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From: [PSC Public Information Officer](#)
To: [PSC Executive Director](#)
Subject: FW: Request for Intervention Regarding Case #2020-00290
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COMMISSION

From: [REDACTED]
Sent: Wednesday, October 14, 2020 11:04 AM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Cc: 'Lawren Just' [REDACTED]
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

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