

“RESPONSE TO THE ALLEGATIONS CONTAINED IN THE 8/15/25 ORDER IN PSC CASE  
2025-233.”

“ELECTRONIC INVESTIGATION INTO ALLEGED  
ASSESEMENT OF AN UNAPPROVED RATE”

First and foremost, Southern Water (Southern) intends to continue to operate with integrity and in compliance with all applicable laws and with the Kentucky Public Service Commission.

Until Southern was served with this Case, Southern was not aware of any allegation(s) that it had violated any statute, including specifically KRS 278.160. The subject of instituting a “disconnect” charge was not brought to the attention of the Board of Commissioners and/or Southern’s Attorney at any time prior to this action, as reflected in Southern’s minutes.

Southern’s Attorney and Board of Commissioners do not have any direct personal knowledge regarding the institution and/or collection of a “disconnect” charge as this issue was not brought up during any board meeting(s) or through any other direct or indirect manner. As you are aware, U.M.G. is responsible for the daily operations of Southern and should the PSC need any factual information regarding the “disconnect”/”service call investigation” charge, said questions should be directed to U.M.G.

Southern does not dispute the factual allegation that a “disconnect/turn-off” charge was not included in Southern’s Tariff. Southern does take issue with any allegation(s) that Southern willfully aided and abetted in any violation(s) of any law, specifically including KRS 278.160.

Southern anticipates that a revised tariff sheet, including all fees charged/collected by Southern, should be e-filed with the P.S.C. by the middle of September 2025 in Case 2024-251.

Southern appreciates the PSC for bringing this issue to our attention and Southern has counseled UMG and our administrative staff that no fee/charge shall be collected that is not

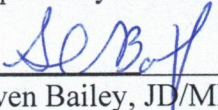


specifically listed in Southern's current Tariff. Southern welcomes any advice the PSC may have in continuing to operate Southern Water in compliance with all applicable rules and regulations.

CERTIFICATION

This response is true and accurate to the best of preparer's (Hon. Steven Bailey) knowledge, information and belief formed after reasonable inquiry.

Respectfully Submitted on August 29, 2025 by;

  
\_\_\_\_\_  
Steven Bailey, JD/MBA  
Bailey Law Office, PSC  
Counsel for Southern Water & Sewer District  
181 E Court St  
Prestonsburg, KY 41653  
steven@baileylawofficepsc.com  
Phone (606) 263-4913