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PUBLIC SERVICE COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

IN THE MATTER OF:

APPLICATION OF MURRAY NO. 3 WATER)	
DISTRICT FOR AN ORDER APPROVING A)	CASE NO. 2014-00291
TRANSFER OF OWNERSHIP AND CONTROL)	

NOTICE OF TRANSFER

Murray No. 3 Water District ("Murray No. 3") and the City of Murray, Kentucky, ("Murray") jointly give Notice that on the 8th day of April, 2015, Murray No. 3 transferred to Murray, all of its assets, consisting of personal and real property.

Respectfully submitted,

WARREN K. HOPKINS

Attorney at Law 405 Maple Street, Suite B Murray, KY 42071

Telephone: (270) 759-9504 Facsimile: (270) 759-9821

ATTORNEY FOR MURRAY NO. 3 & CITY OF MURRAY, KENTUCKY

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6/15/2015

PUBLIC SERVICE COMMISSION OF KENTUCKY

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MURRAY NO. 3 WATER)	
DISTRICT FOR AN ORDER APPROVING A)	CASE NO.
TRANSFER OF OWNERSHIP AND)	2014-0029
CONTROL)	

ORDER

Murray No. 3 Water District ("Murray No. 3") and the city of Murray, Kentucky, ("Murray") jointly petitioned for Commission approval to transfer ownership and control of Murray No. 3's water distribution system to Murray. Having reviewed the application and being otherwise advised, the Commission finds that:

- Murray No. 3 is a water district established pursuant to KRS Chapter 74.¹
- 2. Murray No. 3 owns and operates a water distribution system that serves approximately 354 customers in Calloway County, Kentucky.²
- 3. As of December 31, 2013, Murray No. 3 had total assets of \$96,169.77³ and total liabilities of \$96,169.77.⁴

6/15/2015

PUBLIC SERVICE

COMMISSION OF KENTUCKY

¹ Amended Joint Application ("Amended Application") ¶ 1.

² Joint Applicants' Response to Commission Staff's First Request for Information to Murray No. 3 Water District and city of Murray, Kentucky ("Joint Applicants' Response to Request for Information"), Item 13. (Filed Nov. 12, 2014).

³ Annual Report of Murray #3 Water District to the Public Service Commission for the training Year Ended December 31, 2013 ("Annual Report") at 7.

⁴ Id. at 8.

- 4. As of December 31, 2013, Murray No. 3 had net utility plant of \$49,594.45.5
- 5. For the calendar year ended December 31, 2013, Murray No. 3 had operating revenues of \$70,551.84 and utility operating expenses of \$83,514.35, which results in utility operating income of (\$12,962.51).6
- 6. For the calendar year ended December 31, 2013, Murray No. 3 had net income of (\$12,939.50).⁷
- 7. For the calendar year ended December 31, 2013, Murray No. 3 employed two part-time employees.⁸
 - 8. Murray is a city of the third class.9
- 9. Murray owns and operates a water treatment and distribution system that provides water service to 9,147 customers inside and outside Murray's corporate boundaries and provides Murray No. 3's total water requirements.¹⁰
- For the fiscal year ended June 30, 2013, Murray reported total assets of \$59,795,000 and total liabilities of \$8,571,000.¹¹

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6/15/2015 Supplemental

Case No

PUBLIC SERVICE COMMISSION OF KENTUCKY

⁵ *Id*. at 7.

⁶ Id. at 9.

⁷ Id.

⁸ Id. at 5.

⁹ Amended Application ¶ 6; KRS 81.010(3).

¹⁰ Amended Application ¶ 2, 6, 15; Joint Applicants' Response, Item12.

City of Murray FY2013 Audited Financial Statements at 6, Joint Applicants Response to Request for Information ("Joint Applicants' Supplemental Response"), Item 5

- 11. For the fiscal year ended June 30, 2013, Murray reported total assets for water and sewer operations of \$32,114,729 and total liabilities for water and sewer operations of \$5,359,343.¹²
 - 12. As of June 30, 2012, Murray had utility plant in service of \$53,645,443. 13
- 13. For the fiscal year ended June 30, 2013, Murray's water and sewer operations had total operating revenues of \$5,354,067 and total operating expenses of \$5,447,551.¹⁴ Murray also reported net operating income of \$281,010.¹⁵
- 14. The Kentucky Division of Water has licensed eight of Murray's employees as certified distribution operators and four of Murray's employees as certified water system operators.¹⁶
- 15. At a public hearing held on April 1, 2014, Murray No. 3's Board of Commissioners approved the transfer of all assets of Murray No. 3 to Murray and authorized the Board Chairman to proceed with the transfer.¹⁷
- 16. On April 10, 2014, Murray's City Council approved the acquisition of all assets of Murray No. 3 and authorized Murray's Mayor to proceed with the acquisition. 18



¹² Id. at 15. This amount includes wastewater services.

¹³ Id. This amount includes plant used to provide wastewater services.

¹⁴ Id. at 16. This amount includes wastewater system revenues and expenses.

¹⁵ Id. This amount includes wastewater system revenues and expenses.

¹⁶ Joint Applicants' Response, Item 3.

¹⁷ Id., Item 10, Exhibit H.

¹⁸ Id., Exhibit G.

- 17. On June 17, 2014, the Calloway County Fiscal Court approved Murray's acquisition of all assets of Murray No. 3 and authorized the Calloway County Judge/Executive to proceed with the acquisition.¹⁹
- 18. On November 5, 2014, and November 6, 2014, respectively, Murray and Murray No. 3 executed an agreement for the transfer of ownership and control of Murray No. 3's water distribution system.²⁰ This agreement provides:
- a. Murray No. 3 will transfer to Murray all of its assets, consisting of personal and real property.²¹
 - b. Murray will assume all liabilities of Murray No. 3.22
- c. Murray will install system development improvements within Murray No. 3's water service area in Calloway County to bring the system up to appropriate standards.²³
- d. Upon the closing of the transaction, Murray No. 3 will transfer any balances remaining in customer accounts to Murray.²⁴ Murray No. 3 does not hold any customer security deposits, since it does not require a deposit to secure utility service.²⁵
- e. Murray will treat the customers of Murray No. 3 in the same manner and assess the same rates that are assessed to Murray's customers outside Murray's



PUBLIC SERVICE COMMISSION OF KENTUCKY

¹⁹ Id., Exhibit F.

²⁰ Id., Item 1, Asset Acquisition Agreement ("Acquisition Agreement").

²¹ Acquisition Agreement at 4.

²² Acquisition Agreement at 4.

²³ Id.

²⁴ Id. at 14.

²⁵ Amended Application at ¶ 17; Joint Applicants' Response, Item 11.

city limits. Upon the closing of the transaction, Murray No. 3 customers will be assessed Murray's outside-city-limits water rates.²⁶

- 19. Murray's current rates for water service to customers residing outside Murray's corporate limits are higher than Murray No. 3's current rates for water service.²⁷ On March 19, 2014, Murray provided notice to customers of Murray No. 3 regarding the rate adjustment that would result from the proposed transfer.²⁸
- 20. The proposed transaction will further Murray No. 3's effort to discontinue providing services as a water district, and Murray's intent to bring its facilities and services to the area currently served by Murray No. 3.²⁹

Based upon the findings set forth above, the Commission makes the following conclusions of law:

- 1. Murray No. 3 is a utility subject to Commission jurisdiction. 30
- 2. As a city, Murray is not a utility and is not subject to Commission jurisdiction.³¹

³¹ Simpson County Water District v. City of Franklin, 872 S.W.2d 460 (Ky.1994); McClellar5/2015 Louisville Water Co., 351 S.W.2d 197 (Ky.1961).

PUBLIC SERVICE COMMISSION OF KENTUCKY

TARIFF BRANCH

²⁶ Acquisition Agreement at 14, Exhibit P; Joint Applicants' Response, Item 8.

²⁷ For the schedule of Murray's rates, *see* Amended Application at Exhibit P. Under Murray No. 3's present rate schedule, a customer would pay a monthly bill of \$19.88 for 5,000 gallons of water. Under Murray's schedule of rates for outside city customers, the same customer would pay \$23.53 for 5,000 gallons of water.

²⁸ Joint Applicants' Response, Item 4.

²⁹ Amended Application at ¶ 14.

³⁰ KRS 278.010(3)(d); KRS 278.015.

- 3. Murray is a "corporation" and a "person" for purposes of KRS Chapter 278.
- 4. KRS 278.020(5) provides that "[n]o person shall acquire or transfer ownership of, or control, or the right to control, any utility under the jurisdiction of the commission . . . without prior approval by the commission." As Murray is a person and is acquiring ownership of Murray No. 3's water distribution facilities, this statute is applicable to and requires Commission approval of the proposed transfer.
- 5. KRS 278.020(6) provides that "[n]o individual, group, syndicate, general or limited partnership, association, corporation, joint stock company, trust, or other entity (an 'acquirer'), whether or not organized under the laws of this state, shall acquire control, either directly or indirectly, of any utility furnishing utility service in this state, without having first obtained the approval of the commission." As Murray is a corporation and is acquiring control of Murray No. 3's utility operations through the acquisition of its water distribution facilities, this statute is applicable to and requires prior Commission approval of the transfer of those facilities.
- 6. In view of its financial assets and its status as a municipal corporation, Murray has sufficient financial integrity to ensure the continuity of utility service.
- 7. The consolidation of Murray No. 3's distribution system into Murray's distribution system is consistent with the Commonwealth's policy of promoting the

6/15/2015
partnerships,
PUBLIC SERVICE
COMMISSION
OF KENTUCKY
Case No. 2014-00291

See KRS 278.010(1) (providing that a corporation "includes private, quasiput lic, and all boards, agencies, and instrumentalities thereof."). Cities are municipal corporations. See, e.g., Wilson v. Central City, 372 S.W.3d 863, 866 (Ky. 2012) ("a city is both a 'municipal corporation").

³³ See KRS 278.010(2) (providing that a person includes "natural persons corporations, and two (2) or more persons having a joint or common interest").

consolidation of water distribution systems and the creation of regionalized water suppliers.³⁴

- 8. The proposed transfer is in accordance with law and for a proper purpose.
- 9. Upon completion of the proposed transfer, Murray No. 3's facilities will no longer be subject to Commission jurisdiction.
- 10. Murray has the financial, technical, and managerial abilities to provide reasonable service to those persons that Murray No. 3 currently serves.
- 11. The proposed transfer is consistent with the public interest and should be granted.

IT IS THEREFORE ORDERED that:

- The proposed transfer of ownership and control of Murray No. 3's facilities to Murray is approved.
- 2. Murray No. 3 and Murray shall notify the Commission in writing of the transfer of assets within 10 days of the transfer's occurrence.
- 3. Within 60 days of the transfer's occurrence, Murray No. 3 shall submit to the Commission, using the Commission's electronic filing system, a financial and statistical report as required by 807 KAR 5:006, Section 4, for its operations for the period from January 1, 2014, until the date of transfer of ownership.
- 4. Any documents filed pursuant to ordering paragraph 2 shall reference this case number and shall be retained in the utility's general correspondence file.
- 5. The Executive Director is delegated authority to grant reasonable extensions of time for the filing of any documents required by this Order Executive Showing of good cause and for such extension.

^{6/15/2015}PUBLIC SERVICE
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OF KENTUCKY
2014-00291

³⁴ KRS 224A.300(1)

By the Commission
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KENTUCKY PUBLIC
SERVICE COMMISSION

Executive Director

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6/15/2015

PUBLIC SERVICE COMMISSION OF KENTUCKY Case No 2014-00291

MURRAY WATER DISTRICT NUMBER 3

	P.S.C. KY. NO1
	CANCELLING P.S.C. KY. NO
MURRAY NO. 3 W	ATER DISTRICT
O.	F
P.O. BO	OX 643
MURRAY, KEN	TUCKY, 42071
RATES & C	CHARGES
AN	
RULES & REO	GULATIONS
FOR FURI	NISHING
WATER S	SERVICE
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WESTERN CALLO KENTU	
FILED WI	
PUBLIC SERVICE	
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KENTU	
	PUBLIC SERVICE COMMISSION OF KENTUCKY
DATE OF ISSUE Month / Date / Year	EFFECTIVE
PATE EFFECTIVE	MAR 04 2001
SSUED BY HIM WINGSOY	PURSUANT TO 807 KAR 5:011, SECTION 9 (1)
(Signature of Officer)	BY: Stephand Pocci
TILE District Manager	SECRETARY OF THE COMMISSION

			FOR <u>\</u>	Wester	n Calloway Cour Community, To	ty, Ky own or City
			P.S.C. KY	. NO.	1	
			Original		SHEET NO	1
	3.T 0	W				
Murra	y No. 3 (Name	Water District of Utility)	CANCEL	LING		
					_SHEET NO	
		CONTE	NTS			
•	RATE	ES AND CHARGES				
	A.	Monthly Rates				
	B.	Deposits				
	C.	Meter Connection/Tap-on Charges				
	D.	Special Non-recurring Charges				
	E.	Purchased Water Rates				
	F.	Not Applicable				
	G.	Not Applicable				
	H.	Not Applicable				
[.	RUL	ES AND REGULATIONS				
	A.	Service Information				
	B.	Special Nonrecurring Charges				
II.	ATT	ACHMENTS				
	A.	Sample Bill				
	B.	Water Shortage Plan				
DATE (OF ISSU	JEMonth / Date / Year				DE COMMISSION
DATE I	EFFECT					OTIVE
ISSUED	DBY_	Month Date / Year William William (Signature of Officer)			MAR C	4 2001
TITLE	Ž.	Listrict Manager				307 KAR 5011,
	THOR	TY OF ORDER OF THE PUBLIC SERVICE COMMI	SSION		CECTIC By: Stytholik	N 8 (1)) - Bus
		DATED			BY. SECRETARY OF T	and the second of the second s

IN CASE NO. _____DATED ____

	FOR Western Calloway County, Ky
	Community, Town or City
	P.S.C. KY. NO1
	Original SHEET NO. 2
Murray No. 3 County Water District	CANCELLING P.S.C. KY. NO.
(Name of Utility)	SHEET NO
RATES AN	D CHARGES
A. MONTHLY RATES:	
First 1,500 Gallons	\$6.75 Minimum Bill
Next 3,500 Gallons	3.75 Per 1,000 Gallons
Next 5,000 Gallons	1.50 Per 1,000 Gallons
Next 10,000 Gallons	1.25 Per 1,000 Gallons
Next 30,000 Gallons	1.05 Per 1,000 Gallons
Next 50,000 Gallons	.80 Per 1,000 Gallons

DATE OF ISS	UE	
		Month / Date / Year
DATE EFFEC	TIVE	
ISSUED BY	Llen	Month / Date / Year W.LMOLLV?
		(Signature of Officer)
TITLE 2.	istrict	Manager
		V
BY AUTHOR	ITY OF ORDER (OF THE PUBLIC SERVICE COMMISSION
IN CASE NO.		DATED

Over100,000 Gallons

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

Per 1,000 Gallons

.60

MAR 04 2001

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: State O 1 (1) SECRETARY OF THE COMMISSION

	FOR Western Call	loway County, Ky nmunity, Town or City
	P.S.C. KY. NO	1
	Original SHE	ET NO. 3
Murray No. 3 County Water District	CANCELLING P.S.C	C. KY. NO
(Name of Utility)	SHI	EET NO
RATES AND CHA	ARGES	
B. DEPOSITS:		
Not Applicable		
1,001.2pp.1000010		
C. METER CONNECTION/TAP-ON CHARGES:		
5/8 Inch X 3/4 Inch		\$300.00
1 Inch		\$300.00
1 ½ Inch		\$400.00
2 Inch		\$500.00
All Larger Meters		Actual Cost
DATE OF ISSUE Month / Date / Year		
DATE EFFECTIVE	PUBLIC	SERVICE COMMISSION OF MENTUCKY
Month / Date / Year		EFFECTIVE
ISSUED BY WWW (Signature of Officer)		MAR 04 2001
TITLE District Manager	— PURSUA	NT TO 807 KAR 5:011.
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	N	SECTION 9 (1)
IN CASE NODATED		DAY OF THE COMPUSION

	FOR Western Calloway County, Ky				
	Community, Town or City				
	P.S.C. KY. NO. 1				
	Original SHEET NO. 4				
Murray No. 3 County Water District	CANCELLING P.S.C. KY. NO.				
(Name of Utility)	SHEET NO.				
RATES AND CHA	ARGES				
D. SPECIAL NON-RECURRING CHARGES:					
Connection/Turn-on Charge	10.00				
Field Collection Charge	0.00				
Late Payment Penalty	10%				
Meter Relocation Charge	Actual Cost				
Meter Re-read Charge	0.00				
Meter Test Charge	15.00				
Re-connection Charge	0.00				
Returned Check Charge	5.00				
Service Call/Investigation	0.00				

DATE OF ISSUE
Month / Date / Year
DATE EFFECTIVE
ISSUED BY Ilom (1) Month/Date/Year
(Signature of Officer)
TITLE District Manager
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO DATED

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

MAR 04 2001

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)
BY STEPHON (1) THE COMPLESSOR

	FOR Western Calloway County, Ky Community, Town or City
	P.S.C. KY. NO1
	Original SHEET NO. 5
Murray No. 3 County Water District	CANCELLING P.S.C. KY. NO.
(Name of Utility)	SHEET NO.
RATES AND CHA	ARGES
E. PURCHASED WATER RATES:	
Supplier	Rate
City of Murray	\$1.45
F.	
Not Applicable	
2	
G.	
Not Applicable	
1,0012-pp.10-10-10	
<u>H.</u>	
Not Applicable	
DATE OF ISSUE Month / Date / Year	PUBLIC SERVICE COMMISSION
DATE EFFECTIVE	OF KENTUCKY EFFECTIVE
ISSUED BY Wonth Date / Year (Signature of Officer)	— MAR 04 2001
TITLE District Manager	— PURSUANT TO 807 KAR 5/011.
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION	N SECTION 8 (1)
IN CASE NODATED	SECTION OF THE COLUMNSHAN

			FOR Wes	tern Calloway County, Ky Community, Town or City		
			P.S.C. KY. N	01		
			Original	SHEET NO. 6		
Mur	тау No. 3	Water District	CANCELLIN	IG P.S.C. KY. NO.		
		of Utility)		SHEET NO.		
		RULES AND REGUL	ATIONS			
		ollowing are the rules and regulations of the less subject to change by the utility at any time				
A.	Servic	e Information.				
	1.	Meters will be read monthly between the 1s	$^{\rm t}$ and $10^{\rm th}$ of ϵ	each month.		
	2.	Bills will be dated and mailed on the 1st of to be paid by the 15 th of the month.	each month	. Said bill will state that they are		
	3.	All meters will be located on district mains and in the absence of special permission on the property to be served.				
	4.	 Complaint may be made to the operator of the system and may be appealed to the District Commission. The principal place of business of the District will be the office of Murray No. 3 Water District, Highway 94, Murray, Kentucky, 42071. 				
	5.					
	6. Water bills will be mailed to P.O. Box 643, Murray, Kentucky, 42071.					
	7.	Water users will be notified in person by Water disconnected. Termination of service will be				
	8.	Water customers are notified each time wa excessive water usage or an indication of a				
	9.	Calloway County Fire and Rescue does ago the amount of water used by them for fire us at the end of the year the total amount of	protection an	nd practice. They agree to notify		
	10.	No more than one house, apartment, mobile a single meter.	e home, or ot	her dwelling can be connected to		
DATE	OF ISSUE	Month / Date / Year				
	EFFECTIV	/EMonth / Date / Vear		PUBLIC SERVICE COMMISSION OF KENTUCKY EFFICTIVE		
ISSUE	D BY	len Windsor (Signature of Officer)	_	MAR 04 2001		
TITLE	Di	strict Manager		PURSUANT TO 807 KAR 5011.		

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO.

FURSUANT TO 807 KAR 5.011, SECTION 9 (1)

RY: SECTION DE COMMISSION

			rok <u>wesi</u>	Community, Town or City			
			P.S.C. KY. N	O. <u>1</u>			
			Original	SHEET NO. 7			
Mu	rray No. 3 Water Distric	ct	CANCELLIN	G P.S.C. KY. NO.			
	(Name of Utility)			SHEET NO.			
		RULES AND REC	GULATIONS				
В.	Special Non-recu	rring Charges.					
	incurred which other custom utility may e	ch would otherwise result in a ers to whom no benefits accru establish or change any speci mission approval of such charg	monetary loss to te from the servi ial nonrecurring	recover customer-specific costs the utility or increased rates to ce provided or action taken. The charge by applying for Public with the provisions of 807 KAR			
	utility. Such	curring charges will be applied uniformly throughout the area served by the harges will relate directly to the service performed or action taken and only evenue to pay the expenses incurred in rendering the service.					
		l assess a charge for the following non-recurring services in the amount listed d Charges section of this tariff:					
	a)	seasonal turn-ons, temporary	service, or tran	ssed for new service turn-ons sfer of service. The charge wil where a meter connection/tap-or			
	b)	the premises of the service c	connection to termination	hen a utility representative visits minate service, and the customer on of service. This fee may only			
	c)		KAR 5:006 Se	the delinquent amount of the bill ection 8(3)(h), a penalty may be ervices.			
	d)	authorized person requests t	hat a meter be	ed when a customer or other relocated, changed, or modified the utility for the actual costs			
	OF ISSUE	Month / Date / Year		BLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE			

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

_DATED _

IN CASE NO. ___

MAR 04 2001

PURSUANT TO 807 KAR 5:011, SECTION 8 (1)
BY: STOPPAR SECRETARY OF THE COMMISSION

		FOR 2	Western	Calloway Count Community, To	
		P.S.C. KY	Y. NO.	1	
		Original		SHEET NO	8
Murray No. 3 Water District		CANCEL	LING F	P.S.C. KY. NO	
(Name of Utility)				SHEET NO	
	RULES AND REGULA	ATIONS			
	incurred, including but not line engineering, overhead, or other re			opriate legal,	administrative,
e)	Meter Re-read Charge: Will be a to re-read the customer's meter a reading was correct.				-
f)	Meter Test Charge: Will be assiperform a test on the customer's the meter test cannot be more free the test results show the meter to of the charge shall be made and to	meter to equent that o be mor	check an once e than	for accuracy. e every twelve two (2) perce	The request for (12) months. If
g)	Reconnection Charge: Will be terminated for non-payment of Service Commission rules and a service trip for both the disconnection.	service or regulation	or for ns, and	violation of U I will include	Jtility or Public
h)	Returned Check Charge: Will returned, either due to insufficien				
i)	Service Call/Investigation Charge the onsite presence of utility per the problem is a result of the cus utility's delivery point, or not maintenance and repair of facility responsibility of the customer.	rsonnel t stomer's caused b	o inves own pl oy failt	stigate a servi lumbing facili are of utility	ce problem and ties, beyond the facilities. Any
DATE OF ISSUE	Month / Date / Year		for HEAr	un cediane nos	75.45QQ473N1
DATE EFFECTIVE	Month / Date / Year	_	F60!	LIC SERVICE OCH OF KENTUCK EFFECTIVE	
ISSUED BY Hen L	(Signature of Officer)			MAR 04 20)1
TITLE District	Manager	_	PURS	UANT TO 807 KA	IR 5:011.
	F THE PUBLIC SERVICE COMMISSIONDATED	_	کر :۲۹	SECTION 9 (1) State (1) (6) PETARY OF THE COSS) V <u>1</u>

	FOR Western Calloway County, Kentucky				
	Community, Town or City				
	P.S.C. KY. NO1				
	Original SHEET NO. 9				
Murray #3 Water District	CANCELLING P.S.C. KY. NO				
(Name of Utility)	SHEET NO.				
RIII FS & RFC	38				

FIRE DEPARTMENTS:

Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district ("User") may withdraw water from the utility's water distribution system for fighting fires or training firefighters at no charge on the condition that it maintains estimates of the amount of water used for fire protection and training during the calendar month and reports the amount of this water usage to the utility no later than the 15th day of the following calendar month.

Any User that withdraws water from the utility's water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall be assessed the cost of this water. A User shall submit a monthly report even if it withdraws no water for fire protection or training purposes.

A non-reporting User's usage shall be presumed to be 0.3 percent of the utility's total water sales for the calendar month. A non-reporting User may present evidence of its actual usage to rebut the presumed usage. The utility shall consider this evidence and shall adjust the presumed usage amount accordingly.

The non-reporting User shall be billed for this usage at the lowest usage block rate regardless of customer classification that the utility charges.

A non-reporting User shall also be assessed a penalty of \$\sum 25.00 for each failure to submit a report in a timely manner.

DATE OF ISSUEMonth / Date / Year	PUBLIC SERVICE COMMISSION
DATE EFFECTIVE December 31, 2008 Month / Date / Year ISSUED BY / / E. Y www. (Signature of Officer) TITLE (1/1/1/R/P) //	OF KENTUCKY EFFECTIVE 12/31/2008 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NODATED	By Executive Director

MURRAY, KENTUCKY 42071

A 10% Collection Charge Will Be Added If Not Paid On or Before 15th of the Month

Account No.

To Insure Proper Credit to Your Account When Remitting by Mail, Please Enclose This Coupon!

				-20	School Tax			Tax School
_381680	382460	780	4-6	6.75	WA Sales	4-6	6.75	WA Sales
Meter R Previous	Present	Used	Meter Read On	Amount	Code	Meter Read On	Amount	Code

Balance Owing From Previous Month, if any __ Total Due