

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:
ELECTRONIC APPLICATION OF BULLOCK PEN)
WATER DISTRICT FOR AN ALTERNATIVE RATE)
ADJUSTMENT)**

CASE NO. 2022-00378

**BULLOCK PEN WATER DISTRICT'S RESPONSE TO PUBLIC
SERVICE COMMISSION STAFF REPORT**

Comes now the Bullock Pen Water District ("Bullock Pen District") and submits the following Response to the Public Service Commission ("Commission") Staff Report.

After review of the Commission's Staff Report by Bullock Pen District's Attorney and Certified Public Accountant, Bullock Pen District, through its Chairman, takes the following exceptions to the Commission's Staff Report.

(D) Purchase Power. At pages 11-12 of the Commission's Staff Report, it is recommended that adjustments in Purchase Power due to inflation should be denied. In Bullock Pen District's Application, an increase in this cost was presented at \$19,330.00. The Commissioner's Staff Report indicates that the "methodology" applied to this item was inaccurate. Bullock Pen District supplied actual invoices for Purchase Power for 2022 which indicate an increase in Purchase Power of \$16,724.00 over 2021 Purchase Power expense. The Purchase Power inflationary spiral is reality. Purchase Power expenses for Bullock Pen District will undoubtedly increase dramatically in 2023-2024 as they have from 2021-2022. Bullock Pen District believes that the Purchase Power adjustment should be granted as requested.

(E) Chemicals. At page 12 of the Commission's Staff Report, it is recommended that no adjustment be granted for an increase in chemical prices due to inflation. In Bullock Pen District's

Application, invoices demonstrated a \$29,210.00 increase. Actual invoices for 2022 indicated that chemical costs totaled \$35,441.00. As with Purchase Power, the chemical cost inflationary spiral is reality. Bullock Pen District believes that the chemical adjustment denied in full in the Commission Staff Report is unreasonable.

(G) Transportation Expense. At page 13 of the Commission’s Staff Report, Bullock Pen District’s request for an adjustment in this item was denied. In Bullock Pen District’s Application, a \$19,555.00 increase was documented. 2022 Invoices for Transportation Expense demonstrated a \$12,840.00 increase. Bullock Pen District believes denial of this item in full is unreasonable.

Respectfully submitted,

BULLOCK PEN WATER DISTRICT

BY: *Charles Givin*
CHAIRMAN CHARLES GIVIN

COMMONWEALTH OF KENTUCKY
COUNTY OF GRANT

Subscribed, sworn to and acknowledged before me by Chairman Charles Givin, Bullock Pen Water District, on this the 5th day of May, 2023.


Amy G Ruark
NOTARY PUBLIC, State at Large
Notary ID#: KYNP2116
My Commission Expires: 2/20/24



CERTIFICATE

The undersigned certifies that a copy of the foregoing Response to the Commission's Staff Request for information was duly emailed to the below described entities this 8 day of May, 2023.

Kentucky Attorney General
Via Email: rateintervention@ag.ky.gov



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