

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)	
BLUEGRASS WATER UTILITY OPERATING)	CASE NO.
COMPANY, LLC FOR AN ADJUSTMENT OF)	2020-00290
RATES AND APPROVAL OF)	
CONSTRUCTION)	

COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION
TO BLUEGRASS WATER UTILITY OPERATING COMPANY, LLC

Bluegrass Water Utility Operating Company, LLC (Bluegrass Water), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due May 31, 2021. The Commission directs Bluegrass Water to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085¹ regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Bluegrass Water shall make timely amendment to any prior response if Bluegrass Water obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Bluegrass Water fails or refuses to furnish all or part of the requested information, Bluegrass Water shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Bluegrass Water shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Bluegrass Water's responses to Commission Staff's Second Request for Information, Item 12. The original request asked Bluegrass Water to provide a spreadsheet, in Excel format with all formulas unprotected and all rows and columns fully accessible, with the information contained in attachment BGUOC2020RateCase-RateBase_(Sewer).xlsx broken down by each sewer system. In its response Bluegrass

Water provided a separate rate base spreadsheet for each sewer system but the total of all 19 Excel spreadsheets did not equal the amounts listed in BGUOC2020RateCase-RateBase_(Sewer).xlsx.

a. Provide a single spreadsheet, in Excel format with all formulas, columns, and rows unprotected and fully accessible, listing the 13-month average rate base for each separate sewer system that totals to the 13-month average rate base contained in BGUOC2020RateCase-RateBase_(Sewer).xlsx; Tab: FY Rate Base - Sewer B1.

b. Provide a single spreadsheet, in Excel format with all formulas, columns, and rows unprotected and fully accessible, listing the 13-month average rate base for each separate sewer system that totals to the 13-month average rate base contained in Excel Spreadsheet BYupdate-RateBase(Sewer).xlsx; Tab: FY Rate Base - Sewer B1.

c. Provide an explanation of why the amounts did not match in the documents originally provided.

2. Refer to BGUOC2020RateCase-RateBase_(Sewer).xlsx; Tab: AccDep - FY B3. Provide a spreadsheet, in Excel format with all formulas, columns, and rows unprotected and fully accessible, for each sewer system listing by NARUC account, the original cost of the acquired assets, and the associated accumulated depreciation by asset account.

3. Refer to the D'Ascendis Testimony, page 11, Table 2. Provide an update to Table 2 with the actual monthly VIX for the months of October 2020 through May 2021.

4. Provide the current 30-year Treasury bond interest rate.

5. Provide the current Baa2 corporate bond rate.
6. Provide the analysis previously performed by Bluegrass Water regarding whether it would be more cost-effective to hire contractors or employees to operate Bluegrass Water's systems; provide an update to that analysis accounting for the current systems owned by Bluegrass Water; and explain whether it would ever be more cost effective to hire operators directly as employees as opposed to contractors.
7. State whether the Commission has granted other sewer utilities deviations from 807 KAR 5:071 Section 7(4), when requested.
8. Explain the residential equivalent ratio applied to the Brooklyn subdivision multiunit customers, and explain the basis for the residential equivalent ratio.
9. Explain the residential equivalent applied in the application to the commercial customers from Randview and Persimmon Ridge, and provide the customer name and water usage of each of these four commercial customers the proposed residential equivalent is based on.



Linda C. Bridwell, PE.
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED MAY 21 2021

cc: Parties of Record

*L Allyson Honaker
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504

*Bluegrass Water Utility Operating Company, LLC
1650 Des Peres Road, Suite 300
St. Louis, MO 63131

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*J. Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*David S Samford
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504

*John G Horne, II
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Kathryn A Eckert
McBrayer PLLC
201 East Main Street
Suite 900
Lexington, KENTUCKY 40507

*Katherine Yunker
McBrayer PLLC
201 East Main Street
Suite 900
Lexington, KENTUCKY 40507

*Larry Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204