

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:** )  
 )  
 **Electronic Application of** ) **Case No. 2022-00216**  
 **Bluegrass Water Utility Operating** )  
 **Company, LLC for Certificate of** )  
 **Public Convenience and Necessity for the** )  
 **Installation of Monitoring Equipment** )  
 **and for a Corresponding Limited Waiver** )  
 **of Daily Inspection Requirements** )

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**APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
AND LIMITED WAIVER OF DAILY INSPECTION REQUIREMENTS**

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Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water” or the “Company”), by counsel, and pursuant to KRS § 278.020(1), 807 KAR 5:001, 807 KAR 5:006, 807 KAR 5:071, and other applicable law, respectfully states as follows in connection with its Application in the above-captioned matter.

**Introduction**

1. As part of its ongoing efforts to integrate its Kentucky facilities and to thereby bring economies of scale, operational improvements, and other efficiencies to its Kentucky customers, Bluegrass Water seeks to accomplish two principal objectives with this Application. **First**, it seeks to obtain a Certificate of Public Convenience and Necessity (“CPCN”) from the Kentucky Public Service Commission (“Commission”) to install and operate certain remote monitoring equipment at its Randview, Longview Homestead, Timberland, River Bluffs, Center Ridge, Arcadia Pines, Carriage Park, Marshall Ridge, Delaplain, Herrington Haven, Woodland Acres, Darling, and Springcrest sites. This project will be similar in nature to the remote monitoring equipment

installations discussed in a prior proceeding,<sup>1</sup> and the public convenience and necessity require the proposed new monitoring equipment discussed in this Application. **Second**, the Company seeks a limited waiver of certain daily inspection requirements that are more effectively and efficiently achieved through the operation of the remote monitoring equipment across all of its affected system facilities. The waiver sought is for all sites where the remote monitoring equipment is currently or will be installed. Once the remote monitoring equipment is installed, Bluegrass Water will have remote monitoring equipment in place and operating at all its Kentucky locations.<sup>2</sup> Although the Company does not seek a rate adjustment at this time, approving its proposed monitoring equipment installation and approving a limited waiver to leverage the operational and financial efficiencies of the monitoring equipment is vital to its overarching objective to improve service to its Kentucky customers.

2. As detailed in this Application and other documents provided herewith, each aspect of this Application has been examined by the Company to ensure that it presents a reasonable, necessary, and cost-effective course of action. The proposed monitoring equipment is necessary for the Company's implementation of operational improvements and efficiencies across its systems. In addition, the proposed facilities will not result in wasteful duplication, especially in light of the request for a corresponding limited waiver of daily inspection requirements at facilities where the monitoring equipment operates and is proposed to operate. Consistent with KRS

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<sup>1</sup> See *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 (Order of Aug. 2, 2021).

<sup>2</sup> For those locations where the remote monitoring equipment was previously installed, the equipment itself will not need to be replaced. Instead, the Company will be able to simply replace a small component to enable operation of that equipment with the new monitoring service provider.

Chapter 278 and the Commission's regulations and precedent, Bluegrass Water respectfully requests an Order granting the relief requested herein.

**I. Applicant Information, Relief Sought, and General Requirements**

3. The Company's full name is Bluegrass Water Utility Operating Company, LLC. The Company's address is 1630 Des Peres Road, Suite 140, St. Louis, Missouri 63131. Its email address for purposes of this proceeding is [regulatory@cswrgroup.com](mailto:regulatory@cswrgroup.com).

4. Bluegrass Water is a limited liability company that was organized under Kentucky law on March 21, 2019. It is currently in good standing with the Kentucky Secretary of State.

5. Bluegrass Water provides water and wastewater services in communities across the Commonwealth. It owns and operates wastewater utilities in Bullitt, Franklin, Garrard, Graves, Hardin, Jessamine, Madison, Marshall, McCracken, Oldham, Scott, and Shelby counties and a water utility in Calloway County. The Company serves 3,573 total water and wastewater customers.

6. The Company seeks two things in this Application. Pursuant to KRS § 278.020(1), 807 KAR 5:001, 807 KAR 5:006, 807 KAR 5:071, and other applicable law, it seeks: (i) a CPCN to install remote monitoring equipment at certain of its treatment facilities; and (ii) a limited waiver of certain daily inspection requirements (as more specifically set out at 807 KAR 5:071 § 7(4)) in light of the proposed remote monitoring equipment's anticipated benefits and capabilities.

**II. Regulatory Requirements for CPCN Application**

7. Pursuant to KRS § 278.020(2), 807 KAR 5:001 § 15(2), and 807 KAR 5:071 § 3(1)(a), the Company submits this Application for a CPCN to install and operate remote

monitoring equipment at its Randview, Longview Homestead, River Bluffs, Center Ridge, Arcadia Pines, Carriage Park, Marshall Ridge, Delaplain, Herrington Haven, Woodland Acres, Darlington, and Springcrest sites.

8. To obtain a CPCN pursuant to KRS § 278.020, a utility must demonstrate a need for the facilities it proposes to construct and an absence of wasteful duplication.<sup>3</sup> These requirements ensure that a utility avoids unreasonable or excessive investments by, among other things, confirming the applicant has performed a thorough review of available alternatives.<sup>4</sup>

9. The proposed remote monitoring project is not an “excessive investment in relation to efficiency,” nor would it result in “an unnecessary multiplicity of physical properties.”<sup>5</sup> Rather, the Company’s thorough investigation of reasonable alternatives supports a finding that installing and operating the remote monitoring equipment is the best option for the Company’s customers and itself.

**A. 807 KAR 5:001 § 15 Requirements**

10. Pursuant to 807 KAR 5:001 § 15(2)(a), the facts relied on to show that the proposed construction or extension is or will be required by public convenience or necessity are set forth in this Application and in the exhibits hereto. *See* Section III, *infra*.

11. Pursuant to 807 KAR 5:001 § 15(2)(b), the Company states that because the installation of the remote monitoring equipment does not involve new construction, permits for

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<sup>3</sup> *Kentucky Utilities Co. v. Pub. Serv. Comm’n*, 252 S.W.2d 885 (Ky. 1952).

<sup>4</sup> Case No. 2005-00142, *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for a Certificate of Public Convenience and Necessity for the Construction of Transmission Facilities in Jefferson, Bullitt, Meade, and Hardin Counties, Kentucky* (Ky. P.S.C. Sept. 8, 2005).

<sup>5</sup> *Kentucky Utilities Co.*, *supra*, 252 S.W.2d at 891.

proposed construction are not required in connection with the proposed installation and operation of the remote monitoring equipment.

12. Pursuant to 807 KAR 5:001 § 15(2)(c), the Company hereby provides in this Application a full description of the proposed location of its proposed remote monitoring equipment installation. The installation does not require construction; rather, if Bluegrass Water's application is approved, Bluegrass Water's certified technicians will install the remote monitoring equipment at existing sites.

13. The proposed remote monitoring equipment installation is also not likely to compete with any other public utility, corporation, or person.

14. Specifically, the Company proposes installing the remote monitoring equipment at the following sites in Kentucky:

- a. Randview (Graves County);
- b. Longview Homestead (Scott County);
- c. Timberland Subdivision (McCracken County);
- d. River Bluffs (Oldham County);
- e. Center Ridge (Calloway County);
- f. Arcadia Pines (McCracken County);
- g. Carriage Park (McCracken County);
- h. Marshall Ridge (McCracken County);
- i. Delaplain (Scott County);
- j. Herrington Haven (Garrard County);
- k. Woodland Acres (Bullitt County);
- l. Darlington (Campbell County); and

m. Springcrest (Jessamine County).

15. Pursuant to 807 KAR 5:001 § 15(2)(d)(1), the Company hereby provides, as Exhibit 15, maps to suitable scale showing the location of the proposed installations; there are no facilities in the map areas owned by other utilities. The Company notes that – for certain of the systems (Randview and Center Ridge #4, in particular) – the sellers of those systems were unable to provide maps showing the detail required by this section of the regulation. The maps provided with this Application are the most detailed maps currently available to the Company. Consequently, and in light of the other information provided throughout this Application, the Company respectfully seeks a deviation, to the extent required and pursuant to 807 KAR 5:001 § 22, authorizing the filing of the attached maps as satisfying the requirements described in 807 KAR 5:001 § 15(2)(d)(1).

16. Pursuant to 807 KAR 5:001 § 15(2)(d)(2), the Company hereby provides, as Exhibit 16, manufacturer documentation regarding the remote monitoring equipment. To the extent the Commission believes this manufacturer documentation may be insufficient to satisfy the “plans, specifications, and drawings” requirement of this section of the regulation, the Company respectfully seeks a deviation, to the extent required and pursuant to 807 KAR 5:001 § 22.

17. Pursuant to 807 KAR 5:001 § 15(2)(e), the Company plans to finance the proposed remote monitoring project with equity capital provided by its parent company, CSWR, LLC (“CSWR”), and the estimated capital cost of the proposed project is anticipated to be \$230,100.74. The equity financing from CSWR will cover the proposed expenditures such that the proposed refinancing is unnecessary for Bluegrass Water’s ability to pay for the remote monitoring project.

18. Pursuant to 807 KAR 5:001 § 15(2)(f), the Company states that the estimated annual cost of operating the proposed remote monitoring equipment after the proposed facilities are placed into service is \$41,303.08. If the Application is granted as proposed, this is anticipated to result in annual net savings of approximately \$233,000 per year, as a consequence of reduced daily inspection charges the Company would otherwise be required to continue incurring, as well as reduced labor costs that daily inspection requires. Thus, if the Commission approves the installation of the remote monitoring equipment and the Company's request for a limited waiver of the daily inspection requirement, the remote monitoring project pays for itself in about one year.

19. When coupled with other anticipated operational improvements and efficiencies as discussed in more detail in Section III below, the immediate and long-term customer benefits of the proposed project are anticipated to be substantial.

**B. 807 KAR 5:071 § 3 Requirements**

20. In addition to the requirements of 807 KAR 5:001 §§ 14 & 15, the Company must also comply with 807 KAR 5:071 § 3(1). *See* 807 KAR 5:071 § 3(1).

21. Pursuant to 807 KAR 5:071 § 3(1)(a), the Company states that in fulfillment of conditions in the final orders in Cases Nos. 2019-00104, 2019-00360, and 2020-00297, and to insure continuity of wastewater service, Bluegrass has obtained and filed with the Commission an Amended and Restated Guaranty from CSWR in favor of the Commission and providing for two months of Bluegrass's obligation to its third-party contractors for services to all the sites of its wastewater system, including for the affected service area(s). A copy of the Guaranty is submitted as Exhibit 21.

22. Pursuant to 807 KAR 5:071 § 3(1)(b), the Company states that because the installation of remote monitoring equipment does not involve new construction, preliminary approval from the Division of Water Quality is not required.

23. Pursuant to 807 KAR 5:071 § 3(1)(c), the Company attaches as Exhibit 15 a detailed map of the sewage treatment facilities showing the location of plant, effluent discharge, collection mains, manholes, and utility service area. *See also* para. 15.

24. Pursuant to 807 KAR 5:071 § 3(1)(d), the Company attaches as Exhibit 24 a detailed estimate of the anticipated \$230,100.74 cost of installing the remote monitoring project. If the Commission does not approve Bluegrass Water's request for a limited waiver of daily inspection requirements, the payback period for the proposed electronic monitoring project lengthens from approximately one year to approximately ten years.

25. Pursuant to 807 KAR 5:071 § 3(1)(e), the Company submits Financial Exhibits in the form described in 807 KAR 5:001 § 12 as Exhibits 25(a) and 25(b).<sup>6</sup>

26. Pursuant to 807 KAR 5:071 § 3(1)(f), the Company states that it proposes to finance the improvements through equity capital from its parent company, CSWR.

27. Pursuant to 807 KAR 5:071 § 3(1)(g), the Company states that the annual cost of operation for the proposed remote monitoring facilities for which a CPCN is sought is estimated to be approximately \$41,303.08, after installation.

28. Pursuant to 807 KAR 5:071 § 3(1)(h), the Company estimates that the total number of customers, class of customers, and average monthly consumption for each class of customer to be served by the proposed remote monitoring equipment is not anticipated to change as a

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<sup>6</sup> The redacted exhibit is publicly filed herewith; an unredacted and highlighted version has been provided under seal with a Motion for Confidential Treatment.



consequence of the installation. The total number of customers affected by the request to install the remote monitoring equipment is 2,363; the total number of customers affected by the waiver request is 3,573.

29. The requirements set forth in 807 KAR 5:071 § 3(i), (j), & (k) do not apply to the Company because the Company is not presently seeking to adjust rates. *See* 807 KAR 5:071 § 3(1)(m) (“If the establishment of rates is not sought by the applicant, omit paragraphs (i), (j), and (k) of this subsection.”).

30. Pursuant to 807 KAR 5:071 § 3(1)(l), the Company hereby provides a full and complete explanation of its current corporate organizational chart (attached as Exhibit 30) in order to give the Commission a full and complete understanding of the situation. Bluegrass Water is a member-managed company. Its manager is Central States Water Resources, Inc. (“Central States”), which is an affiliate entity incorporated under Missouri law. Bluegrass Water’s sole member is Bluegrass Water Utility Holding Company, LLC, whose sole member is Kentucky Central States Water Resources, LLC, which is organized under Kentucky law. The sole member of Kentucky Central States Water Resources is CSWR.

**C. 807 KAR 5:001 § 12 Requirements**

31. Pursuant to 807 KAR 5:001 § 12, the Company’s Financial Exhibits are attached as Exhibits 25(a) and 25(b). *See also* para. 25.

**D. Other Filing Requirements**

32. The Company has included a table showing its compliance with the statutory and regulatory requirements for this Application. *See* Exhibit 32.

### **III. Public Convenience and Necessity Require the Remote Monitoring Project**

#### **A. Remote Monitoring Project Proposed**

33. The Company proposes to install a remote monitoring system at its Randview, Longview Homestead, Timberland, River Bluffs, Center Ridge, Arcadia Pines, Carriage Park, Marshall Ridge, Delaplain, Herrington Haven, Woodland Acres, Darlington, and Springcrest sites.

34. A remote monitoring system immediately alerts operators when abnormal operating conditions, equipment failures, and other treatment failures occur. Remote monitoring enables 24/7/365 visibility into how Bluegrass Water's facilities are functioning. These alerts often occur long before a person on the ground conducting a visual inspection would see a potential problem with the system. Moreover, the real-time alerts provide faster warnings regarding potential maintenance issues, thereby helping the Company prevent system problems before they occur and otherwise helping improve system reliability.

35. Specifically, remote monitoring enables Bluegrass Water to track the following data points for its wastewater facilities: wet well level monitoring, screw screens, pumps, rain gauge data, flow meter reporting, blowers, chlorine levels, and dissolved oxygen levels. Remote monitoring also provides preventative maintenance alerts.

36. The remote monitoring equipment the Company proposes to install is manufactured by High Tide. Manufacturer documentation regarding the proposed installation is attached as Exhibit 16. *See also* para. 16.

37. An authorized and licensed installer will be used to install the proposed equipment.

38. In addition to the installation of the remote monitoring equipment at the above-identified systems (*see* para. 33), Bluegrass Water will also be making a slight modification of its

existing remote monitoring equipment at its remaining Kentucky systems in order to facilitate the operation of that previously-installed equipment through High Tide's user interface.

39. Thus, upon completion of the proposed project, Bluegrass Water will be capable of remotely monitoring all of its Kentucky systems through the High Tide interface.

#### **B. Need for and Benefits of Remote Monitoring**

40. Remote monitoring offers many benefits for both the system operators and the end-use customers. It provides continuous, accurate live data to operators, enabling the operator to monitor the facility and control costs. When operated optimally and to their full potential, facilities should be capable of consistently meeting limits. Conversely, when plants are not operated optimally, and fail to consistently meet limits, those failures can result in unnecessary facilities upgrades. In some cases, some or all upgrades could have been avoided if operators had a better understanding of how the plant was running. Remote monitoring ensures operators have constant access to data and are able to fine-tune plant operations with full understanding of how that fine-tuning affects plant performance, reliability, and longevity.

41. Remote monitoring also drives down the cost of environmental compliance by reducing the frequency, likelihood, and severity of potential violations. Earlier warnings enable operators to respond more quickly to abnormal conditions and to correct problems before the treatment process is interrupted, backups and sanitary system overflows occur, or customers lose service. For example, if operators receive a notification the moment a lift station pump fails, they can immediately go to the site and correct the problem. In contrast, without remote monitoring, when a lift station pump fails, operators typically do not know until an audio or visual alarm is triggered or a customer—who has already lost or experienced reduced service—calls to report the problem. This delay can lead to lift station overflows or backups into customers' homes. Apart

from adverse customer impact and associated cleanup implications, if these events occur, they also trigger reporting obligations to Kentucky's Energy and Environment Cabinet or Department of Environmental Protection and could lead to fines.

42. And while remote monitoring cost savings are difficult to quantify because the savings result from preventing equipment performance issues before they happen (thereby avoiding customer-affecting, clean-up, and noncompliance issues altogether), the increased efficiency of communication that it facilitates with the operator creates opportunities for operational improvements and efficiencies to the customer. This is especially true when considered in conjunction with the savings the Company anticipates realizing from its proposed limited waiver from daily inspection requirements for these remotely monitored facilities.<sup>7</sup>

### **C. Absence of Wasteful Duplication**

43. The Company carefully weighed its options in deciding whether to pursue a remote monitoring equipment project and if so, which company to select for its remote monitoring equipment.

44. The Company first considered maintaining the status quo: that is, not installing remote monitoring equipment at the locations listed in this Application and continuing to inspect its Mechanical Equipment<sup>8</sup> daily, without seeking a waiver of daily inspection requirements. Forgoing a remote monitoring project for these locations would, however, reduce the likelihood

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<sup>7</sup> As discussed in more detail at Section IV, the Company does not intend to cease in-person inspections; it merely seeks permission to reduce their frequency to three (3) times per week, rather than daily. While this obviously entails some continued expense for in-person inspection of the subject facilities, it does create anticipated savings on that front, as well. In essence, the customer and the Company alike are anticipated to benefit from reduced operating costs, while retaining a significant amount of the benefits of in-person inspection, and also gaining the operational improvements and efficiencies afforded by the remote monitoring equipment.

<sup>8</sup> Defined at para. 59.

that the Company could act quickly and proactively in preventing issues before they affect customers. Instead, the Company would only be able to respond to issues reactively and potentially only after receiving an urgent call from a customer. In addition, the Company would lose the economies of scale that result from having all of its systems using remote monitoring.

45. Given remote monitoring's cost-saving and service-enhancing benefits, the Company researched remote monitoring companies to find the best value for its needs and its customers.

46. The three principal manufacturers of remote monitoring equipment are Mission Communications ("Mission"), High Tide, and Omni. Bluegrass Water compared the remote monitoring equipment offered by each.

47. Bluegrass Water determined that Omni's remote monitoring system would not fit its needs. Omni does not have satellite options, which are necessary for monitoring of Bluegrass Water's most rural sites. In addition, Omni's interface is outdated, making it a less desirable option than either Mission or High Tide.

48. Having narrowed the scope of potential suppliers, Bluegrass Water then compared the range and size of units offered between the remaining two companies: High Tide and Mission. Bluegrass Water discovered that High Tide offered a more varied range of units than Mission. For example, Mission's largest unit is the same size as High Tide's third-smallest, meaning that High Tide provides better economy of scale when units are consolidated. In addition, having a more varied range of potential units would likely give Bluegrass Water more flexibility in finding properly sized units that can meet a wide range of applications.

49. Second, Bluegrass Water compared the two companies' user interfaces. High Tide's user interface appears more user-friendly than Mission's. Having a more user-friendly

interface will likely give Bluegrass Water better access to the data and information needed to optimize operations and monitor all systems more efficiently. In turn, better monitoring leads to reduced after-hours service calls, thus reducing the Company's overtime expenditures.

50. Third, the Company compared connectivity for the two companies. Some of Bluegrass Water's locations are in rural areas with very limited or even no cell reception. Because High Tide offers satellite connections for its remote monitoring units, potential connectivity issues are mitigated in locations where Bluegrass Water faces connectivity issues.

51. Fourth, the Company compared hardware costs between the two companies. Mission Communications and High Tide offer comparable hardware costs. Then the Company compared the cost of annual service agreements for Mission Communications and High Tide. High Tide has a lower annual service agreement cost, which is a recurring expense for Bluegrass Water.

52. In addition to all of the foregoing, the ability to slightly modify the Company's existing remote monitoring equipment by replacing a small component in order to enable functionality on the High Tide system will help protect the investment already made in that previously installed equipment by avoiding an unnecessary or premature replacement of the associated equipment at those locations.

53. Overall, the Company weighed several considerations and ultimately decided that installing High Tide remote monitoring at the locations listed in this Application would result in significant cost savings and better service.

54. And as detailed in the next section, the cost savings are even higher if the Commission grants Bluegrass Water's request for a limited waiver of daily inspection requirements.

#### **IV. Waiver Application**

55. Given the anticipated benefits of the proposed remote monitoring facilities, Bluegrass Water also respectfully requests a waiver from inspecting its Mechanical Equipment on a daily basis.

56. The Commission may grant deviations from its regulations for good cause shown. 807 KAR 5:006 § 28.

57. 807 KAR 5:006 § 26(8) requires wastewater utilities to make inspections in accordance with 807 KAR 5:0071 § 7(4).

58. 807 KAR 5:0071 § 7(4) requires wastewater utilities to “make inspections of all mechanical equipment on a daily basis.”

59. Bluegrass Water’s pumps, blowers, flow meters, process control, disinfection equipment, tanks, pressure gauges, and lift stations (together “Mechanical Equipment”) are generally treated within the industry as “mechanical equipment,” as that term is used in the regulation.

60. The Commission has not previously authorized Bluegrass Water to inspect its Mechanical Equipment on a schedule that differs from those set forth in 807 KAR 5:071 § 7(4).

##### **A. Burden of daily inspections**

61. Performing daily inspections of its Mechanical Equipment as required by 807 KAR 5:071 § 7(4) imposes an operational and financial burden on both customers and the Company that is simply unneeded when that same equipment is also monitored by remote monitoring equipment. While some level of in-person inspection may remain appropriate as something of a “check” on the remote monitoring equipment, a principal benefit of the remote monitoring equipment lies in

its ability to serve as a persistent electronic monitor that can help streamline operations and improve system efficiency by reducing the level of in-person manual labor required.

62. The Company's business model relies significantly on bringing economies of scale to its operations, much of which are non-contiguous and not directly interconnected in Kentucky. Consequently, daily inspection of geographically disparate systems presents a significant operational and financial burden on the Company, which must presently ensure that system inspections are made in-person, on a daily basis, across distant parts of the Commonwealth. Installing the remote monitoring equipment provides the Company with a measure of flexibility to more efficiently centralize its operations, and better contain travel and labor expense of its third-party operations and maintenance contractors for the mutual benefit of customers and the Company.

63. The Commission has previously noted Bluegrass Water's plans to bring centralized operations and economies of scale to its multiple systems in an effort to recognize operational improvements and other efficiencies. The approvals sought in this Application directly serve those objectives and that business model.<sup>9</sup>

64. On an annual basis, including a requirement to perform daily inspections would result in operations and maintenance cost of approximately \$1,126,000 in operations and maintenance costs.

65. With the proposed reduction in daily inspections to three (3) times per week, however, the Company estimates that it will save approximately \$275,000 in annual operations and maintenance costs, reducing the annual amount to approximately \$851,000.

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<sup>9</sup> See *In the Matter of Electronic Proposed Acquisition by Bluegrass Water Utility Operating Company, LLC*, Case No. 2019-00360, Order at 12 (February 17, 2020).



**B. Anticipated savings and benefits**

66. In total, the Company estimates that approval of the Application is likely to result in approximately \$1,165,000 in net savings over the course of 5 years. In fact, the approvals sought in this Application are a reasonable, incremental first step to allow both the Commission and the Company to evaluate how these improvements are serving the Company's goals to improve service at these historically neglected systems.

67. 807 KAR 5:071 § 4 was adopted to ensure that wastewater utilities operate safely, avoid equipment malfunction and failure, and detect problems within a reasonable time. The proposed inspection schedule ensure that those goals are efficiently and effectively achieved.

68. Good cause exists to waive the daily inspection requirement and authorize the proposed inspection schedule. Bluegrass Water's equipment and procedures enable Bluegrass Water to quickly respond to a malfunction or failure in its Mechanical Equipment. The remote monitoring, coupled with the proposed inspection schedule, sufficiently substitutes for daily inspections and renders daily inspections duplicative. Authorizing the proposed limited waiver of the daily inspection requirements and approving the Company's proposed in-person inspection schedule of three (3) times per week will not adversely affect Bluegrass Water's ability to render safe and sanitary wastewater services to its customers.

**Relief Sought**

69. The Company respectfully asks the Commission to issue a final order approving this Application and granting the following relief:

- a. a certificate of public convenience and necessity, pursuant to KRS § 278.020(2), for the proposed remote monitoring equipment;

- b. a limited waiver from the daily inspection requirement set forth in 807 KAR 5:0071 § 7(4);
- c. approval of the proposed three (3) times per week inspection schedule for the affected facilities;
- d. a deviation, to the extent required and pursuant to 807 KAR 5:001 § 22, from the map submission requirements described in 807 KAR 5:001 § 15(2)(d)(1);
- e. a deviation, to the extent required and pursuant to 807 KAR 5:001 § 22, from the “plans, specifications, and drawings” requirement described in 807 KAR 5:001 § 15(2)(d)(2); and
- f. all other relief to which the Company may be entitled.

Respectfully submitted,

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**Certification**

I hereby certify that a copy of this Application and its exhibits has been served electronically on all parties of record through the use of the Commission's electronic filing system, and there are currently no parties that the Commission has excused from participation by electronic means. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, a paper copy of this filing has not been transmitted to the Commission.

/s/Edward T. Depp  
*Counsel to Bluegrass Water Utility  
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