

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BLUEGRASS	)	
WATER UTILITY OPERATING COMPANY, LLC	)	CASE NO.
FOR AN ADJUSTMENT OF WATER AND	)	2025-00354
SEWAGE RATES	)	

**SCOTT COUNTY, KENTUCKY  
MOTION TO INTERVENE**

Comes now Scott County, Kentucky (“Scott County”), by and through counsel, and, under 807 KAR 5:001 Section 4(11), moves for leave to intervene into the instant case, the application of Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water”) for an Adjustment of Water and Sewage Rates. In support of its motion to intervene, Scott County states the following.

1. Scott County, Kentucky is a county government of the Commonwealth of Kentucky.

Joe Pat Covington is the Scott County Judge/Executive.

2. Scott County, Kentucky’s full name, mailing address, electronic mail address, and website address:

Scott County, Kentucky  
ATTN: Joe Pat Covington, Judge/Executive  
101 East Main Street, #210  
Georgetown, KY 40324  
joe.covington@scottky.gov

3. Scott County, through the Scott County Judge/Executive and the Scott County Fiscal Court, has broad statutory powers in representing the economic and public health impacts of operations of wastewater services within Scott County.

4. On December 23, 2025, the Scott County Fiscal Court voted to authorize a request for intervention to represent Scott County's interests in the instant proceeding.
5. Bluegrass Water is a public utility with rates and services subject to the jurisdiction of the Kentucky Public Service Commission ("PSC" or "Commission"). Bluegrass Water seeks authority to revise its tariff sheets and increase its water and wastewater rates.
6. Bluegrass Water provides, among other things, the collection, transmission, and treatment of wastewater through its facilities in multiple counties of the Commonwealth. Bluegrass Water currently has 2,490 wastewater connections and 322 water connections.<sup>1</sup>
7. Two (2) of Bluegrass Water's sewage service areas are located within Scott County. Longview and Homestead Subdivisions (also "LH Treatment") service area has 331 customers, and the Delaplain service area has 308 connections.<sup>2</sup> Delaplain has both unmetered and metered connections, and the Delaplain commercial class is the only current class receiving metered (gallage) service.<sup>3</sup> Thus, Bluegrass Water's service areas within Scott County contain approximately one-fourth of the wastewater customers.
8. By reference to the wastewater revenues for the base period in the instant case, the Delaplain system (\$824,522) and the LH Treatment system (\$306,041) are first

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<sup>1</sup> Application (tendered Dec. 12, 2025), Numbered Paragraph 12, page 4.

<sup>2</sup> Bluegrass Water Response to Commission Staff's First Data Request (filed Dec. 22, 2025), Item 28 (Customer Connection by Class).

<sup>3</sup> Application (tendered Dec. 12, 2025), Numbered Paragraph 80, page 20.

and third in size in terms of wastewater revenue amounts for the Bluegrass Water sewage operation.<sup>4</sup>

9. 807 KAR 5:001, Section 4(11)(a) provides that any person seeking “to become a party to a case before the Commission may, by timely motion, request leave to intervene.” Section 4(a)1 requires the motion to contain, among other things, a statement of the party’s interest in the case and how intervention “is likely to present issues or develop facts that will assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.” 807 KAR 5:001, Section 4(11)(b) provides that “[t]he commission shall grant a person leave to intervene if the commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her intervention is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings.”
10. Bluegrass Water proposes a 46.6 percent rate increase for its Scott County residential customers which are billed at a flat rate, a 44.4 percent rate increase for the meter charge for its Scott County non-residential Delaplain customers, and a 378.7 percent rate increase (per 1,000 gallons) for the volumetric component for its Scott County non-residential Delaplain customers.<sup>5</sup>

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<sup>4</sup> Application (tendered Dec. 12, 2025), Exhibit 11, Testimony of Harlow, pages 9 and 10. Note: Persimmon Ridge appears to be second in size in terms of total wastewater revenue for the base period.

<sup>5</sup> Application (tendered Dec. 12, 2024), Exhibit 9, Financial Workbook, Tab “Rate Design – WW”.

11. Bluegrass Water's Scott County service areas contain more customers than any other single county containing Bluegrass Water service areas, and the 378.7 percent increase proposed for Delaplain non-residential customers is the largest percentage increase proposed through this Application.
12. While the Kentucky Office of the Attorney General has a statutory power to represent the consumers' interest in matters before the Commission,<sup>6</sup> the statutes do not assign to the Attorney General an exclusive role in consumer advocacy that precludes other government officials from advancing the interests of their constituents as ratepayers or from advancing the interests of their areas in matters impacted by a utility's rates or service.
13. Finding that Scott County had a special interest in the proceeding due to economic and public health impact of operations of wastewater services within Scott County, the Commission granted Scott County intervention into Bluegrass Water's most recent rate application.<sup>7</sup>
14. From the Order in Case No. 2022-00432 granting Scott County intervention:
- The economic impact on the Delaplain residential and commercial customers is significant and unique because those are the only Bluegrass Water customers taking metered service and Delaplain also includes Bluegrass Water's only commercial customers, whose interests are different than interests represent by the Attorney General because commercial customers take service on different rate schedules than residential customers.<sup>8</sup>

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<sup>6</sup> KRS 367.150(8).

<sup>7</sup> Case No. 2022-00432, *Electronic Application of Bluegrass Water Utility Operating Company, LLC For An Adjustment of Sewage Rates*, Order (Ky. P.S.C. May 5, 2023).

<sup>8</sup> *Id.* at pages 4 and 5.

15. A set of circumstances substantially similar to Case No. 2022-00432 exists in the instant case and supports intervention. Further, through the pending Application, Bluegrass Water “proposes allocating 40 percent of the wastewater revenue requirement to the Delaplain non-residential class” based upon investments in the Delaplain system.<sup>9</sup> This latter fact demonstrates that Bluegrass Water has designated the Delaplain service area for particular ratemaking treatment.

16. As in Case No. 2022-00432, the Commission has, on numerous occasions, recognized that the Attorney General’s participation does not preclude the participation of parties advocating on behalf of specific customer groups or sub-groups, and the PSC has, upon the finding of a capacity to represent these special interests and/or present issues or develop facts that will assist the commission in fully considering the matter without unduly complicating or disrupting the proceeding granted intervention to advocacy groups in proceedings in which the Attorney General is a party.<sup>10</sup>

17. The customer types and service areas in Scott County differ significantly from the majority of the other customer groups and service areas in the Bluegrass Water

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<sup>9</sup> Application (tendered Dec. 11, 2025), Exhibit 5, Testimony of Silas, page 23.

<sup>10</sup> See, for examples, Case No. 2020-00160, *Electronic Application of Water Service Corporation of Kentucky for a General Adjustment of Rates*, (Ky. P.S.C. Aug. 7, 2020) (Order granting City of Clinton, Kentucky intervention); Case No. 2015-00418, *Application of Kentucky-American Water Company for an Adjustment of Rates*, (Ky. P.S.C. Feb. 5, 2016) (Order granting Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc., intervention); and Case No. 2012-00222, *Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates, a Certificate of Public Convenience and Necessity, Approval of Ownership of Gas Service Lines and Risers, and a Gas Line Surcharge*, (Ky. P.S.C. Jul. 26, 2012) (Order granting Association of Community Ministries, Inc., intervention).

system, and they are not similarly situated with other Bluegrass Water customers and are not adequately represented in this case.

18. Scott County has a special interest in seeking fair, just, and reasonable rates based upon principles and arguments that the Kentucky Office of the Attorney General cannot be reasonably called upon to advance on behalf of its residents and businesses while simultaneously seeking to advance the interests of other customer groups or service areas having dissimilar interests in the proposals.
19. Scott County contains the only service area with metered service with a gallonage billing determination and the customer group with the largest proposed increase in rates. Scott County has a special interest in advocacy on behalf of its residents/customers because the proposed rates stand to impact rate affordability and economic development within Scott County.
20. If Scott County is granted intervention, it will seek (as it did in Bluegrass Water's most recent rate proceeding) to present issues and develop facts that will assist the Commission in fully considering this matter and can do so without unduly complicating or disrupting the proceedings.
21. Scott County questions the reasonableness of the proposals in the Application including, but not limited to, the results of the Applicant's assignment of the burden of the wastewater revenue requirement and corresponding rate design and will present issues and/or develop facts that will assist the Commission in these areas.
22. The special interests of Scott County in the instant case are not otherwise represented by any other party including the Kentucky Office of the Attorney General.

23. Scott County is represented by counsel and, if granted intervention, will comply with all provisions of the Commission's regulations including those related to service and electronic filing of documents and will waive any right to service of Commission orders via U.S. Mail. Scott County certifies that it, or its agent, possesses the facilities to receive electronic transmissions and otherwise participate through the electronic filing process, if granted intervention. All electronic mail messages related to this proceeding may be served through the following electronic mail addresses:

rstrobo@strobobarkley.com

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cameron.culbertson@scottky.gov

24. This Motion to Intervene is timely in that it is filed within the period for requests for intervention may be accepted.

WHEREFORE, Scott County respectfully requests the Commission to grant it intervention into the instant case with full rights of a party to the proceeding.

Respectfully submitted,

/s/ David E. Spenard

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**NOTICE AND CERTIFICATION FOR FILING**

Undersigned counsel provides notice that the electronic version of the paper has been submitted to the Commission by uploading it using the Commission's E-Filing System on this 6<sup>th</sup> day of January 2026. Pursuant to the Commission's Orders in Case No. 2020-00085, *Electronic Emergency Docket Related to Novel Coronavirus Covid-19*, the paper, in paper medium, is not required to be filed.

/s/ David E. Spenard

**NOTICE AND CERTIFICATION CONCERNING SERVICE**

No party has been excused from the electronic filing procedures in the instant proceeding.

/s/ David E. Spenard