

3375 Tori Trail  
West Paducah, KY 42086  
February 9, 2023

Public Service Commission  
Post Office Box 615  
Frankfort, KY 40602

Re: Rate Adjustment Application by Bluegrass Water Utility Operating Company

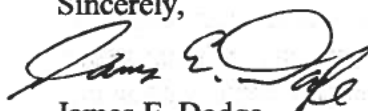
To Whom it May Concern,

This past week, we received notification that Bluegrass Water Utility Operating Company is in the process of filing an additional sewer rate application increase for Carriage Park Subdivision in West Paducah, KY, 42086. The proposed rate increase is from \$85.97 per month to \$99.37 per month, per household. Though the 15.6% increase does not sound extremely high, it is on the heels of an almost 500% increase which Bluegrass Water Utility Operating Company levied against multiple subdivision sewage systems (including ours) in 2020 (see Case # 2020-00290). My wife and I have lived in Carriage Park subdivision for 18 years and the system has worked well and continues to work well. Since their acquisition and terribly high rate increase of 2020, Bluegrass Water only made a trivial improvement to our system, in the form of a very poorly constructed access road from an adjacent sewage lagoon (which serves a subdivision down the road and completely separate from our subdivision).

There is no sewage provider, in this area (or in this state), that charges such an exorbitant rate as Bluegrass Water and I dare say there is none in the country that charges that much. Even the City of Lexington, KY charges less than \$40 per household. It is obvious Bluegrass Water has monopolistic goals and knows they have residents over a barrel (so as to speak). Their approach of acquiring sewage facilities (for a song) and increasing rates by 100's of percent is nothing short of extortion and should not be allowed by the Public Service Commission.

Though the Commission allowed the take over and terrible rate increase in 2020, it is strongly requested, and I am formally asking for, intervention in this latest Bluegrass Water request attempt and that they be denied any increase. In fact, a roll back of the sewer fees to more equitable and logical levels is the better course of action. No resident would complain, were they to pay a rate equal to that of an average household water bill. As it is, we are already paying way too high a rate and it is hurting the property values and general welfare of all residents under the thumb of Bluegrass Water.

Sincerely,

  
James E. Dodge

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PUBLIC SERVICE  
COMMISSION



Dear Customer:

We're writing to update you on the wastewater services that serve your community.

Since purchasing the sewer system that serves you, Bluegrass Water Utility Operating Company, LLC (Bluegrass Water) has invested nearly \$16 million in Kentucky communities to ensure that you, your families and your neighbors have access to clean, safe and reliable wastewater resources. The infrastructure upgrades to the sewer system serving you may include installation of remote monitoring equipment to assure facilities are closely tracked and work properly at all times; sewer plant improvements to ensure proper treatment including flow equalization, replacement of blowers, pipes, and diffusers in aeration tankage, and many more necessary repairs. As a result of these efforts and additional improvements planned, Bluegrass Water expects to submit a request on February 27, 2023 to the Kentucky Public Service Commission (PSC) for a general adjustment of rates charged for service in order to increase annual sewer operating revenues by \$1,291,491.

**Please take notice of the following information about the proposed rate adjustment that is presented below:**

The rates contained in this notice are the rates proposed by Bluegrass Water, but the PSC, the state agency that regulates all utility services in Kentucky, may order rates to be charged that differ from the proposed rates found in this notice. The Company has proposed raising your rate from the present rate of \$85.97 to the proposed rate of \$99.37 which represents an increase of \$13.40 or 15.6%. The date the proposed rates are expected to be filed with the PSC is February 27, 2023; the proposed effective date of the rates is for service rendered on and after March 31, 2023. As there are only flat rates included in the existing tariff or which affect existing customers, the average customer usage is unknown and the effect the proposed rate will have on the average bill for each customer is an increase of \$13.40 or 15.6%.

You may examine Bluegrass Water's application at the offices of Dinsmore & Shohl LLP, 101 South Fifth St., Suite 2500, Louisville, KY 40202. If you would like to make prior arrangements to view the application at Dinsmore & Shohl LLP, please contact Brooks Herrick at 502-540-2376 or [brooks.herrick@dinsmore.com](mailto:brooks.herrick@dinsmore.com). Bluegrass Water's application may also be examined at the PSC's offices located at 211 Sower Boulevard, Frankfort Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at <http://psc.ky.gov>. Comments regarding the application may be submitted to the PSC through its Web site or by mail to:

Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

You may submit a timely written request for intervention to the PSC, establishing the grounds for the request including your status and interest in the proceeding, by mail to:

Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

If the PSC does not receive a written request for intervention within thirty (30) days of the mailing of this notice, the PSC may take final action on the application.

Josiah Cox

President

Bluegrass Water Utility Operating Company, LLC