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From: [PSC Public Information Officer](#)
To: [PSC Executive Director](#)
Subject: FW: Request for Intervention Case #2020-00290
Date: Wednesday, October 14, 2020 2:18:05 PM
Attachments: [Bluegrass request.pdf](#)

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

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October 13, 2020

Public Service Commission
Commissioners Schmitt, Chandler and Mathews
P.O. Box 615
Frankfort, KY 40603
In Re: Case No. 2020-00290

Alan and Kathleen Attaway
401 Persimmon Ridge Drive
Louisville, KY 40245

We write to you to request an intervention regarding the proposed increase in the sewer rates for the Persimmon Ridge Subdivision in Shelby county by Bluegrass Water (Case #2020-00290). We have lived in Persimmon Ridge since August 2003.

The proposed increase from \$35.00 per month to \$96.14 cannot be defended. PR Waste Water (PRWW) operated the sewer system from the time we built our house in 2003 until last year when Bluegrass purchased the plant. It is amazing that PRWW was able to do that without becoming bankrupt. How did they provide us with such good service without a huge rate increase over all of those years?

There are currently 402 occupied houses in Persimmon Ridge. The \$35.00 rate generates \$168,840 per year. The increase of \$61.14 per month would generate an additional \$294,939 each year for a total of \$463,779 per year. Bluegrass states that it will spend \$260,183 in improvements to the Persimmon Ridge plant. With the proposed increase they will recover that amount plus an additional \$34,756 in the first year! They would then collect the increase of \$294,939 in perpetuity. Where do these sums go? Bluegrass states in their filing that they have no employees. Will there be anyone working at the Persimmon Ridge plant?

It appears the residents of Persimmon Ridge are being required to subsidize the improvements made to other locations. Our operation appears to have been well run and maintained over the years when operated by PRWW, so why should the residents of Persimmon Ridge pay for the need to upgrade poorly maintained plants in other parts of the state? I doubt if the citizens of Louisville would be happy about paying for sewer improvements in Lexington.

The proposed increase is far out of line. In negotiations this is called an “anchor point”. You ask for a totally unreasonable amount and hope the other side will agree to an unreasonable amount that is less than your first proposal. If you grant bluegrass only half of what they have proposed it is still an unreasonable amount—a \$30.57 per month increase is just an 87% increase. How many companies would love to get just a 10% price increase?

In the end, other than the amounts shown for improvements, Bluegrass has made it almost impossible to figure out the true operating costs and therefore any justification for these huge increases. We urge you to deny this request.

Alan and Kathleen Attaway