June 18, 2025

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

RE: Case No. 2024-00251 Southern Water and Sewer District Response to Staff Report of June 16, 2025

Dear Ms. Bridwell:

Southern Water and Sewer District (the "District") submits the following comments concerning the Commission Staff Report dated June 16, 2025:

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. The District will notify Floyd County Fiscal Court of the need to authorize officer salaries and respectfully requests that the officer salaries be restored to the revenue requirements.

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,

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Randy Conley General Manager