

# Commonwealth of Kentucky

## STATE SENATE



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May 14, 2021

Via Electronic Mail and U.S. Mail

Michael J. Schmitt, Chairman  
Kentucky Public Service Commission  
P.O. Box 615  
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Kent A. Chandler, Vice Chairman  
Kentucky Public Service Commission  
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Talina R. Mathews, Ph.D., Commissioner  
Kentucky Public Service Commission  
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**RECEIVED**  
**MAY 14 2021**  
**PUBLIC SERVICE**  
**COMMISSION**

*Re: In the Matter of the Electronic Application of Bluegrass Water Utility Operating Company, LLC for an Adjustment of Rates and Approval of Construction: Case No. 2020-00290*

Dear Commissioners Schmitt, Chandler, and Mathews:

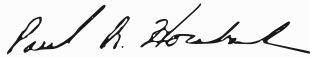
I write to express my concerns regarding the request of Bluegrass Water Utility Operating Company, LLC ("Bluegrass") to substantially increase the monthly residential sewer rates for the Persimmon Ridge Subdivision in the proceeding that is scheduled for hearing before the Public Service Commission ("PSC") on May 18, 2021. I understand that Bluegrass is requesting that the PSC approve a monthly rate increase of \$60.46 from the current monthly rate of \$35.00 to \$95.46 which is a 172.8% increase in the monthly rate.

As you know, KRS § 278.030 allows utilities to "demand, collect and receive fair, just and reasonable rates for the services rendered." This substantial increase in the monthly rate requested by Bluegrass appears on its face to be unfair, unjust, and unreasonable. Furthermore, the rate increase requested by Bluegrass violates the PSC's principal of gradualism in ratemaking which is designed to mitigate the financial impact on Kentucky families. The 172.8% rate increase requested by Bluegrass will impose an undue financial hardship on the members of the Persimmon Ridge Homeowners Association, Inc., particularly in these economically challenging times.

Mr. Michael J. Schmitt  
Mr. Kent A. Chandler  
Dr. Talina Mathews  
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I respectfully request that you take my concerns into account in your deliberations regarding the request of Bluegrass for this excessive monthly rate increase and limit Bluegrass to rates that are fair, just, and reasonable and consistent with the PSC's principal of gradualism.

Sincerely,



Paul R. Hornback  
Kentucky State Senator

PRH/jmg