**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**PSC CASE 2025-00232**

**IN RE MATTER OF: ELECTRONIC SOUTHERN WATER AND SEWER DISTRICT UNACCOUNTED FOR WATER LOSS REDUCTION PLAN, SURCHARGE & MONITORING**

## SURCHARGE ACTIVITY REPORT FOR OCTOBER 2026

Comes Southern Water and Sewer District, by and through counsel, and provides the Public Service Commission with the Surcharge Activity Report for October 2026. This report is filed in compliance with the order filed on August 15, 2025, in case 2025-00232, page 7, numerical paragraph 10.

The total amount of surcharges billed for October 2026 was $36,472.20. The total amount of surcharges collected for October 2026 was $36,297.42.

On September 30, 2026, the bank account designated solely for surcharge management had a beginning balance of $387,625.97. There was one deposit made in the month of October. The deposit made on October 6, 2026, was the total of the September 2026 surcharge collections in the amount of $35,403.02, as reflected in *the September 2026 Surcharge Activity Report.* There were no withdrawals or payments for the month of September. In the month of October, the bank account generated $704.99 in interest. On October 31, 2026, the bank account designated solely for surcharge fund management had an ending balance of $423,733.98.

The October 2026 surcharge collections were deposited on November 11, 2026, in the amount of $36,297.42. This amount will be reflected on the November 2026 Bank Statement. The total amount of October 2026 surcharge funds collected was 36,297.42. The total amount of

surcharge funds deposited was $36,297.42. The total amount of surcharge collections is equivalent to the total amount deposited.

See attached: *October 2026 Bank Statement* and *October 2026 Surcharge Reporting Form.*

On August 21, 2026, the PSC filed an order approving Southern Water's contract with Bell Engineering and the use of surcharge funds towards the Bell Engineering project to begin the 15–20 year capital plan. PSC ordered that Southern Water provide updates of the work completed by Bell Engineering. In compliance of the August 21, 2026, PSC Order, page 5, numerical paragraph 2, we report that there are no updates to be provided at this time. Both parties are in the process of exchanging information and formulating plans.

**CERTIFICATION**

These responses are true and accurate to the best of preparer's knowledge, information and belief formed after reasonable inquiry. Filed on this 16th day of November 2026.

Respectfully submitted,

Earl M. McGuire
Attorney at Law
McGuire Law Office
132 South Lake Drive, Suite 203
P.O. Box 1746
Prestonsburg, KY 41653
(606) 889-2201
*Counsel for Southern Water & Sewer District*

**Utility Name: Southern Water & Sewer District**
**Selected Financial Information and Better / Worse (B / (W)) Performance**
**Year Ended December 31, 2026**

| A | B | C | D | E | F<br>D - C | G<br>E - D | H<br>C - B |
|---|---|---|---|---|---|---|---|
| **Month** | **Record as Sales** | **Billings** | **Collections** | **Deposits** | **Collections B / (W) Billings** | **Deposits B / (W) Collections (1)** | **Billings B / (W) Recorded Sales (1)** |
| January | 36,752.23 | 36,752.23 | 36,081.48 | 36,081.48 | (670.75) | 0.00 | 0.00 |
| February | 36,677.10 | 36,677.10 | 35,343.20 | 35,343.20 | (1,333.90) | 0.00 | 0.00 |
| March | 36,636.12 | 36,636.12 | 35,080.18 | 35,080.18 | (1,555.94) | 0.00 | 0.00 |
| April | 36,458.54 | 36,458.54 | 34,597.83 | 34,597.83 | (1,860.71) | 0.00 | 0.00 |
| May | 36,540.50 | 36,540.50 | 35,403.88 | 33,559.82 | (1,136.62) | (1,844.06) | 0.00 |
| June | 36,499.52 | 36,499.52 | 34,906.35 | 36,750.41 | (1,593.17) | 1,844.06 | 0.00 |
| July | 36,451.71 | 36,451.71 | 35,874.15 | 35,874.15 | (577.56) | 0.00 | 0.00 |
| August | 36,438.05 | 36,438.05 | 34,766.65 | 34,766.65 | (1,671.40) | 0.00 | 0.00 |
| September | 36,567.82 | 36,567.82 | 35,403.02 | 35,403.02 | (1,164.80) | 0.00 | 0.00 |
| October | 36,472.20 | 36,472.20 | 36,297.42 | 36,297.42 | (174.78) | 0.00 | 0.00 |
| November | | | | | 0.00 | 0.00 | 0.00 |
| December | | | | | 0.00 | 0.00 | 0.00 |
| Total | 365,493.79 | 365,493.79 | 353,754.16 | 353,754.16 | (11,739.63) | 0.00 | 0.00 |

Specify the general ledger account where the surcharge is recorded 47,403.00

(1) Explain reasons for difference if amount does not equal zero.

Peoples BANK

Last statement: September 30, 2026
This statement: October 31, 2026
Total days in statement period: 31

SOUTHERN WATER & SEWER DISTRICT
245 KY RT 680
MC DOWELL KY 41647-6012

Page 1
XXXXX
(0)

Direct inquiries to:
1-800-374-6123

## Public Funds

Account number XXXX

### DAILY ACTIVITY

| Date | Description | Additions | Subtractions | Balance |
|---|---|---|---|---|
| 09-30 | Beginning balance | | | $387,625.97 |
| 10-08 | ' Internet/Vru Trsfr | 35,403.02 | | 423,028.99 |
| | REF 2811342L FUNDS TRANSFER FRM | | | |
| | DEP XXX1345 FROM ONLINE | | | |
| | SEPTEMBER COLLECTI | | | |
| 10-31 | ' Int Credit Generated | 704.99 | | 423,733.98 |
| 10-31 | **Ending totals** | **36,108.01** | **.00** | **$423,733.98** |

### INTEREST INFORMATION

| | |
|---|---|
| Annual percentage yield earned | 2.02% |
| Interest-bearing days | 31 |
| Average balance for APY | $415,034.76 |
| Interest earned | $704.99 |

### OVERDRAFT/RETURN ITEM FEES

| | Total for this period | Total year-to-date |
|---|---|---|
| Total Overdraft Fees | $0.00 | $0.00 |
| Total Returned Item Fees | $0.00 | $0.00 |

*Thank you for banking with Peoples Bank*