COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY FOR AN ADJUSTMENT OF RATES, APPROVAL OF SYSTEM IMPROVEMENT PROGRAM, AND TARIFF CHANGES	)))))	CASE NO. 2026-00094

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S FIRST REQUEST FOR INFORMATION

In accordance with the Public Service Commission's ("Commission") May 27, 2026 Order, Lexington-Fayette Urban County Government ("LFUCG") propounds the following data requests upon Kentucky-American Water Company ("KAWC"). KAWC shall respond to these requests in accordance with the provisions of the Commission's May 27, 2026 Order, applicable regulations, and the instructions set forth below.

INSTRUCTIONS

1. Please provide written responses, together with any and all exhibits pertaining thereto, separately indexed and tabbed by each response.

2. The responses provided should restate LFUCG's request and identify the witness(es) responsible for supplying the information.

3. If any request appears confusing, please request clarification directly from counsel for LFUCG.

4. Please answer each designated part of each information request separately. If you do not have complete information with respect to any item, please so state and give as much information as you do have with respect to the matter inquired about and identify each person whom you believe may have additional information with respect thereto.

5. To the extent that the specific document, workpaper, or information does not exist as requested, but a similar document, workpaper, or information does exist, provide the similar document, workpaper, or information.

6. To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

7. If KAWC objects to any request on any grounds, please notify counsel for LFUCG as soon as possible.

8. For any document withheld on the basis of privilege, state the following: date; author; addressee; blind copies; all persons to whom distributed, shown, or explained; and the nature and legal basis for the privilege asserted.

9. In the event any document called for has been destroyed or transferred beyond the control of KAWC, state the following: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

10. These requests shall be deemed continuing so as to require supplemental responses if KAWC receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

Dated: June 12, 2026

Respectfully submitted,

/s/ *J.E.B. Pinney*

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REQUESTS FOR INFORMATION

1. Provide the total number of water service meters assigned to LFUCG as a customer in the base period. In addition, please confirm that KAWC does not forecast meter counts for the forecasted test period for specific customers or the total revenue assigned to specific customers for the forecasted test period.

2. Provide the different types of customer rate classes under which LFUCG currently make payments to KAWC. For each type of class, provide the following information:

a. The type of customer rate class;

b. The number of accounts in each such class;

c. Whether such accounts are metered;

d. The account numbers for each separate account

e. The physical location, by street address, GPS marker (or other easily understood designation) of each separate account;

f. The basis and explanation for treating the account as a separate account, whether it is because it is separately metered or otherwise;

g. The total amount paid by LFUCG to KAWC for the provision of water for each of its separate accounts for each year, going back to the inception of KAWC's last approved rate increase; and

h. The total net projected impact for each such class under the proposed rate increase.

3. State whether KAWC believes that the filing and/or proposed rate increases will in any way change the types of services for which it pays franchise fees to LFUCG. If yes, explain.

4. List all tariffs applicable to the use or consumption of water in Fayette County for which KAWC does not currently pay LFUCG a franchise fee.

5. State whether KAWC or any other American Water Company subsidiary have a tariff, contract or other arrangement under which the costs related to public fire hydrants are passed through to one or more of the other customer classes. If so, list the name of the jurisdiction and provide the details of the arrangement, including any relevant supporting documents.

6. State whether any American Water Company subsidiaries currently have a contract under which they provide sewer billing services on behalf of a local government. If so, provide the name of the subsidiary and local government and provide a copy of each contract.

7. Describe in detail any ongoing efforts of KAWC to expand its sale or provision of water to:

a. New wholesale customers;

b. Expanded sales to existing wholesale customers

c. Prospective industrial customers;

d. Expanded sales to existing industrial customers; and

e. Water systems that could be acquired by KAWC.

8. Describe in detail any ongoing efforts of KAWC to expand its involvement with the Partnership for Safe Water or any other treatment programs established by the Environmental Protection Agency.

9. Describe in detail any and all lead testing services offered by KAWC to residential customers in Fayette County.

10. Describe KAWC's activities related to the EPA's Lead and Copper Rule (40 C.F.R. Part 141, Subpart I), including the status of surveys that are required to be conducted under the Rule.

11. State how many KAWC employees are located in Lexington, Kentucky. Provide a description of the number and types of position for each. If KAWC anticipates any change within the next five (5) years, provide the specific details.

12. Provide the number of public fire hydrants currently in use in KAWC's entire system. Provide how many of these hydrants are billed to LFUCG.

13. Regarding public fire hydrants:

a. Provide the number of public fire hydrants projected to be in use during the forecasted test period;

b. Provide the number of these hydrants projected to be billed to LFUCG;

c. Provide the locations outside of Fayette County where KAWC offers, or soon will offer, public fire protection service.

d. Provide a list of all of the ratepayers (other than LFUCG) who pay for any public fire hydrants;

e. Provide the percentage of gross revenue KAWC derives from public and private fire protection charges/rates, or similar charges/rates;

f. Refer to KAWC Exhibit 36 and KAWC Exhibit 37, Schedule M. State whether the Public Fire Service revenue component of the cost-of-service study is comprised of anything other than the total number of public fire hydrants and the tariff;

g. Provide the total number of public fire hydrants in the base period; and

h. Provide the total number of public fire hydrants in the forecasted test year.

14. Provide a breakdown of the total number of the following fire hydrants in Fayette County:

a. Public fire hydrants;

b. Fire hydrants that are owned and maintained by KAWC, but located on private property;

c. Hydrants for which KAWC is not the owner. If possible, provide the location of each hydrant; and

d. If any of the above information is not available, explain what action, if any, KAWC is taking to track this information going forward in time.

15. Describe the process that is undertaken before a privately owned fire hydrant is added to KAWC's system. Provide a copy of any contracts or other documents that are required to be followed or executed by the owner of the hydrant.

16. Provide the following information with respect to public fire hydrant charges:

a. Any adjustment to hydrant charges to reflect system uses of hydrants, including but not limited to flushing the KAWC system; and

b. The number (quantity), type, and location (by street address or other easy to identify locator) of each fire hydrant for which LFUCG currently pays a monthly tariff.

17. Provide the administrative cost component attributable to public fire protection and provide any applicable work papers showing how the cost component is calculated.

18. Refer to the direct testimony of Charles Rea ("Rea Direct"), page 34, lines 18-20. Describe, in detail, the "A&G costs and upstream costs" that KAWC is proposing to no longer allocate to public fire service.

19. Assuming, *arguendo*, that the Commission does not accept KAWC's proposed Public Fire Service cost allocation, provide the effect on all rates proposed in this case and on the requested revenue requirement.

20. Provide the cost to KAWC (per unit) to acquire each type of fire hydrant.

21. For the billing period ending in May 2025, calculate a hypothetical bill for LFUCG's cost for leasing public fire hydrants (reference account ending -6506) for the same billing period, applying the changes proposed in this rate case. Provide the hypothetical cost as a total dollar amount and as a percent change from the actual bill.

22. Describe any and all efforts by KAWC to improve public fire protection service since the last rate case.

23. Explain in detail KAWC's current policies, procedures, practices, and/or guidelines for testing, maintaining and/or replacing fire hydrants in Fayette County and provide copies of the same.

24. Describe in detail all inspections, maintenance, or testing that must be performed by KAWC on each type of fire hydrant to ensure that it operates properly, and provide a list breaking down each of the components of the above and its cost, as well as how frequently each of the above must be performed, or actually is performed.

25. Describe in detail all maintenance that must be performed by KAWC on the public fire system to ensure that it operates properly. Explain how KAWC maintains any such records.

26. Provide the standard(s) that KAWC is using to determine that a fire hydrant is leaking, failed or obsolete. If a hydrant is identified in such a condition, explain whether it is still billed to the customer, or if it is immediately removed from future billing until corrected.

27. State whether there is a minimum flow rate at which KAWC deems a fire hydrant not to be useful and provide the flow rate. Explain what actions KAWC takes with respect to such hydrants when they are identified. Explain whether there is a difference in how different types of hydrants are treated.

28. Regarding privately-owned fire hydrants:

a. Explain whether KAWC requires its privately-owned fire hydrant or service customers to provide any evidence or documentation that such systems are being adequately maintained, inspected, or tested on regular basis, or whether KAWC may perform any testing; and

b. Explain KAWC's actions, if any, KAWC takes upon notice that a privately owned fire hydrant is no longer operable.

29. Regarding privately-owned water lines:

a. Explain whether all privately-owned water lines are metered at some point. If not, explain how a determination is made with respect to whether such a line is metered; and

b. State whether KAWC, since the last rate case, has reduced the number of privately-owned water lines that are not metered.

30. Refer to KAWC Tariff "Classification of Service – Service Classification No. 4.":

a. State how many customers have meters installed by KAWC because of suspicion of usage other than fire extinguishment.

i. Explain whether LFUCG has any of its accounts for First Service with such a meter. If so, identify the account location and number.

b. Provide the number of "special connections" with service contracts.

i. Explain whether LFUCG has any of its accounts serviced through such a contract. If so, attach a copy of each such contract.

31. Provide the depreciable life basis (if any) for each type of fire hydrant KAWC utilizes. State whether this is the industry standard for this service and explain if it is not.

32. Regarding fire protection:

a. Provide the individual fire protection flow requirement to which KAWC's water system in Fayette County has been designed and/or built.

b. Explain whether this differs in any way from the historical or current actual performance level of the system.

c. Explain how often this is tested and whether these results are provided to the LFUCG Division of Fire and Emergency Services?

d. Provide, with any supporting documentation, the minimum fire flow protection required to meet ISO guidelines.

33. Provide the annual use of water for public and private fire service for calendar years 2024 and 2025, inclusive, and for each month thereafter as it is or becomes available. If water use for public and/or private fire service has been projected for the forecasted test period, provide those projections as well.

34. Provide a list of all local governments and water utilities in Kentucky (other than LFUCG) who obtain water from KAWC and the terms of each such arrangement.

a. As KAWC adds additional customers of this type, explain whether such customers will reduce the burden of the Kentucky River Station II Water

Treatment Plant and associated pipeline on existing customers, or whether they will in any way reduce the cost of future water rates.

35. For each calendar year from 2016 – 2025, provide a comparison of total projected water use established in the prior year and the total actual water use. For example, for 2016, provide the forecasted total water use established in 2015 for 2016, and the actual total water use in 2016.

a. Explain to what extent current consumption and demand rates are consistent with the projections KAWC has submitted in Commission proceedings since 2014.

36. Provide the total amount of water KAWC supplied to its customers on an annual basis since 2010. To the extent possible provide:

a. The same information broken down into counties or regions; and

b. This information for each category of ratepayer.

37. Explain whether KAWC has an estimate of how much water has been lost due to leaking KAWC infrastructure. Provide this information for 2018 and subsequent calendar years by volume and percentage of treated water.

38. Describe what processes are in place to identify a potentially stuck meter or unknown leak (e.g., automated review of meter data).

39. Explain whether KAWC has a formal policy or informal practice regarding expenses incurred by a customer due to an unknown leak.

a. Explain whether KAWC grant customers leniency in this situation. If so, describe what action KAWC takes.

40. Identify the percentage of KAWC's non-revenue water for each of the last 60 months. Include within the response the formula of how KAWC calculates this percentage.

41. Describe existing or planned water conservation programs aimed at end customers and the respective annual funding for such programs. For each such program, provide an annual estimate of the quantity, in volume and percentage of treated water, of water which will not be consumed as result of the program.

42. Explain whether KAWC had difficulty attracting capital either internally from American Water or from outside capital. If yes, provide evidence of this.

43. Refer to page 7, lines 5-6 of Ann E. Buckley's testimony. Provide any evidence, data supported or not, as to why KAWC must "compete directly for capital with other investments of similar risk, which include other water, natural gas, and electric utilities."

44. Explain whether the cost-of-service study presented in this case has any different methodologies in comparison to the cost-of-service study prepared in KAWC's 2025 rate case.

45. Explain whether KAWC provides any relief to a customer who proves that a water leak occurs on a line downstream of the meter but on a section of a line outside of the customer's control. For example, explain whether KAWC would provide relief to an apartment-complex tenant who is a customer if the leak is proven to be

on a section of water line downstream of the meter but in the common area of the apartment complex.

46. State whether KAWC has generated revenue through the sale to a third party of data obtained through the AMI program. If so, provide how much revenue has KAWC received through such a sale and over what period was that revenue generated. Also, state whether KAWC anticipates generating revenue in the future through the sale to a third party of data obtained through the AMI program. If so, provide how much revenue KAWC anticipates receiving through such a sale.

47. Refer to Application Exhibit 37F.

a. Confirm that the KAWC is proposing to recover rate case expenses to be amortized over 24 months.

b. State whether the Commission has ever calculated KAWC's revenue requirement with rate-case expense being amortized over a 24-month period.

48. Refer to the Direct Testimony of John Magner at page 15, lines 13-14. Provide all documentation, analysis, reports, summaries, and underlying support for KAWC's conclusion that "repairing a main break is over $1,000 per linear foot, whereas replacing main as part of a planned main replacement project costs approximately $330 per linear foot."

49. Provide, for 2024 and 2025, the average cost to repair based on the linear feet of pipe replaced in response to main breaks and the associated cost.

50. Refer to the testimony of William A. Lewis at page 31, lines 7-9. Identify the anticipated costs for deploying acoustic monitoring devices on fire hydrants and the anticipated cost savings associated with reduction of water loss attributable to these devices.

51. Explain how the deployment of advanced metering infrastructure has improved detection of leaks for customer-owned facilities downstream of the meter. Include within the answer KAWC's policies for providing notice to customers of potential leaks on customer owned facilities downstream of the meter.

52. Refer Exhibit 37C. Provide the actual purchased water expense associated with water purchases from the City of Paris, if any, for the months of February, March, April, and May 2026.

53. State whether KAWC or American Water has filed litigation seeking compensation or entered into agreements for compensation related to the manufacturing of products containing per- and polyfluoroalkyl substances ("PFAS"), including the federal multidistrict litigation class action lawsuit (District Court for the District of South Carolina, Master Docket No. 2:18-mn-2873-RMG) which resulted in a settlement agreement exceeding $10 billion. If yes, describe any compensation that KAWC anticipates will be received through litigation. If not, explain why not.

54. Refer to the Direct Testimony of John Magnar, page 17, lines 7-9. Provide a detailed description of the recurring projects on which KAWC forecasts spending $11,500,500.00,

55. Refer to the Direct Testimony John Magnar, Exhibit JM-3. Provide a description of the capital projects, by year, for Black Mountain Operations Center and Middlesboro Operations Center that KAWC forecasts constructing.

56. Refer to the Direct Testimony of Jeffrey Newcomb, page 3, line 17 through page 4, line 5, discussing the approval and termination of the Qualified Infrastructure Program ("QIP.") Between the approval and termination of the QIP, provide the average time in months between filing of KAWC general rate adjustment applications.

57. Describe, in detail, any significant differences between the QIP and the proposed Significant Improvement Mechanism.

58. Refer to the Direct Testimony of John Magner, Exhibit JM-1, Exhibit JM-2, and Exhibit JM-3. For 2027 through 2029, by year, provide the amount of Capital Project Spend Forecast that is forecast to be spent, and recovered through the SIP, outside of Fayette County.

59. For each system KAWC has acquired since 2024, provide the amount, per system and by year, KAWC forecasts to include in the SIP through 2029.