

Kentucky Public Service Commission
PO Box 615
211 Sower Boulevard
Frankfort, Kentucky 40602

March 10, 2023

Re: Bluegrass Water Rate Increase Case No. 2022-00432

Dear Kentucky Public Service Commission,

My family and I live at 100 Wood Duck Court, Nicholasville, Kentucky. We are one of 40 customers of Bluegrass Water Utility Operating Company ("BWU") on the Springcrest Sewer system in our Jessamine County neighborhood, Equestrian Woods.

Our system serves approximately 40 households on a "non-discharging – septic system." Our system is non a treatment plant that requires significant investment in large open tanks, settling ponds, stirring systems, large pumps, filtration systems, etc. like other larger systems served by BWU. Because we are a "closed" system, each of the homeowners on our system maintain our own septic tanks and pumps at our expense and trouble and we incur substantial expense in maintaining our own systems beyond the monthly charge from BWU.

BWU's proposed rate increase to \$99.37 per month for the limited services that BWU provides to Springcrest is both arbitrary and unfair to users on the Springcrest system. BWU's proposed rate increase of a 262.3% compared to our current rate of \$27.43 does not appear to be based on any valuation of our actual usage or the actual costs of maintaining our small, simple system. While neighboring waste systems in Jessamine and Fayette Counties appropriately charge for sewer services based on water usage, BWU appears to be passing the costs related to their other systems (as well as acquisition costs for their purchase of additional systems) directly onto us, which is not appropriate. Many of the 40 customers on the Springcrest system represent users with only 2-3 permanent residents in their house that includes empty-nesters, like our home, and retirees living on a fixed income. In short, our system is not burdened by heavy use because of a high head count. Such a dramatic increase proposed by BWU will likely also impact our property values as well as our monthly expenses.

The customers of the Springcrest system should not bear any expense for BWU's other business ventures (which apparently include large, neglected and deteriorating systems) and should only be expected to pay reasonable costs based upon actual usage and costs related to our system. Such a rate would be dramatically less than the uniform, arbitrary rate of \$99.37 per month proposed by BWU.

Please accept this correspondence as our formal objection to BWU's proposed rate increase. We request that our rates be determined by our reasonable usage and the cost of maintenance of our small system.

RECEIVED

MAR 13 2023

**PUBLIC SERVICE
COMMISSION**

Sincerely,



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Nicholasville, Kentucky 40356

Cc:

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And

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