Amendment No. 1

Water Purchase Agreement
between the
City of Mt. Vernon, Kentucky (Seller)

and the
Northern Rockcastle Water District (Buyer)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

AUG 15 1998

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

BY: Stephand Buy SECRETARY OF THE COMMISSION

WHEREAS, the Buyer and Seller have entered into a contractual agreement dated October 8, 1992, concerning the sale and purchase of potable water, and

WHEREAS, the Seller of water has undertaken an extensive water treatment and distribution system improvements project, and

WHEREAS, the demands of both city and wholesale customers have necessitated the improvements project, and

WHEREAS, the Seller sought and received engineering services in establishing the minimum required water rate increases for city and wholesale customers, and

WHEREAS, the aforcsaid rate study is hereby made available to the Buyer, and

WHEREAS, the publication, required by the Public Service Commission, of proposed rates was published in the Mt. Vernon Signal on 01/09/98

Now, THEREFORE, by our signatures it is agreed that the Buyer and Seller agree to the revised rate of water sales by the Seller, that rate being \$1.81 per 1000 gallons of water. Further, all other terms and provisions of the water purchase contract dated October 8, 1992, remain in force. This Amendment establishes a new rate, one which will remain in effect until changed by amendment or a new water purchase agreement.

IN TESTIMONY WHEREOF, this Da	ay of July, 1998.
	for the
_	City of Mt. Vernon, Kentucky (Seller)
Kaye Rader	
Attest for the Seller	
	for the Northern Rockcastle Water District (Buyer)

Attest for the Buyer