

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
"ELECTRONICALLY FILED"

In the Matter of:

ELECTRONIC APPLICATION OF SOUTHERN)	
WATER & SEWER DISTRICT FOR)	
APPROVAL OF AN I.T. SECURITY)	CASE NO. 2022-2
CONTRACT WITH TECHNOLOGY)	
PROCESS MANAGEMENT PURSUANT)	
TO KRS 278.300)	

*** **

APPLICATION

The Applicant, Southern Water and Sewer District, (hereinafter the "District"), files this Application pursuant to KRS 278.300 and all other applicable laws and regulations, and requests that the Kentucky Public Service Commission (hereinafter "PSC") enter an Order authorizing the District to enter into a contract with Technology Process Management to provide information technology/internet security services to the District. In support of this Application, and in compliance with the rules and regulations of the PSC, the District states as follows:

1. The District was established pursuant to the provisions of Chapter 74 of the Kentucky Revised Statutes. The District is now, and has been since its inception, regulated by the PSC, and all records and proceedings of the PSC with reference to the District are incorporated into this Application by reference. The District does not have any Articles of Incorporation because it is a statutorily created entity.
2. The governing body of the District is its Board of Commissioners, which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purpose as provided for in KRS 74.070 and all applicable law and regulations.
3. The mailing address of Southern is as follows:

Southern Water & Sewer District
245 Kentucky Route 680
P.O. Box 610
McDowell, KY 41647
4. A general description of the District's water system property, together with a statement of the original cost, is contained in the District's most recent Annual Report which is on file with the PSC. The Annual Report is incorporated herein by reference.
5. It has come to the District's attention that significant improvements could be made to their current I.T. system. Southern wishes to continue employing "Eclipse Data Solutions" for telephone and telemetry services and begin employing "Technology Process Management" (TPM) by United Systems to service and maintain the District's I.T. system(s).
6. The District has taken the liberty of procuring a proposed contract with "Technology Process Management" (TPM) to provide hardware, software and monitor and

maintain the District's IT systems. (See Attached). Specifically, TPM would provide Southern with a server, four work station computers, four monitors as well as Software. Additionally, TPM would manage Southern's network, provide technical support, provide for the security of the network via anti-virus and malware programs, document the network and be an intermediary between Southern and their various I.T. vendors.

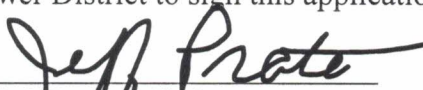
7. The District feels as though the proposed contract would be in their best interest as United Systems has been providing the District with Software since 2017. Due to this long-standing relationship with United Systems, the District is confident that the proposed TPM system would efficiently and smoothly integrate into the District's current IT system.
8. The proposed contract between the District and TPM is for an initial term of sixty (60) months and shall automatically renew at the end of the initial term for another period of twelve (12) months.
9. The monthly fee to be paid by the District to TPM is \$1,200. Any monthly overage charges (if applicable) and hardware/software costs (if any) shall be billed to the District monthly. TPM has waived the "On Boarding Fee."
10. The District represents that this proposed contract is in the public's interest and is intended to accomplish the purpose of strengthening the security and efficiency of the District's Information/Technology System and therefor improving the financial condition of the District. This is a lawful object within the corporate purposes of the District's utility operations. This contract is necessary, appropriate for, and consistent with the proper performance by the District of its service to the public and will not impair its ability to perform that service.
11. The District represents that it will, as soon as reasonably possible after executing the contract, file with the Commission a copy of said executed agreement.
12. Pursuant to 807 KAR 5:001, Section 12-Financial Exhibits; the District hereby responds as follows;
 - i. Section 12(1)(b) The District states that it has had less than \$5,000,000 in gross annual revenue in the immediate past calendar year and that no material changes to the District's financial condition have occurred since the end of the twelve (12) month period contained in the District's most recent annual report on file with the PSC.
 - ii. Section 2(2)(a), (b) and (c) Stock: The District does not have any authorized, issued or outstanding stock as of the date hereof.
 - iii. Section 12(2)(d) Mortgages: The District does not have any outstanding mortgages as of the date hereof.
 - iv. Section 12(2) (e), (f) and (g) Indebtedness: The information concerning outstanding indebtedness of the District is contained in the District's most recent Annual Report on file with the Commission.
 - v. Section 12(2)(h) Dividends: The District has no outstanding stock and therefore pays no dividends.
13. Pursuant to 807 KAR 5:001, Section 18, the District hereby responds as follows;
 - i. Section 18(1)(a): The District has complied with the requirements of 807 KAR 5:001, Section 14.

- ii. Section 18(1)(b) A general description of the District's property , its field of operation and a statement of original cost of said property and the cost to the District is contained in the District's most recent Annual report on file with the PSC.
- iii. Section 18(1)(c) The District is not issuing any stock as part of this Application. The information concerning this proposed contract is contained in this Application and the Exhibits/Attachments hereto.
- iv. Section 18(1)(d): The purpose of this contract is to create and maintain an efficient and effective IT system.
- v. Section 18(1)(e) Computer hardware and software will be acquired pursuant to this proposed contract.
- vi. Section 18(1)(f) The proposed contract is not to be used to discharge or refund any obligation.
- vii. Section 18(1)(g) written notification of the proposed contract is being provided to the State Local Debt Officer.
- viii. Section 18(2)(a) See numerical 12 above.
- ix. Section 18(2)(b) The District does not have any outstanding trust deeds or mortgages.

WHEREFORE, the District respectfully requests that the PSC take the following actions:

1. Authorize/Approve the proposed contract between the District and Technology Process Management.
2. Process this Application without a formal hearing in order to save time and expense. The District will promptly respond to any information requested by PSC staff.

The undersigned, Jeff Prater, Chairman of Board of Southern Water and Sewer District, hereby verifies that he has personal knowledge of the matters set forth in the above stated application, that the information set forth herein is true and accurate and that he is duly designated by Southern Water and Sewer District to sign this application on its behalf.

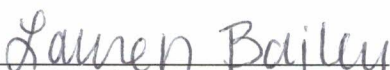


Jeff Prater, Chairman

State of Kentucky
County of Floyd

Subscribed and sworn to before me by Jeff Prater, Chairman of Southern's Board of Commissions, on this the 29 day of December, 2021.

My Commission expires: 2-11-23



Notary Public, State of Kentucky

Respectfully Submitted,

s/ Steven Bailey

Steven Bailey, J.D./M.B.A.

Counsel for Southern Water & Sewer District

Bailey Law Office, PSC

steven@baileylawofficepsc.com

181 East Court Street

Prestonsburg, KY 41653

Ph. (606) 263-4913