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Damon R. Talley

Attorney At Law

November 19, 2014

Mr. Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

RECEIVED

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PUBLIC SERVICE
COMMISSION

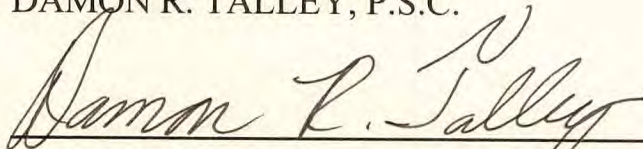
RE: Case No. 2014-00289
Hardin County Water District No. 2
Financing – Promissory Note for \$8,000,000

Dear Mr. Derouen:

Enclosed for filing, pursuant to Ordering paragraph 4 of the Commission's October 23, 2014 Order, on behalf of Hardin County Water District No. 2 are the original and ten (10) copies of the Notice of Filing of the Journal Entries used to record the Asset Purchase.

Yours truly,

DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY, ATTORNEY FOR
HARDIN COUNTY WATER DISTRICT NO. 2

DRT:ms

Enclosures

cc: Hardin County Water District No. 2

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE HARDIN)	
COUNTY WATER DISTRICT NO. 2 FOR)	
AUTHORITY TO EXECUTE A PROMISSORY)	CASE NO.
NOTE IN THE PRINCIPAL AMOUNT OF)	2014-00289
\$8,000,000 PURSUANT TO THE PROVISIONS)	
OF KRS 278.300 AND 807 KAR 5:001)	

** ** ** ** **

**NOTICE OF FILING
OF
JOURNAL ENTRIES**

** ** ** **~

1. Hardin County Water District No. 2 (the "Hardin County No. 2"), by counsel, hereby gives notice that it has filed a copy of the attached Journal Entries in the record in this proceeding.
2. The attached Journal Entries were used to record the asset purchase of the Elizabethtown Water System Assets.
3. The attached Journal Entries are identical to the proposed journal entries contained in Hardin County No. 2's Supplemental Response to Commission Staff's First Information Request, Question 26.

4. This Notice of Filing is being made to comply with the provisions of
Ordering paragraph 4 of the Commission's October 23, 2014 Order.

This 19th day of October, 2014.

DAMON R. TALLEY, P.S.C.

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DAMON R. TALLEY, ATTORNEY FOR

HARDIN COUNTY WATER DISTRICT NO. 2

JOURNAL ENTRIES

HARDIN COUNTY WATER DISTRICT NO. 2

PURCHASE OF ELIZABETHTOWN'S WATER SYSTEM ASSETS

JOURNAL ENTRIES TO RECORD PURCHASE OF ELIZABETHTOWN'S WATER ASSETS AND NOTE PAYABLE

ACCOUNT NUMBER	DESCRIPTION	DEBIT	CREDIT
10103314	TRANSMISSION, DISTRIBUTION & FIRE MAINS	5,775,955.00	
10103344	METER & METER INSTALLATIONS	439,379.03	
10103043	STRUCTURES AND IMPROVEMENTS	4,530,650.33	
10103307	NORTH MULBERRY	30,160.84	
10103308	HELMWOOD	29,522.83	
10103309	SHEPHERDSVILLE	39,209.10	
10103310	SOUTH END	1,200,000.00	
10103311	INDUSTRIAL PARK	139,131.40	
11400000	UTILITY PLANT ACQUISITION	194,607.68	
10813314	A/D - TRANSMISSION, DISTRIBUTION & FIRE		2,947,711.86
10813344	A/D - METER & METER		405,068.30
10813043	A/D - STRUCTURES AND IMPROVEMENTS		1,379,645.68
10313304	A/D - DISTRIBUTION RESERVOIRS & STANDPIPES		552,442.37
23200000	NOTE PAYABLE (FAIR VALUE)		6,093,748.00
43210000	CAPITAL		1,000,000.00 (1)
	TOTAL FOR ENTRY	12,378,616.21	12,378,616.21

(1) THE REVENUE ACCOUNT IS USED IN ORDER TO ACCOUNT FOR THE CAPITAL CONTRIBUTIONS. AMOUNT IS NOT CHARGED DIRECTLY TO NET POSITION, BUT WILL BECOME A COMPONENT NET POSITION IN ACCOUNT 271 AFTER THE CLOSE OF THE DISTRICT'S CALENDAR YEAR.