COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

)

)

)

)

In the Matter of

Electronic Application of Bluegrass Water Utility Operating Company, LLC for an Adjustment of Rates and Approval of Construction

Case No. 2020-00290

Applicant's Notice of Filing

Applicant, Bluegrass Water Utility Operating Company, LLC (hereinafter "Bluegrass"), gives notice that is herewith filing in the record of this case a response to a Commission Staff information request (1 PSC 10) in Case No. 2020-00297. Attached hereto are the cover pages, verification on behalf of Bluegrass, and its response (repeating the request) to 1 PSC 10 from the Response to Commission Staff's First Request for Information filed in Case No. 2020-00297 on November 4, 2020. The full filing is available for review and download at the Commission's webpage for Case No. 2020-00297: https://psc.ky.gov/Case/ViewCaseFilings/2020-00297>.

Respectfully submitted,

/s/ Katherine K. Yunker

Katherine K. Yunker Kathryn A. Eckert MCBRAYER PLLC 201 East Main St., Suite 900 Lexington, KY 40507 (859) 231-8780 kyunker@mcbrayerfirm.com keckert@mcbrayerfirm.com

Attorneys for Applicant, Bluegrass Water Utility Operating Company, LLC

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

<i>Electronic</i> Proposed Acquisition by Bluegrass)
Water Utility Operating Company, LLC and)
the Transfer of Ownership and Control of)
Assets by: Delaplain Disposal Company;)
Herrington Haven Wastewater Company, Inc.;)
Springcrest Sewer Company, Inc.; and)
Woodland Acres Utilities, LLC.)
)

Case No. 2020-00297

Response to Commission Staff's First Request for Information

Applicants Bluegrass Water Utility Operating Company, LLC ("Bluegrass"), Delaplain Disposal Company ("Delaplain"), Herrington Haven Waste Water Company, Inc. ("Herrington Haven"), Springcrest Sewer Company, Inc. ("Springcrest") and Woodland Acres Utilities, LLC ("Woodland Acres") herewith submit responses to the Commission Staff's First Request for Information. Signed, notarized verifications for these Responses appear on the following pages. Bluegrass has verified the responses to 1 PSC 1-5, 6b-c, 7-14, and 16-23. The transferring utilities have verified their respective responses to 1 PSC 6a and 6d-i and 15. The undersigned counsel is responsible for any objection noted for a particular response. Respectfully submitted,

/s/ Kathryn A. Eckert

Katherine K. Yunker kyunker@mcbrayerfirm.com Kathryn A. Eckert keckert@mcbrayerfirm.com MCBRAYER PLLC 201 East Main Street; Suite 900 Lexington, KY 40507-1310 859-231-8780 fax: 859-231-1175 Attorneys for Applicants

VERIFICATION

On behalf of Applicant Bluegrass Water Utility Operating Company, LLC

State of Missouri)County of St Louis)

I, Mike Duncan, Director of Business Operations of Central States Water Resources, Inc. the manager of Applicant Bluegrass Operating Company, LLC being duly sworn, state that I prepared or supervised the preparation of the following responses to PSC's First Request for Information, and that the matters and things set forth in the responses are true and correct to the best of my knowledge, information and belief formed after reasonable inquiry.

Mike Duncan

Subscribed, sworn to, and acknowledged this $\underline{44}$ day of Marsher, 2020, before me, a Notary Public in and before said County and State.

DANIEL RYAN JANOWIA: Notary Public, Notary Soal State of Missouri St. Charles County Commission # 20374795 My Commission Expires 05-04-20

NOTARY PUBLIC	mel
My Commission expires:	5/4/24

Request

10. Provide the effect on the unified rate tendered in Case No. 2020-00290 of removing the revenue and expenses for the systems proposed to be acquired in this matter from the calculation of the unified rate.

Response

Based on preliminary estimates, removing the revenues and expenses for the systems proposed to be acquired in this matter from the calculation of the unified rate would cause the sewer rate to increase by approximately \$4.95. While the revenue requirement would drop significantly from the removal of the expenses and the capital costs associated with bringing these systems into compliance, the overall customer base would also drop significantly. This drop in the residential equivalency of the customer base would cause the rates to increase upon removing these systems. As various customer classes' rates were derived using residential equivalencies, this effect would be consistent across all customer classes.