

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Herrington Haven Subd  
Mandy Sappington  
1630 Des Peres Rd Ste 140

Saint Louis, MO 631311871

**AI Name:** Herrington Haven Subd    **AI ID:** 1469    **Activity ID:** ENV20230001  
**County:** Garrard  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 02/16/2023

This is to advise that you are in violation of the provisions cited below:

- 1**    **Violation Description for Subject Item AIOO0000001469():**  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0053431, monitoring point 001-2, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .04 mg/L; and concentration daily max. .04 mg/L for December 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** River Bluffs WWTP  
Mandy Sappington  
1630 Des Peres Rd Ste 140

Saint Louis, MO 631311871

**AI Name:** River Bluffs WWTP      **AI ID:** 3367      **Activity ID:** ENV20230001  
**County:** Oldham  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 02/16/2023

This is to advise that you are in violation of the provisions cited below:

**1** Violation Description for Subject Item AIOO0000003367():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0043150, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 4 mg/L; and concentration daily max., less than or equal to 6 mg/L. The facility reported the following: concentration monthly avg. 13.2 mg/L; and concentration daily max. 13.2 mg/L for October 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**2** Violation Description for Subject Item AIOO0000003367():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0043150, monitoring point 001-1, for Total Residual Chlorine. The permitted limit for Total Residual Chlorine is concentration monthly avg., less than or equal to .011 mg/L; and concentration daily max., less than or equal to .019 mg/L. The facility reported the following: concentration monthly avg. .03 mg/L; and concentration daily max. .03 mg/L for November 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: River Bluffs WWTP -- 3367

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

*Marlon A. Bascombe*

Marlon Bascombe, Environmental Control Manager

Date: March 16, 2023

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Great Oaks WWTP  
Mandy Sappington  
1630 Des Peres Rd Ste 140

Saint Louis, MO 631311871

**AI Name:** Great Oaks WWTP **AI ID:** 3041 **Activity ID:** ENV20230001  
**County:** McCracken  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 02/16/2023

This is to advise that you are in violation of the provisions cited below:

**1** Violation Description for Subject Item AIOO0000003041():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL; and concentration 7-day geometric, less than or equal to 240 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 488 MPN/100 mL; and concentration 7-day geometric 488 MPN/100 mL for January 2023.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**2** Violation Description for Subject Item AIOO0000003041():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for CBOD. The permitted limit for CBOD is concentration monthly avg., less than or equal to 10 mg/L; and concentration max. weekly avg., less than or equal to 15 mg/L. The facility reported the following: concentration monthly avg. 18 mg/L; and concentration max. weekly avg. 18 mg/L for November 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Great Oaks WWTP -- 3041

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)

Issued By: Marlon A. Bascombe  
Marlon Bascombe, Environmental Control Manager  
Date: March 10, 2023

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Kingswood WWTP  
Mandy Sappington  
1630 Des Peres Rd Ste 140

Saint Louis, MO 631311871

**AI Name:** Kingswood WWTP **AI ID:** 455 **Activity ID:** ENV20230001

**County:** Bullitt

**Enforcement Case ID:**

**Date(s) Violation(s) Observed:** 02/16/2023

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item AIOO000000455():  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 235 MPN/100 mL for October 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Kingswood WWTP -- 455

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

*Marlon A. Bascombe*

Marlon Bascombe, Environmental Control Manager  
Date: March 17, 2023

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Lake Columbia WWTP  
Mandy Sappington  
1630 Des Peres Rd Ste 140

Saint Louis, MO 631311871

**AI Name:** Lake Columbia WWTP    **AI ID:** 458    **Activity ID:** ENV20230001  
**County:** Bullitt  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 02/16/2023

This is to advise that you are in violation of the provisions cited below:

**1** Violation Description for Subject Item AIOO0000000458():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0077674, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 5.6 mg/L for December 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**2** Violation Description for Subject Item AIOO0000000458():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0077674, monitoring point 001-1, for Total Suspended Solids. The permitted limit for Total Suspended Solids is concentration monthly avg., less than or equal to 30 mg/L; and concentration max. weekly avg., less than or equal to 45 mg/L. The facility reported the following: concentration monthly avg. 68.5 mg/L; and concentration max. weekly avg. 84 mg/L for December 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]



AI: Lake Columbia WWTP -- 458

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

*Marlon A. Bascombe*

Marlon Bascombe, Environmental Control Manager

Date: March 20, 2023



**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Persimmon Ridge Subd & WWTP  
Mandy Sappington  
1630 Des Peres Rd Ste 140

Saint Louis, MO 631311871

**AI Name:** Persimmon Ridge Subd & WWTP    **AI ID:** 3955    **Activity ID:** ENV20230001  
**County:** Shelby  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 02/16/2023

This is to advise that you are in violation of the provisions cited below:

**1 Violation Description for Subject Item AIOO0000003955():**

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 401 KAR 5:065, Section 2(1), which cites to 40 CFR 122.41(a), by failing to comply with the terms and conditions of KPDES Permit No. KY0090956, monitoring point 002-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is loading monthly avg., less than or equal to 5.9 lbs/day; and loading max. weekly avg., less than or equal to 8.9 lbs/day; and concentration monthly avg., less than or equal to 5 mg/L; and concentration daily max., less than or equal to 7.5 mg/L. The facility reported the following: loading monthly avg. 8.118 lbs/day; and loading max. weekly avg. 12.8 lbs/day; and concentration monthly avg. 7.546 mg/L; and concentration daily max. 11.9 mg/L for December 2022.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

AI: Persimmon Ridge Subd & WWTP -- 3955

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)

Issued By:

*Marlon A. Bascombe*

Marlon Bascombe, Environmental Control Manager

Date: March 21, 2023

COMMONWEALTH OF KENTUCKY  
**CABINET FOR HEALTH AND FAMILY SERVICES**  
DEPARTMENT FOR PUBLIC HEALTH

4/5/23  
DATE

No. \_\_\_\_\_  
Permit/License/  
Registration/  
Certification

G1647  
Sanitation Code

E  
Action Code

No. \_\_\_\_\_  
758162  
Request for Service

**NOTICE TO CORRECT VIOLATIONS**

PURSUANT TO KRS 212.210 KRS 211.180  
LAW OR REGULATION

ISSUED TO: Central States Water Resources  
Bluegrass Water Utility Operating Co  
NAME  
11030 Des Peres Rd, Ste 140  
ADDRESS  
St Louis MO 63131  
CITY STATE ZIP

An inspection conducted at Marshall Ridge, located  
at 209 Harting Ridge Rd West Paducah, KY, under the date of  
4/4/23, by Crystal Stevenson + Joel Barrett  
(Date) (Inspector)

disclosed the following violations:

Failing overflow sewage laterals for lagoon  
standing sewage in areas where overflow laterals are  
located

Lagoon fencing damaged; gaps in the bottom of  
the fencing in multiple areas

.....  
This is an official notice to correct the above listed violations with a period of 30  
days from the date of receipt of this notice. Failure to comply with this notice within the specified time  
period may result in suspension of your:  PERMIT  LICENSE  REGISTRATION  
 CERTIFICATION or, further legal action (as applicable) being taken against you, unless a written  
request for a hearing is filed with the cabinet during that time period.  
.....

Signature  
Crystal Stevenson  
Health Official Signature  
mcracken  
Health Department  
(270) 444-9631 ext 130  
Telephone

Date Received  
Health Env III  
Title  
40 Bld 2597  
Mailing Address

30 days from receipt  
Time Period Expires  
4/5/23  
Date  
Paducah, KY 42002  
City, State, Zip



COMMONWEALTH OF KENTUCKY  
CABINET FOR HUMAN RESOURCES  
DEPARTMENT FOR HEALTH SERVICES

**NOTICE TO REMEDY INSANITARY CONDITIONS**

To Central States Water Resources

Notice is given that the filling lagoon system; standing sewage; damaged fencing

Located at 209 Harting Ridge Rd West Paducah, KY 42086

Is in violation of the Rules and Regulation of the Cabinet for Human Resources or KRS 212.210

Crystal Stevenson (270) 444 9131 ext 130  
Joell Barrett (270) 444 9131 ext 169

and notice is given to abate such conditions within a period of 30 days.

Signed Crystal Stevenson

McCracken County Health Department

Date 4/5/23



Andy Beshear  
Governor

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

Kent A. Chandler  
Chairman

Angie Hatton  
Vice Chairman

Mary Pat Regan  
Commissioner

April 13, 2023

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Arcadia Pines Wastewater  
System  
McCracken County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Arcadia Pines wastewater system located in McCracken County, KY on March 8, 2023, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified. This closes out the 2023 inspection. No response is necessary.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Jon Brown, EHS Compliance Inspector



# Kentucky Public Service Commission

## Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC – Arcadia Pines

Utility's Principal office location: 1630 Des Peres Road, Suite 140 St Louis, MO 63131

Utility representative during inspection: Jon Brown, Arthur Faiello

Counties served: McCracken

Customers: 25

Investigator: Brian L. Rice

Date(s) of inspection: March 8, 2023

Date(s) of last inspection: April 26, 2022

Deficiencies noted during the last inspection: No deficiencies noted during this inspection

Have deficiencies been corrected since last inspection?

Yes

No

N/A

If no, provide a response as to why these deficiencies have not been addressed.

### General Questions

Treatment Facility:

Yes

No

N/A

Collection System:

Yes

No

N/A

### Utility Information

Total number of Employees: 0

Number of Office Employees: 0

Note: The Company is comprised of contracted operations, billing, and customer service.

Does the utility have its own maintenance staff?

Yes

No

N/A

If not, give the name the person(s) doing the work:

Operation and Maintenance is contracted out to Clearwater Solutions.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:006 (General Rules)

**Section 2: General Provisions.** Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

#### Section 4: Reports

Has the utility filed its gross annual operating revenue report?

Yes  No  N/A

#### Section 7: Billings, Meter Readings, and Information.

Is the Billing and Collection handled by the Utility? Yes  No  N/A

If no, then who? Billing and Collection is handled by Nitro Billing Services.

Does each bill for utility service issued periodically by a utility clearly show the following?

The date the bill was issued: Yes  No  N/A

Class of service: Yes  No  N/A

Present and last preceding meter readings: Yes  No  N/A

Date of the present reading: Yes  No  N/A

Number of units consumed: Yes  No  N/A

Net amount for service rendered: Yes  No  N/A

All taxes: Yes  No  N/A

Adjustments, if applicable: Yes  No  N/A

The gross amount of the bill: Yes  No  N/A

The date after which a penalty may apply to the gross amount:

Yes  No  N/A

If the bill is estimated or calculated: Yes  No  N/A

Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes  No  N/A

**Note:** Yes, the tariff (including the rate schedule) is found on the Company website. Additionally, no readings/units/etc. are included due to the nature of the flat rates charged.

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Publishing it in a newspaper of general circulation once each year:

Yes  No  N/A

Mailing it to each customer once each year; or:

Yes  No  N/A

Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:

Yes  No  N/A

**Note:** Due to the nature of the bills, the flat rate found on the bill is the rate schedule associated with the service areas. Additionally, the bills have multiple options for contacting the Utility if they have any billing inquiries including questions regarding the rate schedule.

### Section 8. Deposits.

Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills?

Yes  No  N/A

### Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?

Yes  No  N/A

Does the utility keep a record of all written complaints concerning the utility's service?

Yes  No  N/A

Does the record include the following?

The customer's name and address:

Yes  No  N/A

The date and nature of the complaint:

Yes  No  N/A

The disposition of the complaint:

Yes  No  N/A

Does the utility maintain these records for two (2) years from the date of resolution of the complaint?

Yes  No  N/A

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?

Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Note:** The Company does not maintain a local office but has a representative available to answer customer questions and provide the Commissions mailing address, website address and telephone number and provides this information on the utility's website.

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?

Yes  No  N/A

### Section 14: Utility Customer Relations

Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?

Yes  No  N/A

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?

Yes  No  N/A

**Note:** The Company does not maintain a local office, but has a representative available to answer customer questions, resolve disputes, and negotiate partial payment plans thru telephone only. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?

Yes  No  N/A

If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) day per week?

Yes  No  N/A

Does the utility provide the following?

Maintain a telephone: Yes  No  N/A

Publish the telephone number in all service areas: Yes  No  N/A

**Note:** The number is available on the website and customer bills.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Permit all customers to contact the utility's designated representative without charge:

Yes  No  N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes  No  N/A

### Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes  No  N/A

Note: In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' methodology of utilizing the Kentucky Infrastructure Authority to comply with mapping requirements. The Company does maintain maps electronically that can be filed upon request with the Commission. Additionally, the Company utilizes the Kentucky Infrastructure Authority for maps that can show layers including districts. KIA does not have a map for this system; however, BW was able to provide a map.

Is the map or maps available in electronic format as a PDF file or as a digital geographic database?

Yes  No  N/A

Is the following data available on the map or maps?

|                     |   |                             |   |
|---------------------|---|-----------------------------|---|
| Operating districts | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Rate districts:     | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Communities served: | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes  No  N/A

In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees.
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes  No  N/A

**Note:** Bluegrass Water contracts with Clearwater Solutions to operate and maintain the wastewater treatment facility. Clearwater Solutions has a safety program.

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes  No  N/A

**Note:** Bluegrass Water has no employees.

Instruct employees in safe methods of performing their work.

Yes  No  N/A

**Note:** Bluegrass Water has no employees.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes  No  N/A

Note: Bluegrass Water has no employees.

### Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes  No  N/A

Have these inspection procedures been filed with the commission for review?

Yes  No  N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes  No  N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes  No  N/A

### Section 27: Reporting of Accidents, Property Damage, or Loss of Service.

(1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

(a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes  No  N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes  No  N/A

Actual or potential property damage of \$25,000 or more:

Yes  No  N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes  No  N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes  No  N/A

### Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes  No  N/A

If so, provide the case no. Case No. 2019-00104.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:011 (Tariffs)

#### Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

#### Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes  No  N/A

If yes, has the utility filed the special contracts with the PSC? Yes  No  N/A

### 807 KAR 5:071 (Sewage):

**Section 1: General.** The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

**Section 4: Information Available to Customers.**

**(1) System maps or records.** Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

(2) Rates, rules, and regulations. A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

### Section 5. Quality of Service.

(1) General. Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.

(2) Limitations of service. No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its responsibilities.

Is the utility in compliance with the Division of Water? Yes

No

N/A

**Note:** This system does not fall under the jurisdiction of Division of Water.

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes

No

N/A

### Section 6: Continuity of Service.

(1) Emergency Interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled

# Kentucky Public Service Commission

## Periodic Compliance Inspection

interruptions shall be made at such hours as will provide least inconvenience to the customers.

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the public?

Yes  No  N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes  No  N/A

### PROVIDE DOCUMENTATION DURING INSPECTION IF ANY.

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers? Yes  No  N/A

Does the utility maintain a record of all interruptions of service regarding the following items?

|                                   |   |                             |                              |
|-----------------------------------|---|-----------------------------|------------------------------|
|                                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Cause of interruption             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Date                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Time                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Duration                          | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Remedy                            | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| # Of customers affected           | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| steps taken to prevent recurrence | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

### Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications

# Kentucky Public Service Commission

## Periodic Compliance Inspection

thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

(3) Adequacy of facilities. The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) Inspection of facilities. Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment daily. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property? Yes  No  N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules? Yes  No  N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections? Yes  No  N/A

Does the utility inspect all mechanical equipment daily? Yes  No  N/A

**Note:** This facility has a Mission-Manage SCADA monitoring system.

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date? Yes  No  N/A

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Additional Comments

**Midwest Water Operations merged with Clearwater Solutions. Clearwater Solutions is now contracted with Bluegrass Water for operations and maintenance.**



Arcadia Pines WWTF



# Kentucky Public Service Commission

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## Periodic Compliance Inspection

**Comment:** During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

**Report by:**

**Date: April 6, 2023**



**Brian L. Rice**  
**Utility Inspector**  
**Kentucky Public Service Commission**





Andy Beshear  
Governor

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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Fax: (502) 564-3460  
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Kent A. Chandler  
Chairman

Angie Hatton  
Vice Chairman

Mary Pat Regan  
Commissioner

April 13, 2023

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Carriage Park Wastewater  
System  
McCracken County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Carriage Park wastewater system located in McCracken County, KY on March 8, 2023, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified. This closes out the 2023 inspection. No response is necessary.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Jon Brown, EHS Compliance Inspector



# Kentucky Public Service Commission

## Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC – Carriage Park

Utility's Principal office location: 1630 Des Peres Road, Suite 140 St Louis, MO 63131

Utility representative during inspection: Jon Brown, Arthur Faiello

Counties served: McCracken

Customers: 38

Investigator: Brian L. Rice

Date(s) of inspection: March 8, 2023

Date(s) of last inspection: April 28, 2022

Deficiencies noted during the last inspection: No deficiencies noted during this inspection

Have deficiencies been corrected since last inspection?

Yes  No  N/A

If no, provide a response as to why these deficiencies have not been addressed.

### General Questions

Treatment Facility: Yes  No  N/A   
Collection System: Yes  No  N/A

### Utility Information

Total number of Employees: 0

Number of Office Employees: 0

Note: The Company is comprised of contracted operations, billing, and customer service.

Does the utility have its own maintenance staff? Yes  No  N/A

If not, give the name the person(s) doing the work:

Operation and Maintenance is contracted out to Clearwater Solutions.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:006 (General Rules)

**Section 2: General Provisions.** Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

#### Section 4: Reports

Has the utility filed its gross annual operating revenue report?

Yes  No  N/A

#### Section 7: Billings, Meter Readings, and Information.

Is the Billing and Collection handled by the Utility? Yes  No  N/A

If no, then who? Billing and Collection is handled by Nitro Billing Services.

Does each bill for utility service issued periodically by a utility clearly show the following?

|  |   |                             |   |
|--|---|-----------------------------|---|
| The date the bill was issued:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| Class of service:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| Present and last preceding meter readings:   | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Date of the present reading:   | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Number of units consumed:  | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Net amount for service rendered:   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| All taxes:   | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Adjustments, if applicable:  | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| The gross amount of the bill:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| The date after which a penalty may apply to the gross amount:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| If the bill is estimated or calculated:  | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |

**Note:** Yes, the tariff (including the rate schedule) is found on the Company website. Additionally, no readings/units/etc. are included due to the nature of the flat rates charged.

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Publishing it in a newspaper of general circulation once each year:**

Yes  No  N/A

**Mailing it to each customer once each year; or:**

Yes  No  N/A

**Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:**

Yes  No  N/A

Note: Due to the nature of the bills, the flat rate found on the bill is the rate schedule associated with the service areas. Additionally, the bills have multiple options for contacting the Utility if they have any billing inquiries including questions regarding the rate schedule.

### Section 8. Deposits.

**Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills?**

Yes  No  N/A

### Section 10: Customer Complaints to the Utility

**Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?**

Yes  No  N/A

**Does the utility keep a record of all written complaints concerning the utility's service?**

Yes  No  N/A

**Does the record include the following?**

**The customer's name and address:**

Yes  No  N/A

**The date and nature of the complaint:**

Yes  No  N/A

**The disposition of the complaint:**

Yes  No  N/A

**Does the utility maintain these records for two (2) years from the date of resolution of the complaint?**

Yes  No  N/A

**If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?**

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

**Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?**

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Note:** The Company does not maintain a local office but has a representative available to answer customer questions and provide the Commissions mailing address, website address and telephone number and provides this information on the utility's website.

**If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?**

Yes  No  N/A

### Section 14: Utility Customer Relations

**Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?**

Yes  No  N/A

**Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?**

Yes  No  N/A

**Note:** The Company does not maintain a local office, but has a representative available to answer customer questions, resolve disputes, and negotiate partial payment plans thru telephone only. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

**If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?**

Yes  No  N/A

**If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) day per week?**

Yes  No  N/A

**Does the utility provide the following?**

**Maintain a telephone:** Yes  No  N/A

**Publish the telephone number in all service areas:** Yes  No  N/A

**Note:** The number is available on the website and customer bills.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Permit all customers to contact the utility's designated representative without charge:

Yes  No  N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes  No  N/A

### Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes  No  N/A

Note: In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' methodology of utilizing the Kentucky Infrastructure Authority to comply with mapping requirements. The Company does maintain maps electronically that can be filed upon request with the Commission. Additionally, the Company utilizes the Kentucky Infrastructure Authority for maps that can show layers including districts. KIA does not have a map for this system; however, BW was able to provide a map.

Is the map or maps available in electronic format as a PDF file or as a digital geographic database?

Yes  No  N/A

Is the following data available on the map or maps?

Operating districts Yes  No  N/A

Rate districts: Yes  No  N/A

Communities served: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes  No  N/A

In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees.
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes  No  N/A

**Note:** Bluegrass Water contracts with Clearwater Solutions to operate and maintain the wastewater treatment facility. Clearwater Solutions has a safety program.

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes  No  N/A

**Note:** Bluegrass Water has no employees.

Instruct employees in safe methods of performing their work.

Yes  No  N/A

**Note:** Bluegrass Water has no employees.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes  No  N/A

Note: Bluegrass Water has no employees.

### Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes  No  N/A

Have these inspection procedures been filed with the commission for review?

Yes  No  N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes  No  N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes  No  N/A

### Section 27: Reporting of Accidents, Property Damage, or Loss of Service.

(1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

(a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes  No  N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes  No  N/A

Actual or potential property damage of \$25,000 or more:

Yes  No  N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes  No  N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes  No  N/A

### Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes  No  N/A

If so, provide the case no. Case No. 2019-00104.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:011 (Tariffs)

#### Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

#### Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes  No  N/A

If yes, has the utility filed the special contracts with the PSC? Yes  No  N/A

### 807 KAR 5:071 (Sewage):

**Section 1: General.** The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

**Section 4: Information Available to Customers.**

(1) **System maps or records.** Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**(2) Rates, rules, and regulations.** A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

### Section 5. Quality of Service.

**(1) General.** Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.

**(2) Limitations of service.** No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its responsibilities.

Is the utility in compliance with the Division of Water? Yes

No

N/A

**Note:** This system does not fall under the jurisdiction of Division of Water.

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes

No

N/A

### Section 6: Continuity of Service.

**(1) Emergency interruptions.** Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

**(2) Scheduled interruptions.** Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled

# Kentucky Public Service Commission

## Periodic Compliance Inspection

interruptions shall be made at such hours as will provide least inconvenience to the customers.

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the public?

Yes  No  N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes  No  N/A

PROVIDE DOCUMENTATION DURING INSPECTION IF ANY.

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers? Yes  No  N/A

Does the utility maintain a record of all interruptions of service regarding the following items?

|                                   |   |                             |                              |
|-----------------------------------|---|-----------------------------|------------------------------|
|                                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Cause of interruption             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Date                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Time                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Duration                          | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Remedy                            | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| # Of customers affected           | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| steps taken to prevent recurrence | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

### Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications

# Kentucky Public Service Commission

## Periodic Compliance Inspection

thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

(3) Adequacy of facilities. The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) Inspection of facilities. Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment daily. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property? Yes  No  N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules? Yes  No  N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections? Yes  No  N/A

Does the utility inspect all mechanical equipment daily? Yes  No  N/A

**Note:** This facility has a Mission-Manage SCADA monitoring system.

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date? Yes  No  N/A

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Additional Comments

**Midwest Water Operations merged with Clearwater Solutions. Clearwater Solutions is now contracted with Bluegrass Water for operations and maintenance.**



**Carriage Park WWTF**





**Carriage Park WWTF**



# Kentucky Public Service Commission

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## Periodic Compliance Inspection

**Comment:** During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

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**Report by:**

**Date: April 6, 2023**



**Brian L. Rice**  
**Utility Inspector**  
**Kentucky Public Service Commission**



**Andy Beshear**  
Governor

**Rebecca W. Goodman**  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
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psc.ky.gov

**Kent A. Chandler**  
Chairman

**Angie Hatton**  
Vice Chairman

**Mary Pat Regan**  
Commissioner

April 13, 2023

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Great Oaks Wastewater  
System  
Marshall County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Great Oaks wastewater system located in Marshall County, KY on March 7, 2023, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified. This closes out the 2023 inspection. No response is necessary.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Jon Brown, EHS Compliance Inspector



# Kentucky Public Service Commission

## Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC – Great Oaks

Utility's Principal office location: 1630 Des Peres Road, Suite 140 St Louis, MO 63131

Utility representative during inspection: Jon Brown, Arthur Faiello

Counties served: McCracken

Customers: 161

Investigator: Brian L. Rice

Date(s) of inspection: March 7, 2023

Date(s) of last inspection: April 26, 2022

Deficiencies noted during the last inspection: No deficiencies noted during this inspection

Have deficiencies been corrected since last inspection?

Yes

No

N/A

If no, provide a response as to why these deficiencies have not been addressed.

### General Questions

Treatment Facility:

Yes

No

N/A

Collection System:

Yes

No

N/A

### Utility Information

Total number of Employees: 0

Number of Office Employees: 0

Note: The Company is comprised of contracted operations, billing, and customer service.

Does the utility have its own maintenance staff?

Yes

No

N/A

If not, give the name the person(s) doing the work:

Operation and Maintenance is contracted out to Clearwater Solutions.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:006 (General Rules)

**Section 2: General Provisions.** Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

#### Section 4: Reports

Has the utility filed its gross annual operating revenue report?

Yes  No  N/A

#### Section 7: Billings, Meter Readings, and Information.

Is the Billing and Collection handled by the Utility? Yes  No  N/A

If no, then who? Billing and Collection is handled by Nitro Billing Services.

Does each bill for utility service issued periodically by a utility clearly show the following?

The date the bill was issued: Yes  No  N/A

Class of service: Yes  No  N/A

Present and last preceding meter readings: Yes  No  N/A

Date of the present reading: Yes  No  N/A

Number of units consumed: Yes  No  N/A

Net amount for service rendered: Yes  No  N/A

All taxes: Yes  No  N/A

Adjustments, if applicable: Yes  No  N/A

The gross amount of the bill: Yes  No  N/A

The date after which a penalty may apply to the gross amount:

Yes  No  N/A

If the bill is estimated or calculated: Yes  No  N/A

Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes  No  N/A

**Note:** Yes, the tariff (including the rate schedule) is found on the Company website. Additionally, no readings/units/etc. are included due to the nature of the flat rates charged.

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Publishing it in a newspaper of general circulation once each year:**

Yes  No  N/A

**Mailing it to each customer once each year; or:**

Yes  No  N/A

**Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:**

Yes  No  N/A

**Note:** Due to the nature of the bills, the flat rate found on the bill is the rate schedule associated with the service areas. Additionally, the bills have multiple options for contacting the Utility if they have any billing inquiries including questions regarding the rate schedule.

### Section 8. Deposits.

**Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills?**

Yes  No  N/A

### Section 10: Customer Complaints to the Utility

**Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?**

Yes  No  N/A

**Does the utility keep a record of all written complaints concerning the utility's service?**

Yes  No  N/A

**Does the record include the following?**

**The customer's name and address:**

Yes  No  N/A

**The date and nature of the complaint:**

Yes  No  N/A

**The disposition of the complaint:**

Yes  No  N/A

**Does the utility maintain these records for two (2) years from the date of resolution of the complaint?**

Yes  No  N/A

**If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?**

Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

**Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?**

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Note:** The Company does not maintain a local office but has a representative available to answer customer questions and provide the Commissions mailing address, website address and telephone number and provides this information on the utility's website.

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?

Yes  No  N/A

### Section 14: Utility Customer Relations

Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?

Yes  No  N/A

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?

Yes  No  N/A

**Note:** The Company does not maintain a local office, but has a representative available to answer customer questions, resolve disputes, and negotiate partial payment plans thru telephone only. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?

Yes  No  N/A

If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) day per week?

Yes  No  N/A

Does the utility provide the following?

Maintain a telephone: Yes  No  N/A

Publish the telephone number in all service areas: Yes  No  N/A

**Note:** The number is available on the website and customer bills.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Permit all customers to contact the utility's designated representative without charge:

Yes  No  N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes  No  N/A

### Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes  No  N/A

Note: In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' methodology of utilizing the Kentucky Infrastructure Authority to comply with mapping requirements. The Company does maintain maps electronically that can be filed upon request with the Commission. Additionally, the Company utilizes the Kentucky Infrastructure Authority for maps that can show layers including districts.

Is the map or maps available in electronic format as a PDF file or as a digital geographic database?

Yes  No  N/A

Is the following data available on the map or maps?

Operating districts Yes  No  N/A

Rate districts: Yes  No  N/A

Communities served: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes  No  N/A

In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees.
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations? Yes  No  N/A

**Note:** Bluegrass Water contracts with Clearwater Solutions to operate and maintain the wastewater treatment facility. Clearwater Solutions has a safety program.

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes  No  N/A

**Note:** Bluegrass Water has no employees.

Instruct employees in safe methods of performing their work. Yes  No  N/A

**Note:** Bluegrass Water has no employees.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes  No  N/A

Note: Bluegrass Water has no employees.

### Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes  No  N/A

Have these inspection procedures been filed with the commission for review?

Yes  No  N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes  No  N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes  No  N/A

### Section 27: Reporting of Accidents, Property Damage, or Loss of Service.

(1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

(a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes  No  N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes  No  N/A

Actual or potential property damage of \$25,000 or more:

Yes  No  N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes  No  N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes  No  N/A

### Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes  No  N/A

If so, provide the case no. Case No. 2019-00104.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:011 (Tariffs)

#### Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

#### Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes  No  N/A

If yes, has the utility filed the special contracts with the PSC? Yes  No  N/A

### 807 KAR 5:071 (Sewage):

**Section 1: General.** The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

#### Section 4: Information Available to Customers.

(1) System maps or records. Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**(2) Rates, rules, and regulations. A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.**

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

### Section 5. Quality of Service.

**(1) General. Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.**

**(2) Limitations of service. No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its responsibilities.**

Is the utility in compliance with the Division of Water? Yes

No

N/A

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes

No

N/A

### Section 6: Continuity of Service.

**(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.**

**(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at such hours as will provide least inconvenience to the customers.**

# Kentucky Public Service Commission

## Periodic Compliance Inspection

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the public?

Yes  No  N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes  No  N/A

PROVIDE DOCUMENTATION DURING INSPECTION IF ANY.

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers? Yes  No  N/A

Does the utility maintain a record of all interruptions of service regarding the following items?

|                                   |   |                             |                              |
|-----------------------------------|---|-----------------------------|------------------------------|
|                                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Cause of interruption             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Date                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Time                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Duration                          | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Remedy                            | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| # Of customers affected           | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| steps taken to prevent recurrence | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

### Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**(3) Adequacy of facilities.** The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

**(4) Inspection of facilities.** Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment daily. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property? **Yes**  **No**  **N/A**

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules? **Yes**  **No**  **N/A**

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections? **Yes**  **No**  **N/A**

Does the utility inspect all mechanical equipment daily? **Yes**  **No**  **N/A**

**Note:** This facility has a Mission-Manage SCADA monitoring system.

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date? **Yes**  **No**  **N/A**

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Additional Comments

**Midwest Water Operations merged with Clearwater Solutions. Clearwater Solutions is now contracted with Bluegrass Water for operations and maintenance.**



**Great Oaks WWTP**





**Great Oaks WWTP**



**Aeration Basin**



**Digester and Wet Weather Storage Basins**



**Digester and Wet Weather Storage Basins**

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

**Comment:** During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

**Report by:**

**Date: April 6, 2023**



**Brian L. Rice**  
**Utility Inspector**  
**Kentucky Public Service Commission**





Andy Beshear  
Governor

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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Kent A. Chandler  
Chairman

Angie Hatton  
Vice Chairman

Mary Pat Regan  
Commissioner

April 13, 2023

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Marshall Ridge Wastewater  
System  
McCracken County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Marshall Ridge wastewater system located in McCracken County, KY on March 8, 2023, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified. This closes out the 2023 inspection. No response is necessary.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Jon Brown, EHS Compliance Inspector



# Kentucky Public Service Commission

## Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC – Marshall Ridge

Utility's Principal office location: 1630 Des Peres Road, Suite 140 St Louis, MO 63131

Utility representative during inspection: Jon Brown, Arthur Faiello

Counties served: McCracken

Customers: 40

Investigator: Brian L. Rice

Date(s) of inspection: March 8, 2023

Date(s) of last inspection: April 26, 2022

Deficiencies noted during the last inspection: No deficiencies noted during this inspection

Have deficiencies been corrected since last inspection?

Yes  No  N/A

If no, provide a response as to why these deficiencies have not been addressed.

### General Questions

Treatment Facility:

Yes  No  N/A

Collection System:

Yes  No  N/A

### Utility Information

Total number of Employees: 0

Number of Office Employees: 0

Note: The Company is comprised of contracted operations, billing, and customer service.

Does the utility have its own maintenance staff? Yes  No  N/A

If not, give the name the person(s) doing the work:

Operation and Maintenance is contracted out to Clearwater Solutions.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:006 (General Rules)

**Section 2: General Provisions.** Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

#### **Section 4: Reports**

Has the utility filed its gross annual operating revenue report?

Yes  No  N/A

#### **Section 7: Billings, Meter Readings, and Information.**

Is the Billing and Collection handled by the Utility? Yes  No  N/A

If no, then who? Billing and Collection is handled by Nitro Billing Services.

Does each bill for utility service issued periodically by a utility clearly show the following?

The date the bill was issued: Yes  No  N/A

Class of service: Yes  No  N/A

Present and last preceding meter readings: Yes  No  N/A

Date of the present reading: Yes  No  N/A

Number of units consumed: Yes  No  N/A

Net amount for service rendered: Yes  No  N/A

All taxes: Yes  No  N/A

Adjustments, if applicable: Yes  No  N/A

The gross amount of the bill: Yes  No  N/A

The date after which a penalty may apply to the gross amount: Yes  No  N/A

If the bill is estimated or calculated: Yes  No  N/A

Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes  No  N/A

Yes  No  N/A

Yes  No  N/A

**Note:** Yes, the tariff (including the rate schedule) is found on the Company website. Additionally, no readings/units/etc. are included due to the nature of the flat rates charged.

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Publishing it in a newspaper of general circulation once each year:

Yes  No  N/A

Mailing it to each customer once each year; or:

Yes  No  N/A

Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:

Yes  No  N/A

Note: Due to the nature of the bills, the flat rate found on the bill is the rate schedule associated with the service areas. Additionally, the bills have multiple options for contacting the Utility if they have any billing inquiries including questions regarding the rate schedule.

### Section 8. Deposits.

Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills?

Yes  No  N/A

### Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?

Yes  No  N/A

Does the utility keep a record of all written complaints concerning the utility's service?

Yes  No  N/A

Does the record include the following?

The customer's name and address:

Yes  No  N/A

The date and nature of the complaint:

Yes  No  N/A

The disposition of the complaint:

Yes  No  N/A

Does the utility maintain these records for two (2) years from the date of resolution of the complaint?

Yes  No  N/A

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Note:** The Company does not maintain a local office but has a representative available to answer customer questions and provide the Commissions mailing address, website address and telephone number and provides this information on the utility's website.

**If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?**

Yes  No  N/A

### Section 14: Utility Customer Relations

**Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?**

Yes  No  N/A

**Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?**

Yes  No  N/A

**Note:** The Company does not maintain a local office, but has a representative available to answer customer questions, resolve disputes, and negotiate partial payment plans thru telephone only. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

**If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?**

Yes  No  N/A

**If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) day per week?**

Yes  No  N/A

**Does the utility provide the following?**

**Maintain a telephone:** Yes  No  N/A

**Publish the telephone number in all service areas:** Yes  No  N/A

**Note:** The number is available on the website and customer bills.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Permit all customers to contact the utility's designated representative without charge:

Yes  No  N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes  No  N/A

### Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes  No  N/A

Note: In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' methodology of utilizing the Kentucky Infrastructure Authority to comply with mapping requirements. The Company does maintain maps electronically that can be filed upon request with the Commission. Additionally, the Company utilizes the Kentucky Infrastructure Authority for maps that can show layers including districts. KIA does not have a map for this system, however, BW was able to provide a map.

Is the map or maps available in electronic format as a PDF file or as a digital geographic database?

Yes  No  N/A

Is the following data available on the map or maps?

Operating districts Yes  No  N/A

Rate districts: Yes  No  N/A

Communities served: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes  No  N/A

In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees.
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes  No  N/A

**Note:** Bluegrass Water contracts with Clearwater Solutions to operate and maintain the wastewater treatment facility. Clearwater Solutions has a safety program.

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes  No  N/A

**Note:** Bluegrass Water has no employees.

Instruct employees in safe methods of performing their work.

Yes  No  N/A

**Note:** Bluegrass Water has no employees.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes  No  N/A

Note: Bluegrass Water has no employees.

### Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes  No  N/A

Have these inspection procedures been filed with the commission for review?

Yes  No  N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes  No  N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes  No  N/A

### Section 27: Reporting of Accidents, Property Damage, or Loss of Service.

(1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

(a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

- (b) Actual or potential property damage of \$25,000 or more; or  
(c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes  No  N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes  No  N/A

Actual or potential property damage of \$25,000 or more:

Yes  No  N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes  No  N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes  No  N/A

### Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes  No  N/A

If so, provide the case no. Case No. 2019-00104.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:011 (Tariffs)

#### Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

#### Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes  No  N/A

If yes, has the utility filed the special contracts with the PSC? Yes  No  N/A

### 807 KAR 5:071 (Sewage):

**Section 1: General.** The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

**Section 4: Information Available to Customers.**

(1) System maps or records. Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**(2) Rates, rules, and regulations. A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.**

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

### Section 5. Quality of Service.

**(1) General. Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.**

**(2) Limitations of service. No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its responsibilities.**

Is the utility in compliance with the Division of Water? Yes

No

N/A

**Note:** This system does not fall under the jurisdiction of Division of Water.

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes

No

N/A

### Section 6: Continuity of Service.

**(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.**

**(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled**

# Kentucky Public Service Commission

## Periodic Compliance Inspection

interruptions shall be made at such hours as will provide least inconvenience to the customers.

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the public?

Yes  No  N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes  No  N/A

PROVIDE DOCUMENTATION DURING INSPECTION IF ANY.

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers? Yes  No  N/A

Does the utility maintain a record of all interruptions of service regarding the following items?

|                                   |   |                             |                              |
|-----------------------------------|---|-----------------------------|------------------------------|
|                                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Cause of interruption             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Date                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Time                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Duration                          | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Remedy                            | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| # Of customers affected           | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| steps taken to prevent recurrence | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

### Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications

# Kentucky Public Service Commission

## Periodic Compliance Inspection

thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

(3) Adequacy of facilities. The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) Inspection of facilities. Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment daily. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property? Yes  No  N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules? Yes  No  N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections? Yes  No  N/A

Does the utility inspect all mechanical equipment daily? Yes  No  N/A

**Note:** This facility has a Mission-Manage SCADA monitoring system.

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date? Yes  No  N/A

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Additional Comments

**Midwest Water Operations merged with Clearwater Solutions. Clearwater Solutions is now contracted with Bluegrass Water for operations and maintenance.**



**Marshall Ridge WWTf**



# Kentucky Public Service Commission

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## Periodic Compliance Inspection

**Comment:** During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

**Report by:**

**Date: April 7, 2023**



**Brian L. Rice**  
**Utility Inspector**  
**Kentucky Public Service Commission**





**Andy Beshear**  
Governor

**Rebecca W. Goodman**  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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Frankfort, Kentucky 40602-0615  
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Fax: (502) 564-3460  
psc.ky.gov

**Kent A. Chandler**  
Chairman

**Angie Hatton**  
Vice Chairman

**Mary Pat Regan**  
Commissioner

April 13, 2023

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Golden Acres Wastewater  
System  
Marshall County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Golden Acres wastewater system located in Marshall County, KY on March 7, 2023, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified. This closes out the 2023 inspection. No response is necessary.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Jon Brown, EHS Compliance Inspector



# Kentucky Public Service Commission

## Periodic Compliance Inspection

Utility: Bluegrass Water Utility Operating Company, LLC – Golden Acres

Utility's Principal office location: 1630 Des Peres Road, Suite 140 St Louis, MO 63131

Utility representative during inspection: Jon Brown, Arthur Faiello

Counties served: McCracken

Customers: 31

Investigator: Brian L. Rice

Date(s) of inspection: March 7, 2023

Date(s) of last inspection: April 26, 2022

Deficiencies noted during the last inspection: One deficiency was noted on the last inspection.

Have deficiencies been corrected since last inspection?

Yes

No

N/A

If no, provide a response as to why these deficiencies have not been addressed.

### General Questions

Treatment Facility:

Yes

No

N/A

Collection System:

Yes

No

N/A

### Utility Information

Total number of Employees: 0

Number of Office Employees: 0

Note: The Company is comprised of contracted operations, billing, and customer service.

Does the utility have its own maintenance staff?

Yes

No

N/A

If not, give the name the person(s) doing the work:

Operation and Maintenance is contracted out to Clearwater Solutions.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:006 (General Rules)

**Section 2: General Provisions.** Reference to standards or codes in 807 KAR Chapter 5 shall not prohibit a utility from continuing or initiating experimental work and installations to improve, decrease the cost of, or increase the safety of its service.

#### **Section 4: Reports**

Has the utility filed its gross annual operating revenue report?

Yes  No  N/A

#### **Section 7: Billings, Meter Readings, and Information.**

Is the Billing and Collection handled by the Utility? Yes  No  N/A

If no, then who? Billing and Collection is handled by Nitro Billing Services.

Does each bill for utility service issued periodically by a utility clearly show the following?

|  |   |                             |   |
|--|---|-----------------------------|---|
| The date the bill was issued:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| Class of service:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| Present and last preceding meter readings:   | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Date of the present reading:   | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Number of units consumed:  | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Net amount for service rendered:   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| All taxes:   | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Adjustments, if applicable:  | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| The gross amount of the bill:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| The date after which a penalty may apply to the gross amount:  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| If the bill is estimated or calculated:  | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |

**Note:** Yes, the tariff (including the rate schedule) is found on the Company website. Additionally, no readings/units/etc. are included due to the nature of the flat rates charged.

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Publishing it in a newspaper of general circulation once each year:**

Yes  No  N/A

**Mailing it to each customer once each year; or:**

Yes  No  N/A

**Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:**

Yes  No  N/A

**Note:** Due to the nature of the bills, the flat rate found on the bill is the rate schedule associated with the service areas. Additionally, the bills have multiple options for contacting the Utility if they have any billing inquiries including questions regarding the rate schedule.

### Section 8. Deposits.

**Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills?**

Yes  No  N/A

### Section 10: Customer Complaints to the Utility

**Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?**

Yes  No  N/A

**Does the utility keep a record of all written complaints concerning the utility's service?**

Yes  No  N/A

**Does the record include the following?**

**The customer's name and address:**

Yes  No  N/A

**The date and nature of the complaint:**

Yes  No  N/A

**The disposition of the complaint:**

Yes  No  N/A

**Does the utility maintain these records for two (2) years from the date of resolution of the complaint?**

Yes  No  N/A

**If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?**

Yes  No  N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

**Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?**

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Note:** The Company does not maintain a local office but has a representative available to answer customer questions and provide the Commissions mailing address, website address and telephone number and provides this information on the utility's website.

**If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?**

Yes  No  N/A

### Section 14: Utility Customer Relations

**Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?**

Yes  No  N/A

**Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?**

Yes  No  N/A

**Note:** The Company does not maintain a local office, but has a representative available to answer customer questions, resolve disputes, and negotiate partial payment plans thru telephone only. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office.

**If the utility has an annual operating revenue of \$250,000 or more, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?**

Yes  No  N/A

**If the utility has an annual operating revenue of less than \$250,000, does the utility have a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) day per week?**

Yes  No  N/A

**Does the utility provide the following?**

**Maintain a telephone:** Yes  No  N/A

**Publish the telephone number in all service areas:** Yes  No  N/A

**Note:** The number is available on the website and customer bills.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Permit all customers to contact the utility's designated representative without charge:

Yes  No  N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes  No  N/A

Note: The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes  No  N/A

### Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes  No  N/A

Note: In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' methodology of utilizing the Kentucky Infrastructure Authority (KIA) to comply with mapping requirements. The Company does maintain maps electronically that can be filed upon request with the Commission. Additionally, the Company utilizes the Kentucky Infrastructure Authority for maps that can show layers including districts.

Is the map or maps available in electronic format as a PDF file or as a digital geographic database?

Yes  No  N/A

Is the following data available on the map or maps?

Operating districts Yes  No  N/A

Rate districts: Yes  No  N/A

Communities served: Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 24: Location of Records.

All records required by 807 KAR Chapter 5 shall be kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours.

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and shall be made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours? Yes  No  N/A

In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

### Section 25: Safety Program:

Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees.
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration.

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes  No  N/A

**Note:** Bluegrass Water contracts with Clearwater Solutions to operate and maintain the wastewater treatment facility. Clearwater Solutions has a safety program.

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes  No  N/A

**Note:** Bluegrass Water has no employees.

Instruct employees in safe methods of performing their work. Yes  No  N/A

**Note:** Bluegrass Water has no employees.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes  No  N/A

Note: Bluegrass Water has no employees.

### Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes  No  N/A

Have these inspection procedures been filed with the commission for review?

Yes  No  N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes  No  N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes  No  N/A

### Section 27: Reporting of Accidents, Property Damage, or Loss of Service.

(1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of a utility related accident that results in:

(a) Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

- (b) Actual or potential property damage of \$25,000 or more; or
- (c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

(2) A summary written report shall be submitted by the utility to the commission within seven (7) calendar days of the utility related accident. For good cause shown, the executive director of the commission, shall, upon application in writing, allow a reasonable extension of time for submission of this report.

Has the Utility had any Accidents, Property Damage, or Loss of Service?

Yes  No  N/A

If yes, was the Commission notified by telephone or electronic mail within two (2) hours of discovery of a utility related accident that resulted in the following:

Death, shock, or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization:

Yes  No  N/A

Actual or potential property damage of \$25,000 or more:

Yes  No  N/A

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less:

Yes  No  N/A

Was a summary written report submitted by the utility to the commission within seven (7) calendar days of the utility related accident?

Yes  No  N/A

### Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes  No  N/A

If so, provide the case no. Case No. 2019-00104.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### 807 KAR 5:011 (Tariffs)

#### Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection?      Yes       No       N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs?      Yes       No       N/A

**Note:** The Company does not maintain a local office, but this information is available via the Company's website. In the Order associated with Docket 2019-00104, the Commission approved Bluegrass' operations without a local office. Records are kept electronically and can be made available upon reasonable notice at reasonable hours.

#### Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff?      Yes       No       N/A

If yes, has the utility filed the special contracts with the PSC?      Yes       No       N/A

### 807 KAR 5:071 (Sewage):

**Section 1: General.** The purpose of this administrative regulation is to provide standard rules administrative regulations governing the service of sewage utilities operating under the Jurisdiction of the Public Service Commission.

**Section 4: Information Available to Customers.**

**(1) System maps or records.** Each utility shall maintain up-to-date maps, plans, or records of its entire force main and collection systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**(2) Rates, rules, and regulations. A schedule of approved rates for sewage service applicable for each class of customers and the approved rules and regulations of the sewage utility shall be available to any customer or prospective customer upon request.**

Does the Utility have a current map and/or plans for its system?

Yes

No

N/A

### **Section 5. Quality of Service.**

**(1) General. Each utility shall maintain and operate sewage treatment facilities of adequate size and properly equipped to collect, transport, and treat sewage, and discharge the effluent at the degree of purity required by the health laws of the State of Kentucky, and all other regulatory agencies, federal, state, and local, having jurisdiction over such matters.**

**(2) Limitations of service. No sewage disposal company shall be obliged to receive for treatment or disposal any material except sewage as defined by Section 2(7) of this administrative regulation. In compliance with the administrative regulation, the utility shall make all reasonable efforts to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system. A utility may request assistance from the appropriate state, county, or municipal authorities in its efforts, but such a request does not relieve the utility of its responsibilities.**

Is the utility in compliance with the Division of Water? Yes

No

N/A

Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?

Yes

No

N/A

### **Section 6: Continuity of Service.**

**(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.**

**(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at such hours as will provide least inconvenience to the customers.**

# Kentucky Public Service Commission

## Periodic Compliance Inspection

(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.

Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the public?

Yes  No  N/A

If the utility schedules an interruption of service are all customers notified that are affected by the interruption?

Yes  No  N/A

PROVIDE DOCUMENTATION DURING INSPECTION IF ANY.

Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers? Yes  No  N/A

Does the utility maintain a record of all interruptions of service regarding the following items?

|                                   |   |                             |                              |
|-----------------------------------|---|-----------------------------|------------------------------|
|                                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Cause of interruption             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Date                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Time                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Duration                          | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| Remedy                            | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| # Of customers affected           | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| steps taken to prevent recurrence | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

### Section 7. Design, Construction, and Operation.

(1) General. The sewage treatment facilities of the sewage utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

(2) Design and construction requirements. The design and construction of the sewage utility's collecting sewers, treatment plant and facilities, and all additions thereto and modifications thereof, shall conform to the requirements of the Kentucky Department for Natural Resources and Environmental Protection, Bureau of Environmental Quality, Division of Water Quality.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

(3) Adequacy of facilities. The capacity of the sewage utility's sewage treatment facilities for the collection, treatment and disposal of sewage and sewage effluent must be sufficiently sized to meet all normal demands for service and provide a reasonable reserve for emergencies.

(4) Inspection of facilities. Each sewage utility shall adopt procedures for inspection of its sewage treatment facilities to assure safe and adequate operation of its facilities and compliance with commission rules. These procedures shall be filed with the commission. Unless otherwise authorized in writing by the commission, the sewage utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections and shall make inspections of all mechanical equipment daily. The sewage utility shall maintain a record of findings and corrective actions required, and/or taken, by location and date.

Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property? Yes  No  N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules? Yes  No  N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections? Yes  No  N/A

Does the utility inspect all mechanical equipment daily? Yes  No  N/A

**Note:** This facility has a Mission-Manage SCADA monitoring system.

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date? Yes  No  N/A

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

### Additional Comments

**Midwest Water Operations merged with Clearwater Solutions. Clearwater Solutions is now contracted with Bluegrass Water for operations and maintenance.**



**Golden Acres WWTP**



# Kentucky Public Service Commission

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## Periodic Compliance Inspection

**Comment:** During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

**Report by:**

**Date: April 6, 2023**



**Brian L. Rice  
Utility Inspector  
Kentucky Public Service Commission**





**Andy Beshear**  
GOVERNOR

**ENERGY AND ENVIRONMENT CABINET**  
**DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

**Rebecca W. Goodman**  
SECRETARY

300 Sower Boulevard  
Frankfort, Kentucky 40601  
Phone: (502) 564-2150  
Fax: 502-564-4245

**Anthony R. Hatton**  
COMMISSIONER

April 26, 2023

Mandy Sappington, Compliance Manager  
Herrington Haven Subd  
1630 Des Peres Rd, Ste 140  
Des Peres, MO

Re: KPDES Application Notice of Deficiency  
KPDES No.: KY0053431  
AI ID: 1469  
Garrard County, Kentucky

Dear Ms. Sappington:

Your Kentucky Pollutant Discharge Elimination System (KPDES) permit application for the above-referenced facility was received by the Division of Water on February 9, 2023. A completeness review of your permit application has been conducted and your application has been determined to be incomplete. Please complete the deficiencies listed below and return to me at the following address within fifteen (15) days of the date of this letter.

**Division of Water, Surface Water Permits Branch**  
**ATTN: Krystal Harrod**  
**300 Sower Blvd**  
**Frankfort, Kentucky 40601**

1. Please complete Form SC

**Failure to respond within fifteen (15) days may result in the Cabinet returning your application to you and retaining fees paid, as per 401 KAR 5:075, Section 15(5).** If you have any questions concerning this matter, please contact 502-782-6968 or by email at [Krystal.Harrod@ky.gov](mailto:Krystal.Harrod@ky.gov).

Sincerely,

Krystal Harrod  
Surface Water Permits Branch  
Division of Water





Andy Beshear  
GOVERNOR

**ENERGY AND ENVIRONMENT CABINET**  
**DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

300 Sower Boulevard  
Frankfort, Kentucky 40601  
Phone: (502) 564-2150  
Fax: 502-564-4245

Rebecca W. Goodman  
SECRETARY

Anthony R. Hatton  
COMMISSIONER

April 26, 2023

Mandy Sappington, Compliance Manager  
Herrington Haven Subd  
1630 Des Peres Rd, Ste 140  
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Sincerely,

Krystal Harrod  
Surface Water Permits Branch  
Division of Water

MATTHEW G. BEVIN  
GOVERNOR



CHARLES G. SNAVELY  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
9116 LEESGATE ROAD  
LOUISVILLE KY 40222-5004

AARON B. KEATLEY  
COMMISSIONER

August 3, 2017

Certified No. 7015 0640 0002 9091 3403  
Return Receipt Requested

Gail Williams  
9101 Lena Lane  
Louisville, KY 40299

Re: Notice of Violation  
AI ID: 455  
AI Name: Kingswood Development Subd  
Activity ID: ENV20170001  
Permit No. KY0101419  
Bullitt County, KY

Dear Gail Williams:

The Kentucky Department for Environmental Protection (DEP) has issued the enclosed Notice of Violation for violations discovered at your facility. **Please review this Notice of Violation carefully to ensure that all remedial measures are completed by the specified deadlines.**

Your cooperation and attention to this matter is appreciated. If you have any questions, please contact me at 502-429-7122.

Sincerely,

An e-signature block showing the text "E-Signed by Sarah Goodin" and "VERIFY authenticity with e-Sign" next to a question mark icon. Below the text is a stylized signature of Sarah Goodin.

Sarah Goodin,  
Environmental Inspector III  
Division of Water

SMG  
Enclosure

**COMMONWEALTH OF KENTUCKY**  
**ENERGY AND ENVIRONMENT CABINET**  
**DEPARTMENT FOR ENVIRONMENTAL PROTECTION**  
**Division of Water**

**NOTICE OF VIOLATION**

**To:** Gail Williams  
9101 Lena Lane  
Louisville, KY 40299

**AI Name:** Kingswood Development Subd      **AI ID:** 455      **Activity ID:** ENV20170001  
**Discovery ID:** CIN20170001      **County:** Bullitt  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 07/13/2017

This is to advise that you are in violation of the provisions cited below:

**1 Violation Description for Subject Item AIOO000000455():**

All wastewater treatment plants shall have a disinfection process which meets the following requirements: An ultraviolet disinfection system designed to treat the anticipated peak hourly flow; a chlorination system with a flow or demand proportional feed system. The chlorine contact tank shall have a minimum detention time of thirty (30) minutes based on the average flow, or fifteen (15) minutes based on the peak hourly flow, whichever requires the larger tank size. Wastewater treatment plants shall also have a dechlorination system with a flow or demand proportional feed system if necessary to meet the effluent limits; or a chlorination system with a manually controlled feed system and a flow equalization basin designed to eliminate the diurnal flow variations. Tablet type chlorination equipment shall not be used in an intermediate or large WWTP. [401 KAR 5:005 Section 11]

**Description of Non Compliance:**

The facility has failed to properly maintain and / or operate the disinfection unit.

The system utilizes UV for disinfection purposes. Monitoring Reports revealed the facility to be in out of compliance for e. coli for the following Monitoring Periods:

6/30/2017 , 3/31/2017(=2437), 1/31/2017(=60000), 11/30/2016, 10/31/2016, 7/31/2016, 4/30/2016, 1/31/2016

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee must immediately maintain and operate the disinfection unit to allow for compliance with permit conditions. Within thirty (30) days of the receipt of this notice, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:005 Section 11]

**2 Violation Description for Subject Item AIOO000000455():**

The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Clean Water Act and KRS 224 and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or denial of a permit renewal application. [401 KAR 5:065 Section 2(1)]

**Description of Non Compliance:**

The facility has failed to comply with the effluent limitations contained in the permit.

A review of Submitted NetDMR results from 7/1/2015 to 6/30/2017 showed 16 violations:

Monitoring Period ending:

6/30/2017 - TSS Monthly Average and E. coli 30 Day GEO

3/31/2017 - High E.coli (2437)

1/31/2017 - High E.coli (60000) and High BOD  
12/31/2016 - High TSS and Nitrogen, ammonia total [as N]  
11/30/2016 - High Nitrogen, ammonia total [as N] and E.coli 30 Day GEO  
10/31/2016 - High E.coli 30 Day GEO  
7/31/2016 - High E.coli  
4/30/2016 - High TSS, E.coli and BOD  
1/31/2016 - High E. coli (1733)  
11/30/2015- High TSS for Monthly Average

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee must comply with effluent limitations and all conditions of the KPDES permit. **Within thirty (30) days of the receipt of this notice**, the permittee shall submit a written notification to the undersigned that the permittee complies with all requirements of its permit. Failure to comply with the remedial measures or repeated violations of this requirement may subject you and/or your company to an immediate referral to the Division of Enforcement. [401 KAR 5:065 Section 2(1)]

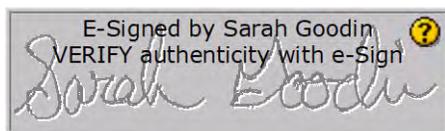
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Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

---

If you have questions or need further information, write or call the undersigned:

Division of Water  
Louisville Regional Office  
9116 Leesgate Rd  
Louisville, KY 40222-5084  
502-429-7122 (8:00 AM – 4:30 PM)  
Sarah Goodin, Environmental Inspector III



Issued By:

Sarah Goodin, Environmental Inspector III  
Date: August 3, 2017

Issued By:

Mr. Charlie Roth, Supervisor  
Date: August 3, 2017

How Delivered: Certified Mail Certified/Registered # 7015 0640 0002 9091 3403

**Covered Bridge Utilities, Inc.  
P.O. Box 91588  
Louisville, KY 40291  
502-241-4809**

**September 18, 2017**

**Division of Water  
Louisville Regional Office  
9116 Leesgate Road  
Louisville, KY 40222-5004  
Attn: Sarah Goodin**

**Re: Notice of Violation  
AI ID: 455  
AI Name: Kingswood Dev. Subd. WWTP  
Activity ID: ENV20170001  
Permit No. KY0101419  
Bullitt County, KY**

**Dear Ms Goodin:**

**On behalf of the plant owner and as the service company, Covered Bridge Utilities, Inc., I am responding to the NOV issued by you with cover letter dated August 3, 2017.**

- 1) The first item refers to ecoli violations reported on several NETDMRs. Please note that the UV disinfection system has been repaired on several occasions not only by service personnel with Covered Bridge Utilities but most recently by a technician from River City Controls. The system is working fine now. The ecoli result in July was 35 and the result for August, which hasn't been submitted on the NETDMR yet, was 8. Every effort will be made by CBU to insure that this remains in compliance.**
- 2) This item refers to various other exceedances that occurred over a period of almost 2 years. Work has been done at the plant to help eliminate future violations. Such as, a new main air header was fabricated and installed. All diffuser drops were pulled, cleaned, and diffusers either cleaned or replaced. In addition several loads of sludge have been removed from the digester so the operator could waste sludge from the plant.**

**The lab results for July and August show that there haven't been any violations for these months. And again, every effort will be made by CBU to insure that this remains in compliance.**

I trust that you will find this response satisfactory.

If you have questions or need additional information please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "L. W. Smither", with a long horizontal stroke extending to the right.

Lawrence W. Smither



MATTHEW G. BEVIN  
GOVERNOR

CHARLES G. SNAVELY  
SECRETARY

**ENERGY AND ENVIRONMENT CABINET**  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
DIVISION OF WATER  
9116 LEESGATE ROAD  
LOUISVILLE KY 40222-5004

AARON B. KEATLEY  
COMMISSIONER

September 19, 2017

Gail Williams  
9201 Lena Lane  
Louisville, KY 40299

Re: Notice of Violation  
AI ID: 455  
AI Name: Kingswood Development Subd  
Activity ID: ENV20170001  
Permit No. KY0101419  
Bullitt County, KY

Dear Gail Williams;

On August 7, 2017, the Division of Water issued Kingswood Development Subd a Notice of Violation (NOV). The Louisville Regional Office appreciates Kingswood Development Subd's efforts to address the compliance issues raised by the NOV. The actions taken by Kingswood Development Subd in response to the NOV are considered sufficient at this time with regard to the violations listed in the NOV. The Cabinet reserves its rights under KRS Chapter 224 and its administrative regulations to undertake such enforcement action hereafter as it deems appropriate, which may include consideration of the compliance issues addressed by the NOV. If you have any questions, please feel free to contact me at (502) 429-7122.

Sincerely,

E-Signed by Sarah Goodin  
VERIFY authenticity with e-Sign

Sarah Goodin  
Environmental Inspector  
Louisville Regional Office  
Division of Water

SMG  
Enclosure



Kingswood WWTP  
Josiah Cox  
500 Northwest Plaza Dr Ste 500  
Saint Ann, MO 63074

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Kingswood WWTP  
Josiah Cox  
500 Northwest Plaza Dr Ste 500

Saint Ann, MO 63074

**AI Name:** Kingswood WWTP **AI ID:** 455 **Activity ID:** ENV20190001  
**County:** Bullitt  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 09/27/2019

This is to advise that you are in violation of the provisions cited below:

- 1** Violation Description for Subject Item AIOO0000000455():  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for CBOD. The permitted limit for CBOD is loading monthly avg., less than or equal to 2.67 lbs/day. The facility reported the following: loading monthly avg. 3.279 lbs/day for December 2018.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 2** Violation Description for Subject Item AIOO0000000455():  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is loading monthly avg., less than or equal to 1.33 lbs/day; and loading max. weekly avg., less than or equal to 2 lbs/day; and concentration monthly avg., less than or equal to 10 mg/L. The facility reported the following: loading monthly avg. 5.389 lbs/day; and loading max. weekly avg. 5.389 lbs/day; and concentration monthly avg. 10.4 mg/L for February 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**3** Violation Description for Subject Item AIOO0000000455():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for CBOD. The permitted limit for CBOD is loading monthly avg., less than or equal to 2.67 lbs/day; and loading max. weekly avg., less than or equal to 4 lbs/day. The facility reported the following: loading monthly avg. 6.736 lbs/day; and loading max. weekly avg. 6.736 lbs/day for February 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**4** Violation Description for Subject Item AIOO0000000455():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is loading monthly avg., less than or equal to .67 lbs/day; and concentration monthly avg., less than or equal to 4 mg/L. The facility reported the following: loading monthly avg. .954 lbs/day; and concentration monthly avg. 4.8 mg/L for July 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**5** Violation Description for Subject Item AIOO0000000455():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for CBOD. The permitted limit for CBOD is loading monthly avg., less than or equal to 2.67 lbs/day. The facility reported the following: loading monthly avg. 3.576 lbs/day for March 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

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If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)



Issued By:

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Michael B. Kroeger, Director  
Date: December 19, 2019

Kingswood WWTP  
Josiah Cox  
500 Northwest Plaza Dr Ste 500  
Saint Ann, MO 63074

**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Kingswood WWTP  
Josiah Cox  
500 Northwest Plaza Dr Ste 500

Saint Ann, MO 63074

**AI Name:** Kingswood WWTP **AI ID:** 455 **Activity ID:** ENV20190002  
**County:** Bullitt  
**Enforcement Case ID:**  
**Date(s) Violation(s) Observed:** 12/04/2019

This is to advise that you are in violation of the provisions cited below:

- 1 Violation Description for Subject Item AIOO0000000455():  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 135 MPN/100 mL for August 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 2 Violation Description for Subject Item AIOO0000000455():  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is loading monthly avg., less than or equal to .67 lbs/day. The facility reported the following: loading monthly avg. .895 lbs/day for August 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**3 Violation Description for Subject Item AIOO0000000455():**

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is concentration monthly avg., less than or equal to 4 mg/L. The facility reported the following: concentration monthly avg. 4.1 mg/L for September 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**4 Violation Description for Subject Item AIOO0000000455():**

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0101419, monitoring point 001-1, for E. Coli. The permitted limit for E. Coli is concentration 30-day geometric avg., less than or equal to 130 MPN/100 mL. The facility reported the following: concentration 30-day geometric avg. 148 MPN/100 mL for October 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)



Issued By:  
Michael B. Kroeger, Director  
Date: December 19, 2019

Great Oaks WWTP  
Josiah Cox  
500 Northwest Plaza Dr Ste 500

Saint Ann, MO 63074



**COMMONWEALTH OF KENTUCKY  
ENERGY and ENVIRONMENT CABINET  
DEPARTMENT FOR ENVIRONMENTAL PROTECTION  
Division of Enforcement**

**NOTICE OF VIOLATION**

**To:** Great Oaks WWTP  
Josiah Cox  
500 Northwest Plaza Dr Ste 500

Saint Ann, MO 63074

**AI Name:** Great Oaks WWTP **AI ID:** 3041 **Activity ID:** ENV20190007

**County:** McCracken

**Enforcement Case ID:**

**Date(s) Violation(s) Observed:** 12/04/2019

This is to advise that you are in violation of the provisions cited below:

**1** Violation Description for Subject Item AIOO0000003041():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Total Ammonia Nitrogen (as N). The permitted limit for Total Ammonia Nitrogen (as N) is loading 30-day avg., less than or equal to 2.34 lbs/day; and loading weekly avg., less than or equal to 3.5 lbs/day; and concentration 30-day avg., less than or equal to 4 mg/L; and concentration weekly avg., less than or equal to 6 mg/L. The facility reported the following: loading 30-day avg. 6.61; and loading weekly avg. 6.61; and concentration 30-day avg. 26.5; and concentration weekly avg. 26.5 for August 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

**2** Violation Description for Subject Item AIOO0000003041():

No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), as adopted by 401 KAR 5:065, Section 2(1), by failing to comply with the terms and conditions of KPDES Permit No. KY0080845, monitoring point 001-1, for Dissolved Oxygen. The permitted limit for Dissolved Oxygen is concentration instantaneous min., greater than or equal to 7 mg/L. The facility reported the following: concentration instantaneous min. 6.6 for August 2019.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

- 3** Violation Description for Subject Item AIOO0000003041():  
No person shall, directly or indirectly, throw, drain, run or otherwise discharge into any of the waters of the Commonwealth, or cause, permit or suffer to be thrown, drained, run or otherwise discharged into such waters any pollutant, or any substance that shall cause or contribute to the pollution of the waters of the Commonwealth in contravention of the standards adopted by the cabinet or in contravention of any of the rules, regulations, permits, or orders of the cabinet or in contravention of any of the provisions of this chapter. [KRS 224.70-110]

**Description of Non Compliance:**

Failing to comply with 40 CFR 122.41(a), which cites to 401 KAR 5:065, Section 2(1), by failing to comply with the monitoring and reporting requirements specified in KPDES Permit No. KY0080845, during the July 2019 monitoring period, for the following monitoring point(s): 001-1.

**The remedial measure(s), and date(s) to be completed by are as follows:**

The permittee shall comply with the terms and conditions of the KPDES Permit. [KRS 224.70-110]

Violations of the above cited statute(s) and/or regulation(s) are subject to a civil penalty per day per violation. Violations carry civil penalties of up to \$25,000 per day per violation depending on the statutes/regulations violated. In addition, violations may be concurrently enjoined. Compliance with remedial measures and their deadlines does not provide exemption from liability for violations during the period of remediation, nor prevent additional remedial measures from being required.

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If you have questions or need further information, write or call the undersigned:

Department for Environmental Protection  
Division of Enforcement  
300 Sower Blvd  
Frankfort, KY 40601  
502-782-6859 (8:00 AM – 4:30 PM)



Issued By:

---

Michael B. Kroeger, Director  
Date: December 19, 2019

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|  |   |            |
|--|---|------------|
| ELECTRONIC JOINT APPLICATION OF        | ) |            |
| BLUEGRASS WATER UTILITY OPERATING      | ) |            |
| COMPANY, LLC AND THE ELECTRIC PLANT    | ) |            |
| BOARD OF MAYFIELD, KENTUCKY FOR        | ) | CASE NO.   |
| APPROVAL OF ACQUISITION AND TRANSFER   | ) | 2022-00218 |
| OF OWNERSHIP AND CONTROL OF            | ) |            |
| WASTEWATER FACILITIES SERVING          | ) |            |
| RANDVIEW ESTATES SUBDIVISION IN GRAVES | ) |            |
| COUNTY, KENTUCKY                       | ) |            |

ORDER

On February 15, 2023, a joint application to transfer the ownership and control of the Randview wastewater system (Randview System) from current owner Bluegrass Water Utility Operating Company, LLC (Bluegrass Water) to the Electric Plant Board of Mayfield d/b/a Mayfield Electric and Water Systems (Mayfield) (jointly, Joint Applicants) was deemed filed.<sup>1</sup>

There are no intervenors in this proceeding. Mayfield responded to one round of data requests. No data requests were issued to Bluegrass Water. On April 13, 2023, Joint Applicants filed a request that this case be submitted for a decision on the written record. This matter now stands submitted for a decision based upon the written record.

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<sup>1</sup> Joint Applicants tendered an application on February 14, 2023, which was rejected for filing due to filing deficiencies. Joint Applicants subsequently cured the filing deficiencies, and the application was deemed filed on February 15, 2023.

## LEGAL STANDARD

The application was filed pursuant to KRS 278.020(6), KRS 278.020(7), and KRS 278.020(10).

KRS 278.020(6) requires Commission approval prior to the acquisition of a utility subject to the Commission's jurisdiction. KRS 278.020(6) provides that the Commission shall approve an acquisition if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service.

KRS 278.020(7) requires Commission approval prior to an acquirer obtaining direct or indirect control of a utility subject to the Commission's jurisdiction. KRS 278.020(7) provides that the Commission shall approve the acquisition if the transaction is made in accordance with law, for a proper purpose, and is consistent with the public interest. KRS 278.020(7) also provides that the Commission must adjudicate an application for approval of an acquisition within 60 days of the date that the application was filed. KRS 278.020(7) further provides that the Commission can continue its review of the application for longer than 60 days upon a showing of good cause.

KRS 278.020(10) provides that the acquisition of a wastewater system cannot be approved unless, in addition to the findings in KRS 278.020(6) and KRS 278.020(7), the Commission finds that the entity acquiring the jurisdictional utility provided evidence of financial integrity to ensure the continuity of sewage service if the acquirer cannot continue to provide service.

## PARTIES

Bluegrass Water, a limited liability company, is a utility subject to the Commission's jurisdiction. Bluegrass Water provides water and wastewater service to approximately

3,573 customers located in Bullitt, Franklin, Garrard, Graves, Hardin, Jessamine, Campbell, Madison, Marshall, McCracken, Oldham, Scott, and Shelby counties, Kentucky, as well as a water utility in Calloway County. The Randview System is located in Graves County, Kentucky. Because it was designed to serve a residential neighborhood, all of its customers are residential customers.<sup>2</sup> Bluegrass Water acquired the Randview System from Randview Septic Corporation in 2020.<sup>3</sup> Bluegrass Water's parent entity shareholder approved the acquisition proposed in this proceeding on January 19, 2023.<sup>4</sup>

Mayfield is a municipal electric, water, and wastewater system that serves customers in Graves County, Kentucky. Relevant here, Mayfield has provided wastewater collection and treatment service since 1953. Currently, Mayfield serves approximately 4,600 wastewater system customers and owns three package treatment plants and collection systems, and one independent system that serves a limited area.<sup>5</sup> Mayfield's wastewater system is located adjacent to the Randview System. Aside from the authority over this transaction under KRS 278.020(6), (7), and (10), the Commission's jurisdiction over Mayfield is limited to the regulation of rates and service arising out of a

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<sup>2</sup> Case No. 2022-00432, *Electronic Application of Bluegrass Water Utility Operating Company, LLC for an Adjustment of Sewage Rates* (filed Feb. 27, 2023), Application, Exhibit 11 (Direct Testimony of Timothy L. Lyons), Exhibit 4,

<sup>3</sup> Case No. 2020-00028, *Electronic Proposed Acquisition by Bluegrass Water Utility Operating Company, LLC of Wastewater System Facilities and Subsequent Tariffed Service to Users Presently Served by Those Facilities* (Ky. PSC June 19, 2020), Order at 22.

<sup>4</sup> Application, Exhibit D, Consent Action of the Shareholder of Bluegrass Water Utility Holding Company, LLC.

<sup>5</sup> Application, Exhibit F, 2021 Financial Audit (2021 Audit) at 4 of 52.

contract, franchise, or agreement between a jurisdictional utility and a city.<sup>6</sup> Mayfield's board approved the proposed transaction on November 23, 2022.<sup>7</sup> Six of Mayfield's 44 employees operate and maintain Mayfield's wastewater system.

### TRANSACTION OVERVIEW

As background, Mayfield maintained that Randview System customers approached Mayfield requesting that Mayfield purchase the Randview System from Bluegrass Water.<sup>8</sup>

Joint Applicants proposed to sell all assets and control of the Randview System to Mayfield for \$100,000.<sup>9</sup> The Randview System is a lagoon system with two lift stations and was designed to serve a residential neighborhood.<sup>10</sup> Currently, the Randview System does not interconnect with any other Bluegrass Water system or with Mayfield.<sup>11</sup> Mayfield stated that it will integrate Randview System customers into the Mayfield wastewater system and close the lagoon system. Mayfield explained that the lagoon system would be closed once Mayfield raised the capital to integrate Randview System customers into

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<sup>6</sup> Pursuant to KRS 278.200, the Commission has authority over rates and service fixed by contract, franchise, or agreement between a jurisdictional utility and any city. Because Mayfield is a municipal wastewater system, if approved, the Commission will not have authority to regulate Mayfield wastewater rates once the transaction closes.

<sup>7</sup> Application, Exhibit E, Resolution N1232022A, Resolution of the Mayfield Electric Plant Board, City of Mayfield, Kentucky Authorizing the Purchase of the Randview Subdivision Sewer System from Bluegrass Water Utility Operating Company, LLC (Mayfield Resolution).

<sup>8</sup> Mayfield's Response to Commission Staff's First Request for Information (Staff's First Request) (filed Mar. 28, 2023), Item 2.

<sup>9</sup> Mayfield Resolution at 1 of 2.

<sup>10</sup> Application, Exhibit C, Randview Map. Lagoon wastewater systems are lined ponds or basins that receive, hold, and treat wastewater.

<sup>11</sup> Application at 13.

Mayfield's system.<sup>12</sup> Mayfield asserted that, until the lagoon system is closed, Randview System customers will continue to receive wastewater service from the current facilities.

Joint Applicants asserted that Mayfield would provide wastewater service at a lower rate than Randview System customers are paying under Bluegrass Water. Bluegrass Water provides wastewater service to Randview System customers at a flat rate of \$85.97 per month per connection. Mayfield stated that it would provide wastewater service for a flat rate of \$55 per month per connection.<sup>13</sup> Mayfield further stated that \$20 of the \$55 flat monthly rate would be placed into a separate account to be used for construction of improvements to the Randview System. Mayfield explained that it contracted with a consultant to conduct a rate study to determine if a rate increase was necessary for all sewer customers, emphasizing that, if found to be necessary, a rate increase would not be the direct result of the acquisition of the Randview System.<sup>14</sup> Mayfield maintained that, because of its staffing level, Mayfield will not need to hire additional employees to operate the Randview System as a result of the proposed transaction.<sup>15</sup> Joint Applicants asserted that there would not be any changes to customers' bills other than the name of the service provider.<sup>16</sup>

Mayfield explained that the Graves County Fiscal Court provided Mayfield with \$75,000 to conduct a thorough test of the Randview System, map the Randview System,

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<sup>12</sup> Mayfield's Response to Staff's First Request, Item 2.

<sup>13</sup> Mayfield's Response to Staff's First Request, Item 2.

<sup>14</sup> Mayfield's Response to Staff's First Request, Item 2.

<sup>15</sup> Mayfield's Response to Staff's First Request, Item 3.

<sup>16</sup> Application at 11.

and, if any repairs were necessary, to make repairs to the Randview System.<sup>17</sup> The \$75,000 is in addition to the \$20 portion of the flat monthly rate that is earmarked for infrastructure improvement.<sup>18</sup> Mayfield explained that it will install a supervisory control and data acquisition (SCADA) system to monitor the Randview System lift station and lagoon 24 hours per day, seven days per week.<sup>19</sup> Mayfield further explained that the SCADA system protects wastewater system pumps and prevents sewer backups.<sup>20</sup> Mayfield stated that a SCADA system is in place at all its pump stations.<sup>21</sup> Mayfield asserted that the Randview System is not subject to any regulatory agency corrective action plan or agreed order.<sup>22</sup>

Approval of the proposed transaction by the Commission and Kentucky Pollutant Discharge Elimination System (KPDES) is one of the conditions precedent for closing the transaction.<sup>23</sup> Mayfield explained that, because the Randview System is a non-discharging system, it is not regulated by the Kentucky Division of Water (DOW).<sup>24</sup>

Joint Applicants argued that Mayfield has the financial, technical, and managerial ability to provide reasonable service if the transaction is approved. Joint Applicants submitted Mayfield's most recent financial audit (2021 Audit) as evidence of Mayfield's

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<sup>17</sup> Mayfield's Response to Staff's First Request, Item 2.

<sup>18</sup> Mayfield's Response to Staff's First Request, Item 2.

<sup>19</sup> Mayfield's Response to Staff's First Request, Item 3.

<sup>20</sup> Mayfield's Response to Staff's First Request, Item 3.

<sup>21</sup> Mayfield's Response to Staff's First Request, Item 3.

<sup>22</sup> Mayfield's Response to Staff's First Request, Item 2.

<sup>23</sup> Application, Exhibit A at 3 of 17.

<sup>24</sup> Mayfield Response to Staff's First Request, Item 2.

financial ability to provide reasonable service. Mayfield had \$2,290,481 total operating revenue and \$2,299,302 in operating expenses for the year ended June 30, 2021, reflecting a net loss of (\$16,624).<sup>25</sup> This compares to a net loss of (\$113,505) for the year ended June 30, 2020.<sup>26</sup> As the auditor noted, the COVID pandemic could have had an adverse impact on Mayfield's financial position.<sup>27</sup> Mayfield's total net position for the sewer system was \$4,741,040 for the year ended June 30, 2021.<sup>28</sup> Mayfield maintained that recent capital improvement projects allow more waste to be treated at one facility, which is expected to increase Mayfield's revenue.<sup>29</sup> Mayfield has \$7,981,453 net plant in service and \$7,500,000 net accumulated depreciation.<sup>30</sup> Mayfield's only long-term debt is a 20-year loan from Kentucky Infrastructure Authority that, as of June 30, 2021, had a balance of \$212,480, with an interest rate of 0.25 percent, due semi-annually.<sup>31</sup>

Regarding Mayfield's technical ability to provide reasonable service, Joint Applicants pointed to Mayfield's experience owning and operating three package treatment plant and collection systems, and one independent system that serves a limited area.<sup>32</sup> Mayfield noted that six employees operate the system, which serves approximately 4,600 wastewater system customers. Mayfield explained that it has a

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<sup>25</sup> Application, Exhibit F, 2021 Audit at 6 of 52.

<sup>26</sup> Application, Exhibit F, 2021 Audit at 6 of 52.

<sup>27</sup> Application, Exhibit F, 2021 Audit at 33 of 52.

<sup>28</sup> Application, Exhibit F, 2021 Audit at 12 of 52.

<sup>29</sup> Application, Exhibit F, 2021 Audit at 6 of 52.

<sup>30</sup> Application, Exhibit F, 2021 Audit at 13 of 52.

<sup>31</sup> Application, Exhibit F, 2021 Audit at 21 of 52.

<sup>32</sup> Application, Exhibit F, 2021 Audit at 6 of 52.

corrective action plan with DOW, but that the issues arose as a result of damage to the system resulting primarily from a tornado in December 2021.<sup>33</sup> Mayfield explained that the majority of the violations addressed in the corrective action plan have been resolved.<sup>34</sup> As noted above, Mayfield recently completed capital improvement projects that included installation of new aeration.<sup>35</sup>

Regarding Mayfield's managerial ability to provide reasonable service, Joint Applicants pointed to Mayfield's 70 years of providing wastewater service. In addition to the reasons set forth above to support Mayfield's technical ability, Joint Applicants asserted that Mayfield's workforce is qualified to provide wastewater service.

Joint Applicants further argued that the proposed transaction is in accordance with law, for a proper purpose, and consistent with the public interest. Joint Applicants asserted that the transaction is in accordance with law because the transaction will not occur without prior approval from the Commission and the proposed transaction has been approved by Bluegrass Water's sole member and Mayfield's governing board.<sup>36</sup> Joint Applicants maintained that the transaction is for a proper purpose because Mayfield can provide reasonable, effective and efficient wastewater service to existing and future customers at lower operational costs, as supported by the rate decrease that would occur as a result of the transaction.<sup>37</sup> Joint Applicants contended that the transaction is in the public interest because Randview System customers will receive the same or improved

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<sup>33</sup> Mayfield's Response to Staff's First Request, Item 4.

<sup>34</sup> Mayfield's Response to Staff's First Request, Item 4.

<sup>35</sup> Application, Exhibit F, 2021 Audit at 6 of 52.

<sup>36</sup> Application at 33–34. See also Application, Exhibits D and E.

<sup>37</sup> Application at 36–37.

service by an entity with 70 years of experience owning and operating a wastewater system, and that the service would be provided at a lower cost to customers.<sup>38</sup> Further, Randview System customers requested that Mayfield acquire the Randview System.

Finally, Joint Applicants argued that, pursuant to KRS 278.020(10), Mayfield has the financial integrity to ensure continuity of wastewater service for the reasons set forth above.

### DISCUSSION AND FINDINGS

Based upon the case record and being otherwise sufficiently advised, the Commission finds that, for reasons set forth below, Joint Applicants provided evidence that Mayfield has the financial, technical, and managerial ability to provide reasonable service; that the proposed transaction is in accordance with law, for a proper purpose, and in the public interest; and Mayfield has the financial integrity to ensure continuity of wastewater service to Randview System customer. Based upon the determination that the standards set forth in KRS 278.020(6), (7), and (10) are met, the Commission finds that the acquisition of the Randview System by Mayfield from Bluegrass Water should be approved.

A finding of financial ability to provide reasonable service rests on evidence of financial strength, which can be demonstrated in by several measures. Here, Joint Applicants provided sufficient evidence that Mayfield has the financial ability to provide reasonable service. Although Mayfield operated at a net loss according to its most recent audit, there was a significant decrease from the net loss that occurred in the calendar year ended June 30, 2020, which reflects an improved financial position. Further, as the

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<sup>38</sup> Application at 36–38.

auditor noted, there was an adverse financial impact that resulted from the COVID pandemic. Mayfield's financial position is such that rates will decrease for Randview System customers and the acquisition will not directly result in higher rates for existing Mayfield customers. Graves County Fiscal Court provided \$75,000 for the express purpose of reviewing and, if necessary, repairing the Randview System. Additionally, Mayfield is planning for and funding future infrastructure improvements by earmarking \$20 of the \$55 flat monthly rate.

Joint Applicants also provided evidence of Mayfield's technical ability to provide reasonable service. Mayfield has provided wastewater service for 70 years and owns and operates wastewater treatment and collection systems. Those systems are operated and maintained by six employees directly responsible for the wastewater system. While the agreed order with DOW is concerning, that concern is balanced by the fact that the violations arose of a tornado that caused extensive damage to utilities throughout Western Kentucky, and by the fact that the majority of the violations have been resolved.

Joint Applicants provided evidence of Mayfield's managerial ability to provide reasonable service. Not only has Mayfield owned and operated a wastewater system for 70 years, but Mayfield's wastewater system is also significantly larger and more complex. Mayfield serves a larger number of customers than the Randview System, which serves a residential neighborhood. Joint Applicants provided evidence that customers will benefit from the proposed transaction with lower rates and infrastructure improvements.

Joint Applicants provided evidence that the proposed transaction is in accordance with law because both parties have executed the required approvals from Bluegrass Water's sole member and Mayfield's governing board, and the proposed transaction is

contractually conditioned upon Commission approval. Joint Applicants also provided evidence that the proposed transaction is for a proper purpose of providing adequate, efficient and reasonable, consistent with KRS 278.030, and customers will ultimately be provided improved service considering the proposed improvements, such as the SCADA installation, at lower rates. For similar reasons, Joint Applicants provided evidence that the proposed transaction is in the public interest given the customer benefit of lower rates and improved service, especially once the lagoon system is closed. The transaction also furthers the Commonwealth's public policy that "it is necessary to encourage regionalization, consolidation, and partnerships among governmental agencies, and private parties when appropriate, with the goal of making potable water and wastewater treatment available to all Kentuckians through the maximization of financial resources and the conservation of natural resources of the Commonwealth."<sup>39</sup>

Finally, Joint Applicants provided sufficient evidence that Mayfield has financial integrity to ensure the continuity of sewer service if it cannot continue to provide service, for the reasons set forth above.

IT IS THEREFORE ORDERED that:

1. Joint Applicants' request for approval of the transfer as set forth in the joint application is granted.
2. Within ten days of the completion of the approved transfer, Joint Applicants shall file written notice setting forth the date that the acquisition was completed.
3. Any document filed pursuant to ordering paragraph 2 shall reference this case number and shall be filed in the post-case correspondence file.

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<sup>39</sup> KRS 224A.300(1).

4. This case is closed and removed from the Commission's docket.

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PUBLIC SERVICE COMMISSION



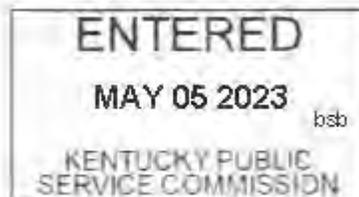
Chairman



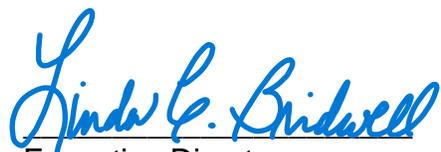
Vice Chairman



Commissioner



ATTEST:



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\*Bluegrass Water Utility Operating Company, LLC  
1630 Des Peres Road, Suite 140  
St. Louis, MO 63131

\*Denotes Served by Email

Service List for Case 2022-00218



Andy Beshear  
Governor

Kent A. Chandler  
Chairman

Rebecca W. Goodman  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

June 1, 2022

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Arcadia Pines Wastewater System  
McCracken County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Arcadia Pines wastewater system located in McCracken County, KY on April 26, 2022, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Jake Freeman, Director of Engineering, Central States Water Resources  
Terry Merritt, VP of Midwest Water Operations  
1351 Jefferson Street, Suite 301  
Washington, MO 63090

# Kentucky Public Service Commission

## Periodic Compliance Inspection

**Utility:** Bluegrass Water Utility Operating Company, LLC. – Arcadia Pines WWTP

**Utility's Principal office location:** 1630 Des Peres Rd, Suite 140 Des Peres MO 63131

**Wastewater Treatment Facility Location:** Paducah, KY

**Utility representative during inspection:** Jake Freeman, PE - Director of Engineering and Arthur Faiello – East Coast Regional Manager

**Counties Served:** McCracken

**Customers:** Approximately 25

**Inspector:** Brian L. Rice

**Date(s) of inspection:** April 26, 2022

**Last Inspection Date:** April 21, 2021 and August 13, 2021

**Deficiencies noted during the last inspection:** N/A

**Have deficiencies been corrected since last inspection?**

Yes

No

N/A

**If no, provide a response as to why these deficiencies have not been addressed.**

### **Person(s) who should receive this inspection report:**

Josiah Cox  
Central States Water Resources, CEO  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131  
[jcox@cswrgroup.com](mailto:jcox@cswrgroup.com)  
314.736.4672

Terry Merritt  
Midwest Water Operations, VP  
1351 Jefferson Street, Suite 301  
Washington, MO 63090  
[tmerritt@midwestwaterop.com](mailto:tmerritt@midwestwaterop.com)  
636.432.3001

# Kentucky Public Service Commission

## Periodic Compliance Inspection

The date after which a penalty may apply to the gross amount:

Yes  No  N/A

If the bill is estimated or calculated:

Yes  No  N/A

Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)?

Yes  No  N/A

Also furnished by one (1) of the following methods, by:

Printing it on the bill:

Yes  No  N/A

Publishing it in a newspaper of general circulation once each year:

Yes  No  N/A

Mailing it to each customer once each year; or:

Yes  No  N/A

Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates:

Yes  No  N/A

Does the utility maintain the information required by this subsection, and is it available to the commission and any customer requesting this information?

Yes  No  N/A

### Section 8. Deposits:

Is the utility requiring a minimum cash deposit or other guarantee from customers to secure payment of bills?

Yes  No  N/A

### Section 10: Customer Complaints to the Utility

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?

Yes  No  N/A

**Note:** Bluegrass Water does not have an office located in Kentucky. All customer complaints will be made via telephone.

Does the utility keep a record of all written complaints concerning the utility's service?

Yes  No  N/A

Does the record include the following?

The customer's name and address:

Yes  No  N/A

The date and nature of the complaint:

Yes  No  N/A

The disposition of the complaint:

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

than seven (7) hours per day, one (1) days per week?

Yes  No  N/A

Does the utility provide the following?

Maintain a telephone:

Yes  No  N/A

Publish the telephone number in all service areas:

Yes  No  N/A

Permit all customers to contact the utility's designated representative without charge:

Yes  No  N/A

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes  No  N/A

**Note:** Bluegrass Water does not have an office located in Kentucky but does maintain a website with the necessary information for customers.

### Section 20: Access to Property:

Do employees of the utility (whose duties require them to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes  No  N/A

**Note:** Bluegrass Water does not have any employees.

### Section 23: System Maps and Records:

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve?

Yes  No  N/A

**Note:** Bluegrass Water does not have an office located in Kentucky; however, all Bluegrass Water's system maps are available on Central States Water resources website via a link to the Kentucky Infrastructure Authority.

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Instruct employees in safe methods of performing their work.

Yes  No  N/A

Note: Bluegrass Water has no employees

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes  No  N/A

Note: Bluegrass Water has no employees

### Section 26: Inspection of Systems:

(1) A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at a utility facility, the utility shall inspect all portions of the system that are the subject of the report.

(3) Appropriate records shall be kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies.

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes  No  N/A

Have these inspection procedures been filed with the commission for review?

Yes  No  N/A

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report?

Yes  No  N/A

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

### Section 28: Deviations from Administrative Regulation:

In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation.

Has the utility been permitted by the commission to deviate from these administrative regulations? Yes  No  N/A

If so, provide the case no.

### 807 KAR 5:011 (Tariffs)

### Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes  No  N/A

**Note:** Bluegrass Water does not have an office in Kentucky; however, the tariffs and statutes are available on Central States Water Resources website.

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes  No  N/A

**Note:** Bluegrass Water does not have an office in Kentucky.

### Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes  No  N/A

If yes, has the utility filed the special contracts with the PSC? Yes  No  N/A

# Kentucky Public Service Commission

## Periodic Compliance Inspection

Is the utility in compliance with the Division of Water?      Yes       No       N/A

**Note:** No discharge permit. This system is not under the jurisdiction of Division of Water.

**Is the utility making every reasonable effort to eliminate or prevent the entry of surface or ground water, or any corrosive or toxic industrial liquid waste into its sanitary sewer system?**

Yes       No       N/A

### Section 6: Continuity of Service.

**(1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.**

**(2) Scheduled interruptions. Whenever any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at such hours as will provide least inconvenience to the customers.**

**(3) Record of interruptions. Each utility shall keep a complete record of all interruptions on its system. This record shall show the cause of interruption, date, time, duration, remedy, and steps taken to prevent recurrence.**

**Is the utility making all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public?**

Yes       No       N/A

**If the utility schedules an interruption of service are all customers notified that are affected by the interruption?**

Yes       No       N/A

**Does the utility make all reasonable efforts to schedule interruptions at such hours as will provide least inconvenience to the customers?**

# Kentucky Public Service Commission

## Periodic Compliance Inspection

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Is the utility operating and maintaining their facility in accordance with accepted good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property?

Yes  No  N/A

Is the utility adhering to their inspection procedures to assure safe and adequate operation of its facilities and compliance with the Commission rules?

Yes  No  N/A

Unless otherwise authorized in writing by the commission, does the sewage utility make inspections of their collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections?

Yes  No  N/A

Does the utility inspect all mechanical equipment on a daily basis?

Yes  No  N/A

Does the utility maintain a record of findings and corrective actions required, and/or taken, by location and date?

Yes  No  N/A

# Kentucky Public Service Commission

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## Periodic Compliance Inspection

**Comment:** During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

**Report by:**

**Date:** May 25, 2022



**Brian L. Rice**  
**Utility Inspector**  
**Kentucky Public Service Commission**



**Andy Beshear**  
Governor

**Rebecca W. Goodman**  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
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**Kent A. Chandler**  
Chairman

**Mary Pat Regan**  
Commissioner

August 2, 2022

Josiah Cox  
CEO  
Central States Water Resources  
1630 Des Peres Road, Suite 140  
Des Peres, MO 63131

Re: Periodic Wastewater Inspection  
Bluegrass Water Utility Operating Company, LLC – Brocklyn Wastewater System  
Madison County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Brocklyn wastewater system located in Madison County, KY on April 28, 2022, reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, no deficiencies were identified.

Please review the enclosed inspection report in its entirety as you will find further information noted about the inspection. If you have any questions regarding this inspection, feel free to contact me at 502-330-5986 or via email at [Brian.Rice@ky.gov](mailto:Brian.Rice@ky.gov).

Sincerely,

Brian L. Rice  
Utility Inspector  
Public Service Commission

Enclosure(s)

Copy: Aaron Silas, Regulatory Case Manager, Central States Water Resources  
Jake Freeman, Director of Engineering, Central States Water Resources  
Terry Merritt, VP of Midwest Water Operations  
1351 Jefferson Street, Suite 301  
Washington, MO 63090