

KENTUCKY-AMERICAN WATER COMPANY

PSC No. _____
Original Sheet No. _____

(N) **ECONOMIC DEVELOPMENT TARIFF**
(N) **FOR NEW AND EXPANDED BUSINESS**

(N) **Availability**

(N) Available to all commercial and industrial customers of Kentucky-American Water Company where
(N) economic incentives have been offered by a governmental entity in conjunction with the location of new or
(N) expanded facilities and accepted by the customer.

(N) **Applicability**

(N) Applicable to a new customer or the additional separately metered facilities of an existing customer whose
(N) new or additional facilities create, in the case of a new customer, at least 50 new, full-time, permanent jobs,
(N) and in the case of an existing customer, at least 50 new, full-time, permanent jobs or 10% of the existing
(N) work force, whichever is greater, all in the geographical area served by Kentucky-American Water
(N) Company.

(N) Request for service under this tariff must be submitted prior to the customer having committed to moving
(N) into or expanding within the geographical area served by the company and shall be accompanied by
(N) sufficiently detailed information to enable the company to determine whether the new customer or additional
(N) facilities meet the required criteria. Service pursuant to this tariff shall be by a written contract attached
(N) hereto. Commencement of service pursuant to this tariff and the written contract must be within 12 months
(N) of the date of execution of the contract.

(N) Service pursuant to this tariff shall only be for customers whose projected consumption is greater than
(N) 50,000 gallons per day, based on an annual average, and whose load factor does not exceed 1.4 (the rates of
(N) the projected peak day consumption during a calendar year to the daily average for the same calendar year).

(N) Failure of the customer to meet any requirement of this tariff during any year of its applicability shall cause
(N) service hereunder to cease for the remaining term of the contract.

(N) **Incentive Provisions**

(N) The discount shall be provided for meter charges and volumetric rates and during the first contract year shall
(N) be 30%; during the second contract year, 25%; during the third contract year, 20%; during the fourth
(N) contract year, 15%, and during the fifth contract year, 10%. No discount shall be applied after the end of the
(N) fifth contract year.

(N) The discount shall be calculated at the end of the year and to afford the customer the full benefit of the
(N) discount to the amount the customer paid for meter charges and volumetric rates, the discount will be given
(N) to the customer by applying the calculated amount as a credit on the next bill, prior to the calculation of all
(N) charges and fees imposed upon Kentucky-American Water Company by any governmental entity. No
(N) discount will be applied to charges that are required to be assessed by a governmental agency.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: _____

KENTUCKY-AMERICAN WATER COMPANY

PSC No. _____
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(N)
(N)

**CONTRACT FOR NEW AND EXPANDED
ECONOMIC DEVELOPMENT TARIFF**

(N)
(N)

This Agreement, entered into this the ____ day of _____, 200__, by and between **Kentucky-American Water Company** (“Kentucky American Water”) and _____ (“Customer”);

(N)
(N)
(N)

WITNESSETH:

(N)
(N)

WHEREAS, Kentucky American Water has on file with the Public Service Commission of the Commonwealth of Kentucky a tariff providing for a new and expanded economic and development incentive, and

(N)
(N)
(N)

WHEREAS, Customer is a new customer, or has built or acquired additional separately metered facilities within the geographical territory served by Kentucky American Water, and

(N)
(N)
(N)

WHEREAS, Customer has furnished sufficient information to Kentucky American Water to demonstrate that its new facilities or additional separately metered facilities satisfy the requirements of the tariff, and

(N)
(N)
(N)

WHEREAS, Customer wishes to take water service from Kentucky American Water, and Kentucky American Water agrees to furnish water service to the Customer, subject to the new and expanded economic development tariff and all other applicable tariffs of Kentucky American Water.

(N)
(N)

NOW, THEREFORE, Kentucky American Water and Customer hereby agree as follows:

(N)
(N)
(N)
(N)

1. Service to Customer shall be pursuant to the new and expanded economic development tariff, and all other tariffs, and Kentucky American Water’s general rules and regulations applying to the provision of water service, as may be in effect and change from time to time and as approved by the Public Service Commission of the Commonwealth of Kentucky.

(N)
(N)

2. Customer acknowledges that this Agreement is not assignable, but shall nevertheless inure to the benefit of and be binding upon Customer’s successors by operation of law, so long as the successor continues to meet the criteria of the new and expanded economic development tariff.

(N)
(N)
(N)

3. Customer agrees to furnish promptly, additional information as may be requested by Kentucky American Water to assure the continued eligibility of service under the new and expanded economic development tariff.

(N)
(N)
(N)

4. Customer acknowledges that all information provided to Kentucky American Water for the purpose of determining whether or not it is eligible for service under the new and expanded economic development tariff shall be retained by Kentucky American Water and if any of any such information is deemed proprietary or confidential, Kentucky American Water shall notify Customer of any request for inspection of disclosure, and shall use good faith efforts to secure protection for the proprietary or confidential nature of the information.

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: _____

KENTUCKY-AMERICAN WATER COMPANY

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(N)
(N) 5. This Agreement shall be governed by the laws of the Commonwealth of Kentucky and the Public
(N) Service Commission of the Commonwealth of Kentucky and its rules and regulations as they may change from
time to time.

(N)
(N) **IN WITNESS WHEREOF**, the parties have executed this Agreement, this the day and year first above
(N) written.

Kentucky-American Water Company

By _____

Customer:

By _____

(N)

(N)

(N)

ISSUED: _____

EFFECTIVE: _____

ISSUED BY: _____