

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BLUEGRASS)	
WATER UTILITY OPERATING COMPANY, LLC)	CASE NO.
FOR AN ADJUSTMENT OF WATER AND)	2025-00354
SEWAGE RATES)	

ORDER

This matter arises from Bluegrass Water Utility Operating Company, LLC’s (Bluegrass Water) application for a general rate adjustment (Application). On March 20, 2026, Bluegrass Water filed a motion requesting an amended procedural schedule and leave to file an amended application by May 8, 2026.¹ For the reasons outlined below, the Commission finds the motion should be granted, in part, and denied, in part.

BACKGROUND

On January 9, 2025, Bluegrass Water filed its application for a general rate case.² A procedural schedule was issued on January 28, 2026,³ and amended by Order issued March 5, 2026,⁴ in order to ensure timely processing of the case. The Attorney General, by and through the Office of Rate Intervention (Attorney General), requested and was

¹ Bluegrass Water’s Motion to Amend (Motion) (filed Mar. 20, 2026).

² The application was originally tendered on December 11, 2025. The application was found to be deficient. Bluegrass Water cured the deficiencies, and the application was deemed filed on January 9, 2026.

³ Order (Ky. PSC Jan. 28, 2026).

⁴ Order (Ky. PSC Mar. 5, 2026).

granted intervention.⁵ Scott County, Kentucky, through its County Judge Executive and Fiscal Court (Scott County) was also granted intervention.⁶

DISCUSSION AND FINDINGS

On March 16, 2026, Bluegrass Water filed a motion requesting an informal conference (IC), stating it determined there was an error in its financial workbook, provided as Exhibit 9 to the Application.⁷ The Commission granted Bluegrass Water's request, and an IC was held by Commission Staff on March 19, 2026.⁸ Following the IC, Bluegrass Water filed a motion requesting that the Commission enter an Order adopting the procedural schedule set forth in Exhibit A to its motion and excusing all parties from the current procedural schedule issued on January 28, 2026, as amended on March 5, 2026.⁹

In support of its motion, Bluegrass Water asserted that, while responding to requests for information, it determined there was an error in its financial workbook that is likely to affect the proposed rates.¹⁰ Bluegrass Water stated the extent of the error is still unknown, but that it is working diligently to rectify the errors and intends to supplement the record with corrected information, including but not limited to, an updated financial workbook and updated responses to requests for information that were impacted by the

⁵ Order (Ky. PSC Oct. 20, 2025).

⁶ Order (Ky. PSC Jan. 27, 2026).

⁷ Bluegrass Water's Request for an Informal Conference (filed Mar. 16, 2026).

⁸ See IC Memorandum (Ky. PSC Mar. 24, 2026).

⁹ Motion at 1.

¹⁰ Motion at 1.

errors.¹¹ Bluegrass Water stipulated that “the Application will be amended as of the date of the filing of the supplemental information correcting the record.”¹² Additionally, Bluegrass Water provided that it stipulates and agrees that the “Application will result in a restart of the time period in which the Commission must issue a decision pursuant to KRS 278.190(3) and the date on which Bluegrass Water may implement rates subject to refund pursuant to KRS 278.190(2).”¹³

Bluegrass Water stated it contacted both the Attorney General and Scott County via email, and that neither party had objections to the proposed amended schedule.¹⁴ According to Bluegrass Water’s motion, the Attorney General noted that the statutory deadlines created by KRS 278.190 would also need to be changed, and Scott County noted it did not waive any substantive aspect of the proceeding or any ability to file additional data requests.¹⁵

In its motion, Bluegrass Water requested that the procedural schedule provided in Exhibit A to its motion be adopted, and that the previous schedule entered March 5, 2026, be vacated.¹⁶ Further, Bluegrass Water requested that the most recent round of request for information from Commission Staff, the Attorney General, and Scott County be vacated and withdrawn as they could potentially relate to material that will be amended.¹⁷

¹¹ Motion 1-2.

¹² Motion at 2.

¹³ Motion at 2.

¹⁴ Motion at 2-3.

¹⁵ Motion at 2-3.

¹⁶ Motion at 3.

¹⁷ Motion at 4.

The Commission finds that good cause has been shown to amend the procedural schedule in order to allow Bluegrass Water until May 8, 2026, to correct financial errors within the application. The Commission notes that the filing should comply with all relevant filing requirements, including updated data for the base period pursuant to KRS 278.192(2). Once the Amended Application is deemed filed, a new procedural schedule will be established.

The Commission also finds that Bluegrass Water shall be relieved from its obligation to respond to Commission Staff's Request for Information issued on March 19, 2026, and Scott County and the Attorney General's Request for Information issued on March 20, 2026, as those deadlines are moot with the granting of the motion to amend the procedural schedule and pending amendment.

If the amended and supplemental materials filed by Bluegrass Water result in an increase of the proposed rates, Bluegrass Water should serve an updated customer notice in compliance with 807 KAR 5:001, Section 17(2). Lastly, should the errors be deemed immaterial by Bluegrass Water, nothing in this Order would prohibit the Commission from deeming the Application amended. As stipulated in the motion, the Commission may reset the filing date, changing the suspension and statutory dates. The Commission will ensure that all parties to this proceeding receive due process, and Bluegrass Water has the burden of providing sufficient evidence of its request.

IT IS THEREFORE ORDERED that:

1. Bluegrass Water's request to amend the procedural schedule is granted.
2. The procedural dates established in the January 28, 2026 Order, as amended on March 5, 2026, are vacated.

3. Bluegrass Water is relieved of its obligation to file responses to Commission Staff's Request for Information issued on March 19, 2026, and Scott County and the Attorney General's Request for Information on March 20, 2026.


4. Bluegrass Water's proposed procedural schedule is denied.

5. Bluegrass Water shall file its Amended Application by May 8, 2026, and once the Application is deemed file, a new procedural schedule will be established.


6. If the amended Application filed by Bluegrass Water results in an increase of the proposed rates, Bluegrass Water shall serve an updated customer notice in compliance with 807 KAR 5:001, Section 17(2).

7. Nothing in this Order shall be construed as preventing further Orders of the Commission.


PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



Executive Director



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