

**Second Amendment to
Water Purchase Agreement**

This Second Amendment to the Water Purchase Agreement (the "Agreement") of March 19, 2013, is hereby entered into this 25 day of January, 2017 by and between:

LOUISVILLE WATER COMPANY
A Municipally-owned Corporation
Governed by the Board of Water Works
Pursuant to KRS 96.230 through 96.310
550 South Third Street
Louisville, KY 40202

("LWC")

And

HARDIN COUNTY WATER DISTRICT NO. 2
A Water District
Governed by a Board of Commissioners
Pursuant to KRS Chapter 74
P.O. Box 970
360 Ring Road
Elizabethtown, KY 42702

(HCWD2)

WITNESSETH:

WHEREAS, the Louisville Water Company (LWC) and the Hardin County Water District No. 2 (HCWD2) previously entered into a Water Purchase Agreement (the "Agreement") whereby LWC agreed to sell and HCWD2 agreed to buy potable water;

WHEREAS, LWC and HCWD2 previously entered into a First Amendment to Water Purchase Agreement and Point of Delivery Addendum ("First Amendment") whereby LWC and HCWD2 agreed to amend Paragraph 1. Quantity of Water, Item A. and B. to change the water availability and payment deadline to May 1, 2016.

WHEREAS, HCWD2 has experienced unanticipated construction delays, and LWC and HCWD2 now desire to amend the water availability and payment deadline from May 1, 2016 to May 1, 2017, and amend each subsequent payment deadline to May 1, and to amend quantity of water, in the First Amendment.

WHEREAS, The quantity of water HCWD2 is required to purchase in 2017 shall be amended to 160 million gallons annually as calculated by adding the purchase of 40 million gallons annually in 2016 as agreed in the First Amendment, and the purchase of 120 million gallons annually in 2017 listed in the Water Purchase Agreement that LWC agreed to furnish and HCWD2 agreed to purchase. Beginning in 2018, the amount of water LWC agreed to furnish and HCWD2 agreed to purchase shall revert to the terms of the Agreement (Item D).

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3/8/2017

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COMMISSION
OF KENTUCKY

NOW, THEREFORE, in consideration of the terms and conditions set forth herein, LWC and HCWD2 (hereafter, collectively referred to as the "Parties") agree as follows:

Paragraph 1. Quantity of Water, Items A. and B of the First Amendment are amended as follows to change the following time deadline:

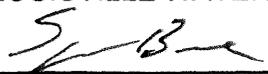
- A. No later than May 1, 2017, LWC shall make available a capacity of two (2) million gallons per day (MGD);
- B. No later than May 1, 2017, HCWD2 shall pay monthly to LWC the cost for the actual quantity of water used, but not less than 160 million gallons annually;

Paragraph 1. Quantity of Water, Items D.- H. in the Water Purchase Agreement, the date in each of these Items shall be changed from January 1 to May 1 of the year specified in each of these items.

All other terms and conditions as outlined in the Water Purchase Agreement dated March 19, 2013, and in the First Amendment dated August 27, 2015, which are not contrary to the terms and conditions contained in this Second Amendment, are in full force and effect as if fully restated herein. To the extent of any conflict in terms and conditions, the provisions of this Second Amendment prevail over the provisions of the Contract and the First Amendment.

IN TESTIMONY WHEREOF, witness the signatures of the Parties by their duly authorized officers (as evidenced by resolutions of their respective governing boards) as of the day and year first above written, it being understood and agreed that this Second Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

For
LOUISVILLE WATER COMPANY



Spencer W. Bruce, PE
President & CEO

For
HARDIN COUNTY WATER DISTRICT NO. 2



Michael L. Bell, Chairman

Approved for Legality and Form:



Michael F. Tigue, Vice President
Compliance, General Counsel and
Corporate Secretary
Louisville Water Company

