

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

Electronic Application of Bluegrass Water Utility)
Operating Company, LLC for Certificates of)
Convenience and Necessity for Projects at the)
Delaplain Site)

Case No. 2022-00104

Bluegrass Water’s First Supplement to Response to Staff’s Initial Request for Information

Applicant, Bluegrass Water Utility Operating Company, LLC (“Bluegrass”) herewith supplements its Response to the Commission Staff’s Initial Request for Information which was filed in this case on June 13, 2022. Specifically, Applicant supplements its Response to 1 PSC 25 and provides a new attachment with recent correspondence from the EEC labeled as KY2022-00104_BW_477-478. The verification contained in the 6/13/2022 Response also applies respectively to the response filed herewith.

Respectfully submitted,

/s/ Kathryn A. Eckert

Katherine K. Yunker
kyunker@mcbayerfirm.com

Kathryn A. Eckert
keckert@mcbayerfirm.com

MCBRAYER PLLC
201 East Main Street; Suite 900
Lexington, KY 40507-1310
859-231-8780
fax: 859-960-2917

*Counsel for Bluegrass Water Utility Operating
Company*

Request

25. Provide all reports Bluegrass Water has made to the EEC, if any, regarding its efforts to bring the Delaplain facility within compliance and any correspondence received regarding the same from EEC since the time that Bluegrass Water acquired ownership of the Delaplain assets.
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Response

Please see the attachments provided in response to 1 PSC 24 for any reports to the EEC regarding Bluegrass's efforts to bring the Delaplain wastewater facility into compliance with environmental regulation. For correspondence from the EEC related to bringing the Delaplain facility into compliance, please see attachments labeled KY2022-00104_BW_425-442.

Supplemental Response

In addition to the above, please see the recent correspondence from the EEC, provided in the attachment hereto and labeled KY2022-00104_BW_477-478. The Kentucky Division of Water has determined that the Delaplain facility will remain on its Facility Line Extension Ban List due to the ongoing issues with flow capacity. In other words, the Division of Water has prohibited Bluegrass from adding any customers in the Delaplain service area without preapproval by the Division of Water until the environmental issues are remedied, even though Bluegrass has an obligation as a regulated utility to serve all customers in the Delaplain service area.

The projects for which Bluegrass seeks a CPCN in this matter are designed, in part, to remedy the environmental issues that have plagued the Delaplain site since before Bluegrass's acquisition. If a CPCN is granted, completion of the two projects would

assist in bringing the Delaplain site into compliance with the applicable Division of Water requirements. See Application ¶¶ 10, 12. Approval of the CPCN is therefore necessary to ensure that Bluegrass can correct the environmental issues and comply with its obligation to serve the customers in the Delaplain service area.



ANDY BESHEAR
GOVERNOR

REBECCA W. GOODMAN
SECRETARY

**ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601
TELEPHONE: 502-564-2150
TELEFAX: 502-564-4245

February 22, 2023

Ms. Mandy Sappington
Delaplain Disposal
1630 Des Peres Road Ste 140
Saint Louis MO 63131-1871

RE: Sewer Line Extension Denial in Progress to Prevent Pollution from the Delaplain Disposal
Permit No. KY0079049
Scott County, Kentucky
AI ID: 3901

Dear Ms. Sappington:

The Division of Water (DOW) has determined that Delaplain Disposal is out of compliance according to 401 KAR 5:005 and therefore Delaplain Disposal will remain on the Division of Water's Facility Line Extension Ban List. Compliance records indicate that Delaplain Disposal is receiving more than 100% of their design capacity for the last year. The design capacity for Delaplain Disposal is 0.24 million gallons per day (MGD), Delaplain Disposal's monthly average for the past year is 0.253 MGD.

An Exemption Request has been submitted for the R and L Carriers Georgetown Development project. The request proposes an additional flow of 6,400 gallons per day over the design capacity. What is the justification for the additional flow?

The sewer line extension and tap on ban imposed on Delaplain Disposal will not allow any new sewer line extensions or any new taps on to existing lines without prior approval from this office. This ban will not apply to any preexisting subdivisions. Delaplain Disposal will be removed from the Facility Line Extension Ban List once this office has received sufficient evidence that the twelve month average annual flow for Delaplain Disposal has returned to compliance according to 401 KAR 5:005 Section 9.

A request for exemption to the line extension and tap on ban can be submitted using the Line Extension Ban Exemption Request Form, to Chris Luffy at Christopher.luffy@ky.gov or the above address. The Line Extension Ban Exemption Request Form can be found on the Division of Water's Wastewater Municipal Planning website. All exemption requests submitted must be signed by an authority for the city. These requests are reviewed on a case-by-case basis and approved or denied based on the nature of the request, the condition of the system, and the progress the city has made in complying with all pertinent regulations, permits, and orders.

If you have any questions or would like to discuss this matter, please contact me at (Email) Christopher.luffy@ky.gov.

Sincerely,



Chris Luffy
Municipal Water Pollution Prevention Program
Coordinator
Wastewater Municipal Planning Section

cc: Division of Plumbing