucky
Activity ID: CIN20220003

Dear Mr. Money:

Attached for your information and records is a copy of the wastewater compliance inspection performed at KY American Water Co on August 3, 2022.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

Energy and Environment Cabinet
Department for Environmental Protection
Division of Water
Wastewater Inspection Report

AI ID: 1063 **AI Type:** WATER-Public Water System (2213)
AI Name: KY American Water Co
AI Address: 2300 Richmond Rd

City: Lexington, **State:** Kentucky **Zip:** 40502
County: Fayette **Regional Office:** Frankfort Regional Office
Latitude: 38.011157 **Longitude:** -84.465995
Site Contact: Bob Money
Title: facility contact **Phone #: 859-797-7374**
Inspection Type: WW CEI-DW Plt Idv **Activity #:** CIN20220003
Incident IDs:
Inspection Start Date: August 3, 2022 **Time:** 08:45 AM **End Date:** August 3, 2022 **Time:** 09:15 AM
Site/Permit ID: KY0093301

Lead DEP Investigator: Deborah Singleton
Other DEP Investigators:
External Investigators:
Persons Interviewed: Bob Money

General Comments: The facility has applied for and obtained KPDES Permit #KY0093301. The permit is current and expires on June 30, 2027.

The facility has two permitted outfalls.
Outfall 001 - Lake Ellerslie (Reservoir No. 1) at latitude 38°00'46"N and longitude 84°27'50"W
Outfall 002 - Lake Ellerslie (Reservoir No. 1) at latitude 38°00'46"N and longitude 84°27'50"W

The facility was clean and operational at the time of the inspection. The facility maintains two permitted outfalls. Outfall 001 is the discharge from the filter backwash water. Outfall 002 is the diesel cooling water. See inspection report for full details.
Overall Compliance Status: No Violations Observed

Investigation Results

SI: AIOO1063
SI Description:
Inspector Comment:

Requirement: Does the facility hold the proper KPDES permit for the filter backwash discharge(s) from their public or privately owned drinking water treatment plant? [401 KAR 5:055 Section 2]. [401 KAR 5:055 Section 2]
Compliance Status: C-No Violations observed
Comment: The facility has applied for and obtained KPDES Permit #KY0093301. The permit is current and expires on June 30, 2027.

Requirement: Does the permittee retain records of all monitoring information including: the date, exact place, and time of sampling or measurements; the name of the individual who performed the sampling or measurements; the dates and times analyses were performed; the name of the individual who performed the analyses; the analytical techniques or methods used; the results of the analyses; all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation; copies of all reports required by this permit; and records

of all data used to complete the application for this permit, for the period required by the cabinet and at a minimum of at least three (3) years from the date of the sample, measurement, report, or application? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The permittee maintains the required records in an orderly manner Records observed during the inspection include inspection reports, laboratory bench sheets, analytical information, calibration logs, chain of custodies, and temperature logs.

Requirement: Has the permittee adequately developed a Best Management Practices Plan? [40 C.F.R. 122.41(a)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The permittee has developed a Best Management Practices Plan that appears to contain the required information. The plan is updated periodicaly.

Requirement: Is the BMP plan required by 401 KAR 5:065 Section 2(4) and Part IV Section A (5) of the facility's permit consistent with the general guidance contained in the publication entitled "NPDES Best Management Practices Guidance Document," to include the following baseline BMPs as a minimum:
a. BMP Committee
b. Reporting of BMP Incidents
c. Risk Identification and Assessment
d. Employee Training
e. Inspections and Records
f. Preventative Maintenance
g. Good Housekeeping
h. Materials Compatibility
i. Security
j. Materials Inventory
If a BMP plan has not been developed, has the permittee demonstrated that the BMP requirements have been met by an existing plan?
If all stormwater can not be diverted to a pit or sediment control structure, does the BMP plan address this runoff? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The Best Management Practices Plan appears to be consistent with the general guidance.

Requirement: Has the permittee adequately implemented the BMP plan? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The permittee appears to be adequately implementing the best management practices Plan. Good housekeeping was observed. Safety is a priority. MSDS sheets are maintained on site. Containment areas have been installed around potential contaminants. Spill kits are maintained on site. Site inspections are being performed and documented.

Requirement: Is the facility required to prepare and implement a groundwater protection plan (GPP) as specified in regulation 401 KAR 5:037? If yes, does the facility have a GPP? [401 KAR 5:037 Section 3]. [401 KAR 5:037 Section 3]
Compliance Status: C-No Violations observed
Comment: The facility has developed a groundwater protection plan.

Requirement: Is the effluent in compliance with KPDES permit limitations? Do the Discharge Monitoring Reports indicate KPDES permit violations? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: A review of the submitted Discharge Monitoring Reports revealed the facility to be in compliance on all parameters.

Requirement: Are samples taken in compliance with the monitoring requirements and taken at the following location(s): nearest accessible point after final treatment, but prior to actual discharge or mixing with receiving waters? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: In compliance.

Requirement: Is the permittee reporting monitoring results to the cabinet at the intervals specified in the permit? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]

Compliance Status: C-No Violations observed
Comment: A review of the submitted Discharge Monitoring Reports revealed that the monitoring results are being reported to the cabinet at the intervals specified in the issued KPDES Permit. The facility submits the results utilizing the Net-DMR system.

Requirement: Is discharge being monitored, at the specified outfall(s)/monitoring point(s), for parameters specified in the facility's permit within the required timeframe? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The discharge is being monitored for the parameters specified in the issued KPDES Permit within the required timeframes. The facility is required to perform the following analysis: Outfall 001- pH, total suspended solids, phosphorus, iron, alunimum, and total residual chlorine by grab sample once per month and flow by instantaneous measurement once per month. Outfall 002- total suspended solids , temperature, and pH once per month by grab sample and flow by instantaneous measurement once per month;

Requirement: Are the monitoring results reported to the cabinet on a Discharge Monitoring Report (DMR)? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: A review of the submitted Discharge Monitoring Reports revealed that the monitoring results are being reported to the cabinet on a Discharge Monitoring Report. The facility submits the results utilizing the Net-DMR system.

Requirement: Did the facility notify the Division of Water by the most rapid means available whenever, by reason of emergency or accident, a spill or discharge occurs which results in pollution of the waters of the Commonwealth? [401 KAR 5:015 Section 2]. [401 KAR 5:015 Section 2]
Compliance Status: C-No Violations observed
Comment: The facility is aware of the requirement to report all spills, accidents, bypasses, releases, etc. to the Cabinet by the most rapid means available. The 24-hour emergency reporting number is: (800) 928-2380.

Requirement: Is the permittee in compliance for the reporting of spills, bypasses, and non-compliance according 401 KAR 5:065 Section 2(1). [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The facility is aware of the requirement to report all spills, accidents, bypasses, releases, etc. to the Cabinet by the most rapid means available. The 24-hour emergency reporting number is: (800) 928-2380.

Requirement: Is the facility being properly operated and maintained as specified in 401 KAR 5:065? This includes:
(a) proper operation and maintenance of all facilities, systems of treatment and control, and related appurtenances which are installed or used by the permittee to achieve compliance with permit conditions;
(b) proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures;
(c) this provision also requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit;
(d) is the cleaning frequency of lagoons adequate to ensure compliance with the facility permit? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: The facility was clean and operational at the time of the inspection. The facility maintains two permitted outfalls. Outfall 001 is the discharge from the filter backwash water. Outfall 002 is the diesel cooling water. Good housekeeping was observed. Filter backwash water is pumped to two holding tanks with waters then directed to three sludge concentrators. Sludge is processed through a belt press and the decant is discharged through Outfall 001. The pressed sludge is placed in a beneficial re-use area. The re-use area has a berm constructed around it. Laboratory analysis is being performed as required. Outfall 002 temperatures are recorded with a NIST certified thermometer. The facility has obtained the field only laboratory certification. Remaining laboratory analysis is conducted by Fouser Environmental.

Requirement: Have pollutants entered the waters of the Commonwealth? [KRS 224.70-110]. [KRS 224.70-110]
Compliance Status: C-No Violations observed
Comment: The facility maintains two permitted outfalls. Both outfall areas were observed during the inspection and were observed to be in good condition. There was not any visual evidence of pollutants entering the waters of the Commonwealth noted at the time of the inspection.

Requirement: Have surface waters been aesthetically or otherwise degraded? [401 KAR 10:031 Section 2]. [401 KAR 10:031 Section 2(1)]

Compliance Status: C-No Violations observed
Comment: The facility maintains two permitted outfalls. Both outfall areas were observed during the inspection and were observed to be in good condition. There was not any visual evidence of surface water degradation noted at the time of the inspection.

Requirement: Is the permittee in compliance with all permit conditions? [401 KAR 5:065 Section 2(1)]. [401 KAR 5:065 Section 2(1)]
Compliance Status: C-No Violations observed
Comment: In compliance.

Documentation

- ☐ **Photos taken**
- ☐ **Documents obtained from facility**
- ☐ **Samples taken by outside source**
- ☐ **Request for Submission of Documents**
- ☐ Record of visual determination of opacity
- ☐ **Samples taken by DEP**
- ☐ Regional office instrument readings taken
- ☐ **Other documentation**

Inspector: Deborah Singelton

Deborah E. Singleton

Date: **September 29, 2022**

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

September 29, 2022

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20220002

Dear Mr. Money:

Attached for your information and records is a copy of the drinking water comprehensive inspection performed at KY American Water Co on August 3, 2022.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water- Plant B		Program: **Drinking Water**	
Site Address: 2300 Richmond Road			
City: Lexington	State: KY	Zip: 40502	County: Fayette
Inspection Type: Routine Surface	Purpose: Comprehensive		AI #: 1063
Inspection Date: 8/3/22	Time: Start 0830 AM End 1:30 PM		
Latitude: 37 39' 24"	Longitude: 84 26' 11"		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water- Plant-B	Contact Name: Robert Money	
Phone No.: 859-797-7374	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Nathan Coyle	**IVA#31126**	
Deke Whitaker	**IVA#29935**	
Richard Howard	**IVA#31670**	

Comments: A full list of operators was provided during the inspection. Justin Sensabaugh is in charge of the distribution system: active Class IVD, license #20165.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: The facility maintains the required records.

III. Compliance Status - No violations observed

IV. Reporting Requirements

Comments: The facility provides the reports to the Division of Water in a timely manner

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections: 129493 Population Served: 348,336
Average Production MGD: 11.24 Max. Production MGD: 20.18 Design Capacity MGD: 25 MGD
Source: Kentucky River and Jacobson Resesrvoir.

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	NI	a) Intakes, pumps, piping ☐	# Of Levels # Pumps Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: Mechanical paddle If other:
	S1	d) Flocculation ☐	# of Stages2 # of Trains2 Variable Speedyes
	S1	e) Sedimentation ☐	Type: Conventional # of trains:4
	S1	f) Chemical feed coagulation	Alum-polymer blends
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 8 Size Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	S1	k) Chemical storage:	Dry on pallets? ☒ Chemical containment: ☒
	S1	l) Clearwell / screened vents	Size:1.2 MG Baffling:☒ Locked ☒ Screened ☒
	S1	m) Pumps # and size in gpm	High Service6 @ Backwash 2 @
SITE DATA	S1	n) Site Data: Parkers Mill	Cl. Free:-DOW Total: 1.7 pH: on-liine :1.45
	S1	o) Site Data: Parkers Mill	Cl. Free:WTP Total: 1.36 pH:
	S1	p) Site Data: Muddy Ford	Cl. Free:DOW Total: 1.16 pH: On-Line 1.16
	S1	q) Site Data: Muddy Ford	Cl. Free:dOW Total: 1.18 pH:
DISINFECTION	S1	r) Disinfection Pre: ☒ Post: ☒	Pre Type: Post type:
	NA	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NA	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NA	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: 02/2022
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	Good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☒ Finished:☒ ; Raw: ☒ Finished: ☒
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☒ Blowoffs on deadends:☒
	S1	aa) Water storage:	# of Tanks 12 Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☒ Booster chlorinators: ☐

PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: total: 3.48 pH: 7.33
	S1	dd) Turbidity	Raw:8 Settled:0.20 Combined Filter:0.25
	S1	ee) Bacteriological monitoring	Samples per mo.180 Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☒
	S1	gg) Wastewater discharge	KPDES Is sizing adequate? ☒ Yes ☐ N0

Comments: The Division of Water conducted a comprehensive inspection on August 3, 2022. The inspection included a tour of the facility's process, laboratory procedures, and the KAW distribution system. No major concerns were noted during the inspection. The facility was clean and operational. Raw water is continually monitored as it enters the plant and is then directed to the rapid mix, floc basins, and sedimentation basins. The flow leaving the weirs were satisfactory. Basins are cleaned quarterly. Filters were satisfactory and used on a rotating basis. Online instrumentation is calibrated quarterly. Flow leaves the filters and is directed to one of two chlorine contact basins.
The new chemical building has been completed. The facility now used liquid chlorine for disinfection purposes. Liquid lime is now used. Current chemical storage areas are marked appropriately and are secure. The laboratory was satisfactory. Standards were observed to be current.

The following tanks were observed during the inspection: Parkers Mill, Muddy Ford, Hume, Hayes booster, ground Cox tank, and York Street tank. The tanks were secure, flappered, and observed to be in good condition. The elevated Cox tank was having valve work done at the time of the inspection. KAW is planning to replace the analyzers the Cox street tanks.

Chlorine residuals in the system were acceptable. Daily chlorine check standards are performed and recorded. Tanks are inspected once every five years. System flushing is performed in the spring. Most meters are radio read. Additional chlorine sample: Hume tank: DOW 1.63; WTP 1.93; On-Line- 2.06. Hayes booster chlorine: DOW- > 2.20; WTP 3.56.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: A KPDES inspection was performed and the facility was found to be in compliance.

VI. Compliance Status - No violations observed

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☒ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☐ **Copies of records obtained by DEP**
☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 8/19/2022

Signature: E-Signed by Singleton, Deborah
VERIFY authenticity with e-Sign
Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601
TELEPHONE: 502-564-2150
TELEFAX: 502-564-4245

October 20, 2022

Bob Money
Kentucky American Water - Eastern Rockcastle
2300 Richmond Rd
Lexington, KY 40502
AI: 34097 PWSID: KY1020288

RE: Drinking Water Sanitary Survey

Dear Mr. Money,

The Division of Water conducted a Drinking Water Sanitary Survey (attached) of Kentucky American Water - Eastern Rockcastle on August 15, 2022. A Capacity Development assessment was also completed as part of the survey.

Significant Deficiencies Observed

There were no Significant Deficiencies Observed at the time of the survey.

Non-Significant Deficiencies Observed

There were no Non-Significant Deficiencies Observed at the time of the survey.

The Division recommends the following:

- **Review the contract purchase limits for Jackson Co Water Association and Mt. Vernon Water Works**
- **Continue to address water loss**

All deficiency responses should be sent to the attention of David L. Messer, Drinking Water Technical Assistance, London Regional Office, 875 South Main Street, London, KY 40741. I may also be reached by phone at [redacted] or by email at [redacted].

Assistance with the "Managerial and Financial Assessment" section of the sanitary survey can be obtained by contacting Ryan Reed at [redacted]

If you have any questions regarding the "Technical Inspection" portion, contact Beth Trent in the London Regional Office at [redacted].

Sincerely,

Drinking Water Sanitary Survey

TECHNICAL INSPECTION OF SURFACE WATER
DISTRIBUTION-ONLY SYSTEM OPERATIONS

PWS ID: KY1020288
Agency Interest Number: 34097; CIN20220001
AI Name: Kentucky American Water - Eastern Rockcastle
County: Rockcastle
Office Latitude: 37.29748 **Office Longitude:** -84.215249
CTAB Inspection Date(s):8/15/22

I. SOURCE

Does the system perform water quality monitoring in accordance with the approved DOW schedule for this facility?	Yes ☒	No ☐
Are there any unaddressed process factors that limit the purchased water contracted amount in the last 10 years?	Yes ☐	No ☒
Is the system(s) you purchase from drought-vulnerable?	Yes ☐	No ☒
Describe any water quality monitoring done on the water at the master meter: TTHMs, HAA5s, Taste & Odor, Chlorine List any chemicals fed at the master meters: none		
If multiple sources are available, is the one in use considered to be the best in terms of water quality?	Yes ☒	No ☐
Is purchased water flow measured? When was the meter last calibrated? 9/20/21	Yes ☒	No ☒
COMMENTS: The system is serviced by 4 master meters; 2 from Mt. Vernon (KY1020299 = Brush Creek and Sand Springs), 1 from Jackson Co. (KY0550209) in the Three Links community and 1 from Livingston (KY1020253) in the Sand Hill area. **The Mt. Vernon mms are 4" & 6" mag meters, they were both certified on 9/20/21.** **The 2" Jackson Co. mm was certified on 12/4/19 (required by PSC once every 4 years). It does not presently have a digital readout.** **On 8/16/22, the operator at Livingston submitted a request to a contractor to have the mm calibrated.** **The system also has ultrasonic meters installed right after the seller's for reference, they are calibrated annually.**		

II. TREATMENT

GAS CHLORINE SAFETY N/A		
Is the chlorine room enclosed and separate from other operating areas?	Yes ☐	No ☐
Is there a working exhaust fan in the chlorine room?	Yes ☐	No ☐
Does it provide one complete air change per minute?	Yes ☐	No ☐
Does it exhaust from floor level?	Yes ☐	No ☐
Is intake air near the ceiling?	Yes ☐	No ☐
Is there an external audible and visual alarm?	Yes ☐	No ☐
Are switches located outside the chlorine room?	Yes ☐	No ☐
Are chlorine tanks secured?	Yes ☐	No ☐
Are the scales operational?	Yes ☐	No ☐
Is automatic switchover of chlorine cylinders provided?	Yes ☐	No ☐

Is there a shatterproof viewing window in chlorine room?	Yes ☐	No ☐
Is there a crash bar on the door of the chlorine room?	Yes ☐	No ☐
Does the door open out and to the exterior of the building?	Yes ☐	No ☐
Is there a SCBA unit meeting NIOSH standards outside the chlorine room?	Yes ☐	No ☐
Are personnel trained to use the SCBA?	Yes ☐	No ☐
Is the "buddy system" practiced when changing or moving chlorine cylinders?	Yes ☐	No ☐
Is leak detection provided?	Yes ☐	No ☐
Is ammonia available for chlorine leak detection?	Yes ☐	No ☐
Is there a chlorine tank repair kit?	Yes ☐	No ☐
Are personnel trained and certified to use the kits?	Yes ☐	No ☐
COMMENTS:		

III. DISTRIBUTION SYSTEM

DISTRIBUTION SYSTEM		
Does the system have standard specifications for design and construction of the distribution system?	Yes ☒	No ☐
Does the system prohibit new connections where pressure on the discharge side of the meter will be <30 psi?	Yes ☒	No ☐
Is the system able to meet minimum pressure requirements of DOW and/or other regulating authority?	Yes ☒	No ☐
Does the system have a documented leak detection program?	Yes ☒	No ☐
Does the distribution system have a sufficient number of valves to isolate portions of the system (for leak detection, maintenance, etc.)?	Yes ☒	No ☐
If there are separate distribution system areas, are they interconnected with each other?	Yes ☐	No ☒
If they are not interconnected, how many separate areas are there? 4		
What prevents these systems from being interconnected? topography		
How many pressure zones are there? 4		
What is the range of distribution pressures? 80-200		
Do any distribution areas require reduced pressure valves?	Yes ☒	No ☐
What piping materials are included in the distribution system? PVC, DI		
Does the system have a program for flushing water mains?	Yes ☒	No ☐
Describe the process for sterilizing new mains/main breaks: all line repairs are contracted		
What types of on-line instrumentation are located at booster or pump stations and tanks? telemetry, pressure, chlorine		
Does the system have a documented program for exercising distribution system valves?	Yes ☒	No ☐
Does the system have a documented program for regular testing of water meters including master meter and customer?	Yes ☒	No ☐
Is there a water meter replacement program?	Yes ☒	No ☐
Are there main break/emergency notification procedures?	Yes ☒	No ☐
Does the system have a documented procedure for issuing a boil water advisory and a consumer advisory? The procedure shall identify when (how soon after the occurrence) and how the system shall notify the affected health department, to whom that notification shall be made both during and after normal business hours, and procedures for issuing the advisory to the public. The public notification shall include instructions for the public (including how to properly boil water) and an explanation of steps being taken to correct the problem.	Yes ☒	No ☐
Describe how the decision is made to issue a Boil Water Advisory: consecutive system, if the repair takes longer than 8 hours, loss of pressure below <20 psi		

Does the system have a cross-connection control program?	Yes ☒	No ☐
If yes, is the cross-connection control program documented in writing?	Yes ☒	No ☐
If the cross-connection control program is not documented in writing, describe the process for finding and eliminating cross connections: _____		
Does a certified tester test the backflow prevention devices on a regular basis?	Yes ☒	No ☐
Has a calibrated hydraulic model been developed for the system?	Yes ☐	No ☒

COMMENTS: The system does not have any commercial or industrial connections, it is all residential.
All customer meters were replaced 2018 - 4/22/19, they have a 15 year warranty.
All meters, valves, hydrants, lines were GIS marked and mapped in 2018.

DISTRIBUTION STORAGE FACILITIES

Inspected

LOCATION			VOLUME (gallons)	TANK TYPE	OVERFLOW		LAST CLEANED/ INSPECTED	TELEMETRY	% TURNOVER (Per Day)
ROAD/AREA	LATITUDE	LONGITUDE			SCREEN/ FLAPPER	>10' FROM TANK			
Three Links	37.498229	-84.205330	80,000	Standpipe	YES	YES	11/20	YES	67
Pongo	37.22533	-84.34381	15,000	Standpipe	YES	YES	11/20	YES	197

Are all storage tanks professionally inspected at least every 5 years (including interior, coating systems, & piping)?	Yes ☒	No ☐
How often are tanks inspected and cleaned? INSPECTED: 5 years CLEANED: As needed		
Are all storage tanks and water plants equipped with hatches, covers, screens, vandal guards and locks and all tank sites fenced for security?	Yes ☒	No ☐
Are all hatches, screens, and overflows on the storage tanks checked at least monthly?	Yes ☒	No ☐
Is there corrosion protection in the tanks?	Yes ☒	No ☐

COMMENTS: Both tanks were cleaned, sandblasted and painted in November 2020.

DISTRIBUTION BOOSTER PUMPS AND/OR BOOSTER DISINFECTION FACILITIES

Not Inspected

LOCATION			PUMP or DISINFECTION	NUMBER & CAPACITY OF PUMPS (gpm)	DISINFECTION TYPE	AUXILIARY POWER
ROAD/AREA	LATITUDE	LONGITUDE				
Pongo	37.22859	-84.34251	Pump	2 @ 40		No
Sand Hill	37.29348	-84.22774	Pump	2 @ 40		No
				@		
				@		
				@		
				@		

				@		
				@		
				@		
				@		

COMMENTS: There is a pump station (2@80) located in Gausey (37.31152 / -84.20085) that is not in operation.

Pongo pumps are located ~1 mile before (North of) the tank. At the tank site, there are 4 pressurized bladder tanks (15 ga each = 60 ga) that operate at 63 psi each.

Sand Hill pumps are located in a vault at the Livingston MM on Ford Hollow Rd. The 600 ga pneumatic tank located on Sand Hill Road was taken out of service in the Summer of 2021. There are 4 pressurized bladder tanks (15 ga each = 60 gallon) on Sand Hill Road near 37.28575 -84.24427.

Generators will be installed at both PS sites in the near future.

Each of the 2 pumps at the PS sites alternate in usage.

Bladders in the pressurized tanks are changed out annually (PM) by Service Specialties.

DISTRIBUTION SAMPLING
(a minimum of N, S, E, W)

SITE	CHLORINE		pH	TURBIDITY	OTHER
	FREE	TOTAL			
Buffalo Baptist Church (seller = Mt. Vernon Water)	0.82	0.96		0.08	
6461 Red Hill Road (seller = Jackson Co. Water)	1.46	1.55		0.09	Facility (BM) = 1.23 free
5052 Sand Hill Road (seller = City of Livingston)	0.79	0.91		0.45	Facility (BM) = 0.61 free
Johnetta Schoolhouse Inn = EOL (seller = Mt. Vernon Water)	1.13			0.13	Facility (BM) = 1.02 free

Is the system maintaining the required chlorine (0.2 mg/l) / chloramine (0.5 mg/l) residuals in the distribution system? Yes ☒ No ☐

COMMENTS: Hach in-line chlorine analyzers are in service at the Three Links tank, the Pongo tank and the Sand Hill bladder tank. Data is electronically recorded and monitored by staff.

MAINTENANCE

Is office housekeeping adequate?	Yes ☒ No ☐
Is distribution storage housekeeping adequate?	Yes ☒ No ☐

Are adequate supplies of spare parts kept on hand?	Yes ☒	No ☐
Are needed tools available?	Yes ☒	No ☐
If not, is preventive maintenance performed?	Yes ☐	No ☐
Is a lock-out/tag-out system used for electrical repairs?	Yes ☐	No ☐
What is the general condition of operating equipment? _____	Yes ☒	No ☐
COMMENTS: Electrical repairs are performed by a contractor.		

DOCUMENTATION (✓ all that apply)	
☐ Samples taken by DEP	☒ Photographs obtained by DEP
☐ Samples taken by outside source	☐ Copies of records obtained by DEP
☒ Instrument readings taken by DEP	☐ Other documentation

OVERALL TECHNICAL COMPLIANCE STATUS		
☒ No Violations Observed		
☐ No Violations Observed - Advisory Action Taken (Impending trends)		
☐ Out of Compliance – Verbal notice given (Non-recurrent deficiency noted or violation corrected at time of inspection.)		
INSPECTOR: Beth Trent	TITLE: Environmental Inspector	DATE: 08/18/2022

KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER

Drinking Water Sanitary Survey

Managerial and Financial Assessment of Distribution-Only Surface Water & Ground Water Systems

PWS ID: KY1020288
Agency Interest Number: 34097
AI Name: Kentucky American Water - Eastern Rockcastle
County: Rockcastle
Regional Office: London Regional Office
Capacity Development Inspection Date(s): 8/23/2022

SYSTEM CONTACT INFORMATION			
Full Name: Bob Money		Title: Manager, Water Quality & Env. Compliance	
Phone Number: 859-268-6317	FAX Number:	E-Mail Address: bob.money@amwater.com	
Mailing Address: 2300 Richmond Road Physical Address of Office: 9246 Main Street (Livingston)	City: Lexington	State: KY	Zip Code: 40502

DISTRIBUTION SYSTEM INFORMATION		
Contact Person: Charles Dick	Title: Senior Operations Supt.	Phone Number: 859-268-6317
Distribution Class: IID-Pop. 1500-15,000	System Service Connections (meters): 651	
System Population Served Calculated: 1,751	System Population Served Reported:	
Meters Served Outside Your System:	Consecutive Systems Population Served Calculated:	

WATER PURCHASED, SOLD, & EMERGENCY CONNECTIONS

WATER PURCHASED FROM: *(List primary purchase source first.)*			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract (monthly)
SYSTEM NAME	PWS ID #	AI #			
Jackson Co. Water Assoc.	KY0550209	1924	1	1,925,267	1,500,000
Mt. Vernon Water Works	KY1020299	3859	2	1,543,917	1,180,000
Livingston Municipal WW	KY1020253	34096	2 (1 Active)	283,158	450,000

Average Total Water Purchased Daily: 124,514 gallons	Maximum Total Water Purchased Daily: 299,443 gallons

WATER SOLD TO: ☒ Not Applicable			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract (monthly)
SYSTEM NAME	PWS ID #	AI #			
Jackson Co. Water Assoc.	KY0550209	1924	1		Unusable due to Pressure Difference

COMMENTS: Consider the following: Reviewing the contract purchase limits for Jackson Co Water Association and Mt. Vernon Water Works

PWS ID Number: KY1020288 **Agency Interest Number:** 34097

I. OPERATOR COMPLIANCE

Do the operators perform maintenance as well as distribution operations?	Yes ☒	No ☐	N/A ☐
Do you have contingency plans for replacing retiring system personnel?	Yes ☒	No ☐	N/A ☐

Who provides training/technical assistance for license renewal? (✓ all that apply):
☐ AWWA ☐ DCA ☒ DOW ☒ KRWA ☒ KWWOA ☐ RCAP ☒ Other In-House; Online (Suncoast)

What type of training is typically obtained? (✓ all that apply):
☒ REGULATIONS ☒ SAFETY ☐ UMI ☒ WATER QUALITY

Does the system pay for registration, lodging and meals?	Yes ☒	No ☐	N/A ☐
Does the system allow operators to attend training on company time?	Yes ☒	No ☐	N/A ☐

Number of shifts on weekdays: 1		Length of Shift (hours)	Number of Operators
	1st Shift	8	2
	2nd Shift	On-Call	On-Call
	3rd Shift	On-Call	On-Call

How are weekends covered? On-Call

How are holidays covered? On-Call

OPERATOR CERTIFICATION

LICENSEE NAME	LICENSEE AI #	LICENSE ID	LICENSE TYPE
Dick, Charles R.	46253	64535	DW Distribution IVD
Trowbridge, Rodney			Operator in Training

Is the system staffed with appropriately certified operators? (Verify certification with DCA.) Yes ☒ No ☐ N/A ☐

COMMENTS:

PWS ID Number: KY1020288 **Agency Interest Number:** 34097

II. MONITORING, REPORTING & DATA VERIFICATION

(Part A must be completed for all water systems. Part B must be completed for groundwater systems only.)

PART A *(Complete for all water systems.)*				
REPORTING ITEM – Information gathered from DWW	RETENTION TIME			
Bacteriological - 2 per month (See DWW)	5 Years	Yes ☒	No ☐	N/A ☐
Chlorine/Chloramines – Free chlorine monthly with BACTs, daily for MORs, residual chlorine monthly	10 Years	Yes ☒	No ☐	N/A ☐
MORs – Monthly (Turbidity Analysis)	1 Year	Yes ☒	No ☐	N/A ☐
Lead & Copper - 10 every 3 years (June to September)	12 Years	Yes ☒	No ☐	N/A ☐
TTHM & HAA5 2 per Quarter (see DWW)	10 Years	Yes ☒	No ☐	N/A ☐
Asbestos – 1 sample in the 1st 3 years of the 9 year compliance cycle (SOC) *Check for Waiver (only purchasers can have waiver)*	Begin 2011/2013	Yes ☒	No ☐	N/A ☐
Stage 2 IDSE Sampling Plan or 40/30 Certification	10 years	Yes ☐	No ☐	N/A ☒
Stage 2 IDSE Report	10 years	Yes ☐	No ☐	N/A ☒
Data Summaries (if actual data not retained)	12 Years	Yes ☐	No ☐	N/A ☒
NOVs (Notices of Violation)	10 Years	Yes ☒	No ☐	N/A ☐
Sanitary Surveys (every 3 years)	10 Years	Yes ☒	No ☐	N/A ☐
CCR (Consumer Confidence Report) – Annually by July 1 (by April 1 to consecutive systems)	Current one on file	Yes ☒	No ☐	N/A ☐
Does the system maintain a current sampling plan for BacTs?	Date updated	Yes ☒	No ☐	N/A ☐
Does the system maintain a current sampling plan for LCR?	Date updated	Yes ☒	No ☐	N/A ☐
Does the system maintain a current sampling plan for DBPs?	Date updated	Yes ☒	No ☐	N/A ☐
Does the system have an up-to-date map of distribution assets? (Map shall show a minimum of all line sizes, cutoff valves, fire hydrants, flush hydrants, tanks, booster pumps, chlorination stations, connections to emergency or alternative sources, wholesale customer master meters, & the type of piping material in the distribution system and its location.)	Date updated Continuously Updated	Yes ☒	No ☐	N/A ☐
PART B *(Complete for groundwater systems only.)* ☒ Not Applicable				
GWR Corrective Action	10 years	Yes ☐	No ☐	N/A ☐
GWR Public Notices	3 years	Yes ☐	No ☐	N/A ☐
GWR Fecal-positive invalidation	5 years	Yes ☐	No ☐	N/A ☐
GWR State-specified minimum disinfectant residual (letter from CTAB)	10 years	Yes ☐	No ☐	N/A ☐
GWR Lowest daily disinfectant residual level (submitted with MOR)	5 years	Yes ☐	No ☐	N/A ☐
What method is used to record this? (i.e. SCADA, chart recorders, download to CD)	N/A			
GWR Date and duration of time less than minimum daily disinfectant residual level	5 years	Yes ☐	No ☐	N/A ☐
GWR Records of state-specific compliance requirements for membrane filtration and alternative treatment	5 years	Yes ☐	No ☐	N/A ☐

Does the system maintain compliance records as required? (answer for both Parts A & B)	Yes ☒	No ☐	N/A ☐
COMMENTS:			

PWS ID Number: KY1020288 **Agency Interest Number:** 34097

III. MANAGEMENT & OPERATIONS

What professional organizations does the water system belong to? KRWA; AWWA; KWWOA; NAWC; Chamber of Commerce			
Is the system subject to Public Service Commission regulations?	Yes ☒	No ☐	N/A ☐
Does the system attend Water Management Council meetings of the Area Development District?	Yes ☒	No ☐	N/A ☐
Does the system have a governing entity? If not, explain: Board of Directors	Yes ☒	No ☐	N/A ☐
What is the name of the system's OTHER? Kathyrn Wash			
What is his or her mailing address? Same as system			
How often does the governing body meet? Monthly			
Do operators attend these meetings?	Yes ☐	No ☒	N/A ☐
Is the governing entity provided with documented information regarding technical, managerial, and financial operations of the water system? (Inspect)	Yes ☒	No ☐	N/A ☐
Is the governing entity familiar with water treatment/distribution?	Yes ☐	No ☐	N/A ☒
Does the system offer continuing education opportunities for members of the governing entity?	Yes ☐	No ☐	N/A ☒
Does the system have regular staff meetings?	Yes ☒	No ☐	N/A ☐
How often? Weekly _____			
Who is involved? Departments (Employees)			
Does the system have a documented strategic plan (mission statement, goals and objectives)? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system have a defined organizational structure?	Yes ☒	No ☐	N/A ☐
Does the system have a documented description of each job classification with minimum position qualifications? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system have documented policies and procedures governing human resource management (such as an employee handbook)?	Yes ☒	No ☐	N/A ☐
Does the system periodically review its insurance coverage is in place for liability, property, automobiles, directors, and officers?	Yes ☒	No ☐	N/A ☐
Does the system have a documented policy for delegation of authority such as signing agreements, contracts, resolutions, easements, etc.?	Yes ☒	No ☐	N/A ☐
Does the system have a documented procurement policy for purchasing supplies?	Yes ☒	No ☐	N/A ☐
Does the system have professional services available under a current contract, retainer, or other similar arrangement for engineering, accounting, and legal counsel?	Yes ☒	No ☐	N/A ☐
Does the system have an asset management program?	Yes ☒	No ☐	N/A ☐
Does the system have a documented preventive maintenance program?	Yes ☒	No ☐	N/A ☐
Does the system have a capital improvement plan? (Inspect)	Yes ☒	No ☐	N/A ☐
How many years does the plan cover? KY Wide; Priority Ranking			
Does the system have a documented policy governing water main extensions? (Inspect)	Yes ☒	No ☐	N/A ☐
Are chemicals inventoried? If so, how? _____	Yes ☐	No ☐	N/A ☒
Are distribution materials inventoried? If so, how? Inventory System (Employee)	Yes ☒	No ☐	N/A ☐
Is there a bid process for chemicals, pipe, or large item purchases?	Yes ☒	No ☐	N/A ☐

PWS ID Number: KY1020288 **Agency Interest Number:** 34097

Does the system have rules and regulations governing the provision of service? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system make available in a public place the rules, rates, and regulations? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system provide 24-hour service response for customers?	Yes ☒	No ☐	N/A ☐
Does the system notify customers prior to performing scheduled maintenance?	Yes ☒	No ☐	N/A ☐
Does the system log customer complaints and track resolution?	Yes ☒	No ☐	N/A ☐
Does the system provide any educational activities to the public? Who is responsible for providing this? External Affairs Staff What types of educational activities are done? Special Events; Bill Inserts; School Presentations; Social Media Outreach	Yes ☒	No ☐	N/A ☐
Does the system have sufficient O & M manuals? (Inspect) (O & M manuals shall include: a detailed design of the plant, daily operating procedures, a schedule of testing requirements designating who is responsible for the tests, and safety procedures for operation of the facility – including storage and inventory requirements for materials and supplies.) How are the operators made aware of O & M procedures? SOPs; Available for reference; Internal Training	Yes ☒	No ☐	N/A ☐
Has the system received any NOVs for MCLs in the last 3 years? If yes, answer the following:	Yes ☐	No ☒	N/A ☐
If more than one NOV, were any for the same contaminant?	Yes ☐	No ☐	N/A ☒
Was a public notice issued when required?	Yes ☐	No ☐	N/A ☒
What remedial measures did the system take to prevent future occurrences of these violations? _____			
Does the system maintain a log of all breaks or ruptures per 401 KAR 8:150, Section 4? (Inspect)	Yes ☒	No ☐	N/A ☐
Is the system operating at or above 85% of water available through purchase contracts? (see COW) **If yes, what is the percentage? See Below%**	Yes ☒	No ☐	N/A ☐
If system's average daily demand exceeds 85% of available water through purchase contracts, does system have a plan for obtaining additional water, including cost and timeframes to address the needed additional water? If applicable, describe plan for obtaining additional water: Contract Usage: Jackson Co. W.A. (128 %); Mt. Vernon WW (130.8 %); Livingston Municipal WW (62.9 %); See Water Loss Section; Updating purchase contract	Yes ☒	No ☐	N/A ☐
COMMENTS:			

IV. FINANCIAL

Does the system prepare an annual operating budget? (Provide summary)	Yes ☐	No ☐	N/A ☒
Does the system prepare an annual capital budget? (Inspect)	Yes ☐	No ☐	N/A ☒
Who prepares the budget? _____			
Do the operators have input into the budget?	Yes ☐	No ☐	N/A ☒
Are training and license funds built into the budget?	Yes ☐	No ☐	N/A ☒
Does the governing entity review and approve the budget?	Yes ☐	No ☐	N/A ☒
Does the system prepare regular monthly reports to show variances between budgeted and actual revenue and expenses? (Inspect)	Yes ☐	No ☐	N/A ☒
Does the system maintain its financial records utilizing the Kentucky Uniform System of Accounting or a comparable system? (Inspect)	Yes ☐	No ☐	N/A ☒

PWS ID Number: KY1020288 **Agency Interest Number:** 34097

Are financial statements audited by a CPA as required? (Inspect) (Water districts, special districts – i.e. regional water commissions and cities have specific requirements.)	Yes ☐	No ☐	N/A ☒
If audit is completed, does the governing entity receive and review the audit report?	Yes ☐	No ☐	N/A ☒
Does the system employ a method for depreciation of system assets?	Yes ☐	No ☐	N/A ☒
Is the system operating at a retained earnings surplus? (Retained earnings is the net income that is available at the end of the year and available for transfer.)	Yes ☐	No ☐	N/A ☒
Is the current debt-to-equity ratio below 1.0? (The debt-to equity ratio for any given year is computed by dividing total liabilities by total equity.)	Yes ☐	No ☐	N/A ☒
Does the water system meet a debt coverage ratio needed for bond ordinances, loan agreements, and bond requirements? A typical value is 1.2. (Debt coverage ratio is computed by dividing cash available for debt service (net income with annual interest, depreciation, amortization, and other non-cash items added back) by debt service requirements for the year.)	Yes ☐	No ☐	N/A ☒
Does the water system revenue go to meet other expenses (i.e. electric, sewer or garbage)?	Yes ☐	No ☐	N/A ☒
Is there a documented policy for delinquent accounts?	Yes ☒	No ☐	N/A ☐
What is it? Per PSC Requirements (See Tariff)			
For accounts payable, has the system kept payments less than 45 days past due over the last 12 months?	Yes ☐	No ☐	N/A ☒
Does the system write-off bad debt annually?	Yes ☐	No ☐	N/A ☒
Where does the system typically go for financial assistance? _____			
Does the system have any long-term debts?	Yes ☐	No ☐	N/A ☒
Is the system current on all debt service payments (if applicable)?	Yes ☐	No ☐	N/A ☒
Is the system meeting reserve account requirements (if applicable)?	Yes ☐	No ☐	N/A ☒
Is there an approved* rate structure in place? (Provide copy of rate sheet.) (*Approved by governing entity/PSC as applicable.)	Yes ☒	No ☐	N/A ☒
What were the dates of the system's last 2 non-pass-through rate increases? 6/2019 & 6/2015			
What were the dates of the system's last 2 pass-through rate increases? _____ & _____			
Does the system perform a review annually to determine if the rates fully cover the expenses?	Yes ☐	No ☐	N/A ☒
Are long-term needs built into rate increases?	Yes ☐	No ☐	N/A ☒
Do rates promote conservation in time of drought?	Yes ☐	No ☐	N/A ☒

COST OF WATER PURCHASED AND SOLD

Purchasers	What is the highest wholesale price you pay per 1,000 gallons of water?	$3.69 (Livingston)	N/A ☐
	What is the lowest wholesale price you pay per 1,000 gallons of water?	$2.93 (Mt. Vernon WW)	N/A ☐
Sellers	What is your highest wholesale price which you charge per 1,000 gallons of water?	$_____	N/A ☒
	What is your lowest wholesale price which you charge per 1,000 gallons of water?	$_____	N/A ☒

WATER LOSS

Does the system track water loss on a monthly basis?	Yes ☒	No ☐	N/A ☐
Report water loss for the past year as a percentage of total water purchased in gallons and as a dollar value.	37.39% 16,162,000 gallons **$**~47,355 (@ $2.93/1K gal)		

PWS ID Number: KY1020288 **Agency Interest Number:** 34097

If water loss is above 15%, does the system have a plan to address this?	Yes ☒	No ☐	N/A ☐
If yes, describe plan to address water loss: Non-Revenue Water Reduction Plan; Replaced all meters after acquisition in 2018; Targeted line replacements; Active leak detection			
COMMENTS: Consider the following: Continuing to address water loss			

V. SECURITY

Does the system have a documented safety policy?	Yes ☒	No ☐	N/A ☐
Does the system provide regular safety training to its employees?	Yes ☒	No ☐	N/A ☐
Is the utility a member of the Local Emergency Planning Committee?	Yes ☒	No ☐	N/A ☐
Does the system have an updated Emergency Response Plan that is reviewed annually? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the emergency response plan include a plan for responding to water shortages and loss of service?	Yes ☒	No ☐	N/A ☐
Is the Emergency Response Plan exercised?	Yes ☒	No ☐	N/A ☐
How is the Emergency Response Plan communicated to all employees? Available Online; Onsite			
Does the distribution system ever disable the telemetry/SCADA system and run on manual?	Yes ☒	No ☐	N/A ☐
Has the system developed procedures for securing computer/SCADA usage?	Yes ☒	No ☐	N/A ☐
Are backup copies of O & M manuals maintained in a location other than the office?	Yes ☒	No ☐	N/A ☐
Is the purchased water source equipped with emergency standby power generation or is there a secondary source of power? (e.g. contracts in place with suppliers for emergency generators or dual electrical feed)	Yes ☐	No ☒	N/A ☐
Are backup emergency generators exercised regularly?	Yes ☐	No ☐	N/A ☒
Is other backup equipment exercised regularly?	Yes ☐	No ☐	N/A ☒
Have arrangements been made with outside contractors, other utilities, etc. to provide needed emergency equipment?	Yes ☒	No ☐	N/A ☐
COMMENTS: *System is working to acquire emergency generators			

DOCUMENTATION (✓ all that apply)
☐ Photographs obtained by DEP
☒ Copies of records obtained by DEP
☐ Other documentation

OVERALL COMPLIANCE STATUS
☒ No Violations Observed
☐ No Violations Observed - Advisory Action Taken (Impending trends)
☐ Out of Compliance – Verbal notice given (Non-recurrent deficiency noted or violation corrected at time of inspection.)

CDPM: Ryan Reed	Title: Environmental Scientist IV	Date: 9/29/2022

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

DIVISION OF WATER
300 SOWER BLVD
FRANKFORT, KY, 40601

September 29, 2022

Mr. Bob Money
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20220004

Dear Mr. Money:

Attached for your information and records is a copy of the drinking water comprehensive inspection performed at KY American Water Co on August 31, 2022.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky Americal Water- Plant A		Program: **Drinking Water**	
Site Address: 6300 Cedar Creek Road			
City: Lexington	State: KY	Zip: 40515	County: Fayette
Inspection Type: Routine Surface	Purpose: Comprehensive		AI #: 1063
Inspection Date: 8/31/22	Time: Start 1230 PM End 14:15 PM		
Latitude: 37 54' 16"	Longitude: 84 22' 42"		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water- Plant A	Contact Name: Robert Money	
Phone No.: 858-335-3660	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Edwin Sturgis	**Class IVA, #81**	
Janet Bemiss	**IVA#1551**	

Comments: A complete list of operators was provided during the inspection.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated. Non-comprehensive inspection performed.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **The faciltiy provides the reports to the Division of Water in a timely manner.**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:129,493 Population Served:348,336
Average Production MGD: 22.69 Max. Production MGD: 39.4 Design Capacity MGD: 45
Source:Kentucky River

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	S1	a) Intakes, pumps, piping ☒	# Of Levels1 # Pumps6 Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☐	Type: Mechanical paddle If other:
	NA	d) Flocculation ☐	# of Stages # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Hydrotreator # of trains:
	S1	f) Chemical feed coagulation	Polyaluminum Cl/SO4
	S1	g) Carbon Feed: ☒	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 10 Size718 Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☐
	S1	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	NI	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA		n) Site Data:	Cl. Free: Total: pH: :
		o) Site Data:	Cl. Free: Total: pH:
		p) Site Data:	Cl. Free: Total: pH:
		q) Site Data:	Cl. Free: Total: pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACh Last calibrated: 2/24/2022
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	good
DISTRIBUTION	NA	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NA	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	NA	aa) Water storage:	# of Tanks Total Storage:
	NA	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐
PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: total: 3.3 pH: 7.7 on line-CL 3.23
	S1	dd) Turbidity	Raw:14 Settled:1.6 Combined Filter:0.03
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐

	S1	gg) Wastewater discharge	Is sizing adequate? ☒ Yes ☐ N0

Comments: The facility was clean and operational at the time of the inspection. The new intake access car system has been completed. Flow is directed through a rapid mix where DelPAC 202 and other polymers are added. Water is them processed through hydrotreators. All five hydrotreator valve houses have been reworked and new Swan Sewnaos Turbiwell instrumentation has been installed. Weekly calibration checks are performed on all sampling equipment by facility personnel. A THM on-line analyzer has been installed on the plant effluent. The new chemical building has been completed. The facility is now using liquid chlorine for disinfection. Chemical areas are marked appropriately and are secure. The intake screens were being worked on at the time of the inspection.
The laboratory was satisfactory. Standards were observed to be current. Records observed during the inspection include analytical bench sheets, temperature log books, and calibration logs. Laboratory instrumentation was calibrated by an outside source in February 2022. The plant on-line chlorine and bench top chlorine readings were comparable.

The distribution system for this plant is associated with the Richmond Road facility.
The following upgrades are being looked at or are in the planning state: A UV disinfection system; a new solids/ filter backwash handling system.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: The facility holds a KPDES Permit for the wastewater discharge.

VI. Compliance Status - No violations observed

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**

☐ **Samples taken by outside source**
☐ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☒ **Copies of records obtained by DEP**
☒ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 8/31/2022

Signature: **DES**

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601
TELEPHONE: 502-564-2150
TELEFAX: 502-564-4245

November 7, 2022

Bob Money
Kentucky American Water - Millersburg
2300 Richmond Rd
Lexington, KY 40502
AI: 296 PWSID: KY0090287

RE: Drinking Water Sanitary Survey

Dear Mr. Money:

The Division of Water conducted a Drinking Water Sanitary Survey (attached) of Kentucky American Water - Millersburg on September 7th, 14th 2022. A Capacity Development assessment was done as part of the survey.

Kentucky American Water - Millersburg is to be commended as they did not have any deficiencies at this time.

The Division recommends the following:

- **Reviewing the Harrison Co Water Association's and Paris Water Work's contract limit**
- **Continuing to address water loss**

Assistance with the "Managerial and Financial Assessment" section of the sanitary survey for Kentucky American Water - Millersburg can be obtained by contacting Ryan Reed at [redacted].

If you have any questions regarding the "Technical Inspection" portion, contact Jarod Jones in the Frankfort Regional Office at [redacted].

Sincerely,

Gabriel Tanner
Technical Assistance
Drinking Water Branch
Division of Water

Drinking Water Sanitary Survey

TECHNICAL INSPECTION OF SURFACE WATER
DISTRIBUTION-ONLY SYSTEM OPERATIONS

PWS ID: KY0090287
Agency Interest Number: 296; %%activity_id%%
AI Name: Kentucky American Water - Millersburg
County: Bourbon
Office Latitude: 38.297222 **Office Longitude:** -84.145556
CTAB Inspection Date(s): : 09/07/2022 10:00 AM

I. SOURCE

Does the system perform water quality monitoring in accordance with the approved DOW schedule for this facility?	Yes ☒	No ☐
Are there any unaddressed process factors that limit the purchased water contracted amount in the last 10 years?	Yes ☐	No ☒
Is the system(s) you purchase from drought-vulnerable?	Yes ☒	No ☐
Describe any water quality monitoring done on the water at the master meter: _____ List any chemicals fed at the master meters: _____		
If multiple sources are available, is the one in use considered to be the best in terms of water quality?	Yes ☒	No ☐
Is purchased water flow measured? When was the meter last calibrated? Meters are calibated annually	Yes ☒	No ☐
COMMENTS: KYAM personnel monitor water usage as required.		

II. TREATMENT

GAS CHLORINE SAFETY N/A		
Is the chlorine room enclosed and separate from other operating areas?	Yes ☐	No ☐
Is there a working exhaust fan in the chlorine room?	Yes ☐	No ☐
Does it provide one complete air change per minute?	Yes ☐	No ☐
Does it exhaust from floor level?	Yes ☐	No ☐
Is intake air near the ceiling?	Yes ☐	No ☐
Is there an external audible and visual alarm?	Yes ☐	No ☐
Are switches located outside the chlorine room?	Yes ☐	No ☐
Are chlorine tanks secured?	Yes ☐	No ☐
Are the scales operational?	Yes ☐	No ☐
Is automatic switchover of chlorine cylinders provided?	Yes ☐	No ☐
Is there a shatterproof viewing window in chlorine room?	Yes ☐	No ☐
Is there a crash bar on the door of the chlorine room?	Yes ☐	No ☐
Does the door open out and to the exterior of the building?	Yes ☐	No ☐
Is there a SCBA unit meeting NIOSH standards outside the chlorine room?	Yes ☐	No ☐
Are personnel trained to use the SCBA?	Yes ☐	No ☐

Is the "buddy system" practiced when changing or moving chlorine cylinders?	Yes ☐	No ☐
Is leak detection provided?	Yes ☐	No ☐
Is ammonia available for chlorine leak detection?	Yes ☐	No ☐
Is there a chlorine tank repair kit?	Yes ☐	No ☐
Are personnel trained and certified to use the kits?	Yes ☐	No ☐
COMMENTS:		

III. DISTRIBUTION SYSTEM

DISTRIBUTION SYSTEM		
Does the system have standard specifications for design and construction of the distribution system?	Yes ☒	No ☐
Does the system prohibit new connections where pressure on the discharge side of the meter will be <30 psi?	Yes ☒	No ☐
Is the system able to meet minimum pressure requirements of DOW and/or other regulating authority?	Yes ☒	No ☐
Does the system have a documented leak detection program?	Yes ☒	No ☐
Does the distribution system have a sufficient number of valves to isolate portions of the system (for leak detection, maintenance, etc.)?	Yes ☒	No ☐
If there are separate distribution system areas, are they interconnected with each other?	Yes ☐	No ☒
If they are not interconnected, how many separate areas are there? _____		
What prevents these systems from being interconnected? _____		
How many pressure zones are there? _____		
What is the range of distribution pressures? _____		
Do any distribution areas require reduced pressure valves?	Yes ☐	No ☒
What piping materials are included in the distribution system? _____		
Does the system have a program for flushing water mains?	Yes ☒	No ☐
Describe the process for sterilizing new mains/main breaks: sterlilize with 50 PPM chlorine hold for 24 hoursand 25 ppm for additional 24 hours. Breaks are repaired, flushed, chlorinated and BACTs collected analyzed.		
What types of on-line instrumentation are located at booster or pump stations and tanks? Chlorine/pressure		
Does the system have a documented program for exercising distribution system valves?	Yes ☒	No ☐
Does the system have a documented program for regular testing of water meters including master meter and customer?	Yes ☒	No ☐
Is there a water meter replacement program?	Yes ☒	No ☐
Are there main break/emergency notification procedures?	Yes ☒	No ☐
Does the system have a documented procedure for issuing a boil water advisory and a consumer advisory? The procedure shall identify when (how soon after the occurrence) and how the system shall notify the affected health department, to whom that notification shall be made both during and after normal business hours, and procedures for issuing the advisory to the public. The public notification shall include instructions for the public (including how to properly boil water) and an explanation of steps being taken to correct the problem.	Yes ☒	No ☐
Describe how the decision is made to issue a Boil Water Advisory: Issued if break, leak or if suspected contamination occurs. If pressure of less than 20 psi is detected.		
Does the system have a cross-connection control program?	Yes ☒	No ☐
If yes, is the cross-connection control program documented in writing?	Yes ☒	No ☐
If the cross-connection control program is not documented in writing, describe the process for finding and eliminating cross connections: _____		
Does a certified tester test the backflow prevention devices on a regular basis?	Yes ☒	No ☐
Has a calibrated hydraulic model been developed for the system?	Yes ☒	No ☐

COMMENTS: No issues at the time of inspection. No recommendations.

DISTRIBUTION STORAGE FACILITIES

Inspected

LOCATION			VOLUME (gallons)	TANK TYPE	OVERFLOW		LAST CLEANED/ INSPECTED	TELEMETRY	% TURNOVER (Per Day)
ROAD/AREA	LATITUDE	LONGITUDE			SCREEN/ FLAPPER	>10' FROM TANK			
Millersburg Tank	38.294556	-84.152249	125,000	Elevated	YES	YES	2017	YES	100

Are all storage tanks professionally inspected at least every 5 years (including interior, coating systems, & piping)? Yes ☒ No ☐

How often are tanks inspected and cleaned? INSPECTED: 5 yrs CLEANED: As needed

Are all storage tanks and water plants equipped with hatches, covers, screens, vandal guards and locks and all tank sites fenced for security? Yes ☒ No ☐

Are all hatches, screens, and overflows on the storage tanks checked at least monthly? Yes ☒ No ☐

Is there corrosion protection in the tanks? Yes ☐ No ☒

COMMENTS: Scada system trasnmits information to KYAM central location.

DISTRIBUTION BOOSTER PUMPS AND/OR BOOSTER DISINFECTION FACILITIES

Inspected

LOCATION			PUMP or DISINFECTION	NUMBER & CAPACITY OF PUMPS (gpm)	DISINFECTION TYPE	AUXILIARY POWER
ROAD/AREA	LATITUDE	LONGITUDE				
US 68	38.295084	-84.51855	Disinfection	@	Chlorine Liquid	No
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		

COMMENTS: Booster station and its components were observed to be well-maintained at the time of the inspection.

DISTRIBUTION SAMPLING (a minimum of N, S, E, W)					
SITE	CHLORINE		pH	TURBIDITY	OTHER
	FREE	TOTAL			
North	1.71	1.95			
South	2.20	2,20			
East	2.20	2.20			
West	1.80	2.20			

Is the system maintaining the required chlorine (0.2 mg/l) / chloramine (0.5 mg/l) residuals in the distribution system? Yes ☒ No ☐

COMMENTS: Millersber system generally has no issues with maintaining the required disinfectant levels

MAINTENANCE		
Is office housekeeping adequate?	Yes ☒	No ☐
Is distribution storage housekeeping adequate?	Yes ☒	No ☐
Are adequate supplies of spare parts kept on hand?	Yes ☒	No ☐
Are needed tools available?	Yes ☒	No ☐
If not, is preventive maintenance performed?	Yes ☐	No ☐
Is a lock-out/tag-out system used for electrical repairs?	Yes ☒	No ☐
What is the general condition of operating equipment? Good	Yes ☐	No ☐

COMMENTS: KYAM personnel did not indicate any issues with maintaining necessary supplies.

DOCUMENTATION (✓ all that apply)	
☒ Samples taken by DEP	☐ Photographs obtained by DEP
☐ Samples taken by outside source	☐ Copies of records obtained by DEP
☐ Instrument readings taken by DEP	☐ Other documentation

OVERALL TECHNICAL COMPLIANCE STATUS
☒ No Violations Observed
☐ No Violations Observed - Advisory Action Taken (Impending trends)
☐ Out of Compliance – Verbal notice given (Non-recurrent deficiency noted or violation corrected at time of inspection.)

INSPECTOR: Jarod Jones	TITLE: Environmental Inspector	DATE: 10/13/2022

KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER

Drinking Water Sanitary Survey

Managerial and Financial Assessment of Distribution-Only Surface Water & Ground Water Systems

PWS ID: KY0090287
Agency Interest Number: 296
AI Name: Kentucky American Water - Millersburg
County: Bourbon
Regional Office: Frankfort Regional Office
Capacity Development Inspection Date(s): 9/14/2022

SYSTEM CONTACT INFORMATION			
Full Name: Bob Money		Title: Manager, Water Quality & Environmental Compliance	
Phone Number: 859-268-6317	FAX Number:	E-Mail Address: bob.money@amwater.com	
Mailing Address: 2300 Richmond Road Physical Address of Office: 2300 Richmond Road	City: Lexington	State: KY	Zip Code: 40502

DISTRIBUTION SYSTEM INFORMATION		
Contact Person: Jon "Wes" Felts	Title: Senior Operations Supervisor	Phone Number: 859-268-6317
Distribution Class: ID-Pop. < 1500	System Service Connections (meters): 450	
System Population Served Calculated: 1,211	System Population Served Reported: 1,211	
Meters Served Outside Your System: 7,155	Consecutive Systems Population Served Calculated: 19,247	

WATER PURCHASED, SOLD, & EMERGENCY CONNECTIONS

WATER PURCHASED FROM: *(List primary purchase source first.)*			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract (monthly)
SYSTEM NAME	PWS ID #	AI #			
Paris Water Works	KY0090343	300	1	5,738,446	6,000,000
Average Total Water Purchased Daily: 189,140 gallons			Maximum Total Water Purchased Daily: 234,357 gallons		

WATER SOLD TO: ☐ Not Applicable			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract (monthly)
SYSTEM NAME	PWS ID #	AI #			
Harrison Co. Water Association	KY0490179	33915	1	1,742,263	1,200,000
Nicholas Co. Water District	KY0910314	34050	1	73,790	1,500,000

COMMENTS: Consider the following: Reviewing the Harrison Co Water Association's and Paris Water Work's contract limit

PWS ID Number: KY0090287 **Agency Interest Number:** 296

I. OPERATOR COMPLIANCE

Do the operators perform maintenance as well as distribution operations?	Yes ☒	No ☐	N/A ☐
Do you have contingency plans for replacing retiring system personnel?	Yes ☒	No ☐	N/A ☐

Who provides training/technical assistance for license renewal? (✓ all that apply):
☐ AWWA ☐ DCA ☒ DOW ☒ KRWA ☒ KWWOA ☐ RCAP ☒ Other In-House/Online (Suncoast)

What type of training is typically obtained? (✓ all that apply):
☒ REGULATIONS ☒ SAFETY ☐ UMI ☒ WATER QUALITY

Does the system pay for registration, lodging and meals?	Yes ☒	No ☐	N/A ☐
Does the system allow operators to attend training on company time?	Yes ☒	No ☐	N/A ☐

Number of shifts on weekdays: 1		Length of Shift (hours)	Number of Operators
	1st Shift	8	2
	2nd Shift	On-Call	On-Call
	3rd Shift	On-Call	On-Call

How are weekends covered? On-Call

How are holidays covered? On-Call

OPERATOR CERTIFICATION

LICENSEE NAME	LICENSEE AI #	LICENSE ID	LICENSE TYPE
Felts, Jon "Wes"	103831	18681	DW Distribution IVD
*See Comment Below			

Is the system staffed with appropriately certified operators? (Verify certification with DCA.) Yes ☒ No ☐ N/A ☐

COMMENTS: *Union Contract determines staffing within KY American Water (Additional operators)

PWS ID Number: KY0090287 **Agency Interest Number:** 296

II. MONITORING, REPORTING & DATA VERIFICATION

(Part A must be completed for all water systems. Part B must be completed for groundwater systems only.)

PART A *(Complete for all water systems.)*		
REPORTING ITEM – Information gathered from DWW	RETENTION TIME	
Bacteriological - 2 per month (See DWW)	5 Years	Yes ☒ No ☐ N/A ☐
Chlorine/Chloramines – Free chlorine monthly with BACTs, daily for MORs, residual chlorine monthly	10 Years	Yes ☒ No ☐ N/A ☐
MORs – Monthly (Turbidity Analysis)	1 Year	Yes ☒ No ☐ N/A ☐
Lead & Copper - 10 every 3 years (June to September)	12 Years	Yes ☒ No ☐ N/A ☐
TTHM & HAA5 2 per Quarter (see DWW)	10 Years	Yes ☒ No ☐ N/A ☐
Asbestos – 1 sample in the 1st 3 years of the 9 year compliance cycle (SOC) *Check for Waiver (only purchasers can have waiver)*	Begin 2011/2013	Yes ☒ No ☐ N/A ☐
Stage 2 IDSE Sampling Plan or 40/30 Certification	10 years	Yes ☐ No ☐ N/A ☒
Stage 2 IDSE Report	10 years	Yes ☐ No ☐ N/A ☒
Data Summaries (if actual data not retained)	12 Years	Yes ☐ No ☐ N/A ☒
NOVs (Notices of Violation)	10 Years	Yes ☒ No ☐ N/A ☐
Sanitary Surveys (every 3 years)	10 Years	Yes ☒ No ☐ N/A ☐
CCR (Consumer Confidence Report) – Annually by July 1 (by April 1 to consecutive systems)	Current one on file	Yes ☒ No ☐ N/A ☐
Does the system maintain a current sampling plan for BacTs?	Date updated	Yes ☒ No ☐ N/A ☐
Does the system maintain a current sampling plan for LCR?	Date updated	Yes ☒ No ☐ N/A ☐
Does the system maintain a current sampling plan for DBPs?	Date updated	Yes ☒ No ☐ N/A ☐
Does the system have an up-to-date map of distribution assets? (Map shall show a minimum of all line sizes, cutoff valves, fire hydrants, flush hydrants, tanks, booster pumps, chlorination stations, connections to emergency or alternative sources, wholesale customer master meters, & the type of piping material in the distribution system and its location.)	Date updated Continuously Updated	Yes ☒ No ☐ N/A ☐
PART B *(Complete for groundwater systems only.)* ☒ Not Applicable		
GWR Corrective Action	10 years	Yes ☐ No ☐ N/A ☐
GWR Public Notices	3 years	Yes ☐ No ☐ N/A ☐
GWR Fecal-positive invalidation	5 years	Yes ☐ No ☐ N/A ☐
GWR State-specified minimum disinfectant residual (letter from CTAB)	10 years	Yes ☐ No ☐ N/A ☐
GWR Lowest daily disinfectant residual level (submitted with MOR)	5 years	Yes ☐ No ☐ N/A ☐
What method is used to record this? (i.e. SCADA, chart recorders, download to CD)	N/A	
GWR Date and duration of time less than minimum daily disinfectant residual level	5 years	Yes ☐ No ☐ N/A ☐
GWR Records of state-specific compliance requirements for membrane filtration and alternative treatment	5 years	Yes ☐ No ☐ N/A ☐

Does the system maintain compliance records as required? (answer for both Parts A & B)	Yes ☒ No ☐ N/A ☐
COMMENTS:	

PWS ID Number: KY0090287 **Agency Interest Number:** 296

III. MANAGEMENT & OPERATIONS

What professional organizations does the water system belong to? KRWA; AWWA; KWWOA; NAWC; Chamber of Commerce; WEF			
Is the system subject to Public Service Commission regulations?	Yes ☒	No ☐	N/A ☐
Does the system attend Water Management Council meetings of the Area Development District?	Yes ☒	No ☐	N/A ☐
Does the system have a governing entity? If not, explain: KY Board of Directors	Yes ☒	No ☐	N/A ☐
What is the name of the system's OTHER? Kathryn Wash (President)			
What is his or her mailing address? Same as System			
How often does the governing body meet? Monthly			
Do operators attend these meetings?	Yes ☐	No ☒	N/A ☐
Is the governing entity provided with documented information regarding technical, managerial, and financial operations of the water system? (Inspect)	Yes ☒	No ☐	N/A ☐
Is the governing entity familiar with water treatment/distribution?	Yes ☐	No ☐	N/A ☒
Does the system offer continuing education opportunities for members of the governing entity?	Yes ☐	No ☐	N/A ☒
Does the system have regular staff meetings?	Yes ☒	No ☐	N/A ☐
How often? Weekly _____			
Who is involved? By Department (Employees)			
Does the system have a documented strategic plan (mission statement, goals and objectives)? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system have a defined organizational structure?	Yes ☒	No ☐	N/A ☐
Does the system have a documented description of each job classification with minimum position qualifications? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system have documented policies and procedures governing human resource management (such as an employee handbook)?	Yes ☒	No ☐	N/A ☐
Does the system periodically review its insurance coverage is in place for liability, property, automobiles, directors, and officers?	Yes ☒	No ☐	N/A ☐
Does the system have a documented policy for delegation of authority such as signing agreements, contracts, resolutions, easements, etc.?	Yes ☒	No ☐	N/A ☐
Does the system have a documented procurement policy for purchasing supplies?	Yes ☒	No ☐	N/A ☐
Does the system have professional services available under a current contract, retainer, or other similar arrangement for engineering, accounting, and legal counsel?	Yes ☒	No ☐	N/A ☐
Does the system have an asset management program?	Yes ☒	No ☐	N/A ☐
Does the system have a documented preventive maintenance program?	Yes ☒	No ☐	N/A ☐
Does the system have a capital improvement plan? (Inspect)	Yes ☒	No ☐	N/A ☐
How many years does the plan cover? KY Wide; Priority Ranking			
Does the system have a documented policy governing water main extensions? (Inspect)	Yes ☒	No ☐	N/A ☐
Are chemicals inventoried? If so, how? Inventory System (Employee)	Yes ☒	No ☐	N/A ☐
Are distribution materials inventoried? If so, how? Inventory System (Employee); Work Order System	Yes ☒	No ☐	N/A ☐
Is there a bid process for chemicals, pipe, or large item purchases?	Yes ☒	No ☐	N/A ☐

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Does the system have rules and regulations governing the provision of service? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system make available in a public place the rules, rates, and regulations? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the system provide 24-hour service response for customers?	Yes ☒	No ☐	N/A ☐
Does the system notify customers prior to performing scheduled maintenance?	Yes ☒	No ☐	N/A ☐
Does the system log customer complaints and track resolution?	Yes ☒	No ☐	N/A ☐
Does the system provide any educational activities to the public? Who is responsible for providing this? External Affairs Staff What types of educational activities are done? Bill Inserts; In-School Activities; Water-Wise Academy; Grants for Environmental Projects (i.e. rainbarrels); Educational Grants	Yes ☒	No ☐	N/A ☐
Does the system have sufficient O & M manuals? (Inspect) (O & M manuals shall include: a detailed design of the plant, daily operating procedures, a schedule of testing requirements designating who is responsible for the tests, and safety procedures for operation of the facility – including storage and inventory requirements for materials and supplies.) How are the operators made aware of O & M procedures? Field SOPs; OTJ; Available for Reference	Yes ☒	No ☐	N/A ☐
Has the system received any NOVs for MCLs in the last 3 years? If yes, answer the following:	Yes ☐	No ☒	N/A ☐
If more than one NOV, were any for the same contaminant?	Yes ☐	No ☐	N/A ☒
Was a public notice issued when required?	Yes ☐	No ☐	N/A ☒
What remedial measures did the system take to prevent future occurrences of these violations? GAC Filters installed at purchase site			
Does the system maintain a log of all breaks or ruptures per 401 KAR 8:150, Section 4? (Inspect)	Yes ☒	No ☐	N/A ☐
Is the system operating at or above 85% of water available through purchase contracts? (see COW) **If yes, what is the percentage? 95.6%**	Yes ☒	No ☐	N/A ☐
If system's average daily demand exceeds 85% of available water through purchase contracts, does system have a plan for obtaining additional water, including cost and timeframes to address the needed additional water? If applicable, describe plan for obtaining additional water: See Recommendation on 1st Page	Yes ☐	No ☐	N/A ☒
COMMENTS: The managerial section's information applies to KY American Water as a whole. The Board of Directors are presented with "big picture" information for KY as a whole.			

IV. FINANCIAL

Does the system prepare an annual operating budget? (Provide summary)	Yes ☐	No ☐	N/A ☒
Does the system prepare an annual capital budget? (Inspect)	Yes ☐	No ☐	N/A ☒
Who prepares the budget? _____			
Do the operators have input into the budget?	Yes ☐	No ☐	N/A ☒
Are training and license funds built into the budget?	Yes ☐	No ☐	N/A ☒
Does the governing entity review and approve the budget?	Yes ☐	No ☐	N/A ☒
Does the system prepare regular monthly reports to show variances between budgeted and actual revenue and expenses? (Inspect)	Yes ☐	No ☐	N/A ☒
Does the system maintain its financial records utilizing the Kentucky Uniform System of Accounting or a comparable system? (Inspect)	Yes ☐	No ☐	N/A ☒
Are financial statements audited by a CPA as required? (Inspect) (Water districts, special districts – i.e. regional water commissions and cities have specific requirements.)	Yes ☐	No ☐	N/A ☒

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If audit is completed, does the governing entity receive and review the audit report?	Yes ☐	No ☐	N/A ☒
Does the system employ a method for depreciation of system assets?	Yes ☐	No ☐	N/A ☒
Is the system operating at a retained earnings surplus? (Retained earnings is the net income that is available at the end of the year and available for transfer.)	Yes ☐	No ☐	N/A ☒
Is the current debt-to-equity ratio below 1.0? (The debt-to equity ratio for any given year is computed by dividing total liabilities by total equity.)	Yes ☐	No ☐	N/A ☒
Does the water system meet a debt coverage ratio needed for bond ordinances, loan agreements, and bond requirements? A typical value is 1.2. (Debt coverage ratio is computed by dividing cash available for debt service (net income with annual interest, depreciation, amortization, and other non-cash items added back) by debt service requirements for the year.)	Yes ☐	No ☐	N/A ☒
Does the water system revenue go to meet other expenses (i.e. electric, sewer or garbage)?	Yes ☐	No ☐	N/A ☒
Is there a documented policy for delinquent accounts?	Yes ☒	No ☐	N/A ☐
What is it? Per PSC Requirements (See Tariff)			
For accounts payable, has the system kept payments less than 45 days past due over the last 12 months?	Yes ☐	No ☐	N/A ☒
Does the system write-off bad debt annually?	Yes ☐	No ☐	N/A ☒
Where does the system typically go for financial assistance? _____			
Does the system have any long-term debts?	Yes ☐	No ☐	N/A ☒
Is the system current on all debt service payments (if applicable)?	Yes ☐	No ☐	N/A ☒
Is the system meeting reserve account requirements (if applicable)?	Yes ☐	No ☐	N/A ☒
Is there an approved* rate structure in place? (Provide copy of rate sheet.) (*Approved by governing entity/PSC as applicable.)	Yes ☒	No ☐	N/A ☐
What were the dates of the system's last 2 non-pass-through rate increases? 6/2019 & 6/2015			
What were the dates of the system's last 2 pass-through rate increases? _____ & _____			
Does the system perform a review annually to determine if the rates fully cover the expenses?	Yes ☐	No ☐	N/A ☒
Are long-term needs built into rate increases?	Yes ☐	No ☐	N/A ☒
Do rates promote conservation in time of drought?	Yes ☐	No ☐	N/A ☒

COST OF WATER PURCHASED AND SOLD

Purchasers	What is the highest wholesale price you pay per 1,000 gallons of water?	$2.25	N/A ☐
	What is the lowest wholesale price you pay per 1,000 gallons of water?	$_____	N/A ☒
Sellers	What is your highest wholesale price which you charge per 1,000 gallons of water?	$2.25	N/A ☐
	What is your lowest wholesale price which you charge per 1,000 gallons of water?	$2.25	N/A ☐

WATER LOSS

Does the system track water loss on a monthly basis?	Yes ☒	No ☐	N/A ☐
Report water loss for the past year as a percentage of total water purchased in gallons and as a dollar value.	21.06% 3,145,198 gallons $~7,077		
If water loss is above 15%, does the system have a plan to address this?	Yes ☒	No ☐	N/A ☐
If yes, describe plan to address water loss: Targeted Line Replacements; Active Leak Detection; Acoustic Loggers			

PWS ID Number: KY0090287 **Agency Interest Number:** 296

COMMENTS: Consider the following: Continuing to address water loss

*The financial section's information applies to KY American Water as a whole.

V. SECURITY

Does the system have a documented safety policy?	Yes ☒	No ☐	N/A ☐
Does the system provide regular safety training to its employees?	Yes ☒	No ☐	N/A ☐
Is the utility a member of the Local Emergency Planning Committee?	Yes ☒	No ☐	N/A ☐
Does the system have an updated Emergency Response Plan that is reviewed annually? (Inspect)	Yes ☒	No ☐	N/A ☐
Does the emergency response plan include a plan for responding to water shortages and loss of service?	Yes ☒	No ☐	N/A ☐
Is the Emergency Response Plan exercised?	Yes ☒	No ☐	N/A ☐
How is the Emergency Response Plan communicated to all employees? Available Online; Onsite			
Does the distribution system ever disable the telemetry/SCADA system and run on manual?	Yes ☒	No ☐	N/A ☐
Has the system developed procedures for securing computer/SCADA usage?	Yes ☒	No ☐	N/A ☐
Are backup copies of O & M manuals maintained in a location other than the office?	Yes ☒	No ☐	N/A ☐
Is the purchased water source equipped with emergency standby power generation or is there a secondary source of power? (e.g. contracts in place with suppliers for emergency generators or dual electrical feed)	Yes ☐	No ☒	N/A ☐
Are backup emergency generators exercised regularly?	Yes ☐	No ☐	N/A ☒
Is other backup equipment exercised regularly?	Yes ☐	No ☐	N/A ☒
Have arrangements been made with outside contractors, other utilities, etc. to provide needed emergency equipment?	Yes ☒	No ☐	N/A ☐

COMMENTS:

DOCUMENTATION (✓ all that apply)

- ☐ Photographs obtained by DEP
- ☒ Copies of records obtained by DEP
- ☐ Other documentation

OVERALL COMPLIANCE STATUS

- ☒ No Violations Observed
- ☐ No Violations Observed - Advisory Action Taken (Impending trends)
- ☐ Out of Compliance – Verbal notice given (Non-recurrent deficiency noted or violation corrected at time of inspection.)

CDPM: Ryan Reed	Title: Environmental Scientist IV	Date: 10/7/2022

Inspection Report

GenTrack Item # 227		
Section	**Field Name**	**Response**
Facility		
	Region:	Northern
	PWS ID:	0340250C
	Category:	Plants
	Facility Name:	KENTUCKY AMERICAN WATER CO. C
	Status:	Active
	GPS Location:	38.358527 -84.865399
	Physical Address:	16035 HWY 127
	Mailing Address:	
	City:	OWENTON
	State:	KY
	Zip Code:	40359
	Phone:	502 484-8373
	Plant Email:	bob.money@amwater.com
	County:	Owen
	Fluoridation:	Yes
	Contact First Name:	Jason
	Contact Last Name:	Case
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone Number:	502 395-2945 (Op)
	Contact Email:	jason.m.case@amwater.com

GenTrack Item # 227 - 9		
Section	**Field Name**	**Response**
General		
	Inspection Date:	03/21/2023
	Inspector:	Lucas Bentley
	Inspector Information:	275 east Main Street Frankfort KY 40621 Office Phone: [redacted] Home Phone: [redacted] Active
	Operator On Duty First Name:	Scott

	Operator On Duty Last Name:	Huddleston
	Contact Address 1:	16035 HWY 127
	Contact Address 2:	
	Contact Phone:	502 484-8373
	Certification Number:	21329
	Water Plant Operator Certification Level:	IVA
	Facility Classification Level:	IVA
	[BLANK]	If the Water Plant Operator on Duty is not certified or does not have a certification equal to
		or higher than the Facility Classification, include the name and certification number of the
		operator responsible for the facility instead.
	Water Source:	Surface Water
	Fluoridation Type:	Acid
	Service Connections:	3900
	Populations Served:	10491.00
	AVG Production:	7.5 MGPD
	Flow Rate (Influent)(GPM):	4200 GPM
	Master Meter (Raw):	Satisfactory
	Design Capacity:	40 MGPD
	PWSI Number:	0340250C
	GPS Coordinates:	38.358527 -84.865399
	Comments:	
Chemical Treatment		
	Activated Carbon (Activated Charcoal):	Yes
	Aluminum Chloride:	Yes
	Aluminum Chlorohydrate:	No
	Aluminum Potassium:	No
	Aluminum Sulfate (Alum):	No
	Amonia:	Yes
	Calcium Hydroxide (Hydrated Lime):	No
	Calcium Oxide (Quick Lime):	No
	Carbon Dioxide:	No
	Charcoal:	No
	Chlorine (gas):	Yes

	Chlorine (liquid):	No
	Chlorine Dioxide:	No
	Copper Sulfate:	No
	Ferric Chloride:	No
	Ferric Sulfate:	No
	Hydrofluorosilicic Acid (HFS):	Yes
	Hydrochloric Acid:	No
	Hydrochlorites:	No
	Hydrogen Peroxide:	No
	Hydroxide Ammonium:	No
	Phosphate:	No
	Polyaluminum Chloride (PAC):	No
	Polyelectrolytes:	No
	Polyphosphates:	No
	Potassium Hydroxide (Caustic Potash):	No
	Potassium Permanganate:	Yes
	Silica:	No
	Sodium Aluminate:	No
	Sodium Bicarbonate (Baking Soda):	No
	Sodium Carbonate (Soda Ash):	No
	Sodium Chloride (Salt):	No
	Sodium Fluoride:	No
	Sodium Fluorosilicate:	No
	Sodium Hydroxide (Caustic Soda):	No
	Sodium Hypochlorite:	No
	Sodium Permanganate:	No
	Sodium Thiosulfite:	Yes
	Sulfur Dioxide:	No
	Sulfuric Acid:	No
	Ultraviolet:	No
	Others:	ORTHOPHOSPHATE, POLYMER & CAUSTIC SODA.
Fluoride System		
	Saturator System:	Not Applicable

	Saturator Cleanout Date (recommended annually or as needed):	
	Saturator Feed Line Flow Meter	N/A
	Saturator Flow Rate	.
	Feed Water Hardness (ppm as calcium carbonate)"	.
	[BLANK]	
	Saturator Instructions:	*If issues arise with the saturator, please contact your water fluoridation specialist and check the following: • Saturated solution of the chemical should be approximately 18,000 ppm and can be verified through either your private lab or the state lab. Be sure to let the lab know that this is a saturated sample by writing the information on the Lab 505 form in red ink and putting "Saturator Sample" at the top of the form. If the results are below 18,000 ppm, saturation of the chemical is not occurring, and the following items need to be checked. If the saturator has not been cleaned out within the last year, a thorough breakdown and cleanout of the saturator and all parts is recommended. Special attention should be given to the complete cleanout of the spider and all connections in the saturator. The flow rate of the feed water flowing through the saturator should not exceed 2 GPM. The hardness of the feed water of the saturator should not exceed 75 ppm as calcium carbonate. If it does, installation of a water softener is recommended. • If the results are approximately 18,000 ppm, a drawdown of the metering pump should be conducted to verify proper operation. Contact your water fluoridation specialist to identify the proper dose rate of the metering pump.
	Comments:	
	Dry System:	Not Applicable
	Dry Hopper Scale Mounted	N/A
	Comments:	
	Tablet System:	Not Applicable
	Tablet System Flow Rate:	.
	Comments:	
	Hydrofluorosilicic Acid (HFS) System:	Satisfactory
	Hydrofluorosilicic Acid (HFS) Bulk Tank Size (gallons):	6083
	HFS Day Tank Size (dimensions in inches):	.
	HFS Day Tank Size (gallons):	147
	HFS Day Tank Limitations:	.

	HFS Day Tank Loss of Suction Point (lbs if scale used and inches if volumetric loss used):	.
	HFS Day/Bulk Tank Vented to the Outside Atmosphere:	Satisfactory
	Transfer Pump:	Yes
	Liquid Level Limit Switch:	Satisfactory
	HFS Usage Table:	Yes
	Comments:	Usage Table on SCADA
	[BLANK]	
		Ensure only a maximum 30-hour supply of (HFS) is kept in the day tank to prevent exceeding the MCL
Plant Safety Equipment		
	Syphon Breakers Rating:	Satisfactory
	Comments:	
	Ventilation Rating:	Satisfactory
	Forced Ventilation Switch Location:	
	Comments:	
	Chemical Storage Rating:	Satisfactory
	Comments:	
	Method Of Measurement:	Volumetric
	Method of Measurement Rating:	Satisfactory
	Comments:	ULTRA SONIC
	Secondary Containment:	Satisfactory
	Comments:	
Operator Safety Equipment		
	Respirator Available:	Yes
	Comments:	
	Face Shield/Safety Glasses Available:	Yes
	Comments:	
	Gloves Available:	Yes
	Comments:	
	Apron/Coat Available:	Yes
	Comments:	
	Eye Wash Station/Deluge Shower:	Satisfactory

	Eye Wash Station/Deluge Shower Maintenance Check (recommended monthly):	Satisfactory
	Comments:	
	Safety Data Sheets (SDS) On-Hand	Yes
Laboratory and Records		
	Tester Brands:	CH EZ-CHECK
	Fluoride Tester Instruction Manual On-Hand	
	Fluoride Tester Calibration Frequency	batteries
	Tester Brand Rating:	Satisfactory
	Comments:	
	Adequate Reagent Supply:	Satisfactory
	Comments:	
	Reagent Up-To-Date (Include either the expiration date or the Lot number in the comments):	Satisfactory
	Comments:	
	Monthly Operating Reports:	Satisfactory
	Last Month AVG-Daily Usage in Pounds:	213.1
	Last Month AVG Daily Pre-Population Results:	3.4
	Last Month AVG Tap Reading:	0.82
	Last Month AVG Raw Reading:	0.09
	Comments:	
	505 Reporting:	Satisfactory
	505 Sample Locations (First Plant/Second Distribution):	Satisfactory
	505 Dates:	Satisfactory
	[BLANK]	The first sample shall be collected from the plant tap during the first week of the month.
		The second sample collected at a point of maximum retention, during the third week of the month
	In Compliance Year to Date:	Yes

	CDC Quality Award Received Two Years Previously	Yes
	Housekeeping:	Satisfactory
	Comments:	
Distribution		
	Point Of Injection:	Satisfactory
	Injection Site:	Pre-Clearwell
	Comments:	
	Chemical Feeder:	Satisfactory
	Comments:	*Entered 0 below because inspection report does not recognize decimal points or percentages. SPEED and STROKE are percentages. Current Settings are a Speed of 17.5% and Stroke of 33%
	Feeder's Brand:	JAC
	Peristaltic Pump Tube Size	.
	Feeder Model #:	1731
	Feeder Size:	4.9 GPH
	Setting:	55 mL/min
	Speed:	0
	Stroke:	0
On-Site Observation		
	Fluoride Rating:	Satisfactory
	Comments:	
	Private Labs:	Kentucky America
	Other Water Treatment Systems Directly Connected:	Georgetown, Nicholasville, Judy, South Elkhorn, Midway, Versailles, Peaks Mill, East Clark County
	Other Water Treatment Systems Water Sold To:	Georgetown, Nicholasville, Judy, South Elkhorn, Midway, Versailles, Peaks Mill, East Clark County
	Other Water Treatment Systems Water Purchased From:	Gallatin County, Carroll County
	[BLANK]	
	Facility Entrance:	Yes
	Laboratory:	Yes
	Fluoride Tester:	Yes
	Fluoride Room:	Yes
	Ventilation:	Yes

	Fluoride Metering Pump Tag:	Yes
	Overall Fluoride System (Saturator, Bulk/Day Tank, Dry Hopper, Tablet):	Yes
	Injection Site:	Yes
	Scales (if applicable):	N/A
	Anti-Syphon Device (if applicable):	Yes
	Eye Wash/Deluge Shower Station (if applicable):	Yes
	[BLANK]	
	Split Rating:	Satisfactory
	Raw:	
	Saturator Sample:	n/a
	Insp:	0.88
	Plant:	0.91
	LAB:	0.80
	Comments:	Well Ran Facility In Compliance YTD
	[BLANK]	We appreciate all the work and effort this year in staying in compliance with the fluoride program.
		If any issues arise, please contact your water fluoridation specialist.

Drinking Water Sanitary Survey

TECHNICAL INSPECTION OF SURFACE WATER PLANT AND DISTRIBUTION SYSTEM OPERATIONS

PWS ID: KY0340250
Agency Interest Number: 1063; CIN20200001
AI Name: KY American Water Co
County: Fayette
WTP Latitude: 38.011157 WTP Longitude: -84.465995
CTAB Inspection Date(s): May 4 & 9 2023

TREATMENT PROCESS SUMMARY	
Primary Source: Kentucky River Secondary Source: Jacobson park reservoir	Maximum Pumping Rate: 30 MGD Filter Design Rate (gpm/ft^2): 5
Pre-sedimentation Size: n/a	Aeration: 1)N/A 2) N/A
Sedimentation (Primary): Conventional/Baffled Basin Sedimentation 2: 1) N/A 2) N/A	Filter (Primary): Conventional/Sand Filter 2 (if 2 different filter types): 1) N/A 2) N/A
Total Clear Well Size (gallons): 0.650 MG	Total Distribution Storage Capacity (gallons): 27,807,000
Does each component of the WTP meet 10 State Standards or has each been approved by the Division of Water? Yes ☒ No ☐	
COMMENTS: Filters are actually a conventional/ dual media type(sand and GAC).	

CHEMICALS SUMMARY	
Pre-Disinfection/Treatment: 1) Chlorine Liquid 2) N/A Post-Disinfection: 1) Chlorine Liquid 2) N/A	Primary Coagulant: Polyaluminum Chlorides/Sulfates Secondary Coagulant (Name): N/A
Filter Aid Name:	Corrosion Control: Phosphate-Based Inhibitor
Taste and Odor: Sodium Permanganate	Softening: N/A
Iron and Manganese Removal: Sodium Permanganate	Fluoride Supplement: Hydrofluosilicic Acid
COMMENTS:	

PLANT SCHEMATIC *(OPTIONAL)*	
Include a plant schematic indicating the following details. ***Place an "X" in the box to indicate this item is included on the schematic.***	
☐ Source water type/location	☐ Major unit processes (including baffling factors and volumes)
☐ Flow measurement locations	☐ Chemical injection locations
☐ Piping Flexibility (including # of raw and finished water mains)	☐ Waste handling

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

I. SOURCE

SOURCE				
SOURCE NAME	WATER WITHDRAWAL NUMBER	PERMITTED AMOUNT (MGD)	IS CAPACITY ADEQUATE?	ARE THERE WATER QUALITY ISSUES?
Kentucky River	200	63	Yes ☒ No ☐	Yes ☐ No ☒
Jacobson Reservoir	201	16	Yes ☒ No ☐	Yes ☐ No ☒

Upstream land uses (✓ all that apply):
☒ Farmland ☐ Industry ☐ Logging ☐ Mining ☐ Oil and Gas ☒ Recreation ☒ Residential ☐ Other _____

Upstream discharges within 5 miles (✓ all that apply):
☐ Farmland ☐ Industry ☐ Logging ☐ Mining ☐ Oil and Gas ☒ Recreation ☒ Residential
☐ Water/Wastewater Discharge ☐ Other _____

Is there a source water protection plan in place? (Call ADD if no one at plant knows.) Yes ☒ No ☐

Are there any sources of Cryptosporidium in the watershed? Yes ☒ No ☐

Describe the sources: farming, animals

Is the system drought-vulnerable? (Has the system ever been on water conservation or dealt with a dwindling water source during warm weather?) Yes ☒ No ☐

Does the system perform both source and finished water quality monitoring as required? Yes ☒ No ☐

What type of water quality monitoring is done on the source water (✓ all that apply):
☒Alkalinity ☒BacTs ☒Hardness ☒Iron ☒Manganese ☒pH ☒Temperature ☒Turbidity ☐None

If multiple sources are available, is the one in use the "best" in terms of both water quality and quantity? Yes ☒ No ☐

Are there any factors that have limited the capacity of raw water source(s) with in the last 10 years? Yes ☒ No ☐

If the capacity of a raw source has been limited within the past 10 years, have the contributing factors already been successfully addressed? If not, explain: _____ Yes ☒ No ☐

Are there any unaddressed factors that have reduced the quality of raw water source(s) in the last 10 years? Yes ☐ No ☒

If the quality of the raw water source(s) has been reduced within the past 10 years, have the contributing factors already been successfully addressed? If not, explain: _____ Yes ☐ No ☐

Are there any unaddressed factors that have limited the water available for purchase from contracted source(s) in the last 10 years? Yes ☐ No ☒

If water available for purchase through contracted source(s) has been limited within the past 10 years, have the contributing factors already been successfully addressed? If not, explain: _____ Yes ☐ No ☐

COMMENTS: Source water quality monitoring also includes testing for chlorides and taste/ odor.

INTAKE STRUCTURE							
LOCATION			TYPE	# of INLETS	SCREEN GRID SIZE	IS FLOODING A PROBLEM?	IS SILT BUILD-UP A PROBLEM?
ROAD/AREA	LATITUDE	LONGITUDE					
Kentucky River			Fixed	1	1/2"	NO	NO
Jacobson Reservoir			Fixed	1	1/2"	NO	NO

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

Number of raw water mains: 3 which are: PUMPED ☒ or GRAVITY FED ☐
Is raw water flow measured? Yes ☒ No ☐ If yes, when was the meter last calibrated? 08/2020
List any chemicals fed at the source: carbonn
If source is a reservoir, is it aerated? Yes ☐ No ☒
List depths of intake levels (normal pool): 14.5
Screens are: STATIONARY ☒ or MECHANICAL ☐
Is screen clogging a problem? Yes ☐ No ☒ How are screens cleaned? _____
Are Zebra mussels a problem? Yes ☐ No ☒ If yes, list actions taken: _____
How often are the submerged portions of the intake inspected? as needed When was the date of the last inspection? new screens were installed in July 2019.
COMMENTS: No major concerns were noted at the time of the inspection. The facility was drawing water from the Kentucky River at the time of the inspection.

II. TREATMENT/PUMPS

PRE-SEDIMENTATION N/A			
CAPACITY (gallons)	FLEXIBILITY TO BYPASS	CHEMICAL FEED CAPABILITY	LIST CHEMICALS FED
	Yes ☐ No ☐	Yes ☐ No ☐	
	Yes ☐ No ☐	Yes ☐ No ☐	
Are treatment chemicals fed at the inlet to the pre-sedimentation basin? Yes ☐ No ☐ If so, is the chemical fed: ALL THE TIME ☐ or INTERMITTENTLY ☐?			
Is algae growth a problem? Yes ☐ No ☐			
How often are the pre-sedimentation basin(s) cleaned? _____			
COMMENTS:			

AERATION N/A		
TYPE	CAPACITY (gallons)	REASON FOR AERATION
COMMENTS:		

RAPID MIX Inspected			
TYPE	NUMBER	VOLUME (gallons)	PHYSICAL CONDITION

Mechanical Mixer	2	7100/basin	Good

List chemicals in the order they are fed at the rapid mix: polyaluminum chloride, sodium hypochlorite, NaMnO4,

Is adequate mixing of chemicals taking place? Yes ☒ No ☐

Are there flow splits after the rapid mix? Yes ☒ No ☐

If so, is the flow distribution even? Yes ☒ No ☐

COMMENTS: No major concerns were noted at the time of the inspection.

FLOCCULATION BASINS
Inspected

TYPE	# of TRAINS / STAGES	VARIABLE SPEED DRIVE	VOLUME (gallons)	PHYSICAL CONDITION
Vertical Paddle	2 / Multiple	Yes ☒ No ☐	350,000	Good
	/	Yes ☐ No ☐		

List any chemicals fed in the flocculation process: cationic polymer and carbon if needed

What is the size and appearance of the floc? Size: OK & Appearance: Fluffy

How often are flocculation basins cleaned? once per year or when needed

Are the flocculation speeds tapered (decreased) through the flocculation stages? Yes ☒ No ☐

Are there flow splits after flocculation? Yes ☒ No ☐

Is flow distribution even? Yes ☒ No ☐

COMMENTS: No major concerns were noted at the time of the inspections.

SEDIMENTATION BASINS
Inspected

TYPE	TRAINS / STAGES	VOLUME (gallons)	SQ. FT. AREA PER BASIN	% WITH TUBE SETTLERS	PHYSICAL CONDITION
Conventional/Package	4 / 1	750/000		0	Good
	/				

List any chemicals fed in the sedimentation process: _____

What is the sedimentation turbidity goal? <2 NTU

Where is this sample taken? at basin

What is the overflow rate of the basins? 0.5181 gpm/ft^2

If system has an Actiflo process, what is the rise rate? _____

How often are the basins cleaned? 1-2 times per quarter or as needed

How often is sludge removed from the basins? continuous

Sludge removal is: MECHANICAL ☒ or MANUAL ☐

What was the sludge depth at the time of this inspection? _____

What was the settled water turbidity at the time of this inspection? 0.41 NTU

Is there evidence of short-circuiting (flow or density currents)? Yes ☐ No ☒

Is baffling present in the basins? Yes ☐ No ☒

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

If yes, describe the baffling: _____
If multiple sedimentation basins, describe the piping from the basins to the filters: _____
Is there evidence of floc carryover to the filters? Yes ☐ No ☒
COMMENTS: No major concerns were noted at the time of the inspection.

FILTERS
Total Number of Filters: 8
Plant flow rate divided by total square footage of filters in service at the time of inspection.

TYPE	MEDIA TYPE	FILTER RATE (at insp.)	FILTER CONTROL	SURFACE WASH TYPE	FILTER TO WASTE	FILTER AREA	PHYSICAL CONDITION
Conventional	Dual Media	3.1 gpm/ft^2	Rate of Flow	Air Scour	Yes	496.6	Good
		gpm/ft^2					

List any chemicals fed in the filtration process: _____
What is the filtered water turbidity goal? <0.1 NTU
Does this apply to the combined filter effluent? Yes ☒ No ☐
To individual filter effluents? Yes ☒ No ☐
What criteria are used for filter backwash? increase in turbidity, loss of head, 100 hour rule
What is the backwash rate in gallons per minute? 5000
Is filter backwash rate ramped up and down? Yes ☒ No ☐
Is backwash flow rate measured? Yes ☒ No ☐
Are filters ever bumped? Yes ☐ No ☒
Is air scouring used? Yes ☒ No ☐
What was the combined filter effluent turbidity at time of inspection? 0.011 NTU
Are individual filters monitored for turbidity? Yes ☒ No ☐
Are the IFE turbidimeters calibrated per the manufacturer's instructions? (inspect documentation) Yes ☒ No ☐
Is this turbidity continuously recorded? Yes ☐ No ☐
Can this data be retrieved in usable form from storage (tape or CDs)? Yes ☒ No ☐
Is filter to waste (rewash) present? Yes ☒ No ☐
Is it used? Yes ☒ No ☐
Can turbidity be measured while filtering to waste? Yes ☒ No ☐
Are flows adjusted on remaining in-service filters during a backwash? Yes ☒ No ☐
COMMENTS:

MEMBRANE FILTRATION
N/A

What type of membrane filtration is used? N/A
The membrane filtration process is PRESSURE ☐ or VACUUM ☐ driven.
What is the designed membrane flux (flow per unit of membrane area)? _____
Are pre-filters used ahead of the membranes? Yes ☐ No ☐

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Describe the direct integrity testing procedure. _____
Describe how membrane breaks are isolated and repaired. _____
How are the membranes "backwashed"? _____
What type of chemical cleaning is used? _____ How is this waste handled? _____
Have there been any operational or maintenance issues with the membranes? Yes ☐ No ☐ If yes, explain: _____
COMMENTS:

RESIDUALS HANDLING	
What percent of plant production is used for in-plant processes (backwash, chemical feed, sanitary)? 1-2%	
How are spent backwash water and other liquid residuals handled? Backwash is sent to holding tanks and allowed to settle. The supernatant is decanted to Lake Ellerslie and sludge is filter pressed and used as benificial reuse on site.	Yes ☒ No ☐
If applicable, is the spent backwash holding tank/lagoon volume adequate?	Yes ☒ No ☐
Does the plant discharge water from this tank/lagoon back to a body of water?	
Does the plant have a KPDES discharge permit? If so, what is the permit number? KY0093301	Yes ☒ No ☐
Is the discharge meeting permit requirements?	Yes ☒ No ☐
Is the discharge point upstream of the intake?	Yes ☐ No ☒
If yes, how far upstream is the discharge point from the intake? _____	
Is spent backwash water recycled?	Yes ☐ No ☒
If yes, is the spent backwash water recycled as a: "SLUG" ☐ or as a CONSTANT FLOW ☐? What percent of the flow is recycled? _____%	
Are chemical feed rates adjusted during recycling?	Yes ☐ No ☒
Are raw water flows adjusted during recycling?	Yes ☐ No ☐
Are all recordkeeping requirements of the *Filter Backwash Rule* being followed?	Yes ☐ No ☐
How are solid residuals handled? _____	
COMMENTS: A wastewater compliance inspection will be performed at a later date.	

CHEMICAL FEED EQUIPMENT

CHEMICAL NAME	PURPOSE	FEEDER TYPE	FEED POINT	NUMBER & CONDITION
Powdered Activated Carbon	Taste Odor	Peristalic	Source	2 Good
Orthophosphate	Coagulation	Peristalic	Pre-Flocculation	2 Good
Lime	pH Adjustment	Peristalic	Clearwell	2 Good
Hydrofluosilicic Acid	Dental Health	Peristalic	Clearwell	2 Good
Sodium Permanganate	Taste Odor	Peristalic	Intake	2 Good
Polyaluminum Cl/SO4	Coagulation	Peristalic	Quick/Flash Mix	2 Good
Polymer	Coagulation	Peristalic	Quick/Flash Mix	2 Good

How are chemical feeders calibrated? calibration cylinders

How often are chemical feeders calibrated? with pumpage changes

Are chemical dosages calculated?	Yes ☒	No ☐
How often are dosages calculated? continuous by SCADA system and 3 times per shift manually		
Are chemicals NSF or United Laboratories certified and approved by DOW prior to use?	Yes ☒	No ☐
Do the bulk liquid feed systems have day tanks?	Yes ☒	No ☐
Are there at least two feeders provided for essential processes (such as coagulation and disinfection)?	Yes ☒	No ☐
Are spare parts available?	Yes ☒	No ☐
Is there enough storage for at least a 30-day supply of chemicals used?	Yes ☒	No ☐
Are there containment areas around the chemicals in case of spills or leaks?	Yes ☒	No ☐
Are in-plant water supplies protected from backflow (cross connections)?	Yes ☒	No ☐
Does a certified tester test backflow prevention devices?	Yes ☒	No ☐
If yes: What is the testing frequency? yearly Last Tested: 2020		

COMMENTS: The facility is now using 1) sodium hypo for disinfection. 2) aqua ammonia, 3) caustic was replaced with liquid lime 4) carbon was moved from River Station #1 to the Jacobson Reservoir intake. 5) Sodium permanganate was moved from the reservoir to the River Station #1.

GAS CHLORINE SAFETY

N/A

Is the chlorine room enclosed and separate from other operating areas?	Yes ☐	No ☐
Is there a working exhaust fan in the chlorine room?	Yes ☐	No ☐
Does it provide one complete air change per minute?	Yes ☐	No ☐
Does it exhaust from floor level?	Yes ☐	No ☐
Is intake air near the ceiling?	Yes ☐	No ☐
Is there an external audible and visual alarm?	Yes ☐	No ☐
Are switches located outside the chlorine room?	Yes ☐	No ☐
Are chlorine tanks secured?	Yes ☐	No ☐
Are the scales operational?	Yes ☐	No ☐
Is automatic switchover of chlorine cylinders provided?	Yes ☐	No ☐
Is there a shatterproof viewing window in chlorine room?	Yes ☐	No ☐
Is there a crash bar on the door of the chlorine room?	Yes ☐	No ☐
Does the door open out and to the exterior of the building?	Yes ☐	No ☐
Is there a SCBA unit meeting NIOSH standards outside the chlorine room?	Yes ☐	No ☐
Are personnel trained to use the SCBA?	Yes ☐	No ☐
Is the “buddy system” practiced when changing or moving chlorine cylinders?	Yes ☐	No ☐
Is leak detection provided?	Yes ☐	No ☐
Is ammonia available for chlorine leak detection?	Yes ☐	No ☐
Is there a chlorine tank repair kit?	Yes ☐	No ☐

Are personnel trained and certified to use the kits?	Yes ☐	No ☐
COMMENTS:		

CHLORINE DIOXIDE SAFETY N/A ***Many materials will catch fire and burn violently when in contact with chlorite.***		
Is sodium chlorite stored in a separate room?	Yes ☐	No ☐
Is sodium chlorite stored away from organic material?	Yes ☐	No ☐
COMMENTS:		

GAS (ANHYDROUS) AMMONIA SAFETY N/A		
Is the ammonia room enclosed and separate from other operating areas?	Yes ☐	No ☐
Is there a working exhaust fan in the ammonia room?	Yes ☐	No ☐
If there is a working exhaust fan, does it provide one complete air change per minute?	Yes ☐	No ☐
Does the exhaust fan exhaust from ceiling level?	Yes ☐	No ☐
Is intake air near the floor?	Yes ☐	No ☐
Are switches located outside the ammonia room?	Yes ☐	No ☐
Are ammonia tanks secured?	Yes ☐	No ☐
Is there a shatterproof viewing window in ammonia room?	Yes ☐	No ☐
Is there a crash bar on the door of the ammonia room?	Yes ☐	No ☐
Does the ammonia room door open out and to the exterior of the building?	Yes ☐	No ☐
Is there a SCBA unit meeting NIOSH standards outside the ammonia room?	Yes ☐	No ☐
Are personnel trained to use the SCBA?	Yes ☐	No ☐
Is leak detection provided?	Yes ☐	No ☐
If leak detection is provided, is there an external audible and visual alarm?	Yes ☐	No ☐
How are ammonia leaks detected? _____		
COMMENTS:		

DISINFECTION			
TYPE	APPLICATION POINT	REDUNDANCY AVAILABLE	FEEDER TYPE
Chlorine Liquid	Clearwell	Yes ☒ No ☐	Metering Pump
		Yes ☐ No ☐	
		Yes ☐ No ☐	
What is the means used to measure disinfectant chemical usage? volume			
How is the disinfectant residual monitored? on-line analyzers with chart recorders, SCADA, and lab analysis.			
Is there an on-line, recording chlorine analyzer on the plant tap (for systems serving >3,300)?		Yes ☒	No ☐
Are C-Ts calculated daily?		Yes ☒	No ☐
COMMENTS: The facility is now using liquid chlorine for disinfection purposes. Aqua Ammonia is used for a chloramine system.			

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

CLEARWELLS			
VOLUME (gallons)	BAFFLING TYPE	DISINFECTANT RESIDUAL	
		TOTAL	FREE
200,000	none	3.7	
450,000	none	3.7	

List chemicals in the order in which they are fed into the clearwell: aqua ammonia, liquid lime, and phosphate blend

If multiple clearwells, are they:
☒ IN SERIES (one following the other) or ☐ PARALLEL (side by side and not connected)

Are hatches secured? Yes ☒ No ☐

Are vents screened? Yes ☒ No ☐

How often are clear wells cleaned? disinfected yearly

COMMENTS: No major concerns were noted at the time of the inspection.

WATER PLANT PUMPS (Low service/raw water, high service/finished water and backwash)					
FLOW STREAM	LOCATION	NUMBER OF PUMPS	CAPACITY (gpm)	PUMP TYPE	FLOW CONTROL METHOD
Primary Raw Water	KY River	2	25,000	Centrifugal	Automatic
Primary Raw Water	#4 reservoir	3	14,355	Centrifugal	Automatic
Primary Raw Water	LS at plant	1	4166	Centrifugal	Automatic
Primary Raw Water	LS at plant	1	2800	Centrifugal	Automatic
Secondary Raw Source	basement of filter building	1	1000	Centrifugal	Automatic

Are documented maintenance and pumping records maintained for all distribution pumping stations? (minimum of pump run times, pump testing, maintenance log) Yes ☒ No ☐

Do all pumping facilities have the ability to meet demand with one pump out of service during peak demand? Yes ☒ No ☐

COMMENTS: The following are additional finished water pumps located in the high service pump room and are all centrifugal with automatic flow control: 1) 1@ 2780 gpm, 2) 1 @6950 GPM 3) 1 @4520 gpm 4) 1@3850 gpm 5) 1@ 2800 gpm 6) 1@4862 gpm.

No major concerns were noted at the time of the inspection.

WATER PLANT ON-LINE INSTRUMENTATION			
TYPE	FLOW STREAM (Location)	MANUFACTURER	LAST CALIBRATION DATE
Streaming Current	Raw Water	HACH	6/2020
pH	Raw Water	HACH	6/2020
Turbidity	Individual Filter Effluent	Swan	6/2020
Turbidity	Combined Filter Effluent	SWAN	6/2020
Turbidity	Tap	SWAN	6/2020

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

Chlorine	Combined Filter Effluent	HACH	6/2020
pH	Tap	Peek	6/2020
Chlorine	Tap	HACH	6/2020

COMMENTS: A complete list of on-line instrumentation was provided during previous inspections. Calibrations are current. NO major concerns were noted at the time of the inspection.

LABORATORY (PLANT)

PARAMETERS TESTED	FREQUENCY	EQUIPMENT USED	CALIBRATION METHOD
turbidity	continuous	HACH	calibration and chk standards
pH	continuous	HACH	calibration and check standards
Chlorine	continuous	HACH	calibration and check standards
ammonia	continuous	ASA analytical-chemscan	calibration and check standards
phosphate	continuous	ASA analytical- chemscan	calibraton and check standards
hardness	1/day	titrator	
fluoride	1/day	HACH	
speciation	continuous	ASA analytical- chemscan	
UV 254	1/day	HACH	

Is laboratory space and lighting adequate? Yes ☒ No ☐

Are analyses conducted according to approved EPA methods? Yes ☒ No ☐

Does the lab have SOPs for sample collection, analysis, and reporting? Yes ☒ No ☐

Are daily log sheets used to record day-to-day operations, testing, etc? Yes ☒ No ☐

If daily log sheets are used, are they: ELECTRONIC (on the computer) ☒ or HAND-WRITTEN ☒

COMMENTS: The laboratory was clean and operational. Standards were observed to be current. Standards operating procedures have been written. Instrumentation is calibrated quarterly. records include calibration information, analytical information, and temperature logs.

IN-PLANT SAMPLING
(for example, top and bottom of filters)

SITE	CHLORINE		pH	TURBIDITY
	FREE	TOTAL		
Raw			7.66	3
finished	3.22	on-line 3.20	7.27	0.013
CFE				0.011
settled				0.41

COMMENTS: No major concerns were noted at the time of the inspection.

III. DISTRIBUTION SYSTEM/FINISHED WATER STORAGE

DISTRIBUTION SYSTEM		
Does the system have standard specifications for design and construction of the distribution system?	Yes ☒	No ☐
Does the system prohibit new connections where pressure on the discharge side of the meter will be <30 psi?	Yes ☒	No ☐
Is the system able to meet minimum pressure requirements of DOW and/or other regulating authority?	Yes ☒	No ☐
Does the system have a documented leak detection program?	Yes ☒	No ☐
Does the distribution system have a sufficient number of valves to isolate portions of the system (for leak detection, maintenance, etc.)?	Yes ☒	No ☐
If there are separate distribution system areas, are they interconnected with each other?	Yes ☒	No ☐
If they are not interconnected, how many separate areas are there? _____		
What prevents these systems from being interconnected? _____		
How many pressure zones are there? 8		
What is the range of distribution pressures? 35-130		
Do any distribution areas require reduced pressure valves?	Yes ☒	No ☐
What piping materials are included in the distribution system? AC, PVC, ductile iron and cast iron		
Does the system have a program for flushing water mains?	Yes ☒	No ☐
Describe the process for sterilizing new mains/main breaks: per regulations and AWWa standards		
What types of on-line instrumentation are located at booster or pump stations and tanks? chlorine		
Does the system have a documented program for exercising distribution system valves?	Yes ☒	No ☐
Does the system have a documented program for regular testing of water meters including raw water, distributed and customer?	Yes ☒	No ☐
Is there a water meter replacement program?	Yes ☒	No ☐
Are there main break/emergency notification procedures?	Yes ☒	No ☐
Does the system have a documented procedure for issuing a boil water advisory and a consumer advisory? The procedure shall identify when (how soon after the occurrence) and how the system shall notify the affected health department, to whom that notification shall be made both during and after normal business hours, and procedures for issuing the advisory to the public. The public notification shall include instructions for the public (including how to properly boil water) and an explanation of steps being taken to correct the problem.	Yes ☒	No ☐
Describe how the decision is made to issue a Boil Water Advisory: anytime contamination is suspected, when the pressure outside the break drops below 20 PSI, repair takine moroe then 8 hours to repair, loss of chlorine.		
Does the system have a cross-connection control program?	Yes ☒	No ☐
If yes, is the cross-connection control program documented in writing?	Yes ☒	No ☐
If the cross-connection control program is not documented in writing, describe the process for finding and eliminating cross connections: _____		
Does a certified tester test the backflow prevention devices on a regular basis?	Yes ☒	No ☐
Has a calibrated hydraulic model been developed for the system?	Yes ☒	No ☐

COMMENTS: No major concerns were noted during the inspection. Copies of the written procedures were provided for the following: during the previous inspection: new main disinfection procedures; line break / main repair disinfection procedures, and Boil Water Guidance form. Random line break, maintenance, and BWA paperwork was provided upon request during the inspection.

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

DISTRIBUTION STORAGE FACILITIES Inspected									
LOCATION			VOLUME (gallons)	TANK TYPE	OVERFLOW		LAST CLEANED/ INSPECTED	TELEME -TRY	% TURNOVER (Per Day)
ROAD/AREA	LATITUDE	LONGITUDE			SCREEN/ FLAPPER	>10' FROM TANK			
Clays MIll	37.975591	-84.569705	6000000	Ground	YES	YES	2021	YES	>50
Mercer	38.075533	-84.525836	2000000	Elevated	YES	YES	2022	YES	>50
hume	38.057886	-84.430522	3000000	Ground	YES	YES	2021	YES	>50
brock	38.437040	-84.864185	300000	Elevated	YES	YES	2021	YES	>50
blue moon	38.525149	-84.814339	500000	Elevated	YES	YES	2021	YES	>50
ellis	38.548516	-84.836273	400000	Elevated	YES	YES	2022	YES	>50
wood lake	38.232543	-84.741404	3000000	Ground	YES	YES	2016	YES	>50

Are all storage tanks professionally inspected at least every 5 years (including interior, coating systems, & piping)? How often are tanks: INSPECTED <u>every 7 years</u> and CLEANED <u>as needed</u>?

Are all storage tanks and water plants equipped with hatches, covers, screens, vandal guards and locks and all tank sites fenced for security? Yes ☒ No ☐

Are all hatches, screens, and overflows on the storage tanks checked at least monthly? Yes ☒ No ☐

Is there corrosion protection in the tanks? Yes ☒ No ☐

COMMENTS: No major concerns were noted during the inspection. The tanks listed above were observed during the inspection. They were fenced and secure and were in good condition. A complete list of system tanks was provided during the inspection which included all the inspection and rehab dates. All of the system's tanks are observed within the three year sanitary survey cycle. A complete list of distribution pumps was provided during the inspection.

DISTRIBUTION BOOSTER PUMPS AND/OR BOOSTER DISINFECTION FACILITIES Not Inspected						
LOCATION			PUMP or DISINFECTION	NUMBER & CAPACITY OF PUMPS (gpm)	DISINFECTION TYPE	AUXILIARY POWER
ROAD/AREA	LATITUDE	LONGITUDE				
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		

PWS ID Number: KY0340250 **Agency Interest Number:** 1063

DISTRIBUTION SAMPLING (a minimum of N, S, E, W)					
SITE	CHLORINE		pH	TURBIDITY	OTHER
	FREE	TOTAL			
EJ hays-DOW	3.3	4.0			
EJ hays-KAW	3.37	3.73			
Clays mill-DOW	2.7	2.9			on-line 2.58
Clays mill-KAW	2.54	2.71			
Mercer-DOW	2.8	3.2			on-line 2.86
Mercer- KAW	2.85	2.76			
HUme-DOW	2.8	3.2			on-line 2.26
Hume-KAW	2.75	2.82			
Woodlake-DOW	3.2	3.7			on-line 3.58
Woodlake-KAW	3.17	3.48			

Is the system maintaining the required chlorine (0.2 mg/l) / chloramine (0.5 mg/l) residuals in the distribution system? Yes ☒ No ☐

COMMENTS: No major concerns were noted at the time of the inspection. All results between DOW, Kentucky American Water, and the on-line instrumentation were comparable.

MAINTENANCE		
Is plant housekeeping adequate?	Yes ☒	No ☐
Is distribution storage housekeeping adequate?	Yes ☒	No ☐
Are adequate supplies of spare parts kept on hand?	Yes ☒	No ☐
Are needed tools available?	Yes ☒	No ☐
If not, is preventive maintenance performed?	Yes ☐	No ☐
Is a lock-out/tag-out system used for electrical repairs?	Yes ☐	No ☐
What is the general condition of operating equipment? good		
COMMENTS:		

DOCUMENTATION (✓ all that apply)	
☒ Samples taken by DEP	☐ Photographs obtained by DEP
☐ Samples taken by outside source	☒ Copies of records obtained by DEP
☒ Instrument readings taken by DEP	☐ Other documentation

OVERALL TECHNICAL COMPLIANCE STATUS
☒ No Violations Observed
☐ No Violations Observed - Advisory Action Taken (Impending trends)
☐ Out of Compliance – Verbal notice given (Non-recurrent deficiency noted or violation corrected at time of inspection.)

INSPECTOR: Deborah Singleton	TITLE: Environmental Inspector	DATE: 6/19/2023

Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT REGIONAL OFFICE
300 SOWER BLVD
FRANKFORT, KY, 40601

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

June 27, 2023

Kentucky American Water - Millersburg
304 E 4th St
Millersburg, Kentucky 40348

RE: Kentucky American Water - Millersburg
AI 296
Permit No.: KY0090287
Bourbon County, Kentucky
Activity ID: CIN20230001

To Whom It May Concern:

Attached for your information and records is a copy of the drinking water distribution only (DW NonComp-Purchaser) inspection conducted at the Kentucky American Water – Millersburg system on June 7, 2023.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Jarod Jones
Environmental Inspector
Frankfort Regional Office
Division of Water

Signed by: Jarod Jones

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Distribution Inspection

Site/Permit ID: KY0090287	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water-Millersburg		Program: **Drinking Water**	
Site Address: 304 E 4th street			
City: Millersburg	State: KY	Zip: 40348	County: Bourbon
Inspection Type: Routine Distribution	Purpose: Noncomprehensive		AI #: 296
Inspection Date: 6/7/23	Time: Start 1030 AM End 1200 PM		
Latitude: N 38 17' 54.7	Longitude: W84 8 50.3		
Coordinate Collection Method: GP0-With differential correction			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water-Millersburg	Contact Name: Bob Money	
Phone No.: 859-268-6317	Fax No: cell: 859-797-7374	Email Address: Bob.Money@amwater.com

I. Administrative Requirements

Comments: Not evaluated.

I. Compliance Status - Not Evaluated

II. Operator Certification/Accreditation Requirements

Operator in Charge and on duty.

Operator Name	Plant Certification #	Distribution Certification #
Jon Wes Felts		**IVD#18681**

Comments: Ky American maintains multiple certified operators.
II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **Reporting is conducted as required**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:376 Population Served:1011
Average Purchased MGD: 0.152 Max. Purchased MGD: 0.287 Contract Amount MGD:
Source:City of Paris Water Works Seller PWSID: KY0090343 Multiple Sellers ☐ Yes ☒ No

RATING CODES: S1 = No Violations Observed; S2= No Violations Observed-but impending viol trends obs; U1 = Out of Compliance-No action taken; U2= Out of Compliance-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV Issued; NA = Not Applicable: NE = Not Evaluated. **(Add additional comments if U1-U3.)**

SELLER INFORMATION	Seller # 1	Name **City of Paris Water**	PWSID# KY0090343 Contract Amount:
	Seller # 2	Name	PWSID# Contract Amount:
	Seller # 3	Name	PWSID# Contract Amount:
	Seller # 4	Name	PWSID# Contract Amount:
	Seller # 5	Name	PWSID# Contract Amount:
	RATING	**Equipment / Inspection Data**	☐ **Checking block means item is present:**
STORAGE TANK INFORMATION	S1	a) Storage Tank 1 Size:125,000	Screened Vent:☒ Overflow☒ Telemetry: ☒
		Name: Millersburg tank	Last Cleaned: Coating condition: Good
		b) Storage Tank 2 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		c) Storage Tank 3 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		d) Storage Tank 4 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		e) Storage Tank 5 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		f) Storage Tank 6 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		g) Storage Tank 7 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
		h) Storage Tank 8 Size:	Screened Vent:☐ Overflow☐ Telemetry: ☐
		Name:	Last Cleaned: Coating condition:
GENERAL INFORMATION	NI	j) Master meter ☐	Last Calibrated: Recorder: ☐
	S1	k) Flushing Schedule	☒ Yes ☐ No/ Frequency: as needed
	S1	l) Chlorine Test Kit ☒	Type: HACH Last calibrated annually
	S1	m) DPD reagent up-to-date	☒ Yes ☐ No
	S1	n) Blow-off / Hydrants on dead	☐ Yes ☐ No
	S1	o) Monthly operating reports	☒ Daily Record Sheet ☐ Agreement: ☐
	S1	p) Bacteriological monitoring	Samples per mo.4 Records: ☐
BOOSTER PUMPS	S1	q) ☐Booster pumps ☒Disinfection	Capacity Disinfection Type: NA hypochlorite
	NA	r) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
	NA	s) ☐Booster pumps ☐Disinfection	Capacity Disinfection Type:
ON SITE OBSERVATIONS	S1	t) Site Data: South - near tank	Cl. Free: Total: pH:
	S1	u) Site Data: East - 6th st.	Cl. Free: Total: pH:
	S1	v) Site Data: West - Marathon	Cl. Free: Total: pH:
	S1	w) Site Data: North - Oak Ave.	Cl. Free: Total: pH:

OTHER INFORMATION	S1	x) Cross connection program	☒ Yes ☐ No
	S1	y) Water meter replacement	☒ Yes ☐ No
	S1	z) Valve exercise program	☒ Yes ☐ No
	S1	aa) Is unaccounted for water	☒ Yes ☐ No If Yes what is % loss?
	S1	bb) Up to date distribution map	☒ Yes ☐ No

Comments: **No issues observed during the inspection. All components inspected were clean and well maintained. The older water storage tank on the opposite end of town was in the beginning stages of being renovated with intent to return to service.**

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: **Not applicable.**

VI. Compliance Status - Not Applicable

VII. Monitoring/Analyses Evaluation

Comments: **Not evaluated.**

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment: ☒ ATTACHED ☐ REVIEWED

Comments: **No major concerns were noted at the time of the inspection.**

VIII. Compliance Status – No violations observed

IX. Documentation

- ☐ **Samples taken by DEP**
- ☐ **Samples taken by outside source**
- ☒ **Instrument readings taken by DEP regional office**
- ☐ **Photographs obtained by DEP**
- ☐ **Copies of records obtained by DEP**
- ☐ **Other documentation**

Inspector: Jarod Jones	**Title:** Environmental Inspector III	**Date:** 06/21/23

6/27/2023

X

Signature: Signed by: Jarod Jones

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance- LOW Non-recurrent administrative or O & M**
☐ **Out of Compliance – NOV**

Comments: No significant compliance issues noted during the inspection.

Delivery Method: E-mail	Cert. Mail #:

Inspection Report

GenTrack Item # 225		
Section	**Field Name**	**Response**
Facility		
	Region:	Northern
	PWS ID:	0340250A
	Category:	Plants
	Facility Name:	KENTUCKY AMERICAN WATER CO. A
	Status:	Active
	GPS Location:	
	Physical Address:	6300 Cedar Creek Lane (plant)
	Mailing Address:	2300 Richmond Road (mail)
	City:	LEXINGTON
	State:	KY
	Zip Code:	40515
	Phone:	859-268-6317
	Plant Email:	bob.money@amwater.com
	County:	Fayette
	Fluoridation:	Yes
	Contact First Name:	Bob
	Contact Last Name:	Money
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone Number:	859-268-6317
	Contact Email:	

GenTrack Item # 225 - 8		
Section	**Field Name**	**Response**
General		
	Inspection Date:	06/16/2023
	Inspector:	Lucas Bentley
	Inspector Information:	275 east Main Street Frankfort KY 40621 Office Phone: [redacted] Home Phone: [redacted] Active
	Operator On Duty First Name:	Bob

	Operator On Duty Last Name:	Money
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone:	859-268-6317
	Certification Number:	25173
	Water Plant Operator Certification Level:	IVA
	Facility Classification Level:	IVA
	[BLANK]	If the Water Plant Operator on Duty is not certified or does not have a certification equal to
		or higher than the Facility Classification, include the name and certification number of the
		operator responsible for the facility instead.
	Water Source:	Surface Water
	Fluoridation Type:	Acid
	Service Connections:	116000
	Populations Served:	312040.00
	AVG Production:	30 MGD
	Flow Rate (Influent)(GPM):	20,833 GPM
	Master Meter (Raw):	Satisfactory
	Design Capacity:	54 MGPD
	PWSI Number:	0340250a
	GPS Coordinates:	37.903847, -84.378059
	Comments:	
Chemical Treatment		
	Activated Carbon (Activated Charcoal):	No
	Aluminum Chloride:	No
	Aluminum Chlorohydrate:	No
	Aluminum Potassium:	No
	Aluminum Sulfate (Alum):	No
	Amonia:	Yes
	Calcium Hydroxide (Hydrated Lime):	No
	Calcium Oxide (Quick Lime):	No
	Carbon Dioxide:	No
	Charcoal:	No
	Chlorine (gas):	Yes

	Chlorine (liquid):	No
	Chlorine Dioxide:	No
	Copper Sulfate:	No
	Ferric Chloride:	Yes
	Ferric Sulfate:	No
	Hydrofluorosilicic Acid (HFS):	Yes
	Hydrochloric Acid:	No
	Hydrochlorites:	No
	Hydrogen Peroxide:	No
	Hydroxide Ammonium:	No
	Phosphate:	No
	Polyaluminum Chloride (PAC):	No
	Polyelectrolytes:	No
	Polyphosphates:	No
	Potassium Hydroxide (Caustic Potash):	No
	Potassium Permanganate:	Yes
	Silica:	No
	Sodium Aluminate:	No
	Sodium Bicarbonate (Baking Soda):	No
	Sodium Carbonate (Soda Ash):	No
	Sodium Chloride (Salt):	Yes
	Sodium Fluoride:	No
	Sodium Fluorosilicate:	No
	Sodium Hydroxide (Caustic Soda):	No
	Sodium Hypochlorite:	No
	Sodium Permanganate:	No
	Sodium Thiosulfite:	No
	Sulfur Dioxide:	No
	Sulfuric Acid:	No
	Ultraviolet:	No
	Others:	POLYMER, ORTHOPHASPHATE,
Fluoride System		
	Saturator System:	Not Applicable

	Saturator Cleanout Date (recommended annually or as needed):	
	Saturator Feed Line Flow Meter	N/A
	Saturator Flow Rate	n/a
	Feed Water Hardness (ppm as calcium carbonate)"	n/a
	[BLANK]	
	Saturator Instructions:	..
	Comments:	
	Dry System:	Not Applicable
	Dry Hopper Scale Mounted	N/A
	Comments:	
	Tablet System:	Not Applicable
	Tablet System Flow Rate:	n/a
	Comments:	
	Hydrofluorosilicic Acid (HFS) System:	Satisfactory
	Hydrofluorosilicic Acid (HFS) Bulk Tank Size (gallons):	8200
	HFS Day Tank Size (dimensions in inches):	.
	HFS Day Tank Size (gallons):	300
	HFS Day Tank Limitations:	.
	HFS Day Tank Loss of Suction Point (lbs if scale used and inches if volumetric loss used):	.
	HFS Day/Bulk Tank Vented to the Outside Atmosphere:	Satisfactory
	Transfer Pump:	Yes
	Liquid Level Limit Switch:	Satisfactory
	HFS Usage Table:	Yes
	Comments:	
	[BLANK]	
		Ensure only a maximum 30-hour supply of (HFS) is kept in the day tank to prevent exceeding the MCL

Plant Safety Equipment		
	Syphon Breakers Rating:	Satisfactory
	Comments:	
	Ventilation Rating:	Satisfactory
	Forced Ventilation Switch Location:	
	Comments:	
	Chemical Storage Rating:	Satisfactory
	Comments:	
	Method Of Measurement:	Scales
	Method of Measurement Rating:	Satisfactory
	Comments:	ULTRA SONIC
	Secondary Containment:	Satisfactory
	Comments:	
Operator Safety Equipment		
	Respirator Available:	Yes
	Comments:	
	Face Shield/Safety Glasses Available:	Yes
	Comments:	
	Gloves Available:	Yes
	Comments:	
	Apron/Coat Available:	Yes
	Comments:	
	Eye Wash Station/Deluge Shower:	Satisfactory
	Eye Wash Station/Deluge Shower Maintenance Check (recommended monthly):	Satisfactory
	Comments:	
	Safety Data Sheets (SDS) On-Hand	Yes
Laboratory and Records		
	Tester Brands:	CH EZ-CHECK
	Fluoride Tester Instruction Manual On-Hand	Yes
	Fluoride Tester Calibration Frequency	daily
	Tester Brand Rating:	Satisfactory

	Comments:	
	Adequate Reagent Supply:	Satisfactory
	Comments:	
	Reagent Up-To-Date (Include either the expiration date or the Lot number in the comments):	Satisfactory
	Comments:	
	Monthly Operating Reports:	Satisfactory
	Last Month AVG-Daily Usage in Pounds:	983.1
	Last Month AVG Daily Pre-Population Results:	4.1
	Last Month AVG Tap Reading:	0.99
	Last Month AVG Raw Reading:	0.09
	Comments:	
	505 Reporting:	Satisfactory
	505 Sample Locations (First Plant/Second Distribution):	Satisfactory
	505 Dates:	Satisfactory
	[BLANK]	The first sample shall be collected from the plant tap during the first week of the month.
		The second sample collected at a point of maximum retention, during the third week of the month
	In Compliance Year to Date:	Yes
	CDC Quality Award Received Two Years Previously	Yes
	Housekeeping:	Satisfactory
	Comments:	
Distribution		
	Point Of Injection:	Satisfactory
	Injection Site:	prior to clearwell
	Comments:	
	Chemical Feeder:	Satisfactory
	Comments:	Day Tank - 280g max Bulk Tank - 8200 max
	Feeder's Brand:	Jesco
	Peristaltic Pump Tube Size	.

	Feeder Model #:	.
	Feeder Size:	.
	Setting:	.
	Speed:	0
	Stroke:	0
On-Site Observation		
	Fluoride Rating:	Satisfactory
	Comments:	PLANT IN COMPLIANCE ALL YEAR. SAMPLES SENT IN ON TIME. WELL RUN PLANT. VERY PROFESSIONAL PLANT.
	Private Labs:	State Lab
	Other Water Treatment Systems Directly Connected:	.
	Other Water Treatment Systems Water Sold To:	.
	Other Water Treatment Systems Water Purchased From:	.
	[BLANK]	
	Facility Entrance:	Yes
	Laboratory:	Yes
	Fluoride Tester:	Yes
	Fluoride Room:	Yes
	Ventilation:	Yes
	Fluoride Metering Pump Tag:	Yes
	Overall Fluoride System (Saturator, Bulk/Day Tank, Dry Hopper, Tablet):	Yes
	Injection Site:	Yes
	Scales (if applicable):	Yes
	Anti-Syphon Device (if applicable):	Yes
	Eye Wash/Deluge Shower Station (if applicable):	Yes
	[BLANK]	
	Split Rating:	Satisfactory
	Raw:	
	Saturator Sample:	.
	Insp:	1.12

	Plant:	0.97
	LAB:	0.86
	Comments:	Need to call Bob Money to schedule inspection
	[BLANK]	We appreciate all the work and effort this year in staying in compliance with the fluoride program.
		If any issues arise, please contact your water fluoridation specialist.

FLUORIDE ANALYSIS REPORT A

PWS ID	Trans Code	Local Analysis:
0340250 (1-7)	03 (8-9)	097
		Collected by: Lucas Bentley 1.12

Contam. ID	Analysis Method	Analysis Results	Dec.	Analysis Mo.	Analysis Day	Analysis Yr.
1025 (10-13)	107 (14-16)	086 (17-20)	2 (21)	06 (22-27)	22	23

Location Code	Sample Date Mo.	Day	Yr.	Type	Sample Time (MT)	Lab ID
001 (28-30)	06	16	23 (31-36)	P (37)	1030 (38-41)	00033 (42-46)

Name of Supply: KY American Water A

Address: 3303 Cedar Creek Lane County: Fayette

City: Lexington Ky Zip: 40515 Phone:

Sample Type Key: C - Check; D - Distribution; P - Plant; R - Raw; S - Special

Date Received	Lab No.	Analyst	Cabinet for Health and Family Services LAB. 505 (Rev. 8/97)
6/16/23	23U222262	HJ	

Inspection Report

GenTrack Item # 226		
Section	**Field Name**	**Response**
Facility		
	Region:	Northern
	PWS ID:	0340250B
	Category:	Plants
	Facility Name:	KENTUCKY AMERICAN WATER CO. B
	Status:	Active
	GPS Location:	
	Physical Address:	2300 RICHMOND RD
	Mailing Address:	
	City:	LEXINGTON
	State:	KY
	Zip Code:	40505
	Phone:	859 268-6317
	Plant Email:	bob.money@amwater.com
	County:	Fayette
	Fluoridation:	Yes
	Contact First Name:	Bob
	Contact Last Name:	Money
	Contact Address 1:	
	Contact Address 2:	Op on Duty Cell
	Contact Phone Number:	859-537-0743
	Contact Email:	

GenTrack Item # 226 - 9		
Section	**Field Name**	**Response**
General		
	Inspection Date:	06/16/2023
	Inspector:	Lucas Bentley
	Inspector Information:	275 east Main Street Frankfort KY 40621 Office Phone: [redacted] Home Phone: [redacted] Active
	Operator On Duty First Name:	Bob

	Operator On Duty Last Name:	Money
	Contact Address 1:	
	Contact Address 2:	
	Contact Phone:	859 268-6348
	Certification Number:	.
	Water Plant Operator Certification Level:	IVA
	Facility Classification Level:	IVA
	[BLANK]	If the Water Plant Operator on Duty is not certified or does not have a certification equal to
		or higher than the Facility Classification, include the name and certification number of the
		operator responsible for the facility instead.
	Water Source:	Surface Water
	Fluoridation Type:	Acid
	Service Connections:	130000
	Populations Served:	349700.00
	AVG Production:	12 MGPD
	Flow Rate (Influent)(GPM):	8333 GPM
	Master Meter (Raw):	Satisfactory
	Design Capacity:	40 MGPD
	PWSI Number:	0340250b
	GPS Coordinates:	37.904274 -84.377505
	Comments:	25 MGD is what we had, Switched to match DOW ASK
Chemical Treatment		
	Activated Carbon (Activated Charcoal):	Yes
	Aluminum Chloride:	No
	Aluminum Chlorohydrate:	No
	Aluminum Potassium:	No
	Aluminum Sulfate (Alum):	No
	Amonia:	Yes
	Calcium Hydroxide (Hydrated Lime):	No
	Calcium Oxide (Quick Lime):	No
	Carbon Dioxide:	No
	Charcoal:	No
	Chlorine (gas):	Yes

	Chlorine (liquid):	No
	Chlorine Dioxide:	No
	Copper Sulfate:	Yes
	Ferric Chloride:	No
	Ferric Sulfate:	No
	Hydrofluorosilicic Acid (HFS):	Yes
	Hydrochloric Acid:	No
	Hydrochlorites:	No
	Hydrogen Peroxide:	No
	Hydroxide Ammonium:	No
	Phosphate:	No
	Polyaluminum Chloride (PAC):	No
	Polyelectrolytes:	No
	Polyphosphates:	No
	Potassium Hydroxide (Caustic Potash):	No
	Potassium Permanganate:	Yes
	Silica:	No
	Sodium Aluminate:	No
	Sodium Bicarbonate (Baking Soda):	No
	Sodium Carbonate (Soda Ash):	No
	Sodium Chloride (Salt):	Yes
	Sodium Fluoride:	No
	Sodium Fluorosilicate:	No
	Sodium Hydroxide (Caustic Soda):	No
	Sodium Hypochlorite:	No
	Sodium Permanganate:	No
	Sodium Thiosulfite:	No
	Sulfur Dioxide:	No
	Sulfuric Acid:	No
	Ultraviolet:	No
	Others:	POLYMER, ORTHOPHOSHATE.
Fluoride System		
	Saturator System:	Not Applicable

	Saturator Cleanout Date (recommended annually or as needed):	
	Saturator Feed Line Flow Meter	N/A
	Saturator Flow Rate	n/a
	Feed Water Hardness (ppm as calcium carbonate)"	n/a
	[BLANK]	
	Saturator Instructions:	*If issues arise with the saturator, please contact your water fluoridation specialist and check the following: • Saturated solution of the chemical should be approximately 18,000 ppm and can be verified through either your private lab or the state lab. Be sure to let the lab know that this is a saturated sample by writing the information on the Lab 505 form in red ink and putting "Saturator Sample" at the top of the form. If the results are below 18,000 ppm, saturation of the chemical is not occurring, and the following items need to be checked. If the saturator has not been cleaned out within the last year, a thorough breakdown and cleanout of the saturator and all parts is recommended. Special attention should be given to the complete cleanout of the spider and all connections in the saturator. The flow rate of the feed water flowing through the saturator should not exceed 2 GPM. The hardness of the feed water of the saturator should not exceed 75 ppm as calcium carbonate. If it does, installation of a water softener is recommended. • If the results are approximately 18,000 ppm, a drawdown of the metering pump should be conducted to verify proper operation. Contact your water fluoridation specialist to identify the proper dose rate of the metering pump.
	Comments:	
	Dry System:	Not Applicable
	Dry Hopper Scale Mounted	N/A
	Comments:	
	Tablet System:	Not Applicable
	Tablet System Flow Rate:	n/a
	Comments:	
	Hydrofluorosilicic Acid (HFS) System:	Satisfactory
	Hydrofluorosilicic Acid (HFS) Bulk Tank Size (gallons):	.
	HFS Day Tank Size (dimensions in inches):	.
	HFS Day Tank Size (gallons):	.
	HFS Day Tank Limitations:	.

	HFS Day Tank Loss of Suction Point (lbs if scale used and inches if volumetric loss used):	.
	HFS Day/Bulk Tank Vented to the Outside Atmosphere:	Satisfactory
	Transfer Pump:	Yes
	Liquid Level Limit Switch:	Satisfactory
	HFS Usage Table:	Yes
	Comments:	
	[BLANK]	
		Ensure only a maximum 30-hour supply of (HFS) is kept in the day tank to prevent exceeding the MCL
Plant Safety Equipment		
	Syphon Breakers Rating:	Satisfactory
	Comments:	
	Ventilation Rating:	Satisfactory
	Forced Ventilation Switch Location:	
	Comments:	
	Chemical Storage Rating:	Satisfactory
	Comments:	
	Method Of Measurement:	Scales
	Method of Measurement Rating:	Satisfactory
	Comments:	ULTRA SONIC
	Secondary Containment:	Satisfactory
	Comments:	
Operator Safety Equipment		
	Respirator Available:	Yes
	Comments:	
	Face Shield/Safety Glasses Available:	Yes
	Comments:	
	Gloves Available:	Yes
	Comments:	
	Apron/Coat Available:	Yes
	Comments:	
	Eye Wash Station/Deluge Shower:	Satisfactory

	Eye Wash Station/Deluge Shower Maintenance Check (recommended monthly):	Satisfactory
	Comments:	
	Safety Data Sheets (SDS) On-Hand	Yes
Laboratory and Records		
	Tester Brands:	CH EZ-CHECK
	Fluoride Tester Instruction Manual On-Hand	Yes
	Fluoride Tester Calibration Frequency	daily
	Tester Brand Rating:	Satisfactory
	Comments:	
	Adequate Reagent Supply:	Satisfactory
	Comments:	
	Reagent Up-To-Date (Include either the expiration date or the Lot number in the comments):	Satisfactory
	Comments:	
	Monthly Operating Reports:	Satisfactory
	Last Month AVG-Daily Usage in Pounds:	294.6
	Last Month AVG Daily Pre-Population Results:	4.1
	Last Month AVG Tap Reading:	0.94
	Last Month AVG Raw Reading:	0.22
	Comments:	
	505 Reporting:	Satisfactory
	505 Sample Locations (First Plant/Second Distribution):	Satisfactory
	505 Dates:	Satisfactory
	[BLANK]	The first sample shall be collected from the plant tap during the first week of the month.
		The second sample collected at a point of maximum retention, during the third week of the month
	In Compliance Year to Date:	Yes

	CDC Quality Award Received Two Years Previously	Yes
	Housekeeping:	Satisfactory
	Comments:	
Distribution		
	Point Of Injection:	Satisfactory
	Injection Site:	post-filtration
	Comments:	
	Chemical Feeder:	Satisfactory
	Comments:	Setting: 1.03 GPH
	Feeder's Brand:	Vacon
	Peristaltic Pump Tube Size	.
	Feeder Model #:	.
	Feeder Size:	6.1 GPH
	Setting:	.
	Speed:	0
	Stroke:	0
On-Site Observation		
	Fluoride Rating:	Satisfactory
	Comments:	PLANT IN COMPLIANCE ALL YEAR. SAMPLES SENT IN ON TIME. WELL RUN PLANT. VERY PROFESSIONAL PLANT.
	Private Labs:	Kentucky America
	Other Water Treatment Systems Directly Connected:	.
	Other Water Treatment Systems Water Sold To:	.
	Other Water Treatment Systems Water Purchased From:	.
	[BLANK]	
	Facility Entrance:	No
	Laboratory:	No
	Fluoride Tester:	No
	Fluoride Room:	No
	Ventilation:	No
	Fluoride Metering Pump Tag:	No

	Overall Fluoride System (Saturator, Bulk/Day Tank, Dry Hopper, Tablet):	No
	Injection Site:	No
	Scales (if applicable):	No
	Anti-Syphon Device (if applicable):	No
	Eye Wash/Deluge Shower Station (if applicable):	No
	[BLANK]	
	Split Rating:	Satisfactory
	Raw:	
	Saturator Sample:	.
	Insp:	1.10
	Plant:	1.15
	LAB:	0.94
	Comments:	Serve as their own certified lab Need to call Bob Money to schedule inspection
	[BLANK]	We appreciate all the work and effort this year in staying in compliance with the fluoride program.
		If any issues arise, please contact your water fluoridation specialist.

FLUORIDE ANALYSIS REPORT B

PWS ID	Trans Code	Local Analysis:
0340250 (1-7)	03 (8-9)	1.15
		Collected by: Lucas Bentley 1.10

Contam. ID	Analysis Method	Analysis Results	Dec.	Analysis Date Mo.	Day	Yr.
1025 (10-13)	107 (14-16)	0.94 (17-20)	2 (21)	06	22 (22-27)	23

Location Code	Sample Date Mo.	Day	Yr.	Type	Sample Time (MT)	Lab ID
001 (28-30)	06 (31-36)	16	23	P (37)	0942 (38-41)	00033 (42-46)

Name of Supply: KY American Water B

Address: 2300 Richmond Rd County: Fayette

City: Lexington Ky. Zip: 40505 Phone:

Sample Type Key: C - Check; D - Distribution; P - Plant; R - Raw; S - Special

Date Received	Lab No.	Analyst	Cabinet for Health and Family Services LAB. 505 (Rev. 8/97)
11623	23c0222761	HW	

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water Plant C		Program: **Drinking Water**	
Site Address: 16035 hwy 127 south			
City: Owenton	State: KY	Zip: 40359	County: Owen
Inspection Type: Routine Surface	Purpose: Noncomprehensive		AI #: 1063
Inspection Date: 10/31/23	Time: Start 10:00 AM End 13:00 PM		
Latitude:	Longitude:		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky River station #2	Contact Name: Robert Money	
Phone No.: 859-335-3660`	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: Not evaluated.

I. Compliance Status - Not Evaluated

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Scott Huddleston	**IVA#21329**	
Justin Sensabaugh		**IVD#20165**

Comments: A complete list of operators is on file with the DOW. No concerns noted.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **The facility provides timely reports to the Division of Water as required.**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections: Population Served:
Average Production MGD: 7.61 Max. Production MGD: 10.38 Design Capacity MGD: 20.0 MGD
Source:Kentucky River pool #3

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	S1	a) Intakes, pumps, piping ☒	# Of Levels3 # Pumps4 Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: Mechanical paddle If other: mechanical mixer
	S1	d) Flocculation ☒	# of Stages4 # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Conventional # of trains:4
	NI	f) Chemical feed coagulation	
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 5 Size702 Filtration Rate:5
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	NI	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	NI	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA	S1	n) Site Data: ellis tank	Cl. Free:DOW Total: 2.5 pH: KAWC :1.81
	S1	o) Site Data: office/ workshop	Cl. Free:KAWC Total: 2.38 pH:
	S1	p) Site Data: Brock	Cl. Free:DOW Total: 2.6 pH: KAWC 2.06
	NA	q) Site Data:	Cl. Free: Total: pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: 2/20232/2022
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	NI	w) Monthly operating reports	☐ Daily Record Sheet ☐ Agreement: ☐
	S1	x) Housekeeping	good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	S1	aa) Water storage:	# of Tanks Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐
PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: 0.56 total: 4.8 pH: 7.2
	S1	dd) Turbidity	Raw:21 Settled:0.11 Combined Filter:0.03
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐

	NI	gg) Wastewater discharge	KPDES Is sizing adequate? ☒ Yes ☐ N0

Comments: A Division of Water Non-Comprehensive inspection was conducted on October 31, 2023. No major concerns were noted during the inspection. The basins are cleaned monthly. The laboratory was satisfactory. Instrumentation was last calibrated by Morsten Technical Services on in February 2023. Standards were observed to be current. Standard Operating Procedures have been developed.

The Ellis, Wheatly, and Brock tanks were observed during the inspection. All three tanks were fenced and secure. Distribution system chlorine readings were acceptable and comparable between the DOW, KAWC, and on-line instrumentation readings.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: Not inspected.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments:

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☐ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☒ **Copies of records obtained by DEP**
☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 11/15/2023

Signature:

Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky Americal Water- Plant A		Program: **Drinking Water**	
Site Address: 6300 Cedar Creek Road			
City: Lexington	State: KY	Zip: 40515	County: Fayette
Inspection Type: Routine Surface	Purpose: Noncomprehensive		AI #: 1063
Inspection Date: 6/21/24	Time: Start 09:00 AM End 10:30 AM		
Latitude: 37 54' 16"	Longitude: 84 22' 42"		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water- Plant A	Contact Name: Robert Money	
Phone No.: 858-335-3660	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Paul Coyle	**Class IVA, #31126**	
Janet Bemiss	**IVA#1551**	
Justin Sensabaugh		**IVD #20165**

Comments: A complete list of operators was provided during the inspection.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated. Non-comprehensive inspection performed.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: **The faciltiy provides the reports to the Division of Water in a timely manner.**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:129,493 Population Served:348,336
Average Production MGD: 21.15 Max. Production MGD: 40.5 Design Capacity MGD: 45
Source:Kentucky River

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	NI	a) Intakes, pumps, piping ☒	# Of Levels1 # Pumps6 Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☐	Type: Mechanical paddle If other:
	NA	d) Flocculation ☐	# of Stages # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Hydrotreator # of trains:
	S1	f) Chemical feed coagulation	Polyaluminum Cl/SO4
	S1	g) Carbon Feed: ☒	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 10 Size718 Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☐
	NI	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	S1	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA		n) Site Data:	Cl. Free: Total: pH: :
		o) Site Data:	Cl. Free: Total: pH:
		p) Site Data:	Cl. Free: Total: pH:
		q) Site Data:	Cl. Free: Total: pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: quarterly
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	good
DISTRIBUTION	NA	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NA	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	NA	aa) Water storage:	# of Tanks Total Storage:
	NA	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐
PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: total: 3.13 pH: 7.5
	S1	dd) Turbidity	Raw:2 Settled:1.2 Combined Filter:0.04
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐

	NI	gg) Wastewater discharge	Is sizing adequate? ☒ Yes ☐ N0

Comments: The facility was clean and operational at the time of the inspection. The new intake access car system has been completed. Flow is directed through a rapid mix where DelPAC 202 and other polymers are added. Water is them processed through hydrotreators. All five hydrotreator valve houses have been reworked and new Swan Sewnaos Turbiwell instrumentation have been installed. Weekly calibration checks are performed on all sampling equipment by facility personnel. A THM on-line analyzer has been installed on the plant effluent. The facility is now using liquid chlorine for disinfection. Chemical areas are marked appropriately and are secure. The laboratory was satisfactory. Standards were observed to be current. Records observed during the inspection include analytical bench sheets, temperature log books, and calibration logs. The plant on-line chlorine and bench top chlorine readings were comparable.

The distribution system for this plant is associated with the Richmond Road facility.
The following upgrades are being looked at or are in the planning state: A UV disinfection system; a new solids/ filter backwash handling system.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: The facility holds a KPDES Permit for the wastewater discharge.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☐ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**

☒ **Copies of records obtained by DEP**
☒ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 7/16/2024

Signature: **DES**

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water- Plant B		Program: **Drinking Water**	
Site Address: 2300 Richmond Road			
City: Lexington	State: KY	Zip: 40502	County: Fayette
Inspection Type: Routine Surface	Purpose: Noncomprehensive		AI #: 1063
Inspection Date: 6/21/24	Time: Start 10:45 AM End 13:15 PM		
Latitude: 37 39' 24"	Longitude: 84 26' 11"		
Coordinate Collection Method: G40-Handheld receiver			Revision Code: 112108

Drinking Water Data

Plant Name: Kentucky American Water- Plant-B	Contact Name: Robert Money	
Phone No.: 423-355-8591	Fax No: 859-335-3388	Email Address: bob.money@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Jessica Dominguez	**IVA#73725**	
Deke Whitaker	**IVA#29935**	
Jimmie Smith	**IVA#22054**	

Comments: A full list of operators was provided during the inspection. Justin Sensabaugh is in charge of the distribution system: active Class IVD, license #20165. A full list of operators was provided during the inspection.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: Not evaluated. Non-comprehensive inspection performed.

III. Compliance Status - Not Evaluated

IV. Reporting Requirements

Comments: Not evaluated.

IV. Compliance Status - Not Evaluated

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:134972 Population Served:363,077
Average Production MGD: 11.55 Max. Production MGD: 19.25 MGD Design Capacity MGD: 25 MGD
Source:Kentucky River and Jacobson Resesrvoir.

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	NI	a) Intakes, pumps, piping ☐	# Of Levels # Pumps Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: Mechanical paddle If other:
	S1	d) Flocculation ☒	# of Stages2 # of Trains2 Variable Speedyes
	S1	e) Sedimentation ☒	Type: Conventional # of trains:4
	S1	f) Chemical feed coagulation	Alum-polymer blends
	NA	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 8 Size Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	NI	k) Chemical storage:	Dry on pallets? ☒ Chemical containment: ☒
	NI	l) Clearwell / screened vents	Size:1.2 MG Baffling:☒ Locked ☒ Screened ☒
	NI	m) Pumps # and size in gpm	High Service6 @ Backwash 2 @ 9933
SITE DATA	S1	n) Site Data: Clays Mill	Cl. Free:-DOW Total: 2.7 pH: on-liine :2.29
	S1	o) Site Data: Clays Mill	Cl. Free:WTP Total: 2.11 pH:
	S1	p) Site Data: Parkers mill	Cl. Free:DOW Total: 2.20 pH: On-Line 2.18
	S1	q) Site Data: Parkers Mill	Cl. Free:WTP Total: 2.10 pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NA	s) Automatic chlorinator ☒	Automatic changeover ☐ Proper Fan ☐
	NA	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NA	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	NI	(1) Turbidimeter ☒	Type: HACH Last calibrated: quarterly
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	Good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☒ Finished:☒ ; Raw: ☒ Finished: ☒
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☒ Blowoffs on deadends:☒
	S1	aa) Water storage:	# of Tanks 12 Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☒ Booster chlorinators: ☐

PLANT	S1	cc) Plant Data:	Cl free: total: 3.15 pH: 7.36
ON	S1	dd) Turbidity	Raw:7 Settled:0.16 Combined Filter:0.026
SITE	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
OBSERVATION	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☒
	NI	gg) Wastewater discharge	Is sizing adequate? ☒ Yes ☐ N0

Comments: The Division of Water conducted a non-Comprehensive inspection on June 21, 2024. The inspection included a tour of the facility's process, laboratory procedures, and the KAW distribution system. No major concerns were noted during the inspection. The facility was clean and operational. Raw water is continually monitored as it enters the plant and is then directed to the rapid mix, floc basins, and sedimentation basins. The flow leaving the weirs were satisfactory. Basins are cleaned quarterly. Filters were satisfactory and used on a rotating basis. Online instrumentation is calibrated quarterly. Flow leaves the filters and is directed to one of two chlorine contact basins.
The facility now uses liquid chlorine for disinfection purposes. Liquid lime is now used. Current chemical storage areas are marked appropriately and are secure.
The following tanks were observed during the inspection: Arboretum, Clays MIll, and Parkers Mill. The tanks were secure, flappered, and observed to be in good condition.

Chlorine residuals in the system were acceptable. Daily chlorine check standards are performed and recorded. Tanks are inspected once every five years. System flushing is performed in the spring. Most meters are radio read. Additional chlorine sample: Arboretum: DOW 3.5; WTP 3.05; On-Line- 3.09.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: A KPDES inspection was performed and the facility was found to be in compliance.

VI. Compliance Status - No violations observed

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

- ☒ **Samples taken by DEP**
- ☐ **Samples taken by outside source**
- ☒ **Instrument readings taken by DEP regional office**
- ☐ **Photographs obtained by DEP**
- ☒ **Copies of records obtained by DEP**
- ☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 7/19/2024

Signature: E-Signed by Singleton, Deborah
VERIFY authenticity with e-Sign
Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

Drinking Water Sanitary Survey

TECHNICAL INSPECTION OF SURFACE DISTRIBUTION-ONLY SYSTEM OPERATIONS

PWS ID: KY1020288
Agency Interest Number: 34097
AI Name: KENTUCKY AMERICAN WATER - EASTERN ROCKCASTLE
County: ROCKCASTLE
Office Latitude: 37.359605 **Office Longitude:** -84.355035 CIN20250001
CTAB Inspection Date(s): August 18, 2025 through August 18, 2025

SOURCE	
Does the system perform water quality monitoring in accordance with the approved DOW schedule for this facility?	**Yes**
Are there any unaddressed process factors that limit the purchased water contracted amount in the last 10 years?	**No**
Is the system(s) you purchase from drought-vulnerable?	No
Describe any water quality monitoring done on the water at the master meter: TTHMs, HAA5s, Taste & Odor, Geosmin, Chlorine	
List any chemicals fed at the master meters:	none
If multiple sources are available, is the one in use considered to be the best in terms of water quality?	Yes
Is purchased water flow measured?	Yes
When was the meter last calibrated?	July 31, 2024
COMMENTS: The system is serviced by 4 master meters; 2 from Mt. Vernon (KY1020299, at Brush Creek and Sand Springs), 1 from Jackson Co. (KY0550209, at Three Links) and 1 from Livingston (KY1020253, at Sand Hill). The Mt. Vernon 6" mm at Brush Creek was certified on 11/15/24. The Mt. Vernon 4" mm at Sand Springs was certified on 11/4/24. The 2" Jackson Co. mm was certified on 7/31/24 (PSC requires it to be Certified once every 4 years). The 3" Livingston mm was Certified on 9/30/22. The system also has ultrasonic meters installed right after the seller's for reference, they are calibrated annually.	

DISTRIBUTION SYSTEM	
Does the system have standard specifications for design and construction of the distribution system?	Yes
Does the system prohibit new connections where pressure on the discharge side of the meter will be <30 psi?	**Yes**
Is the system able to meet minimum pressure requirements of DOW and/or other regulating authority?	**Yes**
Does the system have a documented leak detection program?	Yes
Does the distribution system have a sufficient number of valves to isolate portions of the system (for leak detection, maintenance, etc.)?	Yes
If there are separate distribution system areas, are they interconnected with each other?	No
How many separate areas are there?	4
What prevents these systems from being interconnected?	topography

How many pressure zones are there?	4
What is the range of distribution pressures?	80-200
Do any distribution areas require reduced pressure valves?	Yes
What piping materials are included in the distribution system?	PVC, DI
Does the system have a program for flushing water mains?	Yes
Describe the process for sterilizing new mains/main breaks:	Sodium Hypochlorite wipes and spray
What types of on-line instrumentation are located at booster or pump stations and tanks? pump station telemetry: flow rates, discharge & suction pressures, pump runtimes tank telemetry: system pressure, flow, level (inst., daily max & daily min)	
Does the system have a documented program for exercising distribution system valves?	Yes
Does the system have a documented program for regular testing of water meters including raw water, distributed and customer?	Yes
Is there a water meter replacement program?	Yes
Are there main break/emergency notification procedures?	Yes
Does the system have a documented procedure for issuing a boil water advisory and a consumer advisory? The procedure shall identify when (how soon after the occurrence) and how the system shall notify the affected health department, to whom that notification shall be made both during and after normal business hours, and procedures for issuing the advisory to the public. The public notification shall include instructions for the public (including how to properly boil water) and an explanation of steps being taken to correct the problem. Describe how the decision is made to issue a Boil Water Advisory: consecutive system, if the repair takes longer than 8 hours, loss of pressure below <20 psi, free Chlorine level of <0.2 mg/l	Yes
Does the system have a cross-connection control program?	**Yes**
Is the cross-connection control program documented in writing?	Yes
Does a certified tester test the backflow prevention devices on a regular basis?	Yes
Has a calibrated hydraulic model been developed for the system?	No

COMMENTS: The system has a Non-Revenue Water (NRW) reduction plan. Last month (July 2025), NRW was 18.6%. They have 12 zone flow meters.
A routine system flush occurs twice/year. There are 4 auto flushers near the EOLs.
All customer meters were replaced 2017 & 2018.
All meters, valves, hydrants, lines were GIS marked and mapped in 2018.

DISTRIBUTION STORAGE FACILITIES

LOCATION			VOLUME (gallons)	TANK TYPE	OVERFLOW		LAST CLEANED/ INSPECTED	TELEME -TRY	% TURNOVER (Per Day)
ROAD/AREA	LAT.	LONG.			SCREEN/ FLAPPER	>10' FROM TANK			
Three Links	37.4984	-84.20539	80,000	Standpipe	Yes	Yes	November 1, 2020	Yes	62
Pongo	37.22533	-84.34381	15,000	Standpipe	Yes	Yes	November 1, 2020	Yes	347

Are all storage tanks professionally inspected at least every 5 years (including interior, coating systems, & piping)?	**Yes**
How often are tanks: INSPECTED **5 years** and CLEANED **exterior = every 2-3 years**?	
Are all storage tanks and water plants equipped with hatches, covers, screens, vandal guards and locks and all tank sites fenced for security?	Yes

Are all hatches, screens, and overflows on the storage tanks checked at least monthly?	Yes
Is there corrosion protection in the tanks?	Yes

COMMENTS: The exterior of both tanks were cleaned in November 2023. The system plans to have both tanks inspected in the Spring of 2026.
The Jackson Co. tank is 88' tall and it is normally operated between 30' - 78'.
The Pongo tank is 25' and it is normally operated between 8' - 14'. It has an internal mixer that runs 24/7.

DISTRIBUTION BOOSTER PUMPS AND/OR BOOSTER DISINFECTION FACILITIES

LOCATION			PUMP or DISINFECTION	NUMBER of PUMPS	PUMP CAPACITIES (gpm)	DISINFECTION TYPE	AUXILIARY POWER	COMMENTS
ROAD/ AREA	LAT	LONG						
Pongo	37.22859	-84.34251	Pump	2	40 40		Yes	The station was rebuilt in 2023; rewired, new controls, pumps rebuilt and rewound.
Sand Hill	37.29348	-84.22774	Pump	2	40 40		Yes	The station was rebuilt in 2023; rewired, new controls, pumps rebuilt and rewound. It is located in a vault at the Livingston master meter.

COMMENTS: There are 4 pressurized bladder tanks at the Pongo tank and on Sand Hill (37.28575 -84.24427).
There is a pump station in Gausey (37.31152 -84.20085) that is not in operation. They have a contract with Service Specialties to get it operational.

DISTRIBUTION SAMPLING
(a minimum of N, S, E, W)

SITE	CHLORINE		pH	TURBIDITY	OTHER
	FREE	TOTAL			
Buffalo Baptist Church (seller = Mt. Vernon)	0.66			0.07	KAW (Jeff Farmer) = 0.71 free
Jackson Co. tank	0.3	0.38		0.22	KAW (Jeff Farmer) = 0.31 free
sample station at 1402 Sand Hill Rd (seller = Livingston)	1.79			0.14	KAW (Jeff Farmer) = 1.87 free
Johnetta Schoolhouse Inn (EOL) (seller = Mt. Vernon)	0.59			0.26	
Pongo tank (seller = Mt. Vernon)					KAW (Jeff Farmer) = 1.17 free

Is the system maintaining the required chlorine (0.2 mg/l) / chloramine (0.5 mg/l) residuals in the distribution system?	**Yes**

COMMENTS: During the inspection, there was a pressure issue at the Johnetta Schoolhouse Inn outdoors spicket. The empty Air BNB is the last connection on the line. It is located at 3822 Climax Road. Pressure dropped while the spicket was running for sample collection. Chlorine was 0.02 mg/l. Operators investigated and discovered there was an issue with this service and the automatic flusher across the highway had malfunctioned due to a wiring error. The next day, 8/19/25, the service at the Johnetta Schoolhouse Inn was replaced. At 12:09 pm, the chlorine level was 0.59 mg/l. A new flusher was ordered.

The Hach in-line chlorine analyzers at the Three Links tank, the Pongo tank and the Sand Hill bladder tank were removed.

MAINTENANCE	
Is office housekeeping adequate?	Yes
Is distribution storage housekeeping adequate?	Yes
Are adequate supplies of spare parts kept on hand?	Yes
Are needed tools available?	Yes
Is a lock-out/tag-out system used for electrical repairs?	Yes
What is the general condition of operating equipment?	Good
COMMENTS: Electrical repairs are performed by a contractor.	

DOCUMENTATION

- Instrument readings taken by DEP
- Photographs obtained by DEP
- Copies of records obtained by DEP

OVERALL TECHNICAL COMPLIANCE STATUS

No Violations Observed

DATE: September 2, 2025

INSPECTOR: Beth Trent TITLE: Environmental Scientist Advisor

KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

Drinking Water Sanitary Survey

Managerial and Financial Assessment of Surface Water & Ground Water Systems

PWS ID: KY1020288
Agency Interest Number: 34097 CIN20250001
AI Name: KENTUCKY AMERICAN WATER - EASTERN ROCKCASTLE
County: ROCKCASTLE
Regional Office: LONDON
Capacity Development Inspection Start Date: August 27, 2025 **End Date:** August 27, 2025

SYSTEM CONTACT INFORMATION			
Full Name: Alicia Jacobs		Title: Manager, Water Quality & Env. Compliance	
Phone Number: 859-268-6317	FAX Number:	E-Mail Address: alicia.jacobs@amwater.com	
Mailing Address: 2300 RICHMOND RD Physical Address of Office: 2300 Richmond RD	City: LEXINGTON	State: KY	Zip Code: 40502

DISTRIBUTION SYSTEM INFORMATION		
Distribution Contact Person: Charles Dick	Title: Senior Operation Supt.	Phone Number: (859)-268-6317
Distribution Class: IID-Pop. 1,500-14,999	System Service Connections (meters): 656	
System Population: 1,765	Method to determine population: Number of service connections multiplied by 2.69	
Meters Served Outside Your System:	Consecutive Systems Population Served Calculated:	

WATER PURCHASED, SOLD, & EMERGENCY CONNECTIONS

WATER PURCHASED FROM:			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract	
SYSTEM NAME	PWS ID #	AI #			Minimum	Maximum
Jackson Co Water Assoc	1924	1924	1	1,364,420	Monthly	1,500,000 Monthly

PWS ID Number: KY1020288 Agency Interest Number: 34097

Mt Vernon Water Works	3859	3859	2	1,002,159	Monthly	1,180,000 Monthly
Livingston Municipal WW	34096	34096	2	234,559	Monthly	450,000 Monthly
Avg Total Water Purchased Daily: 85,563 gallons			Maximum Total Water Purchased Daily: 137,306 gallons			

No water sold

COMMENTS: The Jackson Co Water Association connection is unusable to sell water due to the pressure difference between the systems.

I. OPERATOR COMPLIANCE

Do the operators perform maintenance as well as distribution operations?	Yes
Do you have contingency plans for replacing retiring system personnel?	Yes
Who provides training/technical assistance for license renewal?	• KRWA
What type of training is typically obtained?	• REGULATIONS • SAFETY • WATER QUALITY
Does the system pay for registration, lodging and meals?	Yes
Does the system allow operators to attend training on company time?	Yes

Distribution System (1 shifts)		
Shift 1	8 hours	2 operators
How are weekends covered? On-Call	How are holidays covered? On-Call	

OPERATOR CERTIFICATION			
LICENSEE NAME	LICENSEE AI #	TREATMENT LICENSE ID / TYPE	DISTRIBUTION LICENSE ID / TYPE
Charles R Dick	46253	/	64535 / DW Distribution IV
Jeffery W Farmer	179362	/	85534 / DW Distribution II
Is the system staffed with appropriately certified operators? (Verify certification with DCA.)			**Yes**
COMMENTS:			

II. MONITORING, REPORTING & DATA VERIFICATION

PWS ID Number: KY1020288 Agency Interest Number: 34097

PART A *(Complete for all water systems.)*		
REPORTING ITEM – Information gathered from DWW	RETENTION TIME	
Bacteriological – 2 per month (See DWW)	5 Years	Yes
Chlorine/Chloramines – Free chlorine monthly with BACTs, daily for MORs, residual chlorine monthly	10 Years	
C-T Profiling Data	See if doing/min 1 year	
Individual Filter Turbidity Data (Other than MOR)	3 Years	
MORs – Monthly (Turbidity Analysis)	1 Year	
Lead & Copper – 10 every 3 years (June to September)	12 Years	Yes
Nitrate – Annually	10 Years	
Nitrite – 1 sample in the 1st 3 years of the 9 year compliance cycle	10 Years	
Secondary/Corrosivity – Annually	10 Years	
Sodium – annually; can be with SECs	10 Years	
IOCs (Inorganic Chemicals) – Annually	10 Years	
SOCs (Synthetic Organic Compounds) – >3300, 2 quarterly samples in 12 consecutive months in 3 years.	10 Years	
VOCs (Volatile Organic Chemicals) – Annually	10 Years	
TOCs (Total Organic Carbon) – Monthly, Raw TOC/Alkalinity & CFE TOC	10 Years	
TTHM & HAA5 2 per Quarter (see DWW)	10 Years	Yes
Asbestos – 1 sample in the 1st 3 years of the 9 year compliance cycle (SOC) *Check for Waiver (only purchasers can have waiver)*	Begin 2011/2013	Yes
RADs (Radionuclides) – Every 6 years	See if conducting	
LT2 Cryptosporidium and E.coli Plan – 3 years after bin classification (see rule - first one is April 2009)	3 Years	
LT2 Source Water Monitoring Avoidance	3 Years	
LT2 Toolbox Treatment Monitoring Results	3 Years	
Stage 2 IDSE Sampling Plan or 40/30 Certification	10 years	
Stage 2 IDSE Report	10 years	
Bromate (Only used on systems treating with Ozone)	10 Years	
Chlorine Dioxide	10 Years	
Chlorite (Only used on systems treating with Chlorine Dioxide)	10 Years	
Dioxin – w/SOCs if required *Check for Waiver*	10 Years	
Data Summaries (if actual data not retained)	12 Years	
NOVs (Notices of Violation)	10 Years	
Sanitary Surveys (every 3 years)	10 Years	
CCR (Consumer Confidence Report) – Annually by July 1 (by April 1 to consecutive systems)	Current one on file	

PWS ID Number: KY1020288 Agency Interest Number: 34097

Does the system maintain a current sampling plan for BacTs?	Updated:	Yes
Does the system maintain a current sampling plan for LCR?	Updated:	Yes
Does the system maintain a current sampling plan for DBPs?	Updated:	Yes
Does the system have an up-to-date map of distribution assets? (Map shall show a minimum of all line sizes, cutoff valves, fire hydrants, flush hydrants, tanks, booster pumps, chlorination stations, connections to emergency or alternative sources, wholesale customer master meters, & the type of piping material in the distribution system and its location.)	Updated: 2,025	Yes

Does the system maintain compliance records as required? (answer for both Parts A & B)	Yes
COMMENTS:	

III. MANAGEMENT & OPERATIONS

What professional organizations does the water system belong to? KRWA; AWWA; KWWOA; NAWC; Chamber of Commerce	
Is the system subject to Public Service Commission regulations?	Yes
Does the system attend Water Management Council meetings of the Area Development District?	Yes
Does the system have a governing entity? What is the name of the system's ? Rob Burton What is his or her mailing address? Same as system How often does the governing body meet? Quarterly Do operators attend these meetings?	Yes No
Is the governing entity provided with documented information regarding technical, managerial, and financial operations of the water system? (Inspect)	Yes
Is the governing entity familiar with water treatment/distribution?	NA
Does the system offer continuing education opportunities for members of the governing entity?	NA
Does the governing entity visit the water plant? How often?	
Does the system have regular staff meetings? How often? Weekly (in Rockcastle Co); Every other week Who is involved? Departments (Employees)	Yes
Does the system have a documented strategic plan (mission statement, goals and objectives)? (Inspect)	Yes
Does the system have a defined organizational structure?	Yes
Does the system have a documented description of each job classification with minimum position qualifications? (Inspect)	Yes
Does the system have documented policies and procedures governing human resource management (such as an employee handbook)?	Yes
Does the system periodically review its insurance coverage is in place for liability, property, automobiles, directors, and officers?	Yes

PWS ID Number: KY1020288 Agency Interest Number: 34097

Does the system have a documented policy for delegation of authority such as signing agreements, contracts, resolutions, easements, etc.?	Yes
Does the system have a documented procurement policy for purchasing supplies?	Yes
Does the system have professional services available under a current contract, retainer, or other similar arrangement for engineering, accounting, and legal counsel?	Yes
Does the system have an asset management program?	Yes
Does the system have a documented preventive maintenance program?	Yes
Does the system have a capital improvement plan? (Inspect)	Yes
How many years does the plan cover?	
Does the system have a documented policy governing water main extensions? (Inspect)	**Yes**
Are chemicals inventoried?	NA
Are distribution materials inventoried? Inventory System (Employee); Monthly; Annual Audit	Yes
Is there a bid process for chemicals, pipe, or large item purchases?	Yes
Does the system have rules and regulations governing the provision of service? (Inspect)	Yes
Does the system make available in a public place the rules, rates, and regulations? (Inspect)	Yes
Does the system provide 24-hour service response for customers?	Yes
Does the system notify customers prior to performing scheduled maintenance?	Yes
Does the system log customer complaints and track resolution?	Yes
Does the system provide any educational activities to the public? Who is responsible for providing this? External Affairs Staff What types of educational activities are done? Special Events; Bill Inserts; School Presentations; Social Media Outreach; Science Fairs	Yes
Does the system have sufficient O & M manuals? (Inspect) (O & M manuals shall include: a detailed design of the plant, daily operating procedures, a schedule of testing requirements designating who is responsible for the tests, and safety procedures for operation of the facility – including storage and inventory requirements for materials and supplies.) How are the operators made aware of O & M procedures? SOPs; Available for reference; Internal Training	Yes
Has the system received any NOVs for MCLs in the last 3 years? If yes, answer the following:	No
Does the system maintain a log of all breaks or ruptures per 401 KAR 8:150, Section 4? (Inspect)	Yes
Is the system operating at or above 85% of water available through purchase contracts? **What is the percentage? %** **If system's average daily demand exceeds 85% of available water through purchase contracts, does system have a plan for obtaining additional water, including cost and timeframes to address the needed additional water?** If applicable, describe plan for obtaining additional water: Contract Usage: Jackson Co. W.A. (90.96 %); Mt. Vernon WW (84.92 %); Livingston Municipal WW (52.12 %); See Water Loss Section; Updating purchase contract	Yes Yes
COMMENTS:	

PWS ID Number: KY1020288 Agency Interest Number: 34097

IV. FINANCIAL

Does the system prepare an annual operating budget? (Provide summary)	NA
Does the system prepare an annual capital budget? (Inspect)	NA
Who prepares the budget?	
Do the operators have input into the budget?	NA
Are training and license funds built into the budget?	NA
Does the governing entity review and approve the budget?	NA
Does the system prepare regular monthly reports to show variances between budgeted and actual revenue and expenses? (Inspect)	NA
Does the system maintain its financial records utilizing the Kentucky Uniform System of Accounting or a comparable system? (Inspect)	NA
Are financial statements audited by a CPA as required? (Inspect) (Water districts, special districts – i.e. regional water commissions and cities have specific requirements.)	NA
Does the system employ a method for depreciation of system assets?	NA
Is the system operating at a retained earnings surplus? (Retained earnings is the net income that is available at the end of the year and available for transfer.)	NA
Is the current debt-to-equity ratio below 1.0? (The debt-to equity ratio for any given year is computed by dividing total liabilities by total equity.)	NA
Does the water system meet a debt coverage ratio needed for bond ordinances, loan agreements, and bond requirements? A typical value is 1.2. (Debt coverage ratio is computed by dividing cash available for debt service (net income with annual interest, depreciation, amortization, and other non-cash items added back) by debt service requirements for the year.)	NA
Does the water system revenue go to meet other expenses (i.e. electric, sewer or garbage)?	NA
Is there a documented policy for delinquent accounts?	Yes
What is it? Per PSC Requirements (See Tariff)	
For accounts payable, has the system kept payments less than 45 days past due over the last 12 months?	NA
Does the system write-off bad debt annually?	NA
Where does the system typically go for financial assistance?	
Does the system have any long-term debts?	NA
Is the system current on all debt service payments (if applicable)?	NA
Is the system meeting reserve account requirements (if applicable)?	NA
Is there an approved* rate structure in place? (Provide copy of rate sheet.) (*Approved by governing entity/PSC as applicable.)	Yes
What are the dates of the system's last 2 non-pass-through rate increases?	2,019 2,023
What are the dates of the system's last 2 non-pass-through rate increases?	
Does the system perform a review annually to determine if the rates fully cover the expenses?	NA

PWS ID Number: KY1020288 Agency Interest Number: 34097

Are long-term needs built into rate increases?	NA
Do rates promote conservation in time of drought?	NA

COST OF WATER PRODUCED, PURCHASED AND SOLD

Purchasers	What is the highest wholesale price you pay per 1,000 gallons of water?	$ 3.69
	What is the lowest wholesale price you pay per 1,000 gallons of water?	$ 3.40

WATER LOSS

Does the system track water loss on a monthly basis?	Yes
Report water loss for the past year as a percentage of total water produced/purchased in gallons and as a dollar value (use $1.50 as an example if cost to produce water is unknown).	44.25% 18,786,000 gallons $ 65751.00
If water loss is above 15%, does the system have a plan to address this?	Yes

Describe plan to address water loss: Non-Revenue Water Reduction Plan; Replaced all meters after acquisition in 2018; Targeted line replacements; Active leak detection

COMMENTS: Consider the following: Continuing to address water loss

V. SECURITY

Does the system have a documented safety policy?	Yes
Does the system provide regular safety training to its employees?	Yes
Is the utility a member of the Local Emergency Planning Committee?	Yes
Does the system have an updated Emergency Response Plan that is reviewed annually? (Inspect)	Yes
Does the emergency response plan include a plan for responding to water shortages and loss of service?	Yes
Is the Emergency Response Plan exercised?	Yes
How is the Emergency Response Plan communicated to all employees? Available Online; Onsite (Tabletop)	
Are there safeguards on water plant operations when operators may be doing work outside on the plant grounds?	
Does the plant ever disable the telemetry/SCADA system and run on manual?	Yes
Has the system developed procedures for securing computer/SCADA usage?	Yes
Are backup copies of O & M manuals maintained in a location other than the water plant?	Yes
Is the purchased water source equipped with emergency standby power generation or is there a secondary source of power? (e.g. contracts in place with suppliers for emergency generators or dual electrical feed)	Yes
Are backup emergency generators exercised regularly?	Yes
Is other backup equipment exercised regularly?	Yes
Have arrangements been made with outside contractors, other utilities, etc. to provide needed emergency equipment?	Yes

COMMENTS:

PWS ID Number: KY1020288 Agency Interest Number: 34097

DOCUMENTATION
• Copies of records obtained by DEP

OVERALL COMPLIANCE STATUS	
No Violations Observed	
Ryan Reed	Date: September 19, 2025
CDPM: Ryan Reed	Title: Environmental Scientist

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky Americal Water- Plant A		Program: **Drinking Water**	
Site Address: 6300 Cedar Creek Road			
City: Lexington	State: KY	Zip: 40515	County: Fayette
Inspection Type: Routine Surface	Purpose: Comprehensive		AI #: 1063
Inspection Date: 9/5/25	Time: Start 09:00 AM End 11:00 AM		
Latitude: 37 54' 16"	Longitude: 84 22' 42"		
Coordinate Collection Method: G40-Handheld receiver		Revision Code: 112108	

Drinking Water Data

Plant Name: Kentucky American Water- Plant A	Contact Name: Alicia Jacobs	
Phone No.: 858-335-3660	Fax No: 859-335-3388	Email Address: alicia.jacobs@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Stephen Clevinger	**Class IVA, #28874**	
Edwin Sturgis	**IVA#81**	
Justin Sensabaugh		**IVD #20165**

Comments: A complete list of operators was provided during the inspection.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: The facility maintains the required records in an orderly manner. Records obsesrved during the inspeciton include: Monthly Operating Reports, laboratory bench sheets, coliform analysis, calibration logs, and maintenance logs.

III. Compliance Status - No violations observed

IV. Reporting Requirements

Comments: The faciltiy provides the reports to the Division of Water in a timely manner.

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements

Plant Type: ☒ C ☐ N ☐ P Service Connections:129,493 Population Served:348,336

Average Production MGD: 22.56 Max. Production MGD: 41.98 Design Capacity MGD: 45

Source:Kentucky River

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	S1	a) Intakes, pumps, piping ☒	# Of Levels1 # Pumps6 Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☐	Type: Mechanical paddle If other:
	NA	d) Flocculation ☐	# of Stages # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Hydrotreator # of trains:
	S1	f) Chemical feed coagulation	Polyaluminum Cl/SO4
	S1	g) Carbon Feed: ☒	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 10 Size718 Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☐
	NI	k) Chemical storage:	Dry on pallets? ☐ Chemical containment: ☐
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	S1	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA		n) Site Data:	Cl. Free: Total: pH: :
		o) Site Data:	Cl. Free: Total: pH:
		p) Site Data:	Cl. Free: Total: pH:
		q) Site Data:	Cl. Free: Total: pH:
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: quarterly
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	good
DISTRIBUTION	NA	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NA	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	NA	aa) Water storage:	# of Tanks Total Storage:
	NA	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐

PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: on line- 2.97 total: lab 3.39 pH: 8.0
	S1	dd) Turbidity	Raw:9.11 Settled: Combined Filter:0.218
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐
	NI	gg) Wastewater discharge	Is sizing adequate? ☒ Yes ☐ N0

Comments: The facility was clean and operational at the time of the inspection. The new intake access car system has been completed. Flow is directed through a rapid mix where DelPAC 202 and other polymers are added. Water is them processed through hydrotreators. All five hydrotreator valve houses have been reworked and new HACH instrumentation have been installed. Weekly calibration checks are performed on all sampling equipment by facility personnel. A TTHM on-line analyzer has been installed on the plant effluent. The facility utilizes liquid chlorine for disinfection. Chemical areas are marked appropriately and are secure. The laboratory was satisfactory. Standards were observed to be current. Records observed during the inspection include analytical bench sheets, temperature log books, and calibration logs. The plant on-line chlorine and bench top chlorine readings were comparable.

The distribution system for this plant is associated with the Richmond Road facility.
The following upgrades are being looked at or are in the planning state: A UV disinfection system; A new solids processing system is nearing completion.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: The facility holds a KPDES Permit for the wastewater discharge.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: Not evaluated.

VII. Compliance Status - Not Evaluated

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**

☐ **Samples taken by outside source**
☐ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☒ **Copies of records obtained by DEP**
☒ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 10/06/2025

Signature: **DES**

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT REGIONAL OFFICE
300 SOWER BLVD
FRANKFORT, KY, 40601

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

October 15, 2025

Ms. Alicia Jacobs
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20250001

Dear Ms. Jacobs:

Attached for your information and records is a copy of the drinking water comprehensive inspection performed at KY American Water Co on September 5, 2025.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Signed by: Deborah Singleton
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water Plant C		Program: **Drinking Water**	
Site Address: 16035 hwy 127 south			
City: Owenton	State: KY	Zip: 40359	County: Owen
Inspection Type: Routine Surface	Purpose: Comprehensive		AI #: 1063
Inspection Date: 9/11/25	Time: Start 09:30 AM End 2:30 PM		
Latitude:	Longitude:		
Coordinate Collection Method: G40-Handheld receiver		Revision Code: 112108	

Drinking Water Data

Plant Name: Kentucky River station #2	Contact Name: Alicia Jacobs	
Phone No.: 859-335-3660	Fax No: 859-335-3388	Email Address: alicia.jacobs@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Keene E Dougherty	**IVA#81302**	
Justin Sensabaugh		**IVD#20165**
William Allen	**IVA#20649**	

Comments: A complete list of operators was provided during the inspection. No concerns noted.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: The facility maintains the required records in an orderly manner. Records observed during the inspection include: Monthly Operating Reports, laboratory bench sheets,

coliform analysis, calibration logs, Standard Operating Procedures, temperature logs,and maintenance logs.

III. Compliance Status - No violations observed

IV. Reporting Requirements

Comments: The facility provides timely reports to the Division of Water as required.

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections: Population Served:
Average Production MGD: 8.5 Max. Production MGD: 17.32 Design Capacity MGD: 20.0 MGD
Source:Kentucky River pool #3

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	S1	a) Intakes, pumps, piping ☐	# Of Levels # Pumps Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: If other: mechanical mixer
	S1	d) Flocculation ☒	# of Stages4 # of Trains Variable Speed
	S1	e) Sedimentation ☒	Type: Conventional # of trains:4
	NI	f) Chemical feed coagulation	
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 5 Size702 Filtration Rate:5
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	S1	k) Chemical storage:	Dry on pallets? ☒ Chemical containment: ☒
	NI	l) Clearwell / screened vents	Size: Baffling:☐ Locked ☐ Screened ☐
	NI	m) Pumps # and size in gpm	High Service @ Backwash @
SITE DATA	S1	n) Site Data: glencoe	Cl. Free:DOW Total: 0.9 pH: KAWC :1.2
	S1	o) Site Data: wheatly	Cl. Free:DOW Total: 0.9 pH: KAWC 11
	S1	p) Site Data: blue moon	Cl. Free:DOW Total: 3.8 pH: KAWC 3.9
	S1	q) Site Data: on-line	Cl. Free:BM tank Total: 3.89 pH: fair ground 3.00
DISINFECTION	NI	r) Disinfection Pre: ☐ Post: ☐	Pre Type: Post type:
	NI	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NI	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NI	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: quarterly
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	NI	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☐ Finished:☐ ; Raw: ☐ Finished: ☐
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☐ Blowoffs on deadends:☐
	S1	aa) Water storage:	# of Tanks Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☐ Booster chlorinators: ☐

PLANT ON SITE OBSERVATION	S1	cc) Plant Data:	Cl free: total: 5.0 pH: 8.17
	S1	dd) Turbidity	Raw:15.5 Settled:0.64 Combined Filter:0.14
	NI	ee) Bacteriological monitoring	Samples per mo. Records: ☐
	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☐
	NI	gg) Wastewater discharge	KPDES Is sizing adequate? ☒ Yes ☐ N0

Comments: A Division of Water Comprehensive inspection was conducted on September 11, 2025. No major concerns were noted during the inspection. The basins are cleaned monthly. The laboratory was satisfactory. Standards were observed to be current. Standard Operating Procedures have been developed. The facility is replacing the source water monitor with a YSI unit in 3-4 months. The new UV disinfection has been installed and is operational. The UV system is not yet being used for compliance.

The Fair Ground, Wheatly, Glencoe, and Blue moon tanks were observed during the inspection. All four tanks were fenced and secure. Overflow protection was installed on the Ellis and Blue Moon tanks. Wheatly tank was missing part of the overflow pipe. Distribution system chlorine readings were acceptable and comparable between the DOW and KAW and the on-line instrumentation reading. Additional chlorine reading: Fair Grounds: DOW-3.1; KAW- 2.9.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: Not inspected.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: The facility performs the required monitoring and analysis. Samples are ran in house between the Kentucky American Water facilities, and the central American Water laboratory in Belleville, Illinois.

VII. Compliance Status - No violations observed

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments:

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**

☐ **Samples taken by outside source**
☐ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☒ **Copies of records obtained by DEP**
☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 10/07/2025

Signature:

Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT REGIONAL OFFICE
300 SOWER BLVD
FRANKFORT, KY, 40601

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

October 15, 2025

Ms. Alicia Jacobs
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20250002

Dear Ms. Jacobs:

Attached for your information and records is a copy of the drinking water comprehensive inspection performed at KY American Water Co on September 11, 2025.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: ([redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Signed by: Deborah Singleton
Frankfort Regional Office
Division of Water

DES
Enclosure:

ENERGY AND ENVIRONMENT CABINET
KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WATER
Routine Surface Inspection

Site/Permit ID: KY0340250	Division: **Water**		Regional Office: Frankfort
Site Name: Kentucky American Water- Plant B		Program: **Drinking Water**	
Site Address: 2300 Richmond Road			
City: Lexington	State: KY	Zip: 40502	County: Fayette
Inspection Type: Routine Surface	Purpose: Comprehensive		AI #: 1063
Inspection Date: 9/23/25	Time: Start 08:45 AM End 14:30 PM		
Latitude: 37 39' 24"	Longitude: 84 26' 11"		
Coordinate Collection Method: G40-Handheld receiver		Revision Code: 112108	

Drinking Water Data

Plant Name: Kentucky American Water- Plant-B	Contact Name: Alicia Jacobs	
Phone No.: 859-797-7374	Fax No: 859-335-3388	Email Address: alicia.jacobs@amwater.com

I. Administrative Requirements

Comments: The facility has not received any enforcement actions since the previous inspection.

I. Compliance Status - No violations observed

II. Operator Certification/Accreditation Requirements

Operator in Charge or on duty.

Operator Name	Plant Certification #	Distribution Certification #
Eric Self	**IVA#30326**	
Deke Whitaker	**IVA#29935**	
Justin Sensabaugh	**IVD#20165**	

Comments: A full list of operators was provided during the inspection.

II. Compliance Status - No violations observed

III. Record Keeping Requirements

Comments: The facility maintains the required records.

III. Compliance Status - No violations observed

IV. Reporting Requirements

Comments: **The facility provides the reports to the Division of Water in a timely manner**

IV. Compliance Status - No violations observed

V. Operation & Maintenance/Performance Requirements
Plant Type: ☒ C ☐ N ☐ P Service Connections:129493 Population Served:348,336
Average Production MGD: 11.72 Max. Production MGD: 18.34 Design Capacity MGD: 25 MGD
Source:Kentucky River and Jacobson Resesrvoir.

RATING CODES: S1=No Violations Observed; S2=No Violations Obs-but impending viol trends obs; U1=Out of Compliance-No action taken; U2= Out of Comp-LOW non-recurrent Adm. or O & M; U3= Out of Compliance-NOV; NA = Not Applicable; NE = Not Evaluated. **(Add additional comments if U1-U3.)**

	RATING	Equipment / Inspection Data	☐ Checking block means item is present:
CHEMICAL & PHYSICAL TREATMENT	S1	a) Intakes, pumps, piping ☐	# Of Levels1 # Pumps Max pump.
	NA	b) Aeration ☐	
	S1	c) Rapid mix ☒	Type: Mechanical paddle If other:
	S1	d) Flocculation ☐	# of Stages2 # of Trains2 Variable Speedyes
	S1	e) Sedimentation ☐	Type: Conventional # of trains:4
	S1	f) Chemical feed coagulation	Alum-polymer blends
	NI	g) Carbon Feed: ☐	Feed Site1: Feed Site 2:
	S1	h) Filters & controls	Mixed Media Filter to Waste ☒
	S1	i) Filters / size sq.ft each./ rate	# 8 Size Filtration Rate:4
	S1	j) Automatic analyzers:	Chlorine: ☒ Turbidity: ☒ Each filter: ☒ pH: ☒
	S1	k) Chemical storage:	Dry on pallets? ☒ Chemical containment: ☒
	S1	l) Clearwell / screened vents	Size:1.2 MG Baffling:☒ Locked ☒ Screened ☒
	S1	m) Pumps # and size in gpm	High Service6 @ Backwash 2 @
SITE DATA	S1	n) Site Data: clays mill	Cl. Free:-DOW Total: 2.7 pH: on-liine :2.44
	S1	o) Site Data: clays mill	Cl. Free:WTP Total: 2.48 pH:
	S1	p) Site Data: arboretum	Cl. Free:DOW Total: 3.0 pH: On-Line 2.94
	S1	q) Site Data: arboretum	Cl. Free:WTP Total: 2.94 pH:
DISINFECTION	S1	r) Disinfection Pre: ☒ Post: ☒	Pre Type: Post type:
	NA	s) Automatic chlorinator ☐	Automatic changeover ☐ Proper Fan ☐
	NA	t) Separate room & ventilation	Crash Bar ☐ Alarm ☐
	NA	u) Safety equipment	SCBA ☐ Ammonia ☐ Detector ☐
LABORATORY & RECORDS	S1	v) Laboratory equipment	Adequate Space ☒ Equipment ☒ Lighting : ☒
	S1	(1) Turbidimeter ☒	Type: HACH Last calibrated: 05/2025
	S1	(2) Adequate reagent supply	☒ Yes ☐ No
	S1	(3) Chlorine Test Kit ☒	Type: HACH DPD reagent up-to-date: ☒ Y ☐ N
	S1	w) Monthly operating reports	☒ Daily Record Sheet ☒ Agreement: ☒
	S1	x) Housekeeping	Good
DISTRIBUTION	NI	y) Master meter ; Recorder	Raw: ☒ Finished:☒ ; Raw: ☒ Finished: ☒
	NI	z) Blowoffs / hydrants; flushing	Flushing Schedule:☒ Blowoffs on deadends:☒
	S1	aa) Water storage:	# of Tanks 12 Total Storage:
	NI	bb) Booster pumps / chlorinators	Booster pumps: ☒ Booster chlorinators: ☐
PLANT ON SITE	S1	cc) Plant Data:	Cl free: total: 3.48 pH: 7.9
	S1	dd) Turbidity	Raw:2.02 Settled:1.0 Combined Filter:0.02
	S1	ee) Bacteriological monitoring	Samples per mo.180 Records: ☐

OBSERVATION	NI	ff) No cross-connections observed	None observed: ☐ Observed: ☐ Program: ☒
	S1	gg) Wastewater discharge	KPDES Is sizing adequate? ☒ Yes ☐ N0

Comments: The Division of Water conducted a comprehensive inspection on September 23, 2025. The inspection included a tour of the facility's process, laboratory procedures, and the KAW distribution system. No major concerns were noted during the inspection. The facility was clean and operational. Raw water is continually monitored as it enters the plant and is then directed to the rapid mix, floc basins, and sedimentation basins. A plan is in the process for installing a new YSI source water monitoring system. The flow leaving the weirs were satisfactory. Basins are cleaned quarterly. Filters were satisfactory and used on a rotating basis. Online instrumentation is calibrated quarterly. Flow leaves the filters and is directed to one of two chlorine contact basins. The new chemical building has been completed. The facility uses liquid chlorine for disinfection purposes. Liquid lime is now used. Current chemical storage areas are marked appropriately and are secure. The laboratory was satisfactory. Standards were observed to be current.

The following tanks were observed during the inspection: Clays mill, Arboretum, Eastland, Mercer, and Woodland. The tanks were secure, flappered, and observed to be in good condition. A full list of tanks and booster stations was provided during the inspection. The list included locations and the year or month/ year of the last inspection. Flushing is performed once a year. A cross connection program has been implemented.

Chlorine residuals in the system were acceptable. Daily chlorine check standards are performed and recorded. Tanks are inspected once every five years. System flushing is performed in the spring. Most meters are radio read. Additional chlorine sample: Mercer: DOW 2.4; WTP 3.01; On-Line- 1.96. Woodlake: DOW-3.8; WTP- 3.90; on-line- 3.81. Eastland: ; DOW 3.1; WTP 2.93.

V. Compliance Status - No violations observed

VI. Discharge/Emission Compliance

Comments: The facility holds KPDES permit #KY0093301.

VI. Compliance Status - Not Evaluated

VII. Monitoring/Analyses Evaluation

Comments: The facility performs the required monitoring and analysis. Samples are ran in house between the Kentucky American Water facilities, and the central American Water laboratory in Belleville, Illinois. The following records were observed in the laboratory: Standard Operating Procedures, Chain of Custodies and analytical informatioon; temperature logs, and calibration logs.

VII. Compliance Status - No violations observed

VIII. Environmental /Health Impact

Work Site Hazard Assessment : ☒ ATTACHED ☐ REVIEWED

Comments: No major concerns were noted at the time of the inspection.

VIII. Compliance Status – No violations observed

IX. Documentation

☒ **Samples taken by DEP**
☐ **Samples taken by outside source**
☒ **Instrument readings taken by DEP regional office**
☐ **Photographs obtained by DEP**
☐ **Copies of records obtained by DEP**
☐ **Other documentation**

Inspector: Deborah Singleton	**Title:** Environmental Inspector III	**Date:** 10/09/2025

Signature: E-Signed by Singleton, Deborah
VERIFY authenticity with e-Sign
Deborah E. Singleton

Overall Compliance Status
☒ **No violations observed**
☐ **No violations observed, but impending violation trends observed**
☐ **Out of Compliance- No action taken**
☐ **Out of Compliance LOW non-recurrent administrative or O & M**
☐ **Out of Compliance - NOV**

Comments:

Delivery Method: Regular Mail	Cert. Mail #:

Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
FRANKFORT REGIONAL OFFICE
300 SOWER BLVD
FRANKFORT, KY, 40601

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

October 15, 2025

Ms. Alicia Jacobs
KY American Water Co
2300 Richmond Rd
Lexington, Kentucky 40502

RE: KY American Water Co -- 1063
Permit No.: KY0340250
Fayette County, Kentucky
Activity ID: CIN20250003

Dear Ms. Jacobs:

Attached for your information and records is a copy of the drinking water compliance inspection performed at KY American Water Co on September 23, 2025.

Please review the enclosed inspection report.

If you have any questions or comments concerning this inspection, please contact the Frankfort Regional Office at: [redacted].

Sincerely,

Deborah E. Singleton

Deborah Singleton
Environmental Inspector
Signed by: Deborah Singleton
Frankfort Regional Office
Division of Water

DES
Enclosure:

KENTUCKY DEPARTMENT FOR ENVIRONMENTAL PROTECTION

DIVISION OF WATER

Drinking Water Sanitary Survey

Managerial and Financial Assessment of Surface Water & Ground Water Systems

PWS ID: KY0090287
Agency Interest Number: 296 CIN20250001
AI Name: KENTUCKY AMERICAN WATER- MILLERSBURG
County: BOURBON
Regional Office: FRANKFORT
Capacity Development Inspection Start Date: September 25, 2025 **End Date:** September 25, 2025

SYSTEM CONTACT INFORMATION			
Full Name: Alicia Jacobs		Title: Manager, Water Quality & Environmental Compliance	
Phone Number: 859-268-6317	FAX Number:	E-Mail Address: alicia.jacobs@amwater.com	
Mailing Address: 2300 RICHMOND RD Physical Address of Office: 2300 Richmond Rd	City: LEXINGTON	State: KY	Zip Code: 40502

DISTRIBUTION SYSTEM INFORMATION		
Distribution Contact Person: Jon "Wes" Felts	Title: Operations Supervisor	Phone Number: (859)-268-6317
Distribution Class: ID-Pop. < 1,500	System Service Connections (meters): 450	
System Population: 1,211	Method to determine population: Number of service connections multiplied by 2.69	
Meters Served Outside Your System: 7,155	Consecutive Systems Population Served Calculated: 19,247	

WATER PURCHASED, SOLD, & EMERGENCY CONNECTIONS

WATER PURCHASED FROM:			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract	
SYSTEM NAME	PWS ID #	AI #			Minimum	Maximum
Paris Water Works	300	300	1	5,639,418	Monthly	6,000,000

PWS ID Number: KY0090287 Agency Interest Number: 296

						Monthly
					Daily	200,000 Daily
Avg Total Water Purchased Daily: 185,521 gallons			Maximum Total Water Purchased Daily: 212,224 gallons			

WATER SOLD TO:			Number of Master Meters	Amount Monthly (average)	Amount Available by Contract	
SYSTEM NAME	PWS ID #	AI #			Minimum	Maximum
Harrison Co Water Association	KY0490179	33915	1	3,147,840	Monthly	1,200,000 Monthly
Nicholas Co Water District	KY0910314	34050	1	112,967	Monthly	1,500,000 Monthly

COMMENTS: Agreement with Paris was made to exceed maximum contracted purchase amounts because KAW-M will complete a consolidation in the near future. System exceeded 85% of maximum amount of water purchasable from Paris 9 of 12 months between August 2024 and July 2025. System exceeded 85% of maximum amount of water sellable to Harrison Co 11 out of 12 months duing the same 12-month period, peaking at 576%. Since the 2022 survey, average daily purchases from Paris Water Works decreased from 189,410 gpd to 185,521 gpd; average monthly purchases decreased from 5,738,446 gal to 5,639,390 gal. Consider reviewing the Harrison Co Water Association's and Paris Water Work's contracts if consolidation does not go through.

I. OPERATOR COMPLIANCE

Do the operators perform maintenance as well as distribution operations?	No
Do you have contingency plans for replacing retiring system personnel?	Yes
Who provides training/technical assistance for license renewal?	• DOW • KRWA • KWWOA
What type of training is typically obtained?	• REGULATIONS • SAFETY • WATER QUALITY
Does the system pay for registration, lodging and meals?	Yes
Does the system allow operators to attend training on company time?	Yes

Distribution System (1 shifts)

PWS ID Number: KY0090287 Agency Interest Number: 296

Shift 1	8 hours	2 operators
How are weekends covered? On-call	How are holidays covered? On-call	

OPERATOR CERTIFICATION			
LICENSEE NAME	LICENSEE AI #	TREATMENT LICENSE ID / TYPE	DISTRIBUTION LICENSE ID / TYPE
Jon W Felts	103831	/	18681 / DW Distribution IV
Is the system staffed with appropriately certified operators? (Verify certification with DCA.)			**Yes**
COMMENTS: Union contract determines staffing within KY American Water, with John Felts as permanent operator. Additional operators rotate between different entities.			

II. MONITORING, REPORTING & DATA VERIFICATION

PART A *(Complete for all water systems.)*		
REPORTING ITEM – Information gathered from DWW	RETENTION TIME	
Bacteriological – 2 per month (See DWW)	5 Years	Yes
Chlorine/Chloramines – Free chlorine monthly with BACTs, daily for MORs, residual chlorine monthly	10 Years	Yes
C-T Profiling Data	See if doing/min 1 year	
Individual Filter Turbidity Data (Other than MOR)	3 Years	
MORs – Monthly (Turbidity Analysis)	1 Year	Yes
Lead & Copper – 10 every 3 years (June to September)	12 Years	Yes
Nitrate – Annually	10 Years	
Nitrite – 1 sample in the 1st 3 years of the 9 year compliance cycle	10 Years	
Secondary/Corrosivity – Annually	10 Years	
Sodium – annually; can be with SECs	10 Years	
IOCs (Inorganic Chemicals) – Annually	10 Years	
SOCs (Synthetic Organic Compounds) – >3300, 2 quarterly samples in 12 consecutive months in 3 years.	10 Years	
VOCs (Volatile Organic Chemicals) – Annually	10 Years	
TOCs (Total Organic Carbon) – Monthly, Raw TOC/Alkalinity & CFE TOC	10 Years	
TTHM & HAA5 2 per Quarter (see DWW)	10 Years	Yes
Asbestos – 1 sample in the 1st 3 years of the 9 year compliance cycle (SOC) *Check for Waiver (only purchasers can have waiver)*	Begin 2011/2013	NA
RADs (Radionuclides) – Every 6 years	See if conducting	
LT2 Cryptosporidium and E.coli Plan – 3 years after bin classification (see rule - first one is April 2009)	3 Years	
LT2 Source Water Monitoring Avoidance	3 Years	
LT2 Toolbox Treatment Monitoring Results	3 Years	

PWS ID Number: KY0090287 Agency Interest Number: 296

Stage 2 IDSE Sampling Plan or 40/30 Certification	10 years	NA
Stage 2 IDSE Report	10 years	NA
Bromate (Only used on systems treating with Ozone)	10 Years	
Chlorine Dioxide	10 Years	
Chlorite (Only used on systems treating with Chlorine Dioxide)	10 Years	
Dioxin – w/SOCs if required *Check for Waiver*	10 Years	
Data Summaries (if actual data not retained)	12 Years	NA
NOVs (Notices of Violation)	10 Years	Yes
Sanitary Surveys (every 3 years)	10 Years	Yes
CCR (Consumer Confidence Report) – Annually by July 1 (by April 1 to consecutive systems)	Current one on file	Yes
Does the system maintain a current sampling plan for BacTs? **Does the system maintain a current sampling plan for LCR?** **Does the system maintain a current sampling plan for DBPs?**	Updated: Updated: Updated:	Yes Yes Yes
Does the system have an up-to-date map of distribution assets? (Map shall show a minimum of all line sizes, cutoff valves, fire hydrants, flush hydrants, tanks, booster pumps, chlorination stations, connections to emergency or alternative sources, wholesale customer master meters, & the type of piping material in the distribution system and its location.)	Updated:	Yes

Does the system maintain compliance records as required? (answer for both Parts A & B)	Yes
COMMENTS: System has asbestos waiver. Both chlorine and chloramine are used as disinfectants depending on time of year.	

III. MANAGEMENT & OPERATIONS

What professional organizations does the water system belong to? KRWA; AWWA; KWWOA; NAWC; Chamber of Commerce; WEF	
Is the system subject to Public Service Commission regulations?	Yes
Does the system attend Water Management Council meetings of the Area Development District?	Yes
Does the system have a governing entity? What is the name of the system's ? Rob Burton What is his or her mailing address? 2300 Richmond Rd How often does the governing body meet? Quarterly Do operators attend these meetings?	Yes No
Is the governing entity provided with documented information regarding technical, managerial, and financial operations of the water system? (Inspect)	Yes
Is the governing entity familiar with water treatment/distribution?	Yes
Does the system offer continuing education opportunities for members of the governing entity?	Yes
Does the governing entity visit the water plant?	

PWS ID Number: KY0090287 Agency Interest Number: 296

How often?	
Does the system have regular staff meetings? How often? Weekly Who is involved? By Department (Employees)	Yes
Does the system have a documented strategic plan (mission statement, goals and objectives)? (Inspect)	Yes
Does the system have a defined organizational structure?	Yes
Does the system have a documented description of each job classification with minimum position qualifications? (Inspect)	Yes
Does the system have documented policies and procedures governing human resource management (such as an employee handbook)?	Yes
Does the system periodically review its insurance coverage is in place for liability, property, automobiles, directors, and officers?	Yes
Does the system have a documented policy for delegation of authority such as signing agreements, contracts, resolutions, easements, etc.?	Yes
Does the system have a documented procurement policy for purchasing supplies?	Yes
Does the system have professional services available under a current contract, retainer, or other similar arrangement for engineering, accounting, and legal counsel?	Yes
Does the system have an asset management program?	Yes
Does the system have a documented preventive maintenance program?	Yes
Does the system have a capital improvement plan? (Inspect) How many years does the plan cover? 5	Yes
Does the system have a documented policy governing water main extensions? (Inspect)	**Yes**
Are chemicals inventoried? Inventory System (Employee)	Yes
Are distribution materials inventoried? Inventory System (Employee); Work Order System	Yes
Is there a bid process for chemicals, pipe, or large item purchases?	Yes
Does the system have rules and regulations governing the provision of service? (Inspect)	Yes
Does the system make available in a public place the rules, rates, and regulations? (Inspect)	Yes
Does the system provide 24-hour service response for customers?	Yes
Does the system notify customers prior to performing scheduled maintenance?	Yes
Does the system log customer complaints and track resolution?	Yes
Does the system provide any educational activities to the public? Who is responsible for providing this? External Affairs Staff What types of educational activities are done? Bill Inserts; In-School Activities; Water-Wise Academy; Grants for Environmental Projects (i.e. rainbarrels); educational grants; equipment grants	Yes
Does the system have sufficient O & M manuals? (Inspect) (O & M manuals shall include: a detailed design of the plant, daily operating procedures, a schedule of testing requirements designating who is responsible for the tests, and safety procedures for operation of the facility – including storage and inventory requirements for materials and supplies.) How are the operators made aware of O & M procedures? Field SOPs; OTJ; Available for Reference; Safety Stand-downs	Yes

PWS ID Number: KY0090287 Agency Interest Number: 296

Has the system received any NOVs for MCLs in the last 3 years? If yes, answer the following:	No
Does the system maintain a log of all breaks or ruptures per 401 KAR 8:150, Section 4? (Inspect)	Yes
Is the system operating at or above 85% of water available through purchase contracts?	Yes
What is the percentage? 94 %	
If system's average daily demand exceeds 85% of available water through purchase contracts, does system have a plan for obtaining additional water, including cost and timeframes to address the needed additional water?	Yes
If applicable, describe plan for obtaining additional water: System is undergoing a consolidation.	

COMMENTS: O&M Manual components are available in various locations. Amount of water purchased decreased from 96% to 94% of maximum contracted amount since the 2022 survey. Capital Improvement Plan is a rolling 5-year plan; consider increasing outlook to 5-20 years.

IV. FINANCIAL

Does the system prepare an annual operating budget? (Provide summary) **Does the system prepare an annual capital budget?** (Inspect) Who prepares the budget? Do the operators have input into the budget? Are training and license funds built into the budget? **Does the governing entity review and approve the budget?**
Does the system prepare regular monthly reports to show variances between budgeted and actual revenue and expenses? (Inspect)
Does the system maintain its financial records utilizing the Kentucky Uniform System of Accounting or a comparable system? (Inspect)
Are financial statements audited by a CPA as required? (Inspect) (Water districts, special districts – i.e. regional water commissions and cities have specific requirements.)
Does the system employ a method for depreciation of system assets?
Is the system operating at a retained earnings surplus? (Retained earnings is the net income that is available at the end of the year and available for transfer.)
Is the current debt-to-equity ratio below 1.0? (The debt-to equity ratio for any given year is computed by dividing total liabilities by total equity.)
Does the water system meet a debt coverage ratio needed for bond ordinances, loan agreements, and bond requirements? A typical value is 1.2. (Debt coverage ratio is computed by dividing cash available for debt service (net income with annual interest, depreciation, amortization, and other non-cash items added back) by debt service requirements for the year.)
Does the water system revenue go to meet other expenses (i.e. electric, sewer or garbage)?
Is there a documented policy for delinquent accounts?
For accounts payable, has the system kept payments less than 45 days past due over the last 12

PWS ID Number: KY0090287 Agency Interest Number: 296

months?
Does the system write-off bad debt annually?
Where does the system typically go for financial assistance? Does the system have any long-term debts? **Is the system current on all debt service payments (if applicable)?** **Is the system meeting reserve account requirements (if applicable)?**
Is there an approved* rate structure in place? (Provide copy of rate sheet.) (*Approved by governing entity/PSC as applicable.) What are the dates of the system's last 2 non-pass-through rate increases? What are the dates of the system's last 2 non-pass-through rate increases? **Does the system perform a review annually to determine if the rates fully cover the expenses?** Are long-term needs built into rate increases? Do rates promote conservation in time of drought?

COST OF WATER PRODUCED, PURCHASED AND SOLD

Purchasers	What is the highest wholesale price you pay per 1,000 gallons of water?	$
	What is the lowest wholesale price you pay per 1,000 gallons of water?	$
Sellers	What is your highest wholesale price which you charge per 1,000 gallons of water?	$
	What is your lowest wholesale price which you charge per 1,000 gallons of water?	$ | format:"#0.00"

WATER LOSS

Does the system track water loss on a monthly basis?	
Report water loss for the past year as a percentage of total water produced/purchased in gallons and as a dollar value (use $1.50 as an example if cost to produce water is unknown).	% gallons $

COMMENTS:

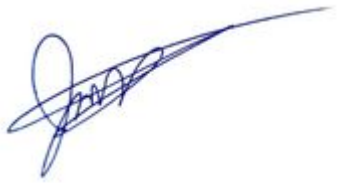
V. SECURITY

Does the system have a documented safety policy?	Yes
Does the system provide regular safety training to its employees?	Yes
Is the utility a member of the Local Emergency Planning Committee?	Yes
Does the system have an updated Emergency Response Plan that is reviewed annually? (Inspect)	Yes
Does the emergency response plan include a plan for responding to water shortages and loss of service?	Yes
Is the Emergency Response Plan exercised?	Yes
How is the Emergency Response Plan communicated to all employees? Available Online; Onsite	

PWS ID Number: KY0090287 Agency Interest Number: 296

Are there safeguards on water plant operations when operators may be doing work outside on the plant grounds?	
Does the plant ever disable the telemetry/SCADA system and run on manual?	No
Has the system developed procedures for securing computer/SCADA usage?	Yes
Are backup copies of O & M manuals maintained in a location other than the water plant?	Yes
Is the purchased water source equipped with emergency standby power generation or is there a secondary source of power? (e.g. contracts in place with suppliers for emergency generators or dual electrical feed)	No
Are backup emergency generators exercised regularly?	NA
Is other backup equipment exercised regularly?	NA
Have arrangements been made with outside contractors, other utilities, etc. to provide needed emergency equipment?	Yes
COMMENTS: Parent entity manages emergency backup equipment.	

DOCUMENTATION
• Copies of records obtained by DEP

OVERALL COMPLIANCE STATUS	
No Violations Observed -- Advisory Action Taken (impending trends)	
	Date: October 7, 2022
CDPM: John Berlejung	Title: Environmental Scientist

Drinking Water Sanitary Survey

TECHNICAL INSPECTION OF SURFACE WATER
DISTRIBUTION-ONLY SYSTEM OPERATIONS

PWS ID: KY0090287
Agency Interest Number: 296; %%activity_id%%
AI Name: Kentucky American Water - Millersburg
County: Bourbon
Office Latitude: 38.297222 **Office Longitude:** -84.145556
CTAB Inspection Date(s): : 09/24/2025

I. SOURCE

Does the system perform water quality monitoring in accordance with the approved DOW schedule for this facility?	Yes ☒	No ☐
Are there any unaddressed process factors that limit the purchased water contracted amount in the last 10 years?	Yes ☐	No ☒
Is the system(s) you purchase from drought-vulnerable?	Yes ☒	No ☐
Describe any water quality monitoring done on the water at the master meter: _____ List any chemicals fed at the master meters: _____		
If multiple sources are available, is the one in use considered to be the best in terms of water quality?	Yes ☒	No ☐
Is purchased water flow measured? When was the meter last calibrated? Meters are calibated annually	Yes ☒	No ☐
COMMENTS: KYAM personnel monitor water usage as required.		

II. TREATMENT

GAS CHLORINE SAFETY N/A		
Is the chlorine room enclosed and separate from other operating areas?	Yes ☐	No ☐
Is there a working exhaust fan in the chlorine room?	Yes ☐	No ☐
Does it provide one complete air change per minute?	Yes ☐	No ☐
Does it exhaust from floor level?	Yes ☐	No ☐
Is intake air near the ceiling?	Yes ☐	No ☐
Is there an external audible and visual alarm?	Yes ☐	No ☐
Are switches located outside the chlorine room?	Yes ☐	No ☐
Are chlorine tanks secured?	Yes ☐	No ☐
Are the scales operational?	Yes ☐	No ☐
Is automatic switchover of chlorine cylinders provided?	Yes ☐	No ☐
Is there a shatterproof viewing window in chlorine room?	Yes ☐	No ☐
Is there a crash bar on the door of the chlorine room?	Yes ☐	No ☐
Does the door open out and to the exterior of the building?	Yes ☐	No ☐
Is there a SCBA unit meeting NIOSH standards outside the chlorine room?	Yes ☐	No ☐
Are personnel trained to use the SCBA?	Yes ☐	No ☐

Is the "buddy system" practiced when changing or moving chlorine cylinders?	Yes ☐	No ☐
Is leak detection provided?	Yes ☐	No ☐
Is ammonia available for chlorine leak detection?	Yes ☐	No ☐
Is there a chlorine tank repair kit?	Yes ☐	No ☐
Are personnel trained and certified to use the kits?	Yes ☐	No ☐
COMMENTS:		

III. DISTRIBUTION SYSTEM

DISTRIBUTION SYSTEM		
Does the system have standard specifications for design and construction of the distribution system?	Yes ☒	No ☐
Does the system prohibit new connections where pressure on the discharge side of the meter will be <30 psi?	Yes ☒	No ☐
Is the system able to meet minimum pressure requirements of DOW and/or other regulating authority?	Yes ☒	No ☐
Does the system have a documented leak detection program?	Yes ☒	No ☐
Does the distribution system have a sufficient number of valves to isolate portions of the system (for leak detection, maintenance, etc.)?	Yes ☒	No ☐
If there are separate distribution system areas, are they interconnected with each other?	Yes ☐	No ☒
If they are not interconnected, how many separate areas are there? _____		
What prevents these systems from being interconnected? _____		
How many pressure zones are there? 1		
What is the range of distribution pressures? _____		
Do any distribution areas require reduced pressure valves?	Yes ☐	No ☒
What piping materials are included in the distribution system? PVC		
Does the system have a program for flushing water mains?	Yes ☒	No ☐
Describe the process for sterilizing new mains/main breaks: sterlilize with 50 PPM chlorine hold for 24 hoursand 25 ppm for additional 24 hours. Breaks are repaired, flushed, chlorinated and BACTs collected analyzed.		
What types of on-line instrumentation are located at booster or pump stations and tanks? Chlorine/pressure		
Does the system have a documented program for exercising distribution system valves?	Yes ☒	No ☐
Does the system have a documented program for regular testing of water meters including master meter and customer?	Yes ☒	No ☐
Is there a water meter replacement program?	Yes ☒	No ☐
Are there main break/emergency notification procedures?	Yes ☒	No ☐
Does the system have a documented procedure for issuing a boil water advisory and a consumer advisory? The procedure shall identify when (how soon after the occurrence) and how the system shall notify the affected health department, to whom that notification shall be made both during and after normal business hours, and procedures for issuing the advisory to the public. The public notification shall include instructions for the public (including how to properly boil water) and an explanation of steps being taken to correct the problem.	Yes ☒	No ☐
Describe how the decision is made to issue a Boil Water Advisory: Issued if break, leak or if suspected contamination occurs. If pressure of less than 20 psi is detected.		
Does the system have a cross-connection control program?	Yes ☒	No ☐
If yes, is the cross-connection control program documented in writing?	Yes ☒	No ☐
If the cross-connection control program is not documented in writing, describe the process for finding and eliminating cross connections: _____		
Does a certified tester test the backflow prevention devices on a regular basis?	Yes ☒	No ☐
Has a calibrated hydraulic model been developed for the system?	Yes ☒	No ☐

COMMENTS: No issues at the time of inspection. No recommendations.

DISTRIBUTION STORAGE FACILITIES

Inspected

LOCATION			VOLUME (gallons)	TANK TYPE	OVERFLOW		LAST CLEANED/ INSPECTED	TELEMETRY	% TURNOVER (Per Day)
ROAD/AREA	LATITUDE	LONGITUDE			SCREEN/ FLAPPER	>10' FROM TANK			
Millersburg Tank	38.294556	-84.152249	125,000	Elevated	YES	YES	2017	YES	100

Are all storage tanks professionally inspected at least every 5 years (including interior, coating systems, & piping)? Yes ☒ No ☐

How often are tanks inspected and cleaned? INSPECTED: 5 yrs CLEANED: As needed

Are all storage tanks and water plants equipped with hatches, covers, screens, vandal guards and locks and all tank sites fenced for security? Yes ☒ No ☐

Are all hatches, screens, and overflows on the storage tanks checked at least monthly? Yes ☒ No ☐

Is there corrosion protection in the tanks? Yes ☐ No ☒

COMMENTS: Scada system trasnmits information to KYAM central location.

DISTRIBUTION BOOSTER PUMPS AND/OR BOOSTER DISINFECTION FACILITIES

Inspected

LOCATION			PUMP or DISINFECTION	NUMBER & CAPACITY OF PUMPS (gpm)	DISINFECTION TYPE	AUXILIARY POWER
ROAD/AREA	LATITUDE	LONGITUDE				
US 68	38.295084	-84.51855	Disinfection	@	Chlorine Liquid	No
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		
				@		

COMMENTS: Booster station and its components were observed to be well-maintained at the time of the inspection.

DISTRIBUTION SAMPLING (a minimum of N, S, E, W)					
SITE	CHLORINE		pH	TURBIDITY	OTHER
	FREE	TOTAL			
North	1.46	1.71			
South	1.82	2.14			
East	2.19	2.20			
West	1.47	1.49			

Is the system maintaining the required chlorine (0.2 mg/l) / chloramine (0.5 mg/l) residuals in the distribution system? Yes ☒ No ☐

COMMENTS: Millersburg system generally has no past issues with maintaining the required disinfectant levels

MAINTENANCE		
Is office housekeeping adequate?	Yes ☒	No ☐
Is distribution storage housekeeping adequate?	Yes ☒	No ☐
Are adequate supplies of spare parts kept on hand?	Yes ☒	No ☐
Are needed tools available?	Yes ☒	No ☐
If not, is preventive maintenance performed?	Yes ☐	No ☐
Is a lock-out/tag-out system used for electrical repairs?	Yes ☒	No ☐
What is the general condition of operating equipment? Good	Yes ☐	No ☐

COMMENTS: KYAM personnel did not indicate any issues with maintaining necessary supplies.

DOCUMENTATION (✓ all that apply)	
☐ Samples taken by DEP	☐ Photographs obtained by DEP
☐ Samples taken by outside source	☐ Copies of records obtained by DEP
☒ Instrument readings taken by DEP	☐ Other documentation

OVERALL TECHNICAL COMPLIANCE STATUS
☒ No Violations Observed
☐ No Violations Observed - Advisory Action Taken (Impending trends)
☐ Out of Compliance – Verbal notice given (Non-recurrent deficiency noted or violation corrected at time of inspection.)

INSPECTOR: Jarod Jones	TITLE: Environmental Inspector	DATE: 09/24/2025

Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
300 Sower Boulevard
Frankfort, Kentucky 40601
Phone: (502) 564-2150
Fax: 502-564-4245

Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

ALICIA JACOBS
KENTUCKY AMERICAN WATER - EASTERN ROCKCASTLE
2300 RICHMOND RD
LEXINGTON, KY 40502
AI: 34097 PWSID: KY1020288

RE: Drinking Water Sanitary Survey November 3, 2025

Dear ALICIA JACOBS:

The Division of Water conducted a Drinking Water Sanitary Survey (attached) of KENTUCKY AMERICAN WATER - EASTERN ROCKCASTLE on August 18 and 27, 2025. A Capacity Development assessment was done as part of the survey.

KENTUCKY AMERICAN WATER - EASTERN ROCKCASTLE is to be commended as they did not have any deficiencies at this time.

The Division recommends the following:

- Continuing to address water loss.

Assistance with the "Managerial and Financial Assessment" section of the sanitary survey for KENTUCKY AMERICAN WATER - EASTERN ROCKCASTLE can be obtained by contacting Ryan Reed at [redacted] or [redacted]

If you have any questions regarding the "Technical Inspection" portion, contact Beth Trent at [redacted] or [redacted]

Sincerely,

Matt Lipps
Technical Assistant Section
Drinking Water Branch
Division of Water

Andy Beshear
GOVERNOR

ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
300 Sower Boulevard
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Rebecca W. Goodman
SECRETARY

Anthony R. Hatton
COMMISSIONER

ALICIA JACOBS
KENTUCKY AMERICAN WATER- MILLERSBURG
2300 RICHMOND RD
LEXINGTON, KY 40502
AI: 296 PWSID: KY0090287

RE: Drinking Water Sanitary Survey November 25, 2025

Dear Alicia Jacobs:

The Division of Water conducted a Drinking Water Sanitary Survey (attached) of KENTUCKY AMERICAN WATER- MILLERSBURG on September . A Capacity Development assessment was done as part of the survey.

KENTUCKY AMERICAN WATER- MILLERSBURG is to be commended as they did not have any deficiencies at this time.

The Division recommends the following:

- Consider increasing the Capital Improvement Plan's outlook to 5-20 years.

Assistance with the "Managerial and Financial Assessment" section of the sanitary survey for KENTUCKY AMERICAN WATER- MILLERSBURG can be obtained by contacting John Berlejung at [redacted] or [redacted]

If you have any questions regarding the "Technical Inspection" portion, contact Jarod Jones at [redacted] or [redacted].

Sincerely,

Gabriel Tanner
Technical Assistant Section
Drinking Water Branch
Division of Water

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Mustich

49. Refer to the Direct Testimony of Robert V. Mustich ("Mustich Testimony") generally.
    a. Provide a copy of all formal wage and benefit studies conducted by or on behalf of Kentucky American.
    b. Provide copies of all formal wage and benefit studies conducted by or on behalf of Kentucky American that compares wage and benefit information to the local wage and benefit information for the geographic area in which Kentucky American operates, and not only to other utilities, per prior Commission precedent.[20] If no such wage and benefit study has been conducted, explain why not.

Response:

a. Attachment RVM-1 (Confidential), attached to my Direct Testimony, is the total remuneration market study—covering both compensation and benefits—conducted by WTW for Kentucky American.
b. This study offers a regional market perspective encompassing Kentucky and neighboring states. It includes data from both the utility sector and the broader market, resulting in an extensive and relevant dataset. This broader scope enables the study to capture the majority of Kentucky American's positions, workforce, and the competitive market for talent. All components of total remuneration are addressed, including base salary, annual performance compensation, long-term performance compensation, and benefits. Also see the response to AG 1-11.

[20] Case No. 2020-00160, *Electronic Application of Water Service Corporation of Kentucky for a General Adjustment in Existing Rates* (Ky. PSC Dec. 8, 2020) Order, page 10.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

50. Refer to the Direct Testimony of Robert Prendergast ("Prendergast Testimony"), pages 4 – 5.

a. Provide a copy of all union labor agreements.
b. Provide the number of union employees at Kentucky American versus non-union employees.
c. Provide the estimated percentage increase/raise for union employees in the forecasted test period wages.
d. Confirm that the estimated increase for non-union employees in the forecasted test period wages is 3.89%. If not confirmed, explain why not.
e. Explain whether Kentucky American awards the same raise to non-union employees that the union employees receive. If not, explain how Kentucky American negotiates with the union versus non-union employees on wage/benefit increases.
f. Explain what employees are eligible to join a union at Kentucky American.

Response:

a. Please see the Company's response to KAW_R_PSCDR1_NUM035_052926, KAW_R_PSCDR1_NUM035_052926_Attachment_CONFIDENTIAL.
b. The forecasted test year includes 87 union employees and 119 non-union employees.
c. The estimated increase for Union employees is 3%, which is based on the actual increases negotiated.
d. Confirmed.
e. Please refer to the Company's response to KAW_R_AGDR1_NUM012_062626.
f. Employees represented by the bargaining unit who are in a union position are eligible to join a union at the Company.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

51. Refer to the Prendergast Testimony, pages 12 – 13.
    a. Explain in detail which Kentucky American employees are eligible for the 401(k)-retirement program versus the Defined Contribution Plan retirement program versus the pension program. Compare and contrast each retirement program.
    b. Explain in detail whether expense associated with Kentucky American contributing to two retirement accounts per employee are in the pending revenue requirement request. If so, provide said amount.
    c. Confirm that the Commission denied Kentucky American's request in Case No. 2025-00122 to include amounts associated with contributions to employee 401(k) retirement who also were eligible for the defined benefit pension program and had not had their benefit frozen.[21]
    d. Provide the number of Kentucky American employees that participate in the Employee Stock Purchase Plan ("ESPP").
    e. Confirm that the Commission denied the expense associated with Kentucky American's ESPP to be recovered in the prior two rate cases because it is unreasonable to recover this expense from ratepayers as they receive no benefit from the program.[22] If not confirmed, explain in detail why not.

Response:

a. All KAWC employees are eligible for the 401(k) program. Non-union employees hired prior to January 1, 2006 are eligible for the defined benefit pension plan, whereas non-union employees hired on or after January 1, 2006 are eligible for the Defined Contribution Plan (DCP). Union employees hired prior to January 1, 2001 are eligible for the defined benefit pension plan, whereas union employees hired on or after January 1, 2006 are eligible for the DCP. Union employees hired between January 1, 2001 and December 31, 2005 had their pension benefit frozen and were moved to the DCP as of January 1, 2006. The Company does not maintain the information related to a comparison between the plans and it would take extensive efforts to develop a chart or document comparing the plans.

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[21] *See* Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order, page 25.
[22] *Id*., Order, page 28; Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 23.

b. KAWC offers 10 tenured employees both a 401(k) match and defined benefit pension plan. The Company cost of the 401(k) match included in the revenue requirement is $13,426.
c. The Commission denied Kentucky American's request in Case No. 2025-00122 to include amounts associated with contributions to employee 401(k) retirement who also were eligible for the defined benefit pension program and had not had their benefit frozen.
d. Fifty-one (51) KAWC employees are currently participating in the ESPP program and the Company's associated expense is included in the revenue requirement of this proceeding.
e. The Commission denied the expense associated with Kentucky American's ESPP to be recovered in the prior two rate cases. However, Kentucky American believes that ESPP is a valuable benefit to KAWC employees that gives employees a stake in American Water and by extension KAWC, giving our employees a further vested interest in KAWC's success.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

52. Refer to the Prendergast Testimony, page 27.
    a. Confirm that the Commission denied the Company's request to amortize rate case expense over two years in Case Nos. 2025-00122 and 2023-00191, and instead amortized the rate case expense over three years.[23] If not confirmed, explain in detail why not.
    b. Explain why the Company is requesting to amortize rate case expense over two years instead of three years as based on Commission precedent.
    c. Provide the total rate case expense that has been accrued thus far in the pending case. Consider this a continuing request.
    d. Provide a breakdown of the total rate case expense that has been accrued thus far by category. Consider this a continuing request.
    e. Provide copies of invoices supporting the level of incurred rate case costs to date and supply such new invoices as they become available. Consider this a continuing request.
    f. Provide the estimated total rate case expense.
    g. Provide a breakdown of the estimated total rate case expense.

Response:

    a. Confirmed.
    b. The Company proposed a two-year rate cast amortization period to align better with the recent frequency of filings.
    c. Please see attachment KAW_R_AGDR1_NUM052_062626_Attachment1.
    d. Please see attachment KAW_R_AGDR1_NUM052_062626_Attachment2.
    e. Please see attachment KAW_R_AGDR1_NUM052_062626_Attachment3.
    f. Please see attachment KAW_R_AGDR1_NUM052_062626_Attachment1.
    g. Please see attachment KAW_R_AGDR1_NUM052_062626_Attachment1.

[23] Case No. 2025-00122, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC Dec. 16, 2025), Order, page 28; Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 23.

Workpaper #: **W/P - 3-6** KAW_R_PSCDR1_NUM052_062626_Attachment1
Excel Reference:

Kentucky American Water Company
Case No. 2026-00094
Base Year (12 Months Ending August 31, 2026)
Forecast Year (12 Months Ending December 31, 2027)
Regulatory Expense

Witness Responsible: John Watkins
Type of Filing: __X__ Original ____ Updated ____ Revised

INVOICE SUMMARY

Category	Services	Rate Case Estimate	Invoice Amount	Difference from Rate Case
Consultant	Rate of Return	120,000.00	17,962.50	(102,037.50)
Legal	Legal	700,000.00	139,442.80	(560,557.20)
Consultant	Compensation Study	140,000.00	82,661.25	(57,338.75)
Consultant	Support Services Study	135,000.00	28,483.75	(106,516.25)
Other Expenses	Customer Notice	52,000.00	-	(52,000.00)
Other Expenses	Miscellaneous	50,000.00	-	(50,000.00)
	Total	**1,197,000.00**	**268,550.30**	**(928,449.70)**
		-	-	

Line No.	Description

Line No.	Service	Consultant	2026 Rate Case Expense Estimate
1			
2	Rate of Return	Brattle Group	120,000
3			
4			
5	Legal	SKO	700,000
6			
7	Compensation Study	Willis Towers Watson	140,000
8			
9			
10	Support Services Study	Concentric	135,000
11			
12			
13			
14	Customer Notice		52,000
15			
16			
17	Miscellaneous		50,000
18			
19	Total Rate Case Expense (Prior to Amortization)		$1,197,000
20		**Amortization Months**	
21	Annual Rate Case Expense Amortiz	24	$598,500

INVOICES

Invoice	Consultant/Legal Services	Supplier	Invoice Date	Invoice Number	Amount	Invoice Amount (if different than G/L posting)	Invoice Identified in G/L 18620000	Description
Y	Rate of Return	Brattle Group	4/29/2026	100087203	17,272.50		Yes	Professional Services Rendered Through March 31, 2026
Y	Rate of Return	Brattle Group	5/25/2026	100087488	690.00		Yes	Professional Services Rendered Through April 30, 2026
	Legal	Stoll Keenon Ogden PLLC	2/5/2026	1101066	7,797.12		Yes	n/a
	Legal	Stoll Keenon Ogden PLLC	3/9/2026	1104198	4,014.81		Yes	
	Legal	Stoll Keenon Ogden PLLC	4/6/2026	1106196	13,863.51		Yes	
	Legal	Stoll Keenon Ogden PLLC	5/7/2026	1109187	40,779.57		Yes	
	Legal	Stoll Keenon Ogden PLLC	6/9/2026	1112130	72,987.79		Yes	
Y	Compensation Study	Wilis Towers Watson	3/18/2026	150141719438	13,378.75		Yes	Kentucky American Water Rate Case Support
Y	Compensation Study	Wilis Towers Watson	4/17/2026	150141729206	69,282.50		Yes	Kentucky American Water Rate Case Support
Y	Support Services Study	Concentric	4/9/2026	21465	28,483.75		Yes	
	Customer Notice							

KAW_R_AGDR1_NUM052_062626_Attachment2

Category	Date of Transaction	Document Reference	Vendor	Hours Worked	Rate per	Amount	Description of Services Provided	Account Number
Rate of Return	4/29/2026	100087203	Brattle Group			$17,272.50	Professional Services Rendered Through 3/31/2026	18620000
				2.50	$700.00		Principals rate of return consulting	
				12.50	675.00		Principals rate of return consulting	
				10.50	570.00		Associates rate of return consulting	
				2.75	400.00		Research analysts rate of return consulting	
Rate of Return	5/26/2026	100087488	Brattle Group			690.00	Professional Services Rendered Through 4/30/2026	18620000
				1.00	690.00		Principals rate of return consulting	
Legal	2/5/2026	1101066	SKO			7,797.12		
				3.00	445.00		Legal Consulting for rate case	18620000
				13.30	530.00		Legal Consulting for rate case	
					-586.88		discount	
Legal	3/9/2026	1104198	SKO			4,014.81		18620000
				2.30	490.00		Legal Consulting for rate case	
				5.50	580.00		Legal Consulting for rate case	
					(302.19)		discount	
Legal	4/6/2026	1106196	SKO			13,863.51		18620000
				2.90	490.00		Legal Consulting for rate case	
				23.00	580.00		Legal Consulting for rate case	
				0.40	365.00		Paralegal	
					(1,043.49)		discount	
Legal	5/7/2026	1109187	SKO			40,779.57		18620000
				26.50	490.00		Legal Consulting for rate case	
				51.10	580.00		Legal Consulting for rate case	
				3.20	365.00		Paralegal	
				0.40	145.00		Paralegal	
					(3,069.43)		discount	
Legal	6/9/2026	1112130	SKO			72,987.79		18620000
				55.40	490.00		Principals rate of return consulting	
				55.50	580.00		Principals rate of return consulting	
				8.60	380.00		Associates rate of return consulting	
				43.50	365.00		Paralegal	
					(5,493.71)		discount	
Compensation Study	3/13/2026	150141719438	WTW			13,378.75	Kentucky American Water Rate Case Support	18620000
							review of data, benchmark job selection	
Compensation Study	4/14/2026	150141729206	WTW			69,282.50	Kentucky American Water Rate Case Support	18620000
							Compensation reivew	
							Competitve market assessment, benchmarking compensation	
							Benefits Review	
							Draft and review of testimony	
Support Services Study	4/9/2026	21465	Concentric			28,483.75	Professional Services from 3/1/2026 to 3/31/2026	18620000
				14.00	690.00			
				43.50	495.00			
				4.25	385.00			
					(4,345.00)			
						$268,550.30		

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Privileged & Confidential
Prepared in Anticipation of Litigation for Kentucky American Water's 2026 General Rate Case

February 11, 2026

Ms. Nikole Bowen
Senior Director, Regulatory Services
American Water
727 Craig Road
St Louis, MO 63141

RE: WTW'S UTILITY RATE CASE SUPPORT

Dear Nikole:

We understand that Kentucky American Water is interested in engaging WTW to conduct a competitive review of compensation and benefits levels and practices, to be used by Kentucky American Water for rate case support. This engagement also includes providing expert witness testimony, as requested based on the results of the competitive assessment.

WTW will review the following plans, programs and processes:

- Compensation philosophy and short-term and long-term performance pay plan design
  - We will use American Water's proxy-disclosed peer group and select peer organizations for Kentucky American Water to report the competitiveness of Kentucky American Water's compensation philosophy and short-term and long-term performance pay plan design with similarly-sized Regional and National utilities
- Competitive market positioning (base, target short-term performance pay, target long-term performance pay, and benefits) using
  - National market perspective – consisting of the entire population of WTW's Energy Services and General Industry databases, representing a U.S. national perspective
  - Geographic/Regional market perspective – consisting of a special cut of WTW's Energy Services and General Industry databases, representing a regional-specific perspective of organizations in the markets in which Kentucky American Water competes for talent
  - Evaluation of relative plan values for pension and welfare benefits (defined benefit, defined contribution, medical, dental, life insurance, LTD, STD, holiday and vacation). American Water's values will be compared to the average values for two normative groups – Energy and General Industries

Robert V. Mustich
Managing Director, Work & Rewards

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Arlington, VA 22203

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W wtwco.com

Willis Towers Watson US LLC

  - This analysis will address how the market value for each job classification is determined and provide comparisons that show how the total compensation for various job classifications compare to the market-determined total compensation

Our Approach

Step 1: Planning and Methodology

WTW and Kentucky American Water will conduct a call to finalize the project plan, roles, responsibilities, and resources that are needed to conduct this study. We will review, discuss, and determine the following:

- Confirm peer selection criteria and screens (acceptable parameters for choosing peers), both for the compensation study and short- and long-term performance pay plan review
- Confirm selected benchmark positions

As a follow-up to this discussion, WTW will:

- Summarize the methodology decisions and approach
- Develop potential peer groups for approval

Step 2: Determine Benchmarks and Survey Jobs

Our fee estimate assumes that we will benchmark up to 40 positions at Kentucky American Water. First, we will provide proposed matches to Kentucky American Water for validation. These benchmark matches will include jobs in WTW's databases.

WTW will provide survey job descriptions for WTW surveys and databases. We will use this information to prepare an initial job mapping comparison for evaluation. The outcome of this step will be a confirmation of position benchmarks.

Step 3: Data Collection and Analysis

Following the confirmation of the study methodology, peers and data sources, WTW will collect data and work with the project team to develop report structure for working meetings and final reporting. Please see Appendix – Data Request for a list of the items we would need to begin work.

To support provide updated benefits value analysis, American Water will need to submit updated benefits data to WTW's benefits data source. There are fees outlined below which assume participation in the database.

Step 4: Compensation Philosophy, Performance Pay Design, and Total Compensation Review

Compensation Philosophy and Performance Pay Design Review:

We will review the competitiveness of American Water's compensation philosophy, and short and long-term performance pay design prevalence, compared to American Water's corporate peer group as disclosed in the 2024 proxy statement and select peer utilities that are similar in size to Kentucky American Water.

Benchmarking of Total Compensation Levels:

We will review the competitiveness of Kentucky American Water's base salary, total cash compensation (TCC = base salary + target short-term performance pay), total direct compensation (TDC = TCC + long-term

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performance pay) and total compensation (TDC + assumed value of benefits payments) for up to 40 positions, covering over 50% of the population. We will use national and Midwest regional energy services and general industry data.

We will provide total compensation values on a company-weighted basis for all positions.

The total compensation data we will provide will include the 25th, 50th, and 75th percentiles for each component and the variance to Kentucky American Water.

Step 5: Preliminary Report and Findings

WTW will prepare a draft report (KYAWC Report) for review with the Project Team, which will provide:

- Overall results
- Benchmark positions included
- Breakout of each component of total compensation
- Comparison of compensation philosophy
- Alignment of short-term and long-term performance pay plan designs
- Alignment of benefit programs

Specifically, we will first review the total compensation data. We will focus on the number of data points per match, the strength of each match to the benchmark survey match, and the comparison of Kentucky American Water's data to the competitive data for each component of total compensation.

Any modifications to the analysis can be provided and a final report can be prepared. This will give the Project Team and WTW time to make adjustments and modifications without delaying delivery of final results.

Step 6: Final Report Preparation

WTW will develop and then present the final reports to the Project Team. The final KYAWC report will include detailed hardcopy tables of the information outlined in Step 4 and a detailed summary of the benchmarks included in the study, benchmark descriptions and other relevant documentation as necessary.

Timing

Based on the work steps outlined above, we estimate the draft report and draft testimony will be completed within 4-6 weeks of signing of this Statement of Work and timely receipt of requested information, etc. (Draft report and testimony deadline - March 14, 2026 and final report and testimony deadline – May 2, 2026).

Fees

Given the several possible workstreams this project could entail, we have provided fees with the assumptions set forth herein for your consideration.

- Total Compensation Assessment (KYAWC) Report: $60,000 [assuming up to 40 positions]
- Benefits Design Review: $10,000 assuming last year's submission to WTW BDS database hasn't materially changed for 2026
- Compensation and Benefits Rate Case Support and Expert Witness Testimony: Time and Expense

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- Assist with the development of rate case support filings (written, rebuttal and surrebuttal testimony if needed)
- Serve and provide expert witness testimony as needed

Terms and Conditions of Engagement

The services described herein and any other services that WTW provides to Kentucky American Water will be provided subject to the Terms and Conditions signed between WTW and American Water dated January 21, 2020.

We hope the proposed project approach, timing and fees meet your needs. We would be happy to review the proposed scope of work with you and modify as needed to best meet your needs.

Best regards,

Robert V. Mustich

Robert V. Mustich
Managing Director, East Region Work and Rewards Leader

ACCEPTED AND AGREED:

KENTUCKY AMERICAN WATER

By: Nikole L Bowen

Print Name: Nikole Bowen

Print Title: Sr Director Rates & Regulatory

Date: February 12, 2026

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Appendix – Data Request

For KWAWC positions:

- Compensation data
- Base salary
- Target short-term performance pay
- Actual short-term performance pay award
- Most recent long-term performance pay award
- Job descriptions (for selected benchmark positions only)
- Short-term and long-term performance pay plan documents

Participation in WTW's Benefits Data Source (BDS) – **Confirm data is up to date from last year's submission**

Brattle

Ms. Nikole L. Bowen
Senior Director– Rates and Regulatory
Kentucky American Water Company
1 Water Street
Camden, NJ 01802

Via email: Nikole.Bowen@amwater.com

February 24, 2026

Dear Nikole,

Thank you for considering The Brattle Group, Inc. ("Brattle" or "The Brattle Group") to provide cost of capital expertise and expert testimony in Kentucky American Water Company's (the "Company") May 2026 rate proceeding. The following summarizes our understanding of the Scope of Work:

Task 1. Preparation of Direct Testimony

The preparation of Direct Testimony necessarily includes the development of the traditional cost of equity estimation methodologies including several analytical approaches to establish a range of returns: the Discounted Cash Flow Model, Capital Asset Pricing Model and other Risk Premium approaches. The analyses will be prepared with consideration of prior Kentucky Public Service Commission ("Commission") precedent and, as applicable, addressing certain concerns and methodological issues that have been raised by the Commission and/or stakeholders in prior cases.

The testimony will also consider the effect of current capital market conditions on the analysis and recommendations. In order to assess the reasonableness of the results produced by the traditional ROE estimation methodologies, it is of particular importance to consider the effect of current and projected market conditions on underlying assumptions used in the models. Therefore, the Direct Testimony will review these conditions and present necessary findings and conclusions.

Further, the analysis of the cost of equity relies on market data for a proxy group of companies. Therefore, it is necessary that the testimony review the relative risk factors of the proxy companies and the subject company to establish the ROE recommendation. These factors include the evaluation of business and operating risks as well as the capitalization of the Company as compared with the proxy group.

To the extent that it is required, Brattle can also provide an analysis of the capital structures of the proxy group companies to support the recommended capital structure in this proceeding. Brattle maintains databases that provide for the ability to develop this analysis efficiently. In addition, we have addressed many issues that arise with respect to capital structure throughout a rate proceeding and will be prepared to address issues raised by intervening parties.

The cost of capital analysis will be summarized in Direct Testimony with audited supporting exhibits and work papers. Our cost of capital team has developed testimony for utilities regarding these matters for decades, which provides a high level of expertise that carries through the entire rate case process. It is our understanding that the tentative schedule includes a first draft of Direct Testimony on March 30, 2026 and a final draft due on May 2, 2026 with a planned filing date of Direct Testimony of May 2026. The Brattle Group will prepare testimonies and interim deliverables according to the Company's schedule for purposes of preparing the rate case filing.

Task 2. Responding to Discovery Requests

The discovery process can have short deadlines. Additionally, we have observed an increase in the scope of discovery processes in many recent rate proceedings. Our team prepares workpapers for direct testimony prior to the filing of the direct case, to address these concerns. This allows for the ability to respond to requests efficiently and within the review schedules established by the rate case leadership team. Further, to ensure that our responses are consistent throughout the rate proceeding, we maintain a database of the case questions and responses. Brattle is committed to providing all necessary responses to the discovery requests within the procedural schedule to be defined in the Proceeding.

Task 3. Preparation of Responsive Testimony

Our approach to responsive testimony capitalizes on efficiencies derived through our significant experience in utility rate proceedings, while developing custom testimony that addresses the issues in each individual rate proceeding. Brattle has assisted utilities with cost of capital matters in hundreds of cases over several decades in both the United States and Canada. This experience provides a strong base of understanding of the strategy of intervenor witnesses in order for us to

facilitate an efficient response. However, that is just the starting point in our rebuttal efforts. While our team has seen many of the witnesses in each of these cases, we review the positions offered by witnesses in each individual case and provide a unique response. Our response considers the prior dialogue with an individual witness and advances the justification for our work and critique of intervenor positions using financial theory, market dynamics, as well as analytical effort that is unique to each case. Through our approach, the Company receives the benefit of the efficiency gained through decades of experience as well as a custom response that addresses the specific issues that are critical in the Company's current rate proceeding. Further, our responsive testimony summarizes the critical difference between the parties in a clear and concise approach to provide for ease of understanding for stakeholders. Again, Brattle is committed to providing its responsive testimony within the procedural schedule to be defined in the Proceeding.

Task 4. Defense of Recommendations and Ongoing Support

Brattle's experts have extensive testifying expertise, having testified in hundreds of cases and having provided hearing support to counsel over decades. Our experts are well versed in all financial theory to support the analytical work prepared and the recommendations offered. In addition, our experts recognize that the hearing provides an excellent forum to facilitate the understanding of decision makers in a very practical manner. Therefore, our goal is to ensure that the record offered includes clear explanations and a full understanding of the interaction between the market and the modeling efforts.

Further, Brattle's cost of capital team has great depth and the ability to provide ongoing support to counsel, including the preparation of cross-examination questions and support on briefing. Our team can be relied on as an extension of the rate case negotiating and litigation teams.

Please note, however, that Brattle is not a law firm and we will not provide, nor should we be asked to provide, legal advice or strategy.

All of the Services to be performed by Brattle will be conducted pursuant to the Consulting Agreement agreed to as of December 12, 2024.

We appreciate the opportunity to work with the Company on this engagement. If you have any questions regarding the scope of work, please feel free to reach out via email or phone at your convenience.

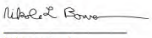
Sincerely,

Ann Bulkley
PRINCIPAL | BOSTON
Ann.Bulkley@Brattle.com
508-981-0866

Accepted and agreed to:

American Water Works Service Company, Inc.

By:



(Signature) 03/13/2026 (Date)

Nikole Bowen
(Print Name and Title)

KENTUCKY AMERICAN WATER FEBRUARY 24, 2026

SCOPE OF SERVICES; COMPENSATION

The scope of the services to be provided to the Company by the Consultant are as set forth in the Consultant's proposal dated February 24, 2026 (attached hereto).

Invoices shall include any expenses pre-authorized by the Company. Consultant estimates the fee up to the filing of the Direct Testimony will be approximately $40,000. Once the Direct Testimony is filed with the Company's rate case filing, Consultant will charge for the remaining Services on a time-and-materials basis (in US dollars) based on the hourly rates of the Consultant's employees conducting the work for the engagement.

There is inherent variability in any regulatory proceeding beyond the filing of the Direct Testimony, and thus the time that may be required to conduct the various tasks, or whether certain tasks will even be necessary, are all currently unknown. However, based on Consultant's extensive experience with prior cost of capital engagements, the time required for discovery, the development of testimonies and the hearing are estimated below:

Phase of Proceeding	Estimated Fee
Direct Testimony	$40,000

Discovery[1]	$5,000
Responsive Testimony[2]	$50,000
Hearing	$15,000
Total	**$110,000**

These estimates are based on the following hourly rates for work to be performed in 2026: Ann Bulkley and Toby Bishop ($700) and Chris Wall ($675), and Associates and Research Analysts at $455 - $570. These hourly billing rates may be revised from time to time to reflect staff promotions, conditions of the consulting labor market, and periodic increases not specific to this engagement. Consultant does not intend to utilize any subcontractors for this engagement.

[1] This estimate assumes the discovery process would entail the provision of workpapers, cited sources, and a reasonable level of general inquiry.
[2] The estimated cost assumes the need to respond to one Commission staff witness and one additional intervenor witness. To the extent that there are additional witnesses, and the extent of such testimony that requires a response, the estimated cost could be greater.

Statement of Work #007

This document and its attachments collectively constitute Statement of Work Number 007 (this "Statement of Work"), issued pursuant to the Consulting Services Agreement (the "Agreement") dated January 8, 2025, by and between American Water Works Service Company, Inc., a Delaware corporation with its principal office located at One Water Street, Camden, New Jersey 08102 ("American Water") and Concentric Energy Advisors, Inc., located at 293 Boston Post Road West, Suite 500, Marlborough, MA 01752 ("Concentric" or "Vendor"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

1. ORDER OF PRECEDENCE

This Statement of Work is subject to the terms and conditions contained in the Agreement between Vendor and American Water referenced above. In the event of a conflict or inconsistency between a provision in this Statement of Work and a provision of the Agreement, the applicable provision of this Statement of Work shall prevail in respect of the Services to be provided under this Statement of Work.

2. SCOPE OF WORK

2.1. Project Scope

The scope for this Statement of Work is set forth below ("Proposal"):

Concentric will perform a review of the nature, scope and cost of affiliate services provided by American Water Works Services Company, Inc. ("AWWSC" or "Service Company") to Kentucky-American Water Company, Inc. ("KYAWC"). Concentric will provide reports and/or testimonies providing summaries of its reviews in accordance with the schedule established by the Company that is expected to be filed in an upcoming rate case filing before KYAWC's state utility regulator. Concentric may also be required to provide expert testimony supporting the reports and provide post-filing assistance, including discovery support and/or testimonies supporting the prepared reports.

Based on work steps described below and assuming timely signing of this Statement of Work, receipt of requested information, etc., Concentric estimates the draft report will be completed by March 2, 2026 and draft testimony will be completed by March 9, 2026. Concentric will complete the final version of the report and testimony by March 25, 2026.

Concentric will request, gather, and analyze the necessary information from AWWSC pertaining to affiliated services, and related costs, provided by the service company to its affiliated operating companies. Concentric will review existing service agreements and analyze data and opine on whether the services provided by and to affiliated companies were done so in a manner consistent with Kentucky Public Service Commission rules and Kentucky State laws and existing service agreements.

Concentric will review records maintained by Service Company pertaining to the cost of centralized services charged to KYAWC and opine whether the services provided are

beneficial to its customers. Further, Concentric will investigate whether comparable market prices are available, and if they exist, determine whether Service Company has compared the market price to its cost and provided services at the lower of cost or market for such services.

During the review, Concentric will perform the following activities:

- Identify the services provided by Service Company to KYAWC.
- Ensure that the services provided by affiliated companies to KYAWC, if any, are not duplicative of services performed by personnel of KYAWC.
- Assess the affiliated transactions in the context of existing State legislative or regulatory standards.
- Examine the methodologies employed by Service Company to price the goods/services provided to affiliated companies.
- Where possible, compare AWWSC's costs to those of similarly situated utility companies.
- Examine initiatives undertaken by affiliated companies and/or AWWSC to reduce the costs associated with shared services provided.
- Provide an overall assessment as to the reasonableness of the services and related costs associated with the services provided by AWWSC to KYAWC and other affiliated

companies.

- Prepare a report summarizing Concentric's approach, findings and recommendations (if any).

To facilitate Concentric's review and assist with meeting the overall project schedule, the following information is requested from the Company:

1. A complete list of affiliated companies of American Water Works Company, Inc.
2. A description of how the products/services provided by AWWSC to affiliated companies are priced.
3. An explanation of how AWWSC's services provided to KYAWC are priced.
4. Identify the potential alternatives available to, and considered by KYAWC, pertaining to the provisioning of goods/services provided by AWWSC to KYAWC.
5. A description of, and documentation demonstrating, what alternatives to the services provided by AWWSC to KYAWC and other affiliated companies were considered and why the alternatives were rejected.
6. Comparisons of costs of goods/services provided to non-affiliated companies by AWWSC and the cost of similar goods/services to affiliated companies.

2.2. Deliverables

Concentric will, at the direction of the Company or its counsel, prepare either testimony or a report, summarizing the scope of our work, the approach taken to perform the review, and our findings, conclusions and recommendations. Concentric will be prepared to support our findings and recommendations before the Kentucky Public Service Commission, as needed.

3. COST, PAYMENT, AND INVOICING

3.1. Price

The price for performance under this Statement of Work will not exceed $65,000 up to filing as further described below.

Initial Report and Testimony: $65,000
Post-filing Rate Case Support and Expert Witness Testimony will be provided on a time and expense basis at Concentric's rates specified below.

- Assist with the development of rate case support filings (discovery and rebuttal testimony if needed)
- Serve and provide expert witness testimony at hearing as needed

These fee estimates are based on the following hourly bill rate ranges:

Title	Hourly Rate (USD)
Chairman of the Board	$1,170
Chief Executive Officer / President	$820
Senior Vice President	$820
Vice President	$725
Assistant Vice President	$600
Senior Project Manager	$550
Project Manager	$520
Senior Consultant	$480
Consultant	$440
Senior Analyst	$405
Analyst	$355
Associate	$230
Project Assistant	$95

3.2. Travel and Expenses

The Agreement shall control American Water's reimbursement for any travel and

expenses, if any.

3.3. Invoicing and Payment Schedule

Invoices shall be directed to or sent to the attention of Nikole Bowen, Sr Director – Rates & Regulatory.

The Agreement shall control invoicing and payment.

4. STATEMENT OF WORK COMPLETION CRITERIA

Vendor will have completed this Statement of Work when the following occurs:

Delivery of agreed upon deliverables, or written confirmation from either party

that the work is complete.

[Remainder of Page Intentionally Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Statement of Work to be executed by their respective duly authorized representatives as of the day and year first set forth above.

American Water Works Service Company, Inc.	Concentric Energy Advisors, Inc.
By: Nikole L Bowen	By: Joseph S Weiss
Name: Nikole Bowen	Name: Joseph S. Weiss
Title: Sr Director Rates & Regulatory	Title: Vice President

Brattle

Kentucky American Water Company
Attn: Ms. Nikole Bowen
1 Water Street
Camden, NJ 01802
United States of America

United States of America

April 29, 2026

Dear Nikole,

Enclosed please find our invoice for work performed through March 2026 for providing expert consulting services.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Ann Bulkley-Armour

PRINCIPAL | BOSTON

AEB/rv
Enclosures

One Beacon Street, Suite 2600
Boston, MA 02108

MAIN +1.617.864.7900
FAX +1.617.507.0063

EMAIL Ann.Bulkley@brattle.com
WEBSITE brattle.com

Brattle

April 29, 2026

In Account With:

Kentucky American Water Company
Attn: Nikole Bowen
1 Water Street
Camden, NJ 01802
United States of America

Invoice Number 100087203
Project ID CL09970

Page: 1

For Professional Services Rendered Through March 31, 2026

Re: Kentucky American Water Company's May 2026 rate proceeding

	HOURS	RATE	AMOUNT	
PRINCIPALS				
Ann Bulkley-Armour	2.50	700.00	1,750.00	USD
Christopher Wall	12.50	675.00	8,437.50	USD
ASSOCIATES				
Myron Inglis	10.50	570.00	5,985.00	USD
RESEARCH ANALYSTS				
Lucy Du	2.75	400.00	1,100.00	USD
		TOTAL LABOR	17,272.50	USD
		TOTAL INVOICE	17,272.50	USD

Payable Upon receipt of bill in USD to: The Brattle Group, Inc. (FID 04-3254813)
Finance Charge of 1.5% per month (18% APR) will be added to overdue invoices

Please Remit Payment as Follows:

Check Payments:
The Brattle Group, Inc.
One Beacon Street, Suite 2600
Boston, MA 02108

Telephone:
+1.617.864.7900

Email: billingdept@brattle.com

ACH/Wire Payments:
Citibank, N.A. New York
[redacted]

Time Log for Ann Bulkley-Armour

Date	Description of Activity/Tasks	HOURS
03/31/26	Preparation of direct testimony.	2.50

Total	**2.50**

Time Log for Christopher Wall

Date	Description of Activity/Tasks	HOURS
03/10/26	Developed the Direct Exhibits. Meeting with KAWC.	3.25
03/18/26	Met with M. Inglis.	0.50
03/29/26	Developed the Direct Testimony and Exhibits.	1.50
03/30/26	Developed the Direct Testimony and Exhibits.	7.25
Total		**12.50**

Time Log for Myron Inglis

Date	Description of Activity/Tasks	HOURS
03/16/26	Researched prior testimonies and commission final orders.	1.25
03/17/26	Drafted direct testimony.	0.75
03/18/26	Worked on direct testimony. Met with C. Wall.	2.25
03/19/26	Worked on direct testimony.	2.00
03/20/26	Worked on direct testimony. Reviewed analysis performed by L. Du.	1.50
03/23/26	Worked on direct testimony.	1.50
03/24/26	Worked on direct testimony.	1.25
Total		**10.50**

Time Log for Lucy Du

Date	Description of Activity/Tasks	HOURS
03/19/26	Updated exhibit package.	2.75
Total		**2.75**

Invoice

Invoice Number 150141719438
Invoice Date Mar 13, 2026
Currency USD (US Dollar)
Payment Terms 45 days net
AW Contact NIKOLE.BOWEN@AMWATER.COM

Supplier
Willis Towers Watson US LLC
28025 Network Pl
Chicago, IL 60673-1280
US (United States)
888-639-4606

Customer
Kentucky American Water Company
1 Water St
Camden, NJ 08102-1658
US (United States)
8667778426
8565199733

Ship To
KY American Water Works Company
300 W. Vine St.
Suite 2100
Lexington, KY 40507
US (United States)

Contact Email
NIKOLE.BOWEN@AMWATER.COM

#	Description	Unit	Qty	Unit Price	Line Total
1	Kentucky American Water Rate Case Support	Ea (Each)	1	$13,378.75	$13,378.75

Subtotal	$13,378.75
Total Tax Amount	$0.00
Invoice Amount	$13,378.75

SAP Taulia

wtw

Willis Towers Watson US LLC
1900 Market Street
Floor 8
Philadelphia, PA 19103
United States
Tel No: 215.246.6000
Fax No: 215.246.6251

Nikole Bowen
Sr Director Regulatory Services
American Water Works Company
300 W. Vine St.
Suite 2100
LEXINGTON, KY 40507

March 13, 2026

Customer No: 604590

Invoice No: 150141719438

Kentucky American Water Rate Case Support	Amount
Fees for Services Rendered	13,378.75
Total	USD 13,378.75
Total due after April 27, 2026 due to late charges	*USD 13,512.54*

- Project kickoff, including review of data provided by KAWC, benchmark job selection, and preliminary benchmark job matching to WTW compensation surveys
- Preliminary data collection of proxy peer practices

Please remit payment to:

Payment Reference: 150141719438
Payee/Beneficiary name: Willis Towers Watson US LLC/ Tax ID # 53-0181291
Preferred payment method: EDI, ACH/EFT (using CTX or CCD+), or wire transfer
Address for submitting electronic payment details: GFO.CashApplication.NA@wtwco.com
[redacted]

Lockbox address for paper checks: Willis Towers Watson US LLC/Lockbox 28025/28025 Network Place/Chicago,IL 60673-1280

Invoices are due upon receipt. Please direct any questions concerning this invoice to your Willis Towers Watson consultant

Invoice

Invoice Number 150141729206
Invoice Date Apr 14, 2026
Currency USD (US Dollar)
Payment Terms 45 days net
AW Contact NIKOLE.BOWEN@AMWATER.COM

Supplier
Willis Towers Watson US LLC
28025 Network Pl
Chicago, IL 60673-1280
US (United States)

888-639-4606

Customer
Kentucky American Water Company
1 Water St
Camden, NJ 08102-1658
US (United States)

8667778426

8565199733

Ship To
KY American Water Works Company
300 W. Vine St.
Suite 2100
Lexington, KY 40507
US (United States)

Contact Email
NIKOLE.BOWEN@AMWATER.COM

#	Description	Unit	Qty	Unit Price	Line Total
1	Kentucky American Water Rate Case Support	Ea (Each)	1	$69,282.50	$69,282.50

Subtotal	$69,282.50
Total Tax Amount	$0.00
Invoice Amount	$69,282.50

SAP Taulia

wtw

Willis Towers Watson US LLC
1900 Market Street
Floor 8
Philadelphia, PA 19103
United States
Tel No: 215.246.6000
Fax No: 215.246.6251

Nikole Bowen
Sr Director Regulatory Services
American Water Works Company
300 W. Vine St.
Suite 2100
LEXINGTON, KY 40507

April 14, 2026

Customer No: 604590

Invoice No: 150141729206

Kentucky American Water Rate Case Support	Amount
Fees for Services Rendered	69,282.50
Total	USD 69,282.50
Total due after May 29, 2026 due to late charges	*USD 69,975.32*

Services provided in March 2026 included:

- Review of peer practices, including compensation philosophy, short-term and long-term incentive compensation program designs, sourced from publicly available proxy filings of peer companies
- Competitive market assessment, benchmarking compensation of in-scope KAWC's total remuneration relative to competitive market median
- Benefits program review
- Drafting of report (including draft report and final report), outlining WTW's findings and observations of KAWC's programs relative to market
- Drafting and review of testimony provided to KAWC

Please remit payment to:

Payment Reference: 150141729206
Payee/Beneficiary name: Willis Towers Watson US LLC/ Tax ID # 53-0181291
Preferred payment method: EDI, ACH/EFT (using CTX or CCD+), or wire transfer
Address for submitting electronic payment details: GFO.CashApplication.NA@wtwco.com

[redacted]

Lockbox address for paper checks: Willis Towers Watson US LLC/Lockbox 28025/28025 Network Place/Chicago,IL 60673-1280

Invoices are due upon receipt. Please direct any questions concerning this invoice to your Willis Towers Watson consultant

Invoice

Invoice Number	21465
Invoice Date	Apr 9, 2026
Supply Date	Mar 31, 2026
Currency	USD (US Dollar)
Payment Terms	45 days net
AW Contact	NIKOLE.BOWEN@AMWATER.COM

Supplier
CONCENTRIC ENERGY ADVISORS INC
293 Boston Post Rd W
Ste 500
Marlborough, MA 01752-4619
US (United States)
508-263-6200
508-303-3290

Customer
Kentucky American Water Company
1 Water St
Camden, NJ 08102-1658
US (United States)
8667778426
8565199733

Ship To
Kentucky American Water
2300 Richmond Road
Lexington, KY 40502
US (United States)

Contact Email
NIKOLE.BOWEN@AMWATER.COM

#	Description	Unit	Qty	Unit Price	Line Total
1	Professional Services from March 01, 2026 to March 31, 2026	Ea (Each)	1	$28,483.75	$28,483.75

Subtotal	$28,483.75
Total Tax Amount	$0.00
Invoice Amount	$28,483.75

SAP Taulia

Invoice

CONCENTRIC

April 09, 2026
Engagement No: 101081.00
Invoice No: 0021465

Nikole Bowen
Kentucky American Water
2300 Richmond Road
Lexington, KY 40502

Engagement 101081.00 2026-American Water Company-Kentucky-Shared Services 2026
Statement of Work Number 007
Professional Services from March 01, 2026 to March 31, 2026

Phase 01 Pre-Filing Services
Professional Personnel

	Hours	Rate	Amount	
Vice President	14.00	690.00	9,660.00	
Project Manager	43.50	495.00	21,532.50	
Senior Analyst	4.25	385.00	1,636.25	
Totals	61.75		32,828.75	
Total Labor				**32,828.75**

Billing Limits	**Current**	**Prior**	**To-Date**	
Total Billings	32,828.75	36,516.25	69,345.00	
Limit			65,000.00	
Adjustment				**-4,345.00**
			Total this Phase	**$28,483.75**
			Total this Invoice	**$28,483.75**

Outstanding Invoices

Number	Date	Balance
0021302	3/19/2026	36,516.25
Total		**36,516.25**

Billings to Date

	Current	Prior	Total
Labor	28,483.75	36,516.25	65,000.00
Totals	**28,483.75**	**36,516.25**	**65,000.00**

For billing inquiries or to request electronic payment instructions,
please contact us at **accounting@ceadvisors.com**

Taxpayer ID: 01-0568063

Please note: we have no intention of changing our bank details, and any request to do so should be treated as suspicious.

Engagement 101081.00	2026-AWC-KY Shared Services 2026	Invoice 0021465

Billing Backup

Thursday, April 9, 2026

Concentric Energy Advisors, Inc. Invoice 0021465 Dated 4/9/2026 7:27:51 AM

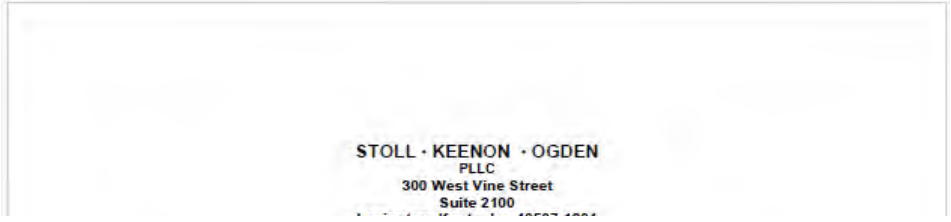
Engagement 101081.00 2026-American Water Company-Kentucky-Shared Services 2026

Phase 01 Pre-Filing Services

Professional Personnel

		Hours	Rate	Amount	
Vice President					
Weiss, Joseph	3/9/2026	3.00	690.00	2,070.00	
Work related to reviewing analysis, report, and testimony					
Weiss, Joseph	3/10/2026	3.00	690.00	2,070.00	
Work related to reviewing analysis, report, and testimony					
Weiss, Joseph	3/19/2026	3.00	690.00	2,070.00	
Work related to reviewing analysis, report, and testimony					
Weiss, Joseph	3/30/2026	2.00	690.00	1,380.00	
Work related to reviewing analysis, report, and testimony					
Weiss, Joseph	3/31/2026	3.00	690.00	2,070.00	
Work related to reviewing analysis, report, and testimony					
Project Manager					
Akanni, Olawale	3/2/2026	5.00	495.00	2,475.00	
Worked on the Kentucky American Water shared services analysis					
Akanni, Olawale	3/3/2026	8.00	495.00	3,960.00	
Worked on the Kentucky American Water shared services analysis					
Akanni, Olawale	3/4/2026	6.00	495.00	2,970.00	
Worked on the Kentucky American Water shared services analysis					
Akanni, Olawale	3/5/2026	8.00	495.00	3,960.00	
Updated the Kentucky American Water shared services analysis report					
Akanni, Olawale	3/6/2026	4.00	495.00	1,980.00	
Updated the Kentucky American Water shared services analysis testimony					
Akanni, Olawale	3/9/2026	4.50	495.00	2,227.50	
Updated the Kentucky American Water shared services analysis testimony					
Akanni, Olawale	3/18/2026	8.00	495.00	3,960.00	
Review the comments in the KAWC shared service report and finalized the testimony					
Senior Analyst					
Roberts, William	3/3/2026	1.00	385.00	385.00	
Finalizing LCM analysis					
Roberts, William	3/4/2026	2.50	385.00	962.50	
Engineering rates data update for LCM analysis					
Roberts, William	3/5/2026	.75	385.00	288.75	
Audit of KY Comparison Analysis					
Totals		61.75		32,828.75	
Total Labor					**32,828.75**
			Total this Phase		**$32,828.75**
			Total this Engagement		**$32,828.75**
			Total this Report		**$32,828.75**

293 Boston Post Road West • Suite 500 • Marlborough, MA • 01752 • 508-263-6200 • Ceadvisors.com



Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
February 5, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
cc to Ms. Christina Coleman:
Christina.Coleman@amwater.com
cc to Ms. Molly Van Over:
Molly.VanOver@amwater.com

INVOICE NO.: 1101066
SKO File No.: 10311/189825

MATTER NAME: KAW 2026 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED	8,384.00
COURTESY DISCOUNT	*(586.88)*
TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	0.00
INVOICE TOTAL	$ 7,797.12
TOTAL BALANCE DUE	**$7,797.12**

*PLEASE INDICATE INVOICE NUMBER 1101066 ON PAYMENT

BILL DATE: February 5, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
.

KAW 2026 Rate Case

LEGAL FEES

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
01/12/26	MLB	Discuss the questions raised by A. Hirakis with L. Ingram	0.40	445.00	$ 178.00
01/12/26	LWI	Review client correspondence regarding possible witnesses; research for same regarding various filing requirements	3.20	530.00	1,696.00
01/13/26	MLB	Meet with Amy Hirakis and Alyssa Allison regarding rate case issues; follow up with L. Ingram	1.10	445.00	489.50
01/13/26	LWI	Attend call with client re possible witnesses; prepare for same	1.80	530.00	954.00
01/20/26	LWI	Prepare for and attend rate case status call	1.50	530.00	795.00
01/27/26	MLB	Emails with A. Allison regarding acquisition issues	0.20	445.00	89.00
01/27/26	LWI	Review precedent to prepare for kickoff call; consider related strategy issues	1.20	530.00	636.00
01/27/26	LWI	Correspondence Ms. Allyson regarding acquisitions and related issues; review			

		PSC precedent for same	1.80	530.00	954.00
01/28/26	MLB	Discuss kickoff meeting with L. Ingram; review PowerPoint	0.30	445.00	133.50
01/28/26	LWI	Attend kickoff call with client; notes re same; follow-up considerations regarding strategy	2.00	530.00	1,060.00
01/30/26	MLB	Review A. Allison's questions and respond to same	0.30	445.00	133.50
01/30/26	LWI	Work on rate strategy questions from client; review authority for same; confer	1.80	530.00	954.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
		co-counsel re same			
01/31/26	MLB	Research capital structure issue to respond to A. Allison's question	0.70	445.00	311.50
		SUBTOTAL	**16.30**		**$8,384.00**

EXPENSES AND OTHER SERVICES
***note: all copies are billed at .10/page unless otherwise indicated*

DATE	DESCRIPTION	AMOUNT
	SUBTOTAL	**0.00**
	GRAND TOTAL:	**$7,797.12**

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. Braun	Member	3.00	445.00	$1,335.00
L. W Ingram	Member	13.30	530.00	$7,049.00

STOLL · KEENON · OGDEN
PLLC
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
March 9, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
cc to Ms. Christina Coleman:
Christina.Coleman@amwater.com
cc to Ms. Molly Van Over:
Molly.VanOver@amwater.com

INVOICE NO.: 1104198
SKO File No.: 10311/189825

MATTER NAME: KAW 2026 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED	4,317.00
COURTESY DISCOUNT	***(302.19)***

TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	0.00
INVOICE TOTAL	$ 4,014.81

BALANCE DUE from previous statements:

Bill Date	Invoice	Outstanding Amount
02/05/26	1101066	7,797.12

Total Balance Due on Previous Statements:	$ 7,797.12
TOTAL BALANCE DUE	**$11,811.93**

*PLEASE INDICATE INVOICE NUMBER 1104198 ON PAYMENT

BILL DATE: March 9, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
.

KAW 2026 Rate Case

LEGAL FEES

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
02/01/26	MLB	Phone call with L. Ingram; emails with A. Allison	0.30	490.00	$ 147.00
02/01/26	LWI	Work on strategy questions for Ms. Allison; prepare correspondence regarding same	1.20	580.00	696.00
02/02/26	MLB	Meet with A. Allison and A. Hirakis regarding case issues	0.70	490.00	343.00
02/02/26	LWI	Continue work on strategy issues; prepare for and attend call with client regarding same	1.30	580.00	754.00
02/25/26	MLB	Meeting with A. Allison to discuss capital mechanism proposal	1.00	490.00	490.00
02/25/26	LWI	Prepare for and attend meeting re items for inclusion in case	1.00	580.00	580.00
02/26/26	MLB	Emails with A. Allison regarding capital mechanism	0.30	490.00	147.00
02/26/26	LWI	Continue work on capital mechanism issues	0.50	580.00	290.00
02/27/26	LWI	Work on cost of service issues and meet with client regarding same; prepare for meeting; review PSC precedent for same	1.50	580.00	870.00
		SUBTOTAL	**7.80**		**$4,317.00**

EXPENSES AND OTHER SERVICES
***note: all copies are billed at .10/page unless otherwise indicated*

DATE	DESCRIPTION	AMOUNT
	SUBTOTAL	0.00
	GRAND TOTAL:	$4,014.81

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. Braun	Member	2.30	490.00	$1,127.00
L. W Ingram	Member	5.50	580.00	$3,190.00

*PLEASE INDICATE INVOICE NUMBER 1104196 ON PAYMENT

STOLL · KEENON · OGDEN
PLLC
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
April 6, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
cc to Ms. Christina Coleman:
Christina.Coleman@amwater.com
cc to Ms. Molly Van Over:
Molly.VanOver@amwater.com

INVOICE NO.: 1106196
SKO File No.: 10311/189825

MATTER NAME: KAW 2026 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED 14,907.00

COURTESY DISCOUNT	*(1,043.49)*
TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	0.00
INVOICE TOTAL	$ 13,863.51

BALANCE DUE from previous statements:

Bill Date	Invoice	Outstanding Amount
02/05/26	1101066	7,797.12
03/11/26	1104198	4,014.81

Total Balance Due on Previous Statements:	$ 11,811.93
TOTAL BALANCE DUE	**$25,675.44**

*PLEASE INDICATE INVOICE NUMBER 1106196 ON PAYMENT

BILL DATE: April 6, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
.

KAW 2026 Rate Case

LEGAL FEES

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
03/02/26	LWI	Confer Ms. Trout re status and strategy issues; follow-up correspondence	1.00	580.00	$ 580.00
03/06/26	LWI	Work on cost of service issues; confer A. Lewis re same; confer broader client group re same	1.50	580.00	870.00
03/09/26	LWI	Work on various cost of service issues; confer client re same; review regulations for same	2.00	580.00	1,160.00
03/10/26	LWI	Continue work on cost of service issues; confer client multiple times re same; work on acquisition issues and meet with client re same	3.20	580.00	1,856.00
03/12/26	MLB	Emails with A. Allison regarding capital mechanism; emails regarding notice	0.30	490.00	147.00
03/12/26	MML	Communications with Kentucky Press to obtain deadlines for legal notice publication dates; communication with L. Ingram related to same	0.20	365.00	73.00
03/13/26	MLB	Research status of legislation to prepare for client call; emails regarding client notice; attend client call	1.20	490.00	588.00
03/13/26	MML	Telephone conference with Kentucky Press regarding notice deadlines	0.10	365.00	36.50
03/13/26	LWI	Work on customer notice issues and timing of same; confer client re strategy status issues; work on cost of service issues	3.10	580.00	1,798.00
03/17/26	LWI	Work on various filing strategy issues; consider legislation regarding same	1.00	580.00	580.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
03/18/26	MLB	Discuss notice and publication issues	0.20	490.00	98.00
03/18/26	MML	Conference with L. Ingram regarding rate case notice and timing of first publication	0.10	365.00	36.50
03/18/26	LWI	Work on customer notice and cost of service issues; correspondence re same; work on cost of service research issues	2.80	580.00	1,624.00
03/19/26	LWI	Multiple communications with client regarding cost of service issues and acquisitions; correspondence regarding same; work on purchased water issues	2.50	580.00	1,450.00
03/20/26	LWI	Continue work on cost of service issues; prepare for and meet with client regarding same	1.50	580.00	870.00
03/23/26	LWI	Continue work on cost of service issues; correspondence re same	1.80	580.00	1,044.00
03/24/26	MLB	Work on cost of service issues	0.50	490.00	245.00
03/24/26	LWI	Confer Ms. Allison re cost of service issues; work on related correspondence	1.50	580.00	870.00
03/25/26	MLB	Emails with A. Allison regarding cost of service issues	0.20	490.00	98.00
03/26/26	MLB	Emails with witnesses regarding testimony	0.10	490.00	49.00
03/27/26	MLB	Emails regarding rate design testimony	0.20	490.00	98.00
03/27/26	LWI	Work on cost of service issues and meet with client re same	1.10	580.00	638.00
03/31/26	MLB	Emails with A. Allison	0.20	490.00	98.00
		SUBTOTAL	**26.30**		**$14,907.00**

EXPENSES AND OTHER SERVICES
***note: all copies are billed at .10/page unless otherwise indicated*

DATE	DESCRIPTION	AMOUNT
	SUBTOTAL	**0.00**

*PLEASE INDICATE INVOICE NUMBER 1105196 ON PAYMENT

DATE	DESCRIPTION	AMOUNT
GRAND TOTAL:		**$13,863.51**

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. Braun	Member	2.90	490.00	$1,421.00
L. W Ingram	Member	23.00	580.00	$13,340.00
M. M Loy	Paralegal	0.40	365.00	$146.00

*PLEASE INDICATE INVOICE NUMBER 1106196 ON PAYMENT

STOLL · KEENON · OGDEN
PLLC
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
May 7, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
cc to Ms. Christina Coleman:
Christina.Coleman@amwater.com
cc to Ms. Molly Van Over:
Molly.VanOver@amwater.com

INVOICE NO.: 1109187
SKO File No.: 10311/189825

MATTER NAME: KAW 2026 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED	43,849.00
COURTESY DISCOUNT	***(3,069.43)***
TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	0.00
INVOICE TOTAL	$ 40,779.57

BALANCE DUE from previous statements:

Bill Date	Invoice	Outstanding Amount
04/06/26	1106196	13,863.51

Total Balance Due on Previous Statements: $ 13,863.51

TOTAL BALANCE DUE **$54,643.08**

*PLEASE INDICATE INVOICE NUMBER 1109187 ON PAYMENT

BILL DATE: May 7, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
.

KAW 2026 Rate Case

LEGAL FEES

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
04/02/26	MLB	Meet with A. Allison	0.50	490.00	$ 245.00
04/02/26	MML	Email with Kentucky Press regarding additional counties to add to publication of notice	0.10	365.00	36.50
04/02/26	LWI	Attend status call with client; confer client re deferral accounting issues; work on revenue requirement related to same	1.90	580.00	1,102.00
04/03/26	MML	Email with L. Ingram and response to Kentucky Press regarding additional counties to add to publication of notice	0.10	365.00	36.50
04/03/26	MLB	Emails regarding run dates for newspapers	0.10	490.00	49.00
04/03/26	LWI	Work on revenue requirement issues; correspondence client re same	1.50	580.00	870.00
04/07/26	LWI	Work on additions to revenue requirement issues; confer client re same; review orders for same	1.20	580.00	696.00
04/07/26	MLB	Emails with team regarding forecasted revenue matters	0.20	490.00	98.00
04/09/26	LWI	Work on acquisitions as part of the case; work on testimony for same; work on mechanism issues; confer client re same; meet with Ms. Allison re same	2.50	580.00	1,450.00
04/09/26	MML	Email with R. McCarty at Kentucky Press regarding notice deadline	0.10	365.00	36.50
04/10/26	LWI	Prepare for and attend status call with client	0.80	580.00	464.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
04/13/26	MLB	Emails with client team regarding filing notice of intent; emails regarding minimum filing requirements	0.30	490.00	147.00
04/13/26	LWI	Prepare notice filing; confer client re same; review calendar for case; work on case planning issues	3.10	580.00	1,798.00
04/14/26	MLB	Emails with client team	0.10	490.00	49.00
04/14/26	MML	Conference with L. Ingram, review email from KAW and work on application details	0.50	365.00	182.50
04/14/26	LWI	Work on notice filing; confer client re same	0.50	580.00	290.00
04/15/26	MLB	Review PowerPoint slides regarding status of application; emails with team	0.40	490.00	196.00
04/15/26	LWI	Prepare for and attend witness meeting; provide notice of case and related			

		follow-up tasks; review documents to be filed	2.50	580.00	1,450.00
04/16/26	MLB	Emails with client team; meeting with A. Allison	0.70	490.00	343.00
04/16/26	LWI	Work on filing requirements and data response issues; confer client re same	2.10	580.00	1,218.00
04/17/26	MLB	Emails with A. Allison regarding customer notice	0.10	490.00	49.00
04/20/26	MLB	Emails with A. Allison regarding testimony	0.10	490.00	49.00
04/21/26	MLB	Work on Bulkley testimony; emails with E. Bytnar	1.70	490.00	833.00
04/21/26	LWI	Review testimony status; confer client re same	0.50	580.00	290.00
04/22/26	MLB	Work on Magner testimony; meet with A. Allison; prepare for M. Schwarzell call; meet with witnesses; emails regarding tariff changes; meet with M. Schwarzell and team; discuss with L. ingram	3.70	490.00	1,813.00
04/22/26	LWI	Work on testimony issues; confer client re same; work on mechanism issues and confer re same; work on customer notice issues; meet with witnesses	3.50	580.00	2,030.00

*PLEASE INDICATE INVOICE NUMBER 1109187 ON PAYMENT

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
04/23/26	MLB	Work on customer notice; work on Watkins testimony; work on minimum filing requirements; meet with A. Allison; meet with team regarding various revenue requirement and notice issues	4.40	490.00	2,156.00
04/23/26	MML	Communication with L. Ingram; work on application exhibits	0.50	365.00	182.50
04/23/26	LWI	Review and work on testimony issues; work on mechanism issues; confer client re same; confer client re numerous issues regarding testimony and filing	4.50	580.00	2,610.00
04/24/26	MLB	Meet with team to work on tariff changes; work on proposed tariff; emails regarding Watkins testimony	1.20	490.00	588.00
04/24/26	LWI	Work on additions to tariff; work on payment center issues; review rules for same; prepare for and meet with client regarding same	4.20	580.00	2,436.00
04/24/26	GRN	Request certified copy of Articles of Incorporation and Amendments, Certificate of Good Standing, and certified copy of Certificate of Assumed Name Renewal from KY Secretary of State for Kentucky-American Water Company	0.30	145.00	43.50
04/27/26	MLB	Work on Prendergast testimony; work on proposed tariff; work on customer notice; discuss with L. Ingram	3.20	490.00	1,568.00
04/27/26	LWI	Work on minimum filing requirements; work on draft testimony; review and edit same; confer client re same	5.80	580.00	3,364.00
04/27/26	MML	Communications with L. Ingram; work on application exhibits and set up of workspace for filings with the PSC	0.80	365.00	292.00
04/27/26	GRN	Request certified copy of Amended and Restated Articles of Incorporation of Kentucky-American Water Company Filed December 6, 2013 from KY Secretary of State	0.10	145.00	14.50
04/28/26	MLB	Phone call with L. Ingram; emails with A. Allison; work on customer notice;	1.80	490.00	882.00

*PLEASE INDICATE INVOICE NUMBER 1109187 ON PAYMENT

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
		meet with team regarding customer notice and tariffs; discuss exhibits to applications			
04/28/26	LWI	Work on customer notice issues, testimony, and minimum filing requirements; review Commission precedent for same; work on acquisition issues to be included in case	7.20	580.00	4,176.00
04/28/26	MML	Communication with Kentucky Press regarding customer notice status; review email from client and L. Ingram related to customer notice; work on application exhibits and uploads to SharePoint; email with A. Randell	0.70	365.00	255.50
04/29/26	MLB	Work on customer notice; work on tariff; meet with team regarding notice; meet with team regarding testimony	3.70	490.00	1,813.00
04/29/26	LWI	Work on consultant testimony; work on company direct testimony; work on customer notice issues; meetings with client regarding status and strategy	4.80	580.00	2,784.00
04/30/26	MLB	Work on customer notice; work on proposed tariff; work on Magner testimony; meet with A. Allison	4.30	490.00	2,107.00
04/30/26	MML	Review draft customer notice; communications with L. Ingram and Kentucky Press related to same; review email related to draft testimony	0.40	365.00	146.00
04/30/26	LWI	Work on customer notice issues; confer client re same; work on testimony and discovery issues; confer client re same	4.50	580.00	2,610.00
		SUBTOTAL	**81.20**		**$43,849.00**

EXPENSES AND OTHER SERVICES
***note: all copies are billed at .10/page unless otherwise indicated*

DATE	DESCRIPTION	AMOUNT
	SUBTOTAL	**0.00**
GRAND TOTAL:		**$40,779.57**

*PLEASE INDICATE INVOICE NUMBER 1109187 ON PAYMENT

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. Braun	Member	26.50	490.00	$12,985.00
L. W Ingram	Member	51.10	580.00	$29,638.00
M. M Loy	Paralegal	3.20	365.00	$1,168.00
G. R Nowlin	Paralegal	0.40	145.00	$58.00

PLEASE INDICATE INVOICE NUMBER 1109187 ON PAYMENT

Brattle

American Water Works Service Co
Attn: Nikole L. Bowen
1 Water Street
AP Dept 1012
Camden, NJ 01802
United States of America

May 25, 2026

Dear Nikole,

Enclosed please find our invoice for work performed through April 2026 for providing expert consulting services.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Ann Bulkley-Armour

PRINCIPAL | BOSTON

AEB/rv
Enclosures

One Beacon Street, Suite 2600
Boston, MA 02108

MAIN +1.617.864.7900
FAX +1.617.507.0063

EMAIL Ann.Bulkley@brattle.com
WEBSITE brattle.com

Brattle

May 25, 2026

In Account With:

American Water Works Service Co
Attn: Nikole L. Bowen
1 Water Street
AP Dept 1012
Camden, NJ 01802
United States of America

Invoice Number 100087488
Project ID CL09485

Page: 1

For Professional Services Rendered Through April 30, 2026

Re: Kentucky American Water Company's May 2025 Rate Proceeding

	HOURS	RATE	AMOUNT	
PRINCIPALS				
Ann Bulkley-Armour	1.00	690.00	690.00	USD
TOTAL LABOR			690.00	USD
TOTAL INVOICE			690.00	USD

Payable Upon receipt of bill in USD to: The Brattle Group, Inc. (EID 04-3254813)

Payable Upon receipt of bill in USD to: The Brattle Group, Inc. (FID 04-3254813)
Finance Charge of 1.5% per month (18% APR) will be added to overdue invoices

Please Remit Payment as Follows:

Check Payments:
The Brattle Group, Inc.
One Beacon Street, Suite 2600
Boston, MA 02108

Telephone:
+1.617.864.7900

Email: billingdept@brattle.com

ACH/Wire Payments:
Citibank, N.A. New York
[redacted]

Time Log for Ann Bulkley-Armour

Date	Description of Activity/Tasks	HOURS
04/08/26	Developing testimony.	1.00
Total		1.00

STOLL · KEENON · OGDEN
PLLC
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
June 9, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
cc to Ms. Christina Coleman:
Christina.Coleman@amwater.com
cc to Ms. Molly Van Over:
Molly.VanOver@amwater.com

INVOICE NO.: 1112130
SKO File No.: 10311/189825

PAYMENT REMITTANCE

Payments via regular mail:

STOLL · KEENON · OGDEN PLLC
P.O. Box 11969
Lexington, Kentucky 40579-1969

Payments via ACH or EFT:

Stoll Keenon Ogden PLLC IOLTA Account
Fifth Third Bank, Cincinnati OH
ABA/Bank Routing Number: 042101190

Account Number: 7381347322

Please reference your account and invoice numbers.
Email remittance to payments@skofirm.com

Re: KAW 2026 Rate Case

Our Reference: 010311/189825/LWI/2404
Fees rendered this bill $ 72,987.79

Total Current Charges This Matter **$ 72,987.79**

*PLEASE INDICATE INVOICE NUMBER 1112130 ON PAYMENT

STOLL · KEENON · OGDEN
PLLC
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
June 9, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
cc to Ms. Christina Coleman:
Christina.Coleman@amwater.com
cc to Ms. Molly Van Over:
Molly.VanOver@amwater.com

INVOICE NO.: 1112130
SKO File No.: 10311/189825

MATTER NAME: KAW 2026 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED	78,481.50
COURTESY DISCOUNT	*(5,493.71)*
TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	0.00
INVOICE TOTAL	$ 72,987.79
TOTAL BALANCE DUE	**$72,987.79**

*PLEASE INDICATE INVOICE NUMBER 1112130 ON PAYMENT

BILL DATE: June 9, 2026

Kentucky-American Water Company
invoices ebilled via Serengeti Legal Tracker
re American Water Works
.

KAW 2026 Rate Case

LEGAL FEES

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
05/01/26	MML	Communications with Kentucky Press; review, revise multiple proofs of customer notice	1.80	365.00	$ 657.00
05/01/26	MLB	Work on testimony; customer notice	2.20	490.00	1,078.00

05/03/26	MLB	Work on testimony; work on tariff	2.20	490.00	1,078.00
05/04/26	MLB	Work on tariff; emails with client team; review minimum filing requirements; work on customer notice	4.80	490.00	2,352.00
05/04/26	LWI	Work on filing exhibit and tariff issues; customer notice work	1.90	580.00	1,102.00
05/04/26	MML	Work on application exhibits, multiple proofs of customer notice; email and telephone conference with Kentucky Press; email with L. Ingram and M. Braun	2.70	365.00	985.50
05/05/26	MLB	Work on customer notice; work on minimum filing requirements; work on testimony; emails with client team; discuss with L. Ingram	4.20	490.00	2,058.00
05/05/26	LWI	Work on filing requirements; work on testimony; work on customer notice issues	2.00	580.00	1,160.00
05/05/26	MML	Work on application exhibits, multiple proofs of customer notice with revised client information; email and telephone conferences with Kentucky Press; email with L. Ingram and M. Braun; finalize proof and instructions to Kentucky Press regarding publication of notice	3.00	365.00	1,095.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
05/06/26	MLB	Work on testimony; work on filing requirements	3.80	490.00	1,862.00
05/06/26	LWI	Continue work on testimony; draft Application; work on filing exhibits and notice issues	3.20	580.00	1,856.00
05/07/26	MLB	Work on filing requirements; work on testimony; call with A. Allison; work on application	3.20	490.00	1,568.00
05/07/26	LWI	Work on application and petition for confidential treatment; work on filing requirements and testimony	3.00	580.00	1,740.00
05/08/26	MLB	Work on testimony and filing requirements; meet with A. Allison and team	2.90	490.00	1,421.00
05/08/26	LWI	Work on testimony and filing exhibits; planning for filing; confer with client re same	4.80	580.00	2,784.00
05/08/26	MML	Conference with L. Ingram and M. Braun; work on minimum filing requirements	1.10	365.00	401.50
05/09/26	MML	Review and work on application exhibits; updates to status chart	1.80	365.00	657.00
05/10/26	MML	Review and work on application exhibits; updates to status chart	1.50	365.00	547.50
05/10/26	MLB	Work on testimony and filing requirements	0.50	490.00	245.00
05/11/26	MLB	Work on minimum filing requirements; work on proposed tariff; emails with client team	1.70	490.00	833.00
05/11/26	LWI	Prepare for and attend sewer strategy call with client	0.60	580.00	348.00
05/11/26	LWI	Continue review of testimony and filing requirements; confer with client re same	3.30	580.00	1,914.00
05/11/26	MML	Communications with L. Ingram and M. Braun; work on application exhibits and verifications	2.20	365.00	803.00
05/12/26	MLB	Meet with A. Allison; work on filing requirements; prepare comparative tariff; work on testimony; work on application	4.80	490.00	2,352.00

*PLEASE INDICATE INVOICE NUMBER 1112130 ON PAYMENT

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
05/12/26	LWI	Continue work on filing exhibits and testimony; confer client re same; work on case timing and rate implementation issues; work on application and petition for confidential treatment	4.80	580.00	2,784.00
05/13/26	MLB	Work on filing requirements; work on			

		testimony; emails and calls with client	4.80	490.00	2,352.00
05/13/26	LWI	Continue work on testimony and filing exhibits; confer client re strategy issues and customer notice issues	4.50	580.00	2,610.00
05/13/26	MML	Communications with L. Ingram and M. Braun; work on application exhibits; work on testimony issues; preparation of confidential exhibit to direct testimony; work on application exhibits; prepare table of contents	4.30	365.00	1,569.50
05/14/26	MLB	Work on filing requirements; work on testimony; emails with client team	2.80	490.00	1,372.00
05/14/26	MML	Communications with L. Ingram and M. Braun; begin to finalize all application exhibits and direct testimony for filing; communications with Kentucky Press regarding customer notice	2.80	365.00	1,022.00
05/14/26	LWI	Continue work on filing exhibits and preparation of all files for filing; confer client re same	3.20	580.00	1,856.00
05/15/26	MLB	Final review and revision to application and all exhibits; emails with client team; file application; submit confidential information; emails with AG and LFUCG	3.30	490.00	1,617.00
05/15/26	MML	Communications with M. Braun; finalize application exhibits and testimony for filing	1.70	365.00	620.50
05/18/26	MML	Review PSC's first data requests and prepare tracking chart	0.60	365.00	219.00
05/18/26	MLB	Review AG's Motion to Intervene	0.10	490.00	49.00
05/18/26	LWI	Review intervenor status; review status of data responses	0.50	580.00	290.00
05/19/26	MLB	Work on responses to PSC 1	1.20	490.00	588.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
05/19/26	MML	Work in SharePoint with revised application exhibits and communications with A. Randell	0.40	365.00	146.00
05/19/26	LWI	Work on data responses and related issues for confidential treatment	1.50	580.00	870.00
05/20/26	MLB	Work on responses to PSC 1; meet with team; review order granting AG intervention	1.50	490.00	735.00
05/20/26	LWI	Work on DR responses; confer client re same; edit and review same	2.20	580.00	1,276.00
05/21/26	MLB	Review no deficiency letter; emails with client team; emails with PSC staff regarding technical conference; work on responses to PSC 1; review LFUCG motion to intervene; status call with A. Allison and E. Bytnar	1.40	490.00	686.00
05/21/26	LWI	Work on data responses and confidentiality issues; confer client re same and status; work on planning efforts for informal confereene	3.60	580.00	2,088.00
05/21/26	MML	Review communications from client, L. Ingram and M. Braun; work on responses and exhibits to PSC's first data requests	2.80	365.00	1,022.00
05/22/26	MML	Meeting and communications L. Ingram and M. Braun; work on responses and exhibits to PSC's first data requests	1.60	365.00	584.00
05/22/26	LWI	Work on data responses and IC prep issues; work on confidentiality issues for PSC 1	2.50	580.00	1,450.00
05/22/26	MLB	Work on responses to PSC 1; work on confidential responses; prepare for technical conference	1.20	490.00	588.00
05/22/26	JDL	Prepare petition for confidential treatment; discuss rate case issues with Mr. Ingram; reviewing witness testimony in anticipation of rate case issue briefing.	2.60	380.00	988.00
05/25/26	JDL	Reviewing testimony related to rate structure and cost sharing for hydrants.	0.80	380.00	304.00
05/26/26	MLB	Meet with team to prepare for technical conference; emails regarding	1.60	490.00	784.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
		conference; work on discovery responses			
05/26/26	LWI	Work on data responses and related confidentiality issues; meet with client to prepare for IC; prepare for meeting	2.80	580.00	1,624.00
05/26/26	MML	Review email from attorneys and client regarding confidential information in responses to PSC's first data requests; email with M. Braun related to same	0.20	365.00	73.00
05/26/26	JDL	Reviewing memorandum and PSC materials related to cost allocation of hydrant maintenance.	0.70	380.00	266.00
05/27/26	JDL	Revising, finalizing and circulating petition for confidential protection.	2.60	380.00	988.00
05/27/26	MLB	Work on responses to PSC data requests; status meeting with team; emails with team; review procedural schedule; work on confidential responses	1.40	490.00	686.00
05/27/26	MML	Work on responses, attachments to PSC"s first data requests; preparation of confidential material for submission; email with L. Ingram and M. Braun; email with A. Allison	4.80	365.00	1,752.00
05/27/26	LWI	Work on and review data responses; prepare for informal conference; correspondence regarding same	3.50	580.00	2,030.00
05/28/26	MLB	Work on responses to PSC 1 requests; work on confidential issues; meet with client team	3.40	490.00	1,666.00
05/28/26	JDL	Revising petition for confidential and confirming confidential status of data request responses with Mr. Ingram and Ms. Braun.	1.30	380.00	494.00
05/28/26	MML	Continue to work on responses, attachments to PSC's first data requests; additional preparation of confidential material for submission; redact financial identifiers; revisions to tracking chart; email with attorneys and client team	5.00	365.00	1,825.00
05/28/26	LWI	Work on data responses and confidentiality issues; meet with client	2.80	580.00	1,624.00

PLEASE INDICATE INVOICE NUMBER 1112130 ON PAYMENT

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
		regarding same; prep for informal conference			
05/29/26	MLB	Work on petition for confidential protection; meet with team to prepare for technical conference; work on responses to data requests	2.40	490.00	1,176.00
05/29/26	LWI	Finalize all files for filling; confer client re same; complete filing of PSC 1 data responses; prepare for informal conference	4.80	580.00	2,784.00
05/29/26	MML	Review petition for confidential treatment; meeting with client and attorney team; communications with L. Ingram and M. Braun; finalize all responses, attachments to PSC's first data requests including confidential material for filing; prepare verifications for filing; revisions to tracking chart; prepare file share link of confidential material for PSC and AG; calendar procedural order	5.20	365.00	1,898.00
05/29/26	JDL	Reviewing status of proceeding, application materials, and intervention requests in preparation for upcoming data requests.	0.60	380.00	228.00
		SUBTOTAL	**163.00**		**$78,481.50**

EXPENSES AND OTHER SERVICES
***note: all copies are billed at .10/page unless otherwise indicated*

DATE	DESCRIPTION	AMOUNT
	SUBTOTAL	**0.00**
GRAND TOTAL:		**$72,987.79**

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. Braun	Member	55.40	490.00	$27,146.00
L. W Ingram	Member	55.50	580.00	$32,190.00
J. Lavanga	Associate	8.60	380.00	$3,268.00

*PLEASE INDICATE INVOICE NUMBER 1112130 ON PAYMENT

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. M Loy	Paralegal	43.50	365.00	$15,877.50

*PLEASE INDICATE INVOICE NUMBER 1112130 ON PAYMENT

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast, Chuck Rea, John Watkins, William A. Lewis

53. Acquisitions. Refer to pages 42-43 of the Lewis Testimony.

a. Does the increase in revenues from the three acquisitions exceed the costs related to the related new employees in the forecast test period? If not explain why not.
b. If not, how much of the cost of the related new employees requested for recovery in the forecast test period is covered by the increase in revenues from the acquisitions?
c. Please identify where the increase in revenues in the forecast test period associated with the three acquisitions is reflected in the filing.

Response:

a. Yes.
b. N/A.
c. The increase in revenues for the forecast test period associated with the three acquisitions can be found in the Company's response to PSCDR1_NUM001 in "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support".

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins / William A. Lewis

54. Acquisitions. Refer to page 26 of the Watkins Testimony. Did the Company reflect efficiencies associated with the acquisitions in the forecast test period? If so provide the amount. If not explain why not and explain how ratepayers will receive the savings before the next rate case.

Response:

The Company has reflected efficiencies associated with the acquisitions organically in its forecasted test period in this case. These efficiencies are realized through the streamlining of operational processes, economies of scale, and the integration of systems into existing operations. As discussed in the acquisition cases for Black Mountain (Case No. 2026-00097), Livingston (Case No. 2025-00364), and Water Service Corporation (Middlesboro and Clinton) (Case No. 2025-00171), the acquisitions enable KAWC to leverage its operational best practices, experience, and affiliation with American Water, including expanded access to capital, in addition to growing its customer base, which enables the Company to spread fixed costs across more customers, which benefits both new and legacy customers.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis / John Watkins / Robert Prendergast

55. Acquisitions/Mergers. Refer to page 2 of the Application, in which it states that, "KAWC is involved in transactions that may result in it becoming engaged in the distribution and sale of water in Bell, Harlan and Hickman counties." Confirm that it is possible the transactions may not be executed. If any of the transactions are not executed prior to or during the forecast test period, explain how ratepayers will not overpay for the costs related to these acquisitions that are included in the forecast test period revenue requirement.

Response:

The Bell and Hickman transactions closed on June 1, 2026 and are now fully owned and operated by KAWC. The Harlan transaction (Black Mountain Utility District) has been submitted to the Commission for approval under transfer of control Case No. 2026-00097. Subject to Commission approval, KAWC fully anticipates closing the BMUD transaction no later than October 31, 2026.

If the BMUD transaction is not completed, the Company will remove all related expenses, revenues and capital related to this transaction. But the Company anticipates approval of this transaction by the Commission prior to the date listed above which is in accordance with the procedural schedule in that case.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast, Chuck Rea, John Watkins, William A. Lewis

56. Acquisitions/Mergers. Refer to the Application generally. For each of the following acquisitions: Water Service Corporation of Kentucky, City of Livingston, and Black Mountain Utility District provide:
    a. The annual amount of revenues and expenses applicable to each entity included in the forecasted test period, including all calculations showing how the amounts were derived.
    b. Confirmation that a full year of revenues and expenses are included in the forecast test period for each acquisition.
    c. The first full month of revenues and expenses through the most recent month available recorded by Kentucky American appliable to each entity.
    d. The purchase price, the net book value at the date of sale, and the acquisition premium.
    e. The transaction costs for each acquisition, including but not limited to: payroll, consulting, legal fees, etc. and the amount reflected in the forecast test period.
    f. The transition costs for each acquisition, including but not limited to: integration costs, (systems, operations, IT, payroll, etc.), training costs, legal costs, advisory, consulting, compliance costs, employee costs, real estate, etc.) and the amount reflected in the forecast test period.
    g. The annual amount of synergies associated with each transaction (including all supporting calculations and documents) and the amount reflected in the forecast test period. If none are reflected, explain why not.

Response:

a. The annual revenues can be found in the Company's Response to PSCDR1_NUM001 in the file "KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support". Please see KAW_R_PSCDR2_NUM035_062626_Attachment for expense information and calculations.
b. Confirmed.
c. Middlesboro and Clinton's first full month of revenue and expenses would be July 2026. Livingstons' first full month of revenue and expenses was May 2026.
d. Please see the Company's Response to PSCDR1_NUM001 in the file "KAWC 2026 Rate Case – Capital-Depr Exp" on the respective tabs labeled with ACQ1-Livingston, ACQ2-Black Mountain, and ACQ3-Nexus for the purchase price, net book value at the date of sale, and acquisition premiums of each acquisition.
e. There are no transaction costs for the requested acquisitions included in the forecast test period. Please also see subpart a to this response.
f. There are no incremental transition costs reflected in the forecasted test year. Please also see subpart a to this response.

g. Please see the Company's response to KAW_R_AGDR1_NUM0054_062626.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

57. Acquisition Accounting. Refer to page 23 of the Watkins Testimony. Identify all utilities in Kentucky in which Kentucky American is aware of that were authorized by the Commission to utilize net acquisition accounting.

Response:

The Company has not researched this issue, so it is unaware whether any acquisitions being authorized net acquisition accounting by the Kentucky PSC. Please note that as stated page 24, line 22 through 23, and as demonstrated in Figure 3 on page 25 of the Watkins Direct Testimony, using the Company's proposed net acquisition accounting treatment would save customers approximately $156,000 in depreciation expense.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

58. Acquisitions/mergers. Refer to the Application generally. For each of the following acquisitions: Water Service Company of Kentucky, City of Livingston, and Black Mountain Utility District provide:

a. The number of employees at each entity prior to the transaction announcement.

b. The number of employees at each entity at the time of the transaction closing date.

c. The number of employees at each entity as of the current date.

d. The number of employees the company is requesting in the current case for each entity.

Response:

Please reference Mr. Lewis' testimony on pages 42—44, but specifically page 42, lines 8-17. One additional Sr. Operator is being added to the existing Middlesboro water treatment plant staffing to mitigate overtime hours resulting from extended first shift schedules currently required to operate the water treatment plant. To support the larger South Region, inclusive of Eastern Rockcastle, Black Mountain, and Middlesboro, KAWC is adding a Regional Manager of Operations, a Water Quality Project Manager, a Safety Specialist, and a Construction Project Manager to ensure service standards, safety, water quality and capital programs are consistent with greater KAWC state operations.

	(a)	**(b)**	**(c)**	**(d)**
Livingston	0	0	0	0
Water Service Co.	13	13	13	14
BMUD	11	11	11	11
South Region Management/Function	0	0	0	4

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins / William A. Lewis

59. Acquisitions/Mergers. Refer to the Application generally. Identify all planned and potential acquisitions that are not identified in the current case that may take place during the remainder of 2026 and the forecast test period.

Response:

All Kentucky-American's acquisitions or mergers with signed agreements and filings approved by or pending before the Commission, as of the date of this response, have been identified and included in the current case.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

60. Acquisition Adjustments. Refer to the O&M Excel files provided in Kentucky American's response to the Commission Staff's First Request for Information ("Staff's First Request"), No. 1. Explain how each of the following acquisition adjustments were calculated and provide all supporting calculations:
    a. CONFIDENTIAL Chemicals Exhibit - $158,007 in the "Workpaper" tab.
    b. Contract Services Exhibit - $440,853 in the "Forecast" tab.
    c. Customer Accounting Exhibit- $132,310 in the "Workpaper" tab.
    d. Fuel and Power Exhibit- $113,031, $149,940, $40,000 in the "Workpaper" tab.
    e. Maintenance Supplies & Services Exhibit - $271,731 in the "Workpaper" tab.
    f. Miscellaneous Expense Exhibit - $84,348 in the "Workpaper" tab.
    g. Office Supplies Exhibit - $140,325 on line 1 of the "Workpaper" tab.
    h. CONFIDENTIAL Purchased Water Exhibit – Provide the calculations showing how the monthly acquisition adjustments for Nexus, Black Mountain, and Livingston were derived.
    i. Rents Exhibit- $ 21,755 in the "Workpaper" tab.
    j. Transportation Exhibit - $91,200 in the "Workpaper" tab.

Response:

For all of these expenses, please see KAW_R_PSCDR2_NUM035_062626_Attachment for a breakdown of the acquisition adjustments by line item and acquisition as well as the corresponding calculations.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

61. Board of Director ("BOD") and Board of Trustees Fees, Expenses and Meeting Costs. Refer to the Application generally. Provide the total amount of fees paid (direct and allocated) to all Boards (including but not limited to: the Service Company, American Water, Kentucky American, American Water Capital Corp, etc., expenses and total costs incurred for all Board meetings for each of the years 2025, the base period and included for recovery in the forecasted test period. Break these expenses out by category (including but not limited to: per diems, benefits, reimbursements, expenses, seminars, retainers, travel, etc.)

Response:

For Kentucky American please see KAW_R_AGDR1_NUM009_062626.

Directors Expenses and Directors Fees for American Water allocated to Kentucky-American are shown below. This level of detail is not broken down for the forecasted test period.

	2025	Base Period
Allocated	$58,001	$62,964

Please see below for the breakout for year 2025. The amounts below are included in the total allocated dollars above.

	2025
Travel	$3,127
Meals	$499
Other	$5,771
Total Expenses Allocated	**$9,397**

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

62. Board of Director Meeting minutes. Refer to the Application generally. Provide copies of all the BOD meeting minutes for each of the years 2025 and 2026 year-to-date that discuss Kentucky American. Consider this a continuing request during the pendency of this case.

Response:

There are no BOD meeting minutes for 2025 and 2026 year-to-date that specifically discuss Kentucky-American, other than those of the KAWC BOD.

Please see attached KAW_R_AGDR1_NUM062_062626_Attachment for the approved quarterly minutes for the KAWC Board of Directors meetings from 2025 and 2026 year-to-date.

Minutes of Regular Meeting of the Board of Directors (the "Board") of Kentucky-American Water Company (the "Company")

Held in-person in the KAWC Service area and virtually via Microsoft Teams – Lexington, Kentucky
At 1:00 PM on Tuesday, February 18, 2025

Present: Robert Burton
Andy Lewis
Warren Rogers
David Adkisson
Shelley Porter
Susan Lancho
Rebecca Broaddus

Also present: Kathryn Nash
David L. Pippen
Christina Weaver
Shannon Haney
Dominic DeGrazia
Christina Dean
John Magner

Having a majority and quorum of the Board necessary for the transaction of business, Mr. Burton called the meeting to order.

John Magner shared the weCARE moment.

Mr. Pippen, as Secretary, presented the Minutes of the meeting of the Board held on November 25, 2024, and on a motion duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED**, that the minutes of the meeting of Company's Board held on November 24, 2024, be and the same hereby are approved in the form presented to the Board.

Mr. Burton provided the Board with the President's Report. Mr. Burton discussed the President's transition from Kathryn Nash. He also reviewed customer, stakeholder, and engagement efforts. Mr. Burton reviewed operational efficiency and safety initiatives that will be carried out throughout the year. He assured the team that we will continue our focus on safety and logistics. Mr. Burton also discussed regulatory activity, business development, acquisition efforts, and opportunities.

Mr. Lewis provided an Operational Review to the Board. System delivery for Q4 was 2.6% ahead of plan. He discussed customer service, safety training, and noted that Kentucky-American saw consistency in service quality scores during Q4 2024.

Mr. Lewis reported that Kentucky-American Water has worked 47 days since its last OSHA recordable injury on November 14, 2024. He continued that there were no drinking water violations this period. He mentioned that the OSHA Required training completion rate for all employees for 2024 was 96%. The goal for 2025 is 100%. We did hit our goal of 100% of all Kentucky American Water employees to meet their goal of 25 LEARN hours for the year. Mr. Lewis responded to questions from the Board during his presentation.

Mr. Magner then presented to the Board the current capital projects. The Kentucky Public Service Commission issued an order approving Kentucky American Water's QIP 2025 (Year 6) program on December 26, 2024. QIP

2025 includes forty-nine projects that will install approximately 10.2 miles of ductile iron main to replace approximately 12.8 miles of cast iron and galvanized main in Lexington, Owenton, Sadieville, and Millersburg with an investment of $25.3M. Unlike previous years, QIP 2025 will be delivered within calendar year 2025. Mr. Magner responded to questions from the Board during his presentation.

Ms. Lancho discussed the Kentucky-American Water's continued community outreach during Q4 of 2024. The company's community outreach during Q4 included supporting several events and organizations, including: Arbor Youth Services, Black Male Working Academy, Bluegrass Care Navigators, Bluegrass GreenSource, Clark County Community Services, Central Kentucky Audubon Society, Children's Advocacy Center of the Bluegrass, Crysalis House, Easterseals of the Bluegrass, Elizabeth's Village, FoodChain, God's Pantry, Habitat for Humanity-Lexington, Habitat for Humanity-Scott/Bourbon counties, Hope Center, Kentucky Blood Center, The Nest – Center for Women, Children and Families, Operation Secret Santa, Kentucky Chamber Foundation – Leadership Institute for School Principals, Lexington History Museum, Lexington Public Library Foundation, Lyric Theatre, Marafiki Center, Meeting the Needs, Neighbors Immigration Clinic, Prevent Child Abuse Kentucky, Radio Eye, Ronald McDonald House, Seedleaf, Scott County Humane Society, Step by Step, Voices of Hope and YMCA Black Achievers.

The company's H2O Help to Others program assisted 114 limited-income customers in Q4, with a total of $16, 341 in grants provided. The total for 2024 was 461 customers assisted through a total of $76,400 in grants provided. Ms. Lancho responded to questions from the Board during her presentation.

Ms. Broaddus provided a detailed overview of the Kentucky-American Water's Q4 2024 Income Statement and Balance Sheet. Ms. Broaddus discussed the quarterly Financial Management Report. Ms. Broaddus responded to questions from the Board during her presentation.

Ms. Broaddus then asked the Board to consider the declaration of dividends on the Common Stock of the Company. The Board considered the earnings of the Company, the earned surplus of the Company available for dividends and the cash position of the Company. After discussion, and upon motions duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED,** that out of the earned surplus of the Company, a dividend of $4,189,946.00 of the Common Stock of the Company be, declared payable on March 31, 2025 to stockholders of record at the close of business on March 10, 2025.

After a general discussion of the Company and upon motion duly made, seconded, and unanimously adopted, the meeting adjourned.

David L. Pippen

Minutes of Regular Meeting of the Board of Directors (the "Board") of Kentucky-American Water Company (the "Company")

Held in-person in the KAWC Service area and virtually via Microsoft Teams – Lexington, Kentucky
At 1:00 PM on Tuesday, May 13, 2025

Present: Robert Burton
Andy Lewis
Warren Rogers
David Adkisson
John Magner
Susan Lancho
Rebecca Broaddus

Also present: David L. Pippen
Molly Van Over
Alicia Jacobs
Shannon Haney
Dominic DeGrazia
Christina Dean
Olivia Hughes

Having a majority and quorum of the Board necessary for the transaction of business, Mr. Burton called the meeting to order.

Alicia Jacobs shared the weCARE moment.

Mr. Pippen, as Secretary, presented the Minutes of the meeting of the Board held on February 18, 2025, and on a motion duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED**, that the minutes of the meeting of Company's Board held on February 18, 2025, be and the same hereby are approved in the form presented to the Board.

Mr. Pippen presented the resolution for the Officer Elections. After a discussion and on a motion duly made and seconded, the following resolution was unanimously adopted:

President.....Robert Burton

Vice President, Operations.....William A. Lewis

Finance & Treasurer .....Rebecca Broaddus

Vice President, General Counsel & Secretary ..... David L. Pippen

Assistant Secretary.....Shannon Haney

Assistant Secretary..... Molly Van Over

Assistant Treasurer..... Nicholas Furia

Assistant Comptroller .....Melissa Ciullo

NOW THEREFORE BE IT,

RESOLVED, that the above-named elected officers are hereby declared duly elected as such officers to serve for a term of one year and/or until their respective successors are chosen and qualified, effective May 1, 2025.

RESOLVED FURTHER, that the position of Vice President - Finance encompasses the duties of Treasurer and Comptroller.

RESOLVED FURTHER, that the duties of the Assistant Comptroller shall be limited to compiling and executing tax returns and government filings relating to the following and similar matters:

Sales Tax	Motor Fuel Tax
Sales Tax Statement	UB & CA Assess
Use Tax	Primacy Fee
Business License	Escheats
City Tax	License Fee
Revenue Tax	School Tax
Excise Tax	Gross Receipts
Franchise Tax	Property Tax
Invested Capital	Capital Stock Tax
Sales & Use Tax	B & O Taxes Employers'
Quarterly Tax Return (FED 941)	Unclaimed Property
State Income Tax Returns Estimated Tax	
Deposit	
FUTA Annual Return (FED 940)	
State Return Extension Requests	
Federal Return Extension Requests	

RESOLVED FURTHER, that the Assistant Comptroller may authorize and initiate the payment of fees and taxes referenced in the foregoing resolution and procurement card charges; and authorize ACH and wire transfers.

RESOLVED FURTHER, that the above-named elected officers, excepting the Assistant Comptrollers, of the Corporation be, and each of them hereby is, authorized and empowered, in the name and on behalf of the Corporation, to do any and all such acts and things as any one of them may deem necessary or advisable in accordance with the by-laws of the Corporation, effective May 1, 2025.

Mr. Burton provided the Board with the President's Report. Mr. Burton discussed the President's transition from Kathryn Nash. He also reviewed customer, stakeholder, and engagement efforts. Mr. Burton reviewed operational efficiency and safety initiatives that will be carried out throughout the year. He assured the team that we will continue our focus on safety and logistics. Mr. Burton also discussed regulatory activity, business development, acquisition efforts, and opportunities.

Mr. Lewis provided an Operational Review to the Board. System delivery for Q4 was 2.6% ahead of plan. He discussed customer service, safety training, and noted that Kentucky-American saw consistency in service quality scores during Q4 2024.

Mr. Lewis reported that Kentucky-American Water has worked 47 days since its last OSHA recordable injury on November 14, 2024. He continued that there were no drinking water violations this period. He mentioned that the OSHA Required training completion rate for all employees for 2024 was 96%. The goal for 2025 is 100%. We did hit our goal of 100% of all Kentucky American Water employees to meet their goal of 25 LEARN hours for the year. Mr. Lewis responded to questions from the Board during his presentation.

Mr. Magner then presented to the Board the current capital projects. The Kentucky Public Service Commission issued an order approving Kentucky American Water's QIP 2025 (Year 6) program on December 26, 2024. QIP 2025 includes forty-nine projects that will install approximately 10.2 miles of ductile iron main to replace approximately 12.8 miles of cast iron and galvanized main in Lexington, Owenton, Sadieville, and Millersburg with an investment of $25.3M. Unlike previous years, QIP 2025 will be delivered within calendar year 2025. Mr. Magner responded to questions from the Board during his presentation.

Ms. Lancho discussed the Kentucky-American Water's continued community outreach during Q1 of 2025. The company's community outreach during Q1 included supporting several events and organizations, including: American Red Cross Disaster Blaster, Commerce Lexington – An Evening with Commerce Lexington, Commerce Lexington Public Policy Champion sponsorship, Georgetown/Scott County Chamber of Commerce – Live2Lead event, Owen County Chamber Annual Dinner, LFUCG Reforest the Bluegrass, Blue Grass Community Foundation – 250LEX Park Pop-Ups sponsorship (second installment), Winchester Clark County Chamber of Commerce Beer Cheese Festival, DV8 Kitchen Vocational Training Foundation, Girls Scouts of Kentucky's Wilderness Road Council STEM Education Initiatives, LexArts' Fund for the Arts, YMCA of Central Kentucky Swims, and Community Inspired Solutions – Hunger Doesn't Take a Spring Break (Lexington).

The company's H2O Help to Others program assisted 148 limited-income customers in Q1, with a total of $21,941 in grants provided. The total for Q1 2024 was 124 customers assisted through a total of $21,420 in grants provided. Ms. Lancho responded to questions from the Board during her presentation.

Ms. Broaddus provided a detailed overview of the Kentucky-American Water's Q4 2024 Income Statement and Balance Sheet. Ms. Broaddus discussed the quarterly Financial Management Report. Ms. Broaddus responded to questions from the Board during her presentation.

Ms. Broaddus then asked the Board to consider the declaration of dividends on the Common Stock of the Company. The Board considered the earnings of the Company, the earned surplus of the Company available for dividends and the cash position of the Company. After discussion, and upon motions duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED,** that out of the earned surplus of the Company, a dividend of $4,189,946.00.00 of the Common Stock of the Company be, declared payable on June 30, 2025 to stockholders of record at the close of business on June 10, 2025.

After a general discussion of the Company and upon motion duly made, seconded, and unanimously adopted, the meeting adjourned.

Shannon L. Haney

Minutes of Regular Meeting of the Board of Directors (the "Board") of Kentucky-American Water Company (the "Company")

Held in-person in the Kentucky American Water Room at the William T. Young Library and virtually via Microsoft Teams – Lexington, Kentucky
At 1:00 PM on August 12, 2025

Present:	Robert Burton Warren Rogers David Adkisson Andy Lewis John Magner Susan Lancho Connie Bishop
Also present:	Anne Trout Shannon Haney Christina Coleman Ryan Freeman Melissa Schwarzell Christina Dean

Having a majority and quorum of the Board necessary for the transaction of business, Mr. Burton called the meeting to order.

John Magner shared the weCARE moment.

Shannon Haney, as Assistant Secretary, presented the Minutes of the meeting of the Board held on August 12, 2025, and on a motion duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED**, that the minutes of the meeting of Company's Board held on August 12, 2025, be and the same hereby are approved in the form presented to the Board.

Mr. Burton provided the Board with the President's Report. He reviewed customer, stakeholder, and engagement efforts. Mr. Burton reviewed operational efficiency and safety initiatives that will be carried out throughout the year. He assured the team that we will continue our focus on safety and logistics. Mr. Burton also discussed regulatory activity, business development, acquisition efforts, and opportunities.

Mr. Lewis provided an Operational Review to the Board. System delivery for Q3 was 1.2% above plan. He discussed customer service, safety training, and noted that Kentucky-American saw consistency in service quality scores during Q3 2025.

Mr. Lewis reported that Kentucky-American Water had worked 218 days prior to its last OSHA recordable injury. On October 10th, our employee was removing a screen for an exhaust fan above

his head and a mud dauber's nest fell out between the louvers and got into his eye. We flushed his eye but didn't get it all out and he received a scratch on his cornea causing him to receive preventative medical treatment He continued that there were no drinking water violations this period. He mentioned that the OSHA Required training completion rate for all employees for 2024 was 96%. The goal for 2025 is 100%. Mr. Sensabaugh responded to questions from the Board during his presentation.

Mr. Magner then presented to the Board the current capital projects. QIP 2025 includes forty-nine projects that will install approximately 10.2 miles of ductile iron main to replace approximately 12.8 miles of cast iron and galvanized main. Through Q2, thirty-one of the projects were issued for bid, with all projects to be placed in service in 2025. Mr. Magner responded to questions from the Board during his presentation.

Ms. Lancho discussed the Kentucky-American Water's continued community outreach during Q2 of 2025. The company's community outreach during Q2 included supporting several events and organizations, including: KET Summer Celebration, Leukemia and Lymphoma Society, Owen County No Fear Rodeo, City of Winchester 4th of July Festival, Lexington Fire Department Golf Scramble, American Red Cross, Foodchain, the Friends of Jacobson Park and the University of Kentucky Arboretum, Central Kentucky Riding for Hope, A Different World, Inc., Marafiki Center Swahili Culture Outreach, Fayette Education Foundation, Arbor Youth Services and Lexington Community Radio.

The company's H2O Help to Others program assisted 2185 limited-income customers in Q2, with a total of $34,809 in grants provided. The total for Q2 2024 was 113 customers assisted through a total of $19,681 in grants provided. Ms. Lancho responded to questions from the Board during her presentation.

Ms. Broaddus provided a detailed overview of the Kentucky-American Water's Q4 2024 Income Statement and Balance Sheet. Ms. Broaddus discussed the quarterly Financial Management Report. Ms. Broaddus responded to questions from the Board during her presentation.

Ms. Broaddus then asked the Board to consider the declaration of dividends on the Common Stock of the Company. The Board considered the earnings of the Company, the earned surplus of the Company available for dividends and the cash position of the Company. After discussion, and upon motions duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED,** that out of the earned surplus of the Company, a dividend of $4,189,946.00.00 of the Common Stock of the Company be, declared payable on September 29, 2025 to stockholders of record at the close of business on September 8, 2025.

After a general discussion of the Company and upon motion duly made, seconded, and unanimously adopted, the meeting adjourned.

Shannon L. Haney

Minutes of Regular Meeting of the Board of Directors (the "Board") of Kentucky-American Water Company (the "Company")
Held in-person in the KAWC Service area and virtually via Microsoft Teams
- Lexington, Kentucky
At 1:00 PM on Thursday, November 20, 2025

Present: Robert Burton
Warren Rogers
David Adkisson
Andy Lewis
John Magner
Susan Lancho
Connie Bishop

Also present: Anne Trout
Shannon Haney
Christina Coleman
Ryan Freeman
Melissa Schwarzell
Christina Dean

Having a majority and quorum of the Board necessary for the transaction of business, Mr. Burton called the meeting to order.

John Magner shared the weCARE moment.

Shannon Haney, as Assistant Secretary, presented the Minutes of the meeting of the Board held on August 12, 2025, and on a motion duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED**, that the minutes of the meeting of Company's Board held on August 12, 2025, be and the same hereby are approved in the form presented to the Board.

Mr. Burton provided the Board with the President's Report. He reviewed customer, stakeholder, and engagement efforts. Mr. Burton reviewed operational efficiency and safety initiatives that will be carried out throughout the year. He assured the team that we will continue our focus on safety and logistics. Mr. Burton also discussed regulatory activity, business development, acquisition efforts, and opportunities.

Mr. Lewis provided an Operational Review to the Board. System delivery for Q3 was 1.2% above plan. He discussed customer service, safety training, and noted that Kentucky-American saw consistency in service quality scores during Q3 2025.

Mr. Lewis reported that Kentucky-American Water had worked 218 days prior to its last OSHA recordable injury. On October 10th, our employee was removing a screen for an exhaust fan above his head and a mud dauber's nest fell out between the louvers and got into his eye. We flushed his eye but didn't get it all out and he received a scratch on his cornea causing him to receive

preventative medical treatment He continued that there were no drinking water violations this period. He mentioned that the OSHA Required training completion rate for all employees through the third quarter of 2025 is 98%. The goal for 2025 is 100%. Mr. Lewis responded to questions from the board during his presentation.

Mr. Magner then presented to the Board the current capital projects. QIP 2025 includes forty-nine projects that will install approximately 12.8 miles of cast iron and galvanized water main throughout KAW's service territory. Through Q3, forty-four of the projects representing approximately $31.2 million in value, were awarded to contractors. Of these forty-four projects, twenty-four were under construction and twelve were completed. Almost 37,000 linear feet of pipe was installed through Q3. Mr. Magner responded to questions from the Board during his presentation.

Ms. Lancho discussed the Kentucky-American Water's continued community outreach during Q3 of 2025. The company's community outreach during Q3 included supporting several events and organizations, including: American Red Cross Disaster Blaster, Bluegrass GreenSource Tacos and Tequila event, No Fear Rodeo (Owen County), City of Winchester Fourth of July Festival, Lexington Fire Department Golf Scramble, The Nest - Center for Women, Children and Families, Owen County Chamber of Commerce – Sweet Owen Days Festival, Arbor Youth Services, Fayette Education Foundation Kentucky Chamber Foundation -- for Workforce Readiness and STEM Education, Lexington Community Radio, North Middletown Elementary School, Living Arts and Science Center, Lexington Fisher House Foundation, Paris Bourbon County YMCA.

The company's H2O Help to Others program assisted 179 limited-income customers in Q3, with a total of $26,345 in grants provided. The total for Q3 2024 was 110 customers assisted through a total of $18,958 in grants provided. Ms. Lancho responded to questions from the Board during her presentation.

Ms. Bishop provided a detailed overview of the Kentucky-American Water's Q3 2025 Income Statement and Balance Sheet. Ms. Bishop discussed the quarterly Financial Management Report. Ms. Bishop responded to questions from the Board during her presentation.

Ms. Bishop then asked the Board to consider the declaration of dividends on the Common Stock of the Company. The Board considered the earnings of the Company, the earned surplus of the Company available for dividends and the cash position of the Company. After discussion, and upon motions duly made and seconded, the following resolution was unanimously adopted:

> RESOLVED, that out of the earned surplus of the Company, a dividend of $6,696,128.00 of the Common Stock of the Company be, declared payable on December 29, 2025 to stockholders of record at the close of business on December 8, 2025.

After a general discussion of the Company and upon motion duly made, seconded, and unanimously adopted, the meeting adjourned.

Anne E. Trout

Minutes of Regular Meeting of the Board of Directors (the "Board") of Kentucky-American Water Company (the "Company")
Held in-person in the KAWC Service area and virtually via Microsoft Teams - Lexington, Kentucky
At 1:00 PM on Tuesday, February 17, 2026

Present: Robert Burton
Warren Rogers
David Adkisson
Andy Lewis
John Magner
Susan Lancho
Connie Bishop

Also present: Anne Trout
Shannon Haney
Christina Coleman
Melissa Schwarzell

Having a majority and quorum of the Board necessary for the transaction of business, Mr. Burton called the meeting to order.

***

Susan Lancho shared the weCARE moment.

***

Anne Trout, as Secretary, presented the Minutes of the meeting of the Board held on November 20, 2025, and on a motion duly made and seconded, the following resolution was unanimously adopted:

> **RESOLVED**, that the minutes of the meeting of Company's Board held on November 20, 2025, be and the same hereby are approved in the form presented to the Board.

***

Mr. Burton gave his President's Report. He reviewed customer, stakeholder, engagement efforts, regulatory activity, business development, acquisition efforts, and opportunities.

***

Mr. Lewis gave his Operations Report. He reviewed customer service and safety training, and reported that Justin Sensabaugh was recently promoted to Director of Operations. He also updated on several new system acquisitions planned to close in Q1 and Q2, 2026, which will add approximately 6,000 new customer connections.

***

Mr. Magner gave his Engineering Report. He reviewed capital spending and the status of several pipeline replacement projects.

***

Ms. Lancho gave her Government and External Affairs Report and detailed the Company's continued community outreach with local organizations, and the Company's H2O Help to Others program, which assisted 127 limited-income customers in Q4. A total of 672 grants were issued in 2025.

***

Ms. Bishop gave her Finance Report and reviewed the Company's Q4 2025 Income Statement and Balance Sheet. Ms. Bishop discussed the quarterly Financial Management Report, and the declaration of dividends on the Common Stock of the Company.

***

Upon Motion by Mr. Rogers, seconded by Mr. Magner, the following resolution was unanimously adopted by the Board:

> **RESOLVED,** that out of the earned surplus of the Company, a dividend of $5,058,958.00 of the Common Stock of the Company be, declared payable on March 31, 2026 to stockholders of record at the close of business on March 10, 2026.

***

There being no further business, and upon motion duly made, seconded, and unanimously adopted, the meeting adjourned.

Anne E. Trout

_____

Anne E. Trout

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

63. Business development expenses. Refer to the Application generally.
    a. Provide the total business development expenses, (direct and allocated) for each of the years, 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period. Describe the nature of the expenses and state whether they specifically relate to the state Kentucky.
    b. Identify all employees that engage in business development, on the local, state or national level. For each employee provide in schedule form:
        i. Their fully loaded annual salaries included in the base period and forecasted test period,
        ii. Percent of time expected to be spent on these activities in the base period and the forecasted test period,
        iii. All company-paid or reimbursed expenses or allowances in the included in the base period and the forecasted test period and the accounts charged.

Response:

a. Please see KAW_R_AGDR1_NUM063_062626_Attachment for business development expenses for the years requested. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection. The Kentucky direct expenses represent the total Kentucky Business Development labor expenses and the allocated expense is the Business Development Shared Services total expenses allocated to Kentucky.
b. Please see KAW_R_AGDR1_NUM063_062626_Attachment. Company paid or reimbursed expenses are charged to "Employee Related Expense".

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM063_062626_Attachment_CONFIDENTIAL

a. Business Development Expenses

	2021	2022	2023	2024	2025	Base Period	Future Test Period
Direct	$103,953	$139,594	$139,732	$190,171	$215,435	$282,022	$469,533
Allocated	$79,739	$93,769	$119,447	$213,086	$234,057	$282,041	$291,898

b. Business Development Employees

Position	Fully-Loaded Salary		Percent of	Company Paid	
	Base Period	Future Test Period	Role	Base Period	Future Test Period
[redacted]	$217,565	$235,301	100%	$867	$1,300
	$64,457	234,232	100%	$12,580	$15,096

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

64. Building Maintenance and Services. Refer to the Excel file titled KAWC 2026 Rate Case – Building Maintenance & Services Exhibit, tab titled "Workpaper 1" provided in Kentucky American's response to Staff's First Request, No. 1.
    a. Provide documentation supporting the forecast test period increase of $60,747 to Account 52571100 Add'l Security Costs.
    b. Explain in detail the need for this cost in the forecast test period.
    c. Explain why no cost was incurred in 2025 as shown on the "Link In" tab.

Response:

a. Please see the file KAWC 2026 Rate Case – Building Maintenance & Services Exhibit, "Workpaper 2" tab for detail on how this adjustment is calculated.
b. This adjustment incorporates the going level cost of additional incident management practices into the base year. These incremental costs can fluctuate from year to year as they are typically associated with threat investigations or other sensitive personnel items. To account for the variable nature of these costs, a representative baseline expense level was calculated by averaging historical spend. The $60,747 adjustment to account 52571100 normalizes base year actuals to this expected going level amount.
c. This cost shows in account 52571016 in 2025. The change in sub-account from 2024 is because of a change in how security expenses are being booked.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

65. Customer Accounting. Refer to the Excel file titled KAWC 2026 Rate Case – Customer Accounting Exhibit, tab titled "Workpaper" provided in Kentucky American's response to Staff's First Request, No. 1. Explain why a three-year average is appropriate for the forecast test period level as some accounts have little or no expense in some years (e.g., 52501510 Misc Oper - Customer Accounting Mtr Read).

Response:

A three-year average was utilized to maintain consistency with the Company's established forecasting practices for budgeting Customer Accounting expense. In addition, the use of a multi-year average is appropriate because certain accounts have infrequent cost patterns. The three-year average mitigates these fluctuations by normalizing the impact of timing differences and sporadic activity, resulting in a level of expense that is more representative of expected, ongoing operations.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

66. Closure of Self-Service Kiosk. Refer to pages 59 - 63 of the Lewis Testimony.
    a. Did the Company remove the costs associated with operating the self-service kiosk from the future test period? If not, explain why not and provide the total annual cost by category associated with operating this kiosk that is included in the forecast test period.
    b. If operating the kiosk is not cost effective or prudent, explain why ratepayers should continue to fund this expense.
    c. If the Commission approves the closure of the kiosk, state when the Company expects the kiosk would be closed and how long it will take to fully shut down the kiosk.
    d. Has the Company discussed the possibility of closing the kiosk with the City of Lexington? If so, provide details of the discussions. If not, explain why not.
    e. When did the Company determine that operating the kiosk is not cost effective or prudent

Response:

a. No. As stated in Mr. Lewis' testimony beginning on page 62, the kiosk would not be closed before December 31, 2027. The 2025 actual costs associated with operation and maintenance of the on-site kiosk located at 2300 Richmond Road, Lexington, KY are shown below.

Kiosk Expense	2025 Cost
Repair & Maintenance	$220.82
Armored Car Service	$8,154.30
LFUCG Police Escort	$8,573.50
Banking Fees	$4,764.00
Signage Replacement Cost	$231.49
TOTAL	**$21,944.11**

b. It is KAWC's position that the kiosk is a legacy technology, no longer necessary or cost effective to provide ratepayers the convenience of an in-person payment location when so many other cost-effective locations exist throughout our service territories as noted in Mr. Lewis' testimony on 61. However, until the kiosk is placed out of service and decommissioned, there is a reasonable and appropriate cost associated with maintaining and operating the kiosk that ratepayers should continue to fund until the kiosk is unavailable to benefit ratepayers. It is also KAWC's position that this kiosk

must remain in service until such time that the Commission and the City of Lexington approve its removal.

c. As stated in Mr. Lewis' testimony beginning on page 62, the kiosk would not be closed before December 31, 2027. The process of communicating to ratepayers of the kiosk closure, suspending financial operations originating from the kiosk, closing the kiosk and final removal/decommissioning would take up to 3-months.

d. No. KAWC has not discussed closing the kiosk with the City of Lexington. KAWC is requesting Commission approval prior to requesting a potential change to the KAWC/City of Lexington franchise agreement.

e. The American Water Service Company established a broader partnership of in-person payment center locations in the later part of 2025. With the expanded partnerships, our ratepayers now have a larger number of available in-person payment locations conveniently located throughout our entire service area. As a result, KAWC believes this request is timely to mitigate future expenses related to this legacy technology.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Magner

67. Contingencies. Refer to KAW_APP_EX37B_051526, pages 8 - 9 of 54. Provide the percentage and dollar amount of contingencies included in the forecasted test period plant in service for contingencies, including supporting calculations and documents.

Response:

The plant presented in KAW_APP_EX37B_051526, pages 8-9 of 54 reflects actual anticipated in-service plant and does not include contingencies.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

68. Cash working capital. Refer to KAW_APP_EX37B_051526, page 3 of 54.

a. Did the Company prepare a lead lag study or calculation of working capital when preparing this case? If so, provide a copy of the lead lag study and/or cash working capital computation including all supporting workpapers. If not, explain why the Company did not prepare a lead lag study or calculation of working capital when preparing this case.

b. Explain why the Company has not reflected an amount for working capital in forecasted test period.

c. Provide the cash working capital amount applicable to the forecast test period including all supporting calculations and workpapers.

Response:

a. Please see the Company's response to KAWC_R_PSCDR2_NUM028_062626.

b. Please see the response to part a above.

c. See response to part a above.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

69. Capital and Expense Percentages (Labor). Refer to page 16 of the Order dated May 3, 2024 in Case No. 2023-00191, which states:

> The Commission puts Kentucky-American on notice that the Commission will monitor Kentucky-American's capitalization ratios going forward because increased capitalization ratios primarily benefit shareholders through lower expenses and higher rate base amounts. The significant increases of capitalization ratios between rate cases is a cause for concern when they are not reviewed over a longer trend and supported with specific reasoning for the increases.[24]

Provide the actual capital and expense percentages for labor for each of the years 2021, 2022, 2023, 2024, 2025 and forecasted for the base period and the forecasted test period. Include detailed explanations for the year-over-year changes in percentages.

Response:

Please see KAW_R_AGDR1_NUM069_062626_Attachment.

The year over year changes in percentages are due to increases in capital investments and projects performed by Kentucky American Company employees completing more capital-intensive work as opposed to contractors, and undertaking new capital work related to meeting new regulatory requirements. A discussion of new and emerging regulatory requirements is provided in the Direct Testimony of Company witness William A. Lewis, pages 11 – 14.

[24] Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, A Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order, page 16.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM069_062626_Attachment

	2021	2022	2023	2024	2025	Base	Forecasted
Capital Labor%	33.79%	36.89%	46.42%	48.42%	39.99%	39.62%	39.30%
O&M Labor %	66.21%	63.11%	53.58%	51.58%	60.01%	60.38%	60.70%

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Magner

70. Construction Projects. Refer to KAW_APP_EX11_051526, page 2 of 2. Provide supporting documentation (contracts, quotes, invoices) for each 2027 project costing $5,000,000 or more.

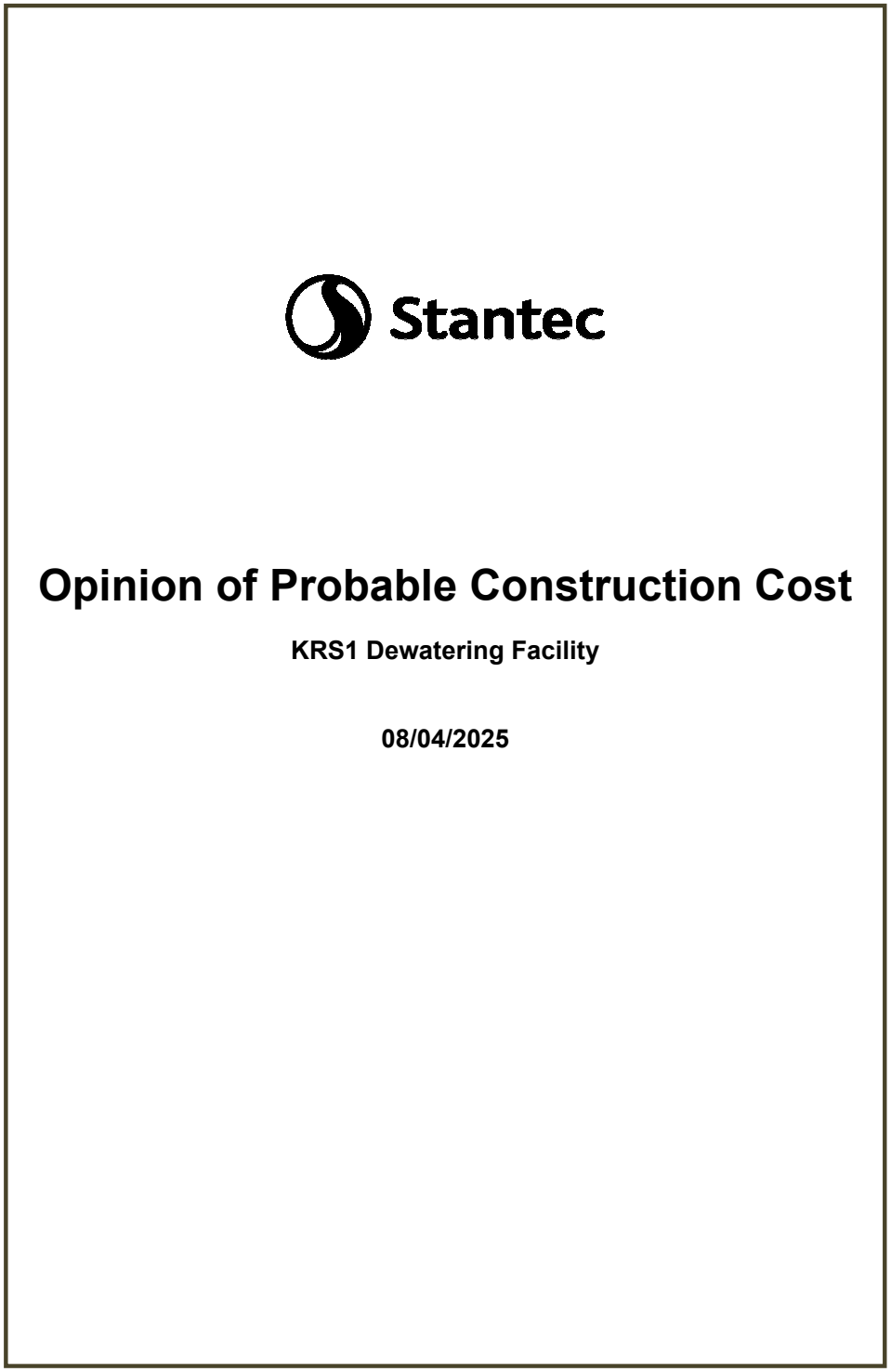
Response:

Three projects listed in KAW_APP_EX11_051526 have costs that exceed $5,000,000 as noted below.

- KRS1 Dewatering: Please see KAW_R_AGDR1_NUM070_062626_Attachment1 to this response for a Class V cost estimate prepared by Kentucky American Water's ("KAWC") design consulting team during the project proposal phase.
- KRS2 Chlorine Conversion: This project is scheduled to begin design in 2026, therefore quotes/contracts/invoices have not yet been submitted. The budgeted project cost was generally estimated using cost data from recent projects to construct new chemical feed facilities at Kentucky American Water's other two largest water treatment plants. These constructed facilities use similar chemical feed equipment to what is anticipated to be utilized at the proposed Kentucky River Station No. 2 facility.
- RRS Operations Center: Please see KAW_R_AGDR1_NUM070_062626_Attachment1 to this response for a Rough Order of Magnitude cost estimate provided by KAWC's design consulting team during the proposal phase of the project.

7. Construction Cost Estimate

Stantec has prepared an Opinion of Potential Construction Cost (OPCC) with the assistance of vendors, and have based the sizing of equipment on dewatering screw press technology. Various assumptions were made for the basis of design and the sizing the equipment as contained in the documentation below. The most important factor is however the assumption that the equipment will be utilized during a single daily shift, therefore the operating hours are assumed to be eight hours a day and five days a week. Any change to this will have a direct impact on the quantity and capacity of equipment and pipelines, the size of the building and therefore the OPCC.



Opinion of Probable Construction Cost

Basis of Estimate Report

Client: **Kentucky American Water**	**Date Issued: 4Aug2025**
Project Name: KRS1 Dewatering Facility	**Revision No.: 0**
Project Contact: Austin Thore, PE	**Stantec Class: 5**
Design Definition: Conceptual Design	**Currency: USD**

Prepared by:	Mike Zimlinghaus Lead Estimator	Date:	08/04/2025
Reviewed by:	Bret Lavey QA/QC Reviewer	Date:	08/04/2025
Reviewed by:		Date:	
Accepted by:		Date:	

Any opinions of probable construction costs (OPCC) prepared by Stantec, including evaluations of the Client's project budget, and/or funding, represent Stantec's best judgment as a design professional familiar with the Construction industry. Unless and to the extent otherwise indicated by Stantec, such opinions or evaluations are based on upon current market rates for labor, material, and equipment. The Client acknowledges that Stantec has no control over the costs of said labor, materials, or equipment, construction contractor's methods of determining bid prices, competitive bidding environments, unidentified field conditions, market conditions, hyper-inflationary or deflationary price cycles, or any other factors that may affect the OPCC, the project budget or negotiating conditions at the time of project execution. Client further acknowledges that the OPCC is a "snapshot" in time and that the reliability of the OPCC will degrade over time. Accordingly, Stantec does not warrant or represent that construction bids or negotiated prices will not vary from the Client's project budget or Stantec's good faith OPCC.

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Opinion of Probable Construction Costs

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Opinion of Probable Construction Costs

1 BASIS OF ESTIMATE

1.1 INTRODUCTION

The purpose of this document is to communicate the process followed to complete the estimate and the output of all information utilized to calculate the costs provided for the

The following items provide an understanding of the key items utilized to develop the estimate and which the recipient should understand to evaluate the estimate:

- **Project Scope Alignment**
- **Design Status**
- **Relied Upon Information**
- **Gap Analysis**
- **Procurement Approach**
- **Labor and Equipment Approach**
- **Indirect Approach**
- **Key Metrics**
- **Evaluation from previous estimates**

Estimate Team:

Name	Role and Responsibility
Mike Zimlinghaus	Estimator
Bret Lavey	QA/QC Reviewer

1.2 PROJECT SCOPE

KAW proposes installing a new dewatering facility to process the residual solids and condition them for potential transfer and deposition on-site. In general, the major improvements proposed include the following scope of work:

Construction of a new building to house proposed dewatering facility in the area adjacent to the existing beneficial reuse area, including all dewatering and chemical dosing equipment. Evaluate the need for a thin sludge equalization tank upstream of the dewatering facility and prepare the design if required. Install yard piping to connect the sludge thickeners with the dewatering equipment and filtrate to the supernatant plant drain. Install a conveyor facility for the dewatered cake to fill trucks or dumpsters (or potentially discharge directly to the beneficial reuse area. Provide electrical power to power the dewatering equipment and other equipment in the building. Provide new control systems and make electrical upgrades as necessary to support the dewatering equipment. All civil and landscaping work to give access to the building and facilitate stormwater run-off.

Opinion of Probable Construction Costs

1.3 ESTIMATE CLASSIFICATION

This OPCC estimate is considered a Class 5 according to the Stantec Cost Estimate Classification System. A Cost Estimate Classification Matrix including Accuracy Ranges and Typical Contingencies along with detailed description of each Estimate Class can be found in the Attachments under, Estimate Classification Matrix/Estimate Classification Descriptions.

The Class of Estimate given to this estimate is based on the Association for the Advancement of Cost Engineering (AACE) Recommended Practice No. 18R-97: Cost Estimate Classification System – As Applied in Engineering, Procurement and Construction for the Process Industries. This AACE Recommended Practice has been adapted and expanded to the specific needs and characteristics for Stantec Design Projects and Programs. A copy of this Practice can be obtained from the AACE website at:
https://www.costengineering.eu/Downloads/articles/AACE_CLASSIFICATION_SYSTEM.pdf

Stantec Estimating Framework utilizes a five level Class System (5, 4, 3, 2, and 1) which corresponds to estimate types prepared at various stages of project development. Class 5 cost estimates are developed a project conception when little project information or scope has been developed. Class 2 estimates are complete detailed unit cost and take off estimates with complete or near complete scope definition.

Table 2-1 Summary of Cost Estimate Classifications Applied to AWSP Design and Construction Capital Projects

AACE Estimate Class	Estimate Methodology	Expected Level of Accuracy	Key Content Requirements
Class 5	Parametric or Capacity Factored	-50% to +100%	0 to 10% Design Hydraulic Capacity
Class 4	Equipment Factored or Parametric	-30% to +50%	10% to 30% Design Process Flow Diagram Design Criteria General Site Layout Pipeline Corridors Preliminary Equipment Lists Preliminary Electrical Loads
Class 3	Semi-Detailed Unit Costs with Assembly Level Line Items	-20% to +30%	30% to 60% Design Final Equipment Lists Site Layout (Earthwork) Building/Facility Plans Major Sections Concrete Quantities Final P&IDs Electrical Single Lines Pipeline Alignment

Opinion of Probable Construction Costs

LABOR AND CONSTRUCTION EQUIPMENT

1.3.1 Labor:

The following labor assumptions are incorporated into the OPCC:

Parameter	OPCC Assumption
Local Wage Determination	**2025 Q2 Lexington, KY**
Productivity Adjustment to U.S.	**None**
Shift Basis | Shifts/Day | Days/Week	**8 hrs. | 1 Shifts/day | 5 per week**
Living Per diems or Camp Costs	**None**
FICA | SUI |Workers Compensation	**Included in hourly rate above**

1.3.2 Equipment:

The following equipment assumptions are incorporated into the OPCC:

Parameter	OPCC Assumption
Equipment Rate Basis	**2025 Q2 Lexington, KY**
Rate Adjustment to U.S. Avg.	**None**

1.4 SUPPLY PRICING

Vendor Quotation data for Dewatering Screw Press system from Schwing Bioset, Inc. included as Attachment E.

1.5 ESCALATION

Estimated costs reflect current price levels consistent with the OPCC published date. **Escalation has not been added to the OPCC.**

1.6 EXCEPTIONS

The developed estimate excludes the following:

- Non-conventional environmental mitigation measures
- Non-conventional heritage and cultural mitigation measures
- All owner costs and owner's contingency such as but not limited to pre-construction activities, management and support of field construction activities, interest during construction, allowances for change orders and claims, engineering services during construction, and owner's contingency
- Removal of unforeseen underground obstructions
- Hazardous material remediation or disposal.
- Utility costs for power connections or incoming transmission
- Permits beyond those normally needed for the category of project
- Facility O&M costs
- Special inspections and testing not listed
- CM fees
- Engineering Design Fees
- Geotechnical investigation

Opinion of Probable Construction Costs

ESTIMATING FRAMEWORK

SUMMARY OF OPCC COST ESTIMATE CLASSIFICATIONS APPLIED TO DESIGN AND CONSTRUCTION PROJECTS

ESTIMATE CHARACTERISTICS					
AACE Estimate Class	Class 5	Class 4	Class 3	Class 2	Class 1
Estimate Methodology	Parametric or Capacity Factored	Equipment Factored or Parametric	Semi-Detailed Unit Costs with Assembly Level Line Items	Detailed Unit Cost with Forced Detailed Take-off	Detailed Unit Cost with Detailed Take-off
Expected Level of Accuracy	-50% to +100%	-30% to +50%	-20% to +30%	-15% to +20%	-10% to +15%
Key Content Requirements ***(Scope Content Examples)***	0 to 25% *Hydraulic Capacity*	25 to 30% *Process Flow Diagram* *Design Criteria* *General Site Layout* *Pipeline Corridors* *Prelim. Equipment*	45 to 60% *Final Equipment Lists* *Site Layout (Earthwork)* *Building/Facility Plans* *Major Sections* *Concrete*	70 to 90% *Preliminary to Advanced Drawings* *Major Specifications*	95 to 100% *Complete Annotated Drawings* *Complete Specifications*

Stantec

Opinion of Probable Construction Costs

		Lists *Prelim. Electrical Loads*	*Quantities* *Final P&IDs* *Electrical Single Lines*		

1.7 Attachment A – OPCC Summary

OPCC Summary			
Base Bid	KRS1 Dewatering Facility*	$	17,120,326
	Base Bid Subtotal	$	17,120,326
Option 1	Sludge Holding Tank	$	651,069
Option 2	Sludge Equalization Basin	$	1,217,262
	Options Subtotal	$	1,868,331
	Grand Total	$	18,988,657

*utilizing a Screw Press System as the basis of costing

1.8 Attachment B – KRS1 Dewatering Facility OPCC

OPCC - Dewatering Facility

CSI Division/Description	QTY	UoM	Unit Cost	Total Cost	Running Total	Rate
03 00 00 - Concrete						
Thickened Sludge Pump Station	1	EA	$ 407,494.00	$ 407,494		
Division Subtotal	-	-	-	$ 407,494		
26 00 00 - Electrical						
Process Mechanical Power + I&C	1	LS	$ 1,238,814.46	$ 1,238,814		25.00%
Division Subtotal	-	-	-	$ 1,238,814		
31 00 00 - Earthwork						
Trench Excavation	2800	LF	$ 7.56	$ 21,168		
Trench Backfill	2800	LF	$ 24.60	$ 68,880		
Bulk Excavation	700	CY	$ 10.50	$ 7,350		
Rock Excavation	900	CY	$ 35.74	$ 32,166		
Bulk Backfill	600	CY	$ 20.86	$ 12,516		
Site Grading	1300	SY	$ 4.43	$ 5,759		
Division Subtotal	-	-	-	$ 147,839		
32 00 00 - Exterior Improvements						
Asphalt Paving	700	SY	$ 75.84	$ 53,088		
Division Subtotal	-	-	-	$ 53,088		
33 00 00 - Utilities						
16" Ductile Iron (GTS)	100	LF	$ 171.89	$ 17,189		
20" Ductile Iron (Drain)	400	LF	$ 231.44	$ 92,576		
2" Copper (Finished Water)	900	LF	$ 25.92	$ 23,328		
4" Ductile Iron (Plant Water)	700	LF	$ 142.67	$ 99,869		
6" PVC(Septic)	200	LF	$ 12.21	$ 2,442		
Septic Drain Manholes	2	EA	$ 3,976.22	$ 7,952		
Septic Tank and Drain Field	1	EA	$ 50,800.00	$ 50,800		
Power + I&C Ductbank	500	LF	$ 548.70	$ 274,350		
Power + I&C Manholes	2	EA	$ 6,725.58	$ 13,451		
Division Subtotal	-	-	-	$ 581,958		
41 00 00 - Material Processing and Handling						
Conveyor System Material	1	LS	$ 400,000.00	$ 400,000		
Conveyor System Installation	1	LS	$ 60,000.00	$ 60,000		15.00%
Conveyor System Appurtenances	1	LS	$ 40,000.00	$ 40,000		10.00%
Division Subtotal	-	-	-	$ 500,000		
46 00 00 - Water and Wastewater Equipment						
Solids Dewatering Facility	5000	SF	$ 577.81	$ 2,889,050		

Screw Press System	1	LS	$ 3,900,000.00	$ 3,900,000		
Sludge Feed Pumps	4	EA	$ 100,000.00	$ 400,000		
Polymer System	1	LS	$ 180,000.00	$ 180,000		
Thickened Sludge Pumps	3	EA	$ 25,085.95	$ 75,258		
System Installation	1	LS	$ 683,288.68	$ 683,289		15.00%
System Appurtenances	1	LS	$ 455,525.79	$ 455,526		10.00%
Division Subtotal	-	-	-	**$ 8,583,122**		
Project Items Subtotal	-	-	-	**$ 11,512,315**	**11,512,315**	
Direct Markups						
Mobilization/Demobilization	-	-	-	$ 575,616	12,087,931	5.00%
Permits	-	-	-	$ 120,879	12,208,810	1.00%
Testing & Startup	-	-	-	$ 244,176	12,452,987	2.00%
Subtotal	-	-	-	**$ 940,671**	**12,452,987**	
Contractor Markups						
Overhead & Profit	-	-	-	$ 996,239	13,449,226	8.00%
Bond and Insurance	-	-	-	$ 268,985	13,718,210	2.00%
Contractor Contingency	-	-	-	$ 548,728	14,266,939	4.00%
Subtotal	-	-	-	**$ 1,813,952**	**14,266,939**	
Global Markups						
Design Contingency	-	-	-	$ 2,853,387.70	17,120,326	20.00%
Subtotal	-	-	-	**$ 2,853,388**	**17,120,326**	
Grand Total				**$ 17,120,326**		

1.9 Attachment C – Sludge Holding Tank OPCC

OPCC - Option 1 - Sludge Holding Tank

CSI Division/Description	QTY	UoM	Unit Cost	Total Cost	Running Total	Rate
03 00 00 - Concrete						
Concrete Holding Tank	1	EA	$ 329,500.00	$ 329,500		
Division Subtotal	-	-	-	**$ 329,500**		
31 00 00 - Earthwork						
Trenching Excavation	200	LF	$ 7.56	$ 1,512		
Trenching Backfill	200	LF	$ 24.60	$ 4,920		
Bulk Excavation	400	CY	$ 10.50	$ 4,200		
Rock Excavation	400	CY	$ 35.74	$ 14,296		
Bulk Backfill	400	CY	$ 20.86	$ 8,344		
Division Subtotal	-	-	-	**$ 33,272**		
33 00 00 - Utilities						
8" Ductile Iron (GTS)	100	LF	$ 189.36	$ 18,936		
20" Ductile Iron (GTS)	100	LF	$ 231.44	$ 23,144		
Division Subtotal	-	-	-	**$ 42,080**		
46 00 00 - Water and Wastewater Equipment						
Concrete Holding Tank Process Appurtenances	1	LS	$ 32,950.00	$ 32,950		10.00%
Division Subtotal	-	-	-	**$ 32,950**		
Project Items Subtotal	-	-	-	**$ 437,802**	**437,802**	
Direct Markups						
Mobilization/Demobilization	-	-	-	$ 21,890	459,692	5.00%
Permits	-	-	-	$ 4,597	464,289	1.00%
Testing & Startup	-	-	-	$ 9,286	473,575	2.00%
Subtotal	-	-	-	**$ 35,773**	**473,575**	
Contractor Markups						
Overhead & Profit	-	-	-	$ 37,886	511,461	8.00%
Bond and Insurance	-	-	-	$ 10,229	521,690	2.00%
Contractor Contingency	-	-	-	$ 20,868	542,558	4.00%
Subtotal	-	-	-	**$ 68,983**	**542,558**	
Global Markups						
Design Contingency	-	-	-	$ 108,511.52	651,069	20.00%
Subtotal	-	-	-	**$ 108,512**	**651,069**	
Grand Total				**$ 651,069**		

1.10 Attachment D – Sludge Equalization Basin OPCC

OPCC - Option 2 - Sludge Equalization Basin

CSI Division/Description	QTY	UoM	Unit Cost	Total Cost	Running Total	Rate
03 00 00 - Concrete						
Concrete Equalization Basin	1	EA	$ 487,000.00	$ 487,000		
Division Subtotal	-	-	-	$ 487,000		
31 00 00 - Earthwork						
Trenching Excavation	400	LF	$ 7.56	$ 3,024		
Trenching Backfill	400	LF	$ 24.60	$ 9,840		
Bulk Excavation	600	CY	$ 10.50	$ 6,300		
Rock Excavation	600	CY	$ 35.74	$ 21,444		
Bulk Backfill	600	CY	$ 20.86	$ 12,516		
Division Subtotal	-	-	-	$ 53,124		
33 00 00 - Utilities						
16" Ductile Iron (SG)	100	LF	$ 171.89	$ 17,189		
36" Ductile Iron (SG)	300	LF	$ 238.05	$ 71,415		
36" Ductile Iron Valves	2	EA	$ 70,551.12	$ 141,102		
Division Subtotal	-	-	-	$ 229,706		
46 00 00 - Water and Wastewater Equipment						
Equalization Basin Process Appurtenances	1	LS	$ 48,700.00	$ 48,700		10.00%
Division Subtotal	-	-	-	$ 48,700		
Project Items Subtotal	-	-	-	$ 818,530	818,530	
Direct Markups						
Mobilization/Demobilization	-	-	-	$ 40,927	859,457	5.00%
Permits	-	-	-	$ 8,595	868,051	1.00%
Testing & Startup	-	-	-	$ 17,361	885,412	2.00%
Subtotal	-	-	-	$ 66,882	885,412	
Contractor Markups						
Overhead & Profit	-	-	-	$ 70,833	956,245	8.00%
Bond and Insurance	-	-	-	$ 19,125	975,370	2.00%
Contractor Contingency	-	-	-	$ 39,015	1,014,385	4.00%
Subtotal	-	-	-	$ 128,973	1,014,385	
Global Markups						
Design Contingency	-	-	-	$ 202,877.01	1,217,262	20.00%
Subtotal	-	-	-	$ 202,877	1,217,262	
Grand Total				**$ 1,217,262**		

1.11 Attachment E – Schwing Bioset Sludge Dewatering Screw Press System Quotation

Lexingtom American Water
Budget Quotation

Proposal

Project:

Sludge Dewatering Screw Press

Kentucky American Water

Engineered to Excel

Schwing Bioset, Inc.

350 SMC DRIVE
SOMERSET, WI 54025
PH: (715) 247-3433
FAX: (715) 247-3438
www.schwingbioset.com

A message from our President/CEO:

Thank you for your inquiry. We are honored you have chosen to discuss how a Schwing Bioset solution can solve your specific challenges. We feel you will soon discover our contributions will provide recognizable value, and our solution will provide the long-term peace of mind only felt when quality products have been selected. Along each step of the way, we are sure your confidence will build that you have made the right choice in selecting Schwing Bioset to assist with the development, design, and execution of your project.

Schwing Bioset has been solving the challenges faced by Wastewater Treatment Plants and Biosolids Management professionals for over thirty years from our simple beginnings as a piston pump supplier. Now in our fourth decade, we offer a wide range of products with best-in-class performance and reliability that we feel is unmatched by anyone in our industry.

Additionally, Schwing Bioset offers best-in-class aftermarket service and spare parts to support our ever expanding customer base. After all, without the support of quality trained service technicians and rapid spare parts delivery, the best technology in the world can't do its job if you can't turn it on.

But we aren't stopping here. Schwing Bioset continues to invest in Research & Development to continually improve our current products and to develop and identify new technology that will help sustain our Cities for the next generations to come. Reducing power demands, recovering nutrients, increased efficiency, and creating value-added products from biosolids are just a few of the many ways we are evolving from our beginnings in this business as a pump supplier.

And speaking of our business, it is guided by the Core Values shared on the following page. These values act as a beacon to guide us into the future as we grow, keeping us in line with our original goals. Also included is your list of primary contacts into our company. As you communicate your challenges and work towards a solution with us, know that each of these individuals, along with everyone else in our Company, was hired with these Core Values as a benchmark. This team of experts, collectively known as Schwing Bioset, will be working diligently to make your project a success.

Continually looking to the future, we believe the solution offered in this proposal will prove to be your most cost effective and sustainable option to implement within your project. We look forward to your favorable review and to welcoming you to the hundreds of other Wastewater Plants whom already enjoy the benefits of a Schwing Bioset solution. We are *Engineered to Excel.*

Sincerely,
Thomas Anderson
President/CEO

Schwing Bioset, Inc.

Core Values:

- Caring: Every employee has pride of ownership in their work with a genuine interest in our Client's success. We offer a workplace that allows a healthy balance between work and home life to inspire exceptional performance.
- Decent People: We are true professionals who respect the people we work with, both inside and outside of the company, and earn the respect of others.
- Dedicated Experts: We are comprised of the top talent in our respective fields, recruited and trained for the singular goal of contributing to the success of our Clients and our Company.
- Solutions Above and Beyond: We develop, provide, and support customer solutions that surpass our Client's expectations.
- Absolute Customer Satisfaction: We sleep well knowing our customers are happy.

Your Schwing Bioset, Inc. Contacts:

Great Lakes
Eric Wanstrom
203-731-0977
ewanstrom@schwingbioset.com

Northeast
Abis Zaidi
715-243-9723
azaidi@schwingbioset.com

Central
Kevin Bauer
715-243-4597
kbauer@schwingbioset.com

West
Joshua DiValentino
612-867-4429
jdivalentino@schwingbioset.com

Southeast
Tom Welch
239-216-1776
twelch@schwingbioset.com

Outside US & Canada
Chuck Wanstrom
612-805-8664
cwanstrom@schwingbioset.com

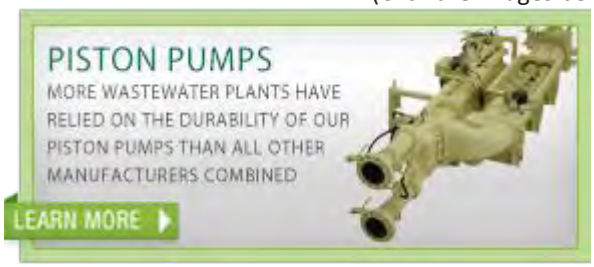
Service
James Runyon
715-500-1888
jrunyon@schwingbioset.com

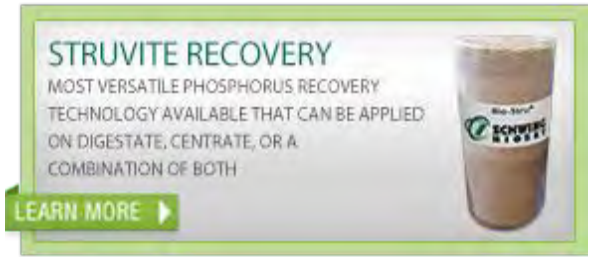
Spare Parts
Brad Dopp
715-350-6912
bdopp@schwingbioset.com

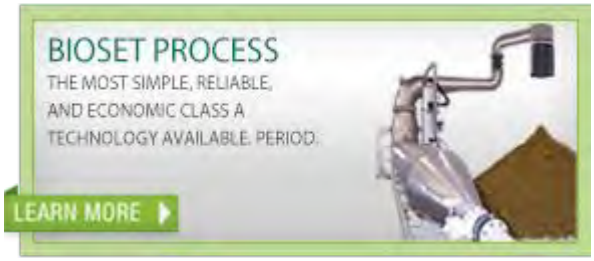
Schwing Bioset, Inc.

Capabilities:

(Click the images below to link to web page)







Schwing Bioset, Inc.

350 SMC DRIVE
SOMERSET, WI 54025
PH: (715) 247-3433
FAX: (715) 247-3438
www.schwingbioset.com

Reference: Dewatering Screw Press

Subject: Schwing Bioset, Inc. Budget Quotation

Schwing Bioset, Inc. is pleased to propose the following budgetary scope of supply as requested:

DESIGN CONDITIONS

Note: Sludge chemistry including volatile solids, dissolved solids, chlorine/phosphate concentration, monovalent/divalent ion ratio, and temperature impacts polymer effectiveness, polymer dosing requirements, percent cake solids, and solids capture.

Sludge Type:	PAC
Process Material Solids Content:	1-3% TSS
Design Hydraulic Loading Rate:	400 gpm
Design Solids Loading Rate:	3,000 dry-lbs / hr
Dewatered Cake Solids Concentration:	Approx. 20-30 % TS, estimated
Dewatered Cake Solids Capture Rate:	≥ 95 % capture, approximately
Active Polymer Consumption:	25-35 lbs / dry ton, estimated

DEWATERING SCREW PRESS

Model:	FSP 1103
Quantity:	Four(4)
Press Length:	28 feet 8 inches
Press Width:	74 inches
Press Height:	90 inches
Press Shipping Weight:	27,600 lbs
Press Operating Weight:	42,000 lbs
Screw Press Motor:	12.5 HP TEFC
Reaction Tank Volume:	660 gallons
Tank Operating Weight:	6,800 lbs
Reaction Tank Motor:	5 HP TEFC

Scope includes:

1. The SBI Screw Press system is designed for continuous dewatering of flocculated slurry. The system consists of a Screw Press dewatering unit, reaction tank, magnetic flow meter, polymer blending unit, and controls.
2. The Screw Press dewatering unit compresses and dewaters flocculated slurry using a screw rotating

Schwing Bioset, Inc.

at very slow speed in a perforated screen. The filtrate will discharge from a drip tray below the perforated screen into a discharge pipe. Access doors allow a direct view of the dewatering process. The simple operating principle is achieved with only a few functional component groups. Slow movement and the high quality design of the structural components guarantee a high service life.

3. For general housekeeping purposes the back washing cycle cleans the screens automatically (cycle lasts approx. 2-3 minutes). Dewatering operations are not interrupted during washing cycle. Washwater solenoid valve mounted at screw press. Water pressure to be 60 psi minimum.
4. Air compressor provided for discharge pressure cone actuator and movement of wash ring.
5. Effective flocculation is achieved in the mixing reaction tank. It is a closed design with rotating paddles and fixed flow breakers for effective mixing and gentle transport of the flocks.
    - Diluted/activated polymer from the polymer feed system is injected into an injection ring upstream of reaction tank.
    - A second injection ring is provided after the reaction tank to permit optimization of the polymer feed.
6. Liquid polymer dosing system provided for blending emulsion polymer per the dosage and solids loading described above.
    - Polymer system delivered as a pre-assembled skid complete with progressive cavity polymer pump, polymer/water blending unit, mixer, NEMA 4X junction box, and all internal wiring and plumbing.
    - Polymer unit to derive its power from the Screw Press control panel.
7. Magnetic sludge flowmeter and reaction tank pressure sensor included for control of sludge feed to Screw Press. Magnetic sludge flowmeter to be installed between feed pump and reaction tank.
8. The Screw Press dewatering unit and reaction tank mixer each include a TEFC motor, speed reducer, and a dedicated VFD drive in separate NEMA 4X enclosure (480V/3Ø/60Hz).
9. Screw Press is shipped with motor and gear reducer fully assembled to screw press.
10. Reaction tank is shipped fully assembled including motor and speed reducer.
11. All wetted parts of Screw Press and Reaction Tank are 304 stainless steel. Wetted parts are those in contact with sludge and polymer prior to dewatering. Carbon Steel drive and non-wetted end plate/support are painted with standard enamel finish rated for application.

Does not include discharge conveyors, supports to elevate the press, platforms, or sludge feed pump. Sludge feed pump to be positive displacement type pump, capable of responding to speed signal from Screw Press Control Panel.

SCREW PRESS CONTROL PANEL

Quantity:	Four (4)
Power Supply	480V/3Ø/60Hz
Enclosure Type:	NEMA 4X, 304SS, wall-mount

Scope includes:

1. Local Control Panel shall be mounted separately on a wall.
2. Control Panel is UL listed.
3. Programmable Logic Controller (PLC) shall be Allen Bradley CompactLogix.
4. Human Machine Interface (HMI) shall be Allen Bradley Panelview color touch screen.
5. Local Control Panel shall be used to control and/or monitor the following equipment:
    a. One (1) Screw Press
    b. One (1) Reaction Tank
    c. One (1) Inductive Flow Measuring System
    d. One (1) Liquid Polymer Dosing System

Schwing Bioset, Inc.

6. Includes VFDs for Screw Press, Reaction Tank Mixer, and neat polymer pump. VFD for sludge feed pump by others.
7. Schwing Bioset standard analog input and output devices shall be provided.

SPARE PARTS

Available upon request.

FIELD SERVICE

Schwing Bioset shall provide a trained service technician to supervise system installation, assist start-up, and / or to train the owner's personnel in the operation and maintenance of the Schwing Bioset supplied equipment.

The service technician shall be made available for eight (8) days over two (2) trips per screw press.

If required, additional service may be purchased at the prevailing rates at the time service is performed. Current service rates are as follows:

- US $195.00 per hour – standard eight (8) hour day.
- US $292.50 per hour – overtime (over and above the standard eight (8) hour day.)
- US $390.00 per hour – double time (Sundays and holidays).
- Travel and per diem (i.e., hotel, food, car) expenses at cost + 15%.

SYSTEM SUMMARY

Dewatering Screw Press:	Four (4) FSP 1103
Sludge Feed Pump:	None
Liquid Polymer Blending System:	Four (4)
Magnetic Flow Meter:	Four (4)
Local Control Panel:	Four (4)
Field Service:	(32) days, (8) trips

Total budget price for the above listed scope of supply ..... **$ 3,900,000**

All prices are quoted:
DAP jobsite Incoterms® 2020
Price is NOT valid
Price is in US dollars

OPTIONAL MICROWAVE SOLIDS ANALYZER

Quantity:	One (1)
Cost	**$52,200**

Schwing Bioset, Inc.

Optional scope includes:

1. Solids analyzer as manufactured by ValMet (or equal) to provide continuous feedback of feed solids concentration for proper polymer dosage. Feed solids typically changes throughout the day requiring additional staff time and monitoring to ensure proper polymer dose and stable dewatering operations and polymer optimization.
2. Programming included to integrate solids analyzer data into Screw Press control system to optimize operation and reduce annual polymer consumption saving polymer expense, operator adjustments, and lab data collection.
3. To regulate dilution water as polymer dosage modulates, polymer system is equipped with flow meters measuring primary make-down water and post-dilution water modulating proportional water flow control valves.

UNFORESEEN MARKET CONDITIONS

Unforeseen Market Conditions shall mean an increase in the price of a finished material or equipment due to an increase in the price of the materials used to fabricate said materials or equipment which occurs after the date of the quotation that was unknown to the manufacturer prior to the date of the quotation.

The OWNER recognizes the potential for Unforeseen Market Conditions in the current COVID environment. Bids submitted are based on current pricing available at the time of bidding. Should actual costs, or appropriate Producer Index, increase more than 3% between the date of the quotation and major equipment deliveries the OWNER will allow a change of cost through a Change Order. The escalation shall be based upon increases in labor and material and other costs to Schwing Bioset, Inc. that occur in the time-period between quotation and shipment by Schwing Bioset, Inc.. Buyer agrees to this potential escalation regardless of contradicting terms in the contract.

Any claim of Unforeseen Market Conditions shall include one of the following as substantiation:

1. Copy of the actual quote(s) used for the basis of the bid compared to current quote(s).
2. In the case of customized or structural items where finished product quotes are not available at time of quotation, an appropriate Producer Index such as those listed below managed by the US Bureau of Labor & Statistics (https://data.bls.gov/PDQWeb/pc) shall apply:
    a. Steel Product Manufacturing from Purchased steel; code 3312
    b. Conveyor & Conveyor Equipment Manufacturing; code 333922
    c. Pump and Compressor Manufacturing; code 33391
    d. Other agreed upon representative Index
3. Supporting information from Vendors and Suppliers providing further detail on the reported increase in costs.

TERMS:

30% due at time of order
25% due at time of submittal approval
40% due at time goods are shipped
5% due upon acceptance of goods, not to exceed 90 days from shipment

Schwing Bioset, Inc.

Partial shipments allowed
Payment terms offered are subject to final credit approval.

SUBMITTALS:

Submittal delivery based on engineering backlog at time order is received; current estimated time is 12-16 weeks. One (1) electronic copy shall be provided.

DELIVERY:

Equipment delivery based on production backlog at time submittals are approved; current estimated time is thirty-eight (38) to forty-six (46) weeks after submittals are approved.

OPERATION & MAINTENANCE MANUALS:

Two (2) final hard copies and one (1) electronic copy shall be furnished with the equipment. O&M Manuals will be delivered four (4) weeks after equipment delivery.

EQUIPMENT AND SERVICES TO BE PROVIDED BY OTHERS

1. Installation, offloading, field assembly, and erection of the Schwing Bioset, Inc. (SBI) supplied equipment.
2. Storage of equipment and/or costs for long term storage (longer than 3 months).
3. Racks, trays or supports for hydraulic lines, sludge lines, or control wiring.
4. Miscellaneous metal.
5. Field painting of any of the SBI supplied equipment. All touch up painting required due to normal wear and tear during shipping shall the responsibility of others.
6. Field-routed grease tubing
7. Supports for grease tubing, conduit or control wiring.
8. Field wiring of any kind.
9. Labor and material (e.g., polymer flocculant) for preliminary, final field, system performance and system integrity tests.
10. **Anchor bolts**, nuts, and washers for the SBI supplied equipment unless otherwise stated. Anchor design, embedment, and concrete reinforcement design for anchor pull-out by others.
11. Cost for Engineer, Owner, or Contractor to witness any shop test.
12. Additional costs to supply alternate products other than specifically mentioned in this scope.
13. Networking, hardware, communication modules, or power supplies not specifically mentioned in this scope.
14. PLC programming software or software licenses not specifically mentioned in this scope.
15. It is the contractor's responsibility to field verify building dimensions, equipment access and that equipment layout /dimensions are suitable to accommodate the Schwing Bioset supplied equipment.
16. Field service technicians or special tools not specifically mentioned in this scope.
17. Water and drain piping of any kind. Supply and disposal of water, sludge, or other material for any specified field tests.
18. Motor starters or variable frequency drives not specifically mentioned in this scope.
19. Spare parts not specifically mentioned in this scope.
20. **Screw press supports, discharge cake conveyors, cake discharge chutes, and local disconnects** not specifically mentioned in this scope.

Schwing Bioset, Inc.

If you have any questions, please don't hesitate to contact me by phone (203-731-0977), or e-mail (EWanstrom@schwingbioset.com).

Yours very truly,
Schwing Bioset, Inc.

Eric Wanstrom
Senior Sales Manager – Eastern Regions

Schwing Bioset, Inc.

Schwing Bioset, Inc. New Equipment Sales Terms and Conditions

1. Acceptance and Prices. These terms and conditions are an integral part of Schwing Bioset,Inc ("Seller")'s firm offer and form the basis of any agreement resulting from Seller's proposal. The proposal is subject to acceptance within thirty days from its date, and the prices are subject to change without notice prior to acceptance by the party to whom this offer is made, or its authorized agent ("Buyer"). Following acceptance without addition of any other terms and conditions of sale or any other modification by Buyer, the prices stated are firm provided that notification of release for immediate production and shipment is received at Seller's factory not later than five months from Seller's submittals. If through no fault of the Seller, the order is not released for manufacture within 5 months from Seller's submittals, Seller reserves the right to increase the price of the order. Any delay in shipment caused by Buyer's actions will subject prices to increase equal to the percentage increase in list prices during that period of delay. In no event will prices be decreased.

Acceptance will have occurred if Buyer: signs Seller's proposal; issues written order pursuant to submission of proposal; or permits or accepts performance; or other commercially reasonable manner. If Buyer's order is an acceptance of Seller's proposal, Seller's return of such order with these terms and conditions attached serves as an acknowledgement and confirmation of receipt of order. If order is expressly conditioned upon Seller's acceptance or assent to terms other than those expressed herein, return of order by Seller with these terms and conditions attached serves as notice of objection to such terms and a counter-offer to provide equipment in accordance with scope and terms of the original proposal. If Buyer does not reject or object within ten days, counter-offer will be deemed accepted. If Buyer permits or accepts performance, such terms will be deemed accepted. In order for Seller's acknowledgement of order to be valid it must be made at the corporate level.

2. Performance. Seller shall be obligated to furnish only the goods described in Seller's proposal, and submittal data (if such data is issued in connection with this order), and Seller may rely on the acceptance of proposal and submittal data as acceptance of the suitability of the equipment for the particular project. Seller's duty to perform under any order and the price thereof is dependent upon Seller's corporate approval of the order and Seller shall not be responsible for delays in contract formation caused by inclusion of new or different terms by Buyer, or delays in credit approval due to delayed or incomplete credit information by Buyer. Seller's duty to perform is contingent upon the non-occurrence of an Event of Force Majeure. If the order is not approved at the corporate level, Seller may elect to delay performance or to renegotiate with Buyer. If Seller and Buyer are unable to agree on revised prices or terms, the order may be canceled without any liability. If Seller shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Seller's election (i) remain in effect but Seller's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon ten (10) days' notice to Buyer, in which event Buyer shall pay Seller for all parts of the Work furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Seller. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor disputes; labor or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid); and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Seller; and the requirements of the United States Government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the Government.

3. Escalation. In the event of significant delay or price increase of material, equipment, or energy occurring during the performance of the contract through no fault of Seller, the Contract Sum, Time of completion, or contract requirements shall be equitably adjusted by Change order. A change in price of an item of material, equipment, or energy will be considered significant when the price of an item increases 10% between the date of this contract and the date of shipment of the goods. The amount of the price increase shall be capped at 10%. Such price increases shall be documented through quotes, invoices, receipts, or a generally accepted index as offer by a US federal or state government agency. All pricing offered is only allowed based on the quoted validity date.

4 . Taxes. No taxes are included in this quote/order. The amount of any applicable present or future state/local sales/use tax or other government charge upon the production, sale, shipment, and/or use of the goods covered by this quotation shall be paid directly to the taxing authorities by purchaser, and paid tax receipts will be furnished to Seller upon request, unless purchaser provides us with an exemption certificate acceptable to the taxing authorities.

5. Warranty and Liability. Seller warrants its new parts and service work against defects in material and workmanship under normal use and service, and which shall not have been subject to misuse, negligence, or accident, for a period of one (1) year that shall commence upon startup or ninety (90) days from delivery, whichever occurs first. Seller will replace or repair free of charge, F.O.B. SBI jobsite, such part or parts thereof as in its sole judgment shall be deemed defective. Due to the specialized nature of Seller material handling equipment, Seller's field service technicians shall not be restricted in adjusting or repairing Seller furnished equipment, regardless of collective bargaining agreements entered into by other parties. This warranty shall not apply to any equipment manufactured by us which shall have been loaded or operated beyond its rated capacity as specified by Seller. Damage resulting from improper installations or alterations outside our plant will be considered as misuse and not as a defect. Certain parts of the equipment provided by Seller such as the pumping cylinders, valves, pumping rams, screw flights, sliding frame components, trough liners for screws etc. that are in contact with material, are subject to normal wear. This normal wear is not covered under this warranty. Seller shall not be liable for consequential damages or injuries of any kind, or for expenses, losses, or delays incidental to any failure. Seller reserves the right to make changes and improvements in its product without incurring any obligation to install any such changes or improvements in its products previously manufactured. All warranty is void if equipment is not serviced by a Seller certified technician and if replacement parts utilized are anything other than Seller supplied and authorized parts, from delivery through termination of warranty period. In the event of a defect or issue with Seller supplied equipment, buyer shall notify Seller in writing of said defect and offer Seller reasonable opportunity to cure. This warranty is in lieu of any other warranty expressed or implied or any other obligation or liability on the part of Seller, and no other person is authorized to make any representations or warranties beyond those herein expressed. Without limiting the generalities of the foregoing, **THERE IS NO IMPLIED WARRANTY OF MARKETABILITY AND NO IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.**

6. Indemnity. Seller agrees to indemnify and hold Buyer harmless from the amount of any final judgment entered against Buyer for injury or death to any person (including employees of Buyer and Seller) or damage to tangible property of Buyer and based solely upon: (a) Seller's defective manufacture of equipment sold to Buyer; (b) Seller's violation of any applicable laws, rules or regulations in connection with the manufacture of said equipment, or (c) Seller's gross negligence or intentional misconduct. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.

7. Insurance. Seller agrees to maintain the following insurance during the term of the contract with limits not less than shown below and will, upon request from Buyer, provide a Certificate of Insurance evidencing this coverage:

Commercial General Liability	$2,000,000 per occurrence
Automobile Liability	$2,000,000 CSL
Workers Compensation	Statutory Limits

In the event Seller agrees to name Buyer or others as an additional insured, Seller will do so but only under its primary Commercial General Liability policies to the extent of the indemnity obligation assumed herein. In no event does Seller waive its right of subrogation.

8. Liability Disclaimer. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, IN NO EVENT SHALL SCHWING BIOSET BE LIABLE FOR ANY SPECIAL, INCIDENTAL, LIQUIDATED, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION LOST REVENUE OR PROFITS), OR PUNITIVE DAMAGES. This exclusion applies regardless of whether such damages are sought based on breach of warranty, breach of contract, negligence, strict liability in tort, or any other legal theory. Should Seller nevertheless be found liable for any damages they shall be limited to the purchase price of the equipment under the order. **SELLER DISCLAIMS ANY LIABILITY FOR DAMAGES OF ANY KIND (WHETHER DIRECT OR INDIRECT) ARISING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS.**

9. Patent Indemnity. The Seller shall protect and indemnify the Buyer from and against all claims, damages, judgments and loss arising from infringement or alleged infringement of any United States patent by any of the articles or material delivered hereunder, provided that in the event of suit or threat of suit for patent infringement, Seller shall promptly be notified and given full opportunity to negotiate a settlement. Seller does not warrant against infringement by reason of Buyer's design of the articles or the use thereof in combination with other materials or in the operation of any process. In the event of litigation Buyer agrees to reasonably cooperate with Seller. In connection with any proceeding under the provisions of this Article all parties concerned shall be entitled to be represented by counsel at their own expense.

10. Shipment Dates. Shipment dates are estimates only. No valid contract may be made to ship within or at a specified time unless in writing, signed by an authorized signatory of Seller. Shipments shall be f.o.b. factory or warehouse at named shipping point with title and risk of loss passing to Buyer upon delivery to the carrier unless quoted otherwise and stated as such in our formal written offer. Seller shall not be liable for damages of any kind including Liquidated, Consequential, and/or Incidental.

11. Cancellation. If, following acceptance of proposal by Buyer, all or any portion of the resulting order is canceled by Buyer without default on the part of Seller or without Seller's written consent, Buyer shall be liable to Seller for cancellation charges including but not limited to Seller's incurred costs and such profit as would have been realized by Seller from the transaction had the agreement not been breached by Buyer.

12. Payment. Pending Credit approval, Payment terms are 30% due at time of order, 25% due at time of submittal approval, 40% due at time goods are shipped, and 5% due upon acceptance of goods, not to exceed 90 days from shipment, unless otherwise expressly agreed to in writing by Seller. Seller reserves the right to add to any account outstanding for more than 30 days a service charge, the lesser of 1-1/2% of the principal amount due at the end of each month, or the maximum allowable legal interest rate. Buyer shall be liable to Seller for all collection expenses, including reasonable attorney's fees and court costs, incurred by Seller in attempting to collect any amounts due from Buyer. If requested, Seller will provide appropriate lien waivers upon receipt of payment. Seller reserves the right to suspend or terminate performance in the event of Buyer's non-payment.

13. Returns. Products may be returned only with permission of Seller and shall be subject to a 25% restocking fee.

14. Applicable Law. Any agreement resulting from Sellers proposal will be governed and construed according to Minnesota law.

15. U.S. Government Work. This provision applies only to indirect sales by Seller to the US Government. If the Work is in connection with a U.S. Government contract, Buyer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Seller will have no obligations to Buyer unless and until Buyer provides Seller with a true, correct and complete executed copy of the prime contract. Upon request, Buyer will provide copies to Seller of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Buyer's ownership, eligibility or performance of the prime contract. Buyer will obtain written authorization and approval from Seller prior to providing any government official any information about Seller's performance of the work that is the subject of this offer or agreement, other than this written offer or agreement.

16. Storage at Schwing Bioset. Should the customer desire to store the equipment purchased at Seller's facilities, these services can be completed at a rate of $250.00 per week, or $1,000 per calendar month. Customer shall issue the original equipment purchase order with a contingency of 12 months storage that can be drawn from if required. These funds will not be utilized unless written approval from customer is offered. Terms for Storage Fees are 100% N30 from invoice date. Retainages and/or offsets do not apply.

Project Estimate, Budget Feedback and Rates

Mason & Hanger has developed a preliminary Rough Order of Magnitude (ROM) estimate for the Richmond Road Station Operations Center based on recent construction cost data for comparable facilities in the Lexington, Kentucky market, combined with input from local contractors and our in-house certified cost estimator. The estimate reflects a square foot cost basis consistent with similar commercial projects and has been adjusted to account for the specialized requirements of this facility, including laboratory environments, SCADA control systems, and infrastructure supporting continuous operations

As a mission-critical operations facility, this project must be designed to prioritize reliability, functionality, and resiliency over aesthetics. M&H recognizes that successful delivery within the established budget requires a disciplined focus on operational needs rather than optional features. The design approach will emphasize systems performance, maintainability, and efficient workflows, ensuring that the facility meets its intended purpose without introducing unnecessary cost.

The resulting cost allocation reflects this philosophy. Primary cost drivers include laboratory infrastructure, SCADA integration, and building systems required to support 24/7 operations. These elements have been prioritized in the estimate, while supporting spaces and site features are balanced to maintain alignment with the Total Project Cost.

A/E services are distributed across project phases to align with the level of effort required to define, coordinate, and deliver the design. Phase 1 is intentionally streamlined to establish a clear and validated project foundation, while the majority of effort is focused in Phase 2 to ensure a fully coordinated and constructible set of documents. Phase 3 provides the necessary construction administration and commissioning support to deliver a fully operational facility. By establishing clear priorities and validated requirements early in the process, M&H works to protect the Owner's contingency and reduce the likelihood of scope growth or cost impacts as the project advances. An Owner Contingency has also been incorporated to address uncertainty and support informed decision-making as the design progresses.

PRELIMINARY COST SUMMARY		
Category	Amount	Notes
Construction – Operations Center (20,000 SF)	$10,000,000	Based on regional $/SF data
Construction – Water Lab (500 SF)	$500,000	High-cost laboratory systems
Construction – Wastewater Lab (500 SF)	$500,000	High-cost laboratory systems
Total Construction Cost: $11,000,000		
A/E Services – Phase 1 (Programming & Concept)	$220,000	~2% – focused validation and alignment
A/E Services – Phase 2 (Design & CDs)	$660,000	~6% – coordination, integration, documentation
A/E Services – Phase 3 (CA & Commissioning)	$220,000	~2% – construction support and system validation
Total A/E Services (10%): $1,100,000		
Owner Contingency	$400,000	~3–4% for risk and refinement
Total Project Cost	**$12,500,000**	**Aligned with TPC**

Hourly billing rates are listed on the following page.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Magner

71. Construction Projects. Refer to KAW_APP_EX11_051625 page 2 of 2 in Case No. 2025-00122.

a. For each of the 2026 projects listed, provide the percent completion for each project.

b. For each project that has been delayed, provide a brief explanation as to why.

Response:

a. Please see attachment KAW_R_AGDR1_NUM071_062626_Attachment1.

b. Please see attachment KAW_R_AGDR1_NUM071_062626_Attachment1.

Investment Projects		% Complete*	Status
I12-020059	KRS2 Transfer Switch	11%	Equipment will be ordered in 2026. Construction delayed until 2027 due to lead times for electrical equipment.
I12-020082	KRS1 UV Facility	35%	Under construction, anticipated to be in-service in 2026.
I12-020095	Mercer Rd Booster Station	0%	Project delayed due to more critical funding needs.
I12-020097	Hall Booster	0%	Project delayed due to more critical funding needs.
I12-020102	KRS1 Low Service Pump No. 3/ Transfer Pump No.9	43%	Equipment ordered and project bid for construction. Construction will continue into 2027 to minimize impact to treatment plant during peak pumping season.
I12-020124	KRS 1 Screw Press	1%	Major equipment has been ordered, construction to be bid in 2026. Project to be completed in 2027.
I12-020118	Jacobson Reservoir Outlet Improvements	30%	Under construction, anticiapted to be in-service in 2026.
I12-30EXXX	KRS 2 Chlorine Gas Conversion	0%	On schedule, design scheduled to start in 2026.
I12-02IXXX	Hamburg Area Tank/ Pressure Improvements	0%	On schedule, KAWC currently evaluating property needs.
I12-02LXXX	Winchester Road Reinforcement	0%	Delayed due to delay in associated KYTC roadway project.

**Based on % of estimated project cost spend through May 2026*

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Witness: John Watkins

72. Infrastructure replacement. Refer to page 32, lines 6 - 16 of the Lewis Testimony. Provide the annual capital expenditure amounts for replacing pipe and meters for each of the following years: 2021, 2022, 2023, 2024, 2025 and forecasted for the base period and forecasted test period.

Response:

Please see the table below for the annual capital expenditure amounts for replacing pipe and meters:

Time Period	Pipe Replacement	Meter Replacements
2021	$14,587,582	$2,702,518
2022	$26,865,101	$3,320,774
2023	$28,870,641	$5,901,231
2024	$18,781,441	$12,525,352
2025	$30,024,013	$8,867,744
Base Period	$26,288,951	$9,870,722
Forecasted Test Period	$30,277,500	$7,586,026

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Witness: John Watkins

73. Capital Expenditures. Refer to page 20 of the Watkins Testimony.

a. Provide a list of the capital expenditures by year comprising the $15.8 million.
b. Provide a list of the capital expenditures included in the forecast test period for the Blackstone acquisition.

Response:

a. Please see KAW_R_AGDR_NUM073_062626_Attachment1.
b. To the extent the question is intended to refer to KAWC's acquisition of Black Mountain Utility District in Case No. 2026-00097, please see part a. above for the list of the capital expenditures.

Project #	Project Title	2026	2027	2028	2029
	RECURRING PROJECTS				
R12-**B1	Mains - Replaced / Restored	75,000	1,000,000	1,225,000	1,000,000
R12-**C1	Mains - Unscheduled	200,000	650,000	650,000	500,000
R12-**D1	Mains - Relocated		110,000	115,000	75,000
R12-**E1	Hydrants, Valves, and Manholes - New	10,000	40,000	40,000	30,000
R12-**F1	Hydrants, Valves, and Manholes - Replaced	40,000	80,000	35,000	25,000
R12-**H1	Services and Laterals - Replaced	35,000	165,000	50,000	50,000
R12-**J1	Meters - Replaced	375,000	905,000	3,507	5,000
R12-**K1	ITS Equipment and Systems (Local)	45,000	15,000	5,000	5,000
R12-**L1	SCADA Equipment and Systems	140,000	1,000,000	765,000	150,000
R12-**M1	Security Equipment and Systems	95,000	226,000	160,500	96,300
R12-**N1	Offices and Operations Centers	35,000	80,000	10,000	10,000
R12-**O1	Vehicles	60,000	1,009,000		
R12-**P1	Tools and Equipment	65,000	160,000	10,000	10,000
R12-**Q1	Process Plant Facilities and Equipment	115,000	760,000	701,000	332,000
R12-**S1	Engineering Studies		115,000	85,000	85,000
R12-**T12	ITS Equipment and Systems - Enterprise Solutions				
	TOTAL RPs	**1,290,000**	**6,315,000**	**3,855,007**	**2,373,300**
	INVESTMENT PROJECTS				
I12-02xxxd	Black Mountain Operations Center		1,000,000	1,000,000	
	Total Investment Projects		**1,000,000**	**1,000,000**	
	Total RP and IPs	**1,290,000**	**7,315,000**	**4,855,007**	**2,373,300**

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Witness: John Watkins

74. Capital Expenditures. Refer to page 25 of the Watkins Testimony.

a. Provide a list of the capital expenditures by year comprising for the Livingston and the Water Service Corporation of Kentucky acquisitions.
b. Provide a list of the capital expenditures included in the forecast test period for the Livingston and the Water Service Corporation of Kentucky acquisitions.

Response:

a. Please see KAW_R_AGDR_NUM074_062626_Attachment1.
b. Please see part a above for the list of capital expenditures for Livingston and the Water Service Corporation of Kentucky.

Capital Project Spend Forecast for Livingston

Project #	Project Title	2026	2027	2028	2029
	RECURRING PROJECTS				
R12-**B1	Mains - Replaced / Restored	125,000	65,000	65,000	65,000
R12-**C1	Mains - Unscheduled	20,000	20,000	20,000	20,000
R12-**H1	Services and Laterals - Replaced		5,000	5,160	
R12-**J1	Meters - Replaced	75,000			
R12-**L1	SCADA Equipment and Systems	40,000			
	Total Investment	**260,000**	**90,000**	**90,160**	**85,000**

Capital Project Spend Forecast for Water Service Corporation of Kentucky

Project #	Project Title	2026	2027	2028	2029
	RECURRING PROJECTS				
R12-**C1	Mains - Unscheduled		67,500	67,500	67,500
R12-**F1	Hydrants, Valves, and Manholes - Replaced		46,500	47,988	49,525
R12-**H1	Services and Laterals - Replaced	100,000	100,000	100,000	100,000
R12-**J1	Meters - Replaced	2,000,000			
R12-**K1	ITS Equipment and Systems (Local)	132,000			
R12-**L1	SCADA Equipment and Systems	180,000	45,000	45,000	45,000
R12-**M1	Security Equipment and Systems	180,000	70,000	70,000	70,000
R12-**N1	Offices and Operations Centers	25,000	30,000	30,000	30,000
R12-**O1	Vehicles	267,000	250,000	70,000	250,000
R12-**P1	Tools and Equipment	37,500	30,000	30,000	30,000
R12-**S1	Engineering Studies	10,000	25,000		
	INVESTMENT PROJECTS				
I12-02xxxg	Middlesboro Operations Center			500,000	3,500,000
	Total Investment Project	**2,931,500**	**664,001**	**960,488**	**4,142,026**

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Magner

75. Capital expenditures. Refer to page 2 of the Burton Testimony. The Company states that the case is primarily driven by capital investments. Identify the categories of projects that comprise the increased spending and explain why these types of projects are increasing.

Response:

Types of projects included in Kentucky American Water's ("KAWC") capital investment program are described on pages 6-10 of the Direct Testimony of John Magner.

The attachments to KAWC's response to PSC DR 1-13 and Exhibit JM-1 provide information regarding annual capital investments and changes in spending for projects from 2016-2029. KAWC's capital spend has generally increased during this time period because greater investment is needed for KAWC to continue to provide safe and reliable service to our customers. Significant drivers of KAWC's needed capital investment are the increased replacement of aging water main, valves, services, hydrants, meters and other appurtenances; performing more infrastructure relocations that are required to facilitate the work of other public entities and utilities; and implementing upgrades at water treatment facilities to meet regulatory requirements and improve the resiliency of KAWC's water production facilities. Additionally, increases in material and labor costs associated with capital construction projects are also contributing factors to KAWC's capital spend.

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Witness: John Magner

76. Capital Expenditures. Refer to Exhibit JM-1 of the Magner Testimony.
    a. Provide the actual total amount of recurring and investment (separately) capital expenditures for each of the following years: 2021, 2022, 2023, 2024 and 2025.
    b. Provide the budgeted total amount of recurring and investment (separately) capital expenditures for each of the following years: 2021, 2022, 2023, 2024, 2025 and 2026.

Response:

a. Please see the response to KAW_R_PSCDR1_NUM013 and the KAW_R_PSCDR_NUM013A_Attachment for actual and budgeted amounts for recurring and investment capital expenditures for years 2021-2025.
b. Please see part a above. For 2026, approximately $24.2m was budgeted for investment projects and approximately $62.7m for recurring projects.

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Witness: John Watkins

77. Capital Expenditures-Non-QIP. Refer to the Application generally.
    a. Provide the total amount capital expenditures (excluding QIP) authorized by the Commission for each of the following years: 2021, 2022, 2023, 2024 and 2025.
    b. Provide the total budgeted capital expenditures (excluding QIP/SIP) for each of the following years: 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.
    c. Provide the total actual amount of capital expenditures (excluding QIP) for each of the following years: 2021, 2022, 2023, 2024 and 2025.

Response:

a. The capital expenditures authorized by the Commission are matters of public record and are reflected in Kentucky American Water's general rate case filings, including the proceedings identified below.

   i. Case No. 2025-00122
   ii. Case No. 2023-00191
   iii. Case No. 2018-00358

b. Please see the table below.

Period	Budgeted Expenditures, Excl. QIP/SIP
2021	$20,469,312
2022	$26,946,638
2023	$37,767,789
2024	$69,502,716
2025	$55,417,046
Base Period	$82,546,152
Forecasted Test Period	$40,367,169

c. Please see the table below.

Period	Actual Expenditures, Excl. QIP
2021	$24,271,929
2022	$25,954,711
2023	$40,342,964
2024	$84,467,765
2025	$58,242,394

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Witness: Jeffrey Newcomb

78. Capital Expenditures-QIP. Refer to pages 3 - 5 of the Newcomb Testimony.

a. Provide the total amount of QIP capital expenditures approved by the Commission for each of the following years: 2021, 2022, 2023, 2024 and 2025.
b. Provide the total budgeted QIP capital expenditures for each of the following years: 2021, 2022, 2023, 2024, and 2025.
c. Provide the total actual amount of QIP capital expenditures for each of the following years: 2021, 2022, 2023, 2024 and 2025.

Response:

a. The table below provides actual and forecasted additions for the projects included in each of the QIP years since its inception, including 2021, 2022, 2023, 2024, and 2025. The Commission approves forecasted additions in QIP Annual Filings and approves actual additions in QIP Balancing Adjustment filings.

QIP	Period	Actual Additions	Forecasted Additions
1	July 1, 2020 – June 30, 2021	$10,868,747	$8,218,500
2	July 1, 2021 – June 30, 2022	$25,988,118	$19,786,820
3	July 1, 2022 – June 30, 2023	$29,086,354	$17,908,700
4	July 1, 2023 – June 30, 2024	$25,277,857	$20,150,799
5	July 1, 2024 – Dec. 31, 2024	$0	$0
6	Jan. 1, 2025 – Dec. 31, 2025	$29,259,491	$25,263,875

b. Please see forecasted additions above in part a.
c. Please see actual additions above in part a.

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Witness: Robert Prendergast

79. Credit card fees. Refer to the Application generally. Identify the total amount (direct & allocated) of credit card fees included for recovery in the forecasted test period.

Response:

The Company is not requesting recovery of credit card fees in this case.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

80. Caregiver Expenses. Refer to the Application generally.

a. Does American Water, Kentucky American, or the Service Company provide any day care, elder care, or pet care subsidy or reimbursement benefit to its employees? If so, please describe the benefit offered and identify which employees are eligible for the benefit.

b. Provide the total amount (direct & allocated) included for recovery in the forecasted test period.

Response:

a. No.

b. Not applicable.

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Witness: Robert Prendergast

81. Corporate Aircraft/Watercraft. Refer to the Application generally.

a. Does American Water, Kentucky American, or the Service Company own or lease any aircraft or watercraft? If so, identify the total amount (direct & allocated) of corporate aircraft/watercraft costs included in rate base and in operating expenses in each of the years 2025, the base period and included for recovery in the forecasted test period.
b. Provide the year and model of each corporate aircraft/watercraft owned and leased.
c. Provide copies of the flight logs supporting the 2025 expenses.
d. For each of the trips in 2025, identify the purpose of the travel.
e. Does the Company compare costs of commercial flights before utilizing the corporate aircraft? If so, describe the process. If not, explain why not.
f. Provide a description of the corporate policy regarding spousal/non-employee companion travel.
g. Explain how use of the corporate aircraft/watercraft benefits ratepayers. Also provide supporting documentation regarding the same.

Response:

a. – g. The company does not own or lease corporate aircraft or watercraft.

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Witness: Robert Prendergast

82. Company/Corporate Events Expense. Refer to the Application generally. Identify the total expense (direct & allocated) for events (e.g., picnics/barbeques, fairs, 5-k's, etc.) included for recovery in the forecasted test period.

Response:

Kentucky-American did not forecast Company events expenses in the base period or forecasted period.

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Witness: John Watkins

83. Customer Deposits. Refer to the Application generally. Confirm that the Company does not currently require or plan to require customer deposits during the forecast test period.

Response:

KAWC does not require nor plan to require customer deposits during the forecast test period.

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Witness: John Watkins

84. Contributions in aid of construction ("CIAC"). Refer to the Excel file titled KAWC 2026 Rate Case – Exhibit 37 Schedules B1 – B8, tab titled "CIAC linkin" provided in Kentucky American's response to Staff's First Request No. 1.
    a. Provide the monthly CIAC balances for 2021, 2022, 2023, 2024, 2025 and 2026 year-to-date.
    b. Explain the reason for the decrease in CIAC balances since the last rate case.

Response:

a. Please refer to KAW_R_AGDR1_NUM084_06262026_Attachment for monthly CIAC balances for years 2021-2026 year-to-date.
b. CIAC balances have decreased because deposits received for developer-funded projects and reimbursements for water line relocation projects have been lower than the developer refunds issued by Kentucky-American Water.

Kentucky American Water Company
AGDR-1-084_Attachment
Contributions in Aid of Construction

Note: Balances exclude CIAC related to Non-Utility Property

Month	Year	Month-End Balance
Jan	2021	($74,597,430)
Feb	2021	(74,544,255)
Mar	2021	(74,486,738)
Apr	2021	(74,659,378)
May	2021	(74,661,182)
Jun	2021	(75,504,832)
Jul	2021	(75,490,793)
Aug	2021	(75,842,275)
Sep	2021	(76,203,071)
Oct	2021	(76,318,263)
Nov	2021	(76,171,951)
Dec	2021	(76,215,072)
Jan	2022	(76,230,702)
Feb	2022	(76,363,182)
Mar	2022	(76,382,012)
Apr	2022	(76,877,624)
May	2022	(76,878,153)
Jun	2022	(76,872,145)
Jul	2022	(77,198,965)
Aug	2022	(77,237,858)
Sep	2022	(77,387,680)
Oct	2022	(77,588,714)
Nov	2022	(77,822,651)
Dec	2022	(77,716,102)
Jan	2023	(77,663,075)
Feb	2023	(77,620,342)
Mar	2023	(77,821,258)
Apr	2023	(77,783,213)
May	2023	(77,714,897)
Jun	2023	(78,028,488)
Jul	2023	(78,081,211)
Aug	2023	(78,372,985)
Sep	2023	(78,827,406)
Oct	2023	(79,351,607)
Nov	2023	(79,338,229)
Dec	2023	(79,325,829)
Jan	2024	(79,377,117)
Feb	2024	(79,303,002)
Mar	2024	(79,243,332)

AGDR-1-084_Attachment
Contributions in Aid of Construction

Note: Balances exclude CIAC related to Non-Utility Property

Month	Year	Month-End Balance
Apr	2024	(79,337,149)
May	2024	(78,477,410)
Jun	2024	(78,293,999)
Jul	2024	(78,240,306)
Aug	2024	(78,846,238)
Sep	2024	(79,329,875)
Oct	2024	(79,171,164)
Nov	2024	(78,941,722)
Dec	2024	(78,825,447)
Jan	2025	(78,441,821)
Feb	2025	(78,132,311)
Mar	2025	(77,783,690)
Apr	2025	(77,774,627)
May	2025	(77,624,068)

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Witness: Robert Prendergast

85. Donations/Contributions. Refer to the Application generally. Provide the total annual donations/contribution expense (direct and allocated) by organization for 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.

Response:

The Company is not requesting recovery of any donation/contributions expense. In answering this question, the Company realized that $223.25 of allocated expense was inadvertently included in the forecasted test year. This amount will be removed in the base year actuals update.

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Witness: Robert Prendergast

86. Directors and Officers Insurance. Refer to the Application generally. Provide the total amount of D&O insurance (direct and allocated) included for recovery in the forecasted test period.

Response:

The total amount of D&O insurance direct expense included in the forecasted test period is $0, and the allocated portion included in the forecast test period is $63,844.

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Witness: Robert Prendergast

87. Dues - Industry Associations. Refer to the Application generally.
    a. Provide the amount of membership payments to industry associations by vendor for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.
    b. State the purpose and objective of each organization listed.
    c. Provide documentation supporting how ratepayers are benefitted by the Company's membership in these associations.
    d. Identify each organization that engages in lobbying or advocacy activities, attempts to influence public opinion, institutional or image-building advertising.
    e. For those that engage in such activities, state whether the Company has included the portions of dues related to such activities in the base period and the forecasted test period and identify the amount relating to such activities.

Response:

For subparts a – e please refer to KAW_R_AGDR1_NUM022_062626_Attachment. Kentucky-American is seeking recovery of all dues expenses generally, the total amount of which can be found in the file KAWC 2026 Rate Case – Miscellaneous Expense Exhibit.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

88. Dues Non-Industry. Refer to the Application generally.
    a. Provide the amount of membership payments to non-industry associations by vendor for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.
    b. State the purpose and objective of each organization listed.
    c. Provide documentation supporting how ratepayers are benefitted by the Company's membership in these associations.
    d. Identify each organization that engages in lobbying or advocacy activities, attempts to influence public opinion, institutional, or image-building advertising.
    e. For those that engage in such activities, state if the Company has included the portions of dues related to such activities in the base period and the forecasted test period and identify the amount relating to such activities.

Response:

For subparts a – e please refer to KAW_R_AGDR1_NUM022_062626_Attachment. Kentucky-American is seeking recovery of all dues expenses generally, the total amount of which can be found in the file KAWC 2026 Rate Case – Miscellaneous Expense Exhibit.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

89. Employee Related Expense. Refer to the Excel file titled KAWC 2026 Rate Case – Employee Related Expense Exhibit, tabs titled "Link In" and "Forecast" provided in Kentucky American's response to Staff's First Request, No. 1. Explain why the Company believes the 2025 actuals are a more appropriate level for the forecast test period than the three-year average calculated on the Link In tab.

Response:

Please see KAWC response to PSC 2-63. The Company believes that utilizing the 2025 actuals as its forecasting methodology for Employee Related Expense is more indicative of the expected expense level moving forward. Furthermore, the May year-to-date expense for employee related expense is $103,762. On an annualized basis, the 2026 actuals projects out to be $249,029, which aligns more closely with the 2025 actuals than a three year average.

KENTUCKY-AMERICAN WATER COMPANY
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Witness: Robert Prendergast

90. Employee Expenses. Refer to KAWC 2026 Rate Case – Employee Related Expense Exhibit, tab titled "Link In" provided in response to Staff's First Request, No. 1. Explain what is included in Account No. 52534000 and the reason for the increase in this expense in 2025 over the prior years. Also, explain why the 2025 level is expected to continue.

Response:

Account 52534000 is primarily for charges related to employee travel, such as airfare, rideshare, lodging, fuel, parking, food, etc. The Company has experienced rising costs in these categories since 2025 and continues to do so in 2026.

Employee Expenses year-to-date costs through May 2026 are $61,661, which on an annualized basis comes to $147,986. This exceeds total costs in 2025 of $129,836.

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

91. Executive Vehicles. Refer to the Application generally.

a. Provide the total rate base and O&M expense amounts (direct & allocated) associated with vehicles provided to executives for 2025, the base period and included for recovery in the forecasted test period.

b. Also, provide a list of each executive title, vehicle including: year, make, and model, and whether it is leased or owned.

Response:

The Company did not incur, and is not forecasting to incur, any costs associated with vehicles provided to executives, either directly or allocated, for the periods requested.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

92. Employee Stock Purchase Plan Discounts. Refer to the Prendergast Testimony, page 11.
    a. Provide the total amount (direct and allocated) Employee Stock Purchase Plan discounts included for recovery in the forecasted test period.
    b. Provide supporting documentation showing this expense benefits ratepayers.
    c. State which employees are eligible for this benefit.
    d. Provide the total number of employees and the number of employees utilizing this benefit in 2025, the base period and forecasted test period.

Response:

a. Employee Stock Purchase Plan ("ESPP") discounts amount to $49,477 in the forecasted test period.
b. Through ESPP, employees gain a stake in American Water, and by extension, KAWC, and thus have a vested interest in KAWC's success. The ESPP discount is only available to employees while they are employed with KAWC, making it an effective retention tool for the Company.
c. All American Water employees are eligible for this benefit.
d. Please see the table below. Please note that current participation as of 6/16/26 is used to represent base period.

	ESPP Participants	Total Employees
KAWC 2025	54	154
KAWC Base Period	51	169
KAWC Test Period	103	206
Allocated employees 2025	386	1,554
Allocated employees Base Period	379	1,610
Allocated employees Test Period	379	1,610

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Witness: Robert Prendergast

93. Employee Cafeteria. Refer to the Application generally.
    a. Provide the total revenues (direct & allocated) received for all employee cafeterias in 2025, forecasted for the base period and included for recovery in the forecasted test period.
    b. Provide the total expenses (direct & allocated) for all employee cafeterias in 2025, the base period and included for recovery in the forecasted test period.
    c. Provide a description of the types of expenses.
    d. If the Company operates an employee cafeteria, state whether there are other dining options within close proximity of the Company.

Response:

a. The employee cafeteria at American Water's headquarters is operated by an external vendor, no revenues are received by American Water, or any of its affiliates.
b. Please see the charts below for the portion of cafeteria expense allocated to KAWC.

	2025	**Base Period**	**FTY**
Cafeteria Expense	$12,583	$12,009	$14,200

c. The expenses included are: Contract Services, Contract Services (Temporary Employee), Janitorial, Meals Deductible, Meals Nondeductible, Miscellaneous Expenses (O&M), Office Supplies.
d. KAWC does not operate a cafeteria. The cafeteria at American Water's headquarters provides employees easy and efficient access to a dining option in an area with limited alternatives.

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Witness: Robert Prendergast

94. Forecasting methodology. Refer to page 3 of the Prendergast Testimony. Explain how the Company more closely aligned the forecasting methodology with the methodology used in the Company's budgeting process.

Response:

Kentucky-American adjusted its forecasting methodology to meet the PSC's directive to: "forecast each operating expense in a way that is more reflective of Kentucky-American's internal budgeting process for each expense."

The Company worked with our internal finance team to align our forecasting methodologies for the expenses that utilized the KAWC Growth Factor in the Company's prior case with the forecasting methodology utilized in our budgeting process. This process incorporated an analysis of historical financials: reviewing expense line items for material increases and decreases, normalizing expenses and expense factors, analyzing expense trends, and determining a base methodology to utilize for each individual expense. After determining a base methodology for each expense, each expense was reviewed in collaboration with our operations and business development teams to review material changes, determine one-off items or on-going expenses, and incorporate expense adjustments due to process changes, operational needs, and acquisitions.

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Witness: Robert Prendergast

95. Medical, dental and vision insurance. Refer to the Prendergast Testimony, pages 9 - 10. Provide the calculations showing how 5.32% was derived.

Response:

The 5.32% figure provided in this request is not referenced in the Prendergast Testimony on pages 9-10 or anywhere else in the document.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

96. 401(k) Plan. Refer to Prendergast Testimony, page 10.
    a. Provide the total 401(k) expense (direct & allocated) for employees who are also covered under a defined benefit plan for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.
    b. Identify the portion of the 401(k) expense in subpart a that relates to employees that are enrolled in a nonfrozen defined benefit retirement plan.
    c. Provide the date when the defined benefit plan was closed.
    d. Provide the date when the defined benefit plan was frozen.

Response:

a. Please see the below table.

	KAWC	Allocated
2020	$35,266	$18,001
2021	27,194	15,332
2022	23,242	11,947
2023	24,004	11,264
2024	23,574	14,038
2025	20,397	16,009
Base Year	22,408	15,215
Forecast Year	25,131	15,795

b. Please see part a.
c. The Company's pension plan was closed to non-union new hires hired on or after January 1, 2006. The Company's pension plan was closed to union new hires hired on or after January 1, 2006.
d. Union employees hired between January 1, 2001 and December 31, 2005 had their pension benefit frozen and were moved to the Defined Contribution Plan as of January 1, 2006.

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Witness: Robert Prendergast

97. Employee Recognition/Awards Expense. Refer to the Application generally.
    a. Identify the total amount of employee recognition and awards expense (direct & allocated) in 2025, the base period and included for recovery in the forecasted test period (e.g., longevity awards, dinners, luncheons, parties, etc.)
    b. Provide a description of the Company's employee recognition/awards program.

Response:

a. Please see the table below.

Description	Year 2025	Base Period	Forecasted Test Period
Employee Awards	$6,777	$10,214	$12,256

b. The Employee Awards expense is employee service, achievement, and retirement awards. Service awards are distributed based on employee milestones, which occur in 5-year increments. Employees who are pension-eligible and were hired before 1/1/06 receive a retirement gift.

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Witness: Robert Prendergast

98. Spot Bonus Expense. Refer to the CONFIDENTIAL Excel file titled KAWC 2026 Rate Case – Labor and Labor Related Exhibit, tab titled "Other Bfts Wkpr" provided in Kentucky American's response to Staff's First Request, No. 1.
    a. CONFIDENTIAL As no spot bonuses were reflected in 2023-2025, explain why the Company expects these to occur in the forecast test period.
    b. CONFIDENTIAL Provide the calculations showing how the forecast test period amount was derived.

Response:

a. Spot Bonus expenses are shown historically as a part of labor expense. The Spot Bonus expense line was shown in the "Other Bfts Wkpr" to call out the inclusion of spot bonuses in the forecasted test year calculation. Please see the table below for the total number and amount of spot bonuses from 2023-2025.

Spot Bonus	2023	2024	2025
Amount	$25,150	$7,800	$11,250
Count	46	14	26

b. To forecast spot bonuses, the Company used the average number of awards for the three years 2023-2025, 29 and multiplied it by the three-year average of the average award granted in each individual year, $512.

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Witness: Robert Prendergast

99. Employee gifts. Refer to the Application generally. Provide the total amount (direct & allocated) of employee gifts (including but not limited to flowers, fruit baskets, candy, gifts for: Christmas, get well, retirement, marriage, birth/adoption, welcome, bereavement, etc.) in 2025, the base period and included for recovery in the forecasted test period.

Response:

Please see table below:

Year	Amount
2025	$11,805
Base Period	12,948
Forecast Test Period	8,208

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Witness: Robert Prendergast

100. Entertainment/Sponsorships. Refer to the Application generally. Provide the total amount (direct & allocated) of sporting/entertainment event tickets, season tickets, suites, sponsorships, etc. in 2025, the base period and included for recovery in the forecasted test period.

Response:

Kentucky-American did not forecast entertainment/sponsorship expense in the base period or forecasted test period.

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Witness: John Watkins

101. Goodwill. Refer to the Application generally. Provide the Company's annual goodwill calculated according to Generally Accepted Accounting Principles for each of the years 2021, 2022, 2023, 2024, 2025, the base period and the forecasted test period.

Response:

The Company recorded $576,173 of Goodwill in connection with the 2019 acquisition of North Middletown. No additional Goodwill, calculated in accordance with Generally Accepted Accounting Principles, was recorded for 2021, 2022, 2023, 2024, or 2025. The Company anticipates recording $5,250,000 of Goodwill related to its June 2026 acquisition of Water Service Corporation of Kentucky.

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Witness: John Watkins

102. Gains and losses on sale of utility property. Refer to the Application generally.
   a. Identify all gains and losses on the sales of utility property (direct & allocated) for each year 2025 and year-to-date 2026.
   b. Provide the details regarding each transaction listed in subpart (a) (date of purchase, amount of purchase, description of property, use of property, date of sale, amount of sale, and the years the property was included in rate base.)
   c. Identify the amount of gains/losses that have been reflected in the revenue requirement in the current case and identify the schedule where they are reflected.
   d. If there were gains on sales of utility property during 2025 but none were reflected in the revenue requirements in the current case, explain why not.
   e. Explain how gains and sales on losses of utility property are treated for ratemaking purposes.
   f. Identify all planned and pending sales in 2026 and 2027, including a description of the property, anticipated sales price, original cost of property, date of original purpose, the expected closing date and why the property is being sold.

Response:

   a. Kentucky-American did not incur any gains and/or losses on the sales of utility property (direct & allocated) for 2025 and year to date 2026.
   b. Not applicable.
   c. Not applicable.
   d. Not applicable.
   e. Not applicable.
   f. Not applicable.
   g. Kentucky-American does not have any planned or pending sales in 2026 or 2027.

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Witness: John Watkins

103. H2O Program. Refer to the Burton Testimony, page 12.

a. Provide the annual cost (direct and allocated) of the H2O program by category (program cost and funding) for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.

b. Explain how donations from other customers are reflected in the forecast test period.

Response:

KAWC has not requested recovery of any costs associated with the H2O program in the base period or forecasted test period.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

104. Health/Fitness Expenses. Refer to the Application generally. Provide the total amount (direct & allocated) of health/fitness expenses (including but not limited to: fitness/gym memberships, exercise classes, cost of maintaining employee exercise rooms/equipment, etc.) in 2025, the base period and included for recovery in the forecasted test period.

Response:

Please see the table below:

	2025	**Base Period**	**FTY**
Allocated Fitness Expense	$4,763	$5,168	$6,287

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Witness: Robert Prendergast

105. Healthcare expense.

a. Provide the total amount of healthcare expense included in the forecast test period broken out by union, non-union and exempt employees.
b. State whether the Company made any adjustments to Health Care Expense based on health insurance benefit contributions in excess of the Bureau of Labor Statistics' average for single and family coverage. If not, explain why not and provide the amount in excess of the most recent report from Bureau of Labor Statistics' applicable to the forecast test period for union, non-union and exempt employee healthcare. Provide all supporting calculations and documents.

Response:

a.

Group Insurance	
Union	$1,284,733
Non-Union Hourly	845,675
Non-Union Salaried	540,062
Total Expensed Group Insurance	$2,670,470

b. The Company's cost share is not set each year based on the Bureau of Labor Statistics and/or benchmarking data. While that information is factored in, along with claim data, KAWC's cost share (employee / employer contributions) is set based upon the Union contract negotiation. Union negotiations take place every 5 years. The Non-Union cost share will mirror the Union cost share.

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Witness: John Watkins

106. Internal Audit Reports. Refer to the Application generally. Provide a list of all internal audits conducted in 2025 and 2026 year-to-date. Also provide a list of any planned audits for 2026 – 2027.

Response:

No internal audits were conducted associated with KAWC water operations during 2025. In 2026, American Water is conducting an asset management internal audit to evaluate compliance with selected components of the AW Transformer Maintenance Procedure to ensure operational integrity. This audit will include KAWC transformers. At this point in time, there are no internal audits planned associated with KAWC water operations for 2027.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

107. Incentive Compensation. Refer to the Application generally. Provide complete copies of all incentive compensation plans, bonus programs or other incentive award programs in effect at the Company for each of the years 2025, 2026, the base period and the forecasted test period.

Response:

Please see attachment KAW_R_AGDR1_NUM107_062626_Attachment 1_CONFIDENTIAL for the 2026 noncollective bargaining unit Annual Performance Plan. Please see attachment KAW_R_AGDR1_NUM107_062626_Attachment 2_CONFIDENTIAL for the 2026 collective bargaining unit Annual Performance Plan. Please see attachment KAW_R_AGDR1_NUM107_062626_Attachment 3_CONFIDENTIAL for the 2026 Long Term Performance Plan. Please see attachment KAW_R_AGDR1_NUM107_062626_Attachment4_CONFIDENTIAL for the 2025 Long Term Performance Plan. Please see attachment KAW_R_AGDR1_NUM107_062626_Attachment5_CONFIDENTIAL for the 2025 noncollective bargaining unit Annual Performance Plan. Please see attachment KAW_R_AGDR1_NUM107_062626_Attachment6_CONFIDENTIAL for the 2025 collective bargaining unit Annual Performance Plan. Each of these attachments is confidential and they are being provided pursuant to a petition for confidential protection.

KAW_R_AGDR1_NUM107_062626_Attachments1-6_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

108. Incentive Compensation. Refer to the Application generally. For each incentive plan, for each of the years 2021, 2022, 2023, 2024, and 2025 provide the number of employees eligible under the plan for incentive compensation payment and number of eligible employees that did not receive an incentive compensation payment.

Response:

Please see the table below for the number of Company employees who were eligible for performance compensation for the requested years. All eligible employees received performance compensation during the period requested.

# of Employees	2021	2022	2023	2024	2025
APP	144	143	150	139	154
LTPP	3	2	4	3	5

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Witness: Robert Prendergast

109. Incentive compensation. Refer to the Application generally. Identify all of the Company's affiliates that do not receive full recovery of incentive compensation expense in utility rates.

Response:

The information sought by this request is not relevant to this proceeding. Notwithstanding that, please see below.

Indiana American, Pennsylvania American, Virginia American and West Virginia American receive full recovery of the Annual Performance Plan (APP) and Long-Term Performance Plan (LTPP).

The remaining affiliates receive recovery of some portion of APP and/or LTPP.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Mustich

110. Incentive Compensation. Refer to the Application generally. Provide copies of all studies and analyses that show that its incentive compensation plans provide benefits to ratepayers.

Response:

To the knowledge of Mr. Mustich, there are no specific studies that demonstrate a direct customer benefit resulting from performance plans. However, as outlined in Mr. Mustich's direct testimony, Kentucky American's target total remuneration—including performance compensation (APP and LTPP)—is positioned at the low end of the market range. Excluding performance compensation would require an increase in base salaries to maintain competitive total remuneration, pushing base pay above market levels.

This would contradict Kentucky American's pay-for-performance philosophy, which intentionally places APP and LTPP compensation "at risk." Under this approach, both pay levels and market competitiveness are reduced when performance expectations are not met, and performance-based pay is withheld. These performance plans serve as essential management tools to reinforce accountability and performance expectations, which is why they are widely adopted in both the utility and broader business sectors nationwide.

It is difficult to argue that customers are better served by fixed compensation models that reward employees regardless of performance. In contrast, tying compensation to the achievement of key customer, operational, and financial goals aligns employee interests with delivering high-quality outcomes for customers.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

111. Incentive Compensation. Refer to the Application generally. Provide for each of the years: 2021, 2022, 2023, 2024, and 2025, the various goals on which incentive payments were to be determined, and the actual achievement attained (i.e., the response should show actual metrics and not a simple reference that the goal was at target, not at target, at maximum, etc.)

Response:

Please see KAW_R_AGDR1_NUM111_062626_Attachment_CONFIDENTIAL. This attachment is confidential and is being provided pursuant to a petition for confidential protection.

KAW_R_AGDR1_NUM111_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / William A. Lewis

112. Incentive Compensation. Refer to the Application generally. Did the Company adjust the non-financial goals with regard to incentive compensation since the last rate case? If so, explain all changes. If not, explain why not.

Response:

See KAW_R_AGDR1_NUM107_062626,
KAW_R_AGDR1_NUM107_062626_Attachment1_CONFIDENTIAL,
KAW_R_AGDR1_NUM107_062626_Attachment2_CONFIDENTIAL,
KAW_R_AGDR1_NUM107_062626_Attachment3_CONFIDENTIAL,
KAW_R_AGDR1_NUM107_062626_Attachment4_CONFIDENTIAL,
KAW_R_AGDR1_NUM107_062626_Attachment5_CONFIDENTIAL, and
KAW_R_AGDR1_NUM107_062626_Attachment6_CONFIDENTIAL.

In general, the non-financial goals utilize external benchmarks to create the targets. For example, safety targets are set using Edison Electric Institute (EEI) data. Another example is the drinking water targets utilize EPA year end performance. Therefore, the targets change year over year based on the performance of the external benchmarks.

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Witness: Robert Prendergast

113. Incentive Compensation. Refer to the Application generally. Is there a financial goal, that if not met, would result in no incentive compensation payments being made? If so, identify the goal.

Response:

No.

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Witness: Robert Prendergast

114. Incentive Compensation. Refer to the Application generally. Provide the total amount of incentive compensation included in the forecasted test period related to financial measures (direct & allocated).

Response:

Please see the table below for base period and forecasted test period APP & LTPP expense tied to financial measures, given that 50% of APP and 70% LTPP goals are based on financial metrics.

	Base Year	Forecasted Test Year
APP - Direct	$567,426	$468,081
LTPP - Direct	160,245	153,932
APP - Allocated	675,773	706,204
LTPP - Allocated	644,971	669,553

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Witness: Robert Prendergast

115. Incentive Compensation. Refer to the Application generally. In what possible scenarios would no incentive compensation payments be made? Explain the response in detail.

Response:

The only scenario in which no performance compensation payments would be made is if the Company failed to meet the minimum threshold of each and every one of the APP metrics.

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Witness: Robert Prendergast

116. Incentive Compensation. Refer to the Application generally. Provide the total amount (direct and allocated) of incentive compensation broken out by plan for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period. If there are amounts charged to capital provide those separately.

Response:

Please see the Company's response to AGDR1_NUM117.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

117. Incentive Compensation. Refer to the Application generally. Provide the total amounts (direct & allocated) of incentive compensation (broken out by short and long term) for each of the years, 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period. If there are amounts charged to capital provide those separately.

Response:

Please see the tables below.

O&M Performance Compensation	2021	2022	2023	2024	2025	Base Year	Forecasted Test Year
APP - Direct	$720,940	$824,961	$887,834	$910,533	$1,038,169	$1,134,851	$ 936,162
LTPP - Direct	10,892	69,832	186,717	172,537	180,269	228,921	219,903
APP - Allocated	865,577	823,969	989,455	1,073,265	1,397,614	1,351,546	1,412,407
LTPP - Allocatec	614,653	549,532	764,334	1,180,425	971,578	921,387	956,504

Capital Performance Compensation	2021	2022	2023	2024	2025	Base Year	Forecasted Test Year
APP - Direct	$0	$0	$0	$0	$0	$0	$ 765,068
LTPP - Direct	0	0	0	0	0	0	116,849
APP - Allocated	0	0	0	0	0	104,037	144,828
LTPP - Allocatec	0	0	0	0	0	9,276	18,551

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / Robert Mustich

118. Incentive Compensation. Refer to the Mustich Testimony, page 7, lines 1-5. Did the Company reduce incentive compensation payments paid to its employees in any year during the last five years based on the disallowance in rates? If so, provide the amount of incentive compensation reduced each year. Also, provide the number of employees that left the Company each year due to the reduced incentive compensation.

Response:

The Company did not reduce its performance pay programs paid to employees. Please see the Direct Testimony of Robert Mustich. As discussed in Mr. Mustich's testimony, the Company considers performance pay to be a part of its total renumeration and if KAWC employees didn't receive their performance pay, or even a portion of it, they would receive compensation that is well below reasonable and competitive levels of market median total remuneration described in Company Witness Mustich's Testimony.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

119. Injuries and Damages. Refer to the Application generally. Provide the injuries and damages reserve balance, including debits and credits to the reserve, for each of the years 2021, 2022, 2023, 2024, 2025, and 2026 year-to-date.

Response:

Kentucky-American does not have an injuries and damages reserve account. Per KAW_R_AGDR1_NUM120_062626, Kentucky-American incurred $282 of injuries and damages expense in 2025 but is not seeking recovery of any such cost recovery for the base or forecasted test periods.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

120. Injuries and Damages. Refer to the Application generally. Identify the total amount (direct & allocated) of injuries and damages expense for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.

Response:

The Company is not requesting recovery of any injuries and damages expense in this case.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis / Robert Prendergast

121. Injuries. Refer to page 23 of the Lewis Testimony.
   a. Explain the three injuries that occurred in 2025.
   b. Identify all associated costs incurred in 2025, and included in the base year and forecast test period.

Response:

a. 2025 OSHA recordable injuries:
   - May 10, 2025 Injury: Employee was rear ended by another vehicle. Employee missed one day of work due to a strained back and neck.
   - October 14, 2025 Injury: Employee had foreign debris enter his eye while cleaning a louvered vent. The employee was wearing eye protection, but the debris bypassed the eye protection causing discomfort. Employee received prescription medication to prevent infection.
   - December 12, 2025 Injury: Employee slipped on ice while exiting a Company work vehicle resulting in an injured shoulder. Employee was placed on restricted duty.

b. The Company is not requesting costs associated with these injuries in the forecasted test year.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

122. Insurance Expense. Refer to the Excel file titled KAWC 2026 Rate Case – IOTG Exhibit, tab titled "Workpaper 1" provided in Kentucky American's response to Staff's First Request, No. 1.
   a. Provide the annual amounts by policy for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.
   b. Provide documentation (quotes, invoices) supporting the large increase to 55710000 Insurance General Liability in the forecast test period.

Response:

Please see the attached Excel file KAW_R_AGDR1_NUM122_062626_Attachment_CONFIDENTIAL. The attachment is confidential and is being provided pursuant to a petition for confidential protection.

KAW_R_AGDR1_NUM122_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

123. Insurance Expense. Refer to page 20 of the Prendergast Testimony. Provide a detailed explanation of why and how the reassessment of factors was done.

Response:

A general evaluation of Insurance Other than Group (IOTG) cost allocation factors was performed. Upon review, it was determined that number of customers as an allocation factor is better aligned with risk exposure than payroll for the exposure portion of the General Liability, Excess Liability, and Pollution coverage cost allocations.

Also, upon review, it was determined that IOTG cost allocations between the operating utilities and Service Company would be realigned to better represent operational and non-operational risk. Therefore, the 2026 policy renewals for Cyber Security, Crime, Directors & Officers Liability, Employment Practices, Fiduciary Liability, and Lawyers Liability were allocated 100% to Service Company. The Special Contingency Risk policy has a 3-year coverage and upon renewal in January 2028 will also be allocated 100% to Service Company. This better aligns these policies with their non-operational risk exposure. Each 2026 policy renewal for General Liability, Excess Liability, and Pollution no longer has a portion of cost allocated to Service Company. This aligns that portion of the allocated policy costs, formerly allocated to Service Company, with operational risk exposure.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

124. Investor Relations expense. Refer to the Application generally. Provide the total amount expensed (direct & allocated) included for recovery in the forecasted test period by category.

Response:

Please see the chart below for Kentucky's total amount of investor relations expense:

	2025	Base Year	Test Year
Investor Relations Expense	$ 67,118	$ 73,380	$ 75,860

KENTUCKY-AMERICAN WATER COMPANY
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Witness: John Watkins

125. Judgements/Settlements. Refer to the Application generally. Provide the total amount expensed (direct & allocated) in each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period. Also, include a brief description of the nature of each of the lawsuits.

Response:

The Company has not included any judgments or settlements in the forecasted test year.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

126. Lobbying, government affairs, regulatory policy, and political advocacy expenses. Refer to the Application generally.
   a. Identify the total amount (direct & allocated) of lobbying, government affairs, regulatory policy, and political advocacy expenses for each of the years included for recovery in the forecasted test period.
   b. Identify all employees that engage in lobbying, government affairs, regulatory policy, and political advocacy, on the local, state or national level. For each employee provide in schedule form:
      i. Their fully loaded annual salaries included in the base period and forecasted test period,
      ii. Percent of time expected to be spent on these activities in the base period and the forecasted test period,
      iii. The organizations or trade associations involved,
      iv. All company-paid or reimbursed expenses or allowances in the included in the forecasted test period and the accounts charged.

Response:

   a. Please see KAW_R_AGDR1_NUM126_062626_Attachment. A portion of this document is confidential and is being provided pursuant to a petition for confidential protection.
   b. For parts i, ii, and iv, please see KAW_R_AGDR1_NUM126_062626_Attachment. For part iii, please see KAW_R_AGDR1_NUM025_062626. Company paid or reimbursed expenses are charged to "Employee Related Expense".

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM126_062626_Attachment

a. Lobbying, Government Affairs, Regulatory Policy and Political Advocacy Expenses

	2021	2022	2023	2024	2025	Base Period	Future Test Period
Direct	$379,839	$398,402	$452,882	$391,057	$454,960	$458,907	$473,472
Allocated	0	0	0	10,054	0	0	0

b. Lobbying, Government Affairs, Regulatory Policy and Political Advocacy Employees

	Fully-Loaded Salary			Company Paid Expenses	
Position	Base Period	Future Test Period	Percent of Role	Base Period	Future Test Period
[redacted]	$195,466	$185,302	50%	$8,076	$8,319
	152,331	163,349	100%	25,136	25,890
	111,110	124,821	100%	44,155	45,479
	15,633	15,442	50%	1,314	1,360

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

127. Outside Legal Expense. Refer to the Excel file titled KAWC 2026 Rate Case – Contract Services Exhibit, tab titled "Link In." provided in Kentucky American's response to Staff's First Request, No. 1. Itemize the amount of outside legal expense (direct & allocated), by vendor, for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.

Response:

See below for itemized outside legal expense by vendor for the requested years. These amounts reflect direct outside legal expenses by vendor, consistent with the referenced excel file. The Company does not itemize legal expenses by vendor for the base period or forecasted test period. The "Contracted Services-Legal" account #53154000 has $320,474 for the base period and $349,124 for the forecasted test period.

Vendor	2021	2022	2023	2024	2025
Stoll Keenon Ogden PLLC	$312,663	$332,903	$292,105	$302,703	$291,191
Jackson Kelly PLLC	0	0	672	9,548	32,462
Littler Mendelson PC	0	19,950	0	0	0
Marjorie K Conner Attorney At	1,200	1,155	735	0	885
Day Law Group LLC	0	0	0	0	1,720
Thompson Coburn LLP	0	1,620	0	0	0
Richardson & Smith PSC	0	297	0	0	0
Total	**$313,863**	**$355,925**	**$293,511**	**$312,251**	**$326,258**

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

128. Maintenance Supplies and Services O&M. Refer to the Excel file titled KAWC 2026 Rate Case – Maintenance Supplies & Services Exhibit, tabs titled "Workpaper" provided in Kentucky American's response to Staff's First Request, No. 1.
   a. Provide documentation (invoices, contracts, quotes) supporting the increase for the new UV Treatment equipment in the forecast test period.
   b. Is this the same project that was included in the prior rate case? If so, explain why it has not yet been completed.

Response:

   a. Please see the file KAW_R_AGDR1_NUM128_062626_Attachment_CONFIDENTIAL for the contracted replacement part life cycle and prices. The additional annual maintenance costs are for UVT analyzer maintenance and cleaning, maintenance staff costs associated with the replacement parts, and cleaning of various items within the units.
   b. This project was included in the prior rate case as KRS1 UV Facility with an estimated in-service date of 8/30/2026.

KAW_R_AGDR1_NUM128_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

129. Miscellaneous Expense. Refer to the Excel file titled KAWC 2026 Rate Case – Miscellaneous Expense Exhibit, tabs titled "Link In" and "Exhibit" provided in Kentucky American's response to Staff's First Request, No. 1.
   a. Explain why a three-year average is appropriate for 52001400 M & S Oper - Transmission & Distribution as the cost has declined from 2022 - 2025.
   b. Explain what Account 52585000 Discounts Available represents.
   c. Explain what Account 52579000 Trustee Fees represents.
   d. Explain the reason for the increase in spending in in 2025 over the 2024 level in Account 52001600 Misc Oper Admin & General.
   e. Explain the reason for the significant increase in spending in in 2025 over the 2024 level in Account 52501600 Misc Oper Admin & General.
   f. Explain what the $221,583 Adjustment to 2025 Actuals represents and provide the calculations.

Response:

   a. Account 52001400 was forecasted using 2025 actuals as the base amount instead of a three-year average.
   b. This account represents discounts related to the dynamic payment term option in Taulia that allows a supplier to exchange an additional discount for earlier payment of the invoice.
   c. This account represents recurring fees to financial institutions for the administration and management of revenue bonds. The expense is primarily driven by Bank of New York Mellon fees related to Owen County Revenue Bonds.
   d. Similar to part a. of this request, variances in sub-account 52001600 reflect changes in how miscellaneous items are coded.
   e. The increase in sub-account 52501600 in 2025 over 2024 is due to the one-time expense NSI software write-off that has been removed from the case. Please see the file KAWC 2026 Rate Case – Miscellaneous Expense Exhibit, 'Workpaper' tab for additional detail.
   f. This adjustment reconciles 2025 calendar year actuals with the Base Year which uses six months actuals and six months forecasted for the 12 months ending August 31, 2026.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

130. Operating Revenues and Expenses. Refer to KAW_APP_EX37C_051526, page 2. Update the schedule to show the total actual annual amounts for the categories shown for each year 2021, 2022, 2023, 2024, 2025 the base period and included recovery in the forecasted test period.

Response:

Please see KAW_R_AGDR1_NUM130_062626_Attachment.

Kentucky American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM130_062626_Attachment

Kentucky American Water Company
Case No. 2026-00094
Jurisdictional Operating Income Summary for the Base and Forecasted Periods

Line No.	Major Acct. Group	Description	Supporting Schedule Reference	Year Ended December 31, 2021	Year Ended December 31, 2022	Year Ended December 31, 2023	Year Ended December 31, 2024	Year Ended December 31, 2025	Base Period Ending August 31, 2026	Adjustment for Forecast at Present Rates	Forecast Year Ending December 31, 2027 At Present Rates	Adjustment for Proposed Rates	Forecast Year at Proposed Rates	Forecast Workpaper Reference	Forecast WP Excel Lcoation
1		**Operating Revenues**													
2	400	Water Revenues	Exh 37 C-2	$100,451,375	$107,042,261	$110,769,942	$122,225,415	$139,986,534	$150,543,596	$9,489,493	$160,033,089	$17,572,656	$177,605,745	Exhibit 37, Schedule M-1	Revenues\[KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support.xlsm]LinkOut
3	400	Other Revenues	Exh 37 C-2	1,989,251	2,277,259	2,457,280	2,219,665	2,416,299	2,399,569	51,593	2,451,162	111,802	2,562,964	Exhibit 37, Schedule M-1	Revenues\[KAWC 2026 Rate Case - Exhibits (25, 26, 37) Revenue WP Support.xlsm]LinkOut
4	420	AFUDC	Exh 37 C-3	0	0	0	0	0	0	0	0		0	N/A	N/A
5	**Total**	**Total Revenues (Sum Lines 2-3)**		$102,440,626	$109,319,520	$113,227,221	$124,445,080	$142,402,833	$152,943,165	$9,541,086	$162,484,251	$17,684,458	$180,168,709		
6															
7	**401**	**Operating Expenses**													
8		**O&M:**													
9		Purchased Water	Exh 37 C-2	$366,184	$377,352	$345,520	$335,880	$818,059	$334,607	$1,236,906	$1,571,513	$0	$1,571,513	W/P - 3-2	O&M\[KAWC 2026 Rate Case - Purchased Water Exhibit.xlsx]Exhibit
10		Fuel & Power	Exh 37 C-2	4,271,633	5,165,490	5,249,869	5,421,049	5,319,313	5,613,147	591,571	6,204,718	0	6,204,718	W/P - 3-3	O&M\[KAWC 2026 Rate Case - Fuel and Power Exhibit.xlsx]Exhibit
11		Chemicals	Exh 37 C-2	2,203,330	3,237,719	4,506,177	4,607,123	9,541,305	4,377,248	869,269	5,246,517	0	5,246,517	W/P - 3-4	O&M\[KAWC 2026 Rate Case - Chemicals Exhibit.xlsx]Link Out
12		Waste Disposal	Exh 37 C-2	479,454	449,452	489,593	708,059	1,452,982	846,556	(151,137)	695,419	0	695,419	W/P - 3-5	O&M\[KAWC 2026 Rate Case - Waste Disposal Exhibit.xlsx]Exhibit
13		Salaries and Wages	Exh 37 C-2	7,526,954	8,376,267	8,801,501	8,743,795	9,599,264	10,725,936	2,448,451	13,174,387	0	13,174,387	W/P - 3-1	O&M\[KAWC 2026 Rate Case - Labor and Labor Related Exhibit.xlsx]Labor Exhibit
14		Pension	Exh 37 C-2	(230,018)	(279,484)	126,302	169,554	496,012	142,581	(40,767)	101,814	0	101,814	W/P - 3-1c	O&M\[KAWC 2026 Rate Case - Labor and Labor Related Exhibit.xlsx]Pension Exhibit
15		OPEB	Exh 37 C-2	(947,239)	(973,919)	(608,296)	(667,586)	(699,812)	(636,641)	43,143	(593,498)	0	(593,498)	W/P - 3-1a	O&M\[KAWC 2026 Rate Case - Labor and Labor Related Exhibit.xlsx]Group Ins Exhibit
16		Group Insurance	Exh 37 C-2	1,347,172	1,315,244	1,395,801	1,574,670	1,698,834	2,165,618	504,852	2,670,470	0	2,670,470	W/P - 3-1a	O&M\[KAWC 2026 Rate Case - Labor and Labor Related Exhibit.xlsx]Group Ins Exhibit
17		Other Benefits	Exh 37 C-2	570,237	737,944	693,338	729,167	844,393	846,037	270,104	1,116,141	0	1,116,141	W/P - 3-1b	O&M\[KAWC 2026 Rate Case - Labor and Labor Related Exhibit.xlsx]Other Benefits Exhibit
18		Support Services	Exh 37 C-2	12,044,343	11,449,596	11,977,506	13,278,156	15,226,452	15,297,553	526,933	15,824,487	0	15,824,487	W/P - 3-7	O&M\[KAWC 2026 Rate Case - Support Services Exhibit.xlsx]Link Out
19		Contract Services	Exh 37 C-2	930,165	830,562	1,583,719	1,671,654	1,822,217	1,978,801	284,269	2,263,070	0	2,263,070	W/P - 3-18	O&M\[KAWC 2026 Rate Case - Contract Services Exhibit.xlsx]Exhibit
20		Building Maintenance & Services	Exh 37 C-2	845,089	852,231	1,094,090	1,160,432	1,075,165	1,057,575	111,345	1,168,919	0	1,168,919	W/P - 3-12	O&M\[KAWC 2026 Rate Case - Building Maintenance & Services Exhibit.xlsx]Exhibit
21		Telecommunications	Exh 37 C-2	235,270	256,107	273,761	351,037	310,984	310,235	1,693	311,927	0	311,927	W/P - 3-14	O&M\[KAWC 2026 Rate Case - Telecommunications Exhibit.xlsx]Exhibit
22		Postage, Printing, & Stationary	Exh 37 C-2	14,686	12,087	19,149	46,859	14,680	15,573	1,136	16,709	0	16,709	W/P - 3-15	O&M\[KAWC 2026 Rate Case - Postage, Printing & Stationary Exhibit.xlsx]Exhibit
23		Office Supplies & Services	Exh 37 C-2	228,158	292,922	231,295	223,708	351,156	387,874	166,807	554,681	0	554,681	W/P - 3-16	O&M\[KAWC 2026 Rate Case - Office Supplies Exhibit.xlsx]Exhibit
24		Advertising & Marketing	Exh 37 C-2	0	0	0	0	0	0	0	0	0	0	N/A	N/A
25		Employee Related Expense	Exh 37 C-2	83,949	346,569	126,545	122,344	245,741	242,936	2,805	245,741	0	245,741	W/P - 3-19	O&M\[KAWC 2026 Rate Case - Employee Related Expense Exhibit.xlsx]Exhibit
26		Miscellaneous Expense	Exh 37 C-2	993,866	723,335	1,238,684	790,776	1,257,406	1,031,823	(204,530)	827,293	0	827,293	W/P - 3-20	O&M\[KAWC 2026 Rate Case - Miscellaneous Expense Exhibit.xlsx]Exhibit
27		Rents	Exh 37 C-2	30,224	43,742	45,791	59,169	71,585	66,626	27,914	94,540	0	94,540	W/P - 3-11	O&M\[KAWC 2026 Rate Case - Rents Exhibit.xlsx]Exhibit
28		Transportation	Exh 37 C-2	460,175	524,081	520,064	534,101	410,295	360,455	250,310	610,765	0	610,765	W/P - 3-21	O&M\[KAWC 2026 Rate Case - Transportation Exhibit.xlsx]Exhibit
29		Uncollectible Accounts	Exh 37 C-2	353,582	368,859	598,721	605,964	1,133,550	853,887	142,057	995,944	109,351	1,105,295	W/P - 3-10	O&M\[KAWC 2026 Rate Case - Uncollectibles Expense Exhibit.xlsx]Exhibit
30		Other Customer Accounting	Exh 37 C-2	131,713	121,729	111,114	103,899	106,736	108,863	130,696	239,559	0	239,559	W/P - 3-9	O&M\[KAWC 2026 Rate Case - Customer Accounting Exhibit.xlsx]Exhibit
31		Regulatory Expense	Exh 37 C-2	432,265	216,318	39	539,361	311,979	344,739	369,942	714,681	0	714,681	W/P - 3-6	O&M\[KAWC 2026 Rate Case - Regulatory Expense Exhibit.xlsx]Exhibit
32		Insurance Other Than Group	Exh 37 C-2	1,004,539	1,246,357	1,571,812	1,704,566	1,829,566	2,202,071	657,811	2,859,882	0	2,859,882	W/P - 3-8	O&M\[KAWC 2026 Rate Case - IOTG Exhibit.xlsx]Exhibit
33		Maintenance Supplies & Services	Exh 37 C-2	2,100,523	2,170,956	2,877,543	2,735,693	2,543,908	2,581,178	308,941	2,890,119	0	2,890,119	W/P - 3-13	O&M\[KAWC 2026 Rate Case - Maintenance Supplies & Services Exhibit.xlsx]Exhibit
34	**Total**	**Total O&M Expenses (Sum of Lines 9-32):**		$35,476,254	$37,861,516	$43,269,636	$45,549,428	$55,781,772	$51,255,277	$8,550,521	$59,805,797	$109,351	$59,915,148		
35															
36		**Other Expenses**													
37	**403**	Depreciation - Net of CIAC Amort	Exh 37 C-2	$19,106,665	$19,107,143	$20,093,898	$28,291,901	$31,422,809	$31,981,340	$5,848,811	$37,830,151	$0	$37,830,151	W/P - 4-1	Rate Base/[KAWC 2026 Rate Case - Capital-Depr Exp.xlsx] Depreciation Expense -Capitalized Credits
38	**406**	Amortization of UPAA	Exh 37 C-2	23,284	23,284	21,029	14,723	14,723	(16,887)	(63,221)	(80,108)	0	(80,108)	W/P - 4-2	Rate Base\[KAWC 2026 Rate Case - Amortizati Depreciation Expense - Vehicles
39	**407**	Amortization Expense	Exh 37 C-2	260,804	63,980	63,980	72,543	73,322	73,322	(16,242)	57,080		57,080	W/P - 4-2	Rate Base\[KAWC 2026 Rate Case - Amortization Expense.xlsx]Exhibit
41		State Income Tax	Exh 37 C-2												
42	**409**	Current State Income Tax	Exh 37 C-2	642,025	79,754	(455,454)	(371,134)	954,033	348,863	(518,047)	(169,184)	877,345	708,161	SCHEDULE E-1.4	Taxes\[KAWC 2026 Rate Case - Income Tax Exhibit.xlsx]E-1.4 State Inc Tax Forecast
43	**410**	Deferred State Income Tax	Exh 37 C-2	778,476	1,292,066	1,538,218	1,941,085	1,055,016	2,035,224	(55,594)	1,979,630	0	1,979,630	SCHEDULE E-1.4	Taxes\[KAWC 2026 Rate Case - Income Tax Exhibit.xlsx]E-1.4 State Inc Tax Forecast
44		Federal Tax	Exh 37 C-2												
45	**409**	Current Federal Income Tax	Exh 37 C-2	2,713,291	1,375,374	(1,769,938)	(1,047,917)	5,728,027	1,976,733	(2,079,061)	(102,328)	3,500,607	3,398,279	SCHEDULE E-1.3	Taxes\[KAWC 2026 Rate Case - Income Tax Exhibit.xlsx]E-1.3 Federal Inc Tax Forecast
46	**410**	Deferred Federal Income Tax	Exh 37 C-2	1,949,267	5,356,346	7,107,044	7,093,530	2,719,786	6,851,088	(699,698)	6,151,390	0	6,151,390	SCHEDULE E-1.3	Taxes\[KAWC 2026 Rate Case - Income Tax Exhibit.xlsx]E-1.3 Federal Inc Tax Forecast
47	**412**	Investment Tax Credits	Exh 37 C-2	(73,191)	(63,066)	0	0	0	0	0	0	0	0	SCHEDULE E-1.3	Taxes\[KAWC 2026 Rate Case - Income Tax Exhibit.xlsx]E-1.3 Federal Inc Tax Forecast
48	**408**	General Taxes	Exh 37 C-2	8,844,518	6,309,934	11,673,081	9,015,763	5,098,652	6,429,473	5,339,459	11,768,932	28,207	11,797,139	W/P - 5-1	O&M\[KAWC 2026 Rate Case - Property Tax Exhibit.xlsx]Exhibit
49		**Total Other Expense (Sum of Lines 36 -41)**		$34,245,139	$33,544,815	$38,271,858	$45,010,494	$47,066,367	$49,679,156	$7,756,408	$57,435,563	$4,406,159	$61,841,722		
50															
51		**Total Expenses (Line 33 + Lines 42):**		$69,721,393	$71,406,331	$81,541,494	$90,559,922	$102,848,139	$100,934,432	$16,306,928	$117,241,361	$4,515,509	$121,756,870		
52															
53		**Utility Operating Income (Line 5 - Line 44):**		$32,719,233	$37,913,190	$31,685,727	$33,885,158	$39,554,694	$52,008,733	($6,765,843)	$45,242,890	$13,168,949	$58,411,839		

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Chuck Rea

131. Other revenues. Refer to KAW_APP_EX37C_051526, page 3 of 9, Exhibit 37, Schedule C-2, lines 38-46. Provide the annual other revenues by category for 2021, 2022, 2023, 2024, 2025, the base period and included in the forecasted test period.

Response:

See table below for the information requested.

Account Number	Account Description	2021	2022	2023	2024	2025	Base Period	Forecasted Test Period
40310100	OthRev-Late Pymt Fee	$658,956	$789,035	$776,925	$699,852	$907,568	$940,658	$1,027,237
40310200	OthRev-Rent	126,660	105,705	116,544	119,332	121,132	124,648	121,821
40310250	OthRev-Rent I/C	154,930	154,930	224,963	228,244	39,386	39,386	39,386
40310300	OthRev-CFO					965	1,411	1,411
40310400	OthRev-NSF Ck Chrg	28,080	34,476	34,104	35,904	53,148	46,316	41,052
40310500	OthRev-Appl/InitFee	638,602	617,198	625,858	628,742	670,503	652,612	641,701
40310600	OthRev-Usage Data	49,925	61,307	61,648	61,997	61,820	61,984	61,822
40310700	OthRev-Reconnct Fee	333,578	486,866	564,682	418,460	567,052	532,441	516,731
40313000	OthRev-AfterHrsChrg				112	0		
40319900	OthRev-Misc Svc	0	27,564	55,185	27,596	143	112	0
	Total	**$1,990,731**	**$2,277,081**	**$2,459,909**	**$2,220,240**	**$2,421,718**	**$2,399,569**	**$2,451,162**

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

132. Organization Membership, Social and Service Club Dues. Refer to KAW_APP_EX_37F_051526, page 2 of 10.
   a. Of the organizations listed, identify all that participate in lobbying, advocacy, attempts to influence public opinion, and institutional or image building advertising.
   b. Provide the amount removed from the forecasted test period related to lobbying, advocacy, attempts to influence public opinion, and institutional or image building advertising. Include all supporting calculations. If none was removed, explain why not and provide the forecasted test period amount that relates to lobbying, advocacy, attempts to influence public opinion, and institutional or image building advertising.

Response:

   a. Please refer to KAW_R_AGDR1_NUM022_062626_Attachment for this information.
   b. Account 78540000 – Lobbying Expenses is not included for recovery in the case and had $39,649 of expense removed from the base year.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

133. Office Supply Expense. Refer to the Excel file titled KAWC 2026 Rate Case – Office Supplies Exhibit, tab titled "Workpaper" provided in Kentucky American's response to Staff's First Request, No. 1.

a. Provide documentation (contracts, invoices, etc.) supporting the ARCOS contract increase reflected in the forecasted test period.

b. Explain the reason for the increased ARCOS cost in the forecast test period.

Response:

a. Please see KAW_R_AGDR1_NUM133_062626_Attachment_CONFIDENTIAL for the ARCOS agreement. The attachment is confidential and is being provided pursuant to a petition for confidential protection.

b. The software license account includes software amortization for various vendors, including ARCOS LLC. The agreement term with ARCOS LLC is from September 2024 to September 2027 and entails base production software, hardware, network and interfaces to deliver resource management technology products and services over the internet.

Per the agreement, the cost allocation by American Water to its regulated states is based on the jurisdictional utilities' current meter count. The future allocation percentage may change as the allocation depends on customer meter count updates.

KAW_R_AGDR1_NUM133_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

134. Pet Insurance. Refer to the Response to Staff's First Request, No. 26, page 2 of 5. Provide the amount of pet insurance expense for each of the years 2021, 2022, 2023, 2024, 2025, the base period, and included in the forecasted test period.

Response:

The Company is not seeking rate recovery for Pet Insurance as this is a voluntary benefit that is paid solely by the employee (with no expense incurred by Kentucky American Water Company).

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Linda Schlessman

135. PSC Fees. Refer to the Excel file titled KAWC 2026 Rate Case – PSC Fees Exhibit, tabs titled "Link In" and "Exhibit" provided in Kentucky American's response to Staff's First Request, No. 1.
   a. Explain the reasons for the significant increase to this expense in the forecast test period over the 2025 level.
   b. Refer to Workpaper 1. Has HB 757 passed? If not provide the current status.
   c. Provide the month and year when the new rate will go into effect.

Response:

a. The General Assembly during its 2026 Regular Session amended KRS 278.130 to fix the amount of the annual PSC fee at 0.23% of intrastate receipts. (H.B. 757 (2026), 2026 Ky. Acts ch. 161, sec. 104). That amendment takes effect July 15, 2026 (see Ky. Atty. Gen'l. Op. no. 26-03).
   The PSC fee is imposed based on utilities prior year's intrastate receipts, is billed in June each year, and funds the PSC's operating/fiscal year beginning July 1st. The PSC fee for 2026 (billed in June 2026) was calculated at 0.1595% of KAWC's (and other utilities') 2025 intrastate receipts. The PSC fee for 2027 will be calculated at the higher 0.23% rate, which is a 44.2% increase in the PSC fee.
b. Yes. H.B. 757 passed on April 2, 2026. Governor Beshear later line-item vetoed section 127 of the bill which veto was overridden by the General Assembly.
c. The new rate becomes effective July 15, 2026 per OAG 26-03. The first PSC fee bill using the new rate will be issued in June 2027.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / William A. Lewis

136. Payroll. Refer to KAW_APP_37G_051526, page 3 of 10.
   a. Identify the total number of employees the Company had at each month following the order in the last rate case through the most current month of 2026.
   b. Identify the total number of employees that left the Company each month since the date of last rate case decision through the most current month.
   c. See also KAW_APP_EX37G_051625, Page 3 of 10, Schedule G-2. If the Company has not reached the 168 headcount in any month following the order in the last rate case explain why not.
   d. Explain why the Company has reflected a lower number of employees in the base period than the 168 approved in the last rate case.

Response:

a. Please see the chart below:

	Dec 2025	Jan 2026	Feb 2026	March 2026	April 2026	May 2026
Total Headcount	154	153	154	152	153	156
Departures	0	1	0	2	3	3

b. Please see the chart in part a.

c. Since the order in December 2025, staffing levels have fluctuated due to several factors but has been primarily driven by natural attrition. As referenced on page 40 of Mr. Lewis's testimony, the Commission authorized a headcount of 168 employees in its order in Case No. 2025-00122. While vacancies are a normal and expected occurrence, the Company has filled, and will continue to work to fill, vacancies in order to reach its full staffing complement. As of June 15, 2026, KAWC has reached a headcount of 169. When vacancies occur, the Company must continue to meet operational needs by supplementing labor needs with contract services, as necessary.

d. As of June 15, 2026, KAWC employs 169 individuals. The lower employee count during the base period reflects the Company's commitment to recruiting qualified and talented candidates, a process that requires time to ensure appropriate hiring decisions.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

137. Payroll. Refer to the Application generally. Provide, for each full-time equivalent ("FTE") group, by month, for each of the years 2021, 2022, 2023, 2024, 2025, the base period, and included in the forecasted test period, the number of full time FTEs budgeted, the number of part-time FTEs budgeted and the actual number of full time FTEs and part-time FTEs.

Response:

Please refer to KAW_R_PSCDR1_NUM024_Attachment. Please note that there are no part-time FTEs.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

138. Payroll. Refer to KAW_APP_EX37G_051526, page 3 of 10, Schedule G-2. Provide the current number of total employees and FTEs.

Response:

As of June 16, 2026 there are 169 total employees and FTEs, and the Company continues to recruit to fill unfilled positions. Please see KAWC's response to KAW_R_PSCDR2_NUM027_062626.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

139. Payroll. Refer to KAW_APP_EX37G_051526, page 2 of 10, Schedule G-1. Has the Company used a vacancy factor in its payroll forecast for the base period and the forecasted test period? If so, provide the factor used and the supporting calculations. If not, explain why not.

Response:

The Company has not used a vacancy factor in its forecasting, with the assumption of being fully staffed to complete all of the work required to continue to provide safe and reliable water consistent with the Commission's decisions on this issue in previous KAWC rate cases, including KAWC's last rate case (Case No. 2025-00122, Order of December 16, 2025, page 20). If the Company were to assume vacancy factor, an upward adjustment to contract services and OT would need to be made in order to account for the additional work attributed to the assumed vacancies.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / William A. Lewis

140. Payroll. Refer to the Application generally. For each of the current vacant positions to be refilled by the forecasted test period provide:
   a. Job Title
   b. Planned hiring date
   c. Hiring dates for any of these positions that have been filled.
   d. Fully loaded annual salary
   e. Length of time that the position has been open.
   f. Copy of ad for position.

Response:

Please see KAW_R_AGDR1_NUM005_062626_Attachment_CONFIDENTIAL for parts a.-e.
Please see KAW_R_AGDR1_NUM140_062626_Attachment for part f.

Job Title: Sr Manager, Treatment

Requisition ID: 109813

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For more information, visit amwater.com and join American Water on LinkedIn, Facebook, X and Instagram.

Primary Role

American Water is currently seeking a Senior Manager, Treatment to work out of our Lexington, KY location. In this critical leadership role, you will oversee people, capital resources, and business processes within our Production function—ensuring safe, reliable, and efficient water treatment operations for the communities we serve.
If you're a proven leader who thrives on developing teams and delivering results, this is an opportunity to make a meaningful impact.

#LI-RB33
#LI-Onsite

Key Accountabilities

- Develop and support a team of front-line supervisory and technical staff engaged in production operations
- Implement training and development programs to ensure that personnel obtain and maintain appropriate operator certifications from regulating agencies
- Manage union and/or non-union labor issues and participate in the collective bargaining process
- Monitor the financial performance of production operations to ensure that business plan goals are met

- Direct the planning, acquisition or construction of new and/or upgraded production facilities in accordance with approved CAPEX budget
- Implement and manage a preventative maintenance program for capital assets that provides OPEX savings and defers CAPEX spending, where possible
- Manage and monitor the effectiveness of security efforts at all production facilities, including the preparation of Vulnerability Assessments and Emergency Response Plans
- Implement processes to ensure that adequate quantities of treated water meeting all regulatory standards are provided to customers at all times
- Oversee business processes to ensure that American Water policies are followed, best practices are implemented, and internal/external reporting requirements are satisfied

Knowledge

- Knowledge of the regulated water business and the regulations impacting the busines
- Knowledge of company policies and procedures and management theories, practices, and trends
- Expert knowledge of process and operational areas.

Experience/Education

- Bachelor's Degree in operational discipline, management, or related technical discipline. Advanced degree preferred
- Five (5) years of relevant experience

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American Water is firmly committed to Equal Employment Opportunity (EEO) and prohibits employment discrimination for employees and applicants based on his or her age, race, color, pregnancy, gender, gender identity, sexual orientation, national origin, religion, marital status, citizenship, or because they are an individual with a disability, protected veteran or other status protected by federal, state, and local laws.

Job Title: Treatment Plant Operator (Water Certification Required)

Requisition ID: 109810

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Position Information

Posted Range: $38.25/hour

This position may be eligible for annual incentive pay and contracted increases as determined by the collective bargaining agreement, and you will have the opportunity for continued salary growth.

In addition to compensation, you will be offered a comprehensive benefits package including 401(k), Defined Contribution Plan, Employee Stock Purchase Plan, medical, prescription, dental and vision coverage, plus disability, paid time off, life insurance, voluntary benefits, health and wellness programs and much more!

American Water is also proud to offer employees learning opportunities and work experiences to grow professionally!

Primary Role

The Treatment Plant Operator operates, maintains, and inspects the water treatment plant and related facilities to supply, treat, store, and distribute potable water, and/or operates and maintains the solids handling facilities of the water treatment plant as required to thicken, dewater and dispose of the residuals from the water plant. The

Treatment Plant Operator Operator performs technical work related to the overall plant operation and maintenance (including adjustments and repairs), and/or the solids handling operation and maintenance. The Treatment Plant Operator assumes and performs all duties and responsibilities for the operation, maintenance, and control of the water treatment plant, tanks, boosters, and solids/dewatering facilities. They will also be responsible for the overall daily operation of all solids handling and dewatering processes associated with and resulting from the plant operation and meeting the dewatering needs of the treatment plant.

The Treatment Plant Operator may also perform the duties of other Treatment Plant Operators in their absence, working with and assisting other Treatment Plant Operators daily with operations as needed and to stay current on operational changes. The Treatment Plant Operator must maintain effective, respectful communications and interactions with other Operators, Supervisors, and employees from other departments, while informing other work areas, departments and operations personnel of situations, which may affect overall operations. When assuming the role of other Treatment Plant Operators, all duties and job responsibilities within that classification are to be performed.

The position requires experience and possession of a Kentucky Class IV-A Water Treatment Operators License.

Key Accountabilities

- Monitors overall operations, analyzes chemical processes, and performs functions related to process control.
- Operates, monitors and adjusts, as necessary, all related plant process equipment, pumps and instrumentation.
- Operate a belt filter press dewatering system, monitoring and adjusting thickener performance, tracking solids volume and offloading dewatered sludge to the solids holding area.
- Operates, maintains, and controls all related plant process equipment.
- Conducts various tests to determine proper chemical feed rates; calculates chemical feed rates and changes pump settings and feeders as needed; maintains timing and calibration of chemical feed equipment.
- Monitors and controls the water supply, transmission and storage systems through SCADA.
- Assists in the safe unloading and storage of chemicals. Takes daily inventory of process chemicals.
- Operates water plant processes to provide compliance with all applicable state and federal regulations.
- Makes rounds of the treatment facilities, collects and analyzes samples required for compliance and process control; performs laboratory tests to determine plant process performance.
- Maintains laboratory, plant, and operation equipment; performs routine housekeeping and grounds maintenance duties inside and outside the plant and conducts site safety inspections.
- Maintains, standardizes and calibrates bench top, on-line monitoring equipment, analyzers and treatment equipment; takes routine readings and records plant operation data as required.
- Maintains daily logsheet of plant operations, test results, maintenance work performed and unusual operating conditions.
- Performs quarterly filter inspections, basin washes as needed.
- Monitor the performance and levels of gravity thickeners, holding tanks, and settling basins. Calculates chemical dosages and makes adjustments to flows, polymer feed and cake size based on visual inspections and physical testing. Operates and adjusts mixing and feed systems to ensure optimum polymer feed rate and evenness of sludge feed onto belt. Prepares polymer and sodium thiosulfate solutions.
- Takes daily meter readings and records press operation data as required on daily logsheet of press operations. Makes multiple rounds of the basins, holding tanks and thickeners daily to verify equipment operation and conditions of incoming residuals.
- Operates a dump truck daily in hauling the solids materials; conduct daily vehicle checks; inspects and maintains heavy equipment.
- Performs solids analysis on slurry, dry cake and supernatant discharge samples; performs duties related to annual carbon exchange on filters.
- Operates residuals program to maintain compliance with all applicable state and federal regulations.
- Maintains, standardize and calibrates assigned equipment throughout the plant; maintains sludge holding area; keep solids leveled out, transport around property for beneficial reuse and land applications.
- Performs other related functions and duties as assigned.

Knowledge/Skills

- Must have the ability to read and interpret charts, gauges, meters and recording devices.
- Must have the ability to prepare and maintain neat and accurate paperwork such as records, logs, and routine reports and computer entries as directed.

- Must have the ability to perform accurate mathematical calculations related to this position.
- Must have the ability to perform standardized water process control, monitoring, and compliance sampling, testing and laboratory analyses.
- Knowledge of water rules and regulations, and the ability to understand and follow written and verbal instructions.
- Past working knowledge using mechanical skills, for making minor repairs to process equipment.
- Ability to use initiative and sound independent judgment within established guidelines.
- Forklift, dump truck and backhoe experience preferred.
- Computer skills; MS Word, MS Excel and SCADA systems experience.

Experience/Education

- High school graduate or state recognized Educational Equivalency Certificate
- Knowledge of the operations, methods, practices, techniques, equipment and materials used in the water treatment, solids handling, pumping facilities and maintenance of related equipment and systems.
- Should posses a good overall working knowledge of tools, equipment, safety hazards and precautions common to assigned area of responsibility.
- Knowledge of methods and precautions in storing and handling industrial chemicals.
- Knowledge of health and safety regulations and practices in the operation of electrical and mechanical equipment used in water facilities.

Licensing Requirements

- **The position requires experience and possession of a Kentucky Class IV-A Water Treatment Operators License.**
- Requires a valid KY drivers license.
- Must maintain personal DOT certification for required operation of dump truck.

Other

- Employee may be required to work indoor or outdoor during seasonal heat and cold or other adverse weather conditions.
- Employee may be required to work where they regularly may be exposed to fumes, dust and odors.
- Must be physically able to complete necessary tasks while wearing an approved full face respirator as required.
- Must be able to lift in excess of 55 pounds, unassisted. Must be able to perform activities such as walking, stooping, lifting and climbing.
- Employee may be required to work shifts other than their regularly assigned shift. The shift work may be eight (8) to sixteen (16) hour shifts and Operator may be assigned to day, night, or early morning shifts as needed. There will be weekend, holiday and overtime work as needed.

Competencies

Champions safety
Customer obsessed
Cultivates innovation
Nimble learning
Drives Results
Collaborates

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Job Title: Sr Technician, Maintenance Services

Requisition ID: 109782

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For more information, visit amwater.com and join American Water on LinkedIn, Facebook, X and Instagram.

Primary Role

Kentucky American Water has a full-time opportunity available for a **Sr. Maintenance Service Technician** to join our team in **Owenton, KY.** In this role, you will get to perform routine and prevenative maintenance activities at our water treatment plant, pump stations, and tank sites. This role is very hands-on and will allow you to learn and work with a variety of different production equipment that is critical to our treatment process. The ideal candidate will have a strong maintenance or mechanical background, along with experience in electrical, HVAC, and/or plumbing fields.

The Senior Technician, Maintenance Services performs skilled inspection, maintenance, troubleshooting, repair, and installation of mechanical and process equipment supporting water and/or wastewater treatment facilities and/or water booster stations. This role operates with minimal supervision and applies independent technical judgment to diagnose and resolve complex equipment issues.

The Senior Technician, Maintenance Services serves as a technical resource for entry-level technicians and contributes to preventive maintenance effectiveness, equipment reliability, and operational continuity.

**LI-BR1*

**LI-On-site*

Key Accountabilities

- Independently troubleshoot, repair, overhaul, install, and commission pumps, blowers, motors, gearboxes, valves, chemical feed systems, mixers, screens, filters, and associated instrumentation.
- Diagnose complex mechanical and process issues using drawings, Piping and Instrumentation Diagrams (P&IDs), manuals, historical maintenance data, and testing equipment.
- Diagnose electrical issues related to control circuits and motor control systems using approved test equipment and procedures.
- Perform advanced maintenance tasks such as precision alignment, seal and bearing replacement, vibration assessment, and system performance optimization.
- Calibrate, adjust, and verify chemical feed systems and process instrumentation to ensure accuracy and compliance.
- Execute preventive and corrective maintenance activities with limited oversight.
- Identify equipment reliability issues and recommend corrective actions or maintenance improvements.
- Support development and refinement of preventive maintenance procedures and schedules.
- Strictly follow and reinforce safety procedures including lockout/tagout, confined space entry, electrical safety, and PPE use.
- Complete work orders, inspections, and maintenance, ensuring documentation is accurately recorded in the CMMS.
- Ensure work complies with regulatory, environmental, safety, and organizational standards.
- Respond to equipment failures, alarms, and emergency maintenance situations, including after-hours and on-call assignments.
- Coordinate maintenance activities with operations staff to minimize downtime and risk.

Knowledge/Skills

- Comprehensive knowledge of mechanical systems used in water and wastewater treatment facilities, including pumps, blowers, motors, gearboxes, chemical feed systems, and process equipment.
- Working knowledge of hydraulic, pneumatic, and electrical systems related to mechanical and process equipment.
- Strong understanding of preventive and corrective maintenance practices and the relationship between equipment performance, reliability, and plant operations.
- Knowledge of applicable regulatory, environmental, and safety requirements, including lockout/tagout, confined space entry, electrical safety, chemical handling, and use of PPE.
- Knowledge of standard maintenance tools, diagnostic equipment, testing instruments, and maintenance documentation practices
- Effective quantitative and analytical skills; attention to detail.
- Effective verbal and written communication skills. Ability to clearly communicate operational changes, equipment issues, and safety concerns.
- Ability to collaborate effectively with operations, maintenance, and external contractors
- Ability to independently troubleshoot, diagnose, and resolve complex mechanical, electrical, and process equipment issues using drawings, manuals, P&IDs, historical data, and test equipment.
- Skill in performing advanced maintenance tasks such as precision alignment, seal and bearing replacement, vibration assessment, and calibration of chemical feed systems and process instrumentation.
- Ability to interpret and apply technical manuals, electrical schematics, control system diagrams, and Piping and Instrumentation Diagrams (P&IDs).
- Effective computer skills for maintenance management or work order systems.
- Skilled in prioritizing tasks during alarms, failures, or emergency conditions

Experience/Education

- High School Diploma or equivalent
- Technical school coursework in industrial maintenance, mechanical systems, electrical systems, or a related field preferred
- 5+ years' progressive mechanical or industrial maintenance experience servicing, maintaining, and repairing a wide variety of machinery and equipment.
- Water, wastewater and/or utility experience preferred

- Must be willing to submit to a NOCTI (National Occupational Competency Testing Institute) exam to be considered

Work Schedule

- Full-time, on-site
- Monday-Friday, day shift
- Rotating on-call responsibility
- Overtime, rotating shifts, weekends, holidays, and/or on-call assignments required depending on operational needs

Travel Requirements

- Daily travel within region may be required

Certifications & Licenses

- Valid Driver's license
- CMT (Certified Maintenance Technician) preferred

Competencies

Champions safety
Customer obsessed
Cultivates innovation
Nimble learning
Drives Results
Collaborates

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Job Title: Lead Coordinator, Inventory

Requisition ID: 109814

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Primary Role

The Lead Coordinator, Stores & Inventory supports daily warehouse, inventory, and materials management operations to ensure the timely availability of parts, tools, equipment, and critical materials required for water utility operations and maintenance.
This role provides day to day workf low direction to Stores Technicians, coordinates inventory control activities, and ensures compliance with safety, procurement, and asset management standards. The Lead serves as the primary point of contact for
field crews and internal customers regarding material needs, stock levels, and delivery timing.

#LI-MR23
#LI-Onsite

Key Accountabilities

- Provide daily guidance and task direction to Stores & Inventory staff, ensuring efficient workflow, and productivity.

- Serve as the primary point of contact for internal customers, f field crews, and supervisors regarding storehouse needs.
- Prioritize work assignments based on operational demands, emergency response needs, and planned maintenance activities.
- Provide on-the-job training, coaching, and technical guidance.
- Order material and oversee receiving, stocking, picking, staging, and issuing of materials, ensuring accuracy and timeliness.
- Coordinate cycle counts, physical inventory, and reconciliation activities to maintain high accuracy of stock levels.
- Monitor inventory for critical and long lead-time items essential to water production, distribution, and treatment operations.
- Ensure proper care, storage, and tracking of specialized water utility assets such as: valves, meters, hydrant components, pipe materials, and treatment chemicals.
- Utilize the organization's asset management and inventory systems (e.g., SAP) to track inventory movement and maintain accurate records.
- Ensure documentation of receipts, transfers, adjustments, and work orders is complete and compliant with company procedures.
- Generate reports related to stock levels, usage trends, material availability, and process performance.
- Enforce safe work practices in accordance with company policies, OSHA standards, and water utility regulations.
- Maintain clean, organized, and compliant warehouse and yard facilities.
- Collaborate with operations, maintenance, engineering, and procurement to forecast material requirements and support planned projects.

Knowledge/Skills

- Strong understanding of inventory control and warehouse best practices.
- Knowledge of water/wastewater utility materials, parts, and maintenance/operations support needs
- Strong understanding of inventory control concepts (min/max, reorder points, lead times, safety stock, critical spares)
- Knowledge of storehouse processes (receiving, put-away, picking/issuing, staging, delivery coordination, returns)
- Cycle counting/physical inventory practices and reconciliation methods
- Knowledge of CMMS inventory transactions and work order material traceability
- Understanding of procurement coordination (approved suppliers, expediting, substitutions, documentation)
- Knowledge of Safety and compliance practices (OSHA-aligned warehouse safety, hazard communication/SDS, chemical storage basics)
- Knowledge of the regulated water/wastewater business within the region and the regulations impacting the business as well as applicable regulations, requirements, and trends within water/wastewater business.
- Previous forklift experience is required

Experience/Education

- Experience in drinking water, wastewater, and/or laboratory operations preferred
- Bachelor's degree in chemistry, biology, or related field preferred. High school diploma or GED required
- Microsoft Office experience is required. Expert in Excel skills is preferred
- 5-8 years of experience in warehouse, supply chain, or inventory controls is required
- Experience in SAP is preferred
- Strong organization management skills (e.g. planning, organizing, directing, monitoring).
- Effective quantitative and analytical skills; attention to detail.
- Effective verbal and written communication skills. Ability to clearly communicate
- Ability to collaborate effectively with operations, maintenance, and external contractors.
- Previous experience managing a team is preferred.
- Strong leadership skills and the ability to train and mentor others

Travel Requirements

- Position is onsite Monday through Friday 7:00am to 3:30pm in our Lexington, KY location
- Rotating shifts, Weekends, holidays, and on-call assignments may be required depending on operational needs

Work Environment

- Work performed in both indoor and outdoor environments, including exposure to chemicals, odors, noise, and varying weather conditions. Potential exposure to dust, pollen, chemicals, and sewage. The ability to wear appropriate personal protective equipment is required.
- May be exposed to possible operations hazards including fumes and caustic. chemicals, heavy machinery, high pressure, slippery surfaces, water/wastewater hazards and electrical equipment.
- Must be able to perform essential functions and meet the physical requirements of the position including ability to stand, climb stairs, and/ or walk and/or sit for long periods of time.
- Must be able to safely drive a company vehicle for extended or intermittent periods in varying conditions. Frequently enters and exits vehicles.

Competencies

Champions safety
Collaborates
Cultivates innovation
Customer obsessed
Drives Results
Nimble learning

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Job Title: Utility Person

Requisition ID: 109565

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As one of the fastest growing utilities in the U.S., American Water expects to invest $40 to $42 billion in infrastructure repairs and replacement, system resiliency and regulated acquisitions over the next 10 years. The company has a long-standing history of executing its core operations, aligned with sustainable best practices, through its commitments to safety, affordability, customer service, protecting the environment, an inclusive workforce and strengthening communities.

American Water has been recognized on the 2023 Bloomberg Gender-Equality Index for the fifth consecutive year, ranked 18th on Barron's 100 Most Sustainable U.S. Companies 2023 List, earned the U.S. Department of Homeland Security SAFETY Act designation and U.S. Environmental Protection Agency's WaterSense® Excellence Award, among additional state, local and national recognitions.

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Hours/Shift

Must be available to work the following schedule.

- Monday-Friday 7:00 AM-3:30 PM.
- Possible overtime.
- Possible on-call rotation.

Primary Role

Responsible for performing a variety of tasks including but not limited to locating, laying, repairing and extending underground water mains and distribution pipes and any other work as assigned by the supervisor.

Key Accountabilities

- Sets up barricades and places safety lights around work site to protect workers from street traffic.
- Breaks up asphalt and concrete, using pneumatic power tools for trenching and compaction.
- Manually digs of valve boxes and curb boxes using shovel and digging bar.
- Guides pipe sections, valves and fittings into position and holds pieces steady while works tightens connections.
- Taps into pressurized water mains.
- Flares and connects copper piping.
- Installs repair clamp on pressurized water mains and service lines.
- Operates valves and fire hydrants.
- Investigates complaints and determines corrective action per Company procedure.
- Operates pneumatic and/ or hydraulic boring equipment.
- Completes all necessary forms, sketches and field notes and be knowledgeable of usage of maps and records.
- Drives vehicles and/or trucks in performance of general job, including housekeeping of vehicles.
- Conducts work as assigned by the supervisor or crew leader and to assist other personnel as required.

Certifications & Licenses

- Valid Driver's License and ability to pass motor vehicle background check.
- DOT Medical Card or the ability to obtain.
- Ability to obtain Class A CDL after probationary period.

Experience/Education

- High School diploma or state-recognized Educational Equivalency Certificate.
- College degree preferred.

Competencies

Champions safety
Collaborates
Cultivates innovation
Customer obsessed
Drives Results
Nimble learning

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Job Title: Engineering Project Delivery Manager (Water Resources)

Requisition ID: 108406

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Primary Role

Under the direction of the Director Engineering / Director, Engineering Project Delivery this role will be responsible for supervising a functional Engineering, Project Delivery team and/or Construction staff. Thie role will manage and coordinate multiple Capital Investment project activities related to Production, Networks, and/or other water resource or operations systems.

Key Accountabilities

- Lead a team of engineers and project Managers for monitoring and managing budgets and schedules for capital investment projects and programs of varying scope and complexity.
- Lead a team of engineers and project managers for: driving efficiency into project delivery through the development and monitoring of delivery metrics (unit costs, target costs vs actual, etc.) and pursuit of more effective delivery and procurement approaches.
- Delivery of capital projects within the limits of assigned Capital Investment Management (CIM) projects and programs to meet asset needs.
- Ensure asset owner satisfaction in accordance with the scope of work agreed upon for each project.
- Interacts with Operations staff to ensure project delivery program meets operational needs; and coordinate with operations staff on operational impacts related to project delivery program.
- Ensure compliance with established regulatory criteria, specifications and standards.
- Interact with property group, governmental agencies and manage/supervise programs to obtain permits, certification and approvals for assigned projects and programs.

Knowledge/Skills

- Sound knowledge of Engineering, Project Management and construction management practices related to planning, design, construction and operations for water resource management facilities, engineering and utility economics and contract administration and construction technology.
- Knowledge of applicable state and federal regulations.
- Good working knowledge of regulatory developments, new technology and current trends in water quality, water treatment, developer services and other related water resources management disciplines.
- Knowledge of company procedures, policies and operations.
- Knowledge of employee relations, applicable safety and environmental regulations, federal and state water quality and design regulations and technical standards.
- Demonstrated skills and ability to lead, supervise, motivate, develop and direct skilled teams in meeting Company goals and objectives.
- Strong verbal and written communication skills e.g., listening, presentation, report writing, etc.
- Interpersonal skills e.g., tact, diplomacy, persuasion, cooperation, ability to influence and motivate functional and cross-functional peers and decisions, etc.
- Strong quantitative and analytical skills.
- Strong Project Management skills.
- Internal consulting skills e.g., technical, analytical, problem solving, etc
- Computer literacy. Competent in the use of word processing, spreadsheet, flow-charting, project scheduling.
- Financial analysis skill, including budget management and basic accounting knowledge.

Experience/Education

- Bachelor's degree in civil engineering or related field of engineering.
- Advanced degree preferred.
- Equivalent role-related work experience in lieu of a degree may be considered.
- Minimum of ten (10) years’ experience in the Engineering function of a large organization.
- Experience with Water or Wate water utility is preferred.

Certifications/Licenses

Professional Engineer (PE) preferred.

Scope

This role is a people leader who will lead a team of 3 to 5 Project Delivery Engineers and Engineering Project Managers. They will be responsible for a capital portfolio of 25 to 45 million per year.

Work Environment

Primarily office with occasional local / overnight work in the field.

Travel Requirements

Periodic travel with overnight stays required. Around 10% of total time is anticipated away from the office.
#LI-LKO

Competencies

Prioritizes & Role Models Safety
Self-Awareness
Develops Talent
Plans, Aligns, & Directs
Drives Engagement
Decision Quality

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Job Title: Supervisor, Field Operations

Requisition ID: 109582

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Primary Role

Manages the day-to-day operations of water and/or wastewater plant(s), operations and/or distribution systems in accordance with Company policies and procedures and all applicable governmental laws and regulations.

Key Accountabilities

• Assist with preparing and controlling local construction, operations, and maintenance within established budget limitations. (10%)
• Establish a program that will ensure all EPA Partnership for Safe Water Goals will be met on a period-by-period basis. (10%)
• Ensure local water and/or wastewater operations meet the required standards and are in compliance with regulatory targets. (10%)
• Supervise the implementation of standards, targets, policies, and plans to ensure the continuing and increasing operational efficiency, effectiveness, and profitability. (10%)
• Ensure that operational integrity (quality, environment, reliability, health, safety, security, etc.) is maintained. (10%)
• Develop and direct cost effective solutions to meet customers' expectations and technical requirements and to encourage best practice and innovation throughout all operational areas. (10%)
• Implement effective reporting processes. Provide analysis and support to Production and/or Network Director with information required for various reports, budgets, and business plans.
• Implement and foster the coaching and development of employees, including idea generation, within respective functional areas.
• Ensure effective people management policies and practices are developed and implemented (e.g., time and attendance, workforce management, etc.) and ensure resources are developed and deployed appropriately.
• Continue to reinforce the importance of developing a diverse workforce.
• Support the Business Development function in the operational analysis, pricing and integration of water and wastewater business opportunities in both the regulated and non-regulated markets.
• Work collaboratively with other functional leads to mitigate business risks.
• Implement effective communications at all levels of our operations.
• Provide effective leadership that will enhance our abilities to be flexible to changing business environments.
• Contribute to effective communication by listening and providing constructive feedback; supporting the creation of an open and honest work environment; cascading and sharing knowledge and information relevant to other members of the team and colleagues across the business. (40%)

Knowledge/Skills

• Knowledge of the regulated water/wastewater business within the region and the regulations impacting the business as well as applicable regulations, requirements, and trends within water/wastewater business.
• Knowledge of company policies and procedures and management theories, practices, and trends.
• Expert knowledge of process and operational areas.

Experience/Education

- 3-5 years experience in supervising operational areas and operating units, and managing and meeting performance targets.
- 2 year or 4 year degree in operational discipline, management, or related technical discipline or equivalent.

Competencies

Develops Talent
Drives Engagement
Plans, Aligns, & Directs
Decision Quality
Prioritizes & Role Models Safety
Self-Awareness

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marital status, citizenship, or because they are an individual with a disability, protected veteran or other status protected by federal, state, and local laws.

Job Title: Sr. Water Treatment Operator (Relief)

Requisition ID: 109871

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Position Information

Pay range: $26.78/hr-43.39/hr

The base salary range represents a good faith salary range for this position. This position is eligible for annual incentive pay and has the opportunity for continued salary growth. If you are hired at American Water your base salary compensation will be determined based on factors such as market, geography, skills, education and/or experience. At American Water, we are committed to pay equity.

In addition to compensation, you will be offered a comprehensive benefits package including 401(k), Defined Contribution Plan, Employee Stock Purchase Plan, medical, prescription, dental and vision coverage, plus disability, paid time off, life insurance, voluntary benefits, health and wellness programs and much more!

American Water is also proud to offer employees learning opportunities and work experiences to grow professionally!

Primary Role

Kentucky American Water is hiring a full-time, **Water Treatment Relief Operator** to join our team in **Owenton, KY.** This role will be responsible for overseeing the treatment process and functions at our conventional surface water treatment plant. With approximately 5,000 connections, you will play a key role in ensuring the needs of our customers and the community are met. The relief operator oversees the day-to-day treatment needs of the plant by monitoring production activity, making process control adjustments, handling chemicals, sampling, reporting, and light maintenance.

It is the responsibility of the Relief Operator to operate and maintain water treatment, processing, disposal and testing equipment in facility to permit and operational requirements. The Relief Operator is fully qualified to perform the most complex functions and lead the work of others.

Please note that a Class IIIA or IV-A Operator license is required for this position

#LI-BR1

#LI-On-Site

Key Accountabilities

- Safety – demonstrate and enforce practices that are consistent with a goal of zero accidents and injuries; adhere to all safety policies and procedures; assist in operations of office with required focus on all aspects of safety. (15%)
- Training – employee orientation, departmental operating procedures, Safety, OSHA and Quality Training; team leader/supervisory training;
  Hazardous Waste Operations and Emergency Response Level I and II. (10%)
- Perform field tests to pace chemical dosages for process controls or alter unit processes; Collects samples according to schedule; prepares chemical solutions and services automatic samplers; monitors process chemical supplies and recommends reorder. (15%)
- Efficiently operate all equipment in facility – pumps, engines, centrifuge, generators, valves, conveyors, blowers, belt presses, processing filters, etc. (15%)
- Ensure all operating personnel implement standard operating procedures for all associated plant process; takes corrective action when test
  results are outside acceptable ranges, including changing process control, biological system, and feed rates of chemicals. (20%)
- Responds to requests, inquiries, or complaints; promptly inform Area or Facility Manager of potential risk situations. Tasks performed by subordinates are periodically checked for quality and accuracy. (25%)

Knowledge/Skills

- Extensive knowledge of the objectives, equipment, and operations of modern water and wastewater treatment plants.
- Extensive knowledge of methods and materials of water and/or wastewater systems.
- Thorough knowledge of the layout, location and equipment characteristics of water and wastewater systems and of the treatment plants.
- Knowledge of the regulatory and legal environment of modern water and wastewater systems and water and wastewater treatment, including environmental law and contract law as applicable.
- Must have broad knowledge of MS Office products, including MS Word, Excel, PowerPoint and Access.
- Must understand the working principle behind a computerized maintenance management program.

Experience/Education

- High school diploma or general education degree (GED)
- At least five (5) years water and/or wastewater systems and treatment

License/Certification

- **Kentucky Class IV-A Water Treatment Operators License**
- Valid state driver's license

Work Schedule

- Full-time, on-site
- Schedule: 4, 10s Monday-Thursday, 6am-4pm with filling in on any other open shifts
- May opt to be on-call

Travel Requirements

- Local travel within service territory

Competencies

Customer obsessed
Cultivates innovation
Champions safety
Drives Results
Collaborates
Nimble learning

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Job Title: Water Quality Technician

Requisition ID: 109918

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Primary Role

Responsible for collecting samples from the treatment plant or distribution system, performing routine water quality analyses, sample custody, data entry and recordkeeping. Interpret water quality results and initiate chemical dosage changes to treatment process. Responsible for organizing functions and activities related to environmental management and water quality for assigned facility. Investigates water quality complaints in the field and determines course of action needed. Responsible for maintaining all applicable lab certifications, accreditations, or approvals to conduct compliance and process quality control work. Implements the day to day collection of water quality samples. Implements programs to ensure environmental compliance. Assists in resolving treatment issues.

Key Accountabilities

- Conduct sampling and/or analysis, as required, to ensure compliance with federal and state water quality regulations and company approved water quality standards.
- Monitor/calibrate and troubleshoot analyzers, equipment, etc. to ensure established standards of performance and accuracy are maintained
- Conduct special projects and prepare reports as needed.
- Work with internal and external customers to build good relationships and solve laboratory issues.

- Evaluate and monitor supplies and other laboratory costs to assist in maintaining the lab budget.
- Assists in planning, preparation, and control the portion of the financial plan relating to responsibilities

Knowledge/Skills

- Knowledge of basic chemistry and laboratory techniques and QA/QC programs.
- Knowledge of regulatory requirements.
- Working knowledge of Word, Excel, and Access required
- Knowledge of federal and state environmental standards and regulations and understanding of current environmental legislation and regulations.
- Regulatory knowledge of proper lab analytical testing methods is preferred.
- Must understand principles of water and/or wastewater treatment.

Experience/Education

- High School Dipolma or GED required, Associate's Degree preferred
- Minimum Two (2) to four (4) years experience in water, wastewater, or environmental compliance preferred
- Laboratory experience preferred
- Previous compliance experience preferred

Travel Requirements

- Position will be onsite, Monday through Friday, 8am to 430pm. Local travel to schools and homes.

Other

- Must hold a valid State issued Driver’s License.
- Ability to sit, stand, and walk for long periods of time. Ability to lift 35 lbs. Stairs required.
- Must be able to distinguish colors to conduct testing using normal colorimetric methods.

Work Environment

- Laboratory, Indoor/Outdoor, production/office environments.

- #LI-Onsite
- #LI-MR23

Competencies

Champions safety
Collaborates
Cultivates innovation
Customer obsessed
Drives Results
Nimble learning

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Job Title: Superintendent, Treatment

Requisition ID: 109816

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Primary Role

American Water is seeking a Superintendent, Treatment in out of our Lexington, KY office location. In this role you wil be responsible for supervising front-line personnel and implementing operational processes that are engaged in the functional area of Production for water and/or wastewater operations. The ideal candidate will have deep knowledge and understanding of wastewater operations.

#LI-RB33
#LI-Onsite

Key Accountabilities

- Supervise and coordinate regional construction, operations, and maintenance within established budget limitations
- Assures policies, procedures, programs and performance are adhered to ensure the continuing and increasing operational efficiency, effectiveness, and profitability
- Train and develop personnel in proper operational integrity (quality, environment, reliability, health, safety, security,etc.) is maintained

- Obtains all required permits, licenses, rights of way, etc. required for proper compliance. May be involved in customer service related issues
- Implement and foster the coaching and development of employees, including idea generation, within respective functional areas
- Support the Business Development function in the operational analysis pricing and integration of water and wastewater business opportunities in both the regulated and non-regulated markets
- Supports manger to ensure effective people management policies and practices are developed and implemented (e.g.,time and attendance, workforce management, etc.) and ensure resources are developed and deployed appropriately
- Continue to reinforce the importance of developing a diverse workforce. Work collaboratively with other functional leads to mitigate business risks. Implement effective communications at all levels of our operations
- Provide effective leadership that will enhance our abilities to be flexible to changing business environments
- Contribute to effective communication by listening and providing constructive feedback; supporting the creation of an open and honest work environment; cascading and sharing knowledge and information relevant to other members of the team and colleagues across the business

Experience/Education

- Bachelor’s Degree in operational discipline, management, or related technical discipline
- Minimum 5 years of relevant experience

Travel Requirements

- Local and occasional regional trave

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KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / William A. Lewis

141. Payroll. Refer to the Application generally. For each of the new hires the Company included in the forecasted test period, provide:
   a. Job Title
   b. Planned hiring date
   c. Hiring dates for any of these positions that have been filled.
   d. Fully loaded annual salary
   e. Length of time that the position has been open.
   f. Copy of ad for position.

Response:

Please see KAW_R_AGDR1_NUM141_062626_Attachment_CONFIDENTIAL. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection. Company defines new hires as positions to be filled in the forecasted test year. Please note that these positions are not due to be filled until 2027, and as such, parts c., e. and f. are irrelevant at this time.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM141_062626_Attachment

Job Title	Salary	Taxes	Benefits	Group Insurance	Total Compensation	Hire Date/ Planned Hire Date
Treatment Plt Oper 32BJ U511	[redacted]					1/1/2027
Treatment Plt Oper 32BJ U511						1/1/2027
Maintenance Technician						1/1/2027

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

142. Payroll. Refer to KAW_APP_EX37G_051526, page 3 of 10, Schedule G-2. Provide for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included in the forecasted test period, the amount of base pay, overtime, incentive compensation and the amount of other pay broken down in the most detailed format available including the amount charged to capital, amount charged to expense and amounts charged to other (specify). If any of the other is ultimately expensed, provide the amount ultimately expensed in each year.

Response:

Please see KAW_R_AGDR1_NUM142_062626_Attachment.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM142_062626_Attachment

Account	Account Description	2021	2022	2023	2024	2025	Base Period	Forecast Test Period
50100000	Labor Natural Account	$4,259,707	$4,715,133	$5,246,150	$5,331,698	$5,576,529	$6,261,334	$8,583,556
50100001	Labor Expense Accrual	5,540	24,419	11,838	33,406	45,603	18,419	25,250
50101300	Labor Oper Water Treatment	1,925,904	2,062,630	2,150,463	2,253,958	2,430,098	2,660,448	3,647,163
50101305	Labor Oper Water Treatment - Super & Eng	66,935	69,369	83,076	85,595	94,695	100,171	137,322
50101400	Labor Oper Transmission & Distribution	161,067	147,893	222,576	253,825	400,817	469,427	643,530
50101405	Labor Oper Trans & Distr - Super & Eng	0	0	0	0	0	0	0
50101415	Labor Oper Trans & Distr - Lines	60,046	45,381	102,784	108,092	122,697	133,533	183,059
50101420	Labor Oper Trans & Distr - Meter	682,781	704,209	646,916	657,331	572,509	608,792	834,582
50101500	Labor Oper Customer Accounting	33,840	40,009	28,461	21,592	25,986	25,682	35,207
50101505	Labor Oper Customer Acctg - Super & Eng	2,339	1,585	1,000	219	22,232	35,588	48,787
50101510	Labor Oper Customer Acctg - Meter Read	292,094	318,089	395,673	313,808	363,334	402,380	551,616
50101520	Labor Oper Customer Acctg - Cust Serv & Info	289,464	257,729	299,239	202,604	49,368	54,925	75,296
50101600	Labor Oper Admin & General	700,228	893,627	673,659	781,295	840,393	928,289	1,272,575
50101601	Labor Oper Adm & Gen - Director & Officer	0	0	0	0	0	0	0
50102300	Labor Maint Water Treatment	276,332	270,610	277,946	209,693	145,746	178,583	244,816
50102400	Labor Maint Transmission & Distribution	594,822	645,496	631,760	655,789	881,894	917,914	1,258,352
50102405	Labor Maint Transmssn & Distr - Super & Eng	0	0	0	0	0	0	0
50102420	Labor Maint Transmssn & Distr - Mains	32,598	41,163	106,837	97,893	95,464	113,459	155,538
50102425	Labor Maint Transmssn & Distr - Fire Mains	0	0	0	0	0	0	0
50102430	Labor Maint Transmssn & Distr - Service	63,872	69,202	40,467	31,848	49,252	61,018	83,649
50102435	Labor Maint Transmssn & Distr - Meter	58,566	48,472	64,463	55,734	65,766	69,059	94,671
50102440	Labor Maint Transmssn & Distr - Hydrants	1,308	64,645	48,375	61,562	47,985	34,233	46,930
	Base Pay	**9,507,440**	**10,419,663**	**11,031,684**	**11,155,942**	**11,830,369**	**13,073,254**	**17,921,900**
50109900	Labor Capitalized Credits	(3,309,743)	(3,696,713)	(4,212,231)	(4,264,007)	(4,539,491)	(5,013,620)	(7,056,447)
	Base Pay Capitalized	**(3,309,743)**	**(3,696,713)**	**(4,212,231)**	**(4,264,007)**	**(4,539,491)**	**(5,013,620)**	**(7,056,447)**
50110000	Labor Non-scheduled Overtime - Natural Account	527,884	644,560	812,706	829,232	991,881	1,044,887	817,692
50111300	Labor Oper Non-scheduled Overtime- WT	233,928	300,718	262,444	269,615	462,923	509,288	398,551
50111400	Labor Oper Non-scheduled Overtime- TD	26,329	26,058	24,097	26,598	41,988	63,466	49,666
50111405	Labor Oper Non-scheduled Overtime- TD Super & Eng	0	0	0	0	0	0	0
50111415	Labor Oper Non-scheduled Overtime- TD Lines	14,655	3,623	4,392	3,426	3,867	4,468	3,496
50111420	Labor Oper Non-scheduled Overtime- TD Meter	86,934	97,625	153,531	111,104	93,121	114,020	89,228
50111500	Labor Oper Non-scheduled Overtime- CA	3,033	4,377	2,973	2,579	1,468	1,242	972
50111510	Labor Oper Non-scheduled Overtime- CA Meter Read	19,744	48,094	107,031	41,855	75,587	88,909	69,577
50111520	Labor Oper Non-scheduled OT - CA Cust Serv & Info	205	7	65	50	56	162	126
50111600	Labor Oper Non-scheduled Overtime- AG	287	1,829	553	721	1,192	12,340	9,657
50112300	Labor Maint Non-scheduled Overtime- WT	47,315	48,084	46,310	59,089	45,410	47,430	37,117
50112400	Labor Maint Non-scheduled Overtime- TD	98,407	78,439	168,466	101,006	137,555	155,922	122,019
50112420	Labor Maint Non-scheduled Overtime- TD Mains	5,182	7,620	38,332	32,880	29,858	37,035	28,982
50112430	Labor Maint Non-scheduled Overtime- TD Service	1,956	2,989	2,660	1,410	6,823	10,603	8,297
50112435	Labor Maint Non-scheduled Overtime- TD Meter	602	646	1,360	7,648	14,854	18,541	14,509
50112440	Labor Maint Non-scheduled Overtime- TD Hydrant	270	33,533	21,543	40,245	19,429	12,855	10,060
50120000	Labor Overtime - Natural Account	1,698	883	1,671	2,085	1,920	1,843	1,442
50121300	Labor Oper Scheduled Overtime-WT	57,971	53,973	71,828	64,550	69,028	90,950	71,174
50121400	Labor Oper Scheduled Overtime-TD	0	0	0	0	0	0	0
50121405	Labor Oper Scheduled Overtime-TD Super & Eng	0	0	0	0	0	0	0
50121415	Labor Oper Scheduled Overtime-TD Lines	0	0	0	0	0	0	0
50121420	Labor Oper Scheduled Overtime-TD Meter	280	415	391	0	0	0	0
50121510	Labor Oper Scheduled Overtime-CA Merer Read	0	0	199	182	383	222	173
50121600	Labor Oper Scheduled Overtime-AG	0	0	0	0	0	0	0
50122400	Labor Maint Scheduled Overtime-TD	0	151	178	521	0	104	81
50122420	Labor Maint Scheduled Overtime-TD Mains	0	0	304	503	1,133	1,626	1,273
50122430	Labor Maint Scheduled Overtime-TD Service	0	0	0	0	0	175	137
50122440	Labor Maint Scheduled Overtime-TD Hydrant	0	0	514	0	150	87	68
	Overtime Pay	**1,126,681**	**1,353,622**	**1,721,548**	**1,595,298**	**1,998,625**	**2,216,174**	**1,734,301**
50119900	Labor Non-scheduled Overtime- Capitalized Credits	(527,558)	(644,072)	(812,380)	(824,422)	(989,176)	(1,041,469)	(580,405)
50129900	Labor Scheduled Overtime- Capitalized Credits	(1,698)	(883)	(1,671)	(2,085)	(1,920)	(1,843)	(1,027)
	Overtime Pay Capitalized	**(529,256)**	**(644,955)**	**(814,051)**	**(826,507)**	**(991,095)**	**(1,043,312)**	**(581,432)**
50171000	Annual Performance Plan	720,940	824,961	887,834	910,533	1,038,169	1,134,851	936,162
50171600	Compensation Exp - Options	0	0	0	0	0	0	0
50171800	Compensation Expense - RSU/PSU	10,892	69,832	186,717	172,537	180,269	228,921	219,903
	Incentive Compensation	**731,832**	**894,793**	**1,074,551**	**1,083,070**	**1,218,438**	**1,363,772**	**1,156,065**
50185000	**Severance**	0	49,857	0	0	82,160	129,669	0
	Total Salaries & Wages	**$7,526,954**	**$8,376,267**	**$8,801,501**	**$8,743,795**	**$9,599,005**	**$10,725,936**	**$13,174,387**

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

143. Payroll. Refer to KAW_APP_EX37G_051526, page 3 of 10, Schedule G-2. Provide total (direct & allocated) Capital and O&M budgeted and actual payroll expense for each of the years 2020, 2021, 2022, 2023, 2024, the base period and, and included in the forecasted test period.

Response:

Please see the chart below, which includes payroll and related costs:

		Kentucky-American		AW Service Co
		O&M Labor	Capitalized Labor	O&M Labor
2020	Actual	$9,365,644	$3,157,026	$7,144,921
2020	Budget	10,817,948	4,292,954	6,849,697
2021	Actual	8,829,171	3,311,440	7,590,006
2021	Budget	10,417,615	5,587,298	7,297,363
2022	Actual	9,799,090	3,697,596	6,902,206
2022	Budget	10,615,097	5,512,696	8,345,837
2023	Actual	11,027,255	4,213,902	7,088,415
2023	Budget	11,184,565	5,771,195	7,681,669
2024	Actual	11,163,102	4,266,092	7,921,435
2024	Budget	11,754,437	6,300,190	7,459,200
Base Year		13,809,912	7,513,552	9,572,646
Forecast Year		17,228,611	9,116,966	9,932,777

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

144. Payroll. Refer to KAW_APP_EX37G_051526, page 3 of 10, Schedule G-2.

a. Provide the total (direct and allocated) capital and O&M payroll approved by the Commission for each of the years: 2021, 2022, 2023, 2024 and 2025.

b. Provide the total (direct and allocated) actual capital and O&M payroll for each of the years: 2021, 2022, 2023, 2024 and 2025.

Response:

a. For the period requested, the Commission issued orders for Kentucky American's authorized payroll expenses in two general rate cases: Case No. 2023-00191 and Case No. 2025-00122. Please see the record in those cases for the authorized amounts.

b.

		Kentucky-American		AW Service Co
		O&M Labor	Capitalized Labor	O&M Labor
2021	Actual	$8,829,171	$3,311,440	$7,590,006
2022	Actual	9,799,090	3,697,596	6,902,206
2023	Actual	11,027,255	4,213,902	7,088,415
2024	Actual	11,163,102	4,266,092	7,921,435
2025	Actual	12,912,904	4,541,411	9,274,377

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

145. Payroll. Refer to the Application generally. Provide a description of the Company's merit and cost of living wage rate increase policies.

Response:

Below is a description of the merit policy. The Company does not offer cost of living increases.

The Company may award merit increases on an annual basis. The Compensation team regularly reviews the salary structure to ensure alignment with American Water's needs and the outside market. Employees must be hired into a non-union position by September 30 of the prior year in order to be eligible for a merit increase during the annual year-end compensation process.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

146. Penalties/Fines. Refer to the Application generally. Provide the total amount (direct & allocated) of all penalties and fines incurred in 2025, included in the base period and for recovery in the forecasted test period. Provide a brief description of the nature of the penalties/fines.

Response:

Kentucky-American is not seeking recovery of penalties/fines in this rate case.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

147. Purchased Water. Refer to the CONFIDENTIAL Excel file titled KAWC 2026 – Purchased Water Exhibit, tab titled "Workpaper"

a. CONFIDENTIAL Explain the reason for the significant decrease in gallons in 2025 over the 2024 level for the Gallatin Water District and explain why the decreased level of gallons is not expected to continue in the forecast test period.
b. CONFIDENTIAL Explain why it is appropriate to use a 3-year average of gallons for the Gallatin Water District.
c. CONFIDENTIAL Explain the reason for the steady decrease in gallons in the years shown for the Jackson County Water Association and explain why the decreased level of gallons is not expected to continue in the forecast test period.
d. CONFIDENTIAL Explain why it is appropriate to use a 3 year average of gallons for Jackson County.

Response:

a. The reason for the decreased usage in 2025 for the Gallatin Water District was that the district changed the Company's sales meter during 2025 and some usage data for that period is missing from KAWC's third-party utility payment processor's website. 2026 YTD usage for Gallatin is consistent with 2024 levels.
b. A three-year average was applied to all purchase water vendor expenses to smooth out any weather-related volatility in purchased water due to excessively wet or dry weather conditions in a particular year.
c. The decrease in Jackson County is due to a continued effort to reduce non-revenue water in the area over time. The Company's Southern District water loss reports are filed monthly with the PSC. Jackson County's 2026 YTD usage is consistent with 2025 activity.
d. See the response to part b above.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Magner

148. Pipe Replacement Planner ("PRP"). Refer to page 5 of the Magner Testimony. Provide the total cost of developing the PRP that is included in the forecast test year and identify where it is included in the revenue requirement. Also provide a brief description of the project.

Response:

Costs associated with the development of PRP are not included in the forecasted test year. PRP is a computer application that utilizes data to prioritize water mains for replacement. It utilizes GIS and hydraulic modeling data, as well as other pipe risk data, to perform the prioritizations. The program is described in further detail in the Direct Testimony of John Magner, pages 5-6.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

149. Plant. Refer to KAW_APP_EX37B_0515526, Page 5 of 54, Schedule B-2. Provide the 13-month average and year-end plant balances by category for each of the years 2021, 2022, 2023, 2024, 2025, the base period and the forecasted test period.

Response:

Please see KAW_R_AGDR1_NUM149_062626_Attachment for the 13-month average and year-end plant balances by category for each of the years 2021, 2022, 2023, 2024, 2025. Please see KAW_APP_EX37B_0515526, Pages 4 through 9, Schedule B-2 for the base period and the forecasted test period.

Kentucky American Water Company
AGDR-1-149_Attachment
13-Month Average and Year-End Plant Balances by Category - Summary

		2025		2024		2023		2022		2021	
No.	Major Property Grouping	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance
1											
2											
3	Intangibles	$1,141,803	$1,141,803	$1,141,803	$1,141,803	$1,141,803	$1,141,803	$1,237,171	$1,141,803	$1,247,577	$1,318,915
4											
5	Source of Supply and Pumping	107,289,169	109,991,767	104,034,298	105,079,780	102,307,074	103,057,487	100,737,164	101,640,312	95,095,985	98,426,228
6											
7	Water Treatment	138,618,379	145,475,495	130,969,912	133,651,093	129,850,819	129,443,672	125,380,580	129,836,075	91,589,765	92,786,848
8											
9	Transmission and Distribution	688,703,889	704,631,833	640,275,847	673,932,828	583,785,707	608,440,015	546,571,915	560,069,667	518,446,073	534,730,464
10											
11	General	62,963,219	65,805,758	50,711,394	59,536,038	52,204,449	49,163,667	55,741,328	54,335,487	51,401,298	51,085,325
12											
13	Completed Construction not Classified	0	0	0	0	0	0	0	0	0	0
14											
15	Other (Acquisitions)	0	0	0	0	0	0	0	0	0	0
16											
17	Total	$998,716,460	$1,027,046,656	$927,133,254	$973,341,541	$869,289,853	$891,246,643	$829,668,159	$847,023,344	$757,780,699	$778,347,780

Kentucky American Water Company
AGDR-1-149_Attachment
13-Month Average and Year-End Plant Balances by Category - Detail

			2025		2024		2023		2022		2021	
Line No.	NARUC 96 Acct No.	Account Title	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance
1												
2												
3		Intangible Plant										
4	301.1	Organization	$37,450	$37,450	$37,450	$37,450	$37,450	$37,450	$37,450	$37,450	$37,450	$37,450
5	302.1	Franchise/Consents	70,261	70,261	70,261	70,261	70,261	70,261	70,261	70,261	70,261	70,261
6	339.1	Other Plant & Equip Intangible	1,034,092	1,034,092	1,034,092	1,034,092	1,034,092	1,034,092	1,129,460	1,034,092	1,139,866	1,211,204
7												
8		Total Intangibles	$1,141,803	$1,141,803	$1,141,803	$1,141,803	$1,141,803	$1,141,803	$1,237,171	$1,141,803	$1,247,577	$1,318,915
9												
10		Source of Supply and Pumping Plant										
11	303.2	Land and Land Rights - SS	1,419,327	1,419,567	1,370,435	1,419,073	1,375,021	1,361,592	1,396,509	1,396,509	1,396,509	1,396,509
12	304.2	Structures and Improvements SS	38,077,976	38,678,091	36,252,073	36,935,924	34,957,574	35,545,528	34,060,321	34,310,113	32,277,953	33,686,338
13	305.2	Collecting and Impounding Reservoirs	819,260	819,260	819,260	819,260	819,260	819,260	819,260	819,260	819,260	819,260
14	306.2	Lake, River and Other Intakes	2,102,108	2,463,975	1,679,935	1,679,931	1,679,910	1,679,941	1,679,859	1,679,859	1,679,859	1,679,859
15	307.2	Wells and Springs	0	0	0	0	0	0	0	0	0	0
16	308.2	Infiltration Galleries & Tunnels	0	0	0	0	0	0	0	0	0	0
17	309.2	Supply Mains	19,013,093	20,329,138	18,595,905	18,618,475	18,564,437	18,564,078	18,566,568	18,566,568	18,566,568	18,566,568
18	310.2	Power Generation Equip	5,678,201	5,678,201	5,678,210	5,678,201	5,678,155	5,678,225	5,678,043	5,678,043	5,678,043	5,678,043
19	311.2	Pumping Equipment SS	40,179,203	40,603,535	39,638,480	39,928,916	39,232,718	39,408,864	38,536,604	39,189,960	34,677,794	36,599,651
20	339.2	Other Plant & Equip SS	0	0	0	0	0	0	0	0	0	0
21												
22		Total Source of Supply & Pumping	$107,289,169	$109,991,767	$104,034,298	$105,079,780	$102,307,074	$103,057,487	$100,737,164	$101,640,312	$95,095,985	$98,426,228
23												
24		Water Treatment Plant										
25	303.3	Land and Land Rights	800,183	800,183	800,183	800,183	800,183	800,183	800,183	800,183	800,183	800,183
26	304.3	Structures and Improvements	61,375,091	66,758,383	55,196,012	56,886,462	54,782,891	54,325,417	53,021,615	54,843,324	38,359,425	38,388,892
27	311.3	Pumping Equipment WT	3,112,928	4,457,013	2,704,957	2,706,283	2,684,713	2,701,975	2,430,775	2,669,357	554,726	1,436,586
28	320.3	Water Treatment Equipment	73,330,177	73,459,915	72,268,759	73,258,165	71,583,032	71,616,096	69,128,007	71,523,210	51,875,430	52,161,187
29	339.3	Other Plant & Equip WT	0	0	0	0	0	0	0	0	0	0
30												
31		Total Water Treatment	$138,618,379	$145,475,495	$130,969,912	$133,651,093	$129,850,819	$129,443,672	$125,380,580	$129,836,075	$91,589,765	$92,786,848

Kentucky American Water Company
AGDR-1-149_Attachment
13-Month Average and Year-End Plant Balances by Category - Detail cont'd

			2025		2024		2023		2022		2021	
Line No.	NARUC 96 Acct No.	Account Title	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance	13-Month Average	Year-End Balance
1		Transmission and Distribution Plant										
2	303.4	Land and Land Rights TD	$7,549,865	$7,549,865	$7,549,865	$7,549,865	$7,549,865	$7,549,865	$7,549,865	$7,549,865	$7,549,865	$7,549,865
3	304.4	Struct & Improve TD	5,486,809	5,484,383	5,495,331	5,488,888	5,494,167	5,500,853	3,472,254	5,479,277	1,527,614	1,526,268
4	311.4	Pumping Equipment TD	2,323,319	2,323,319	2,323,319	2,323,319	2,322,326	2,323,319	2,209,144	2,320,748	1,800,530	2,175,663
5	330.4	Dist Reservoirs & Standpipes	19,991,340	19,986,239	19,993,616	19,993,607	19,993,953	19,993,631	19,992,749	19,996,003	19,989,960	19,989,960
6	331.4	TD Mains	441,643,187	450,137,902	413,178,970	433,838,570	378,603,314	393,891,722	357,674,656	364,077,503	341,556,818	351,868,607
7	333.4	Services	74,756,348	76,273,462	70,928,116	73,482,162	65,597,621	68,443,013	61,009,869	62,180,283	56,650,717	59,287,803
8	334.4	Meters & Meter Installations	96,743,179	101,216,076	85,423,131	92,458,159	74,646,876	78,618,868	68,212,694	71,272,698	64,729,354	66,576,254
9	335.4	Hydrants	40,209,843	41,660,588	35,383,499	38,798,259	29,577,584	32,118,744	26,450,683	27,193,290	24,641,216	25,756,044
10	336.4	Backflow Prevention Devices	0	0	0	0	0	0	0	0	0	0
11	339.4	Other Plant & Equip TD	0	0	0	0	0	0	0	0	0	0
12												
13		Total Transmission and Distribution	$688,703,889	$704,631,833	$640,275,847	$673,932,828	$583,785,707	$608,440,015	$546,571,915	$560,069,667	$518,446,073	$534,730,464
14												
15												
16		General Plant										
17	303.5	Land & Land Rights AG	0	0	0	0	0	0	0	0	0	0
18	304.5	Struct & Improve AG	18,981,747	19,677,365	18,194,484	18,447,146	17,896,843	18,304,928	17,167,684	17,276,648	16,826,337	17,045,327
19	340.5	Office Furniture and Equipment	13,413,583	14,712,722	6,899,690	12,395,184	12,530,885	7,841,931	18,526,945	16,425,806	15,749,203	14,641,366
20	341.5	Transportation Equipment	13,911,349	14,709,423	10,270,933	12,505,167	8,250,390	8,904,668	7,498,788	7,676,732	7,449,667	7,449,667
21	342.5	Stores Equipment	309,755	339,106	142,794	148,310	76,600	76,602	77,191	76,598	79,169	79,169
22	343.5	Tools, Shop and Garage Equipment	4,285,108	4,517,230	3,470,717	3,926,906	2,556,690	2,647,542	2,255,275	2,450,334	2,126,520	2,130,394
23	344.5	Laboratory Equipment	808,872	814,242	1,134,142	777,759	1,559,236	1,574,117	1,545,081	1,547,919	1,530,814	1,532,856
24	345.5	Power Operated Equipment	1,752,272	1,921,475	1,681,204	1,698,225	1,586,320	1,674,588	1,423,698	1,426,136	1,387,359	1,416,748
25	346.5	Communication Equipment	6,175,285	5,852,749	5,393,296	5,997,474	4,897,353	4,893,610	4,687,916	4,824,923	4,018,436	4,432,743
26	347.5	Miscellaneous Equipment	3,312,340	3,248,541	3,511,227	3,626,960	2,837,225	3,232,773	2,545,842	2,617,483	2,221,286	2,344,149
27	348.5	Other Tangible Property	12,907	12,907	12,907	12,907	12,907	12,907	12,907	12,907	12,509	12,907
28												
29		Total General	$62,963,219	$65,805,758	$50,711,394	$59,536,038	$52,204,449	$49,163,667	$55,741,328	$54,335,487	$51,401,298	$51,085,325
30												
31	Various	Acquisitions	0	0	0	0	0	0	0	0	0	0
32												
33		Total Utility Plant in Service	$998,716,460	$1,027,046,656	$927,133,254	$973,341,541	$869,289,853	$891,246,643	$829,668,159	$847,023,344	$757,780,699	$778,347,780

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Linda Schlessman

150. Property Taxes. Refer to page 4 of the Direct Testimony of Linda Schlessman ("Schlessman Testimony"). Provide documentation supporting the 3% annual escalation percentage for property taxes.

Response:

Please see the response to KAW_R_PSCDR2_NUM040_062626.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Linda Schlessman

151. Property Taxes. Refer to page 5 of the Schlessman Testimony.
   a. Provide the actual property tax expense for each of the years 2021, 2022, 2023, 2024, and 2025.
   b. Provide the annual property tax expense approved by the Commission for each of the years 2021, 2022, 2023, 2024, and 2025.

Response:

a. Below are the actual property taxes for each year based on final assessments:
   2021: $7,132,972
   2022: $6,602,140
   2023: $6,147,270
   2024: Estimated at $6,192,970. A settlement was received March 12, 2026, and the Company is waiting for amended tax bills to be received.
   2025: $8,206,197
b. To the extent the Commission separately identified and approved an amount for these years, it would be in Commission Orders which are publicly available to the Attorney General.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Linda Schlessman

152. Property Taxes. Refer to the Excel file titled KAWC 2026 Rate Case – Property Tax Exhibit, tab titled "Link In" provided in Kentucky American's response to Staff's First Request, No. 1.
   a. Explain why property tax expense declined from 2023 - 2025.
   b. Explain the reason for the significant increase to property tax expense in the forecast test period over the 2025 level.

Response:

a. Please see explanations below:
   - 2023: Higher expense due to legislative change in classification of pipelines from real property to tangible personal property.
   - 2024: Decrease in expense due to 2022 settlement.
   - 2025: Decrease in expense due to 2023 settlement, reverse of legislative change in classification and refunds received due to 2022-2023 settlements.

b. The increase to the forecast test period over the 2025 base year expense levels is driven by refunds from prior year settlements received in 2025 that reduced the expense in 2025. These refunds are not included in the base year level.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Linda Schlessman

153. Property Tax Abatements. Refer to the Excel file titled KAWC 2026 Rate Case – Property Tax Exhibit provided in Kentucky American's response to Staff's First Request, No. 1. Provide the amount of property tax abatements or refunds received in each of the years: 2021, 2022, 2023, 2024, 2025, and included in the base period and forecast test period. Provide a brief description of the refunds/abatements.

Response:

Please see KAW_R_AGDR1_NUM153_062626_Attachment1. No refunds or abatements are included in the base period or forecast test period.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM153_062626_Attachment1

KYAW 2021-25 Refunds

Refund Amount	Description	Tax Year	Type	Date
(349.68)	Comm of KY ck#24724557	2021	Assessment Settlement	3/29/2023
(5,598.55)	City of owenton wtr2mi	2022	Assessment Settlement	1/13/2025
(292.22)	City of Sadieville	2022	Assessment Settlement	1/15/2025
(4,849.69)	Woodford Co Sheriffs	2022	Assessment Settlement	2/13/2025
(17,127.85)	Clark Cty Sheriff	2022	Assessment Settlement	2/24/2025
(137,984.53)	Brent Caldwell Sheriff	2022	Assessment Settlement	2/24/2025
(91.83)	Grant Cty Sheriff	2022	Assessment Settlement	3/25/2025
(14,203.54)	Jasmine Cty Sheriff	2022	Assessment Settlement	4/11/2025
(1,423.60)	AOwen County Conservation	2023	Assessment Settlement	1/29/2026
(954.52)	Owen County Conservation	2023	Assessment Settlement	1/29/2026
(48,642.45)	Brent Caldwell Sheriff	2023	Assessment Settlement	12/31/2025
(4,357.19)	Jessamine County Sheriff	2023	Assessment Settlement	12/2/2025
(330.51)	Owen Cty Board of Ed	2023	Assessment Settlement	12/18/2025
(91.09)	Owen Co Pub Health Taxing	2023	Assessment Settlement	12/18/2025
(8,062.64)	Scott County Sheriffs office	2023	Assessment Settlement	2/5/2026
(1,776.96)	Woodford County Sheriff's	2023	Assessment Settlement	2/5/2026
(1,112.09)	Shain Stephens Harrison Cty Sheriff	2023	Assessment Settlement	9/2/2025
(1,423.60)	AOwen County Conservation	2023	Assessment Settlement	1/29/2026
(954.52)	Owen County Conservation	2023	Assessment Settlement	1/29/2026
(8,062.64)	Scott County Sheriffs office	2023	Assessment Settlement	2/5/2026
(1,776.96)	Woodford County Sheriff's	2023	Assessment Settlement	2/5/2026
(101,296.73)	Sheriff of Franklin Cty	2022	Assessment Settlement	4/29/2026
(32,782.16)	Sheriff of Franklin Cty	2023	Assessment Settlement	4/29/2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

154. Rate Case Expense. Refer to the Excel file titled KAWC 2026 Rate Case – Regulatory Expense Exhibit, tab titled "Workpaper 1" provided in Kentucky American's response to Staff's First Request, No. 1. Explain why the Workpaper states "Annual Rate Case Expense Amortized Over 36 Months" but the expense is amortized over 24 months.

Response:

This is a typo and should read "Annual Rate Case Expense Amortized Over 24 Months".

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

155. Rate Case Expense. Refer to the Excel file titled KAWC 2026 Rate Case – Regulatory Expense Exhibit provided in Kentucky American's response to Staff's First Request, No. 1.
   a. Refer to tab titled "Workpaper 1." Explain the Company's basis for a two-year amortization for rate case expense when the Commission has historically used a three-year amortization.
   b. Explain the basis for a two-year amortization given the Company's claim that if the SIP is approved it will delay the frequency of rate cases.
   c. Refer to the tab titled "Exhibit." Provide the calculations showing how the QIP Reconciliation amount was derived and why it should be reflected with rate case expense.

Response:

a. The Company used a two-year amortization rate to more closely reflect its recent filing cadence.
b. See the answer to part a.
c. In Case No. 2025-00122, the Commission terminated Kentucky American's QIP program effective December 31, 2025; however, the Commission's Order did not give Kentucky American direction or a means to complete QIP reconciliation that ensures that the Company does not over collect revenues from its customers. The Company decided to complete its normal reconciliation process and determined that through the QIP 6 surcharge reconciliation calculation, the Company had over collected $464,996 from customers during the applicable QIP 6 period.

   Since the Company lacked direction on how to credit customers, it determined that a way to ensure customers would be credited would be to offset the Company's rate case expense in this case. This lowered the unamortized rate case expense requested in this case by $464,996 and therefore lowered the overall request in this case.

   Please see KAW_R_AGDR1_NUM155_062626_Attachment for the calculation of the QIP reconciliation amount.

Kentucky-American Water Company **KAW_R_AGDR1_NUM155_062626_Attachment**
Case No. 2026-000XX
QIP 6 Annual Balancing Adjustment
For the Twelve Months Ended December 31, 2025

Line No.

QIP 6 Actual Average Rate Base compared to Actual Billed Revenues

1	QIP 6 Revenue Requirement	$9,791,671
2		
3	Billed Revenues - January 1, 2025 - December 31, 2025	$13,756,174
4	Less: QIP 5 Variance - Under/(Over) Recovery	3,499,506
5	Net Billed Revenues - July 1, 2022-June 30, 2023	10,256,667
6		
7	Under/(Over) Recovery Variance	($464,996)
8		

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

156. Rate Case Expense. Refer to the Application generally. Provide an amortization schedule of the total rate case expense authorized by the Commission in Case No. 2025-00122 through the current date.

Response:

Please see KAW_R_AGDR1_NUM156_062626_Attachment.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM156_062626_Attachment

Case No. 2025-00122 - Rate Case Expense Amortization Schedule Through June 23, 2026

2025 RC Expense Authorized by Commission	$713,791.00
Remaining 2023 Rate Case Expense Balance	$332,246.00
Total Authorized Rate Case Expense	$1,046,037.00
Amortization Period (months)	36
Monthly Amortization - 2025 Expense	$19,827.53
Monthly Amortization - 2023 Balance	$9,229.06
Total Monthly Amortization	$29,056.58
Amortized Through June 23, 2026	$145,282.92
Remaining Unamortized Balance	$900,754.08

Period	Amortization Fraction	2025 Rate Case Expense Amortization	Remaining 2023 Rate Case Exp Amortization	Total Amortization Expense	Cumulative Amortized	Unamortized Balance
Jan 2026	1.0000	$19,827.53	$9,229.06	$29,056.58	$29,056.58	$1,016,980.42
Feb 2026	1.0000	$19,827.53	$9,229.06	$29,056.58	$58,113.17	$987,923.83
Mar 2026	1.0000	$19,827.53	$9,229.06	$29,056.58	$87,169.75	$958,867.25
Apr 2026	1.0000	$19,827.53	$9,229.06	$29,056.58	$116,226.33	$929,810.67
May 2026	1.0000	$19,827.53	$9,229.06	$29,056.58	$145,282.92	$900,754.08
Jun 1-23, 2026	0.7667	$15,201.10	$7,075.61	$22,276.71	$167,559.63	$878,477.37

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

157. Support Services. Refer to the Excel file titled KAWC 2026 Rate Case – Support Services Exhibit, tab titled "Link Out" provided in Kentucky American's response to Staff's First Request, No. 1. Provide the Support Services expenses by account for each of the years 2021, 2022, 2023, 2024, 2025, the base year and the forecasted test period.

Response:

Please see the attached file KAW_R_AGDR1_NUM157_062626_Attachment.

Kentucky-American Water Company, Inc.
AGDR-1-157_Attachment
Summary of Support Services Expenses

Account	Account Name	2021 Act	2022 Act	2023 Act	2024 Act	2025 Act	Base Year	Forecast
53401400	AWWSC Services - Contracted Services OPEX	$1,221,859	$1,247,790	$1,194,872	$1,209,205	$1,545,827	$1,452,012	$1,502,028
53401800	AWWSC Services Customer Accounting OPEX	1,278,547	1,144,713	1,203,230	1,072,123	1,116,605	1,125,423	1,164,189
53402200	AWWSC Services - Depr & Amort OPEX	773,834	846,999	611,148	760,026	550,339	434,187	449,143
53402300	AWWSC Services - General Taxes OPEX	435,912	368,025	391,353	372,863	454,225	493,912	510,926
53401200	AWWSC Services - Group Insurance OPEX	575,605	465,323	439,888	557,963	672,518	887,438	918,006
53402600	AWWSC Services - Income Taxes OPEX	10,799	(16,158)	(8,993)	13,989	33,968	24,702	25,552
53401000	AWWSC Services - Labor OPEX	5,751,650	5,305,657	5,665,313	6,332,015	7,391,574	7,647,795	7,911,227
53401900	AWWSC Services - Maint Supplies & Svcs OPEX	509,397	517,303	581,900	419,188	344,665	287,374	297,272
53402400	AWWSC Services - Net Interest OPEX	24,961	(30,932)	(55,286)	99,741	145,338	73,677	76,214
53401500	AWWSC Services - Office Supplies OPEX	263,936	744,641	642,960	743,899	1,130,853	1,403,677	1,452,028
53401300	AWWSC Services - Other Benefits OPEX	420,264	379,571	371,941	429,377	501,739	510,103	527,674
53402500	AWWSC Services - Other Inc & Ded OPEX	22	0	0	10,054	(180)	0	0
53402100	AWWSC Services - Other O&M Expense OPEX	565,559	288,083	617,117	726,481	745,001	570,939	590,605
53401100	AWWSC Services - Pension OPEX	(82,555)	(186,996)	121,957	210,813	325,341	140,878	145,731
53401700	AWWSC Services - Rents OPEX	294,554	375,575	200,108	320,417	268,639	245,436	253,890
	Total Support Services	$12,044,343	$11,449,596	$11,977,506	$13,278,156	$15,226,452	$15,297,553	$15,824,487

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

158. Support Services. Refer to the Excel file titled KAWC 2026 Rate Case – Support Services Exhibit, tab titled "Workpaper 1 Summary" and "Wkpr 3 Misc adjustments" provided in Kentucky American's response to Staff's First Request, No. 1. Explain why the Company is including a 3-year average of severance expense on workpaper 1 and removing severance on workpaper 3.

Response:

The severance adjustment on "Wkpr 3 Misc adjustments" represents the total dollars of severance that is included in the Base Year ended August 31, 2026. Severance was removed on this workpaper consistent with prior cases. The Company expects to continue to incur severance expenses going forward, and has thus calculated a three year average level of expenses to add back in a normalized level of expense in the base year as shown on "Wkpr 4 - Severance Three-year Average". Please see KAW_R_PSCDR2_NUM070_062626_Attachment_CONFIDENTIAL for Workpaper 4.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

159. Support Services. Refer to the Excel file titled KAWC 2026 Rate Case – Support Services Exhibit, tab titled "Workpaper 1 Summary" provided in Kentucky American's response to Staff's First Request No. 1. Provide copies of workpapers 4-12 referenced.

Response:

Please refer to KAW_R_PSCDR2_NUM070_062626_Attachment_CONFIDENTIAL.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

160. SERP. Refer to the Application generally. Has the Company included SERP expense for recovery in the forecasted test period? If so provide the total amount included (direct and allocated) and provide the following:

a. Explain how eligibility for SERP is determined.

b. Describe the benefits provided by the Company's SERP plan.

c. Identify both the number of employees eligible for SERP and the number of employees ineligible for SERP in 2025, the base period, and the forecasted test period.

Response:

The Company has not requested recovery of any SERP expense in this proceeding.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

161. Retention Bonuses. Refer to the Application generally. Provide the amount of retention bonus expense in 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period (direct and allocated).

Response:

There are no direct or allocated retention bonus expenses for 2021, 2022, 2023, 2024, 2025, the base period or included for recovery in the forecasted test period.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast / William A. Lewis

162. Severance Pay. Refer to page 19 of the Prendergast Testimony.

a. Provide the total amount of severance expense in 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period (direct and allocated).
b. Provide the calculations supporting the amount included in the forecast test period.
c. Explain whether the Company has or will consider eliminating any employees associated with the three acquisitions it is including in this case.

Response:

a. Please see the below table.

	2021	2022	2023	2024	2025	Base Period	Future Test Period
KYAW	$0	$49,857	$0	$0	$82,160	$93,255	$0
Allocated	74,569	125,516	106,864	24,826	169,650	77,861	100,447

b. The Allocated portion included in the Future Test Period is calculated using a three-year average of severance for 2023 through 2025.
c. Please see the Direct Testimony of William A. Lewis. Mr. Lewis's testimony in which he describes the additional labor required to support the new acquisitions and regional growth.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb

163. SIP. Refer to page 13 of the Newcomb Testimony which states that the mechanics of the SIP are modeled by the QIP used by affiliate Illinois American Water Company.

a. Explain why the Company changed the mechanics of how its capital recovery mechanism was calculated over its previous QIP mechanism.

b. Explain why the Company did not model its SIP from a capital recovery mechanism currently used in Kentucky.

c. Explain why the mechanics of a capital recovery mechanism used in Illinois is more appropriate than one used in Kentucky.

Response:

a. The Company *did not* change the mechanics of how its capital recovery mechanism is *calculated* over its previous QIP mechanism. The mechanism still calculates the Total Revenue Requirement as pre-tax return plus depreciation and property tax expense after gross up.

b. The Company *did* model a part of its SIP rider mechanism from capital recovery mechanisms currently used in Kentucky. As discussed in my Direct Testimony, the Commission has authorized pipeline modernization mechanisms that recover costs for compliance with federal safety regulations, as well as accelerated main, pipeline, and service line replacements for natural gas utilities, and the Company has modeled a part of its proposal after the natural gas infrastructure mechanisms. Specifically, Kentucky-American is proposing to have the SIP rider mechanism continue to operate for the recovery of the costs of capital, depreciation, and taxes associated with qualified infrastructure investments outside of base rates upon the approval of new rates in a subsequent water GRC and not reset to zero.

c. The mechanics of the proposed SIP rider mechanism are appropriate and were not selected based on what state they were derived. The mechanics of the proposed SIP rider mechanism were selected to be responsive to the reasons the Commission provided for terminating QIP and to accomplish multiple key policy goals. Please see the Company's response to PSC 2-41 for what specific features of the proposed System Improvement Program (SIP) rider mechanism are different from the Qualified Infrastructure Program (QIP) that was terminated and how those features will prevent the same "inconsistent use" and "excess frequency of rate cases" that led to the QIP's

termination in Case No. 2025-00122, and as discussed in my Direct Testimony, please see below for the multiple key policy goals the SIP rider mechanism would accomplish:

- Reduce frequency of GRCs, which would minimize the time, expense, and regulatory burden associated with GRC proceedings;

- Mitigate against larger rate adjustments in future GRCs by allowing for more gradual recovery of qualifying investment over time; and

- Support the Company's timely investment in its aging infrastructure which is needed to maintain safe and reliable service.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb / John Magner

164. SIP. Refer to Refer to KAW_APP_EX03_051526 pages 52-54.

a. Provide a list of all differences between the SIP over the QIP. For each difference explain why the change was made.

b. Identify specifically which types of plant additions are being included in the SIP that were not included before.

c. Could revenue producing and expansion projects that would serve new customers (e.g., a new subdivision, golf course, etc.) be included in the SIP? If so, how does the Company propose to account for the additional revenues generated by these projects?

Response:

a. Please see the Company's response to KAW_R_PSCDR2_NUM41_062626.

b. Please see Kentucky-American's proposed tariff (Filing Exhibit 2 to the Application). With the exception of a subset of Water Mains, specifically replacement of 10 to 13 miles of cast iron and galvanized steel main, all other types of plant additions listed below and in Kentucky-American's proposed tariff were not included in the limited version of QIP in place at the time it was terminated.

(1.) "SIP Qualified Infrastructure Investments" include the below recurring and investment projects that are not for the purpose of serving a new customer ("non-revenue producing plant"):

- Water Mains: scheduled replacement, renewal, improvement, or relocation of existing water mains
- Hydrants and Valves: replacement of existing hydrants and valves
- Service Lines: replacement of existing service lines
- Meters: replacement or improvement of existing meters and end-points
- SCADA Equipment and Systems: installation or replacement of Supervisory Control and Data Acquisition ("SCADA") systems and equipment
- Process Plant Facilities and Equipment: new purchase or replacement of existing components of water supply, treatment, pumping, storage, and pressure regulation facilities, including associated building components

and equipment; replacement of existing laboratory equipment; replacement of existing filter media used in treatment

- Booster Stations: replacement or improvement of existing booster stations
- Water Storage Tanks: replacement or improvement of existing water storage tanks

c. The Company is not proposing that revenue producing and expansion projects that would serve new customers (e.g., a new subdivision, golf course, etc.) be included in the SIP, and therefore, the Company does not have a proposal to account for the additional revenues generated by these types of projects in the SIP rider mechanism. Revenue producing and expansion projects that would serve new customers (e.g., a new subdivision, golf course, etc.) would be included in future GRCs where additional revenues generated by these projects, as well as other related changes to revenue requirement components, can be accounted for in base rates.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb

165. SIP. Refer to KAW_APP_EX03_051526 pages 52-54. Explain why the Company is proposing a shorter period for the SIP annual filings (at least 90 days) as opposed to at least 120 days used for the previous QIP annual filings.

Response:

As discussed in my Direct Testimony, the Company is proposing to make Annual Filings at least 90 days prior (by October 1) to the rate effective date of subsequent SIP Periods (January 1) and the Company is proposing that in the event an Order approving the SIP rider rate is not issued by the rate effective date, the proposed rate should be implemented to minimize the future Balancing Adjustment for the SIP Period. Similarly, the Company proposes to make the Balancing Adjustment filing at least 90 days prior (by March 1) to the rate effective date (June 1) of the Balancing Adjustment. The reason for proposing a shorter period for the SIP Annual Filings (at least 90 days) as opposed to at least 120 days used for the previous QIP Annual Filings was to balance providing enough time for the Commission and interested parties to review the Annual Filings with having the most up to date available data and forecasts to minimize the future Balancing Adjustments. The Company is, however, open to a review period of at least 120 days for SIP Annual Filings.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb

166. SIP. Refer to the Application generally.

a. If the SIP is not approved, state the month and year when the Company anticipates it will file its next rate case.

b. If the SIP is approved, state the month and year when the Company anticipates it will file its next rate case.

Response:

a. Please see the Direct Testimony of Jeffrey Newcomb, p. 12. If the SIP is not approved as proposed, the Company would likely "[…] consider filing its next rate case in 2027 with a future test year of 12-months ending December 31, 2028."

b. See the response to PSC 2-44 and AG 1-167. If the SIP is approved as proposed, the Company anticipates it could file its next rate case as late as 2029 absent significant changes or intervening circumstances, including but not limited to, major acquisitions, significant capital investments deemed ineligible for recovery through the SIP rider mechanism, significant changes to billing determinants, or significant changes to operating expenses where no tracker or rider mechanism(s) exist. Timing of the Company's next GRC would also depend on the percentage of the Company's total capital plan eligible for recovery in the SIP rider mechanism, and associated depreciation.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb

167. SIP. Refer to page 8 of the Newcomb Testimony, which states that water general rate cases would be less frequent and if approved its next general rate case could be, "as late as 2029." Explain how the next rate case filed "as late as 2029" is a reduction in filing of rate cases given the Company's history of filing rate cases during the last 20 years.

Response:

See the response to PSC 2-44.

As discussed in my Direct Testimony at pages 5-6, with the termination of the QIP rider in Case No. 2025-00122, the only tool currently available to Kentucky-American to address regulatory lag associated with the costs of capital, depreciation, and taxes for infrastructure investments is through general rate cases ("GRC"). This means that the only way that the Company could replicate the intended purpose and use of the SIP rider mechanism is to file annual GRCs that utilize a future test period. In contrast, Kentucky-American believes with approval of the SIP rider mechanism as proposed in this case, that water GRCs would be less frequent, and its next GRC could be as late as 2029 absent significant changes or intervening circumstances, including but not limited to, major acquisitions, significant capital investments deemed ineligible for recovery through the SIP rider mechanism, significant changes to billing determinants, or significant changes to operating expenses where no tracker or rider mechanism(s) exist. I also note in my testimony at pages 8-9 that the percentage of the Company's total capital plan eligible for recovery in the SIP rider mechanism, and the depreciation rates associated with that eligible capital, will also have significant influence on the frequency of water GRCs. A single general rate case as late as 2029 compared to annual general rate cases in 2027, 2028, and 2029 is clearly a reduction in filing of rate cases. As to the Company's history of filing rate cases during the last 20 years, ratemaking is prospective, so the Company's history of filing rate cases is not necessarily indicative of when future rate case filings will be needed.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Jeffrey Newcomb

168. SIP. Refer to Exhibit JN-1. Provide the forecasted total annual SIP capital expenditures and SIP plant additions for 2027, 2028, and 2029.

Response:

Please see the Company's response to PSC 2-42. The information requested can be derived from the "Eligible Capital & Expense" tab of that response's attachment: forecasted SIP capital expenditures ("CapEx") on Excel row 63 and forecasted SIP plant additions ("Utility Plant In-Service Additions") on Excel row 121. The table below summarizes the total annual forecasted SIP CapEx and Utility Plant In-Service Additions for 2027, 2028, and 2029.

	Forecasted Total Annual SIP	
Year	Capital Expenditures	Additions to Utility Plant In-Service
2027	$62,069,532	$66,016,950
2028	$71,829,321	$62,691,565
2029	$89,766,451	$98,485,860

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

169. Student Loan Repayment Expenses. Refer to the Application generally.

a. Does Kentucky American, its parent company or service company provide student loan repayment/or other loan repayments as a benefit to its employees? If so, please describe the loan payment benefit offered and identify which employees are eligible for the benefit.

b. Provide the total amount (direct & allocated) included for recovery in the forecasted test year.

Response:

a. The Company does not provide student loan repayment as a benefit to its employees.

b. Not applicable.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

170. Temporary Help. Refer to the Application generally. Provide the total amount (direct & allocated) of temporary help expense used to supplement its workforce for each of the years 2021, 2022, 2023, 2024, 2025, the base period and included for recovery in the forecasted test period.

Response:

Please see the table below.

Year	Kentucky Amount
2021	$46,146
2022	$58,939
2023	$120,117
2024	$84,343
2025	$190,199
Base Period	$169,567
Test Year	$200,757

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

171. Transportation expense. Refer to page 27 of the Prendergast Testimony. Provide documentation (quotes, contracts, invoices) supporting the 2% increase from the Fleet provider.

Response:

Please see the Company's response to KAW_R_PSCDR2_NUM037_062626.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

172. Telecommunications. Refer to the Excel file title KAWC 2026 Rate Case – Telecommunications Exhibit, tab titled "Workpaper" provided in Kentucky American's response to Staff's First Request No. 1. Provide documentation supporting the Implementation of new Telematics/Hotspots (quotes, invoices, contracts).

Response:

Please see attachment KAW_R_AGDR1_NUM172_062626_Attachment_CONFIDENTIAL supporting the implementation of new Telematics/Hotspots that occurred in 2024. The attachment is confidential and is being provided pursuant to a petition for confidential protection. Portions of the attachment containing information not relevant to the Company have been redacted.

KAW_R_AGDR1_NUM172_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

173. Third Party Damages. Refer to the Application generally.

a. Provide the total amount of third-party damage reimbursements for each year 2021, 2022, 2023, 2024, 2025, the base period and included in the forecasted test period.
b. Provide the total amount of third-party damages expense for each year 2021, 2022, 2023, 2024, 2025, the base period and included in the forecasted test period.
c. Explain how and where the amounts in subparts (a) and (b) are reflected in the revenue requirement.

Response:

a-c. The Company did not include any amounts for third-party damage reimbursements or damages expense in the revenue requirement. Please see KAWC 2026 Rate Case - Miscellaneous Expense Exhibit, included in the Company's response to PSC 1-1 in this case.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

174. Uncollectibles. Refer to the Application generally. For each of the years 2021, 2022, 2023, 2024, and 2025 provide the revenues, write-offs, and recoveries.

Response:

The table below lists, for the years 2021 through 2025, the billed revenue and net write-offs. Due to system restraints, the Company does not have the ability to report on recoveries.

Year	Billed Revenue	Net Write Offs
2021	$101,134,810	$1,004,455
2022	105,964,019	581,010
2023	110,663,055	597,867
2024	120,581,096	678,233
2025	139,692,292	932,687

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

175. Uncollectibles. Refer to the Excel file title KAWC 2026 Rate Case – Uncollectibles Exhibit, tab titled "Link In" provided in Kentucky American's response to Staff's First Request, No. 1. Explain the reason for the large increase to Account 57010015 customer accounting uncollectible expense in 2025 over the prior years.

Response:

Uncollectible expense is primarily driven by two activity types: reserve adjustments to the Allowance for Doubtful Accounts and direct write-offs.

Reserve adjustments are impacted the greatest by the change in the greater than 150-day bucket on the Accounts Receivable Report, which are reserved at 100%. This bucket has increased every year, most significantly in 2025. Additionally, the direct write-offs have also increased every year, most significantly in 2025.

Accordingly, the year-over-year increase in uncollectible expense appears to be primarily attributable to growth in fully reserved receivable balances and higher direct write-off activity. Please refer to the tables reflecting the change from 2022 through 2025.

Accounts Receivable Report as of December 31st.

YE	Current	<31	<61	<91	<151	>=151	Total
2022	$3,061,500	$1,618,838	$337,075	$163,240	$134,225	$236,126	$5,551,003
2023	4,389,555	1,180,396	339,551	165,197	138,631	285,591	6,498,921
2024	3,863,434	1,970,957	293,732	348,837	278,863	290,425	7,046,248
2025	4,431,256	1,230,999	306,745	273,881	237,740	360,988	6,841,609

Direct Write-offs

YE	Write-offs
2022	$587,162
2023	618,653
2024	692,168
2025	959,607

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

176. Unaccounted for Water. Refer to the Lewis Testimony at 34 - 35.

a. Confirm that the Company did not reflect any reduction to expenses in the forecasted test period related to unaccounted-for-water exceeding the 15% threshold and explain why not.
b. Provide the reductions to expenses for unaccounted-for-water exceeding 15% applicable to the forecast test period, including all calculations used to derive the amounts.

Response:

a. Kentucky-American did not reflect any reductions to expenses in the forecasted test period related to unaccounted-for-water exceeding the 15% threshold. The unaccounted-for-water adjustment was not included in the original filing as Kentucky-American has historically not included this adjustment in its initial rate case filings.
b. Please see KAW_R_AGDR1_NUM176_062626_Attachment for the reductions for production expenses for unaccounted-for-water over the 15% threshold amount.

Kentucky-American Water Company
Case No. 2026-00094
Attorney General's First Request For Information
Response to KAW_R_AGDR1_NUM176_062626

Unaccounted-for-Water Adjustment - Production Costs

Month	Water Produced	Water Purchased For Resale	Calculated System Delivery	Water Sales	Other Water Used	Water Loss	Water Loss Percentage
Jan-25	1,287,408	10,009	1,297,417	1,010,993	9,443	276,981	21.35%
Feb-25	1,113,162	6,786	1,119,948	1,024,596	5,797	89,555	8.00%
Mar-25	1,193,549	10,653	1,204,202	891,445	15,932	296,825	24.65%
Apr-25	1,174,506	10,941	1,185,447	807,289	18,399	359,759	30.35%
May-25	1,270,181	10,957	1,281,138	1,089,476	20,078	171,584	13.39%
Jun-25	1,324,046	10,494	1,334,540	1,015,163	6,352	313,026	23.46%
Jul-25	1,494,633	10,997	1,505,630	1,215,197	6,424	284,009	18.86%
Aug-25	1,567,219	12,209	1,579,428	1,333,398	8,603	237,427	15.03%
Sep-25	1,501,526	11,180	1,512,706	1,418,025	4,741	89,940	5.95%
Oct-25	1,351,622	26,574	1,378,196	1,130,089	6,159	241,948	17.56%
Nov-25	1,129,542	29,956	1,159,498	1,048,132	4,610	106,756	9.21%
Dec-25	1,167,753	26,090	1,193,843	892,066	2,979	298,798	25.03%
Total 2025	**15,575,147**	**176,846**	**15,751,993**	**12,875,869**	**109,517**	**2,766,607**	**17.56%**
Jan-26	1,192,316	27,018	1,219,334	940,188	1,122	278,024	22.80%
Feb-26	1,207,044	34,096	1,241,140	933,022	3,429	304,689	24.55%
Mar-26	1,208,463	32,611	1,241,074	990,717	3,873	246,484	19.86%
Apr-26	1,246,075	30,659	1,276,734	982,979	15,619	278,136	21.78%
12 Mos Apr 2026	**15,660,420**	**262,841**	**15,923,261**	**12,988,452**	**83,989**	**2,850,820**	**17.90%**

Unaccounted-for Water %age - 12 Months Ended April 2026	17.90%
Excess of Unaccounted-for over 15% Threshold	**2.90%**

	Dec 2027 Amount	Excess Unaccounted-for Water Adjustment	Adjusted Amount
Chemical Expense	$5,246,516	$152,332	$5,094,184
Power Expense	6,204,718	180,154	6,024,565
Purchased Water Expense	1,571,513	45,629	1,525,884
Waste Disposal Expense	695,419	20,191	675,228
Total	$13,718,167	$398,306	$13,319,860

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

177. Unaccounted for Water. Refer to the response to Staff's First Request, No. 37. Explain the reason for the increased water losses in October and December of 2025, and January through March of 2026.

Response:

The increase in recorded water loss in October and December 2025 are related to the preceding month totals in September and November 2025 respectively. Months with higher recorded water loss with a preceding month with very low water loss indicates a misalignment between total system delivery meter read dates and customer meter reading dates. When this occurs, the preceding month water loss as recorded understates actual water loss as the successive month will overstate recorded water loss, but reflects a "catch-up" and self-correction of water loss recorded throughout the year. For this reason, KAWC uses a rolling 12-month average methodology to better identify water loss trends over time, as this method mitigates the month-to-month variability.

The higher water loss recorded in the first quarter of 2026 is driven by higher occurrences and severity of water main breaks and delay in new customer meter replacements of failed water meters, that have stopped registering water flow, due to the severe winter weather experienced during this time.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: William A. Lewis

178. Unaccounted for Water. Refer to the Burton Testimony at 13, which states: "[i]mproving water efficiency reduces operating costs (e.g., pumping and treatment) and reduces the need to spend capital developing new supplies and expanding our water infrastructure." Explain in detail, all new efforts and initiatives the Company has undertaken since its last rate case to reduce unaccounted for water.

Response:

Please refer to Mr. Lewis' Direct Testimony at 30-34. The activities listed represent the same active efforts and initiatives the Company has been undertaking for several years and since the last rate case. These efforts are continuous in nature as is the continued execution of KAWC's annual NRW Reduction Plan that is updated annually.

In 2025, KAWC completed the replacement all of water treatment plant effluent system delivery meters with new electromagnetic meters that provide greater accuracy across larger ranges of flow. This improvement ensures better accuracy with the measurement of apparent water loss.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

179. Unclaimed Checks. Refer to KAW_APP_EX37B_051526 Schedule B-1. Explain why the Company did not reflect any amount on Line 33 Other Rate Base Elements in the forecast test period although the Company shows a balance of unclaimed checks on W/P-1-12.

Response:

The Company did not reflect an amount for Other Rate Base Elements in the forecast test period because the balance shown on W/P-1-12 relates to Unclaimed Accounts Payable Checks, which are a part of cash working capital. Please refer to the Company's response to KAW_R_AGDR1_NUM068.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Robert Prendergast

180. Volunteer time. Refer to the Burton Testimony, pages 17 – 19. Provide the total amount (direct & allocated) of payroll expense for paid time off for employees volunteering 2025, the base period and requested for recovery in the forecasted test period. Also provide all corresponding volunteer related expenses (e.g., t-shirts, banners, hats, prizes, gifts, food, beverages, utilized at the events, etc.) for each of the time periods listed above.

Response:

The Company does not offer paid time off to its employees to volunteer in the community. On a very infrequent basis, the Company has sponsored a community service project at which employees may participate during regularly scheduled work time. Employees have not coded time for such events differently than regularly scheduled work. The Company estimates the costs incurred for such events to be approximately $500 per year.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

181. Provide the actual balance of short-term debt used by Kentucky American for each month (or most frequently available) from January 1, 2022, to the most currently available in live Excel format.

Response:

Please refer to KAW_R_AGDR1_NUM181_062626_Attachment for the monthly short-term debt balance from 12/31/2021 through 5/31/2026.

Kentucky American Water Company
Case No. 2026-00094
KAW_R_AGDR1_NUM181_062626

	Short-Term Debt Balance					
	2021	**2022**	**2023**	**2024**	**2025**	**2026**
January		$21,906,622	$16,621,343	$19,445,024	$13,708,846	$20,730,937
February		22,785,359	17,944,836	20,681,613	17,714,180	23,283,521
March		22,656,679	9,968,662	14,217,503	3,104,761	(0)
April		25,549,801	15,420,623	16,231,132	11,010,497	5,225,068
May		12,962,225	15,617,305	(0)	11,610,563	(0)
June		17,924,500	20,887,611	(0)	12,693,203	
July		20,993,946	20,605,973	(0)	14,600,594	
August		18,019,443	20,085,544	(0)	15,704,768	
September		20,245,788	6,130,798	(0)	2,056,152	
October		9,487,248	9,403,103	(0)	6,116,365	
November		7,215,829	12,235,264	5,973,703	8,283,541	
December	20,364,313	13,863,309	23,100,951	10,388,870	14,300,921	

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

182. Provide the total actual balance of Construction Work in Progress ("CWIP") broken down into CWIP earning Allowance for Funds Used During Construction ("AFUDC") and CWIP not earning AFUDC for Kentucky American for each month (or most frequently available) from January 1, 2022, to the most currently available.

Response:

The information requested is not relevant as KAWC is not seeking recovery of CWIP in this matter. Having said that, please see KAW_R_AGDR1_NUM182_062626_Attachment for the actual balance of Construction Work in Progress ("CWIP") broken down into CWIP earning Allowance for Funds Used During Construction ("AFUDC") and CWIP not earning AFUDC for Kentucky American for each month from January 2022 through May 2026.

Kentucky American Water Company
AGDR-1-182_Attachment

Month	CWIP	CWIP earning AFUDC *	CWIP not earning AFUDC	
Jan-22	$9,039,833	$5,383,806	$3,656,027	
Feb-22	11,109,941	5,497,902	5,612,039	
Mar-22	10,719,132	6,647,545	4,071,587	
Apr-22	11,139,416	6,229,199	4,910,217	
May-22	13,570,538	7,512,717	6,057,822	
Jun-22	9,633,062	9,830,889	0	**
Jul-22	10,952,988	7,242,096	3,710,892	
Aug-22	12,466,502	8,837,521	3,628,981	
Sep-22	10,804,683	9,454,792	1,349,891	
Oct-22	11,532,900	10,649,369	883,531	
Nov-22	11,249,767	11,120,903	128,864	
Dec-22	10,665,393	11,730,619	0	**
Jan-23	10,367,989	10,936,265	0	**
Feb-23	11,711,123	7,325,697	4,385,426	
Mar-23	13,195,767	8,307,190	4,888,578	
Apr-23	13,078,609	9,220,749	3,857,860	
May-23	12,970,470	8,595,279	4,375,192	
Jun-23	12,343,548	7,889,893	4,453,655	
Jul-23	13,451,184	7,028,453	6,422,731	
Aug-23	16,511,730	8,127,080	8,384,650	
Sep-23	18,145,405	8,987,518	9,157,887	
Oct-23	18,245,884	10,752,023	7,493,862	
Nov-23	16,333,981	11,583,813	4,750,168	
Dec-23	13,936,568	13,020,084	916,485	
Jan-24	12,402,634	8,944,741	3,457,893	
Feb-24	16,274,375	7,143,056	9,131,319	
Mar-24	20,736,151	8,389,132	12,347,019	
Apr-24	20,804,745	10,975,435	9,829,310	
May-24	16,079,980	11,728,660	4,351,320	
Jun-24	18,202,592	12,531,226	5,671,366	
Jul-24	20,601,997	12,609,150	7,992,847	
Aug-24	27,018,703	15,565,166	11,453,537	
Sep-24	31,843,650	19,001,086	12,842,563	
Oct-24	36,438,210	23,429,810	13,008,400	
Nov-24	39,860,905	26,396,646	13,464,259	
Dec-24	42,923,097	36,323,982	6,599,114	
Jan-25	44,127,904	38,727,338	5,400,565	
Feb-25	25,627,244	40,396,702	0	**
Mar-25	17,002,183	23,072,337	0	**
Apr-25	18,134,605	12,846,386	5,288,219	
May-25	17,210,205	14,977,987	2,232,218	
Jun-25	17,897,228	13,249,783	4,647,446	
Jul-25	22,222,897	12,542,068	9,680,830	
Aug-25	24,222,546	14,618,248	9,604,297	
Sep-25	25,356,696	15,612,244	9,744,451	
Oct-25	25,718,373	18,290,419	7,427,954	
Nov-25	22,959,861	18,204,207	4,755,654	
Dec-25	19,615,573	20,262,397	0	**
Jan-26	21,586,637	17,418,222	4,168,415	
Feb-26	23,009,021	17,914,270	5,094,752	
Mar-26	23,871,193	14,479,234	9,391,960	
Apr-26	26,504,193	16,936,939	9,567,253	
May-26	28,947,484	18,210,272	10,737,212	

*****CWIP earning AFUDC represents the total balance eligible for AFUDC in the current month. AFUDC is applied at a project level, with ½ of the current month CWIP charges and 100% of the prior month CWIP balance comprising the balance eligible.

**Amounts listed as $0 in the 'CWIP not earning AFUDC' column are representative of months where the balance earning AFUDC is greater than the CWIP ending balance in the given month. In these cases, the balance earning is higher as it includes projects placed in-service during the month (and no longer in CWIP as the balance has been transferred to UPIS) and AFUDC is still calculated in the month when projects are placed in-service.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

183. Provide the monthly (or most frequently available) balance sheet and income statements for Kentucky American for each year from January 1, 2022, to the most currently available in live Excel format.

Response:

See KAW_R_AGDR1_NUM183_062626_Attachment 1.xlsx and KAW_R_AGDR1_NUM183_062626_Attachment 2.xlsx for monthly income statement and balance sheets, respectively, for the Company from January 2022 to May 2026.

Kentucky American Water

Income Statement

	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Water revenues	8,740,307	7,710,728	8,353,392	7,851,128	8,924,407	9,303,375	10,319,295	10,151,192	9,303,601	9,237,362	8,740,525	8,406,948
Sewer revenues	51,540	52,184	65,148	60,013	56,277	64,167	53,045	61,376	83,858	88,662	68,805	73,477
Other operating revenues	182,968	168,936	178,437	176,348	187,085	181,232	201,860	237,082	207,429	183,355	188,119	195,670
Market-Based revenues	-	-	-	-	-	-	-	-	-	-	-	-
Management revenues	-	-	-	-	-	-	-	-	-	-	-	-
Operating revenues	**8,974,814**	**7,931,848**	**8,596,977**	**8,087,488**	**9,167,769**	**9,548,775**	**10,574,201**	**10,449,650**	**9,594,888**	**9,509,379**	**8,997,450**	**8,676,095**
Total production costs	671,895	648,714	686,215	712,712	721,478	871,769	846,093	953,627	914,516	905,859	751,049	755,639
Total employee related	882,154	769,502	623,878	1,146,524	966,407	1,030,174	917,203	955,605	947,987	866,234	1,012,916	943,254
Service Company costs	969,026	1,134,658	1,309,990	684,151	996,266	1,189,304	899,574	882,647	985,250	924,856	954,647	1,089,898
Operating supplies & services	283,188	473,278	282,293	249,575	393,524	320,526	338,863	436,387	263,395	288,234	397,833	391,099
Customer accounting	(60,250)	33,038	31,342	47,246	52,497	42,166	67,194	76,365	55,713	67,729	23,286	54,263
Regulatory expense	36,022	36,022	36,022	36,022	36,022	36,022	-	-	892	892	1,038	932
Insurance other than group	93,616	111,903	102,356	103,007	103,233	102,815	102,975	102,994	103,548	108,374	101,503	112,373
Maintenance service & supplies	101,432	147,778	181,214	11,917	68,460	167,540	193,206	267,608	396,317	196,890	238,372	291,895
Total operation and maintenance	**2,977,084**	**3,354,892**	**3,253,310**	**2,991,154**	**3,337,886**	**3,760,316**	**3,365,106**	**3,675,231**	**3,667,618**	**3,359,069**	**3,480,644**	**3,639,353**
Depreciation and Amortization	1,769,331	1,712,062	1,690,033	1,736,438	1,744,237	1,461,132	2,032,601	1,609,432	1,790,462	1,761,523	1,769,586	1,780,316
General taxes	775,410	655,812	707,481	711,325	715,881	726,455	711,091	(1,630,573)	732,048	733,646	749,693	743,843
Loss (gain) on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total operating expenses net	**5,521,825**	**5,722,765**	**5,650,823**	**5,438,918**	**5,798,004**	**5,947,903**	**6,108,798**	**3,654,091**	**6,190,129**	**5,854,238**	**5,999,923**	**6,163,513**
Operating income (loss)	**3,452,989**	**2,209,083**	**2,946,153**	**2,648,570**	**3,369,764**	**3,600,872**	**4,465,403**	**6,795,559**	**3,404,759**	**3,655,140**	**2,997,527**	**2,512,583**
Interest net	824,097	792,045	812,568	816,740	842,257	859,160	875,858	885,455	882,996	908,562	873,399	887,692
Nonoperating benefit costs, net	(171,473)	(172,374)	(171,373)	(173,876)	(172,274)	(172,274)	(172,274)	(172,274)	(172,274)	(172,274)	(172,274)	(172,274)
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for other funds used during construction	6,450	21,749	22,177	22,689	28,035	31,248	27,774	29,846	37,127	41,329	43,192	43,639
Allowance for borrowed funds used during construction	3,766	13,167	13,426	13,737	16,973	18,918	16,705	17,833	22,478	25,022	26,150	26,420
Amortization of debt expense	29,281	29,281	29,281	29,252	29,486	29,950	29,955	29,955	29,955	33,563	30,553	30,578
Other Net	(25,689)	17,202	(736)	(50,777)	(18,204)	(1,598)	(13,266)	(19,446)	(24,921)	(13,030)	(6,993)	(13,470)
Total other income (expenses)	**(697,377)**	**(596,834)**	**(635,609)**	**(686,467)**	**(672,666)**	**(668,268)**	**(702,326)**	**(714,904)**	**(705,993)**	**(716,529)**	**(669,328)**	**(689,406)**
Income (loss) before income taxes	**2,755,612**	**1,612,249**	**2,310,544**	**1,962,103**	**2,697,099**	**2,932,604**	**3,763,077**	**6,080,655**	**2,698,766**	**2,938,611**	**2,328,199**	**1,823,176**
Provision for income taxes	**625,035**	**365,735**	**473,736**	**517,424**	**618,874**	**619,218**	**867,972**	**1,407,468**	**640,961**	**679,123**	**544,196**	**680,731**
Income (loss) from continuing operations	**2,130,577**	**1,246,514**	**1,836,809**	**1,444,679**	**2,078,225**	**2,313,386**	**2,895,105**	**4,673,186**	**2,057,806**	**2,259,488**	**1,784,002**	**1,142,445**
Income (loss) from discontinued operations - net of tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income (loss)	**2,130,577**	**1,246,514**	**1,836,809**	**1,444,679**	**2,078,225**	**2,313,386**	**2,895,105**	**4,673,186**	**2,057,806**	**2,259,488**	**1,784,002**	**1,142,445**

Kentucky American Water

Income Statement

	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023
Water revenues	8,755,523	8,232,338	8,617,428	8,553,304	9,385,787	9,780,258	9,490,751	10,294,609	10,046,931	9,861,746	9,004,213	8,747,053
Sewer revenues	91,743	67,398	73,472	74,515	75,942	69,537	69,731	75,792	80,463	103,918	79,878	107,891
Other operating revenues	189,283	177,337	207,225	180,448	213,112	212,285	209,013	218,606	219,624	204,414	206,926	229,615
Market-Based revenues	-	-	-	-	-	-	-	-	-	-	-	-
Management revenues	-	-	-	-	-	-	-	-	-	-	-	-
Operating revenues	**9,036,549**	**8,477,074**	**8,898,124**	**8,808,267**	**9,674,841**	**10,062,080**	**9,769,495**	**10,589,007**	**10,347,018**	**10,170,078**	**9,291,018**	**9,084,559**
Total production costs	975,317	698,344	824,160	850,158	1,069,410	883,892	902,661	969,571	957,305	994,653	843,229	850,722
Total employee related	1,016,076	914,026	1,046,046	973,746	979,840	973,821	883,468	800,568	945,242	920,990	943,255	882,207
Service Company costs	887,703	953,939	1,092,670	899,952	955,834	1,152,509	924,908	985,477	1,190,931	923,389	983,024	1,113,738
Operating supplies & services	215,229	354,849	270,188	358,653	564,228	266,028	761,996	171,447	376,448	625,684	470,522	1,042,426
Customer accounting	(15,095)	44,288	42,686	41,247	70,963	63,810	95,186	137,899	109,425	64,807	51,990	2,628
Regulatory expense	932	912	912	912	912	912	912	912	912	912	912	912
Insurance other than group	122,766	122,066	121,481	121,974	121,088	121,224	120,822	120,764	125,346	120,576	121,783	233,518
Maintenance service & supplies	152,329	222,173	226,342	244,282	245,599	221,150	278,935	201,186	233,064	199,015	272,918	469,191
Total operation and maintenance	**3,355,257**	**3,310,596**	**3,624,485**	**3,490,924**	**4,007,873**	**3,683,347**	**3,968,886**	**3,387,823**	**3,938,672**	**3,850,026**	**3,687,633**	**4,595,342**
Depreciation and Amortization	1,818,074	1,817,343	1,812,963	1,806,220	1,831,634	1,819,804	1,790,112	1,783,028	1,803,130	1,788,851	1,802,878	1,816,427
General taxes	819,369	676,434	720,605	719,905	731,237	727,214	725,705	714,267	726,160	727,461	733,555	3,666,344
Loss (gain) on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total operating expenses net	**5,992,700**	**5,804,373**	**6,158,054**	**6,017,049**	**6,570,744**	**6,230,365**	**6,484,703**	**5,885,118**	**6,467,963**	**6,366,338**	**6,224,066**	**10,078,113**
Operating income (loss)	**3,043,849**	**2,672,701**	**2,740,070**	**2,791,218**	**3,104,096**	**3,831,715**	**3,284,792**	**4,703,889**	**3,879,055**	**3,803,740**	**3,066,952**	**(993,554)**
Interest net	901,772	913,070	893,266	898,473	908,727	912,495	930,998	936,061	993,265	939,659	986,668	1,004,499
Nonoperating benefit costs, net	(55,656)	(55,656)	(61,368)	(57,560)	(57,560)	(57,560)	(57,560)	(57,560)	(57,560)	(57,560)	(57,560)	(57,560)
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for other funds used during construction	36,277	29,926	33,295	33,044	32,312	29,471	28,839	33,005	36,179	42,309	44,349	38,589
Allowance for borrowed funds used during construction	21,963	18,118	20,158	20,006	7,200	17,842	17,460	19,982	21,904	25,615	26,850	23,341
Amortization of debt expense	30,566	28,924	33,490	30,934	30,934	30,934	30,934	30,934	24,625	30,214	30,244	29,984
Other Net	(15,525)	(28,016)	(9,116)	(13,569)	(13,812)	(13,449)	(31,922)	(21,615)	(19,012)	(13,068)	(22,618)	(25,695)
Total other income (expenses)	**(833,967)**	**(866,309)**	**(821,051)**	**(832,367)**	**(856,401)**	**(852,005)**	**(889,994)**	**(878,063)**	**(921,260)**	**(857,456)**	**(910,771)**	**(940,688)**
Income (loss) before income taxes	**2,209,882**	**1,806,392**	**1,919,019**	**1,958,851**	**2,247,695**	**2,979,710**	**2,394,797**	**3,825,826**	**2,957,795**	**2,946,284**	**2,156,180**	**(1,934,242)**
Provision for income taxes	**491,844**	**401,184**	**449,018**	**446,142**	**505,460**	**675,746**	**512,501**	**831,855**	**689,142**	**605,311**	**458,063**	**353,602**
Income (loss) from continuing operations	**1,718,038**	**1,405,208**	**1,470,001**	**1,512,709**	**1,742,235**	**2,303,964**	**1,882,296**	**2,993,971**	**2,268,653**	**2,340,972**	**1,698,117**	**(2,287,844)**
Income (loss) from discontinued operations - net of tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income (loss)	**1,718,038**	**1,405,208**	**1,470,001**	**1,512,709**	**1,742,235**	**2,303,964**	**1,882,296**	**2,993,971**	**2,268,653**	**2,340,972**	**1,698,117**	**(2,287,844)**

Kentucky American Water

Income Statement

	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024
Water revenues	8,841,969	10,510,331	9,290,486	10,246,491	10,878,260	9,566,221	11,838,220	8,173,382	11,256,847	11,414,053	9,963,925	10,245,173
Sewer revenues	85,237	90,390	86,112	88,523	84,744	90,926	103,873	78,152	113,884	126,203	87,866	123,150
Other operating revenues	201,212	191,762	162,091	212,866	237,946	223,550	256,613	175,328	163,329	126,126	101,300	179,057
Market-Based revenues	-	-	-	-	-	-	-	-	-	-	-	-
Management revenues	-	-	-	-	-	-	-	-	-	-	-	-
Operating revenues	**9,128,418**	**10,792,483**	**9,538,689**	**10,547,880**	**11,200,950**	**9,880,697**	**12,198,706**	**8,426,863**	**11,534,060**	**11,666,382**	**10,153,091**	**10,547,380**
Total production costs	897,800	814,738	1,033,138	919,596	839,625	910,146	1,176,463	815,286	963,576	1,002,077	973,686	987,912
Total employee related	1,019,348	892,998	954,631	954,628	977,021	633,304	1,175,733	962,837	931,857	977,097	900,951	1,028,394
Service Company costs	982,018	1,031,027	1,217,724	958,214	984,691	1,392,441	1,033,120	1,080,993	1,193,558	1,015,251	1,027,469	1,381,292
Operating supplies & services	450,237	376,171	369,600	544,007	385,217	325,055	401,919	474,454	406,845	513,252	416,785	757,482
Customer accounting	(46,158)	52,401	36,325	73,340	57,974	104,276	80,281	62,671	59,060	35,761	58,365	135,567
Regulatory expense	912	912	912	912	413,785	(38,724)	28,599	28,599	28,599	28,599	28,599	28,599
Insurance other than group	120,050	138,313	130,195	132,189	130,566	139,609	137,382	136,506	137,188	143,161	138,088	222,265
Maintenance service & supplies	204,802	293,116	96,353	184,399	244,465	269,225	254,421	296,913	205,220	287,443	211,194	258,171
Total operation and maintenance	**3,629,010**	**3,599,677**	**3,838,878**	**3,767,286**	**4,033,346**	**3,735,332**	**4,287,918**	**3,858,260**	**3,925,901**	**4,002,640**	**3,755,137**	**4,799,681**
Depreciation and Amortization	1,882,244	1,898,824	1,895,122	1,906,407	3,256,891	2,355,906	2,323,100	2,314,477	2,324,069	2,357,517	2,388,003	2,867,421
General taxes	890,241	883,308	856,856	878,044	879,513	873,163	876,974	884,570	877,344	882,508	876,638	(629,899)
Loss (gain) on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total operating expenses net	**6,401,495**	**6,381,808**	**6,590,856**	**6,551,737**	**8,169,751**	**6,964,401**	**7,487,991**	**7,057,307**	**7,127,314**	**7,242,666**	**7,019,778**	**7,037,203**
Operating income (loss)	**2,726,923**	**4,410,675**	**2,947,833**	**3,996,143**	**3,031,199**	**2,916,296**	**4,710,715**	**1,369,555**	**4,406,746**	**4,423,716**	**3,133,313**	**3,510,177**
Interest net	1,025,177	1,000,282	1,024,085	1,000,355	1,053,730	1,096,251	1,040,747	964,810	1,051,149	1,039,767	1,058,264	1,081,546
Nonoperating benefit costs, net	(57,560)	(57,202)	(57,381)	(57,381)	(57,381)	(28,407)	(52,552)	(52,552)	(52,552)	(52,552)	(52,552)	(52,552)
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for other funds used during construction	30,397	28,246	33,568	40,115	39,825	89,127	59,728	74,256	90,734	111,558	123,093	153,147
Allowance for borrowed funds used during construction	18,403	17,101	20,323	24,287	24,111	2,301	22,894	28,463	34,779	42,760	47,133	58,702
Amortization of debt expense	29,977	29,554	32,000	30,351	31,102	31,760	31,760	31,760	31,760	31,760	31,776	31,776
Other Net	(26,494)	(1,710)	(20,109)	4,847	(22,243)	(13,733)	(6,653)	(24,924)	(12,387)	(87,232)	(6,294)	(9,770)
Total other income (expenses)	**(975,289)**	**(928,997)**	**(964,922)**	**(904,076)**	**(985,757)**	**(1,021,909)**	**(943,987)**	**(866,223)**	**(917,231)**	**(951,888)**	**(873,556)**	**(858,691)**
Income (loss) before income taxes	**1,751,634**	**3,481,678**	**1,982,911**	**3,092,067**	**2,045,443**	**1,894,387**	**3,766,728**	**503,333**	**3,489,515**	**3,471,828**	**2,259,757**	**2,651,486**
Provision for income taxes	**396,841**	**812,780**	**472,295**	**740,843**	**474,699**	**478,934**	**868,386**	**67,509**	**844,345**	**806,880**	**496,382**	**1,155,670**
Income (loss) from continuing operations	**1,354,793**	**2,668,899**	**1,510,616**	**2,351,224**	**1,570,743**	**1,415,453**	**2,898,342**	**435,823**	**2,645,170**	**2,664,948**	**1,763,374**	**1,495,816**
Income (loss) from discontinued operations - net of tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income (loss)	**1,354,793**	**2,668,899**	**1,510,616**	**2,351,224**	**1,570,743**	**1,415,453**	**2,898,342**	**435,823**	**2,645,170**	**2,664,948**	**1,763,374**	**1,495,816**

Kentucky American Water

Income Statement

	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025
Water revenues	11,107,894	10,251,096	10,758,422	10,684,195	11,562,481	11,869,328	12,696,977	13,255,136	13,378,707	12,233,326	10,731,047	11,457,926
Sewer revenues	105,004	116,559	123,464	91,687	101,907	102,218	119,269	108,408	122,405	152,520	121,178	138,386
Other operating revenues	194,419	192,062	202,483	180,303	208,437	212,721	239,197	228,879	210,850	206,235	182,706	175,808
Market-Based revenues	-	-	-	-	-	-	-	-	-	-	-	-
Management revenues	-	-	-	-	-	-	-	-	-	-	-	-
Operating revenues	**11,407,317**	**10,559,716**	**11,084,369**	**10,956,184**	**11,872,826**	**12,184,267**	**13,055,442**	**13,592,422**	**13,711,961**	**12,592,081**	**11,034,931**	**11,772,120**
Total production costs	862,140	876,824	974,295	800,671	882,016	968,201	961,361	1,145,284	1,091,999	1,141,793	860,100	864,521
Total employee related	1,018,972	965,511	979,253	967,478	1,008,498	1,001,030	998,993	1,039,851	1,076,178	1,123,070	987,052	1,313,850
Service Company costs	1,196,710	1,197,745	1,437,134	1,141,062	1,196,463	1,416,493	1,205,838	1,198,072	1,393,889	1,233,224	1,133,481	1,407,488
Operating supplies & services	414,648	457,413	441,689	494,267	500,453	454,762	836,755	498,975	505,423	513,283	423,209	467,355
Customer accounting	146,326	66,185	106,211	100,697	125,458	109,973	128,821	149,702	88,466	96,212	70,362	51,873
Regulatory expense	28,599	28,599	(91,401)	28,599	28,599	28,599	28,599	28,599	28,599	28,599	28,599	128,333
Insurance other than group	137,496	149,736	144,520	144,753	148,207	145,630	146,391	147,889	182,078	156,314	159,378	168,156
Maintenance service & supplies	231,873	192,660	229,886	227,842	310,177	197,045	175,667	234,773	191,299	225,769	137,478	316,619
Total operation and maintenance	**4,036,765**	**3,934,674**	**4,221,587**	**3,905,369**	**4,199,870**	**4,321,732**	**4,482,425**	**4,443,146**	**4,557,930**	**4,518,265**	**3,799,658**	**4,718,196**
Depreciation and Amortization	2,467,391	2,469,610	2,492,179	2,526,079	2,550,322	2,577,539	2,594,919	2,623,378	2,638,007	2,637,351	2,666,193	2,696,838
General taxes	925,652	897,192	(478,419)	915,645	915,887	914,057	(799,051)	874,791	873,987	880,297	871,368	(1,679,937)
Loss (gain) on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-	456,795	(456,795)	-	-	-	-	-
Total Non-Operating Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total operating expenses net	**7,429,807**	**7,301,476**	**6,235,347**	**7,347,093**	**7,666,080**	**8,270,122**	**5,821,498**	**7,941,315**	**8,069,925**	**8,035,912**	**7,337,219**	**5,735,097**
Operating income (loss)	**3,977,510**	**3,258,241**	**4,849,022**	**3,609,091**	**4,206,746**	**3,914,145**	**7,233,944**	**5,651,107**	**5,642,037**	**4,556,169**	**3,697,712**	**6,037,023**
Interest net	1,105,763	1,108,343	1,120,055	1,116,525	1,138,182	1,140,504	1,150,680	1,146,606	1,167,178	1,200,181	1,206,323	1,206,369
Nonoperating benefit costs, net	(47,864)	(47,864)	(47,864)	(47,864)	(47,864)	(25,758)	(40,495)	(40,495)	(40,495)	(40,495)	(40,495)	(40,495)
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for other funds used during construction	179,231	130,150	(36,818)	54,152	52,402	47,418	51,457	57,030	65,033	75,159	75,010	78,864
Allowance for borrowed funds used during construction	68,452	55,321	26,497	23,017	22,258	20,155	21,872	24,241	27,642	31,180	31,883	33,522
Amortization of debt expense	31,776	30,080	34,609	32,289	32,289	32,289	32,500	32,482	32,769	33,055	33,055	33,055
Other Net	35	(14,292)	35	(6,255)	(12,805)	(17,720)	(5,462)	(8,145)	(25)	(84,731)	(8,842)	(18,473)
Total other income (expenses)	**(841,957)**	**(919,380)**	**(1,117,085)**	**(1,030,036)**	**(1,060,752)**	**(1,097,181)**	**(1,074,817)**	**(1,065,467)**	**(1,066,801)**	**(1,171,133)**	**(1,100,832)**	**(1,105,016)**
Income (loss) before income taxes	**3,135,554**	**2,338,861**	**3,731,937**	**2,579,056**	**3,145,994**	**2,816,963**	**6,159,127**	**4,585,640**	**4,575,235**	**3,385,036**	**2,596,881**	**4,932,007**
Provision for income taxes	**730,454**	**546,602**	**915,628**	**618,012**	**735,703**	**712,639**	**1,436,778**	**1,086,777**	**1,122,510**	**797,687**	**655,582**	**1,098,490**
Income (loss) from continuing operations	**2,405,100**	**1,792,259**	**2,816,309**	**1,961,044**	**2,410,291**	**2,104,324**	**4,722,350**	**3,498,863**	**3,452,725**	**2,587,349**	**1,941,299**	**3,833,517**
Income (loss) from discontinued operations - net of tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net income (loss)	**2,405,100**	**1,792,259**	**2,816,309**	**1,961,044**	**2,410,291**	**2,104,324**	**4,722,350**	**3,498,863**	**3,452,725**	**2,587,349**	**1,941,299**	**3,833,517**

Kentucky American Water

Income Statement

	January 2026	February 2026	March 2026	April 2026	May 2026
Water revenues	11,559,537	11,219,496	12,826,756	12,392,499	13,670,233
Sewer revenues	116,247	133,307	128,908	119,188	131,957
Other operating revenues	170,199	182,495	197,971	197,069	197,122
Market-Based revenues	-	-	-	-	-
Management revenues	-	-	-	-	-
Operating revenues	**11,845,983**	**11,535,298**	**13,153,635**	**12,708,755**	**13,999,311**
Total production costs	821,981	977,771	1,090,842	1,043,183	994,615
Total employee related	1,124,212	1,087,793	1,136,556	1,091,296	1,184,191
Service Company costs	1,223,066	1,129,886	1,566,529	1,113,365	1,114,916
Operating supplies & services	468,618	502,341	587,496	466,670	515,830
Customer accounting	162,792	(41,676)	174,776	41,090	92,132
Regulatory expense	30,737	36,271	31,216	34,752	52,398
Insurance other than group	145,883	130,701	238,199	187,203	203,633
Maintenance service & supplies	301,917	219,169	287,822	318,540	232,092
Total operation and maintenance	**4,279,207**	**4,042,256**	**5,113,437**	**4,296,099**	**4,389,808**
Depreciation and Amortization	2,748,751	2,749,719	2,749,112	2,773,809	2,832,663
General taxes	542,760	(228,701)	(1,660,650)	771,893	777,612
Loss (gain) on sale of assets	-	-	-	-	-
Impairment charges	-	-	-	-	-
Total Non-Operating Expenses	**-**	**-**	**-**	**-**	**-**
Total operating expenses net	**7,570,718**	**6,563,274**	**6,201,898**	**7,841,802**	**8,000,082**
Operating income (loss)	**4,275,265**	**4,972,024**	**6,951,737**	**4,866,954**	**5,999,229**
Interest net	1,247,343	1,249,501	1,259,104	1,184,328	1,227,837
Nonoperating benefit costs, net	(55,213)	(55,213)	(55,213)	(55,213)	(55,213)
Loss on extinguishment of debt	-	-	-	-	-
Allowance for other funds used during construction	63,330	38,900	62,926	68,925	70,132
Allowance for borrowed funds used during construction	26,091	16,916	27,363	29,973	30,548
Amortization of debt expense	33,055	31,274	35,727	32,934	34,385
Other Net	(8,950)	(7,741)	(7,698)	(6,409)	(6,611)
Total other income (expenses)	**(1,144,714)**	**(1,177,486)**	**(1,157,027)**	**(1,069,561)**	**(1,112,940)**
Income (loss) before income taxes	**3,130,552**	**3,794,538**	**5,794,709**	**3,797,393**	**4,886,289**
Provision for income taxes	**742,247**	**920,729**	**1,383,353**	**903,477**	**1,161,060**
Income (loss) from continuing operations	**2,388,305**	**2,873,809**	**4,411,357**	**2,893,915**	**3,725,229**
Income (loss) from discontinued operations - net of tax	**-**	**-**	**-**	**-**	**-**
Net income (loss)	**2,388,305**	**2,873,809**	**4,411,357**	**2,893,915**	**3,725,229**

Kentucky American Water

Balance Sheet

	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Utility Plant in Service	876,267,432	878,344,224	882,296,820	885,870,599	887,520,938	895,052,289	896,981,741	900,712,567	902,655,623	906,322,397	909,795,470	916,322,688
Construction Work in Progress	9,141,607	11,181,527	10,735,422	11,203,830	13,607,936	9,749,608	11,071,820	12,575,886	11,023,752	11,753,461	11,522,274	11,002,893
Utility Plant Accumulated Depreciation/Amortization	(199,990,001)	(201,515,736)	(203,067,832)	(204,572,718)	(206,109,954)	(206,676,643)	(208,071,821)	(209,501,533)	(205,893,411)	(207,060,837)	(208,528,460)	(209,730,488)
Total Utility Plant Adjustments	350,895	348,170	345,444	342,719	339,994	337,269	334,543	331,818	329,093	326,368	323,642	320,917
Utility property net of accumulatd depreciation	**685,769,933**	**688,358,184**	**690,309,853**	**692,844,429**	**695,358,914**	**698,462,523**	**700,316,283**	**704,118,737**	**708,115,057**	**711,341,389**	**713,112,927**	**717,916,010**
Nonutility property net of accumulatd depreciation	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738
Total Property Plant and Equipment	**686,019,671**	**688,607,922**	**690,559,591**	**693,094,167**	**695,608,652**	**698,712,260**	**700,566,020**	**704,368,475**	**708,364,794**	**711,591,127**	**713,362,664**	**718,165,748**
Cash and Cash Equivalents	(2,746,971)	227,284	(1,132,711)	37,167	533,699	(239,806)	(24,676)	(49,459)	(349,514)	687,628	(174,257)	(141,731)
Restricted funds-current	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable net	7,494,334	6,790,609	6,759,470	6,529,482	6,178,606	7,262,352	7,738,189	7,123,992	8,182,547	7,476,442	6,070,799	11,074,704
Unbilled Revenues	3,991,324	3,907,466	4,365,083	4,495,386	4,653,284	5,242,641	5,972,851	5,694,273	6,062,132	4,434,226	4,832,453	4,933,336
Materials and supplies	2,481,862	2,668,646	2,945,788	3,778,067	5,585,188	5,023,940	5,702,172	5,799,240	5,228,716	5,344,717	5,302,449	5,044,991
Current portion of deferred tax asset	-	-	-	-	-	-	-	-	-	-	-	-
Assets of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Assets	408,593	764,374	1,086,875	728,215	599,086	690,813	463,262	321,090	593,597	469,159	335,249	391,516
Total Current Assets	**11,629,142**	**14,358,380**	**14,024,504**	**15,568,317**	**17,549,862**	**17,979,939**	**19,851,798**	**18,889,135**	**19,717,479**	**18,412,173**	**16,366,693**	**21,302,817**
Regulatory assets	21,162,631	20,977,140	15,549,380	20,765,556	20,660,866	15,232,676	20,331,769	20,183,818	14,910,643	19,949,881	19,846,165	14,546,113
Other investments	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Funds - Long-term	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Assets	52,567	51,184	49,800	48,417	47,034	45,650	44,267	42,884	41,500	118,447	116,888	115,652
Total Regulatory & Other L/T Assets	**21,795,075**	**21,608,104**	**16,178,862**	**21,393,557**	**21,287,385**	**15,857,714**	**20,955,326**	**20,805,894**	**15,531,238**	**20,647,324**	**20,541,950**	**15,240,564**
Total Assets	**719,443,888**	**724,574,405**	**720,762,957**	**730,056,040**	**734,445,899**	**732,549,914**	**741,373,144**	**744,063,504**	**743,613,511**	**750,650,624**	**750,271,308**	**754,709,129**
Capital & Liabilities												
Common Stock	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777
Paid in Capital	113,490,967	113,496,398	113,210,423	113,500,234	113,506,852	113,525,482	113,525,482	113,533,323	113,544,494	128,544,494	128,551,130	128,590,144
Retained Earnings	93,297,481	94,543,994	93,010,912	94,455,591	96,533,816	95,179,507	98,074,613	102,747,799	100,197,475	102,456,963	104,240,965	105,383,410
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Total Stockholders' equity	**243,357,224**	**244,609,169**	**242,790,112**	**244,524,602**	**246,609,444**	**245,273,766**	**248,168,871**	**252,849,899**	**250,310,745**	**267,570,233**	**269,360,872**	**270,542,331**
Preferred Stock without mandatory redemption requirements	-	-	-	-	-	-	-	-	-	-	-	-
Noncontrolling Interest	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330
Long term debt	234,587,900	234,588,397	234,588,894	234,589,391	244,558,188	244,559,174	244,559,933	244,560,692	218,561,452	244,562,211	244,562,970	211,563,729
Redeemable preferred stock at redemption value	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Total Long-term debt	**236,837,900**	**236,838,397**	**236,838,894**	**236,839,391**	**246,808,188**	**246,809,174**	**246,809,933**	**246,810,692**	**220,811,452**	**246,812,211**	**246,812,970**	**213,813,729**
Total Capitalization	**480,201,454**	**481,453,896**	**479,635,336**	**481,370,322**	**493,423,962**	**492,089,270**	**494,985,134**	**499,666,921**	**471,128,527**	**514,388,774**	**516,180,172**	**484,362,390**
Short Term Debt	21,894,946	22,780,392	22,661,585	25,549,754	12,879,849	17,943,871	20,979,037	18,166,241	20,714,208	9,553,428	7,198,559	13,862,132
Current Portion of Long-term Debt	-	-	-	-	-	-	-	-	26,000,000	-	-	33,000,000
Current portion of redeemable stock at redemption value	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	2,448,670	2,038,719	3,186,398	3,732,140	5,111,685	4,450,518	2,833,063	3,943,099	4,623,163	4,564,312	5,801,616	4,749,502
Accrued Liabilities	5,011,953	7,773,137	7,283,495	8,342,596	8,876,561	8,713,430	7,698,151	7,421,268	6,715,415	6,827,978	5,963,120	6,740,358
Taxes Accrued	6,737,857	7,294,016	7,918,617	8,965,561	10,092,801	10,477,778	10,951,646	10,041,763	11,123,183	10,722,980	10,382,446	8,622,162
Interest Accrued	2,739,679	3,277,492	3,851,035	1,570,910	2,392,917	1,986,895	2,829,915	3,404,811	4,015,438	1,772,397	2,615,417	1,970,825
Liabilities of Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	3,214,106	2,806,316	4,143,426	3,477,855	4,730,095	4,739,422	3,476,426	3,321,263	4,164,671	3,008,924	2,422,144	3,889,682
Total Current Liabilities	**42,047,211**	**45,970,072**	**49,044,555**	**51,638,816**	**44,083,908**	**48,311,915**	**48,768,239**	**46,298,445**	**77,356,078**	**36,450,018**	**34,383,302**	**72,834,661**
Customer Advances for Construction	11,128,016	11,201,202	11,195,662	11,066,359	11,228,771	11,308,649	11,379,723	11,643,510	12,063,095	11,721,205	11,478,969	11,587,778
Deferred Income Taxes	56,118,566	56,580,523	56,932,651	57,134,237	57,366,658	57,782,449	58,298,054	59,095,320	59,104,105	59,497,159	59,763,914	62,230,799
Deferred Investment tax credits	56,968	50,869	49,747	44,990	39,419	33,368	26,012	14,638	10,030	4,423	617	1
Regulatory liability	54,831,482	54,373,118	49,353,868	53,898,195	53,647,294	48,483,361	53,125,210	52,759,108	49,030,431	53,607,129	53,492,583	48,681,546
Accrued Pension	(1,938,651)	(2,091,822)	(2,137,806)	(2,185,961)	(2,338,866)	(2,385,751)	(2,432,636)	(2,583,261)	(2,630,146)	(2,677,031)	(2,827,656)	(2,874,541)
Accrued postretirement benefit expense	(2,423,426)	(2,511,835)	(2,854,730)	(2,943,394)	(3,031,888)	(3,148,882)	(3,237,376)	(3,325,870)	(3,414,364)	(3,502,858)	(3,591,352)	(3,679,846)
Other Deferred Credits	1,306,301	1,306,301	1,289,126	1,288,684	1,288,684	1,349,954	1,349,954	1,349,954	1,676,177	1,676,177	1,676,177	1,963,296
Regulatory & Other Long Term Liabilities	**119,081,783**	**118,910,785**	**113,830,850**	**118,305,342**	**118,202,207**	**113,425,182**	**118,510,877**	**118,955,236**	**115,841,068**	**120,327,845**	**119,994,796**	**117,910,475**
Contributions in aid of construction	**78,113,439**	**78,239,652**	**78,252,216**	**78,741,560**	**78,735,823**	**78,723,547**	**79,108,894**	**79,142,902**	**79,287,838**	**79,483,987**	**79,713,038**	**79,601,603**
Total Capital and Liabilities	**719,443,888**	**724,574,405**	**720,762,957**	**730,056,040**	**734,445,899**	**732,549,914**	**741,373,144**	**744,063,504**	**743,613,511**	**750,650,624**	**750,271,308**	**754,709,129**

Kentucky American Water

Balance Sheet

	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023
Utility Plant in Service	917,517,972	920,550,929	924,505,086	931,022,912	934,474,609	933,886,695	936,890,253	940,975,230	943,317,494	947,670,030	952,308,586	964,885,821
Construction Work in Progress	10,757,768	12,083,190	13,429,833	13,533,929	13,500,168	12,774,247	13,953,358	17,010,366	18,652,517	18,876,171	17,005,986	14,016,257
Utility Plant Accumulated Depreciation/Amortization	(211,045,383)	(212,557,790)	(213,427,898)	(214,887,915)	(215,663,393)	(210,103,783)	(211,212,564)	(212,501,373)	(211,585,503)	(212,849,968)	(213,455,261)	(213,919,611)
Total Utility Plant Adjustments	318,192	315,467	312,741	310,016	139,965	305,279	(27,931)	133,930	131,918	129,906	127,894	125,882
Utility property net of accumulatd depreciation	**717,548,549**	**720,391,796**	**724,819,762**	**729,978,942**	**732,451,350**	**736,862,438**	**739,603,115**	**745,618,152**	**750,516,426**	**753,826,139**	**755,987,206**	**765,108,350**
Nonutility property net of accumulatd depreciation	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738
Total Property Plant and Equipment	**717,798,286**	**720,641,534**	**725,069,499**	**730,228,679**	**732,701,087**	**737,112,176**	**739,852,853**	**745,867,890**	**750,766,164**	**754,075,877**	**756,236,944**	**765,358,088**
Cash and Cash Equivalents	(2,881,790)	4,743	(47,280)	(129,323)	(238,039)	(328,320)	329,032	108,989	11,608	(2,382,475)	191,631	178,274
Restricted funds-current	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable net	7,705,355	7,669,863	8,066,468	7,126,741	7,556,853	10,314,016	8,340,065	7,288,637	12,014,529	8,567,272	8,285,187	13,939,982
Unbilled Revenues	4,889,284	4,673,948	4,706,526	5,775,868	5,650,134	5,712,084	5,654,108	5,768,354	5,592,169	5,415,621	4,981,260	5,062,842
Materials and supplies	5,230,380	5,474,917	5,424,655	4,972,280	5,172,078	5,581,395	5,551,103	5,875,287	6,083,525	6,232,007	6,298,482	5,815,622
Current portion of deferred tax asset	-	-	-	-	-	-	-	-	-	-	-	-
Assets of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Assets	1,072,962	1,017,597	1,116,601	858,857	806,071	935,374	763,695	956,249	686,176	861,360	710,071	603,744
Total Current Assets	**16,016,190**	**18,841,069**	**19,266,971**	**18,604,422**	**18,947,097**	**22,214,548**	**20,638,002**	**19,997,517**	**24,388,006**	**18,693,785**	**20,466,631**	**25,600,464**
Regulatory assets	15,855,634	15,763,024	14,216,946	15,820,671	16,550,399	15,175,763	17,078,362	16,979,875	16,181,121	16,108,703	16,104,339	16,233,400
Other investments	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Funds - Long-term	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Assets	113,658	111,771	134,867	132,415	129,963	127,511	125,058	152,952	120,154	169,706	167,992	165,509
Total Regulatory & Other L/T Assets	**16,547,993**	**16,453,397**	**14,930,317**	**16,531,491**	**17,258,668**	**15,881,481**	**17,781,530**	**17,710,838**	**16,879,187**	**16,856,223**	**16,850,045**	**16,976,524**
Total Assets	**750,362,470**	**755,936,000**	**759,266,787**	**765,364,592**	**768,906,852**	**775,208,205**	**778,272,385**	**783,576,245**	**792,033,357**	**789,625,885**	**793,553,620**	**807,935,076**
Capital & Liabilities												
Common Stock	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777
Paid in Capital	128,590,144	128,595,781	138,629,350	138,629,350	138,636,367	138,679,077	138,679,077	138,679,077	138,679,077	138,679,077	138,679,077	138,679,077
Retained Earnings	107,101,449	108,506,657	106,089,528	107,602,238	109,344,472	108,271,773	110,154,069	113,148,040	112,040,030	114,381,002	116,079,119	111,645,642
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Total Stockholders' equity	**272,260,369**	**273,671,214**	**281,287,655**	**282,800,364**	**284,549,616**	**283,519,627**	**285,401,923**	**288,395,894**	**287,287,884**	**289,628,856**	**291,326,973**	**286,893,496**
Preferred Stock without mandatory redemption requirements	-	-	-	-	-	-	-	-	-	-	-	-
Noncontrolling Interest	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330
Long term debt	244,564,488	244,565,248	211,566,007	244,566,766	244,567,525	211,568,284	244,569,044	244,569,803	256,570,562	256,571,321	256,572,080	256,572,840
Redeemable preferred stock at redemption value	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Total Long-term debt	**246,814,488**	**246,815,248**	**213,816,007**	**246,816,766**	**246,817,525**	**213,818,284**	**246,819,044**	**246,819,803**	**258,820,562**	**258,821,321**	**258,822,080**	**258,822,840**
Total Capitalization	**519,081,188**	**520,492,792**	**495,109,992**	**529,623,460**	**531,373,471**	**497,344,241**	**532,227,297**	**535,222,027**	**546,114,776**	**548,456,507**	**550,155,383**	**545,722,666**
Short Term Debt	16,575,208	17,901,596	10,340,803	15,416,446	15,523,370	20,897,136	20,762,571	20,227,919	6,117,979	9,605,253	12,504,344	23,096,359
Current Portion of Long-term Debt	-	-	33,000,000	-	-	33,000,000	-	-	7,000,000	7,000,000	7,000,000	-
Current portion of redeemable stock at redemption value	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	3,289,727	3,488,282	4,175,277	4,809,925	4,818,148	5,696,067	6,048,426	4,748,005	7,396,850	4,935,264	3,631,018	7,473,802
Accrued Liabilities	4,975,655	5,867,370	6,059,840	7,978,272	7,596,957	8,205,759	6,889,813	8,752,964	9,317,440	7,898,747	7,514,048	9,243,036
Taxes Accrued	2,049,869	2,912,879	4,419,236	4,660,861	5,718,840	5,999,725	6,916,311	8,032,865	8,160,603	6,659,590	7,520,557	12,278,888
Interest Accrued	2,813,846	3,388,742	3,999,369	1,756,327	2,599,348	1,970,825	2,813,846	3,388,742	4,098,772	1,981,917	2,951,126	2,236,003
Liabilities of Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	2,732,024	2,656,253	4,094,675	2,377,178	2,599,068	3,947,493	3,086,994	3,615,802	5,359,892	4,295,974	3,611,723	4,009,225
Total Current Liabilities	**32,436,329**	**36,215,121**	**66,089,199**	**36,999,008**	**38,855,731**	**79,717,005**	**46,517,960**	**48,766,296**	**47,451,535**	**42,376,744**	**44,732,815**	**58,337,313**
Customer Advances for Construction	11,690,848	11,994,779	12,089,809	12,248,322	12,416,565	12,874,201	12,751,032	12,751,032	12,399,926	12,450,511	12,473,173	12,471,933
Deferred Income Taxes	62,491,535	62,704,664	63,012,438	63,212,869	63,473,291	63,791,059	64,185,273	64,754,273	65,058,272	65,669,096	66,045,152	70,722,778
Deferred Investment tax credits	1	1	1	1	1	1	1	1	1	1	1	1
Regulatory liability	49,744,172	49,810,510	48,138,524	48,541,756	48,273,632	46,561,948	47,660,973	47,092,317	45,469,268	44,651,869	44,310,639	44,701,296
Accrued Pension	(2,855,411)	(2,953,281)	(2,937,505)	(2,920,468)	(3,017,506)	(3,000,469)	(2,983,432)	(3,095,095)	(3,078,058)	(3,061,021)	(3,172,684)	(3,155,647)
Accrued postretirement benefit expense	(3,734,522)	(3,789,198)	(3,843,874)	(3,905,530)	(3,960,206)	(4,014,882)	(4,069,558)	(4,184,234)	(4,238,910)	(4,293,586)	(4,348,262)	(4,402,938)
Other Deferred Credits	1,963,296	1,963,296	1,914,956	1,914,956	1,914,956	2,049,578	2,049,578	2,049,578	2,187,061	2,187,061	2,187,061	2,384,721
Regulatory & Other Long Term Liabilities	**119,301,262**	**119,732,014**	**118,375,494**	**119,092,952**	**119,101,679**	**118,262,283**	**119,594,615**	**119,368,520**	**117,798,108**	**117,604,380**	**117,495,431**	**122,722,394**
Contributions in aid of construction	**79,543,691**	**79,496,072**	**79,692,103**	**79,649,172**	**79,575,971**	**79,884,677**	**79,932,514**	**80,219,403**	**80,668,938**	**81,188,254**	**81,169,990**	**81,152,704**
Total Capital and Liabilities	**750,362,470**	**755,936,000**	**759,266,787**	**765,364,592**	**768,906,852**	**775,208,205**	**778,272,385**	**783,576,245**	**792,033,357**	**789,625,885**	**793,553,620**	**807,935,076**

Kentucky American Water

Balance Sheet

	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024
Utility Plant in Service	971,755,945	972,996,436	973,980,448	981,536,422	989,873,416	995,386,372	998,097,166	1,001,892,335	1,004,269,239	1,008,537,521	1,013,923,144	1,022,230,277
Construction Work in Progress	12,485,833	16,408,635	20,887,464	21,143,355	16,738,193	18,581,483	21,096,258	27,526,154	32,479,172	37,197,904	40,414,954	43,443,046
Utility Plant Accumulated Depreciation/Amortization	(214,892,692)	(215,810,816)	(215,702,720)	(216,954,352)	(220,414,709)	(219,382,623)	(220,526,309)	(222,770,257)	(223,146,474)	(225,259,171)	(226,556,934)	(228,846,192)
Total Utility Plant Adjustments	123,870	121,859	119,847	117,835	115,823	113,811	111,799	109,787	107,776	105,764	103,752	101,740
Utility property net of accumulatd depreciation	**769,472,956**	**773,716,113**	**779,285,039**	**785,843,259**	**786,312,723**	**794,699,044**	**798,778,914**	**806,758,020**	**813,709,713**	**820,582,018**	**827,884,916**	**836,928,871**
Nonutility property net of accumulatd depreciation	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	249,738	306,144	306,144
Total Property Plant and Equipment	**769,722,694**	**773,965,851**	**779,534,777**	**786,092,997**	**786,562,460**	**794,948,781**	**799,028,652**	**807,007,758**	**813,959,450**	**820,831,756**	**828,191,060**	**837,235,015**
Cash and Cash Equivalents	(128,320)	(724,070)	692,314	715,873	875,348	937,069	705,237	334,217	1,170,737	986,732	376,476	678,287
Restricted funds-current	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable net	8,414,901	8,899,142	9,917,977	8,995,749	14,587,151	13,345,674	12,614,125	8,439,150	18,703,534	11,175,417	12,143,661	9,596,844
Unbilled Revenues	4,736,736	5,781,949	5,588,670	6,149,540	6,171,540	7,391,911	6,129,156	6,858,519	5,877,925	6,088,837	5,473,918	6,731,187
Materials and supplies	5,319,387	4,866,638	4,603,518	4,294,242	4,212,009	4,139,735	4,941,624	4,993,957	4,598,159	4,592,638	4,320,658	4,308,187
Current portion of deferred tax asset	-	-	-	-	-	-	-	-	-	-	-	-
Assets of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Assets	224,015	1,083,882	1,251,278	856,710	905,715	1,487,261	1,066,205	1,068,238	960,878	767,094	598,760	821,050
Total Current Assets	**18,566,719**	**19,907,541**	**22,053,757**	**21,012,113**	**26,751,764**	**27,301,651**	**25,456,348**	**21,694,080**	**31,311,233**	**23,610,718**	**22,913,474**	**22,135,553**
Regulatory assets	16,148,210	16,044,366	15,923,253	15,924,129	16,009,140	15,814,711	15,627,968	15,460,247	15,282,152	15,096,605	14,807,219	14,650,807
Other investments	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Funds - Long-term	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Assets	163,026	139,029	158,646	155,454	152,209	148,951	145,706	142,462	707,437	847,393	963,313	1,097,863
Total Regulatory & Other L/T Assets	**16,888,753**	**16,760,813**	**16,659,218**	**16,656,802**	**16,738,469**	**16,540,683**	**16,350,595**	**16,179,531**	**16,623,105**	**16,576,510**	**16,402,036**	**16,379,164**
Total Assets	**805,178,166**	**810,634,205**	**818,247,752**	**823,761,912**	**830,052,693**	**838,791,115**	**840,835,595**	**844,881,368**	**861,893,788**	**861,018,984**	**867,506,570**	**875,749,732**
Capital & Liabilities												
Common Stock	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777
Paid in Capital	138,679,077	138,679,077	153,179,077	153,179,077	153,179,077	153,179,077	153,179,077	153,179,077	166,179,077	166,179,077	166,179,077	166,179,077
Retained Earnings	113,000,435	115,669,334	112,661,368	115,012,592	116,583,336	113,480,206	116,378,548	116,814,372	114,940,959	117,605,907	119,369,281	119,389,042
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Total Stockholders' equity	**288,248,289**	**290,917,187**	**302,409,221**	**304,760,446**	**306,331,189**	**303,228,060**	**306,126,402**	**306,562,225**	**317,688,813**	**320,353,761**	**322,117,135**	**322,136,895**
Preferred Stock without mandatory redemption requirements	-	-	-	-	-	-	-	-	-	-	-	-
Noncontrolling Interest	6,330	6,330	6,330	6,330	6,330	6,330	6,330	6,330	-	-	-	-
Long term debt	256,573,599	256,574,358	256,575,117	256,575,876	284,407,419	284,408,902	284,410,384	284,411,867	284,413,350	284,414,832	284,416,315	284,417,797
Redeemable preferred stock at redemption value	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Total Long-term debt	**258,823,599**	**258,824,358**	**258,825,117**	**258,825,876**	**286,657,419**	**286,658,902**	**286,660,384**	**286,661,867**	**286,663,350**	**286,664,832**	**286,666,315**	**286,667,797**
Total Capitalization	**547,078,218**	**549,747,875**	**561,240,669**	**563,592,652**	**592,994,939**	**589,893,292**	**592,793,116**	**593,230,422**	**604,352,162**	**607,018,593**	**608,783,450**	**608,804,692**
Short Term Debt	19,460,680	20,919,414	14,217,503	16,231,132	387	0	0	0	0	0	5,973,703	10,388,870
Current Portion of Long-term Debt	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of redeemable stock at redemption value	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	5,048,989	4,106,233	5,111,565	3,735,939	4,321,567	9,285,390	11,064,618	12,661,844	12,292,714	12,206,708	10,917,563	16,002,868
Accrued Liabilities	9,717,594	10,842,875	9,088,432	11,378,752	8,095,654	10,654,096	9,858,545	10,854,957	12,062,607	10,435,870	9,407,685	6,472,974
Taxes Accrued	13,220,985	14,321,069	14,582,789	12,122,683	11,617,998	11,949,468	12,986,311	13,351,272	13,714,561	14,567,328	13,974,537	14,248,605
Interest Accrued	3,164,611	3,825,095	4,108,559	1,951,105	2,945,669	2,425,625	3,477,900	4,262,050	4,232,226	2,198,438	3,250,713	2,730,669
Liabilities of Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	3,403,874	2,844,095	5,452,406	10,122,514	6,778,905	11,525,707	5,797,275	4,168,741	6,975,074	5,961,264	5,190,765	5,809,792
Total Current Liabilities	**54,016,734**	**56,858,779**	**52,561,254**	**55,542,126**	**33,760,181**	**45,840,286**	**43,184,649**	**45,298,864**	**49,277,181**	**45,369,608**	**48,714,967**	**55,653,778**
Customer Advances for Construction	12,577,961	12,868,471	13,513,013	13,768,566	13,510,286	13,932,053	15,277,505	15,949,751	15,697,451	15,617,251	16,307,225	16,132,856
Deferred Income Taxes	71,047,305	71,682,796	72,071,822	72,650,557	73,027,448	73,220,629	73,975,844	74,589,984	75,872,464	76,739,068	78,062,640	78,727,774
Deferred Investment tax credits	1	1	1	1	1	1	1	1	1	1	1	1
Regulatory liability	44,470,193	43,729,648	43,213,620	42,510,583	42,091,214	41,227,679	41,019,451	40,770,942	40,383,207	40,161,145	39,904,807	40,252,019
Accrued Pension	(3,138,610)	(3,232,759)	(3,206,965)	(3,181,171)	(3,284,077)	(3,213,915)	(3,186,593)	(3,270,371)	(3,243,049)	(3,215,727)	(3,299,505)	(3,272,183)
Accrued postretirement benefit expense	(4,457,614)	(4,525,486)	(4,586,760)	(4,651,431)	(4,712,705)	(4,771,687)	(4,832,579)	(4,893,471)	(5,012,363)	(5,073,255)	(5,134,147)	(5,195,039)
Other Deferred Credits	2,384,721	2,384,721	2,385,546	2,385,546	2,385,547	2,571,216	2,571,216	2,571,216	3,406,863	3,406,863	3,406,863	4,007,568
Regulatory & Other Long Term Liabilities	**122,884,108**	**122,907,443**	**123,390,277**	**123,482,651**	**123,017,715**	**122,965,976**	**124,824,846**	**125,718,053**	**127,151,664**	**127,681,599**	**129,293,297**	**130,697,566**
Contributions in aid of construction	**81,199,107**	**81,120,107**	**81,055,551**	**81,144,483**	**80,279,858**	**80,091,562**	**80,032,983**	**80,634,030**	**81,112,781**	**80,949,185**	**80,714,857**	**80,593,696**
Total Capital and Liabilities	**805,178,166**	**810,634,205**	**818,247,752**	**823,761,912**	**830,052,693**	**838,791,115**	**840,835,595**	**844,881,368**	**861,893,788**	**861,018,984**	**867,506,570**	**875,749,732**

Kentucky American Water

Balance Sheet

	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025
Utility Plant in Service	1,024,754,476	1,044,734,595	1,055,668,367	1,058,149,352	1,064,817,267	1,069,260,364	1,072,670,263	1,078,785,068	1,082,980,205	1,091,224,887	1,096,791,298	1,119,026,859
Construction Work in Progress	44,562,164	26,031,027	17,383,014	18,617,890	17,694,194	18,275,888	22,723,186	24,752,374	25,993,076	26,707,427	31,609,794	19,872,261
Utility Plant Accumulated Depreciation/Amortization	(230,453,232)	(233,030,018)	(233,237,737)	(235,443,192)	(237,875,320)	(238,804,915)	(240,758,309)	(242,608,387)	(242,755,457)	(244,332,984)	(246,508,538)	(246,922,090)
Total Utility Plant Adjustments	99,728	97,716	95,704	93,693	91,681	89,669	87,657	85,645	83,634	81,622	79,610	77,598
Utility property net of accumulatd depreciation	**838,963,137**	**837,833,320**	**839,909,349**	**841,417,742**	**844,727,821**	**848,821,006**	**854,722,797**	**861,014,700**	**866,301,458**	**873,680,952**	**881,972,164**	**892,054,627**
Nonutility property net of accumulatd depreciation	306,144	315,587	315,587	315,587	315,587	315,587	315,587	315,587	315,587	315,587	315,587	301,220
Total Property Plant and Equipment	**839,269,281**	**838,148,907**	**840,224,936**	**841,733,329**	**845,043,408**	**849,136,594**	**855,038,385**	**861,330,288**	**866,617,045**	**873,996,539**	**882,287,751**	**892,355,847**
Cash and Cash Equivalents	758,484	1,109,511	1,504,763	622,983	893,758	1,407,065	832,145	1,193,141	1,050,697	832,439	349,505	284,895
Restricted funds-current	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable net	10,728,381	10,676,461	9,561,344	9,676,154	10,449,196	9,765,350	11,336,694	13,108,226	12,223,228	10,038,546	11,942,595	8,633,944
Unbilled Revenues	6,742,240	5,684,863	6,069,274	6,830,291	6,866,967	7,339,297	7,477,988	7,163,598	6,502,651	6,922,705	6,211,502	7,040,458
Materials and supplies	4,458,310	4,411,121	4,416,021	4,578,828	4,613,300	4,706,407	4,543,392	4,664,997	4,635,071	4,683,414	4,783,057	4,827,865
Current portion of deferred tax asset	-	-	-	-	-	-	-	-	-	-	-	-
Assets of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Assets	459,320	1,119,804	1,352,500	1,368,882	1,224,974	1,128,963	1,299,798	1,116,805	(263)	1,090,950	940,673	485,778
Total Current Assets	**23,146,735**	**23,001,761**	**22,903,902**	**23,077,138**	**24,048,194**	**24,347,082**	**25,490,017**	**27,246,767**	**24,411,383**	**23,568,055**	**24,227,332**	**21,272,939**
Regulatory assets	14,475,235	14,327,381	14,391,528	14,279,313	14,293,409	14,163,749	14,084,281	13,955,858	14,181,145	14,109,930	14,738,748	14,582,552
Other investments	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Funds - Long-term	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173	576,173
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Assets	1,243,007	1,354,915	1,519,949	1,761,303	2,000,205	2,419,854	2,482,284	2,740,689	2,974,681	3,012,233	3,060,062	187,174
Total Regulatory & Other L/T Assets	**16,347,723**	**16,310,761**	**16,538,970**	**16,667,187**	**16,919,260**	**17,208,321**	**17,190,351**	**17,319,401**	**17,777,743**	**17,743,140**	**18,418,843**	**15,388,814**
Total Assets	**878,763,738**	**877,461,429**	**879,667,808**	**881,477,655**	**886,010,863**	**890,691,996**	**897,718,753**	**905,896,455**	**908,806,170**	**915,307,734**	**924,933,926**	**929,017,601**
Capital & Liabilities												
Common Stock	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777
Paid in Capital	166,179,077	166,179,077	173,179,077	173,179,077	173,179,077	173,179,077	173,179,077	173,179,077	173,179,077	173,179,077	173,179,077	173,179,077
Retained Earnings	121,794,141	123,586,400	122,212,763	124,173,807	126,584,098	124,498,476	129,220,826	132,719,689	131,982,468	134,569,818	136,511,117	133,648,506
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Total Stockholders' equity	**324,541,995**	**326,334,253**	**331,960,617**	**333,921,661**	**336,331,951**	**334,246,330**	**338,968,680**	**342,467,543**	**341,730,322**	**344,317,671**	**346,258,970**	**343,396,359**
Preferred Stock without mandatory redemption requirements	-	-	-	-	-	-	-	-	-	-	-	-
Noncontrolling Interest	-	-	-	-	-	-	-	-	-	-	-	-
Long term debt	284,419,280	284,420,762	294,419,774	294,421,278	294,422,781	275,424,284	275,425,788	275,427,291	294,588,547	294,589,606	294,590,664	294,591,722
Redeemable preferred stock at redemption value	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Total Long-term debt	**286,669,280**	**286,670,762**	**296,669,774**	**296,671,278**	**296,672,781**	**277,674,284**	**277,675,788**	**277,677,291**	**296,838,547**	**296,839,606**	**296,840,664**	**296,841,722**
Total Capitalization	**611,211,274**	**613,005,016**	**628,630,391**	**630,592,939**	**633,004,732**	**611,920,614**	**616,644,467**	**620,144,834**	**638,568,869**	**641,157,277**	**643,099,634**	**640,238,081**
Short Term Debt	13,708,846	17,714,180	3,104,761	11,010,497	11,610,563	12,693,203	14,600,594	15,704,768	2,056,152	6,116,365	8,283,541	14,300,921
Current Portion of Long-term Debt	-	-	-	-	-	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000
Current portion of redeemable stock at redemption value	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	10,492,031	4,988,214	6,014,412	6,074,535	7,806,986	10,060,037	9,104,537	8,389,546	9,555,606	8,391,080	7,959,689	10,166,182
Accrued Liabilities	9,323,915	5,360,368	6,224,918	5,732,991	6,418,028	7,794,865	8,372,755	10,947,613	9,058,635	11,079,350	16,535,007	18,673,731
Taxes Accrued	15,421,537	16,495,760	14,655,581	16,240,751	12,893,557	15,703,358	14,385,877	15,101,759	15,213,394	16,213,116	17,744,470	15,681,106
Interest Accrued	3,782,945	4,567,095	4,255,559	2,265,522	3,361,547	2,885,253	3,981,278	4,809,178	4,324,109	2,424,322	3,610,597	3,224,553
Liabilities of Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	4,432,129	4,545,119	6,077,408	4,557,448	5,223,367	5,443,288	6,153,872	5,419,928	5,671,741	6,890,414	5,415,764	5,905,081
Total Current Liabilities	**57,161,402**	**53,670,735**	**40,332,639**	**45,881,744**	**47,314,048**	**73,580,003**	**75,598,912**	**79,372,791**	**64,879,637**	**70,114,646**	**78,549,069**	**86,951,573**
Customer Advances for Construction	15,983,054	15,858,000	14,986,093	15,166,782	15,922,184	15,984,990	15,987,770	16,870,551	16,568,427	16,273,470	16,257,251	16,282,300
Deferred Income Taxes	79,189,161	79,533,318	81,114,715	75,534,990	76,158,892	76,942,781	78,209,349	78,936,148	79,107,355	79,701,561	79,604,468	80,812,159
Deferred Investment tax credits	1	1	1	1	1	1	1	1	1	1	1	1
Regulatory liability	39,462,347	40,096,961	39,571,316	39,316,107	38,926,071	38,570,032	37,882,854	37,367,543	36,674,276	35,631,652	35,384,491	33,953,770
Accrued Pension	(3,239,591)	(3,318,099)	(3,285,507)	(3,252,915)	(3,331,423)	(3,262,573)	(3,220,828)	(3,290,183)	(3,248,439)	(3,206,694)	(3,267,249)	(3,225,505)
Accrued postretirement benefit expense	(5,260,387)	(5,325,736)	(5,391,085)	(5,456,433)	(5,521,782)	(5,589,795)	(5,718,917)	(5,785,153)	(5,851,390)	(5,917,626)	(5,983,863)	(6,050,100)
Other Deferred Credits	4,007,568	4,007,568	4,129,936	4,129,936	4,129,936	3,334,628	3,334,628	3,334,628	3,425,452	3,425,453	3,425,453	2,413,639
Regulatory & Other Long Term Liabilities	**130,185,877**	**130,894,889**	**131,167,494**	**125,479,638**	**126,324,192**	**126,019,517**	**126,513,347**	**127,471,056**	**126,712,233**	**125,943,394**	**125,455,151**	**124,219,882**
Contributions in aid of construction	**80,205,185**	**79,890,789**	**79,537,283**	**79,523,334**	**79,367,890**	**79,171,861**	**78,962,026**	**78,907,774**	**78,645,430**	**78,092,417**	**77,830,073**	**77,608,064**
Total Capital and Liabilities	**878,763,738**	**877,461,429**	**879,667,808**	**881,477,655**	**886,010,863**	**890,691,996**	**897,718,753**	**905,896,455**	**908,806,170**	**915,307,734**	**924,933,926**	**929,017,601**

Kentucky American Water

Balance Sheet

	January 2026	February 2026	March 2026	April 2026	May 2026
Utility Plant in Service	1,122,407,094	1,125,016,891	1,129,078,383	1,138,192,477	1,142,678,362
Construction Work in Progress	21,845,092	23,287,756	24,227,478	26,694,647	29,226,753
Utility Plant Accumulated Depreciation/Amortization	(248,988,389)	(251,403,469)	(250,422,587)	(254,463,376)	(257,000,344)
Total Utility Plant Adjustments	75,586	73,574	71,562	(924,942)	(925,314)
Utility property net of accumulatd depreciation	**895,339,383**	**896,974,753**	**902,954,837**	**909,498,806**	**913,979,457**
Nonutility property net of accumulatd depreciation	300,023	298,825	297,628	296,431	295,234
Total Property Plant and Equipment	**895,639,406**	**897,273,579**	**903,252,465**	**909,795,237**	**914,274,691**
Cash and Cash Equivalents	683,912	773,491	838,882	794,122	887,584
Restricted funds-current	-	-	-	-	-
Accounts receivable net	11,336,710	13,385,706	14,864,920	11,965,703	55,454,373
Unbilled Revenues	6,923,107	6,296,930	6,727,669	7,374,289	7,664,401
Materials and supplies	4,697,716	4,636,589	4,698,992	5,040,076	4,940,766
Current portion of deferred tax asset	-	-	-	-	-
Assets of discontinued operations	-	-	-	-	-
Other Current Assets	631,344	1,093,920	1,579,218	2,171,685	2,567,207
Total Current Assets	**24,272,788**	**26,186,637**	**28,709,682**	**27,345,875**	**71,514,331**
Regulatory assets	14,412,953	14,312,874	14,218,119	14,301,130	14,515,574
Other investments	-	-	-	-	-
Restricted Funds - Long-term	-	-	-	-	-
Goodwill	576,173	576,173	576,173	576,173	576,173
Intangible assets	-	-	-	-	-
Other Long Term Assets	183,884	180,652	177,358	174,098	170,837
Total Regulatory & Other L/T Assets	**15,214,976**	**15,110,714**	**15,017,194**	**15,095,891**	**15,306,015**
Total Assets	**935,127,171**	**938,570,929**	**946,979,341**	**952,237,003**	**1,001,095,037**
Capital & Liabilities					
Common Stock	36,568,777	36,568,777	36,568,777	36,568,777	36,568,777
Paid in Capital	173,179,077	173,179,077	203,179,077	203,179,077	203,179,077
Retained Earnings	136,036,811	138,910,620	138,263,018	141,156,934	144,882,163
Accumulated other comprehensive income	-	-	-	-	-
Treasury stock	-	-	-	-	-
Total Stockholders' equity	**345,784,664**	**348,658,473**	**378,010,872**	**380,904,787**	**384,630,016**
Preferred Stock without mandatory redemption requirements	-	-	-	-	-
Noncontrolling Interest	-	-	-	-	-
Long term debt	294,592,781	287,093,839	287,094,897	287,095,955	337,265,793
Redeemable preferred stock at redemption value	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Total Long-term debt	**296,842,781**	**289,343,839**	**289,344,897**	**289,345,955**	**339,515,793**
Total Capitalization	**642,627,445**	**638,002,312**	**667,355,769**	**670,250,743**	**724,145,809**
Short Term Debt	20,730,937	23,283,521	(0)	5,225,068	(0)
Current Portion of Long-term Debt	19,000,000	26,500,000	26,500,000	26,500,000	26,500,000
Current portion of redeemable stock at redemption value	-	-	-	-	-
Accounts Payable	6,263,570	7,418,137	9,065,052	8,698,155	9,828,692
Accrued Liabilities	17,423,996	14,029,983	15,504,927	16,155,605	12,872,713
Taxes Accrued	16,094,297	14,816,844	7,100,642	5,012,980	5,390,701
Interest Accrued	4,410,828	5,328,978	4,366,226	2,466,438	3,768,269
Liabilities of Discontinued Operations	-	-	-	-	-
Other current liabilities	5,549,283	6,115,643	6,550,147	7,057,197	6,883,375
Total Current Liabilities	**89,472,911**	**97,493,106**	**69,086,995**	**71,115,444**	**65,243,750**
Customer Advances for Construction	16,955,077	16,590,763	17,722,221	17,370,476	17,308,160
Deferred Income Taxes	81,650,393	82,666,417	88,281,936	88,909,154	89,752,723
Deferred Investment tax credits	1	1	1	1	1
Regulatory liability	33,872,433	33,651,309	32,943,422	32,301,384	32,095,654
Accrued Pension	(3,210,588)	(3,302,371)	(3,287,454)	(3,272,537)	(3,364,320)
Accrued postretirement benefit expense	(6,105,799)	(6,161,498)	(6,218,843)	(6,274,542)	(6,330,241)
Other Deferred Credits	2,413,639	2,413,639	4,052,813	4,517,808	4,517,809
Regulatory & Other Long Term Liabilities	**125,607,791**	**125,889,906**	**133,529,051**	**133,585,602**	**134,012,543**
Contributions in aid of construction	**77,419,024**	**77,185,605**	**77,007,527**	**77,285,214**	**77,692,934**
Total Capital and Liabilities	**935,127,171**	**938,570,929**	**946,979,341**	**952,237,003**	**1,001,095,037**

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

184. Provide the monthly (or most frequently available) balance sheet and income statements for American Water for each year from January 1, 2022, to the most currently available in live Excel format.

Response:

American Water's balance sheets and income statements dating back to 2022 are not relevant and are not readily available in Excel. Notwithstanding that, see Exhibit 28 to KAWC's Application in this matter which includes American Water annual and quarterly reports to stockholders, 10-Ks, 8-Ks, and 10-Qs.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Chuck Rea

185. Provide Kentucky American's water sales to residential, commercial, and industrial customers for each month (or most frequently available) from January 1, 2022, to the most currently available.

Response:

Please see KAW_R_AGDR1_NUM185_062626_Attachment for billed water sales from January 2022 through May 2026.

Kentucky American Water Company
Case No. 2026-00094
AG DR1 #185

		Water Sales in 1000 Gallons		
Year	**Month**	**Residential**	**Commercial**	**Industrial**
2022	Jan	503,978	306,483	41,407
2022	Feb	426,017	287,806	37,138
2022	Mar	409,766	274,562	34,655
2022	Apr	420,915	301,878	50,905
2022	May	482,359	327,147	44,161
2022	Jun	512,695	326,925	42,306
2022	Jul	582,053	399,414	59,110
2022	Aug	625,686	391,479	49,726
2022	Sep	486,180	372,642	57,233
2022	Oct	647,287	430,691	50,146
2022	Nov	436,664	333,577	42,368
2022	Dec	453,574	304,401	37,248
2023	Jan	492,594	325,673	61,003
2023	Feb	459,407	320,462	5,414
2023	Mar	447,594	286,028	66,892
2023	Apr	373,036	298,228	43,956
2023	May	523,603	341,646	7,465
2023	Jun	591,296	345,899	112,470
2023	Jul	536,689	377,560	11,384
2023	Aug	592,159	380,217	101,671
2023	Sep	639,492	447,737	12,601
2023	Oct	558,006	385,788	58,642
2023	Nov	493,712	352,814	46,435
2023	Dec	445,702	307,183	73,333
2024	Jan	514,902	322,409	13,931
2024	Feb	453,453	299,187	66,156
2024	Mar	404,811	288,510	41,853
2024	Apr	424,674	302,959	36,234
2024	May	489,808	347,092	42,830
2024	Jun	516,589	339,475	44,607
2024	Jul	676,303	417,293	52,976
2024	Aug	575,977	429,613	55,294
2024	Sep	664,552	443,141	54,810
2024	Oct	558,915	396,949	49,085
2024	Nov	513,896	361,783	42,371
2024	Dec	393,238	240,166	41,888
2025	Jan	535,488	317,006	32,417
2025	Feb	507,915	346,718	43,553
2025	Mar	440,055	293,493	37,826
2025	Apr	445,086	288,276	8,190
2025	May	478,565	333,880	80,305
2025	Jun	524,830	364,593	13,555
2025	Jul	572,807	394,933	88,844
2025	Aug	651,096	432,052	67,628
2025	Sep	665,306	471,262	56,333
2025	Oct	518,338	384,347	54,743
2025	Nov	520,843	352,928	42,265
2025	Dec	444,935	288,458	40,283
2026	Jan	510,906	302,438	34,233
2026	Feb	493,397	305,761	31,773
2026	Mar	454,768	322,650	40,642
2026	Apr	467,598	332,714	45,384
2026	May	532,343	356,945	40,115

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

186. Provide a copy of all the major bond rating agency reports that cover American Water and Kentucky American that were issued from January 1, 2022, to the most currently available.

Response:

Please refer to KAW_R_AGDR1_NUM186_062626_Attachment_CONFIDENTIAL for the major bond rating agency reports issued since January 1, 2022, covering American Water. Bond rating agencies do not issue reports on Kentucky-American because it does not have its own credit rating. This attachment is confidential and is being provided pursuant to a Petition for Confidential Protection.

KAW_R_AGDR1_NUM186_062626_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL TREATMENT FILED ON JUNE 26, 2026

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

187. Please list all debt and equity raised by American Water and Kentucky American, since January 1, 2022, to the most currently available. For bonds, please provide the CUSIP number for all securities raised over this time.

Response:

Please refer to KAW_R_AGDR1_NUM187_062626_Attachment 1 for long-term debt raised by American Water Capital Corp. ("AWCC") and Kentucky-American ("KAWC") since January 1, 2022, to the most currently available. KAWC long-term debt includes debt allocated from AWCC.

Please refer to KAW_R_AGDR1_NUM187_062626_Attachment 2 for common stock offerings by American Water Works Company, Inc. ("AWK") and KAWC equity infusions from AWK since January 1, 2022, to the most currently available.

Kentucky-American Water Company
American Water Capital Corp and KAWC Long-term Debt

KAW_R_AGDR1_NUM187_062626_Attachment 1

American Water Capital Corp.				
Long-term Debt Issuances				
Term Start	**End of Term**	**Amount**	**Interest Rate**	**CUSIP number**
5/5/2022	6/1/2032	$800,000,000	4.450%	03040WBA2
6/29/2023	6/15/2026	1,035,000,000	3.625%	03040WBB0
9/1/2023	9/1/2028	26,000,000	3.875%	69068WAD5
9/1/2023	9/1/2028	35,000,000	3.700%	13055JAC9
9/1/2023	9/1/2028	25,000,000	3.875%	45203EAG4
2/23/2024	3/1/2034	700,000,000	5.150%	03040WBD6
2/23/2024	3/1/2054	700,000,000	5.450%	03040WBC8
3/1/2024	1/1/2045	14,254	0.000%	MM0054KWS
2/27/2025	3/1/2035	800,000,000	5.250%	03040WBF1
8/6/2025	9/1/2055	900,000,000	5.700%	03040WBG9
4/1/2026	4/1/2036	700,000,000	5.200%	03040WBH7
5/20/2026	6/1/2029	500,000,000	4.625%	03040WBJ3
	Total	$6,221,014,254		

Kentucky-American Water Company					
Long-term Debt Issuances					
Term Start	**End of Term**	**Lender**	**Amount**	**Interest Rate**	**CUSIP number**
5/18/2022	6/1/2032	AWCC	$10,000,000	4.450%	03040WBA2
9/1/2023	9/1/2028	AWCC	26,000,000	3.875%	69068WAD5
9/15/2023	6/15/2026	AWCC	19,000,000	3.625%	03040WBB0
5/15/2024	3/1/2034	AWCC	14,000,000	5.150%	03040WBD6
5/15/2024	3/1/2054	AWCC	14,000,000	5.450%	03040WBC8
3/15/2025	3/1/2035	AWCC	10,000,000	5.250%	03040WBF1
9/15/2025	9/1/2055	AWCC	19,000,000	5.700%	03040WBG9
5/15/2026	4/1/2036	AWCC	50,000,000	5.200%	03040WBH7
		Total	$162,000,000		

Kentucky-American Water Company **KAW_R_AGDR1_NUM187_062626_Attachment 2**
American Water Works Company, Inc. and KAWC Equity

American Water Works Company, Inc.		
Equity Issuances		
Date of Offering	Number of Shares Issued	Offering Price
2/28/2023	12,650,000	$135.50
8/4/2025	8,098,592	$142.00

Kentucky-American Water Company	
Equity Infusions	
Date	Amount
10/31/2022	$15,000,000
3/31/2023	10,000,000
3/29/2024	14,500,000
9/30/2024	13,000,000
3/31/2025	7,000,000
3/31/2026	30,000,000
Total	$89,500,000

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: John Watkins

188. Does American Water or any other entity provide lines of credit to Kentucky American? If yes, explain how much the amount of funds available as of the most currently available data and quarterly, or the most frequently available, since January 1, 2022.

Response:

Yes, American Water Capital Corp. ('AWCC') provides a line of credit to Kentucky-American ('KAWC'). The short-term credit limit was $35,000,000 as of December 2021 through March 2023, at which time it was increased to $43,000,000, where it remains currently. Please see KAW_R_AGDR1_NUM188_062626_Attachment for January 1, 2022 through May 31, 2026 short-term debt balance by month and available funds as compared to the short-term credit limit.

Kentucky-American Water Company **KAW_R_AGDR1_NUM188_062626_Attachment**

2022-2026 Short-term Credit limit, Short-term Debt and Available Capacity

	2021	2022	2023 *	2024	2025	2026
Short-term Credit Limit	$ 35,000,000	$ 35,000,000	$ 43,000,000	$ 43,000,000	$ 43,000,000	$ 43,000,000

Short-term Debt (Account 23120000)						
Outstanding Balance	**2021**	**2022**	**2023 ***	**2024**	**2025**	**2026**
January		21,906,622	16,621,343	19,445,024	13,708,846	20,730,937
February		22,785,359	17,944,836	20,681,613	17,714,180	23,283,521
March		22,656,679	9,968,662	14,217,503	3,104,761	(0)
April		25,549,801	15,420,623	16,231,132	11,010,497	5,225,068
May		12,962,225	15,617,305	(0)	11,610,563	(0)
June		17,924,500	20,887,611	(0)	12,693,203	N/A
July		20,993,946	20,605,973	(0)	14,600,594	N/A
August		18,019,443	20,085,544	(0)	15,704,768	N/A
September		20,245,788	6,130,798	(0)	2,056,152	N/A
October		9,487,248	9,403,103	(0)	6,116,365	N/A
November		7,215,829	12,235,264	5,973,703	8,283,541	N/A
December	20,364,313	13,863,309	23,100,951	10,388,870	14,300,921	N/A

Available Capacity	**2021**	**2022**	**2023 ***	**2024**	**2025**	**2026**
January		13,093,378	18,378,657	23,554,976	29,291,154	22,269,063
February		12,214,641	17,055,164	22,318,387	25,285,820	19,716,479
March		12,343,321	25,031,338	28,782,497	39,895,239	43,000,000
April		9,450,199	27,579,377	26,768,868	31,989,503	37,774,932
May		22,037,775	27,382,695	43,000,000	31,389,437	43,000,000
June		17,075,500	22,112,389	43,000,000	30,306,797	N/A
July		14,006,054	22,394,027	43,000,000	28,399,406	N/A
August		16,980,557	22,914,456	43,000,000	27,295,232	N/A
September		14,754,212	36,869,202	43,000,000	40,943,848	N/A
October		25,512,752	33,596,897	43,000,000	36,883,635	N/A
November		27,784,171	30,764,736	37,026,297	34,716,459	N/A
December	14,635,687	21,136,691	19,899,049	32,611,130	28,699,079	N/A

*Note: * The short-term credit limit was $35,000,000 as of December 2021 through March 2023, at which time it was increased to $43,000,000, where it remains currently.*

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Ann Bulkley

189. Provide copies of all source documents, texts, articles, reports, and data cited or referenced in the Bulkley Testimony, including all footnotes and accompanying exhibits. Additionally, provide all workpapers and supporting data relied upon in the preparation of her testimony. Provide all documents in their native electronic format. For any calculations, financial models, or quantitative arrays, provide functional, native Excel workbooks with all cell formulas and links intact, completely unhidden, and completely executable

Response:

The requested workpapers and cited sources for Ms. Bulkley's Direct Testimony are provided in KAW_R_AGDR1_NUM189_062626_Attachment_1 through KAW_R_AGDR1_NUM189_062626_Attachment_45.

KENTUCKY-AMERICAN WATER COMPANY
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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Ann Bulkley

190. With reference to the Bulkley Testimony, specifically her statements on page 26, lines 19 - 23, regarding that "[a] reasonable cost of equity estimate appropriately considers alternative methodologies . . ."
   a. Did Ms. Bulkley perform a correlation analysis or a sensitivity test to quantify the degree to which the outputs of her multiple models (e.g., Constant Growth DCF, CAPM, and ECAPM) vary in response to changes in shared variables, specifically the analyst EPS growth projections used as the "g" in her DCF models and as a component of her forward-looking market return in the CAPM?
   b. If so, provide all workpapers and statistical outputs associated with this analysis.
   c. If such an analysis was performed, what specific coefficient of correlation or degree of redundancy did Ms. Bulkley deem acceptable to maintain the integrity she claims these models provide?
   d. If no quantitative test for independence or redundancy was performed, on what empirical basis does Ms. Bulkley claim that these models provide independent results rather than merely generating highly correlated results based on the same underlying analyst sentiment?

Response:

   a. Ms. Bulkley did not perform a correlation or sensitivity test to quantify the degree to which the outputs of her multiple models (e.g., Constant Growth DCF, CAPM, and ECAPM) vary in response to changes in shared variables, specifically the analyst EPS growth projections used as the "g" in her DCF models and as a component of her forward-looking market return in the CAPM. Further, while the constant growth DCF model for the proxy group and for the companies in the S&P 500 relied on projected EPS growth rates since there is not substantial overlap between the companies included in each analysis, therefore, there would not be a high degree of correlation.
   b. Please see the response to part a.
   c. Please see the response to part a.
   d. Ms. Bulkley does not claim that there is no correlation between the cost of equity models. While the DCF and CAPM models might incorporate similar inputs, each model relies on a distinct financial framework. For example, the DCF model relies on inputs such as the stock price, dividends, and growth rate, while the CAPM relies on inputs such as the risk-free rate, beta, market return and market risk premium. Consequently, the models may reflect a degree of positive correlation (*i.e.,* the results of both the DCF and CAPM will likely increase as capital costs are increasing and vice vera), however, the models will not produce equivalent cost of equity estimates. As shown in Exhibit AEB-1, the results of the DCF model are different than the results of the CAPM. Further, there are instances where the two models will produce quite different results at which point the analyst must determine which model better reflects the expectations of investors. The existence of some degree of positive correlation does not mean the models are not independent.

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Witness: Ann Bulkley

191. Refer to Exhibit AEB 6, which derives the S&P 500 required market return of 12.99% from a market-capitalization-weighted dividend yield of 1.27% and a long-term earnings growth estimate of 11.65%:
   a. Identify the specific time horizon (e.g., 3-year, 5-year, or 10-year) of the underlying analyst earnings growth estimates that were aggregated to produce the 11.65% market-cap-weighted S&P 500 growth rate.
   b. Does the data source for these growth estimates explicitly state that these growth rates are intended for use in calculating the cost of equity? If so, please provide the specific language and documentation from the source.
   c. State whether the cited sources provide these growth rates as part of investment advisory services (intended for alpha-seeking investors) rather than as neutral estimates of the long-term, sustainable growth of the S&P 500 Index.
   d. Did any of the sources provide a sensitivity analysis, confidence interval, or standard error associated with these growth projections? If only single-point estimates were provided, how did Ms. Bulkley assess the statistical reliability of these figures for use in a multi-year regulatory setting?
   e. Please list all other financial data providers or economic forecasting services she considered but rejected for this analysis (e.g., Blue Chip, CBO, or Ibbotson). For each rejected source, please provide the specific selection criteria used to determine that the figures she used were more appropriate.
   f. Given that the 11.65% S&P 500 growth rates is significantly higher than the projected growth of the U.S. Gross Domestic Product ("GDP"), please explain on what economic basis Ms. Bulkley believes an 11.65% growth rate is sustainable in perpetuity, as is typically assumed in a Constant Growth model.

Response:

a. Please see KAW_R_AGDR1_NUM191_062626_Attachment_1.
b. Please see the response to part a.
c. Please see the response to part a.
d. The projected EPS growth rates reported by Bloomberg Professional represent analysts' expectations regarding the expected growth in EPS over the near-term. Bloomberg does not provide a sensitivity analysis, confidence interval or standard error of the growth rates included in the consensus estimate.
e. Please see the response to part a.
f. As discussed on page 34 of Ms. Bulkley's Direct Testimony, Ms. Bulkley benchmarked her estimate of the market return of 12.99 percent to the historical annual equity returns since 1926 and concluded her estimate of the market return is reasonable because it is lower than 53 percent of the observed annual returns since 1926.

KAW_R_AGDR1_NUM191_062626_Attachment_1

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Witness: Ann Bulkley

192. Reference page 31 and 33 of the Bulkley Testimony and Exhibit No. AEB-6, in which she derives an S&P 500 required market return of 12.99% using a Constant Growth DCF model.
   a. Did Ms. Bulkley decompose 12.99% market return into its specific constituent components: (1) Dividend Yield, (2) Earnings Growth, and (3) Change in Valuation Multiple (i.e., Price-to-Earnings (P/E) ratio expansion or contraction)?
   b. If yes, please provide the specific percentage or basis point contribution assigned to each of the three components listed in (a).
   c. If no such decomposition was performed, please answer the following:
      - Does Ms. Bulkley's application of the 12.99% in her CAPM analysis and ECAPM assume that the P/E ratio of the S&P 500 will remain constant in perpetuity at its current level?
      - Alternatively, does the growth input implicitly assume a continuous, perpetual expansion of the market's valuation multiple?
   d. If Ms. Bulkley assumes the P/E ratio will remain constant, provide the specific Long-Term Sustainable GDP Growth Rate she believes is consistent with a perpetual 12.99% market return in the absence of multiple expansion.

Response:

   a. Yes.
   b. Please see Exhibit No. AEB-5, lines 1 through 3.
   c. Ms. Bulkley relied on a constant growth DCF model of the companies in the S&P 500 to estimate the market return. As discussed on page 28 of Ms. Bulkley's Direct Testimony, one of the four required assumptions of the constant growth DCF model is that the P/E ratio remains constant.
   d. As discussed on page 33 of Ms. Bulkley's Direct Testimony, Ms. Bulkley relied on a weighted long-term earnings growth rate of 11.65 percent in the constant growth DCF model that she relied on to calculate the market return.

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Witness: Ann Bulkley

193. Is Ms. Bulkley aware of the financial concept of Valuation Mean Reversion, which suggests that high starting P/E ratios tend to contract toward their long-term historical average over time, creating a headwind for future equity returns?
   a. Did Ms. Bulkley perform a sensitivity analysis to determine the impact on her 12.99% market return if the S&P 500 P/E ratio were to revert to its historical averages over the next decade?
   b. If Ms. Bulkley did not test for valuation contraction, does her recommendation implicitly assume that current valuation multiples will persist indefinitely?

Response:

   a. Please see the response to KAW_R_AGDR1_NUM191_062626, part f.
   b. See the response to part a above.

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Witness: Ann Bulkley

194. Reference Exhibit AEB-3 and Exhibit AEB-4 regarding Ms. Bulkley's reliance on consensus or individual analyst Earnings Per Share ("EPS") growth rate projections from Value Line, S&P Capital IQ, or Zacks Investment Research as primary inputs in both her DCF and CAPM analyses.
    a. Did Ms. Bulkley review the specific underlying financial models (e.g., discounted cash flow, relative valuation multiples, etc.) utilized by the individual analysts to generate their EPS growth forecasts? If yes, please summarize the prevailing methodologies identified.
    b. Did Ms. Bulkley identify and evaluate the specific macroeconomic assumptions (such as projected GDP growth, inflation rates, or interest rates) embedded within these analyst forecasts to ensure they are consistent with the long-term economic outlook utilized in Ms. Bulkley's own testimony?
    c. Did Ms. Bulkley investigate whether the analyst reports relied upon provide a confidence interval, margin of error, or probability weighting for their projected growth rates? If so, how was this range of uncertainty incorporated into the analysis?
    d. Is Ms. Bulkley aware of any language in the analyst reports or data services she relied upon that guarantees the accuracy of these projections, or do they explicitly disclaim liability for actual results differing from forecasts?

Response:

    a. S&P Capital IQ, and Zacks Investment Research report projected EPS growth rates that are consensus estimates (*i.e.*, include the growth rates of multiple analysts). However, they do not provide the underlying reports for each of the analysts included in the consensus estimate. Therefore, Ms. Bulkley does not have access to the data necessary to complete the requested analysis.
    b. Please see the response to part a.
    c. Please see the response to part a.
    d. Please see the response to part a.

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ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Ann Bulkley

195. Regarding the professional services provided by Ms. Bulkley or The Brattle Group, please clarify the scope of advice offered to American Water's Board of Directors or Treasury Department. Specifically:
   a. Does Ms. Bulkley or her firm provide direct advisory services regarding the final pricing, precise timing, or specific legal structuring of the American Water and/or Kentucky American's actual debt or equity issuances?
   b. If the answer is no, does Ms. Bulkley agree that there is a functional distinction between regulatory cost of equity estimates (developed for the purpose of setting utility rates) and the transactional market-clearing estimates required to successfully execute a specific capital raise in the primary markets?
   c. Did Ms. Bulkley review any internal American Water presentations, board materials, or investment banking pitch decks related to the Company's actual cost of raising equity-linked capital in the last 24 months? If yes, please identify the specific documents reviewed. If no, please explain how Ms. Bulkley verified that her theoretical calculation of the Cost of Equity is consistent with the actual marginal cost of equity capital currently being secured by the Company in the open market.

Response:

   a. No.
   b. As discussed on page 7 of Ms. Bulkley's Direct Testimony, based on the stand-alone principle of ratemaking, Ms. Bulkley is estimating the cost of equity for KAWC as a stand-alone entity. Therefore, Ms. Bulkley's ROE recommendation is reflective of investors' required return for KAWC as if it were a stand-alone entity. KAWC is not publicly traded and therefore, would not have raised capital in the primary markets.
   c. No. Please see the response to part b.

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Witness: Ann Bulkley

196. Regarding Ms. Bulkley's professional experience in asset management and pension fund advisory services:
   a. Please state whether Ms. Bulkley or her firm (The Brattle Group) provides specific financial advice to American Water's Investment Committee, Benefits Committee, or Board of Directors—or to those of any other utility client—regarding the determination of the Expected Long-Term Rate of Return on Assets ("EROA") used to manage a defined benefit pension plan.
   b. If the answer is no, does Ms. Bulkley agree that her role in this proceeding is focused on providing regulatory estimates of the Cost of Equity for the purpose of rate-setting, rather than providing the fiduciary estimates relied upon by institutional investors to manage actual retirement assets?
   c. If the answer is yes, identify the specific EROA recommendations Ms. Bulkley has provided in a fiduciary capacity over the last three years and explain any variance between those figures and the 10.75% ROE she recommends in this case.

Response:

   a. Ms. Bulkley has not provided the advice in this inquiry. Ms. Bulkley does not have visibility into all other engagements that The Brattle Group is or has been involved in and therefore cannot respond on behalf of this entity.
   b. No. Please see page 1, lines 20-23 of Ms. Bulkley's Direct Testimony for the scope of her testimony.
   c. Please see the response to part b.

KENTUCKY-AMERICAN WATER COMPANY
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Witness: Ann Bulkley

197. In preparing her recommendation, did Ms. Bulkley review the Expected Return on Equity assumptions disclosed in the most recent Form 10-Ks of the companies included in her Proxy Group?
   a. Please confirm whether the average expected return on equity assets reported by these Proxy Group companies for pension accounting purposes is generally lower than the Cost of Equity results produced by Ms. Bulkley's DCF and CAPM models.
   b. If Ms. Bulkley's calculated Cost of Equity (e.g., 10.75%) is significantly higher than the return these same companies expect to earn on their own equity portfolios (often 7.0%–8.5%), please explain why a regulated utility requires a higher return than the professional asset managers at these utility companies expect to earn from the stock market.

Response:

Ms. Bulkley has not reviewed the expected returns on pension plans as reported by the proxy group companies. Expected pension plan returns are not relevant to the determination of KAWC's cost of equity. The expectation that an asset group will return a given amount is fundamentally different than the return required by investors to take on the risks associated with the investment. Expected returns are forecasts of future performance, whereas required returns represent an opportunity cost, and are equal to the returns that investors require in order to be compensated to assume the risks of ownership. The distinction between expected and required returns, and the time horizon of the liabilities being funded by pension assets, was noted quite clearly by the Arkansas Public Service Commission ("APSC") in Docket No. 04-121-U (See KAW_R_AGDR1_NUM197_062626_Attachment_1). In its decision, the APSC disagreed with the Attorney General witness' position that expected returns disclosed in the context of pension fund assumptions could be used in determining the ROE for a regulated utility:

> There are two major problems with this sort of analysis: (1) it is unclear how long the time horizon is; and (2) these returns are expected, not required. It is well-established that expected returns may be less than, equal to, or greater than required returns. For that reason, expected returns cannot be used directly as a proxy for required returns, which is the information sought in a general rate case.

a. Please see the response above.
b. Please see the response above.

SEP 19 3 50 PM '05

FILED

ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF AN APPLICATION FOR A GENERAL CHANGE OR MODIFICATION IN CENTERPOINT ENERGY ARKLA, A DIVISION OF CENTERPOINT ENERGY RESOURCES CORP'S RATES, CHARGES, AND TARIFFS	)))))	DOCKET NO. 04-121-U ORDER NO. 16

ORDER

On November 24, 2004, CenterPoint Energy Arkla ("Arkla" or the "Company") filed an Application for approval of a general change or modification in its rates and tariffs.[1] Arkla's initial Application reflects that it was seeking a non-gas rate increase of $33,996,382 based on an overall non-gas revenue requirement of $182,525,265. Order No. 4, entered on December 16, 2004, suspended Arkla's proposed rates, charges, and tariffs pending further investigation by the Commission.

The parties to this proceeding are Arkla, the General Staff of the Arkansas Public Service Commission ("Staff"), the Attorney General of Arkansas ("AG"), Arkansas Gas Consumers ("AGC"), and the Commercial Energy Users Group ("CEUG").

Arkla filed the written testimonies of Jeffrey A. Bish, Charles J. Harder, F. Jay Cummings, Samuel C. Hadaway, Alan D. Henry, Michael TheBerge, Gerald W. Tucker, Steve Malkey, Michael J. Adams, Walter L. Fitzgerald, Michael Hamilton, and John J. Spanos. The Staff filed the written testimonies of Robert Booth, Alice D. Wright, Alisa Williams[2], Don E. Martin, Gail P. Fritchman, Don Malone, L.A. Richmond, Gayle Frier, Johnny Brown, Robert H. Swaim, and Adrienne R.W. Bradley. The AG filed the written testimony of William B. Marcus.

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[1] Arkla filed additional revisions to its Application on December 27, 2004, January 10, 2005, and January 13, 2005.
[2] On August 3, 2005, the Staff filed Notice that Jeff Hilton, Manager of Staff's Audit Section, was adopting the pre-filed testimony of Staff witness Alisa Williams.

AGC filed the written testimonies of Denise E. Baker, and Christopher A. John. CEUG filed the written testimonies of Steven A. Ward, and Timothy P. Staley.

PUBLIC HEARINGS

A Public evidentiary hearing was held in Little Rock, Arkansas, on August 9-12, 2005, for the purpose of receiving public comments, opening statements, and litigating the issues contested by the parties in this proceeding. Additional public comment hearings were conducted at various locations within Arkla's service territory: on August 19, 2005, in Monticello, AR, on August 23, 2005, in Jonesboro, AR, August 25, 2005, in Brinkley, AR, on August 26, 2005, in Texarkana, AR, and on August 30, 2005, in Russellville, AR.

TEST YEAR

Arkla's Application in this proceeding is based on a test year ended April 30, 2004 which utilized 12 months of historical data, as adjusted for known and measurable changes for the *pro forma* year ended April 30, 2005.

POSITIONS OF THE PARTIES

Arkla's sur-surrebuttal case, filed on July 22, 2005, revised Arkla's non-gas revenue deficiency to $27,938,538[3] based on an overall non-gas revenue requirement of $178,859,792. Also, Arkla proposed: to use a lead lag study ("LLS") rather than the Modified Balance Sheet Approach ("MBSA") to determine the amount of cash working capital to include in rate base; to increase the residential customer charge from $9.75 to $17.00; to provide a Voluntary Fixed Price Option ("VFPO") which would allow qualifying customers to fix the cost of their gas

supply; and to terminate its Rural Extension Fund ("REF") by contributing those funds to Arkla's Good Neighbor Fund, and the Arkansas Weatherization Assistance Program. Arkla also proposed various riders, including: (1) a Load Change Adjustment ("LCA"), which would provide margin recovery due to the decline in customers and the decline in average use per customer; (2) an Infrastructure Cost Recovery Rider ("ICR"), which provides for the recovery of the cost of capital related to certain non-revenue producing capital investments in natural gas facilities and certain operating expenses; and (3) if the Commission chooses not to adopt the LCA and/or ICR, a Rate Stabilization Plan which would adjust Arkla's rates or credit customer bills annually to reflect changes in costs and revenues.

In its Surrebuttal case, the Staff determined that Arkla has a revenue excess of $12,714,105 and a non-gas revenue requirement of $138,207,149. Major differences between the Arkla and Staff case positions include: plant-in-service, working capital assets; rate of return; depreciation expense; employee wages; salaries and compensation; the cash balance benefit and restoration plan expense; and cost allocation and rate design. The Staff opposes all of Arkla's proposed riders, the VFPO, and the manner in which the termination of the REF is treated.

Neither the AG, AGC, nor CEUG addressed all aspects of Arkla's rate case filing. The AG addressed some rate base and expense issues, rate of return, cost allocation and rate design, and Arkla's rate rider proposals. The AGC made recommendations which concerned cost allocation and rate design, cash working capital, various tariff issues, and Arkla's proposed riders. The CEUG made recommendations to the Commission concerning cost allocation and

[3] On August 4, 2005, the Commission issued Order No. 14 denying Arkla's proposal to amend its rate increase Application for new depreciation rates and expense by approximately $13 million. At the public hearing, Arkla

rate design, rate of return, various tariff issues, billing determinants, master metering/combined billing, rate case expense, and Arkla's proposed riders.

LITIGATED ISSUES

Below are the Commission's findings on issues litigated by the parties in this proceeding:

I. RATE BASE

RB-5 Working Capital Assets – MBSA/Lead Lag Study

For approximately the past twenty years, this Commission has used the Modified Balance Sheet Approach ("MBSA"), either in the absence of a lead-lag study ("LLS") or as a check on a LLS filed by a utility (Order No. 7 of Docket No. 84-199-U). This approach has been affirmed on appeal in General Telephone Co. of the Southwest v. Arkansas Public Service Commission, 23 Ark. 595, 751 S.W.2nd 1 (1988), General Waterworks of Pine Bluff v. Arkansas Public Service Commission, 25 Ark. App. 49, 752 S.W. 2nd 52 (1988), and Associated Natural Gas Company v. Arkansas Public Service Commission, 25 Ark. App. 115, 752 S.W. 2d 766 (1988). The MBSA recognizes three basic facts: (1) a utility has investments in assets other than plant which are necessary to provide utility service, and on which a return should be allowed; (2) a utility has sources of funds, other than equity and long-term debt, which should be included in the capital structure; and (3) all liabilities are fungible sources of funds that are used to fund each and every asset of the utility. A corollary of this third point is that zero-cost liabilities should be placed in the capital structure in calculating the utility's cost of capital.

A LLS attempts to measure the advances and delays involved with expenses and revenues associated with a company's operations on a day-to-day basis. The lags are generally

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stated that it was now requesting a rate increase of $14.6 million. (T. 9)

associated with the delay from when customers receive service and when they pay for such service. The leads are associated with the time between when goods and services are rendered to the utility and when the utility pays for the goods and services. A LLS generally will result in a ratio of lead or lag days to the number of days in a year. If the LLS indicates a net lag (positive), such net lag indicates that on average the utility is providing net capital ahead of time to finance customers' normal lag in payment of bills, and this amount should be added to rate base. If there is a net lead, such net lead implies that the utility has a source of zero-cost capital from suppliers of goods and services, which amount should be used to reduce rate base.

A major presentation difference between the MBSA and a LLS in a rate case is that the MBSA has implications for both rate base and the capital structure, while the LLS simply increases or decreases the rate base. Of course, if both are done properly, the revenue requirement results should be approximately equivalent. The MBSA will necessarily result in a greater rate base because the expense lag is not deducted from rate base as is the case with a LLS. Further, the MBSA will necessarily result in a smaller rate of return since the expense lag is comprehended as zero-cost capital. Expenses incurred by the Company give rise to liabilities to be paid by the Company. Further, the lag associated with billing and collecting revenues derived from providing service to ratepayers causes assets, specifically accounts receivable, to be created. (T. 370) The MBSA provides a similar measurement of working capital in that it measures, through thirteen-month averages, leads and lags comparable to leads and lags stated in the Company's LLS. (T. 374 and T. 379)

The rationale for placing all liabilities in the capital structure with the MBSA is that all liabilities are sources of funds used to finance the assets of the Company. No distinction can be made as to which asset a liability is funding because the funds provided by liabilities are fungible. Therefore, to determine the total cost of funds for the Company, the MBSA posits that we cannot ignore current, accrued, and other liabilities. This Commission has consistently acknowledged the concept of fungibility going back at least thirty years. This position has also been accepted by the Arkansas Court of Appeals in Southwestern Bell Telephone Company v. Arkansas Public Service Commission, 24 Ark. App. 142, 751 S.W. 2d, 8 (1988).

Arkla implied that the MBSA method is out-of-step with the rest of the country. (T. 747-748, 769) Arkla witness Adams, using Arkla Exhibit MJA-1, testified that 41 of 51 regulatory jurisdictions allow working capital based upon a LLS and five jurisdictions rely upon a balance sheet method. The implication from that exhibit is that the LLS is preferred across the country. However, it should be noted that Exhibit MJA-1 does not show that jurisdictions that use LLS accept a flawed or incomplete LLS. This Commission is not opposed to the use of a reliable LLS, but the use of a "sampling" technique, which can produce an unreliable LLS result, is not a sufficient substitute for an MBSA.

Arkla presented an LLS prepared by Arkla witness Tucker in Direct Testimony. In that study, the revenue collection lag was developed using a sample of 4,394 transactions for residential customers and 497 transactions for commercial and industrial customers. The revenue lag was 47.721 days and 43.126 days for residential and commercial/industrial customers, respectively. (T. 1014) Similar analyses were performed for purchased gas, income taxes,

payroll, short-term incentive compensation, other operation and maintenance ("O&M") expenses, taxes other than income, interest on customer advances and deposits, minimum bank balances, and working funds. (T. 1019) As a result of his LLS analysis, Mr. Tucker recommended an addition for cash working capital to Arkla's rate base of $10,159,575. (T. 1019)

Staff witness Richmond argued that Arkla's LLS did not produce comparable results to those of the MBSA. (T. 1678) According to Mr. Richmond, the MBSA is an all-inclusive method, including all accounts and liabilities, while the LLS is not necessarily all-inclusive. The MBSA should be used to assess the reasonableness of the LLS. In particular, according to Mr. Richmond, (T. 1678-1681), Arkla's LLS as submitted in this case:

(1) failed to consider accrued interest payable on debt;

(2) failed to consider time-lags associated with amounts that are capitalized;

(3) incorrectly calculated the revenue lag-residential;

(4) incorrectly calculated the purchased gas cost-lag; and

(5) potentially had sampling errors as a general problem with the LLS. (T. 1678-1681)

Further, Arkla's application of the LLS instead of an MBSA, using its own Filing Schedules (B-4, B-5, D-5, and D-6), results in an overstatement of revenue requirement of approximately $11.5 million. (T. 444 and 1085-1086) Because of this readily discernible overstatement and the readily identifiable deficiencies in Arkla's LLS, Mr. Richmond concluded that there was a problem with Arkla's LLS, and that the MBSA better reflects the cash working capital requirements of Arkla. (T. 444-445)

Another, more general, problem with Arkla's LLS identified by Mr. Richmond is that it relies upon samples, which may not encompass all of the days in the test year. In sharp contrast, the MBSA is all inclusive. (T. 451 and T. 455) It considers *all* liabilities and assets and *all* days of the test year, since each end-of-month balance includes the effects of all of the days in the month.

For Staff's MBSA, Staff witness Richmond calculated Working Capital Assets ("WCA") as an addition to rate base, and included current, accrued, and other liabilities ("CAOL") at their appropriate costs. Mr. Richmond calculated $121,536,104 for WCA based on a 13-month average of asset accounts for the 13 months ended April 30, 2004, as adjusted. (T. 1669) In calculating WCA, Mr. Richmond made adjustments to the Company's calculations in order to derive more representative balances for: (1) storage gas inventory; (2) bank account and cash amounts; (3) Accounts Receivable Contra account and Note Receivable-Associated Company account related to factoring; (4) Accumulated Provision for Uncollectible Accounts Receivable for bad debt reserve; (5) Unbilled Customer Accounts Receivable; (6) Deferred Arkansas Rate Case Expense; and (7) Miscellaneous other adjustments. (T. 1670-1673) The net effect of Mr. Richmond's adjustments is an increase in WCA of $65,786,281, resulting in a balance of $121,536,104. (T. 1673)

For the CAOL component of his MBSA, Mr. Richmond calculated the average CAOL on a total company basis for the test year, using 13 month averages ending April 30, 2004, for all liabilities. (T. 1706) In particular, Mr. Richmond included dividends payable and interest payable. (T. 1675-1677) (T. 1454) Mr. Richmond calculated CAOL of $155,923,798. (T. 1677)

AG witness Marcus agreed with the inclusion of interest payable as a zero-cost component of CAOL.

Arkla disagreed with all of Staff witness Richmond's adjustments with the exception of his adjustment for purchased gas lead (T. 1021-1031). Arkla witness Tucker disagreed with the inclusion of accrued interest and dividends payable in CAOL at zero-cost because those amounts belong entirely to the providers of capital and the rates of return that lenders and stockholders demand reflect these discrete payment conventions. (T. 757-758, 924, 1026)

In Rebuttal Testimony, Arkla witness Harder proposed adjustments to Staff's WCA in the amount of $18,764,863 for gas in storage inventory and unbilled revenues. (T. 131-133) Staff witness Richmond agreed with those adjustments to gas storage inventory and unbilled revenues which resulted in an adjustment of $84,551,144 and a revised balance of $140,300,967. (T. 1703-1706) However, Mr. Richmond did not agree with Mr. Harder's proposed increase in cash and cash equivalents in WCA by $5,427,354 and deferred rate case expense in WCA. (T. 1704-1706)

Arkla witness Adams alleged in Rebuttal Testimony that over one-half of the CAOL included by Staff in the capital structure either does not represent a source of funds or is not a zero cost source of funds: (1) $5.6 million in Accumulated Provisions for Injuries and Damages; (2) Pension Liability; (3) Other Post-Employment Benefits; and (4) Notes Payable-Associated Companies. (T. 758-762)

Staff witness Richmond disagreed with those claims, with the exception of the removal of the 13-month balance of $21,386,116 in the Post-Retirement-FAS 106 liability account from

CAOL (T. 1710-1714). AG witness Marcus also argued for inclusion of the reserve for Injuries and Damages in CAOL. (T. 135) Staff witnesses Richmond and Brown also disagreed with Arkla's claims that accrued interest payable and dividends payable should not be included in CAOL. (T. 1715-1716, 1886-1887)

Additionally Mr. Richmond made adjustments to include $12,094,413 in Accounts Payable-Gas to recognize liability for additional firm storage capacity, $921,953 for an update of gas storage inventory amounts, and increases for accrued dividends payable. (T. 1717)

As a result of these revisions, Staff's revised CAOL is $147,652,949, which is a decrease of $8,270,849 from CAOL in Staff's Prepared Testimony. (T. 1717)

Mr. Richmond also modified Accumulated Deferred Income Taxes ("ADIT") as of April 30, 2005, from the Company-proposed $33,076,031 to $37,046,891. This difference is related to the depreciation portion of ADIT, and is based on Staff's updated depreciation expense for the *pro forma* year. (T. 1717-1718) Mr. Richmond also proposed that, if Arkla's proposed new depreciation rates are accepted, any changes in timing differences between book and tax depreciation be appropriately reflected in ADIT.

The Staff has met the threshold issue of identifying a sufficient number of flaws in the Company's lead-lag study, therefore, it is appropriate to utilize Staff's MBSA in this particular case. We comment on several of the contested issues.

First, we note that the Company fails to understand the Staff's rationale for inclusion of accrued interest and dividends payable as zero-cost sources of capital. Because investors in Company debt instruments and in common stock do not immediately receive returns on their

investments, but receive the required returns with a lag, those same investors require correspondingly higher returns than if cash flows were received daily or weekly. Further, those higher costs of debt and equity are reflected in market-based methods for determining those costs. This Commission properly reflects those market-based costs in rate determinations. Until dividends and interest are paid, the Company has the use of that money. Without appropriate adjustments for accrued interest and dividends payable, the Company's ratepayers would be paying twice for that lag in payments to debt-holders and stockholders. (T. 1887-1888) In particular, the Commission's preferred method for calculating the cost of equity, the Discounted Cash Flow ("DCF") Method, explicitly includes as a component of the DCF calculation the dividend yield, (Dividend/Market Price). Because of the lag in receipt of dividends, reflected in dividends payable, the market price is correspondingly smaller, and the dividend yield is greater. This makes the DCF estimated cost of equity larger. Consequently, shareholders are already allowed a higher return for the lag in dividend payments. We agree with Staff that accrued interest and dividends payable, as calculated by Staff, should be included at zero-cost in CAOL.

Although the Company purportedly attempted to include accrued interest, it did so using a lag of only 32.958 days, based on the timing of Arkla's payment of interest to the parent company. (T. 1626-1627) This is significantly shorter than Staff witness Richmond's accrued interest lag of 91.25 days, based upon the fact that interest is paid at six month intervals. (T. 1676) We agree with Staff's approach, as ratepayers should not be penalized because Arkla turns the money over to its parent more often than necessary.

With regard to Account 228.2 Injuries and Damages-General Liability, Injuries and Damages- Workers Comp, Staff has included these expenses in revenue requirements, so that ratepayers are paying those expenses on a daily basis. This is shown in the Surrebuttal Testimony of Staff witness Richmond, pp. 28-9 and the Surrebuttal Testimony of Staff witness Malone, p. 13. We agree with Staff that Account 228.2, as adjusted by Staff, should be included at zero-cost in CAOL.

With regard to Account No. 228.3 , Pension Liability, excluding Other Post-Employment Benefits ("OPEB"), Staff has already included these expenses in the revenue requirement, so that ratepayers are already paying those expenses on a daily basis. This is shown in the Surrebuttal Testimony of Staff witness Malone, pp. 8-11. We agree with Staff that Account 228.3, as adjusted by Staff, should be included at zero-cost in CAOL.

With regard to Account No. 233, ST Notes and LT Payable to Associated Companies, the Staff eliminated the interest-bearing portion of the account from Current, Accrued, and Other Liabilities. This is addressed in the Surrebuttal Testimony of Staff witness Richmond, pp. 19-20. In Sur-Surrebuttal Testimony, Arkla witness Adams agreed that Staff correctly removed the interest bearing portion of this account. We agree with Staff that Account 233, as adjusted by Staff, should be included at zero-cost in CAOL.

Arkla witness Adams argued that the low overall rate of return recommended by Staff is attributable to the application of the MBSA. (T. 773) As we discussed earlier, the application of the MBSA will necessarily result in a smaller rate of return *but a greater rate base.* Consequently, there is nothing inherently punitive about the MBSA. Further, as we discuss later,

Staff witness Brown has shown that Staff's overall recommendations, including return on equity, result in Funds from Operations Interest Coverage of at least 5.0, Funds from Operations to Total Debt Coverage of at least 24%, and a total debt ratio of 54%. (T. 773, 1127-1128) Each of these financial measures meet or exceed Standard and Poor's benchmarks for an A-rated utility with a business position of 3[4].

One other issue related to cash working capital needs to be addressed. Staff witness Brown argued that the application of the MBSA in this case produces reasonable results, and, in particular that the MBSA method increases Arkla's revenue requirement by $3.5 million. (T. 1884-1885) The Company attempted to disprove that allegation on cross-examination of Mr. Brown at hearing.

As discussed in that cross-examination colloquy, the $3.5 million increase was determined by taking Staff's rate base of $469 million, found in Surrebuttal Exhibit GPF-2, page 1 of 1 (T. 1058, line 13; T. 499-500), multiplied by a pre-tax cost of capital of 7.19 percent to get a result of $33,710,198. (T. 500) Compare this to the result without the MBSA method: multiply Staff's net utility plant in service of $328 million[5], found in Surrebuttal Exhibit GPF-2, page 1 of 1 (T. 1058, T. 500) times the pretax cost of capital of 9.2 %, without CAOL and zero cost in that calculation, to obtain $30,226,361. The difference between these two calculations is $33,710,198 - $30,226,361, or approximately $3.5 million.

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[4] Standard and Poor's rates companies on a Business Position Scale of 1 to 10 with 1 being the most safe and 10 being the least safe. A Business Position of 3 is above average. All of the sample utility companies used by Staff are rated as a 3 on the Business Position scale.

[5] The primary difference between Staff's rate base of $469 million and Staff's net utility plant in service of $328 million is $140 million in working capital assets.

On cross-examination, Arkla's counsel attempted to disprove this result. Counsel posited that in his MBSA revenue requirement calculation, Staff witness Brown should have included $67 million for gas in storage, $2.7 million for materials and supplies, and prepayments of $435,000 to obtain a rate base figure without MBSA of approximately $399 million. (T. 505-506) Accordingly, if we multiply .092 times $399 million, we obtain $36,713,000. Arkla's counsel then asked Mr. Brown if, in fact, the MBSA revenue requirement is less than the lead lag revenue requirement (T.507). Mr. Brown did not agree with those calculations. (T. 507) He did not agree that the $36.7 million figure was calculated correctly. Mr. Brown noted that the latter calculation posited by Arkla's counsel is making an apples-to-oranges comparison. (T.516)

While there was much wrangling back and forth between Mr. Brown and Arkla's counsel (T, 507-519), the ultimate source of the disagreement is the determination of the proper "starting point" in the calculation. Mr. Brown claims that the proper starting point is a net utility plant rate base of $328 million, while the Company believes that the proper starting point should include, in addition to net utility plant, gas in storage, materials and supplies, and prepayments, for a total amount of $399 million. We agree with Staff on this point. Staff's MBSA is all-inclusive; it is improper to use as a starting point only a portion of the working capital assets, gas in storage, materials and supplies, and prepayments, which are part and parcel of the overall MBSA approach. For example, if we are to include these additional assets as a staring point, then perhaps additional zero-cost liabilities, such as Accounts Payable-Gas (T. 1717 and T. 510), should be included at the starting point, as well. The correct starting point is the one used by Mr.

Brown. Consequently, Mr. Brown is correct that the MBSA increases revenue requirement by approximately $3.5 million relative to the MBSA not being used.

The Commission agrees with Staff witness Richmond's calculations of the MBSA for purposes of calculating cash working capital in this case. In the future, however, should Arkla or any other utility prepare and present a reliable LLS, thereby producing a more comparable and accurate result for cash working capital as does the MBSA, the Commission will consider utilizing that approach.

RB-5A Gas in Storage Inventory

The Company claims that the appropriate gas in storage ("GIS") inventory balance to be included in rate base is $67,286,309. (T. 173) This figure reflects actual month end balances for the period May 31, 2004 through April 30, 2005, plus an adjustment to reflect the annualized effect of the additional firm storage capacity which the Company acquired from CenterPoint Energy Gas Transmission ("CEGT") on April 1, 2005. The Commission approved the Company's purchase of this additional firm storage capacity in Commission Docket No. 04-029-U, Order No. 8. (T. 129-130)

Staff initially contested Arkla's claim. However, in his Surrebuttal testimony, Staff witness Richmond accepted the Company's GIS inventory balance but noted that the Company had failed to appropriately recognize the payable associated with this balance.

AG witness Marcus proposed to reduce Arkla's GIS inventory by $1,146,597 to reflect the elimination of an excess average balance caused by purchasing more gas early in the injection cycle. (T. 1476-1478) He also reduced the GIS balance by $12,095,413 to eliminate

the additional costs associated with new capacity because the gas will not be purchased and stored until after the end of the *pro forma* year. (T. 1478-1479)

Arkla disputed both of Mr. Marcus' proposed adjustments. Arkla witness TheBerge argued that Mr. Marcus had not shown that his "theoretical" storage cycle was more realistic than the actual storage cycle or that injections in excess of equal daily injections were excess. While the goal may be to inject on an equal daily basis, that goal is rarely, if ever, achieved for a variety of reasons. (T. 722) As acknowledged by Mr. Marcus on cross-examination, actual injections should take into consideration projections of price and must also recognize the physical constraints on injections that exist in the later months of the injection period. (T. 332-333)

With regard to the additional storage contract with CEGT, Arkla witness Harder noted that Arkla had a firm entitlement to the additional storage which has now been approved by FERC and will be available this winter. Because Arkla contracted for this capacity during the *pro forma* period, the additional allowance qualifies for recognition. (T. 216-218)

We will accept the GIS balance agreed to by Staff and Arkla. We agree that the additional inventory associated with the additional firm storage capacity is properly recognized in this proceeding. We also accept the GIS balance for existing storage based on the actual balances during the period May 31, 2004 through April 30, 2005.

RB-3 Accumulated Depreciation - Retirement Work In Progress ("RWIP")

Staff witness Williams testified that any RWIP balances related to projects not completed by the end of the *pro forma* year should be eliminated. Staff Adjustment RB-3 eliminated the

RWIP balance at test year end amounting to $5,712,053. (T. 1935) Arkla witness Harder testified that the pending decrease in the reserve for accumulated depreciation for RWIP at the end of the *pro forma* period should be accounted for as a reduction to accumulated depreciation, otherwise plant-in-service will be understated. Mr. Harder argued that RWIP represents gas plant that has been physically removed from service and Gross Plant In Service ("GPIS"). He further contended that, under the FERC Uniform System of Accounts ("USOA"), Arkla is allowed to include RWIP in a separate subaccount. According to Mr. Harder, this treatment of RWIP, as a reduction to the accumulated reserve for depreciation is both appropriate and necessary. (T. 118-119)

In surrebuttal testimony, Staff witness Williams disagreed with Arkla witness Harder that RWIP should be included in accumulated depreciation. Ms. Williams stated that, contrary to Mr. Harder's rebuttal testimony, the Company stated in response to Staff Interrogatory No. AUD-401 that, although assets have been physically removed from service, they have not been removed from GPIS. Ms. Williams asserts that these amounts are not reflective of the final accounting of costs and benefits related to retirements that are in progress, are still currently included in GPIS, and therefore should not be included in Plant In Service (PIS). (T. 1952) In sur-surrebuttal testimony, Mr. Harder continued to argue that RWIP should be included in rate base. He contended that RWIP represents additional investment by the Company that should be included in plant. Mr. Harder further asserted that if the asset is not removed from service, then RWIP represents additional costs associated with the asset. If the asset has been removed, then RWIP should be netted against accumulated depreciation. (T. 214-215)

The Commission finds that the Staff's treatment of this issue represents a more reasonable resolution than the Company's proposal. Arkla is essentially requesting that it should be allowed to include in rate base and earn a return on $5,084,504 of RWIP. The Staff recommends that Arkla's proposal be denied. Arkla states that under the FERC USOA, Arkla is allowed to include RWIP in a separate subaccount under accumulated depreciation. This would suggest to the Commission that the RWIP subaccount is an account where, as Staff witness Williams testified, costs are being accumulated on retirement work orders that have not been completed. As Ms. Williams further testified, the "amounts are not reflective of the final accounting of costs related to the retirements that are in progress... ." (T. 1952) In other words, it is only after the final costs of the amounts contained in the subaccount are known and finalized that the accumulated reserve for depreciation is charged or reduced. Arkla has simply not sustained its burden of proof with regard to the proper accounting treatment of RWIP nor has it adequately shown why RWIP should be included in rate base. Therefore, the Commission finds that the Company's proposed treatment of RWIP is not acceptable, and its request to include RWIP in rate base is denied.

II. OPERATING EXPENSES

IS-20 Payroll

The Company's initial filing included a *pro forma* adjustment to annualize payroll expense. This adjustment was based upon the annualization of payroll based on the level of employees at September 2004, which resulted in an annualized payroll of $33,611,947. In its rebuttal filing, the Company updated its payroll adjustment to reflect the actual payroll for the

twelve months ending April 30, 2005, adjusted to reflect the competitive pay adjustment ("CPA") of 3 percent that was granted on April 1, 2005. According to Arkla witness Harder, the revised payroll adjustment would recognize a number of factors that affect the payroll, such as employee turnover, promotions, etc. (T. 141) Mr. Harder also explained that this method of annualizing payroll expense avoids any distortion of the annual payroll expense that may result from the April 1, 2004, corporate reorganization, since employee levels remained relatively stable during the 12 months ending April 30, 2005. The updated payroll adjustment resulted in an annualized payroll of $33,764,815 or $152,868 higher than the Company's initial payroll claim.

In Staff witness Malone's direct testimony, he recommended an adjustment to payroll to reflect two changes. The first change was to reflect the most recent number of employees available at the time it filed testimony, which was the number of employees at February 28, 2005. Mr. Malone explained that the Company had used a "per person" basis to calculate payroll, and by using the most recent known level of employees, its adjustment resulted in the exclusion of 44 positions that were vacant on that date. In Mr. Malone's surrebuttal testimony, he pointed out that the Company's rebuttal payroll calculation moves away from the "per person" calculation. According to Mr. Malone, the Company's rebuttal payroll calculation is affected by the corporate reorganization since the workforce continued to decline through December 2004. (T. 1980) Mr. Malone also updated his adjustment by annualizing payroll based upon the number of employees at the end of the *pro forma* year. Mr. Malone calculated his revised payroll based on the number of employees on March 31, 2005, adjusted to reflect

vacancies and the CPA as of April 2005. The payroll was also adjusted for normal overtime and Short-Term Incentive Pay.

The second change reflected by Mr. Malone related to the Short-Term Incentive Plan ("STIP") and the Long-Term Incentive Plan ("LTIP"). Essentially, Mr. Malone proposed a 50/50 sharing of the incentive pay that was related to achieving financial goals. However, Mr. Malone revised his STIP adjustment in his surrebuttal. Mr. Malone indicated that, based upon his review of those costs for the *pro forma* year and the preceding three years, a three-year average of the STIP should be used to determine the STIP amount included in rates. (T. 1983)

In his surrebuttal testimony, Mr. Malone also modified his calculation of the level of overtime to be included in the cost of service in this proceeding. Similar to its surrebuttal recommendation for the STIP, Mr. Malone recommended that the overtime level be based on the average amount for the three preceding years.

The AG limited its payroll adjustments to the incentive pay components of payroll. With respect to the STIP, AG witness Marcus proposes an adjustment that is similar to Staff's in that the AG proposes a 50/50 sharing of the incentive pay related to financial goals, and that the amount be based on the three-year average. With respect to the LTIP, Mr. Marcus proposed to remove 50 percent of the Company's CEO bonus and 100 percent of the restricted stock compensation to the top four corporate officers.

In his Sur-Surrebuttal testimony, Arkla witness Harder addressed several of the payroll issues raised by Staff and the AG. He criticized the revised payroll adjustment recommended by Staff witness Malone in his Surrebuttal filing as being based upon a "snap shot" or only one

point in time. However, with regard to salary and wages, Mr. Harder indicated that of the $734,704 difference between the Staff and the Company, $536,255 is the result of differences between the two parties in the capitalization rate. According to Mr. Harder, Mr. Malone used the budgeted capitalization rate from the original filing, while he used the actual capitalization rate for the *pro forma* period. (T. 223) Mr. Harder identified the remaining difference of $198,449 as related to the difference in the level of employees due to turnover. (T. 224) With respect to Staff witness Malone's use of the three-year average overtime pay, Mr. Harder suggested that the increased overtime is a direct result of the corporate reorganization and argued that Mr. Malone failed to take that into consideration. Finally, in his Sur-Surrebuttal testimony, Mr. Harder accepted Staff's and the AG's recommendation to use a three-year average for the STIP, but rejected the 50/50 sharing of those costs.

The Company's payroll claim can be broken down into three components – regular salaries and wages, overtime payroll, and incentive compensation. The parties disagree on how these three components should be determined. With regard to regular salaries and wages, the Company's rebuttal approach considers the CPA-adjusted actual payroll (and the actual *pro forma* year number of employees) to be representative of the ongoing level of payroll. Arkla witness Harder indicated that the restructuring in April 2004 resulted in a reduction of the workforce that is properly reflected in the *pro forma* year employee and wage levels that reflect employee levels after the corporate reorganization. In his rebuttal testimony, Mr. Harder stated that he revised his payroll adjustment to the *pro forma* period because the workforce was relatively stable and was not tainted by workforce reductions.

Staff witness Malone proposed to determine annualized regular salaries and wages by first calculating the most recent level of salaries and wages per employee, including the April 1, 2005, CPA adjustment. This cost per employee was then multiplied by the end of *pro forma* year employee level to derive the Staff's recommended allowance for salaries and wages.

Based on our review, we are satisfied that Arkla's *pro forma* year wages, adjusted for the April 1, 2005, CPA increase, reflect the impacts of the restructuring which occurred prior to the *pro forma* year. Based on the information before us in this proceeding, we are not convinced that the Staff's proposal to use employee levels as of a single point in time is representative of Arkla's normal ongoing employee levels upon which forward-looking rates are to be based. Accordingly, we reject Staff's adjustment to regular salaries and wages.

With regard to overtime, Arkla witness Harder again proposed to utilize the actual level of overtime during the *pro forma* period. Staff witness Malone proposed to base overtime on the average level during the three preceding years. Mr. Harder argued that Mr. Malone's use of a three year average fails to recognize that the employee reductions resulting from the April 2004 restructuring will affect the level of overtime required prospectively. In his Sur-Surrebutta testimonyl, Mr. Harder noted that Arkla's use of the *pro forma* period level of overtime reflects the impact of the reorganization.

We agree that reductions in the number of employees may increase the need for overtime for remaining employees. Accordingly, we conclude that use of a multi-year average for overtime is not appropriate in this case because it includes periods prior to the recent restructuring. Therefore, we reject Staff's adjustment to overtime.

Regarding the incentive compensation portion of the payroll, it should be recognized that incentive pay can be considered "at risk". As such, there is no guarantee that incentive payments will be made in any given year. As pointed out by Staff witness Malone and AG witness Marcus, financial and customer service goals are established and have to be achieved in order for payments to be made under the plan. (T. 1963, 1372) In fact, Mr. Marcus points out that in 2001, one of the corporate affiliates from whom the Company receives charges did not make incentive payments to its employees. (T. 1374) The other aspect of incentive payments is that the amount paid can be affected based upon whether the goals were simply achieved or were exceeded. In other words, if the results of operations exceed the goals by certain benchmarks, the incentive payments are higher than they would have been if the goals were achieved at the minimum level. This means that even if incentives were paid every year, the level of incentives paid may fluctuate from year to year. Therefore, the incentive payments made in any single year cannot be considered the normal level. Accordingly, the Staff and AG's recommendation that the average incentive pay be used in determining the allowable incentive pay is adopted.

Both Staff witness Malone and AG witness Marcus recommend that the Company be allowed to recover only 50 percent of the incentive pay related to financial goals. This sharing of the financial goals has merit because both shareholders and ratepayers stand to benefit from the Company's achieving these goals. Shareholders benefit because, when the goals are achieved or exceeded, additional income is earned which translates into increased shareholder value. Ratepayers benefit because, when the Company is able to achieve additional income, it is able to pass the additional income on to its customers by keeping rates down or filing less frequent rate

cases. Although the Company rejects the 50/50 sharing by stating that the STIP is performance-related, it has not denied nor presented any contrary evidence that financial goals govern the payment of the STIP.

With regard to the LTIP, AG witness Marcus recommends that 50 percent of Arkla's share of the incentive bonuses paid to CenterPoint's CEO be disallowed to reflect benefits to both ratepayers and shareholders. (T. 1374) In support of the position, Mr. Marcus noted, in his Surrebuttal Testimony at page 18, that the compensation of CenterPoint's CEO has increased by 93 percent from 2001-2004. In his Sur-Surrebuttal testimony, Arkla witness Harder argued that incentive bonuses are based on individual performance and are an appropriate part of overall compensation. AG witness Marcus also recommended that all of the Restricted Stock bonuses paid to certain corporate executives be removed from the cost of service. (T. 1375-1376) He argued that costs should be borne by shareholders since they are given to only a few highly paid individuals.

In his Sur-Surrebuttal testimony at pages 24-25, Arkla witness Harder rejected the 50/50 sharing of the STIP, but accepted the 50/50 sharing of the LTIP costs. Hence, only the STIP sharing is currently being contested by the Company. As we explained above, there are benefits to both ratepayers and shareholders when the Company achieves the financial goals that trigger the payment of incentive compensation. Therefore, we accept the recommendation that there be a 50/50 sharing of the STIP. With regard to AG witness Marcus' recommendation to disallow 100 percent of the restricted stock payment to certain corporate officers, we find that Mr. Marcus has not provided sufficient reasons to treat these employees differently. As a result, we decline

to accept his recommendation. We also note that by the parties' agreement on the 50/50 sharing of the LTIP and our acceptance of the 50/50 sharing of the STIP, the CEO bonus is effectively being shared on a 50/50 basis between ratepayers and shareholders. (TR 89-90.) As a result, AG witness Marcus' recommendation regarding the CEO bonus is resolved, and a separate adjustment is not needed. In summary, an adjustment to payroll expense of $530,874 is found appropriate in this proceeding. This reflects Staff's adjustment to disallow 50 percent of STIP expense.

Depreciation – Rates (IS-48 Depreciation Expense)

In its Application, Arkla proposed to continue to utilize the depreciation rates approved in Arkla's prior rate case and elected not to present a new depreciation study in this proceeding. (T. 85) Because of concerns which were raised in that rate case (Docket No. 01-243-U) with regard to net negative salvage, Staff witness Freier prepared a depreciation study and has proposed new depreciation rates. Based on the findings of her study, Ms. Freier recommended that the Company's proposal to adopt the currently authorized depreciation rates be rejected. Adoption of Staff witness Freier's recommended depreciation rates will result in a composite depreciation rate of approximately 3.80 percent compared to the current composite rate of approximately 5.42 percent. (T. 2007-2009)

According to Ms. Freier, the primary factor causing the difference between her proposed depreciation rates and the current rates relates to net negative salvage for the mains and services accounts. The current depreciation rates for mains and services are based on negative net salvage factors of -115 percent and -275 percent, respectively. (T. 2012-2013) Based on her

analysis, Ms. Freier proposed negative net salvage allowances of -70 percent for Mains and -115 percent for services. (T. 2032)

The salvage ratios underlying Arkla's current depreciation rate are based on the ratio of the cost of removal net of any gross salvage realized compared to the original cost of the assets retired and removed from service. Staff witness Freier notes that this has the effect of not stating retirement amounts and the negative net salvage amounts in comparable dollars because of the historical inflation which has taken place from installation to removal. According to Ms. Freier, the failure to restate historical original costs on the same basis as retirements "interjects considerable historical inflation differences into the calculation and significantly overstates the appropriate net salvage [and] the depreciation rates ...." (T. 2013) Accordingly, Ms. Freier developed her negative net salvage ratios and, in turn, her depreciation rates by restating retirements, gross salvage and cost of removal on a constant price level. (Id., p. 10.)

In addition to developing revised depreciation rates, Staff witness Freier also made several other recommendations with regard to depreciation expense. These recommendations deal with various data retention and recordkeeping issues as set forth on pages 16-18 of her Prepared Testimony. Ms. Freier also identified six accounts that are fully recovered or overrecovered including: Other Structures-Distribution; Cast Iron Mains; Other Structures-Levy PH (call center); Structures & Improvements-Services; Data Processing Equipment-Misc.; and Other Equipment-Communications Equipment-Mtr. She recommended that depreciation accruals cease on these and any other accounts where the reserve ratio equals 100 percent plus or minus any applicable net salvage. (T. 2032)

In his rebuttal testimony, Arkla witness Harder argued that Ms. Freier's proposed depreciation rates significantly understate the appropriate allowance for depreciation expense. Mr. Harder indicated that Arkla did not propose to adjust its current depreciation rates in order to narrow the issues in the instant proceeding. However, in response to Ms. Freier's proposals, Arkla submitted its own new depreciation study, sponsored by Mr. John Spanos.[6] (T. 170)

In his study, Mr. Spanos took exception to Ms. Freier's net salvage calculations. He argued that the Commission should follow the traditional method of calculating net salvage, as it has in the past. He noted that the traditional approach (comparing net salvage to original cost of the retired plant) collects net salvage ratably over the life of the plant, from the customers served by that plant. Mr. Spanos claimed this approach is both equitable and consistent with sound ratemaking principles. In contrast, he contended Staff witness Freier's approach fails to recover the total loss in-service value (depreciation plus net salvage) over the life of the asset. Mr. Spanos testified that by excluding inflation, Ms. Freier's proposal will delay recovery of full service value and create intergenerational inequities. (T. 370-371, 383-384)

In addition to responding to Staff witness Freier with regard to net salvage, Arkla witness Spanos also presented a new depreciation study to demonstrate that Ms. Freier's proposed depreciation rates were too low. As part of this study, Mr. Spanos developed new estimates of service lives and salvage percentages. In addition, the depreciation rates which he developed were based on converting from average life group ("ALG") to equal life group ("ELG") procedure.

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[6] In our Order No. 14 in this docket dated August 4, 2005, we ruled that this study was proper rebuttal, but could not be used to amend the Company's application to seek a higher depreciation allowance.

In her Surrebuttal Testimony, Ms. Freier argued that Mr. Spanos' proposal should be rejected. She noted that the composite depreciation rate proposal by Mr. Spanos would be 7.42 percent compared to the composite of 5.42 percent based on Arkla's current depreciation rates and her proposed composite of 3.80 percent. She compared this composite with the composite rates for other LDCs regulated by this Commission and concluded that the new depreciation rates proposed by Arkla are excessive. (T. 2045-2047)

In response to Mr. Spanos' criticisms of her proposal to restate the salvage allowance on a constant dollar basis, Ms. Freier noted that her treatment is fundamentally consistent with the treatment of negative salvage used in Entergy Arkansas, Inc.'s[7] nuclear decommissioning calculations. Those calculations provide for the recovery of decommissioning costs over the life of the plant in levelized, not constant, dollars. (T. 2057)

Ms. Freier also responded to Mr. Spanos' proposal to utilize the ELG procedure for calculating depreciation rates by noting that this procedure was inconsistent with Commission practice. Ms. Freier explained that both ALG and ELG are systematic and rational frameworks for calculating depreciation accruals over the life of the asset. However, ELG would cause depreciation rates to be higher in the early years of an asset's life. Moreover, because of the increasing cost of plant over time, she argued that depreciation expense will always be higher under ELG than under ALG. (T. 2047- 2050) This is particularly important for a utility such as Arkla that is adding new plant as a result of its main replacement program (TR 273.)

In his Sur-Surrebuttal testimony, Mr. Spanos argued that comparisons of composite depreciation rates are not meaningful without more specific information. (T. 394) He also

claimed that the higher depreciation accruals under ELG compared to ALG are offset by future return on rate base savings. (T. 395-397) In addition, Mr. Spanos noted that Staff witness Freier's adjustment to levelize salvage cost recovery will result in the underrecovery of future net salvage costs. He further argued that, because the accruals for the recovery of original cost are not stated in levelized dollars, Ms. Freier's procedure to restate salvage costs creates an inconsistency between the recovery of the original cost of the plant and salvage costs. Finally, Mr. Spanos noted that ratepayers receive a rate base deduction for the amounts they provide for the recovery of future net salvage because those amounts are included in the balance of accumulated depreciation until the net negative salvage costs are incurred. (T. 397-399)

With regard to the proposal to adopt ELG depreciation, we agree with the criticisms raised by Ms. Freier. As we have noted in the past, ELG will continue to result in higher depreciation rates and expense as long as a utility's plant continues to grow. The higher accruals in the early years of an asset's life exacerbate the problem that capital costs are already front end loaded because of the higher return on investment in the early years of that asset's life. Both ALG and ELG provide for full recovery of the investment in an asset over its life when coupled with remaining life depreciation. We conclude that ALG better balances the interests of shareholders and ratepayers and reject Arkla's argument that the ELG procedure is appropriate to establish depreciation rates.

We are also very concerned about the high level of negative net salvage associated with Arkla's mains and services. This issue arose previously in Arkla Docket No. 01-243-U in which Arkla was directed to perform a removal cost study. However, according to Staff witness Freier,

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[7] Entergy Arkansas, Inc. is a retail public electric distribution utility regulated by this Commission.

that study did not explain why Arkla's net salvage values are so far out of the norm. As a result, Ms. Freier proposed an inflation adjustment as a means of addressing this issue. (T. 271) Ms. Freier's methodology for calculating net salvage on a constant dollar basis represents a departure from the historical procedure we have followed to set Arkla's depreciation rates. However, we note that the net salvage allowances recommended by Ms. Freier of -70 percent for Mains and -115 percent for Services are still significant and are in line with experience elsewhere as cited by Mr. Spanos. (T. 218-220) Moreover, the use of remaining life depreciation will ensure that Arkla will fully recover its original investment and the actual amount it incurs for negative net salvage. Accordingly, we adopt Staff's proposed net salvage values and, in turn, Staff's depreciation rates as a means of capping net salvage cost.

We agree with Ms. Freier's recommendation that depreciation should cease on all plant accounts where depreciation accruals are at or above 100 percent adjusted for net salvage. Arkla has accepted the Ms. Freier's recommendation that Arkla be required to apply the depreciation rates approved by this Commission to each of its accounts whether is direct-assigned allocated, general or shared, with the condition that it be allowed to use fixed life depreciation for certain general plant assets. (T. 978-979) Given the low dollar value of these assets, this is reasonable and is accepted. Finally, we hereby require Arkla to implement the new reporting requirements proposed by Ms. Freier. We are concerned about the issues that have arisen with regard to plant accounting under Arkla's new SAP accounting system ("SAP") and will take this opportunity to ensure that they are corrected. Accordingly, Arkla is directed to:

- Retain both electronically and in hard-copy format, the data that was ultimately provided in the responses to Staff data requests AUD-057 and AUD-058, to be used in future depreciation studies, as well as to keep the same level of data going forward.
- Perform an analysis and produce a report that 1) identifies each and every missing retirement for all accounts other than mains and services since SAP was implemented; 2) describes the processes followed in identifying and reporting the missing data; and 3) provides any source documents that were relied upon. This report should be filed with the Commission by March 31, 2006.
- File data annually that would support a depreciation study, including by activity year, plant additions by vintage, retirements by vintage, salvage and cost of removal by individual plant account, for the preceding calendar year. The first submission should be filed by March 31, 2006, and include the two years of data for 2004 and 2005, and thereafter include one year of data.

IS-65 Test Year Audit Sampling

For purposes of this proceeding, Staff and Arkla agreed to utilize sampling to evaluate the amount of costs included in Arkla's test year that are not properly recovered from ratepayers. At pages 22 through 25 of her Prepared Testimony, Staff witness Fritchman described the problems that Staff encountered in obtaining the necessary sampling and conducting its audit in a timely manner. Because of these difficulties, Staff was unable to complete its review prior to its direct testimony. Accordingly, Ms. Fritchman proposed to eliminate $1,580,576 from test year

expenses for amounts not necessary to provide utility service (Adjustment IS-65). This adjustment was based on the percent of disallowed operating expenses in Docket No. 01-243-U applied to the sample populations in this docket.

In response, Arkla presented the Rebuttal Testimony of Mr. Michael Hamilton and Mr. Walter Fitzgerald to explain why it believed Staff encountered problems and to explain the efforts Arkla had undertaken to satisfy the Staff's requirements. It was the Company's position that it had at that time provided Staff with the requested information necessary to complete its analysis and to substantiate its operating expenses. (T. 965-968)

In surrebuttal, Ms. Fritchman provided updated recommendations based on the Staff's completed test year audit. Ms. Fritchman testified that, while Staff was unable to conduct the sampling effort to the extent it desired, it was able to develop a recommendation based on limited review of source documentation. Ms. Fritchman's revised recommendation was to reduce test year costs by $682,767 to exclude amounts not properly recovered from ratepayers. This amount included: $599,101 based on sampling results; $80,889 based on the description of natural accounts allocated to Arkla by CenterPoint Energy Service Company, Entex and Arkla Corporate; and $2,778 of purchases on a company provided credit card (P-card) at CenterPoint Energy Service Company. (T. 1584-1590)

In Sur-Surrebuttal, Mr. Fitzgerald argued that the portion of Ms. Fritchman's adjustment related to out of period items is improper because there are expenses in any 12-month period that lag into the next 12 months. (T. 1580) However, as noted during Ms. Fritchman's cross-examination , the Company selected the test year and then had the opportunity to make any

necessary adjustments for such costs and did not do so. (T. 174) It also had the opportunity to provide information regarding such costs to the Staff but did not do so. (TR 183)

Accordingly, we adopt the Staff's audit adjustment to exclude $682,767 from test year costs. These costs include out-of-period expenses, contributions, entertainment and other expenses routinely disallowed by this Commission as not properly recovered from ratepayers.

IS- 22 Retirement Plan and Benefit (Pension Expense)

Staff witness Malone testified that pension expense was adjusted based on the most recent actuarial report rather than the 2005 budgeted amount proposed by Arkla. Mr. Malone stated that the difference between the Arkla and the Staff pension expense adjustment is a large December 2004 contribution by CenterPoint Energy to its pension plan which greatly reduced *pro forma* year pension expense. (T. 1965-1966) Arkla witness Harder testified that Arkla's pension expense is susceptible to annual fluctuations caused by the actuary's estimate of Arkla's pension contribution, sudden changes in the market value of plan assets, and the amount contributed by the Company to the plan. Arkla contends that the large December 2004 contribution to the plan will have a short-term impact on Arkla's pension expense and the actuary's estimate does not fairly represent an on-going level of pension expense for ratemaking purposes. Mr. Harder used a three-year average of pension expense for calendar years 2002-2004. Mr. Harder argued that a three-year average to normalize pension expenses mitigates the short-term impact of recent events. (T. 146-147)

The Staff testified that Arkla has not provided any evidence to show that the pension expense determined from the 2005 actuary report does not represent an ongoing level of pension

expense. Mr. Malone argued that Arkla's pension expense is declining and a three-year average based on 2002-2004 pension expenses is not appropriate or representative of the ongoing pension expense level. (T. 1985-1986) In sur-surrebuttal testimony, Mr. Harder argued that Staff's approach should be rejected because (1) actuarial reports are less reliable than actual expenses, (2) the 2005 Actuarial Report forecasts includes 8 months of data that is beyond the end of the *pro forma* period, and (3) as of June 30, 2005, the pension plan assets have underperformed the return expected in the 2005 Actuarial Report. (T. 229-230)

The Commission adopts Staff's method for determining Arkla's pension expense adjustment. The Company's most recent actuarial report represents independent and reliable evidence for Arkla's *pro forma* level pension expense. The Commission also concurs with Staff's reduction of the Company's pension expense resulting from the large December 2004 contribution by CenterPoint Energy. The contribution represents a known and measurable change which should be considered in determining Arkla's *pro forma* level pension expense. The Commission agrees with the Staff's contention that the 2005 actuary report provides a better representation of ongoing pension expense than Arkla's method, which is based on an average pension expense for calendar years 2002 through 2004. Arkla's average pension expense for 2002-2004 shows that Arkla's pension expense is declining, and therefore a three-year average is not appropriate or representative of the Company's ongoing level of expense. Mr. Malone testified at the hearing that his pension expense adjustment included all known and measurable changes occurring through the end of the *pro forma* year. He further testified that Arkla's adjustment, which used the three previous years' average, would not have taken into account

several changes including a half-billion dollar contribution to plant assets, the change in the work force level, the number of participants in the plan due to the sale of Texas GENCO, and the reorganization which reduced the work force levels. (T. 147)

IS-34 Corporate, Shared Services, and IT Expense

Staff Witness Fritchman testified that Arkla's test year expenses were increased to recognize the increase in costs from CenterPoint Energy Service Company ("CNP Service Co.") for corporate, shared services, and IT services performed on behalf of Arkla. These services include corporate planning, legal, human resources, security, maintenance, payroll, and computer support. (T. 1532-1533) Arkla Witness Harder argued that Staff's *pro forma* expense should be adjusted to reflect (1) the annualization of corporate allocation factors that became effective in 2005, (2) CenterPoint Energy's sale on April 13, 2005, of its interests in Texas Genco Holdings, Inc, and (3) the fact that Staff already included, in another Staff adjustment, Staff's removal of certain corporate allocated legal expenses and payroll costs. (T. 155-157) Staff testified that Arkla's projected allocation factors for April 2005 through December 2005, revised to reflect the Texas Genco sale, failed to recognize the projected savings that the Company anticipates. Regarding Arkla's contention that Staff's adjustment has already been reduced for corporate legal costs, Ms. Fritchman stated that: (1) it is inappropriate for Arkla to reduce this adjustment for the corporate legal costs disallowed in another adjustment; and (2) Arkla is attempting to recover the corporate legal cost disallowance which Arkla agreed was appropriate. (T. 1590-1592) In sur-surrebuttal testimony, Mr. Harder stated that the remaining issue between Arkla and Staff relates to the annualization of corporate allocation factors that became effective in

2005. Mr. Harder asserted that the change in allocation factors represents a reasonably known and measurable change which occurred in the *pro forma* period. He contended that Staff's reliance on cost savings expected to occur in the future does not meet this standard. Mr. Harder asserted that Staff has not: (1) attempted to reasonably measure the expected savings; (2) produced any evidence to support its inference that savings will offset the impact of the change in allocation factors; or (3) reconciled its position on this adjustment with its position on the cathodic protection expense adjustment, in which Staff indicated that costs outside the *pro forma* year should not be accepted. (T. 230-232)

The Commission finds that the Staff's calculation of this adjustment is appropriate. Any utility management decision to centralize its utility service obligations into a "shared services" contract should inherently be designed to improve service delivery and save ratepayers money, and not the reverse. Regarding the issue of Arkla's revised allocation factors from the sale of Texas Genco, Arkla in its response to Staff Interrogatory No. AUD-309 affirms that cost savings from the sale are expected to offset the change in the allocation factors. Arkla's response to Staffs Interrogatory No. AUD-309 provides concrete evidence that refutes the testimony presented by the Company. According to Ms. Fritchman's testimony (T. 1591), the Company's response to Staff Interrogatory AUD-309 states that:

> "...there are programs in place to improve the controllable expenditures in the Corporate Areas by $30M over a 3-year period (2004-2006) which will offset any impact the sale of Texas Genco might have on CNP (CenterPoint Energy) affiliates due to the change of allocation factors..."

Arkla's response to the interrogatory establishes that: (1) there are measurable expected savings to offset the impact of the change in allocation factors; and (2) a portion of the cost savings will

be realized within a period which encompasses the test year and *pro forma* year. The Commission finds that the change in allocation factors and the cost savings are reasonably known and measurable changes which should both be recognized in order to produce a symmetrical result. The Company would have the Commission recognize the additional expense caused by the change in allocation factors but ignore the Company's own statement that cost savings are expected to offset the change in the allocation factors. Furthermore, the Company should take note that any decisions it makes in another jurisdiction, whether for political, legislative or economic reasons, such as its sale of Texas Genco (T. 69, 86, 157, 1591) as a quid pro quo for other concessions it received in the Texas legislative process to implement "electric retail choice," will not be allowed to have adverse cost implications on this jurisdiction's retail ratepayers. Arkansas ratepayers should be, and shall be, held harmless from decisions made by a utility in another jurisdiction that are adverse to the interests of Arkansas ratepayers.

IS -38 Interest on Customer Deposits

Because Arkla did not include customer deposits in its capital structure, the Company requests that the interest on customer deposits treated as an operating expense. The amount of operating expense that the Company recommends reflects the amount of interest payable on a 13-month average of customer deposits at the 1.8% interest rate set by Order No. 3 in APSC Docket No. 04-135-U. (T. 160-161) The Staff and the AG included customer deposits in their capital structures, using the MBSA Approach. (T. 1687, 1362)

The Commission adopts the position of the Staff and AG on this issue consistent with the Commission's decision adopting the MBSA.

IS-37 Contract Meter Reading Expense

Arkla and the Staff are in agreement on the adjustment of this expense. (T. 1724) Arkla witness Harder stated that, as the Company loses meter readers, it evaluates the feasibility of replacing those positions with contract meter readers. (T. 84) Mr. Harder further stated that the number of Company meter readers has been reduced in the *pro forma* period and replaced with contract meter readers. As a result, Arkla contends that its contract metering expense should be increased. (T. 158) The AG believes that recorded costs in this Account 902 for the *pro forma* year should be used in its entirety. The AG recommends that actual *pro forma* year spending be used for this account in order to capture everything that is occurring, rather than selectively updating pieces of it. (T. 1468-1469)

The Commission accepts Arkla's and Staff's position on this adjustment. Staff indicates that Arkla has now provided: (1) the actual amounts of contract meter reading expense for the months of March and April 2005; and (2) the corrected amounts for July through December 2004. (T. 1724) The Commission finds that this updated information provides sufficient evidence to satisfy the AG's concern that actual *pro forma* year spending be used for this adjustment.

IS -25 Employee Saving Plan Expense

Arkla and the Staff agree on the employee savings plan contribution rate. However, Arkla and Staff disagree on the proper level of *pro forma* payroll expense to which the contribution rate would be applied. (T. 1988) Arkla's and the Staff's saving plan expense

adjustments were calculated by applying the contribution rate to each party's respective payroll adjustments.

The Commission finds that the employee savings plan contribution rate should be applied to the amount determined for regular salaries and wages, overtime, and incentive pay consistent with the Commission's decision on these issues. The Commission accepted Arkla's position on regular salaries and wages, and overtime, and the Staff's position on incentive pay. (Adjustment No. IS-20).

Director's and Officer's Insurance ("D&O")

The purpose of D&O insurance is to protect officers and directors of a corporation from liability in the event of a claim or lawsuit against them asserting wrongdoing in connection with the Company's business. AG witness Marcus has two concerns with Arkla's treatment of this expense: (1) Arkla's revised allocation methodology from an asset-based to an O&M-based allocation has doubled Arkla's costs; and (2) the costs should be split on a 50-50 basis to recognize that shareholders are the major beneficiaries of policy payouts when something goes wrong. (T. 1376-1377) Arkla Witness Harder testified that the use of an O&M allocation factor is appropriate for an expense that bears no relation to the level of plant. He contended that this is a necessary business expense which enables the Company to attract and retain qualified management. (T. 152-153) Mr. Marcus disagreed, stating that the expense is not related to O&M expense either, the allocation shifts the cost to Arkla away from Arkla's electric affiliate, and utility profits are asset-based. Also, since shareholders receive the benefit of insurance payouts, they should bear a portion of the cost of buying the insurance. (T. 1465-1466) Mr.

Harder responded, contending that: (1) the AG cites no evidence to show shareholders are the primary beneficiaries of these insurance proceeds; (2) litigation often involves past stockholders, in which instance they are no different than other individuals filing tort claims; and (3) when current shareholders are involved, payments are made to the corporation in which case customers are the ultimate beneficiaries. (T. 1227-1229)

The Commission finds that Arkla has not justified its change in allocation factors nor has it justified why this expense should not be split equally between stockholders and ratepayers. Arkla did not adequately explain why, at this time, it changed from a asset-based to an O&M expense-based allocation factor. Arkla's explanation that it is an expense to attract qualified management does not establish a justifiable relationship between the cost and the cost expense allocation factor the Company used. Mr. Marcus testified that D&O insurance costs are part of general corporate overhead to protect Company profits which are largely asset-based for a utility. (T. 167-169) Mr. Marcus' testimony that this insurance protects corporate profits also lends support for sharing the insurance costs between shareholders and ratepayers. The news (T. 1040) is replete with stories about companies experiencing lawsuits by shareholders. The Commission agrees with the AG that more often than not it is the current shareholders who sue management and who receive a large portion of the proceeds from the D&O insurance payouts. Accordingly, the Commission finds that Arkla's existing asset-based allocation for D&O insurance should be maintained and that the expense for D&O insurance should be shared on a 50-50 basis between shareholders and ratepayes.

III. REVENUE CONVERSION FACTOR

Traditionally, the revenue conversion factor is used to determine the revenues a utility needs to collect to allow for state and federal taxes and uncollectibles. The parties, including the AG, do not dispute the level or amounts of Arkla's revenues (IS-17) or the uncollectible accounts experience ratio determined in conjunction with Arkla's Bad Debt Expense (IS-41). The only remaining issue is whether or not late payment revenues should be included as part of the revenue conversion factor.

AG witness Marcus argued that lower uncollectible accounts expenses and the inclusion of late payment revenues reduces the level of the revenue conversion factor. Mr. Marcus contended that, if Arkla's rates are increased, its late payment revenue should also be increased and included in the revenue conversion factor. (T. 1390-1391, 1474) Arkla witness Henry asserted that, even if Arkla's rate increase is granted, no additional late charge revenue will be generated and such revenues should not be projected as a percentage of revenues and included in the revenue conversion factor. (T. 301-305) Arkla witness Harder testified that it is appropriate to follow past practices and include the uncollectible percentage in the calculation of the revenue conversion factor. (T. 166, 236-237)

AG witness Marcus acknowledged that the uncollectible percentage has traditionally been included in the revenue conversion factor. (T. 1474) Mr. Marcus has not shown that late charge payment revenues should also be included in the revenue conversion factor. This Commission historically has not included late payment revenues in the calculation of the revenue

conversion factor. The AG has not demonstrated that the Commission should depart from its historical practice.

IV. CAPITAL STRUCTURE AND RATE OF RETURN

Four witnesses offered recommendations concerning the appropriate return on common equity for Arkla. Their recommendations are as follows:

Arkla witness Hadaway – 10.75% (T. 916, 940)

Staff witness Brown – 9.2% (T. 1896)

CEUG witness Staley – Maximum of 9.9% (T. 1208)

AG witness Marcus – 9.6% (T. 1371, 1459)

The required return on equity is a cost just as any other explicit expense incurred by the utility in its operation. The allowed return on equity affords the utility the opportunity, not a guarantee, to earn that return and attract capital. Additionally, the cost of equity represents a return commensurate with the returns on investments of similar risk.

In cases such as this, there are usually expert witness disagreements concerning: (1) methodology (Discounted Cash Flow ("DCF"), Risk Premium, etc.); (2) risk-comparable sample; (3) DCF growth rate; and (4) adjustments within the recommended cost of equity range. However, in this case, the three primary differences are in the DCF growth rate, the adjustment in the event Arkla-proposed Riders RSP, LCA, and/or ICR are approved, and the adjustment for Arkla's performance.

DCF Analysis

The DCF method calculates the cost of equity as

K_e = Dividend Yield + Investor-expected growth rate

In Direct Testimony Arkla witness Hadaway recommended an 11% - 11.5% DCF range for the cost of equity (T. 906) This was later updated to a 10.5% - 11% DCF range (T. 916) In both Direct and Surrebuttal Testimony Staff witness Brown recommended a DCF cost of equity range of 9.2% - 10.1% (T. 1861, 1881) Neither CEUG witness Staley nor AG witness Marcus used a DCF Method.

Since there is very little disagreement over the appropriate DCF dividend yield, the sources of disagreement are in the growth rate. Mr. Hadaway used a combination of growth rates from three sources: Zach's 5 year projections; Value Line Earnings Growth Projections from 2001-03 to 2007-09; and annual U.S. Gross Domestic Product Growth. (T. 802, 807, 825) Mr. Brown utilized four different growth rates: (1) Projected Book Value Growth and Retention Growth ("br + vs") ending 2007-09; (2) Value Line average projected growth rates for Earnings per Share ("EPS") and Book Value per Share ("BVPS") for the period 2001-03 to 2007-09; (3) Value Line average projected growth rates for EPS and BVPS for the period 2003 to 2007-09; and (4) Value Line average projected growth rates for EPS and BVPS for the period 2005 to 2007-09. We find that these four growth rates are reasonable estimates of investor-expected growth rates for usage in the DCF formula.

As discussed by Mr. Brown (T. 1871-1872), a major flaw in Mr. Hadaway's analysis is that he failed to use sustainable book value per share growth rates in gauging investor expectations. The underlying long-term and sustainable source of dividend growth rate in the DCF method is growth rate in book value per share. Mr. Brown's analysis appropriately

considers that growth rate either explicitly (as in his growth rates 2, 3, and 4) or implicitly as in his "br + vs" growth rate. For that reason, we reject Mr. Hadaway's first two growth rate data sources.

With regard to Mr. Hadaway's use of the Gross Domestic Product (GDP) growth rate, he is correct that investor-expected dividend growth rates overall are likely correlated with GDP growth rate. However, he has failed to demonstrate that industry-specific DCF investor-expected growth rates are also equal to the nominal GDP growth rate. This is a crucial distinction. For example, a mature industry may have a rich dividend yield and a small expected growth rate, while a young industry may, conversely, have a small dividend yield and a large expected growth rate. It would be reasonable to expect the mature industry's expected dividend growth rate to be less than nominal GDP growth, while the young industry's expected growth is greater that GDP growth. Long-term, the three growth rates are not equal. In this case, Mr. Hadaway has failed to show that the nominal GDP growth rate has been, and is expected by investors in LDCs to be, equal to nominal GDP growth.

In both his Direct Testimony and Surrebuttal Testimony, Mr. Brown developed a cost of equity range of 9.2% - 10.1%. This is shown in his Exhibit JB-9. His four different growth rates resulted in four sample cost of equity estimates of 9.3%, 9.2%, 10.1%, and 10.0%, which results in his range of 9.2% - 10.1%. We find that Mr. Brown's DCF range of 9.2% - 10.1% is appropriate in this case.

Risk Premium Analysis

Arkla witness Hadaway was the only witness to perform a risk premium analysis. (T. 911-913, 940-942) Mr. Hadaway estimated a risk premium-based cost of equity of 10.8%.

As noted by both Mr. Hadaway (T. 1862-1863) and Staff witness Brown (T. 1874), risk premiums are not stable, and there is no one risk premium through time. An additional flaw in Mr. Hadaway's analysis is that he has relied upon risk premia studies for the S&P 500. As noted by Brown, utility stocks are perceived to be less risky than the average stock in the S&P 500. (T. 1875) For the above reasons, we conclude that Mr. Hadaway's risk premium method is not a reasonable basis upon which to set Arkla's cost of equity.

Other Cost of Equity Methods

Several parties present as evidence information on recent allowed returns for LDCs in other states (T. 837-841, 911-913, 940-942), (Hadaway Exhibits SCH-11 and SCH-12), (T. 135, 209, 234, 1888) This Commission gives no weight to such data for three reasons. First, there is an element of circularity involved if this Commission, as well as other state Commissions, rely upon rate of return determinations in other states for determining the appropriate allowed return for utilities in their states. Second, neither this Commission nor the parties have had an opportunity to probe the factors that made up the allowed return determinations in the other states. This Commission must make determinations based upon the evidence presented in testimony and hearings before this Commission, pursuant to the laws of the State of Arkansas. Third, this sort of comparison is akin to piecemeal ratemaking and is unacceptable. For example, we do not know the other state commissions' policies regarding rate base, expenses,

depreciation, etc. As noted by CEUG witness Staley: "[E]very natural gas utility has different needs, different risks, different load profiles, and different performance levels. Consequently, every natural gas utility should have a uniquely determined ROE." (T. 1302)

AG witness Marcus considered expected returns on equity investments in pension plans by utilities as determined from utility annual reports. (T. 1366, 1456-1458) There are two major problems with this sort of analysis: (1) it is unclear how long the time horizon is; and (2) these returns are expected, not required. It is well-established that expected returns may be less than, equal to, or greater than required returns. For that reason, expected returns cannot be used directly as a proxy for required returns, which is the information sought in a general rate case.

Mr. Marcus also performed a Capital Asset Pricing Model (CAPM) analysis in a footnote. (T. 1371) This Commission, to date, has had two problems with CAPM analysis: the lack of stability in estimates of "beta" and the lack of stability in the market premium. Consequently, we can not rely on Mr. Marcus's CAPM analysis.

Because of the flaws identified in the risk premium and other analyses, the only reliable measure of required return on equity in the record is the DCF calculation discussed above. We will therefore utilize a DCF cost of equity range of 9.2% - 10.1% as the allowed return on equity range in this case.

Adjustment to Cost of Equity for Decrease in Risk

Staff (T. 1868-1869), CEUG (T. 1208, 1302), AG (T. 1371), and AGC (T. 1095) argue that, if Arkla proposed riders RSP, LCA, and ICR are approved, Arkla's risk would be reduced, and that a concomitant reduction in Arkla's cost of equity would be warranted. Arkla (T. 41-45)

argues that Arkla witness Hadaway's and Staff witness Brown's risk-comparable group includes companies with innovative tariffs and higher customer growth that mitigate their risks. Consequently, proposed Riders RSP, LCA, and ICR do not reduce the business or regulatory risk of Arkla as compared to the risk-comparable sample, and no downward adjustment to the allowed return on equity is warranted if these Riders are approved. (T. 41-45, 927-930) Mr. Brown claimed that Arkla has several currently-effective risk-mitigating riders, Purchased Gas Adjustment ("PGA"), Weather Normalization Adjustment ("WNA"), and Main Replacement Program ("MRP"), which indicate that Arkla is not riskier than the sample. (T. 1892-1894)

As discussed elsewhere in this Order, we are not approving Proposed Riders RSP, LCA, and ICR, so that the issue of a downward adjustment in Arkla's allowed return on equity associated with approval of these Riders, need not be decided here.

External Sources of Capital in Capital Structure

Arkla witness Hadaway included three external sources of capital in Arkla's capital structure: long-term debt, preferred equity, and common equity. (T. 8837) Staff witness Brown included five sources of external capital in Arkla's capital structure: long-term debt, short-term debt, preferred equity, common equity, and customer deposits. (T. 1126) The proportions Mr. Brown's first four sources are based upon the risk-comparable sample proportions (T. 1848-1852), as are all three external components for Arkla. The primary differences between Mr. Brown and Mr. Hadaway are: (1) Mr. Hadaway developed the capital proportions using 2003 fiscal year, while Mr. Brown used 2004 fiscal year; (T. 1850) (2) Mr. Brown included short-term debt in the capital structure and Hadaway did not; and (3) Mr. Brown included customer deposits

and Mr. Hadaway did not. With the exception of customer deposits, AG witness Marcus has approximately the same external capital structure proportions as does Mr. Brown.

Mr. Brown noted that short-term debt is used to fund ongoing operations and is a permanent source of capital. (T. 1850) Mr. Marcus also recommended the inclusion of short-term debt in the capital structure. (T. 1360-1361) Mr. Hadaway responded that Mr. Brown should have at least netted out the Construction Work In Progress ("CWIP") financed by short-term debt. (T. 926) Mr. Brown responded to that by noting: (1) the Commission has a long-standing position that CWIP not be included in rate base because it is not used and useful; (2) Arkla's Main Replacement Program, which is temporarily included in CWIP until those assets enter service, is effectively a monthly rate case which allows Arkla to immediately put the majority of plant additions into rates; and (3) the precedent of including short-term debt in the capital structure was specified in Order No. 13 in Arkla Docket No. 93-081-U and was followed by the Company in its two subsequent rate cases, Docket Nos. 94-175-U and 01-243-U.

This Commission is not persuaded to change its policy on the inclusion of short-term debt in the capital structure. Consequently, we will include it as recommended by Mr. Brown and Mr. Marcus.

With regard to cost rates, Mr. Brown's cost rates for long-term debt and preferred stock are more current than Mr. Hadaway's and we will adopt those. (T. 1855) Further, Mr. Brown used a current short-term debt cost rate, which we will adopt. (T. 1855-1856) Finally, no party contested either Staff's inclusion of customer deposits in the capital structure or its cost rate. Consistent with our precedent we will include those as well.

Overall Cost of Capital

For all of the above reasons we adopt Staff witness Brown's capital structure, cost of equity range, and other cost rates as shown in Surrebuttal Exhibit JB-14. In conjunction with a 9.45% allowed return on equity, discussed later in this order, this results in an overall cost of capital of 5.31%. Further, as demonstrated by Mr. Brown, his overall recommendations result in Funds from Operations interest coverage of at least 5.0, Funds from Operations to Total Debt Coverage of at least 24%, and a total debt ratio of 54%. (T. 1127-1128, 1883) Each of these financial measures meets or exceeds Standard and Poor's benchmarks for an A-rated utility with a business position of 3.

V. COST ALLOCATION

Administrative Fees of the Transportation Supply Option

Arkla witness TheBerge proposed an allocation of these revenues based on Gross Total Cost of Service. CEUG wtiness Ward recommended that these revenues be directly assigned to those classes based on actual contributions. (T. 1154) According to Mr. Ward, by reallocating operating revenues in a manner that differs from the expense allocation, an interclass subsidy is introduced. (T. 1153) However, Mr. TheBerge notes that both fees and expenses are consistently allocated across classes. (T. 639, 709) Staff, AGC, and the AG had no comments on this issue. We agree with the Company because its allocation of revenues is consistent with the allocation of related expenses.

Administration of Gas Purchases and Transportation

Arkla and CEUG recommend that these costs be allocated based on O&M. (T. 1291) The AG argues that 50% should be assigned to transportation administration, with the remainder spread by throughput to sales customers. (T. 1420-1422) CEUG witness Staley argued that it is inappropriate to charge transportation customers without crediting separate revenues to the transportation customers. (T. 1291) Staff took no position on this issue. Arkla witness TheBerge responds that it is not necessarily true that large customers require greater administration costs. In fact small customers, who tend to have low load factors, require swing contracts with special provisions. In contrast, large customers, who tend to have high load factors, have a lower need for swing or special contracts. Finally, the cost of administering gas purchases does not vary with throughput, and is not indicative of the relative cost incurred on behalf of the class (T. 622-624). We agree with Arkla and CEUG because their allocation better reflects cost causation.

Capacity-Based or Demand- Based Allocations

Arkla witness TheBerge developed a "relative demand allocation" for purposes of allocating capacity costs among customer classes. For loads that are primarily weather-sensitive, the "design-day" demand level is used. That design day is based on 59 HDD. For those loads that are not weather-sensitive, the Company used calculated winter demands. According to Mr. TheBerge, this approach captures the off-peak utilization that should bear some capacity costs. The overall relative demand level for any customer class is the sum of the two demand

indicators. Finally, an adjustment was made to these two demand levels to account for overlap between minimum system analysis and cost in excess of the minimum system. (T. 494)

CEUG witness Staley disagreed with this approach for several reasons. First, off-peak consumption volumes should not be considered in any allocation of capacity costs. Second, the Company's approach does not sufficiently encourage off-peak natural gas consumption. (T. 1199) Third, a 59 HDD design day will result in demand exceeding the capacity of the Company's system. Consequently, the capacity–related costs should be based upon the curtailed coincident peak day demand. (T. 1198-1202)

Arkla witness Henry posited that the Arkla system is designed to serve a "design day" with 59 HDD and that no empirical data is provided to support CEUG's proposal. (T. 299)

Staff witness Bradley agreed with the Company's demand allocation methodology (T. 1654), while AG witness Marcus and AGC witnesses did not comment on it.

We agree with the Company and Staff since their allocation methodology better reflects cost causation. Demand-related costs are not solely incurred to meet the peak. A good portion of capacity-related costs is incurred to meet baseload and off-peak usage. For example, it could be argued that a smaller size of pipe is needed to meet that load. That is the rationale for the off-peak component in Mr. TheBerge's demand allocator. Additionally, there is an incremental component of capital associated with the peak day. That peak requires the Company to incrementally size the pipe to a greater size, above that needed for baseload or off-peak. That component is captured in Mr. TheBerge's first component. This is analogous to the Average-and-Peak Method often used to allocate production plant in electric utility rate cases, and has

been previously recommended by Staff in those electric utility cases. Finally, service curtailment is a non-event for purposes of cost causation and cost allocation since curtailment is an unplanned event.

Cash Working Capital

Arkla witness TheBerge proposed that cash working capital be allocated based on O&M costs. Staff witness Bradley recommended that Accounts Receivable (Account No. 142) and the Accumulated Provision for Uncollectible Amounts be allocated based on total revenues. (T. 1623, 1648-1649) AG witness Marcus recommended that all working capital except accounts receivable, accrued revenues, and the accumulated provision for uncollectibles be allocated based on distribution property, that accounts receivable and accrued revenues be allocated based on revenues, and that the accumulated provision for uncollectibles be based on actual uncollectibles. (T. 1416-1417) AGC witness John argued that the purchased gas component of cash working capital costs should not be allocated to the LCS-1 transportation class since cash working capital costs are allegedly attributable to Gas Storage costs, and he argued that Gas Storage Costs should not be allocated to transportation customers since imbalance penalties fairly apportion gas storage costs. (T. 1075)

In Surrebuttal Testimony, Staff witness Bradley agreed with Mr. John, although she noted that he made no attempt to specifically identify the purchased gas costs allocated to the LCS-1 transportation class. (T. 1649) Mr. TheBerge agreed with Mr. John with regard to uncollected gas costs, but thought that it would be immaterial. (T. 620) CEUG made no comment on this issue.

Based on principles of cost causation, we agree with the Company that cash working capital should be allocated based on O&M, with the exceptions that accounts receivable and the accumulated provision for uncollectibles be allocated based on total revenues. However, LCS-1 transportation customers should be allocated gas storage, any purchased gas costs included in Staff's MBSA should be allocated to the LCS-1 transportation customers consistent with our decision that LCS-1 transportation customers should be allocated gas storage.

Cost Classification and Cost Allocation of Distribution Mains

The largest single investment in the Company's distribution system is its distribution mains. This Commission historically has considered distribution mains as having a customer-related portion and a capacity-related portion. This assumes that there is a zero- or minimum size necessary to connect the customer to the distribution system. Considering the magnitude of the distribution mains account, the classification and allocation of distribution mains has a significant impact on the cost of service. The heart of the issue is separating the customer-related function from the capacity-related function.

To gain some perspective on the importance of this issue we refer to Arkla Exhibit MT-60. As shown there, the net distribution main plant is approximately $165 million, according to Arkla's Sur-Surrebuttal case. As shown in Table 4 of Staff witness Bradley's Prepared Testimony, she recommends that 62.30% of the distribution main costs be classified and allocated to the Residential Class, with 37.70% classified and allocated to the Small and Large Commercial Classes. In contrast, Arkla proposes that 78.62% of the distribution main costs be classified and allocated to the Residential Class with 21.38% classified and allocated to the

Small and Large Commercial Classes. The amount of rate base in play is then (78.62% - 62.30%) X $165 million = $27 million. This does not include other cost categories that may be affected by this classification.

There are two generally-recognized methods for determining the customer-related portion of distribution mains: the zero-intercept method and the minimum size method (T. 1616-1617) and Gas Distribution Rate Design Manual, National Association of Regulatory Utility Commissioners, (Washington, D.C., January, 1989), p.22.) The zero-intercept method involves performing a statistical ordinary least squares regression of main cost (as the dependent variable) on main size (as the independent variable). The resulting positive-valued Y-intercept represents the cost of a main with a size of zero. This cost amount is then considered the "customer cost", with the remaining portion representing capacity costs.

The minimum-size method involves the determination of the "minimum size" main on the system and pricing out the entire length of system distribution mains at the historical cost of this minimum size main. This is considered customer-related, with the remaining portion of distribution main costs considered capacity-related. While the zero-intercept method, with reliable data, estimates the customer costs associated with a zero-size pipe, the minimum-size method may include some capacity costs since any minimum size pipe considered will be strictly greater than zero. (T. 666, 1617)

Arkla witness TheBerge uses a minimum size method with 2" pipes. He considered two constraints in determining this size. The first constraint is that the minimum pipe size should reflect the least amount of theoretical capacity. The second constraint on the pipe-size selection

is presence within the Mains account at a representative level; that is, the pipe size should have a sufficient footprint within the Mains account to reflect original installation costs under a variety of physical conditions and economic circumstances throughout Arkla's 65-year time period. He concluded that a 2" pipe best meets these criteria. This resulted in a 70.54% classification to customer-related and a 29.46% classification to capacity-related.

Relying on engineering studies, Mr. TheBerge determined that the 2" pipe on Arkla's system did contain some level of capacity, approximately 2.5 cubic feet per hour. For adjustment purposes he used 5 CFH, and used this to adjust the design day levels of demand for each customer class.

Staff witness Bradley testified that the Staff prefers the zero-intercept method because, even with the smallest size pipe on the system, customer–related costs are overstated since some material costs are included. (T. 1617) However, because of issues of data integrity associated with the Company-supplied data necessary for the zero-intercept method, she opted to use the minimum size method. (T. 1618) Ms. Bradley argued for three criteria for determination of the "minimum size": (1) the appropriate pipe size for the minimum size study is in fact the minimum size; (2) the minimum size pipe should be present in a variety of locations throughout the distribution system; (3) the minimum size should have been installed throughout the service territory. (T. 1620) In particular, she noted Tables 4 and 5 in her Surrebuttal Testimony, p. 13, which show the dispersion, through time and across Arkansas counties, of 1" Mains.

Based on these criteria Ms. Bradley concluded that the 1" pipe meets the criteria and used that size in her minimum size study. That resulted in her classification of approximately 24.3%

of the Company's investment in distribution mains as customer-related, with the remaining portion, 75.7% classified as capacity-related. (T. 1646) Arkla witness TheBerge argued that the 1" pipe did not meet her criteria (2) and (3). (T. 665-669)

AG witness Marcus used three approaches for classifying and allocating distribution mains: (1) the peak and average method; (2) the zero-intercept method; and (3) the minimum connection method. The peak and average method assigns no distribution main costs as customer-related, but instead assigns them to commodity (throughput) related and capacity (demand) related. The amount assigned to commodity is equal to the load factor [(volume /8760 hrs.[9])/coincident peak], which in this case was calculated by Mr. Marcus at 22.48%. The remainder, 77.24% was assigned to capacity. (T. 1407) Mr. Marcus then allocated the commodity component to classes based on a volumetric allocation factor, and the capacity component was allocated based on peak demand allocation factors. Arkla witness TheBerge argued that if the peak and average method is used here, it should be distance-weighted. (T. 576-577)

Mr. Marcus used Company-provided data (Response to AUD-061) for the zero-intercept method and determined that 24.08% of distribution main costs are customer-related with the remainder classified as capacity, or demand, related.

Under Mr. Marcus' minimum connection method, he assigned 56 feet of two inch main per customer as a customer cost. He believes that that is the minimum amount of main required to connect a medium-sized customer to the system. With that method, he determined that 24.2%

8,760 hours represents the number of hours in a year.

of distribution main costs are customer-related. (T. 1407-1413) Arkla witness TheBerge disagreed with the 56 feet method used by Mr. Marcus, and argued that a reasonable minimum-connection should classify no less than 108 feet as customer-related. (T. 583-587)

CEUG witness Staley endorsed the Company's 2" minimum-size method with one modification: off-peak customers should be excluded from calculation of the "design day" demand day. (T. 1279)

AGC witness John recommended that an average of the costs of 2" and 4" mains be used to determine customer-related costs. He asserted that large customers are not typically served by 2" mains and that 4" mains are used to serve some residential customers. This approach results in customer-related costs of 85.19% and capacity-related costs of 14.81%. (T. 1081-1083)

In support of his analysis Mr. John provided his Gas Main Study. (T. 912, 927, 1112-1116) In essence, this study attempts to ascertain the embedded cost of a stand-alone mains system for the LGS-1 class. That study allegedly demonstrates that a physical analysis of the pipes in the ground serving the LCS-1 class is comparable in costs to the classification and allocation method used by AGC.

Staff witness Bradley responded to this analysis by arguing that (1) some customers receive gas from more than one point of receipt, depending upon operating conditions; (2) some customers are located on a part of the distribution system where the gas travels more than one path and route; (3) all Arkla customers in the state are served by all gas mains; and (4) because the mains are common facilities, there is no way to determine if one particular gas main is dedicated to one particular customer. (T. 646-648)

In consideration of all of the testimony, exhibits, and studies presented to us by all of the parties, we adopt the Staff allocation since it better reflects cost causation.

During cross-examination, CEUG's counsel made much of the prevalence of the 2" main size on the system, relative to the 1" main size. (T. 651-652) But that argument misses the point. The minimum size method seeks the smallest size main given the constraint that the main size is a representative price proxy. While the 2" main would provide a representative proxy, it would abysmally fail the "minimum-size" test. Entirely too much of the cost of a 2" pipe is associated with providing capacity.

As shown in Staff witness Bradley's Table 4, the 1" main has been used over the 1939-2004 time period. Because of that wide dispersion in installation dates, the use of a 1" main is fairly representative of the embedded customer costs, *without* upward bias due to a preponderance of later installations, or downward bias because of a preponderance of earlier installations. This bias can occur for two reasons: (1) later installations cost more because of inflation; and (2) later installations are not as depreciated as earlier installations. A good example of that potential bias was provided in a discussion with the Commission on the merits of using the absolute smallest pipe size (0.5" in.). That size has only been installed since 1999, and would not be representative of the system across time and location. (T. 671-673)

Additionally, the 1" pipe has been installed in 93% of Arkansas counties in Arkla's service territory, as shown in Ms. Bradley's Surrebuttal Table 5, and in 15,000 records in the Arkla database provided in Response to Staff data request AUD 061. (T. 656) Geographical dispersion is important in the evaluation of representation since Arkansas has a wide variety of

geographical landscapes, which will have an influence on the costs of any given pipe size. (T. 657) The 1" pipe was installed in a variety of these landscapes. (T. 657)

Consequently, the 1" pipe does a reasonable job of meeting the minimum-size criterion while also being a representative price proxy (representative across time and geographical landscape), while the 2" and 4" pipe sizes do not meet the minimum-size criterion.

Although the Company attempted to remove any related capacity costs in the 2" main cost, the basis for that adjustment is not useful for this case. First, the engineering study upon which the adjustment was based was developed for another case. Second, the study does not represent the Arkla service territory. (T. 659) As noted by Ms. Bradley, it is more efficient to go directly to a representative size pipe, 1", rather than to follow the circuitous route of using an above-minimum size pipe, 2", and then attempting to adjust capacity costs out of it. (T. 659)

We also note that AG witness Marcus performed a zero-intercept regression analysis that was supportive of Ms. Bradley's classification of 24.3% of distribution main costs as customer-related. Mr. Marcus' regression results indicate a customer-related classification for distribution mains of 24.08%. (T. 141)

With regard to AGC's Gas Main study, we agree with Staff witness Bradley's assessment of the difficulty of accurately ascertaining the stand-alone costs of serving a particular customer class on a network system with common costs. Further, the Commission notes several analytical errors in the AGC study. Primary inputs to that study are the estimates of unit cost per foot of main across the Arkla system, shown in Arkla Rebuttal Exhibit MT-43. Those unit costs per foot are used by AGC to estimate individual customer main costs in Protected Exhibit AGC-10.

There are two problems with the application of this data to the AGC Gas Mains Study. First, the unit costs for many of the main sizes are anomalous. One would expect that as the size of the pipe increases, the unit cost per foot would increase. That is simply not the case: (1) 1.5" pipe has smaller unit cost per foot than does 1" pipe; (2) 2.5" pipe has smaller unit cost per foot than do 1.25" pipe and 2" pipe; (3) 3.5" pipe has smaller unit cost per foot than do 2" pipe and 3" pipe; (4) 4.5" pipe has smaller unit cost per foot than do 3" pipe and 4" pipe; (5) 7" pipe has smaller unit cost per foot than do 2" and 6" pipe; (6) 8" pipe has smaller unit cost per foot than do 6" and 7" pipe; (7) 16" pipe has smaller unit cost per foot than does 12" pipe; and (8) 20" pipe has smaller unit cost per foot than do 6", 10", 12", 16", and 18" pipe. We are not saying that the actual calculations of the unit costs per foot are in error. It is just that the data is not useful for purposes of the AGC Cost Study. It is likely that the reason this occurs is because many of these unit costs per foot are not representative across time and geographical location.

A second problem with the AGC Gas Mains Study is that the analysis does not focus on the costs at a particular LGS-1 customer location. These unit cost estimates are based on the *average* across the Arkla system.

Finally, the AGC Gas Mains Study uses an average 41% Accumulated Depreciation factor to adjust gross plant to net distribution mains plant. Again, this factor is Arkla *system distribution wide* and is not specific to the accumulated depreciation at a particular LGS-1 customer's location.

Given these three analytical flaws in the AGS Gas Mains Study and the common plant point raised by Ms. Bradley (T. 646-648) we give very little weight to the AGC Gas Mains Study.

Ms. Bradley also recommended that Arkla be required to accumulate and maintain the data necessary to properly perform the zero-intercept method. She stated that both linear and non-linear regression analyses can be run, that both Arkansas Western Gas and Arkansas Oklahoma Gas currently accumulate and maintain data for the zero-intercept method, and that it is unlikely that the additional data accumulation would be at great cost. Further, she recommended that the Company be required to accumulate and maintain the following data necessary to perform a zero-intercept study in the future: (1) authorization for expenditure or job number; (2) code identifying the type of material, e.g. plastic, steel, cast iron, and a number identifying the size of the pipe in inches; (3) number of units, e.g. footage for pipe, count for fittings and valves; (4) cost of materials; (5) cost of labor; and (6) cost of overhead. (T. 1618, 1646-1648)

The Commission agrees with Staff witness Bradley's recommendation, and hereby directs Arkla to begin accumulating the necessary data for performing a valid zero-intercept regression method. We do not agree with the Company that having non-linear data will automatically invalidate the zero-intercept method; the appropriate solution is to perform a non-linear regression. At this time we are not pre-judging whether such analysis should be linear or non-linear, but note that there are numerous statistical packages that can do either.

Customer Accounting and Sales Expenses (Account 916)

The Company and CEUG recommend that Customer Accounting be allocated based on unweighted customer counts. (T. 1289-1290) The AG recommends that weighted customer information be used because it is more complex to read meters and provide service to large customers. (T. 1418) CEUG witness Staley testified that there is no evidence to support that claim and that, based on his experience, it is less complex and less costly to read the meters of larger customers. The Company and CEUG recommend that Account 916 be classified and allocated based on the number of customers. The AG recommends that 90% of the costs in Account 916 be directly assigned to transportation customers and 10% assigned to the LCS class. (T. 1419) Staff and AGC did not comment.

We agree with Arkla and CEUG because their allocation better reflects cost causation.

Customer Allocation Factors

Arkla witness TheBerge proposes a customer allocation factor based on the number of current fixed installations for each customer class. (T. 494, 691-692) Staff witness Bradley recommends that those allocations be based on normalized customer counts. (T. 1623) Neither the AG, AGC nor CEUG made comments. We agree with the Staff since its allocation more reasonably reflects ongoing conditions.

Distribution Load Dispatching

The Company and CEUG propose that Distribution Load Dispatching be classified as both customer- and capacity-related, and allocated accordingly. (T. 519, 1288) Staff witness Bradley proposes that this account be classified solely as capacity-related and allocated

accordingly. (T. 1648) AG witness Marcus proposes that this Account 871 be classified as 9% directly to transportation administration, and 45.5% be classified and allocated to capacity and throughput each. (T. 1417-1418). We agree with Staff witness Bradley since these facilities are used in dispatching gas and thus do not have a customer-specific component, and are entirely capacity-related.

Gas Storage Inventory

Arkla and Staff propose that gas storage inventory be allocated based on demand. (T. 608, 1653) AG witness Marcus recommends that the allocations be based on 45.6% by sales to sales customers and 55.6% by peak demand to all customers. (T. 1490) Further, Mr. Marcus recommended a 35-65 commodity/demand split. (T. 1490) AGC witness John recommended that no gas storage inventory costs be allocated to the LCS-1 transportation class. (T. 1074-1075, 1120) Mr. John also notes that Section 3.21.1 of the LCS-1 Rate Schedule provides that Transportation Supply Option ("TSO") transactions are not allocated any storage costs. (T. 1119) CEUG witness Ward proposes that no gas storage inventory be allocated to TSO since the Company's balancing provisions for TSO customers protect those supply-related assets by imposing significant penalties for excessive imbalances. (T. 1154-1156) Consequently, according to AGC and CEUG, those imbalance penalties already fairly apportion gas storage costs to transportation customers.

We agree with the Company and Staff since their proposed allocation better reflect cost causation. Gas storage brings significant operational benefits to the on-system operation of the distribution grid. Arkla's allocation of gas storage inventory is designed to recognize the

continuous minute-to-minute pressure balancing required for both sales and transportation customers. (T. 568-569, 594) Storage service is a prerequisite for load-following service, which benefits sales and transportation customers. Additionally, the imbalance fee recovered from transportation customers is significantly less than the cost of the imbalance fees that would be associated with load-following services provided to stand-alone transportation customers. (T. 576, 703) A relative demand allocation best meets the cost causation principles for gas storage as noted in the Rebuttal Testimony of Arkla witness TheBerge: (1) storage is used to meet peak-day demand; (2) storage is able to meet downstream load-following service based on load-following receipts upstream; (3) storage is used to meet periodic imbalances; and (4) storage is used to capture and transfer methane prices between seasons. This last function is properly reflected in the GSR mechanism in the form of methane costs that are allocated based on sales volumes. (T. 709)

Land and Land Rights and Structures and Improvements

Arkla witness TheBerge argues that Land and Land Rights and Structures and Improvements, Accounts 374 and 375, should be allocated based on the classification and allocation of distribution mains. Staff witness Bradley recommends that they be classified and allocated based on all facilities on the grid, Accounts 376, 378, and 389. (T. 1623) AG, AGC, and CEUG did not comment on this issue.

We agree with the Staff since its allocation better reflects cost causation. As noted by Mr. TheBerge, items recorded in Account 374 are the cost of owning, leasing, or accessing the land occupied by the distribution mains *and* other components of the grid. (T. 510) Also, items

recorded on Account 375 represent investment primarily required for the support of the Company's *distribution system networks.* (T. 510) Since those accounts support the distribution grid, generally, Staff's allocation is more reasonable.

Measuring and Regulating Station Equipment

Arkla witness TheBerge recommended that Accounts 378 and 379, Measuring and Regulating Equipment, be allocated based on the allocation of Distribution Mains, Account 379. (T. 595-598, 686-691) Staff witness Bradley argued that those amounts should be classified as capacity–related and allocated based on demand (T. 1623), while AG witness Marcus recommended that they be classified as capacity-related and allocated based on a peak and average method or some form of a minimum system analysis that excludes the customer portion. (T. 1413-1414, 1484-1485) Neither AGC nor CEUG commented on this issue.

We agree with the Staff since these facilities are used in measuring and regulating gas and therefore do not have a customer-specific component and are entirely capacity-related. As noted by Ms. Bradley: "Measuring and regulating equipment would not exist if gas were not being delivered. Again, customer-related costs pertain to having access to the distribution system, not the delivery of gas." (T. 567)

Meter Installations

Arkla allocated Meter Installations, Account No. 382, based on the cost of meter installations used to serve each customer class. AG witness Marcus argued that the Company incorrectly applied sales tax and purchasing and warehousing overheads. (T. 1414-1415) Arkla witness TheBerge agreed but noted that Mr. Marcus then introduced a new error in removing the

excess from the replacement-cost-new level exclusively for the residential class instead of all of the classes. (T. 598-599) Correcting for that results in the Company-revised allocations shown on p. 51 of Mr. TheBerge's Rebuttal Testimony. Mr. Marcus agreed with those corrections. (1483) We agree with those revised allocations.

Other Operating Revenue

The Company and CEUG propose that tariffed charges such as late payments, returned checks, service establishment, collection, reconnection, etc., be allocated based on gross margins. In particular, CEUG witness Staley notes that the allocations of revenues and expenses should be applied consistently. (T. 1223) AG witness Marcus proposes to assign these based on the classes who pay the charges. (T. 1423) Staff and AGC did not comment on this issue.

We agree with the Company and CEUG since their allocation better reflects cost causation. Many of these charges are simply penalties which are designed to discourage specific behavior and, consequently, have no class-specific entitlement. (T. 629) With regard to the other charges, since they are not being redesigned in this proceeding we do not know their specific cost components. Further, many of the charges are the product of earlier proceedings including settlements. (T. 629-630)

Regulatory Commission Expense

Arkla and CEUG propose that Account 928, Regulatory Commission Expense, be classified as customer-related and allocated based on customer counts. (T. 1289-1290) Staff and the AG argue that it should be classified as revenue-related and allocated based upon revenues. (T. 1419-1420, 1629-1637) AG witness Marcus also specifies that 75% of these costs be

allocated by gross margins and 25% allocated by gas sales revenues. CEUG witness Staley responds by saying that many of the contentious issues in this rate case have significant effects upon all of the rate classes, not just the large customers. (T. 1289-1290) CEUG argues that the AG's position should be rejected. AGC did not comment on this issue.

We agree with the Staff and the AG that revenue allocations better reflect cost causation in this case. As discussed by Arkla witness TheBerge in cross-examination, he has used a revenue allocator for this cost item in other cases. (T. 595-596) However, he is concerned about the potential circularity involved in allocating this item based on revenue, or cost of service. We do not see such circularity. A straightforward way of accomplishing this allocation is to allocate Regulatory Commission Expense based on the final cost of service, excluding Regulatory Commission Expense. It is a simple matter of arithmetic to show that after that allocation, and inclusion in the cost of service, the equivalent allocation results are produced. Given the relatively small size of this expense in the revenue requirement, class revenues are a good proxy for class cost of service.

Services, Meters, Meter and Regulator Installation, House Regulators, Individual Measuring and Regulating Equipment

Arkla witness TheBerge recommends that Accounts 380-385 be classified as customer and capacity-related and allocated based on point-in-time customer locations. Staff witness Bradley recommends that these be classified as entirely customer-related and allocated based on normalized customer counts. (T. 1623) The AG, AGC, and CEUG had no comments on this

issue. We agree with Ms. Bradley since its allocation better reflects cost causation. These items are strictly customer-related and have very little, if any, demand, or capacity-related, component.

Telemetering Costs (A&G Accounts 920 and 921)

Arkla and CEUG propose that telemetering costs be allocated based on O&M expenses. (T. 1290-1291) AG witness Marcus argues that all of telemetering costs be directly assigned to LCS-1 customers, with an adjustment to rate base for Account 902 to prevent overlap. (T. 1420) CEUG witness Staley argues that it is inequitable to charge LCS-1 customers without crediting them with separate revenues. (T. 1290-1291) Staff and AGC did not comment on this issue. We agree with Arkla and CEUG since their allocation better reflects cost causation.

VI. RATE DESIGN

Class Rates of Return

Arkla and Staff recommend that all classes pay equivalent rates of return. This is consistent with the principle that each class should pay its Cost of Service. (T. 649-650, 1614, 1655) Arkla's Cost of Service Study indicates an approximate 10% increase for the Residential Class, a 2% increase for the SGS Class, and a 0.13% increase for the LGS Class.

Using Staff's Cost of Service study, the net result would be approximately a 4% decrease for the Residential Class, a very slight 0.3% increase for the SCS Class, and a 7% increase for the LGS Class. In designing rates once the revenue requirement is decided upon, Staff witness Bradley emphasized the principles of gradualism and stability; rate design should minimize adverse impacts while providing the Company with a reasonable opportunity to recover its approved revenue requirement. (T. 1625, 1657).

AG witness Marcus asserted that cost studies should be treated as guidelines, that differentials in class rates of return may be justified by risk, and that a cost study's results must be balanced with other ratemaking and public policy goals of the Commission. Examples of the latter are avoidance of rate instability and giving customers control over their bills. (T. 1396-1399, 1425) In Supplemental Surrebuttal Testimony, Mr. Marcus proposed assigning all of the decrease in rates to the Residential Class, and freezing the Commercial Classes at current rate levels. (T. 1448) This would have the effect of the Residential Class having a greater rate of return than the Commercial Class, based on the AG's Cost of Service Study.

AGC witness John argues that AGC customers should be appropriately assigned their costs in rate design. (T. 1083) CEUG took no position on the issue.

Generally speaking the Commission agrees with the concept of equal rates of return as recommended by Staff. Adopting equal rates of return in rate increase cases has been the norm for the Commission for a number of years. However, given that the net result of this order is a substantial rate decrease, and given that Staff's rate design proposal would mean a slight increase for the small commercial class and a significant rate increase for the large commercial class while decreasing rates only for the residential class, the Commission finds that it is more appropriate to deviate somewhat from Staff's rate design proposal. For purposes of this rate case the Commission finds that the rates for the small commercial class and the large industrial class should be held constant and the rates for the residential class should be decreased accordingly.[10]

Residential Class Rate Design

Arkla proposes that the customer charge for the RS-1 class increase from $9.75 to $17.00. The Company proposes to decrease the amount of usage applicable to the first block from 50 CCF to 15 CCF, increase that block's charge from $0.2630 to $0.8267, and decrease the second block from $0.1847 to $0.0572

Staff witness Bradley opposed those changes because they will, taken together, significantly increase the minimum charge to many residential customers. (T. 1625-1627) As shown in Table 7, p. 19, of her Prepared Testimony, that increase may be as high as 114.7%. Given the principle of rate stability, she believes that a rate increase of this magnitude would have a significantly adverse impact. (T. 1626) Ms. Bradley recommended that the Residential Class pay its cost of service, that the RS-1 customer charge rate remain at the current level, and that the residential rate decrease, based on Staff's cost of service (T. 1634), be accomplished by reducing the rates applicable to the second block. (T. 1627, 1658)

AG witness Marcus claimed that under virtually any method for classifying distribution main costs, with the exception of Arkla witness TheBerge's, the RS-1 class is paying above the system average. (T. 1426) Further, Mr. Marcus does not believe that complete equalization of rates of return is required. (T. 1427)

Mr. Marcus recommended that the current rate structure be maintained for all rate classes, including RS-1. Further, he proposeed that the RS-1 customer charge remain the same, and that any rate increases for the residential class occur in both volumetric blocks. In support of

[10] The application of equal rates of return would mean that the residential class would receive a rate decrease of approximately 4.04%. Taking into consideration the Commission's findings on rate design, the residential class will

this, he noted that the customer impacts of Arkla's proposal may be extreme. (T. 1429-1434) He asserted that this major increase in the customer charge reduces shareholder risk dramatically. (T. 1428)

Mr. Marcus claimed that the increase in the customer charge would have disproportionate impacts on lower-income people since the proposal would primarily impact low usage customer, and lower income people use less gas than higher income people. (T. 1430-1431) He cited five studies to support this hypothesis. First, he performed a regression analysis using Arkansas zip codes, which showed that people in upper-income areas use more gas than the average customer. (T. 1431) Second, he ran another regression on Arkansas counties, which showed that in 2003 usage per customer was 472 CCF plus 11 CCF per $1,000 of income. (T. 1431) Third, he presented data from the Bureau of Labor Statistics that show a positive correlation between income level and natural gas usage in the southern region of the U.S. (T. 1431) Fourth, he relied upon data from the Energy Information Administration, which indicates that a family over the $50,000 income level uses 36% more natural gas than the average family under the poverty line. (T. 1432-1433) Fifth, he conducted a study using survey data from Pacific Gas & Electric that shows that lower income customers use considerably less gas than higher income customers. (T. 1433)

Arkla witness TheBerge claims that its proposed residential rate design will result in smaller bills for many underprivileged customers, particularly in east Arkansas. This is because many of those customers have poorly insulated homes. (T. 679-680) Mr. TheBerge also noted that all of the studies that he has seen indicate that there is not much difference in usage between

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receive a rate decrease of approximately 3.54%.

lower-income and upper-income customers. (T. 687) In response to a question from the Commission, Mr. TheBerge stated that the average residential customer uses 54 CCF per month and would see a $3.20 per bill increase under the Company's proposal. (T.723) He also stated that 4 counties in east Arkansas with below average incomes have above average consumption of natural gas. (T. 724)

CEUG did not directly address RS-1 rate design. AGC witness John indirectly addressed RS-1 rate design in that he has concerns that the LCS-1 class is subsidizing the other classes. (T. 1084-1086)

We agree with both Staff and the AG that Arkla's proposed rate design for the RS-1 class would have severe rate shock impacts on many residential customers, especially lower income customers. We agree that the Residential Class should pay its cost of service, that the RS-1 customer charge rate should remain at the current level, and that the residential rate decrease from Staff's cost of service should be accomplished by reducing the rates applicable to the second block.

Residential Customer Survey

AG witness Marcus proposed that Arkla conduct a study of its customer base, in particular with regard to gas usage, economic factors, and demographic factors. He claimed that there is a paucity of data regarding the impacts of various rate designs. He recommended that this Commission authorize $150,000, amortized over three years, in this rate case to be spent by Arkla on such a study. (T. 1435-1436)

We agree with his proposal and authorize an additional $50,000 in expenses for this project. The study should be comprehensive and include factors such as those listed in Mr. Marcus Direct Testimony, p. 91.

Small Commercial Class Rate Design

Arkla witness TheBerge proposes that the customer charge for the SCS-1 class increase from $13.00 to $18.00. In addition, Mr. TheBerge proposes an increase in the SCS-2 (Off-Peak) first 1500 CCF block rate from $.1817 to $.2060. Mr. TheBerge proposes that the Gas Supply Rate ("GSR") charges for the SCS rate class be set on a volumetric basis, instead of the current demand based billing. (T. 276) Arkla witness Henry proposes this change because of the significant increase in customer complaints after the initiation of the new SCS rates in September, 2002. (T. 276) As noted by Mr. The Berge, the volumetric rate design works well for the majority of the SCS Class because the the customers in this class are predominantly low-load factor customers. (T. 839) Mr. Henry also proposes the elimination of the SCS-2 true-up mechanism. Instead, over- and under-recoveries would be recovered from all SCS customers.

Staff witness Booth agreed with the change to volumetric billing for the GSR rate in the SCS class for the same reason as the Company. (T. 863-864, 1751) However, Mr. Booth opposed the elimination of the true-up mechanism for the SCS-2 class because it is appropriate for the SCS-2 customers to pay the costs of providing service to them and it is inappropriate for those costs to be spread to other SCS customers. (T. 1753) Staff witness Bradley opposed the increase in the SCS customer charge because it will significantly increase the minimum charge to many SCS customers. (T. 1625-1627) She recommended that the SCS class pay its cost of

service, and that, because of the minimal change in the SCS class cost of service, this class increase occur entirely in the customer charge. (T. 1634, 1658)

CEUG witness Staley recommends that the Company-proposed increase in SCS-1 fixed costs be reduced. (T. 1209) Further, Mr. Staley opposed the recovery of GSR charges on a volumetric basis and recommended continuation of the current demand based billing. (T. 1211-1212) Mr. Staley noted that a change from demand-based to volumetric billing in the GSR rate would be confusing and would restore a subsidy among sales customers. (T. 1222) Additionally, Mr. Staley pointed out that many customers now have equipment that can accurately measure demand. (T. 1306) Even if the GSR rate is not maintained as a demand-based billing component, a volumetric GSR rate should be of the declining block type. (T. 1222)

AGC witness John indirectly addressed SCS rate design in that he has concerns that the LCS-1 class is subsidizing the other classes. (T. 1084-1086) The AG did not comment on the SCS class rate design.

We agree with Staff that the only change in the SCS class should be a slight increase in the customer charge and that the SCS class should pay its cost of service. Further, the change to volumetric billing for the GSR rate is appropriate because of the prior customer confusion. We also agree with Staff that the true-up mechanism should stay solely within the SCS-2 subclass.

Large Commercial Class Rate Design

Arkla witness TheBerge proposes a decrease in the LCS-1 customer charge from $290 to $26. Further, he proposes a flat demand charge of $3.38/MMBtu for all MMBtus (one-step)

rather than $5.5790/MMBtu for the first 400 MMBtu and $.400 for all MMBtu over 400 (two-step). The LCS-1 rate changes are proposed to be delayed until November 1, 2006.

Staff witness Bradley recommended that the current structure be maintained by increasing each current charge equally. (T. 1627) Ms. Bradley expressed concerns that Arkla's LCS-1 rate design proposals may cause some customers to experience increases of more than 70%. (T. 1657)

AG witness Marcus recommended that no change to the LCS transportation administration fee be made. (T. 1495)

CEUG witness Staley recommended that the LCS-1 class retain its declining block rate and that any proposed increase or decrease in this class be accomplished by increasing or decreasing each tier demand charge equally. (T. 1211, 1312)

AGC witness John agrees with Staff witness TheBerge's proposed one-step rate design, but noted that since that rate design, if approved, would reduce Arkla's business risk, the Commission should reduce Arkla's allowed return on equity. (T. 933, 1083-1084, 1129-1130) He disagreed with a two-step declining block demand charge because it will result in intra-class subsidies.

CEUG witness Ward and AGC witness John also proposed that the LGS class be divided into a transportation class and a sales class because the underlying characteristics of sale customers and transportation customers are different. In particular, sales customers receive a "bundled service", and transportation customers are governed by the balancing provisions of the LCS-1 tariff. Additionally, separating sales and transportation customers would help ensure that

purchased gas and administrative costs are more easily tracked and allocated. (T. 1087-1088, 1130)

Arkla witness TheBerge claimed that the nature of distribution service provided to sales customers and transportation customers is essentially the same. This is evidenced by the historical conversions back and forth between the two. He also noted that separate schedules will not facilitate revenue or expense tracking because the Company is not constructed, organized, managed, or operated based on rate schedules. Additionally, cost allocation models will be no less complex. (T. 710-713) No other party addressed that issue.

We agree with Staff witness Bradley's proposal that the current LGS-1 rate structure be maintained by increasing each current charge equally and that the LGS class pay its cost of service. Further, we agree with the Company that there should be no split between transportation customers and sales customers. In the past few years, Arkla's rate Schedules have been simplified. We do not intend to reverse that course and go down the path of increasing complexity.

VII. RATE RIDERS

Rate Stabilization Plan

In its filing, Arkla proposed a new Rate Stabilization Plan ("RSP"). This RSP would provide for the review and, if necessary, adjustment of rates on an annual basis. Under the Company's proposal, earnings would be evaluated annually based on a test year ending April 30 with rate changes to take effect on October 1. For purposes of determining earnings, net income would be based on actual results adjusted for: weather normalization; gas cost normalization;

wage, salary and benefit increases effective at the end of the test period ending April 30; tax rate and assessments and other items of expense at the end of the test period or which are established by contract or government action for the 12 months beginning May 1; and interest synchronization. (Application Vol. II, Schedule J, p. 7.)

To determine whether a rate adjustment is necessary, Arkla has proposed that a 100 basis point deadband around the allowed return on equity ("ROE") be established. To the extent that its earned ROE is more than 50 basis points below the allowed ROE, rates would be increased by the amount necessary to generate the revenues necessary to increase the earned ROE to the allowed ROE. If the earned ROE exceeded the allowed ROE by more than 50 basis points but not more than 150 basis points, Arkla would refund 50 percent of the excess earnings in excess of the 50 basis point deadband. To the extent the earned ROE exceeded the allowed ROE by more than 150 basis points but not more than 250 basis points, an additional 75 percent of the earnings in the excess of 150 basis points would be refunded. Finally, if the earned ROE exceeded the allowed ROE by more than 250 basis points, Arkla would refund 100 percent of the earnings above the 250 basis point threshold. (Application Vol. II, Schedule J, pp. 2-3.)

Both the Staff and the AG urge that the RSP be rejected. Staff witness Booth noted that the Commission has historically elected to approve riders such as the RSP only where doing so resulted in an equitable balance of the interest of the Company and its customers. Mr. Booth argued that the claimed benefits of the RSP, avoidance of regulatory lag and reduced rate case expense, do not warrant a departure from traditional ratemaking practices. He also testified that the RSP does not satisfy the criteria applicable to the evaluation of automatic adjustment clauses.

Those criteria are: (1) the RSP does not apply to a cost element that represents a significant portion of the utility's total operation costs; (2) the costs do not exhibit extreme volatility and unpredictability; and (3) the cost item is not outside the control of the utility's management. (T. 1740-1744)

AG witness Marcus argued that the RSP is one-sided in that it protects the Company from all risk on the downside, but only results in a small sharing of the upside risk. He further pointed out that the RSP is one-sided in that it provides permanent rate increases when earnings shortfalls occur. However, when earnings surpluses arise, one time bill credits or refunds are given for a portion of the excess. He noted that while performance based regulation mechanisms have been given greater consideration in recent years, Arkla's proposed RSP does not qualify as performance based regulation. (T. 1354-1358)

In his Rebuttal Testimony at page 88, Arkla witness Harder argued that the Commission has the discretion to depart from traditional ratemaking policies and procedures to approve a rider such as the RSP. He argued that there are additional benefits that the Staff ignored, including more closely aligning rates with costs and capping the Company's ROE at 1.25 percent above the Commission approved ROE. (T. 94) Mr. Harder argued that those benefits, in combination with reductions in rate case expense and regulatory lag, warrant departing from traditional ratemaking.

As noted by Staff witness Booth in his Prepared Testimony, (T. 1743) the Commission addressed a similar proposal (called the Rate Evaluation Plan or REP) by Arkla in Docket No. 93-081-U. In Order No. 13 in that docket, the Commission found that the REP did not meet the

criteria historically used in evaluating automatic adjustment clauses and it rejected that proposed rider. In this case, the RSP is rejected for the same reasons. Those are: (1) the RSP does not apply to a cost element that represents a significant portion of the utility's total operation costs; (2) the costs do not exhibit extreme volatility and unpredictability; and (3) the costs addressed by the RSP are not outside the control of the utility's management. We do not agree that the benefits identified by Arkla satisfy the criteria that would warrant a departure from traditional ratemaking policies and procedures and justify the implementation of the RSP.

We also agree with the concerns raised by AG witness Marcus that the RSC is one-sided in favor of the Company and investors. When earnings are below the proposed deadband, or more than 50 percent basis points below the allowed ROE midpoint, revenues would be increased by an amount necessary to bring the earned ROE back to the midpoint or allowed ROE.[11] In contrast, when rates are above the upper end of the deadband, or more than 50 basis points above the allowed ROE, the Company would refund only a portion of the excess over the upper end of the deadband. Moreover, because rates themselves are not changed, Arkla would be left with the potential to over-earn again the following year. Accordingly, we reject the RSP.

Infrastructure Cost Recovery (ICR) Rider

Arkla witness Harder states that the purpose of the ICR Rider is to replace the existing Main Replacement Program ("MRP") Rider as the primary mechanism to fund the cost of the cast iron and bare steel replacement program between general rate cases. Mr. Harder contends that the ICR Rider, when used with the LCA Rider, would mitigate Arkla's need to file rate cases

[11] It is noted that this provides the incentive to increase expenses if earnings would otherwise be below the allowed ROE, but not more than 50 basis points below, in order to ensure a rate increase back to the allowed ROE.

and it would provide the means to improve and maintain a safe, adequate, and reliable distribution system. The ICR Rider would expand the scope of the MRP Rider to include (1) street and highway projects of government entities, and (2) legislative and administrative requirements relating to public health, safety, and environment. Mr. Harder asserts that the scope of the MRP Rider should be expanded to include street and highway improvements because a sizeable portion of what Arkla expends is not reimbursed. Also, the ICR Rider would avoid the need for the Company to file under Ark. Code Ann. 23-4-501 (Act 310) for the recovery of qualifying costs. (T. 32-36)

Staff Witness Booth testified that Arkla has not justified the need for the ICR Rider. Mr. Booth stated that Arkla is requesting that the Commission approve an open ended rider that goes far beyond the current MRP Rider in the types of costs that could be recovered. Mr. Booth argues that eligible facility relocation and city public work project costs could be recovered using an Act 310 or general rate case filing. (T. 1744-1746)

The AG, and AGC also oppose the Company's proposed ICR Rider. AG witness Marcus characterizes the ICR Rider as an open-ended program that should be summarily rejected. (T. 1353) AGC witness John contends that the ICR Rider will: (1) ensure that Arkla is made whole for certain expenses without providing any identifiable benefits to customers, and (2) insulate Arkla from the risk of doing business and ignore the fact that a company's business risk is factored into the determination of its return allowance. (T. 1091-1092)

Arkla Witness Harder asserted that the Commission should exercise its discretion to approve both Riders ICR and LCA. He contends that the ICR Rider provides a cost-effective

alternative to the current MRP Rider by including other costs incurred as a result of government action. Mr. Harder argues that the ICR Rider reduces the cost of regulation by avoiding costs associated with Act 310 filings and the disputes that can occur under Act 310 filings. Mr. Harder believes that Ark. Code Ann. 23-4-108 does not specify the criteria to be followed nor does it limit the Commission's evaluation to Staff's automatic adjustment criteria. (T. 195-197)

In surrebuttal testimony, Staff Witness Booth testified that the Staff does not agree that the proposed ICR Rider is a cost-effective alternative to filing rate cases because: (1) the rider will generate additional revenue for Arkla with little regulatory oversight; and (2) it is unlikely the rider will result in lower bills or provide benefits to ratepayers. Mr. Booth further testified that, if the rider is approved, ratepayers can expect that, in contrast to the MRP Rider: (1) the ICR Rider will not limit the types of cost that it can recover; and (2) Arkla will recover a much larger annual revenue requirement under the proposed ICR Rider. (1778-1779) AG witness Marcus continues to recommend rejection of Arkla's proposed ICR Rider. Mr. Marcus contended that Arkla would have no incentive to be cost-conscious if recovery of costs were automatic, with a blank check and no regulatory review. With regard to highway relocations, the AG states that these costs have been ongoing for decades and are not new unusual requirements meriting a new policy. (T. 1451-1452) In sur-surrebuttal testimony, Arkla Witness Harder proposed modifications to the MRP Rider that would make it the vehicle for recovering cathodic protection expenses and costs that have been pre-approved for recovery. Mr. Harder, therefore, proposed that its MRP Rider should be designated as the ICR Rider because it will ultimately

recover infrastructure costs beyond the scope of the bare steel and cast iron replacement program. (T. 244-245)

The Staff, AG, and AGC all recommend that the Commission reject Arkla's proposed ICR Rider. The Commission agrees with these parties' recommendation. Arkla already has in place the MRP Rider for the purpose of addressing safety concerns related to the replacement of bare steel and cast iron mains and services. The testimony of Staff witness Booth establishes that other regulatory mechanisms exist for Arkla to recover the eligible costs associated with relocating facilities for state, county, and city public works projects. Act 310 provides a means for Arkla to recover some of the costs that would be included in the ICR Rider. While Arkla could use the Act 310 filing procedure, Booth's testimony has shown that Arkla has not chosen, in approximately 14 years, to use an Act 310 filing to recover the cost of relocating pipeline facilities. Arkla could also use a general rate case filing to pursue the recovery of these costs. The Commission also finds that the proposed ICR Rider, as analyzed by Staff, does not meet the criteria applicable to the evaluation of other automatic adjustment clauses. Unlike, for example, the single expense for the purchase of natural gas, the ICR Rider would bundle together various types of capital costs and other expenses as a group. Also, unlike purchased gas costs, ICR-type costs could not typically be considered as volatile. Morevoer, Arkla has not shown that ICR-type costs that would be included for recovery are beyond Arkla's control as are natural gas costs.

In summary, Arkla has not fully utilized the regulatory options available to the Company. The proposed rider fails to meet the criteria traditionally used to evaluate automatic adjustment

clauses. Arkla's proposed ICR Rider fails to balance both Company and ratepayer interests. While the proposed rider would keep Arkla whole and insulated from certain business risks, it would not provide the same level of benefits for ratepayers. For the reasons enumerated above, Arkla's late request to have the MRP Rider designated as the ICR Rider in recognition of its expanded scope for infrastructure costs is also denied.

Load Change Adjustment Rider

Arkla witness Cummings proposed a Load Change Adjustment Rider designed to reflect changes in two factors: (1) Number of customers; and (2) Usage per customer for Residential and Small Commercial Sales customers. (T. 822-836) In Rebuttal Testimony, Arkla witness Cummings dropped the component of the LCA that addressed changes in the number of customers. (T. 841-842)

According to Arkla witness Cummings, the Company has experienced a long-term declining trend in usage per customer in the Residential and Small Commercial Classes. (T. 828-832, 780-781) Also, according to Arkla witness Henry, Arkla's billing determinants have fallen from 31.5 BCF to 24.0 BCF since 1993. (T. 251-252) While other natural gas utilities have faced declines in usage per customer, they continue to experience growth in number of customers. (T. 243, 253) In contrast, Arkansas electric utilities have seen growth in electric residential customers and usage per customer. (T. 244, 253)

The proposed LCA Rider would adjust the bills of Residential and SCS customers for changes in non-gas revenue resulting from the changes in usage per customer levels used to set volumetric rates and the weather adjusted actual usage per customer levels experienced in the

months following the implementation of those rates. According to Arkla witness Harder, two factors have affected the Company's ability to recover its cost of service: revenue-related risk and regulatory lag. (T. 30-31) Arkla witness Cummings alleged that the LCA rider: (1) should enable the Company to file rate cases less frequently, thus saving rate case expense, and (2) will more closely align the Company and customer interests of conserving and efficiently using gas ("decoupling"). (T. 33-35)

Staff witness Wright noted several problems with the LCA Rider. First, it would shift risk from Arkla's stockholders to Arkla's customers (T. 1901) This does not provide an equitable balance between the interests of the Company and its customers. (T. 1908) Second, the LCA Rider, if approved, would represent a significant departure from the traditional and fundamental ratemaking policies and procedures of this Commission. (T. 1905) Third, there is no guarantee that Arkla will file rate cases less frequently and that the associated savings, if any, will be passed on to customers. (T. 1906) Fourth, the LCA Rider is a type of "piecemeal" ratemaking where the level of the rate change would be based solely on the change in usage per customer without any review or determination of other factors such as rate base, expenses, or capital costs.

In response to the Company's concerns about "regulatory lag", Staff witness Booth claimed that Arkla has not fully availed itself of the provisions of Ark. Code Ann. §23-4-406 with regard to test-year and forward- looking cost data. (T. 1739-1740) Booth also noted that the LCA Rider fails the three criteria applicable for evaluation of an automatic adjustment clause: (1) the cost is a significant portion of a utility's operating costs; (2) the cost item exhibits

extreme volatility and unpredictability, with that volatility defined as upward or downward-trending; and (3) the cost item is outside the control of the utility's management. (T. 1740-1742, 1772)

CEUG witness Ward opposed the LCA Rider because it: (1) provides the Company a mechanism to adjust rates without representation of intervening parties; (2) does not provide the Company incentive to promote growth in its service territory; and (3) guarantees a rate of return independent of performance. (T. 1158-1159)

AG witness Marcus would consider a tradeoff that accepts the Company's revised LCA Rider in exchange for no increases to customer charges and a reduction in the return on common equity that is commensurate with the risk reduction. (T. 1351) Further, if the proposed LCA Rider is approved, Mr. Marcus recommends that it should be combined with the existing Weather Normalization Adjustment clause into one adjustment clause to avoid unnecessary complexity. (T. 1352) Arkla rejects Mr. Marcus' recommendation that customer charges remain at their current levels and that the allowed return on equity be reduced if the LCA Rider is approved. (T. 41-45, 331, 856-857, 927-933) Arkla witness Cummings opposes the merging of the LCA and the WNA because customers would lose the immediate bill adjustments of the WNA if it were eliminated and incorporated into the LCA. (T. 835-836, 324)

AGC witness Johns opposed the LCA Rider because it would shift risk to customers and would lessen Arkla's incentive to maintain service levels used to set rates. (T. 1094) Additionally, Mr. John noted that the LCA rider is "piecemeal ratemaking" and that all inter-

class subsidies should be eliminated before adopting proposals which would extend the time between rate cases. (T. 1095-1096)

In Rebuttal Testimony, Mr. Cummings proposed the addition of Company funding of conservation and energy efficiency programs of 10% of LCA collections, up to $100,000 per year. These programs would include energy efficiency premises audits, educational programs, and load research programs. (T. 842) Also in Rebuttal Testimony, Arkla witness Henry alleged that the Company has incurred a $4.9 million marginal revenue erosion since its last rate case. (T. 328)

In Surrebuttal Testimony, Staff witness Wright noted that the 10% or $100,000 provision alone will be unlikely to produce significant benefits for customers (T. 1916). Further, Ms. Wright claimed that Arkla's expenses, as reported in its Annual Report to the Commission, have declined by approximately $8.2 million from 2002 to 2004, and that Staff's case here shows a revenue excess of $12.7 million. This indicates to Ms. Wright that Arkla's cost of service has declined by a greater amount than the estimated revenue loss from a decline in billing determinants. (T. 1918-1919, 1057) Arkla witness Henry responds that the $8.2 million corresponds to a change in capitalization policy in FERC Accounts 887 and 892, and that further declines were unlikely. (T. 351-352) CEUG witness Staley noted that the Company has increased its non-gas revenue requirement by 21% to 33% in a three to four year period, which is sufficient evidence to show that the Company has not attempted to aggressively control costs. (T. 1297-1298)

This Commission rejects the LCA Rider for the following reasons. First and foremost, the Company already has a number of automatic adjustment clauses, namely a GSR, WNA, and an MRP. The addition of another automatic adjustment clause would diminish the ability for enhanced scrutiny associated with traditional rate cases and also diminish the incentives for the Company to minimize costs. Second, the LCA Rider would inappropriately shift risk from Arkla's stockholders to Arkla's customers and, thus, would not provide an equitable balance between the interests of the Company and its customers. Third, the LCA Rider would be a type of "piecemeal" ratemaking where the level of the rate change would be based solely on the change in usage per customer without any review or determination of other potential offsetting factors such as rate base, expenses, or capital costs. Fourth, it would not provide the Company sufficient incentive to promote growth in its service territory. Fifth, the LCA Rider does not meet each of the three automatic adjustment clause criteria, outlined in the Prepared Testimony of Staff witness Booth.

VIII. VOLUNTARY FIXED PRICE OPTION

Arkla is requesting Commission approval of a Voluntary Fixed Price Option ("VFPO") Rider for residential and smaller SCS customers. The VFPO Rider provides these customers the option to have the GSR component of their utility bill fixed for a one-year period. (T. 271-272) Under Arkla's current GSR Rider, the Company is required to make two scheduled GSR filings annually: (1) a Scheduled Winter Season GSR filing effective for the billing months of November through March; and (2) a Scheduled Summer Season GSR filing effective for the billing months of April through October. Each filing is based on projected purchased gas costs

and sales volumes, and includes a "true-up" of projected and actual gas costs incurred during the prior season. (T. 1748-1749) Under the VFPO, there would be no subsequent true-up of projected and actual costs. (T. 310)

In his prepared testimony, Staff witness Robert Booth recommended that the Commission reject the VFPO. Mr. Booth claimed there is no evidence that ratepayers will materially benefit under the VFPO. Mr. Booth claimed that the seasonal GSR rate filings have resulted in a stabilized GSR rate and, therefore, the VFPO Rider is not necessary to achieve the goal of a "fixed" GSR rate. (T. 1749) Mr. Booth also raised concerns with respect to the Company's ability to administer the VFPO, given the Company's prior purchased gas cost accounting errors. (T. 1750) In his surrebuttal testimony, Mr. Booth raised an additional concern that the VFPO will add complexity to the GSR process. (T. 1782)

CEUG witness Staley recommended that the VFPO be provided only to residential customers and requested it be denied for SCS customers. He recommended that all SCS customers be provided the opportunity to transport gas to attain the benefits of a fixed price. (T. 1215)

In his rebuttal testimony and again in his Sur-Surrebuttal testimony, Arkla witness Henry claimed the VFPO boils down to a policy issue that can only be answered by the Commission. Mr. Henry encouraged the Commission to approve the VFPO. (T. 3132, 346) With respect to CEUG witness Staley's recommendation, Mr. Henry claimed that transportation service is simply not economic for many SCS customers and, therefore, they should not be denied the VFPO option. (T. 312)

The Commission finds merit in the concerns expressed by Staff. In the Commission's *Natural Gas Procurement Plan Rules*, Section 6, Customer Education, it states that "each gas utility shall engage in appropriate customer education efforts concerning the availability and benefits of levelized billing or average payment plans" ("Plans"). Generally, these Plans allow customers to even out their monthly bills by paying more for their bill in the summer and less than the full amount in the winter. Such Plans can help minimize and stabilize customer bills during the winter heating season. Under Arkla's tariffs, customers may avail themselves of these Plans. These Plans, in addition to the seasonal GSR, also produce virtually the same "fixed price" result with less cost, complexity, or potential for cross-subsidies.

Since the seasonal GSR rate filings have resulted in a stabilized GSR rate, and the combination of the new GSR system with levelized payment plan options produces an essentially "fixed bill," there is no reason to approve a VFPO that adds complexity to the GSR process and can cause more billing accounting problems. The Commission is also concerned with the potential for cross-subsidization and cost shifting to customers who do not elect the VFPO. Cost shifting could occur if the actual gas costs of VFPO customers exceed gas cost recoveries. Therefore, we reject the VFPO Rider.

IX. RURAL EXTENSION FUND ("FUND")

According to testimony in this proceeding, the Fund was approved in Docket No. 85-043-U for the purpose of using post-1970 investment tax credits to fund the extension of gas mains into areas where such service would otherwise not have been practical. Interest on the funds was set in Docket No. 93-081-U at the Commission approved customer deposit rate. Arkla has

proposed to terminate the fund because the Company has not had a sufficient number of economically feasible, rural extension projects to which the Fund could be applied. Arkla proposes that the Fund be terminated and distributed in equal shares to the Good Neighbor Fund ("GNF") and the Weatherization Assistance Program ("WAP"). The GNF is designed to help Arkla customers who have trouble paying their gas bill during the winter heating season, and who need financial assistance to maintain their gas service. The WAP installs energy conservation materials and appliances in homes of low-income families annually to lower their utility bills. (T. 25, 29, 197, 1754)

Staff Witness Booth testified that the approximate balance of the Fund is $1,300,408 as of April 30, 2005. Mr. Booth agrees with the Company that the Fund should be terminated. However, Mr. Booth does not agree with Arkla's proposal to distribute the Fund in equal shares to the GNF and the WAP. Mr. Booth recommends that: (1) the Fund monies be returned to all customers; (2) Arkla credit the accumulated balance of the fund to Arkla's MRP Rider; and (3) Arkla clearly document the crediting of the Fund amount in the MRP filings, in accordance with Section 2.3.4 of Staff's proposed MRP Rider. (T. 1755-1756, 1786-1787)

Both Arkla and the Staff agree that the fund should be terminated and that the monies remaining in the fund distributed to other various recipients. We agree. The only remaining issue is who should receive the balance of the monies in the Fund. Arkla's proposal to distribute the funds to the GNF and the WAP, while laudable, would target fewer customers than Staff's recommendation. Staff's proposal is adopted since it will ensure that all customers will receive some benefit from the balance of the fund.

X. OTHER TARIFF ISSUES

GSR – Language

The Company has proposed that the following tariff language be added to the text of the GSR Rider:

> "The Company shall recover all of its gas costs from its customers under this rider and the Voluntary Fixed Price Option ("VFPO"), Rider Schedule No. 6" (Schedule I, page 132).

Staff witness Booth disagreed with the proposed language, claiming that the text appears to be inserting a requirement that Arkla be guaranteed recovery of its gas costs. Mr. Booth further claimed that the Company has not supported the proposed language. (T. 1754) Arkla witness Henry claimed that the proposed tariff language was simply intended to recognize that some of the Company's gas costs would now be recovered through the proposed VFPO. Previously, all gas costs were recovered through the GSR. (T. 320)

In his surrebuttal testimony, Staff witness Booth continued to recommend that the proposed language be rejected. The basis of his recommendation was that he continued to recommend that the VFPO Rider be rejected. (T. 1785)

As discussed above, the Commission has rejected the proposed VFPO Rider. Therefore the proposed GSR language is also rejected.

Master Metering/Combined Billing

CEUG witness Staley testified that the Stipulation and Settlement Agreement in Arkla's last rate case in Docket No. 01-243-U directed the parties to negotiate in good faith to develop master metering/combined billing ("MMCB") guidelines for Arkla. While the parties to Arkla's

previous rate case met to develop the guidelines, they were unable to reach agreement on a set of guidelines. In this proceeding, CEUG witness Staley recommended approval of the MMCP guidelines attached to his direct testimony. (T. 1196) Arkla witness Bish testified that this rate proceeding is not the appropriate proceeding to adopt MMCB guidelines. Mr. Bish contended that the APSC General Service Rule 5.20 ("Rule") does not permit combined billing in the manner advocated by CEUG. He recommended that a separate proceeding involving all of the other gas utilities as parties would be a more appropriate forum to address this issue. (T. 449) In surrebuttal testimony, CEUG witness Staley argued that Mr. Bish did not raise any specific objections to CEUG's guidelines. Mr. Staley asserted that Mr. Bish's general concerns are without merit. (T. 1263-1267) Staff witness Booth agreed with Arkla that a rate case docket is not the appropriate proceeding to consider this issue because MMCB is governed by the Commission's Rule. Mr. Booth recommended that any changes to the Rule should be adopted by the Commission in a generic proceeding or a rule-making docket to ensure that all interested/affected parties can participate. (T. 1788) In sur-surrebuttal testimony, Arkla witness Bish continued to recommend that the Commission not adopt MMCB guidelines in this proceeding. He contended that addressing the issue for each utility in separate rate cases in a piecemeal fashion is not conducive to either participation by all affected parties or a consistent result. (Bish SS2-5)

For the reasons advanced by Arkla and the Staff, the Commission finds that any changes to the MMCB Rule should be addressed in a generic rule-making proceeding and not in this docket. The Commission also notes that the guidelines stemming from Docket No. 01-243-U,

were developed by the parties between that docket and this proceeding. Therefore, we do not find CEUG's contention that the guidelines must be developed within the confines of a rate case to be persuasive. Therefore, the Commission finds that any interested party (or parties) may petition the Commission to open such a proceeding to address issues related to MMCB. In the alternative, the parties (and any other interested parties) may continue to work on their own to finalize the proposed guidelines contemplated in Docket No. 01-243-U.

Upstream Contract Flexibility

CEUG witness Ward recommended a modification of the Company's capacity release policy to provide greater flexibility for Transportation Service Option ("TSO") customers. Arkla's current policy is to specify the amount of pipeline capacity to be released to the TSO customer. If the TSO customer does not accept the capacity release, Arkla assesses the customer with the fixed charges associated with any resulting excess capacity. Mr. Ward noted that this policy was implemented because of Arkla's belief that TSO customers were burdening the remaining Supply Service Option ("SSO") customers with excess capacity due to differences between the capacity releases elected by TSO customers and their allocated contract capacity. While agreeing that SSO customers should be kept economically whole and not burdened with excess capacity, Mr. Ward proposes that Arkla should put in place contractual mechanisms with its upstream pipeline that provide TSO customers with the level of choice intended for those customers. (T. 1162-1164)

In Rebuttal Testimony, Arkla witness TheBerge agreed that Mr. Ward accurately characterized the problem. However, he contended that the solution proposed by Mr. Ward to

balance the interests of TSO and SSO customers cannot be implemented without additional costs. That is, increasing the flexibility of the contract with Arkla's upstream supplier to accommodate adjustments for TSO customers would increase the costs of that upstream contract, making it more expensive for all customers. (T. 639)

In his Surrebuttal Testimony, Mr. Ward argued that Mr. TheBerge provided no support for his claim that upstream contract flexibility would result in higher costs. He stated that: "In a truly competitive environment, this additional flexibility may result in no additional cost to the Company's customers." (T. 1185) Mr. TheBerge responded that this conclusion is totally at odds with Arkla's experience that additional flexibility translates into higher costs. (T. 723)

We decline to order the Company to modify its capacity release policy as proposed by Mr. Ward. We agree that experience has shown that increasing the level of contact flexibility to allow reductions in capacity will almost certainly result in increased upstream pipeline capacity costs.

XI. RETURN ON EQUITY ADJUSTMENT

Staff witness Booth recommends that Arkla's return on equity be set at the lower end of the range of reasonable equity returns. Various Staff witnesses identified several concerns with Arkla's: (1) filing of its Application; (2) administration of its tariffs; (3) accounting for retirements of plant; (4) costs allocated by its accounting system; and (5) retention of data required for the depreciation study. Staff witness Booth contended that the above concerns cast serious doubt on Arkla's ability to provide adequate service to its customers. Mr. Booth argued that, when a public utility does not provide a satisfactory level of compliance with the

Commission's Rules and does not provide a satisfactory level of customer service, it is appropriate to adjust its return on equity. (T. 1761-62, 1764)

Staff witness Fritchman testified that Arkla filed three revisions to its deficient original Application filed on November 24, 2004 in an attempt to correct these deficiencies. Ms. Fritchman asserted that as a result, Staff spent considerable time reviewing the original Application and then reviewing and analyzing all the revisions. She claims that Arkla's filing of a deficient Application interrupted and frustrated Staff's review and analysis of Arkla's requested rate relief. (T.1517-1791) Ms. Fritchman further testified that, as a result of a her audit of Arkla's Temporary Low Income Gas Recovery Program ("TLICGRP"), she determined that Arkla was unaware that it had failed to credit $2,364,599 back to ratepayers as required by the Commission in Docket No. 01-248-U. Also, Arkla did not have in place a process to properly track collections under the TLICGRP. (T. 1510-1513) Ms. Fritchman found that Arkla did not exercise adequate oversight to ensure compliance with its MRP Rider. As a result, over-collections totaling $294,879 occurred because Arkla did not have adequate controls in place to ensure that costs that did not meet the criteria were not included for recovery. (T. 1513-1516) Regarding Arkla's Weather Normalization Adjustment Rider ("WNA"), Fritchman alleged that Arkla, in November 2004, failed to apply the WNA to the bills of its residential and small sales customers. Additionally, Arkla did not compute the sales tax applicable to the WNA charge. (T. 1516-1517) Ms. Fritchman also determined that Arkla had trouble in identifying direct charged and allocated costs in a timely and accurate manner. She identified several instances where costs were improperly charged to Arkla by affiliates and by Arkla Corporate. (T. 1521-1524)

Staff witness Williams testified that Arkla still had assets on its books that were no longer used and useful, assets that Arkla no longer owned, accounts in which the Company failed to book retirements, and assets that were fully amortized. (T. 1928-1932) Staff witness Freier discovered that Arkla had not been using the correct depreciation rates that were approved in Docket No. 01-243-U. Ms. Freier concluded that Arkla needs considerable improvement in its data retention and record keeping processes. (T. 2016-2022)

Various Arkla witnesses responded to the Staff's concerns with Arkla's tariff administration, application, and accounting. Arkla witness Harder, in citing a Continental Telephone Company of Arkansas case, acknowledges that there is precedent for reducing a Company's ROE for failure to provide adequate customer service. (T. 175) However, Mr. Harder argued that case concerned the actual quality of the utility service provided to customers, not the type of concerns identified by Staff in this case. He asserted that the Staff's concerns in this docket have no direct bearing on customer service. (T. 175-177) Mr. Harder responded to Staff's concerns that Arkla failed to properly administer its TLICGRP by stating that: (1) this was a one-time program that did not conform with any existing accounting or billing mechanism; (2) when Arkla became aware of problems; it developed corrective measures; and (3) the amount of the over-billing errors represented only a small portion of the total amount billed. (T. 179-180)

Regarding Staff's concerns about the MRP Rider, Mr. Harder observed that with any program of this magnitude, mistakes will occur. He also noted that the MRP under billing error represents only a small portion of the total billings during that time period and thus should not

warrant a reduction in the Company's ROE. (T. 180-181) Concerning Arkla's WNA, Mr. Harder stated that the Company remedied this error in accordance with Commission Rules. Mr. Harder insisted that the failure to bill sales tax on the WNA was not an error, but rather a conscious decision to forego the collection of sales tax from its customers. (T. 181-183) With regard to deficiencies in the Company's Application, Mr. Harder stated that the alleged deficiencies did not materially affect the amount sought by the Company or Staff's audit. Mr. Harder testified that Arkla subsequently reduced its requested rate relief as a result of a filing deficiency. Mr. Harder also asserted that Arkla has not experienced problems with the filing requirements in other jurisdictions. (T. 174-186)

Arkla witness Hamilton contended that the Staff should modify its auditing procedures to obtain the information that it needs by examining the accounting records that are maintained by the Arkla corporate offices and developing an audit program tailored to the specific requirements of each of the larger companies it audits. With regard to the Staff's recommendation that it have access to external auditor working papers, Mr. Hamiliton does not believe that future external auditor engagement letters should provide the Staff with full access to all working papers created by the Company's external auditor. He contended that audit working papers are not designed in a manner that would or should permit third parties to use the information found in those audit working papers for other purposes. (T. 1038-1047)

Arkla witness Fitzgerald's testimony addressed certain of the allegations made by the Staff concerning various deficiencies in the Company's accounting system and practices. Mr. Fitzgerald argued that, even if each of the accounting allegations were true, the Staff has not

presented any evidence that the deficiencies have negatively affected the quality of service provided by the Company. Mr. Fitzgerald further testified that the Staff has not cited any specific rules that Arkla violated in reaching its conclusion that Arkla's accounting and system and reporting processes are out of compliance with Commission Rules or are not suitable for regulatory purposes. (T. 1951-1953)

In surrebuttal testimony, Staff witness Fritchman continued to assert that the Company failed to properly administer and monitor the operation of the TLICGRP and MRP Riders. Ms. Fritchman contended that Arkla's lack of administrative oversight of these riders raises the concern that similar problems, if not addressed, could occur with the operation of other tariffs. (T. 1567) She stated that the magnitude of the errors in administering the TLICGRP and MRP Rider cannot be dismissed as being immaterial. (T. 1567-1570) The Staff continues to assert that the problems with Arkla's Application impeded its review and audit. (T. 1572-1573) Regarding access to external auditor work papers, Ms. Fritchman pointed out that Staff routinely reviews the external auditor work papers for the companies it audits to determine if there are any issues that should be further investigated. (T. 1574-1575) Staff witness Booth testified that Arkla continues to fail in its obligation as a regulated public utility. Mr. Booth asserted that, while the facts in this case differ from the Continental case, the Continental case recognized that the cost of equity can be adjusted when supported by certain facts. He argued that, if a utility fails to follow any standard, regulation, or practice set by the Commission, the utility has failed to meet its obligations as a regulated public utility and has thus negatively affected its customers. (T. 1789-1791)

In sur-surrebuttal testimony, Arkla witness Harder testified that the Staff has not shown that its downward ROE adjustment is permitted under Arkansas law, does not violate Arkla's right to due process, and is proportionate to the alleged harm to ratepayers. (T. 237) Regarding the administration of its tariffs, Mr. Harder stated that Arkla takes billing problems seriously and that it seeks to promptly correct such problems and take corrective action to prevent their recurrence. Mr. Harder argued that Staff's audit was not impaired despite the problems the Staff experienced with Arkla's Application. According to Harder, this was evidenced by the fact that the Staff was able to comply with all of the established procedural dates in this proceeding.

Arkla witness Hamilton continued to assert that gaining access to the external audit working papers provides little, if any, additional rate case audit support and that if access is granted, the cost of the audit will increase. (T. 1051-1052) Arkla witness Fitzgerald testified that except for certain MFRs, the Staff did not cite one Commission rule that Arkla violated. Mr. Fitzgerald contended that there were only three accounting-related errors cited by Staff, which represents only a small portion of an enormous number of accounting entries made daily by the Company. He contended that Arkla acted properly and reasonably by correcting each of the accounting errors, and Arkla agreed to institute various new processes to help minimize their chances of recurring in the future. (T. 985-987) Mr. Fitzgerald further testified that, without a showing of persistently inadequate customer service, the Commission has no history of punishing a utility through its rate of return and has held that a punitive ROE is contrary to accepted legal standards for reasonable returns. (T. 987)

The primary issue here is whether or not Arkla's administration of its tariffs, its accounting and recordkeeping practices, and its supporting documentation for rate applications have been deficient to the extent that it would warrant the selection of an ROE at some point below the middle of Staff's recommended range of reasonableness. At the hearing, Staff witness Booth testified that "any point within the range of reasonable returns is a reasonable return, and there does not need to be even a reason for the Commission to choose any point within that range since any point is a reasonable range." (T. 955, 965-966) The Commission finds that the balance of Staff's and Arkla's testimony on this issue reflects the need to adopt an ROE between Staff's recommendation and the normally-accepted ROE midpoint.

Testimony has been presented by Staff witnesses which identified numerous instances in which Arkla's billing of customers, accounting practices, and rate case filings were deficient. While Arkla asserts that the alleged deficiencies had no bearing on the quality of service provided to its customers, quality of service has as much to do with utilizing proper inventory and accounting practices as it does pipe replacement and quality field service. Arkla, as a public utility, is required and obligated to maintain proper accounting and financial records in compliance with uniform accounting practices, and to file Applications for rate changes in compliance with the Commission's Minimum Filing Requirements ("MFRs"). In return for compliance with these accounting requirements, among others, utilities are allowed to recover their reasonable and prudently-incurred expenses, earn a fair and reasonable return on capital investments, and enjoy a monopoly service territory. A public utility's accounting systems form the basis for establishing appropriate rates for its customers. For ratemaking purposes, it is the

regulatory commission which has the responsibility and authority for exercising control of the rates, charges and services provided by the utility company. The Commission notes that Arkla did not substantively deny the allegations made by Staff regarding the administration of its TLICGRP, MRP Rider, or WNA, or that there were various deficiencies with its Application filing package. Arkla simply provided various explanations such as: (1) the overbilling errors were small in comparison with the total amount billed; (2) humans do make mistakes; (3) the billing errors were corrected; and (4) the Application deficiencies did not materially affect the amount of revenue sought by the Company or impair Staff's investigation.

The Commission cannot ignore what appears to be a pattern of deficiencies as to Arkla's recordkeeping, accounting systems, customer billings, and rate case filings. Staff witness Booth testified that Arkla's rate Applications in its last four rate cases were also cited for numerous MFR deficiencies. These deficiencies occurred even after Arkla was given waivers of certain MFRs in those cases. While it appears that Arkla did address some of the Staff's accounting concerns identified in Arkla's last rate case (Docket No. 01-243-U), the reoccurrence of related and numerous problems in this docket and in recent Staff tariff audits leads the Commission to believe that the Company has not yet undertaken the serious corrective actions it must take in order to establish a prudent and credible basis for its accounting and billing systems --- all of which are fundamental to the determination of reasonable rates. Accordingly, an ROE below the mid-point of the range that reflects poor performance in this area will hopefully serve as an appropriate inducement to incent corrective action by Arkla that will produce more confidence

and integrity in future inventory numbers, cost accounting, customer billing, rate case applications, and compliance with the Commission's MFRs.

In describing the difference between the Continental Telephone Case and this proceeding, the Company argued that: (1) in this proceeding, there is no evidence that the quality of service was inadequate; (2) the evidence in this case does not show a pattern of non-compliance; and (3) absent a showing of poor customer service, the Commission has no history of punishing a utility through its rate of return. (T. 1566) The Commission does not agree with Arkla's reasoning. Arkla's service to its customers is provided via its rate schedules, riders, and tariffs. If the quality of customer service is inadequate in the administration of these tariffs, riders, and rate schedules, or the accounting and inventory practices that underline those rate schedules, the Commission may apply the "Continental case standard." The record in this proceeding provides substantial evidence to support a finding that the quality of service provided by Arkla by its administration of several Arkla riders was inadequate. Through its audits, the Staff found that ratepayers were overcharged by approximately $2,659,478 for the service that Arkla provided through its TLICGRP and MRP Riders. (T. 1566-1567) Also, the Staff found that Arkla misapplied the terms of its WNA Rider to bills of its residential and small commercial customers in November 2001. (T. 1566-1567)

The record also shows a pattern of non-compliance with Commission rules and regulations. As previously mentioned, uncontroverted testimony was presented that Arkla's Applications in its most recent Arkansas rate cases in Docket Nos. 01-243-U, 94-175-U, 93-081-U, and 92-032-U were cited for numerous MFR deficiencies even after being granted waivers of

certain MFRs. Furthermore, the deficiencies occurred again in the current Application. (T. 1792) The record also shows that: (1) Arkla's accounting system failed to properly account for retirements of plant no longer serving customers, and failed to readily identify the amounts and types of cost being allocated to it; and (2) Arkla failed to retain data required for depreciation studies and record keeping processes. (T. 1790) When taken as a whole, this evidence establishes a pattern of persistent and inadequate customer service and non-compliance with standard accounting practices and Commission rules and regulations. The fact that the Commission may not have a consistent history of reducing a rate of return allowance for service quality and rule violation issues only indicates that the magnitude of such patterns of conduct as reflected in this case have not often occurred in this state.

The Commission, however, is encouraged by the testimony of Arkla Vice President and Controller, Walter L. Fitzgerald. Mr. Fitzgerald testified that the Company has made improvements in various accounting and computing systems. Some of the improvements the Company identified included: (1) a process called "record and report" which tracks transactions through the accounting process; (2) a computer system which tracks various processes, and (3) since the last rate case, a "special projects ledger.[12] (T. 886-887) Mr. Fitzgerald was confident that the problems that Staff has identified in the past, and in this proceeding, have been addressed and that the Company will continue to maintain these "state of the art" type systems. (T. 886-888) Given these improvements cited by Arkla and its commitment that the problems have been

[12] The Commission notes that Staff witnesses Fritchman and Booth indicated that, while Arkla has made changes to its accounting systems since Arkla's last rate case, some of the same problems from the last rate cases were identified in this proceeding. With regard to Arkla's Application deficiencies, the Staff indicated it would not know whether those type problems have been resolved until Arkla files its next rate Application. (T. 894, 923, 961-63)

and will continue to be addressed, the Commission will modify Staff's recommendation that Arkla's ROE be set at the lower end of Staff's range of reasonableness and set Arkla's ROE in this proceeding at 9.45%, which is approximately half-way between Staff's recommendation and the mid-point of the range of reasonableness.

The Commission, directs its General Staff, to closely monitor Arkla's progress in correcting the various cited deficiencies. If progress is not being made as promised by Arkla, the Commission will take appropriate steps to ensure that deficiencies are corrected in a timely manner. Prior to its next rate case, Arkla must bring its books and records into full compliance with standard accounting practices and with the Commission's MFRs.

XII. STAFF RECORDKEEPING AND REPORTING RECOMMENDATIONS

Staff witness Booth identified seven Staff recordkeeping and reporting recommendations that Arkla either partially accepted or completely rejected.[13] Mr. Booth argued that Arkla should be required to comply with the recommendations that the Company did not fully accept and those that Arkla rejected outright. (T. 1779-1780, 1798-1804) The Staff recommendations relate to the following issues: (1) external audit work papers, (2) retirement inventory, (3) annual depreciation study data, (4) pre-tax rate for MRP over-collections, (5) allocation of affiliate charges, (6) allocation of meters, regulator, etc., and (7) APSC-approved depreciation rates.

Access to External Audit Workpapers

In her direct testimony, Staff witness Fritchman discussed the difficulties in gaining access to the workpapers prepared by CenterPoint's external auditor due to confidentiality issues.

[13] The Commission's finding on Recommendations Nos. 2,3, and 7 have been incorporated into the order's section on depreciation rates/expense.

Accordingly, she recommended that the Commission require that all future engagement letters between CenterPoint Energy and its external auditor expressly require that full access to all workpapers created by the external auditor be provided to the Staff of the APSC. (T. 1521)

In response, Arkla presented the Rebuttal testimony of Mr. Fitzgerald and Mr. Hamilton. Mr. Fitzgerald explained that the difficulties were not caused by the Company and that it does not have control over the workpapers prepared by its external auditor (currently Deloitte and Touche, LLP). He also noted that the issues with Deloitte & Touche had been resolved. (T. 958-959) Mr. Hamilton testified that the workpapers of the outside auditor were not prepared for the purpose of the ratemaking process and should not be relied upon for that purpose. He also testified that Ms. Fritchman's recommendation would increase the costs of the audit to the Company while providing little meaningful information to the Staff. (T. 1044-1045) In response to Arkla's rebuttal, Ms. Fritchman continued to recommend that access to the external auditor's workpapers be required as a provision in all future engagement letters with external auditors. However, she modified her recommendation to make it clear that the external audit will not be conducted for the purposes of a third party and that the audit will not replace or supplant the procedures or inquiries that should be undertaken by the regulator for its purposes. Ms. Fritchman expressed the view that this should avoid the additional costs noted by Mr. Hamilton. (T. 1577-1578) In Sur-Surrebuttal, Mr. Fitzgerald noted that the Company will attempt to negotiate such terms with its external auditor. However, the Company has no ability to dictate the terms of an engagement letter with external independent auditors.

We recognize that Arkla does not have the ability to dictate the terms of an engagement letter with outside independent auditors. Accordingly, we will not order the Company to include a provision in all future engagement letters which requires the external audit workpapers to be provided to the Staff. We do, however, direct the Company to make it clear to its external auditors that its workpapers are to be made available for review under the terms of an appropriate confidentiality agreement.

Pre-Tax Rate on MRP Rider Over-collections

Staff witness Fritchman testified that the MRP Rider recovers on an interim basis between rate cases Arkla's cost of replacing bare steel and cast iron mains along with associated services. Ms. Fritchman further testified that as a result of her audit of the MRP Rider she discovered an Arkla over-collection of $294,879 which included interest computed pursuant to Rule 5.19 of the Commission's *General Service Rules*. In light of Arkla's over-recovery, Ms. Fritchman recommended that the interest rate applicable to any over-collections be set at the pre-tax rate of return determined in this proceeding. (T. 1513-1515) Arkla witness Harder argued that the Staff's recommendation is "one-sided" and is unwarranted and excessive. (T. 181) Staff witness Booth disagreed, stating that, since under the MRP Rider Arkla recovers the pre-tax return on qualifying investments, it is reasonable to use that rate of return to compensate ratepayers for any over-collections. (T. 1780-1781) Mr. Harder proposed that the use of the pre-tax rate of return for over-collections under the MRP Rider should be removed, or alternatively, the pre-tax return should apply to both over-collections and under-collections. (T. 239-244)

The Commission rejects Staff's recommendation to use the pre-tax rate of return for MRP Rider over-collections. Interest on MRP billing corrections, i.e., over or under-collections will be assessed pursuant to Rule 5.19 of the Commission's *General Service Rules.*

Allocation of Affiliate Charges

Staff identified several problems with obtaining accurate information on costs that were allocated and direct charged to Arkla from its affiliates. Affiliate costs allocated to Arkla lose their identity because thousands of transactions are aggregated at the end of the month prior to being allocated. (T. 1521-1522) This significantly increases the difficulty of tracing costs on Arkla's books back to source documents. Staff has not experienced problems of this magnitude with other multi-jurisdictional utilities that the Commission regulates. (T. 1795)

Two examples of these problems are charitable contributions costs (T. 1521, 1523) and Minnegasco costs. (T. 1521-1522) Other examples of costs improperly allocated to Arkansas that came out during the hearing are: (1) Texas lieutenant governor reception; (2) TicketMaster tickets; (3) Electric Power conference; and (4) Indiana University Varsity Shop. (T. 877-881) The Company failed to eliminate some charitable contribution costs from its revenue requirement as required by the MFR. Absent the intervention of Staff witness Fritchman, these costs would have been inappropriately recovered from Arkansas ratepayers. (T. 1582)

Staff recommends that the Commission require Arkla to develop a procedure whereby costs that are allocated or direct charged from affiliates can be specifically identified by Arkla so that the information will be provided in a clear, accurate, and timely manner for regulatory purposes. This procedure should be filed with the Commission by January 3, 2006. (T. 1524)

The Company dismissed these alleged difficulties as being insignificant, or caused by human error on the part of the Company, or data input error on the part of the Company, or the manner in which Staff conducted its audit. Nevertheless, the Company has indicated that it will file its procedure that identifies direct versus allocated costs with the Commission by January 3, 2006.

We hereby direct Arkla to file the procedure recommended by Staff with the Commission by January 3, 2006. Prior to the filing Arkla will consult with Staff, and other interested intervenors, regarding the details of such a procedure.

Allocation of Meters, Regulators, and Domestic Meter Installations

Staff recommends that the Company be required to directly assign the costs of domestic meters, domestic regulators, and domestic meter installations for use in the Arkansas jurisdiction to Arkansas. The Company proposed that going forward such direct assignments be made, but that the historical balance of these assets be allocated on the basis of customer count. Staff would like to see the results of that historical allocation before it can be assessed.

We agree with this approach and hereby direct Arkla to file with the Commission by January 3, 2006 all workpapers associated with the historical allocations, and a specific procedure for direct assignment going forward. Prior to the filing Arkla will consult with Staff, and other interested intervenors, regarding the details of such a procedure.

THEREFORE, the Commission orders as follows:

1. That the rates and tariffs proposed in this proceeding by Arkla are hereby disapproved.

2. Arkla is ordered to file new rates and tariffs designed in conformity with this order.[14]

3. Upon and review and approval by subsequent order, the new rates and tariffs shall become effective for meters read on or after September 25, 2005.

BY ORDER OF THE COMMISSION

This 19th day of September, 2005

Sandra L. Hochstetter, Chairman

Daryl E. Bassett, Commissioner

Randy Bynum, Commissioner

Diana K. Wilson
Secretary of the Commission

I hereby certify that the following order issued by the Arkansas Public Service Commission has been served on all parties of record this date by U.S. mail with postage prepaid, using the address of each party as indicated in the official docket file.

Diana K. Wilson
Secretary of the Commission
Date 9/19/05

[14] Arkla's rates will be reduced by approximately $11.5 million.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Ann Bulkley

198. Reference is made to the earnings growth rates utilized in Ms. Bulkley's DCF analysis of the S&P 500 for purposes of her CAPM and ECAPM market return estimate.
   a. Did Ms. Bulkley calculate the specific weighted contribution to the 11.65% aggregate S&P 500 growth rate derived from the so-called "Magnificent Seven" companies (Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta, and Tesla)?
   b. If yes, please state what percentage of the total weighted average growth rate is attributable to just these seven companies.
   c. If no, does Ms. Bulkley agree that her Total Market proxy is heavily skewed by the growth prospects of a small number of mega-cap technology firms?

Response:

   a. Yes.
   b. Please see column 11 of Exhibit AEB-6.
   c. Please see the response to part b.

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Witness: Ann Bulkley

199. Reference is made to Ms. Bulkley's testimony regarding the regulatory guidelines and principles relevant to cost of capital estimation, including the *Hope and Bluefield* standards.
   a. Should an authorized ROE of a utility company always be set equal to a utility company's market-required return on its invested capital? Explain in detail.
   b. Do regulatory principles allow a Commission to authorize an ROE that is higher than a utility company's market-required return on its invested capital? Explain in detail.
   c. Explain what other criteria the Commission should consider when determining the appropriate authorized ROE for Kentucky American other than its market-required return on its invested capital.

Response:

   a. As discussed on page 3, lines 16-20 of Ms. Bulkley's Direct Testimony, the U.S. Supreme Court decisions in the *Hope* (see KAW_R_LFUCGDR1_NUM043_062626_Attachment_1) and *Bluefield* (see KAW_R_LFUCGDR1_NUM043_062626_Attachment_2) cases established the standards for determining a fair and reasonable authorized ROE for public utilities, including consistency of the allowed return with the returns of other businesses having similar risk, adequacy of the return to provide access to capital and support credit quality, and the principle that the specific means of arriving at a fair return are not important, only that the end result leads to just and reasonable rates.
   b. Please see part a.
   c. Please see part a.

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Witness: Ann Bulkley

200. Did Ms. Bulkley do an analysis to determine if the Company's requested regulatory capital structure of 52.29% common equity and 46.97% long-term debt will lead to the lowest possible rates for consumers? For example, did Ms. Bulkley conduct a cost-benefit analysis to determine if Kentucky American's rates would be higher or lower if its regulated capital structure had a common equity ratio of 50% (or any other common equity ratio instead of the proposed 52.29% common equity ratio)? If yes, please explain. If not, please provide said analysis.

Response:

Ms. Bulkley has not conducted the requested analysis regarding KAWC's rate design.

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Witness: Ann Bulkley

201. In her direct testimony, Ms. Bulkley states that she considers the current and prospective capital market and the results of multiple financial models.
   a. Did Ms. Bulkley use the long-term U.S. GDP growth rate (approximately 4.00%) as a control variable or limit when assessing the reasonableness of the 11.65% market-cap-weighted S&P 500 earnings growth rate used in her market-return estimate?
   b. Ms. Bulkley's S&P 500 growth rate of 11.65% exceeds GDP growth by nearly triple, what specific test did she apply to determine that this divergence was reasonable and sustainable?

Response:

   a. Please see the response to KAW_R_AGDR1_NUM191_062626, part f.
   b. Please see the response to KAW_R_AGDR1_NUM191_062626, part f.

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202. On page 45 of the Bulkley Testimony, she concluded that Kentucky American has "slightly greater than average regulatory risk when compared to the proxy group" because it currently lacks timely cost recovery mechanisms between rate cases. On page 39, she states that 75.00% of the operating utilities in her proxy group currently benefit from infrastructure replacement recovery mechanisms. She further acknowledges that if the Commission approves Kentucky American's proposed SIP in this proceeding, Kentucky American will have a capital tracking mechanism similar to her proxy group. If the Commission grants Kentucky American's request and approves the SIP mechanism, Kentucky American's regulatory risk profile regarding capital cost recovery will align with the 75% of her proxy group companies that already possess such mechanisms.
   a. Provide the exact basis point reduction to her 10.75% recommended ROE that would be warranted to reflect this explicitly mitigated regulatory risk.
   b. If Ms. Bulkley contends that no downward adjustment to her 10.75% ROE recommendation is warranted upon approval of the SIP, provide mathematical justification for why Kentucky American requires a premium return to compensate for "greater than average regulatory risk" while simultaneously operating under the exact same risk-reducing cost-recovery mechanisms as its peers.

Response:

   a. Ms. Bulkley's recommended ROE of 10.75 percent assumes the Company's proposed System Improvement Program ("SIP") mechanism is approved.
   b. As discussed on pages 42-43 of Ms. Bulkley's Direct Testimony, in her assessment of the relative regulatory risk of KAWC to the proxy group, Ms. Bulkley considered not only capital cost recovery mechanisms such as the SIP but also test year convention (*i.e.*, use of a forecast vs. historical test year) and the use of revenue decoupling mechanisms or other clauses that provide revenue stabilization. The results of Ms. Bulkley's regulatory risk assessment are shown in Exhibit AEB-8. Based on this analysis, Ms. Bulkley concluded that many of the companies in the proxy group have more timely cost recovery than KAWC has in Kentucky. As a result, Ms. Bulkley concluded that KAWC had slightly greater regulatory risk when compared to the proxy group companies.