

Commonwealth of Kentucky

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17TH SENATE DISTRICT
GRANT, KENTON AND SCOTT COUNTIES
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DAMON THAYER
MAJORITY FLOOR LEADER

April 19, 2023
Via Electronic Mail and U.S. Mail

Kent A. Chandler, Chairman
Angie C. Hatton, Vice Chairman
Mary Pat Regan, Commissioner
Kentucky Public Service Commission
P.O. Box 615, 211 Sower Boulevard
Frankfort, KY 40602-0615

RECEIVED

APR 20 2023

**PUBLIC SERVICE
COMMISSION**

RE: *Bluegrass Water's proposed rate hike for Homestead Subdivision and Longview Subdivision.*

Dear Commissioners:

I am writing to express my concerns regarding the indication from Bluegrass Water Utility Operating Company, LLC ("Bluegrass") of yet another rate hike impacting residents living in the Homestead Subdivision and Longview Subdivision in Georgetown.

I wrote the commission in 2021 in opposition to a previous rate hike, in which monthly rates of my constituents increased by over \$55 from \$30 to nearly \$86, a 185 percent increase. My plea and those of constituents expressing their dissatisfaction at that time were ignored. It is my hope this will not happen again.

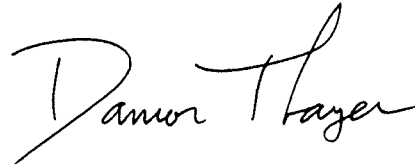
I have been contacted by a number of customers who report their bills could increase by \$13.40 to nearly \$100 per month. Need I remind you that Kentucky residents continue to feel the sting of high energy costs and groceries while inflation remains at high levels? We have yet to recover from the negative impacts in our post-COVID-19 world. It is imperative the commission step in to protect consumers during these financially challenging times.

As you know, KRS § 278.030 allows utilities to "demand, collect and receive fair, just and reasonable rates for the services rendered." Just as I argued in my 2021 letter, this additional increase in the monthly rate requested by Bluegrass also appears on its face to be unfair, unjust and unreasonable. Furthermore, the 2021 rate increase by Bluegrass violated the PSC's principle of gradualism in ratemaking, which is designed to mitigate the financial impact on Kentucky families. The collective 231.2 percent rate increase since August 2021 by Bluegrass would impose further undue financial hardship on the members of the aforementioned subdivisions, particularly in these economically challenging times.

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I respectfully join fellow elected officials within Scott County, including Judge-Executive Joe Pat Covington and the fiscal court, in questioning the reasonableness of another rate hike. I request that you take my concerns into account in your deliberations regarding the request of Bluegrass for this monthly rate increase, mitigate the allowance of its 2021 rate increase, and limit Bluegrass to rates that are fair, just, reasonable and consistent with the PSC's principal of gradualism.

Sincerely,

A handwritten signature in black ink that reads "Damon Thayer". The signature is written in a cursive style with a large, prominent 'D' and 'T'.

Damon Thayer
State Senator
District 17

DT/DI/PR