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COMMISSION

December 16, 2020

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

Subject: Case # 2020-00290 Request for Intervention – Springcrest Sewer Company, Inc.

Dear Sir/Madam:

As residents of Equestrian Woods Subdivision in Jessamine County and customers of Springcrest Sewer Company, Inc., this email is to express our opposition to the proposed sewer service monthly rate increase requested by Bluegrass Water Utility Operating Company, LLC (Bluegrass Water) for Springcrest Sewer and request that the proposal be denied. The proposal outlines an increase from our current monthly rate of \$27.43 to \$96.14, an increase of 250.5%, which we consider excessive. According to the filing, Bluegrass Water is seeking to spread the costs of acquisition and improvements to approximately 25 of its facilities across the customer base.

Based on information provided in the filing and related documents, the improvement costs for Springcrest Sewer are cited as \$76,000 for a system that serves approximately 40 customers, exclusively in the Equestrian Woods subdivision and several commercial customers that front Harrodsburg Rd. The proposed increase of \$68.71 for those 40 customers increases Bluegrass Water revenue by \$32,980 annually, resulting in a recovery of improvement costs in just over 2 years. However, the proposed higher rate would continue unsubstantiated in perpetuity.

We understand that a modest increase may be justified as necessary to bring the current plant up to PSC, State and County standards to provide safe sewer service to our community, to recover the initial improvement costs over several years, and to establish funding for improvements that may become necessary in the future. However, we feel that these costs should be spread over a reasonable time period and that we should not be burdened with paying for purchase/improvements of the other Bluegrass Water operated systems.

We appreciate your consideration of this letter of opposition.

Respectfully,

*Don Howard*  
*Shannon Howard*