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PADUCAH, KY 42003**

RECEIVED

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**PUBLIC SERVICE
COMMISSION**

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

December 28, 2025

RE: KENTUCKY PUBLIC SERVICE COMMISSION CASE NO. 2025-00354
BLUEGRASS WATER UTILITY OPERATING COMPANY PROPOSED RATE INCREASE

To Whom it May Concern:

We are writing to formally oppose the proposed rate increase by Bluegrass Water Utility Operating Company in Case No. 2025-00354, which would raise the monthly sewer bill from \$77.77 to approximately \$114.00.

Bluegrass Water Utility Operating Company LLC is a registered foreign (Missouri) business with the Kentucky Secretary of State under organization numbers 1052610 and 1052606. Therefore, BGW/CSWR is conducting business in interstate commerce as well as intrastate commerce. Under both organization numbers issued by the Kentucky Secretary of State (Michael Adams):

1. The industry is listed as "private households"
2. The number of employees is small (0-19).
3. Address is 1630 Des Peres Road, Suite 140, St. Louis, Missouri 63131
4. Registered agent is CT Corporation System, 306 Main Street, Suite 512, Frankfort, KY 40601

The proposed rate increase is excessive, unreasonable, and imposes a severe financial burden on customers of Great Oaks Subdivision in Paducah, Kentucky. Prior to Bluegrass Water taking over this system, the monthly sewer rates were approximately \$15 per household. The drastic escalation in costs since that time is alarming and unsustainable for many of the homeowners in the subdivision. This rate doesn't even include our water service, which is provided by Paducah Water.

Bluegrass Water claims the rate increases are due to infrastructure improvements and system upgrades; however, residents have not observed any of these improvements and supposed upgrades.

In addition, I would like to specifically address 3 issues below regarding BGW/CSWR:

1. An Arcadia Pines Subdivision (customer of Bluegrass Water/CSWR) submitted a previous complaint with the Kentucky Attorney Generals Office against Bluegrass Water (BGW)/CSWR where BGW **claimed** to have completed improvements to their sewage-lagoon. The claims by BGW were later refuted by photographs and aerial photography. The evidence was forwarded to a lead Attorney with the Kentucky Attorney Generals Office regarding **"false statements"** provided by BGW/CSWR.
2. An Arcadia Pines Subdivision (customer of BGW/CSWR spoke with a contractor of BGW/CSWR who stated the monthly payment pays for all systems that BGW/CSWR operates and does not specifically pay for the Arcadia Pines Subdivision sewage-lagoon. **Which raises a concerning question: Are customers of BGW/CSWR paying to financially prop up BGW/CSWR in its company-wide area of operations versus addressing specific environmental issues with a designated sewage district / sewage-lagoon and its respective customers?**
3. On or about April, 3, 2023, the Office of the Environmentalist at the Purchase District Health Department stated BGW/CSWR was found to be in an **environmental violation** regarding the reported failure of a lateral fill line at the end of a sewage lagoon. The violation was discovered by an inspector in September 2022. In 5 months, BGW/CSWR did nothing to remedy the environmental violation. As a result, I would like to note the following
 - A. Reported failure of BGW/CSWR to remedy an environmental violation in McCracken County, Kentucky after receiving notice of the violation by the Purchase District Health Department.
 - B. Alleged breach of the acquisition agreement granted by the Kentucky Public Service Commission in order 2019-00104 on 8-14-2019.

- C. Breach of a fiduciary duty to the customers of BGW/CSWR who pay a monthly flat-rate for competent servicing of a distressed sewer-lagoon in McCracken County, Kentucky.

It should be noted that City of Paducah residents pay less than half of this newly proposed rate for combined water, sewer and trash services. Under this proposal, customers of Bluegrass Water would pay more than double that amount for sewer service alone. This comparison underscores how disproportionate and inequitable the proposed rates are. I feel that the new rate would also cause a potential buyer great hesitation if considering purchasing a home located in the subdivision.

I respectfully urge the Commission to carefully scrutinize this request, require substantiated proof of actual improvements and consider the impact on the families of Great Oaks Subdivision. The PSC exists to protect public interest and approval of this increase would fail that mission.

Thank you for your time and consideration.

Respectfully,

Ronald and Marti Sigers

Great Oaks Subdivision homeowners
Paducah, KY