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From:PSC Public Information OfficerTo:PSC Executive DirectorSubject:FW: Case# 2020-00290 Jana Hackathorn Request for InterventionDate:Thursday, October 8, 2020 8:20:55 AMAttachments:Public Service Commission re Bluegrass Water.docx

PUBLIC SERVICE COMMISSION

From: Jana Hackathorn

Sent: Wednesday, October 7, 2020 5:57 PM

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

Subject: Case# 2020-00290 Jana Hackathorn Request for Intervention

Hello, please see my request for intervention as attached, in regards to Bluegrass Water applying to increase rates. Please let me know if you have any questions. Jana Hackathorn

Jana Hackathorn Associate Professor, Experimental Psychology Program Graduate Coordinator Murray State University

To make an appointment:

My personal meeting link for Zoom: hackathorn

"Everyone has a plan until they get punched in the face." - Mike Tyson

Public Service Commission Post Office Box 615 Frankfort, KY 40602

To the Kentucky Public Service Commissioners: Michael J. Schmitt, Kent A. Chandler, and Talina R. Mathews,

I am writing this letter in regards to a plea for intervention and rejection of the application submitted by Bluegrass Water Utility Operating Company to adjust rates for service. The company proposes that due to a large amount of improvements to water infrastructure, and plans to improve in the future, that they would like to increase our monthly water bill by 364.4%. This is not only hilariously egregious and greedy, but also completely infeasible in this neighborhood, and based on misleading claims made by the company. We strongly request that their application be denied.

My husband and I currently own a home in the subdivision of Center Ridge in Murray, KY. Our current rate for water is \$22.79 a month. Bluegrass Water purchased the water services a few months ago. We correctly assumed that a new company would increase the rates. However, the company is now proposing that we pay \$105.84 a month. This borders on unethical. The company justifies this price increase stating that millions of dollars have been spent in infrastructure. However, this is untrue for my subdivision. I would like to briefly establish my grounds for argument for intervention and rejection in the following:

First, in this particular subdivision, (Center Ridge) our water is maintained through a shared well. Recently, prior to Bluegrass Water owning the services, the Homeowner's association for the subdivision purchased (via volunteer donations) a backup generator to ensure that the well is always running, despite power interruptions. No other upgrades to the system have been made. Furthermore, the system is working and reliable, and does not need any more upgrades at this time.

Secondly, our subdivision has no sewer services. Center Ridge is located approximately 30 miles outside of the town of Murray, KY, at the end of a dead-end road, and out "in the boondocks". I am not sure if any employee from the St. Louis located Bluegrass Water has ever visited, because their assessment has to be built on assumptions of what they think is here. Our subdivision is mostly small, older houses or mobile homes that have been passed down from grandparents. This means, almost everyone in the subdivision is on a private septic tank. I highly doubt that Bluegrass Water could even get sewer services to reach this area at all, much less in their proposed 18 months. Considering that the proposed increase is based on an estimate of \$2.2 million dollars allocated to sewer services, a feature we will never receive, and approximately \$300 thousand is estimated for water revenue increase, the amount proposed is illogical.

Third, the vast majority of the homes in this area are not primary residences. Ostensibly, most of these buildings are used for a total of two months each year. Bluegrass Water, in their letter, admits that they have no knowledge of how much actual water is being used by each household, and wishes to continue a flat rate price. I imagine that is because the number is so small it would barely show up on a meter-reading. Also, the well is not currently monitored. Regardless, we are the subdivision least likely to see any improvements in service, but are impacted the greatest, as our increase is larger than any other subdivision (despite a lack of improvements or ability to actually improve).

Lastly, I appeal to your ethics. The vast majority of the homes in this area are not primary residences but these are not glamourous vacation homes. As stated previously, many of the homes are small, old, and in need of major upkeep. The people who own them are not rich people. The people who own these homes only visit a maximum of two months a year, so not much time is devoted to maintenance. Moreover, the residents who do live here permanently are on a fixed income. In either case, a water hike of 364% is sinister. I assure you that the vast majority of the current homeowners simply cannot afford to pay over \$1200 a year for well water, that they were previously getting for \$275 annually. And, for Bluegrass Water to expect that they can shows a serious disconnect from reality.

I have never written a letter like this before, and must say how deeply disgusted I am that I have had to write one today. The application put forth by Bluegrass Water was shocking and upsetting. This is truly an example of a greedy large company attempting to take advantage of individuals who likely never received the letter, but also who likely have no computer nor Internet to respond and try to intervene. I can't imagine our local leadership, such as Governor Andy Beshear, would approve of a Missouri company taking hold of Kentucky services and strong-arming the citizens of the commonwealth. It's a disgusting display of power, and we beg you to reject their application on the grounds of fraudulent claims and the ridiculously insidious nature of the request.

Sincerely,

Jana and Todd Hackathorn, 176 Whisper Drive East, Murray, KY 42071

Cc:

P.S. I am submitting this appeal in hard-copy via the Postal Service in addition to a virtual copy via email to the PCC website to ensure that we do not miss the deadline.