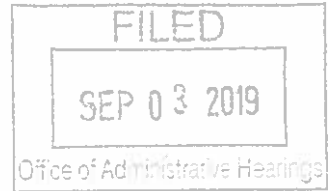


J. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0149

IN RE: Bluegrass Water Utility Operating Company, LLC
Airview Estates Subdivision Wastewater Treatment Plant
West Airview Drive
Elizabethtown, KY 42701
AI No. 1643
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Airview Estates Subdivision Wastewater Treatment Plant (hereinafter "Airview WWTP" or "facility"), is located at West Airview Drive, Elizabethtown, Kentucky 42701. The facility has a design capacity of 0.055 million gallons per day and discharges to an unnamed tributary to Mill Creek Branch.
4. Airview WWTP is currently owned and operated by Airview Utilities, LLC. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems

(hereinafter "KPDES") permit number KY0045390, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expired on January 31, 2014, however, the DOW has administratively continued the permit to allow the facility to operate under its expired permit.

5. Airview Utilities, LLC is an active Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Airview WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Airview WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Airview WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Airview WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Airview WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5.065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Airview WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons

for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

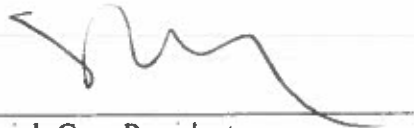
25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0149

AGREED TO BY:



Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC



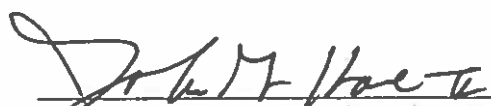
Date

APPROVAL RECOMMENDED BY:




Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date



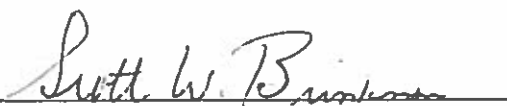
R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/29/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET


SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

John G. Horne II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601



DOCKET COORDINATOR

Distribution:

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BGD
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FBT

J. Horne

FILED
SEP 03 2019
Office of Administrative Hearings

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0150

IN RE: Bluegrass Water Utility Operating Company, LLC
Brocklyn Utilities Wastewater Treatment Plant
474 Eastern Bypass
Richmond, KY 40475
AI No. 2809
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Brocklyn Utilities Wastewater Treatment Plant (hereinafter "Brocklyn WWTP" or "facility"), is located at 474 Eastern Bypass, Richmond, Kentucky 40475. The facility has a design capacity of 0.040 million gallons per day and discharges to an unnamed tributary to Taylor Fork.
4. Brocklyn WWTP is currently owned and operated by Brocklyn Utilities, LLC. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems (hereinafter "KPDES") permit number KY0081299, issued by the Cabinet's Division of Water

(hereinafter "DOW"). The facility's KPDES permit expired on May 31, 2018, however, the DOW has administratively continued the permit to allow the facility to operate under its expired permit.

5. Brocklyn Utilities, LLC is an active Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Brocklyn WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Brocklyn WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Brocklyn WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Brocklyn WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Brocklyn WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065

Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort,

Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Brocklyn WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters

agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in

compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its

right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0150

AGREED TO BY:

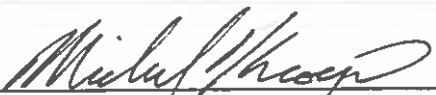


Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC

8/14/19


Date

APPROVAL RECOMMENDED BY:




Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date



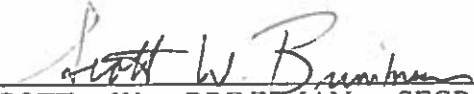
R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/29/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2017.

ENERGY AND ENVIRONMENT CABINET



SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601

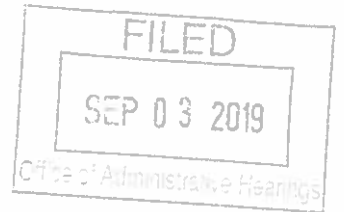


DOCKET COORDINATOR

Distribution:

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T. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0151

IN RE: Bluegrass Water Utility Operating Company, LLC
Fox Run Subdivision Wastewater Treatment Plant
U.S Highway 60 West
Frankfort, KY 40601
AI No. 1388
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Fox Run Subdivision Wastewater Treatment Plant (hereinafter "Fox Run WWTP" or "facility"), is located at U.S. Highway 60 West, Frankfort, Kentucky 40601. The facility has a design capacity of 0.020 million gallons per day and discharges to an unnamed tributary to South Benson Creek.
4. Fox Run WWTP is currently owned and operated by Fox Run Utilities, LLC. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems

(hereinafter "KPDES") permit number KY0086967, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expired on June 30, 2018; however, the DOW has administratively continued the permit to allow the facility to operate under its expired permit.

5. Fox Run Utilities, LLC is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Fox Run WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Fox Run WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Fox Run WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Fox Run WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Fox Run WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall

provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. The BWUOC may request an amendment of the accepted CAP by writing

the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Fox Run WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or

aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it

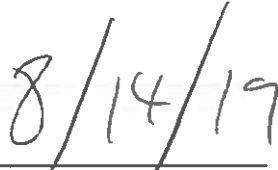
concur that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0151

AGREED TO BY:




Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC




Date

APPROVAL RECOMMENDED BY:



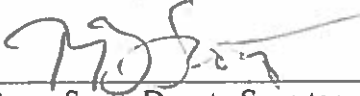
Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date



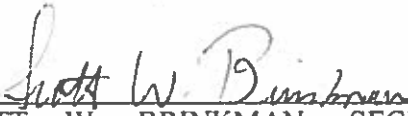
R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/20/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET


SCOTT W. BRINKMAN, SECRETARY of the GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601



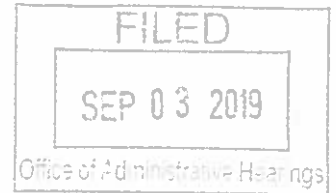
DOCKET COORDINATOR

Distribution:

DOW
BGD
S/H
FBT

J. Horne

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0156



IN RE: Bluegrass Water Utility Operating Company, LLC
Golden Acres Subdivision Wastewater Treatment Plant
US Highway 68 Golden Acres Loop
Calvert City, KY 42029
AI No. 2935
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Golden Acres Subdivision Wastewater Treatment Plant (hereinafter "Golden Acres WWTP" or "facility"), is located at US Highway 68, Golden Acres Loop, Calvert City, Kentucky 42029. The facility has a design capacity of 0.025 million gallons per day and discharges to an unnamed tributary to Clarks River.
4. Golden Acres WWTP is currently owned and operated by Marshall County Environmental Services, LLC. The facility's discharges are permitted under Kentucky Pollutant

Discharge Elimination Systems (hereinafter "KPDES") permit number KY0044164, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expires on January 31, 2020.

5. Marshall County Environmental Services is an inactive for-profit Kentucky corporation in "bad" standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Golden Acres WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Golden Acres WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Golden Acres WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Golden Acres WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Golden Acres WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall

provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes, proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Golden Acres WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons

for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

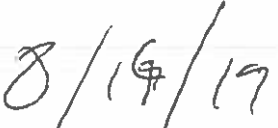
26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0156

AGREED TO BY:



Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC



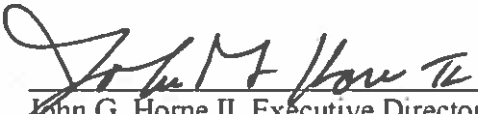
Date

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Horne II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date



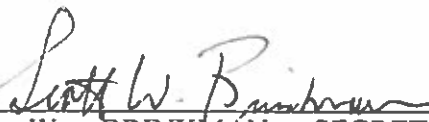
R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/28/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET


SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd
Frankfort, Kentucky 40601

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd
Frankfort, Kentucky 40601

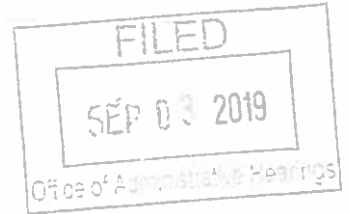


DOCKET COORDINATOR

Distribution:

DOW
S&H
BGD
FBT

J. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0148

IN RE: Bluegrass Water Utility Operating Company, LLC
Great Oaks Subdivision Wastewater Treatment Plant
Creekside Drive
Paducah, KY 42003
AI No. 3041
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Great Oaks Subdivision Wastewater Treatment Plant (hereinafter "Great Oaks WWTP" or "facility"), is located at Creekside Drive, Paducah, Kentucky 42003. The facility has a design capacity of 0.070 million gallons per day and discharges to Blizzard Pond Drainage Canal.
4. Great Oaks WWTP is currently owned and operated by Marshall County Environmental Services, LLC (hereinafter "MCES") and/or Allen Artis. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems (hereinafter "KPDES")

permit number KY0080845, issued by the Cabinet's Division of Water (hereinafter "DOW") on March 27, 2012. The facility's KPDES permit expired on April 30, 2017; however, the DOW has administratively continued the permit to allow the facility to operate under its expired permit.

5. MCES is an inactive for-profit Kentucky corporation in "bad" standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Great Oaks WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Great Oaks WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Great Oaks WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Great Oaks WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Great Oaks WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall

provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes, proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Great Oaks WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons

for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0148

AGREED TO BY:



Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC


8/14/19
Date

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date




R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/23/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET


SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

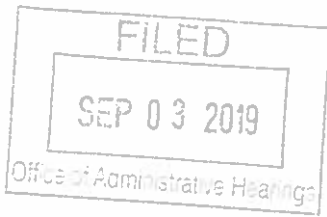
John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601



DOCKET COORDINATOR

Distribution:
DOW
BGD
FBT
S&H

S. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0152

IN RE: Bluegrass Water Utility Operating Company, LLC
Kingswood Subdivision Wastewater Treatment Plant
Lot 59 Ace Court
Mt. Washington, KY 40071
AI No. 455
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Kingswood Subdivision Wastewater Treatment Plant (hereinafter "Kingswood WWTP" or "facility"), is located at Lot 59 Ace Court, Frankfort, Kentucky 40071. The facility has a design capacity of 0.050 million gallons per day and discharges to Broad Run Creek.
4. Kingswood WWTP is currently owned and operated by Kingswood Development, Inc. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems (hereinafter "KPDES") permit number KY0101419, issued by the Cabinet's Division of

Water (hereinafter "DOW"). The facility's KPDES permit expired on July 31, 2019, however, the DOW has administratively continued the permit to allow the facility to operate under its expired permit.

5. Kingswood Development, Inc. is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Kingswood WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Kingswood WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Kingswood WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Kingswood WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Kingswood WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Kingswood WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons

for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

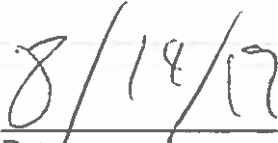
26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0152

AGREED TO BY:




Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC




Date:

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Horne II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date




R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/29/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET



SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

John G. Horne II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601

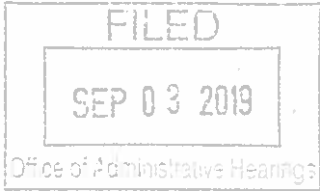


DOCKET COORDINATOR

Distribution:

DOW
S&H
BGD
FBT

T. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0153

IN RE: Bluegrass Water Utility Operating Company, LLC
Lake Columbia Subdivision Wastewater Treatment Plant
Zoneton Road and Cedar Creek Road
Zoneton, KY 40165
AI No. 458
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Lake Columbia Subdivision Wastewater Treatment Plant (hereinafter "Lake Columbia WWTP" or "facility"), is located at Zoneton Road and Cedar Creek Road, Zoneton, Kentucky 40165. The facility has a design capacity of 0.012 million gallons per day and discharges to an unnamed tributary to Cedar Creek.
4. Lake Columbia WWTP is currently owned and operated by Lake Columbia Utilities, Inc. The facility's discharges are permitted under Kentucky Pollutant Discharge

Elimination Systems (hereinafter "KPDES") permit number KY0077674, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expires on November 30, 2019.

5. Lake Columbia Utilities, Inc. is an inactive for-profit Kentucky corporation in bad standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Lake Columbia WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Lake Columbia WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Lake Columbia WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Lake Columbia WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Lake Columbia WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Lake Columbia WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons

for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0153

AGREED TO BY:



Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC

8/18/19


Date

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Horne II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/22/19
Date



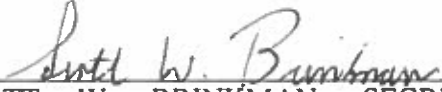
R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/29/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET


SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd
Frankfort, Kentucky 40601

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601

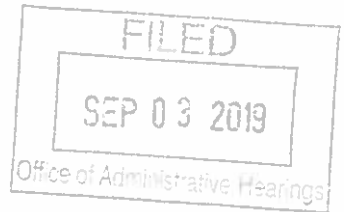


DOCKET COORDINATOR

Distribution:

DOW
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COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0154

IN RE: Bluegrass Water Utility Operating Company, LLC
Longview/Homestead Wastewater Treatment Plant
3243 Frankfort Road
Georgetown, KY 40324
AI No. 8083
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Longview/Homestead Wastewater Treatment Plant (hereinafter "Longview WWTP" or "facility"), is located at 3243 Frankfort Road, Georgetown, Kentucky 40324. The facility has a design capacity of 0.100 million gallons per day and discharges to an unnamed tributary to Elkhorn Creek.
4. Longview WWTP is currently owned and operated by LH Treatment Company, LLC. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination

Systems (hereinafter "KPDES") permit number KY0081591, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expires on June 30, 2024.

5. LH Treatment Company, LLC is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Longview WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Longview WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Longview WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Longview WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Longview WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065

Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort,

Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Longview WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or

aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.


25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it


concurr that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

APPROVAL RECOMMENDED BY:




Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date




R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/29/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET


SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601

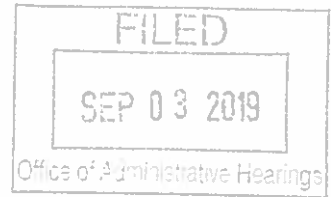


DOCKET COORDINATOR

Distribution:

DW
BGD
SH
FBT

S. Horne



COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 19-3-0155

IN RE: Bluegrass Water Utility Operating Company, LLC
Persimmon Ridge Subdivision Wastewater Treatment Plant
72 Persimmon Ridge Drive
Louisville, KY 40245
AI No. 3955
Activity ID No. ERF20190001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 500 NW Plaza Drive, Suite 500, Saint Ann, Missouri 63074.
3. Persimmon Ridge Subdivision Wastewater Treatment Plant (hereinafter "Persimmon Ridge WWTP" or "facility"), is located at 72 Persimmon Ridge Drive, Louisville, Kentucky 40245. The facility has a design capacity of 0.142 million gallons per day and discharges to Floyds Fork.
4. Persimmon Ridge WWTP is currently owned and operated by PR Wastewater Management, Inc. The facility's discharges are permitted under Kentucky Pollutant Discharge

Elimination Systems (hereinafter "KPDES") permit number KY0090956, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expires on September 30, 2023.

5. PR Wastewater Management, Inc. is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Persimmon Ridge WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Persimmon Ridge WWTP on or around September 15, 2019.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Persimmon Ridge WWTP (Exhibit A). This report was submitted to the Cabinet on or about July 29, 2019.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Persimmon Ridge WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Persimmon Ridge WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5.065 Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to the BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, the BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to the BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem the BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which the BWUOC and the Cabinet accept a revised and resubmitted CAP.

B. The BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes

ownership and operations of Persimmon Ridge WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or his designee. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or his designee as evidenced by his signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.


TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes

all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 19-3-0155

AGREED TO BY:




Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC




Date

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director
Division of Enforcement

8/27/19
Date



John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet

8/27/19
Date




R. Bruce Scott, Deputy Secretary
Energy and Environment Cabinet

8/28/19
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 3rd day of September, 2019.

ENERGY AND ENVIRONMENT CABINET



SCOTT W. BRINKMAN, SECRETARY of the
GOVERNOR'S EXECUTIVE CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 3rd day of September, 2019.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacon Freeman
500 NW Plaza Drive, Suite 500
Saint Ann, MO 63074

And mailed, messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

John G. Home II, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601



DOCKET COORDINATOR

Distribution:

DOW
BGD
S:4
FBT

**COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 20-3-0002**

**IN RE: River Bluffs Inc.
River Bluffs Wastewater Treatment Plant
13121 Creekview Road
Prospect, KY 40059
AI No. 3367
Activity ID No. ERF20200001**

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter "Cabinet") and Bluegrass Water Utility Operating Company, LLC (hereinafter "BWUOC") state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address according to the Kentucky Secretary of State, is 1650 Des Peres Road, Suite 303, St. Louis, Missouri 63131.
3. River Bluffs Wastewater Treatment Plant (hereinafter "River Bluffs WWTP" or "facility"), is located at 13121 Creekview Road, Prospect, Kentucky 40059. The facility has a design capacity of 0.066 million gallons per day and discharges to an unnamed tributary of Pond Creek.
4. River Bluffs WWTP is currently owned and operated by River Bluffs, Inc. The facility's discharges are permitted under Kentucky Pollutant Discharge Elimination Systems

(hereinafter "KPDES") permit number KY0043150, issued by the Cabinet's Division of Water (hereinafter "DOW"). The facility's KPDES permit expires on December 31, 2024.

5. River Bluffs, Inc. is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire River Bluffs WWTP, provided it receives from the Kentucky Public Service Commission ("Commission") all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of River Bluffs WWTP on or around March 31, 2020.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at River Bluffs WWTP (Exhibit A). This report was submitted to the Cabinet on or about January 2, 2020.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to River Bluffs WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of River Bluffs WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a "Change in Ownership Certification" to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065

Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort,

Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

- C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of River Bluffs WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or a designee thereof. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or a designee thereof as evidenced by his or her signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

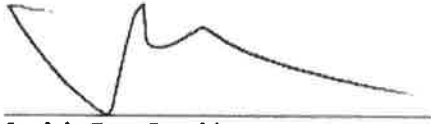
TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes

all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 20-3-0002

AGREED TO BY:



**Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC**

3-26-2020

Date

CASE NO. DOW 20-3-0002

APPROVAL RECOMMENDED BY:


Michael B. Kroeger, Director *Asst. Dir.*
Division of Enforcement

4/1/2020
Date

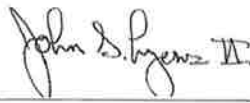

Elizabeth U. Natter, Executive Director
Office of General Counsel

August 10, 2020
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 12th day of November, 2020.

ENERGY AND ENVIRONMENT CABINET



FOR

REBECCA W. GOODMAN, SECRETARY of the
ENERGY AND ENVIRONMENT CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 12th day of November, 2020.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacob Freeman
1650 Des Peres Road, Suite 303
St. Louis, MO 63131

And ~~mailed~~ messenger to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

Elizabeth U. Natter, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601



DOCKET COORDINATOR

Distribution:
DOW
FBT
S&H
BGD

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DIVISION OF ENFORCEMENT
CASE NO. DOW 20-3-0001

IN RE: Joann Estates Utilities, Inc.
Timberland Wastewater Treatment Plant
6500 US Highway 60 W
Paducah, KY 42001
AI No. 3070
Activity ID No. ERF20200001

AGREED ORDER

WHEREAS, the parties to this Agreed Order, the Energy and Environment Cabinet (hereinafter “Cabinet”) and Bluegrass Water Utility Operating Company, LLC (hereinafter “BWUOC”) state:

STATEMENTS OF FACT

1. The Cabinet is charged with the statutory duty of enforcing KRS Chapter 224 and the regulations promulgated pursuant thereto.
2. BWUOC is an active Kentucky Limited Liability Company in good standing that owns and operates utilities and whose principal address, according to the Kentucky Secretary of State is 1650 Des Peres Road, Suite 303, Saint Louis, Missouri 63131.
3. Timberland Wastewater Treatment Plant (hereinafter “Timberland WWTP” or “facility”), is located on Timberland Drive, Paducah, McCracken County, Kentucky 42086. The facility has a design capacity of 0.025 million gallons per day and discharges to West Fork Massac Creek.
4. Timberland WWTP is currently owned and operated by Joann Estates Utilities, Inc. The facility’s discharges are permitted under Kentucky Pollutant Discharge Elimination Systems

(hereinafter “KPDES”) permit number KY0083755, issued by the Cabinet’s Division of Water (hereinafter “DOW”). The facility’s KPDES permit expires on January 31, 2025.

5. Joann Estates Utilities, Inc. is an active for-profit Kentucky corporation in good standing, according to the Kentucky Secretary of State.

6. BWUOC has indicated to the Cabinet that it plans to acquire Timberland WWTP, provided it receives from the Kentucky Public Service Commission (“Commission”) all approvals required to make the acquisition. If the Commission approves the acquisition, BWUOC plans to assume ownership and operation of Timberland WWTP on or around March 31, 2020.

7. BWUOC has contracted with a third-party firm to produce an engineering memorandum detailing the status of and repairs needed at Timberland WWTP (Exhibit A). This report was submitted to the Cabinet on or about January 2, 2020.

8. If it receives all required Commission approvals, BWUOC has indicated to the Cabinet that it plans to make substantial repairs and/or upgrades to the facility to address the deficiencies noted in Exhibit A.

NOW THEREFORE, in the interest of providing corrective actions to Timberland WWTP, the parties hereby consent to the entry of this Agreed Order and agree as follows:

REMEDIAL MEASURES

9. BWUOC shall notify the Cabinet in writing that it has assumed ownership and operation of Timberland WWTP within fifteen (15) days of acquiring the facility.

10. Within fifteen (15) days of assuming ownership and operation of the facility, BWUOC shall submit a “Change in Ownership Certification” to the Cabinet.

11. At all times, commencing with assuming ownership of the facility, BWUOC shall provide for proper operation and maintenance of the facility in accordance with 401 KAR 5:065

Section 2(1).

12. Following the initial ninety (90) days of its operation of the facility, BWUOC shall submit to the Cabinet for review and acceptance, a written Corrective Action Plan (hereinafter "CAP") to bring the facility into compliance with its KPDES permit and correct the deficiencies noted in Exhibit A. The CAP shall include, but not be limited to, an identification of actions BWUOC shall implement to ensure compliance that includes; proper operation and maintenance to its sewage treatment system, collection system, and disinfection unit. The CAP shall also include a list of all actions necessary to ensure the completion of upgrades to its facility including a list of completion dates for each action. Include in the CAP a final compliance date for completion of all remedial measures listed;

- A. Upon review of the CAP, the Cabinet may, in whole or in part, (1) accept or (2) decline and provide comments to BWUOC identifying the deficiencies. Upon receipt of Cabinet comments, BWUOC shall have ninety (90) days to revise and resubmit the CAP for review and acceptance. Upon resubmittal, the Cabinet may, in whole or in part, (1) accept or (2) disapprove and provide comments to BWUOC identifying the deficiencies. Upon such resubmittal, if the CAP is disapproved, the Cabinet may deem BWUOC to be out of compliance with this Agreed Order for failure to timely submit the CAP. The parties to this Agreed Order may also agree in writing to further extend the period in which BWUOC and the Cabinet accept a revised and resubmitted CAP.
- B. BWUOC may request an amendment of the accepted CAP by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort,

Kentucky 40601 and stating the reasons for the request. If granted, the amended CAP shall not affect any provision of this Agreed Order unless expressly provided in the amended CAP. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

C. Upon Cabinet acceptance of all or any part of the CAP, the amended CAP or any accepted part thereof (provided that the accepted part is not dependent upon implementation of any part not yet accepted), shall be deemed incorporated into this Agreed Order as an enforceable requirement of this Agreed Order. This does not require an amendment request pursuant to paragraph 20 of this Agreed Order.

13. So long as BWUOC is in compliance with the terms and conditions of this Agreed Order, the Cabinet's Division of Enforcement agrees to hold any formal enforcement action for numeric permit parameter violations for the KPDES permit described in paragraph 4, in abeyance. Should BWUOC fail to comply with the terms and conditions of this Agreed Order, the Cabinet may seek formal enforcement action that would have otherwise been held in abeyance.

14. By the final compliance date in the accepted CAP, BWUOC shall be in full compliance with its KPDES permit.

15. All submittals required by the terms of this Agreed Order shall be submitted to: Division of Enforcement, Attention: Director, 300 Sower Blvd., Frankfort, Kentucky, 40601.

MISCELLANEOUS PROVISIONS

16. This Agreed Order shall be of no force and effect unless BWUOC assumes ownership and operations of Timberland WWTP.

17. This Agreed Order addresses only the items described above. Other than the matters agreed to by entry of this Agreed Order, nothing contained herein shall be construed to waive or to limit any remedy or cause of action by the Cabinet based on statutes or regulations under its jurisdiction and BWUOC reserves its defenses thereto. The Cabinet expressly reserves its right at any time to issue administrative orders and to take any other action it deems necessary that is not inconsistent with this Agreed Order, including the right to order all necessary remedial measures, assess penalties for violations, or recover all response costs incurred, and BWUOC reserves its defenses thereto.

18. This Agreed Order shall not prevent the Cabinet from issuing, reissuing, renewing, modifying, revoking, suspending, denying, terminating, or reopening any permit to BWUOC. BWUOC reserves its defenses thereto, except that BWUOC shall not use this Agreed Order as a defense.

19. BWUOC waives its right to any hearing on the matters admitted herein. However, failure by BWUOC to comply strictly with any or all of the terms of this Agreed Order shall be grounds for the Cabinet to seek enforcement of this Agreed Order in Franklin Circuit Court and to pursue any other appropriate administrative or judicial action under KRS Chapter 224 and the regulations promulgated pursuant thereto.

20. The Agreed Order may not be amended except by a written order of the Cabinet's Secretary or a designee thereof. BWUOC may request an amendment by writing the Director of the Division of Enforcement at 300 Sower Blvd., Frankfort, Kentucky 40601, and stating the reasons for the request. If granted, the amended Agreed Order shall not affect any provision of this Agreed Order unless expressly provided in the amended Agreed Order.

21. The Cabinet does not, by its consent to the entry of this Agreed Order, warrant or aver in any manner that BWUOC's complete compliance with this Agreed Order will result in compliance with the provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto. Notwithstanding the Cabinet's review and approval of any plans formulated pursuant to this Agreed Order, BWUOC shall remain solely responsible for compliance with the terms of KRS Chapter 224 and the regulations promulgated thereto, this Agreed Order, and any permit and compliance schedule requirements.

22. BWUOC shall give notice of this Agreed Order to any purchaser, lessee or successor in interest prior to the transfer of ownership and/or operation of any part of the facility occurring prior to termination of this Agreed Order, shall notify the Cabinet that such notice has been given, and shall follow all statutory requirements for a transfer.

23. This Agreed Order applies specifically and exclusively to the unique facilities referenced herein and is inapplicable to any other facility.

24. Compliance with this Agreed Order is not conditional on the receipt of any federal, state, or local funds.

25. This Agreed Order shall be of no force and effect unless and until it is entered by the Secretary or a designee thereof as evidenced by his or her signature thereon. If this Agreed Order contains any date by which BWUOC is to take any action or cease any activity, and the Secretary enters the Agreed Order after that date, then BWUOC is nonetheless obligated to have taken the action or ceased the activity by the date contained in this Agreed Order.

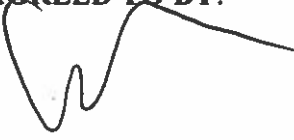
TERMINATION

26. This Agreed Order shall terminate upon BWUOC's completion of all requirements described in this Agreed Order. BWUOC may submit written notice to the Cabinet when it believes

all requirements have been performed. The Cabinet shall notify BWUOC in writing whether it concurs that all requirements of this Agreed Order have been completed. The Cabinet reserves its right to enforce this Agreed Order, and BWUOC reserves its right to file a petition for hearing pursuant to KRS 224.10-420(2) contesting the Cabinet's determination.

CASE NO. DOW 20-3-0001

AGREED TO BY:



Josiah Cox, President
Bluegrass Water Utility Operating Company, LLC

3-26-2020
Date

CASE NO. DOW 20-3-0001

APPROVAL RECOMMENDED BY:



Michael B. Kroeger, Director ~~Asst. Dir.~~
Division of Enforcement

4/1/2020
Date



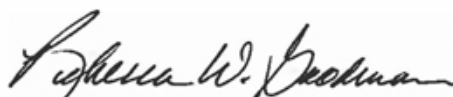
Elizabeth U. Natter, Executive Director
Office of General Counsel

August 10, 2020
Date

ORDER

Wherefore, the foregoing Agreed Order is entered as the final Order of the Energy and Environment Cabinet this 10 day of August, 2020.

ENERGY AND ENVIRONMENT CABINET



REBECCA W. GOODMAN, SECRETARY of the
ENERGY AND ENVIRONMENT CABINET

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **AGREED ORDER** was mailed, postage prepaid, to the following this 10 day of August, 2020.

Bluegrass Water Utility Operating Company, LLC
Attn: Jacob Freeman
1650 Des Peres Road, Suite 303
St. Louis, MO 63131

And ~~mailed, messenger to:~~ Electronically mailed to:

Michael B. Kroeger, Director
Division of Enforcement
300 Sower Blvd.
Frankfort, Kentucky 40601

Elizabeth U. Natter, Executive Director
Office of General Counsel
Energy and Environment Cabinet
300 Sower Blvd.
Frankfort, Kentucky 40601



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