

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BLUEGRASS)
WATER UTILITY OPERATING COMPANY, LLC) CASE NO.
FOR AN ADJUSTMENT OF SEWAGE RATES) 2022-000432

**SCOTT COUNTY, KENTUCKY’S SUPPLEMENTAL RESPONSE TO
COMMISSION STAFF’S FIRST REQUEST FOR INFORMATION**

WITH

**SUPPLEMENTAL RESPONSES TO BLUEGRASS WATER UTILITY
OPERATING COMPANY, LLC’S FIRST REQUEST FOR INFORMATION**

Comes now Scott County, Kentucky (Scott County), by and through counsel, and submits its Supplemental Response to Request 1 of Commission Staff’s First Request for Information (Staff 1-1) and Supplemental Responses to Requests 12 and 25 of Bluegrass Water Utility Operating Company, LLC’s (“Bluegrass Water” or “Company”) First Request for Information (“Bluegrass Water 1-__”). In support, Scott County states the following:

On August 11, 2023, Bluegrass Water filed into the record in the instant case rebuttal testimony which includes, among other things, a reduction of its requested revenue requirement by \$266,526.¹ Consequent to this reduction, Scott County’s witness Ariel E. Miller revised her Exhibit AEM-2 that was pre-filed in support of her testimony (on June 30, 2023).

¹ Rebuttal Testimony of Brent Thies (filed Aug. 11, 2023), pages 2 through 4.

During the revision of AEM-2, a minor error discovered in Column 3 (“Adjusted Sewer”), Line 26 is also corrected. Unlike the revision for the Company’s reduction of the revenue requirement, the correction of this error (of itself) does not flow through to the recommended phase-in approach.

Ms. Miller also, based upon the rebuttal testimony, revises her position concerning implementation of a phased-in approach and, in turn, revises her response to Scott County 1-25 and has prepared Exhibit AEM-3 in support of the revision.

Commission Staff and Bluegrass Water each requested the workpapers for Exhibit AEM-2. Based upon Commission Staff’s instruction to make a timely amendment to any prior response upon, among other things, obtaining information that indicates the response, though correct or complete when made, is now incorrect or incomplete in any material respect,² Scott County files the workpapers for Exhibit AEM-2 (revised August 25, 2023). Ms. Miller will identify and testify regarding these revisions to her pre-filed testimony at the evidentiary hearing at which time the revised exhibit will be introduced and moved for admission into the record.

Ms. Miller will also identify and testify regarding the revision of her phase-in recommendation at the evidentiary hearing at which time Exhibit AEM-3 will be introduced and moved for admission into the record. In advance of the hearing and in supplementation of its prior responses, Scott County files the revised workpapers and response into the record.

WHEREFORE, Scott County submits its Supplemental Responses.

² Bluegrass Water, through its instructions to Scott County, makes a similar request upon additional information or information that changes a response after the date the responses were due.

Respectfully submitted,

/s/ David E. Spenard

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Notice And Certification For Filing

Undersigned counsel provides notice that the electronic version of the paper has been submitted to the Commission by uploading it using the Commission's E-Filing System on this 28th day of August, 2023, in conformity with the Commission's April 14, 2023 Order of procedure in the instant case. Pursuant to the Commission's Orders in Case No. 2020-00085, *Electronic Emergency Docket Related to Novel Coronavirus Covid-19*, the paper, in paper medium, is not required to be filed.

/s/ David E. Spenard

Notice And Certification Concerning Service

No party has been excused from the electronic filing procedures in the instant proceeding.

/s/ David E. Spenard

Scott County, Kentucky
KY PSC Case No. 2022-00432
Response to Commission Staff

Witness Responsible:

Ariel E. Miller

1. Refer to the Direct Testimony of Ariel E. Miller, Exhibit AEM-2. Provide Exhibit AEM-2 and all related work papers in Excel spreadsheet format with all formulas, rows, and columns fully accessible, unprotected, and intact.

Original Response:

Please see the attached Exhibit 1a for the workpapers related to Ms. Miller's Direct Testimony.

Revised Response:

Please see the attached Exhibit AEM-2, a revision of Exhibit 12a (filed June 30, 2023).

Please see the attached Exhibit AEM-3, an exhibit supporting the revision of Scott County's Response to Bluegrass Water 1-25.

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Witness Responsible:

Ariel E. Miller

12. Please provide all calculations, workpapers, and other documents used to derive each adjustment shown in Exhibit AEM-2 to the Direct Testimony of Ariel Miller. Please provide these documents in electronic format with all formulas intact. For each input and for each amount listed in the exhibit, please provide the source of the input or amount and a record citation.

Original Response:

Please see the attached Exhibit 12a for the workpapers related to Ms. Miller's Direct Testimony.

Revised Response:

Please see the attached Exhibit AEM-2, a revision of Exhibit 12a (filed June 30, 2023).

Please see the attached Exhibit AEM-3, an exhibit supporting the revision of Scott County's Response to Bluegrass Water 1-25.

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Witness Responsible:

Ariel E. Miller

25. Please refer to Ms. Miller's testimony at 11:5–20 and 12:1–5. Please detail the proposed timeline for each phase of Scott County's proposed "phase-in" approach.

Original Response:

Scott County's proposed phase-in is as follows: Phase 1 rates would go into effect upon a Commission Order approving the phase-in. Phase 2 rates would be effective one year from the effective date of Phase 1 rates, and Phase 3 rates would be effective one year from the effective date of Phase 2 rates.

Revised Response:

Based upon information filed in the rebuttal testimony of Brent Thies on August 11, 2023, the Company made proposals to revise the revenue requirement totaling (\$266,526).³ As a result, Scott County now proposes the Commission accept those revisions to the revenue requirement and offers an alternative proposed phase-in approach, if accepted. The alternative phase-in is attached as Exhibit AEM-3. The proposed phase-in would be implemented in two phases, with the first phase upon order by the Commission, with the second phase implemented one year thereafter.

³ Rebuttal Testimony of Brent Thies at 3, line 17.

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**VERIFICATION
BY AFFIDAVIT**

Comes the affiant, Ariel E. Miller, and being duly sworn states that the foregoing responses and attached exhibits were prepared by her and are, to the best of her information and belief, true and correct.

Ariel Miller

Commonwealth of Pennsylvania
County of Cambria

Subscribed and sworn to me by the Affiant Ariel E. Miller this 28 day of August, 2023.

Anna M Meyers
Notary Public

