

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

Electronic Proposed Acquisition by Bluegrass)
Water Utility Operating Company, LLC and)
the Transfer of Ownership and Control of)
Assets by: Delaplain Disposal Company;) Case No. 2020-00297
Herrington Haven Wastewater Company, Inc.;)
Springcrest Sewer Company, Inc.; and)
Woodland Acres Utilities, LLC.)
)

Notice of Filing re Supplement to JA Exhibit G

Please take notice that Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water”) hereby submits the attached supplement to Joint Application Exhibit G. Joint Application Exhibit G is the Purchase and Sale Agreement with Delaplain Disposal Company (“Delaplain”). The supplement attached hereto provides a List of Permits and Noncompliance with Permits for Delaplain, and is the final attachment to the Delaplain Purchase and Sale Agreement in Joint Application Exhibit G.

Respectfully submitted,

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(List of Permits and Non-Compliance with Permits)

Delaplain Disposal Company operates under permit KY0079049. In response to various documented excursions Delaplain entered into an Agreed Order with the Kentucky Department of Water on May 24, 2018. A draft Corrective Action Plan was submitted in June 2018. This plan was never put into effect by DOW. Subsequent to the submission of this action plan, Delaplain was able to identify and start to resolve the issues that were creating the out of permit conditions. Based on these findings a revised CAP was submitted to DOW on June 28, 2019 which was accepted by DOW per notification received on July 25, 2019. This CAP provided for a September 1, 2019 compliance date.

All outlined activities specified in the revised CAP have been essentially completed. Delaplain had delayed the official request for release from the AO pending final resolution with one grease trap customer. It was determined in late summer that there was a broken baffle in the grease trap at the Pilot McDonalds which was allowing for grease to escape in the sewer lines and resulting in a higher than desired level of incoming CBOD's and TSS. This made it very difficult to attain permit with regard to CBOD. Shortly after the broken baffle was repaired by McDonalds in late August, Delaplain as able to show CBOD readings in compliance with permit.

It is anticipated that following several clean testing cycles that Delaplain will request release from the CAP from DOW. This will most likely occur in December 2019 with the anticipation that the official release from the AO will occur shortly thereafter. (above as initially submitted 11/21/2019)

In the first quarter of 2020 discussions were held with the DOW regarding release from the AO. There was concern on the part of the DOW that there were still excursions that occurred during significant rain events due to the high volume of water that went through the plant. The high volume during the rain event was related to some level of inflow and infiltration that then created on occasion out of permit conditions. It was agreed with DOW that Delaplain would modify the CAP in an attempt to address significant areas of inflow and infiltration. A plan to do this was approved by DOW on May 27, 2020. The plan called for smoke testing and then pipeline rehabilitation to address significant identified areas of inflow and infiltration. Following this a period of several months review in terms of plant response was then anticipated.

At this time Delaplain has completed the smoke testing and repairs that purported to address 91% of the identified inflow and infiltration. Delaplain is now in the evaluation period which was anticipated to be completed on or before March 31, 2020. At that time or prior to then depending on a closing date, Delaplain will petition DOW for release from the CAP as all outlined actions will have been completed by Delaplain. (Updated as of November 30, 2020)