

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WATER PURCHASE CONTRACT BETWEEN )  
KENTUCKY TURNPIKE WATER DISTRICT )  
DIVISION II (SUCCESSOR TO SALT RIVER ) CASE NO. 98-150  
WATER DISTRICT) AND THE CITY OF )  
SHEPHERDSVILLE, KENTUCKY )

O R D E R

On March 25, 1993, the City of Shepherdsville, Kentucky ("Shepherdsville") and Salt River Water District ("Salt River") entered into a water purchase contract which provided, inter alia, that the contract was for a term of 5 years with an option for Shepherdsville to extend the contract for 5 additional years. The contract further provided that any extension of the contract term was subject to Commission approval.

Shepherdsville has exercised its option to extend the contract and has requested that the Commission approve the proposed extension. Kentucky Turnpike Water District, Salt River's successor in interest,<sup>1</sup> has advised the Commission that it does not oppose or object to the extension of the Water Purchase Contract.

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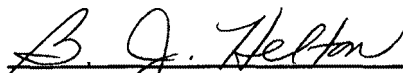
<sup>1</sup> In Case No. 92-169, Salt River Water District-Kentucky Turnpike Water District Joint Petition for Approval of Merger Agreement and Retail Rate Adjustment (Feb. 10, 1993), the Commission approved the merger of Salt River and Kentucky Turnpike Water District. Upon completion of the merger, Kentucky Turnpike Water District designated the territory that Salt River formerly served as its Division II.

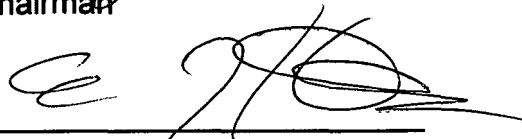
Having considered Shepherdsville's request and being otherwise sufficiently advised, the Commission finds that the requested extension should be approved.

IT IS THEREFORE ORDERED that the proposed extension of the Water Purchase Contract for 5 additional years is approved.

Done at Frankfort, Kentucky, this 2nd day of April, 1998.

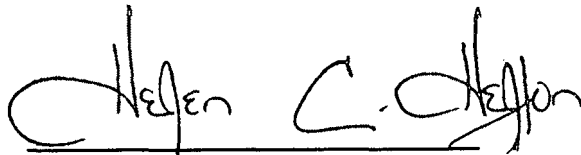
PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director