From:
 Bruner, Brandon S (PSC) on behalf of PSC Executive Director

 To:
 Subject:
 RE: Case Number 2020-00290-Bluegrass Water

 Date:
 Monday, October 12, 2020 2:34:00 PM

Thank you for your comments on the application of Bluegrass Water Utility Operating Company, LLC. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2020-00290, in any further correspondence. The documents in this case are available at <a href="http://psc.ky.gov/PSC\_WebNet/ViewCaseFilings.aspx?Case=2020-00290">http://psc.ky.gov/PSC\_WebNet/ViewCaseFilings.aspx?Case=2020-00290</a>.

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Andrea M Scheu Sent: Saturday, October 10, 2020 4:01 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Case Number 2020-00290-Bluegrass Water

#### To Whom it May Concern:

I am writing as a concerned resident of my community after receiving a notice of a proposed rate adjustment by Bluegrass Water to your commission. This notice presented a table detailing an attempt to charge a rate increase in our water and sewage bill by 65.3% (in my community) and up to a 364.4% rate increase in other affected communities. I find these astronomical and outrageous increase proposals to be flagrant (at best), given the current economic climate we are all experiencing during this ongoing global pandemic.

Additionally, when Bluegrass Water acquired our water and wastewater system in June 2020, they put forth a press release emphasizing that they "will continue to charge the same rates to customers as previous systems owners."

(https://www.prweb.com/releases/bluegrass\_water\_a\_division\_of\_central\_states\_water\_resources\_acquires\_new\_water\_and\_wastewater\_systems\_in\_kentucky/prweb17158004.htm#!) To then receive this notice of these preposterous intended rate increases, not even 4 months later, is extremely alarming to the residents of this community.

I respectfully implore the Kentucky Public Service Commission to reject the application submitted by Bluegrass Water and deny consideration of such high increases at this time, as many Americans are currently struggling to remain financially stable during this worldwide crisis.

I look forward to your reply regarding this unsettling matter and I hope a high consideration is given to the residents of these communities when reviewing this request by Bluegrass Water.

Best regards,

Andrea Scheu-Worrix 3307 Cherry Tree Lane Prospect, KY 40059

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | RE: 2020-00290- Bluegrass Water                             |
| Date:    | Monday, October 12, 2020 2:27:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Bradley Florer
Sent: Friday, October 9, 2020 2:06 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: 2020-00290- Bluegrass Water

Bradley and Jacquelyn Florer 3502 Raintree Ct Prospect, Ky 40059

Regarding: Bluegrass Water Rate Increase Request Subject Line/Case Number- 2020-00290- Bluegrass Water

To whom it may concern,

We **oppose** the proposed rate increase by Bluegrass Water. We have lived at this address for 26 years and have never seen an increase of this magnitude before. It is not up to the residents of this neighborhood to help Bluegrass pay for their acquisition from Louisville Water. We never had any sewage issues before and never had a rate increase like this. Please deny their request.

Sincerely, Brad and Jackie Florer

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | Request for Intervention for Case 2020-00290                |
| Date:    | Monday, October 12, 2020 2:23:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Monday, October 12, 2020 8:13 AM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request for Intervention for Case 2020-00290

From: David
Sent: Friday, October 9, 2020 1:30 PM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Request for Intervention for Case 2020-00290

Request for Intervention

Name: David Holliger Address: 159 Whispering Pines Circle, Louisville, KY 40245 Place of residence: Persimmon Ridge Subdivision Case: 2020-00290

I received my notice of a proposed rate increase in my residential sewer rate for Persimmon Ridge subdivision. My current rate is \$35.00 per month. My proposed rate is \$96.14 per month, an increase of 174.7%!

I understand that costs may go up each year for capital improvements but an increase this large is unacceptable. Bluegrass Water Utility Operating Company, Inc. (Bluegrass Water) took over as our provider September 30, 2019. Bluegrass Water

stated in it's purchase application that the rates for each utility initially will remain unchanged, but that it will eventually apply to the PSC for a unified rate for all of the systems. Any changes in rates will have to be approved by the PSC.

I ask that the PSC deny this massive rate increase for all service areas as being excessive.

Sincerely,

David Holliger 159 Whispering Pines Circle Louisville, KY 40245

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

-----Original Message-----From: Dianna Hendrix Sent: Friday, October 9, 2020 3:48 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Case : 202-00290

I do not agree to the rate increase in my neighborhood of Persimmon Ridge Subdivision from \$35 to \$96.14 . These is an Outrageous increase !

Dianna and Wayne Hendrix 115 Cherry Hills Lane Louisville Kentucky 40245 Sent from my iPad

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | Red Water Estates   |
| Date:    | Monday, October 12, 2020 2:24:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Gwen Sent: Friday, October 9, 2020 3:39 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Red Water Estates

#### #2020-0029

I do not think is fair at all, I live on SS and it is hard enough to keep up with the bills each month. please respond. I don't really know what to do.

Thank You Gwen Wilson 6300 Dunbar

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | RE: Center Ridge Water System Raise in rates.               |
| Date:    | Monday, October 12, 2020 2:32:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Judy Westfall
Sent: Friday, October 9, 2020 5:29 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Center Ridge Water System Raise in rates.

Dear Comission; I am a customer of Bluegrass Water Util, Oper, Co. We recently received a letter in the mail , that informed us of a rate increase. They have informed us that the rate is going from \$22.79 a month to \$105.84. This is a increase of 364.4%. I don't know about others, but we cannot afford to pay this amount. At the present time all Americans are struggling to make ends meet. An unreasonable rate increase will affect an awful lot of people, who are already struggling. Please Stop this from accruing. We need your help They are calling us the Center Ridge instead if Pine Bluff.

Sincerely; Judy Westfall 6460 Dunbar Rd. New Concord KY. 42076

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | RE: Case #2020-00290  |
| Date:    | Monday, October 12, 2020 2:33:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Michael Edwards
Sent: Friday, October 9, 2020 7:54 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Case #2020-00290

I strongly urge this commission to stop this ridiculous rate increase request regarding case #2020-00290. Bluegrass Water bought the Timberland subdivision's sewer plant this year and is already attempting to triple our monthly payment. I understand that repairs/maintenance & upgrades are necessities which is why we all pay a monthly fee. It is not the customers fault that the previous owner failed to make the updates that Bluegrass Water wants to make. It is absolutely not the customers responsibility to make up the cost difference in what has been done and what should have been done by the owner. Our subdivision is made up of single family homes ranging from first time home buyers attempting to start families to elder families trying to enjoy retirement and this rate increase will drastically affect each one of us. Our sewer system is single sourced, we can't just cancel cable and buy direct tv, its Bluegrass water or nothing. This company knows that and they are taking advantage of it. Bluegrass Water should have investigated our sewer system thoroughly before buying it. If they couldn't negotiate a purchase price to incorporate the updates they wish to make they shouldn't have bought it.Furthermore, during a pandemic when utility companies are offering payment plans and no late fee's, an approval of this request would seem just the opposite of "getting through this together".

Michael Edwards

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | RE: Center Ridge Water Rate Increase.                       |
| Date:    | Monday, October 12, 2020 2:32:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Michael Westfall
Sent: Friday, October 9, 2020 5:37 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Center Ridge Water Rate Increase.
Importance: High

Dear Comission; I am a customer of Bluegrass Water Util, Oper, Co. We recently received a letter in the mail , that informed us of a rate increase. They have informed us that the rate is going from \$22.79 a month to \$105.84. This is a increase of 364.4%. I don't know about others, but we cannot afford to pay this amount. At the present time all Americans are struggling to make ends meet. An unreasonable rate increase will affect an awful lot of people, who are already struggling. Please Stop this from accruing. We need your help They are calling us the Center Ridge instead if Pine Bluff.

Sincerely; Mike Westfall 6460 Dunbar Rd. New Concord KY. 42076

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | RE: Center Ridge Water Co, Rate increase                    |
| Date:    | Monday, October 12, 2020 2:32:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Michael Westfall
Sent: Friday, October 9, 2020 5:34 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Center Ridge Water Co, Rate increase
Importance: High

Dear Comission; I am a customer of Bluegrass Water Util, Oper, Co. We recently received a letter in the mail , that informed us of a rate increase. They have informed us that the rate is going from \$22.79 a month to \$105.84. This is a increase of 364.4%. I don't know about others, but we cannot afford to pay this amount. At the present time all Americans are struggling to make ends meet. An unreasonable rate increase will affect an awful lot of people, who are already struggling. Please Stop this from accruing. We need your help They are calling us the Center Ridge instead if Pine Bluff.

Sincerely; Judy Westfall 6460 Dunbar Rd. New Concord KY. 42076

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | KY PSC Utility Inquiry                                      |
| Date:    | Monday, October 12, 2020 2:26:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Consumer Web Inquiry <PSC.Consumer.Inquiry@ky.gov>
Sent: Friday, October 9, 2020 3:30 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: FW: KY PSC Utility Inquiry

From: KY Public Service Commission <<u>pscfilings@ky.gov</u>>
Sent: Friday, October 9, 2020 3:15 PM
To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Subject: KY PSC Utility Inquiry

Below is the result of your feedback form. It was submitted by Friday, October 9, 2020 at 3:15 PM

on

Name: Phil Heard Address: 13416 Creekview Rd. City: Prospect State: KY Zip Code: 40059 Phone number where you can be reached: Home phone: Utility Name: Bluegrass Water Utility Operating Co. State the nature of your concern: I am in receipt of a notice related to a proposed rate adjustment by Bluegrass Water to your commission. The request is an attempt to charge an increase in our water and sewage bill anywhere from 65.3% in my community up to 364.4% in other communities affected by this notice. This is an outrageous proposed increase and as the regulator of these request I respectfully request that you deny consideration for such increases. All increases should be based upon current economic conditions such as the CPI and the prevailing inflation rates. Bluegrass Waters decision to invest in improvements should not directly transfer to these ridiculous proposed rates increases. I look forward to your reply and a further understanding of your intentions in reviewing this request by Bluegrass water. Kind Regards, Phil Heard

Have you contacted the utility about the problem: No

-----

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | RE: Center Ridge Water Rate increase.                       |
| Date:    | Monday, October 12, 2020 2:33:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Roger Westfall
Sent: Friday, October 9, 2020 5:41 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Center Ridge Water Rate increase.
Importance: High

Dear Commission; I am a customer of Bluegrass Water Util, Oper, Co. We recently received a letter in the mail , that informed us of a rate increase. They have informed us that the rate is going from \$22.79 a month to \$105.84. This is a increase of 364.4%. I don't know about others, but we cannot afford to pay this amount. At the present time all Americans are struggling to make ends meet. An unreasonable rate increase will affect an awful lot of people, who are already struggling. Please Stop this from accruing. We need your help They are calling us the Center Ridge instead if Pine Bluff.

Sincerely; Roger Westfall 6460 Dunbar Rd. New Concord KY. 42076

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | RE: Case Related Question 2020-00290                        |
| Date:    | Monday, October 12, 2020 2:33:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

-----Original Message-----From: Sara Goodman Sent: Friday, October 9, 2020 6:11 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Case Related Question 2020-00290

Name: Sara B. Goodman Residence: 2478 Zoneton Road Shepherdsville, Kentucky 40165

I am in receipt of correspondence from Bluegrass Water Utility Operating Company dated September 30, 2020 regarding a proposed rate increase for waste and/or water services. Upon approval of the proposed rate increase, our household sewage expenses would increase by approximately 91%, however, the correspondence also indicates "the PSC...will rule on this request and may order rates to be charged that differ from the proposed rates." I assume, this language means that we could expect a rate increase of MORE than 91%. This is absolutely absurd. Exactly one year from the date that Bluegrass Water Utility purchased our sewage facility an application has been submitted to increase our rates for "urgently needed improvements." Our sewage facility has been in dire need of "urgently needed improvements" for many years. I am respectfully requesting an intervention for this application and denial of the same as Bluegrass Water Utility was ultimately aware of the state of the facility they were purchasing in September 2019. It is my belief that utility rate increases are essential to ensure safe and reliable services to consumers, but an increase of more than 5-10% is wholly irrational. The cost of these repairs and improvements should not solely weigh on the community members. Thank you for your consideration.

Sara B. Goodman

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| То:      |   |
| Subject: | Bluegrass Water UOC - Longview Subdivision                  |
| Date:    | Monday, October 12, 2020 2:32:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Monday, October 12, 2020 8:18 AM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Bluegrass Water UOC - Longview Subdivision

From: Scott Hall
Sent: Friday, October 9, 2020 10:45 PM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Cc: L.K.
Subject: Re: Bluegrass Water UOC - Longview Subdivision

#### **PSC – REQUEST FOR INTERVENTION**

#### October 9, 2020

News Report from October 2020:

#### Customers upset after utility company proposes rate hike in Scott County

https://www.wkyt.com/2020/10/07/customers-upset-after-utility-company-proposes-rate-hike-inscott-county/

News Report from August 2019.:

#### Ky. PSC approves sale of troubled sewer systems

https://www.kentuckytoday.com/stories/ky-psc-approves-sale-of-troubled-sewer-systems,21044

"Bluegrass Water stated in its application, filed jointly with the eight sewer utilities, that it will have to spend a total of \$2.9 million to correct the problems at the utilities. It intends to fund them

#### through a combination of loans and equity capital."

--LH Treatment Co. serves 277 customers in the Longview and Homestead subdivisions in Scott County. Its permit expired last year, and it has exceeded some discharge limits.

## One year ago, Bluegrass UOC was saying they would use their own money and loans to "correct the problems at the utilities."

#### What has changed?

Just because Bluegrass UOC are incompetent business people who are incapable of developing accurate estimates of how much it will cost to "correct the problems" at the facilities they just purchased, that should not give them the right to stick their hands in the pockets of their customers after the fact.

We have purchased 5 primary residences over the past 30+ years and BEFORE we make an offer the first question, we always ask ourselves is how much money will we have to put into this place? Bluegrass UOC apparently lacks the requisite skillset to accomplish that.

Sadly, we have seen how this movie ends...

They will likely get their rate increase and gouge us for the next 10-15 years with tripled sewer bills

They will put the money in their pockets

They will not make the repairs or upgrades

The whole facility will fall further into disrepair after another decade or more of shameful neglect

They will eventually abandon the facility and disappear in the night

PSC will stand around scratching their heads wondering what happened

And then another group of sewer shysters will come forward and start the process all over again. Which will of course include bilking customers for even more money.

#### **PSC – REQUEST FOR INTERVENTION**

#### October, 2020

We are skeptical of Bluegrass UOC and their intentions

We are skeptical that Bluegrass UOC possesses the operational competence to run this facility

We are skeptical that the alleged problems at our facility even exist

We are skeptical of the veracity of the alleged repair costs attributed to our facility

We are skeptical that the alleged problems will be fixed at our facility even if they do exist

We are skeptical that PSC will fulfill their mission

https://psc.ky.gov/Home/About#AbtComm

### **PSC** Mission

The mission of the Kentucky Public Service Commission is to foster the provision of safe and reliable service at a reasonable price to the customers of jurisdictional utilities while providing for the financial stability of those utilities by setting fair and just rates, and supporting their operational competence by overseeing regulated activities.

News Report from July 2017:

# Commission meets for first time to identify at-risk sewage treatment plants in Kentucky

https://www.wdrb.com/news/commission-meets-for-first-time-to-identify-at-risk-sewagetreatment-plants-in-kentucky/article\_0137701c-8140-5a10-89aa-2aa55ba24423.html

Three years ago, it took a joint resolution from the General Assembly to even get PSC to sit down and discuss the problem.

Fellow Bluegrass UOC customers...get out your checkbooks.

Scott and Lisa Hall

1021 Fairway Drive

Georgetown, KY 40324

Longview Subdivision

Sent from Outlook

From: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>> Sent: Wednesday, October 7, 2020 5:06 PM To: Scott Hall Subject: RE: Bluegrass Water UOC - Longview Subdivision

Mr. Hall,

You can make a comment and send to this email address.

Instructions are on this page, under "To submit a comment or ask about a case." <u>https://psc.ky.gov/Home/Contact</u>

As noted on the web page, comments are publicly available online.

Please let me know if you have additional questions.

Regards,

Karen

Karen L. Wilson Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601 Office: 502.782.7136 Cell: 502.330.2454

From: Scott Hall
Sent: Wednesday, October 7, 2020 3:35 PM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Bluegrass Water UOC - Longview Subdivision

I received a notice from my sewer utility that they propose to the PSC that they be allowed to triple my monthly sewer rate from \$30/month to \$96.14/mo.

The letter from the utility's President says I have 2 options:

- 1. Make a comment "through PSC website or by mail".
- 2. Make a "timely request for intervention (establishing the grounds for the request, including the status and interest of the requester) through PSC website or by mail"

I prefer to submit through your website, but I am on your website now and I see nowhere I can exercise either one of these options. Is there a form? Is there a portal? Your "search" function for these 2 options only leads to me to 10's of thousands of already submitted "comments" and /or "requests for intervention". Your FAQ's also do not provide any assistance.

Perhaps I am missing something. Can you please provide any further assistance or guidance?

Thank you,

Scott T. Hall 1021 Fairway Drive Georgetown, KY 40324 - mobile - call or text - email

Sent from <u>Outlook</u>

| From:        | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|--------------|---|
| То:          |   |
| Subject:     | Bluegrass Water Rate Increase REF ID# 2020-00290.           |
| Date:        | Monday, October 12, 2020 2:42:00 PM                         |
| Attachments: | Water House #1.pdf  |
|              | Water House #2.pdf  |
|              | BLuegrass Water Rate Increase.pdf                           |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Monday, October 12, 2020 8:29 AM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Bluegrass Water Rate Increase REF ID# 2020-00290.

From: Tracie C. Tubbs
Sent: Sunday, October 11, 2020 2:45 PM
To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>
Subject: Bluegrass Water Rate Increase REF ID# 2020-00290.

Good Morning,

Attached is the concerned letter regarding the **Bluegrass Water Rate Increase. REF ID# 2020-**00290.

Also attached are two pictures of the well houses' current condition.

Thank you,

Steve and Jackie Cunningham

Steve and Jackie Cunningham 867 Ridge Road New Concord, KY 42076

PSC.INFO@ky.gov

RE: ID#: 2020-00290

Public Information Office:

We are writing this letter as concerned and involved citizens and customers regarding the significant and unrealistic increases proposed by the Bluegrass Water Utility Operating Company for our community.

We received a letter dated 9-30-20 from the above Bluegrass Water Company stating that they had purchased, 'the infrastructure that serves your home and has invested nearly \$2,500,00 in urgently needed improvements to ensure that we have safe and reliable drinking water.' They further notified us that effective 10-31-20, our rates **will increase 364.4%** in just 30 days!

We have lived in this area for over 40 years and have NEVER been subjected to such an insulting proposal. We, along with our neighbors, have been using the existing water supply system for decades with no problems, concerns or radical and unjustified rate increases.

I have attached 2 photos of your well-house that houses the well and pump that services our community. Obviously, the \$2,500,000 worth of improvements that Bluegrass Water Company referred in their letter <u>was not</u> spent in our community.

We request that the Bluegrass Water Utility Operating Company's proposal to raise our rates to such an unrealistic amount be denied on it's face and at a minimum the commission schedule a hearing to allow input from the community before ANY consideration be giving to this outrageous request that would have a significant impact on this community and the limited income, retiree population that live here.

Thank you for your consideration of this request. We look forward to information about how we can schedule a public hearing to address this outrageous proposal and establish a realistic path forward.

Sincerely,

Steve Cunningham

Jackie Cunningham





| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | KY PSC Utility Inquiry                                      |
| Date:    | Monday, October 12, 2020 2:27:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Consumer Web Inquiry <PSC.Consumer.Inquiry@ky.gov>
Sent: Friday, October 9, 2020 2:13 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: FW: KY PSC Utility Inquiry

From: KY Public Service Commission <<u>pscfilings@ky.gov</u>>
Sent: Friday, October 9, 2020 1:31 PM
To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Subject: KY PSC Utility Inquiry

Below is the result of your feedback form. It was submitted by (\_\_\_\_\_\_) on Friday, October 9, 2020 at 1:30 PM

Name: Thomas Zalud Address: 146 Lake Point Ln City: New Concord State: Kentucky Zip Code: 41076 Phone number where you can be reached: Home phone: Utility Name: Bluegrass Water UOC State the nature of your concern: On October 5, 2020, Bluegrass Water sent notice to the Center Ridge customers that a rate increase of 364.4% was being submitted for approval to the Public Service Commission of Kentucky. It is Case ID#: 2020-00290. The proposed rate increase is to go into effect by the end of the month. The current rate being paid is \$22.79 per month, Bluegrass is raising the rate to \$105.84 monthly fee. That is over a \$83 dollar monthly increase. Citizens of these communities consists of an elderly population on fixed incomes, families that live paycheck to paycheck struggling to make ends meet and some seasonal residents. Such a large increase is unconscionable and would place a large financial burden on the citizens of this community. Please stop this increase from being approved. Have you contacted the utility about the problem: No

-----

 From:
 Bruner, Brandon S (PSC) on behalf of PSC Executive Director

 To:
 Request For Intervention Regarding Case #2020-00290

 Date:
 Monday, October 12, 2020 2:36:00 PM

Thank you for your comments on the application of Bluegrass Water Utility Operating Company, LLC. Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration. Please cite the case number in this matter, 2020-00290, in any further correspondence. The documents in this case are available at <a href="http://psc.ky.gov/PSC\_WebNet/ViewCaseFilings.aspx?Case=2020-00290">http://psc.ky.gov/PSC\_WebNet/ViewCaseFilings.aspx?Case=2020-00290</a>.

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Monday, October 12, 2020 8:28 AM
To: PSC Executive Director <PSCED@ky.gov>
Subject: FW: Request For Intervention Regarding Case #2020-00290

From: Sent: Sunday, October 11, 2020 1:42 PM To: PSC Public Information Officer <<u>PSC.Info@ky.gov</u>>

Cc:

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:

- 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

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | RE: Increase in water bill Case ID#2020-00290               |
| Date:    | Monday, October 12, 2020 2:27:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Todd Hargrave
Sent: Friday, October 9, 2020 1:45 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: Increase in water bill Case ID#2020-00290

I want to object to my water bill going from \$23 a month to over \$100 a month. Our current provider of water, Bluegrass Water has asked for a 365% increase .This is our summer get away cabin that we use maybe 25 days a year and feel that this increase is absolutely insane. Thanks

Todd& Pattty Hargrave 100 Pine Rock Lane New Concord, Kentucky ALSO

298 CR 950 N Albion, Illinois 62806

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | RE: Case ID #2020-00290                                     |
| Date:    | Monday, October 12, 2020 2:34:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

#### From:

Sent: Saturday, October 10, 2020 3:25 PM To: PSC Public Information Officer <PSC.Info@ky.gov> Subject: Case ID #2020-00290

Greetings,

I'm a resident of Pine Bluff Shores subdivision in Calloway County. I recently received a letter from Bluegrass Water which listed proposed rate increases for the Center Ridge water service area, which includes my account. I'm disturbed that Bluegrass would propose such a ridiculous increase (364%) only months from having purchased the system. Surely their due diligence in assessing the system prior to their purchase indicated that they could successfully operate the system. Our system has been successfully operated for years by the local resident who recently sold it to Bluegrass.

I can understand a moderate increase and would appreciate your assistance to keep our bills within a reasonable, affordable amount. Many residents of this section of Calloway are lower income, and would be devastated with a payment as high as being requested.

Thanks very much,

Sincerely, Tom Meurer 484 Lakeshore Drive New Concord, KY 42076

### Sent from Mail for Windows 10



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| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director |
|----------|---|
| To:      |   |
| Subject: | KY PSC Utility Inquiry                                      |
| Date:    | Monday, October 12, 2020 2:25:00 PM                         |

Thank you for your interest in this matter.

Best Regards,

Name: Tony Page

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: PSC Consumer Web Inquiry <PSC.Consumer.Inquiry@ky.gov>
Sent: Friday, October 9, 2020 3:31 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Subject: FW: KY PSC Utility Inquiry

From: KY Public Service Commission <<u>pscfilings@ky.gov</u>>
Sent: Friday, October 9, 2020 3:18 PM
To: PSC Consumer Web Inquiry <<u>PSC.Consumer.Inquiry@ky.gov</u>>
Subject: KY PSC Utility Inquiry

Below is the result of your feedback form. It was submitted by Friday, October 9, 2020 at 3:17 PM

on

Address: 82 Lake Shore Drive City: New Concord State: KY Zip Code: 42076 Phone number where you can be reached: Home phone: Utility Name: Center Ridge Water District #2 State the nature of your concern: Case ID#2020-00290 My name is Tony Page, and I own property, and use the water supply provided by Center Ridge Water District #2. I believe the rate increase that is requested is unreasonable. Bluegrass Water Utility Operating Company is proposing a 364.4% increase in our water supply rates. Sewer is not offered in our area. Presently the rate is \$22.79 per month, and it is proposed by Bluegrass to increase to \$105.84 per month. The majority of the service area is mainly lower income single family residential, and most are on a fixed income. Also, it should be noted that we are in the midst of a pandemic and recession. I believe that such an increase in rates would be unaffordable by a significant percentage of the population and present a hardship to others. If Bluegrass had proposed a small increase, I think the community would have supported the increase, and the company. The community looks forward to your decision. Sincerely, Tony Page Have you contacted the utility about the problem: Yes

\_\_\_\_\_

| From:    | Bruner, Brandon S (PSC) on behalf of PSC Executive Director   |
|----------|---|
| To:      |   |
| Subject: | RE: Case # 2020-00290 Will Yarbrough request for intervention |
| Date:    | Friday, October 9, 2020 1:05:00 PM                            |

Thank you for your interest in this matter.

Best Regards,

Brandon Bruner Administrative Branch Manager Filings Branch General Administration

Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40601

From: Will Yarbrough

Sent: Friday, October 9, 2020 12:56 PM

**To:** PSC Executive Director <PSCED@ky.gov>; PSC Public Information Officer <PSC.Info@ky.gov> **Subject:** Case # 2020-00290 Will Yarbrough request for intervention

Public Service Post Office Box 615 Frankfort, KY 40602

October 9, 2020

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

Please consider this letter 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, they propose to increase our monthly water bill by 364.4%. This is not only unfounded and greedy, but also not practical in this neighborhood, and based on misleading claims made by the company. We request that their application be denied. Our current rate for water is \$22.79 a month. Bluegrass Water purchased the water

services a few months ago. It's no surprise they are raising the price after speaking with a representative on the phone after the takeover. However, the company is now proposing that we pay \$105.84 a month. This company is a monopoly and borders on unethical. The company justifies this price increase stating that millions of dollars have been spent in infrastructure. However, this is untrue for our Center Ridge subdivision. Below are my grounds for argument for intervention and rejection in the following:

1.) 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.

2.) Our subdivision has no sewer services. Center Ridge is located approximately 20 miles outside of the town of Murray, KY, at the end of a dead-end road with limited amenities and resources. 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. This means, almost everyone in the subdivision is on a private septic tank. It is unlikely that Bluegrass Water can 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 or want, and approximately \$300 thousand is estimated for water revenue increase, the amount proposed is unjustified.

3.) A vast majority of the homes in this area are not primary residences. Most of these homes and trailers are used for a total of 2 months each year as a seasonal lake community with most owners visiting only weekends in the summer. 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. Many owners turn their water off and goes unused through

the fall & winter months. 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).

4.) 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 2 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 unwarranted. I assure you that the vast majority of the current homeowners simply cannot afford to pay \$1,270.08 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 with their control of a monopoly.

As an owner of a very small (800ft2) seasonal lake home in this subdivision I ask for you to intervene and reject the application from Bluegrass Water. This is not good for our subdivision nor any other homeowners they are taking advantage of in the State of Kentucky!

Sincerely,

Will Yarbrough Courtney Yarbrough \*Angela M Goad Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

\*John G Horne, II Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

\*Kathryn A Eckert McBrayer PLLC 201 East Main Street Suite 900 Lexington, KENTUCKY 40507

\*Katherine Yunker McBrayer PLLC 201 East Main Street Suite 900 Lexington, KENTUCKY 40507

\*Larry Cook Assistant Attorney General Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204

\*Bluegrass Water Utility Operating Company, LLC 1650 Des Peres Road, Suite 300 St. Louis, MO 63131

\*J. Michael West Office of the Attorney General Office of Rate 700 Capitol Avenue Suite 20 Frankfort, KENTUCKY 40601-8204