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PUBLIC SERVICE
COMMISSION



COMMONWEALTH OF KENTUCKY
STATE SENATE

February 20, 2026

Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Regarding Case #: 2025-00259

Commissioners:

Thank you very much for your attention to this matter and your efforts to protect the rate payers of Bullock Pen Water District (BPWD). This letter is to identify several matters which should be in your record. It presents my opinion as a member of the Bullock Pen Water District.

Prior to scheduling a public meeting, the Board engaged The Kentucky Engineering Group (KEG) for a \$300,000 feasibility study for the Division of Water (DOW) and the Kentucky Infrastructure Authority (KIA). The purpose of the study seemed to be to justify building a plant, because it dismissed any alternative other than a new plant. Based on this flawed study the BPWD expended about \$300,000 to purchase land for the plant, subject to them obtaining a CPCN..

The BPWD subsequently committed to over \$1.5 million dollars of additional engineering work before having a public hearing or obtaining a CPCN as directed by the PSC in their order authorizing purchase of land for the plant. Having spent over a million dollars on the project and committing to another million dollars of engineering, the BPWD refuses to consider purchasing more water from existing suppliers as a short-term solution or a line along an existing easement from their largest water supplier, Northern Kentucky Water District (NKWD).

In fact, there are multiple alternative water sources in the region. After a public outcry the BPWD commissioned KEG to estimate the cost of an alternative 13-mile pipeline from Boone County Water District. But KEG and the BPWD explicitly ignored a less than 3-mile route down US 25 along existing right of way from their largest water supplier, the Northern Kentucky Water District (NKWD). To this day they have not acknowledged much less evaluated the economics of the shortest pipeline to a reliable water source. They also ignored the No Build option of filling the tank in Crittenden now filled by the water plant. By drawing from NKWD thru the existing 8" line all day instead of just 12 hours as they do now, they could fill both tanks thru NKWD purchases.

The BPWD then engaged Bob Miller thru Kentucky Rural Water Association (KRWA) to do a comprehensive study, but only permitted him to compare KEG's identified 13-mile pipeline to the build plant alternative. The BPWD would not authorize a comparison of a 9-mile pipeline from Boone Florence Water Commission (BFWC) or a 3-mile pipeline from NKWD or the No Build option.

At the December meeting I stated that it would be misfeasance for the BPWD board to not consider the less than 3-mile pipeline from Northern Kentucky Water District as well as membership in the Boone

Florence Water commission. The BPWD chair is willing to spend almost two million dollars preparing a justification for a new water treatment plan, but refuses to spend \$50k for a study regarding membership in the Boone Florence Water Commission or next to nothing to study the 3-mile pipeline.

Since NKWD responded to an RFP to provide water to Georgetown / Scott County, it would be a disservice to BPWD rate payers, Georgetown / Scott County, and the Commonwealth as a whole for BPWD to not consider the economic benefit of discussing regional cooperation with water districts on their southern and northern borders. The Chairman's repeated parochial insistence on ignoring regional cooperation that would eliminate a 20% rate increase over the next 2 years for BPWD rate payers, in my opinion as a BPWD rate payer, borders on misfeasance and if these alternatives are not investigated is likely actual misfeasance.

Finally, a no build option is likely the best for the near future. NKWD could easily double its water delivery to BPWD without any pipeline or pump station upgrades. Boone County water district could also deliver additional water with only minor upgrades. Again, to not even consider these lower cost alternatives is in my opinion actual misfeasance. How can a \$300,000 engineering study in preparation for a filing with the PSC not identify these alternatives?

The bottom line is if the BPWD builds a new plant it will mean a more than 20% rate increase over the next 2 years. The alternatives would need 1% increases starting in about 15 years, but the overall rates base on the KRWA model are always lower than building a new plant. Please see graphs below.

How do BPWD rate payers prevent the BPWD board from raising rates over 20% to build an unneeded water treatment plant! How do BPWD rate payers recover the wasted engineering cost? Beside the misfeasance concerns, how is it possible to pay KEG \$300,000 and they not identify these alternatives. It seems someone is liable to reimburse BPWD rate payers the almost two million dollars (\$2,000,000) already committed to design a water treatment plant that should never (and likely will never) be built.

Attached please find:

1. Water Supply Project Alternatives Model from BOB MILLER.xlsx
 - a. An unmodified copy of the spreadsheet created by Bob Miller for Bullock Pen Water District under contract through the Kentucky Rural Water Association (KRWA);
2. KRWA_WSPAM.xlsx
 - a. A version that syncs all graph color for each alternative
3. KRWA_WSPAM_3Mile.xlsx
 - a. a change to the plan input sheet for a 3-mile pipeline
 - b. 2 graphs modified to compare the 3 alternatives
4. KRWA_WSPAM_Compare.pdf – a two page PDF containing graphs
 - a. Annual Rate Increase Graph for 3 alternatives
 - b. Monthly Minimum Bills for Project Alternatives Graph

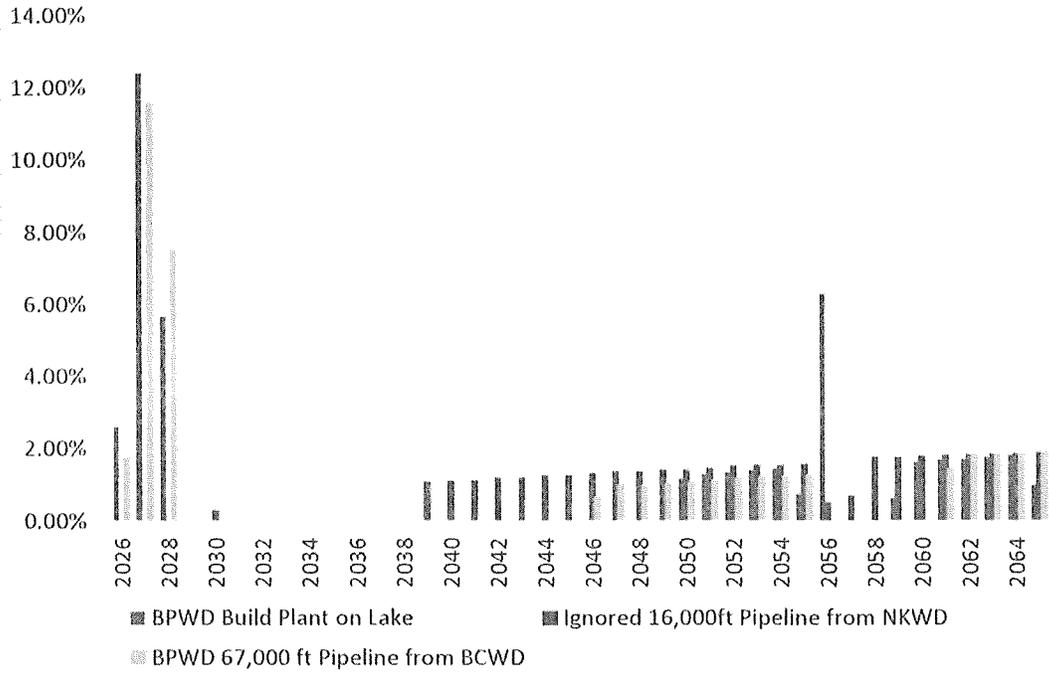
Sincerely,



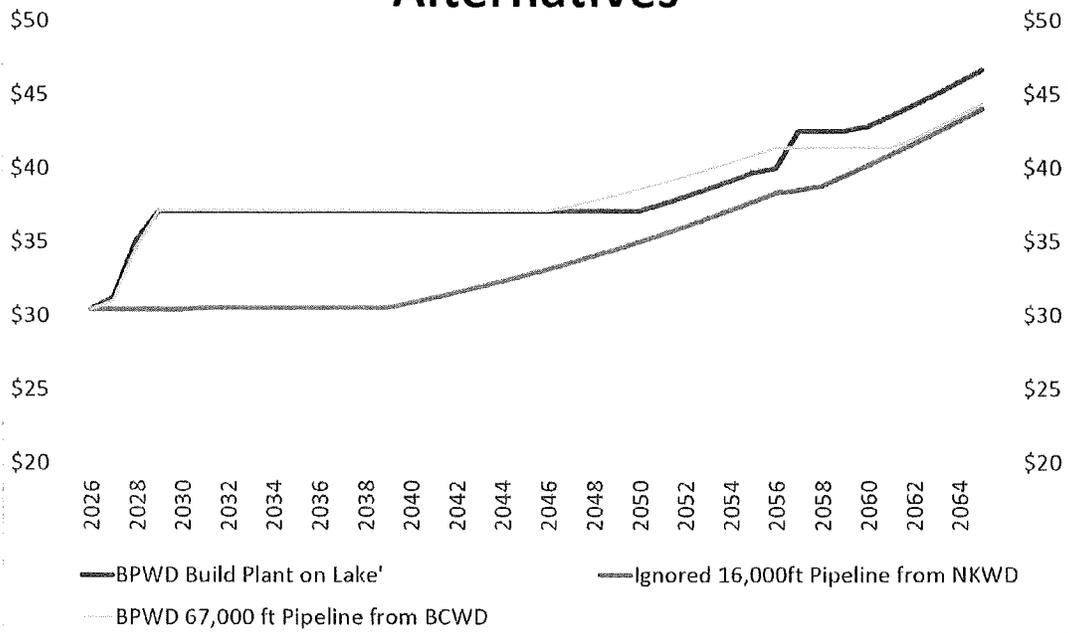
Gex Williams, State Senator
20th District

cc: Kentucky Infrastructure Authority
Kentucky Division of Water
Bullock Pen Water District
Northern KY Water District
Boone County Water District
Boone-Florence Water Commission
Northern KY ADD District
Bluegrass ADD District
Sen. Matt Nunn
Rep. Mark Hart
Rep. Savannah Maddox
Rep. Marianne Proctor
Jeff Harmon
Judge Executive Gary Moore
Judge Executive Khris Knochemann
Judge Executive Charles Dills
Judge Executive Joseph Covington
Mayor Julie Aubuchon
Mayor Jim Purcell
Mayor Greg Brockman
Mayor David Henson
Mayor Burney Jenkins

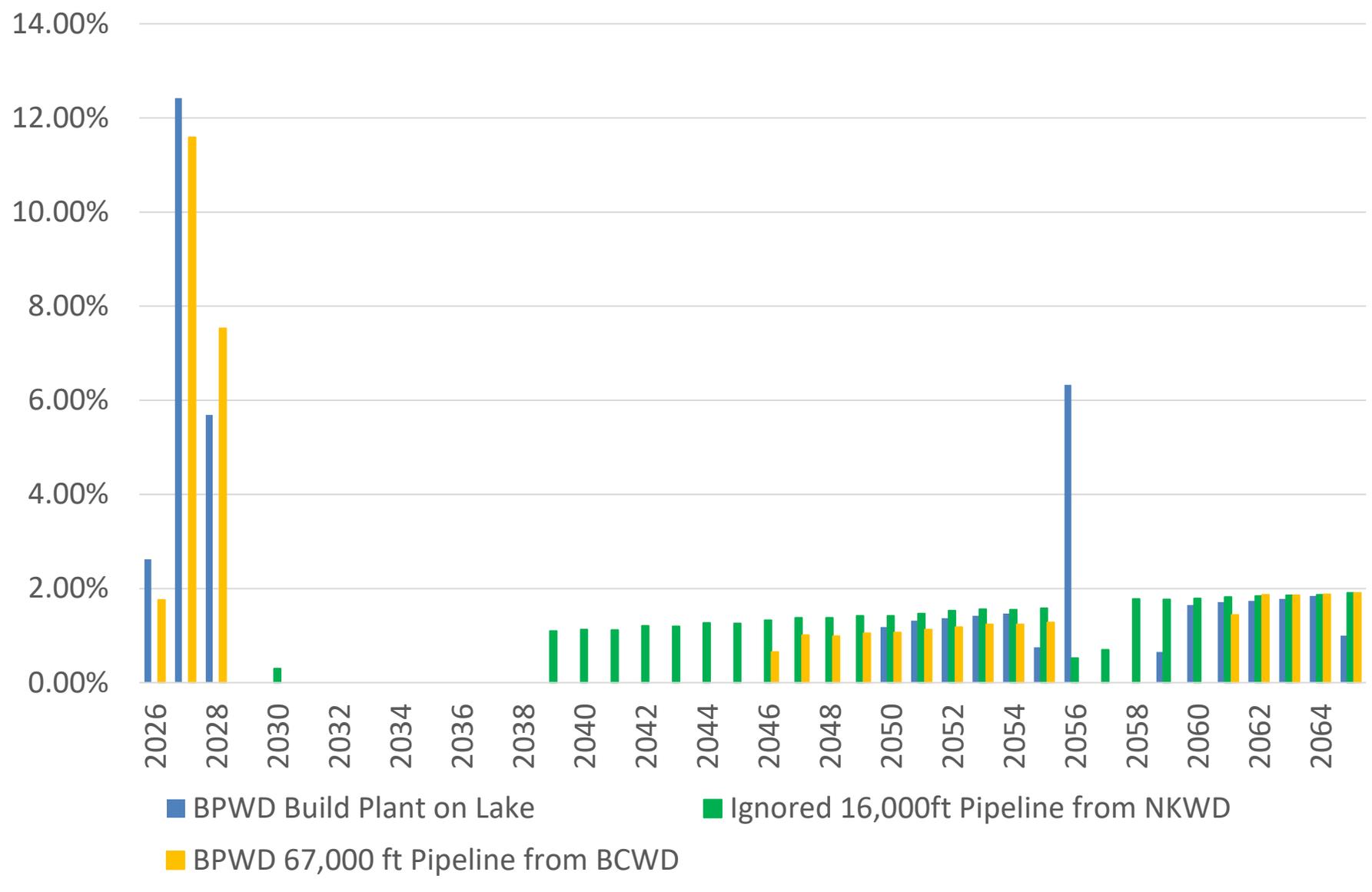
Annual Rate Increases



Monthly Minimum Bills for Project Alternatives



Annual Rate Increases



Monthly Minimum Bills for Project Alternatives

