

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

In the Matter of:)
)
 Electronic Application of)
 Bluegrass Water Utility Operating)
 Company, LLC for a Certificate of)
 Public Convenience and Necessity for the) **Case No. 2024-00170**
 Installation of a Drain Field at the)
 Marshall Ridge System or an Order)
 Declaring the Installation is an Extension in)
 the Ordinary Course of Business)

**BLUEGRASS WATER UTILITY OPERATING COMPANY, LLC’S
RESPONSE TO DEFICIENCY LETTER**

Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water” or “Company”), by counsel, hereby responds to the Commission’s June 27, 2024 Deficiency Letter. The information requested by the Commission is set forth below.

1. 807 KAR 5:001 Section 8(4)(b).

807 KAR 5:001 Section 8(4)(b) provides: “Except as established in paragraph (a) of this subsection, each file in an electronic submission shall be: 2. Search-capable.” Bluegrass Water hereby submits a searchable version of Exhibit 1 to the Application, which is the permit application submitted to the Purchase District Health Department. *See* paragraph 12 of the Application.

2. KRS 322.340 and 807 KAR 5:001 Section 4(13).

807 KAR 5:001 Section 4(13) provides that “[e]ach report, specification, drawing, and plan that a professional engineer or professional land surveyor prepared and that is filed with the commission shall contain the seal or stamp and signature of that professional engineer or land surveyor in accordance with KRS 322.340.”

Pursuant to 807 KAR 5:001 Section 15(2)(d)(2), Bluegrass Water hereby provides amended preliminary detailed plans and specifications. The plans have been amended merely to reflect that they are preliminary, pending approval by the Purchase District Health Department. The amended preliminary plans have been signed, sealed and dated by a professional engineer licensed in Kentucky in accordance with 807 KAR 5:001 Section 4(13) and KRS 322.340.

3. 807 KAR 5:001 Section 15(2)(f).

807 KAR 5:001 Section 15(2)(f) provides: “Upon application for a certificate that the present or future public convenience or necessity requires, or will require, the construction or extension of any plant, equipment, property, or facility, the applicant, in addition to complying with Section 14 of this administrative regulation, shall submit with its application: (f) An estimated annual cost of operation after the proposed facilities are placed into service.”

As set forth in paragraph 18 of the Application, the Company anticipates that the annual cost of operating the new drain field after it is placed into service will be substantially similar to the cost of operating the existing drain field and will not require a change in present rates. The Company’s proposed improvements will not impact operational costs (i.e., electricity, sludge removal, maintenance, chemicals, professional O&M contractors, etc.). The only improvement the Company is proposing is replacing the failed gravity drain field with a new drain field.

For example, the new drain field is designed to perform the same functions as the failed one, thus allowing the electricity, maintenance, and chemical treatment process requirements to operate the new drain field to remain unchanged. Furthermore, the process of sludge removal is primarily driven by the volume of wastewater treated by the system. Since the new drain field is anticipated to handle the same volume of wastewater, the quantity of sludge is anticipated to

remain consistent. Therefore, the estimated annual cost of operating the new drain field is \$41,880, unchanged from the existing operation costs.

Respectfully submitted,

/s/ Edward T. Depp
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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
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