



COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL

DANIEL CAMERON
ATTORNEY GENERAL

1024 CAPITAL CENTER DRIVE
SUITE 200
FRANKFORT, KY 40601

April 3, 2023

Mr. Ronald Sigers
5940 Majestic Oak Drive
Paducah, KY 42003

Re: Bluegrass Water Utility Operating Company, LLC Rate Case 2022-00432

Mr. Sigers:

Thank you for contacting the Office of the Attorney General regarding your Bluegrass Water Utility Operating Company, LLC (BGWC) concerns. This office advocates on behalf of the citizens of Kentucky in utility matters before the Public Service Commission (PSC). As an Intervenor in this case, our Office of Rate Intervention will work to keep the rate increase requested by BGWC fair and reasonable as required by KRS 278.030. Ultimately, it is the PSC that determines what rates may be charged by public utilities in Kentucky.

Our office was not aware of the violation filed by the McCracken County Health Department. While violations of this nature are usually addressed through county health departments and/or the Kentucky Department of Environmental Protection, Division of Water, the violation is of particular interest to this office as well. I have contacted both agencies to request any notes and reports regarding violations, and have informed my director of your assistance in bringing this information to our attention.

We have logged your complaint and recommend that you contact the PSC in writing to have your objections noted in the case record. The PSC may be reached at the address below:

Kentucky Public Service Commission
PO Box 615
Frankfort, KY 40602
(502) 564-3940

Comments may also be filed via email at psc.info@ky.gov. Please include the case number 2022-00432 within the subject line of the email. Alternatively, you can now file comments directly online by going to the website: <https://psc.ky.gov/Case/Search/Cases/PublicComments>. Enter 2022-00432 under case number and then click filter. All written case-related comments submitted to the PSC become a part of the official case record. All documents within a case record are publicly available online.

As Required Pursuant to the Commission's Order 2022-00432

If you wish to view documents filed with the PSC regarding this case, you may visit the web site here: <https://psc.ky.gov/Case/ViewCaseFilings/2022-00432>. This will bring up a page with all non-confidential documents filed in the case.

I hope this sufficiently updates you on our efforts to protect Kentucky's ratepayers in this case. Please do not hesitate to contact us if you have any further concerns.

Sincerely,



Heather Napier
Consumer Complaint Investigator II
Office of Rate Intervention



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

Mary Pat Regan
Commissioner

July 29, 2022

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

Re: Periodic Wastewater Inspection
Bluegrass Water Utility Operating Company, LLC – Springcrest Wastewater
System
Jessamine County, KY

Dear Mr. Cox:

Public Service Commission staff performed a periodic inspection of the Bluegrass Water Utility Operating Company, LLC – Springcrest wastewater system located in Jessamine County, KY on April 27, 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 noted during this inspection.

Please review the enclosed inspection report in its entirety as you will find further information noted regarding 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.

Sincerely,

Brian L. Rice
Utility Inspector
Public Service Commission

Enclosure(s)

Copy: Aaron Silas, Regulatory Case Manager
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 – Springcrest

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

Utility representative during inspection: Jake Freeman, Arthur Faiello and Aaron Silas

Counties served: Jessamine

Customers: 42

Investigator: Brian L. Rice

Date(s) of inspection: April 27, 2022

Date(s) of last inspection: April 20, 2021

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 Midwest Water Operations.

Kentucky Public Service Commission

Periodic Compliance Inspection

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

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

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

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

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

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

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: July 26, 2022



Brian L. Rice
Utility Inspector
Kentucky Public Service Commission