

OCT 12 2020

PUBLIC SERVICE
COMMISSION

From: [PSC Public Information Officer](#)
To: [PSC Executive Director](#)
Subject: FW: Request For Intervention Regarding Case #2020-00290
Date: Monday, October 12, 2020 8:27:34 AM

From: [REDACTED]
Sent: Sunday, October 11, 2020 1:42 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Cc: [REDACTED]
Subject: Request For Intervention Regarding Case #2020-00290

To Whom It May Concern,

We recently received a letter from Bluegrass Water Utility Operating Company, LLC dated September 30, 2020 indicating their application and request for adjustment of rates and approval of construction per PSC Case #2020-00290. Our contact information is as follows:

Tim & Suzannah Kiper
160 Persimmon Ridge Drive
Louisville, KY 40245

We currently live in the Persimmon Ridge neighborhood, which as part of Case #2020-00290 is facing a potential increase in Total Monthly Sewer – Single Residential service from \$35.00 per month to \$96.14 per month. This is a proposed monthly rate increase of 174.7%. We strongly request intervention regarding this case under the following grounds:

1. The proposed rate increase of 174.7% is totally outrageous and beyond reason. A recent report from energy.gov showed that from 2008-2016, the average annual wastewater price escalation rate in the South-South East region, which includes the state of Kentucky, was 3.2% (U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, *Water and Wastewater Annual Price Escalation Rates For Selected Cities across the United States*, September 2017). Based on this information, the proposed rate increase of 174.7% requested by Bluegrass Water Utility Operating Company, LLC would equate to the average annual wastewater price escalation rate of 3.2% being applied for 54 consecutive years all at once.
2. This increase will place an undue hardship on us and our family, particularly in the current economic down-turn that we are experiencing as a result of the COVID-19 pandemic.
3. As part of Case #2020-00290, Bluegrass Water Utility Water Operating Company, LLC states that the Persimmon Ridge neighborhood will require \$260,183 in upgrades/repairs of the existing sewer system (Testimony of Jacob Freeman, Exh. 8-C). However, the filing only includes one estimate. Were multiple contractor bids sought by Bluegrass Water Utility Operating Company, LLC in order to determine the most cost effective upgrades/repairs for

the Persimmon Ridge sewer system? If so, why were they not included in the filing per Case #2020-00290?

4. As part of Case #2020-00290, Bluegrass Water Utility Water Operating Company, LLC states that the Persimmon Ridge neighborhood will require \$260,183 in upgrades/repairs of the existing sewer system (Testimony of Jacob Freeman, Exh. 8-C). However, Case #2020-00290 also includes estimates for upgrades/repairs of several other systems within the state of Kentucky not related to the Persimmon Ridge neighborhood. In the filing per Case #2020-00290, has Bluegrass Water Utility Operating Company provided sufficient evidence to indicate that the funds acquired from the proposed rate increase of 174.7% for Persimmon Ridge are only necessary for Persimmon Ridge upgrades/repairs and not to offset additional costs of upgrades/repairs to other neighborhoods within the state of Kentucky?

5. In the filing per Case #2020-00290, many of the financial records of Bluegrass Water Utility Operating Company, LLC and their presumed attempts to justify the proposed rate increase are redacted. This makes it impossible for residents of Persimmon Ridge or their representatives to fully vet the claims of Bluegrass Water Utility Operating Company, LLC and properly challenge their outrageous, proposed rate increase of 174.7%.

Thank you for your timely consideration of our concerns stated above regarding the proposed rate increase of 174.7% in residential sewer service for Persimmon Ridge residents like us. We look forward to your rejection of this outrageous request of Bluegrass Water Utility Operating Company, LLC per Case #2020-00290.

Regards,

Tim & Suzannah Kiper