

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLIICATION OF SOUTHERN WATER AND )  
SEWER DISTRICT FOR RATE ADJUSTMENT ) CASE NO. 2018-00230  
PURSUANT TO 807 KAR 5:076 )

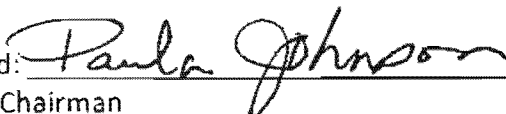
RESPONSE TO THE NOTICE OF FILING DEFICIENCY

The Southern Water and Sewer District (the "Applicant") of Floyd County, Kentucky, respectfully submits the following information in response to Commission's Staff notice of filing deficiency listed in a notice from the Kentucky Public Service Commission dated July 9, 2018:

In the ARF Form 1 – BA-FR attachment the Southern Water & Sewer Customers bills are listed as monthly totals. For the line "All Over 2,000 gallons" the total bills of 3,369 is a monthly average of the year. The gallons listed in Column 3 are from the billing records of the District. To calculate the amount for Column 4 the 3,369 was multiplied by 2,000 then by 12 to obtain the amount of usage for the year in the First 2,000 category. Then the results were subtracted from Column 3 to produce the usage in Column 5.

To complete the ARF Form 1 – BA-FR for "Revenue from Proposed Rates", the current number of customers were used. The reasoning for this was that in addition to the 1,160 customers transferred to the City of Prestonsburg, the District lost an additional 93 customers in the normal course of business. It is not feasible to expediently determine the exact usage of these 93 customers. In 2017 the District changed billing systems and the records prior to the switch are no archived electronically. It would be a lengthy process to track the 93 customers. An estimate of their usage can be made but it would be that – an estimate.

The District is able to submit the Excel spreadsheet used to calculate the Revenue from Present Rates and Proposed Rates with formulas if the PSC staff needs/wants this spreadsheet.

Signed:   
Title: Chairman  
Date: July 11, 2018