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April 30, 2023

VIA EMAIL: Kent.Chandler@KY.gov
and U.S. Mail, First Class

Hon. Kent Chandler, Chairman
Kentucky Public Service Commission
P.O. Box 615, 211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Case no. 2022-00344, Request from Counsel

Dear Mr. Chair,

I am writing to you regarding PSC case no. 2022-00344, an investigation into loans signed by our client, the Jessamine-South Elkhorn Water District, without first seeking PSC approval.

First, allow me to take responsibility for this lapse. The failure to obtain PSC approval is a matter of inadvertence. The District, and its Commissioners named in this case, acted under advice of counsel, or lack thereof – mine – and would thus have had good reason to believe that they were acting in strict conformity to statute and regulation. My own inadvertence in failing to direct, obtain authorization for and submit application to the PSC, in order to approve these loans, has rendered no benefit to myself or my client. It was just that: inadvertent. I take responsibility, and I am sorry.

I write to you specifically with a request about the course of this case. I am in receipt of the PSC's information request, and I look forward to filing complete responses and cooperating with the investigation – obviously at no cost to Jessamine-South Elkhorn. I would request two concessions, which I hope are justified by the fact that noncompliance sits on my shoulders, rather than those of the Water District's Commissioners:

- 1) That I be saddled with any sanctions, in the form of fines or extra training – rather than the Water District Commissioners¹; and
- 2) That any public hearing on this matter be waived, without our Water District Commissioners being subjected to the stigma arising from a public hearing, when it is, rather, my responsibility to make amends for the District's noncompliance.

Let me share with you that my office has enjoyed, over the years, a good collaborative relationship with PSC staff. Various tariff updates, rate increases, and other matters have led us to seek the input and assistance (always forthcoming) of Daniel Hinton, Travis Leach, Zach Ripy, and

¹ The District's Commissioners have in past years undergone PSC-approved instructional training such that they have qualified for the added compensation provided under KRS 74.020. Several of the Commissioners have not yet taken the six hours of training for this calendar year, but they are aware of the advantage of having such training and will undergo same before December 31.

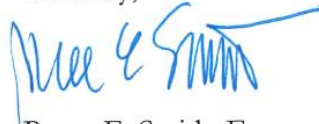
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others. We look forward to a continuing, good-working relationship with your staff. Between such collaboration, renewed attentiveness to utility laws and regs, and a thorough participation in this case, we hope to better uphold our duty to Jessamine-South Elkhorn's customers and to vindicate the interests of transparency and service to the public.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bruce E. Smith". The signature is stylized with a large initial "B" and "S".

Bruce E. Smith, Esq.