P.S.C. KY. NO. 2

CANCELLING P.S.C. KY. NO. 1

BUTLER COUNTY WATER SYSTEM, INC.

P. O. BOX 10180

BOWLING GREEN, KENTUCKY, 42102

RATES & CHARGES
AND
RULES & REGULATIONS
FOR FURNISHING

WATER SERVICE

AT

BUTLER COUNTY WATER SYSTEM, INC.
in Butler, Grayson, Logan, Muhlenberg, Warren & Ohio Counties in Kentucky

FILED WITH THE

PUBLIC SERVICE COMMISSION

OF

KENTUCKY

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 1

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

			SHEET
I.	RATES AND CHARGES		
	A.	Monthly Rates	3
	B.	Deposits	6
	C.	Tap-on Fees	7
	D.	Charges for Non-recurring Services	8
	E.	Purchased Water Rates	11
II.	RULES AND REGULATIONS		
	A.	Service Information	12
	B.	Special Rules or Requirements	16
	C.	Billings, Meter Readings, and Related Information	17
	D.	Deposits	21
	E.	Service Lines and Connections	22
	F.	Fire Protection	23
	G.	Water Main Extensions and Facility Relocations	26

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

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

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 2

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

III. ATTACHMENTS

A. Application for Service

B. Water Line Extension Agreement

C. Sample Bill

D. Water Shortage Plan

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19,2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

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

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 3

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

A. MONTHLY RATES * :

1. General Service

5/8" X 3/4" Meters		
First 2,000 Gallons	$16.96	Minimum Bill
Next 4,000 Gallons	4.91	Per 1,000 Gallons
Next 44,000 Gallons	4.36	Per 1,000 Gallons
Next 50,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons
1" Meters		
First 5,000 Gallons	$32.19	Minimum Bill
Next 1,000 Gallons	4.91	Per 1,000 Gallons
Next 44,000 Gallons	4.36	Per 1,000 Gallons
Next 50,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons
1-1/2" Meters		
First 10,000 Gallons	$57.51	Minimum Bill
Next 40,000 Gallons	4.36	Per 1,000 Gallons
Next 50,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons
2" Meters		
First 16,000 Gallons	$84.41	Minimum Bill
Next 34,000 Gallons	4.36	Per 1,000 Gallons
Next 50,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2003-00486 DATED January 12, 2005

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 4

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

3" Meters		
First 25,000 Gallons	$137.03	Minimum Bill
Next 25,000 Gallons	4.36	per 1,000 Gallons
Next 50,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons
4" Meters		
First 30,000 Gallons	$189.56	Minimum Bill
Next 20,000 Gallons	4.36	Per 1,000 Gallons
Next 50,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons
6" Meters		
First 60,000 Gallons	$331.11	Minimum Bill
Next 40,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons
8"Meters		
First 80,000 Gallons	$419.98	Minimum Bill
Next 20,000 Gallons	3.75	Per 1,000 Gallons
Over 100,000 Gallons	3.13	Per 1,000 Gallons

*All rates are subject to a 10 percent penalty if paid after the due date.

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2003-00486 DATED January 12, 2005

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 5

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

2. Separate Private Fire Service Rates **

Service Size (inches)	Rate ($/month)
1-1/2	17.53
2	26.20
3	68.05
4	147.92
6	340.77
8	658.17
10	1,139.70
12	1,799.31

**Private Fire Service charges shall apply to all connections which provide service only for private fire protection facilities whether supplied through a fully metered service or an unmetered service with a detector check valve and bypass meter. Customer charges are lump sum charges according to the applicable service size with zero water usage. In case of a fire, charges for water usage shall be in accordance with Butler County Water System, Inc. Tariff Section II. F. Fire Protection. Charges for all other water usage shall be in accordance with prevailing Butler County Water System, Inc. rates for general service. Where a detector check valve with a bypass meter is used, the water usage shall be based on the combined volume of water used through both the detector check valve (estimated) and the bypass meter. All rates are subject to a 10 percent penalty if paid after due date.

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2002-00040 DATED May 11, 2005

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 6

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

B. DEPOSITS

Residential Customers	$50.00
Small Commercial Customers	$100.00
All Others	Calculated Deposit

NOTE: The Water System defines "All Others" as any service location with an annual water bill that 2/12 of which would exceed the deposit shown above for the applicable customer class.

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

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

I. RATES AND CHARGES

C. TAP-ON FEES

The established tap-on fee is based on the size of metering equipment required as noted below:

5/8 - inch meter	$ 450.00
1 - inch meter	550.00
1 1/2 - inch meter	1,150.00
2 - inch meter	1,300.00
3 - inch meter	4,000.00
4 - inch meter	4,600.00
6 - inch meter	Actual Cost

In addition to the above connection fees for the various size meters, the customer shall pay the cost of installing all service line bores or open cuts which extend beyond 5 feet of the water main, on 2-inch meters or larger.

I. RATES AND CHARGES

D. CHARGES FOR NON-RECURRING SERVICES

The following charges for special non-recurring services shall be made:

1. Service Connection Charge. A charge of $25.00 shall be made for all service reconnections made during regular working hours, except that there shall be no connection charge made for service on the original installation of facilities. If service is reconnected other than during regular working hours, the charge shall be $65.00.*

2. Delinquent Service Charge. A charge of $25.00 shall be made for a trip to collect a delinquent account or terminate service. Where a customer's service has been discontinued for nonpayment of bills and the delinquent customer has paid his or her outstanding bills for service and requested reconnection, the Water System shall assess a service connection charge in addition to a delinquent service charge to re-establish water service.

3. Meter Reading Recheck Charge. A charge of $25.00 shall be made for a trip to recheck a meter reading when the customer requests the meter to be rechecked for a correct reading and the meter was not misread.

4. Meter Test Request. Upon request a customer may have his meter tested and adjustments will be made to the bill where the meter is found to be more than 2 percent fast or slow in accordance with 807:KAR 5:006, Section 18, provided request by the customer is not more frequent than once each twelve months. If such test shows the meter to be less than 2 percent fast, a $50.00 charge shall be made.

I. RATES AND CHARGES

5. PSC Meter Test Complaint. Any customer of the System may request a meter test by written application to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

6. Service Investigation Charge. A charge of $25.00 per trip shall be made for service investigation during regular working hours if interruption of a service or service problem is associated with the customers own plumbing facilities and beyond the Water System delivery point and is not caused by failure of System's facilities. The charge for investigation after working hours will be $65.00 per trip.* Any maintenance and repair of facilities beyond System's delivery point is the responsibility of the customer.

7. Meter Investigation Charge. When an investigation of facilities on customers' premises reveals meter seals broken, damaged meters, or unauthorized use of water, a meter investigation fee of $75.00 shall be charged. The actual cost of repairing damage to the meter service or other Water System facilities, if any, shall also be charged and the customer's bill shall be paid for the amount of water service rendered.

8. Return Check Charge. When a check, including auto payment, is accepted for payment of a bill and the check is not honored by the financial institution, a return check charge of $25.00 shall be charged.

FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 2

Original SHEET NO. 10

Butler County Water System, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

I. RATES AND CHARGES

9. Service Line Inspection Charges. A charge of $50.00 shall be made to inspect a customer's service line from the point of delivery at the meter service to the point of use. The service line inspection charge may be waived if confirmation is received from the Kentucky State Plumbing Inspector that a state plumbing permit has been obtained and the State Plumbing Inspector will inspect the service line.

***NOTE** - Regular working hours are 7:30 a.m. – 3:00 p.m. Monday – Friday (excluding holidays) After hours charge is any other time.

DATE OF ISSUE October 19, 2007
Month / Date / Year

DATE EFFECTIVE November 19, 2007
Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 1999-402 DATED December 16, 1999

I. RATES AND CHARGES

E. PURCHASED WATER RATES

The Morgantown Utilities Commission has changed its wholesale water rate to the Butler County Water System, Inc. by the same percentage of increase it passed along to its retail customers. The rate increase will be 33.5 percent changing the rate as follows:

Current Wholesale Rate is	$1.0340
New Wholesale Rate is	$1.3804

II. RULES & REGULATIONS

The following Rules and Regulations are prescribed for the customers in the area served by Butler County Water System, Inc., (System). All other policies not specifically mentioned herein shall be as delineated in regulations administered by the Public Service Commission.

A. SERVICE INFORMATION

1. Application for Service. Each prospective customer desiring water service may be required to sign the System's standard Application for Water Service before service is supplied by the System. No service will be installed unless there is a main distribution line existing along the road from which service is requested. If service is desired on the same side of the road as the water main, the meter shall be installed within 5 feet of the water main. If service is desired on the opposite side of the road from the water main, the service line-will be run under the road and the meter installed on private property adjacent to, the highway right of way, provided the distance from the main line to the meter point is not more than 60 feet. If the distance is greater than 60 feet, the customer will be required to pay the cost of installing the pipe for the additional footage.

   a. Residential
   A tap-on fee as provided in the Schedule of Rates and Charges must be paid on all new connections to the existing water line.

   b. Commercial
   Rules and Regulations for commercial service, except as noted below, are the same as for residential service.

   A commercial customer, or large quantity user, will be required to pay a tap-on fee determined by the size of metering equipment as provided in the Schedule of Rates and Charges. In addition to the connection fee, the customer shall pay the

cost of installing all service line bores or open cuts which extend beyond 5 feet of the water main.

2. Standard Service (Standard Water Tap)

a. Based on information provided by the customer, the standard service size for a water tap shall be established by the Water System. Each customer's meter shall be properly sized to measure all water usage of the customer as determined by the Water System. The meter installation cost to meet the standard service size for each customer shall be paid for by each customer at the Water System's established tap-on fee for the meter size required.

b. Should a customer's rate of water flow and usage change such that the water meter will not accurately measure the water used, the customer shall be responsible for paying the Water System's established tap-on fee based on the meter size required to accurately measure the water used. The Water System will refund to the customer the salvage value of the original metering equipment that can be recovered and reused.

c. Any existing or proposed service connection which has minimum and/or maximum flow rates that do not fall within the range defined below for a Standard Service shall be considered a Non-Standard Service. The range of flow rates for a Standard Service with a particular meter size shall be as follows:

1. The customer's low flow rate shall be greater than the 95 percent accuracy point for low flow registration of the meter.

2. The customer's sustained high flow rate shall be less than the maximum continuous rate specified for the meter and the customer's

intermittent high flow rate shall be less than the maximum for the normal operating range of the meter.

The low and high flow rates described above for each water meter size shall be as stated by the manufacturer of meters used by the Water System.

d. Any service connection that involves fire protection facilities is a Non-standard Service.

e. No unmetered water connection to the Water System's water mains will be allowed. All fire line service connections shall be metered.

3. Non Standard Service
A customer shall make application for service and pay the actual cost of any special installation necessary to meet his peculiar requirements for service other than standard water tap.

4. Discontinuance of Service by System. The System may refuse to connect or may discontinue service for the violation of any of its Rules and Regulations, or for violation of any of the provisions of the Schedule of Rates and Charges, or of the application of customer or contract with customer. The System may discontinue service to customer for the theft of water or the appearance of water theft devices on the premises of customer. The discontinuance of service by the System for any causes as stated in this rule does not release customer from his obligation to the System for the payment of minimum bills as specified in application of customer or contract with customer.

II. RULES & REGULATIONS

5. Termination of Contract by Customer. Customers who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days' written notice to that effect, unless contract specified otherwise. Notice to discontinue service prior to expiration of contract term will not relieve customer' from any minimum or guaranteed payment under any contract or rate.

6. Interruption of Service. The System will use reasonable diligence in supplying water service, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from interruptions in service, excessive or inadequate water pressure, or otherwise unsatisfactory service, whether or not caused by negligence.

7. Additional Load. The service connection supplied by the System for each customer has a definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of the System. Failure to give notice of additions or changes in load, and to obtain the System's consent for same, shall render the customer liable for any damage to any of the System's lines or equipment caused by the additional or changed installation.

8. Notice of Trouble. Customer shall notify the System immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of water. Such notices, if verbal, should be confirmed in writing.

B. SPECIAL RULES OR REQUIREMENTS

1. Scope. This schedule of Rules and Regulations is a part of all contracts for receiving water service from the System, and applies to all service received from the System, whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of the System's Schedule of Rates and Charges, shall be kept open to inspection at the office of the System.

2. Revisions. These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.

3. Conflict. In case of conflict between any provisions of any rate schedule and the schedule of Rules and Regulations, the rate schedule shall apply.

4. Damage to the System's Facilities. No person shall maliciously, willfully, negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance, or equipment which is a part of the System's water works. Any person violating this provision shall be subject to immediate arrest and discontinuation of water service.

5. Right of Access. The customer must agree to permit the System to lay, maintain, repair, or remove such water lines which are the property of the System located on the customer's property with the right of ingress and egress over customer's property. The System's duly authorized representative and other duly authorized employee of the State Health Department bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations.

II. RULES & REGULATIONS

C. BILLINGS, METER READINGS AND RELATED INFORMATION

1. Billing. Bills will be rendered monthly and shall be paid within sixteen days from date of bill at the office of the System. Failure to receive bill will not release customer from payment obligations. Should bills not be paid as above, the System may at any time thereafter, upon five days written notice to customer, discontinue service. Bills paid on or before the final date of payment shall be payable at the net rates, but thereafter the gross rates shall apply as provided in the Schedule of Rates and Charges. Should the final date for payment of the bill at the net rates fall on a Sunday or holiday, the business day next following the final date will be held as a day of grace for delivery of payment.

2. Prorating First and Final Bills. When a customer begins or terminates water service on a date that results in the customer receiving less than one month of service and the usage during this period is less than the gallons included in the minimum bill for the meter size at that location, the minimum bill will be prorated based on the number of days the customer received service during that billing period.

3. Metering for Billing. Billing for each installed meter shall be based on the volume of water used through the meter.

4. Dual Metering. When two meters are required by the System to measure the high and low flows for one connection, the bill shall be based on the combined volume of water used through both meters with the minimum bill and bill computation based on the largest meter.

II. RULES & REGULATIONS

5. Classification of Water Service for Purposes of Determining Exemptions from Sales and Use Tax.

a. Residential Classification

1. Use as a dwelling unit constituting a separate independent housekeeping establishment which is separately metered and occupied by one or more persons as a single housekeeping unit shall be deemed residential use. The name in which an account is established or billed is a non-determining factor and the structure to which service is to be provided may be under construction, occupied or unoccupied.

2. Agricultural use when provided through the same water meter utilized by the dwelling structure on the property shall be deemed residential use.

3. Water meter service installed on property that is intended for future residential use, whether the customer's service line is connected initially or planned to be connected in the future, shall be deemed residential use.

b. Non-residential Classification:

1. Any use other than a residential use as defined in Section A including specifically, but not by way of limitation, industrial and business usage.

2. Mobile home parks served by a single meter.

3. Multiple dwelling units within one structure when all dwelling units are served by a single meter.

c. Determination of Usage

The determination of usage as to whether residential or nonresidential is based upon the principal purpose for which the water service when it was initially installed or for which the structure is being or has been constructed until the System has been notified by the owner in writing that the purpose for which the water service was installed has changed

6. Usage from a Water Meter

a. No more than one residence, including mobile homes may connect to one meter.

b. A residence and any agricultural usage (with the exception of usage by a tenant dwelling or rental dwelling) may be supplied from the same water meter. A tenant dwelling or rental dwelling is considered a separate residence and must be supplied from a separate water meter.

c. Where multiple apartment buildings under separate roofs are built on the same lot, each building must have one water meter. However, at the discretion of the property owner, each apartment within a building may have separate water meters.

d. Each commercial, industrial, or any other entity must have a separate water meter. Excluding residential and apartment complexes, where a commercial, industrial, or other entity involves more than one structure on a single lot, which will be operated as one entity under one entity name, such property can be served by one water meter.

Should such property cease to be operated as one entity it will be required that separate water meters be paid for by the owner of each lot and the service line(s) from the meter(s) to the point of use be installed and paid for by the respective property owner(s).

e. Where multiple residential, commercial, industrial or other such units are under one roof, one meter and service line is all that is required. If the property owner desires more than one meter, pays the appropriate tap-on fees, and complies with the System's rules and regulations pertaining to application for service, additional meters may be installed.

f. Mobile home parks on a single parcel of land, approved by local agencies as a mobile home park, are considered one business and may be served by one meter.

7. Monitoring Usage

The System will monitor each customer's usage monthly 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 (40% above average) and the deviation is not otherwise explained, the system will test the customer's meter to determine whether the meter shows an average error greater than two (2) percent fast or slow. Notifications to the customer regarding the system's investigation, meter test results and any resulting charge or credit will be in accordance with regulations of the Public Service Commission.

D. DEPOSITS

The classifications for customer deposits are established as follows: 1) residential 2) small commercial and 3) all others. Deposit amounts as described below are listed in Section I, Rates and Charges.

The System will establish equal deposit amounts for residential and small commercial customer classes based on the average annual bill of customers in each respective class. Deposit amounts are equal to approximately 2/12 of the System's average annual water bill for each classification of customers and will be required before water service is supplied. The deposit may be waived for those customers who apply for and pay the tap-on fee based on the size of metering equipment at the location.

The System may require a deposit in addition to the initial deposit if the customer's classification changes or, as in the "All Others" classification, if there is a substantial difference in usage at the customer's location. If the deposit is calculated for a particular location it shall be set at approximately 2/12 of the annual water bill.

Service will be refused or discontinued for failure to pay the requested deposit. Interest as prescribed by KRS 278.460 or other applicable statutes, will be paid quarterly by credit to the customer's water bill on the last working day of each calendar quarter.

Upon termination of service, the deposit and any interest earned will be credited to the water bills owed to the System by the customer with any remainder refunded to the customer.

E. SERVICE LINES AND CONNECTIONS

1. Point of Delivery. The point of delivery is the point where the meter is located on the customer's premises. All water lines, plumbing, and equipment beyond the meter shall be installed and maintained by the customer.

2. Customer's Service Line. All service lines beyond the metering point should be installed of material consisting of copper, galvanized, or PVC pipe with rating of not less than 160 psi. The size of service line beyond the point of delivery should not be less than 3/4", however, a larger size may be needed to provide adequate service. If the customer's point of use is at a higher elevation than the point of delivery, the customer should consult with a reputable engineering firm to size the service line from the point of delivery.

F. FIRE PROTECTION

1. The System will install fire hydrants for the City and County fire departments, or others provided the Water System is reimbursed for the cost of installation and the System's engineers determine that at the location the fire hydrant is to be installed, a flow rate from the fire hydrant will meet the requirements of the Kentucky Public Service Commission ("PSC").

2. Fire hydrants installed prior to June 7, 1992, that do not meet the requirements set out in 807 KAR 5:066, Section 10,(B1), will be identified and the fire department advised in writing of the fire hydrant location.

3. While fire hydrants are provided as a service to the public within the System's service area, because of the potential for damage to the water system and unmetered use of water at fire hydrants installed directly on the System's water mains, these fire hydrants are only to be used and operated for fighting fire by the fire departments.

4. As a service to the public within its service area and for the protection of the public welfare, the System will furnish water to fight a fire from a fire hydrant connected directly to the System's water main at each fire location free of charge for a period not to exceed a total of 4 hours of usage as defined below in Section II. F. 8. In the event that more than 4 hours of usage occurs in fighting a fire, the owner of the property where the fire occurs shall pay for all of the water used in accordance with the System's standard water rate as in effect on the date of the fire and approved by the PSC.

II. RULES & REGULATIONS

5. Fire hydrants shall not be used by any contractor, property owner, governmental agency, individual, corporation, or others to secure water for any purpose. The use of a fire hydrant by anyone other than properly authorized fire department personnel for fighting a fire shall be considered a 'theft of service" and prosecuted in accordance with the laws of the Commonwealth of Kentucky. The user shall pay the System a meter investigation charge as set forth in the Water System charges for special services as approved by the PSC, any damages to the System's property, and the full cost of the services fraudulently obtained along with all other applicable costs of the System allowed under the laws of the Commonwealth of Kentucky.

6. The fire departments utilizing fire hydrants connected to the System's water main shall maintain a record of any water used, including the date, location, the time that the fire department began pumping water, the time that the fire department discontinued pumping water, the approximate rate(s) of flow, the length of any interruptions in pumping water, the cause of the fire, and property owner for whom the water was used and shall file a report with the System monthly. The record of the fire department in conjunction with the System's daily master meter readings and normal daily water usage for the service zone will be used in determining the amount of water used to fight a fire.

II. RULES & REGULATIONS

7. The System does not guarantee a water supply including the supply to the Customer's fire protection system at any particular flow rate or pressure. The fire flow may vary depending on other water demands on the system, various water facility limitations, or other circumstances (including but not limited to power failure, water main/line breakage, etc.). The customer will indemnify and hold harmless the System and its employees from and against all claims, damages, losses, and expenses incurred as a result of insufficient water supply including supply to the customer's fire protection system or any failure of the detector check valve installation, metering equipment, and/or appurtenances.

8. For purposes of this Section II. F. Fire Protection," the following definitions shall apply:

   a. A "fire" as used hereinabove shall include any conflagration on a publicly or privately owned property. Any re-ignition of a previously extinguished conflagration on the same property shall be considered a single fire and any fire resulting from the same cause shall be considered a single fire except that a fire on property owned by different persons or, entities shall be considered separate fires.

   b. "Hours of usage" as used hereinabove is measured from the time the fire department begins pumping water at the scene of the fire until the fire department ceases pumping water to the fire. In the event the fire department ceases pumping water for a period of time but later continues pumping to the same fire, the "hours of usage" shall be tolled while no pumping occurs and continue to accumulate after pumping continues. Any partial hours of usage are rounded to the nearest hour.

G. WATER MAIN EXTENSIONS AND FACILITY RELOCATIONS

1. Water Line Extension. An applicant desiring to extend the System's facilities to serve a proposed development or any other area will be required to pay the entire cost of the extension. If existing water system facilities are not adequate to supply the proposed extension, the entire cost to upgrade existing facilities as required to accommodate the proposed extension shall also be paid by the applicant. An agreement for facility extensions must be executed by the applicant, a copy of which is provided as Attachment B.

   The extension agreement provides for reimbursement to the applicant who paid for the extension (therein called the Developer) in an amount equal to one-half of the tap-on fee for each meter connected directly to the subject extension. Since this reimbursement amount is approximately equal to the cost of 50 feet of water main, this refund method is established in lieu of the System extending the main 50 feet without charge for each meter connected.

   Individual service applications connected to such an extension will be in accordance with the System's tariff.

2. Relocation of Water Facilities. The System may, at the request of customer, relocate or change existing System-owned equipment. Customer shall reimburse the System for such changes at actual cost including appropriate overhead.

ATTACHMENTS

A. Application for Service

B. Water Line Extension Agreement

C. Sample Bill

D. Water Shortage Plan

REV 08-05

BUTLER COUNTY WATER SYSTEM, INC.
APPLICATION FOR SERVICE

Cust. No. _____

Map No. _____

SECTION 1

ADDRESS OF SERVICE TO BE ACTIVATED _____

NAME _____ SOCIAL SECURITY NO. _____

MAILING ADDRESS _____ DRIVERS LICENSE NO. _____

_____ PLACE OF EMPLOYMENT _____

HOME PHONE NO. _____ WORK OR 2ND PHONE NO. _____

SPOUSE OR ROOMMATE'S NAME(S) _____

SPOUSE OR ROOMMATE'S SOC SEC NO(S): _____

OWN _____ RENT _____ IF RENTAL LIST LANDLORD'S NAME & PHONE NO.: _____

SECTION 2

The undersigned hereby applies for existing water service from the Water System and agrees to the following:

1. To pay the deposit and connection charges applicable. Deposit is refundable upon termination of service and payment of all accounts owed.
2. To purchase water service under rates, policies, rules and regulations of the System. No more than one residence, including mobile homes, or business may connect to one water meter. Where multiple apartment buildings under separate roofs are built on the same lot, each building must have its own water meter. Other usage from a water meter shall be as defined in rules and regulations of the System. Copies of rates, policies, rules and regulations are available for inspection.

OR

The undersigned hereby applies for new installation of water service from the Water System upon the following terms:

1. The Applicant will pay to the System the sum established as the non-refundable tap-on fee, which when accepted by the System, will constitute the installation fee for water service.
2. The fee for a residential 5/8-inch meter is $450.00. The fee for a 1-inch meter is $550.00. The fee for a 1-1/2 inch meter is $1,150.00. The meter will be set on Applicant's property adjacent to, on the same side of the road, and within 5 feet of the existing water line. If Applicant's property is on the opposite side of the road from the existing water line, the service will be run under the road and the meter set on private property adjacent to the highway right of way, provided the distance from the water line to the meter point is not more than 60 feet. Should the distance be more than 60 feet, the Applicant will be required to pay the additional cost of the service line extension.
3. The Applicant agrees to permit the System to lay, maintain, repair, remove and disconnect a service line and meter, and read meter at a point on Applicant's property to be designated by the System for each meter with right of direct ingress and egress from the road for these purposes over Applicant's property. Gates and ladders for access will be provided by the applicant.
4. The Applicant will install and maintain a service line at his own expense, which shall begin at the water meter and extend to the dwelling or other portions of his premises. No more than one residence, including mobile homes, or business may connect to a water meter. Where multiple apartment buildings under separate roofs are built on the same lot, each building must have its own water meter. Other usage from a water meter shall be as defined in rules and regulations of the System.
5. The Applicant assumes responsibility for any damage to metering equipment in making connection to the meter.
6. Applicants applying for installation of 2, 3, and 4-inch meters will be subject to this contract and the following installation fee provided the meter is set within 5 feet of the distribution line.
   2-inch meter $1,300.00 with vault and by-pass 4-inch meter $4,600.00 with vault and by-pass
   3-inch meter $4,000.00 with vault and by-pass
   In the event it is necessary to cross under the road and/or extend the line more than 5 feet to reach the Applicant's property, the Applicant herein agrees to pay for the full expense of extending the service line.
7. In consideration of water service to serve the premises of the Applicant, the Applicant agrees to pay for water service at a minimum monthly rate based on meter size in accordance with the rates approved by the Public Service Commission for one consecutive month, beginning on the date service becomes available and continuing monthly until written notice is received by the Water System 3 days in advance of the requested termination date.
8. The Applicant agrees to purchase water service under rates, policies, rules and regulations of the System. Copies of rates, policies, rules and regulations are available for inspection.

X Signature _____ Date _____

FOR OFFICE USE ONLY

Date Existing Service Requested _____

Water Deposit _____ Connect Fee _____

Contribution _____ Permit No. _____ Residence/Business/Other _____

Method of Payment _____ **Auto Bank Draft Offered** _____ **Void Ck Filed w/Signed Form** _____

Outstanding Bill Review _____ Employee Signature _____

SECTION 3

WATER SYSTEM
STATEMENT OF UNDERSTANDING CONCERNING
INSTALLATION OF WATER METERS

1. **The Applicant is responsible for setting the wooden stake provided by the System at the approximate location where the new water service is to be installed. It is the applicant's *responsibility to maintain this stake. When the System's personnel arrive on site to install the new* water service and the stake has not been set or removed by someone else, the applicant will be charged the additional costs incurred by the System for having to return at a later date to install the new water service.**

2. The water meter will be installed with the top of the meter box being at ground level unless otherwise specified by the Applicant at the time application for service is made. The Applicant should caution those making the service connection that if it becomes necessary to remove the meter box, it should be reinstalled with the top being flush with the ground. If the box is altered and has to be lowered, the Applicant agrees to pay any cost involved.

   If any excavation is done around the meter installation, it will result in the Applicant paying the cost of raising or lowering the service to the proper depth.

3. When the Applicant is connecting to the meter installation, the dirt should be backfilled around the meter up to the top of the lid to keep it from freezing. Connections of non-frost proof hydrants and failure to backfill around the service can result in damage to the meter in freezing weather. Should the *meter freeze and break, the Applicant shall be responsible for all water loss and the cost of repairing the meter service.* Failure to backfill around the meter may result in the System doing the backfilling; the Applicant hereby agrees to pay the cost involved.

4. A check valve will be installed within the meter installation. The applicant will need to install a properly sized thermal expansion tank.

Set Meter Box:

_____ Inches above ground level

_____ Inches below ground level

_____ Ground Level

Meter Location: I understand that the water meter will be a _____ road crossing/ _____short side and the *meter location will be the following:*

Location: _____

Date: _____ X Signature: _____

FOR OFFICE USE ONLY:

NEW CUSTOMER FRONT GENERAL SCREEN

NEAR ROUTE NO.: _____
KEYED IN ROUTE FIELD

NEAR ACCOUNT NO.: _____
KEYED IN ACCOUNT FIELD

NEAR CYCLE NO.: _____
KEYED IN CYCLE FIELD

NEW CUSTOMER CHARGES GENERAL SCREEN

NEAR CATEGORY NO. _____
KEYED ON CHARGES GENERAL SCREEN IN CATEGORY FIELD

NEAR TAX RATE _____
FOR UTILITY TAX CODE – KEYED ON **WATER SERVICE LINE ONLY** ON CHARGES GENERAL SCREEN IN TAX RATE FIELD – OTHER SERVICES WILL HAVE DIFFERENT TAX RATE CODES

NEW CUSTOMER CLASS SCREEN

COUNTY CODE _____
KEYED IN CLASS FIELD –
103 = BUTLER COUNTY
109 = MUHLENBERG COUNTY
101 = OHIO COUNTY

COMPANY NUMBER _____
KEYED IN CATEGORY FIELD
3 = BCWS
1 = WCWD
4 = SCWD

NEW LINE TAP WORK/SERVICE ORDER

NEAR MAP NO.: _____
KEYED IN DRIVING INSTRUCTIONS FIELD ON NEW LINE TAP WORK/SERVICE ORDER

WATER LINE EXTENSION AGREEMENT

THIS AGREEMENT made and entered into on _____, by and between _____, P.O. Box 10180, Bowling Green, Kentucky, 42102-4780 (hereinafter referred to as the "Utility"), and _____, (hereinafter referred to as the "Developer"), whose address is _____.

WITNESSETH: That, whereas, the Developer is the owner and developer of a certain area of land located in _____ County, Kentucky, and which property is identified as _____.

WHEREAS, the Developer is desirous of extending and constructing water mains and appurtenances in order to provide water service to that certain area of land described above and which is to be immediately made available as construction sites for residential and/or other structures, and

WHEREAS, the Utility is desirous of providing the water service herein described;

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived by the parties hereto, the Utility and the Developer covenant and agree as follows:

1. The Developer shall employ a Professional Engineer (Developer's Engineer), licensed in Kentucky, to prepare detailed construction plans of the proposed extension. The plans shall comply with the Utility's Design Standards for Extensions. The Developer's Engineer shall submit the plans to the Utility for its review and approval and the Developer's Engineer may be required by the Utility to revise the plans prior to the Utility issuing its written approval. When the plans are approved by the Utility, an AutoCad file shall be delivered to the Utility for its use in producing as-built drawings.

2. After approval by the Utility, the Developer shall obtain approval from the Kentucky Department for Natural Resources and Environmental Protection, Division of Water before any work is performed on extending water mains. This requirement is in accordance with the Kentucky Public and Semipublic Water Supplies regulations (401 KAR 8:100) as relates to the Kentucky Revised Statute 224.

3. The Developer will obtain all required easements, both on and off the Developer's property. The Utility's standard easement form must be executed by the property owners involved to allow access to the proposed water lines. A permit or letter of authorization must be obtained from the applicable city, county or state agency if proposed facilities encroach in existing public rights of way. The Developer is responsible for restoring any right of ways obtained for the required work including county, city and state right of ways.

4. The Utility shall perform routine engineering and daily construction inspection with the Developer reimbursing the Utility for actual costs involved with engineering and inspection, including work required for as-built drawings, and all other costs incurred by the Utility related to the extension. The Developer's Contractor shall provide an estimate of the construction period and based on this, the Utility will estimate the cost of its services. Before any water or sewer construction begins, the Developer shall deliver a deposit to the Utility in the amount equal to its estimated costs. If the construction period approaches the time estimated and/or the deposit for services is nearly expended, all construction work shall cease until the Developer makes an additional deposit to the Utility to cover an additional estimate of the work to be performed by the Utility. The Developer shall employ a Contractor who shall schedule his work so that the Utility's inspection services are not required on Saturdays, Sundays or any holiday observed by the Utility.

5. Connections to the existing system shall be made by Utility personnel with the actual cost of the connections paid by the Developer. The Utility will estimate this cost before construction begins and the Developer will include this amount with the deposit described in Item 4 above.

6. All water lines and appurtenances shall be constructed in accordance with the approved plans and the Utility's Standard Specifications for Extension Agreements. The Developer's construction Contractor shall be experienced in the type of work to be performed and shall be approved in writing by the Utility's Engineer before the Developer enters into an agreement with the Contractor. The Developer shall be responsible to direct the Contractor and shall authorize and direct all work to be performed in a continuous orderly manner as approved by the Utility's Engineer at a pre-construction meeting between the Developer, the Contractor and the Utility's Engineer. If the Contractor does not perform the work in a continuous orderly manner, the Developer shall notify his Contractor to discontinue work until such time as the work can be completed in an orderly manner. The Utility's Engineer shall have authority to direct the Contractor to cease work until the Developer, the Contractor and the Utility's Engineer agree on a construction schedule that is mutually acceptable.

7. Water mains shall only be extended parallel to an existing or proposed public road which is regularly maintained to allow daily travel and the following requirements shall apply:

   A. Where there is a new street or road to be constructed, the rough grade work for the street or road and drainage facilities must be completed prior to the installation of the water main and services. The Utility will, at its own expense, install service lines to every other lot across the new street or road from where the water main is installed. The Utility will not be responsible for meeting street compaction requirements of the Planning Commission, the County Road Department, or any other agency. Compaction of service line trenches shall be the responsibility of the Developer.

B. Should the Developer want the cuts across the streets backfilled with crushed stone, the Developer shall provide the stone and shall notify the Water Utility at the time this Agreement is executed in order to coordinate backfill work with the Water Utility.

C. The Developer or his contractor shall be responsible for grading ditches and streets after the Water Utility backfills its service line trenches. If the Developer has a contractor construct the streets, the Developer will be responsible for seeing that the contractor coordinates his street work with the Water Utility's installation of the service lines. All road construction shall be complete before the water main is accepted by the Utility.

8. The water lines shall be constructed initially with consideration for future grade work; however, if in the future, the area through which this water line construction passes requires grade work, and adjustments to the water line, fire hydrants, and appurtenances are required, the Developer agrees to reimburse the Utility for expenses incurred for said adjustments. Any changes in the original development plan which cause adjustments to water system facilities, including service lines installed by the Utility, will be at the expense of the Developer. If such adjustments to facilities are required, the Utility will estimate the cost and the Developer will pay an advance deposit in that amount for the Utility to make the adjustments. The Utility will not sign a revised plat until the advance deposit is paid by the Developer.

9. Connection of the water line extension to the existing water system does not constitute acceptance of the facilities by the Utility. When the Developer's Contractor requests it, the Utility will perform a final inspection of the extension. A list of any items not conforming to the approved plans and standard specifications will be provided to the Developer and his Contractor. When all items on this list are performed the construction will be considered complete. The Developer shall provide the Utility with a summary of all construction costs. The Developer and his Contractor shall each provide a Release of Liens to the Utility indicating that all costs related to the water line extension have been paid. When the construction is complete, Releases of Liens and the Construction Cost Summary are delivered as described above and any amounts due the Utility are paid by the Developer, the Utility will notify the Developer in writing of its acceptance of the extension. The Utility will not provide service to any customers on the water line extension until it is accepted.

10. The Developer shall guarantee all materials and work included in the water line extension for a period of one year from the date it is accepted by the Utility. Defective materials or work that does not jeopardize service to the Utility's customers may be corrected by the Developer's Contractor. However, whenever there is any defect in the work or a complaint from anyone granting an easement or right of way and the developer fails to act in a reasonable time in the judgement of the Utility, then the Utility may take such action deemed necessary. Anytime a failure of the water line extension work creates an emergency which threatens service or poses an inconvenience to the Utility's customers the Utility may perform the work. Work may be performed by the Utility under the above conditions prior to the commencement of the warranty period. The Developer shall pay the Utility for the actual cost of all such work. The ending date for the warranty period will be included in the Utility's acceptance letter.

11. Upon completion of construction of the water line extension and acceptance by the Utility, the Developer shall relinquish any and all control over the facilities covered by this Agreement and the facilities constructed in accordance with this agreement shall become the property of the Utility. The Utility shall thereafter be responsible for routine maintenance of the water line extension.

12. The Utility is specifically granted the right to make extensions to any water lines which are the subject of this Agreement, at no expense to the Developer, and without any reimbursement to the Developer for any connections made on said extensions constructed by the Utility. Final authority relative to additions, extensions, taps, and/or uses of the subject water mains and appurtenances shall rest solely with the Utility.

13. Any reasonable legal expense incurred by the Utility to enforce provisions of this agreement shall be paid by the developer.

14. The Developer or the person applying for service shall pay the standard tap-on fee based on the established connection charge for each size service requested, without exception.

15. If the Developer made any contribution toward the cost of construction of the subject extension and is in compliance with the terms and conditions of this Agreement, the Developer will be partially reimbursed by the Utility under the following terms and conditions:

A. The Developer must qualify for reimbursement within a term of ten (10) years from the date of this Agreement.

B. For each service connection added, (except for special metering assemblies used only for fire protection), the Developer shall upon his request be reimbursed by the Utility in a sum equal to fifty percent (50%) of the tap-on fee(s) paid within each six (6) month period, but in no event shall reimbursement be paid for connections after ten (10) years from the date of this agreement, or after the original cost of extension has been recovered by the Developer.

IN WITNESS WHEREOF, witness the hands of the parties hereto on this day and date first above written.

UTILITY

BY:_____

DEVELOPER

_____

_____

BUTLER COUNTY WATER SYSTEM, INC.
104 S Tyler Street Suite B
PO Box 1488
Morgantown KY 42261-1488
www.butlerwater.com

Butler County Water System

Customer Service: 270-526-4656
After Hours/Emergency: 270-526-2456
Fax: 270-526-5397
Office Hours/Days: 7:30 am - 4:30 pm Monday thru Friday
KY Relay Services TTY: 1-800-648-6056

CUST NO.	RT/SEQUENCE NO.	CY	NAME	SERVICE ADDRESS	MAP NO.
55715	3352/89551-2	6	TODD BARKS	6935 BROWNSVILLE RD	4B06000010

SERVICE	METER NO.	PREVIOUS READING	PRESENT READING	MULTIPLIER	GALLONS USED	AMOUNT
WATER SERVICE	25756398	20459	21476	10	10170	54.78
UTILITY TAX						1.64

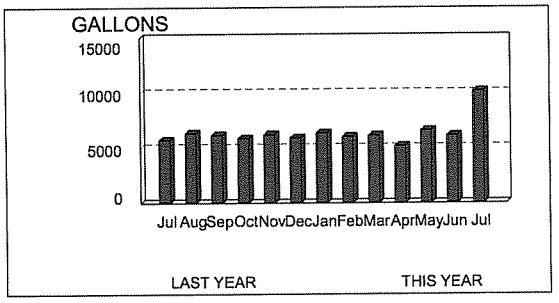
Quality On Tap!
EQUAL OPPORTUNITY PROVIDER AND EMPLOYER

TOTAL CURRENT CHARGES	56.42
PREVIOUS BALANCE	0.00

BILLING PERIOD FROM	TO	TIME OF READING	METER READ BY	BILLING DATE	DUE DATE
06-28-07	07-26-07	10:39	TE	08-08-07	08-23-07

NET AMOUNT DUE IF PAID BY 08-23-07	56.42
GROSS AMOUNT DUE AFTER 08-23-07	61.90

HISTORY GRAPH - METER NO. 25756398



SPECIAL MESSAGE

3WA0726RI35041 - DataProse, Inc - www.dataprose.com - 40171BC6A.1311.1.1.0.312

PLEASE RETURN THIS PORTION WITH PAYMENT
MAKE CHECKS PAYABLE TO BUTLER COUNTY WATER SYSTEM
PLEASE INCLUDE CUSTOMER NUMBER ON CHECK - PLEASE DO NOT MAIL CASH

BUTLER COUNTY WATER SYSTEM, INC.
104 S Tyler Street Suite B
PO Box 1488
Morgantown KY 42261-1488

Butler County Water System

CUST NO.	RT/SEQUENCE NO.		NET AMOUNT DUE IF PAID BY 08-23-07	56.42
55715	3352/89551-2			
CY	DUE DATE	MAP NO.	GROSS AMOUNT DUE AFTER 08-23-07	61.90
6	08-23-07	4B06000010		

AUTO5-DIGIT 42261 2 PS5 40171BC6-A-1
311 1 AV 0.312

TODD BARKS
6935 BROWNSVILLE RD
MORGANTOWN KY 42261-7002

BUTLER COUNTY WATER SYSTEM
PO BOX 1488
MORGANTOWN KY 42261-1488

BUTLER COUNTY WATER SYSTEM, INC.
WATER SHORTAGE RESPONSE PLAN

(Based on the Kentucky Water Shortage Response Plan - Revised 6/88)

The KY Natural Resources and Environmental Protection Cabinet has established a Drought Notification System based on weather monitoring data, water resource scientists, and federal, state, and local agencies. Two levels of water shortage conditions have been identified.

1. **Water Shortage Watch**
   The Cabinet will announce a Water Shortage Watch when water supply data indicate the potential for water shortages. Local governments and water utility managers are responsible for determining the need for local response and for making preparations for water shortages. The Cabinet must be kept informed of all shortages and actions taken in response to the shortage so the lifting of such measures can be accomplished.

   Specific measures BCWS shall take when the Kentucky Division of Water issues a Water Shortage Watch are:

   a) Monitor water supplies daily. Refer to Section 2 "Evaluating Vulnerability to Water Shortages" to determine how much water the community has available and how much will be needed.

   b) Notify the Judge Executive if conditions indicate an inability of the treatment plant to supply the needs of the customers so the appropriate water shortage phase can be activated according to the severity of the conditions.

   c) Keep the Cabinet informed of all actions taken.

2. **Water Shortage Warning**
   The Cabinet will announce a Water Shortage Warning when one or more water supply systems in an area have entered the emergency phase of a water shortage. Local governments and water utility managers should have already adopted water shortage response plans in their areas, and most systems should be in some phase of response to the shortage.

   Specific measures BCWS shall take when the Kentucky Division of Water issues a Water Shortage Warning are:

   a) Continue to monitor raw water supplies and system demand daily.
   b) Notify the Judge Executive if conditions indicate an inability of the treatment plant to supply the needs of the customers so an appropriate water shortage phase can be activated according to the severity of the conditions.
   c) Keep the Cabinet informed of all actions taken.

Should water supply data and/or system demand data indicate an inability to supply customers at current operational levels, BCWS shall notify the Judge Executive who shall issue a water shortage notification to the public based on the severity of the situation. Notifications in order of severity are:

1. Advisory Phase
   - Issue water shortage advisory
   - Set conservation goals and prepare for decreasing supply
   - Inform the public about the potential problem
   - Request voluntary conservation (Expect only 5-15% reduction in demand)

2. Alert Phase
   - Issue water shortage alert
   - Set more stringent conservation goals
   - Restrict Class 3, non-essential, water uses to odd/even schedule
   - Request voluntary conservation for all water use
   - Inform the public about the problem
   - Monitor compliance with the restrictions on Class 3 use and enforce when necessary

3. Emergency Phase
   - Issue water shortage emergency declaration
   - Set more stringent conservation goals
   - Ban all Class 3 and restrict all Class 2 water uses
   - Inform the public
   - Enact conservation pricing
   - Monitor all drought-related activities, especially compliance with the bans. Enforce as necessary

4. Rationing Phase
   - Begin mandatory allocations of water
   - Immediately reduce usage by 25 percent
   - Ban Class 3 uses, restrict Class 2 and Class 1 water uses
   - Inform the public
   - Enact Conservation pricing
   - Set new conservation goals and monitor all shortage-related activities, especially compliance with the allocations. Enforce as necessary

Evaluating Vulnerability to Water Shortages

Two conditions exist which can create water shortage:

1. Inadequate raw water supply

- Green River is controlled by the flood control dam at Barren and Green

SECRETARY OF THE COMMISSION

River Lakes and operated by the Army Corps of Engineers.

- Estimate the current available water supply.

  1) Record the flow from the telemark river station by calling 842-8789

  2) Determine the percentage of BCWS withdrawal compared with total flow. Consult the following chart to determine which phase should be declared.

  3)

% of Withdrawal	Phase
20 - 40%	Advisory
40 - 65%	Alert
65 - 75%	Emergency
> 75%	Rationing

  4) Arrangements for the purchase of water at Barren and/or Green River Lake can be made using a temporary contract with the Army Corps of Engineers (see attachment A). If the Governor of Kentucky issues a Water Shortage State of Emergency for our area <u>or</u> BCWS has placed its customers under water restrictions and monitoring indicates that river conditions may not improve, a contract can be arranged for the purchase of water from the A.C.E. upon approval from the Division Commander. Contact the Water Resources Department of the KY Division of Water and Bill Byron from the A.C.E. at (502) 582-5646, where a written request (see Attachment B) to increase the outflow at the Barren River and/or Green River Dam may be submitted.

2. Increasing demand exceeding treatment capacity

- If demand is normally 80% of system capacity, it is likely to reach 100% or more if there is a drought. This can be critical since breakdowns are more frequent in water systems that are operating at or near capacity.

- Complete the following worksheet for projecting demand:

For Last Month:

Average use in _____ for past 5 years _____mgd
Average use in _____ 2 yrs ago _____ mgd
Average use in _____ 1 yr ago _____ mgd
Average use in _____ this year _____ mgd

For Current Month:

Average use in _____ for past 5 years _____mgd
Average use in _____ 2 yrs ago _____ mgd
Average use in _____ 1 yr ago _____ mgd
Average use in _____ this year _____ mgd

Usage Notes:

Weather Notes:

Therefore, average projected use for _____:

Without conservation measures: _____ mgd

With voluntary conservation measures: _____ mgd
(goal of 10% reduction)

With more extensive conservation measures: _____ mgd
(goal of 20% reduction)

Measure the ability to meet demand:

$$\frac{\text{Projected use (mgd)} \times 100}{\text{Stream Flow (mgd)}}$$

EXAMPLES OF PRESS RELEASES

Advisory Phase

Morgantown, KY - Due to the recent abnormally dry weather conditions and little indication of significant rainfall in the foreseeable future, residents of Butler County should begin conserving water. For the month(s) of _____, Butler County received only _____ percent of normal rainfall for the comparable period. The 30-day outlook form the National Weather Service calls for more abnormally dry weather.

The State of Kentucky has declared a local water shortage ADVISORY. At this time, there is an immediate need to begin voluntary conservation measures.

According to officials at the Kentucky Division of Water, consumers can cut water use by as much as 15% with very little difficulty or discomfort by using voluntary water conservation practices.

All non-essential uses of water should be minimized, such as watering lawns, washing cars, and hosing off pavement.

If everyone cooperates, the water usage in Butler County can be cut significantly. If you have questions or suggestions, please contact _____ at (270) 526-4656.

Alert Phase

Morgantown, KY - A water shortage ALERT has been declared for the Butler County Water System service area.

(Describe the supply situation, given unrestricted water demand.)

Under the ALERT, and in order to ensure adequate supplies for necessary uses, citizens are urged to practice conservation in all use of water. Non-essential water use is restricted according to the following schedule:

1. Outside use for addresses ending in an odd number shall be limited to Tuesdays, Thursdays and Saturdays.
2. Outside use for addresses ending in an even number shall be limited to Wednesdays, Fridays and Sundays.

Non-essential use includes ornamental watering, filling of swimming pools, washing of motor vehicles, driveway or pavement washing, refilling of air conditioning cooling towers, and the serving of water in restaurants except by request.

Conservation of all water uses, accompanied by these restrictions, can reduce water use by 15 - 30 percent. Butler County Water System customers can extend limited water supplies, avoiding further restrictions, by observing these bans and conserving

water at all times.

(Project results of compliance)

If everyone cooperates, the water usage in Morgantown can be cut significantly. If you have questions or suggestions, please contact _____ at (270) 526-4656.

Definitions of Classes of Water Uses

Class 1 (Essential uses)

- Water necessary to sustain human life and pets, and to maintain minimum standards of hygiene and sanitation
- Patient care and rehabilitation
- Water hauling sales for domestic use where not reasonably available elsewhere
- Firefighting
- Health and public protection purposes as approved by health officials and municipal governing body

Class 2 (Socially or Economically Important uses of Water)

- Personal, in-house water use including kitchen, bathroom and laundry
- Water hauling sales for non-domestic use when other sources are not reasonably available elsewhere
- Commercial car and truck washes
- Laundromats
- Restaurants, clubs, and eating places
- Schools, churches, motels/hotels and similar establishments
- Minimal watering of vegetable gardens
- Minimal watering of trees where necessary for their survival
- Agricultural irrigation of the production of food and fiber or the maintenance of livestock
- Watering by public gardens of community significance where necessary to preserve specimens
- Watering by commercial nurseries where necessary to maintain stock
- Watering where necessary to establish or maintain revegetation or landscape plantings required pursuant to law or regulation
- Watering of woody plants where necessary to preserve them
- Minimal water of golf course greens
- Operation of municipal swimming pools and residential pools that serve more than 25 dwelling units
- Air conditioning refilling for startup at the beginning of the cooling season
- Makeup of water during the cooling season
- Refilling of AC's specifically approved by health officials and the municipal governing body, where the system has been drained for health protection or repair services.

Class 3 (Non-essential Uses)

- Use of fire hydrants other than Class 1 & 2 uses, including use of sprinkler caps, testing fire apparatus, and fire department drills
- Flushing of sewers and hydrants except as needed to ensure public health and safety as approved by health officials and the municipal governing body
- Serving water in restaurants, clubs, or eating places except by customer request
- Failure to repair a controllable leak
- Increasing water levels in scenic and recreational ponds and lakes, except as

necessary to support fish and wildlife

- Filling fountains, reflecting pools and artificial and artificial waterfalls
- Watering of annual or non-woody plants, lawns, parks, golf course fairways, playing fields and other recreational areas
- Washing down buildings or structures for purposes other than immediate fire protection
- Flushing gutters or permitting water to run or accumulate in any gutter or street
- Expanding nursery facilities, placing new irrigated agricultural land in production, or planting of landscaping except when required by a site design review process
- Use of water for dirt control or compaction
- Watering of lawns, parks, golf course fairways, playing fields and other recreational areas
- Washing sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surface areas
- Recreational uses other than those specified as Class 2
- Non-commercial washing of motor and other vehicles
- Refilling air conditioning cooling towers after draining

Contract No.

CONTRACT BETWEEN THE UNITED STATES OF AMERICA

AND

_____

FOR

RELEASE OF DROUGHT EMERGENCY WATER

FROM

_____ LAKE, KENTUCKY

THIS CONTRACT, entered into this _____ day of _____ , 19__, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") represented by the Contracting Officer executing this contract, and _____ (hereinafter called the "User");

WITNESSETH THAT:

WHEREAS, pursuant to applicable Public Law(s), the Government has constructed and is operating _____ Lake (hereinafter called the "Project"); and,

WHEREAS, the User desires to contract with the Government for the privilege of having water released from the Project;

NOW, THEREFORE, the parties do mutually agree as follows:

ARTICLE 1 -- Water Supply and Withdrawals

(a) The User shall have the privileges of release of water from _____ acre-feet of storage in the Project for municipal and industrial purposes at a rate not to exceed _____ cubic feet per second above the normal release rate during the term of this contract as specified in Article 6 hereof. However, these releases will be made only when the level of the water in the Project is above elevation _____ feet mean sea level.

(b) The Government agrees to release water through the outlet works of the Project in amounts up to _____ cubic feet per second, as requested by the User until such time as the contracted storage is utilized. The User can request start and/or stop of contracted release during normal duty hours at any time during the contractual period. The rate of contracted release will be measured using outlet ratings current at the outset of the contract.

(c) The Government reserves the right to take such measures as may be necessary in the operation of the Project to preserve life or property, to preserve the safety of the Project, or to satisfy project purposes.

(d) The User recognizes that this contract provides only for releases of water from the contracted storage in the Project and losses associated with transmission will be borne by the user. The Government makes no representation with respect to the quality of water and assumes no responsibility therefore, or for treatment of the water released. This contract shall not be construed as giving User and rights to have the water level maintained at any elevation. The User further recognizes that it is acquiring no right to the use o storage space in the Project.

ARTICLE 2 -- Metering

For the purpose of maintaining an accurate record of the water released from the Project, the Government agrees to maintain records of the releases made as to times and amounts

ARTICLE 3 --Federal and State Laws

(a) User shall obtain any permits required pursuant to the Clean Water Act of 1977 in connection with any facilities constructed, as well as any other permits or approvals require by Federal, state, or local governments in connection with Use activities hereunder.

(b) The User shall utilize the water released from the Project in a manner consistent with Federal, state, and local laws.

(c) The User furnishes, as part of the contract, an assurance that the User will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d, et seq) and Department of Defense Directive 5500.11 issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations.

ARTICLE 4 -- Regulation of the Use of Water

The regulation of the use of the water withdrawn of the user's intake shall be the sole responsibility of the User and under the sole authority of the User in accord with Federal, state, and local laws and shall not be considered a part of this contract. The Government shall not be responsible for the use of water withdrawn by the User, nor will it become a party to any controversies involving the water withdrawn, except as such controversies may affect the operations of the Project.

ARTICLE 5 -- Consideration of Payment

In consideration of the privilege of having emergency water supply storage in the Project for municipal and industrial purposes, the User shall pay the following sums to the Government.

(a) Water Supply Costs. Costs will be determined by the governing pricing policy current at the time of contract negotiations. Costs to the User will be for storage required in the project as determined under Article 1(b), and will be billed upon approval of this contract. The User shall pay these costs in lump sum by the end of the following month.

(b) If the User shall fail to make payment under this contract within 30 days of the date due, interest thereon shall accrue at the rate of 6.0 percent per annum compounded annually from the date due until paid. This provision shall not be construed as waiving any other rights the Government may have in the event of default by the User, including but not limited to the right to terminate this contract for default.

ARTICLE 6 -- Period of Contract

This contract shall become effective as of the date of the approval by the Contracting Officer, and it shall continue in full force and effect under the conditions set forth herein, for a period of ____ months from the said date of approval.

ARTICLE 7 --Termination of Contract

(a) Either party may terminate this contract and its privileges upon 10-day written notice. The user will pay all charges which have accrued through the date of the termination.

(b) The Government may terminate this contract and its privileges upon 10 day written notice, if the User shall default in performance of any obligation of this contract. Upon such a termination, User shall continue to be liable to the Government for any monies owed and for any costs incurred by the Government as a result of the default.

ARTICLE 8 - Release of Claims

The User shall hold and save the Government, including its officers, agents, and employees, harmless from liability of any nature or kind for or on account of any claim for damages which may be filed or asserted as a result of the release of water from the Project for the User, or as a result of the construction, operation, or maintenance of any facilities or appurtenances owned and operated by the User.

ARTICLE 9 - Transfer or Assignment

The User shall not transfer or assign this contract nor any rights acquired thereunder, nor suballot said water or any part thereof, nor grant any interest, privilege or license whatsoever in connection with this contract. This restriction shall not be construed to apply to any water which may be released for the User from the Project under the terms of this contract and furnished to any third party or parties or to the rates charged therefor.

ARTICLE 10 -- Officials Not to Benefit

No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11 -- Covenant Against Contingent Fees

The User warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the User for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability, or in its discretion, to add to the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE 12 -- Definitions

The term "Contracting Officer" as used herein means the person executing this contract on behalf of the Government and includes a duly appointed successor or authorized representative.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written.

THE UNITED STATES OF AMERICA
APPROVED:

_____

By: _____

DATE: _____

By: _____

DATE: _____

Request for Army Corps of Engineers to Increase Outflow

Fax To:
Bill Byron, A.C.E. (502-582-6841)
Dave Morgan, KY Division of Water, Water Resources Division (502-564-0111)

Bowling Green Municipal Utilities has been under a Water Shortage Emergency since _____. We have placed our customers under mandatory water use restrictions and have enforced these measures when necessary. The Barren River is our only source of water and has received no significant rainfall for since _____. Over the past _____ weeks, the level in the river has fallen steadily, and the current level of _____feet is insufficient for our raw water pumps to operate properly as well as meeting the essential water needs of our customers even with the aforementioned restrictions in place.

For these reasons we are requesting that the Army Corps of Engineers increase the outflow of the Barren River Reservoir so as to establish a river level of 4.20 feet at the telemark station below our treatment plant. BGMU will, if necessary, enter into contract with the A.C.E. for the purchase of the additional outflow of water to meet the needs of our customers.

Please respond to this request promptly as our situation is becoming increasingly critical.

Thank You,

cc: Dave Morgan, KY DOW