COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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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 Response to Staff's Second Request for Information

The Applicant, Bluegrass Water Utility Operating Company, LLC ("Bluegrass")

herewith submits its Response to the Commission Staff's Second Request for Information. A

signed, notarized verification for this Response appears on the following page. The undersigned

counsel is responsible for any objection noted for a particular response.

Respectfully submitted,

/s/ Kathryn A. Eckert

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Bluegrass Water Utility Operating Company, LLC <u>Verification</u>

I, **Aaron Silas**, Regulatory Case Manager 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 Second 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.

Aaron Silas

STATE OF MISSOURI) COUNTY OF St. LOUIS)

Subscribed, sworn to, and acknowledged this the day of July, 2022, before me, a Notary Public in and before said County and State.

My Commission expires: 11.13.2022

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NOTARY PUBLIC

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MERANDA K. KEUBLER My Commission Expires November 13, 2022 St. Louis County Commission #14631487

Request

- 1. Refer to Bluegrass Water's responses to Commission Staff's First Request for Information (Staff's First Request), Item 8.
 - a. State the expected useful life of the integrated fixed-film activated sludge (IFAS) components considered as an alternative to the MBBR system.
 - b. Provide documentation to support Bluegrass Water's estimate of the useful life of the IFAS.
 - c. State the expected useful life of the additional conventional aeration tankage and blowers considered as an alternative to the MBBR system.
 - d. Provide documentation to support Bluegrass Water's estimate of the useful lives of the additional conventional aeration tankage and blowers.
 - e. State the expected useful life of improvements that would be required to connect to the city of Georgetown sewer system.
 - f. Provide documentation to support Bluegrass Water's estimate of the useful lives of the improvements that would be required to connect to the city of Georgetown sewer system.

Response

a. The IFAS alternative considered would have the same estimated useful life as the

proposed MBBR system (i.e. 20 years).

b. The estimated useful life is based on useful lives and depreciation rates approved for

affiliated companies operating in Missouri and Louisiana.¹ There was no documentation

generated in estimating this useful life.

c. The additional aeration tankage and equipment alternative considered would have the same estimated useful life as the proposed MBBR system (i.e. 20 years).

¹ Please see Missouri PSC Case No. WR-2020-0053 (docket linked <u>here</u>) and Louisiana PSC Case No. U-35822 (docket linked <u>here</u>).

- d. The estimated useful life is based on useful lives and depreciation rates approved for affiliated companies operating in Missouri and Louisiana. See n.1. There was no documentation generated in estimating this useful life.
- e. The estimated useful life of the improvements required for connection to the city of Georgetown is 50 years.
- f. The estimated useful life is based on useful lives and depreciation rates approved for affiliated companies operating in Missouri and Louisiana. See n.1. There was no documentation generated in estimating this useful life.

Request

- 2. Refer to Bluegrass Water's responses to Staff's First Request, Item17.
 - a. State the expected useful life of tertiary filters considered as alternatives to the proposed improvements.
 - b. Provide documentation to support Bluegrass Water's estimate of the useful life of the tertiary filters.
 - c. State the expected useful life of secondary clarifier components considered as an alternative to the proposed improvements.
 - d. Provide documentation to support Bluegrass Water's estimate of the useful lives of the secondary clarifier components.

Response

- a. The other tertiary filtration equipment considered would have an estimated useful life of 20 years.
- b. The estimated useful life is based on useful lives and depreciation rates approved for affiliated companies operating in Missouri and Louisiana. See response to 2 PSC 01 n.1.
 There was no documentation generated in estimating this useful life.
- c. The secondary clarifier alternative would have an estimated useful life of 20 years.
- d. The estimated useful life is based on useful lives and depreciation rates approved for affiliated companies operating in Missouri and Louisiana. See response to 2 PSC 01 n.1.

There was no documentation generated in estimating this useful life.