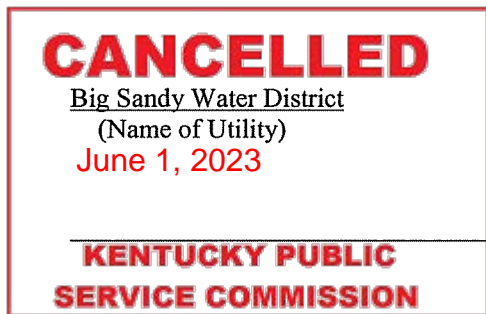


P.S.C. NO. 1

1st Revised SHEET NO. 8

CANCELLING P.S.C. KY NO 1

Original SHEET NO 8



RULES & REGS

E. Leak Adjustments:

PSC Rules and Regulations do not require a utility to offer a leak adjustment although a utility may choose to offer such a policy. This utility chooses to offer a leak adjustment under the following conditions:

1. The customer must request a leak adjustment in writing to the utility.
2. The customer must provide a plumber's statement or other proof showing the leak has been repaired.
3. The customer bill will be based on two components. The first step will be to calculate the customer's average monthly usage over a three-month period. The second step will be to deduct the customer's average monthly usage (as calculated 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 charged at the per thousand gallon leak adjustment rate as set forth in this tariff. All water passing through the meter must be accounted and paid for by the customer. Therefore, the customer will owe the amount of his/her average bill plus the per thousand gallon leak adjustment rate for the remainder of the water that passes through the meter.
4. If meter reading are not available for an entire three-month period, the water bill will be estimated by the utility, subject to an upward or downward adjustment once a three-month average of actual meter reading can be calculated.
5. Only one leak adjustment will be made per customer during any given one-year period.
6. Wholesale customers are not eligible for this Leak Adjustment Policy.
7. The leak adjustment rate shall be the last step in the declining block rate design of the utility's general water rate as set forth in its approved tariff on file with the PSC.

DATE OF ISSUE 07/23/2009

DATE OF EFFECTIVE 09/01/2009

ISSUED BY Paul E. Thomas

TITLE CHAIRMAN

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. n/a DATED n/a

