

BULLOCK PEN WATER DISTRICT

JULY 2008

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RECEIVED

JUL 07 2008

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

THE APPLICATION OF BULLOCK PEN)
 WATER DISTRICT FOR (1) A CERTIFICATE OF)
 PUBLIC CONVENIENCE AND NECESSITY)
 TO CONSTRUCT THE PROPOSED)
 WATERWORKS IMPROVEMENT PROJECT;)
 (2) THE APPROVAL OF THE PROPOSED)
 PLAN TO FINANCE THE PROJECT; AND)
 (3) THE APPROVAL OF THE PROPOSED INCREASE)
 IN RATES, NONRECURRING CHARGES AND TARIFF)

CASE NO.
 2008-00170
 HISTORICAL
 TEST PERIOD

*** ** *** ** *** ** **

PETITION

The Applicant, BULLOCK PEN WATER DISTRICT ("Bullock Pen"), by counsel, pursuant to KRS 278.030, KRS 278.0152 and KRS 278.300, and all other applicable regulations, tenders this Petition and Application and requests, the Public Service Commission ("PSC") to enter an Order: (1) approving the proposed Certificate of Public Convenience and Necessity to construct a waterworks project; (2) approval of the proposed plan to finance the improvement project; (3) approval of the proposed adjustment of water rates, nonrecurring charges and the new tariff. In support of this Petition and Application, and in conformity with the rules of the PSC, Bullock Pen states as follows:

O V E R V I E W

1. Bullock Pen requests the PSC take the following actions:
2. To approve the proposed adjustment of water rates and charges to all customers. The percentages for each rate step are shown in the proposed billing analysis.
3. To approve the proposed adjustments to Bullock Pen's nonrecurring charges.
4. To approve the completely revised, comprehensive tariff which Bullock Pen has proposed.
5. KIA in it's Conditional Commitment Letter (F07-09) states that Bullock Pen must enact a water rate increase of 13% prior to July 1, 2008 to go into effect no later than January 1, 2009. Bullock Pen also must enact a water rate increase of 5% prior to July 1, 2008. The increase must be in effect prior to January 1, 2010.
6. To review the Application and approve the Convenience and Necessity for the construction of water lines and system improvements.
7. To approve the \$25.00 surcharge to be assessed to new customers for the construction of the new water line to serve the customers
8. To grant Bullock Pen any deviation that may be allowed.
9. For PSC Staff assistance in gathering information in order that this case be completed in a timely manner.

GENERAL INFORMATION

1. Bullock Pen is a non-profit water district organized under KRS Chapter 74.070. It has the power to make contracts in furtherance of its lawful and proper purposes. Bullock Pen has no separate articles of incorporation or by-laws.

2. The mailing address of Bullock Pen is as follows:

Bullock Pen Water District
P.O. Box 188
Crittenden, Kentucky 41030
Telephone: 859-428-2112

3. Bullock Pen is engaged in the distribution and sale of water. It currently provides water service to approximately 6,566 customers. Of these customers, 6,485 are served through a 5/8-inch connection. The remaining 82 customers are served through one inch, one and one half inch and two inch connections.

4. Bullock Pen assesses a surcharge as follows:

Phase 10	\$10.72
Phase 7	12.52
Phase 8	11.46
Phase 5	10.00

In this application, Bullock Pen requests a surcharge of \$25.00 to be charged to the new customers who will be connected as a result of the system expansion. The expansion in this application will be referred to as Phase 6. The calculation of the surcharge is shown in the preliminary engineering report.

Bullock Pen requests that the surcharge period be longer than 5 years, since the surcharge amount will be extremely high if paid over a 5 year period. The extension to new customers will not be feasible if the surcharge is limited to 5 years.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

The projects will consist of the construction of 10.55 miles of six and eight inch water lines in Kenton County to serve 183 new customers, replacement of 2.2 miles of 6 inch water main with a twelve inch water main along Highway 25 in Grant County to improve flow conditions for water purchased from Northern Kentucky Water District, construction of a new pump station in Kenton County to supply water to 3 tanks, and construction of a new master meter with Northern Kentucky Water District.

5. The waterworks improvement project is in the public interest and is required to permit continued growth and to provide adequate water supply.
6. This project will not compete with any other utility in the area.
7. Exhibit 7 shows the preliminary engineering report and conditional commitment letter (FO7-09). As required by KRS 322.340 the final engineering report will be prepared, signed, sealed and dated by an engineer registered in Kentucky, and will be filed when final bids are received.
8. The list of documents filed in support of Bullock Pen's application for a Certificate of Public Convenience and Necessity or the explanations for their absence are contained in the Filing Requirements Index for Certificate and Necessity.

FINANCING

9. Bullock Pen proposes to finance its waterworks improvement project with a loan from KIA in the amount of \$2,320,700. The proposed KIA loan will have a 20-year term and an approximate interest rate of 3 percent per annum.
10. Bullock Pen requests a deviation, pursuant to 807 KAR 5:001 Section 14, from the requirements of 807 KAR 5:001, Section 6, requiring the financial data filed with the Application be for a 12 month period ending within 90 days of the filing of the Application. Bullock Pen states that there has been no change that is material in nature in the financial condition of the utility since December 31, 2007, which is also the test period used to support the requested increase in rates and charges. This is also the most recent published financial data available for Bullock Pen.
11. The lists of documents filed in support of Bullock Pen's application for the approval of the proposed plan to finance the public improvement projects or the explanations for their absence is contained in the Filing Requirement Index for Financing.

RATE INCREASE

12. The proposed increase in rates and charges is necessary for Bullock Ben to meet all expenses. Bullock Pen is issuing debt to improve and enlarge its facilities and to add lines to reinforce and extend its distribution system. An increase in rates is essential for Bullock Pen to maintain a reasonable level of service, to meet the expanding needs of the service area and to cover its debt service.
13. As authorized by KRS 278.192(1), and for the purpose of justifying the reasonableness of the proposed general increase in rates, Bullock Pen has utilized an historical test period consisting of the twelve-(12) consecutive calendar months ending December 31, 2007.
14. Bullock Pen has complied with 807 KAR 5:011, Section 9, (2) and 807 KAR 5:001, Section 10, (3) and (4), by preparing to be delivered to newspapers of general circulation in its service area a copy of the Notice identified as Exhibit No 13 in the filing requirements for publishing once a week for 3 consecutive weeks in a prominent manner, the first of said publications to be made within 7 days from the date of filing the Application with the PSC.
15. Bullock Pen has filed with the Executive Director of the PSC a written notice of its intention to file this rate application. The notice stated that Bullock Pen would be filing an application based on a historical test year. The notice was also mailed to the Office of the Attorney General, Rate Intervention Division. A copy of the notice is identified as Exhibit 1.

16. As required by 807 KAR 5:001, Section 10, (4), (f), Bullock Pen will post a copy of its customer notice at its place of business on the date the application is filed with the PSC. The notice will remain posted until the PSC has determined Bullock Pen's rates.
17. Bullock Pen's annual reports are on file with the PSC. A copy of the 2007 annual report is included in this application for the convenience of PSC Staff. Exhibit 11.
18. The estimated amount of increase per customer class is:

<u>Meter Size</u>	<u>Dollar Increase</u>	<u>Percentage Increase</u>
5/8 Inch	\$878,988	31
1 Inch	8,959	23
1 1/2 Inch	2,281	22
2 Inch	13,904	26

19. A rate adjustment to the water service rates is necessary:
 - A. To meet the increased costs of operations;
 - B. To enable Bullock Pen to pay its annual principal and interest payments on its existing and proposed long term debts from water revenues.
 - C. To enable Bullock Pen to meet the coverage requirements (1.20) set forth in its existing and proposed debt instruments;
 - D. To enable Bullock Pen to enhance its financial capacity so it can continue to operate its system in compliance with the

federal Safe Drinking Water Act, as amended and KRS Chapter 151; and

- E. To enable Bullock Pen to continue to provide adequate service.

The Applicant, Bullock Pen requests the PSC grant to the Applicant the following:

- A. A certificate of Public Convenience and Necessity, permitting Applicant to construct the waterworks project as described in the Preliminary Report shown as Exhibit 7.
 - B. Approval of Applicant's KIA loan in the amount of \$2,320,700, with a term of 20 years, at an interest rate of 3 percent.
 - C. Approval of Applicants proposal to increase its rates and charges and its entire tariff as set forth in this Petition
20. Bullock Pen does not plan to support the application with prepared testimony. It respectfully requests the PSC staff to perform a field review, if necessary, of Bullock Pen's financial records and issue a staff report just as the staff routinely does in general rate cases filed by water districts.
21. Bullock Pen moves for a deviation from or a waiver of, the requirement that it file its most recent capital construction budget as required by 807 KAR 5:001, Section 10(7)(b). No such capital improvement construction budget exists. Bullock Pen like smaller water districts and associations does not normally provide for or maintain a capital improvement construction budget. Any new construction occurs on a case-by-case

project basis. This motion for a deviation, or a request for waiver, is being filed pursuant to 807 KAR 5:001, Section 14.

NON-RECURRING CHARGES

22. Bullock Pen proposes to adjust its special non-recurring charges so that each charge reflects the actual cost of providing service. Exhibit 4, provides a list of the current and proposed charge for each non-recurring charge.
23. The proposed amount of each non-recurring charge is set forth on Sheet 4 of the proposed Tariffs and Exhibit 4, Customer Notice.
24. Specific cost justification worksheets for the proposed non-recurring charges are appended as Exhibit 10.
25. The proposed charges are equal to the expenses incurred by Bullock Pen in providing the associated service. Hence, implementation of the proposed non-recurring charge will be revenue neutral.
26. Bullock Pen is currently losing money each time it performs any of these services.
27. The only customers that will be impacted by these non-recurring charges will be the customers who request the services or whose actions require the District to incur the associated expense.
28. Bullock Pen proposes to implement the charges at the same time the increased rates become effective.

29. A copy of this Petition and Application, together with all exhibits, has been delivered to the Office of Rate Intervention of the Office of the Attorney General as required by 807 KAR 5:011, Section 10(1)(b).
30. A Filing Requirement Index, which shows the location of all documents required by the applicable administrative regulations, or explains the reason for the absence of any documents, is included with the Application.

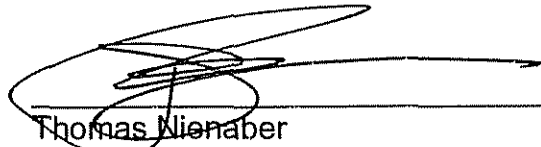
WHEREFORE, Bullock Pen respectfully requests that the PSC take the following actions:

- A. Approve the proposed adjustment of water rates and charges to all customers;
- B. Approve the proposed adjustment to Bullock Pen's non-recurring charges;
- C. Approve Bullock Pen's revised tariff sheets
- D. Grant Bullock Pen a deviation or waiver from the requirement that it file a capital improvement budget as required by 807 KAR 5:001, Section 10(7)(b).
- E. Approve Bullock Pen's proposed construction, financed by KIA.
- F. Grant Bullock Pen any and all other proper relief.

Dated at Crittenden, Kentucky this July 7, 2008

Respectfully submitted,

BULLOCK PEN WATER DISTRICT




Thomas Nienaber
401 Madison Avenue
Covington, Kentucky 41011
(859) 491-9088

COUNSEL FOR BULLOCK PEN WATER
DISTRICT

COMMONWEALTH OF KENTUCKY)SS
CRITTENDEN, KENTUCKY)

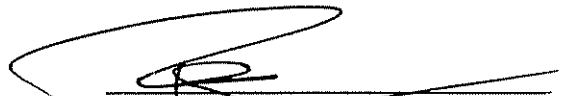
The undersigned, Bobby J. Burgess, being duly sworn according to law, state that I am Chairman of the Board of Commissioners of the Bullock Pen Water District; that I have read or caused my Attorney to read the foregoing Petition and Application; and that the statements of fact set forth therein are true and accurate to the best of my belief and to those matters, he believes same to be true.

IN TESTIMONY WHEREOF, WITNESS my signature this 25 date of June, 2008.


Bobby J. Burgess, Chairman

Subscribed and sworn before me by Bobby J. Burgess, Chairman of the Bullock Pen Water District on this June 25, 2008.

My Commission Expires 3/24/12


Notary Public
In and for said County and State

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 8(2)	The original and 10 copies of application plus copy for anyone named as interested party.	The correct number of applications has been filed.
807 KAR 5:001 Section 10(1)(b)(1)	Reason adjustment is required.	Application – Page No. 7.
807 KAR 5:001 Section 10(1)(b)(2)	Statement that utility's annual reports, including the most recent calendar year, are filed with PSC. 807 KAR 5:006, Section 3(1)	Attached as Exhibit 11.
807 KAR 5:001 Section 10(1)(b)(3) & (5)	If utility is incorporated certified copy of articles of incorporation and amendments or out of state documents of similar import. If they have already been filed with PSC refer to the style and case number of the prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	Not applicable
807 KAR 5:001 Section 10(1)(b)(4) & (5)	If applicant is limited partnership, certified copy of limited partnership agreement. If agreement filed with PSC refer to style and case number of prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	N/A – Bullock Pen is not a limited partnership.
807 KAR 5:001 Section 10(1)(b)(6)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	N/A – Bullock Pen has never used an assumed name.
807 KAR 5:001 Section 10(1)(b)(7)	Proposed tariff in form complying with 807 KAR 5:011 effective not less than 30 days from date application filed.	Exhibit No. 3
807 KAR 5:001 Section 10(1)(b)(8)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Exhibit No. 2.
807 KAR 5:001 Section 10(1)(b)(9)	Statement that notice given, see subsections (3) and (4) of 807 KAR 5:001, Section 10 with copy.	Application – Page No. 6. Exhibit No. 4.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10(2)	If gross annual revenues exceed \$1,000,000, written notice of intent filed at least 4 weeks prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	Exhibit No. 1
807 KAR 5:001 Section 10 (6)(a)	Complete description and quantified explanation for proposed adjustments with support for changes in price or activity levels, and other factors affecting the adjustment.	Exhibit No. 5
807 KAR 5:001 Section 10 (6)(b) & (c)	If gross annual revenues exceed \$1,000,000, prepared testimony of each witness who will support the application. If less than \$1,000,000, prepared testimony of each witness who will support application or statement that utility does not plan to submit prepared testimony.	Bullock Pen does not intend to submit prepared testimony.
807 KAR 5:001 Section 10 (6)(d)	Estimate of effect that new rate(s) will have on revenues including, at minimum, total revenues resulting from increase or decrease and percentage of increase or decrease.	Customer Notice – Exhibit No. 4 and application at Page 7.
807 KAR 5:001 Section 10 (6)(e)	If electric, gas, water or sewer utility effect upon the average bill for each customer classification to which change will apply.	Exhibit No. 4 (Customer notice), and Page 7.
807 KAR 5:001 Section 10 (6)(f)	If local exchange company, effect upon the average bill for 807 each customer class for change in basic local service.	N/A – Bullock Pen is a Water District
807 KAR 5:001 Section 10 (6)(g)	Analysis of customers' bills in such detail that revenue from present and proposed rates can be readily determined for each customer class.	Exhibit No 7
807 KAR 5:001 Section 10 (6)(h)	Summary of determination of revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.	Exhibit No. 5.
807 KAR 5:001 Section 10 (6)(i)	Reconciliation of rate base and capital used to determine revenue requirements.	N/A – Revenue Requirement reflects Debt Service.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (6)(j):	Current chart of accounts if more detailed than the Uniform System of Accounts.	Not applicable
807 KAR 5:001 Section 10 (6)(k)	Independent auditor's annual opinion report, with any written communication from auditor, which indicates existence of material weakness in internal controls.	The 2007 Audit Report is attached as Exhibit 11.
807 KAR 5:001 Section 10 (6)(l):	The most recent FERC or FCC audit reports.	N/A – Bullock Pen is a Water District
807 KAR 5:001 Section 10 (6)m	The most recent FERC Form 1 (electric), FERC Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and PSC Form T (telephone).	N/A – Bullock Pen is a Water District.
807 KAR 5:001 Section 10 (6)(n)	Summary of latest depreciation study with schedules by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall provide schedule identifying current and test period depreciation rates used by major plant accounts. If filed in another PSC case refer to that case's number and style.	Exhibits No. 11 and 12. The audit report and annual report show depreciation schedules. There are no other studies of depreciation available to Bullock Pen.
807 KAR 5:00 Section 10 (6)(o)	List of all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with the filing. Include each software, program, or model; what each was used for; its supplier; brief description and specifications for the computer hardware and the operating system required to run the program.	Excel Word
807 KAR 5:001 Section 10 (6)(p)	Prospectuses of most recent stock or bond offerings.	N/A – Bullock Pen is a Water District
807 KAR 5:001 Section 10 (6)(q)	Annual report to shareholders, or members, and statistical supplements covering 2 years prior to application filing date.	N/A – Bullock Pen is a Water District

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (6)(r)	Monthly managerial reports providing financial results for 12 months in test period.	Exhibit 6.
807 KAR 5:001 Section 10 (6)(s)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued within past 2 years, and Form 10-Qs issued during the past 6 quarters updated as current information becomes available.	N/A – Bullock Pen is a Water District
807 KAR 5:001 Section 10 (6)(t)	<p>If utility had any amounts charged or allocated to it by affiliate or general or home office, or paid any monies to affiliate or general or home office during test period or during previous 3 calendar years, file:</p> <ol style="list-style-type: none"> 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each charge allocation or payment; 2. Explanation of how allocator for the test period was determined; and 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during test period was reasonable; 	N/A – There are no affiliate allocations.

**Filing Requirement Index
Historical Test Period Rate Case**

**Filing
Requirements**

**Filing Requirement
Description**

**Location or
Absence Reason**

<p>807 KAR 5:001 Section 10 (6)(u)</p>	<p>If gas, electric or water utility, whose annual gross revenues exceed \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from a single time period.</p>	<p>Exhibit 7.</p>
<p>807 KAR 5:001 Section 10 (6)(v)</p>	<p>Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file:</p> <ol style="list-style-type: none"> 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies to support pricing of all services that generate annual revenue greater than \$1,000,000, except local exchange access: <ol style="list-style-type: none"> (a) Based on current and reliable data from a single time period; and (b) Using generally recognized fully allocated, embedded, or incremental cost principles. 	<p>N/A – Bullock Pen is a Water District</p>
<p>807 KAR 5:001 Section 10 (7)(a)</p>	<p>Detailed income statement and balance sheet reflecting impact of all proposed adjustments</p>	<p>Exhibit No. 5.</p>
<p>807 KAR 5:001 Section 10 (7)(b)</p>	<p>Most recent capital construction budget containing at least period of time as proposed for any pro forma adjustment for plant additions.</p>	<p>Bullock Pen's only construction budget is filed as Exhibit No. 7</p>

**Filing Requirement Index
Historical Test Period Rate Case**

**Filing Requirement
Description**

**Filing
Requirements**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (7)(c)	<p>For each proposed pro forma adjustment reflecting plant additions the following information:</p> <ol style="list-style-type: none"> 1. Starting date of the construction of each major component of plant; 2. Proposed in-service date; 3. Total estimated cost of construction at completion; 4. Amount contained in construction work in progress at end of test period; 5. Complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement; 6. Original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions; 7. Explanation of any differences in amounts contained in the capital construction budget and amounts of capital construction cost contained in the pro forma adjustment period; and 8. Impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements; 	See Exhibit 7.
807 KAR 5:001 Section 10 (7)(e)	Number of customers to be added to the test period – end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.	Exhibit No. 9. Billing analysis for proposed rates. 180 new customers have been added to proposed rates in the BA.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 8(1)	Full name and P.O. address of applicant and reference to the provision of law requiring PSC approval	Application
807 KAR 5:001 Section 8(2)	The original and 10 copies of Application plus copy for anyone named as interested party.	Correct number of copies have been submitted
807 KAR 5:001 Section 8(3)	If applicant is a corporation, a certified copy of the Articles of Incorporation.	NA
807 KAR 5:001 Section 9(2)(a)	The proposed new construction in the application is by public convenience or necessity	Page 4.
807 KAR 5:001 Section 9(2)(b)	Copies of any franchises or permits for the proposed new construction.	No new franchises are required.
807 KAR 5:001 Section 9(2)(c)	Description of proposed location of the new construction.	Application, Page 3 and KIA letter and Engineering Report
807 KAR 5:001 Section 9(2)(d)	Maps, location of facilities, facilities owned by others	Application
807 KAR 5:001 Section 9(2)(e)	The manner, in detail, in which it is proposed to finance the construction or facilities	No maps available at this time. Deviation requested.
807 KAR 5:001 Section 9(2)(f)	An estimated cost of operation after the facilities are completed	Application and KIA Letter
KRS 322.340	Engineering plans, specifications, plants and report of proposed construction.	Application and KIA letter. A deviation is requested for any other requirement.
807 KAR 5:001 Section 11(1)(c)	Statement of how proceeds are to be used.	Preliminary Engineering Report. No other information available at this time.
807 KAR 5:001 Section 11(1)(d)	If proceeds are for property acquisition, give full description thereof.	KIA Letter and Engineering Report
		N/A

**Filing Requirement Index
Historical Test Period Rate Case**

**Filing
Requirements**

**Filing Requirement
Description**

**Location or
Absence Reason**

807 KAR 5:001	Full name and P.O. address of applicant and reference to the provision of law requiring PSC approval	Application
807 KAR 5:001	The original and 10 copies of Application plus copy for anyone named as interested party.	The correct number of copies has been filed.
807 KAR 5:001	If applicant is a corporation, a certified copy of the Articles of Incorporation.	NA
807 KAR 5:001	The proposed new construction in the application is by public convenience or necessity	Application
807 KAR 5:001	Copies of any franchises or permits for the proposed new construction.	No new franchises are required.
807 KAR 5:001	Description of proposed location of the new construction.	Application
807 KAR 5:001	807 KAR 5:001 Section 9(2)(c)	
807 KAR 5:001	Maps, location of facilities, facilities owned by others	No maps available at this time. Deviation requested.
807 KAR 5:001	The manner, in detail, in which it is proposed to finance the construction or facilities	Engineering Report and KIA Letter
807 KAR 5:001	An estimated cost of operation after the facilities are completed	Engineering Report and KIA Letter. A deviation is requested for any other requirement.
807 KAR 5:001	807 KAR 5:001 Section 9(2)(f)	
807 KAR 5:001	6(4) through Section 6(8) do not apply to Bullock Pen	
807 KAR 5:071	3(3)(a) does not apply to Bullock Pen	



Steven L. Beshear
Governor

Robert D. Vance, Secretary
Environmental and Public
Protection Cabinet

Larry R. Bond
Commissioner
Department of Public Protection



Commonwealth of Kentucky
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John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

Honorable Thomas R. Nienaber
Attorney at Law
Berger, Cox & Nienaber
401 Madison Avenue
Covington, KY 41011

May 13, 2008

RE: Case No 2008-00170
Bullock Pen Water District
(General Rates)

Notice of Intent to File Application for an Adjustment in Rates

This letter is to acknowledge receipt of notice of intent to file an application in the above case. The notice was date-stamped received May 13, 2008 and has been assigned Case No 2008-00170. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at (502) 564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Stumbo".

Stephanie Stumbo
Executive Director

SS/rs



FOR Crittenden, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. _____

Bullock Pen Water District
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

Comparison of Rates

<u>5/8" x 3/4" Meter</u>			Current	Proposed
First	2,000	Gallons	\$18.28 Minimum Bill	\$23.75 Minimum Bill
Next	3,000	Gallons	6.15 Per 1,000 Gallons	6.92 Per 1,000 Gallons
Next	5,000	Gallons	5.54 Per 1,000 Gallons	6.45 Per 1,000 Gallons
Next	10,000	Gallons	4.93 Per 1,000 Gallons	6.32 Per 1,000 Gallons
Over	20,000	Gallons	4.31 Per 1,000 Gallons	5.55 Per 1,000 Gallons

<u>1 Inch Meter</u>			Current	Proposed
First	5,000	Gallons	\$ 36.73 Minimum Bill	\$44.51 Minimum Bill
Next	5,000	Gallons	5.54 Per 1,000 Gallons	6.45 Per 1,000 Gallons
Next	10,000	Gallons	4.93 Per 1,000 Gallons	6.32 Per 1,000 Gallons
Over	20,000	Gallons	4.31 Per 1,000 Gallons	5.55 Per 1,000 Gallons

5.55 Per 1,000 Gallons

<u>1 1/2 Inch Meter</u>			Current	Proposed
First	10,000	Gallons	\$64.43 Minimum Bill	\$76.76 Minimum Bill
Next	10,000	Gallons	4.93 Per 1,000 Gallons	6.32 Per 1,000 Gallons
Over	20,000	Gallons	4.31 Per 1,000 Gallons	5.55 Per 1,000 Gallons

<u>2 Inch Meter</u>			Current	Proposed
First	20,000	Gallons	\$113.73 Minimum Bill	\$139.96 Minimum Bill
Over	20,000	Gallons	4.31 Per 1,000 Gallons	5.55 Per 1,000 Gallons

Bulk Loading Station \$5.85 Per 1,000 Gallons \$6.17 Per 1,000 Gallons

Phase 6 Surcharge				\$ 25.00
Phase 8 Surcharge			11.46	
Phase 5 Surcharge			10.00	
Phase 7 Surcharge			12.52	

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____



NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Meter Test

1. Field Expense:

A. Materials (Itemize)

_____ \$ _____

B. Labor (Time and Wage)

2.0 hours _____ 28.00

Total Field Expense \$ 28.00

2. Clerical and Office Expense

A. Supplies \$ 5.00

B. Labor 5.00

Total Clerical and Office Expense

3. Miscellaneous Expense

A. Transportation \$ 18.80
(40 * .47 cents per mile)

B. Other (Itemize)

Total Miscellaneous Expense \$ 18.80

Total Nonrecurring Charge Expense \$ 51.80
USE \$ 50.00

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Disconnect/Reconnect

1. Field Expense:

A. Materials (Itemize)

<hr/>	\$ <hr/>
<hr/>	<hr/>

B. Labor (Time and Wage)

1 hour <hr/>	<hr/> 14.45
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Total Field Expense	\$ <hr/>14.45
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2. Clerical and Office Expense

A. Supplies	\$ <hr/>
-------------	----------

B. Labor	<hr/> 5.00
----------	------------

Total Clerical and Office Expense	
--	--

3. Miscellaneous Expense

A. Transportation (80 * .47 cents per mile)	\$ <hr/> 37.60
--	----------------

B. Other (Itemize)	
--------------------	--

Total Miscellaneous Expense	\$ <hr/>37.60
------------------------------------	----------------------

Total Nonrecurring Charge Expense	\$ <hr/>57.05
<u>USE</u>	\$ <hr/>50.00

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: Service Investigation, Meter Reread

1. Field Expense:

A. Materials (Itemize)

B. Labor (Time)

1.0 hours 16.45

Total Field **16.45**

2. Clerical and Office Expense

A. Supplies \$ _____

B. Labor _____

Total Clerical and Office Expense

3. Miscellaneous Expense

A. Transportation \$ 18.80
(40 * .47 cents per mile)

B. Other (Itemize)

Total Miscellaneous Expense \$ **18.80**

Total Nonrecurring Charge Expense \$ **35.25**

USE **\$35.00**

P.S.C. KY. NO. _____ 2 _____

CANCELING P.S.C. KY. NO. _____ 1 _____

BULLOCK PEN WATER DISTRICT

OF

PO BOX 188

CRITTENDEN, KENTUCKY, 41030

RATES & CHARGES

AND

RULES & REGULATIONS

FOR FURNISHING

WATER SERVICE

AT

GRANT, BOONE, KENTON AND PENDLETON COUNTIES

FILED WITH THE

PUBLIC SERVICE COMMISSION

OF

KENTUCKY

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

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(Signature of Officer)

TITLE _____

FOR Crittenden, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. _____

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

I. RATES AND CHARGES

- A. Monthly Rates
- B. Deposits
- C. Meter Connection/Tap-on Charges
- D. Special Non-recurring Charges

II. RULES AND REGULATIONS

- A. Service Information
- B. Special Rules or Requirements
- C. Billings, Meter Readings, and Related Information
- D. Special Nonrecurring Charges
- E. Collection of Delinquent Accounts
- F. Credit Cards
- G. Customer Complaints to the Utility
- H. Bill Adjustments
- I. Status of Customer Accounts during Billing Disputes
- J. Customer Request for Termination of Service
- K. Customer Relations
- L. Refusal or Termination of Service

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

- M. Meter Testing
- N. Meter Test Records
- O. Customer Requested Meter Tests
- P. Access to Property
- Q. System Inspections
- R. Reporting of Accidents, Property Damage, or Loss of Service
- S. Continuity of Service
- T. Pressures
- U. Service Lines and Connections
- V. Leak Adjustments
- W. Ownership of Mains, Services, and Appurtenances
- X. Legal Disclaimers
- Y. Fire Departments
- Z. Fire Hydrants
- AA. Extension Policy for Developers
- BB. Mobile Home Parks
- BB. Mobile Home Parks
- CC. Apartments

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

A. MONTHLY RATES:

5/8" x 3/4" Meter

First	2,000	Gallons	\$23.75	Minimum Bill
Next	3,000	Gallons	6.92	Per 1,000 Gallons
Next	5,000	Gallons	6.45	Per 1,000 Gallons
Next	10,000	Gallons	6.32	Per 1,000 Gallons
Over	20,000	Gallons	5.55	Per 1,000 Gallons

1 Inch Meter

First	5,000	Gallons	\$44.51	Minimum Bill
Next	5,000	Gallons	6.45	Per 1,000 Gallons
Next	10,000	Gallons	6.32	Per 1,000 Gallons
Over	20,000	Gallons	5.55	Per 1,000 Gallons

1 1/2 Inch Meter

First	10,000	Gallons	\$76.76	Minimum Bill
Next	10,000	Gallons	6.32	Per 1,000 Gallons
Over	20,000	Gallons	5.55	Per 1,000 Gallons

2 Inch Meter

First	20,000	Gallons	\$139.96	Minimum Bill
Over	20,000	Gallons	5.55	Per 1,000 Gallons

Bulk Loading Station \$6.17 Per 1,000 Gallons

KIA Surcharge	\$20.00
Phase 8 Surcharge	11.46
Phase 5 Surcharge	10.00
Phase 7 Surcharge	12.52
Phase 10 Surcharge	10.72

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Bullock Pen Water District
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

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RULES AND REGULATIONS

B. DEPOSITS

The utility may require a minimum cash deposit or other guarantee to secure payment. Service may be refused or discontinued if payment of requested deposit is not made. Deposits will be returned after one year if the customer if the customer's bill is paid by the due date each month.

An equal deposit amount for each class of customers will be established based on the average annual bill of customers in that class. Deposit amounts will not exceed two twelfths (2/12) of the average annual bills of customers in each class where bills are rendered monthly. Deposits will be adjusted each time the utility receives a rate increase approved by the Public Service Commission.

Deposit may be waived for a customer showing satisfactory credit or payment history. In determining whether a deposit will be required or waived, the following criteria will be considered; a) Previous history with the utility. If the customer has no previous history with the utility, statements from other utilities, banks, etc., may be presented by the customer as evidence of good credit; b) Whether the customer has an established income or line of credit; c) length of time the customer has resided or been located in the area; d) Whether the customer owns the property to be served; e) whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

Interest will accrue on all deposits at the rate prescribed by law beginning on the date of the deposit. Interest accrued will be refunded or credited to the customer's bill on an annual basis. In situations where a customer leaves the system with less than one years service, since beginning service or since the customer's last interest payment date, interest will be refunded or credited to the customer on a prorated basis.

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

C. METER CONNECTION/TAP-ON CHARGES:

5/8 Inch X 3/4 Inch	\$1,000
1 Inch Connection	1,400
All Larger Meters	Actual Cost

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

D. SPECIAL NON-RECURRING CHARGES:

Meter Test	50.00
Late Payment Penalty	10%
Meter Relocation Charge	Actual Cost
Re-connection Charge	50.00
Returned Check Charge	20.00
Service Call/Investigation	35.00
Meter Reread	35.00

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

The following are the rules and regulations of the Bullock Pen Water District. The schedule of rates prescribed herein will be uniformly charged to all customers of the utility. No one will receive or be entitled to free service by the utility. No employee or individual commissioner of the utility is permitted to make an exception to these rates, rules, or regulations. These rules and regulations are subject to change by the utility at any time, subject to the approval of the Public Service Commission.

Any customer applying for residential or commercial water service with the District agrees to comply with all rules and regulations of the District. The customer agrees to notify the District of any leaks when the same are observed, insure no one else taps into the water supply line or meter servicing such customer. The customer also agrees to comply with all rules and regulation of the District. Any customer who does not abide by said conditions for service shall be subject to having their service terminated.

A. Service Information.

1. Upon request the utility will give its customers or prospective customers such information as is reasonably possible in order that they may secure safe, efficient, and continuous service. The utility will inform its customers of any change made or proposed in the character of its service that might affect the efficiency, safety, or continuity of operation.
2. The utility will obtain the approval of the Public Service Commission prior to making any substantial change in the character of the service furnished that would affect the efficiency, adjustment, speed, or operation of the equipment or appliances of any customer. The application will show the nature of the change to be made, the number of customers affected, and the manner in which they will be affected.

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

B. Special Rules or Requirements.

1. The utility cannot establish any special rule or requirement without first obtaining the approval of the Public Service Commission.
2. A customer that has complied with Public Service Commission rules and regulations cannot be denied service for failure to comply with the utility's rules that have not been approved by the Public Service Commission.
3. No customer is allowed to resell water except under the terms of a special contract executed by the utility and approved by the Public Service Commission.

C. Billing.

1. Bill format. A copy of the utility's billing form is included in the utility's tariff.
2. Frequency of meter reading. Unless prevented by reasons beyond the utility's control, meter readings will be taken every month. Records will be kept by the utility to insure that this information is available to Public Service Commission staff and any customer requesting this information. If, due to reasons beyond its control, the utility is unable to read a meter in accordance with this subsection, the utility will record the date and time the attempt was made, if applicable, and the reason the utility was unable to read the meter.
3. Related Information.
 - a) Bills and notices related to the utility's business will be mailed to the customer at the address listed at the time of connection unless a change of address has been filed with the utility in writing. The utility will not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in the notice.

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Bullock Pen Water District
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

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RULES AND REGULATIONS

- b) Water service will be billed monthly.
- c) A late payment penalty will be assessed on the delinquent amount of the bill, less taxes and any prior penalty amounts. Pursuant to 807 KAR 5:006 Section 8 (3)(h), a penalty may be assessed only once on any bill for rendered services.

When a bill has been delinquent for more than 20 days, the District will serve a customer a written final notice of said delinquency, and of the intent to discontinue service ten (10) days after the date of such notice unless such bill is paid prior to the expiration of such ten (10) days.

If a delinquent bill is not paid within ten (10) days after the date of such final notice (thirty days after the past due date), the water supply to the customer may be disconnected without further notice.

- d) With the exception of existing connections, the existence of a special contract, or unusual circumstances requiring approval of the utility, a single meter can serve no more than one residential or commercial unit.

D. Special Non-recurring Charges.

1. The utility will collect for special nonrecurring charges to recover customer-specific costs incurred which would otherwise result in monetary loss to the utility or increased rates to other customers to whom no benefits accrue from the service provided or action taken. The utility may establish or change any special nonrecurring charge by applying for Public Service Commission approval of such charge in accordance with the provisions of 807 KAR 5:011, Section 10.
2. Special nonrecurring charges will be applied uniformly throughout the area served by the utility. Such charges will relate directly to the service performed or action taken and only yield enough revenue to pay the expenses incurred in rendering the service.

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(Name of Utility)

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RULES AND REGULATIONS

3. The utility will assess a charge for the following non-recurring services:

- a) **Service Call/Investigation Charge:** Will be assessed when a customer requests the onsite presence of utility personnel to investigate a service problem and the problem is a result of the customer's own plumbing facilities, beyond the utility's delivery point, or not caused by failure of utility facilities. Any maintenance and repair of facilities beyond the utility's delivery point is the responsibility of the customer.
- b) **Late Payment Penalty:** Will be assessed on the delinquent amount of the bill, less taxes. The late payment penalty is 10 percent.
- c) **Meter Relocation Charge:** Will be assessed when a customer or other authorized person requests that a meter be relocated, changed, or modified. Those requesting a change must reimburse the utility for the actual costs incurred, including but not limited to appropriate legal, administrative, engineering, overhead, or other related costs.
- d) **Reconnection Charge:** Will be assessed to reconnect service that has been terminated for non-payment of service or for violation of Utility or Public Service Commission rules and regulations, and will include the cost of the service trip for both the disconnection and the reconnection.
- e) **Returned Check Charge:** Will be assessed when a customer's check is returned, either due to insufficient funds or other reason due to customer fault.
- f) **Meter Reread:** A charge will be made if the customer requests a meter to be reread, and the original reading was correct.

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

E. COLLECTION OF DELINQUENT ACCOUNTS.

All customers are and shall be required to pay the amount of their respective water bills in full and without discount on the day following the rendering of the bill for water service. If payment on the account is not received in a timely manner, then the District shall issue a notice regarding the delinquent account along with a notice of intent to discontinue services for nonpayment. The water service shall not be restored until the account is paid in full, plus a service charge for discontinuing service and restoring service plus any deposit required.

F. Credit/Debit Cards. Customers may pay their bill by credit or debit card, once the utility has access to this payment method. This method of payment may be made in person at the utility office or by telephone.

If on the bill due date, an attempt to pay the credit or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after the due date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is denied, the same rules and above apply, in addition to service being disconnected.

If a customer makes a payment by credit card, the utility will assess a fee equal to that charged to the utility by credit or debit card processing company to process the transaction. Prior to processing the transaction, the customer will be informed of the fee amount. The fee will be calculated as follows:

1.7% of the bill plus 20 cents per transaction for Visa, Master Card and Discover.

ACH/Bank Drafts: All customers may pay their bill by ACH or Bank Draft. The charge for using this method is 15 cents per transaction.

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(Name of Utility)

CANCELING P.S.C. KY. NO. _____

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RULES AND REGULATIONS

G. Customer Complaints to the Utility. Upon complaint to the utility by a customer at the utility's office, by telephone, or in writing, the utility will make a prompt and complete investigation and advise the complainant of its findings. The utility's operator/manager will make a decision within ten (10) days, which the complainant will then have ten (10) days to appeal to the utility's board of commissioners. The customer will receive a final decision from the utility no later than thirty (30) days following the date that the complaint was made. If the complainant is not satisfied with the utility's decision, the utility will provide written notice to the complainant of his/her right to appeal the utility's decision by filing a complaint with the Public Service Commission. The utility will also provide the customer with the address and telephone number of the Public Service Commission. The utility will keep a record of all written complaints. This record will show the name and address of the complainant, the date and nature of the complaint, and the adjustment or disposition of the complaint. Records will be maintained for two (2) years from the date of resolution of the complaint.

H. Bill Adjustments:

1. Fast or slow reading meters:

- a) If upon periodic test, requested test, or complaint test, a meter in service is found to be more than two (2) percent fast, additional tests will be made to determine the average error of the meter. The tests will be made in accordance with Public Service Commission rules and regulations applicable to the type of meter involved.
- b) If test results on a customer's meter show an average error greater than two (2) percent fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where a utility has filed a verified complaint with

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

the appropriate law enforcement agency alleging fraud or theft by a customer, the utility will immediately determine the period during which the error has existed, and will recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the underbilled customer. Any adjustment to the customer's account will be in accordance with the rules and regulations of the Public Service Commission pursuant to 807 KAR 5:066 Section 9(c).

- c) The utility will readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period will be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads will be used for comparison purposes in calculating the time period. If the customer and the utility are unable to agree on an estimate of the time period during which the error existed, the Public Service Commission will determine the issue. In all instances of customer overbilling, the customer's account will be credited or the overbilled amount refunded at the discretion of the customer within thirty (30) days after final meter test results. A utility will not require customer repayment of any underbilling to be made over a period shorter than a period coextensive with the underbilling.

- 2. Meter read failure. When a meter has ceased to register, or a meter reading cannot be obtained, the quantity of water to be billed will be based upon an average of twelve-months' consumption. If said meter readings are not available for an entire twelve-month period, the

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Bullock Pen Water District
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

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RULES AND REGULATIONS

water bill will be estimated by the utility, subject to an upward or downward adjustment once a twelve-month average of actual meter readings can be calculated.

3. Monitoring usage. The utility will monitor a customer's usage at least annually in such a way to draw the utility's attention to unusual deviations in a customer's usage. If a customer's usage is unduly high (25% above average) and the deviation is not otherwise explained, the utility will test the customer's meter to determine whether the meter shows an average error greater than two (2) percent fast or slow.
4. Usage investigation. If the utility's procedure for monitoring usage indicates that an investigation of a customer's usage is necessary, the utility will notify the customer in writing either during or immediately after the investigation of the reasons for the investigation, and of the findings of the investigation. If knowledge of a serious situation requires more expeditious notice, the utility will notify the customer by the most expedient means available.
5. Customer notification. If a meter is tested and it is found necessary to make a refund or back bill a customer, the customer will be notified in substantially the following form:

On _____, 20____, the meter bearing identification No. _____ installed in your building located at _____ (Street and Number) in _____ (city) was tested at _____ (on premises or elsewhere) and found to register _____ (percent fast or slow). The meter was tested on _____ (Periodic, Request, Complaint) test.

Based upon this we herewith _____ (charge or credit) with the sum of \$____, which amount has been noted on your regular bill. If you desire a cash refund, rather than a credit to your account, of any amount overbilled, you must notify this office in writing within seven (7) days of the date of this notice

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(Name of Utility)

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RULES AND REGULATIONS

I. Status of Customer Accounts during Billing Disputes. With respect to any billing dispute, customer accounts shall be considered to be current while the dispute is pending as long as the customer continues to make undisputed payments and stays current on subsequent bills.

J. Customer's Request for Termination of Service.

1. Any customer desiring service terminated or changed from one address to another shall give the utility three (3) working days' notice in person, in writing, or by telephone, provided such notice does not violate contractual obligations. The customer will not be responsible for charges for service beyond the three (3) day notice period if the customer provides proper notification and reasonable access to the meter during the notice period. If the customer notifies the utility of his/her request for termination by telephone, the burden of proof is on the customer to prove that service termination was requested if a dispute arises.
2. Upon request that service be reconnected at any premises subsequent to the initial installation or connection to its service lines, the utility will charge the applicant a reconnect fee as set out in this tariff and approved by the Public Service Commission.

K. Customer Relations.

1. Display of customer rights. The utility will prominently display in the office in which payment is received a copy of Customer's Rights. If a customer indicates to any utility personnel that he is experiencing difficulty in paying a current utility bill, that employee will refer the customer to the designated representative for explanation of the customer's rights.
2. Partial payment plans. The utility shall negotiate and accept reasonable partial payment plans at the request of residential customers who have received a termination notice for failure to pay, except that a utility is not required to negotiate a partial payment plan with a customer

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

who is delinquent under a previous partial payment plan. Partial payment plans must be mutually agreed upon. Plans which extend for a period longer than thirty (30) days will be in writing and will advise customers that service may be terminated without additional notice if the customer fails to meet the obligations of the plan.

- 3. Utility inspections of service conditions prior to providing service. The utility will inspect the condition of the meter and service connections before providing service to a new customer so that prior or fraudulent use of the facilities will not be attributed to the new customer. The new customer will be afforded the opportunity to be present at such inspections. The utility will not be required to render service to any customer until any defects in the customer-owned portion of the service facilities have been corrected.
- 4. Advance termination notice. When advance termination notice is required, the termination notice will be mailed or otherwise delivered to the last known address of the customer. The termination notice will be in writing, distinguishable and separate from any bill. The termination notice will plainly state the reason for termination, that the termination date will not be affected by receipt of any subsequent bill, and that the customer has the right to dispute the reasons for termination.

L. Refusal or Termination of Service.

- 1. The utility may refuse service to a customer under the following conditions:
 - a) For noncompliance with utility or Public Service Commission rules and regulations. The utility cannot refuse service to any customer for noncompliance without first having made a reasonable effort to obtain customer compliance. After such effort by the utility, service may be refused only after the customer has been given a written notice of refusal stating the reasons for refusal of service.

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- b) For dangerous conditions. If a dangerous condition exists which could subject any person to imminent harm or result in substantial damage to the property of the utility or others is found to exist on the customer's premises, then service will be refused. The utility will notify the customer in writing and, if possible, orally for the reasons for refusal of service. Such notice will be recorded by the utility and will include the corrective action to be taken by the customer before service can be provided.
- c) For refusal of access. When a customer refuses or neglects to provide reasonable access to the premises for installation, operation, meter reading, maintenance or removal of utility property, the utility may refuse service. The utility will notify the customer in writing and, if possible, orally for the reasons for refusal of service. Such notice will be recorded by the utility and will include the corrective action to be taken by the customer before service can be provided.
- d) For outstanding indebtedness. The utility will not furnish new service to any customer who is indebted to the utility until that customer has repaid the indebtedness.
- e) For noncompliance with state, local, or other codes. The utility may refuse service to a customer if the customer does not comply with state, municipal or other codes, rules, and/or administrative regulations applying to such service. The utility will notify the customer in writing and, if possible, orally for the reasons for refusal of service. Such notice will be recorded by the utility and will include the corrective action to be taken by the customer before service can be provided.

2. Utility Initiated Termination of Service.

- a) The termination notice requirements stated herein will not apply if termination notice requirements to a particular customer or customers are otherwise dictated by the terms of a special contract between the utility and customer which has been approved by the Public Service Commission.

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- b) When advance termination notice is required, the termination notice shall be mailed or otherwise delivered to the last known address of the customer. The termination notice shall be in writing, distinguishable and separate from any bill. The termination notice shall plainly state the reason for termination, that the termination date will not be affected by receipt of any subsequent bill, and that the customer has the right to dispute the reasons for termination.
- c) The utility may terminate service to a customer under the following conditions with an advance termination notice:
- 1) For noncompliance with utility or Public Service Commission rules and regulations. The utility cannot terminate service to any customer for noncompliance without first having made a reasonable effort to obtain customer compliance. After such effort by the utility, service may be terminated only after the customer has been given at least ten (10) days written termination notice.
 - 2) For refusal of access. When a customer refuses or neglects to provide reasonable access to the premises for installation, operation, meter reading, maintenance, or removal of utility property, the utility may terminate service. Such action will be taken only when corrective action negotiated between the utility and customer has failed to resolve the situation and after the customer has been given at least ten (10) days' written notice of termination.
 - 3) For noncompliance with state, local, or other codes. The utility may terminate service to a customer that does not comply with state, municipal, and/or other codes, rules, and regulations that apply to such service. A utility may terminate service only after ten (10) days' written notice of termination is provided unless ordered to terminate immediately by a governmental official.

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- 4) For nonpayment of bills. The utility may terminate service for nonpayment of charges incurred for utility services. The utility may terminate service only after five (5) days' written notice of termination is provided, and after twenty (20) days have elapsed since the mailing date of the original unpaid bill.
- d) The utility may terminate service to a customer if the following conditions exist without an advance termination notice. Within twenty-four (24) hours after such termination, the utility shall send written notification to the customer of the reason(s) for termination upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission. The utility will not restore service until the customer agrees to comply with all rules and regulations of the utility and Public Service Commission.
- 1) For illegal use or theft of service. The utility may terminate service to a customer without advance notice if it has evidence that a customer has obtained unauthorized service by illegal use or theft. This right of termination is separate from and in addition to any other legal remedies that the utility may pursue for illegal use or theft of service.
- 2) For dangerous conditions. If a dangerous condition relating to the utility's service which could subject any person to imminent harm or result in substantial damage to the property of the utility or others is found to exist on the customer's premises, then service will be terminated immediately. Upon termination the utility will leave notification at the customer's dwelling and, if possible, orally contact the customer to inform him/her of the reasons for the termination. Such notice will be recorded by the utility and will include the corrective action to be taken by the customer or utility before service can be restored.

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- 3) Unapproved Extensions and/or Additions. Any extension or additions to an existing service connection that have not been approved by the utility will be considered theft of service, and will constitute grounds for termination of service. This right of termination is separate from and in addition to any other legal remedies that the utility may pursue for illegal use or theft of service.
- 4) Misrepresentation. Any misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water will constitute grounds for termination of service, and the customer shall be liable for any damage to any of the utility's facilities or equipment.
- 5) Failure to Report Changes. Failure to notify the utility of additions to the property or fixtures to be supplied or additional use to be made of water will constitute grounds for termination of service.
- 6) Resale of Water. Under no circumstances will a customer be allowed to resell or give away water except under the terms of a special contract executed by the utility and approved by the Public Service Commission. Failure to comply with this rule will constitute grounds for termination of service.
- 7) Waste or Misuse. Waste or misuse of water due to improper or imperfect service pipes and/or failure to keep said pipes in suitable state of repair will constitute grounds for termination of service.
- 8) Tampering with meter, meter seal, service, valves, or other system facilities, or permitting such tampering by others will constitute grounds for termination of service.
- 9) Connections, cross-connections, or permitting the same, of any separate water supply to premises that receive water from the utility will constitute grounds for termination of service.

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e) The utility will not terminate service to a customer if the following conditions exist:

- 1) If payment for services is made. Service will not be terminated to a customer that was sent a termination notice if the customer delivers full payment to the utility prior to the actual termination of service.
- 2) If a partial payment agreement is in effect. Service will not be terminated for nonpayment if the customer and the utility have entered into a partial payment plan and the customer is meeting the requirements of the plan.
- 3) If a medical certificate is presented. Service will not be terminated for thirty (30) days beyond the termination date if a physician, registered nurse or public health officer certifies in writing that termination of service will aggravate a debilitating illness or infirmity on the affected premises. The utility may refuse to grant consecutive extensions for medical certificates past the original thirty (30) days unless the certificate is accompanied by an agreed partial payment plan. The utility will not require a new deposit from a customer to avoid termination of service for a thirty (30) day period who presents to the utility a medical certificate certified in writing by a physician, registered nurse or public health officer.

M. Meter Testing.

1. Water meters will be tested before being installed for use by any customer. The water meter will be in good working order and adjusted as close to the optimum operating tolerance as possible, in accordance with 807 KAR 5:022, Section 8(3)(a), 807 KAR 5:041, Section 17(1)(a)-(c) and 807 KAR 5:066, Section 15(2)(a)-(b).
2. The utility may have all or part of its meter testing performed by another utility or agency approved by the Public Service Commission. The utility will notify the Public Service Commission of the make, type, and serial number of standards used for testing.

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3. The utility cannot place in service any basic measurement standard unless the Public Service Commission has approved the calibration. The Public Service Commission will be notified promptly of the adoption or deletion of any basic standards requiring approval of the calibration.
4. Meter testers must be certified by the Public Service Commission. Certified meter testers will perform tests as necessary to determine the accuracy of the utility's meters and to adjust the utility's meters to the degree of accuracy required by the rules and regulations of the Public Service Commission.

N. Meter Test Records.

1. A complete record of all meter tests and adjustments and data sufficient to allow checking of test calculations will be recorded by the meter tester. Such record will include: information to identify the unit and its location; date of tests; reason for such tests; readings before and after test; statement of "as found" and "as left" accuracy sufficiently complete to permit checking of calculations employed; notations showing that all required checks have been made; statement of repairs made, if any; identifying number of the meter; type and capacity of the meter; and the meter constant. The complete record of tests of each meter will be continuous for at least two (2) periodic test periods and will in no case be less than two (2) years.
2. The utility will keep numerically arranged and properly classified records for each meter owned, used and inventoried by the utility. The identification number, date of purchase, name of manufacturer, serial number, type, rating, and name and address of each customer on whose premises the meter has been in service with date of installation and removal will be included in the records. These records will also contain condensed information concerning all tests and adjustments including dates and general results of such adjustments. The records

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will reflect the date of the last test and indicate the proper date for the next periodic test required by the applicable Public Service Commission rule and/or regulation.

3. Upon completion of adjustment and test of any meter pursuant to Public Service Commission rules and regulations, the utility will affix to the meter a suitable seal in such a manner that adjustments or registration of the meter cannot be altered without breaking the seal.

O. Customer Requested Meter Tests.

1. The utility will make a test of any meter upon written request of any customer if the request is not made more frequently than once every twelve- (12) months. The customer shall be given the opportunity to be present at the requested test. If the test shows that the meter was not more than two (2) percent fast, the utility will make a reasonable charge for the test, the amount being approved by the Public Service Commission and set out in the utility's tariff.
2. After having first obtained a test from the utility, any customer of the utility may request a meter test by the Public Service Commission upon written application. Such request shall not be made more frequently on one (1) meter than once every twelve- (12) months.

P. Access to Property.

1. The utility shall at all reasonable hours have access to meters, service connections, and other property owned by it and located on customer's premises for purposes of installation, maintenance, meter reading, operation, replacement or removal of its property at the time service is terminated. Any employee of the utility whose duties require him/her to enter the customer's premises will wear a distinguishing uniform or other insignia identifying him/her as an employee of the utility, or show a badge or other identification which will identify him/her as an employee.

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2. Obtaining easements and right-of-ways necessary to extend service will be the responsibility of the utility.
3. All customers must grant, convey, or cause to be granted or conveyed to the utility a perpetual easement and right-of-way across any property owned or controlled by the customer wherever necessary for the utility's facilities in order to provide service.
4. The utility cannot require a prospective customer to obtain easements or rights-of-way on property not owned by the prospective customer as a condition for providing service. However, the cost of obtaining easements or rights-of-way will be included in the total per foot cost of an extension, and will be apportioned among the utility and customer in accordance with the applicable extension administrative regulation.

Q. System Inspections.

1. The utility will adopt inspection procedures to assure safe and adequate operation of its facilities and compliance with Public Service Commission rules and regulations. These procedures will be filed with the Public Service Commission for review.
2. Upon receipt of a report of a potentially hazardous condition at any utility facility made by a qualified employee, public official, or customer, the utility will inspect all portions of the system which are the subjects of the report.
3. Appropriate records will be kept by the utility to identify the inspection made, deficiencies found and action taken to correct the deficiencies.
4. Inspections. The utility will make systematic inspections of its system in the manner set out below to insure that the Public Service Commission's safety requirements are being met. These inspections will be made as often as necessary but not less frequently than is set forth below for various classes of facilities and types of inspection.

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- a) The utility will annually inspect all structures pertaining to source of supply for their safety and physical and structural integrity, including dams, intakes, and traveling screens. The utility will *semiannually* inspect supply wells, their motors and structures, including electric power wiring and controls for proper and safe operation.
- b) The utility will annually inspect all structures pertaining to purification for their safety, physical and structural integrity and for leaks, including sedimentation basins, filters, and clear wells; chemical feed equipment; pumping equipment and water storage facilities, including electric power wiring and controls; hydrants, mains, and valves.
- c) The utility will monthly inspect construction equipment and vehicles for defects, wear, operational hazards, lubrication, and safety features.

R. Reporting of Accidents, Property Damage, or Loss of Service.

1. Within two (2) hours following discovery the utility will notify the Public Service Commission by telephone or electronic mail of any utility related accident which results in:
 - a) Death; or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization;
 - b) Actual or potential property damage of \$25,000 or more; or
 - c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.
2. A summary written report will be submitted by the utility to the Public Service Commission within seven (7) calendar days of the utility related accident.

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S. Continuity of Service.

1. Emergency interruptions. The utility will make all reasonable efforts to prevent interruptions of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay consistent with the safety of its consumers and the general public. If an emergency interruption of service affects service to any public fire protection device, the utility will immediately notify the fire chief or other public official responsible for fire protection.
2. Scheduled interruptions. If the utility finds it necessary to schedule an interruption of its service, it will notify all customers to be affected by the interruption, stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions will be made at hours of least inconvenience to customers. If public fire protection is provided by mains affected by the interruptions, the utility will notify the fire chief or other officials responsible for fire protection of the interruption, stating the time and anticipated duration. The fire chief or other official responsible for fire protection will be notified immediately upon restoration of service.
3. Record of interruptions. The utility will keep a complete record of all interruptions on its entire system. This record will show the cause of interruption, date, time, duration, remedy and steps taken to prevent recurrence.

T. Pressures.

1. Standard pressure. The utility will maintain a standard pressure in its distribution system at locations to be designated as the point or points of "standard pressure." The selection of such points will be confined to locations fairly representative of average conditions. In selecting points for fixed standard pressure, the utility may divide its distribution system into Districts if division is necessary due to differences of elevation or loss of pressure because of friction,

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or both, and may either adopt a standard pressure for each division or establish a single standard pressure for its distribution system as a whole. The utility may, in extenuating circumstances, furnish service that does not comply with the foregoing specifications if the customer is fully advised of the conditions under which average service may be expected. The Public Service Commission, upon investigation, may require improvements when it appears right and proper that such upgrades should be made. In no event, however, will the pressure at the customer's service pipe under normal conditions fall below thirty- (30) psig nor will the static pressure exceed 150 psig.

2. Pressure surveys. At least once a year the utility will make a survey of pressures in its distribution system of sufficient magnitude to indicate the quality of service being rendered at representative points in its system. Pressure charts for these surveys will show the date and time of beginning and end of the test and the location at which the test was made. Records of these pressure surveys will be maintained at the utility's office and will be made available to the Public Service Commission upon request.

U. Service Lines & Connections.

1. The utility will furnish and install at its own expense for the purpose of connecting its distribution system to the customer's premises that portion of the service connection from its main to and including the meter and meter box. The utility will recoup this expense from the customer in accordance with KRS 278.0152.
2. In areas where the distribution system follows well-defined streets and roads, the customer's point of service will be located at that point on or near the street right-of-way or property line most accessible to the utility from its distribution system. In areas where the distribution system does not follow streets and roads, the point of service will be located as near the

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customer's property line as practicable. Prior to installation of the meter the utility will consult with the customer as to the most practical location.

3. Depth of service line. All service lines must be laid at a sufficient depth to prevent freezing during the coldest weather normally experienced except where services are not intended for use during freezing weather and are actually drained during such periods.
4. A plumbing permit from the appropriate regulatory agency is required before the utility can set the meter.
5. The applicant/customer must furnish and lay the necessary pipe to make the connection from the point of service to the point of usage and be financially responsible for all costs associated with the installation and maintenance of his/her service line plumbing, including a shut-off valve and one-way check valve, installed on his/her property beginning at the outlet side of the water meter. The service line must be kept in good repair and in accordance with utility and Public Service Commission rules and regulations.
6. The installation and maintenance of the water service line must be in accordance with the rules and regulations of the Kentucky Department of Health.
7. A cross-connection of the utility's system with any other source is strictly prohibited.
8. A well that has or is being used on the premises must be inspected by utility personnel to verify disconnection and separation.
9. Absolutely no galvanized pipe or fittings can be used in the installation.
10. If the applicant/customer's point of usage is at a higher elevation than the meter, the customer should consult with a reputable engineering firm to properly size the service line from the meter to the point of usage.

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11. Should an applicant/customer desire a higher pressure due to location or other need, provisions must be made by the applicant for an individual pressure booster system. The manner of connection, location cross-connection protection and type is subject to approval by the utility. The utility reserves the right to require discontinuance and disconnection should the private booster system have a detrimental effect on the utility's system.
12. Piping on the premises of the applicant/customer must be installed so that connections are conveniently located with respect to the utility's lines and mains. A place must be provided for metering that is unobstructed and accessible at all times.
13. The utility may require the applicant/customer may, at his/her own expense, to install a back-flow preventor and/or pressure regulator.
14. All meters will be installed, renewed, and maintained at the expense of the utility, and the utility reserves the right to approve the size and type of meter used.
15. All taps and connections to the mains of the utility must be made by and/or under the direction and supervision of utility personnel and will incur a meter connection/tap-on charge, an amount that has been approved by the Public Service Commission for such service. Payment of this fee is for the privilege of connecting to the water system and the payment of the fee does not constitute the purchase of a water meter.
16. The installer shall verify that payment has been made for the meter, that all easements have been obtained, and in addition, said installer shall note the serial number of the meter being installed. If a meter is removed from a particular residence for a temporary period of time for testing or other purposes, it shall be labeled as to which property location it belongs and shall be reinstalled if at all possible. The installer shall also verify the obtaining of a health department permit for said meter.
17. No connections to the water lines of the system shall be made except by or under the supervision of a duly authorized officer, agent or employee of the District, an only after

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approval of the application submitted with the required tap on or connection fee for the particular meter.

18. Any customer having boilers and/or pressure vessels that receive water from the utility must have a check valve on the water supply line and a vacuum valve on the steam line in order to prevent a collapse were the water supply from the utility be interrupted or discontinued.

V. Underground Leak Adjustments. A customer may make a request for a bill adjustment in the event of a leak under the following conditions:

1. The customer must request a leak adjustment in writing to the utility.
2. One adjustment in a twelve-(12) month period shall be allowed upon proof of unintentional cause of the leak and correction of said problem. Proof that the repair has been made such as meter reader verification, plumbing receipt or materials for customer repair will be required. The customer's bill will be based on two components. The first step will be to calculate the customer's average monthly usage over a twelve-month period. (A lesser consumption history may be used if a twelve-month period is not available). The second step will be to deduct the customers average monthly usage (as calculated in the above) from the total amount of water that passed through the meter. The usage calculated in step one will be billed at the utility's regular rates, while the remaining usage will be billed at the District's wholesale rate.
3. If meter readings are not available for an entire twelve-month period, the water bill will be estimated by the utility, subject to an upward or downward adjustment once a twelve-month average of actual meter readings can be calculated.
4. If the amount of the adjusted bill shall be in excess of one hundred dollars (100), the customer shall have ninety (90) days to pay the entire bill. If the bill is under the (100) the customer must pay same in sixty (60) days for the date of the calculation.

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W. Ownership of Mains, Services, and Appurtenances:

1. All mains, fire hydrants, valves, crossings, and other appurtenances are and shall remain the property of the utility, whether installed by the utility or the customer.
2. All service lines from the main to the meter with appurtenances are and shall remain the property of the utility, whether installed by the utility or the customer.
3. The customer shall install, own, and maintain his/her service line from the meter (or point of delivery) to the point of usage.
4. The District may at the customer's request relocate or change location of existing District owned equipment. The customer shall reimburse the District for charges at cost, including appropriate overhead for such relocating and any new meter connections requested to be made. A commercial meter should not be installed without the prior approval of the water Commission.
5. Notification of system problems will be made by the customer immediately should the service be unsatisfactory for any reason, or should there be any defects, problems, trouble, or accidents affecting the water system.

X. Legal Disclaimers.

1. The utility shall in no event be held responsible for any claims made against it for reasons of system failure or interruption of service. No persons shall be entitled to damages nor for any portion of a payment refunded for any system failure or interruption of service which in the opinion of the utility is deemed necessary.

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2. No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure appurtenance or equipment which is a part of the utility's water system. Any person violating this provision will be subject to immediate arrest and/or discontinuance of water service and shall pay the cost of repairing or replacing the utility's facilities.
3. If any loss or damage to the property of the utility or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of a customer, members of his/her household, his/her agent or employee, the cost of necessary repairs or replacements shall be paid by the customer of the utility and any liability otherwise resulting shall be that of the customer.
4. For purposes of fire protection, including any customer's fire protection system, the utility cannot guarantee a water supply at any particular flow rate or pressure. The fire flow may vary depending upon other water demands on the system, various water facility limitations, or other circumstances. The customer will indemnify and hold harmless the utility and its employees from and against all claims, damages, losses, and expenses incurred as a result of insufficient water supply or deficient system facilities.

Y. Fire Departments. Any city, county, urban county, charter county, fire protection district, or volunteer fire protection district ("User") may withdraw water from the utility's water distribution system for the purpose of fighting fires or training firefighters at no charge on the condition that it maintains estimates of the water used for fire protection and training during the calendar month and reports the amount of this water usage to the utility no later than the 15th day of the following calendar month.

Any city, county, urban count, charter county, fire protection district, or volunteer fire protection district that withdraws water from the utility's water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall be assessed the cost of this water.

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Crittenden, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. _____

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

A non-reporting user's usage shall be presumed to 0.3 of the utility's total water sales of the calendar month. A non-reporting user may present evidence of its actual usage to rebut the presumed usage. The utility shall consider this evidence and may adjust the presumed usage amount accordingly.

The non-reporting user shall be billed for this usage at the lowest usage block regardless of customer classification that the utility charges. A non-reporting user shall also be assessed a penalty of \$25.00 for each failure to submit a report in a timely manner.

Z. Fire Hydrants:

1. In accordance with 807 KAR 5:066 Section 10(2)(b), a new fire hydrant will not be installed unless:
 - a) A professional engineer with a Kentucky registration has certified that the system can provide a minimum fire flow of 250 gallons per minute, and
 - b) The system supporting this flow has the capability of providing this flow for a period of not less than two (2) hours plus consumption at the maximum daily rate.
2. The location, installation, and the responsibility for maintenance of fire hydrants, public and private fire protection facilities, connecting mains, and their ownership may be subject to negotiation between the utility and the applicant/customer. Fire hydrants and public and private fire protection facilities shall be installed as required by the utility and if owned by the utility shall be subject to any conditions the Public Service Commission may impose, based upon the compensation received for this service.
3. Installed throughout the service area are hydrants that are for the operation and maintenance of the water distribution systems of the District. The District is not in the business of providing fire protection. The hydrants are flush hydrants are for the internal operation of the

DATE OF ISSUE _____
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FOR Crittenden, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. _____

Bullock Pen Water District
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

system and are necessarily designed for fighting fires. The hydrants may be used for fire protection but the District makes no commitment whatsoever as to the flow rate, pressure, or duration of flow that a particular hydrant is capable of performing based on the last inspection of the hydrant.

AA. Extension Procedures for Developers and/or New Subdivisions.

1. Nothing contained herein shall be construed to prohibit the utility from contracting to make extensions under different arrangements if such arrangements have received prior approval of the Public Service Commission. The following requirements were approved by the Commission in Case No. 9720 on September 14, 1994.
 - a) All residential subdivisions including but not limited to single family residential subdivisions whether such consist of single family, detached dwellings; condominiums, townhouses, patio homes and the like, ("subdivision") located within the District shall install an individual residential water meter for each individual residential dwelling located within the subdivision. The subdivision developer shall install up to the lot line of each individual subdivision lot or residential dwelling unit, as the case may be, waterlines for the purpose of making water meter connections for such individual living unit. All such installation of waterlines within the subdivision shall be done at the owner's expense. The owner of the subdivision shall also be required to pay a tap-in or connection fee to the District as provided for in this tariff for each water meter installed by the District.
 - b) All waterline installation required to be installed by the developer of the subdivision as provided for in the above section, shall done in accordance with the existing rules, regulations and specifications of the District and shall be done at the developer's expense.
 - c) No waterline installation in any subdivision shall be constructed without first receiving written approval from the District, after application by the developer.

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(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Crittenden, Kentucky
Community, Town or City

P.S.C. KY. NO. 1

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Bullock Pen Water District
(Name of Utility)

RULES AND REGULATIONS

- d) After all waterlines in any subdivision are installed, the District shall test the respective lines to insure that such line installation complies with all rules and, regulations and specifications of the District. Testing shall be effective with ten (10) days after the completion of all waterline installations or at the earliest possible date. The District shall supervise and or apply any and all tests to the lines installed in any subdivision, as the District may deem appropriate. All waterline installations must be in compliance with the rules, regulations and specifications of the District, prior to the acceptance thereof of the District.
- e) The subdivision developer/owner shall install a meter setter, meter crock and meter lid, suitable for meter installation,
- f) Following approval by the District of waterlines installed in a subdivision, and for a period of not less than one year thereafter, the developer shall bear the responsibility for all maintenance an repair for all lines and water meters installed within a subdivision until the date of written acceptance of said lines and meters by the District. Upon the expiration of said one year period and upon acceptance by the District, all responsibility for all such waterlines and meters shall be assumed and discharged by the District and the developer shall no longer have any responsibility for said maintenance and repair.

BB Mobile Home Parks

The following language relating to mobile home parks was approved in Case No. 9720. dated September 14, 1994.

All mobile home parks located within the District shall install an individual residential water meter for each mobile home unit located within the park. The park owner shall

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DATE EFFECTIVE _____
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FOR Crittenden, Kentucky
Community, Town or City

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Bullock Pen Water District
(Name of Utility)

CANCELING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

install up to the mobile home living unit waterlines for the purpose of making a water meter connection. All such installations shall be done at the at the owners expense. The owner of the park shall also be required to pay a tap fee or connection fee to the District as provided in this tariff for each water meter installed by the District.

All waterline installation required to be installed by the owner shall be done in accordance with the existing rules, regulations and specifications of the District and shall be done at the owner's expense.

No waterline installation in any park shall be conducted without first receiving written approval by the District after application of the owner.

After all waterlines in any park are installed, the District shall test the respective lines to insure that such installation complies with all regulations of the District. Testing shall be effected after the completion of all waterline installation at the earliest possible date. The District shall supervise and /or apply any and all tests to the lines installed in any park as the District may deem appropriate. All waterline installation shall be in compliance with the regulations of the District.

The owner/developer shall install a meter setter, meter crock, and meter lid suitable for meter installation for each mobile home lot/pad at the developers/owner's cost and expense.

Parks served by master meters, which were installed and paid for by the owner thereof, shall receive reimbursement for the cost of such installation from the District in the event that the park owner should decide to install individual water meters for each unit. The park owner shall be responsible for the installation of all water lines with in the park.

As of the effective date of this tariff amendment any park serviced by a master meter or any water meter which services two or more units shall be billed as follows: A monthly water bill shall equal the product of the number of mobile homes serviced by such meter

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RULES AND REGULATIONS

times the current minimum monthly bill as set forth in the District's tariff. In the event that the total number of gallons consumed exceed the product of the number of mobile home units serviced by such meter time the minimum gallon usage, all water used in excess of the minimum gallon usage shall be billed per the District's tariff.

Responsibility for payment of water bills from any respective mobile home living unit shall be the responsibility of that individual in whose name the water meter is installed or other individual name in which the particular account is registered.

CC. Apartments

Any owner of an apartment building where the apartment building consists of two or more living units, the apartment building owner may at their election, have individual meters installed for each individual apartment unit. In the event that individual water meters are installed for each individual unit, all charges, fee and water rates, including disconnect and reconnect fees shall be the same as those provided in this tariff. The District shall charge a separate tap fee as approved by the Commission.

DATE OF ISSUE _____

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DATE EFFECTIVE _____

Month / Date / Year

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TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR _____

P.S.C. Ky. No. _____

Sheet No. _____

BULLOCK PEN WATER DISTRICT

Cancelling P.S.C. Ky. No. _____

Sheet No. _____

FORWARD & ADDRESS CORRECTION

FIRST CLASS MAIL
U.S. POSTAGE PAID

PERMIT NO. _____

ACCOUNT NO.

ITEM AMOUNT CODE READING DATE PREVIOUS READING CURRENT READING USAGE UC MR AMOUNT

ACCOUNT NO.

GROSS AMOUNT
DUE AFTER DUE DATE

NET BILL DUE NO.

COMPUTER RESOURCES CORPORATION

GROSS AMOUNT
DUE AFTER
ENTER READING
ACCOUNT NO.

BULLOCK PEN WATER DISTRICT
P.O. BOX 185
CRITTENDEN, KY 41030

ENCLOSE THIS STUB
WHEN PAYING BY MAIL
FOR PROPER CREDIT

IF THE BILL IS NOT PAID ON OR BEFORE THE DUE DATE,
A 10% PENALTY WILL BE ADDED TO THE AMOUNT DUE.
OFFICE HOURS: MONDAY-FRIDAY 8:00 A.M. to 4:30 P.M.
OUTSIDE NIGHT DEPOSITORY AVAILABLE FOR AFTER HOURS PAYMENT.
OFFICE PHONE: (606) 428-2112 • EMERGENCY PHONE: (606) 428-1235

CHECK BOX AT LEFT
IF YOU DESIRE A
CURRENT RATE TABLE
**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**

CODES:	WT = WATER	UC (USAGE CODES):
	SWR = SEWER	E = ESTIMATED
	GS = GAS	M = METER CHANGE
	FP = FIRE PROTECTION	
	TP = TRASH PICK-UP	
	BC = BAD CHECK CHARGE	
	SC = SERVICE CHARGE	
	CF = CONNECTION FEE	
	CR = CREDIT BALANCE	
	AR = PAST DUE BALANCE	
	TX = TAXES	
	EA = ESTIMATION ADJUSTMENT	
	EF = ESTIMATION FEES	
	RA = RATE ADJUSTMENT	

3 1992

PURSUANT TO 807 KAR 5:01
SECTION 9 (1)

BY: George H. Haller
PUBLIC SERVICE COMMISSION MANAGER

NOT RESPONSIBLE
FOR MAIL DELIVERY

APPROVED BY STATE BOARD OF PUBLIC UTILITIES

© 1989 COMPUTER RESOURCES CORPORATION

DAT

ISS



PUBLIC NOTICE OF PROPOSED ADJUSTMENT OF WATER RATES AND CHARGES

BULLOCK PEN WATER DISTRICT

Notice is hereby given that the Bullock Pen Water ("District") has filed an application with the Public Service Commission of Kentucky ("PSC") seeking approval of revised water revised water rates and non-recurring charges. The District plans to implement the proposed rates upon approval of the PSC.

Increments	Proposed Rates	Current Rates	Percentage Increase
First 2,000	\$23.75	18.28	30
Next 3,000	6.92	6.15	13
Next 5,000	6.45	5.54	18
Next 10,000	6.32	4.93	28
Over 20,000	5.55	4.31	29

The average bill based on 4,000 gallons will increase from \$36.73 to \$44.51 an increase of \$7.78 or 21 percent. The minimum bill for 1 inch connections is \$44.51, for 1 1/2 inch connections the minimum bill is \$76.76. The minimum bill for 2 inch connections is \$139.96.

Charge	Current	Proposed
Late Payment Penalty	10%	10%
Meter Reread	15.00	35.00
Meter Test	15.00	50.00
Reconnection	35.00	50.00
Returned Check	20.00	No change
Service Call – Investigation	15.00	35.00
Connection Fee 5/8 Inch	1,000.00	No change
1 Inch	1,400	No change
Phase 5 Surcharge	15.00	10.00
KIA Project	0	20.00
Bulk Loading Station	5.85	6.17
Deposits	10% of Estimated Bill	10% of Estimated Bill
Meter Relocation		Actual Cost

The rates contained in this notice are the rates proposed by the District. However, the PSC may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates included in this notice.

Customers of the District are advised that any corporation, District, body public, or person with a substantial interest in the matter may, and showing grounds for the request may intervene in this filing. Any motion to intervene shall be submitted to the Kentucky Public Service Commission, 211 Sower

Boulevard, PO Box 615, Frankfort, KY 40602; Attn: Executive Director. (Telephone 502-564-3940) and shall set forth the grounds for the request, including the status and interest of the party intervening and may obtain copies of the rate application and any other filings made by the District by contacting the District at its main office or by telephone (859-428-2112). Any person may examine the rate application and any other filings made by the District at the District's main office located Crittenden, KY., or at the Public Service Commission's office located at 211 Sower Blvd., Frankfort, KY 40602, telephone 502-564-3940.



BULLOCK PEN WATER DISTRICT			
INCOME AND EXPENSES			
Operating Income			
Water Sales	\$ 2,876,798	(98,079)	\$ 2,778,719
Unmetered Revenue	3,425		3,425
Bulk Sales	38,478		38,478
Penalties	63,321		63,321
Miscellaneous	24,201		24,201
Phase 6 Customers		53,648	53,648
Interest and Dividend	44,786		
Total	\$ 3,051,009	(44,431)	\$ 2,961,792
Operating Expenses			
Salaries and Wages	\$ 642,594		\$ 642,594
Officers	13,800		13,800
Pensions and Benefits	402,892		402,892
Purchased Water	760,706	115,001	875,707
Chemicals	73,153		73,153
Purchased Power	71,820		71,820
Materials and Supplies	125,122		125,122
Engineering	28,070		28,070
Accounting	37,435		37,435
Legal	29,237		29,237
Management Fees	4,193		4,193
Testing	15,824		15,824
Contractual - Other	47,925		47,925
Rental	4,075		4,075
Equipment Rental	6,801		6,801
Transportation	40,028		40,028
Insurance - Vehicles	12,178		12,178
General Liability	17,584		17,584
Workers Comp.	18,627		18,627
Other Insurance	7,061		7,061
Advertising	884		884
Bad Debt	31,519		31,519
Miscellaneous	2,011		2,011
Amortization	6,801		6,801
Taxes Other than Income	53,836		53,836
Depreciation	459,850		459,850
Debt	754,827		754,827
Phase 6		152,073	152,093
.20 Coverage	150,965	30,415	181,380
Total Expenses	\$ 3,819,818	\$ 297,489	\$ 4,117,327

BULLOCK PEN WATER DISTRICT

EXPLANATION OF ADJUSTMENTS

Adjustment to water sales of 98,079 is due to including school tax in total sales. See billing analysis.

Purchased water increase is due to an increase from the City of Walton and Northern Kentucky Water District

Bullock Pen Water District			
Increase in Purchased Water Costs			
City of Walton	45,815	\$ 3.28	\$ 150,273
Northern Ky WD	126,858	2.53	320,951
Williamstown	69,989	2.63	184,071
Boone County	28,801	3.66	105,411
Total	271,463		\$ 760,706
Revised Purchased Water Costs - Includes 183 New Customers			
City of Walton	45,815	\$ 3.86	\$ 176,846
Northern Ky WD	137,838	2.97	409,379
Williamstown	69,989	2.63	184,071
Boone County	28,801	3.66	105,411
Total	282,443		\$ 875,707
Cost at New Rates			\$ 875,707
Cost at TY Rates			760,706
Increase			\$ 115,001



Steven L. Beshear
Governor

Robert D. Vance, Secretary
Environmental and Public
Protection Cabinet

Timothy J. LeDonne
Commissioner
Department of Public Protection

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Mark David Goss
Chairman

John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

April 10, 2008

Thomas Nienaber
Berger, Cox Nienaber
401 Madison Avenue
Covington, KY 41011

RE: Filing No. **TFS2008-00007**
Water Supply Agreement between Bullock Pen Water District and Northern
Kentucky Water District.

Dear Thomas Nienaber:

The above referenced filing has been received and reviewed. An accepted copy is enclosed for your files. You may also use the following link to access documents related to this filing.

<http://psc.ky.gov/trf/TRFListFilings.aspx?ID=TFS2008-00007>

Sincerely,

Brent Kirtley
Dennis Brent Kirtley
Tariff Review Branch Manager

WATER SUPPLY AGREEMENT

This Water Supply Agreement (hereinafter "Agreement") dated as of the ^{20th}~~14th~~ day of December, 2007, is made and entered by and between the **Northern Kentucky Water District**, 2835 Crescent Springs Road, P.O. Box 18640, Erlanger, Kentucky 41018 (hereinafter "NKWD") and the **Bullock Pen Water District**, One Farrell Drive, Crittenden, Kentucky 41030 (hereinafter "BPWD"). NKWD and BPWD will be collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, BPWD desires a reliable source of water for its present and future needs, and NKWD desires to continue to provide BPWD with a reliable source of water for its present and future needs; and

WHEREAS, BPWD desires to expand its provision of water service to certain residents in southern Kenton County and NKWD is willing to allow such expansion in certain locations and pursuant to certain terms; and

WHEREAS, NKWD and BPWD desire to establish certain terms for the possible sale of BPWD's current and future water lines and appurtenances located in southern Kenton County and the possible sale of BPWD's assets; and

WHEREAS, NKWD and BPWD desire to work together to promote and encourage responsible growth and development in Kenton County and Grant County; and

WHEREAS, NKWD and BPWD desire to have NKWD be BPWD's water supplier of choice for certain designated areas:

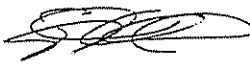
NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, NKWD and BPWD hereby agree as follows:

ARTICLE I

EFFECTIVE DATE, TERM AND TERMINATION OF PRIOR AGREEMENT

A. This Agreement will take effect on the date that this Agreement and the rates and service set forth herein are approved by the Public Service Commission of the Commonwealth of Kentucky (hereinafter "PSC") or the date that the PSC declares that its approval of this Agreement and the rates and service set forth herein is not required, whichever occurs first (hereinafter the "Effective Date"); provided that such approval of this Agreement is made on or before May 1, 2008.

B. Once it takes effect on the Effective Date, this Agreement will continue in full force and effect until December 1, 2040.

<p>Public Service Commission OF KENTUCKY EFFECTIVE 2/1/2008 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</p> <p>By  Executive Director</p>
--

C. The Water Supply Agreement, dated as of the 16th day of April, 2000, by and between the Bullock Pen Water District and the Northern Kentucky Water Service District will be automatically terminated on the Effective Date, with no action required by the parties thereto to effectuate such termination.

ARTICLE II
QUANTITY AND QUALITY OF WATER

A. During the term of this Agreement and any renewal or extension thereof, BPWD will purchase from NKWD and NKWD will supply to BPWD a minimum volume or flow rate of water of three hundred thousand (300,000) gallons per day, averaged on a monthly basis, at the Points of Delivery hereinafter specified. If desired by BPWD, NKWD will supply to BPWD a volume or flow rate of water up to six hundred thousand (600,000) gallons per day, averaged on a monthly basis, at the Points of Delivery. NKWD will not be obligated to provide water to BPWD in excess of six hundred thousand (600,000) gallons per day, averaged on a monthly basis, but, if desired by BPWD, NKWD will provide water to BPWD in excess of this volume or flow rate to the extent NKWD determines, in its sole discretion, that it has excess water available.

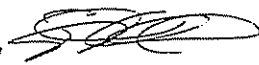
B. In the event that BPWD anticipates an increase in its need for water from NKWD which exceeds by twenty-five percent (25%) its then average monthly volume purchased from NKWD, BPWD shall notify NKWD of such anticipated increase in demand no later than fifteen (15) months before the period of time that such additional demand will commence. If NKWD determines, in its sole discretion, that it does not have excess water available, BPWD may purchase the excess water from another supplier of water on a temporary basis until NKWD does have excess water available, but NKWD will remain the provider to BPWD of at least three hundred thousand (300,000) gallons per day, averaged on a monthly basis.

C. NKWD will not be required, and will have no obligation, to supply to BPWD a volume or flow rate of water in excess of five hundred (500) gallons per minute, averaged on an hourly basis, through the existing Point of Delivery located near the intersection of U.S. Route 25 and Kentucky Route 14 and will not be required, and will have no obligation, to supply to BPWD a combined or total volume or flow rate of water through all Points of Delivery in excess of seven hundred and fifty (750) gallons per minute, averaged on an hourly basis, if and when BPWD constructs a second Point of Delivery on the 16 inch diameter water main located along Kentucky Route 17.

D. BPWD agrees that any and all water it supplies to customers located within the area in southern Kenton County depicted on attached Exhibit A, which is incorporated herein, (hereinafter "Special Area") will be purchased exclusively from NKWD.

E. BPWD agrees that any and all water it supplies to customers located within the areas in Grant and Pendleton Counties depicted on attached Exhibit B, which is incorporated herein, will either be produced by BPWD at its own treatment plant or purchased from NKWD, except that BPWD, if acting in good faith, may purchase water from the City of Williamstown to

PUBLIC SERVICE COMMISSION
OF KENTUCKY
OFFICE OF THE CLERK
211/2008
PURSUANT TO KY KAR 5:011
SECTION 9 (1)

By 
Executive Director

the extent necessary and during the times necessary for BPWD to meet the demand for water within the area depicted as "B-1" on attached Exhibit B.

F. Subject to the requirements of this Article II, BPWD may serve other areas with water purchased from NKWD.

G. The water provided by NKWD to BPWD will be potable, treated water meeting all applicable quality and purity standards of all appropriate state and federal regulatory agencies. The water will be of the same quality as that furnished to NKWD's retail and other wholesale customers. In the event NKWD is unable to provide water that is potable, treated water meeting all applicable quality and purity standards of all state and federal regulatory agencies, BPWD's obligation to purchase a minimum volume or flow rate of water of three hundred thousand (300,000) gallons per day, averaged on a monthly basis, under Section II.A of this Agreement and its obligations under Sections II.D and II.E of this Agreement will be suspended during the period of time commencing when BPWD provides written notice to NKWD of NKWD's failure to provide such water quality and continuing until NKWD is able to again provide such water quality. BPWD may purchase water from other suppliers of water during any such suspension period.

H. BPWD agrees that it will not rechlorinate water supplied by NKWD without NKWD's written approval. In the event that NKWD is unable to provide the water quality described in Section II.G above, BPWD may provide written notice to NKWD of its intention to retreat or provide additional water treatment to the water supplied by NKWD as may be reasonably necessary and within industry standards to ensure the water achieves the water quality described in Section II.G and may commence such retreatment or additional water treatment upon providing such written notice to NKWD.

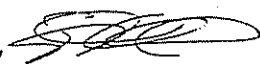
I. Subject to the minimum volume or flow rate of water of three hundred thousand (300,000) gallons per day, averaged on a monthly basis, which BPWD is required to purchase from NKWD under Section II.A of this Agreement and the requirements of Sections II.D and II.E of this Agreement, BPWD may purchase water from other suppliers of water. In addition, BPWD's obligation to purchase from NKWD a minimum volume or flow rate of water of three hundred thousand (300,000) gallons per day, averaged on a monthly basis, will be automatically suspended during any period that NKWD is not able to provide this volume or flow rate of water to BPWD, and BPWD may purchase water from other suppliers of water during any such suspension period.

ARTICLE III

POINTS OF DELIVERY, METERING EQUIPMENT AND PRESSURE

A. NKWD will provide water to BPWD at the discharge side of the master meter located at or near the intersection of U.S. Route 25 and Kentucky Route 17 in Kentucky County, Kentucky (hereinafter a "Point of Delivery"). BPWD may, at its expense, construct and install a new master meter and meter pit at a location along Kentucky Route 17 to create an additional point of delivery (hereinafter, and after construction and installation, also a "Point of Delivery"). Upon completion of construction and installation of the additional Point of Delivery, the

PUBLIC SERVICE COMMISSION
OFFICE OF THE ATTORNEY GENERAL
2/1/2008
PURSUANT TO 807 KAR 5:011
SECTION 9.(1)

By 
Executive Director

ownership of the master meter and meter pit at the additional Point of Delivery will automatically transfer to NKWD without any further action by BPWD or NKWD.

B. The master meter and the meter pit located at the existing Point of Delivery were installed by BPWD and subsequently transferred to NKWD. NKWD will own, operate and maintain the master meters and meter pits at each Point of Delivery. NKWD will make annual tests and inspections of the meters and the meter pits and perform such other tests and inspections as NKWD may deem necessary. No correction will be made in the billing to BPWD unless a test or inspection shows that the metering is more than two percent (2%) slow or fast. If any test or inspection shows that the metering is inaccurate by more than two percent (2%) slow or fast, correction will be made to the billing to BPWD for the period during which NKWD and BPWD agree that the inaccuracy existed. If no such agreement is reached, it will be assumed that the error developed progressively from the date of the last meter test or inspection and an appropriate adjustment to billings will be made.

C. NKWD will use its best reasonable efforts to provide a delivery pressure of thirty (30) psi at each Point of Delivery, subject to the force majeure events described in Article VII of this Agreement. In the event that NKWD is unable to provide a delivery pressure of thirty (30) psi at each Point of Delivery and such failure to provide a delivery pressure of thirty (30) psi continues for a period in excess of twenty-four (24) consecutive hours or seventy-two (72) cumulative hours in any calendar month, BPWD may provide written notice to NKWD of such failure and BPWD's obligation to purchase a minimum volume or flow rate of water of three hundred thousand (300,000) gallons per day, averaged on a monthly basis, will be suspended for the period of time commencing when BPWD provides such written notice to NKWD and continuing until NKWD is again able to provide a delivery pressure of thirty (30) psi at each Point of Delivery. BPWD may purchase water from other suppliers of water during any such suspension period.

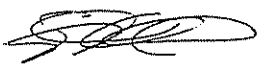
ARTICLE IV WATER RATES AND SURCHARGES

A. BPWD shall pay NKWD's water rates and charges for wholesale customers as such rates and charges may be adjusted from time to time. NKWD may, from time to time, increase its water rates and charges, but no rate or charge increase will take effect unless and until it has been reviewed and approved by the PSC.

B. Within three (3) days of the Board of Commissioners of NKWD taking official action to approve the filing of an application with the PSC for an increase in NKWD's rates or charges, NKWD shall notify BPWD of such action. NKWD will provide BPWD with a copy of its application with the PSC for an increase in its rates or charges within three (3) days of its filing of the application with the PSC.

C. BPWD shall pay NKWD for the actual quantity of water consumed from NKWD unless BPWD's actual consumption for any month does not exceed three hundred thousand (300,000) gallons per day, averaged on a monthly basis, in which case BPWD shall pay

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to NKWD for the minimum volume or flow rate it is required to purchase under this Agreement which is three hundred thousand (300,000) gallons per day, averaged on a monthly basis.

D. In addition to paying to NKWD the water rates and charges described in this Article IV, BPWD shall pay to NKWD each month an amount equal to ten (10) surcharges for NKWD's Subdistrict C expansion project until the expiration of the forty (40) year surcharge term for each Point of Delivery. The Parties understand and agree that the amount of each surcharge may vary over time but will not exceed thirty dollars (\$30.00) per month. The Parties further understand and agree that BPWD's obligation to pay surcharges may vary over time but will not exceed three hundred dollars (\$300.00) per month for each Point of Delivery. NKWD will recalculate the amount of each surcharge annually. In the event that the surcharge for NKWD's Subdistrict C expansion project is eliminated due to prepayment, BPWD's obligation to pay the surcharges described in this Section IV.D will be terminated.

ARTICLE V **BILLING AND PAYMENT**

Once each month, NKWD shall submit to BPWD an invoice for the amount due to NKWD under the terms of this Agreement for the prior month. All invoices shall be due and payable by BPWD to NKWD within twenty-one (21) days of receipt. A ten percent (10%) penalty shall be added to each invoice that is not paid within twenty-one (21) days of its receipt by BPWD.

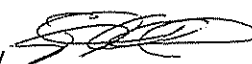
ARTICLE VI **AUDITS**

NKWD shall cause its accounts to be audited by a firm of certified public accountants on an annual basis. A copy of the certified public accountants' audit report will be supplied to BPWD upon BPWD's written request. BPWD may cause the accuracy of any cost charged to it to be verified, at BPWD's own expense, by an examination of the accounts and records kept by NKWD, and NKWD shall make its accounts and records available to BPWD at reasonable times and locations for such purposes.

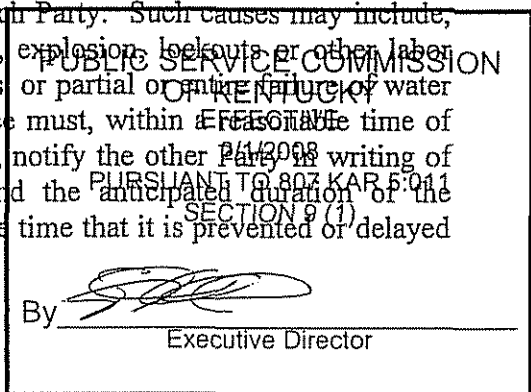
ARTICLE VII **FORCE MAJEURE**

Except for the payments required of BPWD under Articles IV and V above, either Party may suspend its performance under this Agreement if such Party's performance is prevented or delayed by a cause or causes beyond the reasonable control of such Party which could not have been avoided by the exercise of reasonable diligence by such Party. Such causes may include, but are not limited to, acts of God, acts of war, riot, fire, explosion, lockouts or other labor disturbances, breakage or damage to machinery or pipelines or partial or complete failure of water system. The Party asserting a right to suspend performance must, within a reasonable time of acquiring knowledge of the cause requiring the suspension, notify the other Party in writing of the cause of suspension, the performance suspended, and the anticipated duration of the suspension. Performance shall be suspended only during the time that it is prevented or delayed

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by the type of cause or causes described in this Article VII, and the Party whose performance is prevented or delayed shall endeavor to remove or overcome the cause or causes with all reasonable dispatch. Should NKWD suspend its performance in supplying water to BPWD, BPWD's obligations to pay for the water rates and surcharges specified in Article IV of this Agreement shall be suspended for the duration of NKWD's suspended performance. In the event of a system-wide shortage of water in NKWD's system, BPWD's supply of water under this Agreement will be reduced in the same ratio or proportion that the supply to NKWD's retail customers is reduced.

ARTICLE VIII
RESPONSIBILITY AND INDEMNIFICATION

NKWD and BPWD shall be solely responsible for the construction, operation and maintenance of their respective water systems. NKWD and BPWD, to the extent permitted by law, expressly agree to defend, indemnify and hold harmless the other against all claims, demands, costs or expenses asserted by third parties and proximately caused by their negligence or willful misconduct in connection with the construction, operation or maintenance of their respective water systems.

ARTICLE IX
RESALE OF WATER

BPWD may resell any water it purchases from NKWD to any third party, subject to the written approval of NKWD, which approval will not be unreasonably withheld.

ARTICLE X
WATER LINE PROJECTS IN SOUTHERN KENTON COUNTY

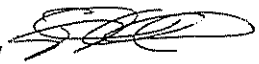
A. Subject to the terms and conditions of this Agreement, NKWD grants to BPWD the right and authority to install water lines and appurtenances and to serve customers within the Special Area depicted on attached Exhibit A, which is incorporated herein.

The grant of right and authority contained in this Article X is not intended to be an extension of BPWD's territory pursuant to KRS 74.115.

B. Projects for the installation of water lines and appurtenances within the Special Area may be designated and developed by BPWD at its discretion, considering standard engineering practices, customer potential and other factors. All projects and the location, proposed rates, surcharges and design of all projects shall be subject to the approval of NKWD, which approval will not be unreasonably withheld. The construction of all water lines and appurtenances in the Special Area by BPWD shall meet the minimum construction standards and specifications adopted by NKWD and in effect at the time of construction.

C. NKWD and BPWD shall cooperate in obtaining all necessary approvals from all governmental entities possessing authority and jurisdiction to approve or disapprove the construction of water lines and appurtenances in the Special Area by BPWD.

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2/1/2008
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D. Nothing in this Agreement shall restrict or prohibit NKWD from extending its existing water lines and appurtenances to serve customers within the Special Area if BPWD has not already installed water lines and appurtenances and is serving such customers.

E. Nothing in this Agreement shall obligate or otherwise require BPWD to install or extend new water lines in the Special Area.

ARTICLE XI

POSSIBLE PURCHASE OF EXISTING BPWD WATER LINES AND APPURTENANCES

A. BPWD currently owns and operates the water lines and appurtenances and related easements located in southern Kenton County as depicted on attached Exhibit C, which is incorporated herein (hereinafter the "Existing Lines")

B. Should BPWD at any time decide to sell all or any part of the Existing Lines NKWD may purchase all or any part of the Existing Lines upon such terms and conditions as may be mutually agreed upon by BPWD and NKWD. Upon any such purchase, all affected customers shall become customers of NKWD without any additional payment to BPWD for such customers.

C. In the event that, at any time during the term of this Agreement or any renewal or extension thereof, BPWD entertains an offer or proposal from or to any person or entity to acquire or purchase all or any part of the Existing Lines, then BPWD shall notify NKWD of the offer or proposal in writing, setting forth all of the terms of such offer or proposal, including the price.

D. The sale of all or any part of the Existing Lines from BPWD to NKWD or to any other person or entity shall be subject to the approval of all governmental agencies possessing authority and jurisdiction to approve or disapprove of such sale at the time of sale.

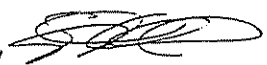
E. Should BPWD sell all or any part of the Existing Lines to a person or entity other than NKWD, BPWD shall, prior to the sale of all or any part of the Existing Lines, ensure that its contract for sale of the Existing Lines to such other person or entity requires such other person or entity to purchase all water supplied to and through the Existing Lines from NKWD until at least December 1, 2040.

ARTICLE XII

POSSIBLE PURCHASE OF NEW BPWD WATER LINES AND APPURTENANCES

A. All water lines and appurtenances and related easements owned and operated by BPWD in southern Kenton County, including those installed or acquired after the Effective Date, which are not expressly included among the Existing Lines, as described in Article XI above and depicted on attached Exhibit C, shall be known hereinafter as the "New Lines."

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2/1/2008
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B. Should BPWD at any time decide to sell all or any part of the New Lines, NKWD shall have the right to purchase such New Lines from BPWD, provided that NKWD either: (1) also purchases the Existing Lines from BPWD on such terms and conditions negotiated with BPWD; or (2) is able to serve the New Lines from NKWD's system without purchasing the Existing Lines. The purchase price for all or any part of the New Lines shall be equal to the initial, actual costs paid by BPWD for the water lines and appurtenances and related easements and any subsequent, actual costs paid by BPWD for improvements to them, based on a one hundred (100) year depreciation of the actual and unreimbursed construction costs of BPWD. The actual costs will not include any contributions toward the cost of installation from grants, service installations paid for through new service/tap fees, Fiscal Court contributions or any other sources of contribution toward the costs of the New Lines. Upon any such purchase, all affected customers shall become customers of NKWD without any additional payment to BPWD for such customers.

C. In the event that, at any time during the term of this Agreement or any renewal or extension thereof, BPWD entertains an offer or proposal from or to any person or entity to acquire or purchase all or any part of the New Lines, then BPWD shall notify NKWD of the offer or proposal in writing, setting forth all of the terms of such offer or proposal, including the price.

D. The sale of all or any part of the New Lines from BPWD to NKWD or to any other person or entity shall be subject to the approval of all governmental agencies possessing authority and jurisdiction to approve or disapprove of such sale at the time of sale.

E. Should BPWD sell all or any part of the New Lines to a person or entity other than NKWD, BPWD shall, prior to the sale of all or any part of the New Lines, ensure that its contract for sale of the New Lines to such other person or entity requires such other person or entity to purchase all water supplied to and through the New Lines from NKWD until at least December 1, 2040.

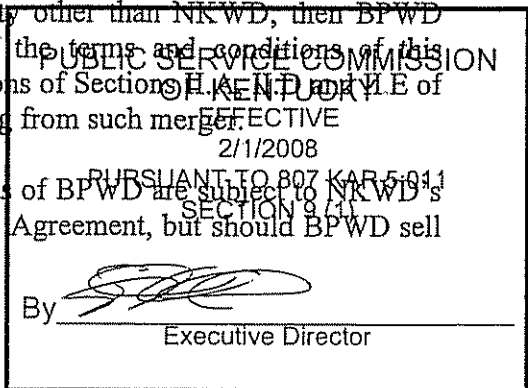
ARTICLE XIII **MERGER OR SALE OF BPWD ASSETS**

A. In the event that, at any time during the term of this Agreement or any renewal or extension thereof, BPWD entertains an offer or proposal from or to any person or entity to merge with BPWD or to acquire all or substantially all of BPWD's assets, then BPWD shall notify NKWD in writing of the offer or proposal, setting forth all of the terms of such offer or proposal, including the price

B. Should BPWD merge with a person or entity other than NKWD, then BPWD shall ensure that the contract for merger requires all of the terms and conditions of this Agreement, and particularly, without limitation, the obligations of Sections H, K, L, N, P, Q, R, S, T, U, V, W, X, Y, Z, AA, AB, AC, AD, AE, AF, AG, AH, AI, AJ, AK, AL, AM, AN, AO, AP, AQ, AR, AS, AT, AU, AV, AW, AX, AY, AZ, BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ, BK, BL, BM, BN, BO, BP, BQ, BR, BS, BT, BU, BV, BW, BX, BY, BZ, CA, CB, CC, CD, CE, CF, CG, CH, CI, CJ, CK, CL, CM, CN, CO, CP, CQ, CR, CS, CT, CU, CV, CW, CX, CY, CZ, DA, DB, DC, DD, DE, DF, DG, DH, DI, DJ, DK, DL, DM, DN, DO, DP, DQ, DR, DS, DT, DU, DV, DW, DX, DY, DZ, EA, EB, EC, ED, EE, EF, EG, EH, EI, EJ, EK, EL, EM, EN, EO, EP, EQ, ER, ES, ET, EU, EV, EW, EX, EY, EZ, FA, FB, FC, FD, FE, FF, FG, FH, FI, FJ, FK, FL, FM, FN, FO, FP, FQ, FR, FS, FT, FU, FV, FW, FX, FY, FZ, GA, GB, GC, GD, GE, GF, GG, GH, GI, GJ, GK, GL, GM, GN, GO, GP, GQ, GR, GS, GT, GU, GV, GW, GX, GY, GZ, HA, HB, HC, HD, HE, HF, HG, HH, HI, HJ, HK, HL, HM, HN, HO, HP, HQ, HR, HS, HT, HU, HV, HW, HX, HY, HZ, IA, IB, IC, ID, IE, IF, IG, IH, II, IJ, IK, IL, IM, IN, IO, IP, IQ, IR, IS, IT, IU, IV, IW, IX, IY, IZ, JA, JB, JC, JD, JE, JF, JG, JH, JI, JJ, JK, JL, JM, JN, JO, JP, JQ, JR, JS, JT, JU, JV, JW, JX, JY, JZ, KA, KB, KC, KD, KE, KF, KG, KH, KI, KJ, KK, KL, KM, KN, KO, KP, KQ, KR, KS, KT, KU, KV, KW, KX, KY, KZ, LA, LB, LC, LD, LE, LF, LG, LH, LI, LJ, LK, LL, LM, LN, LO, LP, LQ, LR, LS, LT, LU, LV, LW, LX, LY, LZ, MA, MB, MC, MD, ME, MF, MG, MH, MI, MJ, MK, ML, MM, MN, MO, MP, MQ, MR, MS, MT, MU, MV, MW, MX, MY, MZ, NA, NB, NC, ND, NE, NF, NG, NH, NI, NJ, NK, NL, NM, NN, NO, NP, NQ, NR, NS, NT, NU, NV, NW, NX, NY, NZ, OA, OB, OC, OD, OE, OF, OG, OH, OI, OJ, OK, OL, OM, ON, OO, OP, OQ, OR, OS, OT, OU, OV, OW, OX, OY, OZ, PA, PB, PC, PD, PE, PF, PG, PH, PI, PJ, PK, PL, PM, PN, PO, PP, PQ, PR, PS, PT, PU, PV, PW, PX, PY, PZ, QA, QB, QC, QD, QE, QF, QG, QH, QI, QJ, QK, QL, QM, QN, QO, QP, QQ, QR, QS, QT, QU, QV, QW, QX, QY, QZ, RA, RB, RC, RD, RE, RF, RG, RH, RI, RJ, RK, RL, RM, RN, RO, RP, RQ, RR, RS, RT, RU, RV, RW, RX, RY, RZ, SA, SB, SC, SD, SE, SF, SG, SH, SI, SJ, SK, SL, SM, SN, SO, SP, SQ, SR, SS, ST, SU, SV, SW, SX, SY, SZ, TA, TB, TC, TD, TE, TF, TG, TH, TI, TJ, TK, TL, TM, TN, TO, TP, TQ, TR, TS, TT, TU, TV, TW, TX, TY, TZ, UA, UB, UC, UD, UE, UF, UG, UH, UI, UJ, UK, UL, UM, UN, UO, UP, UQ, UR, US, UT, UY, UZ, VA, VB, VC, VD, VE, VF, VG, VH, VI, VJ, VK, VL, VM, VN, VO, VP, VQ, VR, VS, VT, VU, VV, VW, VX, VY, VZ, WA, WB, WC, WD, WE, WF, WG, WH, WI, WJ, WK, WL, WM, WN, WO, WP, WQ, WR, WS, WT, WU, WV, WW, WX, WY, WZ, XA, XB, XC, XD, XE, XF, XG, XH, XI, XJ, XK, XL, XM, XN, XO, XP, XQ, XR, XS, XT, XU, XV, XW, XX, XY, XZ, YA, YB, YC, YD, YE, YF, YG, YH, YI, YJ, YK, YL, YM, YN, YO, YP, YQ, YR, YS, YT, YU, YV, YW, YX, YY, YZ, ZA, ZB, ZC, ZD, ZE, ZF, ZG, ZH, ZI, ZJ, ZK, ZL, ZM, ZN, ZO, ZP, ZQ, ZR, ZS, ZT, ZU, ZV, ZW, ZX, ZY, ZZ

C. Any sale of all or substantially all of the assets of BPWD are subject to NKWD's right to purchase the New Lines under Section XII.B of this Agreement, but should BPWD sell

By 
Executive Director



all or substantially all of its assets to a person or entity other than NKWD, then BPWD shall ensure that its contract for sale requires such person or entity to purchase all water supplied to or through the New Lines and the Existing Lines (to the extent the New Lines and the Existing Lines have not been purchased by NKWD) to be purchased from NKWD until at least December 1, 2040. Should BPWD sell all or substantially all of its assets to a person or entity other than NKWD, then BPWD and its purchaser shall be relieved of any and all terms and conditions of this Agreement except for those requirements set forth in this Section XIII.C.

ARTICLE XIV
COOPERATION BETWEEN NKWD AND BPWD

NKWD and BPWD agree to work together cooperatively to ensure that the purposes of this Agreement are achieved for the benefit of their respective customers and their respective water systems. Such cooperation may consist of the exchange of laboratory services, meter testing services, emergency field services, equipment purchase opportunities, billing assistance, treatment plant assistance, water quality compliance services and other services and assistance, all on such terms and conditions as may be mutually agreed upon by the Parties. The Parties will also work together to explore the possibility of other points of delivery in order to provide more efficient water service between NKWD and BPWD.

ARTICLE XV
NOTICES

Any notices allowed or required under this Agreement shall be in writing and shall be hand-delivered or mailed by certified mail, return receipt requested. Notice shall be effective upon receipt. Notices shall be given to the Parties at the following addresses or such other addresses as may be designated by the Parties in writing:

To NKWD:

President/CEO
Northern Kentucky Water District
2835 Crescent Springs Road
P.O. Box 18640
Erlanger, Kentucky 41018

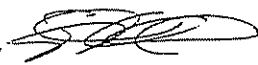
To BPWD:

General Manager
Bullock Pen Water District
One Farrell Drive
Crittenden, Kentucky 41030

ARTICLE XVI
ENTIRE AGREEMENT

This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all other understandings and agreements between the Parties with respect to the subject matter of this Agreement. There are no understandings, representations or warranties of any kind, express or implied, not expressly set forth in this Agreement. No modification of this Agreement shall be effective unless in writing and signed by both Parties.

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2/1/2008
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By 
Executive Director

ARTICLE XVII
WAIVERS

The failure of any Party at any time to enforce any provision of this Agreement, to exercise its rights under any provision, or to require a certain performance of any provision, shall in no way be construed as a waiver of such provision, nor in any way affect the validity of this Agreement or the right of a Party thereafter to enforce each and every provision.

ARTICLE XVIII
BINDING NATURE; CONSENT REQUIRED FOR ASSIGNMENT

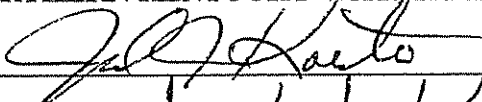
This Agreement shall be binding on the Parties and on their successors and assigns. This Agreement shall not be assigned by either Party without the written consent of the other Party.

ARTICLE XIX
AUTHORITY TO EXECUTE AGREEMENT

NKWD possesses full authority to enter this Agreement as indicated by the lawful resolution of NKWD attached hereto as Exhibit D. BPWD possesses full authority to enter this Agreement as indicated by the lawful resolution of BPWD attached hereto as Exhibit E.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed in two originals, one for each Party.

NORTHERN KENTUCKY WATER DISTRICT

By: 
Printed Name: Joseph J. Koesten
Title: Chairman

BULLOCK PEN WATER DISTRICT

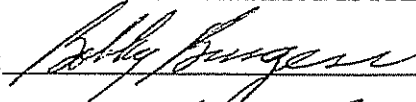
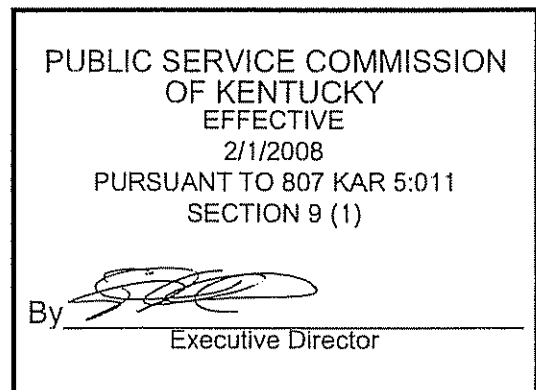
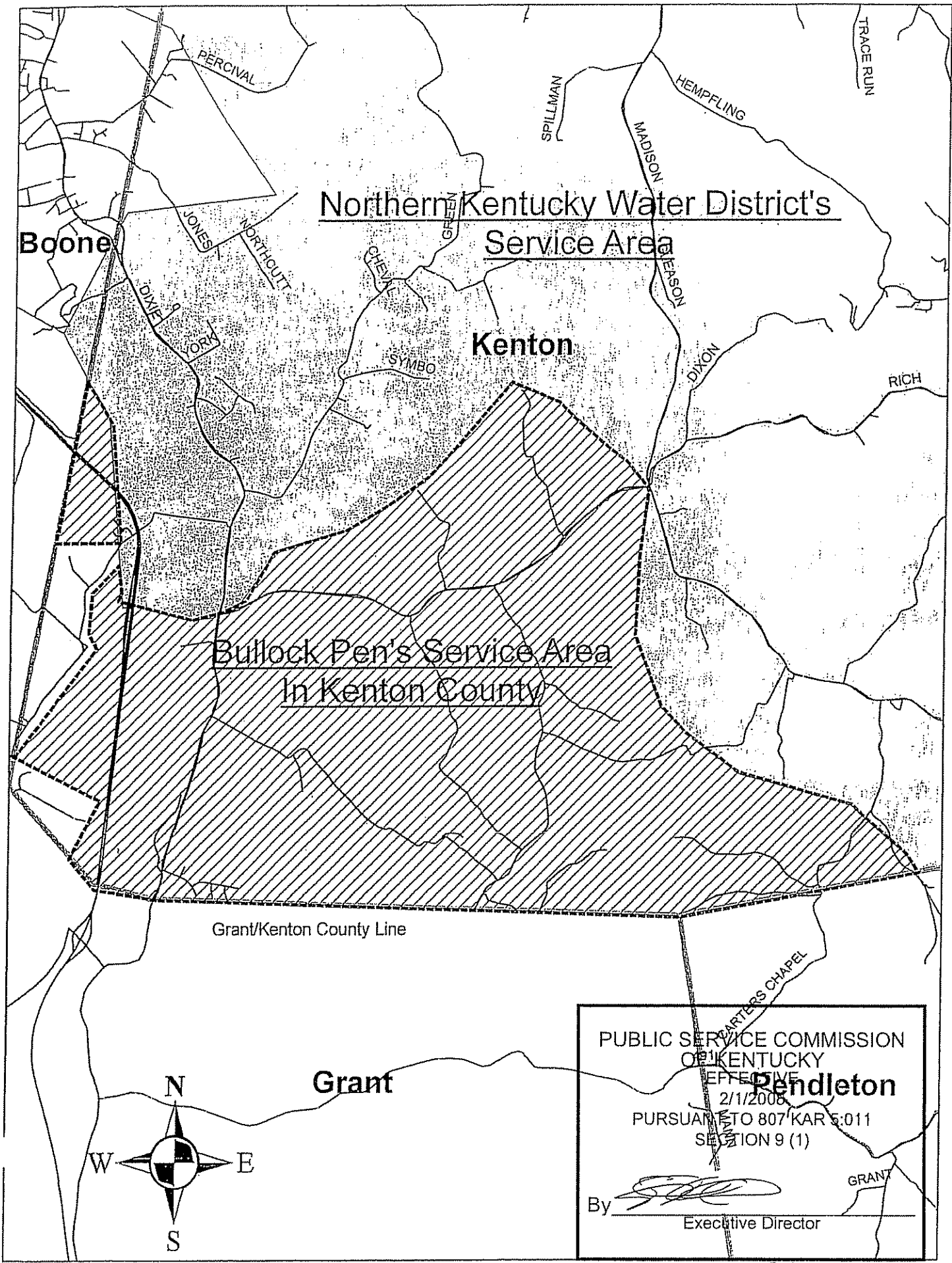
By: 
Printed Name: Bobby Burgess
Title: Chairman

Exhibit A - - Special Area in Kenton County
Exhibit B - - Areas in Boone, Grant and Pendleton Counties
Exhibit C - - Existing Lines in southern Kenton County
Exhibit D - - Authorizing Resolution of NKWD
Exhibit E - - Authorizing Resolution of BPWD

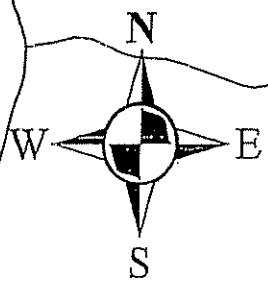




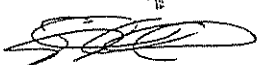
Northern Kentucky Water District's Service Area

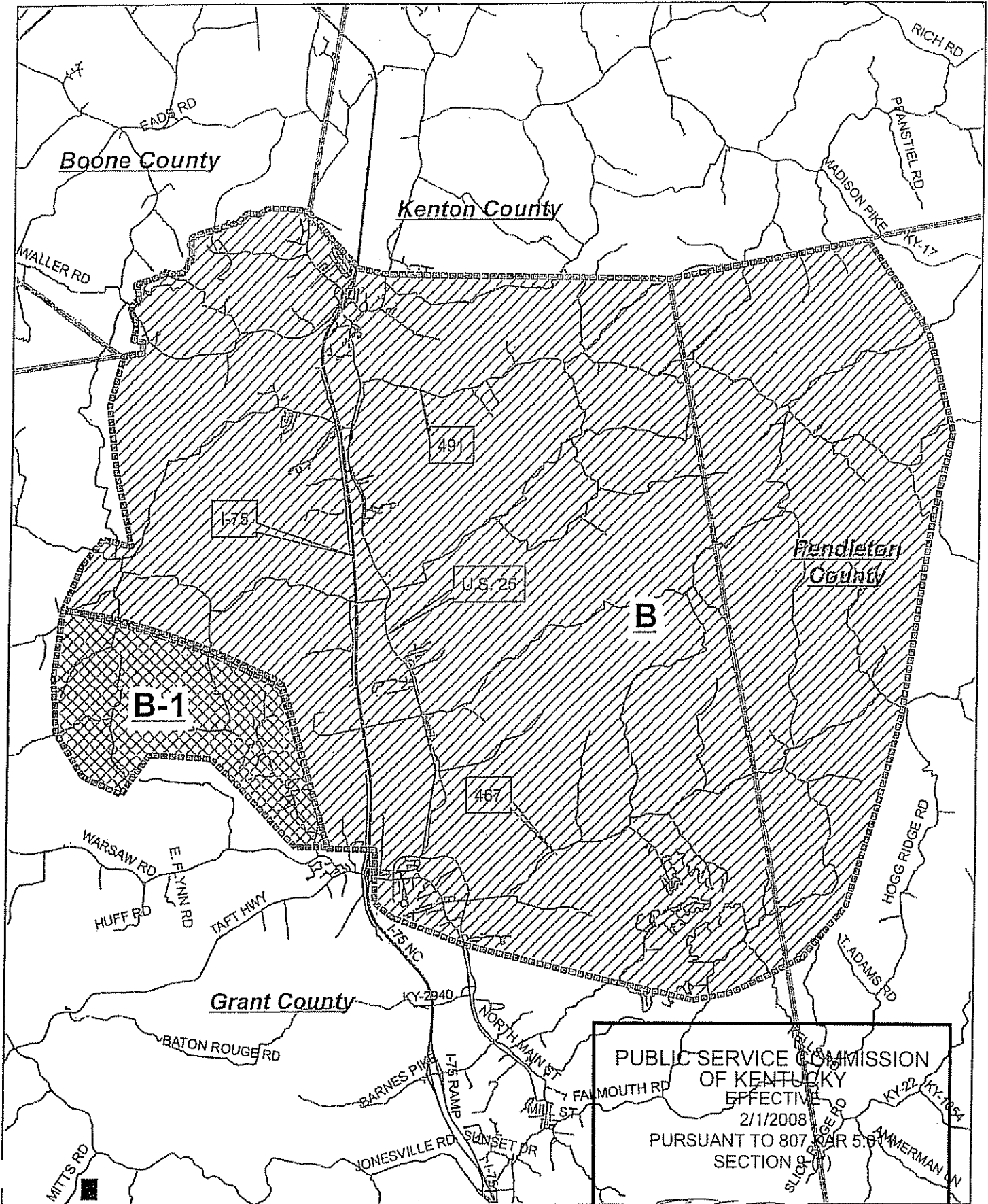
Bullock Pen's Service Area In Kenton County

Grant/Kenton County Line

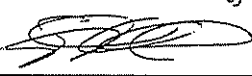


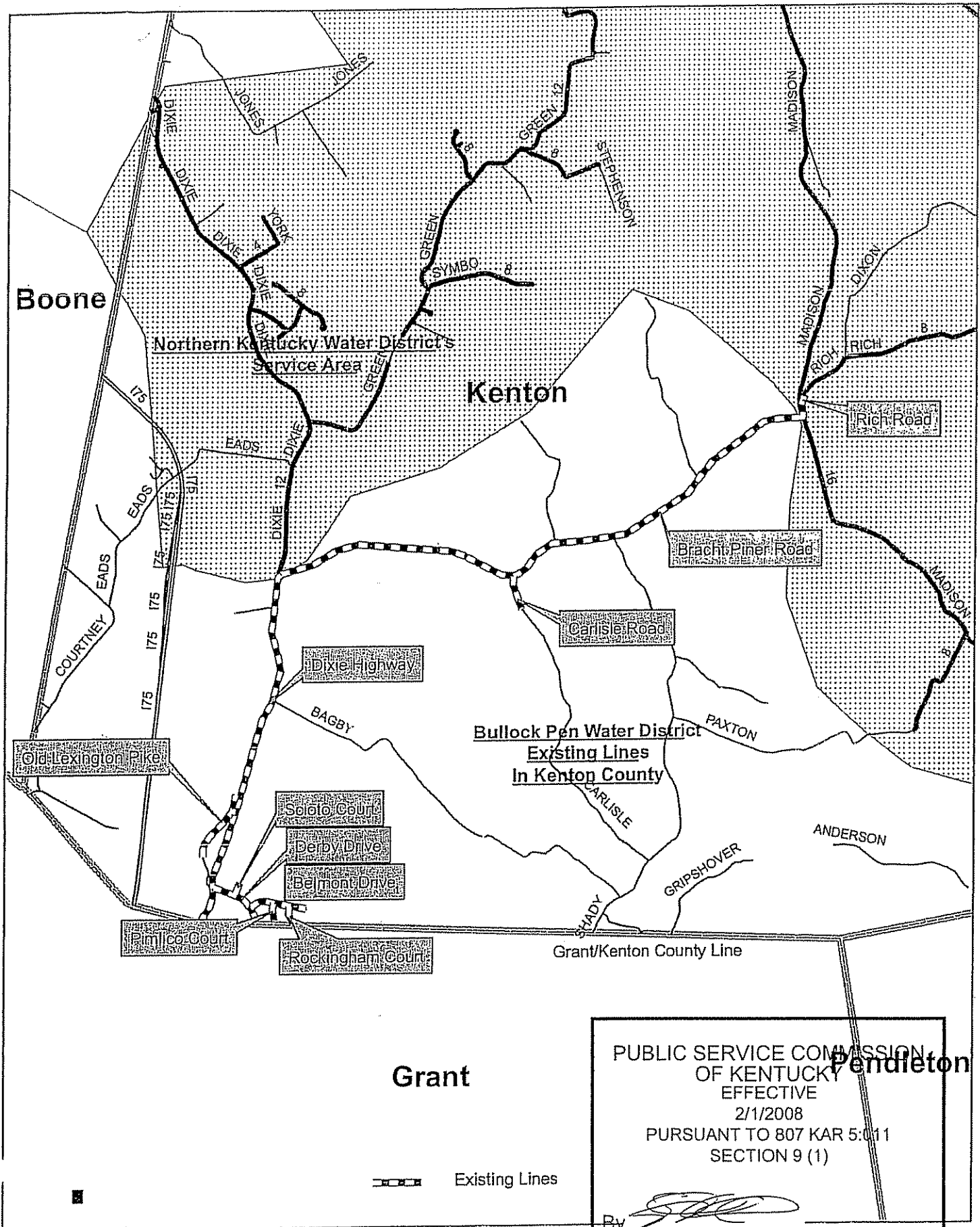
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 SECTION 9 (1)

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 SECTION 9(1)

By 
 Executive Director
 Exhibit B



Boone

Northern Kentucky Water District's Service Area

Kenton

Bullock Pen Water District Existing Lines In Kenton County

Grant/Kenton County Line

Grant

Pendleton

Existing Lines

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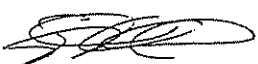
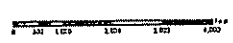
By 
 Executive Director

Exhibit "C"



Northern Kentucky
Water District

January 8, 2008

Mr. William Catlett
Bullock Pen Water District
P.O. Box 545
Florence, KY 41022-0545

Re: Rate Change

Dear Mr. Catlett,

Please be advised that the District will be installing the new rates, that were approved by the Public Service Commission by an Order dated December 21, 2007. Therefore, any water purchased after February 29, 2008 will be at the new rate of \$2.97 per 1,000 or \$2.22 per 100 Cubic Feet. This notice is in reference to our conversation last week.

Sincerely,



Mark Lofland
Vice President of
Account Services & Billing

REC'D JAN 11 2008

City of Walton

Phillip W. Trzop
Mayor

"The Place to Be"

Visit Our Website
www.cityofwalton.org

January 15, 2008

Bullock Pen Water District
1 Farrell Drive
Crittenden, KY 41030

Ref: Rate Change

Please be advised that the City of Walton will have a .44-cent rate increase from Northern Kentucky Water District effective March 1, 2008, thus making it necessary to raise your monthly water rates.

In accordance with the March 3, 1992 agreement with the City of Walton and the Bullock Pen Water District, the cost of water to the District shall be 30% over the wholesale cost. The new rate to the City will be \$2.97 per 1,000 gallons of water.

The current rate for Bullock Penn Water District is \$3.28 per 1,000 gallons. The new rate will be \$3.86 per 1,000 gallons of water effective May 1, 2008.

Sincerely,



Phillip W. Trzop

Bullock Pen Water District
Water Purchases
2007

Reading Date	City of Walton Gallons	City of Walton \$3.28/1000	Northern KY Gallons	Northern KY \$2.53/1000	Williamstown Gallons	Williamstown \$2.63/1000	Boone Co. Gallons	Boone Co. \$3.66/1000
1/16/2007	5,005,500	\$ 16,418.04	10,836,000	\$ 27,689.93	4,649,000	\$ 12,226.87	3,111,000	\$ 11,391.15
2/15/2007	5,087,300	\$ 16,686.34	9,483,000	\$ 24,266.84	5,195,000	\$ 13,662.85	4,066,100	\$ 14,877.27
3/15/2007	4,807,000	\$ 15,766.96	9,238,000	\$ 23,646.99	4,916,000	\$ 12,929.08	4,898,800	\$ 17,916.62
4/16/2007	6,014,000	\$ 18,372.59	8,861,000	\$ 22,693.18	5,430,000	\$ 14,280.90	4,951,100	\$ 21,757.52
5/15/2007	5,483,900	\$ 17,987.19	8,516,000	\$ 21,820.33	4,985,000	\$ 13,110.55	5,332,200	\$ 19,498.53
6/15/2007	6,494,900	\$ 21,303.27	6,638,000	\$ 17,068.99	6,645,000	\$ 17,476.35	5,441,700	\$ 19,898.21
7/15/2007	5,152,000	\$ 16,898.56	8,686,080	\$ 22,250.63	7,606,000	\$ 20,003.78	3,111,000	\$ 11,391.15
8/15/2007	5,222,200	\$ 17,128.82	10,233,592	\$ 26,165.84	7,170,000	\$ 18,857.10	4,066,100	\$ 14,877.27
9/15/2007	1,175,000	\$ 3,854.00	12,020,424	\$ 30,686.52	6,233,000	\$ 16,392.79	4,898,800	\$ 17,916.62
10/15/2007	1,074,400	\$ 3,524.03	13,293,000	\$ 33,906.14	6,017,000	\$ 15,824.71	5,951,100	\$ 21,757.52
11/15/2007	207,200	\$ 679.62	14,200,224	\$ 36,201.42	5,906,000	\$ 15,532.78	5,332,200	\$ 19,498.53
12/15/2007	91,600	\$ 300.45	14,853,480	\$ 37,854.15	5,237,000	\$ 13,773.31	5,441,700	\$ 19,898.21
Totals	45,815,000	\$ 148,919.87	126,858,800	\$ 324,250.96	69,989,000	\$ 184,071.07	28,800,900	\$ 105,339.30

Bullock Pen Water District
 Water Purchases
 2007

Totals	Gallons	Totals	Costs
20,490,500	\$	56,334.84	\$
19,765,300	\$	54,616.03	\$
18,961,000	\$	52,343.03	\$
20,305,000	\$	55,346.67	\$
18,984,900	\$	52,918.07	\$
19,777,900	\$	55,848.61	\$
24,555,080	\$	70,544.12	\$
26,691,892	\$	77,029.03	\$
24,327,224	\$	68,849.93	\$
26,335,500	\$	75,012.40	\$
25,645,624	\$	71,912.35	\$
25,623,780	\$	71,826.12	\$
271,463,700	\$	762,581.20	\$

**BULLOCK PEN WATER DISTRICT
Profit & Loss
January through December 2007**

	Jan 07	Feb 07	Mar 07
Ordinary Income/Expense			
Income			
461 - METERED WATER REVENUE	196,785.50	196,923.49	199,805.50
461.1 - SALES TO RESIDENTIAL CUSTOMERS	14,065.19	14,168.82	15,112.08
461.2 - SALES TO COMMERCIAL CUSTOMERS	529.35	565.06	701.75
461.3 - SALES TO INDUSTRIAL CUSTOMERS	1,452.75	2,409.01	1,842.52
461.11 - BILLING ERRORS	-4,497.80	-91.52	-868.47
461.12 - ACCOUNTS RECEIVABLE ADJUSTMENTS	1,267.38	-1,132.18	3,148.91
Total 461 - METERED WATER REVENUE	209,602.37	212,842.68	219,742.29
470 - FORFEITED DISCOUNTS	4,872.28	4,670.10	4,208.67
471 - MISCELLANEOUS SERVICE REVENUE	2,743.98	1,946.49	1,462.78
472 - MISCELLANEOUS SVC REV-MGT FEE	12,146.78	6,810.99	8,369.95
474 - OTHER WATER REVENUES	292.50	0.00	0.00
Total Income	229,657.91	226,270.26	233,783.69
Expense			
403 - DEPRECIATION EXPENSE	37,869.92	37,869.92	36,322.92
406 - AMORTIZATION OF RATE CASE EXP	430.69	430.69	430.69
407 - AMORTIZATION OF TAP IN EXPENSE	136.08	136.08	136.08
408 - TAXES OTHER THAN INCOME	0.00	0.00	0.00
408.10 - UTILITY REGULATORY ASSESS FEE	5,287.87	3,777.82	3,886.45
408.12 - PAYROLL TAXES	5,287.87	3,777.82	3,886.45
Total 408 - TAXES OTHER THAN INCOME	5,287.87	3,777.82	3,886.45
414 - GAINS (LOSSES) - UTIL PROP DISP	0.00	0.00	376.00
601 - SALARIES & WAGES - EMPLOYEES	70,972.75	50,987.13	50,021.91
603 - SALARIES & WAGES - COMMISSIONER	1,100.00	1,100.00	1,300.00
604 - EMPLOYEE PENSIONS & BENEFITS	24,221.38	27,097.99	25,083.81
604.1 - MEDICAL INSURANCE	7,392.71	6,637.97	6,498.75
604.2 - RETIREMENT	16,828.67	20,460.02	18,585.06
Total 604 - EMPLOYEE PENSIONS & BENEFITS	31,614.09	33,735.96	31,582.56
610 - PURCHASED WATER	56,334.84	54,616.03	53,525.09
615 - PURCHASED POWER	6,533.51	8,500.30	6,080.75
618 - CHEMICALS	7,032.20	4,339.50	7,351.77
620 - MATERIALS & SUPPLIES	6,962.56	4,174.06	8,010.21
631 - CONTRACTUAL SERVICE -ENGINEERS	0.00	1,656.09	3,764.15
632 - CONTRACTUAL SERVICE -ACCOUNTING	5,762.51	4,072.25	608.77
633 - CONTRACTUAL SERVICE -LEGAL	750.00	937.50	3,231.25
634 - CONTRACTUAL SERVICE -MANAGEMENT	126.40	269.10	196.79
635 - CONTRACTUAL SERVICE -OTHER	2,769.70	4,177.96	3,883.54
636 - CONTRACTUAL SERVICES-WATER TEST	726.00	588.28	3,032.50
641 - RENT OF BUILDING/REAL PROPERTY	0.00	0.00	3,600.00
642 - RENT OF EQUIPMENT	0.00	2,445.00	122.00
650 - TRANSPORTATION EXPENSE	1,938.19	1,648.41	2,315.05

**BULLOCK PEN WATER DISTRICT
Profit & Loss
January through December 2007**

	Jan 07	Feb 07	Mar 07
556 · INSURANCE - VEHICLE	1,117.35	1,117.35	901.22
557 · INSURANCE - GENERAL LIABILITY	1,455.60	1,455.60	1,455.60
558 · INSURANCE - WORKER'S COMP	1,468.28	1,468.28	1,468.28
559 · INSURANCE - OTHER	586.79	586.89	586.79
660 · ADVERTISING EXPENSE	0.00	24.52	64.37
670 · BAD DEBT EXPENSE	-271.88	306.36	-349.95
675 · MISCELLANEOUS EXPENSE	0.00	92.18	53.03
Total Expense	240,703.45	220,513.26	223,757.82
Net Ordinary Income	-11,045.54	5,757.00	10,025.87
Other Income/Expense			
419 · INTEREST INCOME	2,617.02	5,370.47	1,978.58
432 · PROCEEDS FROM CAPITAL CONTRIB			
432.015 · NON-CASH CUSTOMER CONTRIBUTION	0.00	0.00	0.00
432.01 · CUSTOMER CONTRIBUTIONS	4,000.00	4,000.00	24,764.00
432.02 · FEDERAL GRANTS	0.00	0.00	0.00
432.03 · STATE GRANTS	0.00	0.00	0.00
432.04 · OTHER GRANTS	0.00	0.00	0.00
432.05 · SURCHARGES-PHASE 5	3,225.00	3,240.00	3,240.00
432.07 · SURCHARGES-PHASE 7	550.88	550.88	550.88
432.08 · SURCHARGES - PHASE 8	1,455.42	1,489.80	1,478.34
432.10 · SURCHARGES-PHASE 10	750.40	793.28	793.28
Total 432 · PROCEEDS FROM CAPITAL CONTRIB	9,981.70	10,073.96	30,826.50
Other Expense			
427 · INTEREST EXPENSE			
427.3 · INTEREST ON LONG TERM DEBT			
427.301 · INTEREST ON FHA #1	2,733.37	2,733.33	2,733.33
427.302 · INTEREST ON FHA #2	329.13	329.17	329.17
427.310 · INTEREST ON INTEGRA BANK	14.15	9.04	5.27
427.321 · INTEREST ON KIA #1	446.25	446.25	446.25
427.322 · INTEREST ON KIA #2	833.88	833.88	833.88
427.331 · INTEREST ON DWSRF #1	948.97	948.96	948.96
427.332 · INTEREST ON DWSRF #2	2,745.18	2,745.18	2,745.18
427.341 · INTEREST ON KRW BPWD CONTRIB	1,399.63	1,356.67	1,356.71
427.342 · INTEREST ON KRW SURCHARGE	1,532.88	1,489.92	1,489.96
427.343 · INTEREST ON KRW REFINANCE FHA	1,733.15	1,672.76	1,672.77
427.345 · INTEREST ON KRW TANK LOAN	1,311.50	1,252.55	1,252.57
427.346 · INTEREST ON KRW-PHASE 7	268.50	252.90	252.90
427.347 · INTEREST ON KRW PHASE 8	1,836.95	1,796.01	1,796.05
427.348 · INTEREST ON KRW PHASE 10	1,036.23	1,012.38	1,012.37
427.361 · INTEREST ON KACOLT #1	5,622.33	5,413.62	5,413.62
427.362 · INTEREST ON KACOLT #2	1,105.81	1,051.37	1,051.37
Total Other Income	12,598.72	15,444.43	32,805.08

427.363 - INTEREST ON EAGLE BANK LOAN	131.22
427.370 - INTEREST ON OLD NAT'L BANK #1	1,386.62
427.371 - INTEREST ON OLD NAT'L BANK #2	349.38
427.372 - INT ON CHRYSLER LEASE	208.87
Total 427.3 - INTEREST ON LONG TERM DEBT	25,974.00
427.4 - INTEREST ON CUSTOMER DEPOSITS	78.14
428 - AMORTIZATION OF DEBT EXPENSE	721.16
Total 427 - INTEREST EXPENSE	26,773.30
800 - PENALTIES	0.00
Total Other Expense	26,773.30
Net Other Income	-14,174.58
Net Income	-25,220.12

**BULLOCK PEN WATER DISTRICT
Profit & Loss
January through December 2007**

	Jan 07	Feb 07	Mar 07
427.363 - INTEREST ON EAGLE BANK LOAN	131.22	126.94	142.40
427.370 - INTEREST ON OLD NAT'L BANK #1	1,386.62	1,372.93	1,359.18
427.371 - INTEREST ON OLD NAT'L BANK #2	349.38	343.06	336.73
427.372 - INT ON CHRYSLER LEASE	208.87	204.74	200.59
Total 427.3 - INTEREST ON LONG TERM DEBT	25,974.00	25,391.66	25,379.26
427.4 - INTEREST ON CUSTOMER DEPOSITS	78.14	4.86	38.86
428 - AMORTIZATION OF DEBT EXPENSE	721.16	721.16	721.16
Total 427 - INTEREST EXPENSE	26,773.30	26,117.68	26,139.28
800 - PENALTIES	0.00	0.00	0.00
Total Other Expense	26,773.30	26,117.68	26,139.28
Net Other Income	-14,174.58	-10,673.25	6,665.80
Net Income	-25,220.12	-4,916.25	16,691.67

**BULLOCK PEN WATER DISTRICT
Profit & Loss
January through December 2007**

	Apr 07	May 07	Jun 07
Ordinary Income/Expense			
Income			
461.1 - SALES TO RESIDENTIAL CUSTOMERS	167,080.93	234,981.28	261,299.69
461.2 - SALES TO COMMERCIAL CUSTOMERS	13,692.26	16,729.59	17,455.43
461.3 - SALES TO INDUSTRIAL CUSTOMERS	563.83	754.70	848.29
461.6 - SALES AT BULK LOAD STATIONS	2,045.86	4,778.61	5,045.93
461.11 - BILLING ERRORS	-254.16	-679.86	-640.78
461.12 - ACCOUNTS RECEIVABLE ADJUSTMENTS	2,884.28	-3,511.76	-2,228.59
Total 461 - METERED WATER REVENUE	186,013.00	253,052.56	281,779.97
470 - FORFEITED DISCOUNTS	4,887.16	4,721.48	6,645.01
471 - MISCELLANEOUS SERVICE REVENUE	2,899.86	1,988.68	2,433.92
472 - MISCELLANEOUS SVC REV-MGT FEE	8,262.56	8,649.04	7,297.73
474 - OTHER WATER REVENUES	0.00	210.90	277.18
Total Income	202,062.58	268,622.66	298,433.81
Expense			
403 - DEPRECIATION EXPENSE	37,869.92	37,869.92	34,665.42
406 - AMORTIZATION OF RATE CASE EXP	430.69	430.69	430.69
407 - AMORTIZATION OF TAP IN EXPENSE	136.08	136.08	136.08
408 - TAXES OTHER THAN INCOME	0.00	0.00	4,561.17
408.10 - UTILITY REGULATORY ASSESS FEE			3,270.20
408.12 - PAYROLL TAXES	3,875.33	4,121.50	7,831.37
Total 408 - TAXES OTHER THAN INCOME	3,875.33	4,121.50	7,831.37
414 - GAINS (LOSSES) - UTIL PROP DISP	0.00	0.00	0.00
601 - SALARIES & WAGES - EMPLOYEES	52,292.62	55,874.88	45,647.20
603 - SALARIES & WAGES - COMMISSIONER	1,100.00	900.00	1,100.00
604 - EMPLOYEE PENSIONS & BENEFITS			22,435.46
604.1 - MEDICAL INSURANCE	25,242.03	26,608.40	5,763.58
604.2 - RETIREMENT	6,823.95	7,258.81	
Total 604 - EMPLOYEE PENSIONS & BENEFITS	32,065.98	33,867.21	28,199.04
610 - PURCHASED WATER	55,346.67	52,918.07	57,299.06
615 - PURCHASED POWER	5,767.80	5,225.53	6,229.22
618 - CHEMICALS	2,782.57	11,874.27	6,133.20
620 - MATERIALS & SUPPLIES	7,007.41	11,778.24	11,785.35
631 - CONTRACTUAL SERVICE -ENGINEERS	0.00	4,163.88	2,873.78
632 - CONTRACTUAL SERVICE -ACCOUNTING	2,508.75	10,384.00	603.75
633 - CONTRACTUAL SERVICE -LEGAL	2,512.50	2,750.00	3,640.00
634 - CONTRACTUAL SERVICE -MANAGEMENT	241.72	484.26	602.67
635 - CONTRACTUAL SERVICE -OTHER	2,897.50	4,992.65	5,691.51
636 - CONTRACTUAL SERVICES-WATER TEST	318.50	125.00	1,891.00
641 - RENT OF BUILDING/REAL PROPERTY	0.00	0.00	0.00
642 - RENT OF EQUIPMENT	99.00	220.00	94.93
650 - TRANSPORTATION EXPENSE	2,675.73	2,800.36	2,251.85

**BULLOCK PEN WATER DISTRICT
Profit & Loss
January through December 2007**

	Apr 07	May 07	Jun 07
656 - INSURANCE - VEHICLE	1,117.35	1,117.35	669.66
657 - INSURANCE - GENERAL LIABILITY	1,455.60	1,455.60	1,455.60
658 - INSURANCE - WORKER'S COMP	1,468.28	1,468.28	1,468.28
659 - INSURANCE - OTHER	586.79	586.79	586.79
660 - ADVERTISING EXPENSE	24.52	39.84	529.43
670 - BAD DEBT EXPENSE	-114.69	-33.62	-69.85
675 - MISCELLANEOUS EXPENSE	0.00	0.00	0.00
Total Expense	<u>214,466.62</u>	<u>245,550.78</u>	<u>221,746.03</u>
Net Ordinary Income	-12,404.04	23,071.88	76,687.78
Other Income/Expense			
419 - INTEREST INCOME	2,137.52	2,795.31	2,351.58
432 - PROCEEDS FROM CAPITAL CONTRIB			
432.015 - NON-CASH CUSTOMER CONTRIBUTION	0.00	0.00	0.00
432.01 - CUSTOMER CONTRIBUTIONS	10,000.00	15,125.00	17,925.00
432.02 - FEDERAL GRANTS	0.00	0.00	0.00
432.03 - STATE GRANTS	0.00	0.00	64,733.14
432.04 - OTHER GRANTS	0.00	0.00	4,251.37
432.05 - SURCHARGES--PHASE 5	3,240.00	3,270.00	3,285.00
432.07 - SURCHARGES--PHASE 7	550.88	626.00	613.48
432.08 - SURCHARGES - PHASE 8	1,478.34	1,994.04	1,879.44
432.10 - SURCHARGES--PHASE 10	793.28	1,018.40	975.52
Total 432 - PROCEEDS FROM CAPITAL CONTRIB	<u>16,062.50</u>	<u>22,033.44</u>	<u>93,662.95</u>
Total Other Income	18,200.02	24,828.75	96,014.53
Other Expense			
427 - INTEREST EXPENSE			
427.3 - INTEREST ON LONG TERM DEBT			
427.301 - INTEREST ON FHA #1	2,733.33	2,733.33	2,733.33
427.302 - INTEREST ON FHA #2	329.17	329.17	329.17
427.310 - INTEREST ON INTEGRA BANK	5.65	3.30	-6.98
427.321 - INTEREST ON KIA #1	446.25	446.25	371.46
427.322 - INTEREST ON KIA #2	833.88	833.88	744.13
427.331 - INTEREST ON DWSRF #1	948.96	948.96	927.14
427.332 - INTEREST ON DWSRF #2	2,745.18	2,745.18	2,684.97
427.341 - INTEREST ON KRW BPWD CONTRIB	1,356.71	1,356.71	1,356.71
427.342 - INTEREST ON KRW SURCHARGE	1,489.96	1,489.96	1,489.96
427.343 - INTEREST ON KRW REFINANCE FHA	1,672.77	1,672.77	1,672.77
427.345 - INTEREST ON KRW TANK LOAN	1,252.57	1,252.57	1,252.57
427.346 - INTEREST ON KRW-PHASE 7	252.90	252.90	252.90
427.347 - INTEREST ON KRW PHASE 8	1,796.05	1,796.05	1,796.05
427.348 - INTEREST ON KRW PHASE 10	1,012.37	1,012.37	1,012.37
427.361 - INTEREST ON KACOLT #1	5,413.62	5,413.62	5,413.62
427.362 - INTEREST ON KACOLT #2	1,051.37	1,051.37	1,051.37

427.363 · INTEREST ON EAGLE BANK LOAN	141.82
427.370 · INTEREST ON OLD NATL BANK #1	1,345.89
427.371 · INTEREST ON OLD NATL BANK #2	330.37
427.372 · INT ON CHRYSLER LEASE	196.42
Total 427.3 · INTEREST ON LONG TERM DEBT	25,354.74
427.4 · INTEREST ON CUSTOMER DEPOSITS	39.47
428 · AMORTIZATION OF DEBT EXPENSE	721.16
Total 427 · INTEREST EXPENSE	26,115.37
800 · PENALTIES	312.82
Total Other Expense	26,428.19
Net Other Income	-8,228.17
Net Income	-20,632.21

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

	Apr 07	May 07	Jun 07
427.363 · INTEREST ON EAGLE BANK LOAN	141.82	129.64	129.60
427.370 · INTEREST ON OLD NATL BANK #1	1,345.89	1,331.54	1,317.54
427.371 · INTEREST ON OLD NATL BANK #2	330.37	323.99	317.60
427.372 · INT ON CHRYSLER LEASE	196.42	192.23	188.03
Total 427.3 · INTEREST ON LONG TERM DEBT	25,354.74	25,315.79	25,034.31
427.4 · INTEREST ON CUSTOMER DEPOSITS	39.47	44.72	42.99
428 · AMORTIZATION OF DEBT EXPENSE	721.16	721.16	721.16
Total 427 · INTEREST EXPENSE	26,115.37	26,081.67	25,798.46
800 · PENALTIES	312.82	0.00	430.16
Total Other Expense	26,428.19	26,081.67	26,228.62
Net Other Income	-8,228.17	-1,252.92	69,785.91
Net Income	-20,632.21	21,818.96	146,473.69

**BULLOCK PEN WATER DISTRICT
Profit & Loss
January through December 2007**

	Sep 07	Aug 07	Jul 07	Ordinary Income/Expense
Income				
461 - METERED WATER REVENUE	241,138.98	241,752.37	204,219.12	461.1 - SALES TO RESIDENTIAL CUSTOMERS
	18,108.85	18,166.96	15,843.95	461.2 - SALES TO COMMERCIAL CUSTOMERS
	727.61	648.36	650.03	461.3 - SALES TO INDUSTRIAL CUSTOMERS
	2,097.25	4,850.68	3,788.30	461.6 - SALES AT BULK LOAD STATIONS
	-994.93	-130.27	-724.79	461.11 - BILLING ERRORS
	-385.71	1,424.09	308.35	461.12 - ACCOUNTS RECEIVABLE ADJUSTMENTS
Total 461 - METERED WATER REVENUE	260,692.00	266,712.19	224,084.96	Total 461 - METERED WATER REVENUE
470 - FORFEITED DISCOUNTS	5,646.98	5,182.56	6,557.18	470 - FORFEITED DISCOUNTS
471 - MISCELLANEOUS SERVICE REVENUE	1,247.10	2,112.79	1,423.79	471 - MISCELLANEOUS SERVICE REVENUE
472 - MISCELLANEOUS SVC REV-MGT FEE	9,693.63	10,870.54	12,818.32	472 - MISCELLANEOUS SVC REV-MGT FEE
474 - OTHER WATER REVENUES	190.73	76.65	90.39	474 - OTHER WATER REVENUES
Total Income	277,470.44	284,954.73	244,974.64	Total Income
Expense				
403 - DEPRECIATION EXPENSE	35,438.92	37,869.92	37,869.92	403 - DEPRECIATION EXPENSE
406 - AMORTIZATION OF RATE CASE EXP	430.69	430.69	430.69	406 - AMORTIZATION OF RATE CASE EXP
407 - AMORTIZATION OF TAP IN EXPENSE	136.08	136.08	136.08	407 - AMORTIZATION OF TAP IN EXPENSE
408 - TAXES OTHER THAN INCOME				408 - TAXES OTHER THAN INCOME
408.10 - UTILITY REGULATORY ASSESS FEE	0.00	0.00	0.00	408.10 - UTILITY REGULATORY ASSESS FEE
408.12 - PAYROLL TAXES	3,404.55	4,231.46	4,086.22	408.12 - PAYROLL TAXES
Total 408 - TAXES OTHER THAN INCOME	3,404.55	4,231.46	4,086.22	Total 408 - TAXES OTHER THAN INCOME
414 - GAINS (LOSSES) - UTIL PROP DISP	0.00	5,578.00	3,897.00	414 - GAINS (LOSSES) - UTIL PROP DISP
601 - SALARIES & WAGES - EMPLOYEES	47,363.38	57,148.09	55,199.51	601 - SALARIES & WAGES - EMPLOYEES
603 - SALARIES & WAGES - COMMISSIONER	1,100.00	1,100.00	1,100.00	603 - SALARIES & WAGES - COMMISSIONER
604 - EMPLOYEE PENSIONS & BENEFITS				604 - EMPLOYEE PENSIONS & BENEFITS
604.1 - MEDICAL INSURANCE	23,214.51	26,608.40	26,508.46	604.1 - MEDICAL INSURANCE
604.2 - RETIREMENT	7,432.13	8,930.71	8,766.27	604.2 - RETIREMENT
Total 604 - EMPLOYEE PENSIONS & BENEFITS	30,646.64	35,539.11	35,274.73	Total 604 - EMPLOYEE PENSIONS & BENEFITS
610 - PURCHASED WATER	70,157.85	77,029.03	70,544.12	610 - PURCHASED WATER
615 - PURCHASED POWER	5,908.05	5,072.40	5,934.52	615 - PURCHASED POWER
618 - CHEMICALS	5,666.65	4,225.50	6,391.80	618 - CHEMICALS
620 - MATERIALS & SUPPLIES	14,406.95	11,683.20	11,868.74	620 - MATERIALS & SUPPLIES
631 - CONTRACTUAL SERVICE -ENGINEERS	254.02	2,650.23	5,053.91	631 - CONTRACTUAL SERVICE -ENGINEERS
632 - CONTRACTUAL SERVICE -ACCOUNTING	131.25	1,574.77	1,212.52	632 - CONTRACTUAL SERVICE -ACCOUNTING
633 - CONTRACTUAL SERVICE -LEGAL	5,700.00	3,346.66	0.00	633 - CONTRACTUAL SERVICE -LEGAL
634 - CONTRACTUAL SERVICE -MANAGEMENT	0.00	553.29	407.39	634 - CONTRACTUAL SERVICE -MANAGEMENT
635 - CONTRACTUAL SERVICE -OTHER	5,764.74	4,541.07	2,505.01	635 - CONTRACTUAL SERVICE -OTHER
636 - CONTRACTUAL SERVICES-WATER TEST	185.50	1,222.00	426.00	636 - CONTRACTUAL SERVICES-WATER TEST
641 - RENT OF BUILDING/REAL PROPERTY	325.00	0.00	0.00	641 - RENT OF BUILDING/REAL PROPERTY
642 - RENT OF EQUIPMENT	0.00	0.00	0.00	642 - RENT OF EQUIPMENT
650 - TRANSPORTATION EXPENSE	2,141.27	4,315.97	5,237.72	650 - TRANSPORTATION EXPENSE

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

	Sep 07	Aug 07	Jul 07
656 · INSURANCE - VEHICLE	1,117.35	1,117.35	1,117.35
657 · INSURANCE - GENERAL LIABILITY	1,455.60	1,455.60	1,455.60
658 · INSURANCE - WORKERS COMP	1,468.28	1,468.28	1,468.28
659 · INSURANCE - OTHER	586.79	586.79	586.79
660 · ADVERTISING EXPENSE	51.86	51.86	39.60
670 · BAD DEBT EXPENSE	0.00	0.00	-157.11
675 · MISCELLANEOUS EXPENSE	41.49	41.49	0.00
Total Expense	262,968.84	262,968.84	252,086.39
Net Ordinary Income	21,985.89	-7,111.75	-7,111.75
Other Income/Expense			
419 · INTEREST INCOME	2,566.54	2,566.54	2,325.16
432 · PROCEEDS FROM CAPITAL CONTRIB			
432.015 · NON-CASH CUSTOMER CONTRIBUTION	0.00	0.00	0.00
432.01 · CUSTOMER CONTRIBUTIONS	21,000.00	21,000.00	9,000.00
432.02 · FEDERAL GRANTS	0.00	0.00	0.00
432.03 · STATE GRANTS	1,227.89	1,227.89	0.00
432.04 · OTHER GRANTS	74,739.85	74,739.85	2,324.13
432.05 · SURCHARGES-PHASE 5	3,285.00	3,285.00	3,300.00
432.07 · SURCHARGES-PHASE 7	588.44	588.44	613.48
432.08 · SURCHARGES - PHASE 8	1,959.66	1,925.28	1,948.20
432.10 · SURCHARGES-PHASE 10	1,018.40	996.96	986.24
Total 432 · PROCEEDS FROM CAPITAL CONTRIB	103,738.38	103,738.38	18,172.05
Other Expense			
427 · INTEREST EXPENSE			
427.3 · INTEREST ON LONG TERM DEBT			
427.301 · INTEREST ON FHA #1	2,733.33	2,733.33	2,733.33
427.302 · INTEREST ON FHA #2	329.17	329.17	329.17
427.310 · INTEREST ON INTEGRA BANK	0.00	0.00	0.00
427.321 · INTEREST ON KIA #1	371.46	371.46	371.46
427.322 · INTEREST ON KIA #2	744.13	744.13	744.13
427.331 · INTEREST ON DWSRF #1	927.14	927.14	927.14
427.332 · INTEREST ON DWSRF #2	2,684.97	2,684.97	2,684.97
427.341 · INTEREST ON KRW BPWD CONTRIB	1,356.71	1,356.71	1,356.71
427.342 · INTEREST ON KRW SURCHARGE	1,489.96	1,489.96	1,489.96
427.343 · INTEREST ON KRW REFINANCE FHA	1,672.77	1,672.77	1,672.77
427.346 · INTEREST ON KRW-PHASE 7	252.90	252.90	252.90
427.347 · INTEREST ON KRW PHASE 8	1,796.05	1,796.05	1,796.05
427.348 · INTEREST ON KRW PHASE 10	1,012.37	1,012.37	1,012.37
427.361 · INTEREST ON KACOLT #1	5,413.62	5,413.62	5,413.62
427.362 · INTEREST ON KACOLT #2	1,051.37	1,051.37	1,051.37
Total Other Income	106,304.92	106,304.92	20,497.21
Other Expense			
72,457.50	74,668.48		

427.363 · INTEREST ON EAGLE BANK LOAN	125.55
427.370 · INTEREST ON OLD NATL BANK #1	1,303.69
427.371 · INTEREST ON OLD NATL BANK #2	311.18
427.372 · INT ON CHRYSLER LEASE	183.81
Total 427.3 · INTEREST ON LONG TERM DEBT	25,012.75
427.4 · INTEREST ON CUSTOMER DEPOSITS	44.64
428 · AMORTIZATION OF DEBT EXPENSE	721.16
Total 427 · INTEREST EXPENSE	25,778.55
800 · PENALTIES	0.00
Total Other Expense	-5,281.34
Net Other Income	-12,393.09
Net Income	102,706.84

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

	Jul 07	Aug 07	Sep 07
	125.55	-45.12	0.00
	1,303.69	1,289.69	1,275.63
	311.18	304.74	298.28
	183.81	179.58	175.31
Total 427.3 · INTEREST ON LONG TERM DEBT	25,012.75	24,817.41	24,837.74
	44.64	45.40	22.05
	721.16	721.16	721.16
Total 427 · INTEREST EXPENSE	25,778.55	25,583.97	25,580.95
800 · PENALTIES	0.00	0.00	0.00
Total Other Expense	-5,281.34	80,720.95	49,087.53
Net Other Income	-12,393.09	102,706.84	93,225.24

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

	Oct 07	Nov 07	Dec 07
461 · METERED WATER REVENUE	213,192.50	205,280.81	195,978.85
461.1 · SALES TO RESIDENTIAL CUSTOMERS			
461.2 · SALES TO COMMERCIAL CUSTOMERS	16,187.52	15,675.15	12,823.73
461.3 · SALES TO INDUSTRIAL CUSTOMERS	887.08	862.45	1,268.05
461.6 · SALES AT BULK LOAD STATIONS	6,597.17	2,110.55	1,459.51
461.11 · BILLING ERRORS	-144.13	-508.67	-712.79
461.12 · ACCOUNTS RECEIVABLE ADJUSTMENTS	532.52	1,652.86	-1,815.89
Total 461 · METERED WATER REVENUE	237,252.66	225,073.15	209,001.46
470 · FORFEITED DISCOUNTS	6,078.78	6,030.80	3,819.60
471 · MISCELLANEOUS SERVICE REVENUE	1,328.41	1,837.92	2,775.78
472 · MISCELLANEOUS SVC REV-MGT FEE	7,817.61	8,684.53	8,582.50
474 · OTHER WATER REVENUES	0.00	0.00	2,286.86
Total Income	252,477.46	241,626.40	226,466.20
Expense			
403 · DEPRECIATION EXPENSE	37,869.92	37,869.92	46,461.88
406 · AMORTIZATION OF RATE CASE EXP	430.69	430.69	430.69
407 · AMORTIZATION OF TAP IN EXPENSE	136.08	136.08	136.08
408 · TAXES OTHER THAN INCOME			
408.10 · UTILITY REGULATORY ASSESS FEE	0.00	0.00	0.00
408.12 · PAYROLL TAXES	4,572.60	4,559.02	4,401.94
Total 408 · TAXES OTHER THAN INCOME	4,572.60	4,559.02	4,401.94
414 · GAINS (LOSSES) -UTIL PROP DISP	-16,000.00	0.00	0.00
601 · SALARIES & WAGES - EMPLOYEES	61,851.26	61,654.70	33,580.72
603 · SALARIES & WAGES - COMMISSIONER	1,100.00	1,100.00	1,700.00
604 · EMPLOYEE PENSIONS & BENEFITS			
604.1 · MEDICAL INSURANCE	26,608.40	28,065.32	27,129.24
604.2 · RETIREMENT	9,765.10	9,656.15	9,142.92
Total 604 · EMPLOYEE PENSIONS & BENEFITS	36,373.50	37,721.47	36,272.16
610 · PURCHASED WATER	75,012.40	71,912.35	71,614.19
615 · PURCHASED POWER	4,342.12	5,354.43	6,871.70
618 · CHEMICALS	9,788.45	4,834.15	2,732.86
620 · MATERIALS & SUPPLIES	12,591.10	9,766.45	15,087.90
631 · CONTRACTUAL SERVICE -ENGINEERS	1,459.54	1,531.50	4,668.56
632 · CONTRACTUAL SERVICE -ACCOUNTING	2,940.79	4,005.52	3,630.02
633 · CONTRACTUAL SERVICE -LEGAL	0.00	3,962.50	2,406.25
634 · CONTRACTUAL SERVICE -MANAGEMENT	987.94	176.08	147.30
635 · CONTRACTUAL SERVICE -OTHER	3,449.32	4,708.68	2,543.12
636 · CONTRACTUAL SERVICES-WATER TEST	471.00	1,610.00	5,228.00
641 · RENT OF BUILDING/REAL PROPERTY	0.00	0.00	150.00
642 · RENT OF EQUIPMENT	77.25	56.04	3,687.00
650 · TRANSPORTATION EXPENSE	5,515.15	6,355.45	2,832.43

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BULLOCK PEN WATER DISTRICT

Profit & Loss

January through December 2007

	Oct 07	Nov 07	Dec 07
656 · INSURANCE - VEHICLE	1,072.78	1,072.78	980.15
657 · INSURANCE - GENERAL LIABILITY	1,380.52	1,380.52	1,667.76
658 · INSURANCE - WORKER'S COMP	1,395.68	1,395.68	2,675.81
659 · INSURANCE - OTHER	558.20	663.76	558.20
660 · ADVERTISING EXPENSE	0.00	35.00	62.84
670 · BAD DEBT EXPENSE	87.29	-117.40	32,372.04
675 · MISCELLANEOUS EXPENSE	190.74	887.42	0.00
Total Expense	247,648.32	263,062.79	282,899.60
Net Ordinary Income	4,829.14	-21,436.39	-56,433.40
Other Income/Expense			
Other Income	7,044.49	2,423.86	10,964.84
419 · INTEREST INCOME			
432 · PROCEEDS FROM CAPITAL CONTRIB	0.00	19,000.00	22,925.00
432.015 · NON-CASH CUSTOMER CONTRIBUTION	12,000.00	5,000.00	64,125.00
432.01 · CUSTOMER CONTRIBUTIONS	0.00	138,566.11	16,376.65
432.02 · FEDERAL GRANTS	0.00	0.00	0.00
432.03 · STATE GRANTS	361,765.57	133,871.54	26,635.40
432.04 · OTHER GRANTS	3,240.00	2,180.00	2,037.10
432.05 · SURCHARGES-PHASE 5	600.96	638.52	613.48
432.07 · SURCHARGES-PHASE 7	1,982.58	1,971.12	1,971.12
432.08 · SURCHARGES - PHASE 8	1,029.12	1,061.28	1,061.28
432.10 · SURCHARGES-PHASE 10	380,618.23	302,288.57	135,745.03
Total 432 · PROCEEDS FROM CAPITAL CONTRIB	387,662.72	304,712.43	146,709.87
Total Other Income	387,662.72	304,712.43	146,709.87
Other Expense			
427 · INTEREST EXPENSE	2,733.33	2,733.33	2,733.33
427.3 · INTEREST ON LONG TERM DEBT	329.17	329.17	329.17
427.301 · INTEREST ON FHA #1	0.00	0.00	0.00
427.302 · INTEREST ON FHA #2	371.46	371.46	371.44
427.310 · INTEREST ON INTEGRA BANK	744.13	744.13	744.13
427.321 · INTEREST ON KIA #1	927.14	927.14	904.91
427.322 · INTEREST ON KIA #2	2,684.97	2,684.96	2,623.85
427.331 · INTEREST ON DWSRF #1	1,356.71	1,356.71	1,356.71
427.332 · INTEREST ON DWSRF #2	1,489.96	1,489.96	1,489.96
427.341 · INTEREST ON KRW BPWD CONTRIB	1,672.77	1,672.77	1,672.77
427.342 · INTEREST ON KRW SURCHARGE	1,252.57	1,252.57	1,252.57
427.343 · INTEREST ON KRW REFINANCE FHA	252.90	252.90	252.90
427.345 · INTEREST ON KRW TANK LOAN	1,796.05	1,796.05	1,796.05
427.346 · INTEREST ON KRW-PHASE 7	1,012.37	1,012.37	1,012.37
427.347 · INTEREST ON KRW PHASE 8	5,413.62	5,413.62	5,413.62
427.348 · INTEREST ON KRW PHASE 10	1,051.37	1,051.37	1,051.37
427.361 · INTEREST ON KACOLT #1			
427.362 · INTEREST ON KACOLT #2			

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Accrual Basis

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

	Oct 07	Nov 07	Dec 07
427.363 · INTEREST ON EAGLE BANK LOAN	0.00	0.00	0.00
427.370 · INTEREST ON OLD NAT'L BANK #1	1,261.52	1,247.36	1,093.36
427.371 · INTEREST ON OLD NAT'L BANK #2	291.80	285.30	214.49
427.372 · INT ON CHRYSLER LEASE	171.05	166.76	140.46
Total 427.3 · INTEREST ON LONG TERM DEBT	24,812.89	24,787.93	24,453.46
427.4 · INTEREST ON CUSTOMER DEPOSITS	48.60	44.01	54.51
428 · AMORTIZATION OF DEBT EXPENSE	721.16	721.16	721.13
Total 427 · INTEREST EXPENSE	25,582.65	25,553.10	25,229.10
800 · PENALTIES	0.00	0.00	0.00
Total Other Expense	25,582.65	25,553.10	25,229.10
Net Other Income	362,080.07	279,159.33	121,480.77
Net Income	366,909.21	257,722.94	65,047.37

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

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 Accrual Basis

	TOTAL
Ordinary Income/Expense	
Income	
461 · METERED WATER REVENUE	2,558,438.97
461.1 · SALES TO RESIDENTIAL CUSTOMERS	188,029.53
461.2 · SALES TO COMMERCIAL CUSTOMERS	9,006.56
461.3 · SALES TO INDUSTRIAL CUSTOMERS	38,478.14
461.6 · SALES AT BULK LOAD STATIONS	-10,248.17
461.11 · BILLING ERRORS	2,144.26
461.12 · ACCOUNTS RECEIVABLE ADJUSTMENTS	2,785,849.29
Total 461 · METERED WATER REVENUE	63,320.60
470 · FORFEITED DISCOUNTS	24,201.50
471 · MISCELLANEOUS SERVICE REVENUE	110,004.18
472 · MISCELLANEOUS SVC REV-MGT FEE	3,425.21
474 · OTHER WATER REVENUES	2,986,800.78
Total Income	455,848.50
Expense	
403 · DEPRECIATION EXPENSE	5,168.28
406 · AMORTIZATION OF RATE CASE EXP	1,632.96
407 · AMORTIZATION OF TAP IN EXPENSE	
408 · TAXES OTHER THAN INCOME	4,561.17
408.10 · UTILITY REGULATORY ASSESS FEE	49,274.96
408.12 · PAYROLL TAXES	
Total 408 · TAXES OTHER THAN INCOME	53,836.13
414 · GAINS (LOSSES) -UTIL PROP DISP	-6,149.00
601 · SALARIES & WAGES - EMPLOYEES	642,594.15
603 · SALARIES & WAGES - COMMISSIONER	13,800.00
604 · EMPLOYEE PENSIONS & BENEFITS	
604.1 · MEDICAL INSURANCE	308,823.40
604.2 · RETIREMENT	94,069.05
Total 604 · EMPLOYEE PENSIONS & BENEFITS	402,892.45
610 · PURCHASED WATER	766,309.70
615 · PURCHASED POWER	71,820.33
618 · CHEMICALS	73,152.92
620 · MATERIALS & SUPPLIES	125,122.17
631 · CONTRACTUAL SERVICE -ENGINEERS	28,069.66
632 · CONTRACTUAL SERVICE -ACCOUNTING	37,434.90
633 · CONTRACTUAL SERVICE -LEGAL	29,236.66
634 · CONTRACTUAL SERVICE -MANAGEMENT	4,192.94
635 · CONTRACTUAL SERVICE -OTHER	47,924.80
636 · CONTRACTUAL SERVICES-WATER TEST	15,823.78
641 · RENT OF BUILDING/REAL PROPERTY	4,075.00
642 · RENT OF EQUIPMENT	6,801.22
650 · TRANSPORTATION EXPENSE	40,027.58

BULLOCK PEN WATER DISTRICT Profit & Loss

January through December 2007

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	TOTAL
656 · INSURANCE - VEHICLE	12,178.44
657 · INSURANCE - GENERAL LIABILITY	17,583.71
658 · INSURANCE - WORKER'S COMP	18,627.29
659 · INSURANCE - OTHER	7,061.37
660 · ADVERTISING EXPENSE	884.24
670 · BAD DEBT EXPENSE	31,518.76
675 · MISCELLANEOUS EXPENSE	1,267.69
Total Expense	2,908,736.63

78,064.15

Net Ordinary Income	78,064.15
Other Income/Expense	
Other Income	44,786.35
419 · INTEREST INCOME	
432 · PROCEEDS FROM CAPITAL CONTRIB	
432.015 · NON-CASH CUSTOMER CONTRIBUTION	95,161.00
432.01 · CUSTOMER CONTRIBUTIONS	199,339.00
432.02 · FEDERAL GRANTS	154,942.76
432.03 · STATE GRANTS	65,961.03
432.04 · OTHER GRANTS	603,587.86
432.05 · SURCHARGES--PHASE 5	36,797.10
432.07 · SURCHARGES--PHASE 7	7,061.28
432.08 · SURCHARGES - PHASE 8	21,533.34
432.10 · SURCHARGES--PHASE 10	11,277.44
Total 432 · PROCEEDS FROM CAPITAL CONTRIB	1,195,660.81

1,240,447.16

Total Other Income	1,240,447.16
Other Expense	
427 · INTEREST EXPENSE	
427.3 · INTEREST ON LONG TERM DEBT	
427.301 · INTEREST ON FHA #1	32,800.00
427.302 · INTEREST ON FHA #2	3,950.00
427.310 · INTEREST ON INTEGRA BANK	30.43
427.321 · INTEREST ON KIA #1	4,831.45
427.322 · INTEREST ON KIA #2	9,378.31
427.331 · INTEREST ON DWSRF #1	11,212.56
427.332 · INTEREST ON DWSRF #2	32,459.56
427.341 · INTEREST ON KRW BPWD CONTRIB	16,323.40
427.342 · INTEREST ON KRW SURCHARGE	17,922.40
427.343 · INTEREST ON KRW REFINANCE FHA	20,133.61
427.345 · INTEREST ON KRW TANK LOAN	15,089.75
427.346 · INTEREST ON KRW-PHASE 7	3,050.40
427.347 · INTEREST ON KRW PHASE 8	21,593.46
427.348 · INTEREST ON KRW PHASE 10	12,172.31
427.361 · INTEREST ON KACOLT #1	65,172.15
427.362 · INTEREST ON KACOLT #2	12,670.88

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through December 2007

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427.363 · INTEREST ON EAGLE BANK LOAN	882.05
427.370 · INTEREST ON OLD NAT'L BANK #1	15,584.45
427.371 · INTEREST ON OLD NAT'L BANK #2	3,706.92
427.372 · INT ON CHRYSLER LEASE	2,207.85
Total 427.3 · INTEREST ON LONG TERM DEBT	301,171.94
427.4 · INTEREST ON CUSTOMER DEPOSITS	508.25
428 · AMORTIZATION OF DEBT EXPENSE	8,653.89
Total 427 · INTEREST EXPENSE	310,334.08
800 · PENALTIES	742.98
Total Other Expense	311,077.06
Net Other Income	929,370.10
Net Income	1,007,434.25

BULLOCK PEN WATER DISTRICT

Profit & Loss

January through March 2008

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	Jan 08	Feb 08	Mar 08
Ordinary Income/Expense			
Income			
461 · METERED WATER REVENUE	203,968.80	187,024.35	201,312.72
461.1 · SALES TO RESIDENTIAL CUSTOMERS	15,397.49	15,038.48	14,828.68
461.2 · SALES TO COMMERCIAL CUSTOMERS	818.12	529.35	693.13
461.3 · SALES TO INDUSTRIAL CUSTOMERS	2,028.08	1,458.67	816.37
461.6 · SALES AT BULK LOAD STATIONS	-1,238.62	-510.94	0.00
461.11 · BILLING ERRORS	37.10	3,230.50	0.00
461.12 · ACCOUNTS RECEIVABLE ADJUSTMENTS			
Total 461 · METERED WATER REVENUE	221,010.97	206,770.41	217,650.90
470 · FORFEITED DISCOUNTS	4,715.85	4,635.88	4,842.43
471 · MISCELLANEOUS SERVICE REVENUE	1,980.50	1,791.88	853.65
472 · MISCELLANEOUS SVC REV-MGT FEE	7,672.77	10,577.56	21,263.60
Total Income	235,380.09	223,775.73	244,610.58
Expense			
403 · DEPRECIATION EXPENSE	39,907.25	39,907.25	39,907.25
406 · AMORTIZATION OF RATE CASE EXP	430.69	430.69	430.69
407 · AMORTIZATION OF TAP IN EXPENSE	136.08	136.08	136.08
408 · TAXES OTHER THAN INCOME			
408.12 · PAYROLL TAXES	5,554.64	4,405.56	4,295.96
Total 408 · TAXES OTHER THAN INCOME	5,554.64	4,405.56	4,295.96
601 · SALARIES & WAGES - EMPLOYEES	74,691.12	59,565.77	58,058.58
603 · SALARIES & WAGES - COMMISSIONER	1,100.00	1,100.00	1,100.00
604 · EMPLOYEE PENSIONS & BENEFITS			
604.1 · MEDICAL INSURANCE	28,071.73	30,480.52	20,007.08
604.2 · RETIREMENT	9,726.82	9,389.25	9,145.55
Total 604 · EMPLOYEE PENSIONS & BENEFITS	37,798.55	39,869.77	29,152.63
610 · PURCHASED WATER	71,314.34	70,490.54	69,343.17
615 · PURCHASED POWER	7,833.26	7,613.97	7,203.67
618 · CHEMICALS	5,513.69	4,135.50	0.00
620 · MATERIALS & SUPPLIES	7,237.31	10,817.32	4,852.76
631 · CONTRACTUAL SERVICE -ENGINEERS	453.84	0.00	1,447.15
632 · CONTRACTUAL SERVICE -ACCOUNTING	4,888.52	5,497.16	0.00
633 · CONTRACTUAL SERVICE -LEGAL	1,375.00	0.00	0.00
634 · CONTRACTUAL SERVICE -MANAGEMENT	198.67	149.17	102.37
635 · CONTRACTUAL SERVICE -OTHER	3,433.39	2,412.34	4,010.76
636 · CONTRACTUAL SERVICES-WATER TEST	406.00	399.00	2,044.28
641 · RENT OF BUILDING/REAL PROPERTY	0.00	0.00	3,600.00
650 · TRANSPORTATION EXPENSE	3,849.24	4,250.44	3,840.41
656 · INSURANCE - VEHICLE	1,072.78	1,072.78	1,072.78
657 · INSURANCE - GENERAL LIABILITY	1,380.52	1,380.52	1,380.52
658 · INSURANCE - WORKER'S COMP	1,395.68	1,395.68	1,395.68
659 · INSURANCE - OTHER	558.20	558.20	558.20

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through March 2008

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 Accrual Basis

	Jan 08	Feb 08	Mar 08
660 · ADVERTISING EXPENSE	0.00	15.63	0.00
670 · BAD DEBT EXPENSE	-80.40	-995.93	123.92
675 · MISCELLANEOUS EXPENSE	32.95	123.00	-123.81
Total Expense	270,481.32	254,790.44	233,933.05
Net Ordinary Income	-35,101.23	-31,014.71	10,677.53
Other Income/Expense			
Other Income	1,513.91	1,272.70	938.14
419 · INTEREST INCOME			
432 · PROCEEDS FROM CAPITAL CONTRIB	8,000.00	5,000.00	3,000.00
432.01 · CUSTOMER CONTRIBUTIONS	2,170.00	2,160.00	2,160.00
432.05 · SURCHARGES--PHASE 5	626.00	638.52	638.52
432.07 · SURCHARGES--PHASE 7	1,994.04	1,994.04	1,982.58
432.08 · SURCHARGES - PHASE 8	1,093.44	1,093.44	1,104.16
432.10 · SURCHARGES--PHASE 10			
Total 432 · PROCEEDS FROM CAPITAL CONTRIB	13,883.48	10,886.00	8,885.26
Total Other Income	15,397.39	12,158.70	9,823.40
Other Expense			
427 · INTEREST EXPENSE			
427.3 · INTEREST ON LONG TERM DEBT			
427.301 · INTEREST ON FHA #1	2,541.63	2,541.67	2,541.67
427.302 · INTEREST ON FHA #2	312.50	312.50	312.50
427.321 · INTEREST ON KIA #1	371.46	371.46	371.46
427.322 · INTEREST ON KIA #2	744.13	744.13	744.13
427.331 · INTEREST ON DWSRF #1	904.91	904.91	904.91
427.332 · INTEREST ON DWSRF #2	2,623.85	2,623.85	2,623.85
427.341 · INTEREST ON KRW BPWD CONTRIB	1,356.71	0.00	0.00
427.342 · INTEREST ON KRW SURCHARGE	1,489.96	0.00	0.00
427.343 · INTEREST ON KRW REFINANCE FHA	1,672.77	0.00	0.00
427.345 · INTEREST ON KRW TANK LOAN	1,252.57	0.00	0.00
427.346 · INTEREST ON KRW-PHASE 7	252.90	0.00	0.00
427.347 · INTEREST ON KRW PHASE 8	1,796.05	0.00	0.00
427.348 · INTEREST ON KRW PHASE 10	1,012.37	0.00	0.00
427.361 · INTEREST ON KACOLT #1	5,303.87	5,084.38	5,084.38
427.362 · INTEREST ON KACOLT #2	1,022.45	964.61	964.61
427.363 · INTEREST ON EAGLE BANK LOAN	0.00	0.00	87.33
427.370 · INTEREST ON OLD NAT'L BANK #1	1,218.87	1,204.55	2,365.93
427.371 · INTEREST ON OLD NAT'L BANK #2	272.23	265.67	511.56
427.372 · INT ON CHRYSLER LEASE	158.13	153.79	294.47
Total 427.3 · INTEREST ON LONG TERM DEBT	24,307.36	15,171.52	16,806.80

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through March 2008

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 04/10/08
 Accrual Basis

	Jan 08	Feb 08	Mar 08
427.4 · INTEREST ON CUSTOMER DEPOSITS	46.17	46.97	0.00
428 · AMORTIZATION OF DEBT EXPENSE	721.16	721.16	721.16
Total 427 · INTEREST EXPENSE	25,074.69	15,939.65	17,527.96
Total Other Expense	25,074.69	15,939.65	17,527.96
Net Other Income	-9,677.30	-3,780.95	-7,704.56
Net Income	-44,778.53	-34,795.66	2,972.97

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through March 2008

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 04/10/08
 Accrual Basis

	TOTAL
Ordinary Income/Expense	
Income	
461 · METERED WATER REVENUE	592,305.87
461.1 · SALES TO RESIDENTIAL CUSTOMERS	45,264.65
461.2 · SALES TO COMMERCIAL CUSTOMERS	2,040.60
461.3 · SALES TO INDUSTRIAL CUSTOMERS	4,303.12
461.6 · SALES AT BULK LOAD STATIONS	-1,749.56
461.11 · BILLING ERRORS	3,267.60
461.12 · ACCOUNTS RECEIVABLE ADJUSTMENTS	645,432.28
Total 461 · METERED WATER REVENUE	14,194.16
470 · FORFEITED DISCOUNTS	4,626.03
471 · MISCELLANEOUS SERVICE REVENUE	39,513.93
472 · MISCELLANEOUS SVC REV-MGT FEE	703,766.40
Total Income	119,721.75
Expense	
403 · DEPRECIATION EXPENSE	1,292.07
406 · AMORTIZATION OF RATE CASE EXP	408.24
407 · AMORTIZATION OF TAP IN EXPENSE	14,256.16
408 · TAXES OTHER THAN INCOME	14,256.16
408.12 · PAYROLL TAXES	14,256.16
Total 408 · TAXES OTHER THAN INCOME	192,315.47
601 · SALARIES & WAGES - EMPLOYEES	3,300.00
603 · SALARIES & WAGES - COMMISSIONER	78,559.33
604 · EMPLOYEE PENSIONS & BENEFITS	28,261.62
604.1 · MEDICAL INSURANCE	106,820.95
604.2 · RETIREMENT	211,148.05
Total 604 · EMPLOYEE PENSIONS & BENEFITS	22,650.90
610 · PURCHASED WATER	9,649.19
615 · PURCHASED POWER	22,907.39
618 · CHEMICALS	1,900.99
620 · MATERIALS & SUPPLIES	10,385.68
631 · CONTRACTUAL SERVICE -ENGINEERS	1,375.00
632 · CONTRACTUAL SERVICE -ACCOUNTING	450.21
633 · CONTRACTUAL SERVICE -LEGAL	9,856.49
634 · CONTRACTUAL SERVICE -MANAGEMENT	2,849.28
635 · CONTRACTUAL SERVICE -OTHER	3,600.00
636 · CONTRACTUAL SERVICES-WATER TEST	11,940.09
641 · RENT OF BUILDING/REAL PROPERTY	3,218.34
650 · TRANSPORTATION EXPENSE	4,141.56
656 · INSURANCE - VEHICLE	4,187.04
657 · INSURANCE - GENERAL LIABILITY	1,674.60
658 · INSURANCE - WORKER'S COMP	
659 · INSURANCE - OTHER	

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through March 2008

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 04/10/08
 Accrual Basis

TOTAL	
	15.63
	-892.41
	32.14
	<u>759,204.81</u>

660 · ADVERTISING EXPENSE
 670 · BAD DEBT EXPENSE
 675 · MISCELLANEOUS EXPENSE

Total Expense

Net Ordinary Income -55,438.41

Other Income/Expense

Other Income

419 · INTEREST INCOME 3,724.75
 432 · PROCEEDS FROM CAPITAL CONTRIB
 432.01 · CUSTOMER CONTRIBUTIONS 16,000.00
 432.05 · SURCHARGES--PHASE 5 6,490.00
 432.07 · SURCHARGES--PHASE 7 1,903.04
 432.08 · SURCHARGES - PHASE 8 5,970.66
 432.10 · SURCHARGES--PHASE 10 3,291.04

Total 432 · PROCEEDS FROM CAPITAL CONTRIB 39,654.74

Total Other Income 37,379.49

Other Expense

427 · INTEREST EXPENSE
 427.3 · INTEREST ON LONG TERM DEBT
 427.301 · INTEREST ON FHA #1 7,624.97
 427.302 · INTEREST ON FHA #2 937.50
 427.321 · INTEREST ON KIA #1 1,114.38
 427.322 · INTEREST ON KIA #2 2,232.39
 427.331 · INTEREST ON DWSRF #1 2,714.73
 427.332 · INTEREST ON DWSRF #2 7,871.55
 427.341 · INTEREST ON KRW BPWD CONTRIB 1,356.71
 427.342 · INTEREST ON KRW SURCHARGE 1,489.96
 427.343 · INTEREST ON KRW REFINANCE FHA 1,672.77
 427.345 · INTEREST ON KRW TANK LOAN 1,252.57
 427.346 · INTEREST ON KRW-PHASE 7 252.90
 427.347 · INTEREST ON KRW PHASE 8 1,796.05
 427.348 · INTEREST ON KRW PHASE 10 1,012.37
 427.361 · INTEREST ON KACOLT #1 15,472.63
 427.362 · INTEREST ON KACOLT #2 2,951.67
 427.363 · INTEREST ON EAGLE BANK LOAN 87.33
 427.370 · INTEREST ON OLD NAT'L BANK #1 4,789.35
 427.371 · INTEREST ON OLD NAT'L BANK #2 1,049.46
 427.372 · INT ON CHRYSLER LEASE 606.39

Total 427.3 · INTEREST ON LONG TERM DEBT 56,285.68

BULLOCK PEN WATER DISTRICT
Profit & Loss
 January through March 2008

TOTAL	93.14
	2,163.48
	58,542.30
	58,542.30
	58,542.30
	-21,162.81
	-76,601.22

427.4 · INTEREST ON CUSTOMER DEPOSITS	Net Other Income
428 · AMORTIZATION OF DEBT EXPENSE	Net Income
Total 427 · INTEREST EXPENSE	
Total Other Expense	

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 04/10/08
 Accrual Basis



COPY

KENTUCKY INFRASTRUCTURE AUTHORITY

Ernie Fletcher
Governor

1024 Capital Center Drive, Suite 340
Frankfort, Kentucky 40601
Phone (502) 573-0260
Fax (502) 573-0157
<http://kia.ky.gov>

Tim Thomas
Executive Director

December 7, 2007

Bobby Burgess, Chairman
Bullock Pen Water District
PO Box 188
Crittenden, Kentucky 41030

KENTUCKY INFRASTRUCTURE AUTHORITY FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND CONDITIONAL COMMITMENT LETTER (F07-09)

Dear Chairman Burgess:

The Kentucky Infrastructure Authority ("the Authority") commends your efforts to improve public service facilities in your community. On December 6, 2007, the Authority approved your loan for water distribution main construction, water main replacement, new pump station construction, and construction of a new master meter subject to the conditions stated below. The total cost of the project shall not exceed \$2,320,700 of which the Authority loan shall provide \$2,192,700 of the funding. Other anticipated funding for the project is reflected in Attachment A. The final loan amount will be equal to the Authority's portion of estimated project cost applied to the actual project cost. Attachment A incorporated herein by reference fully describes the project.

An Assistance Agreement will be executed between the Authority and the Bullock Pen Water District upon satisfactory performance of the conditions set forth in this letter. A period of twelve months from the date of this letter (December 7, 2008) will be allowed for you to meet the conditions set forth in this letter and enter into an Assistance Agreement. A one-time extension of up to six months may be granted for applicants that experience extenuating circumstances. Funds will be available for disbursement only after execution of the Assistance Agreement.

The Assistance Agreement and this commitment shall be subject, but not limited to, the following terms:

1. The Authority project loan shall not exceed \$2,192,700.
2. The loan shall bear interest at the rate of 3.00% per annum commencing with the first draw of funds.
3. The loan shall be repaid over a period not to exceed 20 years from the date the loan is closed.
4. Interest shall be payable on the amount of actual funds received. The first payment shall be due on June 1 or December 1 immediately succeeding the date of the initial draw of funds, provided that if such June 1 or December 1 shall be less than three months since the date of the initial draw of funds, then the first interest payment date shall be the June 1 or December 1 which is at least six months from the date of the initial draw of funds. Interest payments will be due each six months thereafter until the loan is repaid.
5. Full principal payments will commence on the appropriate June 1 or December 1 within twelve months from initiation of operation. Full payments will be due each six months thereafter until the loan is repaid.
6. A loan servicing fee of 0.25% of the annual outstanding loan balance shall be payable to the Authority as a part of each interest payment.
7. Loan funds will be disbursed after execution of the Assistance Agreement as project costs are incurred.
8. The Authority loan funds must be expended within six months of the official date of initiation of operation.
9. Fund "F" loan funds are considered to be federal funds. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations, requires that all recipients and sub-recipients **expending \$500,000 or more in a year in federal awards must have a single or program-specific audit conducted for that year** in accordance with the Circular. If the federal amount expended plus all other federal funds expended exceeds the threshold, you are required to arrange for an A-133 audit to be performed by an independent, licensed CPA, or in special cases, the Auditor of Public Accounts of the Commonwealth of Kentucky. The Authority requires an annual audit to be preformed for the life of the loan.

The following is a list of the standard conditions to be satisfied prior to execution of the Assistance Agreement or incorporated in the Assistance Agreement. Any required documentation must be submitted to the party designated.

1. The Authority to Award (bid) package must be submitted to the Division of Water (DOW) for approval within 14 days of bid opening. DOW must perform the MBE/WBE reviews, conduct a pre-construction and project management conference and approve executed contract documents.
2. The Assistance Agreement must be executed within six (6) months from bid opening.
3. The Borrower must agree to expend all Authority loan funds within six months of the date of initiation of operation.
4. Documentation of final funding commitments from all parties other than the Authority as reflected in the credit analysis shall be provided prior to preparation of the Assistance Agreement and disbursement of the loan monies. Rejections of any anticipated project funding shall be immediately reported and may cause this loan to be subject to further consideration.
5. The loan must undergo review by the Capital Projects and Bond Oversight Committee of the Kentucky Legislature prior to the state's execution of the Assistance Agreement. The committee meets monthly on the third Tuesday. At this time we know of no further submission required for their review; however, they may request information as needed.
6. Any required adjustment in utility service rates shall be adopted by ordinance, municipal order or resolution by the appropriate governing body of the Borrower. Public hearings as required by law shall be held prior to the adoption of the service rate ordinance, order, or resolution. Any required approvals by the Kentucky Public Service Commission shall be obtained.
7. All easements or purchases of land shall be completed prior to commencement of construction. Certification of all land or easement acquisitions shall be provided to the Division of Water.
8. The Borrower must complete and return to the Authority the attached "Authorization For Electronic Deposit of Vendor Payment" Form.
9. The environmental assessment shall be approved by the Division of Water, for all construction projects receiving DWSRF funds, prior to bidding the project.

Chairman Burgess
December 7, 2007
Page 4

10. Technical plans and specifications and a complete DWSRF specifications checklist shall be approved by the Division of Water prior to bidding the project.
11. A clear site certificate shall be obtained and DOW representatives shall be notified for attendance of the pre-construction conference.
12. Project changes or additions shall require a complete environmental and change order review before they can be included in the DWSRF loan project.

Any special conditions listed below and/or stated in Attachment A must be resolved.

1. The Bullock Pen Water District must enact a water rate increase of 13% prior to July 1, 2008 to go in effect no later than January 1, 2009.
2. The Bullock Pen Water District must enact a water rate increase of 5% prior to July 1, 2008 to go in effect no later than January 1, 2010.

Please inform the Authority of any changes in your financing plan as soon as possible. We wish you every success for this project, which will benefit both your community and the Commonwealth as a whole.

Sincerely,



Chris Whitaker
Financial Analyst

Attachments

cc: Kerry Odle, CMW Engineers, Inc.
Lola Lyle, Division of Water
Dirk Bedarff, Peck, Shaffer & Williams LLP
Dan Waits, State Local Debt Office, GOLD

AUTHORIZATION FOR ELECTRONIC DEPOSIT
OF BORROWER PAYMENT
KENTUCKY INFRASTRUCTURE AUTHORITY
(FUND F07-06)

Borrower Information:

Name: BULLOCK PEN WATER DISTRICT
Address: P.O. Box 188
City: Crittenden State: KY Zip: 41030
Telephone: 859-428-2112 Contact: Paula Massie
Federal I.D. # 61-6017292

Financial Institution Information:

Bank Name: Integra
Branch: Crittenden Phone No: 859-428-2500
City: Crittenden State: KY Zip: 41030
Transit / ABA No.: 086300025
Account Name: BULLOCK PEN WATER DIST PH6 CONSTRUCTION & TAP ON FEES
Account Number: 7810201306

I, the undersigned, authorize payments directly to the account indicated above and to correct any errors, which may occur from the transactions. I also authorize the Financial Institution to post these transactions to that account.

Signature: *Bobby Burgess* Date: 12-20-07
Name Printed: Bobby Burgess Job Title: Chairman

Please return completed form to: Kentucky Infrastructure Authority
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601
phone: 502-573-0260
fax: 502-573-0157

**EXHIBIT 1
BULLOCK PEN WATER DISTRICT
CASHFLOW ANALYSIS**

	Audited 2003	% Change	Audited 2004	% Change	Audited 2005	% Change	Audited 2006	Projected 2007	Projected 2008	Projected 2009	Projected 2010
Revenues											
Charges for Services	1,826,604	44%	2,636,707	6%	2,804,744	-1%	2,782,217	2,876,812	2,974,624	3,444,694	3,701,944
Total Revenues	1,826,604	44%	2,636,707	6%	2,804,744	-1%	2,782,217	2,876,812	2,974,624	3,444,694	3,701,944
Expenses											
Administrative & Operating Expense	1,517,957	12%	1,704,640	11%	1,888,740	11%	2,089,771	2,256,953	2,437,509	2,632,510	2,843,110
Depreciation	318,044		348,220		385,312		417,464	417,464	417,464	456,142	475,482
Replacement Reserve	0		0		0		0	0	0	10,964	10,964
Total Expenses	1,836,001	12%	2,052,860	11%	2,274,052	10%	2,507,235	2,674,417	2,854,973	3,099,615	3,329,555
Net Income Cash	(9,397)	6313%	583,847	9%	530,692	48%	274,982	202,396	119,651	345,079	372,389
Non-Operating Revenues and Expenses											
Investment Income	10,825		18,343		26,152		42,465	42,890	43,319	43,752	44,189
Other	(689)		(12,687)		(4,432)		(669)	(669)	(669)	(669)	(669)
Total Non-Operating Rev & Exp	10,136	-44%	5,656	284%	21,720	92%	41,796	42,221	42,650	43,083	43,520
Add Non-Cash Expenses											
Depreciation	318,044		348,220		385,312		417,464	417,464	417,464	456,142	475,482
Cash Available for Debt Service	318,783		937,723		937,724		734,242	662,080	579,765	844,304	891,390
Debt Service											
Existing Debt	698,676		738,634		648,045		841,958	747,987	718,178	713,593	705,279
New KIA Fund A Loan	0		0		0		0	0	9,745	108,927	152,073
Total Debt Service	698,676		738,634		648,045		841,958	747,987	727,923	822,520	857,352
Income After Debt Service	(379,893)		199,089		289,679		(107,716)	(85,907)	(148,159)	21,784	34,038
Debt Coverage Ratio	0.46		1.27		1.45		0.87	0.89	0.80	1.03	1.04

To: Carryn Lee
900 Argyll Drive
Danville, KY 40422

Date: June 30, 2008
 Project: Water Line Extension and Improvements
Phase 6
Bullock Pen Water District

Attn: _____

Project No.: 07463 02

- We are sending:
- | | | | |
|--|---|---------------------------------------|--|
| <input checked="" type="checkbox"/> Attached | <input type="checkbox"/> Plans | <input type="checkbox"/> Change Order | <input type="checkbox"/> Shop Drawings |
| <input type="checkbox"/> Under separate cover
via _____ | <input type="checkbox"/> Specifications | <input type="checkbox"/> Prints | <input type="checkbox"/> Estimates |
| | <input type="checkbox"/> Copy of Letter | <input type="checkbox"/> Samples | <input type="checkbox"/> _____ |

Copies	Date	Description
1		Preliminary Surcharge Calculations
1		Preliminary Engineering Report, Highway 25 - Grant County
1		Preliminary Engineering Report Pump Station and NKWD Master Meter
1		Preliminary Engineering Report, Phase 6 and 9 - Kenton County

These items are transmitted as checked below:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> For Your Use | <input type="checkbox"/> No exceptions taken | <input type="checkbox"/> For Your Files |
| <input checked="" type="checkbox"/> As requested | <input type="checkbox"/> Note Markings | <input type="checkbox"/> See remarks below |
| <input type="checkbox"/> For review and comment | <input type="checkbox"/> Resubmit _____ copies bearing
corrections noted | <input type="checkbox"/> Return _____ copies bearing
signatures |
| <input type="checkbox"/> For approval | | |

Remarks:

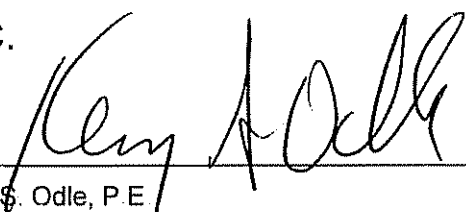
Attached is the Preliminary Surcharge Calculations for this project. I have also enclosed the three Preliminary Engineering Reports for this project. This project combined three smaller projects. If you have any questions or need additional information, give me a call.

Copies To:

Bullock Pen Water Distirct W/A
 Tom Nienaber W/A
 File W/A

CMW, INC.

Signed: _____



Kerry S. Odle, P.E.

If enclosures are not as indicated, please notify us at once

**Phase 6 – Surcharge Estimate (Preliminary)
Bullock Pen Water District**

Total Project Cost	\$2,614,600
Total Construction Cost	\$2,081,072

I. Water Lines to Serve Kenton County Customers Only.

Carlisle Road	\$235,497
People Cemetery	\$19,105
Courtney Road	\$184,165
Stephenson Road	\$108,550
Lunsford Road	\$85,265
Paxton Road	\$96,062
Carl Court	<u>\$53,600</u>

Total Construction Cost =	\$782,244
---------------------------	-----------

II. Water Line and Items to Serve Grant County

Highway 25	\$479,650
Pump Station	\$140,000
Control Valve	<u>\$30,000</u>

Total Construction Cost =	\$649,650
---------------------------	-----------

III. Water Line and Items to Serve both Kenton County Customers and Grant County

Bagby Road	\$281,550
Parkers Grove	\$322,628
Master Meter	<u>\$45,000</u>

Total Construction Cost =	\$649,178
---------------------------	-----------

For Surcharge consider I and ½ of III

Construction Cost =	\$1,106,833
Project Cost =	\$1,390,594

Assume 180 Customers

Total Loan Needed = \$1,390,594 - \$180,000 (tap-on fee)
= \$1,210,594

Annual Loan Payment = \$1,210,594 @ 3% for 20 year
= \$1,210,594 x 0.06722
= \$81,376

Attached is 2007 Audit – Change in Net Assets with Water Revenue Increased by \$297,509 due to Proposed Rate Increase

Estimated Operating Income= \$317,132

Customers = 6,559 Existing in 2007 + 180 New Kenton Customers = 6,739

Operating Income Per Customer = $\$317,132 / 6,739 = \47.06

Operating Income per New Kenton County Customers = $47.06 \times 180 = \$8,471$

Debt Service to be Collected thru Surcharge = $\$81,376 - \$8,471 = \$72,905$

Annual Surcharge Per Customer = \$405.03

Monthly Surcharge = \$33.75

Use Maximum Surcharge = \$25

BULLOCK PEN WATER DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
For the Years Ended December 31, 2007 and 2006

	<u>Increase</u>	<u>New Total</u>	2007	2006
OPERATING REVENUES				
Water revenue	+ 297,509	3,174,306	\$ 2,876,797	\$ 2,674,037
Management fees			110,004	108,180
TOTAL OPERATING REVENUES		3,284,310	<u>2,986,801</u>	<u>2,782,217</u>
OPERATING EXPENSES				
Water purchased			766,310	602,874
Operation and maintenance expense			1,685,926	1,486,897
Depreciation and amortization	+ 52,292	514,942	462,650	408,810
TOTAL OPERATING EXPENSES		2,967,178	<u>2,914,886</u>	<u>2,498,581</u>
OPERATING INCOME		317,132	<u>71,915</u>	<u>283,636</u>
NON-OPERATING INCOME (EXPENSE)				
Investment income			44,786	42,465
Gain/(loss) on sale of assets			6,149	(669)
Interest on long-term obligations			(302,423)	(311,106)
Amortization of bond discounts and expenses			(8,654)	(8,654)
NET NON-OPERATING INCOME (EXPENSE)			<u>(260,142)</u>	<u>(277,964)</u>
NET INCOME			(188,227)	5,672
CAPITAL CONTRIBUTIONS			<u>1,195,661</u>	<u>1,136,824</u>
CHANGE IN NET ASSETS			1,007,434	1,142,496
NET ASSETS, JANUARY 1			<u>12,115,814</u>	<u>10,973,318</u>
NET ASSETS, DECEMBER 31			<u>\$ 13,123,248</u>	<u>\$ 12,115,814</u>

The accompanying notes are an integral part of these financial statements.

Preliminary Project Cost
Phase 6 - Water Line Extension, Water Line Replacement
And Improvements
8" and 6" Water Lines
Bullock Pen Water District
Grant and Kenton County
5/1/08

1. Construction Cost	\$2,081,072
2. Legal Expense	\$12,000
3. Easements	\$20,000
4. Pump Site Survey	\$2,000
5. Pump Station Site	\$2,000
6. Environmental	\$8,000
7. Endangered Species Survey	\$3,925
8. Railroad Crossing Fee	\$4,200
9. Preliminary Engineering	\$10,000
10. Engineering Design	\$158,578
11. Resident Inspection	\$94,689
12. Rate Study	\$5,000
13. PSC Submittal	\$5,000
14. Contingencies	<u>\$208,136</u>
	\$2,614,600

Funding

1. DWSRF Loan	\$2,192,700
2. Tap-on Fees - 180 x \$1000	\$180,000
3. Additional Loan	<u>\$241,900</u>
	\$2,614,600

Project Summary
Phase 6 - Water Line Extension, Replacement and Improvements
8" and 6" Water Lines
Bullock Pen Water District
Grant and Kenton County
5/1/08

A. Water Line Extension

<u>Road Name</u>	<u>Length</u>	<u>Construction Cost</u>
1. Bagby Road (2046) – 8"	2.5 mi.	\$281,550
2. Parkers Grove – 8"	2.7 mi.	\$322,628
3. Carlisle Road – 8"	1.9 mi.	\$235,497
4. Peoples Cemetery – 6"	0.2 mi.	\$19,105
5. Courtney Road – 8"	1.6 mi.	\$184,165
6. Stephenson Road – 6"	1.1 mi.	\$108,550
7. Lunsford Road – 6"	0.7 mi.	\$85,265
8. Paxton Road – 6"	1.0 mi.	\$96,062
9. Carli Court – 6"	<u>0.5 mi.</u>	<u>\$53,600</u>
Subtotal A:	12.2 mi.	\$1,386,422

B. Water Line Replacement

1. Water Line Highway 25 (Miller Drive to Crittenden)	0.1 mi.	\$43,700
2. Water Line Highway 25 (Sherman to Old Dry Ridge Site)	<u>2.1 mi.</u>	<u>\$435,950</u>
Subtotal B:	2.2 mi.	\$479,650

C. Pump Station \$140,000

D. Master Meter \$45,000

E. Control Valve \$30,000

Total Construction Cost: \$2,081,072

Preliminary Engineering Report

Highway 25 Water Line Project

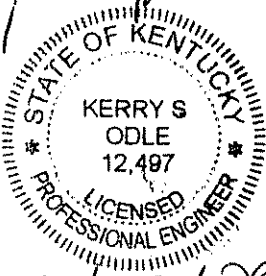
Grant County

Bullock Pen Water District

By

**CMW, Inc.
138 N. Keeneland Drive
Suite E
Richmond, KY**

June, 2007

Kerry S Odle

6/27/09

KENTUCKY WATER PROJECT PROFILE

Areas indicated with (*) are required fields.

1.* Project Title (use title which will be identifiable by local community):

Bullock Pen Water District - Highway 25 Water Line Replacement

2.* Project Description:

Provide a brief narrative denoting if project relates to source, distribution, treatment, storage or

Construction of 11,700 feet of 12" water line to replace existing 6" water line from Miller Drive to Violet Road and from Sherman to Old Dry Ridge tank site. Also includes 3 control valve pits to direct water flow. Project cost is \$770,000. This project will allow for more water to be purchased from Northern Kentucky Water District to fill the Dry Ridge tanks.

* Project Descriptor:

* WRIS Project Number (PNUM):

This number is assigned by an ADD through the respective Area Water Management Planning Council once the project profile Council. This number ties each project to mapped/spatial information in the Water Resource Information System (WRIS). For this number AND the required corresponding mapped/spatial information will NOT be accepted.

* Project County:

Grant

* Is it a multi-county project: Yes No

* Project Submitted

By: * Select the PWSID# from the list below:

Northern Kentucky

Available:

0010082
0010702
0020386
0020956
0030007
0030239
0030660
0040015
0040020

Selected:

0410047

3. Legal Applicant

* Legal Applicant: Bullock Pen Water District

Water Utility which will own proposed improvements:
(if different from Legal Applicant)

* Organizational Structure: Water District

Authorized Official Information

* First Name: Bobby * Last Name: Burgess M.I.:
* Title: Chairman
* Street Address Line 1: 1 Farrell Drive
Street Address Line 2:
* P.O. Box: 188
* City: Crittenden * State: KY * Zip: 41030
* County: Grant
* Telephone: (859) 428-2112 Ext:
Fax: 859-428-1293
Email: bullockpen@fuse.net

Contact Person Information

* First Name: Paula * Last Name: Massie M.I.:
* Title: Office Manager
* Street Address Line 1: 1 Farrell Drive
Street Address Line 2:
* P.O. Box: 188
* City: Crittenden * State: KY * Zip: 41030
* County: Grant
* Telephone: 859-428-2112 Ext:
Fax: 859-428-1293
Email: bullockpen@fuse.net

Project Administrator Information

* First Name: * Last Name: M.I.:
Title:
Street Address Line 1:
Street Address Line 2:
P.O. Box:
City: State: Zip:
County:
* Telephone: Ext:
Fax:
Email:

Consulting Engineer Information

* First Name: * Last Name: M.I.:
Firm:
Street Address Line 1:
Street Address Line 2:
P.O. Box:
City: State: Zip:
County:
* Telephone: Ext:
Fax:
Email:

4.* Project Type (atleast one required/check all that apply):

- Planning
- Design
- Construction
- Management

5. Project Alternatives: Please list a minimum of three:

- a.* Construct new water line cross country to fill tank
- b.* Construct water line from Williamstown master meter.
- c.* Do nothing.

6. Special Impact(s) of Proposed Water Project:

a.* New service/improve service to unserved underserved households

b. Number of new jobs: Number of retained jobs:

c. Other beneficial technical, managerial, fiscal impacts: (20 words or less)

d.* Does proposed activity relate to public health protection emergency: Yes No

e.* Does project involve regionalization: Yes No

f. Number of systems affected/involved:

7.* Median Household Income of Service Area:

\$

8.* Project Start Schedule:

Years 0-2 Years 3-10 Years 11-20

9. Estimated Funding Sources:

* Estimated Local Funding Amount \$

* Estimated Other Funding Amount (all sources) \$

Total Estimated Project Cost \$

10. Project Data - Water (complete all items which apply to your project)

a.* Is project related to source protection? Yes No

Acres

Cost (\$/acre)

Use control (r/c)

Drinking Water Facilities

b.* Is project related to source? Yes No

Number of new surface/spring sources Total MGD

Number of new wells Total MGD

Elimination of Public Water Systems through Mergers

Number of systems serving 500 or fewer population

Number of systems serving 501-3,000 population

Number of systems serving 3,001-10,000 population

Number of systems serving 10,001 or greater population

Interconnections

Number of water treatment plants eliminated

Number of supplemental potable water supply

Number of emergency backup potable water supply

Source Water Quantity and Quality

Number of existing raw water sources replaced

Number of existing raw water sources supplemented

Briefly describe why the above items apply to your project:

c.* Is project related to water treatment? Yes No

If new or expanded plant, proposed design capacity MGD (as a result of thi

Project will involve expansion or modification of Microbiology and Turbidity

Pre-filtration (CT/Microbial removal)

Filtration (Surface Water Treatment Rule Compliance)

Disinfection Process (CT/Microbial Inactivation)

Best Available Technologies

VOCs IOCs SOCs Radionuclides

Disinfectants Disinfection by-products

Secondary contaminants

d.* Is project related to distribution (Extension/Rehab)? Yes No

Check all that apply to your project

Extension Water Tank

Rehab/Improvement Pump Station

Proposed project involves construction of line

Total linear feet of new line

Line Size (in inches) 2 3 4 6 8 10 gre

Material Ductile Iron PVC PE Other

Project activity improves pressure, as a result of

Replacement of total linear feet of inadequately sized lines

total gallons of increased storage due to additional demand

Leaks, Breaks, or restrictive flows due to age

Project activity improves water quality by providing:

Adequate turnover of water

Proper maintenance of disinfection residual

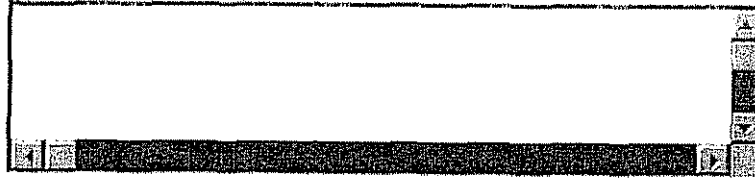
Replacement of total linear feet of lead, copper, asbestos-cement lines

Briefly describe why the above items apply to your project:

Water line upgrade for a 6" to 12" will allow additional water to be pumped to Dry Ridge Tank

e. Management (describe)

f. Other (describe)



g.* Date Project was approved by the Area Water Management Planning Council:

**Preliminary Project Cost
Highway 25 Water Line Replacement
Bullock Pen Water District
Grant County
June 12, 2007**

1. Construction Cost	\$539,650
2. Legal Expense	\$8,000
3. Easements	\$20,000
4. Railroad Permit	\$30,000
5. Preliminary Engineering	\$5,000
6. Engineering Design	\$54,343
7. Resident Inspection	\$38,639
8. Rate Study	\$10,000
9. PSC Submittal	\$10,000
10. Contingencies	<u>\$54,368</u>
 Total:	 \$770,000

**Construction Cost Estimates
Highway 25 Water Line Replacement
Bullock Pen Water District
June 12, 2007**

A. 12" Water Line on Highway 25 from Miller Drive to Crittenden

1. 12" PVC Water Main 500 LF @ \$35/LF	\$17,500
2. Connection to Existing Water Line 3 EA @ \$2,500/EA	\$7,500
3. 12" Gate Valve 2 EA @ \$1,600/EA	\$3,200
4. Fire Hydrant 2 EA @ \$1,600/EA	\$5,600
5. Road Bore with Steel Encasement 60 LF @ \$165/LF	<u>\$9,900</u>
Subtotal Highway 25 – Miller Drive to Crittenden:	\$43,700

B. 12" Water Line on Highway 25 from Sherman to Old Dry Ridge Tank Site

1. 12" PVC Water Main 11,200 LF @ \$30/LF	\$336,000
2. Connection to Existing Water Line 6 EA @ \$2,500/EA	\$15,000
3. 12" Gate Valve 13 EA @ \$1,600/EA	\$20,800
4. Fire Hydrant 7 EA @ \$2,800/EA	\$19,600
5. Road Bore with Steel Encasement 100 LF @ \$165/LF	\$16,500
6. Railroad Bore 100 LF @ \$210/LF	\$21,000

7. Free Bore
60 LF @ \$90/LF \$5,400

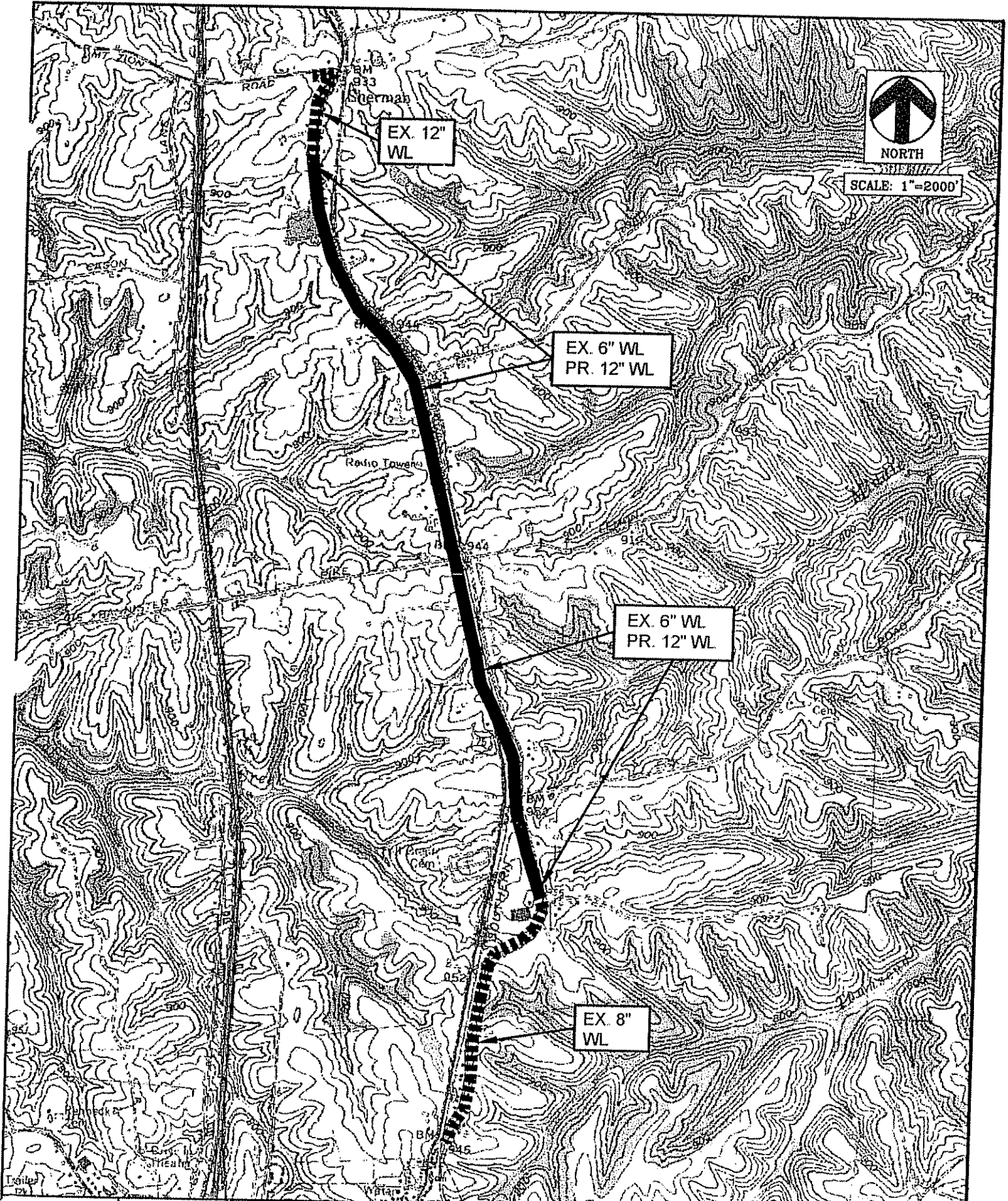
8. Air Relief Valve
2 EA @ \$825/EA \$1,650

Subtotal Highway 25 Sherman to Old Dry
Ridge Tank Site: \$435,950

C. Control Valves

3 EA @ \$20,000/EA \$60,000

Total Construction Cost: \$539,650



SCALE: 1"=2000'

EX. 12"
WL

EX. 6" WL
PR. 12" WL

EX. 6" WL
PR. 12" WL

EX. 8"
WL

SEE TO ALICE IN
ON DOCUMENTS OR
OBTAIN GUIDANCE
THE OTHER PARTIES WHOSE
AND ALL INTERESTS IN THE
PROPERTY ARE AFFECTED BY
THESE RECORDS AND TO THE
RECORDS OF THE COUNTY
CLERK OF THE COUNTY OF
KENTUCKY AND TO THE
RECORDS OF THE STATE
ARCHIVES AND TO THE
RECORDS OF THE FEDERAL
BUREAU OF SURVEYING
AND TO THE RECORDS OF
THE NATIONAL ARCHIVES
AND TO THE RECORDS OF
THE NATIONAL ARCHIVES
AND TO THE RECORDS OF
THE NATIONAL ARCHIVES

CMW inc.

138 N. Keeneland Dr., Ste E, Richmond, KY 40475
Voice 859.623.2960 Fax 859.623.0906

HWY 25 WATER LINE REPLACEMENT

BULLOCK PEN WATER DISTRICT
WATER LINE REPLACEMENT
GRANT COUNTY, KENTUCKY

Dwg: _____
Project Number 07463.01
© 2001 CMW
2

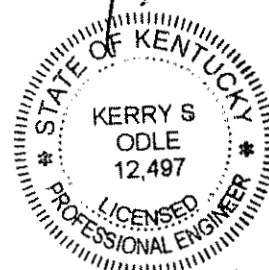
YRef:

Preliminary Engineering Report
Pump Station at Northern Kentucky Water District Master Meter
Bullock Pen Water District

By

CMW, Inc.
138 N. Keeneland Drive
Suite E
Richmond, KY 40475

November, 2005



6/27/08

Table of Contents

1. General Description of Project
2. Project Map
3. Project Profile
4. Preliminary Project Cost
5. Preliminary Construction Estimate

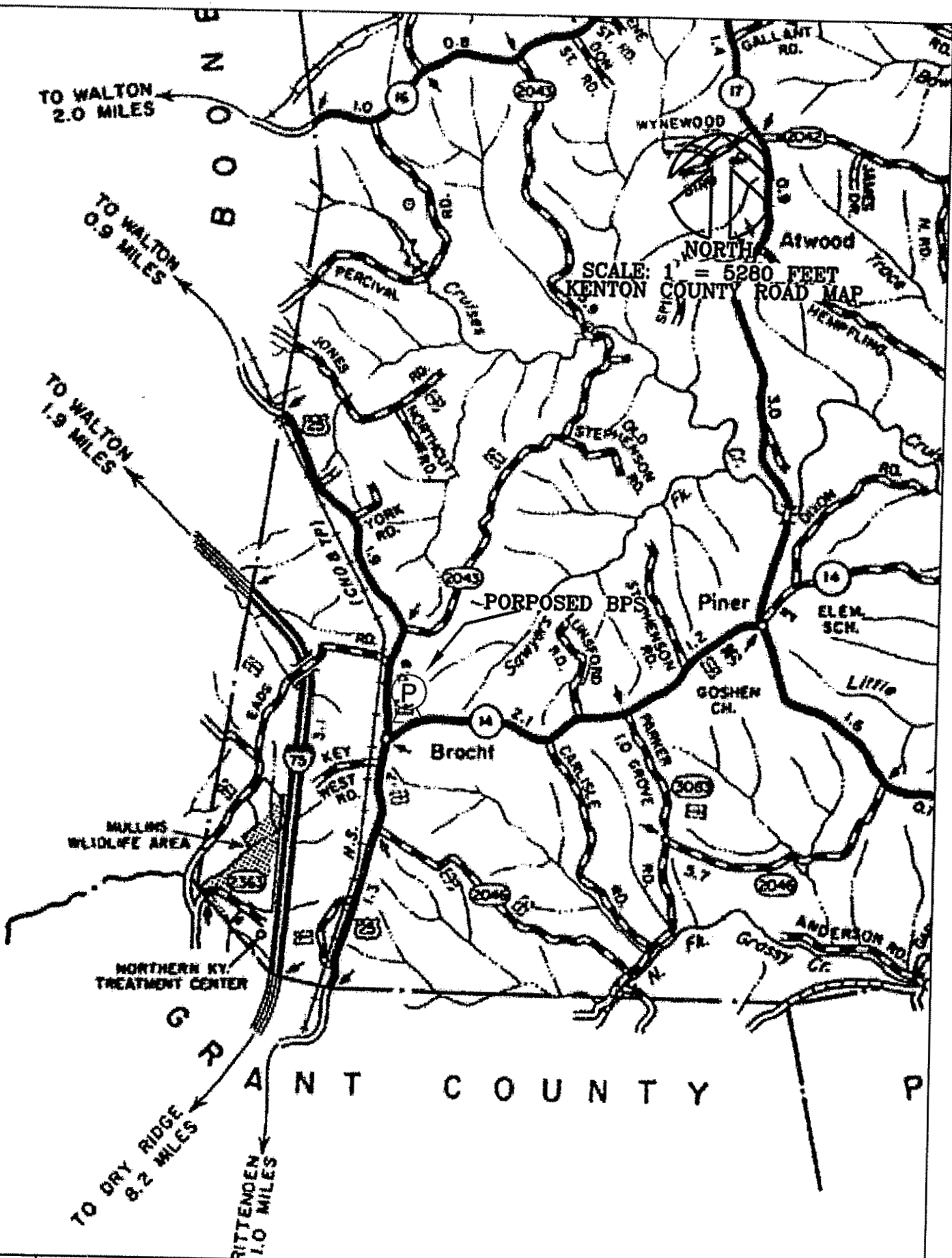
General Description of Project

Bullock Pen Water District serves approximately 5,500 customers in Grant, Boone, Kenton, Pendleton and Gallatin counties. Potable water that supplies the district comes from the Bullock Pen Water Treatment Plant, City of Walton, City of Williamstown and Northern Kentucky Water District.

The proposed project will construct a pump station near the existing master meter for Northern Kentucky Water District (NKWD) in the area of the Highway 14 and 25 intersection. The current master meter gravity feeds the Crittenden elevated water storage tank. The water is then pumped to three tanks within the water service area. Due to the gravity feed the flow received from Northern Kentucky Water District is restricted. With the new pump station water will be pumped to the three tanks (Sherman, Dry Ridge and Mt. Zion) directly.

Preliminary hydraulics have been done for the potential pump station which shows that the areas can be served by the existing water lines, water storage tanks and master meters.

Funding for project has not been obtained at this time.



SCALE: 1" = 5280 FEET
 KENTON COUNTY ROAD MAP

FAILURE TO ABIDE BY
 THESE DOCUMENTS OR
 TO OBTAIN GUIDANCE
 THE DESIGN PROFESSIONAL SHALL
 BE RESPONSIBLE FOR ANY
 ERRORS OR OMISSIONS THAT
 MAY OCCUR. THE USER SHALL
 BE RESPONSIBLE FOR OBTAINING
 ALL NECESSARY PERMITS AND
 REGULATORY APPROVALS AND
 FOR OBTAINING ALL NECESSARY
 INFORMATION FROM THE
 APPROPRIATE AGENCIES AND
 INDIVIDUALS. THE USER SHALL
 BE RESPONSIBLE FOR OBTAINING
 ALL NECESSARY PERMITS AND
 REGULATORY APPROVALS AND
 FOR OBTAINING ALL NECESSARY
 INFORMATION FROM THE
 APPROPRIATE AGENCIES AND
 INDIVIDUALS.

CMWnc.
 138 N. Keeneland Dr., Ste E, Richmond, KY 40475
 Voice 859.823.2966 Fax 859.823.0888

VICINITY MAP (COVER)		Dwg: CC Chkd by: KO
BULLOCK PEN WATER DISTRICT BRACHT PUMP STATION KENTON COUNTY - KENTUCKY		Project Number 05401.01
		© 2011 CMW
		COVER
		Plt Date: 10/11/05

XRefs:

KENTUCKY WATER PROJECT PROFILE

1. Project Title (use title which will be identifiable by local community):

Pump Station at Northern Kentucky Water District Master Meter

2. Project Description:

Provide a brief narrative denoting if project relates to source, distribution, treatment, storage or other)

Construction of pump station near the master meter from Northern Kentucky Water District which would provide water to tanke in Grant County.

Project Descriptor:

WRIS Project Number (PNUM): * Grant/Kenton Counties

*This number is assigned by an ADD through the respective Area Water Management Planning Council once the project profile is approved by the Council. This number ties each project to mapped/spatial information in the Water Resource Information System (WRIS). Project profiles without this number AND the required corresponding mapped/spatial information will NOT be accepted.

Project County:

Is it a multi-county project: Yes No

Project Submitted By:

Select the PWSID# from the list below:

Available:

- 0010082
- 0010702
- 0020386
- 0020956
- 0030007
- 0030239
- 0030660
- 0040015
- 0040020
- 0040223

Selected:

- None Selected..
- 0410047

3. Legal Applicant

Legal Applicant:

Water Utility which will own proposed improvements:
(if different from Legal Applicant)

Organizational Structure:

Authorized Official Information

First Name: Last Name: M.I.:
 Title:
 Street Address Line 1:
 Street Address Line 2:
 P.O. Box:
 City: State: KY Zip:
 County:
 Telephone: Ext:
 Fax:
 Email:

Contact Person Information

First Name: Last Name: M.I.:
 Title:
 Street Address Line 1:
 Street Address Line 2:
 P.O. Box:
 City: State: KY Zip:
 County:
 Telephone: Ext:
 Fax:
 Email:

Project Administrator Information

First Name: Last Name: M.I.:
 Title:
 Street Address Line 1:
 Street Address Line 2:
 P.O. Box:
 City: State: Zip:
 County:
 Telephone: Ext:
 Fax:
 Email:

Consulting Engineer Information

First Name: Kerry Last Name: Odle M.I.: S
 Firm: CMW, Inc.
 Street Address Line 1: 138 N. Keeneland Drive
 Street Address Line 2: Suite E
 P.O. Box: 831
 City: Richmond State: KY Zip: 40475
 County: Madison
 Telephone: 859-623-2966 ext:
 Fax: 859-623-0886
 Email: kodle@cmwaec.com

4. Project Type (check all that apply):

- Planning
- Design
- Construction
- Management

5. Project Alternatives: Please list a minimum of three:

- a. New master meter at Piner with pump station
- b. Enlarge existing pump station in Crittenden
- c. Do nothing

6. Special Impact(s) of Proposed Water Project:

- a. New service/Improve service to unserved underserved households
- b. Number of new jobs: Number of retained jobs:
- c. Other beneficial technical, managerial, fiscal impacts: (20 words or less)
Provide water to 3 tanks without going thru Crittenden Tank and increase usage from Northern Kentucky Water District master meter
- d. Does proposed activity relate to public health protection emergency: Yes No
- e. Does project involve regionalization: Yes No
- f. Number of systems affected/involved: 2

7. Median Household Income of Service Area:

\$ 0

8. Project Start Schedule:

Years 0-2 Years 3-10 Years 11-20

9. Estimated Funding Sources:

Estimated Local Funding Amount \$ 0
 Estimated Other Funding Amount (all sources) \$ 0
 Total Estimated Project Cost \$ 149,300

10. Project Data - Water (complete all items which apply to your project)

- a. Is project related to source protection? Yes No
 Acres 0

Cost (\$acre)

Use control (r/c)

Drinking Water Facilities

- b. Is project related to source? Yes No
- Number of new surface/spring sources Total MGD
- Number of new wells Total MGD

Elimination of Public Water Systems through Mergers

- Number of systems serving 500 or fewer population
- Number of systems serving 501-3,000 population
- Number of systems serving 3,001-10,000 population
- Number of systems serving 10,001 or greater population

Interconnections

- Number of water treatment plants eliminated
- Number of supplemental potable water supply
- Number of emergency backup potable water supply

Source Water Quantity and Quality

- Number of existing raw water sources replaced
- Number of existing raw water sources supplemented

Briefly describe why the above items apply to your project:

Increase usage from an existing master meter from Northern Kentucky Water District

- c. Is project related to water treatment? Yes No
- If new or expanded plant, proposed design capacity MGD (as a result of this project)

Project will involve expansion or modification of

Microbiology and Turbidity

- Pre-filtration (CT/Microbial removal)
- Filtration (Surface Water Treatment Rule Compliance)
- Disinfection Process (CT/Microbial Inactivation)

Best Available Technologies

- VOCs IOCs SOCs Radionuclides
- Disinfectants Disinfection by-products
- Secondary contaminants

- d. Is project related to distribution (Extension/Rehab)? Yes No
- Check all that apply to your project

- Extension Water Tank
- Rehab/Improvement Pump Station

Proposed project involves construction of line

- Total linear feet of new line
- Line Size (In Inches) 2 3 4 6 10 greater than 10
- Material Ductile Iron PE Other

Project activity improves pressure, as a result of

- Replacement of total linear feet of inadequately sized lines
- total gallons of increased storage due to additional demand

Leaks, Breaks, or restrictive flows due to age

Project activity improves water quality by providing:

- Adequate turnover of water
- Proper maintenance of disinfection residual

Replacement of] _____] total linear feet of lead, copper, asbestos-cement lines

Briefly describe why the above items apply to your project:

e. Management (describe)

Increase amount water from Northern Kentucky Water District and allows District to control water purchase from different supplier

f. Other (describe)

g. Date Project was approved by the Area Water Management Planning Council:

Preliminary Project Cost

October 3, 2005

1.	Construction Cost	\$90,000
2.	Legal	\$3,000
3.	Pump Station Site	\$15,000
4.	Preliminary Engineering	\$3,000
5.	Design	\$12,600
6.	Inspection	\$11,700
7.	Survey and Plat	\$5,000
8.	Contingencies	<u>\$9,000</u>

Total Preliminary Project Cost:

\$149,300

Preliminary Construction Estimate
October 3, 2005

1.	Pump Station	\$80,000
2.	Piping	<u>\$10,000</u>
Total Preliminary Construction Cost:		\$90,000

Preliminary Engineering Report

Bullock Pen Water Line Extension, Phase 6 and 9

Bullock Pen Water District

By

**CMW, Inc.
138 N. Keeneland Drive
Suite E
Richmond, KY 40475**

November, 2005

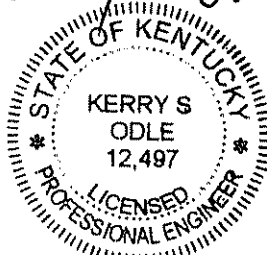
Kerry S Odle

6/27/08

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1. General Description of Project
2. Project Map
3. Preliminary Project Summary
4. Preliminary Project Cost
5. Preliminary Construction Estimate
6. Surcharge Calculation

General Description of Project

Bullock Pen Water District serves approximately 5,500 customers in Grant, Boone, Kenton, Pendleton and Gallatin counties. Potable water that supplies the district comes from the Bullock Pen Water Treatment Plant, City of Walton, City of Williamstown and Northern Kentucky Water District.

The proposed project will consist of 10.55 miles of water line extension to serve a potential 183 new customers in Kenton County. The project will consist of new water line extension along Bagby Road (2046), Parkers Grove Road, Carlisle Road, Peoples Cemetery Road, Courtney Road, Stephenson Road, Lunsford Road and Paxton Road. The potential customers currently use cisterns and bottle water for their water needs. The Bullock Pen Water District has a master meter from North Kentucky Water Service District at the intersection of Highway 25 and Highway 14 which will provide water for all these lines except for Courtney Road.

Preliminary hydraulics have been done for the potential water line extension which shows that the areas can be served by the existing water lines, water storage tanks and master meters.

No funding has been obtained yet for this project but plans are for a KIA grant, contribution from Kenton County and/or a surcharge loan.

Project Summary
Phase 6 and Phase 9 Water Line Extension
Bullock Pen Water District
Kenton County

<u>Road Name</u>	<u>Length</u>	<u>Potential Customers</u>	<u>Construction Cost</u>
1. Bagby Road (2046)	2.4 mi.	38	\$174,440
2. Parkers Grove	2.2 mi.	30	\$169,670
3. Carlisle Road	1.9 mi.	45	\$148,630
4. Peoples Cemetery	0.2 mi.	3	\$16,800
5. Courtney Road	1.25 mi.	27	\$95,890
6. Stephenson Road	1.1 mi.	16	\$77,960
7. Lunsford Road	0.7 mi.	14	\$60,690
8. Paxton Road	<u>0.8 mi.</u>	<u>10</u>	<u>\$55,390</u>
Totals:	10.55 mi.	183	\$799,470

