

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

In the Matter of:

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

BLUEGRASS WATER’S NOTICE OF RATE IMPLEMENTATION

Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water”) hereby notifies the Kentucky Public Service Commission pursuant to KRS 278.190(2) of its intention to place the rates proposed by Bluegrass Water in this proceeding¹ in effect for wastewater service rendered on and after December 1, 2023.² Consistent with Bluegrass Water’s practice of billing in arrears, these rates will first be reflected on invoices issued on or after January 1, 2024.

Respectfully submitted,

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*Counsel to Bluegrass Water Operating
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¹ Bluegrass Water intends to implement rates consistent with the reduced revenue requirement proposed in its Post-Hearing Brief filed on October 27, 2023, as set forth on Exhibit 1 hereto, which sets forth the sewer rate design proposed in this proceeding that reflects the updated revenue requirement and removal of the Randview system.

² See Commission’s April 14, 2023 Order, Ordering Paragraph 5 (“Bluegrass Water’s proposed rates are suspended for five months up to and including October 13, 2023.”)

Certification

I hereby certify that a copy of this filing has been served electronically on all parties of record through the use of the Commission's electronic filing system, and there are currently no parties that the Commission has excused from participation by electronic means. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, a paper copy of this filing has not been transmitted to the Commission.

/s/ Edward T. Depp _____
*Counsel to Bluegrass Water Utility
Operating Company, LLC*

EXHIBIT 1

Bluegrass Water Utility Operating Company, LLC Rate Design	Revenue Requirement [1]	Current Revenues	Revenue Increase	Revenue Increase	Adjusted Bills	Proposed Fixed Charge	Water Usage	Proposed Variable Charge	Proposed Assignment	Current Assignment
Sewer										
Unmetered Service	\$ 2,581,986	\$ 1,919,923	\$ 662,063	34.5%	28,211	\$ 91.52			77.3%	81.1%
Metered Service	\$ 759,093	\$ 447,749	\$ 311,344	69.5%	408	\$ 228.80	49,776,577	\$ 13.37	22.7%	18.9%
Total	\$ 3,341,079	\$ 2,367,672	\$ 973,408	41.1%						

[1] Revenue Requirements excludes other revenues of \$14,462 (\$14,462 + \$3,341,079 = \$3,355,541)

Development of Rates	Bills	% Bills	Proposed Fixed Charges	Current Fixed Charges	Usage	Proposed Usage Charge	Current Usage Charge	Proposed Total Charge	Current Total Charge	Difference	Difference (%)
Airview Residential	2,373	8.2%	\$ 91.52	\$ 85.97	-	-	-	\$ 217,196	\$ 204,024	\$ 13,171	6.5%
Arcadia Pines	310	1.1%	\$ 91.52	\$ 85.97	-	-	-	\$ 28,370	\$ 26,650	\$ 1,720	6.5%
Brocklyn Multifamily (2)	1,119	3.9%	\$ 68.64	\$ 64.48	-	-	-	\$ 76,808	\$ 72,153	\$ 4,655	6.5%
Brocklyn Residential	884	3.1%	\$ 91.52	\$ 85.97	-	-	-	\$ 80,902	\$ 75,996	\$ 4,906	6.5%
Carriage Park	454	1.6%	\$ 91.52	\$ 85.97	-	-	-	\$ 41,565	\$ 39,045	\$ 2,521	6.5%
Darlington Creek	1,400	4.8%	\$ 91.52	\$ 45.00	-	-	-	\$ 128,150	\$ 63,011	\$ 65,139	103.4%
Delaplain Commercial (1)	408	1.4%	\$ 228.80	\$ -	49,777	\$ 13.37	\$ 8.89	\$ 759,093	\$ 442,514	\$ 316,579	71.5%
Delaplain	3,654	12.7%	\$ 91.52	\$ 12.50	-	-	-	\$ 334,435	\$ 45,678	\$ 288,757	632.2%
Fox Run Residential	420	1.5%	\$ 91.52	\$ 85.97	-	-	-	\$ 38,438	\$ 36,107	\$ 2,331	6.5%
Golden Acres Residential	348	1.2%	\$ 91.52	\$ 85.97	-	-	-	\$ 31,849	\$ 29,918	\$ 1,931	6.5%
Great Oaks Residential	1,927	6.7%	\$ 91.52	\$ 85.97	-	-	-	\$ 176,388	\$ 165,691	\$ 10,697	6.5%
Herrington Haven	288	1.0%	\$ 91.52	\$ 49.66	-	-	-	\$ 26,358	\$ 14,302	\$ 12,056	84.3%
Kingswood Residential	1,570	5.4%	\$ 91.52	\$ 85.97	-	-	-	\$ 143,726	\$ 135,010	\$ 8,716	6.5%
Lake Columbia Flat	396	1.4%	\$ 91.52	\$ 85.97	-	-	-	\$ 36,242	\$ 34,044	\$ 2,198	6.5%
Longview Residential	3,960	13.7%	\$ 91.52	\$ 85.97	-	-	-	\$ 362,434	\$ 340,456	\$ 21,979	6.5%
Marshall Ridge	479	1.7%	\$ 91.52	\$ 85.97	-	-	-	\$ 43,795	\$ 41,139	\$ 2,656	6.5%
Persimmon Non-Residential (1)	12	0.0%	\$ 228.80	\$ 214.93	-	-	-	\$ 2,746	\$ 2,579	\$ 167	6.5%
Persimmon Residential	4,292	14.9%	\$ 91.52	\$ 85.97	-	-	-	\$ 392,808	\$ 368,988	\$ 23,821	6.5%
River Bluffs	2,164	7.5%	\$ 91.52	\$ 85.97	-	-	-	\$ 198,067	\$ 186,056	\$ 12,011	6.5%
Springcrest	504	1.7%	\$ 91.52	\$ 27.43	-	-	-	\$ 46,126	\$ 13,825	\$ 32,301	233.6%
Timberland	826	2.9%	\$ 91.52	\$ 85.97	-	-	-	\$ 75,625	\$ 71,039	\$ 4,586	6.5%
Woodland Acres	1,091	3.8%	\$ 91.52	\$ 19.47	-	-	-	\$ 99,864	\$ 21,245	\$ 78,619	370.1%
Total	28,881	100.0%						\$ 3,340,986	\$ 2,429,469	\$ 911,517	37.5%

(1) Commercial Fixed Charge reflects 2.50 times the Residential Fixed Charge	2.50
(2) Multifamily Fixed Charge reflects 0.75 times the Residential Fixed Charge	0.75