

Clear Water Consulting LLC

May 14, 2024

Ms. Linda Bridwell
Executive Director
Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

RE: Case No. 2024-00022
Hyden-Leslie County Water District
Revised Response to Commission Staff's First Request for Information

Dear Ms. Bridwell:

Enclosed for filing in the referenced case is a revised response to Commission Staff's First Request for Information, Item 1f. An adjustment to Service Charges (Adjustment I) was identified to be necessary after the submission of the responses.

Please reference the response to Staff's First Request, Item 20 which details the total Service Charges that were billed for both 2022 and 2023. Upon review of the general ledger and the audit adjustment notes, it was made apparent that the auditor had included an adjustment in 2022 for \$6,795 which was included in Miscellaneous Revenue in an attempt to restore proper balances for certain balance sheet items. As such, this is not revenue to the utility, and should not be included in the test year. Additionally, the Service Charges recorded for 2022, may not reflect the actual charges. However, the district began using new billing software in January of 2023 that more accurately records these charges.

Actual Service Charges for 2023 were \$2,432.52 and \$5,167.80.

When these elements are taken into consideration, the proposed Adjustment I, to Service Charges should be modified to be a decrease of \$(2,028). A modified rate study is attached with this filing.

Thank you,

/s/ Ariel Baker

Ariel Baker