

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

In the Matter of:

**ELECTRONIC APPLICATION OF BLUEGRASS)
WATER UTILITY OPERATING COMPANY, LLC) CASE NO. 2022-00432
FOR ADJUSTMENT OF SEWAGE RATES)**

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

Bluegrass Water Utility Operating Company, LLC, (“Bluegrass Water” or the “Company”) by counsel, files its supplemental responses to the Commission Staff’s Fourth Request for Information, issued in the above-captioned case on July 13, 2023.

FILED: August 2, 2023

ELECTRONIC APPLICATION OF BLUEGRASS WATER UTILITY OPERATING
COMPANY, LLC FOR ADJUSTMENT OF SEWAGE RATES
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BLUEGRASS WATER UTILITY OPERATING COMPANY, LLC'S SUPPLEMENTAL
RESPONSES TO THE COMMISSION STAFF'S FOURTH REQUEST FOR INFORMATION

REQUEST NO. 4-15: Explain how the bids for operator contracts were obtained by Bluegrass Water, and how this process creates operational economies or maximizes savings to customers.

RESPONSE: Please see the following process on how bids for operator contract are obtained by Bluegrass Water:

- (1) Operation and Maintenance firms that are licensed, or willing to obtain the proper license to operate, in the state where projects are closing are sent a Request for Qualifications (RFQ) and returned to CSWR Staff for review.
- (2) Upcoming closings are reviewed monthly.
- (3) Projects that are projected to close 6 months from the review month are identified to go out for bid.
- (4) Bid Package is prepared.
 - Sites are broken up regionally.
 - Member of the EHS Compliance Team reviews permit numbers using state specific databases and internal engineering memos.
- (5) Bid Packet is sent out to qualified contracting firms.
 - Firms must have gone through the RFQ Process to receive a packet.
 - The Regional Manager sets dates for the site visits if requested.
- (6) The timeline of the Bid Process is completed, and the bids are received.
 - 90 Day Process.

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SUPPLEMENTAL RESPONSE: Please see the following process on how bids for
operator contract are obtained by Bluegrass Water:

- (1) Operation and Maintenance firms that are licensed, or willing to obtain the proper license to operate, in the state where projects are closing are sent a Request for Qualifications (RFQ) and returned to CSWR Staff for review.
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 - Member of the EHS Compliance Team reviews permit numbers using state specific databases and internal engineering memos.
- (5) Bid Packet is sent out to qualified contracting firms.
 - Firms must have gone through the RFQ Process to receive a packet.
 - The Regional Manager sets dates for the site visits if requested.
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The bidding process maximizes savings by allowing Bluegrass Water the opportunity to receive and evaluate competitive bids to determine the lowest possible costs for maximized customer quality.

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Witness: Todd Thomas

