

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

In the Matter of:)
)
 Electronic Application of Bluegrass)
 Water Utility Operating Company, LLC) **Case No. 2025-00354**
 For an Adjustment of Water and)
 Sewage Rates)
)

**MOTION OF BLUEGRASS WATER UTILITY OPERATING COMPANY, LLC
FOR CONFIDENTIAL TREATMENT**

1. Bluegrass Water Utility Operating Company, LLC (“Bluegrass Water”) pursuant to 807 KAR 5:001 Section 13 and KRS 61.878, hereby moves the Kentucky Public Service Commission (the “Commission”) to grant confidential treatment to certain information (the “Confidential Information”) contained in its Responses to the Attorney General’s first requests for information (“OAG Responses”) submitted contemporaneously herewith. In support of this Motion, Bluegrass Water states as follows.

2. As discussed below, the Confidential Information is entitled to confidential treatment based upon KRS 61.878(1)(c)(1) and/or 61.878(1)(a). *See* 807 KAR 5:001, Section 13(2)(a)(1).

3. Specifically, Bluegrass Water seeks to keep the following information confidential:

- a. Exhibit OAG 1-66 – Intelogix Cost Savings; Exhibit OAG 1-67 – Nitor Intelogix Billings; Exhibit OAG 1-77 – Prepayments; Exhibit OAG 1-126 – Page from Service Contract (Corrected App. Exh. 19); Exhibit OAG 1-140d – Progress Payments/Retention; Exhibit OAG 1-146b – Invoices; Exhibit OAG 1-179 – Contract Ops; (“*Payments to Contractors; Contracts*”);
- b. Exhibit OAG 1-25 – Salaried Staff; Exhibit OAG 1-26 – Non-Salaried Staff, Exhibit OAG 1-61 – Governmental Affairs; Exhibit OAG 1-138 – Percent of Raises (together, “*Non-Executive Employee Benefits*”);

- c. Exhibit OAG 1-111 – Insurance Expense; Exhibit OAG 1-179 – Property Insurance Forecast (“*Insurance Expenses*”); and
- d. Exhibit OAG 1-140a – Proforma Plant Additions (“*Internal Business Planning Information*”)

I. KRS § 61.878 – Confidential or Proprietary Information.

4. KRS § 61.878(1)(c)(1) protects “records confidentially disclosed to an agency or required by an agency to be disclosed to it, generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records.”

5. KRS § 61.878(1)(a) protects “records containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy.”

6. KRS § 61.878(1)(m)(1) protects “records the disclosure of which would have a reasonable likelihood of threatening the public safety by exposing a vulnerability in preventing, protecting against, mitigating, or responding to a terrorist act and limited to ... (f) [i]nfrastructure records that expose a vulnerability referred to in this subparagraph through the disclosure of the location, configuration, or security of critical systems, including public utility critical systems ... [including but not limited to] information technology, communication, electrical, fire suppression, ventilation, water, wastewater, sewage, and gas systems[.]”

7. The Confidential Information identified above for which Bluegrass Water seeks confidential treatment is not publicly disseminated and public disclosure of this information would harm Bluegrass Water, CSWR and its affiliates, and potentially the public.

A. Payments to Contractors; Contracts

8. Bluegrass Water seeks to keep confidential Exhibit OAG 1-66, Exhibit OAG 1-67, Exhibit OAG 1-77, Exhibit OAG 1-126;¹ Exhibit OAG 1-140d, Exhibit OAG 1-146b, and Exhibit OAG 1-179 – Contract Ops to the extent they contain confidential pricing and other provisions of its contracts with third-party service providers.

9. As outlined in the Direct Testimony of Todd Thomas (Application Exhibit 20), the third-party service contracts are the result of a competitive bidding process. Further, for similar service contracts Bluegrass Water will engage in an RFP process to award future contracts. Accordingly, public disclosure of the current pricing and other material terms could lead to higher bids in future public bidding procedures.

10. These effects were recognized in PSC Case No. 2003-00054, in which the Commission granted confidential treatment to bids submitted to Union Light, Heat & Power (“ULH&P”). ULH&P argued, and the Commission implicitly accepted, that if the bids it received were publicly disclosed, contractors on future work could use the bids as a benchmark, which would likely lead to the submission of higher bids.²

11. Accordingly, Bluegrass Water respectfully requests that the Commission grant its Motion to keep as confidential for a period of five (5) years the Payments to Contractors; Contracts.

B. Non-Executive Employee Benefits

12. Bluegrass Water also seeks confidentiality of Exhibit OAG 1-25, Exhibit OAG 1-26, Exhibit OAG 1-61, and Exhibit OAG 1-138. Those exhibits contain salary and benefits information for Bluegrass Water’s non-executive employees. CSWR, LLC has worked to attract top talent to the company. Part of that strategy entails offering a benefits package that competes

¹ App. Exh. 19 was previously granted confidential treatment on January 13, 2026.

² *In the Matter of: Application of the Union Light, Heat and Power Company for Confidential Treatment*, Order, PSC Case No. 2003-00054 (August 4, 2003).

favorably with benefits offered by larger water and wastewater utilities. The Commission has previously recognized that salary information of non-executive employees is entitled to confidential protection. *In the Matter of: Electronic Application of Duke Energy Kentucky, Inc. for (1) An Adjustment of Electric Rates; (2) Approval of New Tariffs; (3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; and (4) All Other Required Approvals and Relief*, Case No. 2022-00372, Order (Feb. 10, 2023). Disclosure of this information would give CSWR's competitors an unfair commercial advantage in competing for top talent.

13. Furthermore, disclosure of non-executive employee benefits information would constitute an unwarranted invasion of personal privacy. *See* KRS 61.878(1)(a). The Commission has already granted confidential treatment to non-executive compensation and benefits information on this basis, as set forth in the Order dated January 13, 2026 entered in this matter. For similar reasons, the Non-Executive Employee Benefits information in Exhibit OAG 1-25, Exhibit OAG 1-26, Exhibit OAG 1-61, and Exhibit OAG 1-138 should be treated confidentially for an indefinite period of time.

C. Insurance Expenses

14. Bluegrass Water also seeks confidential treatment for its Insurance Policies provided as Exhibit OAG 1-111 and Exhibit OAG 1-179 – Property Insurance Forecast. Disclosure of Bluegrass Water's insurance policies and insurance premiums could affect Bluegrass Water's ability to negotiate for insurance policies in the future. *See* KRS 61.878(1)(c)(1).

15. The Commission has previously granted confidential treatment to similar insurance policy information under KRS 61.878(1)(c)(1). *See* Case No. 2014-00396, Sept. 16, 2015 Order (granting confidential treatment to “insurance coverage and premiums” for a period of five years);

Case No. 2018-00281, Feb. 3, 2021 Order (granting confidential treatment to “insurance premium rates”).

16. Accordingly, Bluegrass Water respectfully requests that Exhibit OAG 1-111 and Exhibit OAG 1-179b be granted confidential treatment for a period of five years.

D. Internal Business Planning Information

17. Finally, Bluegrass Water also seeks confidential treatment for its Internal Business Planning Information contained in Exhibit OAG 1-140a – Proforma Plant Additions. Disclosure of Bluegrass Water’s yet unconstructed plant additions reveal competitively sensitive details of its internal business planning and planned capital expenditures. *See* KRS 61.878(1)(c)(1).

18. If revealed, this information would allow competitors to access sensitive business planning information relating to planned capital expenditures and plant additions, both of which reflect operational strategies and engineering strategies proprietary to Bluegrass Water.

19. The Commission has previously afforded confidential treatment to information concerning planned capital expenditures and plant additions.³

20. Accordingly, Bluegrass Water respectfully requests that Exhibit OAG 1-140a – Proforma Plant Additions be granted confidential treatment for a period of five years.

II. The Confidential Information.

21. The Confidential Information is not publicly available, is not disseminated within Bluegrass Water except to those employees and professionals with a legitimate business need to

³ *See In the Matter of Application of Big Rivers Electric Corporation for a General Adjustment in Rates Supported by Fully Forecasted Test Period*, Case No. 2013-00199, Order of Nov. 25, 2013 at Ordering Para. 4 (granting confidentiality for a period of five years for capital expenditure and plant addition information produced in response to OAG 1-292, as referenced at page 6 of the Order.)

know and act upon the information, and are not disseminated to others without a legitimate need to know and act upon the information.

22. If the Commission grants the relief sought in this Motion, Bluegrass Water requests that the “Payments to Contractors; Contracts,” “Insurance Expenses,” and “Internal Business Planning Information” identified above remain confidential for a period of at least five (5) years from the date of this Motion, at which time the Confidential Information should be sufficiently outdated so that it could not be used to competitively disadvantage Bluegrass Water. 807 KAR 5:001, Section 13(2)(a)(2).

23. If the Commission grants the relief sought in this Motion, Bluegrass Water requests that the Non-Executive Employee Benefits information remain confidential indefinitely, as it reveals sensitive information, the disclosure of which would constitute an unwarranted invasion of personal privacy. 807 KAR 5:001, Section 13(2)(a)(2).

24. Based on the foregoing, the Confidential Information is entitled to confidential protection. If the Commission disagrees, then the Commission should allow Bluegrass Water to request an evidentiary hearing to protect its due process rights and to supply the Commission with a complete record to enable it to reach a decision with regard to this filing. *See Util. Reg. Comm'n v. Ky. Water Serv. Co., Inc.*, 642 S.W.2d 591 (Ky. App. 1982).

25. Pursuant to the Commission’s March 24, 2020 Order *In the Matter of: Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, Case No. 2020-00085 (“Case No. 2020-00085”), one (1) copy of the confidential information highlighted in yellow is being filed with this motion by electronic mail. A copy of those pages, with the Confidential Information redacted, is being electronically filed with the OAG Responses.

26. A copy of this motion with the Confidential Information redacted has been served on all parties to this proceeding through the use of electronic filing. *See* 807 KAR 5:001, Section 13(b). A copy of the Confidential Information has been served on all parties to this proceeding through electronic mail.

27. If and to the extent any of the Confidential Information becomes publicly available because it is no longer competitively sensitive, Bluegrass Water will inform the Commission in writing and have its confidential status removed. 807 KAR 5:001 Section 13(10)(b).

WHEREFORE, Bluegrass Water respectfully requests that the Commission classify and protect the Confidential Information as confidential for the period(s) requested above.

This the 6th day of March, 2026.

Respectfully submitted,

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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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