From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	Request for Intervention Case #2020-00290
Date:	Wednesday, October 14, 2020 3:18:00 PM
Attachments:	Bluegrass request.pdf

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 2:18 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request for Intervention Case #2020-00290

CAUTION PDF attachments may contain links to malicious sites. Please contact the COT Service Desk <u>ServiceCorrespondence@ky.gov</u> for any assistance.

From: Attaway,Alan
Sent: Tuesday, October 13, 2020 4:38 PM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Request for Intervention Case #2020-00290

CAUTION PDF attachments may contain links to malicious sites. Please contact the COT Service Desk <u>ServiceCorrespondence@ky.gov</u> for any assistance.

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	Request for Intervention Case# 2020-00290
Date:	Wednesday, October 14, 2020 3:22:00 PM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 2:27 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request for Intervention Case# 2020-00290

From: cindy rausch
Sent: Wednesday, October 14, 2020 12:18 PM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Request for Intervention Case# 2020-00290

To: psc.info@ky.gov

Subject: Case 2020-00290 <u>Request for Intervention</u> Re: Bluegrass Utility Operating Company, LLC application for an adjustment to rates and Approval of Construction From: Villas at Persimmon Ridge Condominium Council Inc Address: PO Box 1014 Pewee Valley Ky 40056 Place of residence: Villas at Persimmon Ridge Case: 2020-00290 Dear PSC, On October 5, 2020, residents in our condominium development consisting of 42 families received a letter from Bluegrass Water Utility Operating Co., LLC indicating a proposed rate increase. As a Condominium Board this 174% rate increase is unreasonable and onerous. It places an undue burden on those consumers on fixed incomes in The Villas at Persimmon Ridge Condominiums.

In 2018 PR Wastewater requested a rate increase from \$26.30 to \$35.00 which was a 33% increase effective November 2018. PSC granted the increase (Case No. 2018-00339). On the application it

states the increase could have been more, but they only requested the 33% increase to "lessen the affects on customers". PR Wastewater noted it was increase was due to "more stringent and regulatory requirements and inflation."

Shortly thereafter the facility was purchased by Bluegrass. In an article written in Kentucky Today, dated August 15, 2019, "Bluegrass Water stated in its application, filed jointly with the eight sewer utilities, that it will have to spend a total of \$2.9 million to correct the problems at the utilities. It intends to fund them through a combination of loans and equity capital." In addition, stating "P.R. Wastewater serves 361 customers in the Persimmon Ridge development in Shelby County. It is in generally good condition, but has had some problems meeting wastewater treatment standards."

Additionally, a formal PSC News Release, August 14 2019 basically says the same thing. There is no mention in the press release or in the Application that customers will face an increase in rates to pay for these problems at facilities. Even in the last couple paragraphs it mentions *"Bluegrass Water stated in the application that the rates for each utility initially will remain unchanged, but that it will eventually apply to the PSC for a unified rate for all of the systems. Any changes in rates will have to be approved by the PSC."*

Let us pose a couple questions for PSC to consider. During the sale of property was the seller not under an obligation to disclose all the violations and necessary repairs to bring the plant into compliance with environmental obligations? Was this done? Has PSC reviewed the hearing video regarding the conditions of the sewer treatment plants?

On the other hand, was the buyer, Bluegrass Utility not obligated and compelled to do a thorough inspection of the facility they were purchasing to determine the repairs necessary to bring the plant into full compliance with local state and federal regulations? Was a comprehensive inspection done? It seems the lack of candor of either entity should not fall upon the residents of the facility it serves, to pay for repairs to bring this facility in compliance with local state and federal regulations. Therefore, the request to PSC by Bluegrass Water for an increase of 174% because of repairs they find necessary is highly suspect and should not be granted. We do agree that commercial entities may warrant a higher rate than residential rates but again not at the level requested. Residential consumers should not bear the undue burden of a 174% increase in residential rates, especially since a 33% increase was grated in November 2018.

Thank you for your consideration.

Respectfully Submitted,

Villas at Persimmon Ridge Condominium Board of Directors

L SEP

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	RE: Request For Intervention Regarding Case #2020-00290
Date:	Wednesday, October 14, 2020 3:12:00 PM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 12:24 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request For Intervention Regarding Case #2020-00290

From: Gary Esterle <
Sent: Tuesday, October 13, 2020 10:41 AM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Request For Intervention Regarding Case #2020-00290

Dear Public Service Commission Representative;

Bluegrass Water Utility Operating Company has just informed the homeowners of Kingswood Subdivision that they are asking for an increase for our sewer bill of 147.5%. This would take our monthly rate from \$38.84 to \$96.14. They state that since purchasing the facility in 2019, they have had to invest significant funds for improvement. This is not true. I live next to the facility, I am retired and I walk my dogs in the area almost every day. The only improvements they have made is to nail a few fence boards back up and place gravel on the driveway.

They purchased eight (8) facilities in 2019. Their engineering report, filed before purchase, states that "<u>No</u> <u>deficiencies were identified</u> for the Persimmon Ridge plant or the <u>Kingswood plant</u>." https://psc.ky.gov/pscecf/2019-

00104/kyunker@mcbrayerfirm.com/05312019073517/20190531BW_MtnConftTreatment_for_Resp_DR.pdf The full engineering survey has since been redacted but it also showed at the time of purchase that there were no issues with our plant and it was more than adequate to handle the number of homes it serviced.

Six of the treatment plants they purchased show they needed significant work including a complete rebuild. I do not think it fair to make us pay for other neighborhoods who have not maintained their system as we have done since 1998.

This increase for the 126 homes would give them an increase of \$86,637.60 per year. Talking with their employees, the only improvement they plan for our facility is a remote monitoring system.

I am also a committee member on our homeowner's association. We strive to keep our neighborhood property values high and very marketable for those wishing to sell. A sewer bill of this magnitude would be a big deterrent for prospective buyers. The Louisville Metropolitan Sewer District charges its customers the same as their monthly water bill. My monthly water bill averages less than \$60. To have a flat rate of \$96.14 is way too high.

I do understand that anytime a company buys another company they want to quickly increase their profits but an increase of 147.5% is robbery in my opinion since we have no options but to be connected to the plant.

I thank you in advance for your consideration of this issue and to **deny** Bluegrass Water this unrealistic rate increase.

Gary Esterle 555 Kingswood Drive Taylorsville, KY 40071

Sent from Mail for Windows 10

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	Request For Intervention Regarding Case # 2020-00290
Date:	Wednesday, October 14, 2020 3:21:00 PM
Attachments:	SewerLetter.pdf

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 2:22 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request For Intervention Regarding Case # 2020-00290

From:

Sent: Wednesday, October 14, 2020 8:14 AM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Request For Intervention Regarding Case # 2020-00290

Public Service Commission,

Please refer to the attached letter and thank you for your time and consideration regarding this matter.

R/ Jason and Crystal Rowe Residents of the Kingswood Subdivision Dear Public Service Commission Representative,

Bluegrass Water Utility Operating Company has just informed the homeowners of Kingswood Subdivision that they are asking for an increase for our sewer bill of 147.5%. This would take our monthly rate from \$38.84 to \$96.14. They state that since purchasing the facility in 2019, they have had to invest significant funds for improvement. This is not true for Kingswood. The only improvements they have made is to nail a few fence boards back up and place gravel on the driveway.

They purchased eight (8) facilities in 2019. Their engineering report, filed before purchase, states that "No deficiencies were identified for the Persimmon Ridge plant or the Kingswood plant." https://psc.ky.gov/pscecf/2019-00104/kyunker@mcbrayerfirm.com/ 05312019073517/20190531BW_MtnConftTreatment_for_Resp_DR.pdf

The full engineering survey has since been redacted but it also showed at the time of purchase that there were no issues with our plant and it was more than adequate to handle the number of homes it serviced.

Six of the treatment plants they purchased show they needed significant work including a complete rebuild. We do not think it fair to make us pay for other neighborhoods who have not maintained their system as we have done since 1998.

We strive to keep our property value high and very marketable to sell. A sewer bill of this magnitude would be a big deterrent for prospective buyers. The Louisville Metropolitan Sewer District charges its customers the same as their monthly water bill. Our monthly water bill average is less than \$70. To have a flat rate of \$96.14 is outrageous.

This increase for the 126 homes would give them an increase of \$86,637.60 per year, for a grand total of \$145,363.68 every year, just for our neighborhood. Talking with their employees, the only improvement they plan for our facility is a remote monitoring system.

We do understand that anytime a company buys another company they want to quickly increase their profits but an increase of 147.5% is robbery in our opinion since we have no options but to be connected to the plant.

We thank you in advance for your consideration of this issue and to deny Bluegrass Water this unrealistic rate increase.

Jason and Crystal Rowe 404 Kingswood Drive Taylorsville, KY 40071

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	Motion to Intervene Case # 2020-00290
Date:	Wednesday, October 14, 2020 3:17:00 PM
Attachments:	PSC Intervention request.pdf

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 12:30 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Motion to Intervene Case # 2020-00290

From: John Coyle < Sent: Tuesday, October 13, 2020 11:53 AM To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>> Subject: Motion to Intervene Case # 2020-00290

Attached please find a motion to intervene in case #2020-00290

October 13, 2020 310 Lakepoint Ln New Concord, KY 42076

Executive Director

Public Service Commission

PO Box 615

Frankfort, KY 40602

Motion to Intervene Case # 2020-00290

Dear Commission Members:

My wife and I currently reside in Pine Bluff Shores subdivision currently served by Bluegrass Water Utility Operating Company in the Center Ridge #2 service area. We have owned this property since 1994 and are both currently retired and living on fixed income sources as are most residents on our street. Bluegrass Water has proposed a whopping 364.4% increase in our water rates raising the annual rate to \$1,270.08. There has been no justification for this exorbitant increase. Since acquiring the Center Ridge Water District, Bluegrass Water has proposed no improvements to the system which in general is in fair condition. They have shown an increased visibility in routine water sampling and now post "boil water" advisories at the entrance to the subdivision when warranted but otherwise nothing has changed from the previous owner. The entire distribution system was replaced in 2005.

While some operating cost increase can be expected since our last rate increase granted in 2011, it's somewhat stereotypical for larger utility companies to propose large rate increases to scare customers into accepting a more palatable but still large increase. In my opinion, a reasonable increase should be in the neighborhood of 25%, more in line with the less than 12% cost of living in this area since the 2011 increase and brings our rates in line with other water districts in this area.

Thank you for your consideration.

Sincerely,

John and Donna Coyle

Email:

 From:
 Bruner, Brandon S (PSC) on behalf of PSC Executive Director

 To:
 Request For Intervention Regarding Case #2020-00290

 Date:
 Thursday, October 15, 2020 7:10:00 AM

Thank you for your comments on the application of Bluegrass Water Utility Operating Company, LLC. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2020-00290, in any further correspondence. The documents in this case are available at http://psc.ky.gov/PSC_WebNet/ViewCaseFilings.aspx?Case=2020-00290.

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

-----Original Message-----From: John Spalding Sent: Tuesday, October 13, 2020 9:29 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Request For Intervention Regarding Case #2020-00290

Dear Public Service Commission Representative:

Bluegrass Water Utility Operating Company has just informed the homeowners of Kingswood Subdivision that they are asking for an increase for our sewer bill of 147.5%. This would take our monthly rate from \$38.84 to \$96.14. They have informed us that since they acquired the plant in 2019, significant repairs and improvement costs have been necessary. I believe this is a misrepresentation of facts on their part. I live right next to the facility, with just one small vacant lot separating us. I spend a lot of time in my back yard and my kids play outside often. I have seen few improvements to the facility. The only improvements they have made is to nail a few fence boards back up and place gravel on the driveway.

This company purchased eight (8) facilities in 2019. Their engineering report, filed before purchase, states that "No deficiencies were identified for the Persimmon Ridge plant or the Kingswood plant." <u>https://psc.ky.gov/pscecf/2019-</u> 00104/kyunker@mcbraverfirm.com/05312019073517/20190531BW_MtnConftTreatment_for_Resp_DR.pdf

The full engineering survey has since been redacted but it also showed at the time of purchase that there were no issues with our plant and it was more than adequate to handle the number of homes it serviced. Six of the treatment plants they purchased (not our plant) show they needed significant work including a complete rebuild. We should not be punished for their poor business decision to acquire other plants in

need of major repairs. Our subdivision owners should not bear this burden. Our subdivision and plant has been well maintained since 1998. Further the number of homes has steadily increased through the years. More homes means an increase in passive revenue for the plant owner.

The proposed increase for the 126 homes would give the company an increase of \$86,637.60 per year. We have heard from our neighbors who have spoken with employees that the only improvement they plan for our facility is installation of a remote monitoring system.

A sewer bill of this magnitude would be a big deterrent for prospective buyers thus reducing the value of my property. The Louisville Metropolitan Sewer District charges its customers the same as their monthly water bill. My monthly water bill averages far less than \$96. To have a flat rate of \$96.14 is not equitable given industry standards.

I thank you in advance for your consideration of this issue and implore you to deny Bluegrass Water of this unrealistic rate increase.

John K. Spalding, JD, Esq. 581 Kingswood Drive Taylorsville, KY 40071

Sent from my iPhone

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	FW: Request for Intervention
Date:	Wednesday, October 14, 2020 3:13:00 PM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 12:25 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request for Intervention

From: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Sent: Tuesday, October 13, 2020 10:49 AM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: FW: Request for Intervention

From: Mohr, Joseph E (DOR) Sent: Tuesday, October 13, 2020 10:17 AM To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>> Subject: Request for Intervention

I am the <u>sole</u> resident at 100 Hunters Trace in Fox Run Estates and strongly believe the proposed rate increase for monthly sewer charges by Bluegrass Water Utility Operating Company is outrageous and unfair. My current monthly sewer rate of 55.85, which is three or four times my monthly water costs, is already higher than it should be based on my water usage. The 72% proposed rate increase to 96.14 is far, far greater than the value of the sewer service I receive. I believe that water usage is the appropriate basis upon which to assess sewer charges. Water usage information can be made available by the Frankfort Plant Board and should be the basis for assessment. I respectfully request the PSC to intervene and dismiss Bluegrass Water Utility Operating Company's proposed rate increase.

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Public Service Commission Po Box 615 Frankfort, KY 40602 October 6, 2020 Dear Public Service Commission Representative,	Bluegrass Water Utility Operating Company has just informed the homeowners of Kingswood Subdivision that they are asking for an increase for our sewer bill of 147.5%. This would take our monthly rate from \$38.84 to \$96.14. They state that since purchasing the facility in 2019, they have had to invest significant funds for improvement. This is not true. The only improvements they have made is to nail a few fence boards back up, placed gravel on the sewer entrance and occasionally they drive through the neighborhood to monitor. They purchased eight facilities in 2019. Their engineering report, filed before purchase, stated that "No deficientics were identified for the Kingswood plant."	https://psc.ky.gov/pscecf.2019- 00104/kyunker@mcbrayerfirm.com/05312019073517/20190531BW_MtnConftTreatment_for_Reso_DR_ pdf. The full engineering survey has since been redacted but it also showed at the time of purchase that there were no issues with our plant and it was more than adequate to handle the number of 126 homes it serviced.	Six of the treatment plants they purchased show they needed significant work including a complete rebuild. I do not think it fair to make us pay for other neighborhoods who have not maintained their system, as we have done since 1998. This increase is a \$86,637 per year for the Kingswood homes. The only improvement that Bluegrass Water is planning for our neighborhood is a remote monitoring system which would eliminate my above-mentioned occasion drive by monitoring.	Our neighborhood strives to keep our property values high and very marketable for those wishing to sell. A sewer bill of this magnitude would be a big deterrent for prospective buyers. I do understand that anytime a company buys another company they want to quickly increase their profits but an increase of 147.5% is ridiculous and far-reaching since we have no options but to be connected to the plant.	Thank you in advance for your consideration of this issue and to deny Bluegrass Water this absurd rate increase.	Kindest Regards, ' Maren Former Konghe Jerry and Karen Kophe Property Owners in Kingswood Subdivision 131 Kingswood Drive Taylorsville, KY 40071	

The second secon

ni from my iPhone

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	RE: Water Sewer Increase
Date:	Thursday, October 15, 2020 7:11:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From:

Sent: Tuesday, October 13, 2020 9:02 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Water Sewer Increase

Public Service Commission PO Box 615 Frankfort, KY 40602

October 13, 2020

Dear Public Service Commission Representative,

Bluegrass Water Utility Operating Company has just informed the homeowners of Kingswood Subdivision that they are asking for an increase for our sewer bill of 147.5%. This would take our monthly rate from \$38.84 to \$96.14. They state that since purchasing the facility in 2019, they have had to invest significant funds for improvement. This is not true. The only improvements they have made is to nail a few fence boards back up, placed gravel on the sewer entrance and occasionally they drive through the neighborhood to monitor.

They purchased eight facilities in 2019. Their engineering report, filed before purchase, stated that "No deficiencies were identified for the Kingswood plant."

The report can be found at:

https://psc.ky.gov/pscecf/2019-

<u>00104/kyunker@mcbrayerfirm.com/05312019073517/20190531BW_MtnConftTreatment_for_Resp_DR.pdf</u>. The full engineering survey has since been redacted but it also showed at the time of purchase that there were no issues with our plant and it was more than adequate to handle the number of 126 homes it serviced.

Six of the treatment plants they purchased show they needed significant work including a complete rebuild. I do not think it fair to make us pay for other neighborhoods who have not maintained their system, as we have done since 1998. This increase is a \$86,637 per year for the Kingswood homes. The only improvement that Bluegrass Water is planning for our neighborhood is a remote monitoring system which would eliminate my above-mentioned occasion drive by monitoring.

Our neighborhood strives to keep our property values high and very marketable for those wishing to sell. A sewer bill of this magnitude would be a big deterrent for prospective buyers. I do understand that anytime a company buys another company they want to quickly increase their profits but an increase of 147.5% is ridiculous and far-reaching since we have no options but to be connected to the plant.

Thank you in advance for your consideration of this issue and to deny Bluegrass Water this absurd rate increase.

Kindest Regards,

Kevin and Ashley Byerley Property Owners in Kingswood Subdivision 248 Kingswood Drive Taylorsville, KY 40071

Sent from my iPhone

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	RE: Case Related Question —- Case 2020-00297 Bluegrass Water Utility Operating Company, LLC
Date:	Thursday, October 15, 2020 7:10:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

-----Original Message-----From: Larry Lockhart Sent: Tuesday, October 13, 2020 9:34 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Case Related Question —- Case 2020-00297 Bluegrass Water Utility Operating Company, LLC

Dear Commission Members,

My name is Larry F Lockhart. My wife and I are retired and live at 85 Richard Lane, Murray, Ky 42071. Our water was previously supplied by Center Ridge Water District until it was apparently purchased by Bluegrass Water Utility. I say apparently as I was never notified and was made aware of the purchase by a neighbor. I read a copy of his notification that included the proposed rate increase of 364%.

First, let me state that we are a very small rural community that is made up of a many out of town residents that are here primarily on the weekends and mainly during the summer. There are some full time residents but they are almost all retired and I assume live on a fixed income. I would dare say that this type of unprecedented price increase will put a major strain on most of our budgets.

Putting aside the hardship and unfairness that this wIll place on many of the residents, I question how Bluegrass Water can justify this increase to our district. They referenced in their request the \$

2.5million already spent and another \$ 3.5million to be spent, primarily on sewer treatment improvements and remote monitoring, etc. I would like to state that we do not even have sewer treatment as we are in a rural area and we each have our own properly working septic tanks. I rather doubt that Bluegrass has put very much investment into our little community water system. We use well water that has minimal if any required treatment, possible just chlorination, but I cannot state the amount of treatment as fact. In addition, the residents pooled our money together recently to purchase our own generator to be use when the power is out in our area.

I do not know if you will receive a lot if response to the rate increase as I am not sure that the community realizes what is happening to them. Hopefully I am wrong and others will communicate to you the severity and unwarranted rate increase. Blue water should not be able to pay for the upgrades required for their poor investments on the backs of others that have no involvement in their decision making.

Thank you for your time and consideration in this matter,

Larry and Myra Lockhart

Sent from my iPad

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	Request for Intervention Regarding Case #2020-00290
Date:	Wednesday, October 14, 2020 3:19:00 PM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 2:22 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request for Intervention Regarding Case #2020-00290

From: Sent: Wednesday, October 14, 2020 11:04 AM

To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>

Cc: 'Lawren Just'

Subject: Request for Intervention Regarding Case #2020-00290

To Whom it May Concern:

As a resident of Persimmon Ridge, I recently received a letter from Bluegrass Water Utility Operating Company, LLC, dated September 30, 2020, indicating to residents they had applied to the Public Service Commission for approval of a rate increase for the properties recently purchased in 2019, including the PR Wastewater Management Company. The case number of this application is #2020-00290.

When Bluegrass purchased the facility at Persimmon Ridge, as the prior owner of the facility I appeared before the Public Service Commission, along with Josiah Cox, owner of Bluegrass Water,

and faced questions related to the sale/purchase of the company. A total of seven companies were being purchased at the time, and it was stated by Bluegrass that the Persimmon Ridge facility was one of the best being purchased. I faced questions posed by the PSC and Division of Water related to the sale and answered them all, including questions related to violations that had occurred at the facility. The violations mentioned in the application were never left unaddressed, as indicated by Bluegrass Water in their application. In fact, any time an issue was faced with the facility the DoW and PSC were notified and even consulted with for answers to address the issues. Substantial money was spent to remove the irrigation lake from the treatment process, as that lake was the cause of 81% of any violations, but was not required to be treated. E-coli and suspended solids were found to be from aquatic life in the irrigation lake, as opposed to the treated wastewater that was entering the lake. These changes were made under the advice and direction of the Division of Water and were made prior to any contract for sale of the system.

On page 52 of the Application Exh. 8-A, it was stated that 'following closing, we observed four of the system's aerators were out of service (and had been in that condition for a long time). This is a totally false statement. The picture of the aerator on the bank was one that was pulled to remove a rag from the motor. The superintendent was diligent about getting the equipment fixed timely and put back into operation. It was also stated on the following page that the baffle was damaged. This is also an inaccurate statement, as the baffle was strung between the two cells and operating fine. A picture of an effluent pipe flowing into an open channel is also misleading and inaccurate, as this channel was rocked upon completion of re-routing and it is treated effluent that has been chlorinated and de-chlorinated that enters this channel, hundreds of yards away from the receiving stream. Berms of the lagoons were never leaking wastewater, and were consistently mowed and maintained by the superintendent for years prior to the sale.

There are several false statements in the application regarding the work that has been done since the purchase of the PR Wastewater Facility. There has also been good things accomplished by Bluegrass Water, including jetting of all the lines and adding a large aeration system for increased air in the lagoon. But the PR system was in good shape when purchased, and the hiring of the PR superintendent by Bluegrass to operate not only PR Wastewater but four other purchased facilities should indicate their belief that the PR system and its operator were doing something right.

Having applied in past years as the owner of the facility for a rate increase and being told by the PSC that future upgrades cannot be projected and considered in a rate case, and justification of expenses for work already performed must be considered for rate increases, the current request seems completely out of line. PR residents should not have to be included and pay for the sins of other facilities purchased that were either falling apart and in dire need of total replacement, or so neglected that raw sewage was entering streams or running on the ground. I understand the need for rate adjustments, and can understand the application for a rate increase for Persimmon Ridge residents. Prior to 2019, residents here had not had an increase in nearly 20 years, and the most recent increase raised the cost from \$26.30 to \$35.00. I understand the expenses of running a good, clean facility, including electricity for all lift stations and aeration, chemicals, testing, maintenance and such. But an increase to the PR residents of over 174% and lumping us in with the other facilities that need so much work seems unreasonable and unjustified. If PR was one of the best just a year ago, I cannot believe its expenses for operation and maintenance could possibly be equal in

cost to all the others. Please review the cost of the work Bluegrass has performed in PR to date, and approve a rate justified by that work performed, not a rate that is equivalent to all other facilities or future projections of work to be performed.

Thank you for your consideration.

Lawren A Just

President, Persimmon Ridge Development Principal Broker, Persimmon Tree Realty 72 Persimmon Ridge Drive Louisville, KY 40245

www.persimmonridgedevelopment.com

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	Request For Intervention Regarding Case #2020-00290
Date:	Wednesday, October 14, 2020 3:14:00 PM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Wednesday, October 14, 2020 12:26 PM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request For Intervention Regarding Case #2020-00290

From: Lyle Willis Sent: Tuesday, October 13, 2020 11:25 AM To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>> Subject: Request For Intervention Regarding Case #2020-00290

We have lived in Kingswood Subdivision since 2005. This increase of almost 150 percent is way out of line.

I am a retired pensioner, living on Social Security and my pension monies. I cannot simply ask for more to help offset this increase. This is a significant amount to those of us in Kingswood living on fixed incomes.

I urge you to deny this request.

Respectfully,

Lyle E. Willis 225 Kingswood Court Taylorsville, KY 40071

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	FW: KY PSC Utility Inquiry
Date:	Thursday, October 15, 2020 7:14:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Consumer Web Inquiry <PSC.Consumer.Inquiry@ky.gov>
Sent: Wednesday, October 14, 2020 9:01 AM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: FW: KY PSC Utility Inquiry

From: KY Public Service Commission <<u>pscfilings@ky.gov</u>>
Sent: Wednesday, October 14, 2020 8:49 AM
To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Subject: KY PSC Utility Inquiry

Below is the result of your feedback form. It was submitted by Wednesday, October 14, 2020 at 8:48 AM on

Name: Nathan S Bradley Address: 5801 Majestic Oak Drive City: Paducah State: Kentucky Zip Code: 42003 Phone number where you can be reached: Home phone: Utility Name: Bluegrass Water State the nature of your concern: I received a lette

State the nature of your concern: I received a letter informing me that Bluegrass's recent takeover and infrastructure improvements were going to result in a proposed 233.4% increase in my monthly sewer bill from a reasonable monthly rate of \$28.84 to an ungodly amount of \$96.14 to flush my toilets. The letter even stated that they have no idea what individual home

consumption rates are. My electric utility charges me by consumption, as does my water utility. Even my Internet provider will charge me by consumption if I go over my monthly allotted data, so why does it make any sense whatsoever for my sewer utility to make up a number, which by itself is a ridiculous number, and expect that to be acceptable?? I wasn't given a say in them acquiring my neighborhood. I wasn't given a say in them dumping "millions" into infrastructure improvements, but I'm putting my two cents in when I'm told I'm about to get bent over on a rate hike for a service that has not changed one bit for me, and technically will not change. In a time of a global pandemic, I am fortunate that my job has not been effected, but with the millions still unemployed, I find it immoral and unethical for a company to impose a rate hike in general, let alone one that ranges from 200-300% for most involved. I urge the commission to rebuke the proposed rate increase by Bluegrass Water. Have you contacted the utility about the problem: Yes

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	FW: KY PSC Utility Inquiry
Date:	Thursday, October 15, 2020 7:09:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Consumer Web Inquiry <PSC.Consumer.Inquiry@ky.gov>
Sent: Tuesday, October 13, 2020 2:01 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: FW: KY PSC Utility Inquiry

From: KY Public Service Commission <<u>pscfilings@ky.gov</u>>
Sent: Tuesday, October 13, 2020 1:12 PM
To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Subject: KY PSC Utility Inquiry

Below is the result of your feedback form. It was submitted by Tuesday, October 13, 2020 at 1:12 PM on

Name: Norman W Crawford Address: P.O. Box 21, 304 Enterprise St. City: Windfall State: Indiana Zip Code: 46076 Phone number where you can be reached: Home phone: Utility Name: Bluegrass Water Utility Operating Company,Inc. State the nature of your concern: A proposed rate increase of 364% for Center Ridge Water District Having recently being informed of said increase I strongly am opposed to such a huge increase above and beyond what I consider to be a normal rate. Have you contacted the utility about the problem: Yes
 From:
 Bruner, Brandon S (PSC) on behalf of PSC Executive Director

 To:
 Executive Director

 Subject:
 RE: Bluegrass Water Increase Proposal CASE # 2020-00290

 Date:
 Thursday, October 15, 2020 7:08:00 AM

Thank you for your comments on the application of Bluegrass Water Utility Operating Company, LLC. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2020-00290, in any further correspondence. The documents in this case are available at http://psc.ky.gov/PSC_WebNet/ViewCaseFilings.aspx?Case=2020-00290.

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Teresa Campbell < Sent: Tuesday, October 13, 2020 11:46 AM To: PSC Public Information Officer <PSC.Info@ky.gov> Cc:

Subject: Bluegrass Water Increase Proposal CASE # 2020-00290

I have lived in my home in Timberland Estates for 16 years and in that time frame, this is the second increase that has caused me to be strongly alarmed. At first it went from being based on your water usage, the sewer bill was in line with your water usage. Then we went to a flat rate of \$17, well okay that wasn't terrible but I still was paying, as a single female, the same amount as the family of four who lived next door. Next came the 50% increase, which I had very strong feelings against, and I wrote a letter and made phones calls to express my displeasure. Now, we are being told it will go to almost \$97.00. This means we will have an increase of **177%?!!** This is going to triple our fees! Are you going to tell me that during this time in our economy, you believe we can pay this?! I can assure you that I as a single female with a single income and after having been out of work for over a year, I CAN NOT PAY THIS ENORMOUS INCREASE!!

When Bluegrass Water purchased this subdivision sewer plant in 2019, they also stopped our water company from sending our billing, which told me there would be an increase. Not only will they not allow you to pay via the telephone, when you try to pay online, they charge you to give them money! Now I don't know about you but if someone is trying to give me money, I am not going to try to add a fee for doing so! From what we have read in their purchase contract they had secured

financing to make changes/upgrades without affecting the customers. So it would seem we were not supposed to reimburse them the cost for repair and upgrades?!! Perhaps they should have made a better business deal with the previous owners and taken issue with them. I firmly disagree with the customers being responsible for a poor business decision on their part. This is the only option we have so I would think it would fall under the category of a monopoly. Perhaps we need to discuss options. Once again I am a single female on a single income, I pay water which is around the minimum cost of \$25 and then the sewer fee of \$35 already making my total water bill larger than my natural gas bill. Behind my house is an elderly widow and another single retired female and beside her another single female. Across the street, there are several young families starting our trying to raise children on single incomes, another single lady on disability. How can you/they in good conscious raise the rates by 177% and sleep at night? I have had four neighbors move in the last year and I am totally convinced they did they right thing! I would strongly urge anyone in the area to put in their own well and septic system to avoid this monopoly.

We are in the middle of a national pandemic and utility companies are offering payment plans, waving late fees and various other options to help their customers survive. It is apparent this company is not concerned with anything other their profit. If you approve this enormous increase of 177%, you are also not concerned with the citizens of your area. I can assure you, this will be not be forgotten when we have the next election.

Best regards.

Teresa Campbell Timberland Estates

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	RE: Case number is 2020-00290
Date:	Thursday, October 15, 2020 7:07:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Mathis, Tiffany
Sent: Tuesday, October 13, 2020 11:06 AM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Cc: Mathis, Tiffany
Subject: Case number is 2020-00290

Hello, I'm a resident of the Persimmon Ridge subdivision. I was informed that Bluegrass Water utility company has requested to increase our sewer rates ASTRONOMICALLY.

I would like to appeal the request to increase our monthly rate from \$35 to \$96.14 which is more than 3 times the current rate. The new rate seems excessive and grossly unfair given the water consumption that I and my husband use monthly. There are only 2 people living in our household and don't see how that type of rate increase is fair or reasonable.

Please advise if this email can serve as my appeal or if there are other requirements.

Kind regards, Tiffany and Darryl Mathis 958 Willow Creek Lane Louisville, KY 40245

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named individual or entity to which it is directed and may contain information that is privileged, proprietary and/or confidential. If you have received this electronic mail transmission in error, (i) any disclosure, copying, distribution, or use of the contents of this message is prohibited, and (ii) please delete it and any attachments (including the original and all copies) and notify the sender of the error via email, so that our address record can be corrected. Email transmission cannot be guaranteed to be secure or error-free, as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender, therefore, does not accept liability for any errors or omissions in the contents of this message which arise as a result of email transmission.

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	RE: Bluegrass Water Rate Increase Request
Date:	Thursday, October 15, 2020 7:12:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Art Akers
Sent: Wednesday, October 14, 2020 11:05 AM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Bluegrass Water Rate Increase Request

Dear Sir:

I am writing to object to the exorbitant rate increase by subject company; case number 2020-00290.

The increase for our neighborhood would be from the current \$35.00/month to \$96.14/month, or an increase of 174.7%.

When Bluegrass Water purchased this company they surely knew of the condition of the assets and the general operating revenues/costs. If not, then they certainly should not be in this business. It would thus appear that from the very beginning they had in mind a very significant increase in the charges to the customer. We would perhaps understand, maybe not like, but understand an increase of 10% or 15%; but an increase of almost 175% is totally unreasonable.

We respectively request that you not grant an increase of anywhere close to the level that Bluegrass has requested.

Thank you, William & Sally Akers 116 Cherry Hills Lane Louisville, KY 40245

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
То:	
Subject:	RE: case # 2020-00290
Date:	Thursday, October 15, 2020 11:56:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Linda Miller
Sent: Wednesday, October 14, 2020 4:42 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: case # 2020-00290

To Whom It May Concern,

I would like to register a complaint regarding the requested rate increase for water and sewer services by Bluegrass Water Utility Company. We received a letter and a chart showing their proposal to increase our monthly rate from \$22.79 to \$105.84.

My husband and I find that increase to be excessive and unnecessary. We own a small seasonal vacation home at 30 Lakeshore Drive in your Center Ridge service area, and use it only as a weekend getaway. Our use of utilities is minimal, and we do not consider such an exorbitant increase to be either fair or affordable. We request that you reject their proposal in the interest of the homeowners in that neighborhood. A slight increase is reasonable, but not one of this size!

Respectfully, Bob & Linda Miller Phone:

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	RE: Bluegrass Water Comment for Intervention CASE: 2020-00290
Date:	Thursday, October 15, 2020 11:56:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Chad Lampe
Sent: Wednesday, October 14, 2020 4:21 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Bluegrass Water Comment for Intervention CASE: 2020-00290

To Whom it May Concern,

I'm writing in regard to the application for a rate adjustment to the Center Ridge Water District by Bluegrass Water. I'm writing to express my sincere concern about Bluegrass Water Utility Operating Company's proposed 364.4% increase to the monthly rate. This increase is wholly unacceptable and will cause significant financial hardship on most all the 325 homes and more than 900 residents.

According to the company's application for an increased rate, improvements to the district (completed and planned) total \$1,156,000. The rate increase totals approximately \$412,776 in additional annual gross revenue for this company. Even given a reasonable debt load to achieve these upgrades, a three year plan to recover those funds seems unreasonably aggressive, and places a significant burden on the district's ratepayers.

I, like many residents, appreciate the upgrades for safer water and better pressure, and would accept a more reasonable increase of 30-40%, which would still allow the retirement of any debt in a reasonable amount of time.

I believe the company should take into consideration the demographics of this water district as more than 21% of the population lives below the poverty line, compared to 17% of the Kentucky population.

Sincerely,

Chad and Angela Lampe

286 Lakeshore Drive, New Concord KY (Center Ridge Water Customer)

From:	Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To:	
Subject:	FW: KY PSC Utility Inquiry
Date:	Thursday, October 15, 2020 11:55:00 AM

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Consumer Web Inquiry <PSC.Consumer.Inquiry@ky.gov>
Sent: Wednesday, October 14, 2020 3:09 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: FW: KY PSC Utility Inquiry

From: KY Public Service Commission <<u>pscfilings@ky.gov</u>>
Sent: Wednesday, October 14, 2020 11:34 AM
To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Subject: KY PSC Utility Inquiry

Below is the result of your feedback form. It was submitted by Wednesday, October 14, 2020 at 11:34 AM

on

Name: Debbie Clark Address: 110 Windsong Way City: Georgetown State: Kentucky Zip Code: 40324 Phone number where you can be reached: **Second Second** Home phone: Utility Name: Bluegrass Water Utility Operating Company Inc. State the nature of your concern: This is in the case of 2020-002290. The increase they are seeking is excessive and not in-line with other sewer charges in the area. The GMWSS only charges sewer in the amount of the water you use, and I believe KY American does as well. Bluegrass is charging a flat rate which is already higher than a family of 3's monthly water usage bill. I understand due to repairs, inflation and other things at play, that there may be occasional increases but they are proposing a 220,5% increase. This is totally un-acceptable. Thank you.

Have you contacted the utility about the problem: No

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

-----Original Message-----From: Kristin Mooney Sent: Wednesday, October 14, 2020 6:43 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Bluegrass water

Hello-

I live at 231 Knights Court in the Kingswood Development. I received a letter in the mail informing me that my new sewer operator, Bluegrass Water, was increasing my rate from \$38.84 to \$96.14 per month. Bluegrass water stated the change was due to improvements they needed to make to a number of sewer systems that they recently purchased. I live in Kingswood, and the Kingswood development has kept up their sewer system in impeccable shape, and the bluegrass water company did very little to improve our sewer system. They drive by about once a week, and they are going to put in a remote monitoring system, and they do not need to increase our price by nearly \$60 a month to do those things. In fact, When they took over operating the sewer system not too long ago, they informed us they would not be increasing our rate. I do not think it's fair that the Kingswood residence should have to pay for many of the other neighborhood when they took over operating the sewer system not too long ago, they informed us they would not be increasing our rate. I do not think it's fair that the Kingswood residents should have to pay for the improvements of other neighborhoods whose sewer systems were in poor condition. I cannot believe anyone would think it acceptable to increase costs nearly 150%.

I would like PSC to intervene on behalf of the Kingswood residents.

Thank you for you time, Matt and Kristin Mooney 231 Knights Court Taylorsville, KY 40071

Sent from my iPhone

*Angela M Goad Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*John G Horne, II Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Kathryn A Eckert McBrayer PLLC 201 East Main Street Suite 900 Lexington, KENTUCKY 40507

*Katherine Yunker McBrayer PLLC 201 East Main Street Suite 900 Lexington, KENTUCKY 40507

*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

*Bluegrass Water Utility Operating Company, LLC 1650 Des Peres Road, Suite 300 St. Louis, MO 63131

*J. Michael West Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204