

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF:)
)
THE VERIFIED JOINT APPLICATION OF)
BLACK MOUNTIAN UTILITY DISTRICT) **CASE NO. 2026-00097**
AND KENTUCKY-AMERICAN WATER COMPANY)
FOR THE TRANSFER OF CONTROL AND ASSETS)

VERIFIED JOINT APPLICATION

Kentucky-American Water Company (“KAW”) and Black Mountain Utility District (“BMUD”) state the following:

1. KAW is a corporation organized and existing under the laws of the Commonwealth of Kentucky with its principal office and place of business at 2300 Richmond Road, Lexington, Kentucky 40502. KAW can be contacted by e-mail via the e-mail addresses of its counsel set forth below. KAW was incorporated on February 27, 1882 and is currently in good standing in the Commonwealth of Kentucky.

2. KAW is a wholly-owned subsidiary of American Water Works Company, Inc. (“American Water”) and is engaged in the distribution and sale of water in its Central Division, consisting of Bourbon, Clark, Fayette, Harrison, Jessamine, Nicholas, Scott, and Woodford Counties; its Northern Division, consisting of Gallatin, Owen, Grant, and Franklin Counties; and the Southern Division, consisting of Rockcastle and Jackson Counties. It currently owns, operates, and maintains potable water production, treatment, storage, transmission, and distribution systems for the purpose of furnishing potable water for residential, commercial, industrial, and governmental users in its service territory. KAW is also engaged in the collection and treatment of wastewater in Franklin, Owen, Bourbon and Clark Counties.

3. BMUD is a utility district organized and existing under the laws of the Commonwealth of Kentucky with its business address of 609 Four Mile Road, Baxter, Kentucky 40806. BMUD's telephone number is (606) 573-1277 and its fax number is (606) 573-1276. BMUD may be reached by e-mail at the e-mail address of its counsel below and at colby.bmud@gmail.com. BMUD was formed in 1986 pursuant to KRS Chapter 74 and is a water district and utility operating under the jurisdiction of the Public Service Commission ("Commission") for the provision of water utility services to approximately 3315 customers in Harlan County, Kentucky. BMUD is governed by its Board of Commissioners.

4. Pursuant to KRS 278.020(6) and KRS 278.218, KAW and BMUD jointly petition the Commission for the approval of the Asset Purchase Agreement ("APA") by which KAW will acquire BMUD's water assets. A copy of the APA is attached as Exhibit 1. KAW further petitions the Commission upon approval of the APA and closure of the transaction to permit KAW to serve BMUD water customers in accordance with KAW's existing water tariff including the rates set forth in that tariff.

5. KAW and BMUD seek to consummate the purchase by KAW of BMUD's water assets no later than July 15, 2026. The proposed purchase includes all of BMUD's tangible assets and real property interests devoted to the provision of water service except for the limited exclusions set forth in the APA. BMUD has six wastewater customers and neither they nor BMUD's wastewater assets are a part of the transaction with KAW. BMUD is exploring ways to ensure those wastewater customers will continue to be served. KAW and BMUD request an Order from the Commission approving their transaction no later 60 days from the date of filing of this Joint Application pursuant to KRS 278.020(6).

6. From and after the contemplated July 15, 2026 closing, KAW will assume responsibility for the operation of BMUD's water operations and service to BMUD's water customers. KAW will make any necessary improvements over time to ensure that its existing and future customers are provided with the same quality of service as is currently being provided to KAW customers.

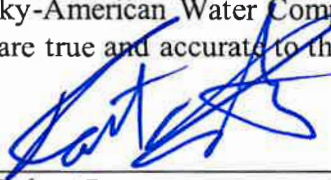
7. KAW has the financial, technical, and managerial abilities to skillfully and efficiently operate the acquired assets as required by KRS 278.020(6). Evidence of KAW's financial integrity to ensure the continuity of water service to BMUD's customers as required by KRS 278.020(6) may be found in the KAW annual reports on file with this Commission which were filed in March 2026. To the extent the Commission requires specific evidence of KAW's financial integrity not found in those annual reports, KAW will provide such information upon Commission request in this matter.

8. This Joint Application is made in accordance with the law and for a proper purpose in accordance with KRS 278.020(6) and is consistent with the public interest pursuant to KRS 278.218.

9. WHEREFORE, KAW and BMUD ask that the Commission enter an order (1) authorizing the transfer of ownership of BMUD's assets under the terms set forth in the APA and (2) authorizing KAW to provide water services to BMUD water customers in accordance with KAW's existing water tariff on file with the Commission.

VERIFICATION

I, Robert Burton, President of Kentucky-American Water Company, do hereby state that the statements made in this Joint Application are true and accurate to the best of my knowledge.



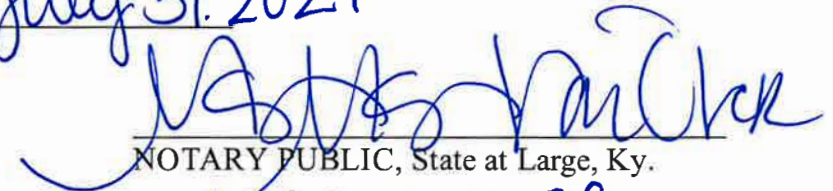
Robert Burton

COMMONWEALTH OF KENTUCKY)

COUNTY OF FAYETTE)

Subscribed, sworn to, and acknowledged before me by Robert Burton, President of Kentucky-American Water Company, for and on behalf of said corporation, on this 16th day of April, 2026.

My Commission expires: July 31, 2029



NOTARY PUBLIC, State at Large, Ky.

#KYNP 2688

MOLLY MCCLEESE VAN OVER
NOTARY PUBLIC
COMMONWEALTH OF KENTUCKY
COMM. # KYNP26988
COMMISSION EXPIRES JULY 31, 2029

VERIFICATION

I, Kyle Howard, Chairman of Black Mountain Utility District, hereby state that the statements made in this Joint Application are true and accurate to the best of my knowledge.

Kyle Howard
Kyle Howard

COMMONWEALTH OF KENTUCKY)

COUNTY OF HARLAN)

Subscribed, sworn to, and acknowledged before me by Kyle Howard, Chairman of Black Mountain Utility District, for and on behalf of said entity.

My Commission expires: 2/23/2030

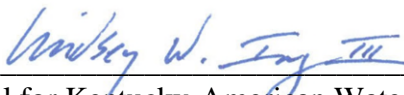
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NOTARY PUBLIC, State at Large, Ky.

RONALD Z. WILLIAMS JR.
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COMM. # KYNP109456
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BY: 
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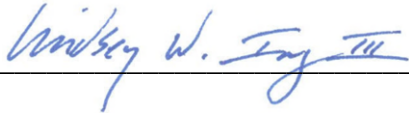
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BY: ___/s/ Allyson Honaker _____
Counsel for Black Mountain Utility District

CERTIFICATE

This certifies that the electronic filing of this document is a true and accurate copy of the document in paper medium; that the electronic filing has been transmitted to the Commission on April 20, 2026; and that no party has been excused from participation by electronic means.

STOLL KEENON OGDEN PLLC

By 

Counsel for Kentucky-American Water Company