COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| ELECTRONIC APPLICATION OF GREEN-TAYLOR WATER DISTRICT FOR AN ALTERNATIVE RATE FILING ADJUSTMENT PURSUANT TO 807 KAR 5:076 | ) ) ) ) | CASE NO. 2026-00192 |

# O R D E R

On July 30, 2026, Green-Taylor Water District (Green-Taylor District) filed its application with the Commission requesting an adjustment to its water rates pursuant to 807 KAR 5:076.

The Commission finds that a procedural schedule[1] should be established to ensure the orderly review of Green-Taylor District's application. The procedural schedule is attached as Appendix A to this Order.

In addition, Green-Taylor District shall file on or before the date set forth in the procedural schedule its responses to the Commission Staff's (Staff) request for information, attached to this Order as Appendix B, and shall respond to any future requests for information propounded by Staff by the date or dates set forth on any such requests.

[1] No action is necessary to suspend the effective date of Green-Taylor District's proposed rates for service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set for in 807 KAR 5:076 may not place its proposed rates into effect until the Commission approves those rates or six months from the date of the filing of its application.

IT IS THEREFORE ORDERED that:

1. The procedural schedule set forth in Appendix A to this Order shall be followed.

2. On or before the date set forth in the procedural schedule, Green-Taylor District shall file its responses to the Staff's request for information, attached to this Order as Appendix B.

3. Green-Taylor District shall respond to any additional requests for information set forth by Commission Staff as provided in those requests.

4. No later than the date set forth in the procedural schedule, Staff shall file with the Commission and serve upon all parties of record a written report (Staff Report) containing its recommendations regarding Green-Taylor District's requested rate adjustment.

5. No later than 14 days after the date of service of the Staff Report, each party of record shall file with the Commission:

a. Its written comments on and any objections to the findings contained in the Commission Staff Report; and

b. Any additional evidence for the Commission to consider.

6. If Staff recommends that Green-Taylor District's financial condition supports a higher rate than Green-Taylor District proposes or the assessment of an additional rate or charge not proposed in Green-Taylor District's application, Green-Taylor District in its response to the Staff Report shall also state its position in writing on whether the Commission should authorize the assessment of the higher rate or the additional rate or charge.

7. If Staff recommends that changes should be made to the manner in which Green-Taylor District accounts for the depreciation of Green-Taylor District's assets, Green-Taylor District in its response to the Staff Report shall also state its position in writing on whether the Commission should require Green-Taylor District to implement the proposed change for accounting purposes.

8. A party's failure to file written objections to a recommendation contained in the Staff Report within 14 days after the date of the filing of the Staff Report shall be deemed a waiver of all objections to that finding.

9. If a party requests a hearing or informal conference, then the party shall make the request in its written comments and state the reason a hearing or informal conference is necessary.

10. A party's failure to request a hearing or informal conference in the party's written response shall be deemed a waiver of all rights to a hearing on the application and a request that the case stand submitted for decision.

11. A party's failure to file a written response within 14 days after the date of service of the Staff Report shall be deemed a waiver of all rights to a hearing on the application.

12. As set forth in 807 KAR 5:001, Section 4(11), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state

with specificity the person's special interest that is not otherwise adequately represented or the issues and facts the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of the utility consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

13. Any motion to intervene filed after the date established in the procedural schedule attached as Appendix A to this Order shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

14. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085[2] regarding filings with the Commission.

[2] 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).

Entered on this 20th day of August, 2026.

PUBLIC SERVICE COMMISSION

Angie Hatton
Chair

Mary Pat Regan
Vice Chair

Andrew W. Wood
Commissioner

Barry L. Mayfield
Commissioner

ATTEST:

Justin McNeil RP

Justin McNeil
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00192 DATED AUG 20 2026

Requests for intervention shall be filed no later than ........................................ 08/28/2026

Initial requests for information to Green-Taylor District shall be filed no later than ........................................................................... 09/04/2026

Green-Taylor District shall file responses to requests for information no later than ......................................................................... 09/25/2026

All supplemental requests for information to Green-Taylor District shall be filed no later than ............................................... 10/16/2026

Green-Taylor District shall file responses to supplemental requests for information no later than ................................................................ 10/30/2026

Commission Staff's Report shall be filed no later than...................................... 12/10/2026

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00192 DATED AUG 20 2026

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO GREEN-TAYLOR WATER DISTRICT

Green-Taylor Water District (Green-Taylor District), 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 25, 2026. The Commission directs Green-Taylor District to the Commission's July 22, 2021 Order in Case No. 2020-00085[1] 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 response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Green-Taylor District shall make timely amendment to any prior response if Green-Taylor District obtains information that indicates the response was incorrect or incomplete

[1] 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).

when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Green-Taylor District fails or refuses to furnish all or part of the requested information, Green-Taylor District 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, Green-Taylor District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. State whether Green-Taylor District uses an integrated software program for billing and its general ledger. If not, provide the following information related to each of the billing software and the general ledger software Green-Taylor District used during the test period:

b. Brand or common name for each software.

c. State whether each software is locally installed on a utility-owned computer or is a subscription service that is internet based.

d. If locally installed, state the installation date for each software.

e. State whether each system is still serviced by the manufacturer and whether the utility maintains a service contract.

2. Provide copies of each of the following, and when appropriate, provide in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

a. The general ledger in Excel spreadsheet format with all transactions for the year ended December 31, 2025, and year to date July 31, 2026.

b. The trial balance in Excel spreadsheet format for the year ended December 31, 2025, and year to date July 31, 2026.

3. Refer to the Application, Schedule of Adjusted Operations (SAO). Provide an itemization of the Miscellaneous Service Revenues of $92,950 and the Other Water Revenues of $7,843 and state whether each component will recur.

4. Refer to Application, Attachment 12, Rate Study, Wages Tab. The wages tab reflects 2,080 pro-form regular hours for certain full-time employees, while other employees are projected to work fewer than 2,080 regular hours and also incur overtime hours. State the standard annual regular working hours for a full-time employee and explain the basis for any employee projected to work fewer than the standard annual regular hours while also being projected to incur overtime.

5. Provide a complete description of each employee benefit, paid to or on behalf of each employee for the year 2025. Supplemental coverage for which the employee pays 100 percent of the cost should also be included.

a. Provide a copy of one invoice for 2025 for each employee benefit described above.

b. State whether there were any significant changes to any benefit coverage described above subsequent to the test year.

c. Provide a copy of a 2026 invoice for each employee benefit described above.

6. Refer to the Application, SAO, Adjustment H. Provide the following information regarding the proposed rate case amortization expense.

a. State whether the estimated cost for this case is a fixed amount or indicate whether the quoted amount may increase or decrease.

b. Provide a copy of the quote for the preparation of the rate case.

c. Provide a copy of all invoices associated with Rate Case Expense. Consider this an ongoing request.

d. Confirm that the anticipated rate case expense will be paid by Green-Taylor District and not paid by a third party, i.e. grant funding. If not confirmed, provide the source of funding, describe the agreement facilitating the third-party funding, and provide any preliminary and final-written agreements reflecting the third-party funding.

7. Refer to SAO - Purchased Water expenses.

a. Provide the gallons purchased and cost, by month for the entire year, for each supplier, and in total, for calendar year 2025.

b. Reconcile reported gallons purchased in the test year annual report water statistics and the purchased gallons reported in 2025 from Item 8a above.

8. Provide copies of invoices for general liability, automobiles, property, and casualty for 2025 and 2026.

9. Provide the minutes from the Green-Taylor District's commissioner's meetings for the calendar years 2024, 2025, and year-to-date 2026. Consider this a continuing request through the date of issuance of Commission Staff's Report.

10. Refer to the minutes from the Green-Taylor District's commissioner's meetings for the calendar years 2024, 2025, and year-to-date 2026 requested above and provide the following.

a. Designate each action that authorizes hiring.

b. Designate each action that authorizes adjustments to wage rates and any other compensation or fringe benefit actions.

11. For each Water Commissioner, provide the following for calendar years 2024, 2025, and year-to-date July 31, 2026:

a. List of the name of each water commissioner, their term (beginning and ending), and current annual compensation.

b. Provide, individually, the total amount of each benefit paid to, or on behalf of, each water commissioner during each year (i.e., wages, health insurance premiums, life insurance premiums, FICA taxes, etc.)

c. Provide documentation from the Fiscal Court that authorizes each commissioner's appointment and compensation.

d. Training records for each commissioner for calendar year 2024, 2025, and year-to-date 2026 inclusive of any training for which they have registered but not yet attended in 2026 or provide a statement that the individual has not attended training.

e. Confirm that the commissioners listed in Green-Taylor District's 2025 Annual Report reflect the Green-Taylor District's current commissioners. If not confirmed, explain the response.

12. Refer to Green-Taylor District's Tariff, PSC Ky. No. 1, Original Sheet No. 10-12, Rules and Regulations, Billings.

a. Provide the date Green-Taylor District's billing cycle begins (meter read date).

b. State whether the date that the billing cycle begins is the date that would be best stated as the effective date of any order the Commission may issue concerning rates in this case.

13. Refer to Green-Taylor District's Tariff, PSC Ky. No. 1, Original Sheet No. 12, Rules and Regulation; Billings, Meter Readings, and Related Information; Item 4 and the Application, Attachment 12, Rate Study, ExBA tab regarding the Misread Meter adjustment in the amount of $304,024.82.

a. Explain how customer read meters resulted in the $304,024.82 Misread Meter adjustment and provide the calculation and supporting documentation used to determine the adjustment.

b. For calendar years 2023, 2024, and 2025 provide the number of instances in which a customer submitted meter reading was determined to be incorrect and required correction, separated by year.

c. For calendar years 2023, 2024, and 2025, provide the number of meter rereads performed by Green-Taylor District due to an incorrect customer submitted meter reading, separated by year.

d. For calendar years 2023, 2024, and 2025, provide the number of meters read by Green-Taylor District because a customer failed to submit a meter reading for three consecutive months, as provided for in its tariff, separated by year.

14. Provide the following for new tap installations.

a. Number of installations during the test year.

b. State whether labor costs were capitalized and, if so, provide the total amount and designate the line in the fixed assets listing that reflects the capitalization.

c. State whether material costs were capitalized and, if so, provide the total amount and designate the line in the fixed assets listing that reflects the capitalization.

15. State the last time Green-Taylor District performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.

a. Explain whether Green-Taylor District considered filing a COSS with the current rate application and the reasoning for not filing one.

b. Explain whether any material changes to Green-Taylor District's system would cause a new COSS to be prepared since the last time it completed one.

c. If there have been no material changes to Green-Taylor District's system, state when Green-Taylor District's anticipates completing a new COSS.

d. Provide a copy of the most recent COSS that has been performed for Green-Taylor District's system in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

16. Provide the number of occurrences and dollar amounts for late fees that were recorded during the calendar year 2025.

17. Provide a schedule that lists the number of occurrences of each nonrecurring charge and the revenue amount that was recorded during 2025. Include

nonrecurring charges for which there were no occurrences or reported revenue. Include the general ledger account numbers where each nonrecurring charge is recorded.

18. Provide updated cost justification sheets to support each nonrecurring charge listed in Green-Taylor District's tariff.

19. Provide updated cost justification sheets to support each Meter Connection/Tap-on Charge listed in Green-Taylor District's tariff.

20. Refer to Application, Attachment 12, Rate Study, Revenue Requirements. The Revenue Requirement schedule references an email dated May 14, 2026, indicating that $3,104 of non-utility income will not recur. Provide supporting documentation identifying the source of the $3,104 and explain why it is nonrecurring.

21. Refer to Application, Attachment 12, Rate Study, Debt Service Tab. The utility's debt service schedule identifies three outstanding loans; however, the calculation of average annual interest expense appears to include interest and fees for only one loan.

a. Explain why the interest and fees associated with the remaining two loans were excluded from the calculation.

b. If the exclusion was intentional, provide the basis for the exclusion associated with each of the two loans.

c. If the exclusion was not intentional, provide a revised debt service schedule and revenue requirement calculation reflecting all applicable interest and fee expenses.

d. Confirm whether the revised revenue requirement calculation would constitute an amendment to Green-Taylor District's application. If not, explain why the revised calculation would not constitute an amendment.

22. Refer to Application, Attachment 4, Table A – Depreciation Expense Adjustments and Attachment 7, Depreciation History Report 2025. Provide a reconciliation between the original costs reported in Table A and the detailed assets contained in Attachment 7. For each asset class, identify the individual assets included, the original costs assigned to the class, the service life applied to each asset, and the calculations used to derive the reported and pro forma depreciation expenses, including the resulting total depreciation adjustment of $111,746.

23. Refer to Application, Attachment 3, Current and Proposed monthly water loss reduction surcharge of $2.76 per customer for 48 months.

a. Explain the factors that contributed to the increase in water loss during 2023, 2024, and 2025, and identify the specific causes of the current level of water loss.

b. Identify and describe the capital projects and system improvements undertaken during the past five years that were intended, in whole or in part, to reduce water loss. For each project, provide the project cost, completion date, purpose, and the effect, if any, on water loss.

c. Explain why the proposed water loss reduction activities cannot be funded through existing operating expenses or the current capital plan rather than a water loss reduction surcharge.

d. Provide a detailed description of the projects and expenditures proposed to be funded through the $2.76 monthly Water Loss Reduction Surcharge.

# Service List for Case 2026-00192

* Green-Taylor Water District
250 Industrial Park Road
P. O. Box 168
Greensburg, KY  42743

* Misty Smith
Green-Taylor Water District
250 Industrial Park Road
P. O. Box 168
Greensburg, KY  42743

* Patrick Davis
General Manager
Green-Taylor Water District
250 Industrial Park Road
P. O. Box 168
Greensburg, KY  42743

* Sam Reid
312 N. Jackson Street
Perryville, KY  40468

* Denotes served by Email