

RECEIVED

AUG 26 1994

PUBLIC SERVICE
COMMISSION

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 09 1994

COPY

A G R E E M E N T

PURSUANT TO 807 KAR 5011,
SECTION 9(1)

BY: Jordan A. Paul
FOR THE PUBLIC SERVICE COMMISSION

THIS AGREEMENT made and entered into on this the 10th
day of November, 1992, by and between ELECTRIC AND WATER PLANT
BOARD OF THE CITY OF FRANKFORT, KENTUCKY, a governmental agency
of the City of Frankfort, Kentucky, having the powers granted by
Section 96.171 et. seq., Kentucky Revised Statutes, hereinafter
referred to as "Board," and the ELKHORN WATER DISTRICT, a water
district created and existing under the Laws of the State of
Kentucky, hereinafter referred to as "District;"

WITNESSETH: That the parties hereto, in consideration of
the mutual duties and obligations herein created, have, and do
agree as follows:

1. The Board will make available to the District water in
such quantity and at such pressure as it may have in its main at
the service connection at the time of use subject only to the
capacity and ability of the Board's system and facilities to
furnish water to the District and other customers.

2. The Board under this agreement is obligated to make
water available only to the facilities of the District.

3. The Board in agreeing to furnish water to the District
is acting on a friendly and neighborly basis and in an effort to
assist the residents of the Districts to have water service, and

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 09 1994

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

agrees to release the District from this contract at any time the District desires on Sixty (60) days written notice to the Board.

4. The Board under this agreement has, and assumes no obligation whatever to furnish satisfactory quantity or pressure for any particular service such as irrigation, fire protection, industrial or commercial use.

5. The District shall at all times pay the rates and charges for water as exist at the time of delivery under the then existing published rates, rules and regulations of the Board.

6. The water will be furnished the District through a meter or meters of the size and type specified by the Board, which shall be furnished and maintained by the District and located at such points or points as the Board shall designate at its main, which said meter or meters the Board shall have the right to inspect and test at any and all times. In the event any meter test, whether initiated by the Board or by the District, discloses any substantial error compensation payable for water delivered shall be adjusted so as to compensate for the error.

7. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Board from this provision for such reasonable period of time as may be necessary to restore service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 09 1994

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

BY: Jordan B. Neal
FOR THE PUBLIC SERVICE COMMISSION

8. The present published Rates, Rules and Regulations of the Board relating to water service are attached hereto and made a part hereof. The initial rate for purchased water will be 98 cents per thousand gallons. The initial rate is for all water purchased regardless of total volume. Additionally, it is acknowledged and agreed that the rate charged by the Board will be raised or lowered as proportionally as rates for the Board's regular customers are raised or lowered.

9. It is further mutually agreed and understood by and between the parties hereto that this contract is to run for a period of 42 years from the date of execution and entry as specified in the first paragraph of this Agreement and thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Board and the District.

10. Any successor of the Board or the District, whether the result of legal process, assignment or otherwise, shall succeed to the rights of the Board or District hereunder.

11. This contract replaces all previous or existing agreements between these parties and constitutes the sole and complete agreement as to their sale, provision and purchase of water.

IN TESTIMONY WHEREOF, the parties hereto have caused this agreement to be executed by its duly authorized officers, on this the day and year first above written.

ATTEST:

[Signature]
Secretary

ELECTRIC AND WATER PLANT BOARD OF THE CITY OF FRANKFORT, KENTUCKY

By E Bruce Dungan
Chairman

ATTEST:

George M. Lett
Secretary

ELKHORN WATER DISTRICT

By [Signature]
Chairman

Approved - FWH
James A. Little
CWB Specialist
6-1-93

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

SEP 09 1994

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

BY: [Signature]
FOR THE PUBLIC SERVICE COMMISSION