## SOUTHEASTERN WATER ASSOICATION 147 EAST SOMERSET CHURCH ROAD SOMERSET, KY 42503

606-648-5501

"This is an equal opportunity provider"

June 25, 2021

Ms. Linda Bridwell Executive Director Public Service Commission PO Box 615 Frankfort, KY 40602

RE: Case No. 2021-00126

South Eastern Water Association, Inc.

Dear Ms. Bridwell:

The South Eastern Water Association, Inc. (the Association) submits the following comments concerning the Commission Staff Report dated June 14, 2021:

- 1. The Association concurs with the findings presented in the Staff Report regarding water rates with only one exception. The Association provides paid time off to their employees in three categories: vacation, medical leave, and holidays. Also, if vacation time goes unused by an employee, upon request of the employee and with approval of management, those hours may be paid at the employee's regular rate. Hours paid for these payroll categories during the test year are shown is the Association's response to the Second Request for Information, Item 1. In the computation of Pro Forma Salaries and Wages Expense at the top of page 9 in the Staff Report, it appears the employees' paid time off was overlooked. A computation that includes paid time off is provided in the enclosed spreadsheet titled Revised Salaries & Wages. This spreadsheet also shows three other categories of expense that are affected by a change in salaries and wages. The Association respectively requests that the Commission include the employees' paid time off in a revised rate computation.
- 2. The cost justification sheets for nonrecurring charges requested on page 7 of the Staff Report are enclosed.
- 3. The Association waives its right to request an informal conference or hearing in this case.

If you need any additional information from the Association to expedite implementation of the new rates, please contact our office.

Sincerely,

Joe Crawforð President