

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
MOTION TO INTERVENE**

Comes now Scott County, Kentucky (“Scott County”), by and through counsel, and, under 807 KAR 5:001 Section 4(11), moves for leave to intervene into the instant case, the Electronic Application of Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water”) for an Adjustment of Sewage Rates. In support of its motion to intervene, Scott County states the following.

1. Scott County, Kentucky is a county government of the Commonwealth of Kentucky.

Joe Pat Covington is the Scott County Judge/Executive.

2. Scott County, Kentucky’s full name, mailing address, electronic mail address, and website address:

Scott County, Kentucky
ATTN: Joe Pat Covington, Judge/Executive
101 East Main Street, #210
Georgetown, KY 40324
joe.covington@scottky.gov

3. Scott County, through the Scott County Judge/Executive and the Scott County Fiscal Court, has broad statutory powers in representing the interests of Scott County and its citizens, including interests in, among other things, economic

development, health and sanitation, and other matters concerning the welfare and protection of its citizens.

4. On April 14, 2023, the Scott Fiscal Court passed a Resolution authorizing a request for intervention to represent Scott County's interests in PSC Case No. 2022-00432; therefore, the request is authorized and consistent with Scott County's authority to represent the interests of its citizens in the rates or service of Bluegrass Water.
5. Bluegrass Water is a public utility with rates and service subject to the jurisdiction of the Kentucky Public Service Commission ("PSC" or "Commission"). Bluegrass Water seeks authority to revise its tariff sheets and increase its wastewater rates.
6. Bluegrass Water's provides the collection, transmission, and treatment of wastewater through its facilities in multiple counties of the Commonwealth.
7. Two (2) of Bluegrass Water's facilities are located within Scott County. Longview/Homestead service area¹ has 345 connections, and the Delaplain

¹ Acquired by Bluegrass Water as part of Case No. 2019-00104, *Electronic Proposed Acquisition by Bluegrass Water Utility Operating Company, LLC and the Transfer of Ownership and Control of Assets by P.R. Wastewater Management, Inc., Marshall County Environmental Services, LLC, LH Treatment Company, LLC, Kingswood Development, Inc., Airview Utilities, LLC, Brocklyn Utilities, LLC, Fox Run Utilities, LLC and Lake Columbia Utilities, Inc.* (Ky. P.S.C. Aug. 14, 2019) (Order approving acquisition).

service area² has 337 connections.³ Delaplain has both unmetered and metered connections, and it is the only service area with metered connections.⁴

8. 807 KAR 5:001, Section 4(11)(a) provides that any person seeking “to become a party to a case before the Commission may, by timely motion, request leave to intervene.” Section 4(a)1 requires the motion to contain, among other things, a statement of the party’s interest in the case and how intervention “is likely to present issues or develop facts that will assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.” 807 KAR 5:001, Section 4(11)(b) provides that “[t]he commission shall grant a person leave to intervene if the commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her intervention is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.”

² Acquired by Bluegrass Water as part of Case No. 2020-00297, *Electronic Proposed Acquisition of Bluegrass Water Utility Operating Company, LLC and the Transfer of Ownership and Control of Assets by: Delaplain Disposal Company; Herrington Haven Wastewater Company, Inc.; Springcrest Sewer Company, Inc., and Woodland Acres Utilities, LLC* (Ky. P.S.C. Jan. 14 2021) (Order approving acquisition) (“Case No. 2020-00297”).

³ Application (deemed filed Apr. 14, 2023), Exhibit 11, Direct Testimony of Timothy S. Lyons, Page 3 of 8, Figure 1: Sewer Service Area (“Lyons Direct Testimony”).

⁴ *Id.*

9. Bluegrass Water's Scott County service areas contain approximately 28 percent of Bluegrass Water's connections⁵ and approximately 27 percent of Bluegrass Water's bills.⁶
10. Bluegrass Water proposes a rate increase of 15.6 percent for its Longview/Homestead customers;⁷ a rate increase of 694.9 percent for its Delaplain residential customers; and a rate increase of 90.6 percent for its Delaplain commercial customers.⁸
11. Bluegrass Water's Scott County service areas contain more customers than any other single county containing Bluegrass Water service areas, and the 694.9 percent increase proposed for Delaplain residential customers is the largest percentage increase proposed through this Application.
12. While the Kentucky Office of the Attorney General has a statutory power to represent the consumers' interest in matters before the Commission,⁹ the statutes do not assign to the Attorney General an exclusive role in consumer advocacy that precludes other government officials from advancing the interests of their constituents as ratepayers or from advancing the interests of their areas in matters

⁵ *Id.*

⁶ Application (deemed filed Apr. 14, 2023), Lyons Direct Testimony, Direct Schedule TSL-4, Page 1 of 1, Sewer Service Bill Impact Analysis.

⁷ Application (deemed filed Apr. 14, 2023), Certificate of Notice to the Public, Exhibit A.

⁸ *Id.*, at Exhibit D.

⁹ KRS 367.150(8).

impacted by a utility's rates or service, including affordability, health and welfare, and economic development.

13. The Commission has, on numerous occasions, recognized that the Attorney General's participation does not preclude the participation of parties advocating on behalf of specific customer groups or sub-groups, and the PSC has, upon the finding of a capacity to represent these special interests and/or present issues or develop facts that will assist the commission in fully considering the matter without unduly complicating or disrupting the proceeding granted intervention to advocacy groups in proceedings in which the Attorney General is a party.¹⁰

14. The customer types and service areas in Scott County differ significantly from many, if not all, of the other customers groups and service areas in the Bluegrass Water system, and they are not similarly situated with other Bluegrass Water customers and are not adequately represented in this case.

15. Scott County has a special interest in seeking fair, just, and reasonable rates based upon principles and arguments that the Kentucky Office of the Attorney General cannot be reasonably called upon to advance on behalf of its residents and

¹⁰ See, for examples, Case No. 2020-00160, *Electronic Application of Water Service Corporation of Kentucky for a General Adjustment of Rates*, (Ky. P.S.C. Aug. 7, 2020) (Order granting City of Clinton, Kentucky intervention); Case No. 2015-00418, *Application of Kentucky-American Water Company for an Adjustment of Rates*, (Ky. P.S.C. Feb. 5, 2016) (Order granting Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc., intervention); and Case No. 2012-00222, *Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers, and a Gas Line Surcharge*, (Ky. P.S.C. Jul. 26, 2012) (Order granting Association of Community Ministries, Inc., intervention).

businesses while simultaneously seeking to advance the interests of other customer groups or service areas having dissimilar interests in the proposals.

16. Scott County contains the only service area with metered service, a service area with commercial customers, and the customer group with the largest proposed increase in rates. Scott County has a special interest in advocacy on behalf of its residents/customers because the proposed rates stand to impact rate affordability, health and safety, and economic development within Scott County.

17. If Scott County is granted intervention, it will seek to present issues and develop facts that will assist the Commission in fully considering this matter and can do so without unduly complicating or disrupting the proceedings.

18. Scott County openly questions the reasonableness of the proposals in the Application including, but not limited to, the results of the Applicant's cost of service study and the Applicant's rate design in the instant proceeding and will present issues and/or develop facts that will assist the Commission in these areas.

19. The special interests of Scott County in the instant case are not otherwise represented by any other party including the Kentucky Office of the Attorney General.

20. Scott County is represented by counsel and, if granted intervention, will comply with all provisions of the Commission's regulations including those related to service and electronic filing of documents and will waive any right to service of Commission orders via U.S. Mail. Scott County certifies that it, or its agent, possesses the facilities to receive electronic transmissions and otherwise participate through the electronic filing process, if granted intervention. All

electronic mail messages related to this proceeding may be served through the following electronic mail addresses:

rstrobo@strobobarkley.com

dspenard@strobobarkley.com

cameron.culbertson@scottky.com

21. This Motion to Intervene is timely in that it is within the period for requests for intervention as established by the Commission's April 14, 2023, Order of procedure.

WHEREFORE, Scott County respectfully requests the Commission to grant it intervention into the instant case with full rights of a party to the proceeding.

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 14th day of April, 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