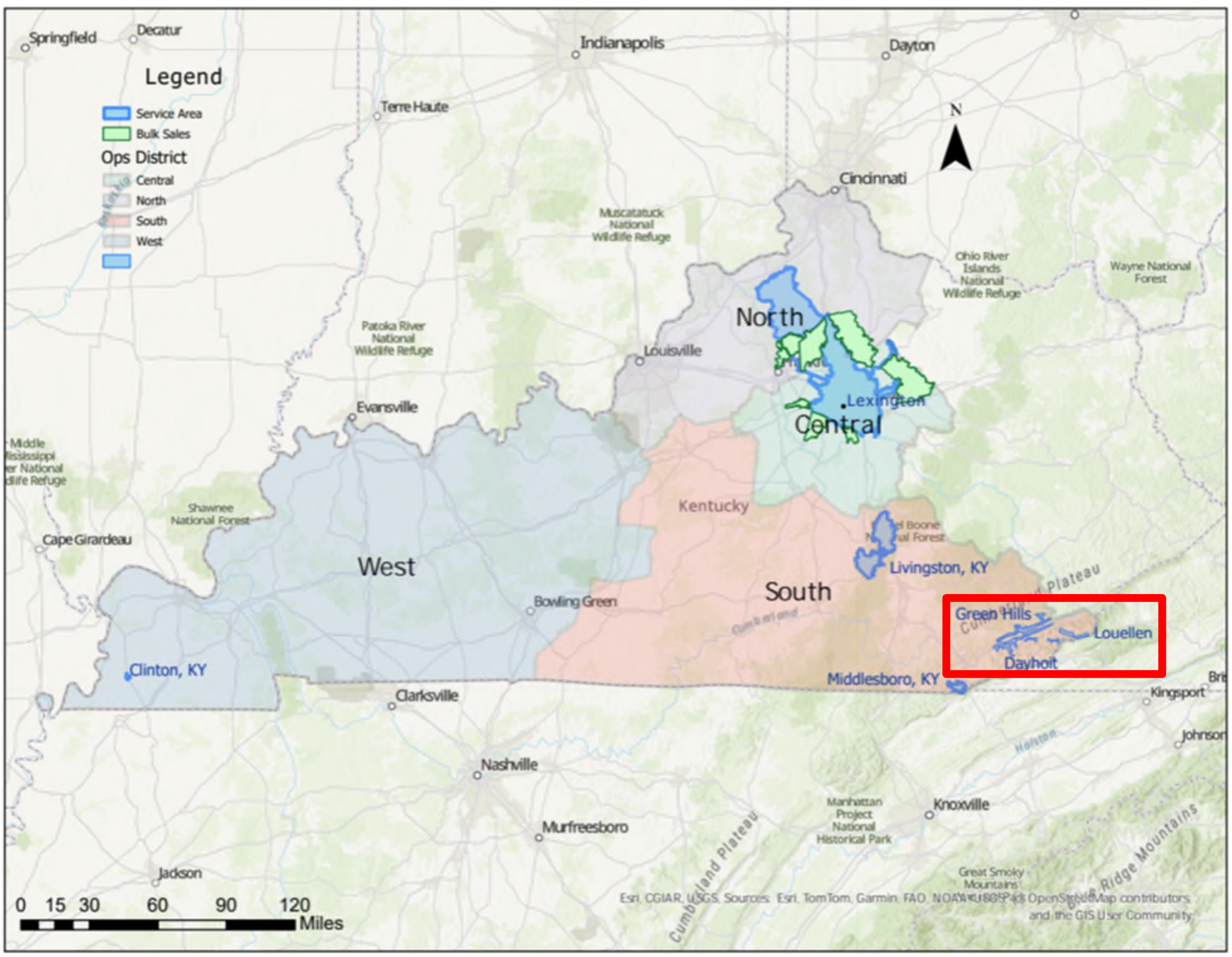
KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2026-00094
ATTORNEY GENERAL'S SECOND REQUEST FOR INFORMATION

Witness: William A. Lewis

1. Refer to Kentucky American's response to the Attorney General's First Request for Information ("Attorney General's First Request"), Item 1(e). Provide an updated map of Kentucky American's water service area that includes all of the acquired water systems. Provide all updates to this map during the pendency of the case.

Response:

The Company's response to Attorney General's First Request for Information, Item 1(e) is inclusive of all acquisitions: Livingston, Middlesboro, Clinton, and Black Mountain, which consists of 8 separate PWSIDs and is shown on the map outlined within the red box.



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

Witness: William A. Lewis

2. Refer to Kentucky American's response to the Attorney General's First Request, Item 1(f). Provide an updated map of American Water's service area that includes all of the acquired water systems. Provide all updates to this map during the pendency of the case.

Response:

Pleases see KAW_R_AGDR1_NUM001_062626_Attachment 4 for the current map of American Water's service area.

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

Witness: Robert Prendergast

3. Refer to Kentucky American's response to the Attorney Generals First Request, Items 2, 3, and 4. For all of the PDFs provided (confidential and non-confidential) provide in excel spreadsheet format, if possible.

Response:

Please refer to KAW_R_AGDR2_NUM003_073026_Attachment 1_CONFIDENTIAL for Kentucky American support and KAW_R_AGDR2_NUM003_073026_Attachment 2_CONFIDENTIAL for Service Company support in Excel format. When the Company responded to AG 1-2, 1-3, and 1-4, it provided executive compensation publicly in PDF format while seeking confidential protection for non-executive compensation. This request asks for all the information in native Excel format. Separating the confidential and non-confidential information in the native files will destroy the links and formulas in these files. For this reason, the Company is providing the entire files pursuant to a petition for confidential protection. However, the executive compensation information has already been filed publicly in the record.

KAW_R_AGDR2_NUM003_073026_Attachment 1_CONFIDENTIAL AND KAW_R_AGDR2_NUM003_073026_Attachment 2_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL PROTECTION FILED ON JULY 30, 2026

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

Witness: Robert Prendergast

4. Refer to Kentucky-American's response to the Attorney General's First Request, Item 2, and the Public Version of Attachment, KAW_R_AGDR1_NUM002_062626, page 3 of 109.
   a. Explain why there was an average $50,000 bonus provided to Kentucky American executive employees in 2022. Also, identify how many executive employees received the bonus, the bonus amount each executive employee received, and the reason for the bonus.
   b. Explain why the Service Company appears to provide bonuses every year to executive staff, ranging from an average bonus of $732 - $7,184. Also, identify how many executive employees received the bonus, the bonus amount each executive employee received, and the reason for the bonus.
   c. Explain why the Service Company appears to provide awards every year to executive staff, ranging from average awards of $276 - $5,670. Also, identify how many executive employees received the award, the award amount each executive employee received, and the reason for the award.
   d. Provide the name of the State President for each of the years 2021, 2022, 2023, 2024, 2025, and 2026.
   e. Provide the current State President's salary information for 2027, if known.
   f. Provide the name of the VP, Operations for each of the years 2021, 2022, 2023, 2024, 2025, and 2026.
   g. Provide the current VP, Operations salary information for 2027, if known.
   h. Provide the name of the Director, Engineering for 2026.
   i. Provide the current Director, Engineering salary information for 2027, if known.
   j. Explain in detail whether the Director, Engineering position is a newly created position for 2026. If so, explain why this position is necessary. If it is not a new position, provide the salary for this position for 2021 – 2025 as originally requested.
   k. Explain why incentive compensation provided to Kentucky American's executive staff has risen from $42,352 in 2021 to $330,691 in 2025 and $260,668 in 2026. Also, identify how many executive staff employees received the incentive compensation and the amount each executive staff employee received.

Response:

Awards and bonuses are compensation tools used in specific circumstances, and awards depend on type of payment and applicable criteria. The categories reflected below each serve a different purpose and is awarded based on the criteria below.

Sign-on bonuses may be considered for new employees who possess unique or critical skills, for critical occupations where there is a documented shortage in the labor market and recruitment or retention difficulty exists, or to replace income that a future employee would forfeit by accepting employment with American Water (i.e. annual incentive payout).

Non-Discretionary bonuses are typically lump-sum payments made to an employee in an extraordinary circumstance and are uncommon.

Referral Bonuses are paid under Employee Referral Program, which recognizes that one of the leading sources of talent is our current employee population. This program encourages our employees to refer talent from their professional networks and helps the Company in sourcing of qualified candidates.

Spot Awards are designed to recognize significant one-time employee contributions as they occur. All exempt and non-exempt nonunion employees are eligible.

Stock Awards are eligible to employees below Director level, as a one-time award for recognition of exhibiting Company values, typically safety actions. Note that the Company intends to make cash awards going forward in lieu of stock awards.

Certification Awards recognize employees who successfully obtain operator licenses and seek higher levels of certification.

Please note, for the responses below, "executive employees" refers to Director level employees and above.

a. Please see KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL. A portion of this attachment is confidential and is being provided pursuant to a petition for confidential protection.
b. Please refer to KAW_R_AGDR2_NUM004_073026_Attachment 2_CONFIDENTIAL. Please note, the average bonuses range from $0 - $7,184 and not $732 - $7,184. A portion of this attachment is confidential and is being provided pursuant to a petition for confidential protection.
c. Please refer to KAW_R_AGDR2_NUM004_073026_Attachment 2_CONFIDENTIAL.
d. There was no position of State President in KAWC in 2021. As a Service Company employee, Nick Rowe served in that capacity until his retirement on July 31, 2022. Kathryn Nash became KAWC State President on May 2, 2022, and served until her retirement on March 1, 2025. Robert Burton replaced Ms. Nash on that date and is the current president.
e. Salary information for 2027 is unknown at this time.
f. David Farrar was VP, Operations in 2021 and 2022 until he left the Company on August 18, 2022. Andy Lewis replaced Mr. Farrar on November 14, 2022, and is the current VP Operations.

g. Salary information for 2027 is unknown at this time.
h. John Magner is the Director of Engineering. He assumed the position on July 22, 2025, replacing Shelley Porter, who was in the position from 2021-2025.
i. Salary information for 2027 is unknown at this time.
j. The Director of Engineering position is not a new position but was listed as a salary employee for the years 2021-2025 in the original response because of the level of the position in those years. Please see KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL for the salaries, which are confidential and subject to a petition for confidential protection.
k. The lower executive incentive pay in 2021 and 2022 reflected the fact that Nick Rowe was serving as Kentucky-American Water president as a Service Company employee, and thus not included in the KAWC specific numbers. Incentive pay in 2025 reflects both Ms. Nash's and Mr. Burton's incentive pay. For the details, please see KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL

EMPLOYEE BONUSES		2021		2022		2023		2024		2025		2026	
	Employee	Count	Bonus	Count	Bonus	Count	Bonus	Count	Bonus	Count	Bonus	Count	Bonus
Executive													
Sign-on Bonus	[redacted]			1	$50,000								
Sign-on Bonus Total				**1**	**$50,000**								
Executive Total				**1**	**$50,000**								
Salary													
Referal Bonus	[redacted]					1	$1,519						
Referal Bonus								1	$1,572				
Referal Bonus										2	$1,560		
Referal Bonus Total						**1**	**$1,519**	**1**	**$1,572**	**2**	**$1,560**		
Sign-on Bonus	[redacted]							1	$7,500				
Sign-on Bonus										1	$7,500		
Sign-on Bonus										1	$10,000		
Sign-on Bonus										1	$7,000		
Sign-on Bonus Total								**1**	**$7,500**	**3**	**$24,500**		
Salary Total						**1**	**$1,519**	**2**	**$9,072**	**5**	**$26,060**		
Non-salary													
Non-Discretionary Bonus	[redacted]									1	$8,875		
Non-Discretionary Bonus Total										**1**	**$8,875**		
Referal Bonus	[redacted]							1	$1,468				
Referal Bonus				1	$1,585								
Referal Bonus								1	$3,014	1	$1,507		
Referal Bonus		1	$1,110										
Referal Bonus												2	$3,096
Referal Bonus						1	$1,554						
Referal Bonus						1	$1,572						
Referal Bonus		1	$1,583										
Referal Bonus								1	$3,120				
Referal Bonus		1	$1,585	1	$1,585								
Referal Bonus								1	$1,560				
Referal Bonus										1	$1,560		
Referal Bonus				1	$1,585								
Referal Bonus								1	$1,560				
Referal Bonus										1	$1,560		
Referal Bonus												2	$3,096
Referal Bonus Total		**3**	**$4,278**	**3**	**$4,754**	**2**	**$3,126**	**5**	**$10,723**	**3**	**$4,627**	**4**	**$6,192**
Sign-on Bonus	[redacted]											1	$3,000
Sign-on Bonus Total												**1**	**$3,000**
Non-salary Total		**3**	**$4,278**	**3**	**$4,754**	**2**	**$3,126**	**5**	**$10,723**	**4**	**$13,503**	**5**	**$9,192**
Grand Total		**3**	**$4,278**	**4**	**$54,754**	**3**	**$4,645**	**7**	**$19,795**	**9**	**$39,563**	**5**	**$9,192**

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL

EMPLOYEE AWARDS		2021		2022		2023		2024		2025		2026	
	Employee	Count	Award	Count	Award	Count	Award	Count	Award	Count	Award	Count	Award
Salary													
Spot Award	[redacted]					1	$500			2	$500		
Spot Award	[redacted]					2	$1,300						
Spot Award	[redacted]	1	$250			1	$1,000	1	$500				
Spot Award	[redacted]			1	$250	1	$250			1	$500		
Spot Award	[redacted]	1	$250			1	$250	1	$500	1	$500		
Spot Award	[redacted]	1	$250			2	$2,000			1	$1,500		
Spot Award	[redacted]									1	$500	1	$1,500
Spot Award	[redacted]	1	$250	1	$250	2	$2,000	1	$500	1	$500		
Spot Award	[redacted]	1	$250					1	$500	1	$500		
Spot Award	[redacted]					1	$500						
Spot Award	[redacted]	1	$250										
Spot Award	[redacted]			1	$250	1	$1,000						
Spot Award	[redacted]	1	$250										
Spot Award	[redacted]	1	$250			2	$750						
Spot Award	[redacted]											1	$1,000
Spot Award	[redacted]	1	$250			2	$1,250						
Spot Award	[redacted]	1	$1,000			1	$1,000						
Spot Award	[redacted]	1	$250	1	$250	1	$1,000						
Spot Award	[redacted]	1	$250			1	$500						
Spot Award	[redacted]	1	$250	1	$1,000					2	$500		
Spot Award	[redacted]	1	$250			1	$1,000						
Spot Award	[redacted]	1	$2,000										
Spot Award	[redacted]	1	$250			1	$1,000						
Spot Award	[redacted]											1	$250
Spot Award	[redacted]											1	$250
Spot Award Total		**16**	**$6,500**	**5**	**$2,000**	**21**	**$15,300**	**4**	**$2,000**	**10**	**$5,000**	**4**	**$3,000**
Stock Net Award	[redacted]			1	$4,661								
Stock Net Award Total				**1**	**$4,661**								
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											2	$4,000
Certification Bonus	[redacted]											2	$4,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus Total												**7**	**$14,000**
Salary Total		**16**	**$6,500**	**6**	**$6,661**	**21**	**$15,300**	**4**	**$2,000**	**10**	**$5,000**	**11**	**$17,000**
Non-salary													
Spot Award	[redacted]									1	$250		
Spot Award	[redacted]											1	$1,000
Spot Award	[redacted]					1	$250	3	$1,900	1	$500		
Spot Award	[redacted]									1	$250		
Spot Award	[redacted]							1	$500				
Spot Award	[redacted]			1	$250	1	$1,000						
Spot Award	[redacted]					1	$200						
Spot Award	[redacted]			1	$250	1	$1,000	1	$250			1	$150
Spot Award	[redacted]					1	$150						
Spot Award	[redacted]					1	$250	1	$250	1	$250		
Spot Award	[redacted]											1	$150
Spot Award	[redacted]			1	$250	1	$250					1	$250
Spot Award	[redacted]			1	$2,000			1	$500				
Spot Award	[redacted]					1	$300			1	$250		
Spot Award	[redacted]					2	$750			1	$250		
Spot Award	[redacted]					1	$300	1	$900	1	$250		
Spot Award	[redacted]	1	$250			1	$1,000						
Spot Award	[redacted]					1	$50			2	$750		
Spot Award	[redacted]									1	$250		
Spot Award	[redacted]									1	$500		
Spot Award	[redacted]	1	$1,000	1	$250	1	$200						
Spot Award	[redacted]			1	$250								
Spot Award	[redacted]			1	$250	1	$250						
Spot Award	[redacted]					1	$300						
Spot Award	[redacted]					1	$300						
Spot Award	[redacted]									1	$250		
Spot Award	[redacted]	1	$50			1	$250			1	$250		
Spot Award	[redacted]	1	$250										
Spot Award	[redacted]							1	$500				
Spot Award	[redacted]					1	$400						
Spot Award	[redacted]			1	$250	2	$1,500						
Spot Award	[redacted]					1	$250						
Spot Award	[redacted]					1	$250						
Spot Award	[redacted]									1	$1,000		
Spot Award	[redacted]					1	$650	1	$1,000				
Spot Award	[redacted]									1	$250		
Spot Award	[redacted]									1	$1,000		
Spot Award Total		**4**	**$1,550**	**8**	**$3,750**	**24**	**$9,850**	**10**	**$5,800**	**16**	**$6,250**	**4**	**$1,550**
Stock Net Award	[redacted]	1	$2,327										
Stock Net Award	[redacted]							1	$2,533				

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL

Stock Net Award	[redacted]									1	$2,327		
Stock Net Award	[redacted]	1	$2,327										
Stock Net Award Total		**2**	**$4,654**					**1**	**$2,533**	**1**	**$2,327**		
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											2	$4,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$1,500
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$1,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$4,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$2,000
Certification Bonus	[redacted]											1	$1,000
Certification Bonus	[redacted]											1	$1,500
Certification Bonus	[redacted]											1	$3,000
Certification Bonus	[redacted]											1	$1,500
Certification Bonus	[redacted]											1	$2,500
Certification Bonus Total												**21**	**$42,000**
Non-salary Total		**6**	**$6,204**	**8**	**$3,750**	**24**	**$9,850**	**11**	**$8,333**	**17**	**$8,577**	**25**	**$43,550**
Grand Total		**22**	**$12,704**	**14**	**$10,411**	**45**	**$25,150**	**15**	**$10,333**	**27**	**$13,577**	**36**	**$60,550**

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 2_CONFIDENTIAL
Part B - Executive Employee - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	NonDiscrBn					$424	$424
	NonDiscrBn		3,180	3,180	4,240		
	NonDiscrBn					7	
	NonDiscrBn					1,060	
	RefBonus GU					60	
	NonDiscrBn				229		
	RefBonus GU					300	
	NonDiscrBn						636
	NonDiscrBn					1,637	1,637
	NonDiscrBn		6,360				
	SignOn Bns NonGU					254	
	NonDiscrBn		423				
	SignOn Bns NonGU		4,240				
	NonDiscrBn		21				
	SignOn Bns NonGU		40,280				
	SignOn Bns NonGU		848				
	SignOn Bns NonGU			1,060			
	SignOn Bns NonGU		2,120				
	SignOn Bns NonGU			2,120			
	SignOn Bns NonGU			3,180			
	SignOn Bns NonGU			424			
	SignOn Bns NonGU			1,272			
	SignOn Bns NonGU			848			
	SignOn Bns NonGU				636	636	
	NonDiscrBn					486	
	SignOn Bns NonGU					1,060	
	SignOn Bns NonGU					424	
	SignOn Bns NonGU					6,360	
	SignOn Bns NonGU					424	
	SignOn Bns NonGU					848	
	SignOn Bns NonGU					424	
	SignOn Bns NonGU					424	
	SignOn Bns NonGU					1,272	
	Average	$0	$7,184	$1,726	$1,702	$947	$899

Please Note: For 2025, the average included in AGDR1_NUM02 had duplicate information. The duplicates have been removed from this response resulting in an increase from $899 to $947.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 2_CONFIDENTIAL
Part C - Executive Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	$0	$0	$21	$0	$0	$0
	Spot Award	212	0	0	0	0	0
	Spot Award	0	0	42	0	0	0
	Spot Award	0	0	64	0	85	0
	Spot Award	0	0	0	0	0	42
	Spot Award	0	0	42	0	212	0
	Spot Award	212	0	0	0	0	0
	Spot Award	254	212	0	0	0	954
	Spot Award	0	0	0	0	1,060	1,060
	Spot Award	212	0	0	0	21	0
	Spot Award	0	0	0	85	0	0
	Spot Award	42	0	0	0	0	85
	Spot Award	318	0	0	0	0	0
	Spot Award	0	0	11	0	566	524
	Spot Award	0	0	0	0	42	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	212	21	21	0	0
	Spot Award	42	0	0	21	0	0
	Spot Award	382	0	0	0	0	0
	Spot Award	21	0	0	8	0	0
	Spot Award	0	0	0	0	0	424
	Spot Award	0	0	0	64	0	0
	Spot Award	0	0	13	0	0	0
	Spot Award	0	0	0	0	424	0
	Spot Award	21	0	0	34	0	824
	Spot Award	0	0	0	254	0	0
	Spot Award	297	0	0	0	0	0
	Spot Award	0	0	0	0	647	0
	Spot Award	21	64	42	360	0	0
	StkNetAwardGU	0	0	19	0	0	0
	Spot Award	0	11	0	0	0	0
	Spot Award	127	0	0	0	0	0
	Spot Award	0	0	0	0	0	212
	Spot Award	0	42	0	0	0	0
	Spot Award	170	0	0	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	0	0	0	0	0	21
	Spot Award	42	0	0	0	0	0
	Spot Award	0	0	0	127	0	0
	Spot Award	424	0	0	0	0	0
	Spot Award	0	0	0	0	212	0
	Spot Award	0	0	0	212	0	0
	Spot Award	0	0	0	0	595	595
	Spot Award	0	0	0	0	196	509
	Spot Award	0	0	0	0	4	0
	Spot Award	0	0	0	0	0	420
	Spot Award	0	0	0	0	21	0
	Total	$2,841	$541	$276	$1,187	$4,107	$5,670

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL

INCENTIVE PAY	2021	2022	2023	2024	2025	2026
Executive						
[redacted]			$49,136	$58,430	$71,174	$96,403
	$42,352	$36,732	$26,465			
					$122,471	$164,265
			$65,735	$109,773	$137,046	
Executive Total	**$42,352**	**$36,732**	**$141,336**	**$168,203**	**$330,691**	**$260,668**
Salary						
[redacted]	$21,871	$23,259	$32,819	$38,563	$47,941	$44,859
	$6,011	$5,599	$6,637	$9,155	$16,550	$7,637
	$10,877	$12,256	$13,341	$15,204	$19,097	$18,096
	$8,603					
	$17,007					
	$5,296					
	$7,369	$8,987	$10,522			
	$15,765	$14,297	$16,920	$19,031	$23,617	$22,168
	$10,062	$11,245	$12,987	$15,247	$19,209	$17,886
	$29,024	$24,855	$29,800	$34,060	$43,759	$42,165
				$22,327	$38,701	$36,014
	$8,198	$8,782	$10,513	$11,817	$14,757	$15,984
		$28,769	$36,689	$41,298		
	$20,306	$18,158				
	$8,653	$13,778	$13,889	$13,346	$17,312	$16,960
						$15,128
	$5,071	$4,761	$5,477	$7,790	$14,518	$13,738
	$20,715	$21,900	$21,369	$27,046	$42,832	$37,041
	$4,637					
	$15,390	$19,422	$18,878	$22,768		
	$10,006	$11,037				
	$9,778	$10,928	$12,404	$14,683	$18,863	$18,089
						$33,997
	$10,044	$12,641	$18,810			
	$7,849	$9,142	$10,117	$11,407		
	$9,135	$10,335	$12,070			
	$19,741	$18,389	$20,874	$23,477	$29,135	$27,258
	$12,934	$16,564	$19,296	$21,688	$26,903	$26,663
	$18,464	$29,180				
	$9,472	$4,818	$21,410			
	$4,756	$15,697	$17,864	$20,126	$24,982	
		$10,030	$11,915	$13,396	$16,546	$15,448

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL

INCENTIVE PAY	2021	2022	2023	2024	2025	2026
[redacted]		$2,011	$5,071			
			$4,091	$13,369	$25,347	$39,927
					$10,159	
					$21,038	$27,505
						$9,828
						$20,035
						$9,507
						$9,923
						$8,433
						$5,383
						$11,436
Salary Total	**$327,037**	**$366,842**	**$383,763**	**$395,798**	**$471,264**	**$551,109**
Non-salary						
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
	$2,395	$2,195	$2,510	$2,929	$3,588	$4,503
	$2,261					
	$6,185	$5,205	$3,133			
	$2,395	$2,195	$2,610	$2,929	$2,032	
	$2,261					
	$2,298	$2,107	$2,507	$1,589		
	$2,301	$2,109	$2,510	$2,816	$3,450	$4,332
	$2,301	$2,109	$2,510	$2,816	$3,450	$4,332
	$4,056					
	$2,301	$2,109		$6,449	$8,128	$7,604
	$4,990					
	$2,261	$2,072	$2,467	$1,564		
	$1,103					
	$6,494	$5,600	$6,381	$3,532		
	$5,528	$5,191	$5,917	$6,653	$8,286	$7,753
	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
	$2,261					
	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
	$2,301	$2,109				
	$5,189	$5,284	$5,981	$6,713	$8,404	$8,327
	$3,814	$3,552	$4,283	$5,022	$6,417	$6,287
	$4,985	$4,508	$5,099	$5,995	$7,432	$6,921
	$2,298	$2,107	$2,507	$2,812	$3,446	$4,261
	$6,150	$5,037	$7,943	$13,346	$16,555	$15,415
	$4,465	$4,090	$6,886	$11,574	$14,391	$13,856

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL

INCENTIVE PAY	2021	2022	2023	2024	2025	2026
[redacted]	$5,511	$5,390	$5,779			
[redacted]	$3,579					
[redacted]	$2,174	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,244
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$2,261	$2,072	$2,467	$2,768	$2,467	
[redacted]	$5,730	$6,267	$12,688	$14,272	$18,500	$22,725
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$4,527	$4,246	$4,798	$5,377	$6,682	$6,620
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$4,269	$4,202	$4,778	$5,385	$8,543	$12,961
[redacted]	$5,574	$5,191	$5,892	$6,665	$8,278	$7,747
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$2,261	$2,072	$4,449	$6,561	$8,094	$10,301
[redacted]	$2,261					
[redacted]	$5,344	$4,874	$5,836	$6,587	$8,176	$7,650
[redacted]	$3,933	$3,510	$4,202	$4,742	$6,122	$5,875
[redacted]	$4,049	$3,868	$4,472	$5,089	$6,454	$6,200
[redacted]	$2,301	$2,052	$2,510	$2,816	$3,450	$4,332
[redacted]	$2,046					
[redacted]	$2,209	$2,745	$5,981	$11,520	$16,253	$15,134
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$5,257	$5,048	$5,731	$6,461	$8,014	$7,497
[redacted]	$2,261	$2,072	$2,467	$2,812		
[redacted]	$2,157	$2,025	$2,467	$2,768	$3,392	$4,261
[redacted]	$2,395	$2,195	$2,610	$2,929	$3,588	$4,503
[redacted]	$4,563	$4,850	$5,313	$11,744	$14,518	$13,623
[redacted]	$5,615	$6,365	$6,086	$6,874	$11,955	$14,054
[redacted]	$2,283	$2,142	$2,548	$2,736	$3,392	
[redacted]	$6,342	$8,254	$11,956	$13,454	$16,692	$15,765
[redacted]	$5,220	$5,502	$5,800	$6,725	$8,376	$10,783
[redacted]	$2,046	$1,978	$2,355	$2,642	$3,392	$4,261
[redacted]	$2,395	$2,109	$2,510	$6,480	$16,073	$15,209
[redacted]	$7,140	$8,974	$10,978	$12,509	$15,716	
[redacted]	$2,046	$1,875	$2,235	$2,509	$3,074	$3,866
[redacted]	$2,395	$2,195	$2,610	$2,816	$3,450	
[redacted]	$5,001	$4,602	$5,509	$6,133	$7,587	
[redacted]	$2,157	$1,978	$2,355	$2,642	$3,392	$4,261
[redacted]	$4,835	$4,944	$5,740	$6,443	$7,991	$7,562

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL

INCENTIVE PAY	2021	2022	2023	2024	2025	2026
[redacted]	$2,157	$1,978	$4,449	$6,577	$8,216	$10,994
[redacted]	$2,301	$2,195	$2,510	$2,816	$3,450	$4,503
[redacted]	$6,342	$5,380	$6,122	$6,873	$8,542	$7,956
[redacted]	$2,395	$2,109	$2,510	$2,816	$3,450	$4,332
[redacted]	$2,433	$2,230	$2,651	$2,975		
[redacted]	$2,046	$1,875	$2,235			
[redacted]					$1,071	
[redacted]	$2,157	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$8,736	$10,156	$12,940	$14,617	$25,451	
[redacted]	$9,778	$11,266	$12,685			
[redacted]	$2,433	$2,230	$2,651	$2,975	$3,645	$4,328
[redacted]	$4,754	$4,468	$7,039	$11,900	$14,795	$14,866
[redacted]	$5,493	$5,032	$10,442	$12,563	$16,169	$16,868
[redacted]	$2,157	$1,978	$2,467	$2,768	$3,392	
[redacted]	$2,157	$2,072	$2,467	$2,768		
[redacted]	$3,970	$3,733				
[redacted]	$3,991	$3,752	$4,363	$4,973	$6,293	$5,991
[redacted]	$4,754	$4,428	$5,055	$5,964	$7,382	$6,874
[redacted]	$5,242	$4,928	$5,872	$6,789	$8,444	$10,970
[redacted]	$2,157	$1,978	$2,355	$2,642		$2,694
[redacted]	$2,157	$1,978	$2,355	$2,642	$3,238	$4,070
[redacted]	$2,046	$1,875	$2,235	$2,509	$3,074	$3,866
[redacted]	$2,046	$1,875	$2,235	$2,509	$3,074	$3,866
[redacted]	$2,157	$1,978	$2,344	$2,632	$3,238	$4,070
[redacted]	$2,157	$1,978	$2,355	$2,642	$3,392	$4,261
[redacted]	$5,039	$4,881	$5,551	$6,260		
[redacted]	$2,261	$2,072	$2,467	$2,768	$3,392	$4,261
[redacted]	$1,790	$2,195	$2,610	$2,929	$3,450	$4,332
[redacted]	$5,480	$5,186				
[redacted]	$4,097	$3,782	$4,812	$5,682	$7,046	$6,591
[redacted]	$2,157	$1,978	$2,278			
[redacted]	$4,587	$4,001	$4,824	$5,696	$7,131	$6,701
[redacted]	$5,674	$5,135	$5,596	$6,316	$7,833	$7,329
[redacted]	$2,395	$2,195	$2,610	$2,929		
[redacted]	$2,046	$1,875	$2,090	$2,345	$2,873	$3,866
[redacted]	$1,563	$1,978	$2,355	$2,197		
[redacted]	$3,623					
[redacted]	$5,259	$8,455	$11,204	$12,575	$15,567	$14,494
[redacted]	$1,563	$1,875	$2,547	$6,499		$7,467
[redacted]	$1,563	$1,978	$2,355	$2,642	$3,238	$4,070

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL

INCENTIVE PAY	2021	2022	2023	2024	2025	2026
[redacted]	$4,097	$3,992	$4,812	$5,683	$7,046	$6,591
	$4,625	$4,346	$4,946	$5,571		
	$3,844	$3,617	$4,161	$4,717		
	$4,166		$5,241	$5,865		
	$1,908	$2,142	$2,548	$2,859	$3,504	$4,328
	$1,226	$1,875	$2,355	$2,642	$3,238	$4,070
	$1,082	$1,433	$1,811	$2,642	$3,238	$4,070
	$1,078					
	$2,303	$3,002	$4,227	$4,752	$5,978	
	$650	$1,433	$1,811	$2,509	$3,238	
	$3,475	$10,526	$11,972	$13,544		
		$1,671	$1,997	$2,509	$3,238	$4,070
		$1,875	$2,235	$2,509	$3,074	$3,866
		$1,463	$1,811	$2,509	$3,074	$3,866
		$3,586	$4,532			
		$1,949	$2,651	$2,975	$3,645	$4,574
		$976	$1,811	$2,509	$3,238	$4,070
		$3,014	$5,908	$6,667	$8,257	$7,687
		$1,158	$2,610	$2,929	$3,588	$4,503
		$489	$1,750	$2,208	$2,896	$3,866
		$671	$2,235	$2,509	$3,062	$3,866
		$414	$2,610	$2,929	$3,588	$4,418
		$384	$1,811	$2,241	$3,074	$4,070
					$5,830	$6,030
			$1,590	$2,929	$3,588	$4,503
			$1,025	$2,033	$2,745	$4,070
			$1,234	$2,509	$3,074	$3,866
			$1,270	$2,509	$3,074	$3,866
			$994	$2,033	$3,074	$4,070
			$916	$2,033	$2,745	$3,866
			$1,866	$4,663		
			$860	$2,642	$3,238	$3,992
			$549	$2,033	$3,074	$3,866
			$741	$2,929	$3,588	$4,503
				$5,199	$6,398	$5,958
				$4,343		
				$3,816	$6,301	
				$1,361	$3,074	$4,070
				$1,239	$3,450	$4,307
					$1,853	$3,866

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL

INCENTIVE PAY	2021	2022	2023	2024	2025	2026
[redacted]					$1,961	$3,866
[redacted]					$1,758	$4,574
[redacted]					$978	$4,503
[redacted]						$3,459
[redacted]						$3,459
[redacted]						$3,459
[redacted]						$3,459
[redacted]						$5,550
[redacted]						$6,396
[redacted]						$3,071
[redacted]						$3,062
[redacted]						$3,624
[redacted]						$2,400
[redacted]						$2,334
[redacted]						$2,145
[redacted]						$2,793
[redacted]						$3,134
[redacted]						$1,878
[redacted]						$1,744
[redacted]						$1,737
[redacted]						$1,156
[redacted]						$1,250
Non-salary Total	**$388,900**	**$375,118**	**$474,500**	**$567,745**	**$653,511**	**$707,312**
Grand Total	**$758,289**	**$778,692**	**$999,598**	**$1,131,746**	**$1,455,466**	**$1,519,089**

Kentucky-American Water Company Director of Engineering Salary

	2021	2022	2023	2024	2025
Director, Engineering	$147,000	$151,998	$157,014	$165,179	$151,200

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

Witness: Robert Prendergast

5. Refer to Kentucky-American's response to the Attorney General's First Request, Item 3.
   a. Explain why there was an average $1,519 - $5,212 bonus provided to Kentucky American salaried employees from 2023 - 2025. Also, identify how many salaried employees received the bonus, the bonus amount each salaried employee received, and the reason for the bonus.
   b. Explain why the Service Company appears to provide bonuses every year to salaried staff, ranging from an average bonus of $141 - $237. Also, identify how many salaried employees received the bonus, the bonus amount each salaried employee received, and the reason for the bonus.
   c. Explain why Kentucky American appears to provide awards every year to salaried staff, ranging from average awards of $2,000 - $17,000. Also, identify how many salaried employees received the award, the amount each salaried employee received, and the reason for the award.
   d. Explain why the Service Company appears to provide awards every year to salaried staff, ranging from average awards of $6,162 - $15,359. Also, identify how many salaried employees received the award, the amount of award each salaried employee received, and the reason for the award.
   e. Explain why incentive compensation provided to Kentucky American's salaried staff has risen from $327,037 in 2021 to $551,109 in 2026. Also, identify how many salaried employees received the incentive compensation and the amount each salaried employee received.

Response:

a. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL. Please note a duplicate value was discovered and that 2024 average bonus is $4,536.
b. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL. A portion of the attachment is confidential and is provided pursuant to a petition for confidential protection.
c. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL.
d. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL. A portion of the attachment is confidential and is provided pursuant to a petition for confidential protection.
e. The increase is the result of a few factors. Employees' salaries, which are the basis of incentive payments, are higher in 2025 than in 2021 due to the effect of four years'

worth of merit increases. For the details of the incentive payments, please see KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part B - Salary Employees - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	NonDiscrBn				$138		
	RefBonus GU					67	
	RefBonus GU					68	
	NonDiscrBn				69		
	RefBonus GU					67	
	NonDiscrBn				424		
	RefBonus GU	65					
	SignOn Bns NonGU				212		
	RefBonus GU			66			66
	SignOn Bns NonGU						
	RefBonus GU	67					
	RefBonus GU	66					
	RefBonus GU					60	
	SignOn Bns NonGU		85				
	RefBonus GU						68
	RefBonus GU					60	
	SignOn Bns NonGU					212	
	NonDiscrBn				29		
	RefBonus GU		65				
	RefBonus GU					67	
	RefBonus GU					64	
	RefBonus GU					67	
	NonDiscrBn				81		
	NonDiscrBn			1,060			
	RefBonus GU					67	
	NonDiscrBn			221			
	RefBonus GU					65	
	RefBonus GU						64
	NonDiscrBn					12	12
	NonDiscrBn			31			
	RefBonus GU					67	
	RefBonus GU	68					
	SignOn Bns NonGU						212
	RefBonus GU			66			
	RefBonus GU					67	
	NonDiscrBn		254	170			
	RefBonus GU		66				
	RefBonus GU	67					
	SignOn Bns NonGU		276				
	SignOn Bns NonGU				212		
	RefBonus GU			130			
	SignOn Bns NonGU					127	
	RefBonus GU					67	
	NonDiscrBn		424	424			
	SignOn Bns NonGU	21					
	NonDiscrBn		1,060				
	RefBonus GU					67	
	NonDiscrBn			1,272			
	RefBonus GU		67				
	NonDiscrBn		1,060		85	85	
	SignOn Bns NonGU				424		
	NonDiscrBn	68					
	NonDiscrBn					33	
	NonDiscrBn	212					
	SignOn Bns NonGU					212	

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part B - Salary Employees - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	SignOn Bns NonGU					212	
	SignOn Bns NonGU					212	
	NonDiscrBn	747					
	RefBonus GU		67				
	NonDiscrBn				24		
	NonDiscrBn		21				
	RefBonus GU						67
	NonDiscrBn		21				
	NonDiscrBn			111	246		
	NonDiscrBn			123	61		
	NonDiscrBn					1,060	
	SignOn Bns NonGU						424
	SignOn Bns NonGU					127	
	SignOn Bns NonGU				212		
	RefBonus GU	135					
	NonDiscrBn				58		
	SignOn Bns NonGU					74	
	SignOn Bns NonGU				212		
	NonDiscrBn			424		424	
	RefBonus GU			130			
	RefBonus GU	67				67	
	RefBonus GU			65			
	RefBonus GU	68			67		
	SignOn Bns NonGU						127
	NonDiscrBn		21				
	SignOn Bns NonGU					64	
	RefBonus GU		65				
	NonDiscrBn		21				
	RefBonus GU				64		
	NonDiscrBn				233		
	RefBonus GU	63					
	NonDiscrBn					2,120	
	NonDiscrBn		212				
	RefBonus GU					67	
	RefBonus GU			65			
	SignOn Bns NonGU				212		
	RefBonus GU	63					
	NonDiscrBn			50			
	SignOn Bns NonGU		594				
	RefBonus GU						64
	RefBonus GU					66	
	RefBonus GU				66		
	SignOn Bns NonGU	21					
	SignOn Bns NonGU	21					
	SignOn Bns NonGU	21					
	SignOn Bns NonGU	21					
	SignOn Bns NonGU	21					
	SignOn Bns NonGU	21					
	RefBonus GU			67	135		
	SignOn Bns NonGU	212					
	SignOn Bns NonGU	212					
	SignOn Bns NonGU	212					
	SignOn Bns NonGU	212					
	SignOn Bns NonGU	1,060					
	SignOn Bns NonGU	212					

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part B - Salary Employees - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	SignOn Bns NonGU	424					
	NonDiscrBn		509				
	RefBonus GU				67	67	67
	RefBonus GU	67					
	NonDiscrBn				42		
	RefBonus GU		67				
	SignOn Bns NonGU	424					
	NonDiscrBn				42		
	RefBonus GU		61	67			
	SignOn Bns NonGU		85				
	SignOn Bns NonGU		106				
	RefBonus GU				67		
	SignOn Bns NonGU	318					
	SignOn Bns NonGU		212				
	SignOn Bns NonGU		106				
	SignOn Bns NonGU		424				
	SignOn Bns NonGU		318				
	SignOn Bns NonGU		212				
	NonDiscrBn			105			
	SignOn Bns NonGU		700				
	NonDiscrBn				150		24
	NonDiscrBn				151		
	SignOn Bns NonGU		85				
	SignOn Bns NonGU		318				
	SignOn Bns NonGU		212				
	SignOn Bns NonGU		106				
	NonDiscrBn				149		
	SignOn Bns NonGU		297				
	SignOn Bns NonGU		424				
	SignOn Bns NonGU		318				
	SignOn Bns NonGU					848	
	RefBonus GU			263			
	SignOn Bns NonGU		212				
	SignOn Bns NonGU			212			
	SignOn Bns NonGU		212				
	SignOn Bns NonGU		424				
	SignOn Bns NonGU		212				
	NonDiscrBn				123		
	SignOn Bns NonGU			424			
	NonDiscrBn				70		
	SignOn Bns NonGU			424			
	SignOn Bns NonGU			318			
	RefBonus GU						65
	SignOn Bns NonGU					148	
	SignOn Bns NonGU			212			
	SignOn Bns NonGU				424		
	NonDiscrBn				48		
	SignOn Bns NonGU			424			
	SignOn Bns NonGU			339			
	SignOn Bns NonGU			212			
	SignOn Bns NonGU			360			
	SignOn Bns NonGU			339			
	SignOn Bns NonGU			212			
	SignOn Bns NonGU			424			
	RefBonus GU					130	

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part B - Salary Employees - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	SignOn Bns NonGU			212			
	RefBonus GU					67	
	SignOn Bns NonGU			212			
	RefBonus GU					67	
	SignOn Bns NonGU			424			
	SignOn Bns NonGU			212			
	SignOn Bns NonGU			636			
	SignOn Bns NonGU			212			
	RefBonus GU					63	
	SignOn Bns NonGU			509			
	SignOn Bns NonGU			212			
	SignOn Bns NonGU			636			
	SignOn Bns NonGU				106		
	SignOn Bns NonGU				212		
	SignOn Bns NonGU				424		
	SignOn Bns NonGU				424		
	SignOn Bns NonGU				424		
	SignOn Bns NonGU				106		
	SignOn Bns NonGU				318		
	SignOn Bns NonGU					64	
	SignOn Bns NonGU				339		
	SignOn Bns NonGU				212		
	RefBonus GU					64	
	SignOn Bns NonGU				212		
	SignOn Bns NonGU				212		
	SignOn Bns NonGU				212		
	SignOn Bns NonGU						212
	SignOn Bns NonGU				212		
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					106	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					424	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					170	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					424	
	SignOn Bns NonGU					318	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					212	
	RefBonus GU						70
	SignOn Bns NonGU					318	
	SignOn Bns NonGU					127	
	SignOn Bns NonGU					42	
	SignOn Bns NonGU					127	
	SignOn Bns NonGU					254	
	RefBonus GU						66
	SignOn Bns NonGU					127	
	SignOn Bns NonGU					254	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					742	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					127	

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part B - Salary Employees - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	SignOn Bns NonGU					212	
	SignOn Bns NonGU					1,060	
	SignOn Bns NonGU					106	
	SignOn Bns NonGU					339	
	SignOn Bns NonGU					636	
	SignOn Bns NonGU					848	
	SignOn Bns NonGU					551	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					212	
	SignOn Bns NonGU					85	
	SignOn Bns NonGU						212
	SignOn Bns NonGU						742
	SignOn Bns NonGU						318
	SignOn Bns NonGU						212
	SignOn Bns NonGU						85
	SignOn Bns NonGU						212
	SignOn Bns NonGU						212
	SignOn Bns NonGU						212
	Average	$175	$256	$294	$178	$237	$166

Please Note: The averages included in AGDR1_NUM03 had duplicate information. The duplicates have been removed from this response resulting in increases to the averages for 2021 - 2026.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	$0	$0	$0	$32	$0	$8
	Spot Award	0	0	0	0	0	256
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	85	0	0	0
	Spot Award	254	32	0	0	0	42
	Spot Award	21	21	21	0	0	0
	Spot Award	0	106	0	0	0	0
	Spot Award	0	106	0	0	0	0
	Spot Award	8	0	11	0	0	0
	Spot Award	0	0	42	2	42	0
	StkNetAwardGU	0	0	0	0	18	0
	Spot Award	0	0	0	0	0	257
	Spot Award	4	42	85	42	85	0
	Spot Award	0	0	42	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	0	0	0	13	64	0
	Spot Award	64	0	254	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	21	21	0	85	0
	Spot Award	0	11	0	0	85	0
	Spot Award	0	42	0	42	968	756
	StkNetAwardGU	99	0	0	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	0	119	0	0
	Spot Award	0	0	0	0	0	204
	Spot Award	0	0	42	95	21	0
	Spot Award	0	21	85	0	0	0
	Spot Award	0	254	17	42	32	0
	Spot Award	11	21	21	13	0	0
	Spot Award	34	0	6	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	51	21	0	0	0	0
	Spot Award	212	0	0	0	0	0
	Spot Award	11	0	0	0	0	0
	Spot Award	0	0	42	0	0	0
	Spot Award	0	0	21	11	32	0
	Spot Award	0	0	21	0	0	0
	Spot Award	0	212	64	0	0	85
	Spot Award	0	212	64	42	4	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	42	0	0	0	0
	Spot Award	0	42	40	42	0	21
	Spot Award	0	0	0	42	21	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	42	42	0	0	0
	StkNetAwardGU	0	19	0	0	0	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	21	21	0	0	0
	Spot Award	64	0	0	0	0	0
	Spot Award	19	0	0	0	0	64
	Spot Award	0	0	21	0	0	42
	Spot Award	0	106	0	0	0	0
	Spot Award	42	0	0	127	0	0
	Spot Award	0	0	21	0	0	17
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	0	85	85	0
	Spot Award	0	0	13	0	0	0
	Spot Award	21	0	85	0	0	0
	Spot Award	0	21	85	21	106	0
	Spot Award	0	21	85	0	53	0
	Spot Award	0	0	0	0	0	223
	Spot Award	0	0	0	0	0	42
	Spot Award	42	0	42	0	0	0
	Spot Award	0	0	0	64	0	0
	Spot Award	8	42	15	15	85	64
	Spot Award	0	34	0	64	21	0
	Spot Award	0	0	0	53	0	0
	Spot Award	0	42	0	30	140	0
	CertBnsPer	0	0	0	0	0	21
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	21	0	0
	Spot Award	0	42	0	0	0	0
	Spot Award	21	0	32	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	64	0	0	0	0	0
	Spot Award	0	0	117	0	700	700
	Spot Award	0	0	4	34	0	0
	StkNetAwardGU	0	0	19	0	0	0
	Spot Award	0	0	53	11	85	0
	Spot Award	204	212	0	0	0	0
	Spot Award	0	0	0	0	0	372
	Spot Award	0	32	85	0	0	106
	Spot Award	85	21	0	0	0	0
	Spot Award	42	297	0	0	0	0
	Spot Award	42	0	32	32	0	0
	Spot Award	42	0	106	42	0	21
	Spot Award	21	0	0	0	21	0
	Spot Award	0	0	55	21	0	0
	Spot Award	0	0	0	0	85	0
	Spot Award	0	42	0	0	0	0
	Spot Award	0	0	42	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	0	42	42	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	42	85	0	0	123	320
[redacted]	Spot Award	0	0	42	0	0	0
[redacted]	Spot Award	0	0	0	0	64	0
[redacted]	Spot Award	0	11	0	0	2	0
[redacted]	Spot Award	21	0	0	0	4	0
[redacted]	Spot Award	0	0	0	21	64	0
[redacted]	Spot Award	0	0	21	21	0	0
[redacted]	Spot Award	0	21	0	0	21	509
[redacted]	Spot Award	0	42	0	0	0	0
[redacted]	Spot Award	0	0	21	0	0	0
[redacted]	Spot Award	4	11	0	0	0	0
[redacted]	Spot Award	0	106	0	34	21	0
[redacted]	Spot Award	64	42	17	0	0	0
[redacted]	Spot Award	0	0	8	0	0	0
[redacted]	Spot Award	0	42	0	0	127	42
[redacted]	Spot Award	182	339	106	21	0	21
[redacted]	Spot Award	0	0	42	0	0	0
[redacted]	Spot Award	0	0	0	0	106	0
[redacted]	Spot Award	0	0	0	21	21	0
[redacted]	Spot Award	8	0	0	0	0	0
[redacted]	Spot Award	0	0	17	0	0	0
[redacted]	Spot Award	0	13	0	8	4	0
[redacted]	Spot Award	85	0	64	21	0	21
[redacted]	Spot Award	212	42	21	42	21	42
[redacted]	Spot Award	21	0	13	0	0	0
[redacted]	Spot Award	0	21	0	0	0	0
[redacted]	Spot Award	0	0	127	42	0	0
[redacted]	Spot Award	0	0	0	0	0	85
[redacted]	Spot Award	0	0	42	148	42	42
[redacted]	Spot Award	8	0	0	0	0	0
[redacted]	Spot Award	0	0	0	0	64	0
[redacted]	Spot Award	4	106	0	0	0	0
[redacted]	Spot Award	8	0	28	64	0	0
[redacted]	Spot Award	64	0	0	0	0	0
[redacted]	Spot Award	0	0	42	0	0	0
[redacted]	Spot Award	0	0	0	11	0	0
[redacted]	Spot Award	0	13	0	8	8	2
[redacted]	Spot Award	0	13	0	0	21	0
[redacted]	Spot Award	0	0	15	42	0	0
[redacted]	Spot Award	0	0	21	0	0	0
[redacted]	Spot Award	0	11	0	0	0	0
[redacted]	Spot Award	161	53	83	34	21	0
[redacted]	Spot Award	0	0	0	0	106	0
[redacted]	Spot Award	42	0	42	0	0	0
[redacted]	Spot Award	0	0	36	106	0	64
[redacted]	Spot Award	0	0	0	0	42	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	CertBnsPer	0	11	0	0	0	0
	Spot Award	0	10	0	0	0	294
	Spot Award	0	0	0	0	751	751
	Spot Award	0	53	42	0	0	0
	Spot Award	0	0	0	85	0	0
	Spot Award	21	21	85	0	0	0
	Spot Award	161	64	0	64	0	21
	Spot Award	0	0	85	0	0	0
	Spot Award	0	42	0	0	0	21
	Spot Award	0	0	0	0	64	319
	Spot Award	0	49	85	0	0	0
	Spot Award	0	0	0	0	85	0
	Spot Award	0	0	21	0	127	0
	Spot Award	0	42	32	0	106	0
	Spot Award	0	0	8	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	21	42	42	85	106	0
	Spot Award	0	0	0	0	0	42
	Spot Award	0	106	0	0	0	0
	Spot Award	19	19	85	85	64	21
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	106	0	0	276
	Spot Award	85	0	53	0	85	0
	Spot Award	106	0	127	0	0	0
	Spot Award	0	21	21	0	0	0
	Spot Award	0	11	32	42	34	0
	Spot Award	0	53	21	0	21	0
	Spot Award	0	0	0	0	0	21
	Spot Award	0	42	148	0	0	0
	Spot Award	0	21	21	0	0	0
	Spot Award	0	0	0	0	85	0
	Spot Award	42	0	42	0	0	64
	Spot Award	0	0	0	0	212	0
	Spot Award	4	0	0	0	0	0
	Spot Award	0	0	21	21	0	0
	Spot Award	0	0	0	32	0	0
	Spot Award	0	127	0	42	4	0
	Spot Award	21	0	0	34	0	0
	Spot Award	0	0	21	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	42	30	85	0
	Spot Award	0	0	0	0	0	172
	Spot Award	0	5	42	0	0	0
	Spot Award	0	0	55	21	0	0
	Spot Award	21	11	0	0	0	0
	Spot Award	0	0	0	11	0	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	0	0	21	0	0
	Spot Award	32	0	0	0	0	0
	Spot Award	85	0	297	0	0	17
	Spot Award	0	21	17	0	42	42
	Spot Award	15	0	0	0	0	0
	Spot Award	0	0	0	0	0	382
	Spot Award	0	0	0	0	42	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	32	0	0	0
	Spot Award	127	42	21	0	42	0
	Spot Award	19	32	4	0	0	0
	Spot Award	0	0	0	0	64	11
	Spot Award	0	0	85	0	21	0
	Spot Award	0	42	0	0	0	0
	Spot Award	0	0	53	0	21	0
	Spot Award	0	0	85	42	64	0
	Spot Award	0	0	21	0	0	0
	StkNetAwardGU	0	0	0	0	103	0
	Spot Award	0	0	0	0	53	0
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	85	0	0	0
	Spot Award	42	42	0	0	0	85
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	15	6	13	4
	Spot Award	0	0	0	42	0	0
	Spot Award	127	42	0	85	0	0
	Spot Award	0	0	42	0	0	0
	CertBnsPer	0	0	0	0	0	85
	Spot Award	0	6	47	0	85	64
	Spot Award	42	0	53	127	42	0
	Spot Award	0	0	0	0	106	0
	Spot Award	0	0	0	0	21	0
	Spot Award	21	0	0	0	0	0
	Spot Award	127	127	11	0	0	0
	Spot Award	21	212	21	0	21	0
	Spot Award	0	0	8	0	0	0
	Spot Award	30	0	13	8	42	42
	Spot Award	0	17	0	0	21	21
	Spot Award	64	0	0	0	0	0
	Spot Award	0	127	0	0	0	0
	Spot Award	0	0	0	0	85	0
	Spot Award	0	0	42	0	0	0
	Spot Award	1	0	0	0	0	0
	Spot Award	0	0	0	0	42	42
	Spot Award	8	42	0	0	0	85

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	32	74	21	106	21
	Spot Award	0	13	0	0	0	0
	Spot Award	0	0	0	0	42	0
	Spot Award	4	0	85	42	0	0
	Spot Award	0	0	11	0	0	0
	Spot Award	204	0	0	106	0	0
	Spot Award	0	0	32	0	0	0
	Spot Award	0	0	0	4	0	0
	Spot Award	0	0	0	4	138	0
	Spot Award	0	0	0	11	0	0
	Spot Award	11	0	21	0	0	42
	Spot Award	42	0	0	0	0	0
	Spot Award	42	28	21	21	21	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	212	42	0	85	0
	Spot Award	0	0	0	0	744	744
	Spot Award	0	0	42	42	64	0
	Spot Award	21	0	0	0	0	0
	Spot Award	4	0	0	0	0	0
	Spot Award	0	21	0	0	0	0
	Spot Award	127	42	64	0	0	0
	Spot Award	233	0	0	0	11	0
	Spot Award	127	0	17	0	0	0
	Spot Award	0	0	106	42	21	0
	Spot Award	0	0	32	127	0	0
	Spot Award	0	0	0	85	21	0
	Spot Award	0	0	0	0	11	0
	Spot Award	0	0	4	0	8	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	42	0	23	0	21
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	42	0	0	42
	Spot Award	4	0	0	0	0	0
	Spot Award	0	0	0	42	0	0
	Spot Award	64	0	0	0	0	0
	Spot Award	0	0	0	25	64	0
	Spot Award	4	0	0	0	0	0
	Spot Award	0	0	13	0	0	0
	Spot Award	0	0	21	0	21	0
	Spot Award	0	21	0	0	0	0
	Spot Award	0	21	0	0	0	294
	Spot Award	127	0	0	0	0	0
	Spot Award	0	0	0	0	21	0
	StkNetAwardGU	0	0	19	0	0	0
	Spot Award	8	0	0	0	0	0
	Spot Award	0	0	0	0	0	1,026

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	64	0	0	0	0	0
	Spot Award	0	0	11	0	0	0
	Spot Award	148	0	21	21	21	0
	Spot Award	21	0	64	0	4	0
	Spot Award	0	42	0	0	0	0
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	2	0	0	0
	Spot Award	0	0	0	0	938	0
	Spot Award	11	11	0	0	0	0
	Spot Award	0	212	85	42	21	0
	Spot Award	0	0	11	0	21	0
	CertBnsPer	0	0	0	0	0	127
	Spot Award	0	0	0	0	148	0
	Spot Award	8	0	8	0	0	0
	Spot Award	0	0	0	85	64	0
	Spot Award	0	0	21	0	0	0
	Spot Award	0	42	0	42	0	0
	Spot Award	21	0	21	0	0	0
	Spot Award	0	42	42	21	0	0
	Spot Award	0	0	11	0	0	0
	Spot Award	0	0	64	0	0	0
	Spot Award	8	0	8	0	0	0
	Spot Award	0	21	13	0	0	0
	StkNetAwardGU	0	0	19	0	0	0
	Spot Award	19	0	21	0	0	0
	Spot Award	0	0	0	0	11	0
	Spot Award	0	0	0	0	85	0
	Spot Award	0	11	0	11	0	0
	Spot Award	0	32	42	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	0	0	21	42	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	0	0	0	0	0	42
	Spot Award	0	0	11	0	21	85
	Spot Award	0	0	212	0	0	0
	Spot Award	0	0	21	21	0	0
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	0	0	216	281
	Spot Award	0	0	0	21	42	0
	Spot Award	0	0	42	0	0	0
	Spot Award	0	0	0	0	51	0
	Spot Award	0	42	21	0	21	0
	Spot Award	0	0	42	0	0	6
	Spot Award	19	0	0	0	0	0
	Spot Award	42	42	0	0	21	0
	Spot Award	8	0	17	0	0	64

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	19	0	0	0	0	0
	Spot Award	0	0	0	0	21	42
	Spot Award	0	42	0	0	0	0
	Spot Award	0	42	21	0	0	0
	Spot Award	19	0	0	0	0	0
	Spot Award	0	0	0	0	148	0
	Spot Award	0	0	0	0	0	21
	Spot Award	19	0	0	0	0	0
	CertBnsPer	0	0	0	0	0	32
	Spot Award	0	0	0	0	85	0
	Spot Award	21	11	54	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	19	0	21	42	64	21
	Spot Award	0	21	32	42	42	0
	Spot Award	0	0	0	0	85	4
	Spot Award	0	0	0	21	0	0
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	51	15	0	11
	Spot Award	0	318	0	30	21	0
	Spot Award	0	0	0	32	0	0
	Spot Award	19	0	0	0	0	0
	Spot Award	0	0	0	212	53	42
	StkNetAwardGU	0	103	0	0	0	0
	Spot Award	0	11	0	0	197	197
	Spot Award	0	0	8	11	0	0
	Spot Award	32	0	42	21	42	64
	Spot Award	36	0	0	0	0	0
	Spot Award	0	21	0	13	85	0
	Spot Award	42	42	0	0	0	0
	Spot Award	0	42	53	0	0	0
	Spot Award	21	0	8	42	0	21
	Spot Award	28	0	8	8	0	0
	Spot Award	11	0	0	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	15	0	0	21
	Spot Award	0	42	0	0	127	21
	Spot Award	21	0	0	0	0	0
	Spot Award	0	0	0	51	0	0
	StkNetAwardGU	0	0	19	0	0	0
	Spot Award	11	0	0	0	0	0
	Spot Award	0	0	0	42	0	0
	Spot Award	64	127	21	0	85	21
	Spot Award	21	212	85	85	21	0
	Spot Award	4	0	0	0	0	0
	Spot Award	8	0	13	8	42	85

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	0	64	55	42	0
	Spot Award	0	0	0	0	21	42
	Spot Award	19	0	19	0	266	266
	Spot Award	0	0	19	212	0	0
	StkNetAwardGU	0	0	18	0	0	0
	Spot Award	21	106	0	0	0	0
	Spot Award	21	21	21	0	21	21
	Spot Award	0	0	32	0	42	0
	Spot Award	0	17	0	0	0	0
	Spot Award	4	0	0	0	0	0
	Spot Award	42	42	8	34	4	0
	Spot Award	0	42	42	0	0	0
	Spot Award	15	0	0	0	0	0
	Spot Award	0	0	85	42	11	0
	Spot Award	0	0	0	0	148	0
	Spot Award	0	0	0	0	0	85
	Spot Award	0	0	0	8	0	0
	Spot Award	0	0	0	21	0	0
	Spot Award	0	0	15	0	0	0
	Spot Award	32	127	0	0	0	0
	Spot Award	0	0	0	0	127	85
	Spot Award	0	42	64	0	106	0
	Spot Award	19	0	21	0	0	0
	Spot Award	0	32	21	0	0	270
	Spot Award	0	0	0	34	0	0
	Spot Award	0	0	55	0	0	0
	Spot Award	0	212	117	85	21	0
	Spot Award	0	42	0	0	0	0
	Spot Award	0	42	42	0	0	0
	Spot Award	21	0	0	0	21	0
	Spot Award	21	0	104	13	53	85
	Spot Award	0	0	0	42	721	721
	Spot Award	8	0	0	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	21	0	42	0	0	0
	Spot Award	148	0	0	0	0	0
	Spot Award	19	19	0	0	0	0
	Spot Award	0	64	0	0	0	0
	Spot Award	0	0	8	0	0	0
	Spot Award	19	0	64	42	64	21
	Spot Award	0	32	32	4	170	0
	Spot Award	0	0	42	127	0	0
	Spot Award	32	0	0	0	0	0
	Spot Award	42	0	0	0	0	0
	Spot Award	11	0	0	0	0	0
	Spot Award	0	0	25	0	0	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	0	11	0	0	0
	Spot Award	0	0	21	0	0	0
	StkNetAwardGU	0	0	19	0	0	0
	Spot Award	0	0	0	11	0	0
	Spot Award	21	106	21	0	42	0
	Spot Award	127	127	0	42	21	21
	Spot Award	0	0	0	0	212	0
	Spot Award	0	64	0	11	0	0
	Spot Award	0	0	64	11	0	21
	Spot Award	0	21	42	42	0	0
	StkNetAwardGU	0	0	38	0	0	0
	Spot Award	0	11	0	0	0	11
	Spot Award	0	0	32	0	0	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	21	0	0	148	0
	Spot Award	0	0	13	15	21	13
	Spot Award	0	0	4	6	11	0
	Spot Award	0	0	6	0	2	0
	Spot Award	0	0	0	0	64	0
	Spot Award	0	0	4	0	6	0
	Spot Award	0	0	0	11	0	0
	Spot Award	0	0	8	0	0	0
	Spot Award	0	106	42	0	64	0
	Spot Award	0	0	0	4	4	0
	Spot Award	0	0	53	21	0	0
	Spot Award	21	21	0	0	0	0
	Spot Award	0	0	4	0	21	0
	Spot Award	0	0	64	0	0	0
	Spot Award	0	21	0	0	0	0
	Spot Award	0	0	21	21	0	0
	Spot Award	42	0	21	21	42	0
	Spot Award	64	127	0	0	0	0
	Spot Award	42	0	0	34	0	0
	Spot Award	64	0	42	0	0	0
	Spot Award	0	0	11	0	0	0
	Spot Award	0	21	0	0	8	2
	Spot Award	42	0	0	0	0	0
	Spot Award	0	11	42	0	21	212
	Spot Award	0	95	0	0	0	64
	Spot Award	42	0	0	0	0	0
	Spot Award	0	0	21	0	32	21
	Spot Award	0	0	15	0	42	0
	Spot Award	0	0	0	0	0	11
	Spot Award	0	0	85	0	0	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	11	0	0	0	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	0	0	0	11	0
[redacted]	Spot Award	64	42	21	23	0	28
[redacted]	Spot Award	0	0	0	42	42	0
[redacted]	Spot Award	0	0	8	13	21	11
[redacted]	Spot Award	0	0	68	21	106	0
[redacted]	CertBnsPer	0	0	0	0	0	127
[redacted]	Spot Award	0	0	0	0	21	0
[redacted]	Spot Award	21	0	21	0	0	0
[redacted]	Spot Award	0	131	0	0	0	0
[redacted]	Spot Award	0	0	21	0	0	0
[redacted]	Spot Award	0	0	0	32	0	0
[redacted]	Spot Award	0	0	0	0	0	21
[redacted]	Spot Award	0	0	0	0	424	0
[redacted]	Spot Award	0	11	0	0	0	0
[redacted]	Spot Award	0	0	64	0	0	0
[redacted]	Spot Award	0	0	0	74	11	0
[redacted]	Spot Award	0	0	0	32	42	0
[redacted]	Spot Award	0	0	0	0	0	21
[redacted]	Spot Award	0	0	21	30	0	0
[redacted]	Spot Award	0	6	32	0	0	0
[redacted]	Spot Award	0	0	4	0	0	0
[redacted]	Spot Award	0	0	0	32	4	0
[redacted]	Spot Award	0	0	0	6	0	0
[redacted]	Spot Award	0	0	4	0	17	0
[redacted]	Spot Award	0	0	8	0	0	0
[redacted]	Spot Award	0	0	85	0	0	0
[redacted]	Spot Award	0	0	0	0	15	0
[redacted]	Spot Award	0	0	51	0	0	0
[redacted]	Spot Award	0	42	21	23	0	21
[redacted]	Spot Award	0	0	21	0	0	0
[redacted]	Spot Award	0	0	0	0	21	0
[redacted]	Spot Award	0	0	0	0	85	0
[redacted]	Spot Award	0	0	11	42	64	0
[redacted]	Spot Award	0	0	0	0	0	42
[redacted]	Spot Award	0	0	21	0	0	0
[redacted]	Spot Award	0	0	11	0	0	0
[redacted]	Spot Award	0	0	42	45	0	0
[redacted]	Spot Award	0	0	0	0	21	0
[redacted]	Spot Award	0	0	0	0	21	0
[redacted]	Spot Award	0	17	0	0	0	0
[redacted]	Spot Award	0	0	0	7	0	0
[redacted]	Spot Award	0	0	0	0	0	21
[redacted]	Spot Award	0	0	0	42	0	0
[redacted]	Spot Award	0	3	5	0	0	0
[redacted]	Spot Award	0	0	85	42	0	0
[redacted]	Spot Award	0	0	0	0	64	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	0	85	0	0	0
	Spot Award	0	21	0	0	21	0
	Spot Award	0	0	17	0	0	0
	Spot Award	0	0	4	0	0	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	30	13	21	0
	Spot Award	0	0	8	0	64	181
	Spot Award	0	0	0	8	0	0
	Spot Award	0	0	64	0	0	13
	Spot Award	0	0	85	0	64	0
	Spot Award	0	0	4	0	0	11
	Spot Award	0	0	0	0	4	11
	Spot Award	0	0	42	0	0	11
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	0	21	0	0
	Spot Award	0	0	85	0	0	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	42	0	0	0
	Spot Award	0	0	42	42	0	0
	Spot Award	0	0	0	0	0	42
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	0	21	0	0
	Spot Award	0	0	0	0	53	0
	Spot Award	0	0	0	11	0	0
	Spot Award	0	0	11	0	0	0
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	0	42	0	0
	Spot Award	0	0	0	0	64	0
	Spot Award	0	0	11	11	15	0
	Spot Award	0	0	85	42	0	0
	Spot Award	0	0	0	42	0	42
	Spot Award	0	0	0	0	7	6
	Spot Award	0	0	21	0	106	0
	Spot Award	0	0	0	0	13	21
	Spot Award	0	0	21	0	0	0
	Spot Award	0	0	2	0	0	4
	Spot Award	0	0	0	0	21	4
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	21	8	0
	Spot Award	0	0	0	11	0	0
	Spot Award	0	0	0	0	0	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	32	0	0
	Spot Award	0	0	0	0	0	106
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	0	0	53	0

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM005_073026_Attachment_CONFIDENTIAL
Part D - Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	0	0	0	42	0	21
	Spot Award	0	0	0	0	2	0
	Spot Award	0	0	0	11	0	0
	Spot Award	0	0	0	0	0	11
	Spot Award	0	0	0	0	0	64
	Spot Award	0	0	0	0	4	0
	Spot Award	0	0	0	0	13	0
	Spot Award	0	0	0	0	90	233
	Spot Award	0	0	0	0	174	286
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	0	4	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	0	0	4
	Spot Award	0	0	0	0	21	170
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	0	0	42
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	0	0	0	42
	Spot Award	0	0	0	0	0	64
	Spot Award	0	0	0	0	4	0
	Spot Award	0	0	0	0	0	11
	Spot Award	0	0	0	0	0	21
	Spot Award	0	0	0	0	0	11
	Spot Award	0	0	0	0	0	6
	Total	$7,133	$8,527	$10,016	$6,162	$15,359	$14,562

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

Witness: Robert Prendergast

6. Refer to Kentucky-American's response to the Attorney General's First Request, Item 4.
   a. Explain why Kentucky American appears to provide bonuses every year to non-salaried staff, ranging from an average bonus of $1,426 - $3,376 provided to Kentucky American non-salaried employees from 2021 - 2026. Also, identify how many non-salaried employees received the bonus, the amount of a bonus each non-salaried employee received, and the reason for the bonus.
   b. Explain why the Service Company appears to provide bonuses almost every year to non-salaried staff, ranging from an average bonus of $58 - $424. Also, identify how many non-salaried employees received the bonus, the amount of a bonus each non-salaried employee received, and the reason for the bonus.
   c. Explain why Kentucky American appears to provide awards every year to non-salaried staff, ranging from average awards of $3,750 - $43,550. Also, identify how many non-salaried employees received the award, the amount each non-salaried employee received, and the reason for the award.
   d. Explain why the Service Company appears to provide awards every year to non-salaried staff, ranging from average awards of $53 - $761. Also, identify how many non-salaried employees received the award, the amount of award each non-salaried employee received, and the reason for the award.
   e. Explain why incentive compensation provided to Kentucky American's non-salaried staff has risen from $388,900 in 2021 to $707,312 in 2026. Also, identify how many non-salaried employees received the incentive compensation and the amount each non-salaried employee received.

Response:

a. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL.
b. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM006_073026_Attachment_CONFIDENTIAL. Please note the average bonuses range from $0 - $424 and not $58 - $424. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.
c. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM004_073026_Attachment 1_CONFIDENTIAL.
d. Please see the awards and bonuses narrative at the beginning of the response to AG 2-4 and KAW_R_AGDR2_NUM006_073026_Attachment_CONFIDENTIAL. A portion of the attachment is confidential and is being provided pursuant to a petition for confidential protection.
e. The increase is the result of a few factors. There are more non-salary employees receiving an incentive payment in 2025 than in 2021. Employees' salaries, which are the basis of incentive payments, are higher in 2025 than in 2021 due to the effect of

four years' worth of merit increases. For the details of the incentive payments, please see KAW_R_AGDR2_NUM004_073026_Attachment 3_CONFIDENTIAL.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM006_073026_Attachment_CONFIDENTIAL
Part B - Non Salary Employees - Average Bonuses

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	RefBonus GU						$65
	RefBonus GU	65					
	RefBonus GU	65					
	SignOn Bns NonGU	106					
	RefBonus GU			67			
	RefBonus GU						67
	SignOn Bns NonGU		424				
	SignOn Bns NonGU			106			
	SignOn Bns NonGU			0		106	
	Average	$79	$424	$58	$0	$106	$66

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM006_073026_Attachment_CONFIDENTIAL
Part D - Non Salary Employees - Total Awards

Kentucky Allocated:

Personnel Number	Award Type	2021	2022	2023	2024	2025	2026
[redacted]	Spot Award	$0	$11	$0	$0	$0	$0
	Spot Award	0	0	0	0	64	0
	Spot Award	0	106	42	0	106	0
	Spot Award	0	106	64	0	0	0
	Spot Award	0	57	38	127	0	0
	Spot Award	0	0	15	0	0	0
	Spot Award	0	11	0	0	0	0
	Spot Award	0	42	0	0	21	0
	Spot Award	0	13	55	85	0	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	0	0	0	21	0
	Spot Award	0	64	25	51	21	11
	Spot Award	0	0	19	21	85	0
	Spot Award	21	0	0	0	0	0
	Spot Award	0	21	42	21	0	0
	Spot Award	127	318	0	0	0	0
	Spot Award	0	13	34	64	64	0
	Spot Award	0	0	0	30	0	0
	Spot Award	21	0	13	0	0	21
	Spot Award	0	0	0	0	106	11
	Spot Award	0	0	0	21	0	11
	Spot Award	0	0	0	0	42	0
	Spot Award	0	0	0	0	85	0
	Spot Award	0	0	0	19	0	0
	Spot Award	0	0	0	0	21	0
	Total	$170	$761	$348	$439	$657	$53

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

Witness: Robert Prendergast

7. Refer to Kentucky American's response to the Attorney General's First Request, Items 2, 3, and 4. The Company states that Kentucky American did not provide awards or vehicle allowances "during the time period specified." Explain what time period Kentucky American did provide awards or vehicle allowances. For example, are awards and vehicle allowances proposed to be provided for 2027? Explain the answer in detail and provide all pertinent information regarding the same.

Response:

Kentucky-American did not provide vehicle allowances to any employees during the period 2021-2026, nor does it plan to in 2027. No awards were paid to KAWC executive employees in the period 2021-2026. KAWC and Service Company salaried and non-salaried employees, including Service Company executive employees, did receive spot awards and certification awards in the period 2021-2026. The Company plans to continue its award programs in 2027.

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

Witness: William A. Lewis

8. Refer to Kentucky American's response to the Attorney General's First Request, Item 5.
   a. Provide an update as to all prior vacant positions and all new vacant positions. Ensure to differentiate between positions that have actually been filled versus a future planned hiring date. Consider this an ongoing request throughout the pendency of this case.
   b. Provide an update to the KAW_R_AGDR1_NUM005_062626 attachment. Ensure to differentiate between positions that have actually been filled versus a future planned hiring date. Consider this an ongoing request throughout the pendency of this case.

Response:

a. Please see KAW_R_AGDR2_NUM008_073026_Attachment_CONFIDENTIAL. A portion of this attachment is confidential and is being provided pursuant to a petition for confidential protection.
b. Please see KAW_R_AGDR2_NUM008_073026_Attachment_CONFIDENTIAL. A portion of this attachment is confidential and is being provided pursuant to a petition for confidential protection.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM008_073026_Attachment_CONFIDENTIAL

Status	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]						7/27/2026	11/24/2025	EE turnover and Union Bidding Cycle	Required staffing for water treatment plant operations
Filled	Utility	[redacted]					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
Filled	Utility	[redacted]					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	[redacted]						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	[redacted]						7/1/2026	4/13/2026	EE turnover and Union Bidding Cycle	Required to support unaccounted for water reduction program
Filled	Meter Reader	[redacted]					6/15/2026		5/15/2026	EE turnover and Union Bidding Cycle	Required to support current water meter reading requirement
	Sr Admin, Operations Services	[redacted]						12/31/2026	7/1/2023	EE Retirement	Required to meet reporting and compliance requirements for treatment operation
	Sr Operator, Water Treatment	[redacted]						7/6/2026	12/31/2025	EE Retirement	Required staffing for water treatment plant operations
	Sr Operator, Water Treatment	[redacted]						8/3/2026	6/25/2025	EE turnover	Required staffing for water treatment plant operations
	Sr Operator, Water Treatment	[redacted]						12/31/2026	6/25/2025	EE turnover	Required staffing for water treatment plant operations
	Sr Technician, Maintenance Services	[redacted]						7/6/2026	6/24/2024	EE Promotion	Required to support maintenance and repair of water treatment plants and pumping station
	Manager, Engineering Project Delivery	[redacted]						12/31/2026	2/3/2025	EE Promotion	Required to support capital project delivery
	Sr Manager, Treatment	[redacted]						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	[redacted]						7/20/2026	3/16/2026	EE Promotion	Required to manage state-wide material inventory program for operations and capital program
Filled	Supervisor Field Operations	[redacted]					6/8/2026		04/13/26	EE Promotion	Required management to oversee current level of frontline field personn
Filled	Superintendent, Treatment	[redacted]					6/22/2026		4/13/2026	EE Promotion	Required to manage all wastewater system operations
	Sr Technician Water Quality	[redacted]						8/10/2026	05/08/26	EE turnover	program
	Treatment Plant Operator	[redacted]						12/31/2026	05/01/26	EE turnover and Union Bidding Cycle	Required staffing for water treatment plant operations
Filled	Crew Leader	[redacted]					6/15/2026		4/2/2026	EE turnover and Union Bidding Cycle	Required field crew leadership position responsible for leading work crews in the fie
Filled	Crew Leader	[redacted]					6/15/2026		2/1/2026	EE turnover and Union Bidding Cycle	Required field crew leadership position responsible for leading work crews in the fie
	Utility*	[redacted]						12/31/2026	6/29/2026	EE turnover and Union Bidding Cycle	Required staffing to support field operations maintenance and emergency services at current asset, compliance, and customer levels
	Utility*	[redacted]						12/31/2026	6/30/2026	EE turnover and Union Bidding Cycle	Required staffing to support field operations maintenance and emergency services at current asset, compliance, and customer levels
	Utility*	[redacted]						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
	Lead, Business Development*	[redacted]						8/3/2026	6/13/2026	EE turnover	Develops new business opportunities
	Meter Reader*	[redacted]						12/31/2026	6/25/2026	EE turnover and Union Bidding Cycle	Required to support current water meter reading requirement

* Denotes a newly vacated position

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

Witness: Robert Prendergast

9. Refer to Kentucky American's response to the Attorney General's First Request, Items 11 – 12.
   a. Confirm that the cost of living in Kentucky is different than the cost of living in other states such as California, New York, Illinois, etc. If not confirmed, explain why not.
   b. Explain in detail why Kentucky American does not review local Kentucky specific wage and benefit information data when setting its Kentucky employees' wages, salaries, raises, benefits, etc.

Response:

a. Confirmed.
b. The Company does review compensation information when evaluating Kentucky employees' wages, salaries, raises, benefits, etc. However, as explained in the Company's response to AG 1-11 and Mr. Mustich's Direct Testimony, Mr. Mustich is not aware of 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, and data that includes all components of Kentucky American's total remuneration program components (base salary, annual performance compensation, long-term performance compensation and benefits); therefore, compensation and benefit decisions are not based on comprehensive Kentucky-specific data. For union employees, wages are established through the collective bargaining process, and union benefits are provided per applicable plan/agreement.

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

Witness: William A. Lewis

10. Refer to Kentucky American's response to the Attorney General's First Request, Item 15. As originally requested, provide a copy of the J.D. Power Satisfaction Study for 2025 and 2026, which pertains to American Water/Kentucky American Water.

Response:

Please see KAW_R_AGDR2_NUM010_073026_Attachment 1 for the 2025 J.D. Power Satisfaction Study and KAW_R_AGDR2_NUM010_073026_Attachment 2 for the 2026 J.D. Power Satisfaction Study.

The population of Kentucky American Water's service territory is not large enough for the Company to be included in the J.D. Power Satisfaction study. Other affiliates of Kentucky American Water that meet the population threshold are included in the study.

JDPOWER

PRESS RELEASE

Water Utility Residential Customer Satisfaction Drops as Prices Fluctuate, JD Power Finds

Significant Gap Between Highest- and Lowest-Ranked Utilities Highlights Opportunity to Improve Customer Communications

6 MAY 2025

TROY, Mich.: 7 May 2025 — The average water bill for a typical household in the United States has risen sharply from $95 in 2024 to $101 per month in 2025. According to the JD Power 2025 U.S. Water Utility Residential Customer Satisfaction Study,SM released today, the increase in price has caused equal and opposite movements in customer satisfaction with the price paid to their local water utilities.

“Water utilities have been doing a better job of communicating and leveraging digital channels to connect with customers, but those improvements have been overshadowed by widespread customer frustration with huge price fluctuations,” said **John Hazen, managing director of utilities intelligence at JD Power**. “While some utilities are finding ways to overcome that challenge by communicating frequently and proactively about keeping water supplies safe and reliable, others are simply not communicating effectively, which results in extremely low levels of customer satisfaction.”

Following are some key findings of the 2025 study:

- **Declines in customer satisfaction driven by price fluctuations:** Overall customer satisfaction with water utilities is 515 (on a 1,000-point scale), down 2 points from the 2024 study. This is driven largely by an 8-point decline in satisfaction with cost. During the study period, the average monthly water bill increased by $6.
- **Proactive efforts paying off to help customers lower their bills:** Overall satisfaction is 161 points higher when water utility customers believe their utility helped to lower their bill than when they say their utility did not help lower their bill. Additionally, customer awareness of utility efforts to improve the effect on the environment are associated with a 110-point increase in customer satisfaction.
- **Significant gap between utilities:** The gap in overall satisfaction scores between the top-performing utility in the study and the lowest-performing utility in the study is 212 points, highlighting how different approaches to customer engagement, communications and water delivery can result in significantly different customer experiences.

Study Rankings

The study measures customer satisfaction with water utilities in eight geographic regions. Highest-ranked utilities and scores, by region, are as follows:

- Midwest Large: **Greater Cincinnati Water Works** (558) (for a second consecutive year)
- Midwest Midsize: **Metropolitan Utilities District (Omaha)** (571) (for a second consecutive year)
- Northeast Large: **New Jersey American Water** (559) (for a second consecutive year)
- Northeast Midsize: **Regional Water Authority (Connecticut)** (568)
- South Large: **Fairfax Water** (573)
- South Midsize: **Cobb County Water System** (584) (for a third consecutive year)
- West Large: **Seattle Public Utilities** (569) (for a second consecutive year)
- West Midsize: **Irvine Ranch Water District** (574) (for a fourth consecutive year)

The U.S. Water Utility Residential Customer Satisfaction Study, now in its 10th year, measures satisfaction among residential customers of 91 water utilities that deliver water to populations of at least 400,000 and results are reported for eight geographic regions in two size categories: Midwest Large; Midwest Midsize; Northeast Large; Northeast Midsize; South Large; South Midsize; West Large; and West Midsize. Overall satisfaction is measured by examining eight core dimensions on a poor-to-perfect 6-point rating scale. Individual dimensions measured are (in order of importance): information provided; level of trust; quality and reliability; ease of doing business; total monthly costs; people; resolving problems or complaints; and digital channels. This year's study is based on the responses of 33,476 residential water utility customers and was conducted from May 2024 through March 2025.

For more information about the U.S. Water Utility Residential Customer Satisfaction Study, visit https://www.jdpower.com/business/utilities/water-utility-residential-customer-satisfaction-study.

About JD Power

JD Power is a global leader in consumer insights, advisory services, and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, JD Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 55 years. The world's leading businesses across major industries rely on JD Power to guide their customer-facing strategies.

JD Power has offices in North America, Europe and Asia Pacific. To learn more about the company's business offerings, visit JDPower.com/business. The JD Power auto-shopping tool can be found at JDPower.com.

Media Relations Contacts

Geno Effler, JD Power; West Coast; 714-621-6224; media.relations@jdpa.com
John Roderick; East Coast; 631-584-2200; john@jroderick.com

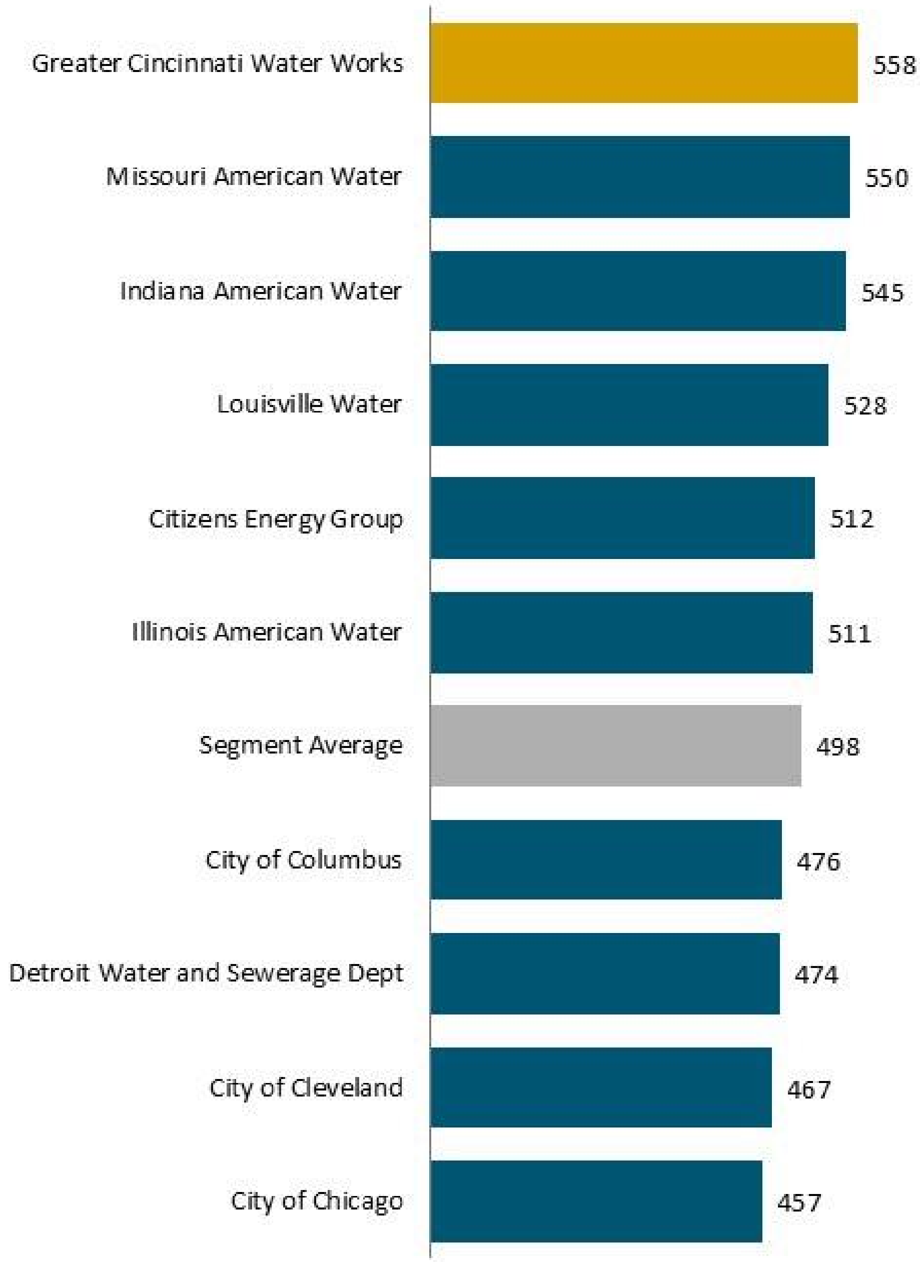
About JD Power and Advertising/Promotional Rules: www.jdpower.com/business/about-us/press-release-info

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Midwest — Large



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

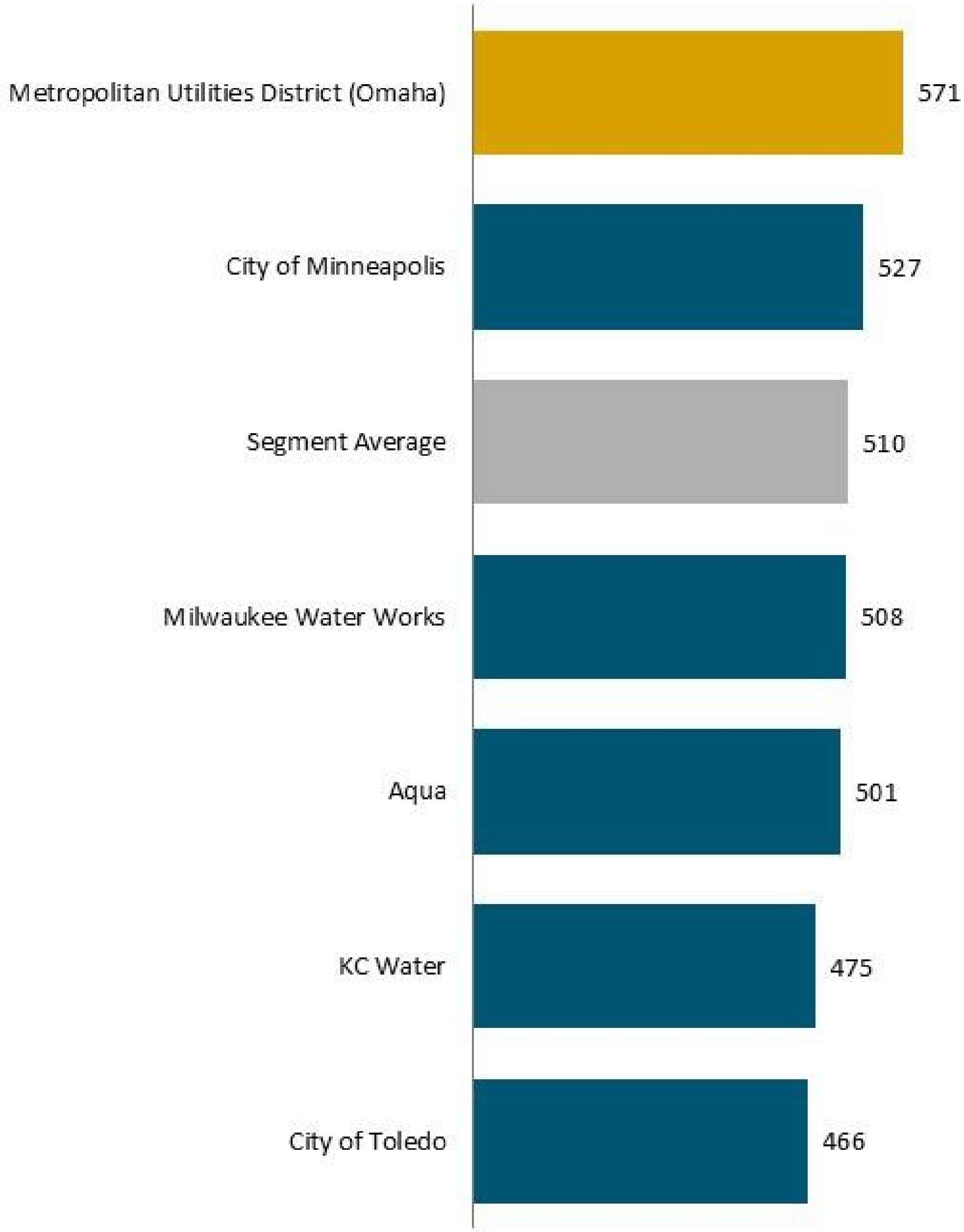
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Midwest — Midsize



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

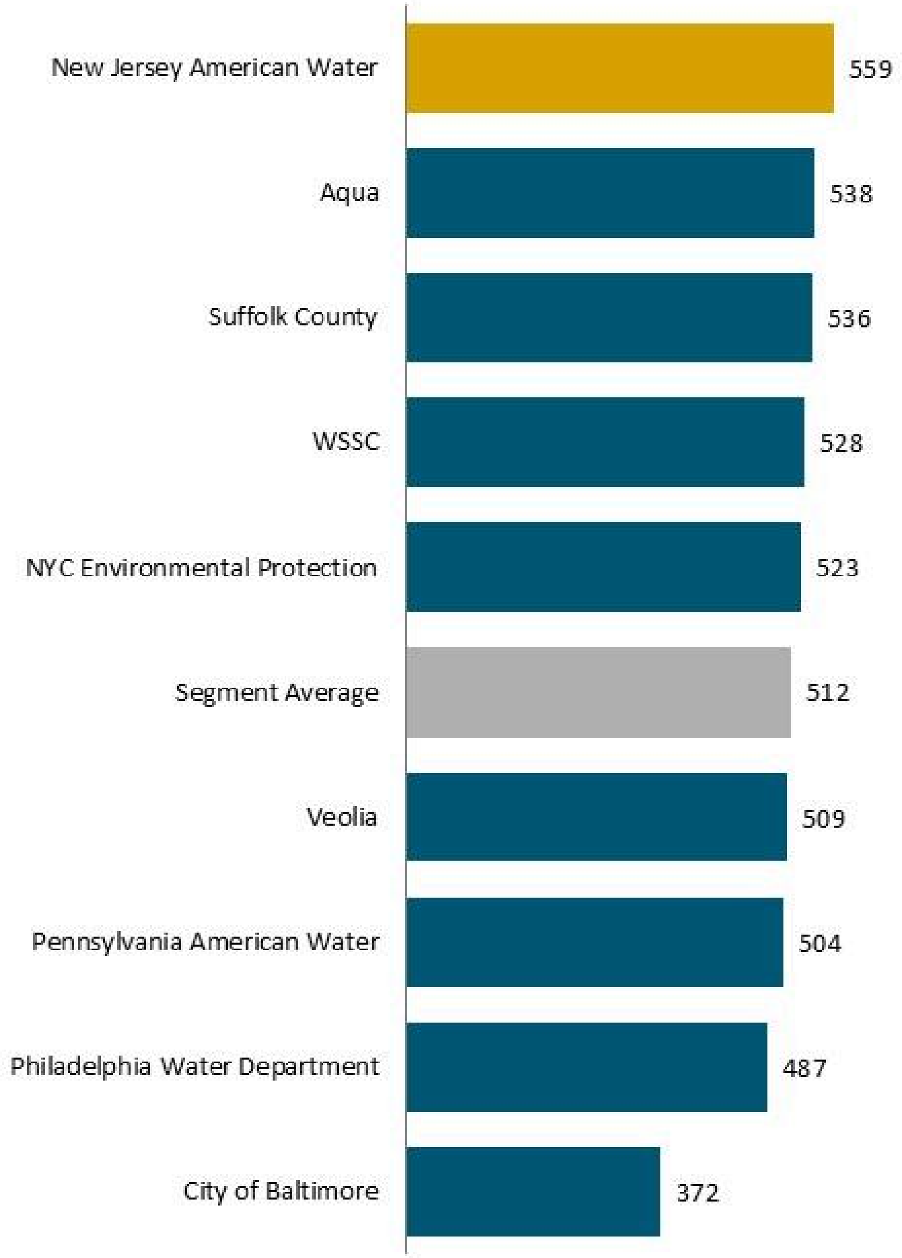
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Northeast — Large



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

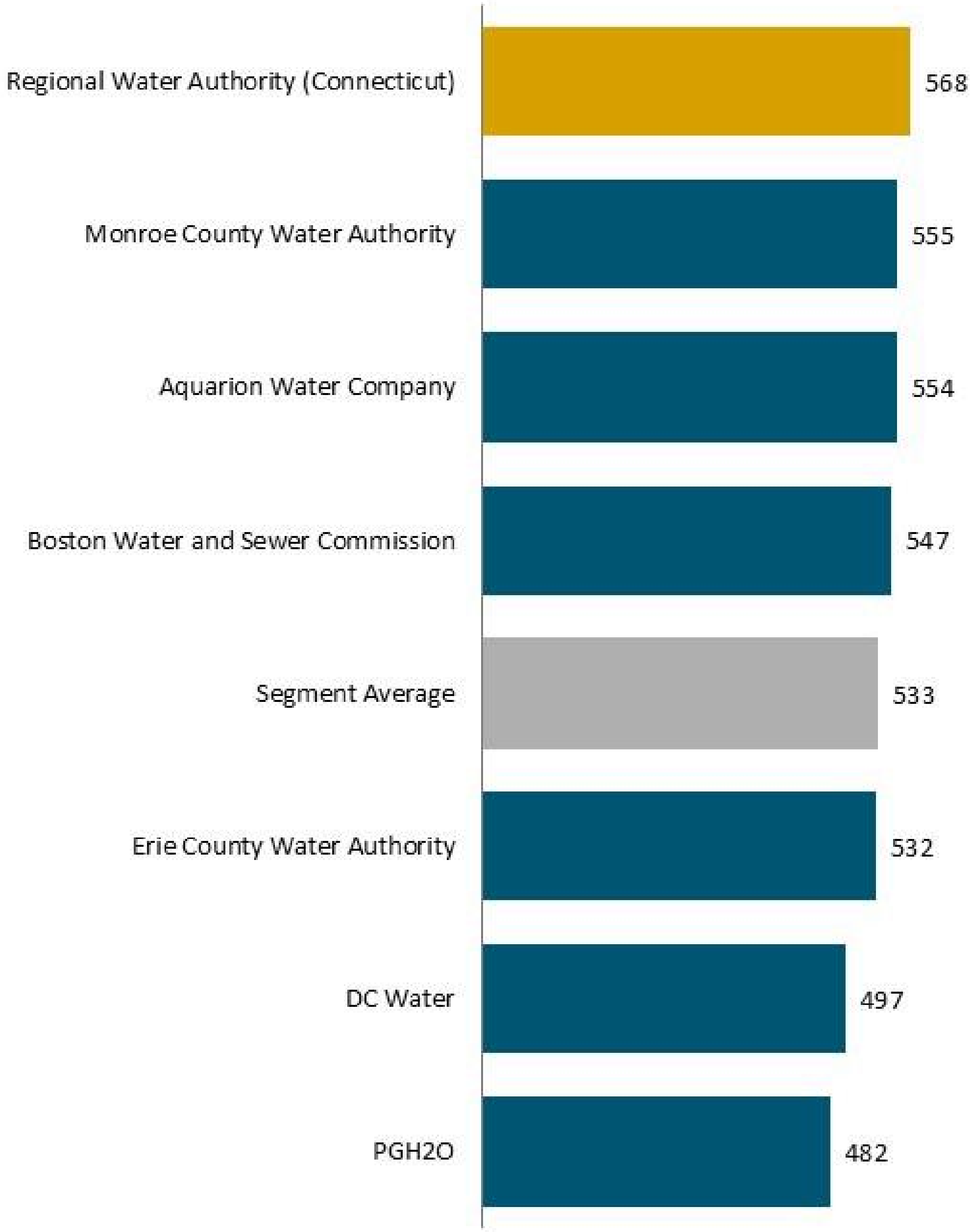
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Northeast — Midsize



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

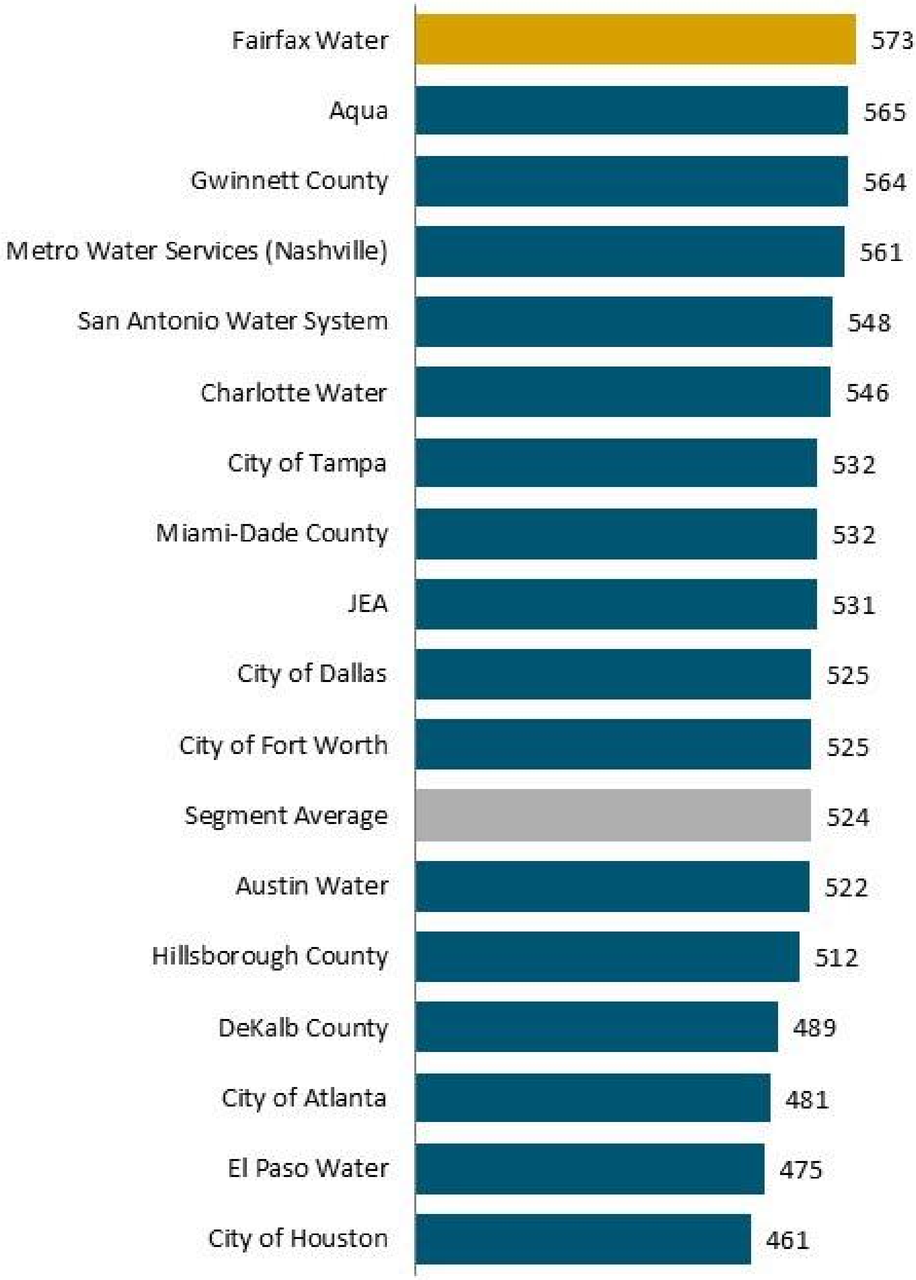
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

South — Large



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

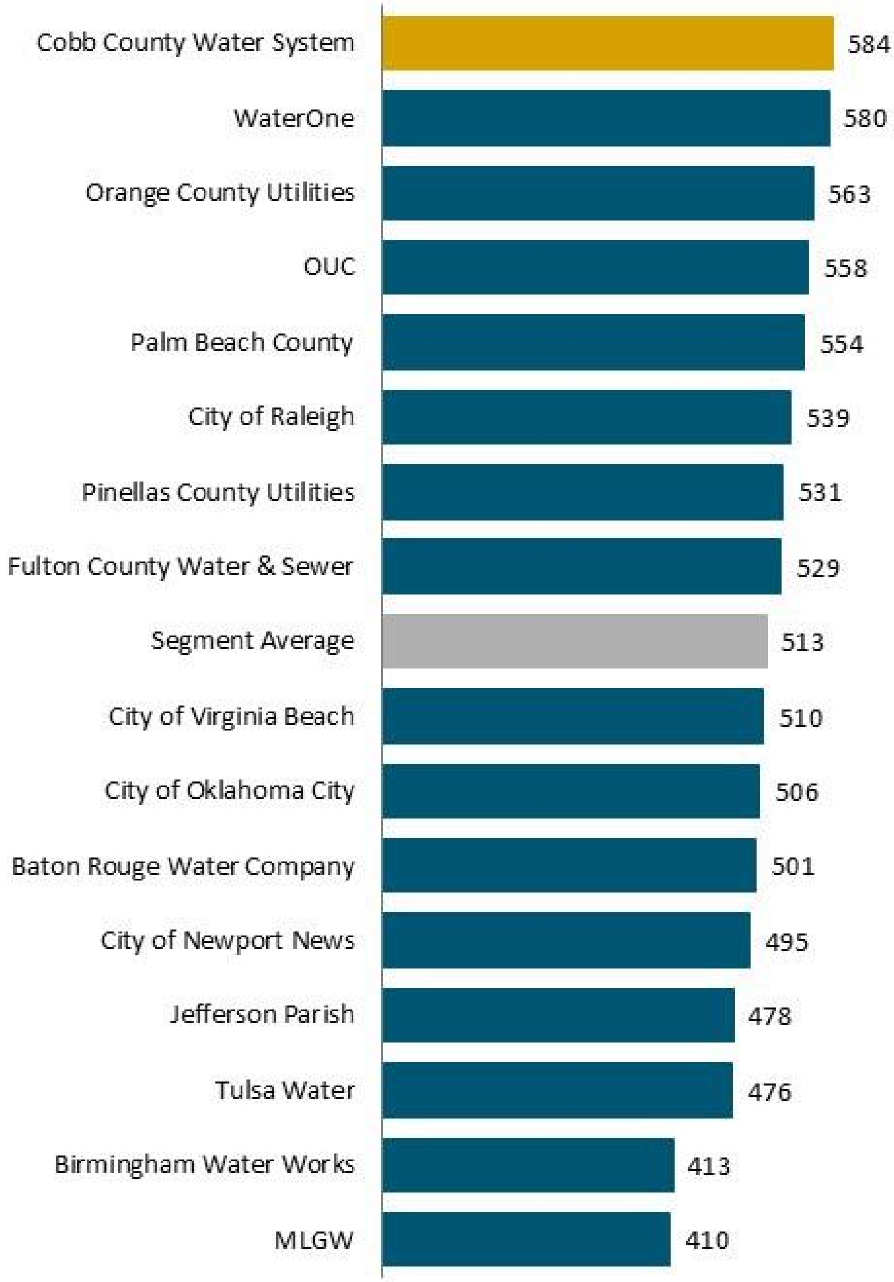
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study[SM]

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

South — Midsize



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study[SM]

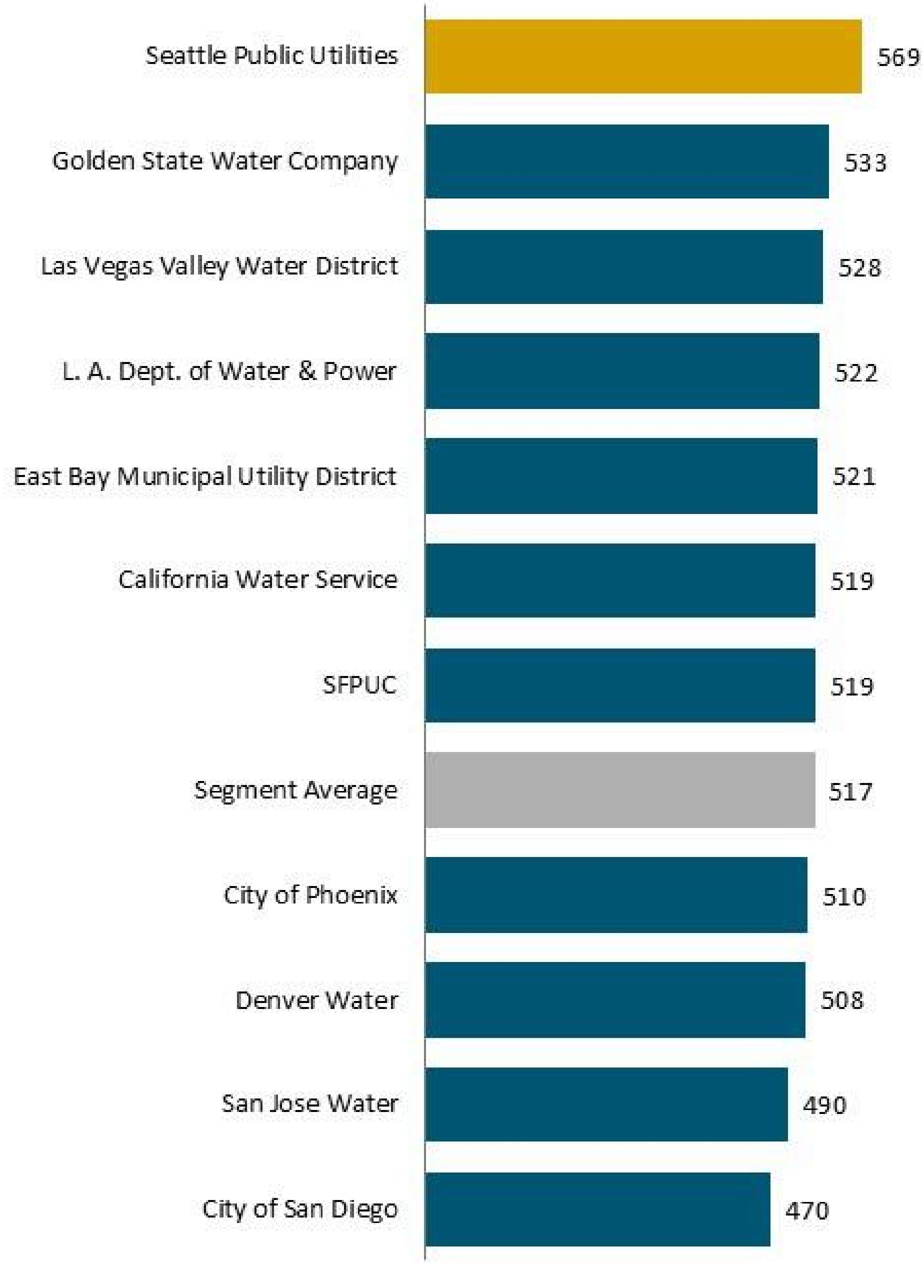
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

West — Large



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

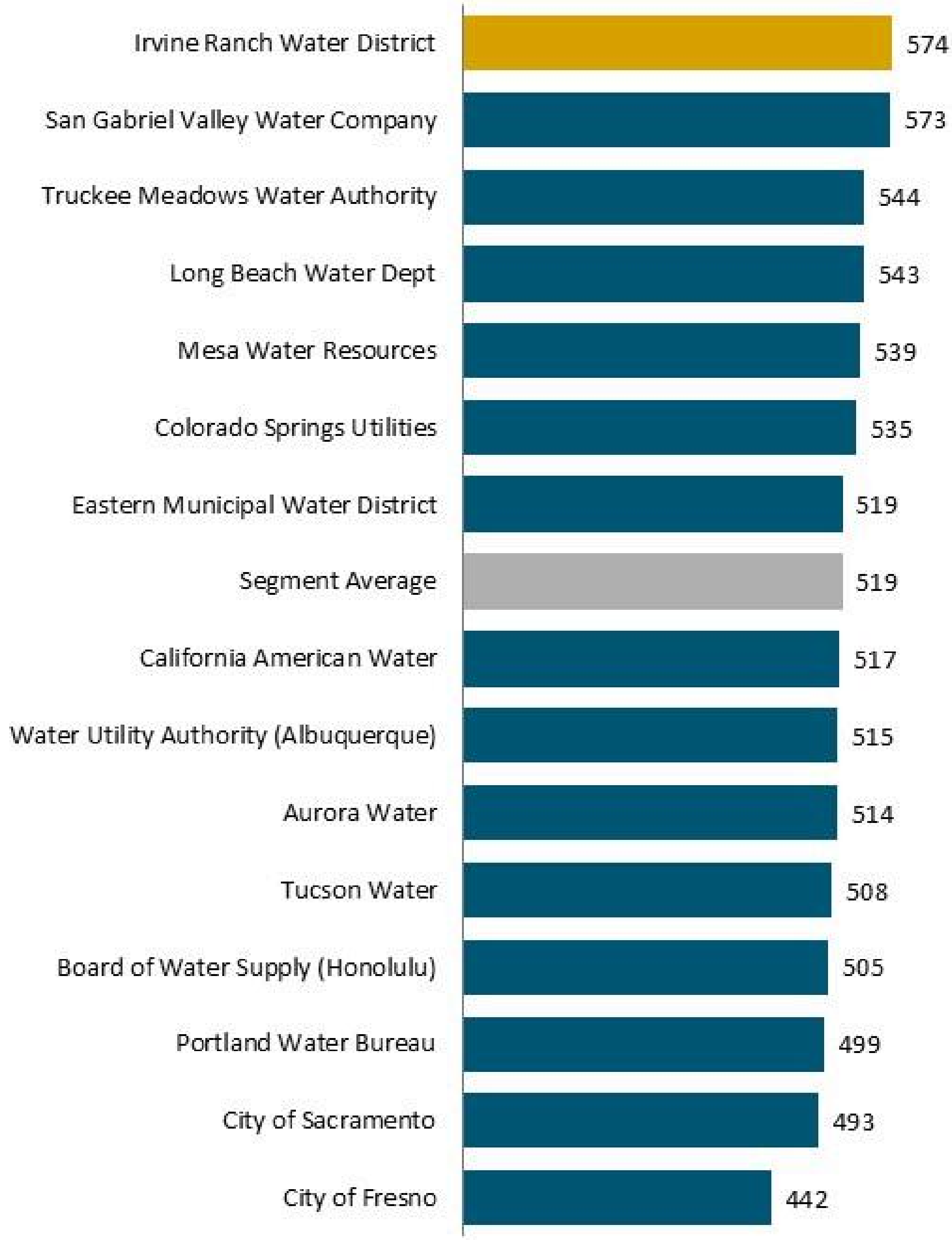
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

J.D. Power
2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

West — Midsize



Source: J.D. Power 2025 U.S. Water Utility Residential Customer Satisfaction Study℠

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

JDPOWER

PRESS RELEASE

Water Utility Residential Customer Satisfaction Rises Despite Persistently High Costs, JD Power Finds

Rising Satisfaction Driven by Improvements in Service and Communication

6 MAY 2026

- Overall satisfaction improves across all study dimensions
- Massive gaps between highest- and lowest-ranked utilities underscore wide variation in customer experience
- Opportunities emerge for utilities to help customers budget and manage costs

TROY, Mich.: 6 May 2026 — Even with average monthly water bills hovering at $100, nationwide, just $1.00 lower than the record high reached in 2025, customer satisfaction with local water utilities has risen this year, driven by notable gains in customer service and perceptions of cost, according to the JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study,SM released today. Overall satisfaction is up 8 points year over year to 523 (on a 1,000-point scale), suggesting that clearer communication and better support are helping utilities boost satisfaction scores without relying on lower costs.

“Households are feeling cost pressure from all sides, so it’s notable that water utilities are receiving higher scores on both cost and customer service without lowering bill amounts," said **John Hazen, managing director of utilities intelligence at JD Power**. "The data indicates that when utilities acknowledge customer pressures, explain charges in plain language and give customers more control over how and when they pay their bills, satisfaction improves, even in a flat-cost environment."

Following are some key findings of the 2026 index:

- **Room to improve on cost management**: Some of the highest-impact key performance indicators (KPIs) related to cost—such as offering flexible bill due dates, budget billing plans and assistance to help lower bills—are delivered less than half the time, leaving significant room for improvement in cost satisfaction. While cost remains the lowest-scoring dimension in the index, it improves by 10 points this year to 432.
- **Generational satisfaction gap greatest in cost**: Cost satisfaction is lowest among Boomers[1] (398) and Gen X (399), with 31% and 34%, respectively, saying they are worse off financially compared with a year ago. In contrast, Gen Z (481) is the most satisfied with cost, resulting in an 83-point gap in cost satisfaction between the highest- and lowest-scoring generations. This indicates that cost satisfaction is being shaped more by generational financial circumstances than by uniform changes in utility pricing or performance.
- **Gap between utilities grows**: The gap between the overall satisfaction scores for the highest- and lowest-ranked residential water utilities has grown to 219 points in this year's study, up from 212 points in 2025, illustrating the wide variation in experience among customers of different utilities. The largest performance gaps between water utilities are in problem resolution (270-point delta) and trust (257), indicating that how well utilities resolve issues and build customer confidence is a key differentiator, with uneven performance across the industry.

Index Rankings

The index measures customer satisfaction with water utilities in eight geographic regions. Highest-ranked utilities and scores, by region, are as follows:

- Midwest Large: **Missouri American Water** (564)
- Midwest Midsize: **Metropolitan Utilities District (Omaha)** (548) (for a third consecutive year)

- Northeast Large: **Aquarion Water Company** (557)
- Northeast Midsize: **Boston Water and Sewer Commission** (609)
- South Large: **Gwinnett County** (569)
- South Midsize: **OUC** (615)
- West Large: **Seattle Public Utilities** (582) (for a third consecutive year)
- West Midsize: **Colorado Springs Utilities** (554)

The U.S. Water Utility Residential Customer Satisfaction Study, now in its 11th year, measures satisfaction among residential customers of 92 water utilities that deliver water to populations of at least 400,000 and results are reported for eight geographic regions in two size categories: Midwest Large; Midwest Midsize; Northeast Large; Northeast Midsize; South Large; South Midsize; West Large; and West Midsize. Overall satisfaction is measured by examining eight core dimensions on a poor-to-perfect 6-point rating scale. Individual dimensions measured are (in order of importance): information provided; level of trust; quality and reliability; ease of doing business; total monthly costs; people; resolving problems or complaints; and digital channels. This year's study is based on the responses of 34,164 residential water utility customers and was conducted from March 2025 through March 2026.

For more information about the U.S. Water Utility Residential Customer Satisfaction Study, visit https://www.jdpower.com/business/utilities/water-utility-residential-customer-satisfaction-study.

About JD Power

JD Power delivers mission-critical data, analytics and intelligence that help businesses improve customer experience and operational performance with confidence and clarity. Using proprietary, comprehensive data–including millions of consumer interactions and authoritative automotive datasets–combined with advanced analytics, artificial intelligence and deep industry expertise, JD Power enables leaders to respond to market shifts, make smarter decisions and drive measurable performance improvements.

As an objective source of deep insight into real-world customer interactions with brands and products, JD Power provides the independent intelligence organizations need to anticipate change, strengthen customer engagement and advance growth. Learn more at JDPower.com.

Media Relations Contacts

Joe LaMuraglia, JD Power; East Coast; 714-621-6224; **media.relations@jdpa.com**
John Roderick; East Coast; 631-584-2200; **john@jroderick.com**

About JD Power and Advertising/Promotional Rules: http://www.jdpower.com/business/about-us/press-release-info

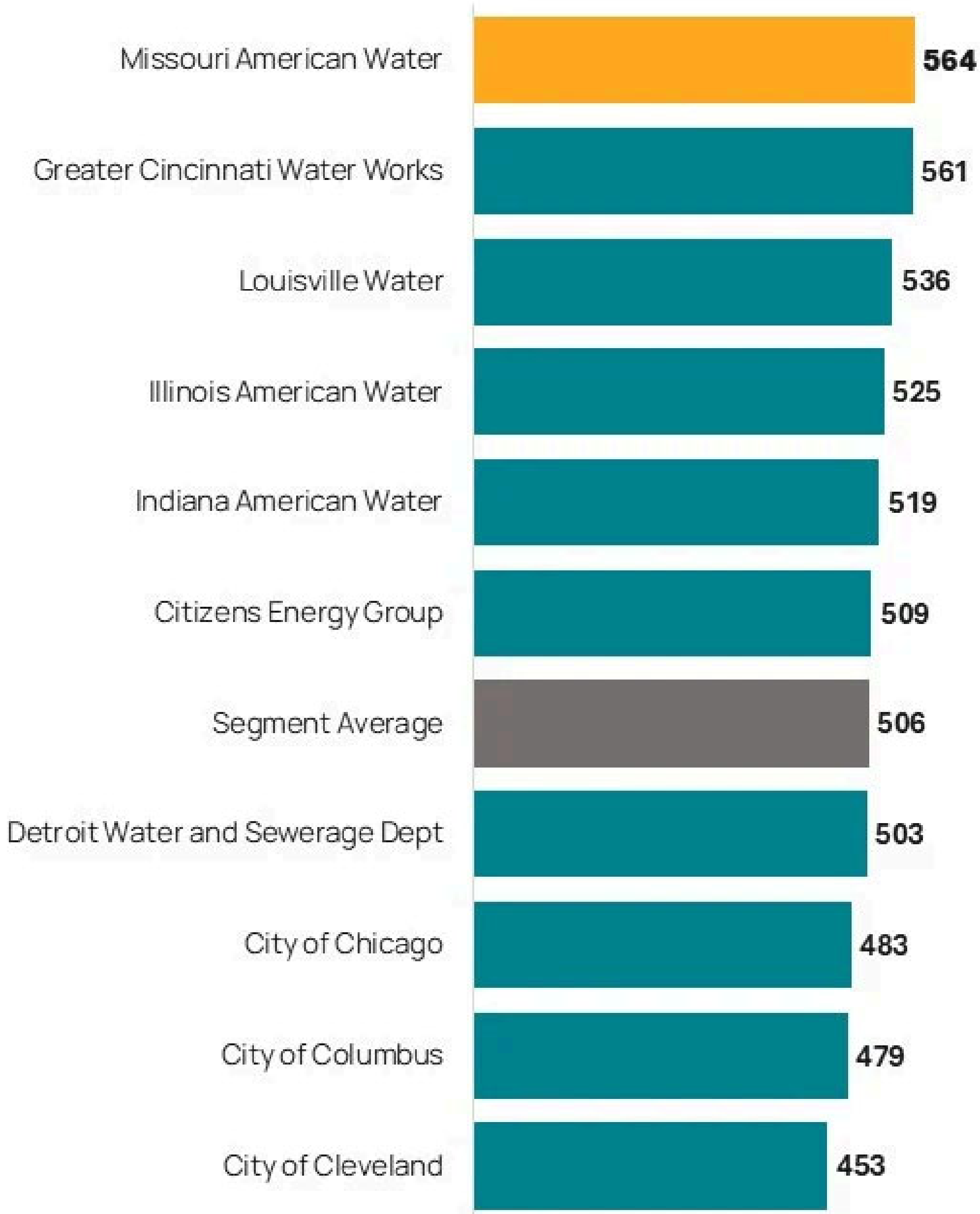
[1]JD Power defines Pre-Boomers as born before 1946; Boomers (1946-1964); Gen X (1965-1976); Gen Y (1977-1994); Gen Z (1995-2004). Millennials (1982-1994) are a subset of Gen Y.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

MIDWEST – LARGE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

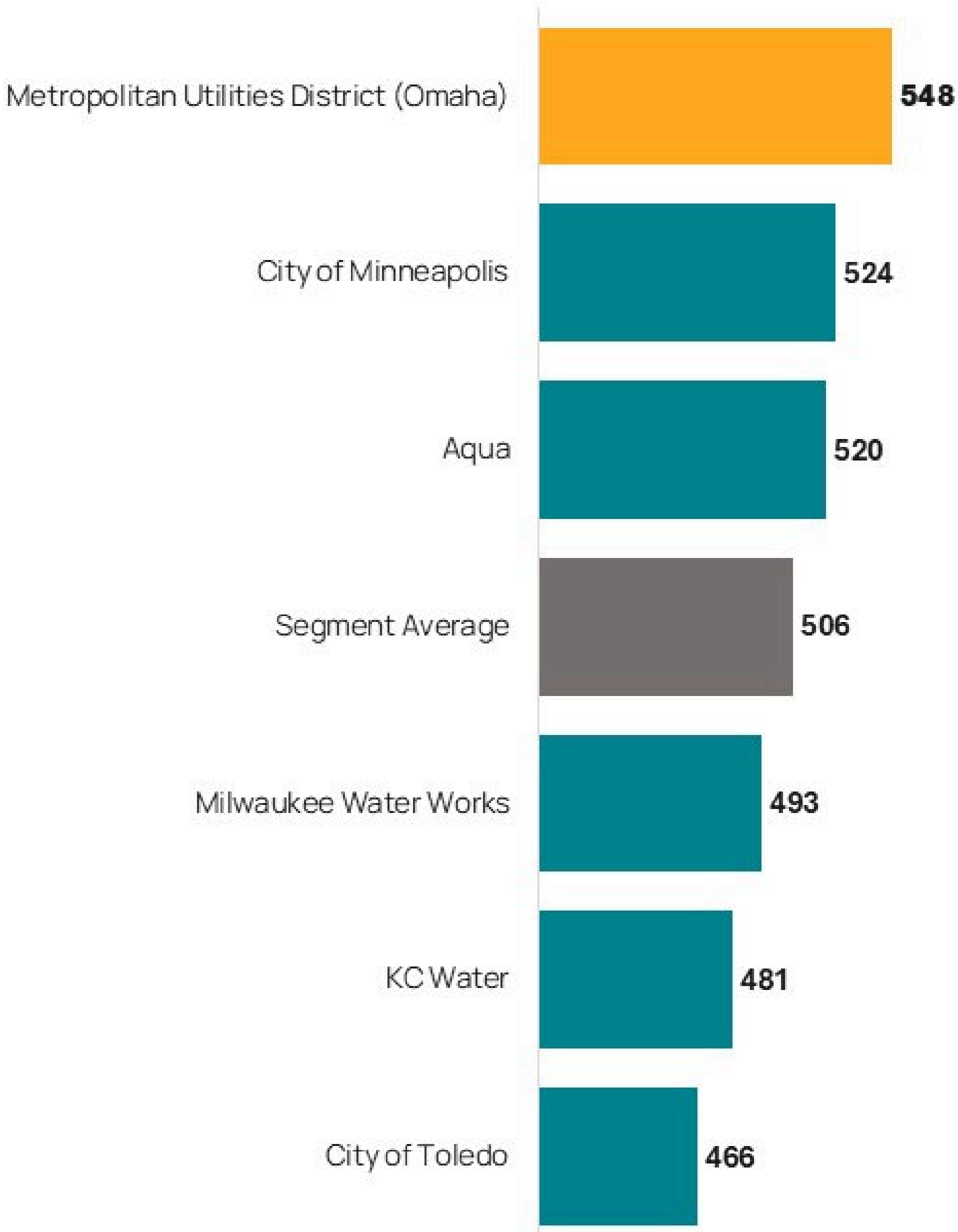
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

MIDWEST – MIDSIZE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

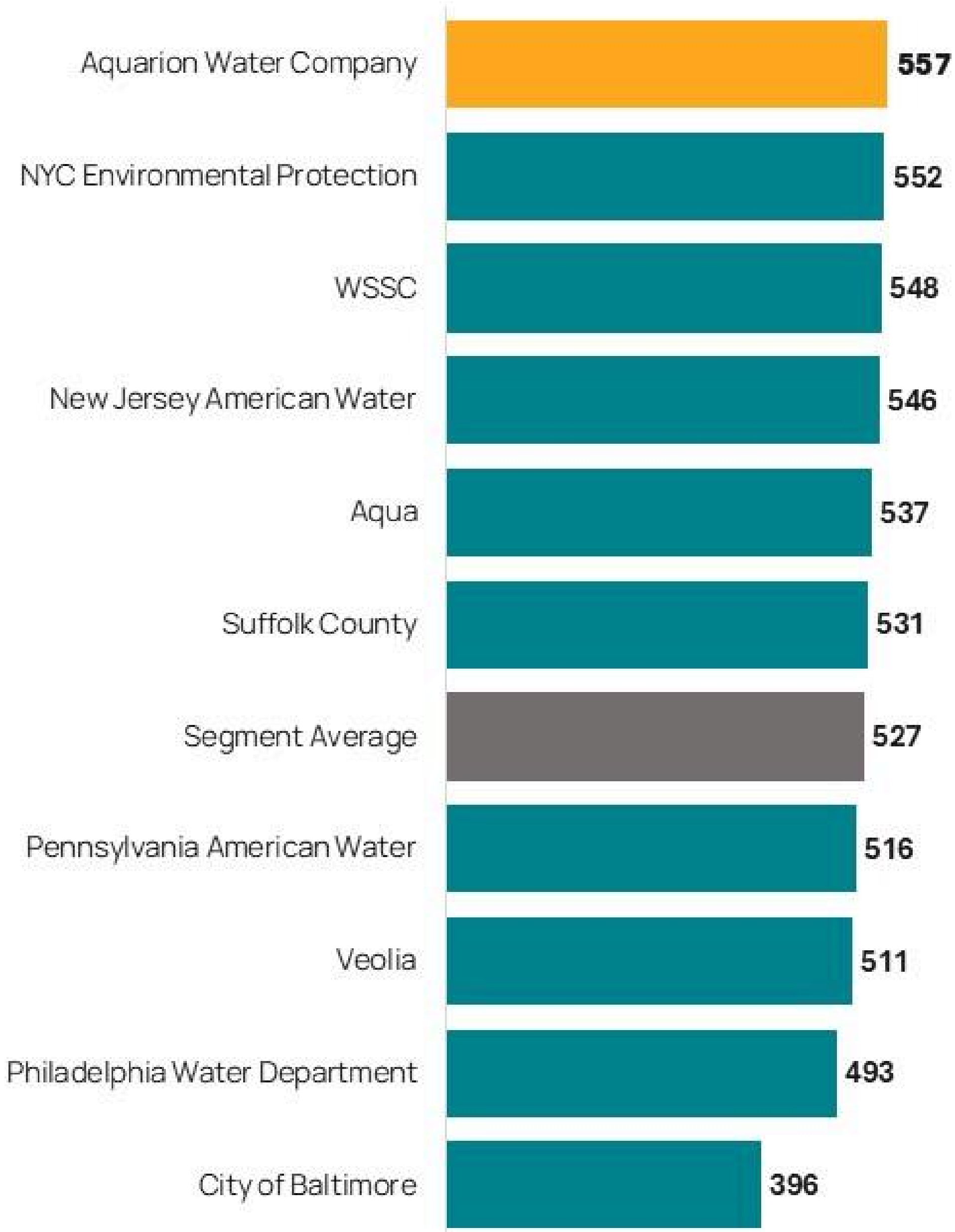
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

NORTHEAST – LARGE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

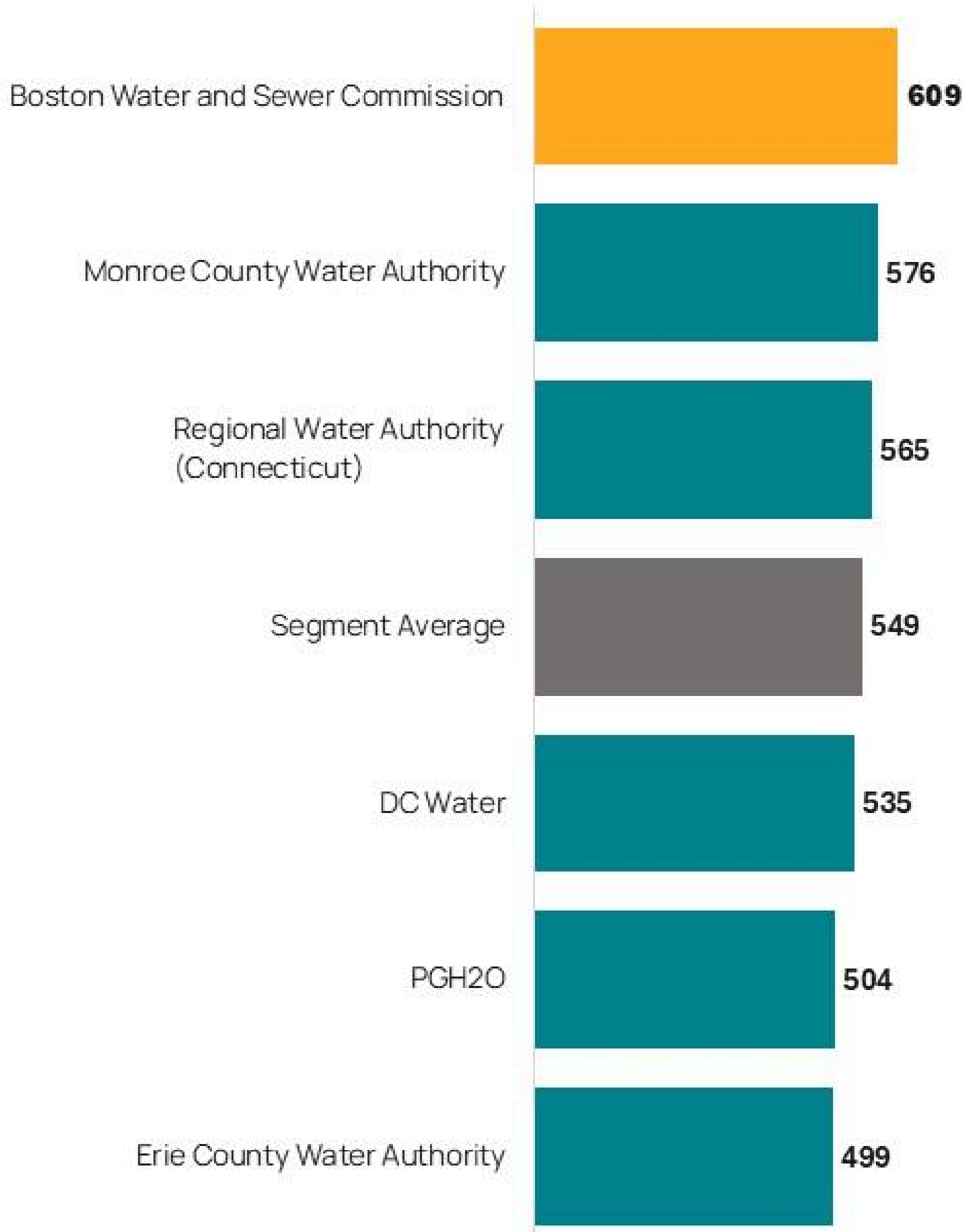
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

NORTHEAST – MIDSIZE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

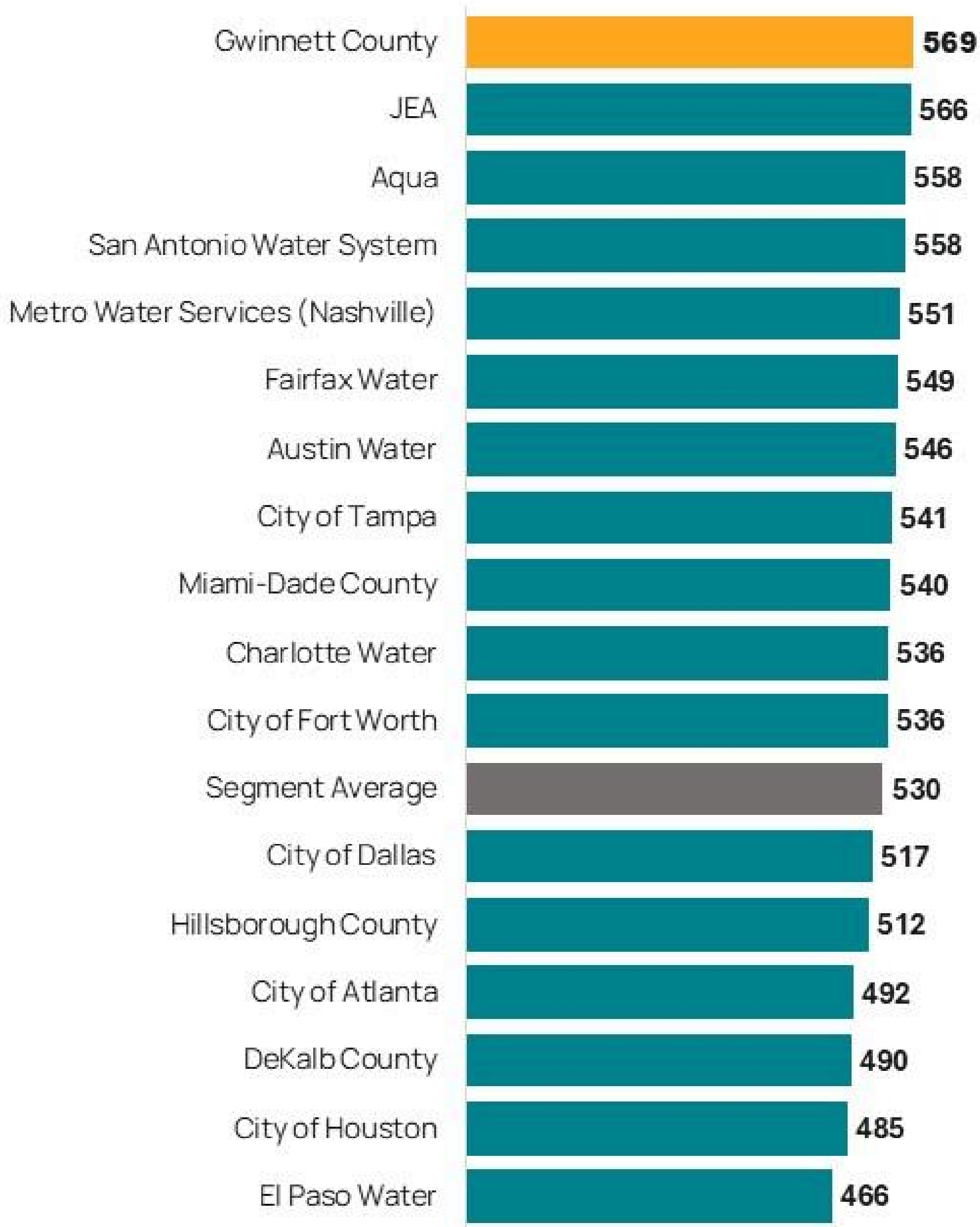
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

SOUTH – LARGE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

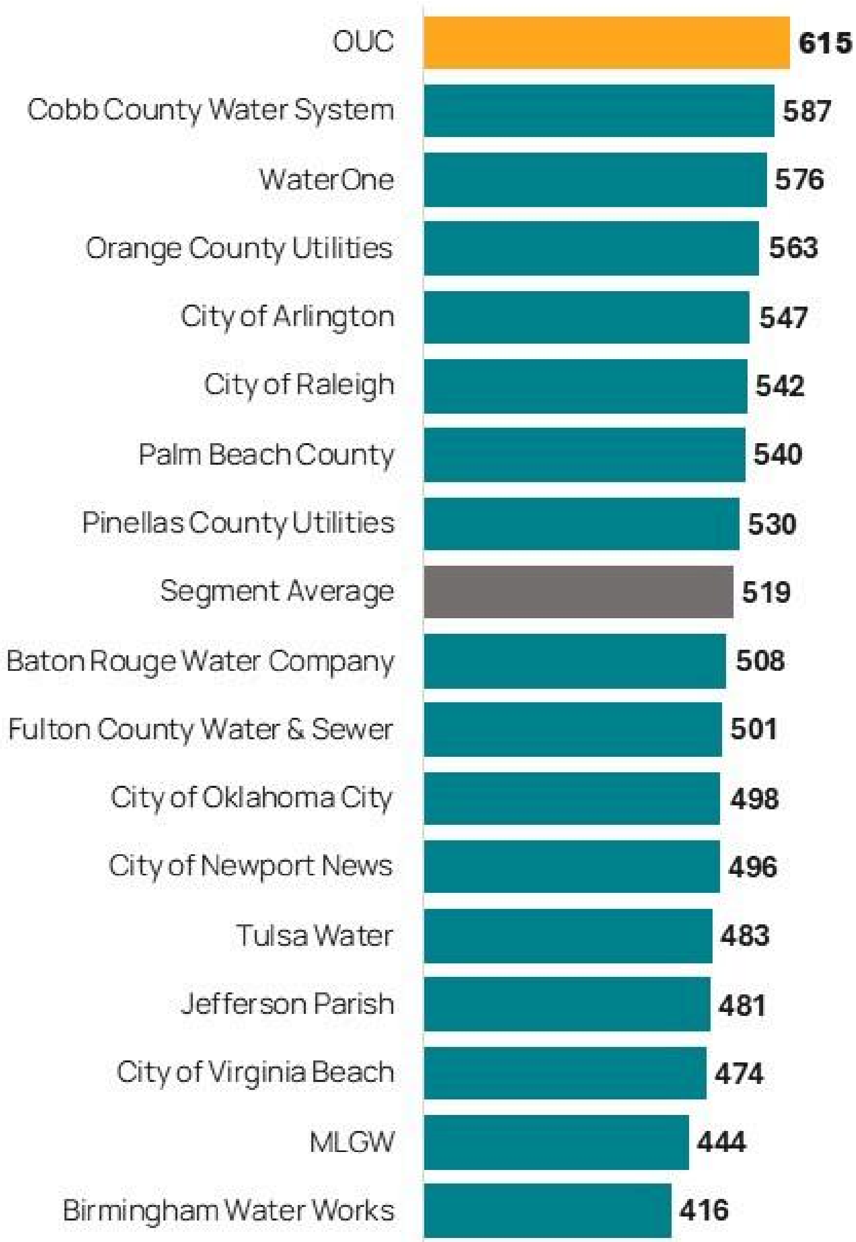
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

SOUTH – MIDSIZE



Note: Birmingham Water Works is now Central Alabama Power.

Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

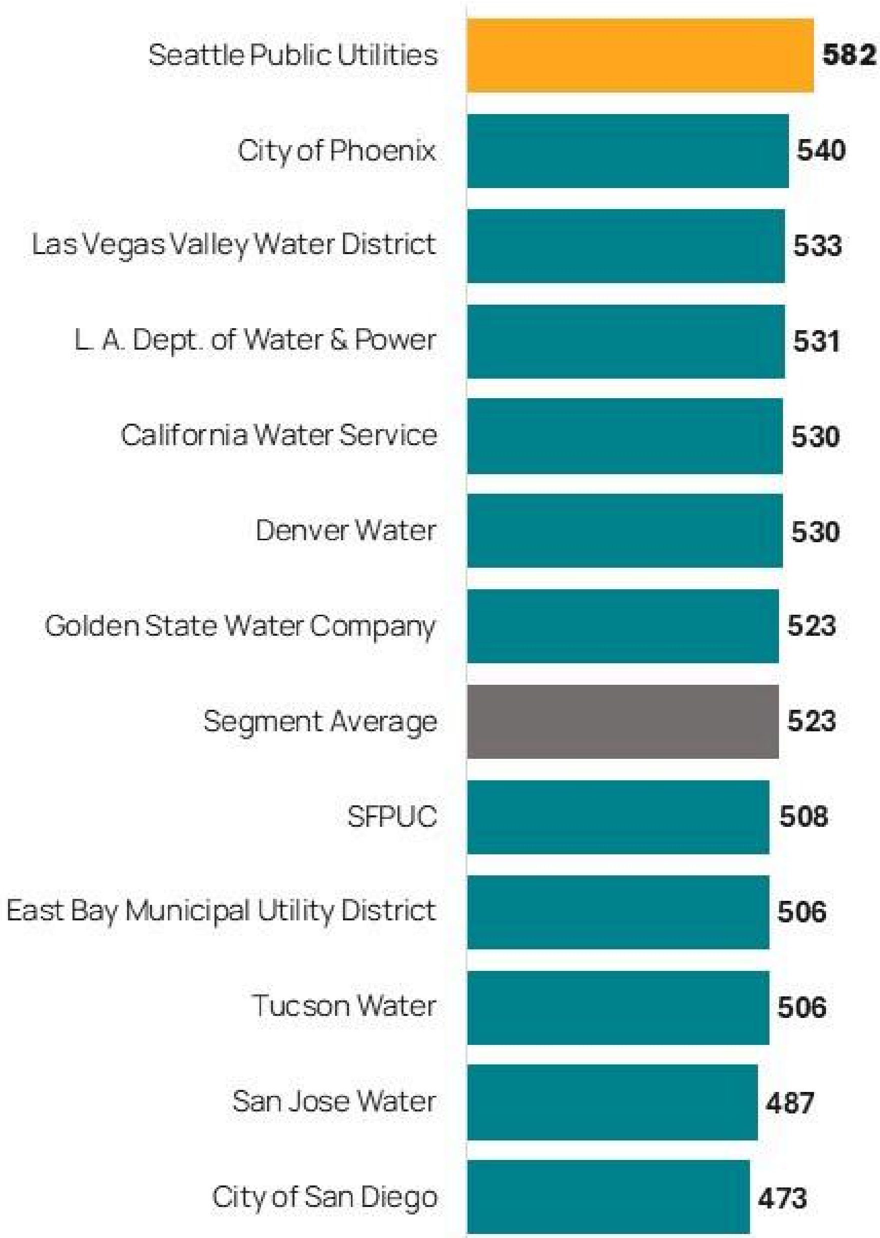
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

WEST – LARGE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

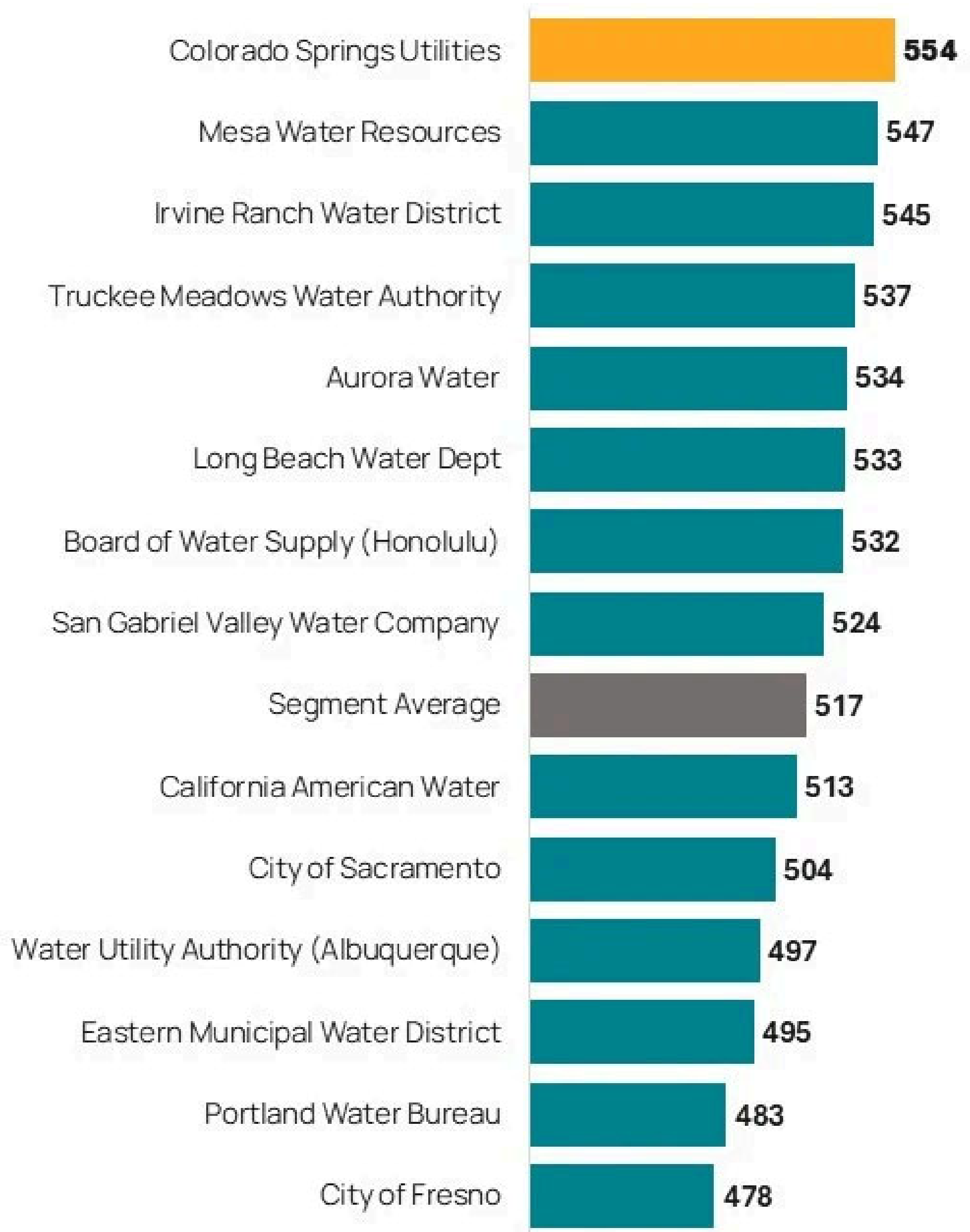
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

JD Power
2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

WEST – MIDSIZE



Source: JD Power 2026 U.S. Water Utility Residential Customer Satisfaction Study℠

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying JD Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or JD Power survey results without the express prior written consent of JD Power.

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

Witness: Robert Prendergast

11. Refer to Kentucky American's response to the Attorney General's First Request, Item 17. Explain whether it is correct for six expense accounts listed in the response to have $0 under the column titled "Amount Removed." If so, explain in detail why it should have $0 removed. If not, provide an updated chart with the correct amounts removed.

Response:

The table in the Company's response to the Attorney General's First Request, Item 17 shows all accounts that the Company removes from its forecasted test year. The accounts that were listed as $0 did not have any expense associated with them in the base year to be removed in the test year. Nevertheless, the Company included those accounts that did not have any expense to be transparent and provide a complete response.

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

Witness: Chuck Rea / William A. Lewis

12. Refer to Kentucky American's response to the Attorney General's First Request, Items 26(i) and (m). The Company is proposing to reduce the monthly rate for the Public Fire Hydrant rate class from $75 to $11.53. According to Kentucky American, the basis for the reduction is that fire protection provides benefits that extend to the entire communities, not solely the municipality in which the hydrant is located. However, per Kentucky American's response, the public hydrants are located in Georgetown, Lexington, North Middletown, Paris, Sadieville, Versailles, and Winchester.
    a. Explain whether any of the public fire hydrants are in the counties outside of the above-referenced cities.
    b. Explain whether Kentucky American has customers who live outside of the above-referenced city limits.
    c. If so, how will the Company's customers who live outside of the city limits benefit by paying more in rates in order for the cities to pay less for the public fire hydrants, even though they do not have access to the public fire hydrants? Explain the response in detail.

Response:

a. Yes, fire hydrants exist outside of cities and are located in surrounding counties.
b. Yes, the Company has customers who live outside the above-referenced city limits.
c. Customers who do not have direct access to public fire hydrants benefit from the availability of public fire protection within the Company's overall service territory.
   The benefits of public fire protection are not limited solely to the specific local government in which a hydrant is located for the following reasons:
   - Fires can spread beyond municipal boundaries or affect regional transportation corridors, public infrastructure, businesses, schools, places of worship, nonprofit facilities, and other community assets used by or benefiting customers outside the immediate locality.
   - Public fire protection supports economic development by helping communities maintain appropriate fire protection capability, which can affect insurance considerations, business continuity, and the ability of communities to attract and retain residents, employers, and public institutions.
   - Fire departments often use hydrants in other nearby locations to fill tanker trucks that are used to transport water for fire protection in areas where hydrants are not physically located.

   The proposed rate treatment reflects the broader system and community benefit associated with public fire protection rather than assigning the full cost only to the governmental entities where the hydrants are physically located.

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

Witness: Chuck Rea

13. Refer to Kentucky American's response to the Attorney General's First Request, Item 26(n). Confirm that Kentucky American is proposing to unify rates for all acquired water systems in the pending case. If this is not confirmed, explain in detail why not.

Response:

Confirmed.

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

Witness: Chuck Rea

14. Refer to Kentucky American's response to the Attorney General's First Request, Item 28(b). Kentucky American admits that the median household incomes for 2026 and 2027 were $70,482 and $73,512, respectively.
    a. Provide the affordability study using this data instead of inflating the median household incomes to approximately $100,000 for present rates, and $110,000 for proposed rates.
    b. Explain in detail why when determining whether Kentucky American's water rates are affordable to its customers, the study would inflate the median household incomes by over $30,000?
    c. Confirm that by inflating the median household income by over $30,000, the study is not an accurate representation of whether or not the Company's rates are affordable to its customers.

Response:

The Company respectfully disagrees with the premise of this data request. Kentucky American did not admit that that the median household incomes for 2026 and 2027 for its customers were $70,482 and $73,512, respectively. The Company stated in response to 28(b) that Median Household Incomes *for the State of Kentucky* are expected to be $70,482 and $73,512 in 2026 and 2027, but those income levels do not represent median household incomes for the *Company's customers in Kentucky*.

a. The Company stands by its filed affordability analysis that relates to bills to median household incomes for the Company's customers in Kentucky. Developing an affordability analysis that relates Company bills to statewide demographics, ignoring demographics specific to the Company's service territory, is not appropriate.
b. The Kentucky statewide MHI considers the entirety of the state of Kentucky. However, the Company's service area is comprised of specific regions or cities in the state of Kentucky. The areas with the most customers such as Georgetown, Kentucky, and Lexington, Kentucky have higher MHI compared to the average Kentucky resident, based on census data. Additionally, zip codes served by the Company tend to have higher concentrations of homeowners, and homeowners generally have higher median household incomes according to census data. Therefore, an adjustment factor to adjust the statewide MHI to the Company's customers' MHI is utilized to reflect the affordability profile for the Company's customers.
c. The Company does not confirm. The household income data used by the Company in its analysis accurately reflects the household income data for the Company's customers in its service territory.

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

Witness: John Watkins

15. Refer to Kentucky American's response to the Attorney General's First Request, Item 32.
   a. Provide an updated chart reflecting the Help to Others Program ("H2O") account balances for each month for 2025 and 2026. Consider this an ongoing request throughout the pendency of the case.
   b. Explain why there have been high account balances of the H2O customer assistance program funds throughout 2025 and 2026.
   c. Explain how Kentucky American notifies its customers of the H2O customer assistance program.

Response:

a.

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	$42,025.20
July	$74,281.76	$30,208.38
August	$63,587.77	
September	$55,061.16	
October	$49,069.02	
November	$43,380.68	
December	$36,926.68	

b. During the pandemic, additional government-related grants were available for customers in need of water bill assistance, so many customers utilized those funds first. In addition, there was a moratorium on water service shut-offs during a portion of the pandemic, which removed temporarily the need for water bill assistance to maintain water service, thus a reduction in requests for assistance. The Company continued to donate $72,264 from shareholders to the customer assistance program during this time, therefore resulting in an accumulation of funds. The Company's dollar amount of grants distributed has steadily increased since 2022 and the year over year balance in the H2O account balance has decreased.

c. The Company provides information about the H2O Help to Others program to customers directly via customer bills, emails and disconnection notices. Information about the program is also included on the Company’s website, via social media channels, and through media outreach.

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

Witness: John Watkins

16. Refer to Kentucky American's response to the Attorney General's First Request, Item 35. Explain whether Kentucky American's proposed inclusion of acquisition costs in the pending case complies with Commission precedent on allowable acquisition costs. If not, explain the proposed acquisition costs that fall outside of Commission precedent. Explain the response in detail and provide all applicable case number references.

Response:

Please see the response to AG 1-56(e) and AG 1-56(f) in which the Company stated that there are no transaction costs or incremental transition costs in the forecasted test period. Those responses apply to items like legal fees and closing costs to close the transaction. The Company has included projected capital investment, revenues, and expenses expected as a result of each acquisition at issue in the forecasted test period and this is what the Company addressed in its response to AG 1-35 and AG 1-56(a) and AG 1-56(b). These items are properly included in the forecasted test year as they are necessary to operate the acquired systems and are therefore prudent for recovery in rates.

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

Witness: William A. Lewis

17. Refer to Kentucky American's response to the Attorney General's First Request, Items 36(a) and (b). No substantive answer was provided.
    a. As originally requested, 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. 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, rollbacks, 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 by Kentucky American/American Water/affiliated utilities against the same. Consider this an ongoing request during the pendency of this case.
    c. Since the filing of Mr. Lewis' testimony, explain whether he, or any other employee, has determined that a specific rule/regulation and/or law that he discussed in his testimony is affected by a Presidential Executive Order, modification, withdrawal, etc. Consider this to be an ongoing request throughout the pendency of the case.
    d. If no substantive answer is provided to (a), (b), or (c), explain why Mr. Lewis filed testimony concerning new and emerging environmental standards requiring enhancements and improvements to water treatment facilities and distribution systems, but is not reviewing and determining whether said environmental standards have been modified, withdrawn, has pending litigation, etc.

Response:

a. This current Presidential Administration has issued over 250 Executive Orders along with numerous regulatory rule proposals, each of which are publicly available and can be examined on the Federal Register or various agency web sites and reviewed to determine what, if in any way, an Executive Order or proposed rules might impact the rule, regulation or law identified in Mr. Lewis' filed Direct Testimony.
b. Kentucky American Water is not included in any pending litigation challenging any rule, law or regulation referenced in Mr. Lewis' filed Direct Testimony.
c. See response to subpart (a) above.
d. As demonstrated by Mr. Lewis' Direct Testimony, he is aware of the environmental laws and the attendant treatment standards that must be met to ensure the Company's customers have access to safe, clean water in his role as Vice-President of Operations. Mr. Lewis leverages the expertise of American Water's Environmental Policy and Planning team to stay up to date on environmental regulations, due to the swift nature of change as evidenced by the over 250 Executive Orders issued during this Presidential term, many of which have been met with legal challenges, Mr. Lewis is unable to

review or determine whether any of the existing and/or proposed rules, laws, or statutes cited in his Direct Testimony will change until final rules are issued by the current administration, and any resultant legal challenges are completely resolved. As such, Mr. Lewis' cited testimony discusses existing and proposed environmental requirements that may impact investments in water treatment and distribution infrastructure, and operations, to maintain compliance and continue to provide safe and reliable service.

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

Witness: William A. Lewis

18. Refer to Kentucky American's response to the Attorney General's First Request, Items 37 (a) and (b).
    a. Provide an updated monthly unaccounted-for water loss percentage for 2026. Consider this an ongoing request during the pendency of this case.
    b. Explain in detail how Kentucky American has reduced its overall annual water loss percentage from 21.59% in 2022 down to 17.56% in 2025.
    c. Explain in detail why there are large swings in water loss percentages from month to month. For example, in 2025 the water loss percentage was 21.35% in January, which then dropped to 8% in February, back up to 24.65% in March, and then up to 30.35% in April. But, there have been more steady water loss percentages in 2026 thus far ranging between 19.86% and 24.55%.
    d. Explain in detail whether Kentucky American is projecting a higher water loss percentage for 2026 as compared to 2025 (annual 17.56% water loss) since the data thus far for 2026 is an average of 22.25% water loss.
    e. In Case No. 2023-00191, Kentucky American stated that it had 270 special connection customers with over 90 miles of private mains connected to the Company's distribution system that were significant contributors to unaccounted-for water loss. In Case No. 2023-00191, Kentucky American further asserted that due to the special connections not having a water meter at the connection to the private main, the water loss was not the financial responsibility of the special connection customer, but instead was reflected as Kentucky American's water loss. In Case Nos. 2023-00191 and 2025-00122, Kentucky American did not appear to have a formal plan to address the water loss associated with the special connections. Explain whether Kentucky American now has a formal plan to address the water loss associated with special connection customers. If so, provide a copy of the same and a detailed description of the plan. If not, explain why not in detail.
    f. Explain what steps Kentucky American has taken since Case Nos. 2023-00191 and 2025-00122 to address the water loss associated with the special connection customers. If no steps have been taken, explain in detail why not.

Response:

a. See table below and please also see the attachment to AG 2-84, and replicated below, which shows the 12 month rolling average for KAWC without recent acquisitions, Livingston, Clinton and Middlesboro and the total KAWC unaccounted for water percentages.

The following table reflects the most recent monthly UFW results available.

2026 Monthly UFW %												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2026	22.80	24.55	19.86	21.78	16.78	15.47						

KAWC 12-month Rolling Average UFW %

Jul 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	12-Mo Avg
18.86	15.03	5.95	17.56	9.21	25.03	22.80	24.55	19.86	21.78	16.78	15.47	17.49

b. KAWC's state-wide water loss prevention program includes a formal water loss reduction plan and a comprehensive infrastructure improvement plan. KAWC compiles and analyzes distribution system performance and identifies, measures, prioritizes, and mitigates both real and apparent water loss through those plans.

Apparent Loss:

1. Beginning in 2023, KAWC accelerated its Length of Service (LOS) meter replacement program by returning to a 10-year replacement strategy. This change is accelerating the replacement of the oldest water meters in the system thereby reducing the risk of water loss due to under registered usage.
2. KAWC has increased its focus to evaluate the performance of master meters owned by both KAWC and wholesale providers to mitigate inaccuracies due to provider meter readings, the timing of those meter readings and the overall accuracy of purchased water meters.
3. In 2025, KAWC replaced old venturi-style master meters at all three water treatment plants with new electromagnetic flow meters. The new meters are capable of accurately measuring water produced at each plant over a wider range of flow.

Real Loss:

1. KAWC continues to execute its water main replacement program to identify and replace aging pipe infrastructure in the distribution system. Aging pipelines are the largest source of pipeline leakage and replacement mitigates water loss.
2. KAWC continues to deploy acoustical leak detection devices within the distribution system. This system provides our operations team the ability to detect and repair leaks earlier and/or before they surface as larger leaks.
3. KAWC continues to perform fire service water loss audits. This process reduces unmetered water loss from fire services.
4. KAWC has dedicated four full-time employees to water loss control technician positions. This team works closely with the local operations team, using data from the acoustical leak detection system, customer water loss audits and other sources to proactively identify leaks earlier so that repair crews can make repairs sooner. Ultimately, reduction of leak run times reduce water loss.

5. The American Water Service Company continues to help KAWC with pipeline assessments of large diameter pipelines, pressure management reviews, and the development of pipeline replacement strategies that prioritize infrastructure improvements that are mitigating the potential for future water loss.

c. The unaccounted-for water loss calculation is simply total water produced or purchased for the calendar month, minus total water supplied (sold) for the calendar month, less any other accounted for usage for water production, maintenance, public fire, fire services, etc. While the total volume of water produced by KAWC is easily measured for a calendar month, KAWC meter reading (customer usage) as well as water purchased by KAWC and meter reading by the wholesale provider do not align with the calendar month due to meter reading cycles. This inconsistency can be seen by the month-to-month variance in unaccounted-for water totals. For this reason, KAWC continues to promote the use of a rolling 12-month average (as set forth in the attachment to AG 2-84 as noted in response to part (a) above) as the best approach to minimize the inconsistent variances month to month and to measure the directional trend of water loss over a longer period of time.

d. 2026 unaccounted for water loss is declining over the past two months as shown in the table above, in the subpart (a) response. There was a delay with starting the 2026 meter replacement program and winter months regularly result in higher water loss due to water main breaks and service leaks. Now that the 2026 LOS program is on schedule and with more moderate weather, KAWC expects unaccounted for water loss to trend similarly to that seen in 2025 if recent utility acquisitions are excluded from the calculation. It is important to note that the current 2026 average and the 12-month rolling average now include water loss from Livingston, Middlesboro, and Clinton since April 2026. 4th quarter water loss reporting will also include BMUD, so it is reasonable to expect some level of increase in 2025 with these additions.

e. KAWC does not have specific formal written water loss reduction plans for each of the 270 separate special connections, as to do so would be resource intensive and impractical. All water infrastructure associated with a special connection is owned by the special connection customer and operation, maintenance and replacement of that infrastructure is the responsibility of the special connection customer, not KAWC. Therefore, KAWC cannot control the operation, maintenance or replacement of the special connection. Nevertheless, KAWC continues to educate and support its large customers to better understand where they may improve water loss reduction. From a utility perspective, different approaches are required for each special connection if the solution must be provided by the utility only. In most cases, there are individual metered accounts downstream of the special connections that can't simply be eliminated in favor of a master meter at the special connection without further correspondence and possible edits to KAWC's existing tariff. Additionally, many of the special connections have multiple connections to KAWC's water system that require multiple metering points with potential bi-directional flow. This further complicates and increases the cost of master metering. The solutions, if completely borne by the utility, will require many years of effort that will include legal, political, KAWC tariff, and engineering actions to resolve. KAWC has a financial responsibility to evaluate the total cost of solving this issue and its impact on customers. Significant progress has been made over the past several years to reduce KAWC's unaccounted-for water loss through execution of the current water loss programs. KAWC will continue to pursue solutions to address the special connection challenge that make sense over the long-term but will prioritize its efforts on existing programs and strategies that are measurably reducing water loss in the short-term.

f. Please reference response to part e above.

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

Witness: Robert Prendergast / William A. Lewis

19. Refer to Kentucky American's response to the Attorney General's First Request, Item 38 and Exhibit KAW_R_AGDR1_NUM038_062626. 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.

    a. In the Company's 2025 rate case, the Commission approved an authorized level of O&M expense based on a headcount of 168 full-time employees. Per Exhibit KAW_R_AGDR1_NUM038_062626, the headcount for 2025 as of December 31st was 154. Further, the 2025 headcount ranged from 138 – 154. Confirm that customers paid for additional employees (between 14 – 30 additional employees) that were not actually employed by the Company for 2025. If not confirmed, explain why not.
    b. Mr. Lewis asserts that the Company is proposing rates in the pending case based upon 206 employees; however, per Exhibit KAW_R_AGDR1_NUM038_062626, the highest number of employees thus far is 169. Explain why the customers should be required to pay rates that include revenues associated with 37 additional employees that are not actually employed by the Company, and thus providing no benefit to the customers.

Response:

a. KAWC requested and was authorized a headcount of 168 full-time employees to support the forecasted operational requirements of the utility system. While the number of active employees will routinely change, KAWC's operational requirements do not. KAWC uses overtime, temporary employees, and third-party services to augment full-time employees when vacancies exist. Therefore, customers pay for, and KAWC provides equivalent resources to meet the forecasted operational needs of the system and level of service to the customer. This concept and approach has been regularly approved by the Commission. KAWC acknowledges a larger than desired difference between requested and active full-time employee levels. Timelines related to union bidding requirements and lower than expected levels of candidates within the local region with required pre-requisite skill sets and certifications is the primary cause of the higher-than-normal vacancy rates – it takes longer to fill vacancies when they occur.
b. Please reference response "a" above regarding the relationship between vacancy rates and alternate labor resources provided by KAWC. Also, please note that 29 additional employees are required to operate the new system acquisitions that are or will be closed by the beginning of the forecasted test period. Please see

KAW_R_PSCDR3_NUM011_073026_Attachment for an analysis of actual vs allowed labor, overtime, and contracted temporary employees for 2024 and 2025.

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

Witness: William A. Lewis

20. Refer to Kentucky American's response to the Attorney General's First Request, Item 39(a). Provide an updated chart indicating the status of the proposed new positions at Kentucky American. Consider this a continuous request during the pendency of the case.

Response:

There is no change in status since providing the response to the Attorney General's First Request, Item 39(a). KAWC will provide updates to the chart with changes as they occur. Please note that 13 of the positions in the chart for the response to AG 1-39, part a, are related to BMUD and those positions will be hired at the close of the acquisition.

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

Witness: Robert Prendergast

21. Refer to Kentucky American's response to the Attorney General's First Request, Item 42(b).
    a. No substantive response was provided. As originally requested, explain whether any direct charges or 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. Whether a detailed list is maintained or not, an answer to this question should be known.
    b. If no direct charges or allocated costs have been rejected by Kentucky American in the last five years admit the same. If not admitted, explain in detail why not.
    c. Explain in detail why Kentucky American does not maintain a list of all rejected expenses.

Response:

a. The Company does not accept the Attorney General's categorization of the Company's response to Attorney General's First Request, Item 42(b) as lacking substance.

The Divisional CFO reviews allocated expenses to make sure the allocated costs to Kentucky-American are appropriate. However, various levels of management reviews are also performed as expenses are incurred in order to prevent misallocations. Please 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.

Charges and allocations have been challenged and / or rejected over the course of the last five years. However, as stated in Kentucky American's response to the Attorney General's First Request, Item 42(b), the Company does not maintain a list of rejected expenses and, therefore, cannot provide a complete list of all rejected allocated costs in the past five years.

Examples of challenged charges that were updated prior to final posting may include invoices improperly coded to Kentucky-American or if an allocation to the state was based on a formula that needed to be updated.

b. See part a.

c. The Company does not maintain a comprehensive list of financial line items that have been rejected as expenses are reviewed and evaluated as part of the normal monthly review process rather than through a separate exception-tracking process. The primary objective of monthly close is to focus on the completeness and accuracy of all expense line items, including the allocations / direct charges. When questions or potential concerns arise, they are investigated with the appropriate accounting personnel, and, if necessary, resolved through the normal accounting adjustment process prior to financial results being finalized. The focus of the monthly review process is on the accuracy and completeness of recorded expenses; maintaining such a list of rejected or challenged expenses would create additional administrative effort without providing incremental value to the Company's financial reporting or internal control objectives.

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

Witness: John Magner / Jeffrey Newcomb

22. Refer to Kentucky American's response to the Attorney General's First Request, Item 45(c). No substantive response was provided.
    a. Provide the annual revenue requirement impact of the prior QIP for each year since its inception to the termination of the QIP. This information should be in the pending case record, instead of being referred to a multitude of outside records. Provide the information in the same format as the SIP estimated annual revenue requirement impact was provided in Kentucky American's response to the Attorney General's First Request, Item 46(b).
    b. Provide the total monetary amount that flowed through the prior QIP from the inception to the termination of the QIP.

Response:

a. KAWC did provide a substantive response by indicating where the Attorney General can find the publicly available information sought. Further, if the Attorney General wants that information in the record of this case, they may obtain it from the historical QIP cases, put it into a question, and ask KAWC about it in this case. Having said that, please see the table below for the incremental annual revenue requirement impact of the prior QIP for each year since its inception to the termination of the QIP in the same format as the SIP estimated annual revenue requirement impact was provided in Kentucky American's response to the Attorney General's First Request, Item 46(b):

QIP 1 July 1. 2020 – June 30, 2021	QIP 2 July 1. 2021 – June 30, 2022	QIP 3 July 1. 2022 – June 30, 2023	QIP 4 July 1. 2023 – June 30, 2024	QIP 5 September 1. 2024 – December 31, 2024	QIP 6 January 1. 2025 – December 31, 2025
$1,018,608	$2,300,395	$3,129,584	$1,468,247	$0	$1,874,837

b. Total monetary amount has not been defined, so KAWC assumes the total monetary amount that flowed through the prior QIP from the inception to the termination of the QIP refers to actual additions as can be found in the Company's response to AG 1-78(a). The total actual additions based on that response and as shown below is $120,480,567.

QIP	Period	Actual Additions
1	July 1, 2020 – June 30, 2021	$10,868,747
2	July 1, 2021 – June 30, 2022	$25,988,118
3	July 1, 2022 – June 30, 2023	$29,086,354
4	July 1, 2023 – June 30, 2024	$25,277,857
5	July 1, 2024 – Dec. 31, 2024	$0

6	Jan. 1, 2025 – Dec. 31, 2025	$29,259,491
Total	**July 1, 2020 – Dec. 31, 2025**	**$120,480,567**

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

Witness: Jeffrey Newcomb

23. Refer to Kentucky American's response to the Attorney General's First Request, Item 46.
    a. Confirm that Kentucky American is not proposing the SIP to have the same restrictions that the Commission previously had placed on the QIP such as the following: limitation on how many miles of pipeline could be replaced annually, the type of pipeline that could be replaced, only allowing the Company to flow projects through that were reasonably related or incidental to replacing again mains, not allowing a roll-in of the QIP rate base and corresponding O&M revenue and expense components into the revenue requirement, etc. If not confirmed, explain in detail why not.
    b. Explain why the Commission should approve the Company's proposed SIP without any of the consumer protections that had been placed on the prior QIP.

Response:

a. Confirmed with one exception to the characterization in the question: "not allowing a roll-in of the QIP rate base and corresponding O&M revenue and expense components into the revenue requirement." Please see the Company's response to PSC 2-41(a), which explains,

> The proposed SIP rider includes two features intended to address the inconsistent use that contributed to termination of the QIP in Case No. 2025-00122: (1) continuous operation of the rider and (2) no reset to zero upon approval of new base rates. As discussed in my Direct Testimony, Kentucky-American proposes that the SIP continue between general rate cases and that the costs of capital, depreciation, and taxes associated with qualified infrastructure investments remain outside base rates unless and until Kentucky-American proposes, or the Commission directs, their inclusion in base rates in a future water general rate case. To support that treatment, Kentucky-American would file SIP exhibits and workpapers in future water general rate cases, as it has done in this proceeding through Exhibit JN-1, identifying the portion of the Company's total revenue requirement proposed for recovery through the SIP rather than base rates. By contrast, the QIP was structured to roll QIP investments into base rates upon approval of new rates in a subsequent water general rate case, reset the rider to zero, and resume rider recovery only after the conclusion of the test period in the most recent general rate case. That structure resulted in no QIP rate, except for any balancing adjustment, during the first year of new base rates and caused QIP-eligible investments made

during the general rate case test period to be included in base rates rather than recovered through the QIP surcharge.

b. First, I disagree with the characterization of the limitations placed on QIP as "customer protections." When the Commission scaled back the scope of QIP in Case No. 2020-00027 from what it had originally approved in Case No. 2018-00358, it did so to closely align QIP with recovery only for "scheduled or unscheduled replacement of aging main"[1] rather than a broader scope of additional asset class replacement. The Commission did not describe that decision as being necessary for "customer protections." This is understandable because the limitations placed on QIP merely changed the recovery path of those otherwise QIP-eligible capital investments from the QIP rider mechanism to base rates. As discussed in my Direct Testimony and the Company's response to AG 1-46(k), after terminating the QIP Rider, 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 SIP rider mechanism are different from the 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. Also, 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.

Placing the same limitations on the SIP as were placed on the QIP would result in the SIP not achieving its intended purpose and use. As discussed in my Direct Testimony, Kentucky-American believes with approval of the SIP rider mechanism, as proposed in this case, that water GRCs would be less frequent, and the Company's next GRC could be as late as 2029 absent significant changes or intervening circumstances,

[1] Case No. 2020-00027, *Application of Kentucky-American Water Company to Amend Tariff for the Establishment of Qualified Infrastructure Program Charge*, June 17, 2020 Order, p. 17.

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. 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. Limitations on the SIP like those placed on the QIP would result in more frequent water GRCs because, like with QIP, it would change the recovery path of those otherwise SIP-eligible capital investments from the SIP rider mechanism to base rates.

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

Witness: Jeffrey Newcomb

24. Refer to Kentucky American's response to the Attorney General's First Request, Item 46(i).

  a. Kentucky American's proposed average residential bill in the pending case is $59.82 per month. If the SIP is approved, and by 2032 has a 28.91% surcharge, and the Company does not increase base rates any further, then confirm that an average customer would pay approximately $17.29 per month in a SIP charge. If not confirmed, explain why not and provide what the average customer would pay in a SIP charge by 2032.
  b. Confirm that the proposed SIP surcharge amount is not included in the proposed average residential bill amount of $59.82.

Response:

a. Confirmed. $59.82 per month is the proposed average residential bill in the pending case, and if (1) base rates and the SIP are both approved as proposed, (2) the monthly average residential usage does not change, and (3) base rates are not subsequently adjusted further, the current *estimated* total SIP Surcharge Percentage for 2032 is 28.91% and would result in the average residential customer paying approximately $17.29 per month in a SIP surcharge for the approximately $479.2 million of proposed SIP-eligible capital investment to be made by the end of 2032.

   It is also important to note, all else equal, that the average residential customer would be paying the same approximately $17.29 per month for those same investments in base rates if there were no SIP rider mechanism. The SIP rider mechanism, however, provides a better recovery path for these investments when compared to annual GRCs because of the multiple key policy goals it would accomplish, including:

   - 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.

   It is further important to recognize that annual GRCs would result in a higher rate impact than the SIP rider mechanism because the Company would have the opportunity to seek recovery of all capital investments, not just SIP-eligible capital investments, in addition to recovery of other cost increases, such as tax increases or union pay increases. For example, the $17.7 million proposed annual revenue requirement increase in this GRC is greater than any of the current estimated proposed incremental annual revenue requirement increases of the SIP for 2028 through 2032 as shown below and in the Company's response to AG 1-46(b):

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

b. Confirmed.

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

Witness: Jeffrey Newcomb

25. Refer to Kentucky American's response to the Attorney General's First Request, Items 46(a) and 47(l). Explain whether Kentucky American is proposing to roll-in the SIP amounts relating to rate base and corresponding O&M revenue and expense components into the revenue requirement or not. Explain the response in detail.

Response:

Please see the Company's response to PSC 2-41(a). Please note that there is no AG 1-47(l) as referenced in this request, and the Company assumes the reference should have been 47(a) which the Company responded to by referring to the response to PSC 2-41(a). The Company's response to PSC 2-41(a) explains,

> The proposed SIP rider includes two features intended to address the inconsistent use that contributed to termination of the QIP in Case No. 2025-00122: (1) continuous operation of the rider and (2) no reset to zero upon approval of new base rates. As discussed in my Direct Testimony, Kentucky-American proposes that the SIP continue between general rate cases and that the costs of capital, depreciation, and taxes associated with qualified infrastructure investments remain outside base rates unless and until Kentucky-American proposes, or the Commission directs, their inclusion in base rates in a future water general rate case. To support that treatment, Kentucky-American would file SIP exhibits and workpapers in future water general rate cases, as it has done in this proceeding through Exhibit JN-1, identifying the portion of the Company's total revenue requirement proposed for recovery through the SIP rather than base rates. By contrast, the QIP was structured to roll QIP investments into base rates upon approval of new rates in a subsequent water general rate case, reset the rider to zero, and resume rider recovery only after the conclusion of the test period in the most recent general rate case. That structure resulted in no QIP rate, except for any balancing adjustment, during the first year of new base rates and caused QIP-eligible investments made during the general rate case test period to be included in base rates rather than recovered through the QIP surcharge.

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

Witness: John Watkins

26. Customer Deposits. Refer to the Application generally.
    a. Did Livingston and Water Service transfer the customer deposit balances that they held to Kentucky American? If so, provide the balances transferred to Kentucky American at the close of each transaction. If not, explain why not.
    b. If the answer to subpart (a) is yes, will the Company retain the Livingston and Water Service customer deposit balances or return them to the customers? Explain in detail.
    c. Will Black Mountain transfer the customer deposit balances that it held to Kentucky American? If so, provide the latest known customer deposit balance held by Black Mountain. If not, explain why not.
    d. If the answer to subpart (c) is yes, will the Company retain the Black Mountain customer deposit balances or return them to the customers? Explain in detail.

Response:

a. No. The City of Livingston did not have any customer deposits remaining at the time of acquisition. The customer deposit balances held by Water Service of Kentucky as of the acquisition closing date were retained by Water Service Kentucky and remained its responsibility. Water Service Kentucky management elected to retain responsibility for coordinating and maintaining those customer deposit balances.
b. See subpart (a).
c. Kentucky American and Black Mountain are reviewing customer deposits as a part of the integration process. At this time, Kentucky American intends for any customer deposits held by Black Mountain to be refunded to customers prior to close.
d. See subpart (c).

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

Witness: Robert Prendergast

27. Employee Awards. Refer to Kentucky American's responses to the Attorney General's First Request, Items 3(d), 4(d) and 97.
    a. Explain the difference between the amounts shown on the responses to 3(d) and 4(d) for 2025 and the amount on the response to 97 for 2025. (i.e., why don't the amounts in Item 3(d) + 4 (d) equal the amount on Item 97 for 2025.)
    b. Provide the total awards expense requested for recovery in the forecast test period.

Response:

a. The awards referred to in the responses to Items 3 and 4 are payroll awards given to employees, such as spot awards and certification bonuses. The awards referred to in response to Item 97 are awards given to employees in recognition of tenure milestones with the Company, or of their retirement from the Company.
b. The Employee Awards requested for recovery amount to $12,256.

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

Witness: Robert Prendergast / William A. Lewis

28. Vacant Positions. Refer to Kentucky American's response to the Attorney General's First Request, Item 5. The response refers to Kentucky American's response to AG 2-38 which appears to be an incorrect reference because as of the filing of that response, the Attorney General had only issued one set of discovery. Provide the correct reference and a substantive answer to the original question.

Response:

The Company's response to the Attorney General's First Request, Item 5 should have referred to the response to First Request Item 38 instead, which provides substantive information to respond to Item 5.

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

Witness: Robert Prendergast / William A. Lewis

29. Vacant Positions. Refer to Kentucky American's response to the Attorney General's First Request, Item 5 Confidential Attachment. Identify which of the positions listed have been filled.

Response:

Please see KAW_R_AGDR2_NUM008_073026_Attachment_CONFIDENTIAL.

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

Witness: Robert Prendergast

30. Heath Care Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 41. Provide the dollar amount reduction applicable to the forecasted test period healthcare expense originally requested by using the Bureau of Labor Statistics average of 80% for single coverage and 69% for family coverage employee insurance premiums, broken out by union and non-union.

Response:

KAWC disagrees with the premise of this request. There is no basis to impute a "dollar amount reduction applicable to the forecasted test period healthcare expense originally requested by using the Bureau of Labor Statistics average." First, the Company's share for health insurance premiums is determined through collective bargaining with its unionized workforce and is set forth in its collective bargaining agreements with its unionized employees. These agreements are legally binding, are negotiated every five years, and cannot be unilaterally changed by KAWC. The Company applies the same cost share levels to its non-union employees. The cost sharing for union and non-union employees have been disclosed in this proceeding in response to Attorney General's First Request, Item 41.

In KAWC's most recent rate case, a witness for the Office of the Attorney General proposed to remove $315,000 of company-paid health insurance premiums that exceeds the most current U.S. Bureau of Labor Statistics ("BLS") average employer contribution for single and family health insurance coverage. In its Final Order, the Commission rejected the proposed adjustment, finding that "Kentucky-American's Healthcare Expense should be accepted as filed, as the amounts are known and measurable. The expense is negotiated as part of a collective bargaining agreement, and the Commission has consistently allowed for the utility to recover for the full amount of an arms length negotiated agreement with its employee union."[1]

Second, in an Opinion and Order dated September 24, 2025,[2] the Franklin Circuit Court found the Commission's use of the BLS survey results as a basis to disallow employer's health insurance costs was unlawful and unreasonable.

Third, before the Franklin Circuit Court found the Commission's use of BLS survey results to be unlawful and unreasonable, the Commission's practice was not to adjust to the BLS national averages so long as the utility's employees were contributing at least 12 percent.[3] As set forth

---

[1] See the Commission's Dec. 16, 2025 Order in Case No. 2025-00122 at p. 26.

[2] *Oldham County Water District v. Public Service Commission*, Civil Action No. 24-CI-00725 (Franklin Cir. Ct. Ky. Sep. 24, 2025).

[3] *Electronic Application of Jackson Purchase Energy Corporation For A General Adjustment In Existing Rates,*

in the response to Attorney General's First Request, Item 41(b), the employees' contribution in the forecast test year will be 17 percent, well exceeding the 12 percent threshold.

Case No. 2019-00053 (Ky. PSC June 20, 2019) Order at 9; *Electronic Application of Northern Kentucky Water District For An Adjustment of Rates; Issuance of Bonds; Financing; and Tariff Revisions*, Case No. 2022-00161 (Ky. PSC Mar. 16, 2023) at 5-6; *Electronic Application of Oldham County Water District For An Alternative Rate Adjustment*, Case No. 2023-00252 (Ky. PSC June 18, 2024) Order at 16.

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

Witness: Robert Prendergast

31. Insurance Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 122. Update the Confidential Attachment, Part A to include 2026 year-to-date amounts for each policy.

Response:

Please see the attached Excel file KAW_R_AGDR2_NUM031_073026_Attachment.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM031_073026_Attachment

Part a. Update

Policy	2021	2022	2023	2024	2025	Base Period (6 Months Actual Sept 2025 - Feb 2026; 6 Months Forecast Mar 2026 - Aug 2026)	Included in Recovery for the Forecasted Test Period (12 Months Ending December 31, 2027)	YTD 2026 Actuals (Jan 2026 through Jun 2026), Water Only
Crime	$650	$738	$804	$805	$816	$413	$0	$276
Directors and Officers	10,639	11,866	12,045	12,115	13,983	7,445	0	4,963
Employment Practices	5,570	6,382	7,128	7,057	7,833	4,152	0	2,768
Fiduciary	2,899	3,782	4,087	4,058	4,072	2,054	0	1,369
Lawyers	0	0	1,143	1,695	1,764	902	0	601
Auto Liability	25,388	24,589	33,632	48,201	83,943	86,455	100,537	13,687
General Liability	357,734	415,602	537,320	600,317	593,937	819,481	1,143,654	586,346
Workers' Compensation	97,484	89,762	104,758	55,879	80,465	103,360	139,302	55,195
Consult Fee (AL,GL,WC)	4,970	6,928	13,739	11,844	15,337	13,116	15,766	23,217
Excess Liability	178,557	196,164	233,867	251,141	282,721	488,042	787,049	138,011
Property	456,356	490,971	524,612	593,809	613,167	564,856	580,889	270,350
Pollution Legal Liability	0	0	0	25,435	53,553	54,086	127,681	28,119
Special Contingency Risk	0	78	78	78	210	129	132	66
TRIA / Terrorism / NBCR	0	0	0	0	0	10,090	19,620	2,877
Cyber Liability	9,882	21,433	22,415	19,328	27,763	9,297	0	129
Aviation	3,694	3,569	3,803	4,264	0	0	0	0
Travel	(39)	117	507	0	0	0	0	0
Workers' Comp Cap Credits	(35,779)	(35,025)	(40,672)	(26,013)	(31,126)	(41,447)	(54,746)	(18,872)
Insurance Casualty Reserve	(113,465)	9,401	112,546	94,554	81,127	79,644	0	43,401
	$1,004,539	$1,246,357	$1,571,812	$1,704,566	$1,829,566	$2,202,073	$2,859,884	$1,152,504

Note: Water Only

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

Witness: Robert Prendergast

32. Insurance Expense. Refer to the Prendergast Testimony, page 20, line 14.
    a. When was the reassessment of factors conducted?
    b. How long was general liability, excess liability, and pollution insurance allocated by payroll cost prior to the allocation change in 2026?
    c. Did American Water change the allocation of general liability from payroll to the number of customers for all American Water utilities or just Kentucky American? Explain in detail.

Response:

a. The reassessment of factors began in November 2025 and concluded April 1, 2026.
b. General liability and excess liability have had a payroll factor in their allocations since at least 1999. Pollution legal liability coverage began June 25, 2024, and had a payroll factor in its allocation since its coverage began.
c. American Water changed the exposure portion of the general liability allocation from payroll to the number of customers for all American Water utilities.

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

Witness: Robert Prendergast

33. Insurance Expense. Refer to the Prendergast Testimony, page 20, line 16. The testimony states that, "beginning with the premium renewals in 2026, the cost of exposure for General Liability, Excess Liability, and Pollution have, or will be changed, from payroll cost based to be based upon the number of customers served." Have all the changes been made to these policies? If so, when were the changes made? If not, explain why not and provide the dates the changes are expected to be made for each policy.

Response:

All changes have been made to the 2026 General Liability and Excess Liability policy renewals. The changes were made upon arrival of the invoices for General Liability coverage renewals effective January 1, 2026 and April 1, 2026, as well as Excess Liability coverage renewals effective April 1, 2026.

Changes have not been made to Pollution Legal Liability, as the 2026 Pollution Legal Liability policy renewal will be October 1, 2026. The prevailing Pollution Legal Liability policy has coverage from effective date June 25, 2025 to October 1, 2026. Upon arrival of the Pollution Legal Liability policy renewal invoice, the change will be made.

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

Witness: Robert Prendergast

34. Insurance Expense. Refer to the Excel file titled KAWC 2026 Rate Case – IOTG Exhibit, tabs titled "Link In" and "Link Out" provided in Kentucky American's response to the Commission Staff's First Request for Information ("Staff's First Request"), Item 1.
    a. The 2025 amount of General Liability Insurance in Account No. 55710000 was $935,947 in 2025 and the forecast test period amount is $1,930,835. Provide a breakdown of the approximately $1 million increase by the change in allocation methodology and other increases.
    b. Explain what factors the Company's insurance company bases the general liability policy, excess liability, and pollution policies on (number of customers, number of employees, etc.).
    c. Explain why the change in the allocation methodology was necessary as this results in a substantial increase to this expense which will be borne by ratepayers.

Response:

a. Please see the attached Excel file KAW_R_AGDR2_NUM034_073026_Attachment, Columns T-W for requested information.
b. The Company's insurance company bases general liability policy and excess liability policies on customer connections and revenues. The Company's insurance company bases Pollution Legal Liability policy on revenues.
c. The allocation methodology was changed to more closely align the allocation factors with risk exposure.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM034_073026_Attachment

General Liability Insurance Account No. 55710000 Policies	Water-Only 2025 Actuals 2025	Policy Date From	Policy Date To	Policy Months	Next Policy Months	Total Policy Amounts for Policy Dates	Annual Policy Amount as of Policy Dates	Effective 2025 Allocation	Effective 2026 Allocation	Effective Next Renewal Allocation Affect
Crime	$816	04/22/25	04/22/26	12	12	$827	$827	2.0%	0.0%	-100.0%
Directors and Officers	13,983	04/22/25	04/22/26	12	12	14,890	14,890	1.0%	0.0%	-100.0%
Employment Practices	7,833	04/22/25	04/22/26	12	12	8,304	8,304	2.0%	0.0%	-100.0%
Fiduciary	4,072	04/22/25	04/22/26	12	12	4,108	4,108	2.0%	0.0%	-100.0%
Lawyers	1,764	04/22/25	04/22/26	12	12	1,804	1,804	2.9%	0.0%	-100.0%
General Liability - Marsh & CSS	65,463	01/01/25	03/31/26	15	12	81,879	65,504	1.8%	2.7%	49.9%
General Liability - AWI	528,998	01/01/26	12/31/26	12	12	941,892	941,892	1.8%	2.7%	0.0%
Excess Liability	282,721	04/01/25	03/31/26	12	12	291,266	291,266	2.0%	4.0%	100.1%
Special Contingency Risk	210	01/01/25	12/31/27	36	12	395	132	1.9%	1.9%	-100.0%
Cyber Liability	27,763							2.0%	0.0%	-100.0%
Other General Liability Adjustments	2,325	Note: No recovery based on 2025 Other General Liability Adjustments						n/a	n/a	
General Liability Insurance Account No. 55710000	**$935,947**					**$1,345,365**	**$1,328,726**			

Combined Water & Wastewater Amounts (continued) and Water Only:

General Liability Insurance Account No. 55710000 Policies	Base Year Forecast: Projected Renewal Adjustment %	Base Year Forecast: Forecast Annualized Base Year Premiums as of Aug 2026	Post-Base Year: 2026 Projected Renewal Increase %	Post-Base Year: Renewed Annual Policy Premiums as of 2026	Forecasted Test Period: 2027 Projected Renewal Increase %	Forecasted Test Period: Forecasted Test Period (12 Months Ending December 31, 2027)	Water Customer Count %	Water Only – Forecast Test Period: Water Only Included in Recovery for the Forecasted Test Period (12 Months Ending December 31, 2027)	Change vs. 2025 Components: Forecast Test Period Water Only Change vs. 2025 Due to Allocation Change	Change vs. 2025 Components: Forecast Test Period Water Only Change vs. 2025 Due to Escalation on Pre-Allocation Change Amounts	Change vs. 2025 Components: Other Change vs. 2025	Total Change vs. 2025: Forecast Test Period Water Only Total Change vs. 2025
Crime	n/a	$0	n/a	$0	n/a	$0	99.9%	$0	($816)	$0	$0	($816)
Directors and Officers	n/a	0	n/a	0	n/a	0	99.9%	0	($13,983)	0	0	(13,983)
Employment Practices	n/a	0	n/a	0	n/a	0	99.9%	0	($7,833)	0	0	(7,833)
Fiduciary	n/a	0	n/a	0	n/a	0	99.9%	0	($4,072)	0	0	(4,072)
Lawyers	n/a	0	n/a	0	n/a	0	99.9%	0	($1,764)	0	0	(1,764)
General Liability - Marsh & CSS	5.0%	103,132	n/a	103,132	5.0%	108,289	99.9%	108,221	36,049	6,710	0	42,758
General Liability - AWI	n/a	941,892	n/a	941,892	10.0%	1,036,082	99.9%	1,035,433	344,905	161,530	0	506,435
Excess Liability	17.5%	684,819	n/a	684,819	15.0%	787,542	99.9%	787,049	382,412	121,916	0	504,328
Special Contingency Risk	n/a	132	n/a	132	n/a	132	99.9%	132	0	0	(78)	(78)
Cyber Liability								0	(27,763)	0	0	(27,763)
Other General Liability Adjustments								0	0	0	(2,325)	(2,325)
General Liability Insurance Account No. 55710000		**$1,729,975**		**$1,729,975**		**$1,932,044**		**$1,930,835**	**$707,135**	**$290,155**	**($2,403)**	**$994,888**

Policy	Next Renewal Allocation Methodology Change
Crime	Upon 2026 renewal and going forward, to be allocated 100% to Support Services. $0 forecast to KAWC General Liability Account No. 55710000
D&O	Upon 2026 renewal and going forward, to be allocated 100% to Support Services. $0 forecast to KAWC General Liability Account No. 55710000
Emp Practices	Upon 2026 renewal and going forward, to be allocated 100% to Support Services. $0 forecast to KAWC General Liability Account No. 55710000
Fiduciary	Upon 2026 renewal and going forward, to be allocated 100% to Support Services. $0 forecast to KAWC General Liability Account No. 55710000
Lawyers	Upon 2026 renewal and going forward, to be allocated 100% to Support Services. $0 forecast to KAWC General Liability Account No. 55710000
GL-Marsh & CSS	50% of General Liability allocation changed from ratio of payroll to ratio of customer connections (50% remains loss history).
GL-AWI	General Liability allocation change occurred upon Jan 1, 2026 renewal (50% changed from payroll ratio to customer ratio).
Excess Liability	Excess Liability allocation changed from ratio of payroll to ratio of customer connections.
Cyber Liability	Cyber Liability allocation change occurred upon Jan 1, 2026 renewal (100% to Support Services, $0 forecast to KAWC General Liability Account No. 55710000).

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

Witness: Robert Prendergast

35. Insurance Expense. Refer to the Excel file titled KAWC 2026 Rate Case – IOTG Exhibit, tab titled "Workpaper 2" provided in Kentucky American's response to Staff's First Request, Item 1. For each of the policies listed, state whether they are directly charged or allocated (if allocated, identify the methodology, e.g., based on employee count, number of customers, etc.) to Kentucky American in 2025 and the forecast test period.

Response:

Please see the attached Excel file KAW_R_AGDR2_NUM035_073026_Attachment.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM035_073026_Attachment

Line No.	Description	2025		Forecast Test Period	
1					
2	Policy Name	Directly Charged or Allocated?	If Allocated, Identify Methodology	Directly Charged or Allocated?	If Allocated, Identify Methodology
3	Crime	Allocated	Allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	Invoice fully allocated to Support Services.
4	Directors and Officers	Allocated	Half of Directors and Officers policy invoice allocated to Support Services. Half of invoice allocated based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	Invoice fully allocated to Support Services.
5	Employment Practices	Allocated	Allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	Invoice fully allocated to Support Services.
6	Fiduciary	Allocated	Allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	Invoice fully allocated to Support Services.
7	Lawyers	Allocated	Allocation based on risk exposure as calculated by ratio of attorneys, including all AW regulated affiliates with employed lawyers and Support Services.	Allocated	Invoice fully allocated to Support Services.
8	Auto Liability - Marsh & CSS	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of motorized vehicles, including all AW regulated affiliates and Support Services.	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of motorized vehicles, including all AW regulated affiliates and Support Services.
9	Auto Liability - AWI	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of motorized vehicles, including all AW regulated affiliates and Support Services.	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of motorized vehicles, including all AW regulated affiliates and Support Services.
10	General Liability - Marsh & CSS	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of customer connections, including all AW regulated affiliates and Support Services (no allocation to Support Services, zero customer connections).
11	General Liability - AWI	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of customer connections, including all AW regulated affiliates and Support Services (no allocation to Support Services, zero customer connections).
12	Workers' Compensation - Marsh & CSS	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.
13	Workers' Compensation - AWI	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	50 % of allocation based on ratio of 5-year loss history. 50% of allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.
14	Consult Fee (AL,GL,WC)	Allocated and Directly Charged	Consulting fees associated with overall policies allocated based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services. Consulting fees specifically assigned to Company on invoice directly charged.	Allocated and Directly Charged	Consulting fees associated with overall policies allocated based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services. Consulting fees specifically assigned to Company on invoice directly charged.
15	Excess Liability	Allocated	Allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	Allocation based on risk exposure as calculated by ratio of customer connections, including all AW regulated affiliates and Support Services (no allocation to Support Services, zero customer connections).
16	Property	Allocated	Allocation based on risk exposure as calculated by ratio of insurable value, including all AW regulated affiliates and Support Services.	Allocated	Allocation based on risk exposure as calculated by ratio of insurable value, including all AW regulated affiliates and Support Services.
17	Pollution Legal Liability	Allocated	Allocation based on risk exposure as calculated by ratio of payroll, including all AW regulated affiliates and Support Services.	Allocated	Allocation based on risk exposure as calculated by ratio of customer connections, including all AW regulated affiliates and Support Services (no allocation to Support Services, zero customer connections).
18	TRIA / Terrorism / NBCR	Allocated	This coverage was bundled in the 2025 property insurance policy. Allocation based on risk exposure as calculated by ratio of insurable value, including all AW regulated affiliates and Support Services.	Allocated	Allocation based on risk exposure as calculated by ratio of insurable value, including all AW regulated affiliates and Support Services.

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

Witness: Robert Prendergast

36. Incentive Compensation Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 108. Update the chart to show how many employees received an award by each category that the Company uses to evaluate employees receiving an award each year (e.g., exceptional, average, below average, etc.)

Response:

Please see the Direct Testimony of William A. Lewis, pp. 47-49. Incentive compensation awards are determined through two plans: the Annual Performance Plan ("APP") and Long-Term Performance Plan ("LTPP"). APP awards are funded based on achievement of established performance goals. LTPP awards consist of both Restricted Stock Units ("RSUs") and Performance Stock Units ("PSUs"). RSUs are subject to time-vesting conditions, and PSUs are subject to both time and performance vesting conditions. KAWC does not utilize rating categories of individual employees to determine APP and LTPP awards. Please refer to Attachments 1-6 of the Company's response to the Attorney General's First Request, Item 107 for incentive compensation goals, weightings, and metrics.

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

Witness: Robert Prendergast

37. Incentive Compensation. Refer to the Application generally. Did the Company reduce incentive compensation payments in any of the last five calendar years to conserve cash to fund other necessary expenditures such as capital expenditures, etc.

Response:

No, the Annual Performance Plan is a set calculation with inputs that are measured and then flowed through a calculation.

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

Witness: Robert Prendergast

38. Severance Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 158. Explain in detail what the expected going forward severance expenses relate to in the pending case. As part of the explanation, state whether the severance relates to termination of any employees related to the three acquisitions (Black Mountain, Livingston and Water Services) included in the pending case.

Response:

The response to Attorney General's First Request, Item 158 relates to Support Services severance expense only. Historically, there are varying levels of expenses incurred related to severance each year. As a result, the Company expects to continue to incur severance expenses and has included a three-year average level of severance expense in the case. The inclusion of severance expenses in Support Services is not related to the three acquisitions for Black Mountain, Livingston, or Water Service.

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

Witness: Robert Prendergast

39. Dues. Refer to Kentucky American's response to the Attorney General's First Request, Item 24. The response states that the allocated dues included in this application are $41,331 and can be found in KAWC 2026 Rate Case – Support Services Exhibit.
   a. Identify the tab and line numbers where the $41,331 can be found in KAWC 2026 Rate Case – Support Services Exhibit. If this reference was not correct, provide the correct reference and a substantive response to the original question.
   b. Provide a breakdown by organization of the amount included in the forecast test period.

Response:

a. The $41,331 rolls up into account number 53401500 and 53402100. The Base Year and Forecast Year totals for these accounts can be found on the "Link Out" tab in KAWC 2026 Rate Case – Support Services Exhibit. There is $741 included in AWWSC Services - Office Supplies OPEX and $40,590 included in AWWSC Services - Other O&M Expense OPEX.
b. Please refer to KAW_R_AGDR2_NUM039_073026_Attachment for a breakdown by organization of the 6 month of actuals included in the base period for dues of $13,949. There is an additional $374 related to licenses, subscriptions, and other expenses included in actuals. There is approximately $26,303 of dues and $705 for licenses, subscriptions, and other expenses included in the forecast for an additional $27,008 in the forecasted 6 months of the base period. Please note, the forecast period is based off the base period.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM039_073026_Attachment
Dues by Organization

Text Description	Amount
AWWA	54.99
CONFERENCE OF CALIFORNIA	9.95
Council On State Taxation	279.30
FSP*BCSP BOARD OF CERT SA	13.97
HR Policy Association	1,744.65
IIA STORE	99.50
Institute for Professionals	113.80
ISC2.ORG	5.38
MWC The US Conference of Mayors	1,991.27
NATIONAL ASSOCIATION OF CORP	586.03
National Utilities Diversity Coun	1,026.27
Net Accounting Accrual for unpaid invoices	(1,155.00)
NIRI	28.86
NJ BUSINESS SERVICES	1.20
Non IT Prepaids (Edison Electric & PCAOB)	9,070.64
PROJECT MANAGEMENT INSTITUTE	2.54
PRSA MEMBERSHIPS	15.09
PY *FORUM EXECUTIVE WOMEN	24.38
SOCIETYFORHUMANRESOURCE	11.51
WEF MAIN	15.83
WINUP	3.94
WWW.ISA.ORG	4.46
Total	$13,948.56

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

Witness: John Watkins

40. Acquisition – Black Mountain. Refer to page 18, Figure 1, Line C of the Watkins Testimony. Will the CIAC balances held by Black Mountain be transferred to Kentucky American at the close of the transaction? If not, explain in detail why not.

Response:

The CIAC balances held by Black Mountain will not be transferred to KAWC at the close of the transaction. The acquisition is being completed as a fair market value transaction. For purposes of this rate case, the purchase price has been allocated among the acquired assets.

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

Witness: John Magner

41. Acquisition. Refer to page 9 of the Order in Case No. 2026-00097, which states that Kentucky American proposes to spend $20.9 million for capital and labor over five years. Explain how the $20.9 million will be funded and whether it will be offset by Black Mountain's CIAC balances.

Response:

Black Mountain Utility District's ("BMUD") CIAC will not be recorded at the close of the acquisition by Kentucky American Water ("KAWC") as per our filing in this rate case, therefore BMUD's CIAC will not offset the capital investments. The $20.9 million in capital investment will be funded similarly to all other capital investments across KAWC's service territory.

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

Witness: William A. Lewis

42. Acquisition – Black Mountain. Refer to the Application generally.
    a. Provide all quantifiable benefits associated with the Black Mountain acquisition to ratepayers and when they will receive them.
    b. Identify the monetary amount of benefits reflected in the forecast test period. If the benefits can't be quantified explain why not.

Response:

a. Black Mountain's soon to be former customers will receive a number of benefits. At the forefront for Black Mountain District, customers are gaining access to reliable and adequate water service. At a high level, our acquisitions have been driven by our mission and regulatory obligation to provide safe and reliable service. For example, in instances where smaller or resource-constrained systems are struggling to meet operational, staffing or regulatory demands, Kentucky-American may be a solutions-provider for the community. By bringing these systems into Kentucky-American's operations, customers benefit from the Company's experienced personnel, established operational practices, and access to capital—resulting in improved reliability, compliance, and long-term service stability. The City of Livingston had previously experienced difficulties with service interruptions, operational capacity limitations, or compliance challenges due to limited local resources and the Commission authorized Kentucky-American to acquire the City of Livingston's system. Black Mountain District customers' challenges can similarly be addressed like those from the City of Livingston. Kentucky-American will be able to immediately leverage its workforce, operational best practices, and financial resources to address these issues and provide customers with more consistent and compliant service.

   Finally, acquisitions create benefits for both new and existing customers and support Kentucky-American's mission to service as a long-term solution for communities in need, such as Black Mountain District. By adding new service areas, Kentucky-American expands its customer base, which over time allows us to spread fixed costs across more customers, which benefits new and legacy customers. This larger scale creates both operational and purchasing efficiencies, and things such as chemicals, equipment, and technology and specialized expertise (such as water quality, engineering, and customer support teams) are shared across a wider service area, which helps to smooth rate impacts. As an example for the Black Mountain District, it is not currently monitored by SCADA and relies upon employees to manually control and monitor pumping and storage systems. This is a very inefficient use of labor, leads to water service failures, and can increase water loss. Upon closing, Kentucky-American will install and integrate the Black Mountain water system into the Company's comprehensive SCADA management program. This will allow Kentucky-American staff to respond quickly to distribution system issues, will allow Kentucky American to transfer system staffing from system monitoring and control operations to system repair and maintenance activities, and will mitigate preventable water loss resulting from storage tank overflows.

The Kentucky PSC approved BMUD's customers to go on the Kentucky American's current tariff rates. At closing, which is anticipated for September 30, 2026, BMUD's then-former customers based on the effective rates at the time of analysis (Black Mountain effective October 9, 2023; Kentucky-American effective 12/16/2025) a residential customer with a 5/8-inch meter using 4,000 gallons per month would experience a bill reduction.

b. In addition to the lower monthly water bills as noted in response sub-part (a) above, the Company has reflected efficiencies associated with the acquisition 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 case for Black Mountain (Case No. 2026-00097), the acquisition enables 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 SECOND REQUEST FOR INFORMATION

Witness: John Watkins

43. Acquisition – Black Mountain. Refer to Figure 1 of Watkins Testimony on page 18 and Figure 3 on page 25. Explain the reason for the large differences in the Accumulated Amortization of CIAC and UPAA between the two documents. Provide all supporting calculations.

Response:

Figure 3 is correct. Figure 1 is not. Total Accumulated Amortization of CIAC in Figure 1 was accidentally linked to the accumulated amortization balance for a single utility plant account. Please see revised Figure 1 below, which fixes line d and consequently line e. For supporting calculations, please see attachment.

Figure 1 (Corrected)

Black Mountain Valuation Comparion				
As of 3/31/2026 in $mm except for values per customer			Range per KRS 278.295	
		A	B	C
	Key Valuation Accounts	**Original Cost Per USOA**	**Purchase Price**	**Original Cost Without Regard for Funding**
a	Utility Plant in Service[1]	$21,314,836		$21,314,836
b	Accumulated Depreciation[1]	(10,203,804)		(10,203,804)
c	CIAC[1]	(20,557,001)		
d	Accumulated Amortization of CIAC[2]	9,002,351		
e	UPAA	1,643,618		
f = sum a to e	**Net Value**	**$1,200,000**	**$1,200,000**	**$11,111,032**
g	Customers	3,315	3,315	3,315
h = f / g	**Net Valuation per Customer**	**$362**	**$362**	**$3,352**

[1]Per pp. 47-50 of Exhibit 1 Asset Purchase Agreement in Case No. 2026-00097

[2]Estimated based on Black Mountain's depreciable assets and life assumptions

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

Witness: William A. Lewis

44. Acquisition – Black Mountain. Refer to page 4 of the Final Order in Case No. 2026-00097, which states that Black Mountain's wastewater assets are not part of the proposed transaction and will be purchased by Kentucky American in a separate purchase agreement.
    a. Explain why the wastewater assets were not part of that transaction.
    b. State when the wastewater transaction is expected to occur.
    c. Provide the date when Kentucky American began considering acquiring Black Mountain's water assets.
    d. Provide the date when Kentucky American began considering acquiring Black Mountain's wastewater assets.

Response:

a. Black Mountain Utility District's ("BMUD") wastewater assets were not initially considered for acquisition because the initial transaction only contemplated BMUD's water assets.
b. Kentucky American and BMUD anticipate filing with the Kentucky Public Service Commission in the near future.
c. Kentucky American does not recall the exact date when it first considered acquiring BMUD's water assets, but upon information and belief, Kentucky American began evaluating acquiring BMUD's water assets in earnest in the fall of 2025.
d. Kentucky American does not recall the exact date when it first considered acquiring BMUD's wastewater assets, but upon information and belief, BMUD and Kentucky American were considering the acquisition on or around April 10, 2026.

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

Witness: John Watkins

45. Acquisition – Livingston. Refer to the Application generally. Did Livingston transfer its CIAC balances held to Kentucky American at the close of the transaction? If not, explain in detail why not and provide the balance at the close of the transaction. If so, provide the amount transferred to Kentucky American.

Response:

No. The City of Livingston had no CIAC balances to transfer to KAWC at the close of the transaction.

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

Witness: John Watkins

46. Acquisition –Water Service. Refer to the Application generally. Did Water Service transfer its CIAC balances held to Kentucky American at the close of the transaction? If not, explain in detail why not and provide the balance at the close of the transaction. If so, provide the amount transferred to Kentucky American.

Response:

Yes, Water Service of Kentucky CIAC balances were transferred to KAWC as of the acquisition closing date. Gross CIAC of ($443,535) with Accumulated Amortization of CIAC of $196,539 for a net CIAC balance of ($246,996).

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

Witness: John Watkins

47. Acquisition – Black Mountain. Refer to page 16 of the Final Order in Case No. 2026-00097, which states that the transaction shall be recorded in accordance with the Uniform System of Accounts. State whether the Company will withdraw its request to use the net accounting method for the acquisition in the pending case. If so, provide the amount of the change to the forecast test period including all supporting calculations. If not, explain why not.

Response:

The Company maintains its request to use net accounting for the Black Mountain acquisition for three reasons:

1) Net accounting typically reduces expenses for customers, as discussed on pages 23-25 of the Watkins direct testimony.
2) The net accounting request was not made within Case No. 2026-00097, and was instead made in this case pursuant to KRS 278.295(4), and thus has not yet been evaluated by the Commission.
3) Should the Commission adopt this customer-friendly policy, the Company can restate balances entered in compliance with Case No. 2026-00097.

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

Witness: William A. Lewis

48. Acquisition. Refer to page 5 of the Final Order in Case No. 2026-00097, which states that the Company agreed to offer employment to all active union and non-union personnel who are employed by Black Mountain District, subject to Kentucky-American's existing standard hiring policies and procedures appliable to fifteen prospective new employees.
    a. Did the Company commit to a length of time to not terminate those employees following the closing of the proposed transaction? If not, explain why not.
    b. Are there any Black Mountain employee positions that could be eliminated due to overlap with Kentucky-American's existing workforce? If so, provide the amount of overlapping positions.
    c. Explain in detail what is meant by "subject to Kentucky-American's existing standard hiring policies and procedures."

Response:

a. No. It is assumed that employees who meet the conditions of employment with KAWC have the relevant certifications and have the relevant experience to perform the duties they are hired for and will be successful long-term employees. KAWC has determined the number of employees identified in Case No. 2026-00097 is reasonable and required to meet operational needs in BMUD and does not anticipate a reduction of work force. KAWC anticipates future employment termination would be due to normal business attrition such as retirements, promotions, and/or performance related circumstances and vacated positions would be refilled.
b. No.
c. KAWC, like other companies, has reasonable basic employment requirements that applicants must meet to be eligible for employment. In cases where KAWC is hiring existing employees as part of an acquisition, these employees are offered similar roles within KAWC, but must meet basic employment requirements. Examples may include successfully completing a background check, verification of academic diplomas, verification of work eligibility, verification of CDL licenses (if required), verification of required certifications, and other similar position and employment requirements.

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

Witness: John Watkins

49. Acquisitions. Refer to the Application generally.
    a. Provide the journal entries for the Livingston transaction that the Company recorded on its books at the close of the transaction.
    b. Provide the journal entry the Company expects to record for the Black Mountain acquisition upon close.

Response:

a. Please see KAW_R_AGDR2_NUM049_073026_Attachment1 for the journal entries related to the City of Livingston acquisition that the Company recorded on its books at the close of the transaction.
b. Please KAW_R_AGDR2_NUM049_073026_Attachment2 for the journal entry the Kentucky-American expects to record for the Black Mountain acquisition upon close.

AMERICAN WATER

JOURNAL ENTRY REQUEST

One Water Street, Camden, NJ 08102
(866) 777-8426

High Level Accounts:
10400000
10890000
12320000
2711XXXX

BL Journal # :
Journal Entry Type
Company Code: 1012 - Kentucky American
Prepared By (Operating Unit):
Prepared By (SSC):

Document Type
SAP Journal # :
Document Date
Posting Date
Requested By (Operating Unit):
Approved By (SSC):

Quarter Impacted

This is not a Reversing Entry

Doc Header Text

Z07 - Livingston W **25 Character Maximum**

Please add rows as necessary to the table below in order to complete your requested journal entry.

Company Code	GL Account	Trading Partner	Posting Key	Explanation	Cost Center	Profit Center	WBS Element	Internal Order	Assignment	Debit Amount	Credit Amount
										3,073,603.61	3,073,603.61
1012	23599999		50	Livingston Acq - cash at close deposit to UP purchased							400,000.00
1012	10130350		40	Record Livingston W UPIS		1206				1,250.00	
1012	10133000		40	Record Livingston W UPIS		1206				147,895.00	
1012	10133100		40	Record Livingston W UPIS		1206				27,254.04	
1012	10133100		40	Record Livingston W UPIS		1206				660,256.54	
1012	10133100		40	Record Livingston W UPIS		1206				2,044,189.66	
1012	10133300		40	Record Livingston W UPIS		1206				164,302.95	
1012	10133410		40	Record Livingston W UPIS		1206				13,917.42	
1012	10133500		40	Record Livingston W UPIS		1206				14,538.00	
1012	10801000		50	Record Livingston W AD							1,680,751.15
1012	11410000		50	Livingston - UPAA - W		1206					992,852.46

AMERICAN WATER

JOURNAL ENTRY REQUEST

One Water Street, Camden, NJ 08102
(866) 777-8426

BL Journal # :
Journal Entry Type
Company Code: 1012 - Kentucky American
Prepared By (Operating Unit):
Prepared By (SSC):

Document Type
SAP Journal # :
Document Date
Posting Date
Requested By (Operating Unit):
Approved By (SSC):

Quarter Impacted

This is not a Reversing Entry

Doc Header Text

Z07 - Black Mountain W **25 Character Maximum**

Please add rows as necessary to the table below in order to complete your requested journal entry.

Company Code	GL Account	Trading Partner	Posting Key	Explanation	Cost Center	Profit Center	WBS Element	Internal Order	Assignment	Debit Amount	Credit Amount
										1,200,000.00	1,200,000.00
1012	23599999		50	Black Mountain Acq - cash at close deposit to UP purchased							1,200,000.00
1012	Land		40	Record Black Mountain W UPIS						3,327.74	
1012	Mains		40	Record Black Mountain W UPIS						974,319.08	
1012	Structures and Improvements		40	Record Black Mountain W UPIS						11,426.93	
1012	Pumping Equipment		40	Record Black Mountain W UPIS						38,071.00	
1012	Distribution Reservoirs and Standpipes		40	Record Black Mountain W UPIS						132,231.52	
1012	Meters and Meter Installations		40	Record Black Mountain W UPIS						40,243.77	
1012	Tools, Shop and Garage Equipment		40	Record Black Mountain W UPIS						379.96	

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

Witness: Robert Prendergast

50. Acquisition. Refer to the Company's response to the Staff's Second Request, Item 35 Attachment. Provide the number of employees comprising the payroll amounts shown for each entity.

Response:

There are 15 employees that comprise the Middlesboro and Clinton payroll amounts and 14 employees that comprise the Black Mountain payroll amounts.

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

Witness: John Watkins

51. Acquisition – Black Mountain. Refer to Watkins Testimony, page 25, Figure 3, Column A. Did the Company pay more than the book value for Black Mountain? If so, explain why.

Response:

No. Kentucky American's estimated $1.2 million purchase price is less than the book value of Black Mountain's net utility plant (per figure 3, $21.3mm UPIS - $10.2mm Accumulated Depreciation = $11.1mm). However, if $11.5 million of net CIAC were deducted, a negative value would result ($0.4mm). An offer consistent with a negative valuation would be highly unlikely to satisfy a seller.

Please see pages 17-22 of the Watkins direct testimony for discussion of the transaction and the applicability of KRS 278.295 for Black Mountain's valuation.

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

Witness: Chuck Rea

52. Acquisitions. Refer to KAWC Rate Case – Exhibits (25, 26, 37) Revenue WP Support, tabs Livingston Revenue, Black Mountain Revenue, and Clinton_Middlesboro Revenue. Confirm that the following amounts are the total revenues included in the forecast test period for each of the three entities. If not, provide the amount of revenues included in the forecast test period for each.
    a. Livingston: $151,645
    b. Clinton Middlesboro: $3,708,785
    c. Black Mountain, $1,829,301

Response:

a. Confirmed
b. Confirmed
c. Confirmed

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

Witness: Robert Prendergast

53. Acquisitions. Refer to the Company's response to Staff's Second Request, Item 35 Attachment. Confirm that the Company included the following total expenses in the forecast test period for each of the three entities. If not, provide the total expenses included in the forecast test period for each.
    a. Livingston: $120,000
    b. Clinton Middlesboro: $2,385,400
    c. Black Mountain, $2,890,849

Response:

a. Confirmed
b. Confirmed
c. Confirmed

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

Witness: William A. Lewis

54. Acquisitions. Refer to the Company's response to the Attorney General's First Request, Item 58. State which entity the South Region Management Function pertains to in this response.

Response:

The City of Livingston, Water Service Corporation of Kentucky, and Black Mountain utility systems, along with the existing Eastern Rockcastle utility system will comprise a new Southern Operating Region. KAWC currently organizes its operations into a Central and Northern Region. Due to the addition of these new utility operations, KAWC has organized a new Southern Region to effectively manage operations within this geographic area that includes the management structure to support overall operations & treatment management, health & safety oversight, environmental & water quality compliance, and capital project delivery.

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

Witness: John Watkins

55. Acquisition. Refer to Kentucky American's response to the Attorney General's First Request, Item 55. If the Black Mountain transaction is ultimately not completed subsequent to the Commission's Final Order in this case, explain how and when the expenses, revenue, and capital would be removed from the forecasted test period and refunded to ratepayers?

Response:

The Commission approved the Black Mountain transaction in Case No. 2026-00097 on July 10, 2026. The Company anticipates closing the transaction no later than October 31, 2026. Should the transaction not close prior to final rates being issued in this case, the Company would work with the parties to remove the identified expenses and revenues included for Black Mountain. Those expenses and revenues would therefore not be included in the final rates, resulting in no need for customer refund.

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

Witness: William A. Lewis

56. Acquisition. Refer to the Application generally.

a. Provide the amount of Livingston's annual revenues and expenses for each of the last five calendar years prior to executing the purchase agreement. If the Company does not have this information, explain how it determined the purchase was a good investment.

b. Provide the amount of Water Service's annual revenues and expenses for each of the last five calendar years prior to executing the purchase agreement. If the Company does not have this information, explain how it determined the purchase was a good investment.

c. Provide the amount of Black Mountain's annual revenues and expenses for each of the last five calendar years prior to executing the purchase agreement. If the Company does not have this information, explain how it determined the purchase was a good investment.

Response:

a. KAWC does not have Livingston's annual revenues and expenses for the five calendar years prior to date of execution of the purchase agreement. This acquisition was a good and necessary investment to protect existing KAWC customers who relied upon water KAWC purchased from Livingston. Livingston historically was unable to properly manage their water system, was not routinely in compliance with Division of Water regulations, and was not maintaining their purchase water agreement with the Wood Creek Water District in good standing which led to discontinuance of service to Livingston, and by default, KAWC. KAWC ownership and operation of this system not only protects existing KAWC customers, but also ensures professional operation of the Livingston system and ensures proper service standards and water quality for Livingston customers.

b. See table below for Water Service's annual revenues and expenses for the last five calendar years prior to executing the purchase agreement.

Water Service	2020	2021	2022	2023	2024
Revenue	$2,923,208	$3,406,420	$3,276,585	$3,597,096	$3,836,724
Expenses	2,381,740	2,855,773	2,703,115	3,047,393	2,903,857

c. See table below for Black Mountain's annual revenues and expenses for the last five calendar years prior to executing the purchase agreement. Please note that 2025 represents budgeted financial information.

Black Mountain	2021	2022	2023	2024	2025 (B)
Revenue	$1,722,040	$1,650,941	$1,749,907	$1,782,190	$1,784,200
Expenses	1,868,805	1,784,852	1,696,514	1,990,311	1,986,184

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

Witness: William A. Lewis

57. Acquisition. Refer to Kentucky American's response to the Attorney General's First Request, Item 59. Identify all prospective and/or unsigned acquisitions or mergers that have the potential to occur in 2026 or 2027.

Response:

Please see Kentucky American's Response to Attorney General's Second Request for Information, No. 44(b). Additionally, while Kentucky American is open to discussions for an acquisition with any potential sellers, Kentucky American is not presently aware of any prospective or unsigned acquisitions or mergers that have the potential to occur in 2026 or 2027.

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

Witness: William A. Lewis

58. Water Service Acquisition. Refer to pages 7 – 8 of the Final Order in Case No. 2025-00171, which states that the Company committed to not terminating Water Service employees for twelve months following the closing of the proposed transaction.
    a. How many Water Service employees accepted an offer of employment?
    b. Are there any Water Service positions that could be eliminated due to overlap with Kentucky-American's existing workforce? If so, provide the amount of overlapping positions.

Response:

a. Thirteen Water Service Corporation of Kentucky employees accepted an offer of employment with KAWC.
b. No.

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

Witness: Robert Prendergast

59. 401(k). Refer to Kentucky American's response to the Attorney General's First Request, Items 51(b) and Item 96(a). Explain the difference between the forecast test period amounts shown on these responses.

Response:

The response to Item 51(b) mistakenly excluded one employee, so it should have read 11 employees receiving $14,682 instead. The table in 96(a) was miscalculated. Please see KAW_R_AGDR2_NUM059_073026_Attachment for the revised table.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM059_073026_Attachment
401(k) match for employees also receiving pension benefits

	KAWC	Allocated
2021	23,408	15,332
2022	18,738	11,947
2023	17,193	11,264
2024	15,131	14,038
2025	14,744	16,009
Base Year	14,251	15,215
Forecast Year	14,682	15,795

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

Witness: Robert Prendergast

60. Business Development Expenses. Refer to Kentucky American's response to the Attorney General's First Request, Item 63.
   a. Provide a detailed explanation of the types of activities that are included in both the direct and allocated expenses in the forecast test period.
   b. Explain how these costs benefit ratepayers.
   c. Explain how these costs are necessary for the provision of utility service.
   d. Confirm that the amounts in subpart b are reflected in the amounts in subpart a. If not confirmed, explain why not.

Response:

a. Business Development provides coordination, tools, training, and support to Kentucky by assisting in identifying opportunities that facilitate orderly and continued growth as well as other appropriate business opportunities that can benefit Kentucky and its customers through creation of synergies and economies of scale. Business Development engages in competitor and water market trend research, direct pursuit of strategic growth opportunities, development, and communication of company growth strategy.
b. Business development expenses benefit Kentucky customers primarily through facilitating the acquisition of additional customers, which allows the Company to spread its fixed costs over a larger customer base, thus lowering the fixed costs allocated to each customer. Through business development efforts the Company is also able to gain professional knowledge to provide more efficient and effective service through the utilization of latest trends and techniques.
c. Business development allows the Company to provide greater value to its customers by seeking new water systems in neighboring areas to its existing service area. This allows the Company to serve its customers with more efficient economies of scale.
d. The amounts in subpart b are reflected in the amounts in subpart a.

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

Witness: Robert Prendergast

61. Customer Accounting. Refer to KAWC 2026 Rate Case – Customer Accounting Exhibit, tabs titled "Link In" and "Link Out." Explain the reason for the large increase in bank service charges in the forecast test period over the prior years. Provide documentation supporting the requested increase.

Response:

The increase in bank service charges in the forecast test period is due to an allocation misclassification in KAWC 2026 Rate Case – Customer Accounting Exhibit. The Customer Accounting adjustment for the acquisitions of Middlesboro-Clinton and Black Mountain were allocated to the customer accounting line items based on 2025 expenses. The customer accounting acquisition adjustment should be attributed to accounts 52542015 and 52566015 for forms and postage respectively. This will be updated in the Company's base period update filing.

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

Witness: Robert Prendergast

62. Capital and Expense Labor Percentages. Refer to Kentucky American's response to the Attorney General's First Request, Item 69.

a. Does the forecast test period reflect a reduction to outside contractor expenses as more of the Company's employees are performing the work? If not, explain why not and provide the corresponding reduction to the forecast test period. If this cannot be quantified explain why not. If so, provide the amount of the reduction and where it is reflected in the revenue requirement schedules.
b. Provide the calculations showing how the annual percentages on the Attachment were derived.
c. Provide the annual payroll broken out by expense and capital for each of the years 2021, 2022, 2023, 2024, 2025, and included in the base and forecast test period.
d. Provide the annual contractor expense for each of the years 2021, 2022, 2023, 2024, 2025, and included in the base and forecast test period.

Response:

a. Contracted services expense in the forecasted test year was projected flatly from 2025 with an increase related to acquisitions. The Company is not proposing any upward adjustments to contracted service expense since the forecasted test year assumes a full complement of employees.
b. Please see the O&M and capitalized salary and wages amounts and their resulting percentages in KAW_R_AGDR2_NUM062_073026_Attachment. Please note that the percentages have been revised from the Company's response to the Attorney General's First Request, Item 69.
c. Please see KAW_R_AGDR2_NUM062_073026_Attachment.
d. Please see KAW_R_AGDR2_NUM062_073026_Attachment.

Kentucky-American Water Company
Case No. 2026-00094
KAW_R_AGDR2_NUM062_073026_Attachment

	2021	2022	2023	2024	2025	Base Year	Forecast Test Yr
Capitalized labor	$3,838,998	$4,341,668	$5,026,282	$5,090,515	$5,530,587	$6,056,932	$8,519,796
Opex labor	7,526,954	8,376,267	8,801,501	8,743,795	9,599,005	10,725,936	13,174,387
Total labor	11,365,952	12,717,935	13,827,783	13,834,310	15,129,592	16,782,868	21,694,183
Opex %	66.22%	65.86%	63.65%	63.20%	63.45%	63.91%	60.73%
Capitalization %	33.78%	34.14%	36.35%	36.80%	36.55%	36.09%	39.27%
Contract services	$930,165	$830,562	$1,583,719	$1,671,654	$1,822,217	$1,978,801	$2,263,070

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

Witness: Robert Prendergast

63. Company/Corporate Events Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 82. Provide the amount of Company/Corporate events expense (direct and allocated) that was incurred in 2025. If it was removed from the forecast test period, state the amount and where it was removed in the revenue requirement schedules.

Response:

Kentucky-American did not forecast Company events expenses in the base or forecasted period.

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

Witness: John Watkins

64. CIAC. Refer to Kentucky American's response to the Attorney General's First Request, Item 84. Provide the monthly amounts of CIAC for the remainder of 2025 and year to date 2026 as originally requested.

Response:

Please see the attached which now includes the requested amounts through June 2026.

Kentucky American Water Company
AGDR-2-064_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-2-064_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)
Jun	2025	(77,432,925)
Jul	2025	(77,227,975)
Aug	2025	(77,178,609)
Sep	2025	(76,921,150)
Oct	2025	(76,373,022)
Nov	2025	(76,115,564)
Dec	2025	(75,898,440)
Jan	2026	(75,714,286)
Feb	2026	(75,485,753)
Mar	2026	(75,312,560)
Apr	2026	(75,595,133)
May	2026	(76,007,738)
Jun	2026	(76,352,362)

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

Witness: Robert Prendergast

65. Employee Related Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 90. Explain the nature of employee travel and whether this directly relates to and benefits Kentucky ratepayers.

Response:

Employee travel represents air, train and car transportation for employees on Company business, as well as related expenses such as food and lodging and the Company maintains established processes for managing and tracking employee travel, reflecting that travel is an anticipated and controlled component of conducting business operations. Examples of Company business include attending conferences, hearings and meetings, and visiting Company facilities such as treatment plants, business offices and job sites.
Such activities benefit customers in several ways, including customer advocacy, employee education, operational efficiency, and business planning.

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

Witness: Robert Prendergast

66. Spot Bonus. Refer to Kentucky American's response to the Attorney General's First Request, Item 98.
    a. Provide a detailed explanation of the spot bonus program, including which categories of employees are eligible for this benefit.
    b. Update the chart to include the amount of spot bonuses paid in each year 2021 and 2022.

Response:

a. The Spot Award program is designed to recognize significant one-time employee contributions as they occur. All exempt and non-exempt nonunion employees are eligible. Spot Awards of up to $500 may be initiated via a one-time payment form with the appropriate approvals. Any award over $500 must be sent to Compensation for approval. No employee is permitted to receive more than $1,000 in Spot Awards in any calendar year without approval by the appropriate Executive Leadership Team member. Spot Awards are discretionary and will not be included in determining a non-exempt employee's regular rate of pay for overtime calculation purposes.
b. Please see updated chart below.

	2021	2022	2023	2024	2025
Spot Bonus	$8,050	$5,750	$25,150	$7,800	$11,250
Count	20	13	46	14	26

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

Witness: Robert Prendergast

67. Entertainment/Sponsorships. Refer to Kentucky American's response to the Attorney General's First Request, Item 100. Provide the total amount of the expense in 2025 as originally requested. If it was removed from the forecast test period, state the amount and schedule where it was removed.

Response:

The amount of expense associated with sponsorships in 2025 was $97,749. These expenses fall into the Charitable Contribution Deductible and Charitable Contribution Nondeductible accounts which have been removed from the revenue requirement. Please see the 'Workpaper' tab of the file 'KAWC 2026 Rate Case – Miscellaneous Expense Exhibit', lines 18 and 19 for additional detail. Entertainment expenses were not incurred or included for recovery in this case.

In responding to this request the Company discovered that it had inadvertently allocated $6,557 of its acquisition adjustment to the Charitable Contribution Deductible and Charitable Contribution Nondeductible accounts. This amount will be correctly allocated to exclude those two Miscellaneous expense accounts in the Company's base period update.

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

Witness: Robert Prendergast / William A. Lewis

68. Overtime Pay. Refer to Kentucky American's response to the Attorney General's First Request, Item 142 Attachment.
    a. Explain and provide the calculations showing how the Forecast Test Period amount of overtime expense was calculated.
    b. Explain the reason for the increase in overtime in 2025 versus 2024.
    c. Explain the reason for the increase in overtime in the base period over the 2025 level.
    d. Explain the reason for the decrease of overtime in the forecast test period over the base period level.

Response:

a. The calculation of overtime expense is explained in the Direct Testimony of Company Witness Prendergast. For the calculations showing how the Forecast Test Period Amount of overtime expense was calculated, please see the Company's response to PSCDR1_NUM001, "KAWC 2026 Rate Case - Labor and Labor Related Exhibit".
b. The increase in overtime hours in 2025 is attributable to increased emergency work requirements related to unplanned water treatment plant repairs and the higher-than-expected employee vacancy rate in 2025. The relationship between Kentucky-American Water's vacancy rate and associated overtime, temporary labor, and third-party contract services is discussed in KAW_R_PSCDR3_NUM011 and KAW_R_AGDR2_NUM019.
c. Base period overtime hours were projected by doubling the actual overtime hours in the first six months of the base period September 2025 to February 2026. Overtime hours in this time period were 18,277, which is slightly more than half of the 36,010 overtime hours in 2025. Additionally, merit increases that went into effect in January 2026 would have an impact on the higher overtime dollars in the base period.
d. As the forecasted test period uses the average of the three previous years' overtime hours, overtime hours in the forecasted test period are lower due to the lower overtime hours in 2023 and 2024.

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

Witness: Robert Prendergast

69. Payroll. Refer to Kentucky American's response to the Attorney General's First Request, Item 143. Provide an update to the response to include 2025 information.

Response:

Please see KAW_R_AGDR2_NUM069_073026_Attachment. Please note that the capitalized labor amounts have been revised to include labor-related costs in addition to payroll costs. These updated numbers also revise the response to the Attorney General's First Request, Item 144.

Kentucky American Water Company
Case 2026-00094
KAW_R_AGDR2_NUM069_073026_Attachment

		Kentucky-American O&M Labor	Kentucky-American Capitalized Labor	AW Service Co O&M Labor
2020	Actual	$9,365,644	$4,992,320	$7,144,921
2020	Budget	10,817,948	4,292,954	6,849,697
2021	Actual	8,829,171	5,460,823	7,590,006
2021	Budget	10,417,615	5,587,298	7,297,363
2022	Actual	9,799,090	6,023,700	6,902,206
2022	Budget	10,615,097	5,512,696	8,345,837
2023	Actual	11,027,255	6,783,929	7,088,415
2023	Budget	11,184,565	5,771,195	7,681,669
2024	Actual	11,163,102	7,048,198	7,921,435
2024	Budget	11,754,437	6,300,190	7,459,200
2025	Actual	12,336,001	7,589,753	9,274,377
2025	Budget	12,866,124	7,374,561	8,768,190
Base Year		14,042,757	7,513,552	9,572,646
Forecast Year		17,492,276	9,116,966	9,932,777

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

Witness: Robert Prendergast

70. Payroll. Refer to Kentucky American's response to the Staff's First Request, Item 24 Attachment. Update the Attachment to contain information for 2018, 2019, and 2020.

Response:

Please see KAW_R_AGDR2_NUM070_073026_Attachment.

FORECAST YEAR

	2027																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production		57		57		57		57		57		57		57		57		57		57		57		57
Distribution		102		102		102		102		102		102		102		102		102		102		102		102
Commercial		0		0		0		0		0		0		0		0		0		0		0		0
Admin & General		47		47		47		47		47		47		47		47		47		47		47		47
		206		206		206		206		206		206		206		206		206		206		206		206

BASE YEAR

	2025								2026															
	September		October		November		December		January		February		March		April		May		June		July		August	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	39	46	40	46	41	46	40	46	40	50	40	50	40	50	40	50	38	50	39	50		50		50
Distribution	76	88	76	88	76	88	76	88	76	86	76	86	73	86	72	86	73	86	88	86		86		86
Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0		0
Admin & General	34	31	34	31	35	31	37	31	37	32	38	32	37	32	41	32	45	32	44	32		32		32
	149	165	150	165	152	165	153	165	153	168	154	168	150	168	153	168	156	168	171	168		168		168

5 YEARS' HISTORY

	2025																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	37	47	40	47	39	47	39	47	37	47	35	47	36	47	36	47	39	46	40	46	41	46	40	46
Distribution	73	86	75	86	74	86	76	86	77	86	77	86	77	86	77	86	76	88	76	88	76	88	76	88
Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin & General	28	32	27	32	27	32	28	32	35	32	36	32	37	32	33	32	34	31	34	31	35	31	37	31
	138	165	142	165	140	165	143	165	149	165	148	165	150	165	146	165	149	165	150	165	152	165	153	165

	2024																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	43	47	43	47	44	47	43	47	42	47	41	47	41	47	41	47	43	47	41	47	40	47	37	47
Distribution	71	74	71	74	72	74	72	74	72	74	71	74	71	74	71	74	70	74	69	73	69	73	72	73
Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin & General	31	32	30	32	29	32	29	32	29	32	29	32	29	32	29	32	29	32	31	32	30	32	27	32
	145	153	144	153	145	153	144	153	143	153	141	153	141	153	141	153	142	153	141	152	139	152	136	152

	2023																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	43	43	44	43	42	43	42	43	44	43	43	45	43	45	43	45	43	45	43	45	43	45	43	45
Distribution	71	67	71	67	72	67	73	67	74	67	74	69	73	69	73	69	73	69	72	69	72	69	71	69
Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Admin & General	39	38	38	38	38	38	37	38	34	38	34	38	33	38	33	38	32	38	31	38	31	38	32	38
	153	148	153	148	152	148	152	148	152	148	151	152	149	152	149	152	148	152	146	152	146	152	146	152

	2022																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	43	44	43	44	44	44	43	44	44	44	45	44	43	44	42	44	44	44	44	44	43	44	42	44
Distribution	64	70	65	70	66	70	65	70	64	70	67	70	70	70	70	70	70	70	70	70	72	70	71	70
Commercial	8	8	8	8	8	8	8	8	7	8	7	8	7	8	7	8	7	8	5	8	5	8	5	8
Admin & General	28	29	28	29	28	29	28	29	34	29	34	29	31	29	30	29	30	29	31	29	32	29	33	29
	143	151	144	151	146	151	144	151	149	151	153	151	151	151	149	151	151	151	150	151	152	151	151	151

	2021																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	41	45	42	45	42	45	42	45	41	45	42	45	43	45	43	45	44	45	44	45	44	45	44	45
Distribution	67	70	64	70	61	70	61	70	62	70	65	70	63	70	65	70	66	70	67	70	65	70	64	70
Commercial	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Admin & General	27	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28	29	28	29	28	29	28	28	28
	143	151	142	151	139	151	139	151	139	151	143	151	142	151	144	151	147	151	148	151	146	151	144	151

	2020																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	43	44	43	44	44	44	44	44	44	44	43	44	42	44	44	44	44	44	43	44	42	44	41	44
Distribution	66	73	65	73	67	73	70	73	69	73	68	73	68	73	68	73	68	73	66	73	67	73	67	73
Commercial	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	9	8	8	8	8	8
Admin & General	24	25	23	25	24	25	24	25	26	25	28	25	28	25	27	25	27	25	27	25	28	25	27	25
	141	150	139	150	143	150	146	150	147	150	147	150	146	150	147	150	147	150	145	150	145	150	143	150

	2019																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	39	46	41	46	41	46	42	46	42	46	43	46	41	46	42	46	43	46	42	46	42	46	43	46
Distribution	67	73	69	73	69	73	68	73	65	73	65	73	64	73	61	73	66	73	67	73	66	73	66	73
Commercial	7	9	8	9	8	9	8	9	8	9	8	9	8	9	8	9	7	9	7	9	8	9	8	9
Admin & General	24	25	25	25	25	25	24	25	25	25	26	25	25	25	25	25	25	25	25	25	26	25	25	25
	137	153	143	153	143	153	142	153	140	153	142	153	138	153	136	153	141	153	141	153	142	153	142	153

	2018																							
	January		February		March		April		May		June		July		August		September		October		November		December	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Production	40	42	39	42	41	42	41	42	42	42	43	42	42	42	40	42	40	42	40	42	42	42	42	42
Distribution	58	62	61	62	59	62	61	62	61	62	62	62	67	62	67	62	67	62	68	62	66	62	69	62
Commercial	9	12	9	12	8	12	7	12	7	12	7	12	7	12	7	12	7	12	7	12	6	12	6	12
Admin & General	26	25	26	25	25	25	24	25	24	25	23	25	23	25	24	25	24	25	24	25	25	25	24	25
	133	141	135	141	133	141	133	141	134	141	135	141	139	141	138	141	138	141	139	141	139	141	141	141

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

Witness: John Watkins

71. Plant. Refer to Kentucky American's response to the Attorney General's First Request, Item 149 Attachment. Provide an update to the chart to include 2020 information.

Response:

Please see KAW_R_AGDR2_NUM071_073026_Attachment for the update to the chart to include 2020 information.

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

Witness: Linda Schlessman

72. Property Taxes. Refer to Kentucky American's response to the Attorney General's First Request, Item 153.
    a. Confirm no refunds were received in 2021, 2022, and 2024. If refunds were received, provide the amount received for each year.
    b. Explain why no refunds/settlements were reflected in the base year and forecast test period.

Response:

a. Please see KAW_R_AGDR1_NUM153_062626_Attachment1 submitted with KAW_R_AGDR1_NUM153_062626 for a listing of refunds for tax years 2021-2023. Confirming that no refunds were received for 2024.
b. Refunds and settlements were not reflected in the base year and forecast test period because there is no guarantee that a refund or settlement will be obtained in the test year or forecast test period.

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

Witness: Linda Schlessman

73. Property Taxes. Refer to page 62 of the Final Order in Case No. 2023-00191. The Order states, "Kentucky American also explained that it appeals its property tax assessments to lower its property tax bill on a regular basis and that its customers should benefit from appeals that are successful." Explain how customers receive the benefit of the appeals each year.

Response:

The statement referenced is included in the Accounting Deferral section of the Order. The section describes Kentucky-American's request in Case No. 2023-00191 to defer several items, including taxes other than income. Kentucky-American proposed in Case No. 2023-00191 to defer successful settlements of property tax appeals into a regulatory liability so that the customers would receive the benefit of successful property tax appeals. The intention being that the Company would include in rates the assessments as billed and if successful on appealing would credit customers the amounts of successful appeals when finalized. However, in the Order the proposal was rejected. Currently, based on rates set in Case No. 2025-00122, customers receive the benefit of appeals by calculating property tax expense on an assumption of a successful appeal in the future based on an average of successful appeals in the past. As described in pages 4-5 of Ms. Schlessman's Direct Testimony, the issue with this method is that it assumes a successful outcome, which is not guaranteed. Furthermore, the appeals process is often a multi-year process, and final assessments may not be available until well after the initial assessment is received.

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

Witness: Linda Schlessman

74. Property Tax. Refer to the Company's response to the Attorney General's First Request Item 150 and the response to Staff Second Request, Item 40.
    a. Provide the calculations and documentation supporting the 3%.
    b. State whether the same methodology was used in prior rate cases.

Response:

a. As described in KAW_R_PSCDR2_NUM040_062626, the 3 percent factor is an internal inflationary escalation metric applied to the effective property tax rate-to-assessment ratio to reflect expected increases in property tax rates. The 3 percent represents a reasonable estimate of inflation between the most recent assessment and the rate year. Accordingly, the application of this factor is an estimate intended to approximate anticipated changes in property tax levels. The 3 percent factor is intended to estimate the escalation of property taxes based on the changes to the mix of real and personal property which are taxed at different rates. The mix of property for tax purposes is not known at the time of preparation of this case. There are no calculations to arrive at the 3 percent rate.
b. Yes. The 3 percent methodology has been used in prior rate cases.

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

Witness: Chuck Rea

75. Georgetown Municipal Water and Sewer Service ("GMWSS"). Refer to Kentucky American's response to GMWSS's Motion to Intervene, pages 2 – 3, Kentucky American's Notice of Retraction filed on June 12, 2026, and the Application generally.
    a. Provide the monthly number of gallons of water that GMWSS purchased from Kentucky American for each of the years 2021, 2022, 2023, 2024, 2025, year-to-date 2026, and included in the base period and the forecast test period.
    b. Explain the reason for increases in GMWSS monthly purchases over 10% in each of the years.
    c. Provide a detailed explanation of how the GMWSS purchases are reflected in the test year, base period, and forecast test period.
    d. Provide the total monthly revenues billed to GMWSS by Kentucky American in each of the years 2021, 2022, 2023, 2024, 2025, year-to-date 2026, and included in the base period and the forecast test period.
    e. Provide the total revenues received from GMWSS in each of the years 2021, 2022, 2023, 2024, 2025, year-to-date 2026, and included in the base period and forecast test period.
    f. Provide a detailed explanation of how the revenues received from GMWSS are reflected in the test year, base period, and forecast test period revenue requirement.
    g. Identify the specific schedules and workpaper where the GMWSS amounts are reflected in 2025, base period, and forecast test period in the revenue requirement schedules.

Response:

a. Please see KAW_R_AGDR2_NUM075_073026_Attachment 1 for Georgetown Municipal Water and Sewer Service Sales for Resale and Other Public Authority historical usage by service period.
b. The Company does not have information regarding the reasons for monthly historical increases (and decreases) over 10% in GMWSS's water usage. GMWSS would be the appropriate entity to provide that information including the reason for the unusual high purchase shown in SFR account 220040961440 during the two months, February 2026 and March 2026 and the big drop to almost no usage from April 2026 through current period.
c. Historical GMWSS Sales for Resale and Other Public Authority billed usage is reflected in the Company's base period usage where actuals were available for each respective class. The Company used three years of historical billed usage to calculate an average usage amount by customer for the Sales for Resale class. Projected Sales for Resale usage for GMWSS, determined by using a three-year average, is included in the total projected Sales for Resale usage for the test period. GMWSS's historical

billed Other Public Authority usage is embedded in KYAW's total Other Public Authority usage which was used to project usage for the test period.

d. Please see KAW_R_AGDR2_NUM075_073026_Attachment 2 for actual GMWSS billed and estimated forecasted revenue inclusive of base rate and QIP revenues for Sales for Resale and OPA contracts billed to GMWSS.
e. Please refer to d. above.
f. Please refer to c. above.
g. Billing determinants and the revenue associated with those billing determinants for GMWSS are assigned to the appropriate customer classes for the base year and test period in the following revenue schedules:
   - KAWC 2026 Rate Case – Exhibit 25
   - KAWC 2026 Rate Case – Exhibit 37 (I-2),(I-3),(I-4),(I-5) Revenue Statistics
   - KAWC 2026 Rate Case – Exhibit 37 (M,N) Revenue Present & Proposed
   - KAWC 2026 Rate Case – Exhibits (25, 26, 37) Revenue WP Support.

Georgetown Municipal Water and Sewer Service
Sales for Resale Usage
Contract Account 210010314282

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
01/25/2023	02/21/2023	1,339	
02/22/2023	03/20/2023	1,571	17%
03/21/2023	04/21/2023	1,907	21%
04/22/2023	05/18/2023	2,035	7%
05/19/2023	06/20/2023	1,678	-18%
06/21/2023	07/21/2023	1,929	15%
07/22/2023	08/17/2023	1,331	-31%
08/18/2023	09/19/2023	1,555	17%
09/20/2023	10/18/2023	2,776	79%
10/19/2023	11/17/2023	2,145	-23%
11/18/2023	12/20/2023	1,894	-12%
12/21/2023	01/22/2024	2,496	32%
01/23/2024	02/19/2024	1,842	-26%
02/20/2024	03/19/2024	2,196	19%
03/20/2024	04/18/2024	2,166	-1%
04/19/2024	05/20/2024	1,432	-34%
05/21/2024	06/18/2024	1,631	14%
06/19/2024	07/19/2024	1,687	3%
07/20/2024	08/19/2024	2,981	77%
08/20/2024	09/19/2024	2,796	-6%
09/20/2024	10/17/2024	2,127	-24%
10/18/2024	11/19/2024	2,472	16%
11/20/2024	12/17/2024	2,677	8%
12/18/2024	01/21/2025	3,175	19%
01/22/2025	02/20/2025	3,211	1%
02/21/2025	03/20/2025	2,286	-29%
03/21/2025	04/17/2025	2,602	14%
04/18/2025	05/20/2025	2,894	11%
05/21/2025	06/18/2025	2,895	0%
06/19/2025	07/21/2025	3,424	18%
07/22/2025	08/21/2025	2,508	-27%
08/22/2025	09/22/2025	2,615	4%
09/23/2025	10/21/2025	2,387	-9%
10/22/2025	11/20/2025	1,512	-37%
11/21/2025	12/18/2025	871	-42%
12/19/2025	01/21/2026	1,120	29%
01/22/2026	02/19/2026	917	-18%
02/20/2026	03/19/2026	903	-2%

03/20/2026	04/17/2026	1,022	13%
04/18/2026	05/19/2026	1,607	57%
05/20/2026	06/17/2026	1,265	-21%

Georgetown Municipal Water Service
Sales for Resale Usage
Contract Account 220040961440

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
07/17/2024	07/19/2024	587	
07/17/2024	07/31/2024	-	-100%
07/20/2024	08/20/2024	5,096	
08/21/2024	09/19/2024	1	-100%
09/26/2024	11/23/2024	3,681	368000%
09/16/2025	10/20/2025	4,549	24%
10/21/2025	11/19/2025	19,443	327%
11/20/2025	11/30/2025	52	-100%
02/04/2026	02/18/2026	179,349	344802%
02/19/2026	03/18/2026	334,786	87%
03/19/2026	04/20/2026	2	-100%
04/21/2026	05/19/2026	2	0%
05/20/2026	06/17/2026	2	0%

Georgetown Municipal Water Service
Other Public Authority
Contract Account 2.10009E+11

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
02/21/2023	03/20/2023	-	
03/21/2023	04/21/2023	-	
04/22/2023	05/17/2023	-	
05/18/2023	06/20/2023	-	
06/21/2023	07/19/2023	-	
07/20/2023	08/17/2023	-	
08/18/2023	09/19/2023	-	
09/20/2023	10/19/2023	-	
10/20/2023	11/16/2023	-	
11/17/2023	12/19/2023	-	
12/20/2023	01/22/2024	-	
01/23/2024	02/19/2024	-	
02/20/2024	03/19/2024	172	
03/20/2024	04/17/2024	-	-100%
04/18/2024	05/17/2024	-	
05/18/2024	06/19/2024	-	
06/20/2024	07/19/2024	-	
07/20/2024	08/19/2024	-	
08/20/2024	09/19/2024	-	
09/20/2024	10/17/2024	5	
10/18/2024	11/18/2024	-	-100%
11/19/2024	12/17/2024	-	
12/18/2024	01/21/2025	-	
01/22/2025	02/20/2025	-	
02/21/2025	03/20/2025	-	
03/21/2025	04/17/2025	-	
04/18/2025	05/20/2025	-	
05/21/2025	06/18/2025	-	
06/19/2025	07/21/2025	-	
07/22/2025	08/20/2025	-	
08/21/2025	09/22/2025	-	
09/23/2025	10/20/2025	-	
10/21/2025	11/19/2025	-	
11/20/2025	12/18/2025	-	
12/19/2025	01/20/2026	-	
01/21/2026	02/19/2026	-	
02/20/2026	03/18/2026	-	
03/19/2026	04/17/2026	-	

04/18/2026	05/19/2026	-
05/20/2026	06/16/2026	-

Georgetown Municipal Water Service
Other Public Authority
Contract Account **210009992392**

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
02/22/2023	03/21/2023	-	
03/22/2023	04/24/2023	-	
04/25/2023	05/17/2023	-	
05/18/2023	06/20/2023	-	
06/21/2023	07/20/2023	-	
07/21/2023	08/18/2023	-	
08/19/2023	09/19/2023	-	
09/20/2023	10/20/2023	13	
10/21/2023	11/17/2023	20	54%
11/18/2023	12/19/2023	22	10%
12/20/2023	01/22/2024	21	-5%
01/23/2024	02/19/2024	17	-19%
02/20/2024	03/19/2024	18	6%
03/20/2024	04/17/2024	20	11%
04/18/2024	05/17/2024	61	205%
05/18/2024	06/19/2024	63	3%
06/20/2024	07/19/2024	8	-87%
07/20/2024	08/19/2024	6	-25%
08/20/2024	09/19/2024	10	67%
09/20/2024	10/17/2024	12	20%
10/18/2024	11/19/2024	15	25%
11/20/2024	12/17/2024	14	-7%
12/18/2024	01/21/2025	17	21%
01/22/2025	02/20/2025	14	-18%
02/21/2025	03/20/2025	12	-14%
03/21/2025	04/17/2025	15	25%
04/18/2025	05/20/2025	41	173%
05/21/2025	06/18/2025	50	22%
06/19/2025	07/21/2025	42	-16%
07/22/2025	08/20/2025	42	0%
08/21/2025	09/23/2025	52	24%
09/24/2025	10/21/2025	48	-8%
10/22/2025	11/19/2025	51	6%
11/20/2025	12/18/2025	41	-20%
12/19/2025	01/21/2026	46	12%
01/22/2026	02/19/2026	38	-17%
02/20/2026	03/18/2026	31	-18%
03/19/2026	04/20/2026	17	-45%

04/21/2026	05/19/2026	23	35%
05/20/2026	06/16/2026	165	617%

Georgetown Municipal Water Service
Other Public Authority
Contract Account 210010313470

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
12/20/2023	01/22/2024	-	
01/23/2024	02/20/2024	-	
02/21/2024	03/19/2024	-	
03/20/2024	04/17/2024	-	
04/18/2024	05/17/2024	-	
05/18/2024	06/18/2024	-	
06/19/2024	07/19/2024	-	
07/20/2024	08/19/2024	-	
08/20/2024	09/19/2024	-	
09/20/2024	10/17/2024	-	
10/18/2024	11/18/2024	-	
11/19/2024	12/17/2024	-	
12/18/2024	01/19/2025	-	
01/20/2025	02/20/2025	-	
02/21/2025	03/20/2025	-	
03/21/2025	04/17/2025	-	
04/18/2025	05/20/2025	-	
05/21/2025	06/18/2025	-	
06/19/2025	07/21/2025	-	
07/22/2025	08/20/2025	-	
08/21/2025	09/19/2025	-	
09/20/2025	10/20/2025	-	
10/21/2025	11/19/2025	38	
11/20/2025	12/18/2025	-	-100%
12/19/2025	01/21/2026	-	
01/22/2026	02/18/2026	-	
02/19/2026	03/18/2026	-	
03/19/2026	04/20/2026	-	
04/21/2026	05/19/2026	-	
05/20/2026	06/17/2026	-	

Georgetown Municipal Water Service
Other Public Authority
Contract Account 210010314282

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
12/22/2020	01/20/2021	524	
01/21/2021	02/17/2021	957	83%
02/18/2021	03/19/2021	479	-50%
03/20/2021	04/21/2021	972	103%
04/22/2021	05/20/2021	763	-22%
05/21/2021	06/17/2021	471	-38%
06/18/2021	07/21/2021	359	-24%
07/22/2021	08/19/2021	404	13%
08/20/2021	09/21/2021	456	13%
09/22/2021	10/22/2021	352	-23%
10/23/2021	11/19/2021	928	164%
11/20/2021	12/21/2021	696	-25%
12/22/2021	01/21/2022	471	-32%
01/22/2022	02/21/2022	845	79%
02/22/2022	03/18/2022	509	-40%
03/19/2022	04/21/2022	591	16%
04/22/2022	05/19/2022	576	-3%
05/20/2022	06/16/2022	703	22%
06/17/2022	07/21/2022	658	-6%
07/22/2022	08/22/2022	486	-26%
08/23/2022	09/22/2022	673	38%
09/23/2022	10/21/2022	1,197	78%
10/22/2022	11/18/2022	1,631	36%
11/19/2022	12/21/2022	1,100	-33%
12/22/2022	01/24/2023	1,616	47%

Georgetown Municipal Water Service
Other Public Authority
Contract Account 220005338993

Service Period		Usage	
Start billing period	End billing period	(HGAL's)	% Change Month Over Month
12/23/2020	01/20/2021	-	
01/21/2021	02/17/2021	-	
02/18/2021	03/19/2021	-	
03/20/2021	04/21/2021	-	
04/22/2021	05/19/2021	-	
05/20/2021	06/17/2021	-	
06/18/2021	07/21/2021	-	
07/22/2021	08/18/2021	-	
08/19/2021	09/20/2021	-	
09/21/2021	10/20/2021	-	
10/21/2021	11/18/2021	-	
11/19/2021	12/21/2021	-	
12/22/2021	01/21/2022	-	
01/22/2022	02/18/2022	-	
02/19/2022	03/17/2022	-	
03/18/2022	04/21/2022	-	
04/22/2022	05/18/2022	1	
05/19/2022	06/16/2022	-	-100%
06/17/2022	07/20/2022	-	
07/21/2022	08/18/2022	-	
08/19/2022	09/21/2022	-	
09/22/2022	10/20/2022	-	
10/21/2022	11/17/2022	-	
11/18/2022	12/22/2022	-	
12/23/2022	01/24/2023	-	
05/18/2023	06/20/2023	-	
06/21/2023	07/19/2023	-	
07/20/2023	08/17/2023	-	
08/18/2023	09/19/2023	-	
09/20/2023	10/23/2023	-	
10/24/2023	11/16/2023	-	
11/17/2023	12/20/2023	-	
12/21/2023	01/22/2024	1	
01/23/2024	02/19/2024	-	-100%
02/20/2024	03/19/2024	-	
03/20/2024	04/18/2024	-	
04/19/2024	05/17/2024	-	
05/18/2024	06/19/2024	-	

06/20/2024	07/19/2024	-
07/20/2024	08/19/2024	-
08/20/2024	09/20/2024	-
09/21/2024	10/17/2024	-
10/18/2024	11/18/2024	-
11/19/2024	12/17/2024	-
12/18/2024	01/21/2025	-
01/22/2025	02/20/2025	-
02/21/2025	03/20/2025	-
03/21/2025	04/17/2025	-
04/18/2025	05/20/2025	-
05/21/2025	06/18/2025	-
06/19/2025	07/21/2025	-
07/22/2025	08/20/2025	-
08/21/2025	09/23/2025	-
09/24/2025	10/21/2025	-
10/22/2025	11/19/2025	-
11/20/2025	12/18/2025	-
12/19/2025	01/21/2026	-
01/22/2026	02/19/2026	-
02/20/2026	03/19/2026	-
03/20/2026	04/17/2026	-
04/18/2026	05/19/2026	-

Georgetown Municipal Water and Sewer Service
Billed Revenue

Period	Actual Revenue	Estimated Forecasted Revenue
Jan-21	$1,294	[redacted]
Feb-21	1,504	[redacted]
Mar-21	1,273	[redacted]
Apr-21	1,512	[redacted]
May-21	1,410	[redacted]
Jun-21	1,269	[redacted]
Jul-21	1,223	[redacted]
Aug-21	1,249	[redacted]
Sep-21	1,275	[redacted]
Oct-21	1,224	[redacted]
Nov-21	1,506	[redacted]
Dec-21	1,392	[redacted]
Jan-22	398	[redacted]
Feb-22	582	[redacted]
Mar-22	417	[redacted]
Apr-22	457	[redacted]
May-22	451	[redacted]
Jun-22	512	[redacted]
Jul-22	498	[redacted]
Aug-22	416	[redacted]
Sep-22	510	[redacted]
Oct-22	773	[redacted]
Nov-22	3,868	[redacted]
Dec-22	1,630	[redacted]
Jan-23	1,889	[redacted]
Feb-23	1,703	[redacted]
Mar-23	1,804	[redacted]
Apr-23	1,953	[redacted]
May-23	2,009	[redacted]
Jun-23	1,851	[redacted]
Jul-23	1,962	[redacted]
Aug-23	1,697	[redacted]
Sep-23	1,797	[redacted]
Oct-23	2,398	[redacted]
Nov-23	2,143	[redacted]
Dec-23	2,028	[redacted]
Jan-24	2,305	[redacted]

Feb-24	2,246	[redacted]	
Mar-24	2,799	[redacted]	
Apr-24	2,671	[redacted]	
May-24	2,275	[redacted]	
Jun-24	2,391	[redacted]	
Jul-24	2,163	[redacted]	
Aug-24	24,394	[redacted]	
Sep-24	3,506	[redacted]	
Oct-24	2,326	[redacted]	
Nov-24	6,094	[redacted]	
Dec-24	2,736	[redacted]	
Jan-25	3,079	[redacted]	
Feb-25	3,153	[redacted]	
Mar-25	2,642	[redacted]	
Apr-25	2,818	[redacted]	
May-25	2,995	[redacted]	
Jun-25	3,001	[redacted]	
Jul-25	3,287	[redacted]	
Aug-25	2,784	[redacted]	
Sep-25	2,849	[redacted]	
Oct-25	6,194	[redacted]	
Nov-25	13,932	[redacted]	
Dec-25	2,292	[redacted]	
Jan-26	2,373	[redacted]	
Feb-26	4,001	[redacted]	
Mar-26	2,181	$5,107	
Apr-26	9,593	5,113	
May-26	6,291	5,395	
Jun-26	421,542	5,617	* One time high usage due to maintenance
Jul-26	[redacted]	5,837	
Aug-26	[redacted]	5,913	
Sep-26	[redacted]	5,748	
Oct-26	[redacted]	5,518	
Nov-26	[redacted]	5,065	
Dec-26	[redacted]	5,118	
Jan-27	[redacted]	5,304	
Feb-27	[redacted]	4,954	
Mar-27	[redacted]	5,107	
Apr-27	[redacted]	5,113	
May-27	[redacted]	5,395	
Jun-27	[redacted]	5,617	
Jul-27	[redacted]	5,837	
Aug-27	[redacted]	5,913	
Sep-27	[redacted]	5,748	

Oct-27	[redacted]	5,518
Nov-27		5,065
Dec-27		5,118

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

Witness: Chuck Rea

76. Georgetown Municipal Water and Sewer Service. Refer to Kentucky-American's Notice of Retraction filed on June 12, 2026 and the Application generally. If the amounts in the Application are incorrect, does the Company plan to update its revenue requirement? If so, quantify the change to the forecast test period and provide the corrected revenue requirement schedules and workpapers highlighting where the information was corrected. If not, explain why not.

Response:

The Company does not plan on updating the revenue requirement for usage related to Georgetown Municipal Water and Sewer Service ("GMWSS") sales for resale service that occurred in February and March of 2026 because, upon information and belief, that usage is a one-time aberration resulting from maintenance performed on GMWSS's system and is not forecasted to continue in the forecast test period. Based on GMWSS's historical usage, excluding the system-maintenance-related usage that occurred in February and March, the Company does not reasonably expect similar usage levels to occur during the test year. Please see KAW_R_AGSDR2_NUM075_073026_Attachment to see the historical consumption from GMWSS.

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

Witness: Chuck Rea

77. Georgetown Municipal Water and Sewer Service. Refer to Kentucky-American's Notice of Retraction filed on June 12, 2026. Provide the reasons why Kentucky American reflected incorrect revenues pertaining to GMWSS in the base period and forecast test period in this case.

Response:

Georgetown Municipal Water and Sewer Service (GMWSS) did not notify the Company of its operational need that resulted in the elevated usage for February and March of 2026. The Company did not post sales-for-resale usage for GMWSS's elevated February and March usage until June 2026 while it investigated and confirmed the abnormally high usage levels.

Because the February and March usage amounts were abnormally high, the Company initially estimated the bills rather than billing actual usage before confirmation.

Please refer to the Company's response to KAW_R_AGDR2_NUM076_073026 for additional information.

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

Witness: Chuck Rea

78. GMWSS. Refer to Kentucky-American's response to GMWSS's Motion to Intervene, and the Application generally

a. Provide Kentucky American's monthly costs to provide water to GMWSS in each of the years 2021, 2022, 2023, 2024, 2025, year-to-date 2026, and forecasted for the base period and the forecast test period.
b. Provide a detailed explanation of how and where the costs to provide service to GMWSS are reflected in the test year, base period, and forecast test period revenue requirement.

Response:

a. The Company does not track or forecast the cost to provide service to individual customers.
b. Customer-specific costs are not itemized separately in the Company's rate case filing. Cost of service allocations to the Company's customer classes are reflected in the Company's class cost of service study, which can be found in KAW_R_PSCDR1_NUM003_052926_Attachment provided in response to KAW_R_PSCDR1_NUM003.

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

Witness: Chuck Rea

79. GMWSS. Refer to Kentucky-American's response to GMWSS's Motion to Intervene, and the Application generally. Provide Kentucky American's monthly profit margin from providing water to GMWSS in each of the years 2021, 2022, 2023, 2024, 2025, year-to-date 2026, and forecasted for the base period and the forecast test period.

Response:

Please see the Company's response to KAW_R_AGDR2_NUM078_073026. The Company does not have profit margin information from individual customers.

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

Witness: Robert Prendergast

80. Support Services-Office Supplies Expense. Refer to Kentucky American's response to the Attorney General's First Request, Item 157.
   a. Explain the reason for the large increase to Account 53401500 Office Supplies expense in 2025 over the prior year.
   b. Explain the reason for the large increase to Account 53401500 Office Supplies expense in the base year over the 2025 level, and explain why this level is expected to continue in the forecast test period.
   c. Provide supporting documentation for the forecast test period level. (quotes, invoices, contracts.)

Response:

a. The increase to Account 53401500 Office Supplies expense in 2025 over the prior year is primarily driven by an increase for software licenses.
b. The increase to Account 53401500 Office Supplies expense in the base year over the 2025 level is also primarily driven by an increase for software licenses.

   The increased level of expense is expected to continue in the forecasted test period as the incremental cost increases reflected in the adjustment are attributable to various software expenses including higher contract renewal costs, investments in new software, software required to support new projects, and additional software needs associated with physical security and cybersecurity.
c. Please refer to KAW_R_AGDR2_NUM080_073026_Attachment_CONFIDENTIAL for the supporting documentation for the forecast test period. The attachment is confidential and is being provided pursuant to a petition for confidential protection.

KAW_R_AGDR2_NUM080_073026_Attachment_CONFIDENTIAL FILED UNDER SEAL PURSUANT TO THE PETITION FOR CONFIDENTIAL PROTECTION FILED ON JULY 30, 2026

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

Witness: Robert Prendergast

81. Temporary Help. Refer to Kentucky American's response to the Attorney General's First Request, Item 170.
    a. Explain the reason for the large increase to temporary help in 2025 over the prior years.
    b. Explain why the Company expects this level to continue in the forecast test period despite the additional full-time equivalents ("FTEs") it is requesting recovery of in the forecast test period.
    c. Explain how the forecast test period amount was calculated and include all supporting calculations

Response:

a. Temporary help was utilized throughout 2025 to assist with production operations.
b. The first six months of base year expense already totals $82K and is tracking to exceed 2025 levels. The Company projected temporary help along with all other contracted services as flat from 2025 levels despite the probability of inflationary pressures. The Company did not project an increase in temporary help under the premise of being fully staffed in the forecasted test year.
c. Contracted services expense, which includes temporary help, was projected to stay flat from 2025 with an increase related to acquisitions. An adjustment to Contract Services was made to account for the three acquisitions included in the case, please see the Company's response to PSCDR3_NUM006.

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

Witness: Robert Prendergast

82. Uncollectibles. Refer to Kentucky American's response to the Attorney General's First Request, Item 174.
    a. Update the chart to contain information for the years 2018, 2019, and 2020.
    b. Explain the reason for the large increase in write-offs in 2021 over the other years shown. State whether the increased level was due to impacts of the COVID-19 pandemic.

Response:

a. The table included in the Attorney General's First Request, Item 174, has been updated to include the years 2018, 2019 and 2020, the billed revenue and net write-offs.

Year	Billed Revenue	Net Write Offs
2018	$92,074,487	$865,343
2019	93,556,464	733,604
2020	99,857,702	567,353
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

The Company concluded that the increase in write-offs during 2021 was attributable to the impacts of the COVID-19 pandemic. During the period from July through December 2020, when a disconnection moratorium was in effect, the average monthly write-off amount decreased from approximately $68,000 to $34,740. After the moratorium was lifted, the average monthly write-off amount increased to approximately $106,000 during the first half of 2021, before returning to the prior average of approximately $65,000 during the second half of the year.

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

Witness: Robert Prendergast

83. Lobbying, Government Affairs, Regulatory Policy Expenses and Political Advocacy Response. Refer to Kentucky American's response to the Attorney General's First Request, Item 126 Attachment. State whether the amounts included in subpart (b) are also included in the amounts in subpart (a).

Response:

Referring to Item 126 Attachment, subpart a. includes the amounts in subpart b.

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

Witness: William A. Lewis

84. Unaccounted for Water. Refer to Kentucky American's response to the Attorney General's First Request, Item 176. Do the unaccounted-for-water loss percentages contain Water Service of Kentucky and Livingston's unaccounted-for-water loss percentages for the months since they were acquired? If not, explain why not and update the Attachment to include water loss percentages for Water Service and Livingston's water losses as well as Black Mountain.

Response:

Yes, KAWC is including new acquisitions in current unaccounted-for-water reports. For example, the first full month of KAWC operations in Livingston was May 2026 and unaccounted-for-water was included in required statewide reporting for that month. Water Service of Kentucky data is included beginning with the June 2026 metrics. Black Mountain water data is not currently included because that acquisition has not yet occurred.

Please see KAW_R_AGDR2_NUM084_073026_Attachment 1 for the current unaccounted-for-water loss report through June 2026. Livingston and Water Services Corporation of Kentucky (Clinton and Middlesboro combined) have been shown separately as well as KAWC with acquisitions (page 4) and without the acquisitions (page 1).

Kentucky-American Water
Monthly Unaccounted-For-Water Statistics
For the Period Jan 2025 to Jun 2026

Kentucky-American (Excluding Livingston and Nexus Acquisitions)

Month	Water Produced	Water Purchased For Resale	Calculated System Delivery	Water Sales	Non-Revenue Water	NRW Percentage	Other Water Used	Water Loss	Water Loss Percentage
Jan-25	1,287,408	10,009	1,297,417	1,010,993	286,424	22.08%	9,443	276,981	21.35%
Feb-25	1,113,162	6,786	1,119,948	1,024,596	95,352	8.51%	5,797	89,555	8.00%
Mar-25	1,193,549	10,653	1,204,202	891,445	312,757	25.97%	15,932	296,825	24.65%
Apr-25	1,174,506	10,941	1,185,447	807,289	378,158	31.90%	18,399	359,759	30.35%
May-25	1,270,181	10,957	1,281,138	1,089,476	191,662	14.96%	20,078	171,584	13.39%
Jun-25	1,324,046	10,494	1,334,540	1,015,163	319,377	23.93%	6,352	313,026	23.46%
Jul-25	1,494,633	10,997	1,505,630	1,215,197	290,433	19.29%	6,424	284,009	18.86%
Aug-25	1,567,219	12,209	1,579,428	1,333,398	246,030	15.58%	8,603	237,427	15.03%
Sep-25	1,501,526	11,180	1,512,706	1,418,025	94,681	6.26%	4,741	89,940	5.95%
Oct-25	1,351,622	26,574	1,378,196	1,130,089	248,107	18.00%	6,159	241,948	17.56%
Nov-25	1,129,542	29,956	1,159,498	1,048,132	111,366	9.60%	4,610	106,756	9.21%
Dec-25	1,167,753	26,090	1,193,843	892,066	301,777	25.28%	2,979	298,798	25.03%
Total 2025	**15,575,147**	**176,846**	**15,751,993**	**12,875,869**	**2,876,124**	**18.26%**	**109,517**	**2,766,607**	**17.56%**
Jan-26	1,192,316	27,018	1,219,334	940,188	279,146	22.89%	1,122	278,024	22.80%
Feb-26	1,207,044	34,096	1,241,140	933,022	308,118	24.83%	3,429	304,689	24.55%
Mar-26	1,208,463	32,611	1,241,074	990,717	250,357	20.17%	3,873	246,484	19.86%
Apr-26	1,246,075	30,659	1,276,734	982,979	293,755	23.01%	15,619	278,136	21.78%
May-26	1,338,118	32,711	1,370,829	1,126,028	244,801	17.86%	16,368	228,433	16.66%
Jun-26	1,311,614	58,553	1,370,167	1,171,010	199,157	14.54%	-	199,157	14.54%
12 Mos Jun 2026	**15,715,925**	**332,654**	**16,048,579**	**13,180,851**	**2,867,728**	**17.87%**	**73,927**	**2,793,801**	**17.41%**

Kentucky-American Water
Monthly Unaccounted-For-Water Statistics
For the Period Jan 2025 to Jun 2026

Livingston

Month	Water Produced	Water Purchased For Resale	Calculated System Delivery	Water Sales	Non-Revenue Water	NRW Percentage	Other Water Used	Water Loss	Water Loss Percentage
Jan-25									
Feb-25									
Mar-25									
Apr-25									
May-25									
Jun-25									
Jul-25									
Aug-25									
Sep-25									
Oct-25									
Nov-25									
Dec-25									
Total 2025									
Jan-26									
Feb-26									
Mar-26									
Apr-26									
May-26	-	2,059	2,059	145	1,914	92.96%	-	1,914	92.96%
Jun-26	-	1,709	1,709	450	1,259	73.67%	-	1,259	73.67%
12 Mos Jun 2026	**-**	**3,768**	**3,768**	**595**	**3,173**	**84.21%**	**-**	**3,173**	**84.21%**

Kentucky-American Water
Monthly Unaccounted-For-Water Statistics
For the Period Jan 2025 to Jun 2026

Nexus (Clinton and Middlesboro)

Month	Water Produced	Water Purchased For Resale	Calculated System Delivery	Water Sales	Non-Revenue Water	NRW Percentage	Other Water Used	Water Loss	Water Loss Percentage
Jan-25									
Feb-25									
Mar-25									
Apr-25									
May-25									
Jun-25									
Jul-25									
Aug-25									
Sep-25									
Oct-25									
Nov-25									
Dec-25									
Total 2025									
Jan-26									
Feb-26									
Mar-26									
Apr-26									
May-26									
Jun-26	-	42,143	42,143	23,862	18,281	43.38%	-	18,281	43.38%
12 Mos Jun 2026	**-**	**42,143**	**42,143**	**23,862**	**18,281**	**43.38%**	**-**	**18,281**	**43.38%**

Kentucky-American Water
Monthly Unaccounted-For-Water Statistics
For the Period Jan 2025 to Jun 2026

Total Kenticky-American Water Company (Including Acquisitions)

Month	Water Produced	Water Purchased For Resale	Calculated System Delivery	Water Sales	Non-Revenue Water	NRW Percentage	Other Water Used	Water Loss	Water Loss Percentage
Jan-25	1,287,408	10,009	1,297,417	1,010,993	286,424	22.08%	9,443	276,981	21.35%
Feb-25	1,113,162	6,786	1,119,948	1,024,596	95,352	8.51%	5,797	89,555	8.00%
Mar-25	1,193,549	10,653	1,204,202	891,445	312,757	25.97%	15,932	296,825	24.65%
Apr-25	1,174,506	10,941	1,185,447	807,289	378,158	31.90%	18,399	359,759	30.35%
May-25	1,270,181	10,957	1,281,138	1,089,476	191,662	14.96%	20,078	171,584	13.39%
Jun-25	1,324,046	10,494	1,334,540	1,015,163	319,377	23.93%	6,352	313,026	23.46%
Jul-25	1,494,633	10,997	1,505,630	1,215,197	290,433	19.29%	6,424	284,009	18.86%
Aug-25	1,567,219	12,209	1,579,428	1,333,398	246,030	15.58%	8,603	237,427	15.03%
Sep-25	1,501,526	11,180	1,512,706	1,418,025	94,681	6.26%	4,741	89,940	5.95%
Oct-25	1,351,622	26,574	1,378,196	1,130,089	248,107	18.00%	6,159	241,948	17.56%
Nov-25	1,129,542	29,956	1,159,498	1,048,132	111,366	9.60%	4,610	106,756	9.21%
Dec-25	1,167,753	26,090	1,193,843	892,066	301,777	25.28%	2,979	298,798	25.03%
Total 2025	**15,575,147**	**176,846**	**15,751,993**	**12,875,869**	**2,876,124**	**18.26%**	**109,517**	**2,766,607**	**17.56%**
Jan-26	1,192,316	27,018	1,219,334	940,188	279,146	22.89%	1,122	278,024	22.80%
Feb-26	1,207,044	34,096	1,241,140	933,022	308,118	24.83%	3,429	304,689	24.55%
Mar-26	1,208,463	32,611	1,241,074	990,717	250,357	20.17%	3,873	246,484	19.86%
Apr-26	1,246,075	30,659	1,276,734	982,979	293,755	23.01%	15,619	278,136	21.78%
May-26	1,338,118	34,770	1,372,888	1,126,173	246,715	17.97%	16,368	230,347	16.78%
Jun-26	1,311,614	102,405	1,414,019	1,195,322	218,697	15.47%	-	218,697	15.47%
12 Mos Jun 2026	**15,715,925**	**378,565**	**16,094,490**	**13,205,308**	**2,889,182**	**17.95%**	**73,927**	**2,815,255**	**17.49%**

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

Witness: William A. Lewis

85. Unaccounted for Water. Refer to page 18 of the Final Order in Case No. 2025-00364. Did the Company provide the required monthly water loss reports for Livington in this case per the Final Order? If so, state where they can be found in the pending case record. If not, provide the monthly reports for 2025 through the most recent date.

Response:

The first full month of unaccounted for water loss data was not available until after the filing date of this current rate case. KAWC does not have water loss data for the Livingston system prior to May 1, 2026. The unaccounted for water loss reports for May and June 2026 are attached, see KAW_R_AGDR2_NUM085_073026_Attachment.

KAWC has already made efforts to reduce unaccounted for water loss for the Livingston system by replacing meters, repairing leaks and controlling tank levels. As such, and as shown by the variability between the attached reports, these reports do not provide appropriate data points to project water loss for the Livingston system. Moreover, KAWC believes that it would be unfair and imprudent for any reduction in water production expense to be made in this case on the basis of unaccounted for water in recently acquired or to be acquired systems. KAWC should be allowed some fair time period after it acquires a system, particularly a troubled or distressed system, to implement reasonable steps to manage unaccounted for water. Doing so will encourage the acquisition of such systems.

PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Kentucky American Water - Livingston District

For the Month of: May   Year: 2026

LINE #	ITEM	GALLONS (Omit 000's)
1	**WATER PRODUCED AND PURCHASED**	
2	Water Produced	-
3	Water Purchased	2,059
4	**TOTAL PRODUCED AND PURCHASED**	2,059
5		
6	**WATER SALES**	
7	Residential	127
8	Commercial	16
9	Industrial	-
10	Bulk Loading Stations	-
11	Wholesale	-
12	Public Authorities	2
13	Other Sales (explain)	-
14	**TOTAL WATER SALES**	145
15		
16	**OTHER WATER USED**	
17	Utility and/or Water Treatment Plant	-
18	Wastewater Plant	-
19	System Flushing	-
20	Fire Department	-
21	Other Usage (explain) Break Flushing & Water Quality	-
22	**TOTAL OTHER WATER USED**	-
23		
24	**WATER LOSS**	
25	Tank Overflows	-
26	Line Breaks	-
27	Line Leaks	-
28	Excavation Damages	-
29	Theft	-
30	Other Loss	1,913
31	**TOTAL WATER LOSS**	1,913
32		
33	**Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4	
34		
35	**WATER LOSS PERCENTAGE**	
36	(Line 31 divided by Line 4)	92.94%

PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Kentucky American Water - Livingston District

For the Month of: June Year: 2026

LINE #	ITEM	GALLONS (Omit 000's)
1	**WATER PRODUCED AND PURCHASED**	
2	Water Produced	-
3	Water Purchased	1,709
4	**TOTAL PRODUCED AND PURCHASED**	1,709
5		
6	**WATER SALES**	
7	Residential	416
8	Commercial	31
9	Industrial	-
10	Bulk Loading Stations	-
11	Wholesale	-
12	Public Authorities	3
13	Other Sales (explain)	-
14	**TOTAL WATER SALES**	450
15		
16	**OTHER WATER USED**	
17	Utility and/or Water Treatment Plant	-
18	Wastewater Plant	-
19	System Flushing	-
20	Fire Department	-
21	Other Usage (explain) Break Flushing & Water Quality	0
22	**TOTAL OTHER WATER USED**	-
23		
24	**WATER LOSS**	
25	Tank Overflows	-
26	Line Breaks	-
27	Line Leaks	-
28	Excavation Damages	-
29	Theft	-
30	Other Loss	1,259
31	**TOTAL WATER LOSS**	1,259
32		
33	**Note:** Line 14 + Line 22 + Line 31 **MUST** Equal Line 4	
34		
35	**WATER LOSS PERCENTAGE**	
36	(Line 31 divided by Line 4)	73.67%

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

Witness: William A. Lewis

86. Unaccounted for Water. Provide the water loss percentages for each of the last five years for each of the entities: Livingston, Water Service and Black Mountain.

Response:

KAWC acquired the Livingston water system on April 15, 2026 and does not have water percentages prior to that date. Please reference KAW_R_AGDR2_NUM085 for Livingston May and June 2026 water loss data. KAWC closed the Water Services Corporation of Kentucky acquisition on June 1, 2026, the unaccounted for water loss in June 2026 was 43.38% (Middlesboro & Clinton combined), please see page 3 of KAW_R_AGDR2_NUM084_073026_Attachment 1. KAWC has not closed on the Black Mountain water system acquisition and does not have related water loss percentages.

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

Witness: Robert Prendergast

87. Community Outreach Expenses. Refer to the Company's response to the Attorney General's First Request, Item 62 Attachment, page 12 of 15. Provide the total amount of expense incurred in 2025 for supporting community outreach events and organizations, and included in the base period and forecast test period.

Response:

The Community Outreach expenses mentioned in the Company's response to the Attorney General's First Request, Item 62 Attachment, page 12 of 15 are included in the Charitable Contribution Deductible and Charitable Contribution Nondeductible accounts which have been removed from the revenue requirement.

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

Witness: Robert Prendergast

88. Lead Lag Study. Refer to the Company's response to the Staff's Second Request, Item 28. Provide the total cost of preparing the lead-lag study in each of the prior two rate cases.

Response:

The cost of the Lead-Lag Study in the 2023 rate case (2023-00191) was $41,424 and in the 2025 rate case (2025-00122) was $44,026.

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

Witness: John Magner

89. Contingencies. Refer to the Company's response to the Attorney General's First Request, Item 67. Provide an explanation of what the term "actual anticipated" means in the response.

Response:

The term "actual anticipated" means the plant forecasted to be placed in-service by Kentucky American Water without the inclusion of contingencies i.e., additional costs not expected to be incurred as part of capital projects.

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

Witness: Ann Bulkley

90. Refer to Kentucky American's response to the Attorney General's First Request, Item 194.
   a. Given Ms. Bulkley's admission in this response that she, "does not have access to the data necessary" to view the macroeconomic assumptions embedded in the analyst EPS growth projections, explain exactly how Ms. Bulkley was able to determine if the analysts' assumptions regarding inflation and interest rates were "objectively valid," as she states is required on page 28 of her testimony.
   b. If Ms. Bulkley cannot verify the macroeconomic assumptions (such as inflation and interest rates) utilized by the analysts, how did she satisfy her own requirement (found on page 26 of her testimony) to "ensure that the methodologies employed reasonably reflect" the specific view of the financial markets she presents in her testimony (IV. Capital Market Conditions)?

Response:

a. Ms. Bulkley relied on the data as reported. As discussed in Ms. Bulkley's direct testimony at page 26, a reasonable cost of equity estimate appropriately considers alternative methodologies which rely on different market data for the assumptions used in those models and the reasonableness of their individual and collective results.
b. Please see the response to part a above.

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

Witness: Ann Bulkley

91. Refer to Kentucky American's response to the Attorney General's First Request, Item 202.
   a. If Ms. Bulkley's 10.75% ROE recommendation explicitly, "assumes the Company's proposed System Improvement Program ("SIP") mechanism is approved," why did her ultimate conclusion on page 45 of her Direct Testimony cite the lack of, "timely cost recovery between rate proceedings" as the primary justification for assigning Kentucky American a "slightly greater than average regulatory risk"?
   b. Does Ms. Bulkley agree that if the Commission approves the SIP mechanism, Kentucky American will effectively possess the "timely cost recovery between rate proceedings" that she claims they currently lack in her testimony on page 44, lines 3–10? If not agreed to, explain why not.
   c. Does Ms. Bulkley agree with the Direct Testimony of Company witness Jeffrey Newcomb, page 11, that the proposed SIP mechanism "reduces regulatory lag" and enables Kentucky American to "recover more concurrently the costs of capital, depreciation, and taxes"? If not agreed to, explain why not.
   d. If the SIP is approved, Ms. Bulkley's response to AG DR 1-202(b) indicates that the remaining justification for her 10.75% ROE rests on Kentucky American's test year conventions and lack of revenue decoupling mechanisms. Quantify the basis point premium embedded in her 10.75% ROE recommendation that is specifically attributable to:
      i. The lack of revenue decoupling/volumetric risk mechanisms.
      ii. Differences in test year conventions.
   e. If Ms. Bulkley is unable to quantify the specific basis point premiums requested in (d), explain how the Commission can determine whether a 10.75% ROE is a just and reasonable compensation for the lack of revenue decoupling, assuming the capital recovery risk is not an issue due to the SIP.

Response:

a. Ms. Bulkley's conclusions regarding the Company's regulatory risk as compared to the proxy group references cost recovery and the inability of the Company to earn its authorized ROE. To the extent that the Company does not have cost recovery that is generally consistent with the proxy group companies, it would be a contributing factor to increased regulatory risk.
b. Please see the response to c.
c. Ms. Bulkley's testimony is not inconsistent with Mr. Newcomb's testimony. However, in recommending a range for the return on equity, Ms. Bulkley has estimated the cost of equity using market data for a group of publicly traded companies. Therefore, the proper comparison for the purposes of setting the ROE is the Company's risk profile as compared to that group.

d. As discussed in Ms. Bulkley's direct testimony at page 2, she did not make a specific adjustment to the ROE for business and regulatory risk.

e. Please see Figure 1 of Ms. Bulkley's testimony for a summary of the cost of equity model results and the range established using each methodology.

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

Witness: Rob Prendergast / John Watkins

92. Reference the article linked in the footnote below.[1] In the event the referenced "Water Resources Development Act" becomes law, explain whether the Company will consider applying for funds to finance all or a portion of any water projects. Explain the response in detail.

Response:

Kentucky-American Water continuously evaluates all available financing sources that may reduce the overall cost of providing safe and reliable service to customers. Based on the article referenced in this data request, the proposed Water Resources Development Act of 2026 would reauthorize and provide funding for federal water infrastructure programs, including the Drinking Water State Revolving Fund ("DWSRF") and Clean Water State Revolving Fund programs, and would support additional water infrastructure initiatives.

In Kentucky, State Revolving Funds ("SRF") are administered by the Kentucky Infrastructure Authority and governed by KRS 224A. In Kentucky, SRF funds are only available to "government agencies" as that term is defined by KRS 224A.011(21), which does not include investor-owned utilities like Kentucky-American Water. As such, Kentucky American Water is not eligible for SRF funds even if the referenced Act was enacted.

Because the legislation has not been enacted nor has KRS 224A been revised, the Company cannot determine at this time whether it will be eligible for, or will apply for, funding under any specific program that may become available as a result of the referenced legislation or amendment of KRS 224A. Should that change, Kentucky American Water would then consider pursuing any available funding or financing program for which it is eligible if such funding is practical and provides benefits to customers.

---

[1] https://www.smartcitiesdive.com/news/wrda26-local-water-infrastructure-bill/825296/?utm_source=Sailthru&utm_medium=email&utm_campaign=Issue:%202026-07-15%20Smart%20Cities%20Dive%20Newsletter%20%5Bissue:87046%5D&utm_term=Smart%20Cities%20Dive.