

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY-	)	
AMERICAN WATER COMPANY FOR A	)	CASE NO.
CERTIFICATE OF PUBLIC CONVENIENCE AND	)	2025-00240
NECESSITY FOR INSTALLATION OF	)	
ADVANCED METERING INFRASTRUCTURE	)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO KENTUCKY-AMERICAN WATER COMPANY

Kentucky-American Water Company (Kentucky-American), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 24, 2025. The Commission directs Kentucky-American to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky-American shall make timely amendment to any prior response if Kentucky-American obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Kentucky-American fails or refuses to furnish all or part of the requested information, Kentucky-American shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Kentucky-American shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Kentucky-American's response to the Attorney General's First Request for Information (Attorney General's First Request), Item 8 Attachment, 0\_Inputs, line 36, 37, 39, and 40:

a. Explain the price difference between Badger advanced meter read (AMR) Endpoints and Neptune AMR Endpoints.

b. Explain why the price difference between Badger AMR Endpoints and Badger Advanced Metering Infrastructure (AMI) Endpoints is smaller than Neptune's AMR and AMI Endpoints.

2. Refer to Kentucky-American's response to the Attorney General's First Request, Item 8 Attachment, Costs and Benefits Comparison. Explain why the costs comparison of Badger and Neptune is different, but the benefit comparison of both is the same, comparing AMIs with AMRs.

3. Refer to the Direct Testimony of Justin Sensabaugh (Sensabaugh Direct Testimony), page 7, lines 7-8. For all AMR meters that have been replaced, due to failure, during the period of calendar year 2020 through the date of this request. Provide the actual useful life (duration) for each meter at the time of failure considering the estimated ten years in service life in Lexington, Northern Division, and Southern Division separated by Brands and Models.

4. Refer to the Application, Exhibit A. Refer also to Kentucky-American's response to the Attorney General's First Request, Item 8, Attachment. Provide the following data in a table:

a. Recurring monthly service costs for cellular endpoints from major carriers for each meter or customer.

b. Clarify the type of AMI Meter Kentucky American is planning to utilize upon approval, Ultrasonic Meter or Mechanical Meter.

c. Provide the price of each AMI Meter with the probable carrier for the endpoint.

d. The cost of each lid with respect to the brand and type of the meter.

5. Refer to Kentucky-American's response to the Attorney General's First Request, Item 8, Attachment. Provide the same file with all calculations and accessible data.

6. Refer to Kentucky-American's response to the Attorney General's First Request, Item 19. State whether the opt-out option fee would be the same amount proposed in Case No. 2023-00191.<sup>2</sup>

7. Refer to Kentucky-American's response to Commission Staff's First Request for Information (Staff's First Request), Item 14(a). State how quickly Kentucky-American would be able to detect a leak on the customer side of the meter using AMI meters.

8. Refer to Kentucky-American's Response to Staff's First Request, Item 1.

a. For all American Water subsidiaries who have already begun deploying AMI meters and endpoints throughout its service territory, state the average useful life of the AMI technology based on installations to this date, by brand of meter.

b. If available, provide any actual cost-benefit data from American Water subsidiaries that have begun deploying AMI to residential customers. In the response:

(1) Include any material financial benefits incurred as a result of the implementation; and

(2) Identify the brand of the meters and endpoints.

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<sup>2</sup> Case No. 2023-00191, Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, a Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions (filed July 7, 2023) at 11.

9. Refer to Kentucky-American's Response to Staff's First Request, Item 12. Refer also to the Application, Exhibit A, Figure 12 – KAWC Practices for Scheduled Meter Testing and Replacement.

- a. Explain what is meant by a meter and endpoint's "testing limit."
- b. Explain why there are different operational practices for scheduled testing and replacement of meters and endpoints for 1" and 5/8" meters as opposed to meters that are 1.5"–2" or 3" and larger.
- c. Provide the justification for the congruency between a meter and endpoint's frequency of required testing and its useful life.
- d. Explain how Kentucky-American would handle a scenario under which a current AMR meter and endpoint are tested after ten years of use and are still in good working order.

10. Refer to Kentucky-American's response to Staff's First Request, Item 2.

- a. Provide that same table with a breakdown of cost identifying specifically the expense related to Verizon, FirstNet, AT&T.
- b. Explain why the Neptune costs do not list the same cellular data providers as Badger.
- c. Explain what the "HE" fee represents, provide the specific cost, and explain why it does not exist for Badger meters.

11. Refer to Kentucky-American's response to Staff's First Request, Item 5(b). Confirm that Kentucky-American does not test its meters removed from service. If not confirmed, explain the response.

12. Refer to Kentucky-American's response to Staff's First Request, Item 6. Refer also to the depreciation study accepted in Case No. 2023-00191, specifically AMR meters. Explain why Kentucky-American did not reconcile the useful life if the expected useful life of AMR meters is ten years.

13. Refer to Kentucky-American's response to Staff's First Request, Item 8. Explain whether Kentucky-American intends to adopt new policies and procedures related to possible leak notifications with the installation of AMI meters.

14. Refer to Kentucky-American's response to Staff's First Request, Item 10. Reconcile the assumed useful life for both AMR and AMI meters with the current accepted depreciation rates approved for Kentucky-American. As AMI has not been approved, analyze the assumption using approved depreciation rates for other American Water subsidiaries. Include in the explanation the identification of the subsidiary.

15. Refer to Kentucky-American's response to Staff's First Request, Item 14(b). Identify the subsidiary(ies) and provide the water loss percentage beginning in 2020 through the present date, by month. As part of the response, identify when the installation of AMI began and when the installation was completed.

16. Refer to Kentucky-American's response to Staff's First Request, Item 17(c). Explain "higher value work."

17. Refer to Kentucky-American's response to Staff's First Request, Item 17. Refer also to Kentucky-American's response to Staff's First Request, Item 20. Reconcile the two responses.

18. Refer to Kentucky-American's response to Staff's First Request, Item 20. Explain what Kentucky-American considers "greater completion of service orders."

*Linda Bridwell RP*

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DATED SEP 12 2025

cc: Parties of Record

Case No. 2025-00240

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