

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE ADJUSTMENT FILING OF)	CASE NO.
SANDY HOOK WATER DISTRICT)	2024-00196

RESPONSE OF SANDY HOOK WATER DISTRICT
TO THE COMMISSION STAFF'S THIRD REQUEST FOR
INFORMATION DATED DECEMBER 16, 2024

**Sandy Hook Water District
Case No. 2024-00196
Commission Staff's Third Request for Information**

1. Refer to Sandy Hook District's response to Commission Staff's Second Request for Information (Staff's Second Request), Items 1. Sandy Hook District states it "is having difficulty obtaining reconciliation documentation from their auditor of the General Ledger Accounts with the Annual Report that was filed with the Kentucky Public Service Commission."

a. State whether Sandy Hook District expects to be able to obtain the requested documentation.

Response: The requested information is supplied in this filing.

See files: SHWD_DR3_2023_SUGGESTED_JOURNAL_ENTRIES
SHWD_DR3_Adjusted_General_Ledger
SHWD_DR3_Reconciliation_Workbook

b. If Sandy Hook District expects to obtain the requested documentation, provide the expected date of the filing.

Response: See response to 1.a.

c. Provide an explanation for why Sandy Hook District is unable to provide the requested information itself and, therefore, has to rely on its auditor to provide details of its own financial situation.

Response: Sandy Hook's auditor, at the completion of their audit, also files Sandy Hook's Annual report with the Kentucky Public Service Commission (PSC). When Sandy Hook inquired about workpapers to reconcile Sandy Hook's General Ledger

accounts with the PSC's Annual Report format their auditor stated that they do not retain those workpapers upon completion of the PSC's Annual Report filing. To add further difficulty, Sandy Hook's auditor stated that during the auditing process, they import Sandy Hook's financial data into Quickbooks, complete the audit, and use those financial numbers to file the PSC's Annual Report. The auditor stated that even if they had retained the Quickbooks data, it would not align with Sandy Hook's General ledger accounts. The auditor was able to supply Sandy Hook with an adjusted trial balance and Sandy Hook was able to reconcile those account balances with the PSC's Annual Report. Those spreadsheets have been supplied with this filing.

2. Refer to Sandy Hook District's response to Staff's Second Request, Items 3a, 3b, and 4a, referencing "Question 1, item 1c".

a. Confirm the reference to "Question 1, Item 1c" is referencing Sandy Hook District's attempt to obtain the documentation from its auditor.

Response: That is correct.

b. If not confirmed, explain what the reference to "Question 1, Item 1c" is referring to.

Response: See response to 2a.

c. Confirm that Sandy Hook District will respond to the requests in Staff's Second Request once it obtains the documentation from its auditor. If not confirmed, explain why not.

Response: Sandy Hook has made every attempt to supply those responses in this filing and believes they have supplied all responses requested.