

May 19, 2023

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

RE: Case No. 2022-00400
McKinney Water District
Response to Staff Report of May 16, 2023

Dear Ms. Bridwell:

McKinney Water District (the "District") submits the following comments concerning the Commission Staff Report dated May 16, 2023:

1. Although the District does not agree with the Staff's removal of certain labor expenses from nonrecurring charges, the District does not wish to contest that adjustment in this case. The District's failure to object to Staff's findings and recommendations concerning the reduction of certain Non-Recurring Charges shall not be construed to be a waiver of the District's right to contest a similar finding or recommendation in a future rate proceeding. The District expressly reserves its right to do so.
2. Although the District does not agree with the Staff's removal of certain adjustments to materials and contractual services expenses based upon changes in the Producers Price Index, the District does not wish to contest that removal in this case. The District's failure to object to Staff's findings and recommendations concerning the removal of certain indexed adjustments shall not be construed to be a waiver of the District's right to contest a similar finding or recommendation in a future rate proceeding. The District expressly reserves its right to do so.
3. The District concurs with the remainder of findings presented in the Staff Report.
4. The District waives its right to request an informal conference or hearing in this case.

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

Sincerely,



Matt Rankin
Chairman