

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 1:**

Please confirm that the emails produced in discovery are complete that reflect the change in American Water's decision to completely exit billing services.

**Response:**

After reviewing the files and discovery request, the Company believes that all of the emails produced in discovery are complete that reflect the change in American Water's decision to completely exit billing services.

**KENTUCKY-AMERICAN WATER COMPANY  
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**Question 2:**

Please list which American Water operating subsidiaries currently have a billing services contract in place and the location of the contract.

**Response:**

The only operating subsidiary currently to have a billing services contract in place is Illinois American Water, for the Village of Bolingbrook.

**KENTUCKY-AMERICAN WATER COMPANY  
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**Question 3:**

Please list the meetings that Cheryl Norton attended regarding the collaborative effort that was initiated following Case No. 2010-00036.

**Response:**

March 29, 2011 and December 18, 2012.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
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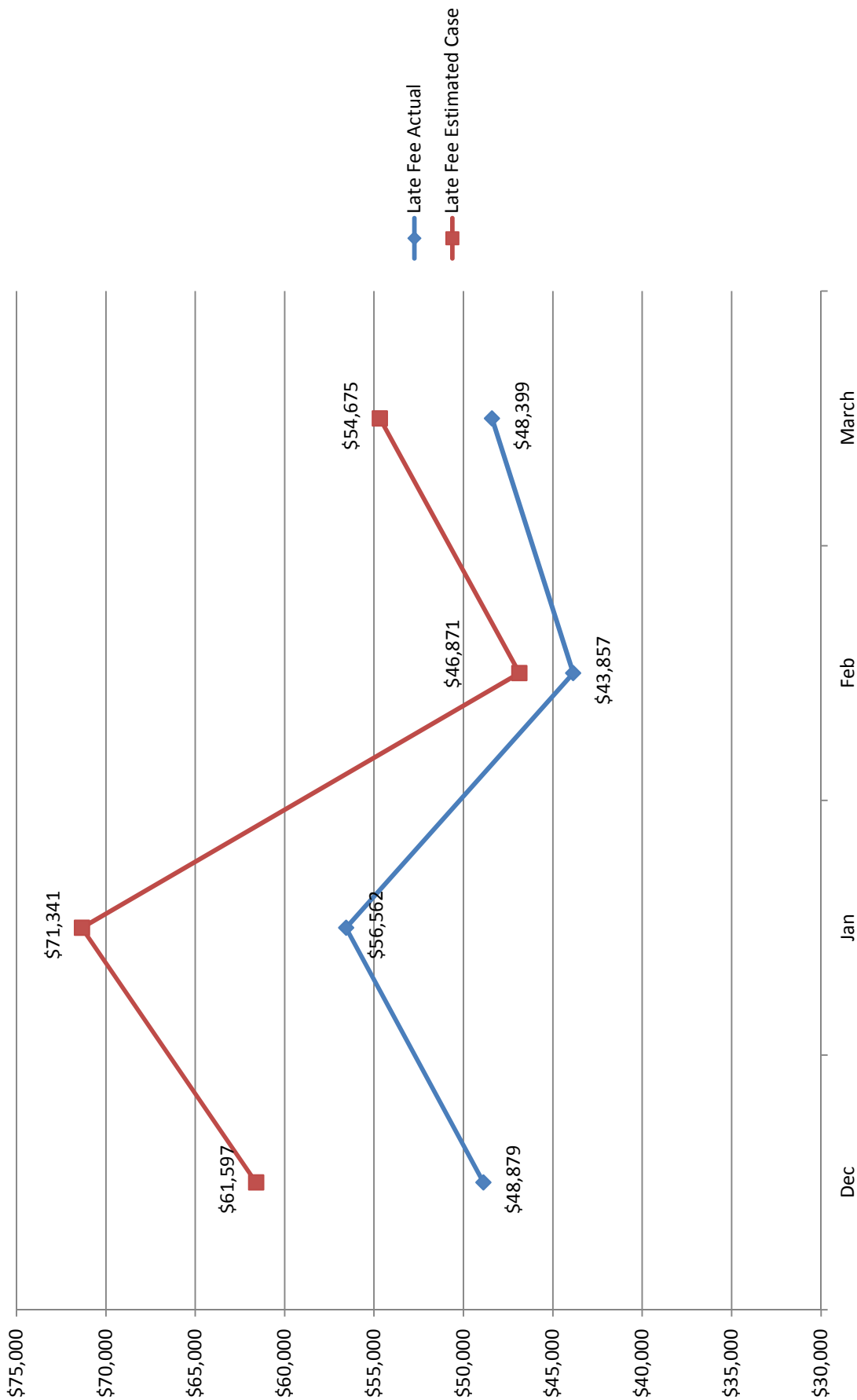
**Question 4:**

Please provide the data supporting the decrease in late fees and reconnection charges referenced in Cheryl Norton's rebuttal testimony.

**Response:**

Please see the attached graph for the data related to late fees. The data related to reconnection charges was distributed during Melissa Schwarzell's hearing testimony as KAWC Exhibit No. 2.

### Kentucky American Water Late Payment Fees - Estimated vs. Actual December 2012 - March 2013



**KENTUCKY-AMERICAN WATER COMPANY  
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**Question 5:**

Please provide a copy of the results of the customer surveys that Kentucky American performed regarding customers' knowledge regarding who provided their water and sewer service prior to the termination of the third party billing arrangement with LFUCG.

**Response:**

Please see the attached survey results from September/October 2011.



**KENTUCKY**  
**AMERICAN WATER**

# Water Infrastructure & Water Quality Awareness Study

Presentation of Findings

*November 2011*

# Research Methodology

- This baseline awareness study sought to determine customers' knowledge of the water delivery process, customers' overall satisfaction with the water utility, and perceptions of Kentucky American Water and the water delivery system itself, among other issues.
- Data were collected and tabulated by Preston-Osborne of Lexington, Kentucky, between September 6 and October 3.
- Residential customers were selected at random from lists provided by KAW.



# Research Methodology

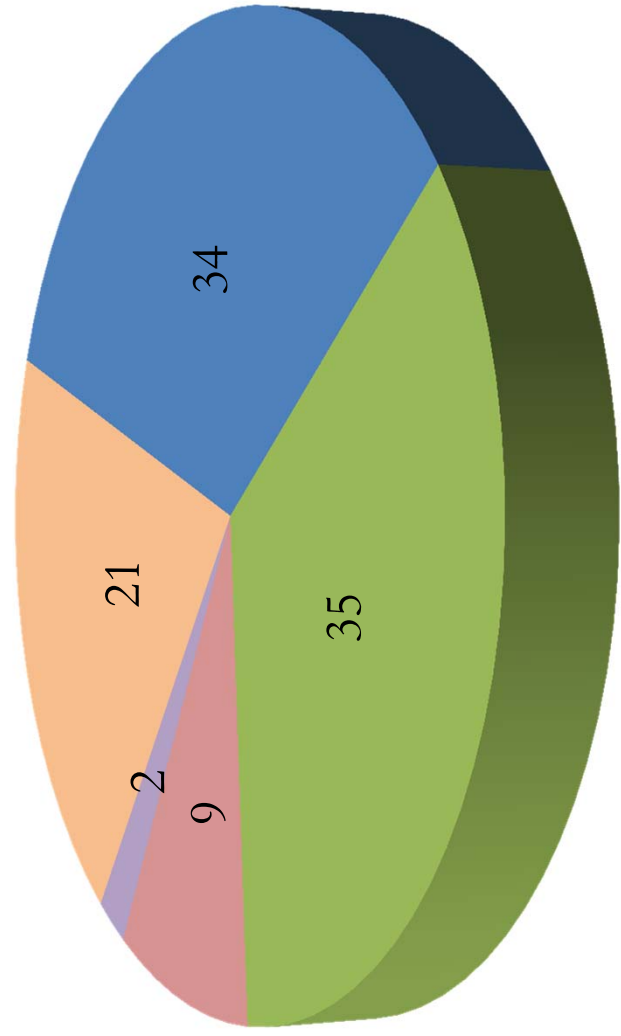
*(continued)*

- Using a 10-minute survey instrument, a total of 503 telephone interviews were conducted.
  - 401 among Fayette County customers
  - 102 among customers living in the eight outlying counties for which KAW serves residential customers.
- A total sample size of 503 results in a maximum margin of error of  $\pm 4.37$  percentage points at the 95 percent confidence level. The margin of error for Fayette County respondents (401) is  $\pm 4.89$  points, and is  $\pm 9.70$  points for all customers living in the outlying counties (102). All margins of error are calculated at the 95 percent confidence level.
- All data were weighted to reflect an appropriate distribution of customers by county.

# Summary of Findings

# Sewer service provider as identified by customer

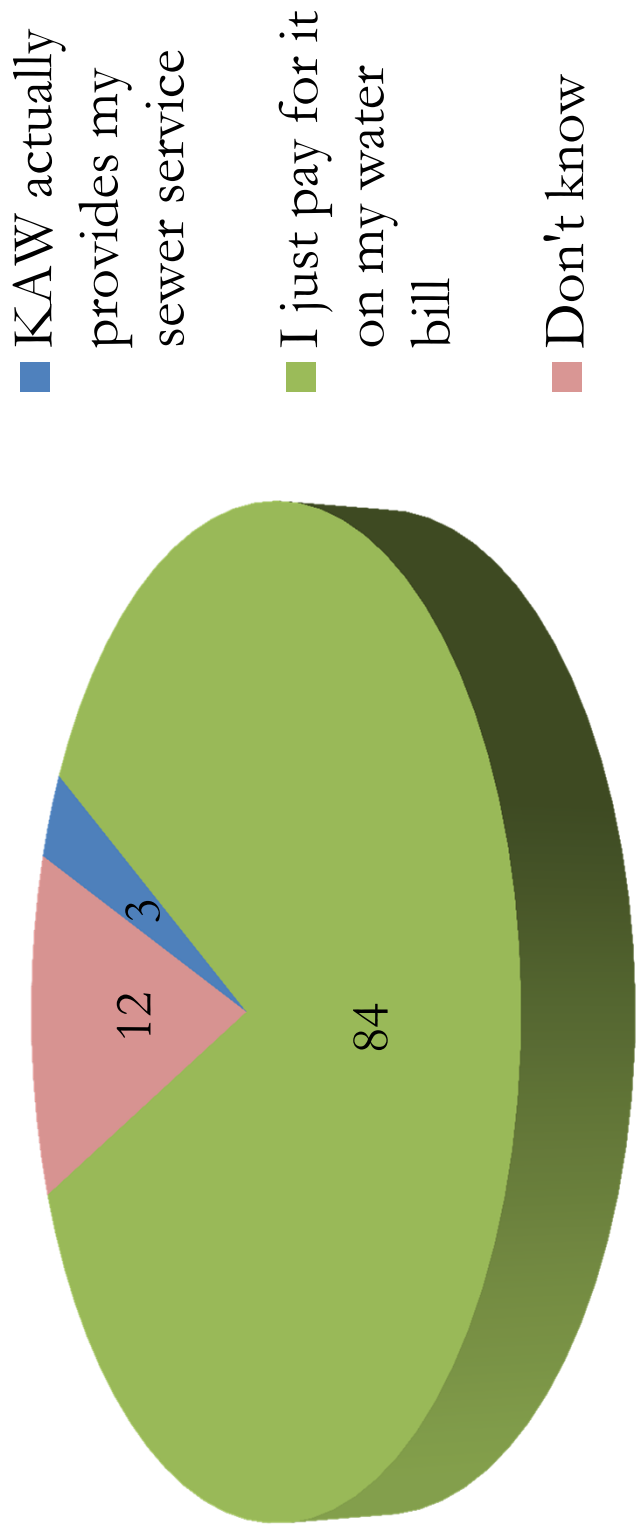
- Kentucky American Water
- LFUGG
- I have a septic system
- Other
- Don't know



Question: Who provides your sewer service?

# Kentucky American Water's role regarding sewer service

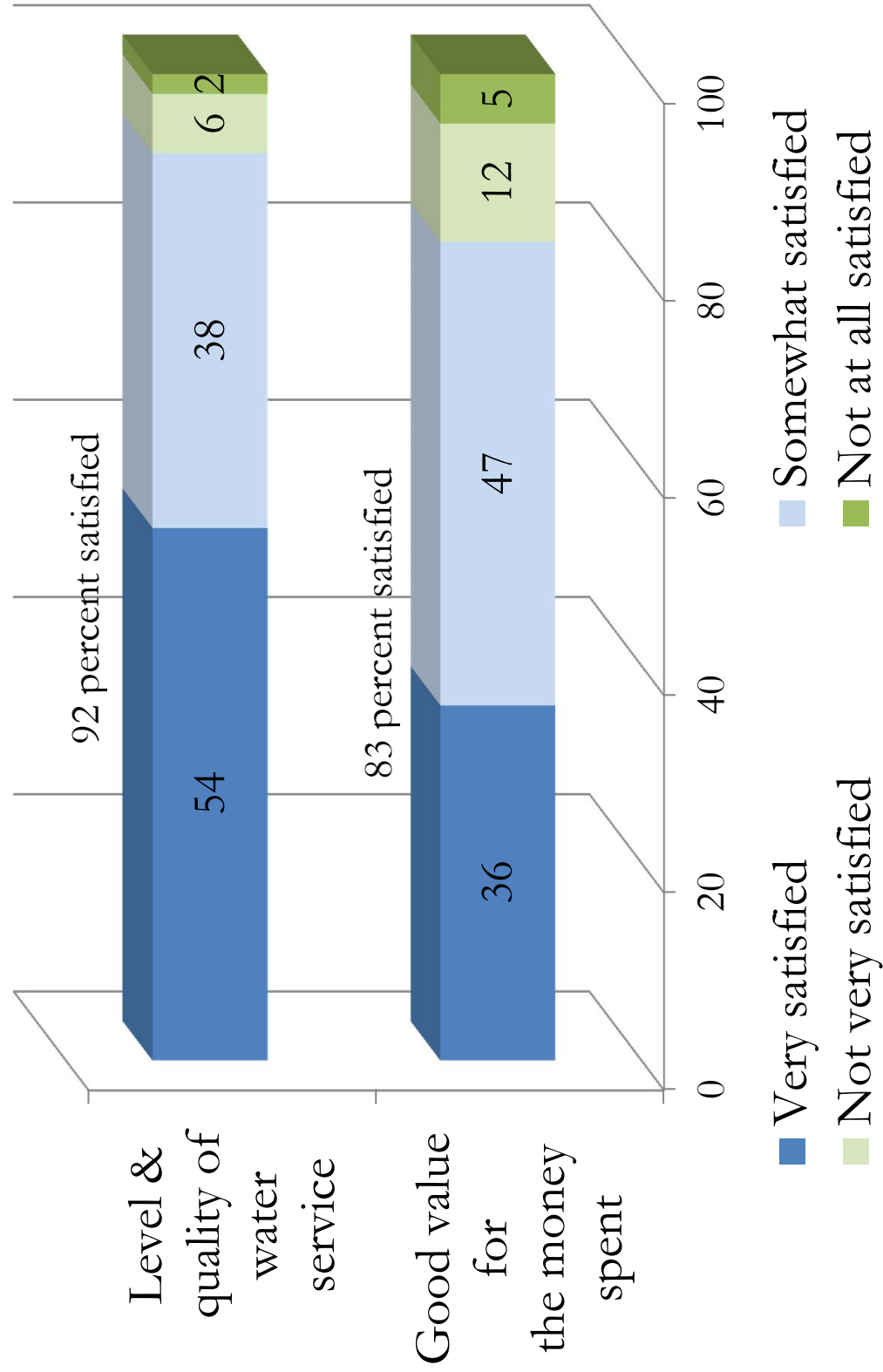
*(among those who said KAW provides their sewer service)*



Question: Does Kentucky American Water actually provide your sewer service itself, or do you just pay for it on your water bill?

# Satisfaction ratings

*(using 4-category scale)*



Question: Overall, how satisfied are you with the level and quality of your water service provided by Kentucky American Water?

Question: How satisfied are you that you receive a good value for the money you spend on your water service?

# Reasons for satisfaction ratings on the level & quality of water service provided by KAW

- There is nothing negative to say about the water company. We turn the faucet on, and there it is. It's exactly what you'd expect.
- I have no issues with the quality of water or its delivery.
- It tastes good, I don't have to filter it, and the cost is good. Overall, I have no problems.
- The water tastes funny, like rusty nails. It tastes nasty; I don't like to drink it.
- It is because of the bill increase.
- I lose water pressure sometimes.
- It is because of some initial start-up issues.
- Every month, we have days where the water is brown and dirty.
- There are too many chemicals in the water. It costs too much for such low quality, and the water is unhealthy.
- It is overpriced, and there are ownership issues.
- The people are arrogant, and they increased the bill unexpectedly.
- The company is no longer community owned.
- My water is hard, and they cut off my neighbor's water and tried to charge me for the reconnection fee for it.

# Comparisons: Satisfaction with the level & quality of water service provided by KAW\*

	<u>Satisfied</u> (scores of “very satisfied” & “somewhat satisfied” combined)	<u>Dissatisfied</u> (scores of “not very satisfied” & “not at all satisfied” combined)	Don’t know/ refused
	93%	5%	2%
12/05	89	9	2
07/06	93	5	2
09/06	89	9	2
08/07	88	8	4
01/08	92	9	0

\*Note: The wording for previous studies differed slightly (“How satisfied would you say you are with the level and quality of service of the local water company?”)

# Comparisons: Satisfaction with value based on the money spent for water service\*

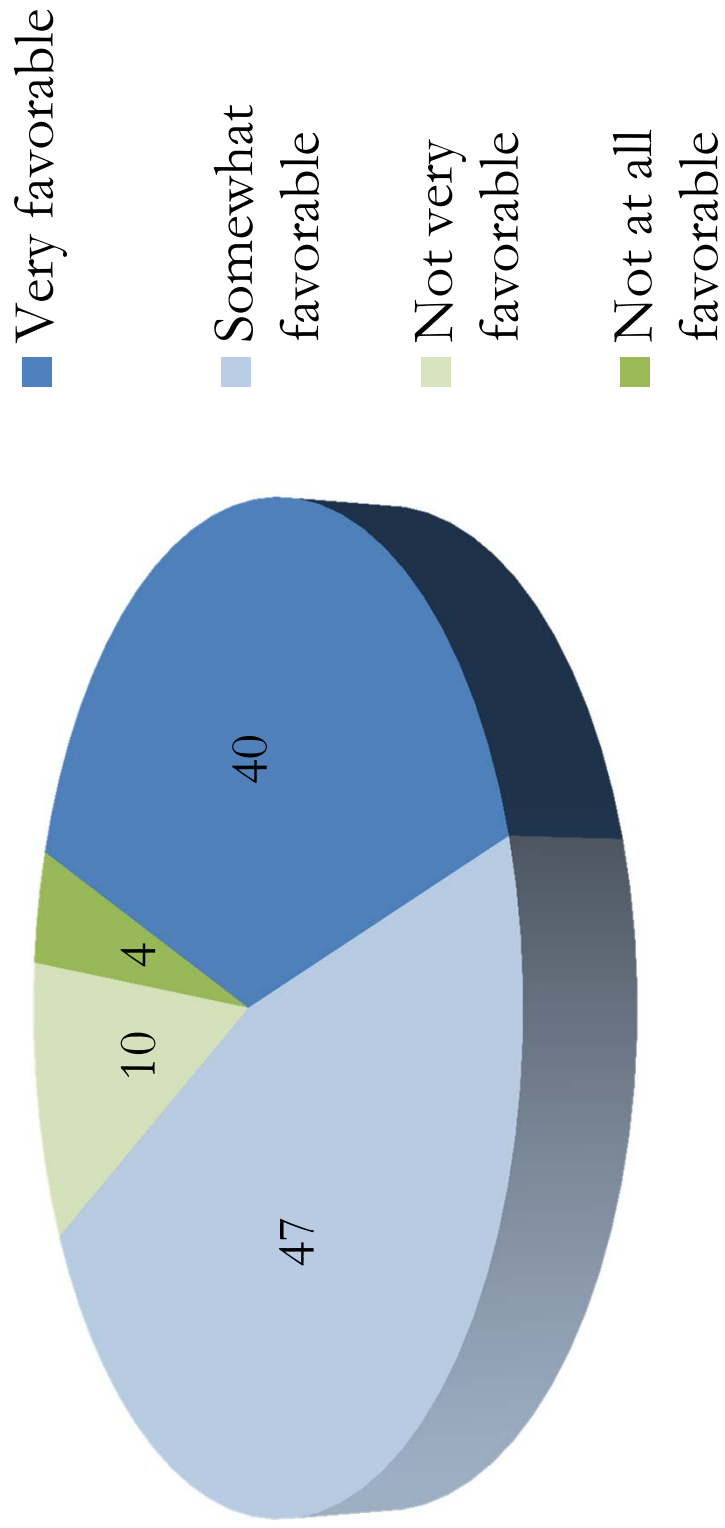
	<u>Satisfied</u> (scores of “very satisfied” & “somewhat satisfied” combined)	<u>Dissatisfied</u> (scores of “not very satisfied” & “not at all satisfied” combined)	Don’t know/ refused
12/05	86%	8%	6%
07/06	81	12	7
09/06	88	7	5
08/07	81	12	7
01/08	82	14	3
10/11	83	17	1

\*Note: The wording for previous studies differed slightly (“How satisfied would you say you are with the rates you pay for water?”)



# Opinion of Kentucky American Water

*(using 4-category scale)*



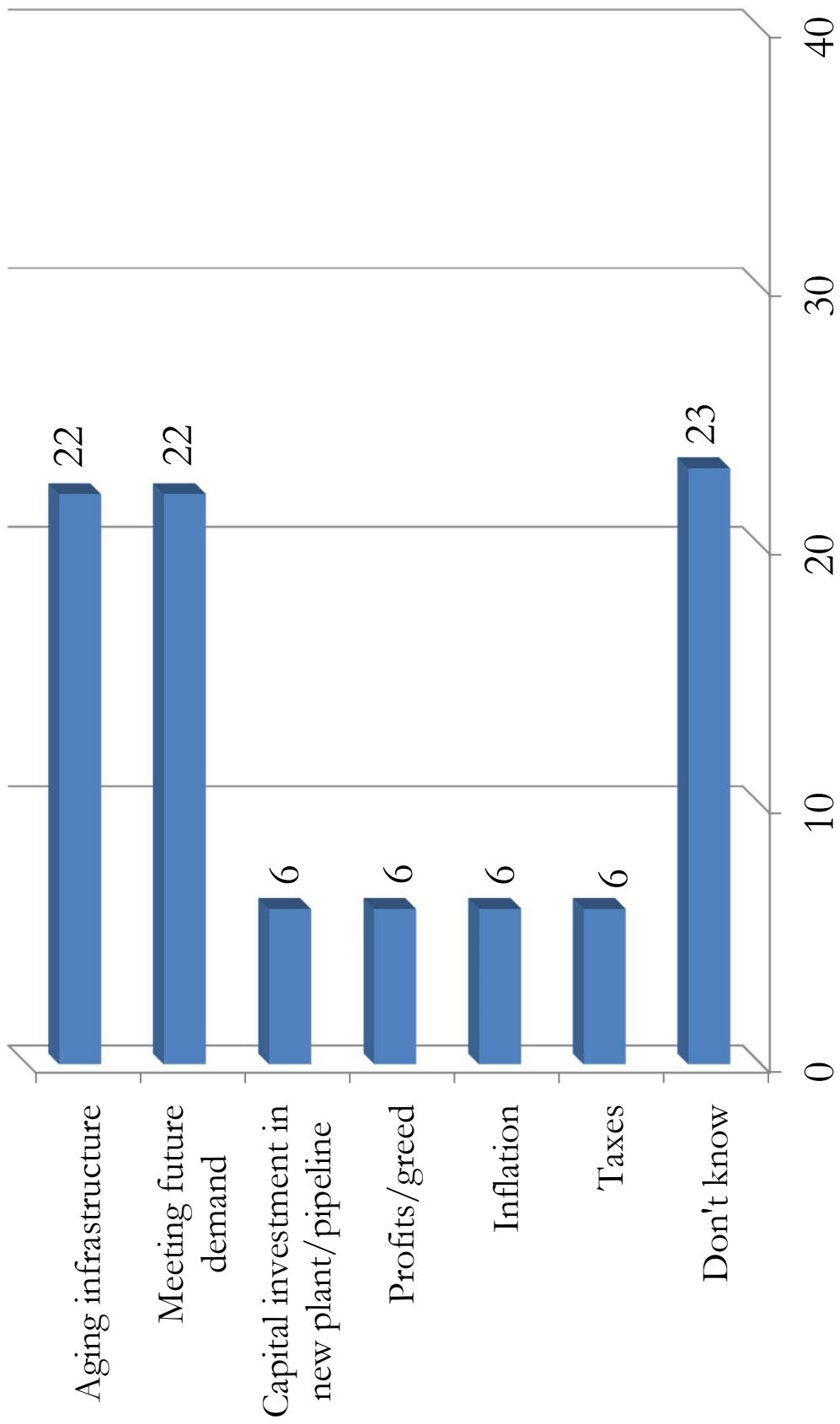
Question: Overall, how would you describe your opinion of Kentucky American Water?

# Comparisons: Impression of Kentucky American Water

	<u>Favorable</u> (scores of “very favorable” & “somewhat favorable” combined)	<u>Unfavorable</u> (scores of “somewhat unfavorable” & “very unfavorable” combined)	No opinion/ Never heard/ Refused
04/03	76%	17%	5%
05/03	76	15	8
07/03	77	14	8
10/03	75	17	7
11/03	76	17	7
04/04	72	19	8
05/04	70	17	13
09/04	65	25	10
01/05	63	25	12
09/05	69	24	7
12/05	73	20	8
06/06	71	18	11
09/06	73	18	10
10/06	75	15	10
07/07	71	19	10
01/08	68	26	5
10/11	86	14	1

## Reasons the cost of water service will most likely go up in the future

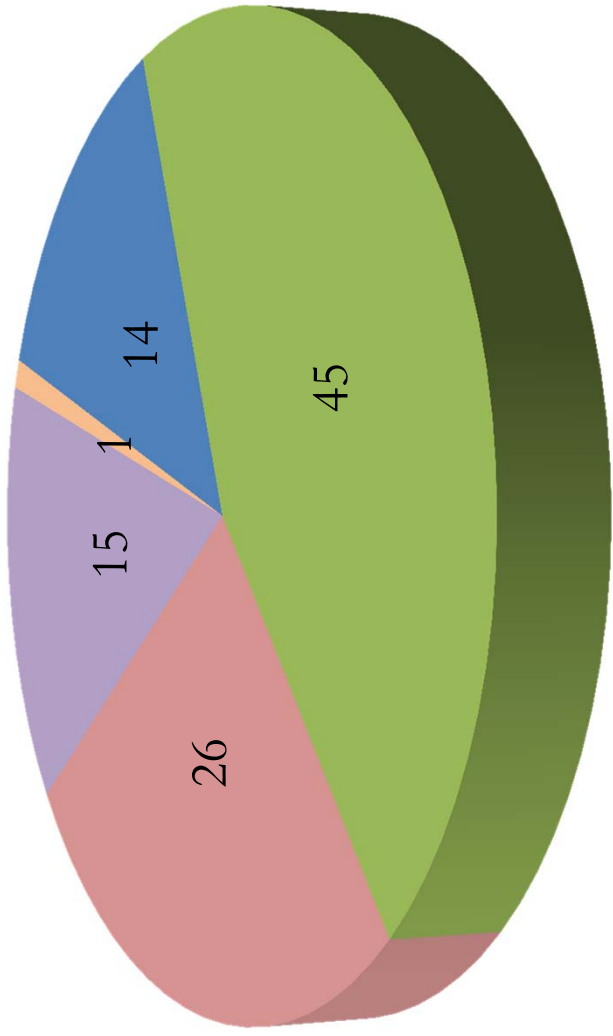
*(multiple responses allowed; includes responses mentioned by at least 6 percent of all respondents)*



Question: Based on what you know, have read, or have heard, what do you believe are the reasons or things that will most likely cause the cost of water service to go up in the future?

# The percentage of the bill that KAW actually receives from each customer's water bill

- 90 percent
- 75 percent
- 50 percent
- Less than 50 percent\*
- Don't know

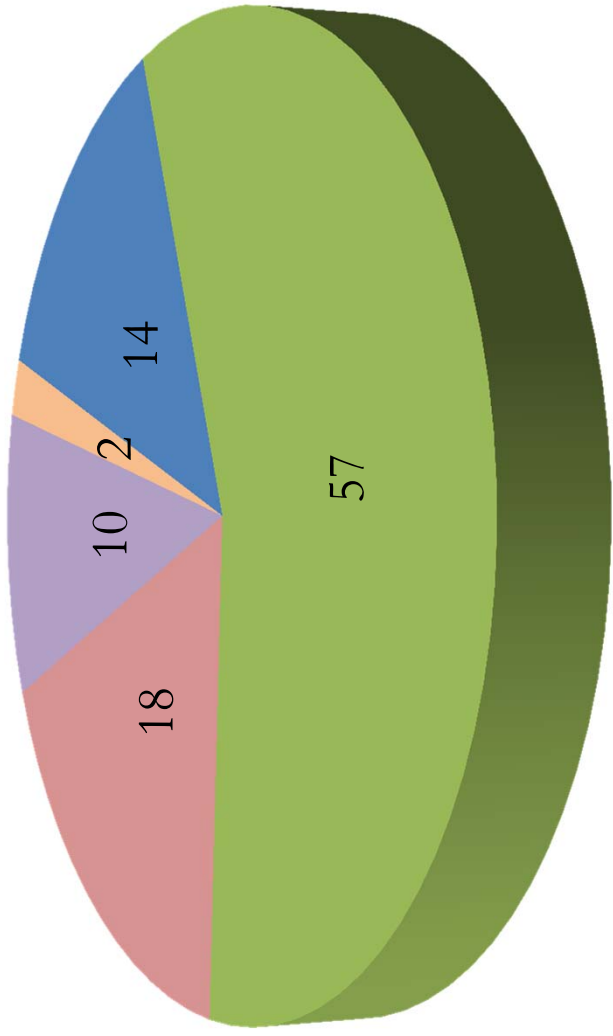


*\*Correct answer choice*

Question: In Fayette County, the payment customers make to KAW actually covers a variety of services. A portion of your bill from KAW is fees KAW collects for other entities and for taxes. Of the total amount, generally, what percentage does KAW actually receive?

## The amount KAW charges for every one gallon of water delivered

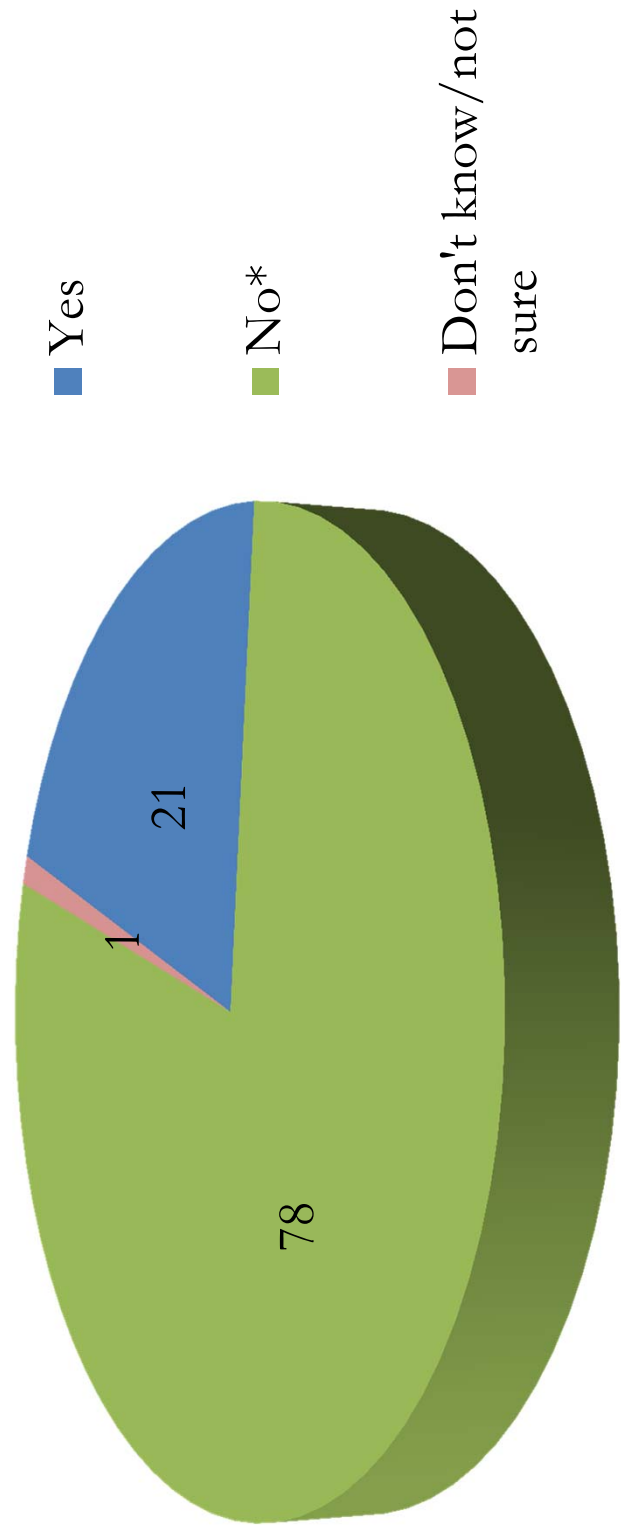
- Less than one penny\*
- More than one penny, but less than 50 cents
- More than 50 cents, but less than one dollar
- One dollar or more
- Don't know/refused



*\*Correct answer choice*

Question: If you had to guess, how much is the average Kentucky American Water customer charged for every one gallon of water delivered to their home?

Is KAW permitted to lower or raise its rates without permission from any other entity

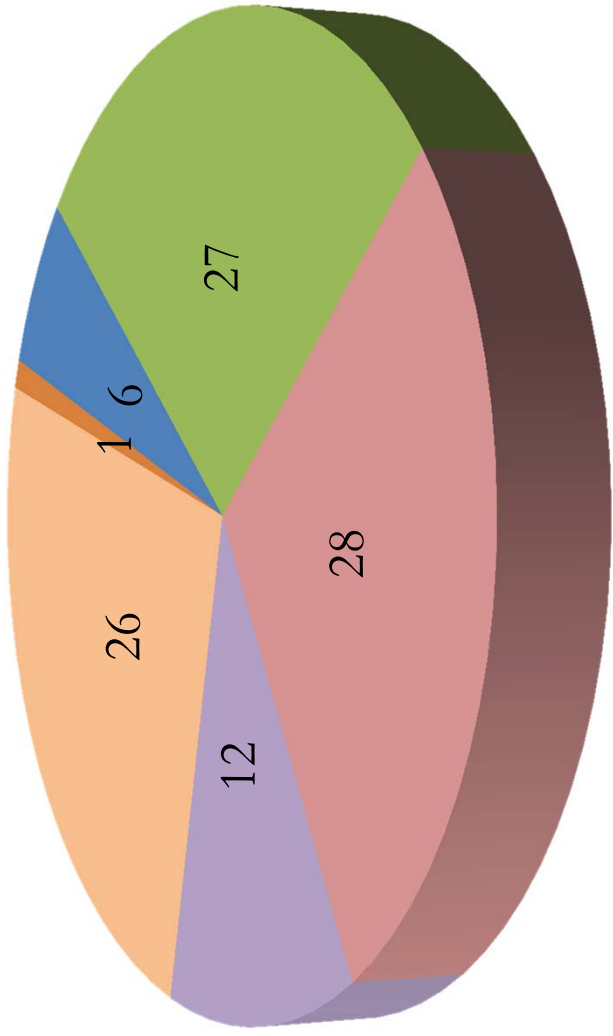


\*Correct answer choice

Question: Is Kentucky American Water permitted to lower or raise its rates without permission from any other entity?

# Length of time KAW can meet this region's current and future water needs

- Less than 5 years
- 5 to 10 years
- 10 to 20 years
- 20 to 30 years\*
- More than 30 years
- Don't know

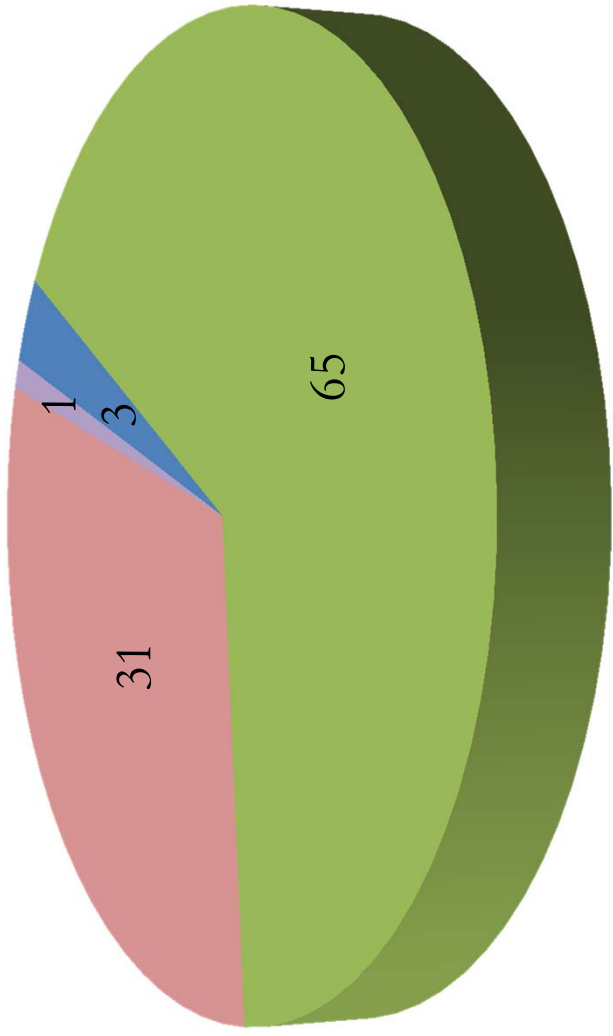


*\*Correct answer choice*

Question: Based on the current water supply, how long can Kentucky American meet this region's current and future water needs?

## Kentucky American's compliance with federal water quality regulations

- Falls below water quality standards
- Meets water quality standards
- Exceeds water quality standards\*
- Don't know

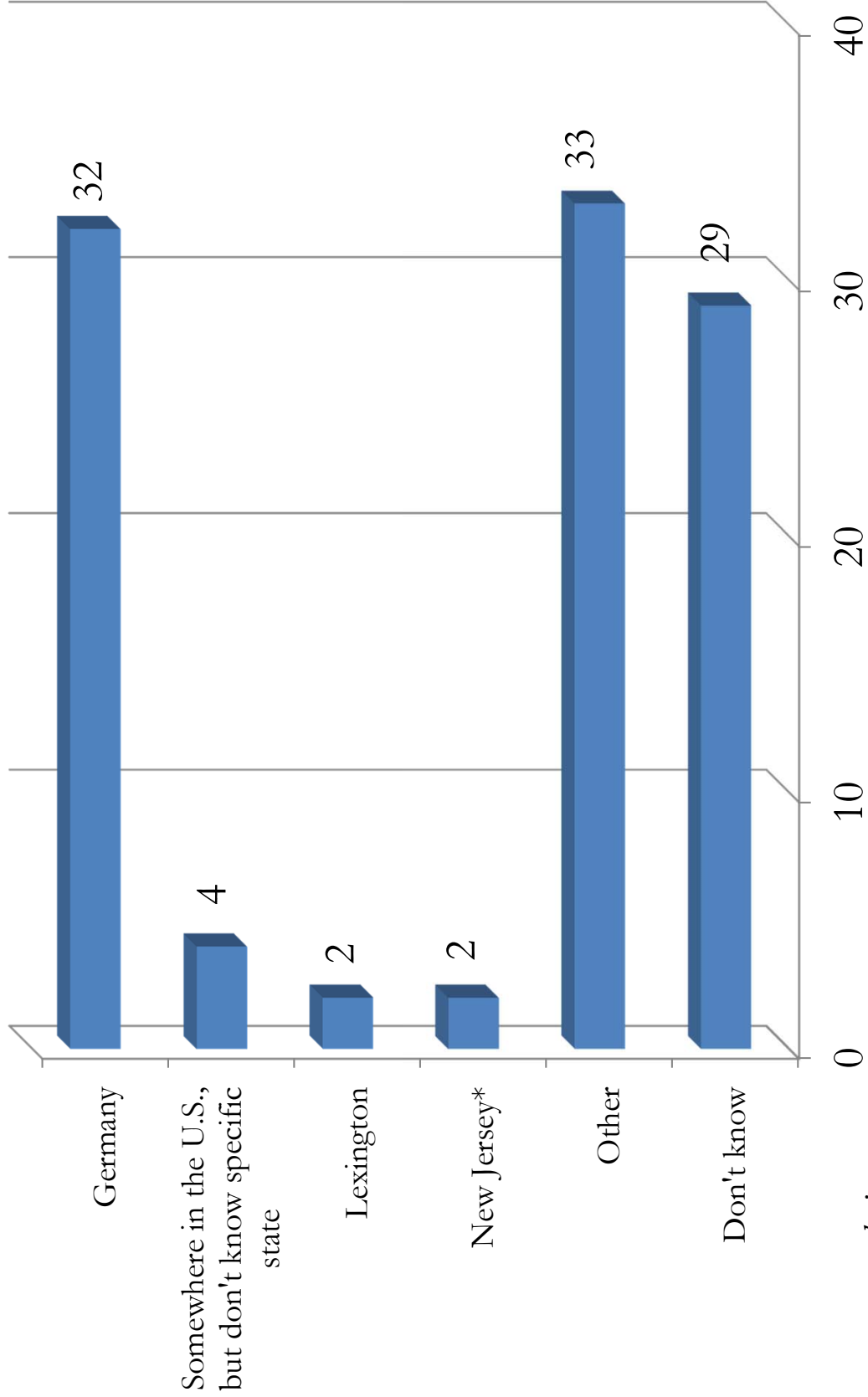


\*Correct answer choice

Question: When it comes to complying with federal water quality regulations, does Kentucky American typically fall below water quality standards, meet water quality standards, or exceed water quality standards?



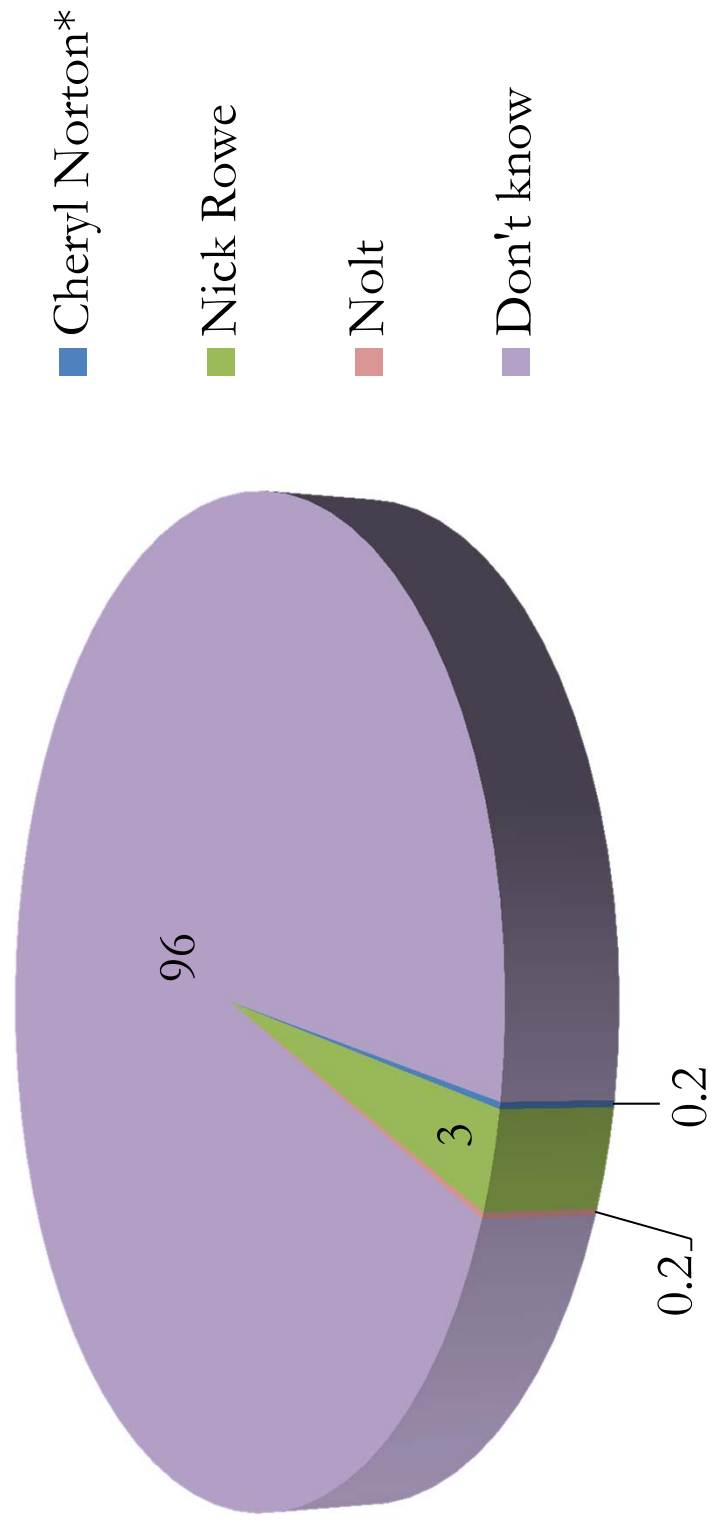
# Customer perceptions of where Kentucky American Water's headquarters are located



\*Correct answer choice

Question: As you may or may not know, Kentucky American Water is part of a larger water company. Can you tell me where that larger company is headquartered?

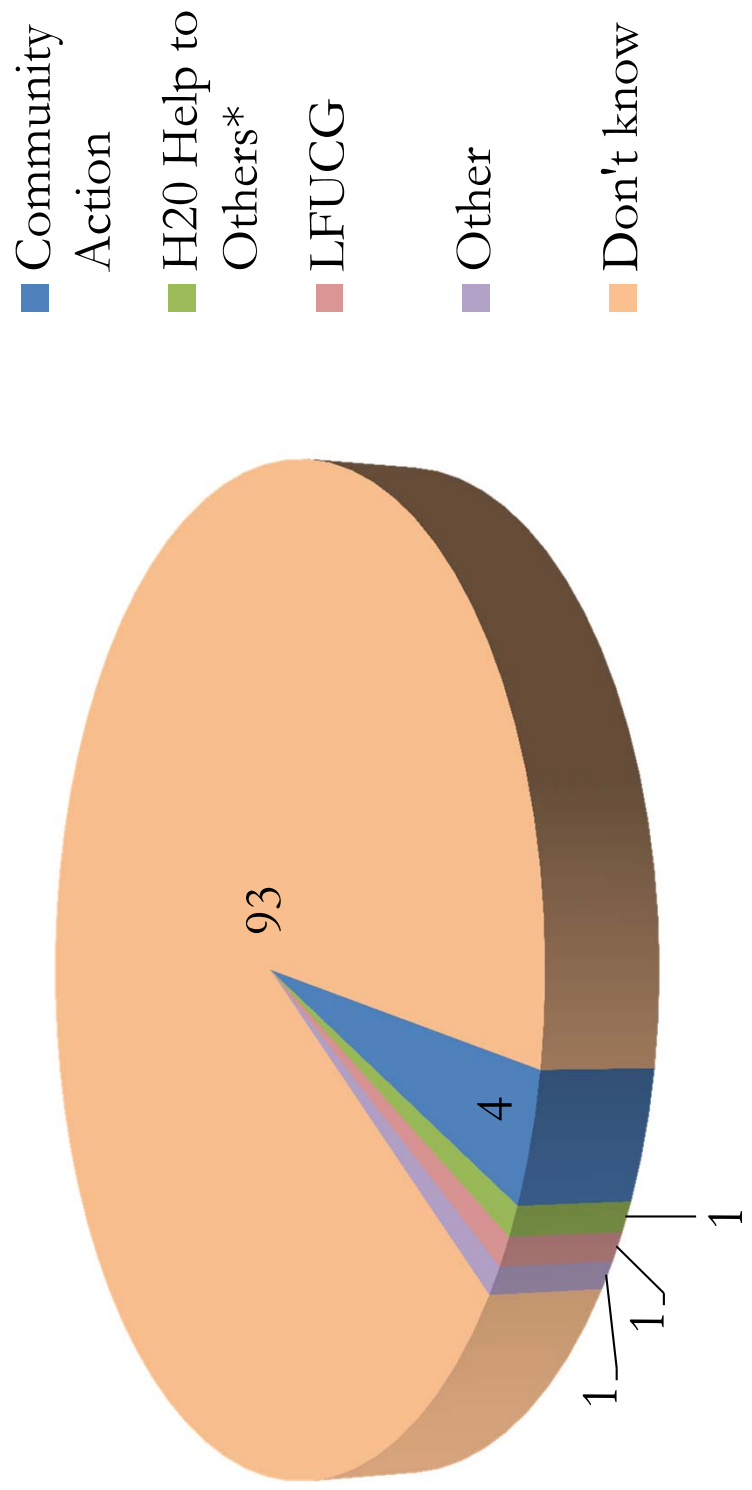
# The name of KAW's current president



*\*Correct answer choice*

Question: Do you know the name of Kentucky American Water's current president?

# Name for program that assists eligible low-income customers with water bill payment



*\*Correct answer choice*

Question: Kentucky American Water partners with a local agency to provide water bill payment assistance to eligible, low-income customers. Can you tell me the name of this program?

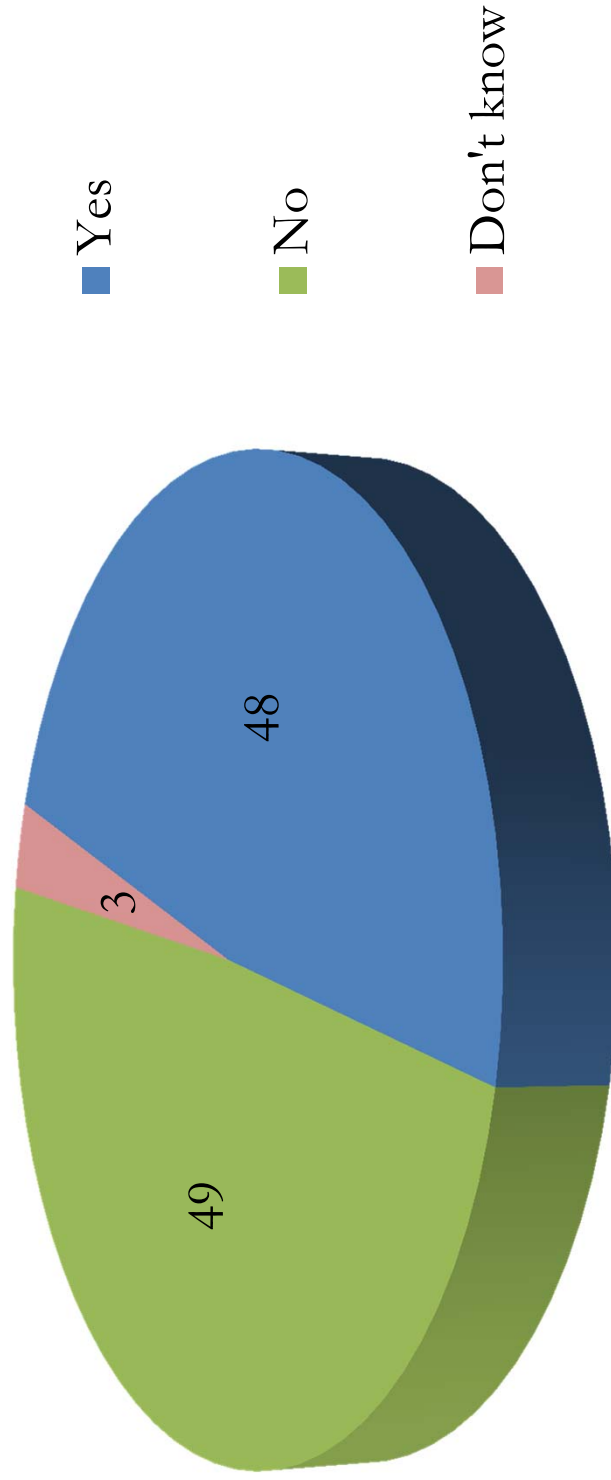
# Customer Scorecard

*(ranked by the percentage of customers who provided the correct answer choice)*

Question topic	“Correct” percentage
Process for rate increases	78%
KAW’s compliance with federal water quality regulations	31
Percentage of the bill KAW receives*	15
Price per one gallon of water delivered	14
Length of time KAW can meet this region’s water needs	12
Location of KAW’s headquarters	2
Name for water bill payment assistance program	1
Name of KAW’s current president	<1

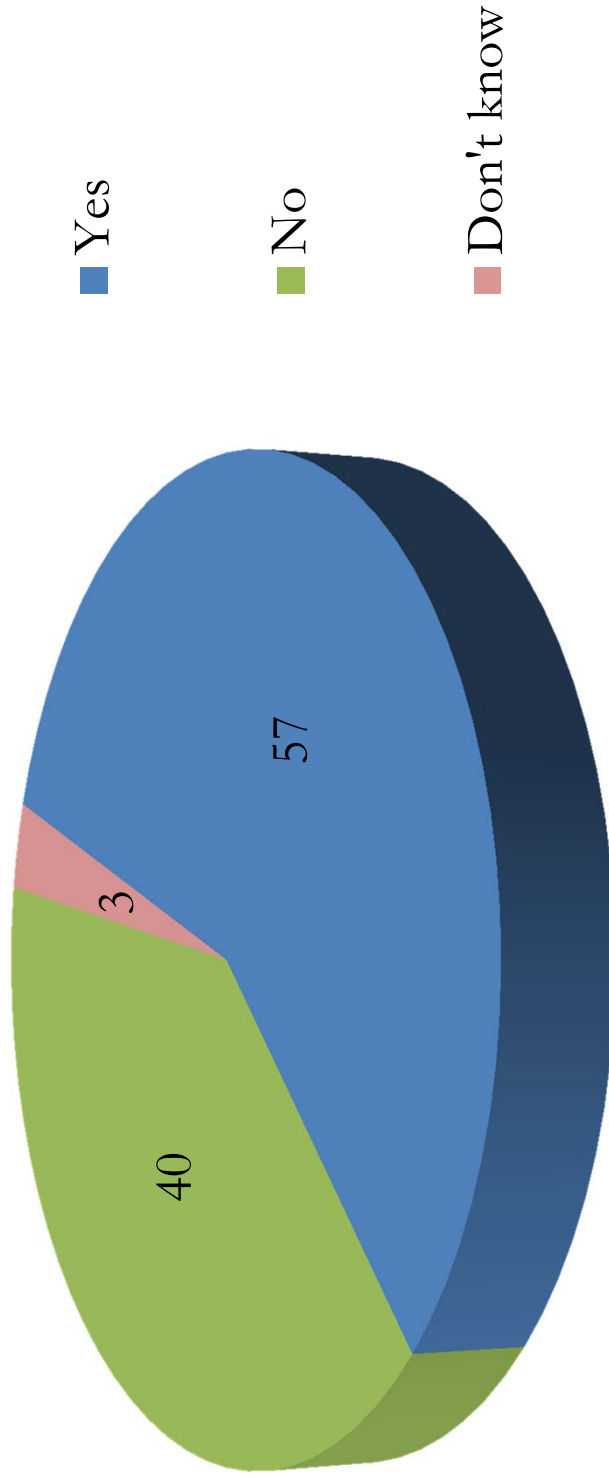
*\*This question was only asked of Fayette County customers.*

## Local water system facing challenges



Question: Due to the age of many of our nation's water systems, cities can be faced with challenges related to water reliability, quality, and safety. Is your local water system facing any of these challenges?

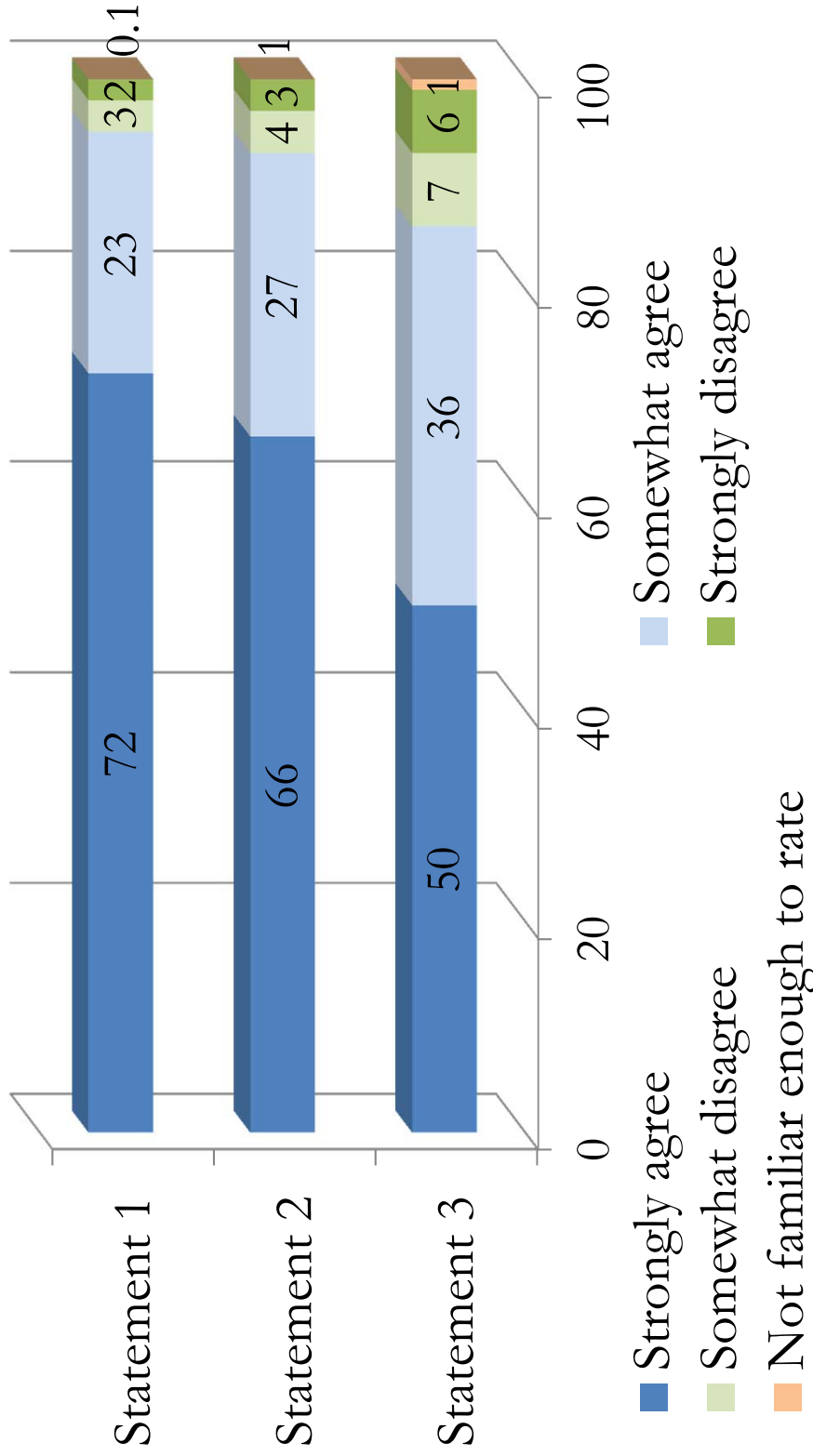
## Local wastewater system facing challenges



Question: Many wastewater systems in our country also are facing similar challenges related to water reliability, quality, and safety. Is your local wastewater system facing any of these challenges?

## Agree/disagree statements: Chart 1 of 3

*(using 4-category scale)*

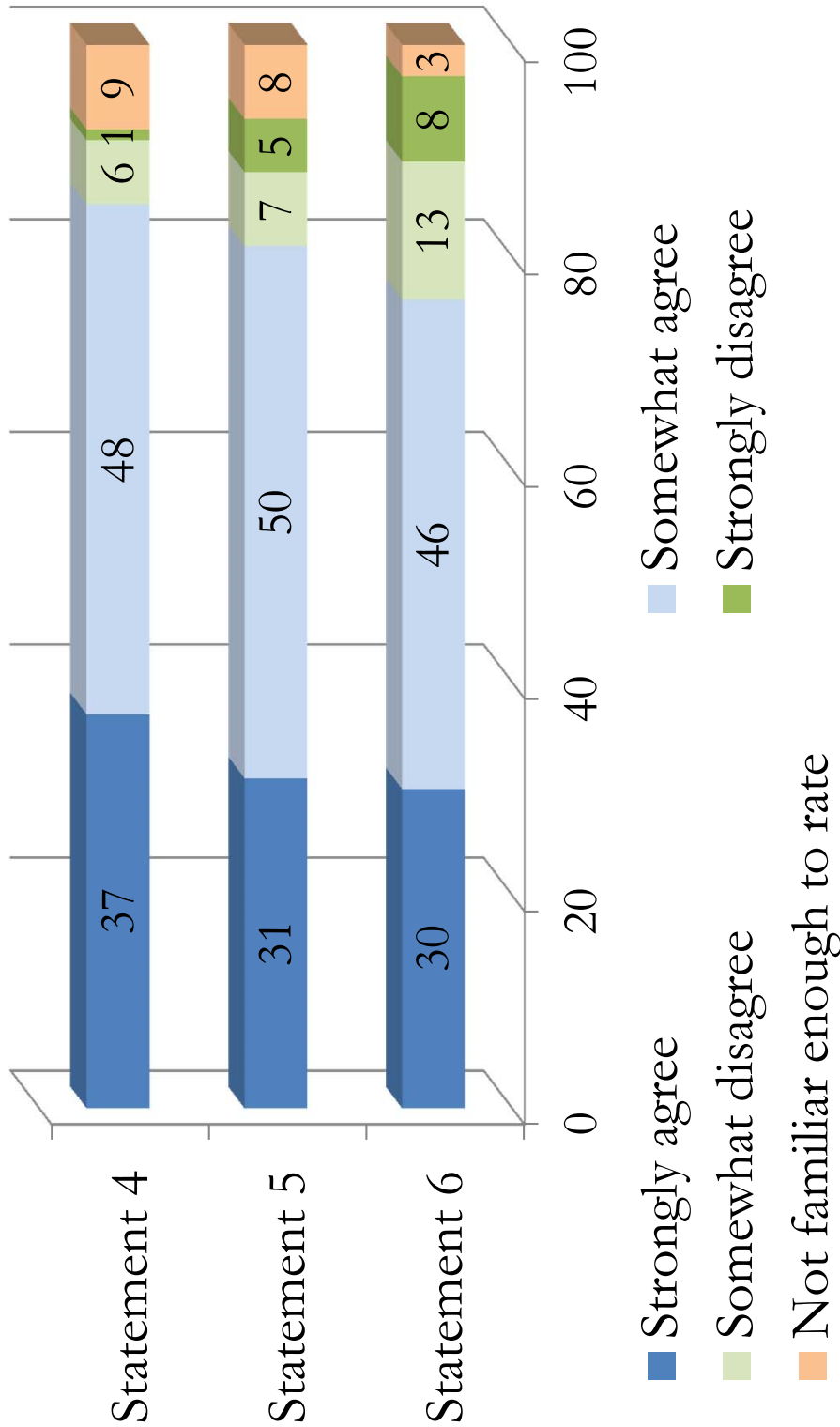


### Statements 1-3 ranked by percentage who “agree”

1. An adequate water supply is necessary to bring businesses and jobs to Kentucky (95 percent);
2. Up-to-date water systems are necessary to bring businesses and jobs to Kentucky (93 percent); and
3. Although it may come at a cost to the consumer, Kentucky American Water should do whatever is necessary to keep up with changing water quality standards (86 percent).

## Agree/disagree statements: Chart 2 of 3

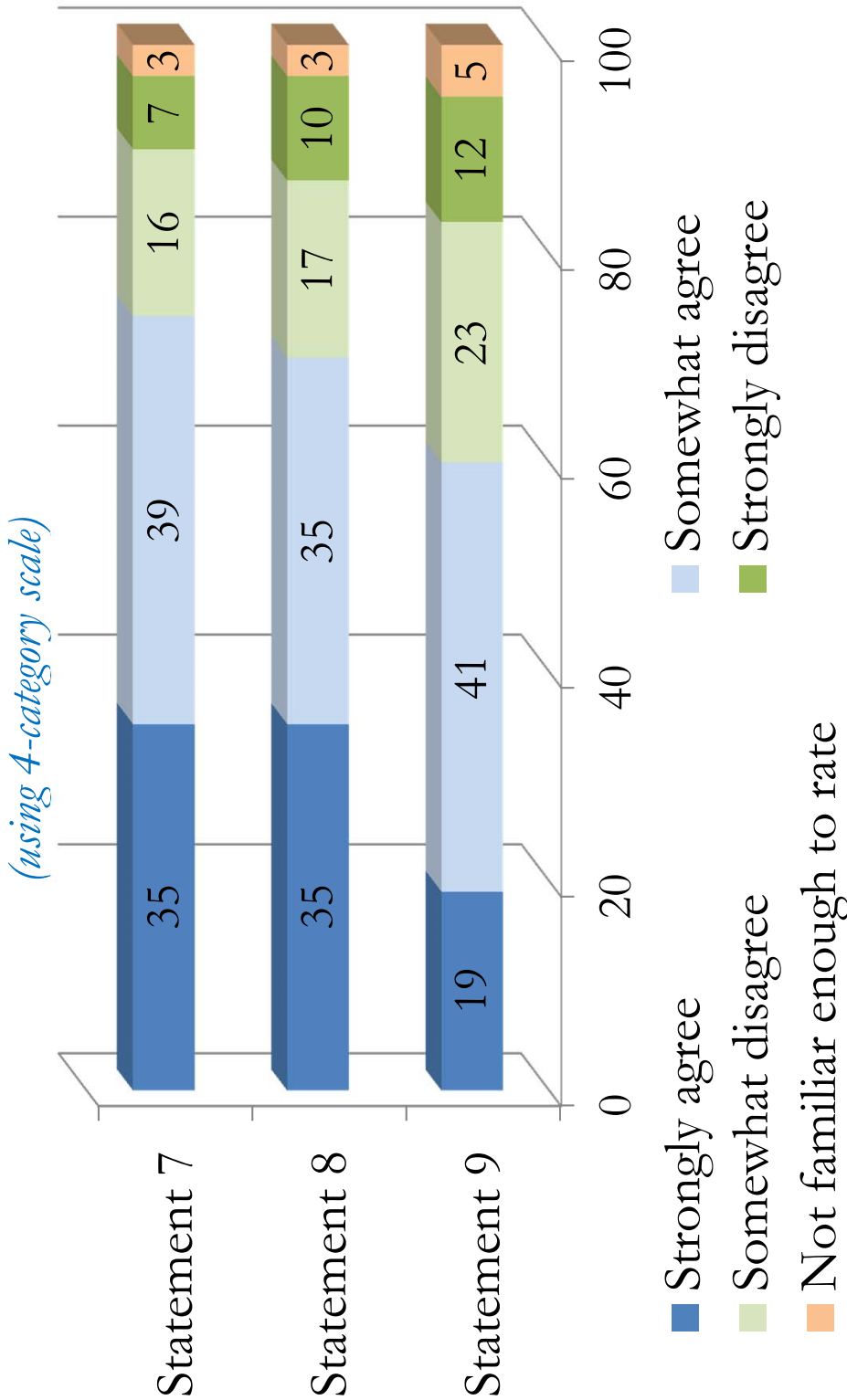
*(using 4-category scale)*



- Statements 4-5 ranked by percentage who “agree”
- 4. Kentucky American Water is an environmentally friendly company (84 percent);
  - 5. Kentucky American Water is involved in the community in beneficial ways (81 percent); and
  - 6. Kentucky American Water is a company I can trust (77 percent).



## Agree/disagree statements: Chart 3 of 3

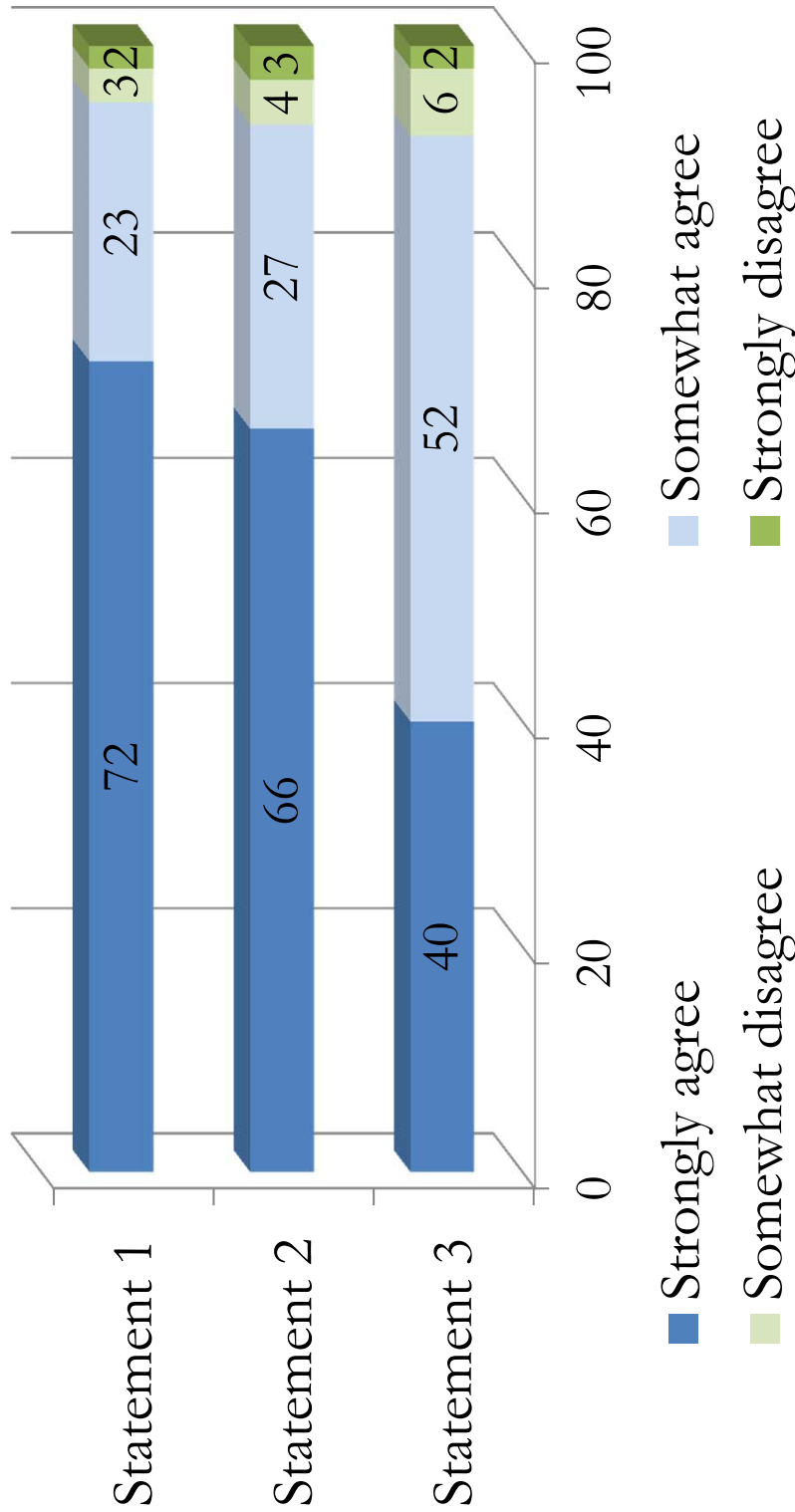


Statements 7-9 ranked by percentage who “agree”

7. Kentucky American Water does a good job of keeping me informed about water conservation (74 percent);
8. Kentucky American Water does a good job of keeping me informed about water quality (70 percent); and
9. Kentucky American Water does a good job of keeping me informed about water system upgrades and investments (60 percent).

## Agree/disagree statements: Chart 1 of 3

*(using 4-category scale; excluding those who said “not familiar enough to rate”)*

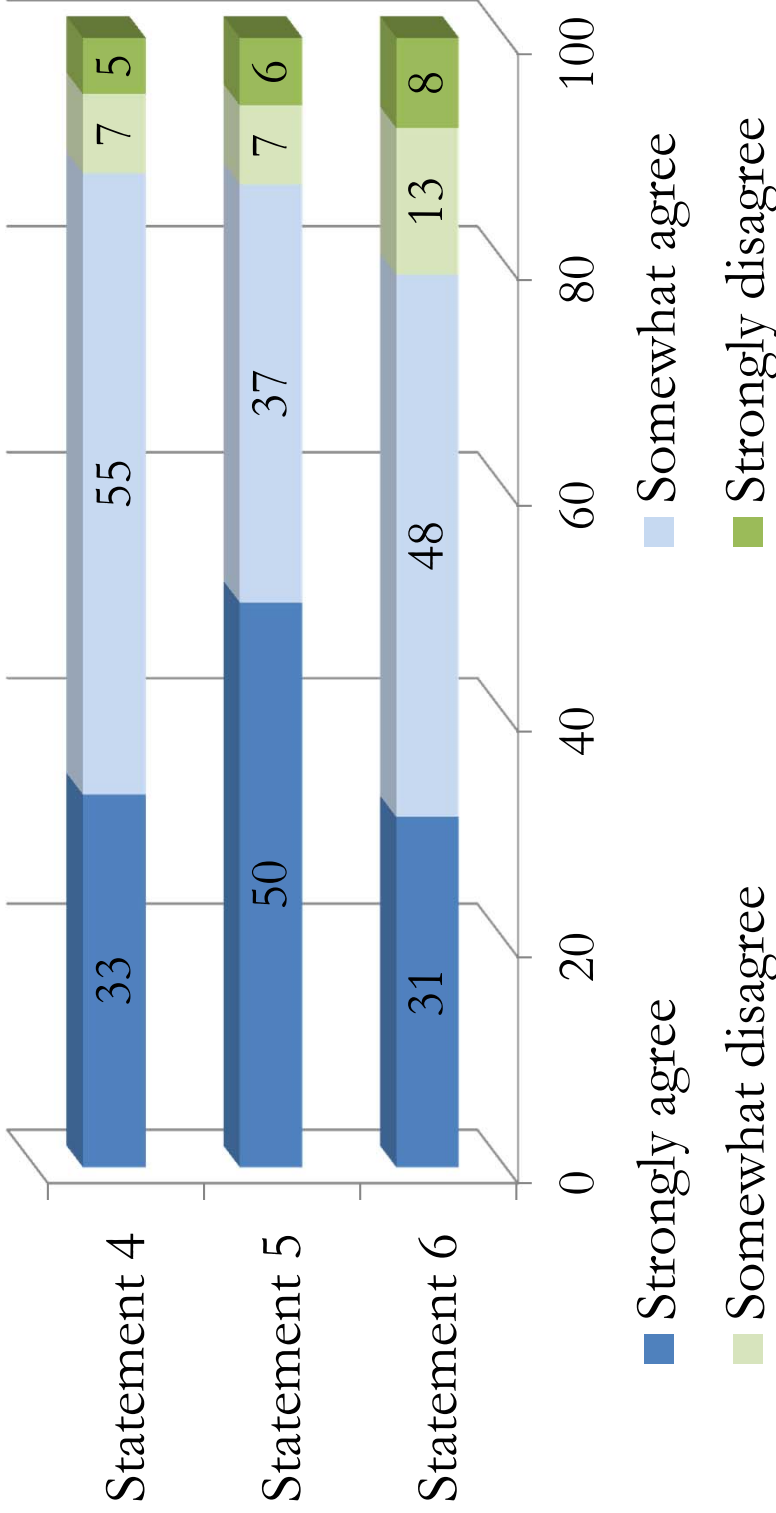


Statements 1-3 ranked by percentage who “agree” (recalculated to exclude responses of “not familiar enough to rate”)

1. An adequate water supply is necessary to bring businesses and jobs to Kentucky (95 percent);
2. Up-to-date water systems are necessary to bring businesses and jobs to Kentucky (93 percent); and
3. Kentucky American Water is an environmentally friendly company (92 percent).

## Agree/disagree statements: Chart 2 of 3

*(using 4-category scale; excluding those who said “not familiar enough to rate”)*

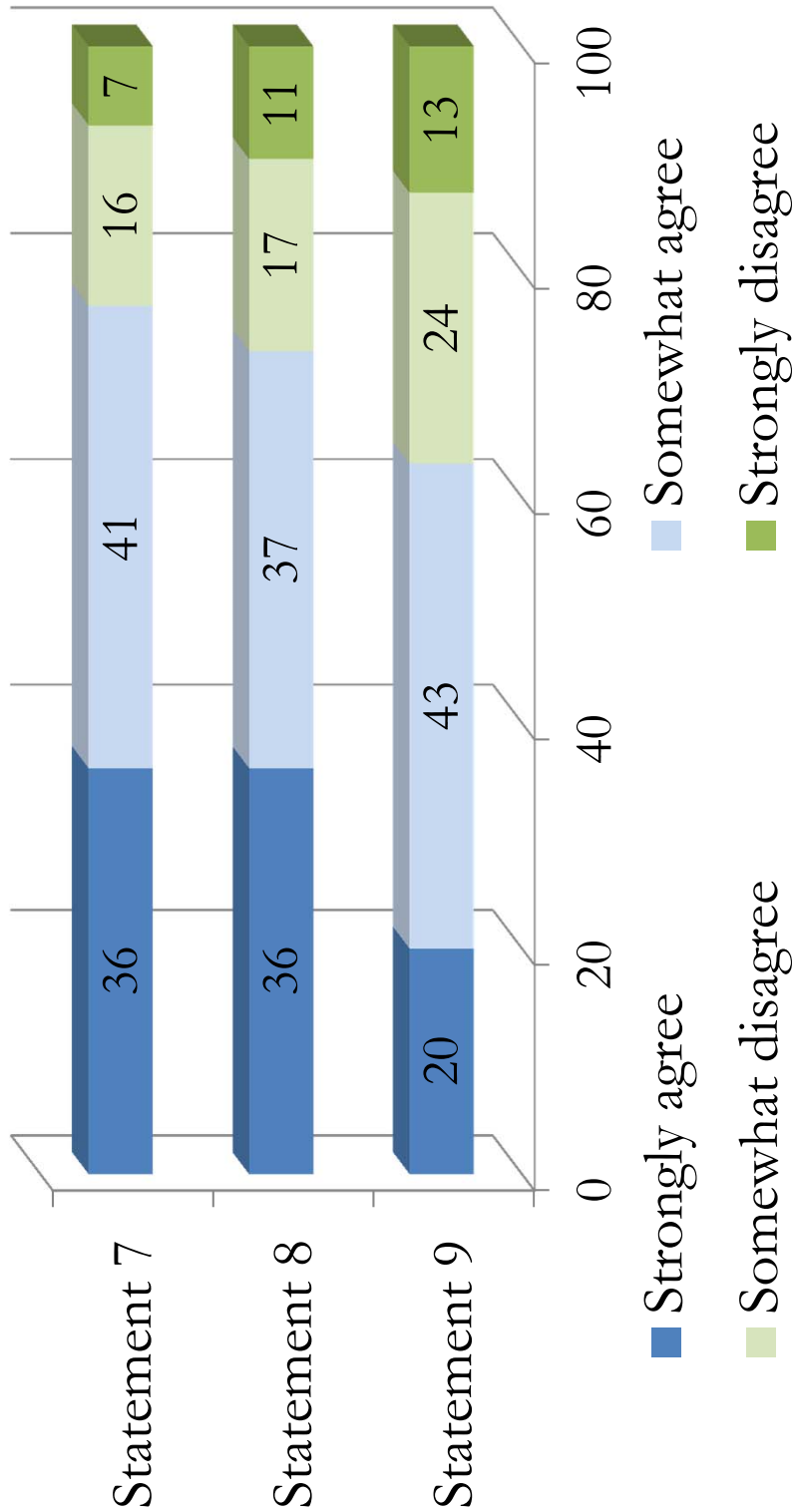


Statements 4-6 ranked by percentage who “agree” (recalculated to exclude responses of “not familiar enough to rate”)

4. Kentucky American Water is involved in the community in beneficial ways (88 percent);
5. Although it may come at a cost to the consumer, Kentucky American Water should do whatever is necessary to keep up with changing water quality standards (87 percent); and
6. Kentucky American Water is a company I can trust (79 percent).

## Agree/disagree statements: Chart 3 of 3

*(using 4-category scale; excluding those who said “not familiar enough to rate”)*



Statements 7-9 ranked by percentage who “agree” (recalculated to exclude responses of “not familiar enough to rate”)

7. Kentucky American Water does a good job of keeping me informed about water conservation (76 percent);

8. Kentucky American Water does a good job of keeping me informed about water quality (73 percent); and

9. Kentucky American Water does a good job of keeping me informed about water system upgrades and investments (64 percent).

# Comparisons

Kentucky American Water is a company I can trust	10/11
Agree (scores of “strongly agree” & “somewhat agree” combined)	77%
Disagree (scores of “somewhat disagree” & “strongly disagree” combined)	21
Not familiar enough to rate	3

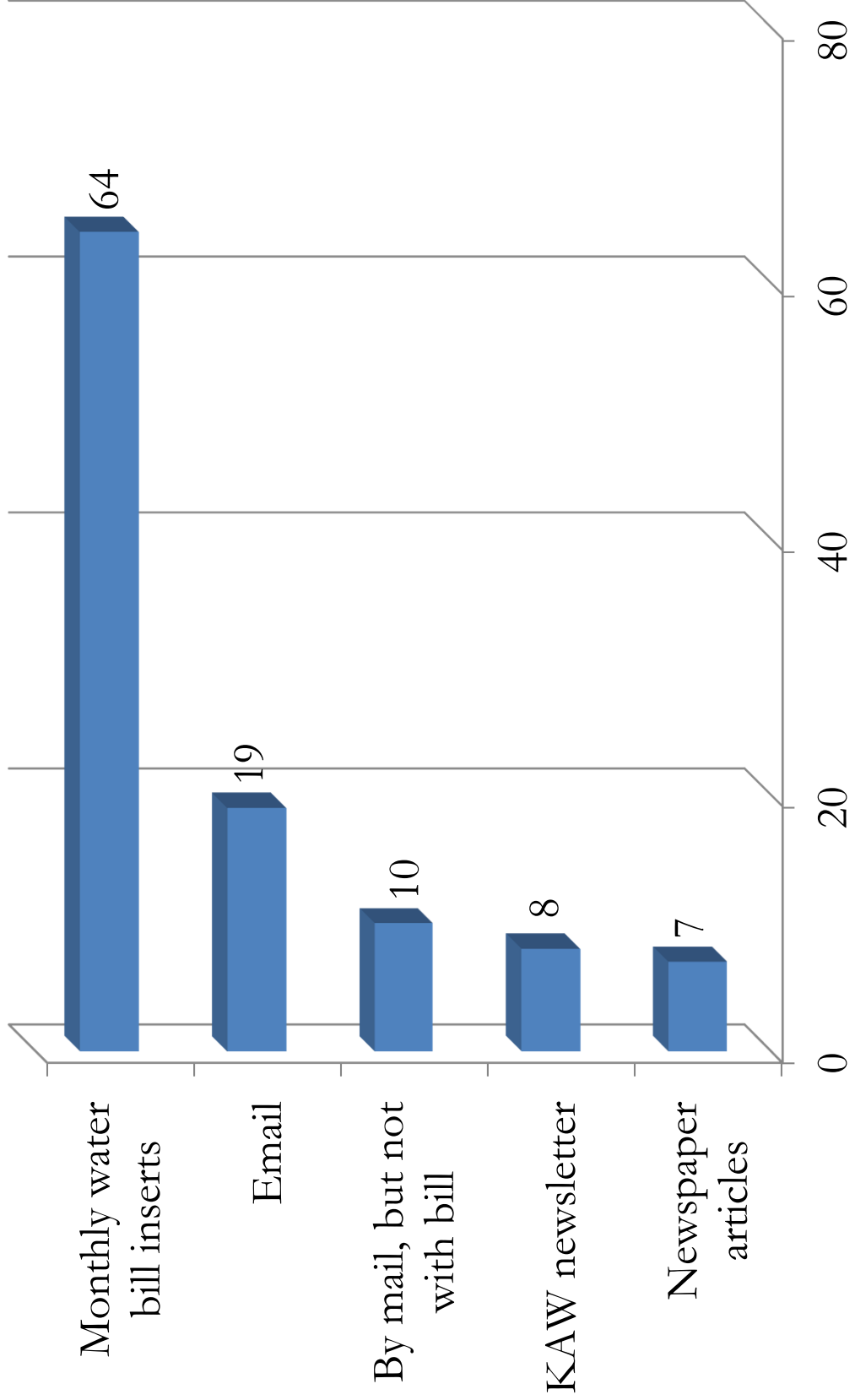
KAW is a good business; I trust the water company with important projects like building the new water treatment plant	9/06	8/07	1/08
Agree (scores of “strongly agree” & “somewhat agree” combined)	72%	72%	69%
Disagree (scores of “somewhat disagree” & “strongly disagree” combined)	22	22	25
Don't know/refused	6	6	6

## Comparisons

I trust Kentucky American Water to solve the water supply deficit in a businesslike, cost-effective manner		8/07
Agree (scores of “strongly agree” & “somewhat agree” combined)		72%
Disagree (scores of “somewhat disagree” & “strongly disagree” combined)		22
Don't know/refused		6

# Top 5 preferred methods for receiving information regarding water-related issues

*(multiple responses allowed)*

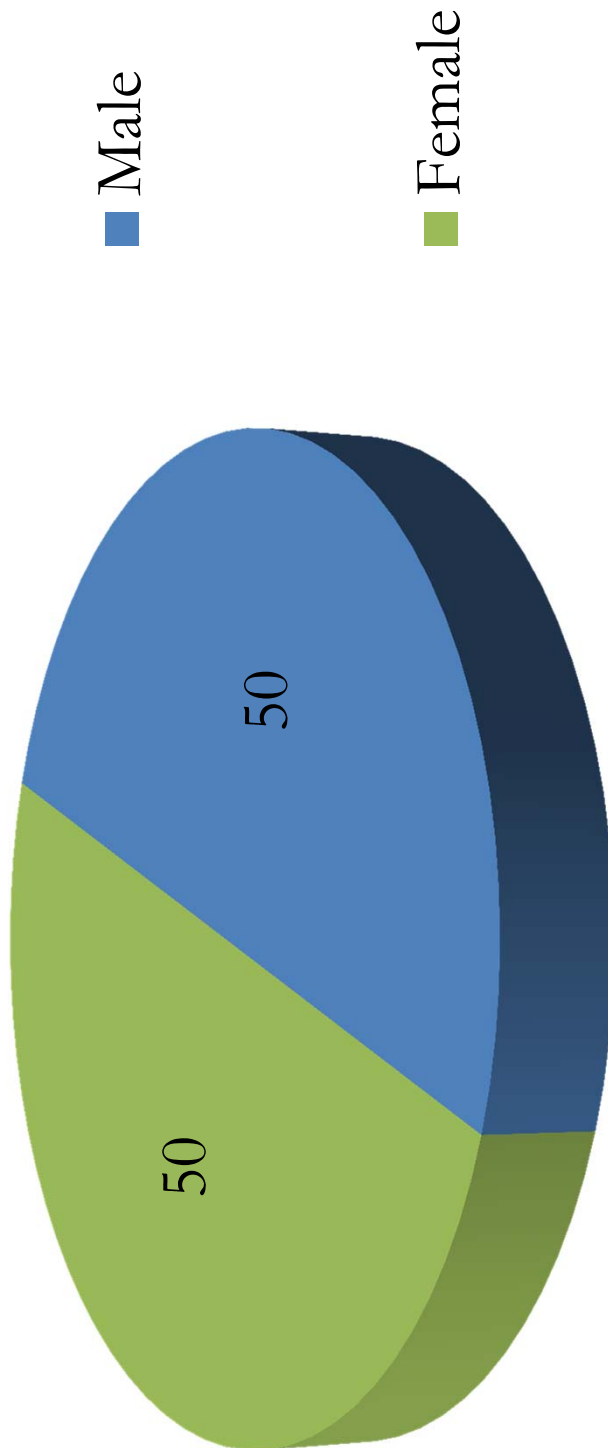


Question: How would you like to receive information from the water company regarding water-related issues?

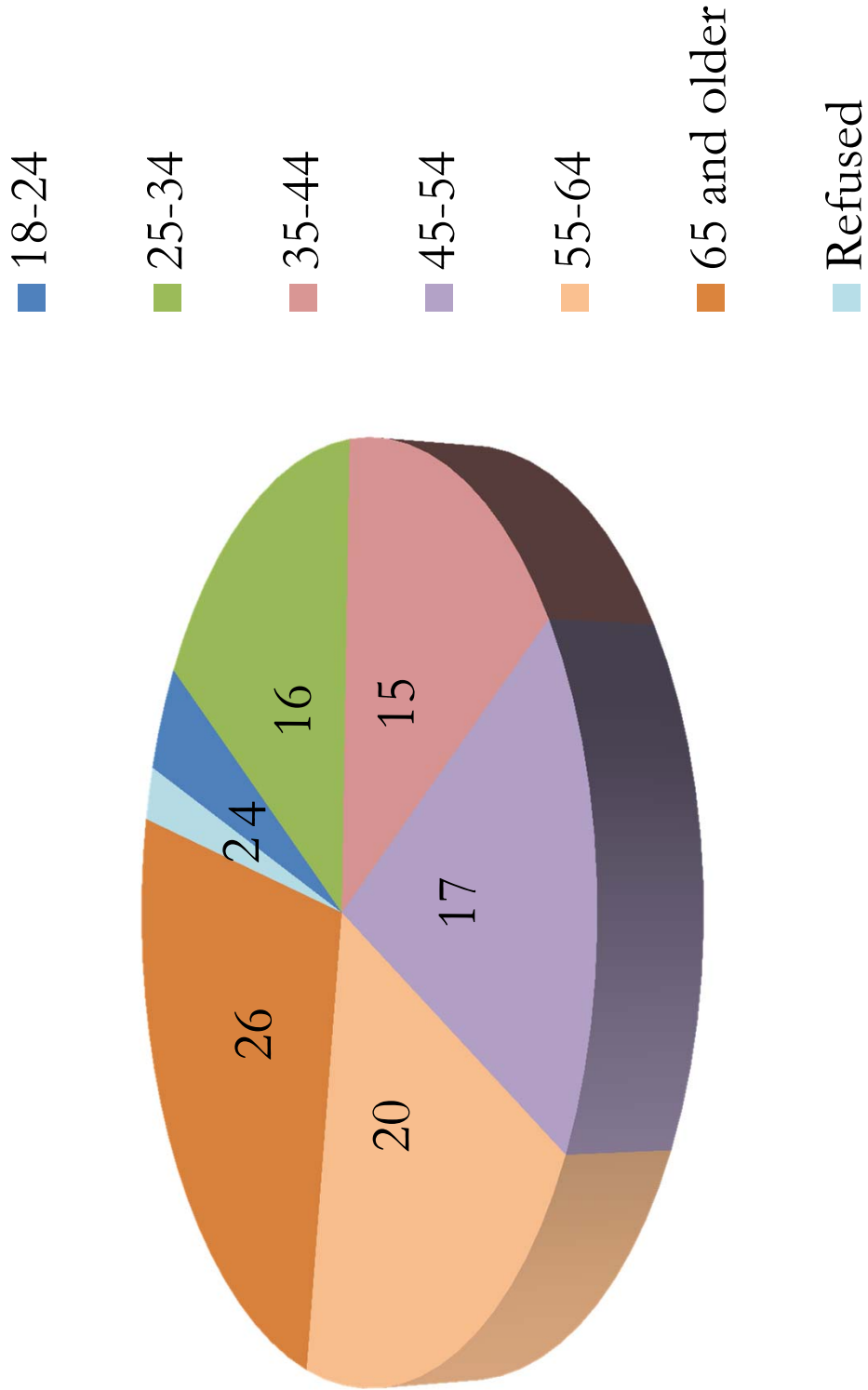
# Demographic Breakouts



# Gender

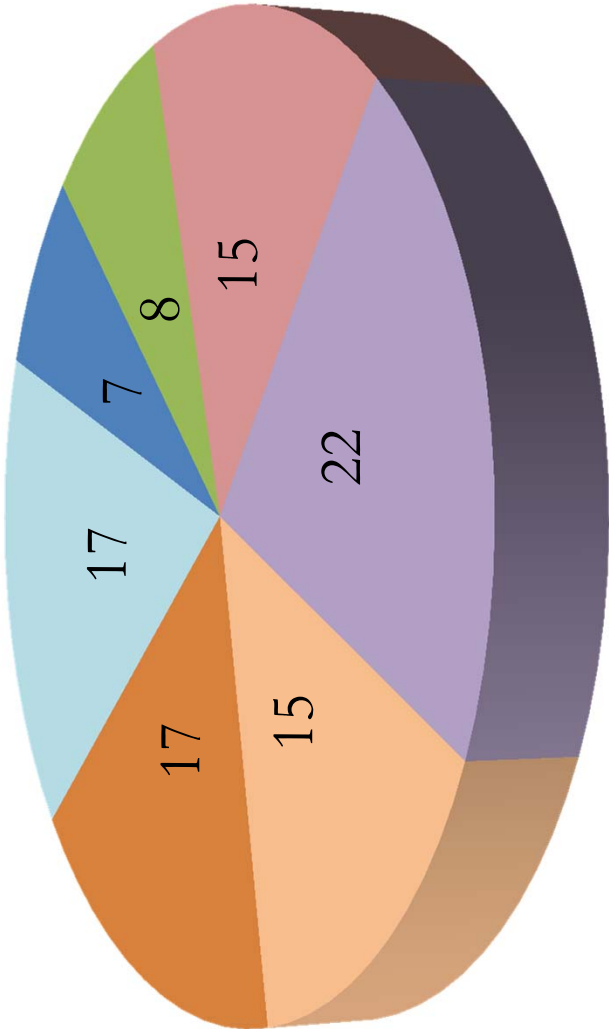


# Age



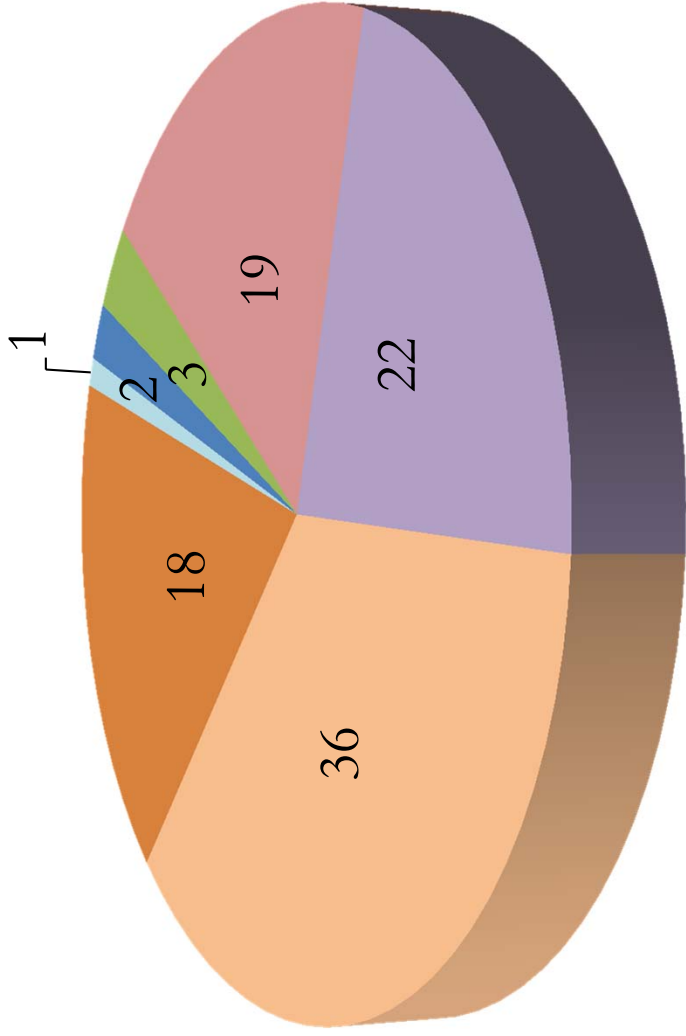
# Income

- < \$15,000
- \$15,000-\$25,000
- \$25,000-\$40,000
- \$40,000-\$75,000
- \$75,000-\$100,000
- > \$100,000
- Refused

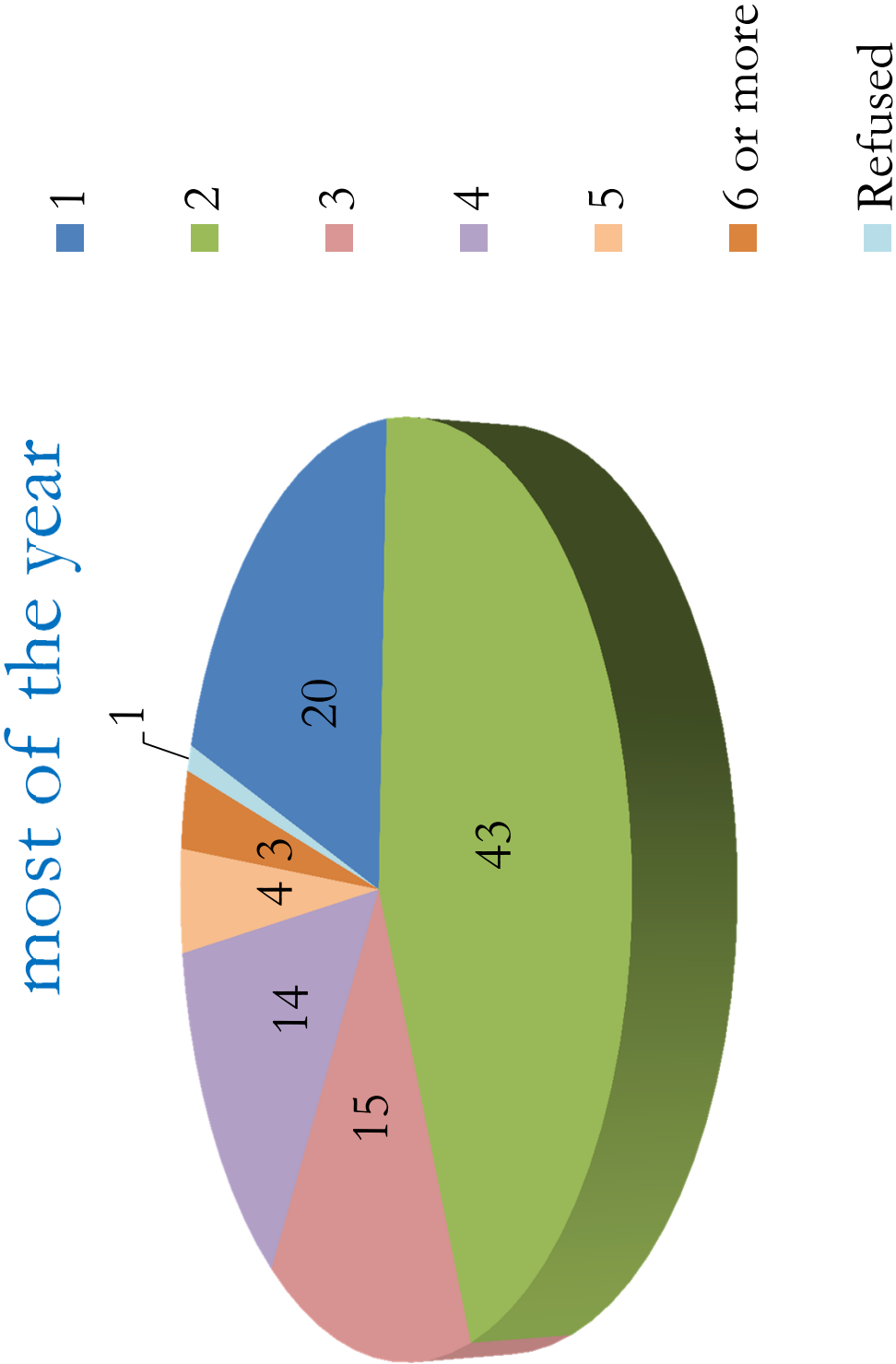


# Education

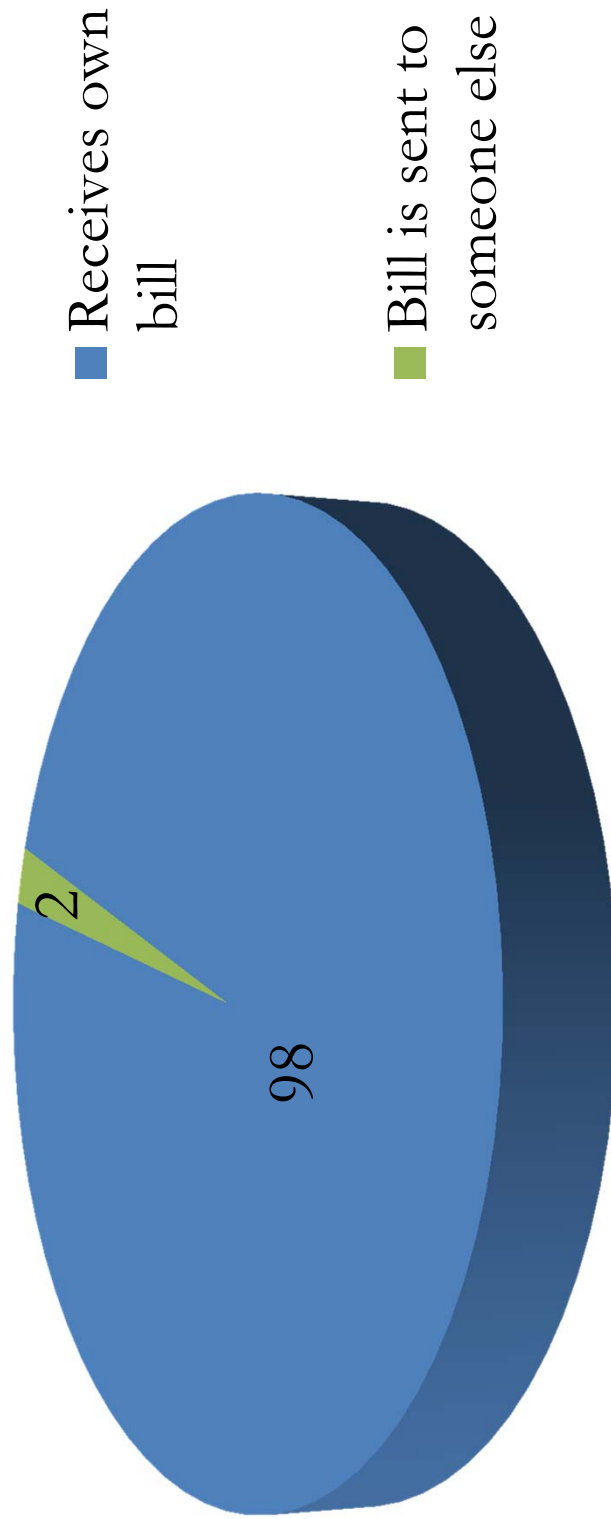
- 8th grade or less
- Some high school
- High school grad/Vo-tech/GED
- Some college
- College graduate
- Post graduate work
- Refused



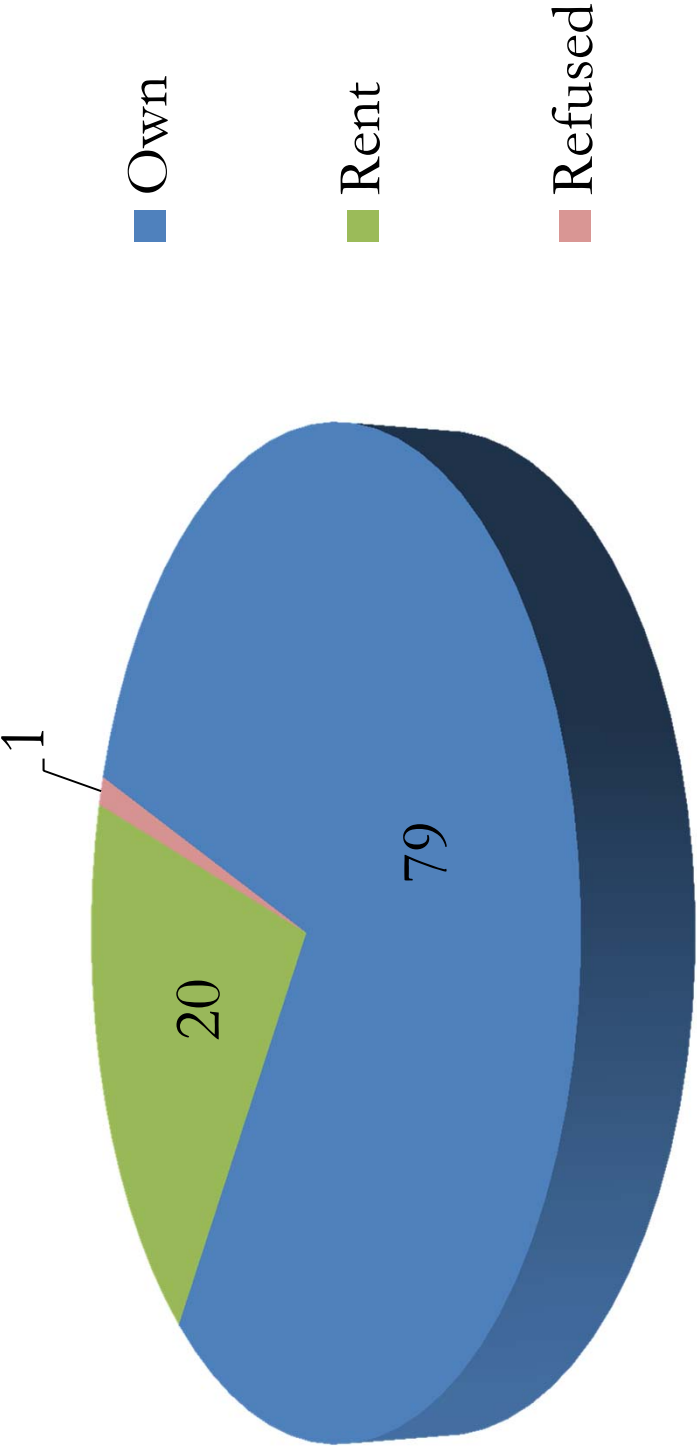
# Number of people living in the household



# Who receives water bill



# Own or rent home



# Q & A



**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
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**Question 6:**

Please provide a copy of the most current version of the legislation the members of the collaborative effort drafted.

**Response:**

Please see the attached which was circulated to the collaborative group by e-mail from Cheryl Norton on January 7, 2013.

Low Income Legislation – DRAFT

Background: The following would most likely amend KRS 278.170 (1):

Notwithstanding any other provision of law to the contrary, the commission may allow a regulated water utility to grant reduced rate service to qualified residential customers. Reduced rate service may be made available to qualified residential customers to the extent allowed by the commission, but reduced by any reimbursement of costs for water service which a residential customer has received through a low income assistance agency working with the water utility. The regulated water utility shall, upon obtaining commission approval of a tariff setting forth terms and conditions of service, recover the costs of reduced rate service from the same customer class through normal rate procedures.

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**Question 7:**

Please produce the emails that Kentucky American relies on for its contention that the Attorney General did not support the legislation the members of the collaborative effort drafted.

**Response:**

Please see the attached.

**Ingram III, Lindsey**

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**From:** Spenard, David (KYOAG) <david.spenard@ag.ky.gov>  
**Sent:** Friday, October 28, 2011 11:53 AM  
**To:** Ingram III, Lindsey; batesandskidmore@gmail.com; dbarberi@lexingtonky.gov  
**Cc:** John-Mark.Hack@amwater.com; richard.bertelson@amwater.com; Hans, Jennifer (KYOAG)  
**Subject:** RE: FW: Low Income Effort

Lindsey,

Good morning.

The Office of the Attorney General is not in agreement with the first sentence of the second page of your draft letter. The Office of the Attorney General has indicated that a legislation solution is one approach, one aspect, of enhancing and improving the affordability of water service to the residential class.

The Office of the Attorney General believes that consequent to Kentucky-American Water Company's continual rate increases, the challenge to the existing residential customers who face difficulty in paying their bills is becoming more burdensome, and the number of residential customers facing difficulty in paying their water bill is increasing. Disconnections, arrearages, and bad debt negatively impact (either directly or indirectly) each member of the residential customers class.

The Office of the Attorney General believes that Kentucky-American Water Company's rates should be set in a manner that affords the Company a reasonable opportunity to recover its cost of service. There is, however, also a requirement for Kentucky-American Water Company, in executing its responsibility to its entire residential customer base, to implement a business plan with rate design features and seek implementation of programs that will perform favorably and meaningfully in minimizing disconnections, arrearages, and bad debt.

The proposed legislation has some merit; however, it is not, of itself, ripe for consideration or promotion. There is no demonstration that the proposed legislation will perform favorably and meaningfully for the residential customer class. The proposed legislation is a potential tool for addressing the issue of affordability, but there is not an adequate basis to predict its impact (and conclude that it will provide benefit to and is otherwise fair for residential customers). The Office of the Attorney General is unwilling to promote the legislation until there is a sound basis for predicting its performance and until it is part of a comprehensive package that includes other programs and rate design features.

Please, on a going-forward basis, include the Office of Rate Intervention's Executive Director, Jennifer Hans, in future e-mail messages.

Thank you.

Cordially,

David Edward Spenard  
Assistant Attorney General

-----Original Message-----

From: Ingram III, Lindsey [mailto:L.Ingram@skofirm.com]  
Sent: Tuesday, October 25, 2011 2:29 PM  
To: batesandskidmore@gmail.com; Spenard, David (KYOAG); dbarberi@lexingtonky.gov  
Cc: John-Mark.Hack@amwater.com; richard.bertelson@amwater.com  
Subject: RE: FW: Low Income Effort

Folks:

Please see the attached KAW draft of the final monthly report to be submitted no later than November 1. Please let Rick and me know if you have any edits.

D. Spenard, as I recall, you requested months ago inclusion of the last paragraph of the last few monthly reports concerning all the potential solutions considered. If you feel we have not said enough in the attached on that issue, please feel free to add additional language.

Thanks.

Lindsey

-----Original Message-----

From: Ingram III, Lindsey

Sent: Tuesday, October 25, 2011 10:29 AM

To: Iris Skidmore (batesandskidmore@gmail.com); 'Spenard, David (KYOAG)'; David Barberie (dbarberi@lexingtonky.gov)

Cc: John-Mark Hack (John-Mark.Hack@amwater.com); Rick Bertelson (richard.bertelson@amwater.com)

Subject: FW: FW: Low Income Effort

Iris, David and Dave:

KAW is fine with the edits Iris made to the attached and believes this is a final version of the proposed statute. David and Dave, do you all agree that the attached is final?

Also, our final PSC monthly report is due no later than Tuesday, November 1 -- one week from today. I will be circulating a proposed draft report later today.

Lindsey

-----Original Message-----

From: Bates and Skidmore Law Firm [mailto:batesandskidmore@gmail.com]

Sent: Wednesday, September 28, 2011 2:27 PM

To: Richard.Bertelson@amwater.com; 'Spenard, David (KYOAG)'; Ingram III, Lindsey; 'David Barberie'; John-Mark.Hack@amwater.com

Subject: FW: FW: Low Income Effort

I added words "regulated water" in front of the word "utility" in the second line on Rick's edits of my draft.

Rick, I don't have any comments on the monthly report.

Thanks,

Iris

BATES AND SKIDMORE

415 W. Main St., Suite 2, Frankfort, KY 40601 Phone (502) 352-2930; Fax (502) 352-2931 BatesAndSkidmore@gmail.com

-----Original Message-----

From: Richard.Bertelson@amwater.com

[mailto:Richard.Bertelson@amwater.com]

Sent: Wednesday, September 28, 2011 11:41 AM

To: batesandskidmore@gmail.com

Cc: 'Spenard, David (KYOAG)'; 'David Barberie'; 'Ingram III, Lindsey'; John-Mark.Hack@amwater.com

Subject: Re: FW: Low Income Effort

Dear Iris,

KAW has reviewed your proposed changes to the draft legislation, and we agree with your edits. However, we have made an additional edit to the draft to remove the phrase "upon application by a regulated water utility." See the attached. Our thoughts were that we would prefer to allow the process to remain open as to who could propose the low income tariff.

(See attached file: 3973625\_1 - Low Income Legislation (KAW edit)  
9-27-11.DOC)

In addition, for the group's review, I have attached our draft of this month's report pursuant to paragraph 13 of the PSC's final order in Case No. 2010-00036. Please let me know if you have any suggested changes by close of business tomorrow, if possible. I plan to file it electronically this Friday, September 30th.  
(See attached file: 2010-00036 - Ordering Paragraph 13 - Oct 2011.doc)

Thank you.

Sincerely,

-Rick Bertelson

Richard W. Bertelson, III  
Corporate Counsel  
American Water  
2300 Richmond Road  
Lexington, KY 40502  
P: (859) 268-6367  
F: (859) 268-6327  
C: (859) 361-2855

From: "Bates and Skidmore Law Firm" <batesandskidmore@gmail.com>  
To: "Ingram III, Lindsey" <L.Ingram@skofirm.com>, "David Barberie" <dbarberi@lexingtonky.gov>, "Spenard, David \\\(KYOAG \\\)" <david.spenard@ag.ky.gov>, <Richard.Bertelson@amwater.com>  
Date: 09/08/2011 03:41 PM  
Subject: FW: Low Income Effort

Good afternoon,  
Here are some amendments I made in Lindsey's draft legislation for the low-income effort.  
Thanks  
Iris

BATES AND SKIDMORE  
415 W. Main St., Suite 2, Frankfort, KY 40601 Phone (502) 352-2930; Fax  
(502) 352-2931 BatesAndSkidmore@gmail.com

From: Ingram III, Lindsey [mailto:L.Ingram@skofirm.com]  
Sent: Wednesday, June 22, 2011 1:27 PM  
To: batesandskidmore@gmail.com; David Barberie; Spenard, David (KYOAG)  
Subject: Low Income Effort

Counsel:

I have attached draft proposed legislation for your consideration. I suppose we need to decide logistics relating to moving forward. You all can either circulate redline suggestions by e-mail or we can have a call or in-person meeting to discuss the attached. Or we could circulate redline edits and then have an in-person meeting/phone call. KAW and I are willing to do whatever you all prefer.

I will circulate a draft monthly status report in the next couple of days.

Lindsey W. Ingram III  
Stoll Keenon Ogden PLLC

300 W. Vine St.  
Suite 2100  
Lexington, KY 40507  
859-231-3982 (direct dial)  
859-221-0997 (cell)  
859-246-3672 (direct fax)  
L.ingram@skofirm.com

[attachment "3973625\_1 - Low Income Legislation.DOC" deleted by Richard W Bertelson/SERVCO/AWWSC]

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 8:**

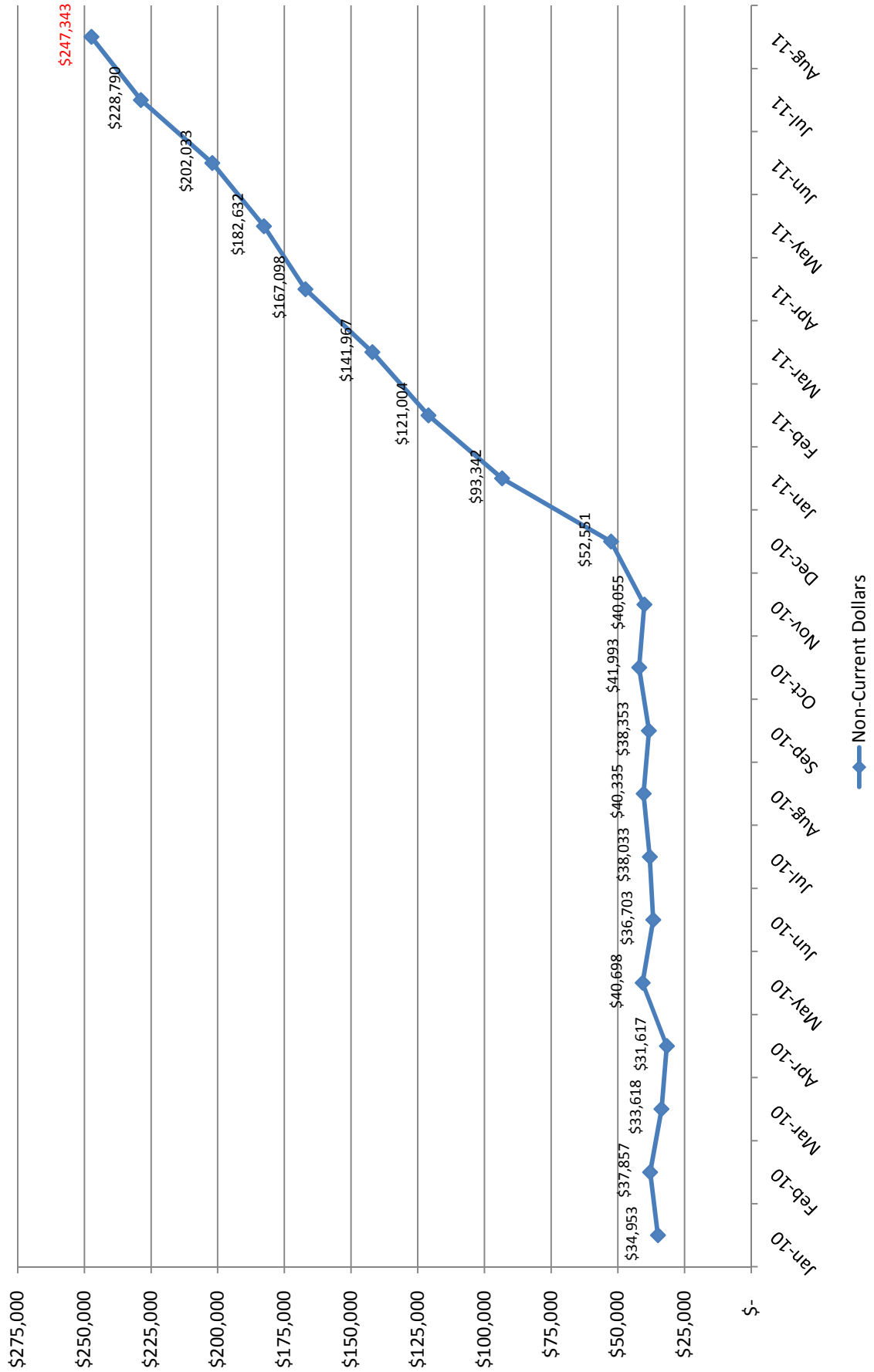
Please provide the data demonstrating that the collection rate for the LFUCG charges for which KAW was providing billing services was decreasing prior to the termination of the billing services.

**Response:**

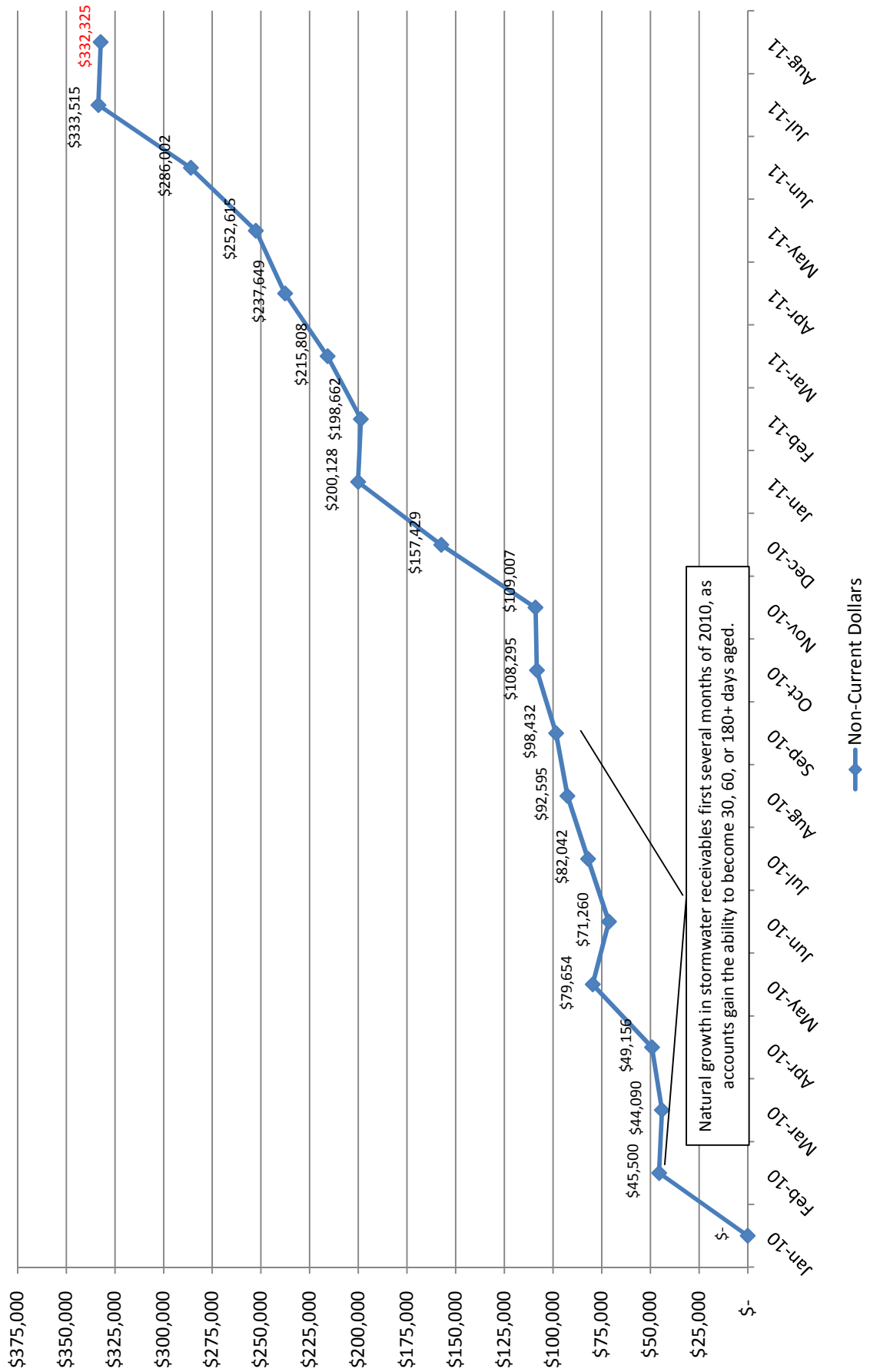
Please see attachment.



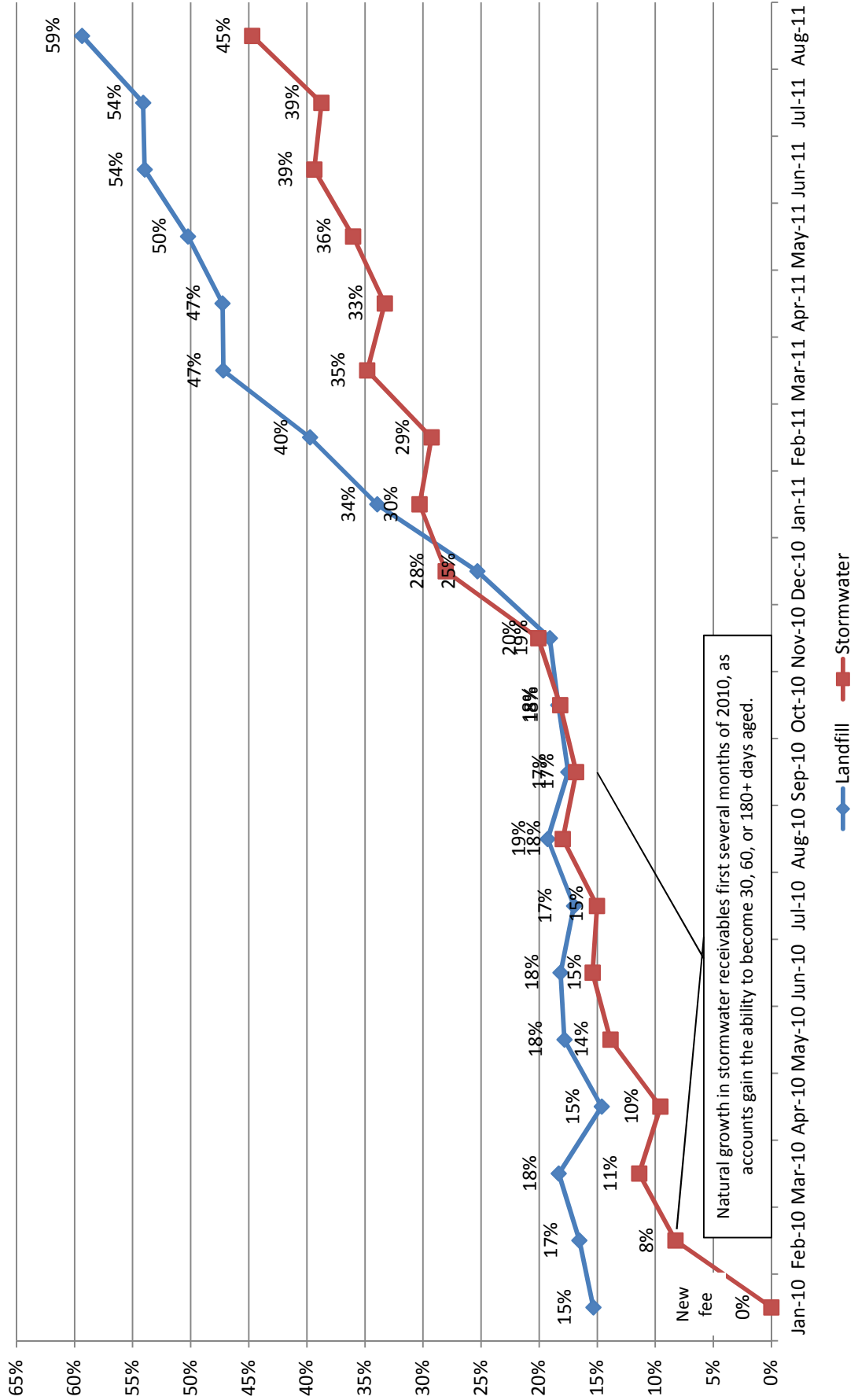
**LFUCG Landfill Fee  
Non-Current Receivables (Aged > 30 Days)  
January 2010 - August 2011**



### LFUCG Stormwater Fee Non-Current Receivables (Aged > 30 Days) January 2010 (Fee bills for first time) - August 2011



# LFUCG Landfill & Stormwater Fees Non-Current Receivables / Total Receivables January 2010 - August 2011



Natural growth in stormwater receivables first several months of 2010, as accounts gain the ability to become 30, 60, or 180+ days aged.

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 9:**

Please provide a revised capital structure and the supporting workpapers based upon Moody's and Standard & Poor's recent upgrades to American Water's credit rating.

**Response:**

Please see the attachment for the capital structure and weighted average cost of capital reflecting the credit rating upgrades. The estimated impact of the upgrades had no impact on the Company's embedded cost of long-term debt or weighted average cost of capital for the forecasted test year.

The Company estimates that the credit rating upgrades to American Water ("AWK") and its financing subsidiary, American Water Capital Corp. ("AWCC"), published by Moody's and Standard & Poor's, would result in a 5 basis point reduction in the reoffer spread shown on Exhibit SWR-3 attached to the rebuttal testimony of Company witness Scott Rungren. This would compress the estimated spread from 110 basis points to 105 basis points, and result in interest rate projections of 4.44% and 4.57% for the November 2013 and May 2014 bond issuances, respectively.

Prior to the recent upgrades, American Water was on "positive outlook" by both Moody's and Standard & Poor's. Thus, much of the impact of the credit rating upgrade was already embedded in the credit spread due to the positive outlook. In addition, the recent increased volatility in the market for U.S. Treasury securities has caused the reoffer spread to widen, resulting in a smaller net decrease to the 110 basis point spread due to the upgrades than would have occurred prior to the increased volatility.

KENTUCKY-AMERICAN WATER COMPANY  
Case No. 2012-00520  
COST OF CAPITAL SUMMARY  
13 MONTH AVERAGE FOR FORECAST PERIOD ENDING JULY 31, 2014

Exhibit 37, Schedule J-1.1/-1.2  
#VALUE!  
PAGE 1 of 1  
Witness Responsible: Scott Rungren

DATA: \_\_\_ BASE PERIOD \_X\_ FORECASTED PERIOD  
DATE OF CAPITAL STRUCTURE: AVERAGE FOR FORECASTED PERIOD  
TYPE OF FILING: \_\_\_ ORIGINAL \_X\_ UPDATED \_X\_ REVISED  
WORKPAPER REFERENCE NO(S): W/P-7-1, 7-2, 7-3

Line No.	Class of Capital	13 Month Average Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	Average Weighted Cost
2	Short-Term Debt	\$ 9,189,188	2.391%	\$ 15,462	\$ 9,204,650	0.500%	0.010%
4	Long-Term Debt	198,907,129	51.748%	334,648	199,241,777	6.060%	3.140%
6	Preferred Stock	4,482,398	1.166%	7,540	4,489,938	8.520%	0.100%
8	Common Equity	171,796,415	44.695%	289,037	172,085,452	10.900%	4.870%
10	Total Capital	\$ 384,375,130	100.000%	\$ 646,687	\$ 385,021,817		8.120%

(1) JDITC: \$ 646,687

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

---

**Question 10:**

Please provide a copy of the public reports issued by Moody's and Standard & Poor's regarding the upgrades to American Water's credit rating.

**Response:**

Please see the attachments for the reports discussing the May 2013 upgrade.

# MOODY'S

## INVESTORS SERVICE

### Rating Action: **Moody's upgrades American Water Works and subsidiaries**

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Global Credit Research - 29 May 2013

#### **Approximately \$5.3 billion of debt affected**

New York, May 29, 2013 -- Moody's Investors Service, ("Moody's") upgraded the long-term ratings of American Water Works (AWK; issuer rating to Baa1 from Baa2) and its subsidiaries American Water Capital Corp's (AWCC; senior unsecured to Baa1 from Baa2), New Jersey American Water (NJ-AWC; issuer rating to A3 from Baa1) and Pennsylvania American Water (PA-AWC; issuer rating to A3 from Baa1). AWCC's P-2 commercial paper rating was affirmed and the rating outlook for AWK, AWCC, NJ-AWC and PA-AWC is stable.

#### RATINGS RATIONALE

"The upgrade of AWK reflects our expectation that the company will continue to make progress toward enhancing cost recovery throughout its broad base of regulated operations, which will improve financial metrics, including the ratio of funds from operations (FFO) to debt in the mid to high-teen's range" said Moody's Analyst Ryan Wobbrock.

AWK has shown significant improvement in financial performance since 2010, due to focused investment in supportive regulatory jurisdictions, greater use of interim cost recovery mechanisms and heightened attention toward operating efficiency.

"Recent regulatory provisions, such as ongoing rate relief through general rate cases in 16 states and the allowance of infrastructure recovery mechanisms in AWK's two largest service territories, New Jersey and Pennsylvania, are significant drivers for the upgrade" Wobbrock added. The strengthening of NJ-AWC and PA-AWC's financial metrics (e.g., FFO to debt in the high teens) has been a factor for the overall improvement in the credit profile.

The stable outlook for AWK reflects Moody's view that the company will continue to generate stable and predictable cash flow from its widely diversified regulated operations and growth in its market based, unregulated, business segment. The outlook also assumes that the company will manage a declining demand environment and capital intensive operations prudently through the maintenance of cooperative and supportive regulatory relationships and a conservative financing strategy.

Further upgrades could be considered if there are additional improvements in regulatory recovery processes, such as infrastructure recovery mechanisms being adopted in more jurisdictions; a material improvement in liquidity sources and if the consolidated entity were to generate FFO to debt in the high teens for a sustained period of time.

AWK's ratings would be negatively impacted by materially negative regulatory decisions, operational concerns such as supply or asset failure or increasing leverage to the point that FFO to debt declines to the low-teen's for an extended period.

AWCC's outlook corresponds with AWK, which provides credit enhancement through a support agreement for all of AWCC's debt obligations.

Headquartered in Voorhees, New Jersey, American Water is the largest investor-owned provider of water, wastewater and related services in North America.

The principal methodology used in this rating was Global Regulated Water Utilities published in December 2009. Please see the Credit Policy page on [www.moody's.com](http://www.moody's.com) for a copy of this methodology.

#### REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory

disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on [www.moodys.com](http://www.moodys.com).

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**MOODY'S**  
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# RatingsDirect®

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## Research Update:

# American Water Works Co. Inc. And Subsidiaries Corporate Credit Ratings Raised To 'A-'

### Primary Credit Analyst:

Matthew L O'Neill, New York (1) 212-438-4295; matthew.oneill@standardandpoors.com

### Secondary Contact:

Barbara A Eiseman, New York 212-438-7666; barbara.eiseman@standardandpoors.com

## Table Of Contents

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Overview

Rating Action

Rationale

Outlook

Related Criteria And Research

Ratings List

**Research Update:****American Water Works Co. Inc. And Subsidiaries  
Corporate Credit Ratings Raised To 'A-'****Overview**

- American Water Works Co. Inc.'s financial measures continue to gradually improve, primarily reflecting the company's improved effective management of regulatory risk.
- We are raising our corporate credit rating on the company and its subsidiaries, American Water Capital Corp., New Jersey-American Water Co., and Pennsylvania-American Water Co., to 'A-' from 'BBB+'. The outlook is stable.
- The stable outlook reflects our expectation that the company will continue to effectively manage its regulatory risk, enabling the regulated business to, on average, earn its allowed return on equity. Under our baseline forecast, we expect funds from operations (FFO) to debt of more than 16% and debt to EBITDA of about 4.5x.

**Rating Action**

On May 24, 2013, Standard & Poor's Ratings Services raised its corporate credit rating on regulated water utility company American Water Works Co Inc. (AWW) and subsidiaries American Water Capital Corp. (AWCC), New Jersey-American Water Co., and Pennsylvania-American Water Co. to 'A-' from 'BBB+'. The outlook is stable.

**Rationale**

The upgrade reflects sustained improvements in cash flow and leverage measures, which reflect the company's improved management of regulatory risk and the continued execution of its cost management initiative. We expect that the company will continue its relatively conservative financial policies to maintain its credit measures.

Standard & Poor's ratings on AWW and its subsidiaries reflect its "excellent" business risk profile and "significant" financial risk profile. The excellent business risk profile reflects the company's mostly monopolistic businesses that provide an essential service in regulatory jurisdictions that we generally view as credit supportive. In addition, the company's geographic diversity, reliability, and efficiency further support its business risk profile. We currently view the company as consisting of 95% regulated businesses and 5% unregulated businesses on an EBITDA basis. The unregulated businesses only marginally affect the company's business risk profile because of its modest expected capital requirements, affiliation with company's

*Research Update: American Water Works Co. Inc. And Subsidiaries Corporate Credit Ratings Raised To 'A-'*

regulated service jurisdictions, and its lower risk service contracts.

AWW's regulatory framework includes reasonably allowed returns on equity and various cost-recovery mechanisms, including incentives for infrastructure improvements, which we view as supportive of credit quality. In a number of jurisdictions, which represent about 50% of consolidated revenues, the utility recovers replacement capital spending between rate cases up to a stated percentage. The importance of infrastructure surcharge mechanisms has increased, given AWW's large capital program. Certain states also allow for surcharges related to the cost of power, chemicals, and purchased water. We generally expect that AWW will continue to request additional recovery mechanisms to cover its rising operating costs, capital spending, and pension and other postretirement obligations.

The company's geographic reach provides it with market, cash flow, and regulatory diversification. AWW provides regulated water and wastewater services to about 3.2 million customers in 16 states. AWW's elevated capital-spending requirements for infrastructure replacement, increased costs of compliance with water quality standards, and reliance on acquisitions to provide growth partly offset these strengths.

AWW's reliability of supply is high, as the company owns a substantial number of treatment facilities for surface and groundwater treatment, and the majority of supply comes from surface and groundwater. In 2012, surface water provided 66% of supply, groundwater 27%, and purchased water about 7%.

AWW's consolidated financial risk profile is significant under our criteria and reflects our baseline forecast that consolidated FFO to debt and debt to EBITDA will approximate 16% and 4.5x, respectively, over the medium term. As of year-end 2012, AWW's adjusted debt, including capitalized operating leases and tax-affected pension and postretirement obligations, was about \$6.2 billion, for a debt-to-capital ratio of about 58% and a debt to EBITDA ratio of 4.5x. AWW's consolidated FFO were about \$1 billion, for an FFO to total debt ratio of about 16.4% and FFO to interest of 4.1x. We consider these credit measures to be sufficient for the significant financial risk profile.

We expect that the company will continue to have negative discretionary cash flow, primarily reflecting continued high capital spending. AWW estimates that it will spend about \$800 million to \$1 billion annually in each of the next three years to replace infrastructure, build new facilities to comply with water quality standards, and initiate projects to enhance reliability, quality of service, and efficiency. We expect that the company will finance its cash needs in a manner that preserves its credit quality.

### **Liquidity**

The short-term rating on AWW and AWCC is 'A-2' and largely reflects the long-term corporate credit ratings and our view of the company's "adequate" liquidity under Standard & Poor's corporate liquidity methodology. We base our

*Research Update: American Water Works Co. Inc. And Subsidiaries Corporate Credit Ratings Raised To 'A-'*

liquidity assessment on the following factors and assumptions:

- AWW's liquidity sources during the next 12 months, including cash, FFO, and credit facility availability, should exceed uses by more than 1.2x.
- Debt maturities are manageable during the next 12 months, with no substantial maturities coming due until 2017.
- Liquidity sources would exceed uses even if EBITDA decreases by 15%.
- AWW's ability to absorb high-impact, low-probability events with limited need for refinancing, its flexibility to lower capital spending or sell assets, its sound bank relationships, its solid standing in credit markets, and its generally prudent risk management.

In our analysis of liquidity during the next 12 months, we assume about \$1.7 billion of liquidity sources, consisting primarily of FFO and credit facility availability. We estimate uses of \$1.4 billion of liquidity for capital spending, maturing debt, and shareholder distributions.

The company maintains a bank credit facility totaling \$1 billion that expires in October 2017. As of March 31, 2013, the company had \$637 million available under the facility. The bank facilities require the parent and the utilities to maintain a minimum total funded debt to capitalization ratio of 70%, with which they comfortably comply.

### **Recovery analysis**

We assign recovery ratings to first mortgage bonds (FMBs) issued by U.S. utilities, which can result in issue ratings being notched above a corporate credit rating (CCR) on a utility depending on the rating category and the extent of the collateral coverage. The FMBs issued by U.S. utilities are a form of "secured utility bond" (SUB) that qualify for a recovery rating as defined in our criteria (see "Collateral Coverage and Issue Notching Rules for '1+' and '1' Recovery Ratings on Senior Bonds Secured by Utility Real Property, Feb. 14, 2013). The recovery methodology is supported by the ample historical record of 100% recovery for secured bondholders in utility bankruptcies in the U.S. and our view that the factors that enhanced those recoveries (limited size of the creditor class and the durable value of utility rate-based assets during and after a reorganization given the essential service provided and the high replacement cost) will persist in the future. Under our SUB criteria, we calculate a ratio of our estimate of the value of the collateral pledged to bondholders relative to the amount of FMBs outstanding. FMB ratings can exceed a CCR on a utility by up to one notch in the 'A' category, two notches in the 'BBB' category, and three notches in speculative-grade categories, depending on the calculated ratio.

New Jersey American Water and Pennsylvania American Water's FMBs benefit from a first-priority lien on substantially all of the utility's real property owned or subsequently acquired. Collateral coverage of more than 1.5x supports a recovery rating of '1+' and an issue rating one notch above the CCR.

*Research Update: American Water Works Co. Inc. And Subsidiaries Corporate Credit Ratings Raised To 'A-'*

## Outlook

The stable outlook reflects our expectation that the company will continue to effectively manage its regulatory risk, filing for timely rate relief, and be able to generally earn, on average, its allowed return on equity. Under our baseline forecast, we expect FFO to total debt of more than 16% and debt to EBITDA of about 4.5x. Key risks to our base case scenario include the company disproportionately expanding its unregulated businesses. We expect the company to finance acquisitions in a manner that supports credit quality, and continuing to effectively execute its cost-management initiative.

We could raise the ratings if FFO to total debt consistently remained more than 18% and debt to EBITDA were less than 4.5x. This could most probably occur if the company were able to manage its regulatory risk and achieve considerably higher-than-expected rate case outcomes.

We could lower the rating if regulatory risk increased or financial performance stalled or deteriorated, which could result from substantial debt financing of capital spending or acquisitions, such that FFO to debt fell to less than 14% and debt to EBITDA rose to more than 5x.

## Related Criteria And Research

- Criteria - Corporates - Utilities: Collateral Coverage and Issue Notching Rules for '1+' and '1' Recovery Ratings on Senior Bonds Secured by Utility Real Property, Feb. 14, 2013
- Criteria - Corporates - Utilities: Assessing U.S. Utility Regulatory Environments, Nov. 7, 2007
- Criteria - Corporates - Utilities: Notching Of U.S. Investment-Grade Investor-Owned Utility Unsecured Debt Now Better Reflects Anticipated Absolute Recovery, Nov. 10, 2008
- Criteria: Key Credit Factors: Business And Financial Risks In The Investor-Owned Utilities Industry, Nov. 26, 2008.
- Criteria - Corporates - General: Methodology And Assumptions: Standard & Poor's Revises Key Ratios Used In Global Corporate Ratings Analysis, Dec. 28, 2011
- Criteria - Corporates - General: Methodology: Short-Term/Long-Term Ratings Linkage Criteria For Corporate And Sovereign Issuers, May 15, 2012
- Criteria - Corporates - General: 2008 Corporate Criteria: Commercial Paper, April 15, 2008
- Criteria - Corporates - General: 2008 Corporate Criteria: Rating Each Issue, April 15, 2008
- Criteria - Corporates - General: 2008 Corporate Ratings Criteria: Ratios And Adjustments, April 15, 2008

*Research Update: American Water Works Co. Inc. And Subsidiaries Corporate Credit Ratings Raised To 'A-'***Ratings List**

Upgraded; Outlook Action; Ratings Affirmed

	To	From
American Water Works Co. Inc. American Water Capital Corp. Corporate Credit Rating	A-/Stable/A-2	BBB+/Positive/A-2

American Water Capital Corp.

Senior unsecured	A-	BBB+
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Upgraded; Outlook Action

	To	From
New Jersey-American Water Co. Pennsylvania-American Water Co. Corporate Credit Rating	A-/Stable/--	BBB+/Positive/--

Ratings Affirmed

American Water Capital Corp.

Commercial paper	A-2	
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**McGRAW-HILL**

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 11:**

Please provide a schedule that lists for each year for Kentucky American:

- (a) The annual amount of FIN 48;
- (b) The total accumulated amount;

And explain any change from year to year.

**Response:**

Please see refer to the attachment for the FIN 48 calculations and accumulated balances for each year 2009 through 2012. For 2008, there was no balance booked to the ledger since the repairs adjustment was made to the 2008 tax return after the ledger was closed. The 2009 ending balance includes both 2008 & 2009. It also includes explanations for the change in balance.

**Kentucky-American Water  
FIN 48 Reserve Balance Summary**

General Ledger Year Ending	FIN 48 Balance	Change in Balance	Reason
12/31/2012	(3,581,759)	(809,962)	Due to additional FIN 48 created on the added 2012 repairs deduction. 2011 repairs deduction was updated to use the tax return amount. Also, additional FIN 48 item for the Land donation (to LFUCG) due to appraisal value used in calculation. The land donation does not affect deferred taxes.
12/31/2011	(2,771,797)	(827,393)	Due to additional FIN 48 created on the added 2011 repairs deduction. Also, true up made for 2009 & 2010 to use the repairs deduction taken on the tax returns rather than using the provision amounts.
12/31/2010	(1,944,404)	(62,296)	Due to additional FIN 48 created on the added 2010 repairs deduction.
12/31/2009	(1,882,108)	(1,882,108)	Initial booking to the ledger. 2009 FIN 48 created on the repairs deduction in the provision. 2008 FIN 48 created on the repairs deduction taken in the tax return.
12/31/2008	-	-	Nothing booked because the repairs deduction was taken on the tax return and not estimated in the provision at year end.

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 12:**

Please provide a list of the forecasted repairs that comprise Kentucky American's FIN 48 reserve.

**Response:**

Please refer to the attachment for a snapshot of the list of the assets in service. This information was also provided previously in the response to Item 3 of the Commission's First Request for Information, workpaper WP1, page 11 – 18.

This snapshot shows the list of assets in service each month. The items labeled as Replaced/Restored for Mains, Meters, Hydrants, and Services are highlighted in yellow and summed at the bottom as Replacement Property Total. These are the assets deemed to be eligible for the repairs tax deduction. We then multiplied the total by a 4 year average rate of the repairs tax deduction over total replacement property, which is 67.51%. The result was our gross repairs deduction on the projected assets in service in the rate case. These repairs are then multiplied by about 37.31%, which is our rate used to calculate our FIN 48 reserve.

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

Total Placed in Service:

Oct-12 \$ 1,609,136 \$  
 Nov-12 \$ 1,939,260 \$  
 Dec-12 \$ 3,511,267 \$  
 Jan-13 \$ 1,264,968 \$

* Line I	FP#	* x	Project Description	* x	JDE / Utility	* x	SAP GL	* x	NARUC	* x	AFUDC	* x	In-Service	Date or	# Months	* x	Water CWIP	Total Placed in Service:			
																		Plant Account	Account	Account	Y/N
1	D12-01-P		Projects Funded by Others		Plant Mains	10133100	331.4	N					2				407,312	164,849	164,613		
2			Projects Funded by Others		Hydrants	10133500	335.4	N					2				46,967	18,317	18,290		
3			Projects Funded by Others		Services	10133000	333.4	N					2				55,037	-	-		
4			Projects Funded by Others		Meters	10133410	334.4	N					2				1,861	-	-		
5			Projects Funded by Others		Meter Installations	10133420	334.4	N					2				34,012	-	-		
6																					
7	R12-01-A1		Mains - New		T&D Mains	10133100	331.4	Y					2				12,092	63,008	150,988		
8																					
9	R12-01-B1		Mains - Replaced / Restored		T&D Mains	10133100	331.4	Y					2				101,600	260,878	222,990		
10			Mains - Replaced / Restored		Services	10133000	333.4	Y					2				-	26,088	22,299		
11			Mains - Replaced / Restored		Meters	10133410	334.4	Y					2				-	19,566	16,724		
12			Mains - Replaced / Restored		Hydrants	10133500	335.4	Y					2				2,512	19,566	16,724		
13																					
14	R12-01-C1		Mains - Unscheduled		T&D Mains	10133100	331.4	N					1				25,261	32,275	21,162		
15																					
16	R12-01-D1		Mains - Relocated		T&D Mains	10133100	331.4	Y					2				-	-	90,000		
17			Mains - Relocated		Hydrants	10133500	335.4	Y					2				-	-	10,000		
18																					
19	R12-01-E1		Hydrants, Valves, and Manholes - New		Hydrants	10133500	335.4	N					1				12,901	26,245	6,738		
20			Hydrants, Valves, and Manholes - New		T&D Mains	10133100	331.4	N					1				8,896	5,733	4,492		
21																					
22	R12-01-F1		Hydrants, Valves, and Manholes - Replaced		Hydrants	10133500	335.4	N					1				(228)	(3,383)	(3,435)		
23			Hydrants, Valves, and Manholes - Replaced		T&D Mains	10133100	331.4	N					1				(1,415)	(2,255)	(2,290)		
24																					
25	R12-01-G1		Services and Laterals - New		Services	10133300	333.4	N					1				103,881	105,830	85,268		
26																					
27	R12-01-H1		Services and Laterals - Replaced		Services	10133300	333.4	N					1				2,609	83,950	69,371		
28			Services and Laterals - Replaced		Meter Installations	10133420	334.4	N					1				962	-	-		
29																					
30	R12-01-I1		Meters - New		Meters	10133410	334.4	N					1				168,382	272,768	111,581		
31																					
32	R12-01-J1		Meters - Replaced		Meters	10133410	334.4	N					1				2,523	493,490	1,431,975		
33			Meters - Replaced		Meter Installations	10133420	334.4	N					1				(314)	-	-		
34																					
35	R12-01-K1		ITS Equipment and Systems		Meters	10133410	334.4	N					1				8,111	26,431	113,320		
36																					
37	R12-01-L1		SCADA Equipment and Systems		Remote Control & Instru	10134600	346.5	Y					6				459,726	-	-		
38																					
39	R12-01-M1		Security Equipment and Systems		Struct & Imp-General	10130450	304.5	N					1				3,502	14,007	3,502		
40																					
41	R12-01-N1		Offices and Operations Centers		Struct & Imp-General	10130450	304.5	N					1				68,165	12,716	(5,449)		
42			Offices and Operations Centers		Struct & Imp-Supply	10130410	304.2	N					1				7,489	-	-		
43			Offices and Operations Centers		Office Furniture & Equip	10134010	340.5	N					1				131,066	-	-		
44			Offices and Operations Centers		Computer Software	10134010	340.5	N					1				7,894	-	-		
45			Offices and Operations Centers		Comm Equip Non-Telephc	10134600	346.5	N					1				93,467	-	-		
46			Offices and Operations Centers		Misc Equipment	10134700	347.5	N					1				12,332	-	-		
47																					
48	R12-01-O1		Vehicles		Trans Equip Lt Duty Trks	10134100	341.5	N					1				(206)	34,171	23,321		
49			Vehicles		Trans Equip Hwy Duty Trks	10134100	341.5	N					1				-	34,377	23,321		
50			Vehicles		Trans Equip Auto Car	10134100	341.5	N					1				(162)	10,428	24,028		
51																					
52	R12-01-P1		Tools and Equipment		Tools,Shop,Garage Equip	10134300	343.5	N					1				-	5,669	89,128		
53																					
54	R12-01-Q1		Process Plant Facilities and Equipment		Struct & Imp-Treatment	10130430	304.3	Y					2				-	-	124,502		
55			Process Plant Facilities and Equipment		Lake, River & Other Intake	10130600	306.2	Y					2				1,494	1,494	46,688		

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

										Total Placed in Service:			Oct-12			Nov-12			Dec-12			Jan-13		
										\$ 1,609,136 \$			\$ 1,939,260 \$			\$ 3,511,267 \$			\$ 1,264,968 \$					
Line #	FP#	Project Description	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	In-Service Date or Construction # Months	Water CWIP Bal Fwd	Oct-12	Nov-12	Dec-12	Jan-13												
56		Process Plant Facilities and Equipment	311000-Pumping Equipment	10131120	311.2	Y	2	\$ 14,743	\$	\$	\$ 77,814	\$ 66,564												
57		Process Plant Facilities and Equipment	320100-WF Equip Non-Media	10132010	320.3	Y	2	\$	\$	\$	\$ 31,126	\$ 26,626												
58		Process Plant Facilities and Equipment	330200-Ground Level Tanks	10133000	330.4	Y	2	\$ 203,702	\$	\$ 203,702	\$ 31,126	\$ 26,626												
59		Process Plant Facilities and Equipment	344000-Laboratory Equipment	10134400	344.5	Y	2	\$ 7,157	\$	\$ 7,157	\$	\$												
60		Engineering Studies	339600-Other P/E-Cps	10133910	339.1	Y	6	\$ 400,277	\$	\$	\$	\$												
61	R12-**S1	Engineering Studies	348000-Other Tangible Property	10134800	348.5	Y	6	\$ 227,819	\$	\$	\$	\$												
62																								
63																								
64	T12-0102-P	Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$ 3,772,437	\$	\$	\$	\$												
65		Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$												
66																								
67	T12-0103-P	Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$ 286,481	\$ 66,505	\$ 57,033	\$ 56,937	\$ 73,664												
68																								
69	I12-020001	New WTP On Pool 3 of Kentucky	331001-T&D Mains	10133100	331.4	N	9/20/2010	\$ 5,484	\$ 23,894	\$	\$	\$												
70																								
71	I12-020027	Russell Cave Rd Main Extension	330200-Ground Level Tanks	10133000	330.4	N	7/15/2012	\$ 553,227	\$	\$	\$ 509,148	\$												
72																								
73	I12-020009	US 25 Relocation	331001-T&D Mains	10133100	331.4	N	7/30/2012	\$	\$ 82,395	\$ 26,395	\$ 26,395	\$												
74		US 25 Relocation	333000-Services	10133300	333.4	N	7/30/2012	\$	\$ 10,299	\$ 3,299	\$ 3,299	\$												
75		US 25 Relocation	335000-Hydrants	10133500	335.4	N	7/30/2012	\$	\$ 10,299	\$ 3,299	\$ 3,299	\$												
76																								
77	I12-020010	Leestown Road	331001-T&D Mains	10133100	331.4	Y	4/15/2013	\$ 995,789	\$	\$	\$	\$												
78		Leestown Road	333000-Services	10133300	333.4	Y	4/15/2013	\$	\$	\$	\$	\$												
79		Leestown Road	335000-Hydrants	10133500	335.4	Y	4/15/2013	\$	\$	\$	\$	\$												
80																								
81	I12-020025	Pump Efficiency Replacement	311000-Pumping Equipment	10131120	311.2	Y	4/15/2013	\$ 31,380	\$	\$	\$	\$												
82		Pump Efficiency Replacement	311200-Pump Eqp Electric	10131120	311.2	Y	4/15/2013	\$ 54,201	\$	\$	\$	\$												
83		Pump Efficiency Replacement	339300-Other P/E-Treatment	10133930	339.3	Y	4/15/2013	\$ 5,705	\$	\$	\$	\$												
84		Pump Efficiency Replacement	346190-Remote Control & Instru	10134600	346.5	Y	4/15/2013	\$ 1,141	\$	\$	\$	\$												
85		Pump Efficiency Replacement	347000-Misc Equipment	10134700	347.5	Y	4/15/2013	\$ 7,417	\$	\$	\$	\$												
86																								
87	I12-300003	Northern Division Connection	303500-Land & Land Rights-T&D	10130350	303.4	Y	12/28/2013	\$ 161,548	\$	\$	\$	\$												
88		Northern Division Connection	331001-T&D Mains	10133100	331.4	Y	12/28/2013	\$ 552,969	\$	\$	\$	\$												
89		Northern Division Connection	311540-Pumping Equipment To	10131154	311.4	Y	12/28/2013	\$	\$	\$	\$	\$												
90		Northern Division Connection	311200-Pump Eqp Electric	10131120	311.2	Y	12/28/2013	\$	\$	\$	\$	\$												
91		Northern Division Connection	346190-Remote Control & Instru	10134600	346.5	Y	12/28/2013	\$	\$	\$	\$	\$												
92		Northern Division Connection	330100-Elevated Tanks & Standp	10133000	330.4	Y	12/28/2013	\$	\$	\$	\$	\$												
93																								
94	IP-1202-9	Todds and Cleveland Rd Main Extension	331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$	\$	\$	\$	\$												
95		Todds and Cleveland Rd Main Extension	335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	\$	\$	\$	\$												
96																								
97	IP-1202-10	KRS Clearwell Improvements (332)	304300-Struct & Imp-Treatment	10130430	304.3	Y	6/15/2015	\$	\$	\$	\$	\$												
98																								
99	IP-1202-11	I-75 Main Extension	331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$	\$	\$	\$	\$												
100		I-75 Main Extension	335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	\$	\$	\$	\$												
101																								
102	IP-1202-13	Greenwich Rd Main Extension	331001-T&D Mains	10133100	331.4	Y	10/15/2014	\$	\$	\$	\$	\$												
103		Greenwich Rd Main Extension	335000-Hydrants	10133500	335.4	Y	10/15/2014	\$	\$	\$	\$	\$												
104																								
105	IP-1202-16	North Upper St Main Replacement (343)	331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$	\$	\$	\$	\$												
106		North Upper St Main Replacement (343)	333000-Services	10133300	333.4	Y	12/15/2014	\$	\$	\$	\$	\$												
107		North Upper St Main Replacement (343)	335000-Hydrants	10133500	335.4	Y	12/15/2014	\$	\$	\$	\$	\$												
108																								
109	IP-1202-20	KY Major Highway	331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$	\$	\$	\$	\$												
110		KY Major Highway	333000-Services	10133300	333.4	Y	12/15/2014	\$	\$	\$	\$	\$												

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - I-1 and W/P - I-3  
 Excel: #VALUE!

x Line i	FP#	x	Project Description	x	JDE / Utility Plant Account	x	SAP GL Account	x	NARUC Account	x	AFUDC Y/N	In-Service Date or # Months Construction	x	Water CWIP Bal Fwd Sep-12	Total Placed in Service:			
															12/15/2014	Oct-12	Nov-12	Dec-12
111			KY Major Highway		335000-Hydrants		10133500		335.4		Y				\$	1,609,136	\$	1,264,968
112			RRS Carbon and Pre-Chlorine Feed		304300-Struct & Imp-Treatment		10130430		304.3		Y	9/15/2014						
114	IP-1202-23		RRS Carbon and Pre-Chlorine Feed		311000-Pumping Equipment		10131120		311.2		Y	9/15/2014						
115			RRS Carbon and Pre-Chlorine Feed		311200-Pump Eqp Electric		10131120		311.2		Y	9/15/2014						
116			RRS Carbon and Pre-Chlorine Feed		320100-Wt Equip Non-Media		10132010		320.3		Y	9/15/2014						
117			KRS Hydrotreater Valve & Flow Meter		334100-Meters		10133410		334.4		Y	7/30/2014						
118	IP-1202-27		KRS Hydrotreater Valve & Flow Meter		334200-Meter Installations		10133420		334.4		Y	7/30/2014						
119			KRS Hydrotreater Valve & Flow Meter		334300-Meter Vaults		10133410		334.4		Y	7/30/2014						
120																		
121																		
122	IP-1202-39		Pump Efficiency Repl		311000-Pumping Equipment		10131120		311.2		Y	9/25/2014						
123			Pump Efficiency Repl		311200-Pump Eqp Electric		10131120		311.2		Y	9/25/2014						
124			Pump Efficiency Repl		339300-Other P/E-Treatment		10133930		339.3		Y	9/25/2014						
125			Pump Efficiency Repl		346190-Remote Control & Instrum		10134600		346.5		Y	9/25/2014						
126			Pump Efficiency Repl		347000-Misc Equipment		10134700		347.5		Y	9/25/2014						

**Replacement Property Total** \$ 497,557  
 4 yr average repairs over replacement property 0.6751  
**Repairs Deduction** 335,900  
**FIN 48** 125,320  
**0.373086**

Kentucky American Water Company														
Case No. 2012-00520														
Capital In-Service Activity by Month, September 2012 - December 2014														
Per In-Service Date or Assumed Months in Construction														
Worksheet #: W/P - 1-1 and W/P - 1-3														
Excel: #VALUE!														
Total Placed in Service: \$ 2,613,525 \$ 1,589,311 \$ 4,988,843 \$ 7,389,209 \$ 2,087,418														
Line #	FP#	X	Project Description	JDE / Utility	SAP GL	NARUC	AFUDC	In-Service Date or # Months	Feb-13	Mar-13	Apr-13	May-13	Jun-13	
				Account	Account	X	Y/N	Construction	Feb-13	Mar-13	Apr-13	May-13	Jun-13	
1	D12-01-P		Projects Funded by Others	331001-T&D Mains	10133100	331.4	N	2	\$ 117,387	\$ 75,636	\$ 118,182	\$ 137,091	\$ 146,545	
2			Projects Funded by Others	335000-Hydrants	10133500	335.4	N	2	\$ 13,043	\$ 8,404	\$ 13,131	\$ 15,232	\$ 16,283	
3			Projects Funded by Others	333000-Services	10133300	333.4	N	2	\$ -	\$ -	\$ -	\$ -	\$ -	
4			Projects Funded by Others	334100-Meters	10133410	334.4	N	2	\$ -	\$ -	\$ -	\$ -	\$ -	
5			Projects Funded by Others	334200-Meter Installations	10133420	334.4	N	2	\$ -	\$ -	\$ -	\$ -	\$ -	
6			Mains - New	331001-T&D Mains	10133100	331.4	Y	2	\$ 684,150	\$ -	\$ -	\$ -	\$ 10,505	
9	R12-01-B1		Mains - Replaced / Restored	331001-T&D Mains	10133100	331.4	Y	2	\$ 462,234	\$ 5,364	\$ 12,606	\$ 70,222	\$ 88,242	
10			Mains - Replaced / Restored	333000-Services	10133300	333.4	Y	2	\$ 46,223	\$ 536	\$ 1,261	\$ 7,022	\$ 8,824	
11			Mains - Replaced / Restored	334100-Meters	10133410	334.4	Y	2	\$ 34,668	\$ 402	\$ 945	\$ 5,267	\$ 6,618	
12			Mains - Replaced / Restored	335000-Hydrants	10133500	335.4	Y	2	\$ 34,668	\$ 402	\$ 945	\$ 5,267	\$ 6,618	
13			Mains - Unscheduled	331001-T&D Mains	10133100	331.4	N	1	\$ 21,010	\$ 34,768	\$ 14,707	\$ 21,010	\$ 18,909	
15			Mains - Relocated	331001-T&D Mains	10133100	331.4	Y	2	\$ 250,200	\$ -	\$ -	\$ -	\$ 4,728	
16			Mains - Relocated	335000-Hydrants	10133500	335.4	Y	2	\$ 27,800	\$ -	\$ -	\$ -	\$ 525	
18			Hydrants, Valves, and Manholes - New	335000-Hydrants	10133500	335.4	N	1	\$ 3,152	\$ 6,303	\$ 13,552	\$ 15,758	\$ 12,606	
19			Hydrants, Valves, and Manholes - New	331001-T&D Mains	10133100	331.4	N	1	\$ 2,101	\$ 4,202	\$ 9,034	\$ 10,505	\$ 8,404	
20			Hydrants, Valves, and Manholes - Replaced	335000-Hydrants	10133500	335.4	N	1	\$ 10,715	\$ 20,170	\$ 10,085	\$ 10,085	\$ 16,388	
21			Hydrants, Valves, and Manholes - Replaced	331001-T&D Mains	10133100	331.4	N	1	\$ 7,144	\$ 13,447	\$ 6,724	\$ 6,724	\$ 10,926	
22			Services and Laterals - New	333000-Services	10133300	333.4	N	1	\$ 73,535	\$ 93,495	\$ 95,324	\$ 101,623	\$ 103,724	
24			Services and Laterals - Replaced	333000-Services	10133300	333.4	N	1	\$ 79,798	\$ 89,555	\$ 86,654	\$ 93,071	\$ 91,981	
25			Services and Laterals - Replaced	334200-Meter Installations	10133420	334.4	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
27			Meters - New	334100-Meters	10133410	334.4	N	1	\$ 25,737	\$ 31,620	\$ 48,639	\$ 59,879	\$ 65,131	
28			Meters - Replaced	334100-Meters	10133410	334.4	N	1	\$ 309,855	\$ 81,939	\$ 459,594	\$ 576,443	\$ 513,845	
29			Meters - Replaced	334200-Meter Installations	10133420	334.4	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
30			ITS Equipment and Systems	334100-Meters	10133410	334.4	N	1	\$ -	\$ 16,000	\$ 112,227	\$ 70,703	\$ -	
31			SCADA Equipment and Systems	346190-Remote Control & Instrum	10134600	346.5	Y	6	\$ 459,726	\$ -	\$ 40,634	\$ 82,654	\$ 479,328	
32			Security Equipment and Systems	304500-Struct & Imp-General	10130450	304.5	N	1	\$ -	\$ -	\$ -	\$ -	\$ 21,010	
33			Offices and Operations Centers	304500-Struct & Imp-General	10130450	304.5	N	1	\$ -	\$ -	\$ -	\$ 21,010	\$ -	
34			Offices and Operations Centers	304100-Struct & Imp-Supply	10130410	304.2	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
35			Offices and Operations Centers	304100-Office Furniture & Equip	10134010	340.5	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
36			Offices and Operations Centers	340300-Computer Software	10134010	340.5	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
37			Offices and Operations Centers	346100-Comm Equip Non-Teleph	10134600	346.5	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
38			Offices and Operations Centers	347000-Misc Equipment	10134700	347.5	N	1	\$ -	\$ -	\$ -	\$ -	\$ -	
39			Vehicles	341100-Trans Equip Lt Duty Trks	10134100	341.5	N	1	\$ -	\$ -	\$ -	\$ 17,333	\$ -	
40			Vehicles	341200-Trans Equip Hwy Duty Trks	10134100	341.5	N	1	\$ -	\$ -	\$ -	\$ 17,333	\$ -	
41			Vehicles	341300-Trans Equip Auto Car	10134100	341.5	N	1	\$ -	\$ -	\$ -	\$ 17,859	\$ -	
42			Tools and Equipment	343000-Tools,Shop,Garage Equip	10134300	343.5	N	1	\$ 10,505	\$ 13,657	\$ 47,273	\$ 115,556	\$ 10,505	
43			Process Plant Facilities and Equipment	304300-Struct & Imp-Treatment	10130430	304.3	Y	2	\$ 99,196	\$ -	\$ -	\$ 16,598	\$ 76,698	
44			Process Plant Facilities and Equipment	306000-Lake, River & Other Intake	10130600	306.2	Y	2	\$ 37,199	\$ -	\$ -	\$ 6,224	\$ 28,762	



Kentucky American Water Company										Total Placed in Service: \$									
Case No. 2012-00520										Feb-13									
Capital In-Service Activity by Month, September 2012 - December 2014										Mar-13									
Per In-Service Date or Assumed Months in Construction										Apr-13									
Worksheet #: W/P - 1-1 and W/P - 1-3										May-13									
Excel: #VALUE!										Jun-13									
Line #	FP#	X	Project Description	X	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	In-Service Date or Construction # Months	Feb-13	Mar-13	Apr-13	May-13	Jun-13					
56			Process Plant Facilities and Equipment		311000-Pumping Equipment	10131120	311.2	Y	2	\$	\$	\$	\$	\$					
57			Process Plant Facilities and Equipment		320100-Wt Equip Non-Media	10132010	320.3	Y	2	\$	\$	\$	\$	\$					
58			Process Plant Facilities and Equipment		330200-Ground Level Tanks	10133000	330.4	Y	2	\$	\$	\$	\$	\$					
59			Process Plant Facilities and Equipment		344000-Laboratory Equipment	10134400	344.5	Y	2	\$	\$	\$	\$	\$					
60	R12-**S1		Engineering Studies		339600-Other P/E-Cps	10133910	339.1	Y	6	\$	\$	\$	\$	\$					
62			Engineering Studies		348000-Other Tangible Property	10134800	348.5	Y	6	\$	\$	\$	\$	\$					
63			Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$					
64	T12-0102-P		Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$					
65			Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$					
66	T12-0103-P		Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$					
67			Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$					
68			Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	\$	\$	\$	\$					
69	I12-020001		New WTP On Pool 3 of Kentucky		331001-T&D Mains	10133100	331.4	N	9/20/2010	\$	\$	\$	\$	\$					
70			Russell Cave Rd Main Extension		330200-Ground Level Tanks	10133000	330.4	N	7/15/2012	\$	\$	\$	\$	\$					
71	I12-020027		Russell Cave Rd Main Extension		330200-Ground Level Tanks	10133000	330.4	N	7/15/2012	\$	\$	\$	\$	\$					
72			US 25 Relocation		331001-T&D Mains	10133100	331.4	N	7/30/2012	\$	\$	\$	\$	\$					
73	I12-020009		US 25 Relocation		333000-Services	10133300	333.4	N	7/30/2012	\$	\$	\$	\$	\$					
74			US 25 Relocation		335000-Hydrants	10133500	335.4	N	7/30/2012	\$	\$	\$	\$	\$					
75			US 25 Relocation		335000-Hydrants	10133500	335.4	N	7/30/2012	\$	\$	\$	\$	\$					
76			Leestown Road		331001-T&D Mains	10133100	331.4	Y	4/15/2013	\$	\$	\$	\$	\$					
77	I12-020010		Leestown Road		333000-Services	10133300	333.4	Y	4/15/2013	\$	\$	\$	\$	\$					
78			Leestown Road		335000-Hydrants	10133500	335.4	Y	4/15/2013	\$	\$	\$	\$	\$					
79			Leestown Road		335000-Hydrants	10133500	335.4	Y	4/15/2013	\$	\$	\$	\$	\$					
80			Pump Efficiency Replacement		311000-Pumping Equipment	10131120	311.2	Y	4/15/2013	\$	\$	\$	\$	\$					
81	I12-020025		Pump Efficiency Replacement		311000-Pumping Equipment	10131120	311.2	Y	4/15/2013	\$	\$	\$	\$	\$					
82			Pump Efficiency Replacement		311200-Pump Eqp Electric	10131120	311.2	Y	4/15/2013	\$	\$	\$	\$	\$					
83			Pump Efficiency Replacement		339300-Other P/E-Treatment	10133930	339.3	Y	4/15/2013	\$	\$	\$	\$	\$					
84			Pump Efficiency Replacement		346190-Remote Control & Instrun	10134600	346.5	Y	4/15/2013	\$	\$	\$	\$	\$					
85			Pump Efficiency Replacement		347000-Misc Equipment	10134700	347.5	Y	4/15/2013	\$	\$	\$	\$	\$					
86			Northern Division Connection		303500-Land & Land Rights-T&D	10130350	303.4	Y	12/28/2013	\$	\$	\$	\$	\$					
87	I12-300003		Northern Division Connection		331001-T&D Mains	10133100	331.4	Y	12/28/2013	\$	\$	\$	\$	\$					
88			Northern Division Connection		311540-Pumping Equipment Td	10131154	311.4	Y	12/28/2013	\$	\$	\$	\$	\$					
89			Northern Division Connection		311200-Pump Eqp Electric	10131120	311.2	Y	12/28/2013	\$	\$	\$	\$	\$					
90			Northern Division Connection		346190-Remote Control & Instrun	10134600	346.5	Y	12/28/2013	\$	\$	\$	\$	\$					
91			Northern Division Connection		330100-Elevated Tanks & Standpji	10133000	330.4	Y	12/28/2013	\$	\$	\$	\$	\$					
92			Northern Division Connection		330100-Elevated Tanks & Standpji	10133000	330.4	Y	12/28/2013	\$	\$	\$	\$	\$					
93			Todds and Cleveland Rd Main Extension		331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$	\$	\$	\$	\$					
94	IP-1202-9		Todds and Cleveland Rd Main Extension		335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	\$	\$	\$	\$					
95			Todds and Cleveland Rd Main Extension		335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	\$	\$	\$	\$					
96			KRS Clearwell Improvements (332)		304300-Struct & Imp-Treatment	10130430	304.3	Y	6/15/2015	\$	\$	\$	\$	\$					
97	IP-1202-10		KRS Clearwell Improvements (332)		304300-Struct & Imp-Treatment	10130430	304.3	Y	6/15/2015	\$	\$	\$	\$	\$					
98			I-75 Main Extension		331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$	\$	\$	\$	\$					
99	IP-1202-11		I-75 Main Extension		335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	\$	\$	\$	\$					
100			I-75 Main Extension		335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	\$	\$	\$	\$					
101			Greenwich Rd Main Extension		331001-T&D Mains	10133100	331.4	Y	10/15/2014	\$	\$	\$	\$	\$					
102	IP-1202-13		Greenwich Rd Main Extension		335000-Hydrants	10133500	335.4	Y	10/15/2014	\$	\$	\$	\$	\$					
103			Greenwich Rd Main Extension		335000-Hydrants	10133500	335.4	Y	10/15/2014	\$	\$	\$	\$	\$					
104			North Upper St Main Replacement (343)		331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$	\$	\$	\$	\$					
105	IP-1202-16		North Upper St Main Replacement (343)		333000-Services	10133300	333.4	Y	12/15/2014	\$	\$	\$	\$	\$					
106			North Upper St Main Replacement (343)		335000-Hydrants	10133500	335.4	Y	12/15/2014	\$	\$	\$	\$	\$					
107			North Upper St Main Replacement (343)		335000-Hydrants	10133500	335.4	Y	12/15/2014	\$	\$	\$	\$	\$					
108			KY Major Highway		331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$	\$	\$	\$	\$					
109	IP-1202-20		KY Major Highway		333000-Services	10133300	333.4	Y	12/15/2014	\$	\$	\$	\$	\$					
110			KY Major Highway		333000-Services	10133300	333.4	Y	12/15/2014	\$	\$	\$	\$	\$					

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P- 1-1 and W/P- 1-3  
 Excel: #VALUE!

		Total Placed in Service: \$												
		Feb-13	Mar-13	Apr-13	May-13	Jun-13							Jun-13	
		2,613,525	1,589,311	4,988,843	7,389,209	2,087,418							\$	
x Line:	FP#	x	Project Description	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	x	In-Service Date or # Months Construction	Feb-13	Mar-13	Apr-13	May-13	Jun-13
111		x	KY Major Highway	335000-Hydrants	10133500	335.4	Y	x	12/15/2014					
112														
113	IP-1202-23		RRS Carbon and Pre-Chlorine Feed	304300-Struct & Imp-Treatment	10130430	304.3	Y		9/15/2014					
114			RRS Carbon and Pre-Chlorine Feed	311000-Pumping Equipment	10131120	311.2	Y		9/15/2014					
115			RRS Carbon and Pre-Chlorine Feed	311200-Pump Equip Electric	10131120	311.2	Y		9/15/2014					
116			RRS Carbon and Pre-Chlorine Feed	320100-Wt Equip Non-Media	10132010	320.3	Y		9/15/2014					
117														
118	IP-1202-27		KRS Hydrotreater Valve & Flow Meter	334100-Meters	10133410	334.4	Y		7/30/2014					
119			KRS Hydrotreater Valve & Flow Meter	334200-Meter Installations	10133420	334.4	Y		7/30/2014					
120			KRS Hydrotreater Valve & Flow Meter	334300-Meter Vaults	10133410	334.4	Y		7/30/2014					
121														
122	IP-1202-39		Pump Efficiency Repl	311000-Pumping Equipment	10131120	311.2	Y		9/25/2014					
123			Pump Efficiency Repl	311200-Pump Equip Electric	10131120	311.2	Y		9/25/2014					
124			Pump Efficiency Repl	339300-Other P/E-Treatment	10133930	339.3	Y		9/25/2014					
125			Pump Efficiency Repl	346190-Remote Control & Instrum	10134600	346.5	Y		9/25/2014					
126			Pump Efficiency Repl	347000-Misc Equipment	10134700	347.5	Y		9/25/2014					

										\$	1,284,314	\$	246,584	\$	593,522	\$	795,111	\$	767,605
										0.6751	0.6751	0.6751	0.6751	0.6751	0.6751	0.6751	0.6751	0.6751	0.6751
										867,040	166,469	400,687	536,779	518,210					
										323,481	62,107	149,491	200,265	193,337					
										<b>FIN 48</b>									

**Replacement Property Total**  
 4 yr average repairs over replacement property  
**Repairs Deduction**

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Service Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Worksheet #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

		Total Placed in Service:		Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
				1,677,835 \$	1,473,567 \$	1,647,321 \$	1,280,234 \$	1,327,303 \$
x Line l	FP#	x	Project Description	JDE / Utility	SAP GL	NARUC	AFUDC	In-Service Date or # Months
				Plant Account	Account	Account	x Y/N	Construction
1	D12.**01-P		Projects Funded by Others	331001-T&D Mains	10133100	331.4	N	2
2			Projects Funded by Others	335000-Hydrants	10133500	335.4	N	2
3			Projects Funded by Others	333000-Services	10133300	333.4	N	2
4			Projects Funded by Others	334100-Meters	10133410	334.4	N	2
5			Projects Funded by Others	334200-Meter Installations	10133420	334.4	N	2
6			Mains - New	331001-T&D Mains	10133100	331.4	Y	2
7	R12.**A1		Mains - New	331001-T&D Mains	10133100	331.4	Y	2
8			Mains - Replaced / Restored	331001-T&D Mains	10133100	331.4	Y	2
9	R12.**B1		Mains - Replaced / Restored	333000-Services	10133300	333.4	Y	2
10			Mains - Replaced / Restored	334100-Meters	10133410	334.4	Y	2
11			Mains - Replaced / Restored	335000-Hydrants	10133500	335.4	Y	2
12			Mains - Replaced / Restored	331001-T&D Mains	10133100	331.4	N	1
13			Mains - Unscheduled	331001-T&D Mains	10133100	331.4	N	1
14	R12.**C1		Mains - Unscheduled	331001-T&D Mains	10133100	331.4	N	1
15			Mains - Relocated	335000-Hydrants	10133500	335.4	Y	2
16	R12.**D1		Mains - Relocated	335000-Hydrants	10133500	335.4	Y	2
17			Mains - Relocated	335000-Hydrants	10133500	335.4	Y	2
18			Hydrants, Valves, and Manholes - New	335000-Hydrants	10133500	335.4	N	1
19	R12.**E1		Hydrants, Valves, and Manholes - New	331001-T&D Mains	10133100	331.4	N	1
20			Hydrants, Valves, and Manholes - New	331001-T&D Mains	10133100	331.4	N	1
21			Hydrants, Valves, and Manholes - Replaced	335000-Hydrants	10133500	335.4	N	1
22	R12.**F1		Hydrants, Valves, and Manholes - Replaced	331001-T&D Mains	10133100	331.4	N	1
23			Hydrants, Valves, and Manholes - Replaced	331001-T&D Mains	10133100	331.4	N	1
24			Services and Laterals - New	333000-Services	10133300	333.4	N	1
25	R12.**G1		Services and Laterals - New	333000-Services	10133300	333.4	N	1
26			Services and Laterals - Replaced	333000-Services	10133300	333.4	N	1
27	R12.**H1		Services and Laterals - Replaced	334200-Meter Installations	10133420	334.4	N	1
28			Services and Laterals - Replaced	334200-Meter Installations	10133420	334.4	N	1
29			Meters - New	334100-Meters	10133410	334.4	N	1
30	R12.**I1		Meters - New	334100-Meters	10133410	334.4	N	1
31			Meters - Replaced	334100-Meters	10133410	334.4	N	1
32	R12.**J1		Meters - Replaced	334200-Meter Installations	10133420	334.4	N	1
33			Meters - Replaced	334200-Meter Installations	10133420	334.4	N	1
34			ITS Equipment and Systems	334100-Meters	10133410	334.4	N	1
35	R12.**K1		ITS Equipment and Systems	346190-Remote Control & Instrum	10134600	346.5	Y	6
36			SCADA Equipment and Systems	346190-Remote Control & Instrum	10134600	346.5	Y	6
37	R12.**L1		SCADA Equipment and Systems	304500-Struct & Imp-General	10130450	304.5	N	1
38			Security Equipment and Systems	304500-Struct & Imp-General	10130450	304.5	N	1
39	R12.**M1		Security Equipment and Systems	304500-Struct & Imp-General	10130450	304.5	N	1
40			Offices and Operations Centers	304500-Struct & Imp-General	10130450	304.5	N	1
41	R12.**N1		Offices and Operations Centers	304100-Struct & Imp-Supply	10130410	304.2	N	1
42			Offices and Operations Centers	304100-Struct & Imp-Supply	10130410	304.2	N	1
43			Offices and Operations Centers	340100-Office Furniture & Equip	10134010	340.5	N	1
44			Offices and Operations Centers	340300-Computer Software	10134030	340.5	N	1
45			Offices and Operations Centers	346100-Comm Equip Non-Telephc	10134600	346.5	N	1
46			Offices and Operations Centers	347000-Misc Equipment	10134700	347.5	N	1
47			Offices and Operations Centers	347000-Misc Equipment	10134700	347.5	N	1
48	R12.**O1		Vehicles	341100-Trans Equip Lt Duty Trks	10134100	341.5	N	1
49			Vehicles	341200-Trans Equip Hwy Duty Trks	10134100	341.5	N	1
50			Vehicles	341300-Trans Equip Auto Car	10134100	341.5	N	1
51			Tools and Equipment	343000-Tools,Shop,Garage Equip	10134300	343.5	N	1
52	R12.**P1		Tools and Equipment	343000-Tools,Shop,Garage Equip	10134300	343.5	N	1
53			Process Plant Facilities and Equipment	304300-Struct & Imp-Treatment	10130430	304.3	Y	2
54	R12.**Q1		Process Plant Facilities and Equipment	306000-Lake, River & Other Intake	10130600	306.2	Y	2
55			Process Plant Facilities and Equipment	306000-Lake, River & Other Intake	10130600	306.2	Y	2

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Service Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

X Line I	FP#	X	Project Description	X	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	X	In-Service Date or Construction # Months	Total Placed in Service: \$				
											Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
56			Process Plant Facilities and Equipment		311000-Pumping Equipment	10131120	311.2	Y		2	13,131	65,445	45,960	31,303	54,936
57			Process Plant Facilities and Equipment		320100-WF Equip Non-Media	10132010	320.3	Y		2	5,253	26,178	18,384	12,521	21,975
58			Process Plant Facilities and Equipment		330200-Ground Level Tanks	10133000	330.4	Y		2	5,253	26,178	18,384	12,521	21,975
59			Process Plant Facilities and Equipment		344000-Laboratory Equipment	10134400	344.5	Y		2	-	-	-	-	-
60	R12-**S1		Engineering Studies		339600-Other P/E-Cps	10133910	339.1	Y		6	-	-	-	-	-
62			Engineering Studies		348000-Other Tangible Property	10134800	348.5	Y		6	-	-	-	-	-
63			Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y		5/1/2013	125,738	121,423	115,572	111,740	65,618
65	T12-0102-P		Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y		5/1/2013					
66	T12-0103-P		Business Transformation 2010 - 2014		340315-Comp Software Specia	10134010	340.5	Y		5/1/2013	2,225	2,225	2,225	2,225	
68	I12-020001		New WTP On Pool 3 of Kentucky		331001-T&D Mains	10133100	331.4	N		9/20/2010					
70	I12-020027		Russell Cave Rd Main Extension		330200-Ground Level Tanks	10133000	330.4	N		7/15/2012					
72	I12-020009		US 25 Relocation		331001-T&D Mains	10133100	331.4	N		7/30/2012					
73	I12-020009		US 25 Relocation		333000-Services	10133300	333.4	N		7/30/2012					
74	I12-020009		US 25 Relocation		335000-Hydrants	10133500	335.4	N		7/30/2012					
75			US 25 Relocation		331001-T&D Mains	10133100	331.4	Y		4/15/2013					
76			Leestown Road		333000-Services	10133300	333.4	Y		4/15/2013					
77	I12-020010		Leestown Road		335000-Hydrants	10133500	335.4	Y		4/15/2013					
79			Leestown Road		311000-Pumping Equipment	10131120	311.2	Y		4/15/2013	50,000	10,000			
81	I12-020025		Pump Efficiency Replacement		311200-Pump Eqp Electric	10131120	311.2	Y		4/15/2013	37,500	7,500			
82			Pump Efficiency Replacement		339300-Other P/E-Treatment	10133930	339.3	Y		4/15/2013	12,500	2,500			
83			Pump Efficiency Replacement		346190-Remote Control & Instrum	10134600	346.5	Y		4/15/2013	12,500	2,500			
84			Pump Efficiency Replacement		347000-Misc Equipment	10134700	347.5	Y		4/15/2013	12,500	2,500			
85			Pump Efficiency Replacement		303500-Land & Land Rights-T&D	10130350	303.4	Y		12/28/2013					
86	I12-300003		Northern Division Connection		331001-T&D Mains	10133100	331.4	Y		12/28/2013					
87			Northern Division Connection		311540-Pumping Equipment Td	10131154	311.4	Y		12/28/2013					
88			Northern Division Connection		311200-Pump Eqp Electric	10131120	311.2	Y		12/28/2013					
89			Northern Division Connection		346190-Remote Control & Instrum	10134600	346.5	Y		12/28/2013					
90			Northern Division Connection		330100-Elevated Tanks & Standpji	10133000	330.4	Y		12/28/2013					
91			Northern Division Connection		331001-T&D Mains	10133100	331.4	Y		11/15/2014					
92			Northern Division Connection		335000-Hydrants	10133500	335.4	Y		11/15/2014					
93	IP-1202-9		Todds and Cleveland Rd Main Extension		304300-Struct & Imp-Treatment	10130430	304.3	Y		6/15/2015					
94	IP-1202-9		Todds and Cleveland Rd Main Extension		331001-T&D Mains	10133100	331.4	Y		11/15/2014					
95			Todds and Cleveland Rd Main Extension		335000-Hydrants	10133500	335.4	Y		11/15/2014					
96			Todds and Cleveland Rd Main Extension		304300-Struct & Imp-Treatment	10130430	304.3	Y		6/15/2015					
97	IP-1202-10		KRS Clearwell Improvements (332)		331001-T&D Mains	10133100	331.4	Y		11/15/2014					
98			KRS Clearwell Improvements (332)		335000-Hydrants	10133500	335.4	Y		11/15/2014					
99	IP-1202-11		I-75 Main Extension		331001-T&D Mains	10133100	331.4	Y		11/15/2014					
100			I-75 Main Extension		335000-Hydrants	10133500	335.4	Y		11/15/2014					
101			I-75 Main Extension		331001-T&D Mains	10133100	331.4	Y		10/15/2014					
102	IP-1202-13		Greenwich Rd Main Extension		335000-Hydrants	10133500	335.4	Y		10/15/2014					
103			Greenwich Rd Main Extension		331001-T&D Mains	10133100	331.4	Y		12/15/2014					
104			Greenwich Rd Main Extension		333000-Services	10133300	333.4	Y		12/15/2014					
105	IP-1202-16		North Upper St Main Replacement (343)		335000-Hydrants	10133500	335.4	Y		12/15/2014					
106			North Upper St Main Replacement (343)		331001-T&D Mains	10133100	331.4	Y		12/15/2014					
107			North Upper St Main Replacement (343)		333000-Services	10133300	333.4	Y		12/15/2014					
108			North Upper St Main Replacement (343)		335000-Hydrants	10133500	335.4	Y		12/15/2014					
109	IP-1202-20		KY Major Highway		331001-T&D Mains	10133100	331.4	Y		12/15/2014					
110			KY Major Highway		333000-Services	10133300	333.4	Y		12/15/2014					

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

		Total Placed in Service: \$																	
		Jul-13	Aug-13	Sep-13	Oct-13	Nov-13													
		1,677,835	1,473,567	1,647,321	1,280,234	1,327,303													
x Line #	FP#	x	Project Description	x	JDE / Utility Plant Account	x	SAP GL Account	x	NARUC Account	x	AFUDC Y/N	x	In-Service Date or # Months Construction	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	
111		x	KY Major Highway	x	335000-Hydrants	x	10133500	x	335.4	x	Y	x	12/15/2014						
112																			
113	IP-1202-23		RRS Carbon and Pre-Chlorine Feed		304300-Struct & Imp-Treatment		10130430		304.3		Y		9/15/2014						
114			RRS Carbon and Pre-Chlorine Feed		311000-Pumping Equipment		10131120		311.2		Y		9/15/2014						
115			RRS Carbon and Pre-Chlorine Feed		311200-Pump Equip Electric		10131120		311.2		Y		9/15/2014						
116			RRS Carbon and Pre-Chlorine Feed		320100-Wt Equip Non-Media		10132010		320.3		Y		9/15/2014						
117																			
118	IP-1202-27		KRS Hydrotreater Valve & Flow Meter		334100-Meters		10133410		334.4		Y		7/30/2014						
119			KRS Hydrotreater Valve & Flow Meter		334200-Meter Installations		10133420		334.4		Y		7/30/2014						
120			KRS Hydrotreater Valve & Flow Meter		334300-Meter Vaults		10133410		334.4		Y		7/30/2014						
121																			
122	IP-1202-39		Pump Efficiency Repl		311000-Pumping Equipment		10131120		311.2		Y		9/25/2014						
123			Pump Efficiency Repl		311200-Pump Equip Electric		10131120		311.2		Y		9/25/2014						
124			Pump Efficiency Repl		339300-Other P/E-Treatment		10133930		339.3		Y		9/25/2014						
125			Pump Efficiency Repl		346190-Remote Control & Instrum		10134600		346.5		Y		9/25/2014						
126			Pump Efficiency Repl		347000-Misc Equipment		10134700		347.5		Y		9/25/2014						

		Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
<b>Replacement Property Total</b>		\$ 564,346	\$ 519,405	\$ 480,666	\$ 572,953	\$ 512,646
4 yr average repairs over replacement property		0.6751	0.6751	0.6751	0.6751	0.6751
<b>Repairs Deduction</b>		380,990	350,650	324,498	386,801	346,087
<b>FIN 48</b>		142,142	130,823	121,066	144,310	129,120

Kentucky American Water Company																
Case No. 2012-00520																
Capital In-Service Activity by Month, September 2012 - December 2014																
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Worksheet #: W/P - 1-1 and W/P - 1-3																
Excel: #VALUE!																
Total Placed in Service: \$ 14,729,191 \$ 983,041 \$ 1,314,549 \$ 1,003,916 \$ 1,113,975																
x Line i	FP#	x	Project Description	x	IDE / Utility Plant Account	x	SAP GL Account	NARUC Account	AFUDC Y/N	x	In-Service Date or # Months Construction	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
1	D12-01-P		Projects Funded by Others		331001-T&D Mains		10133100	331.4	N		2	\$ 176,381	\$ 208,182	\$ 157,542	\$ 75,636	\$ 118,182
2			Projects Funded by Others		335000-Hydrants		10133500	335.4	N		2	\$ 19,598	\$ 23,131	\$ 17,505	\$ 8,404	\$ 13,131
3			Projects Funded by Others		333000-Services		10133300	333.4	N		2	\$ -	\$ -	\$ -	\$ -	\$ -
4			Projects Funded by Others		334100-Meters		10133410	334.4	N		2	\$ -	\$ -	\$ -	\$ -	\$ -
5			Projects Funded by Others		334200-Meter Installations		10133420	334.4	N		2	\$ -	\$ -	\$ -	\$ -	\$ -
7	R12-01-A1		Mains - New		331001-T&D Mains		10133100	331.4	Y		2	\$ 15,736	\$ 10,505	\$ 10,503	\$ -	\$ -
9	R12-01-B1		Mains - Replaced / Restored		331001-T&D Mains		10133100	331.4	Y		2	\$ 163,878	\$ 136,340	\$ 76,982	\$ 12,202	\$ 48,606
10			Mains - Replaced / Restored		333000-Services		10133300	333.4	Y		2	\$ 16,388	\$ 13,634	\$ 7,698	\$ 1,220	\$ 4,861
11			Mains - Replaced / Restored		334100-Meters		10133410	334.4	Y		2	\$ 12,291	\$ 10,225	\$ 5,774	\$ 915	\$ 3,645
12			Mains - Replaced / Restored		335000-Hydrants		10133500	335.4	Y		2	\$ 12,291	\$ 10,225	\$ 5,774	\$ 915	\$ 3,645
13																
14	R12-01-C1		Mains - Unscheduled		331001-T&D Mains		10133100	331.4	N		1	\$ 19,957	\$ 21,162	\$ 21,010	\$ 34,768	\$ 14,707
16	R12-01-D1		Mains - Relocated		331001-T&D Mains		10133100	331.4	Y		2	\$ 94,545	\$ 47,273	\$ 21,744	\$ -	\$ -
17			Mains - Relocated		335000-Hydrants		10133500	335.4	Y		2	\$ 10,505	\$ 5,253	\$ 2,416	\$ -	\$ -
18			Hydrants, Valves, and Manholes - New		335000-Hydrants		10133500	335.4	N		1	\$ 3,150	\$ -	\$ 3,152	\$ 12,606	\$ 13,867
19	R12-01-E1		Hydrants, Valves, and Manholes - New		331001-T&D Mains		10133100	331.4	N		1	\$ 2,100	\$ -	\$ 2,101	\$ 8,404	\$ 9,244
20																
21																
22	R12-01-F1		Hydrants, Valves, and Manholes - Replaced		335000-Hydrants		10133500	335.4	N		1	\$ 6,297	\$ 10,715	\$ 10,715	\$ 20,170	\$ 10,085
23			Hydrants, Valves, and Manholes - Replaced		331001-T&D Mains		10133100	331.4	N		1	\$ 4,198	\$ 7,144	\$ 7,144	\$ 13,447	\$ 6,724
24																
25	R12-01-G1		Services and Laterals - New		333000-Services		10133300	333.4	N		1	\$ 52,525	\$ 69,333	\$ 73,535	\$ 90,343	\$ 110,161
26																
27	R12-01-H1		Services and Laterals - Replaced		333000-Services		10133300	333.4	N		1	\$ 85,897	\$ 64,040	\$ 79,798	\$ 94,555	\$ 94,654
28			Services and Laterals - Replaced		334200-Meter Installations		10133420	334.4	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
29																
30	R12-01-I1		Meters - New		334100-Meters		10133410	334.4	N		1	\$ 25,736	\$ 24,267	\$ 25,737	\$ 31,620	\$ 48,639
31																
32	R12-01-J1		Meters - Replaced		334100-Meters		10133410	334.4	N		1	\$ 21,007	\$ 15,758	\$ 309,855	\$ 81,939	\$ 459,594
33			Meters - Replaced		334200-Meter Installations		10133420	334.4	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
34																
35	R12-01-K1		ITS Equipment and Systems		334100-Meters		10133410	334.4	N		1	\$ 5,251	\$ -	\$ -	\$ -	\$ -
36																
37	R12-01-L1		SCADA Equipment and Systems		346190-Remote Control & Instrum		10134600	346.5	Y		6	\$ -	\$ 26,263	\$ 321,658	\$ 107,219	\$ 107,219
38																
39	R12-01-M1		Security Equipment and Systems		304500-Struct & Imp-General		10130450	304.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
40																
41	R12-01-N1		Offices and Operations Centers		304500-Struct & Imp-General		10130450	304.5	N		1	\$ 21,010	\$ -	\$ -	\$ -	\$ -
42			Offices and Operations Centers		304100-Struct & Imp-Supply		10130410	304.2	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
43			Offices and Operations Centers		340100-Office Furniture & Equip		10134010	340.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
44			Offices and Operations Centers		340300-Computer Software		10134010	340.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
45			Offices and Operations Centers		346100-Comm Equip Non-Telephc		10134600	346.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
46			Offices and Operations Centers		347000-Misc Equipment		10134700	347.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
47																
48	R12-01-O1		Vehicles		341100-Trans Equip Lt Duty Trks		10134100	341.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
49			Vehicles		341200-Trans Equip Hwy Duty Trks		10134100	341.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
50			Vehicles		341300-Trans Equip Auto Car		10134100	341.5	N		1	\$ -	\$ -	\$ -	\$ -	\$ -
51																
52	R12-01-P1		Tools and Equipment		343000-Tools,Shop,Garage Equip		10134300	343.5	N		1	\$ -	\$ -	\$ -	\$ 10,505	\$ 10,505
53																
54	R12-01-Q1		Process Plant Facilities and Equipment		304300-Struct & Imp-Treatment		10130430	304.3	Y		2	\$ 71,838	\$ 8,403	\$ -	\$ -	\$ -
55			Process Plant Facilities and Equipment		306000-Lake, River & Other Intake		10130600	306.2	Y		2	\$ 26,939	\$ 3,151	\$ -	\$ -	\$ -

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workbook #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

Total Placed in Service: \$ 14,729,191 \$ 983,041 \$ 1,314,549 \$ 1,003,916 \$ 1,113,975  
 Dec-13 Jan-14 Feb-14 Mar-14 Apr-14

x Line#	FP#	x	Project Description	x	IDE / Utility Plant Account	x	SAP GL Account	x	NARUC Account	x	AFUDC Y/N	x	In-Service Date or # Months Construction	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	
																			Y
56			Process Plant Facilities and Equipment		31100-Pumping Equipment		10131120		311.2		Y		2	44,899	5,252	-	-	-	-
57			Process Plant Facilities and Equipment		320100-Wt Equip Non-Media		10132010		320.3		Y		2	17,960	2,101	-	-	-	-
58			Process Plant Facilities and Equipment		330200-Ground Level Tanks		10133000		330.4		Y		2	17,960	2,101	-	-	-	-
59			Process Plant Facilities and Equipment		344000-Laboratory Equipment		10134400		344.5		Y		2	-	-	-	-	-	-
60			Engineering Studies		339600-Other P/E-Cps		10133910		339.1		Y		6	-	-	8,929	8,929	-	8,929
61	R12-*	S1	Engineering Studies		348000-Other Tangible Property		10134800		348.5		Y		6	-	-	1,576	1,576	-	1,576
62			Business Transformation 2010 - 2014		340315-Comp Software Specia		10134010		340.5		Y		5/1/2013	64,273	38,834	-	-	-	271,176
63			Business Transformation 2010 - 2014		340315-Comp Software Specia		10134010		340.5		Y		5/1/2013	-	-	-	-	-	-
64	T12-0102-P		Business Transformation 2010 - 2014		340315-Comp Software Specia		10134010		340.5		Y		5/1/2013	64,273	38,834	-	-	-	271,176
65			Business Transformation 2010 - 2014		340315-Comp Software Specia		10134010		340.5		Y		5/1/2013	-	-	-	-	-	-
66	T12-0103-P		Business Transformation 2010 - 2014		340315-Comp Software Specia		10134010		340.5		Y		5/1/2013	-	-	-	-	-	-
67			New WTP On Pool 3 of Kentucky		331001-T&D Mains		10133100		331.4		N		9/20/2010	-	-	-	-	-	-
68			Russell Cave Rd Main Extension		330200-Ground Level Tanks		10133000		330.4		N		7/15/2012	-	-	-	-	-	-
69			US 25 Relocation		331001-T&D Mains		10133100		331.4		N		7/30/2012	-	-	-	-	-	-
70			US 25 Relocation		333000-Services		10133300		333.4		N		7/30/2012	-	-	-	-	-	-
71			US 25 Relocation		335000-Hydrants		10133500		335.4		N		7/30/2012	-	-	-	-	-	-
72			Leestown Road		331001-T&D Mains		10133100		331.4		Y		4/15/2013	-	-	-	-	-	-
73			Leestown Road		333000-Services		10133300		333.4		Y		4/15/2013	-	-	-	-	-	-
74			Leestown Road		335000-Hydrants		10133500		335.4		Y		4/15/2013	-	-	-	-	-	-
75			Pump Efficiency Replacement		311000-Pumping Equipment		10131120		311.2		Y		4/15/2013	-	-	-	-	-	-
76			Pump Efficiency Replacement		311200-Pump Eqp Electric		10131120		311.2		Y		4/15/2013	-	-	-	-	-	-
77			Pump Efficiency Replacement		339300-Other P/E-Treatment		10133930		339.3		Y		4/15/2013	-	-	-	-	-	-
78			Pump Efficiency Replacement		346190-Remote Control & Instru		10134600		346.5		Y		4/15/2013	-	-	-	-	-	-
79			Pump Efficiency Replacement		347000-Misc Equipment		10134700		347.5		Y		4/15/2013	-	-	-	-	-	-
80			Northern Division Connection		303500-Land & Land Rights-T&D		10130350		303.4		Y		12/28/2013	356,579	3,296	1,583	1,179	225	
81			Northern Division Connection		331001-T&D Mains		10133100		331.4		Y		12/28/2013	9,459,385	150,529	72,302	53,831	10,275	
82			Northern Division Connection		311540-Pumping Equipment To		10131154		311.4		Y		12/28/2013	325,052	5,494	2,639	1,965	375	
83			Northern Division Connection		311200-Pump Eqp Electric		10131120		311.2		Y		12/28/2013	260,041	4,395	2,111	1,572	300	
84			Northern Division Connection		346190-Remote Control & Instru		10134600		346.5		Y		12/28/2013	65,010	1,099	528	393	75	
85			Northern Division Connection		330100-Elevated Tanks & Standpit		10133000		330.4		Y		12/28/2013	3,250,517	54,938	26,388	19,646	3,750	
86			Todds and Cleveland Rd Main Extension		331001-T&D Mains		10133100		331.4		Y		11/15/2014	-	-	-	-	-	-
87			Todds and Cleveland Rd Main Extension		335000-Hydrants		10133500		335.4		Y		11/15/2014	-	-	-	-	-	-
88			KRS Clearwell Improvements (332)		304300-Struct & Imp-Treatment		10130430		304.3		Y		6/15/2015	-	-	-	-	-	-
89			I-75 Main Extension		331001-T&D Mains		10133100		331.4		Y		11/15/2014	-	-	-	-	-	-
90			I-75 Main Extension		335000-Hydrants		10133500		335.4		Y		11/15/2014	-	-	-	-	-	-
91			Greenwich Rd Main Extension		331001-T&D Mains		10133100		331.4		Y		10/15/2014	-	-	-	-	-	-
92			Greenwich Rd Main Extension		335000-Hydrants		10133500		335.4		Y		10/15/2014	-	-	-	-	-	-
93			North Upper St Main Replacement (343)		331001-T&D Mains		10133100		331.4		Y		12/15/2014	-	-	-	-	-	-
94			North Upper St Main Replacement (343)		333000-Services		10133300		333.4		Y		12/15/2014	-	-	-	-	-	-
95			North Upper St Main Replacement (343)		335000-Hydrants		10133500		335.4		Y		12/15/2014	-	-	-	-	-	-
96			KY Major Highway		331001-T&D Mains		10133100		331.4		Y		12/15/2014	-	-	-	-	-	-
97			KY Major Highway		333000-Services		10133300		333.4		Y		12/15/2014	-	-	-	-	-	-

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
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 Excel: #VALUE!

		Dec-13		Jan-14		Feb-14		Mar-14		Apr-14									
		Total Placed in Service: \$		983,041 \$		1,314,549 \$		1,003,916 \$		1,113,975									
x Line #	FP#	x	Project Description	x	JDE / Utility Plant Account	x	SAP GL Account	x	NARUC Account	x	AFUDC Y/N	x	In-Service Date or # Months Construction	x	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
111		x	KY Major Highway	x	335000-Hydrants	x	10133500	x	335.4	x	Y	x	12/15/2014						
112																			
113	IP-1202-23		RRS Carbon and Pre-Chlorine Feed		304300-Struct & Imp-Treatment		10130430		304.3		Y		9/15/2014						
114			RRS Carbon and Pre-Chlorine Feed		311000-Pumping Equipment		10131120		311.2		Y		9/15/2014						
115			RRS Carbon and Pre-Chlorine Feed		311200-Pump Equip Electric		10131120		311.2		Y		9/15/2014						
116			RRS Carbon and Pre-Chlorine Feed		320100-Wt Equip Non-Media		10132010		320.3		Y		9/15/2014						
117																			
118	IP-1202-27		KRS Hydrotreater Valve & Flow Meter		334100-Meters		10133410		334.4		Y		7/30/2014						
119			KRS Hydrotreater Valve & Flow Meter		334200-Meter Installations		10133420		334.4		Y		7/30/2014						
120			KRS Hydrotreater Valve & Flow Meter		334300-Meter Vaults		10133410		334.4		Y		7/30/2014						
121																			
122	IP-1202-39		Pump Efficiency Repl		311000-Pumping Equipment		10131120		311.2		Y		9/25/2014						
123			Pump Efficiency Repl		311200-Pump Equip Electric		10131120		311.2		Y		9/25/2014						
124			Pump Efficiency Repl		339300-Other P/E-Treatment		10133930		339.3		Y		9/25/2014						
125			Pump Efficiency Repl		346190-Remote Control & Instrum		10134600		346.5		Y		9/25/2014						
126			Pump Efficiency Repl		347000-Misc Equipment		10134700		347.5		Y		9/25/2014						

<b>Replacement Property Total</b>	<b>\$</b>	<b>447,254</b>	<b>\$</b>	<b>341,769</b>	<b>\$</b>	<b>548,910</b>	<b>\$</b>	<b>260,132</b>	<b>\$</b>	<b>646,522</b>
4 yr average repairs over replacement property		0.6751		0.6751		0.6751		0.6751		0.6751
<b>Repairs Deduction</b>		<b>301,941</b>		<b>230,728</b>		<b>370,569</b>		<b>175,615</b>		<b>436,467</b>
<b>FIN 48</b>		<b>112,650</b>		<b>86,081</b>		<b>138,254</b>		<b>65,520</b>		<b>162,840</b>



Kentucky American Water Company																		
Case No. 2012-00520																		
Capital In-Servicing Activity by Month, September 2012 - December 2014																		
Per In-Service Date or Assumed Months in Construction																		
Worksheet #: W/P-1-1 and W/P-1-3																		
Excel: #VALUE!																		
x Line i	FP#	x	Project Description	x	IDE / Utility Plant Account	x	SAP GL Account	x	NARUC Account	x	AFUDC Y/N	x	Total Placed in Service:			In-Service Date or # Months Construction	2013	
													May-14	Jun-14	Jul-14		Oct-Dec 12 In-Serviced	Oct-Dec 12 In-Serviced
1	D12-01-P		Projects Funded by Others		331001-T&D Mains		10133100		331.4		N		137,091	146,545	165,000	2	572,161	1,798,085
2			Projects Funded by Others		335000-Hydrants		10133500		335.4		N		15,232	16,283	18,333	2	65,283	199,787
3			Projects Funded by Others		333000-Services		10133300		333.4		N		-	-	-	2	55,037	-
4			Projects Funded by Others		334100-Meters		10133410		334.4		N		-	-	-	2	1,861	-
5			Projects Funded by Others		334200-Meter Installations		10133420		334.4		N		-	-	-	2	34,012	-
7	R12-01-A1		Mains - New		331001-T&D Mains		10133100		331.4		Y		10,505	10,505	26,263	2	75,100	1,064,129
9	R12-01-B1		Mains - Replaced / Restored		331001-T&D Mains		10133100		331.4		Y		74,222	87,233	162,464	2	362,478	2,051,392
10			Mains - Replaced / Restored		333000-Services		10133300		333.4		Y		7,422	8,723	16,246	2	26,088	205,139
11			Mains - Replaced / Restored		334100-Meters		10133410		334.4		Y		5,567	6,542	12,185	2	19,566	153,854
12			Mains - Replaced / Restored		335000-Hydrants		10133500		335.4		Y		5,567	6,542	12,185	2	22,078	153,854
14	R12-01-C1		Mains - Unscheduled		331001-T&D Mains		10133100		331.4		N		21,010	21,010	13,657	1	77,965	270,231
16	R12-01-D1		Mains - Relocated		331001-T&D Mains		10133100		331.4		Y		4,728	9,455	14,182	2	-	703,255
17			Mains - Relocated		335000-Hydrants		10133500		335.4		Y		525	1,051	1,576	2	-	78,139
18			Hydrants, Valves, and Manholes - New		335000-Hydrants		10133500		335.4		N		15,758	12,606	15,758	1	41,583	110,996
19	R12-01-E1		Hydrants, Valves, and Manholes - New		331001-T&D Mains		10133100		331.4		N		10,505	8,404	10,505	1	19,121	73,997
22	R12-01-F1		Hydrants, Valves, and Manholes - Replaced		335000-Hydrants		10133500		335.4		N		10,085	16,388	17,648	1	(9,169)	180,266
23			Hydrants, Valves, and Manholes - Replaced		331001-T&D Mains		10133100		331.4		N		6,724	10,926	11,766	1	(5,960)	120,177
24			Services and Laterals - New		333000-Services		10133300		333.4		N		115,565	111,565	116,565	1	294,980	1,026,132
27	R12-01-H1		Services and Laterals - Replaced		333000-Services		10133300		333.4		N		101,071	96,981	102,121	1	244,207	1,002,917
28			Services and Laterals - Replaced		334200-Meter Installations		10133420		334.4		N		-	-	-	1	962	-
30	R12-01-I1		Meters - New		334100-Meters		10133410		334.4		N		59,879	65,131	59,879	1	478,229	504,240
32	R12-01-J1		Meters - Replaced		334100-Meters		10133410		334.4		N		580,611	417,379	238,580	1	2,386,331	2,362,739
33			Meters - Replaced		334200-Meter Installations		10133420		334.4		N		-	-	-	1	(314)	-
35	R12-01-K1		ITS Equipment and Systems		334100-Meters		10133410		334.4		N		32,615	8,371	-	1	193,071	315,805
37	R12-01-L1		SCADA Equipment and Systems		346190-Remote Control & Instrum		10134600		346.5		Y		107,219	107,220	-	6	-	1,399,232
39	R12-01-M1		Security Equipment and Systems		304500-Struct & Imp-General		10130450		304.5		N		-	10,505	10,505	1	21,010	210,100
41	R12-01-N1		Offices and Operations Centers		304500-Struct & Imp-General		10130450		304.5		N		21,010	-	21,010	1	51,818	105,050
42			Offices and Operations Centers		304100-Struct & Imp-Supply		10130410		304.2		N		-	-	-	1	7,489	-
43			Offices and Operations Centers		340100-Office Furniture & Equip		10134010		340.5		N		-	-	-	1	131,066	-
44			Offices and Operations Centers		340300-Computer Software		10134010		340.5		N		-	-	-	1	7,894	-
45			Offices and Operations Centers		346100-Comm Equip Non-Telephc		10134600		346.5		N		-	-	-	1	93,467	-
46			Offices and Operations Centers		347000-Misc Equipment		10134700		347.5		N		-	-	-	1	12,332	-
48	R12-01-O1		Vehicles		341100-Trans Equip Lt Duty Trks		10134100		341.5		N		15,253	18,027	115,440	1	67,613	178,533
49			Vehicles		341200-Trans Equip Hwy Duty Trks		10134100		341.5		N		15,253	18,027	115,440	1	67,819	178,533
50			Vehicles		341300-Trans Equip Auto Car		10134100		341.5		N		15,715	18,573	118,938	1	69,712	183,943
52	R12-01-P1		Tools and Equipment		343000-Tools,Shop,Garage Equip		10134300		343.5		N		78,788	67,100	89,292	1	153,926	307,797
54	R12-01-Q1		Process Plant Facilities and Equipment		304300-Struct & Imp-Treatment		10130430		304.3		Y		14,707	67,232	60,700	2	124,502	708,072
55			Process Plant Facilities and Equipment		306000-Lake, River & Other Intake		10130600		306.2		Y		5,515	25,212	22,763	2	48,182	265,527

x Line#	FP#	Project Description	IDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	In-Service Date or # Months Construction	Total Placed in Service:				2013	
								May-14	Jun-14	Jul-14	Oct-Dec 12	In-Serviced	In-Serviced
								\$ 1,515,194	\$ 1,469,171	\$ 1,863,542	\$ 7,059,663	\$ 42,068,725	
56		Process Plant Facilities and Equipment	311000-Pumping Equipment	10131120	311.2	Y	2	\$ 9,192	\$ 42,020	\$ 37,938	\$ 92,557	\$ 442,545	
57		Process Plant Facilities and Equipment	320100-Wt Equip Non-Media	10132010	320.3	Y	2	\$ 3,677	\$ 16,808	\$ 15,175	\$ 31,126	\$ 177,018	
58		Process Plant Facilities and Equipment	330200-Ground Level Tanks	10133000	330.4	Y	2	\$ 3,677	\$ 16,808	\$ 15,175	\$ 234,828	\$ 177,018	
59		Process Plant Facilities and Equipment	344000-Laboratory Equipment	10134400	344.5	Y	2	\$ -	\$ -	\$ -	\$ 7,157	\$ -	
60		Engineering Studies	339600-Other P/E-Cps	10133910	339.1	Y	6	\$ 8,929	\$ -	\$ -	\$ -	\$ -	
61	R12-11	Engineering Studies	348000-Other Tangible Property	10134800	348.5	Y	6	\$ 1,576	\$ -	\$ -	\$ -	\$ 236,541	
62		Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$ -	\$ -	\$ -	\$ -	\$ -	
63	T12-0102-P	Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$ -	\$ -	\$ -	\$ -	\$ 6,470,245	
64		Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$ -	\$ -	\$ -	\$ -	\$ -	
65		New WTP On Pool 3 of Kentucky	331001-T&D Mains	10133100	331.4	N	9/20/2010	\$ -	\$ -	\$ -	\$ 23,894	\$ -	
66	T12-0103-P	Russell Cave Rd Main Extension	330200-Ground Level Tanks	10133000	330.4	N	7/15/2012	\$ -	\$ -	\$ -	\$ 509,148	\$ -	
67		US 25 Relocation	331001-T&D Mains	10133100	331.4	N	7/30/2012	\$ -	\$ -	\$ -	\$ 135,184	\$ -	
68		US 25 Relocation	333000-Services	10133300	333.4	N	7/30/2012	\$ -	\$ -	\$ -	\$ 16,898	\$ -	
69		US 25 Relocation	335000-Hydrants	10133500	335.4	N	7/30/2012	\$ -	\$ -	\$ -	\$ 16,898	\$ -	
70		Leestown Road	331001-T&D Mains	10133100	331.4	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 1,692,056	
71		Leestown Road	333000-Services	10133300	333.4	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 81,914	
72		Leestown Road	335000-Hydrants	10133500	335.4	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 40,957	
73		Pump Efficiency Replacement	311000-Pumping Equipment	10131120	311.2	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 960,414	
74		Pump Efficiency Replacement	311200-Pump Eqp Electric	10131120	311.2	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 750,977	
75		Pump Efficiency Replacement	339300-Other P/E-Treatment	10133930	339.3	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 237,964	
76		Pump Efficiency Replacement	346190-Remote Control & Instrum	10134600	346.5	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 233,400	
77		Pump Efficiency Replacement	347000-Misc Equipment	10134700	347.5	Y	4/15/2013	\$ -	\$ -	\$ -	\$ -	\$ 239,676	
78		Northern Division Connection	303500-Land & Land Rights-T&D	10130350	303.4	Y	12/28/2013	\$ -	\$ -	\$ -	\$ -	\$ 356,579	
79		Northern Division Connection	331001-T&D Mains	10133100	331.4	Y	12/28/2013	\$ -	\$ -	\$ -	\$ -	\$ 9,459,385	
80		Northern Division Connection	311540-Pumping Equipment Td	10131154	311.4	Y	12/28/2013	\$ -	\$ -	\$ -	\$ -	\$ 325,052	
81		Northern Division Connection	311200-Pump Eqp Electric	10131120	311.2	Y	12/28/2013	\$ -	\$ -	\$ -	\$ -	\$ 260,041	
82		Northern Division Connection	346190-Remote Control & Instrum	10134600	346.5	Y	12/28/2013	\$ -	\$ -	\$ -	\$ -	\$ 65,010	
83		Northern Division Connection	330100-Elevated Tanks & Standpil	10133000	330.4	Y	12/28/2013	\$ -	\$ -	\$ -	\$ -	\$ 3,250,517	
84		Todds and Cleveland Rd Main Extension	331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
85		Todds and Cleveland Rd Main Extension	335000-Hydrants	10133500	335.4	Y	11/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
86		KRS Clearwell Improvements (332)	304300-Struct & Imp-Treatment	10130430	304.3	Y	6/15/2015	\$ -	\$ -	\$ -	\$ -	\$ -	
87		I-75 Main Extension	331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
88		I-75 Main Extension	335000-Hydrants	10133500	335.4	Y	11/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
89		Greenwich Rd Main Extension	331001-T&D Mains	10133100	331.4	Y	10/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
90		Greenwich Rd Main Extension	335000-Hydrants	10133500	335.4	Y	10/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
91		North Upper St Main Replacement (343)	331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
92		North Upper St Main Replacement (343)	333000-Services	10133300	333.4	Y	12/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
93		North Upper St Main Replacement (343)	335000-Hydrants	10133500	335.4	Y	12/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
94		KY Major Highway	331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	
95		KY Major Highway	333000-Services	10133300	333.4	Y	12/15/2014	\$ -	\$ -	\$ -	\$ -	\$ -	

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Worksheet #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

x Line i	FP#	x	Project Description	JDE / Utility Plant Account	x	SAP GL Account	x	NARUC Account	x	AFUDC Y/N	In-Service Date or # Months Construction	x	Total Placed in Service:			x	2013	
													May-14	Jun-14	Jul-14		Oct-Dec 12 In-Serviced	In-Serviced
111		x	KY Major Highway	335000-Hydrants	x	10133500	x	335.4	x	Y	12/15/2014	x	\$ 1,515,194	\$ 1,469,171	\$ 1,863,542	\$ 7,059,663	\$ 42,068,725	
112		x	RRS Carbon and Pre-Chlorine Feed	304300-Struct & Imp-Treatment	x	10130430	x	304.3	x	Y	9/15/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
113	IP-1202-23	x	RRS Carbon and Pre-Chlorine Feed	311000-Pumping Equipment	x	10131120	x	311.2	x	Y	9/15/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
114		x	RRS Carbon and Pre-Chlorine Feed	311200-Pump Eqp Electric	x	10131120	x	311.2	x	Y	9/15/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
115		x	RRS Carbon and Pre-Chlorine Feed	320100-Wt Equip Non-Media	x	10132010	x	320.3	x	Y	9/15/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
116		x	RRS Carbon and Pre-Chlorine Feed	334100-Meters	x	10133410	x	334.4	x	Y	7/30/2014	x	\$ 79,189	\$ -	\$ -	\$ -	\$ -	
117	IP-1202-27	x	KRS Hydrotreater Valve & Flow Meter	334200-Meter Installations	x	10133420	x	334.4	x	Y	7/30/2014	x	\$ 56,564	\$ -	\$ -	\$ -	\$ -	
118		x	KRS Hydrotreater Valve & Flow Meter	334300-Meter Vaults	x	10133410	x	334.4	x	Y	7/30/2014	x	\$ 90,502	\$ -	\$ -	\$ -	\$ -	
119		x	KRS Hydrotreater Valve & Flow Meter	311000-Pumping Equipment	x	10131120	x	311.2	x	Y	9/25/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
120		x	KRS Hydrotreater Valve & Flow Meter	311200-Pump Eqp Electric	x	10131120	x	311.2	x	Y	9/25/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
121	IP-1202-39	x	Pump Efficiency Repl	339300-Other P/E-Treatment	x	10133930	x	339.3	x	Y	9/25/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
122		x	Pump Efficiency Repl	346190-Remote Control & Instrum	x	10134600	x	346.5	x	Y	9/25/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
123		x	Pump Efficiency Repl	347000-Misc Equipment	x	10134700	x	347.5	x	Y	9/25/2014	x	\$ -	\$ -	\$ -	\$ -	\$ -	
124		x	Pump Efficiency Repl		x		x		x			x	\$ -	\$ -	\$ -	\$ -	\$ -	
125		x	Pump Efficiency Repl		x		x		x			x	\$ -	\$ -	\$ -	\$ -	\$ -	
126		x	Pump Efficiency Repl		x		x		x			x	\$ -	\$ -	\$ -	\$ -	\$ -	

<b>Replacement Property Total</b>	<b>\$ 817,532</b>	<b>\$ 682,230</b>	<b>\$ 602,610</b>
4 yr average repairs over replacement property	0.6751	0.6751	0.6751
<b>Repairs Deduction</b>	<b>551,916</b>	<b>460,573</b>	<b>406,822</b>
<b>FIN 48</b>	<b>205,912</b>	<b>171,834</b>	<b>151,780</b>

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

2014  
 Total Placed in Service: \$ 2,422,401  
 In-Serviced

Line #	FP#	Project Description	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	In-Service Date or # Months Construction	2014	
								In-Serviced	In-Serviced
1	D12-01-P	Projects Funded by Others	331001-T&D Mains	10133100	331.4	N	2	\$ 1,910,611	\$ -
2		Projects Funded by Others	335000-Hydrants	10133500	335.4	N	2	\$ 212,290	\$ -
3		Projects Funded by Others	333000-Services	10133300	333.4	N	2	\$ -	\$ -
4		Projects Funded by Others	334100-Meters	10133410	334.4	N	2	\$ -	\$ -
5		Projects Funded by Others	334200-Meter Installations	10133420	334.4	N	2	\$ -	\$ -
6		Mains - New	331001-T&D Mains	10133100	331.4	Y	2	\$ -	\$ 270,605
7	R12-01A1								
8		Mains - Replaced / Restored	331001-T&D Mains	10133100	331.4	Y	2	\$ 1,594,849	\$ -
9	R12-01B1								
10		Mains - Replaced / Restored	333000-Services	10133300	333.4	Y	2	\$ 159,485	\$ -
11		Mains - Replaced / Restored	334100-Meters	10133410	334.4	Y	2	\$ 119,614	\$ -
12		Mains - Replaced / Restored	335000-Hydrants	10133500	335.4	Y	2	\$ 119,614	\$ -
13									
14	R12-01C1	Mains - Unscheduled	331001-T&D Mains	10133100	331.4	N	1	\$ 270,231	\$ -
15									
16	R12-01D1	Mains - Relocated	331001-T&D Mains	10133100	331.4	Y	2	\$ 461,679	\$ -
17		Mains - Relocated	335000-Hydrants	10133500	335.4	Y	2	\$ 51,298	\$ -
18									
19	R12-01E1	Hydrants, Valves, and Manholes - New	335000-Hydrants	10133500	335.4	N	1	\$ 120,900	\$ -
20		Hydrants, Valves, and Manholes - New	331001-T&D Mains	10133100	331.4	N	1	\$ 80,600	\$ -
21									
22	R12-01F1	Hydrants, Valves, and Manholes - Replaced	335000-Hydrants	10133500	335.4	N	1	\$ 180,266	\$ -
23		Hydrants, Valves, and Manholes - Replaced	331001-T&D Mains	10133100	331.4	N	1	\$ 120,177	\$ -
24									
25	R12-01G1	Services and Laterals - New	333000-Services	10133300	333.4	N	1	\$ 1,085,116	\$ -
26									
27	R12-01H1	Services and Laterals - Replaced	333000-Services	10133300	333.4	N	1	\$ 1,040,590	\$ -
28		Services and Laterals - Replaced	334200-Meter Installations	10133420	334.4	N	1	\$ -	\$ -
29									
30	R12-01I1	Meters - New	334100-Meters	10133410	334.4	N	1	\$ 504,241	\$ -
31									
32	R12-01J1	Meters - Replaced	334100-Meters	10133410	334.4	N	1	\$ 2,320,552	\$ -
33		Meters - Replaced	334200-Meter Installations	10133420	334.4	N	1	\$ -	\$ -
34									
35	R12-01K1	ITS Equipment and Systems	334100-Meters	10133410	334.4	N	1	\$ 117,860	\$ -
36									
37	R12-01L1	SCADA Equipment and Systems	346190-Remote Control & Instrum	10134600	346.5	Y	6	\$ 818,819	\$ -
38									
39	R12-01M1	Security Equipment and Systems	304500-Struct & Imp-General	10130450	304.5	N	1	\$ 157,575	\$ -
40									
41	R12-01N1	Offices and Operations Centers	304500-Struct & Imp-General	10130450	304.5	N	1	\$ 126,060	\$ -
42		Offices and Operations Centers	304100-Struct & Imp-Supply	10130410	304.2	N	1	\$ -	\$ -
43		Offices and Operations Centers	340100-Office Furniture & Equip	10134010	340.5	N	1	\$ -	\$ -
44		Offices and Operations Centers	340300-Computer Software	10134010	340.5	N	1	\$ -	\$ -
45		Offices and Operations Centers	346100-Comm Non-Telephc	10134600	346.5	N	1	\$ -	\$ -
46		Offices and Operations Centers	347000-Misc Equipment	10134700	347.5	N	1	\$ -	\$ -
47									
48	R12-01O1	Vehicles	341100-Trans Equip Lt Duty Trks	10134100	341.5	N	1	\$ 185,466	\$ -
49		Vehicles	341200-Trans Equip Hwy Duty Trks	10134100	341.5	N	1	\$ 185,466	\$ -
50		Vehicles	341300-Trans Equip Auto Car	10134100	341.5	N	1	\$ 191,086	\$ -
51									
52	R12-01P1	Tools and Equipment	343000-Tools,Shop,Garage Equip	10134300	343.5	N	1	\$ 343,569	\$ -
53									
54	R12-01Q1	Process Plant Facilities and Equipment	304300-Struct & Imp-Treatment	10130430	304.3	Y	2	\$ 512,274	\$ -
55		Process Plant Facilities and Equipment	306000-Lake, River & Other Intake	10130600	306.2	Y	2	\$ 192,103	\$ -

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Workpaper #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

Line #	FP#	Project Description	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	In-Service Date or # Months Construction	2014	
								In-Service	In-Service
56		Process Plant Facilities and Equipment	311000-Pumping Equipment	10133120	311.2	Y	2	\$	320,171
57		Process Plant Facilities and Equipment	320100-Wt Equip Non-Media	10132010	320.3	Y	2	\$	128,069
58		Process Plant Facilities and Equipment	330200-Ground Level Tanks	10133000	330.4	Y	2	\$	128,069
59		Process Plant Facilities and Equipment	344000-Laboratory Equipment	10134400	344.5	Y	2	\$	-
60		Engineering Studies	339600-Other P/E-Cs	10133910	339.1	Y	6	\$	35,717
62		Engineering Studies	348000-Other Tangible Property	10134800	348.5	Y	6	\$	6,303
63		Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	-
65		Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	-
66		Business Transformation 2010 - 2014	340315-Comp Software Specia	10134010	340.5	Y	5/1/2013	\$	-
68		New WTP On Pool 3 of Kentucky	331001-T&D Mains	10133100	331.4	N	9/20/2010	\$	-
70		Russell Cave Rd Main Extension	330200-Ground Level Tanks	10133000	330.4	N	7/15/2012	\$	-
72		US 25 Relocation	331001-T&D Mains	10133100	331.4	N	7/30/2012	\$	-
73		US 25 Relocation	333000-Services	10133300	333.4	N	7/30/2012	\$	-
74		US 25 Relocation	335000-Hydrants	10133500	335.4	N	7/30/2012	\$	-
75		Leestown Road	331001-T&D Mains	10133100	331.4	Y	4/15/2013	\$	-
76		Leestown Road	333000-Services	10133300	333.4	Y	4/15/2013	\$	-
77		Leestown Road	335000-Hydrants	10133500	335.4	Y	4/15/2013	\$	-
80		Pump Efficiency Replacement	311000-Pumping Equipment	10133120	311.2	Y	4/15/2013	\$	-
81		Pump Efficiency Replacement	311200-Pump Eqp Electric	10131120	311.2	Y	4/15/2013	\$	-
82		Pump Efficiency Replacement	339300-Other P/E-Treatment	10133930	339.3	Y	4/15/2013	\$	-
83		Pump Efficiency Replacement	346190-Remote Control & Instru	10134600	346.5	Y	4/15/2013	\$	-
84		Pump Efficiency Replacement	347000-Misc Equipment	10134700	347.5	Y	4/15/2013	\$	-
85		Northern Division Connection	303500-Land & Land Rights-T&D	10130350	303.4	Y	12/28/2013	\$	6,283
86		Northern Division Connection	331001-T&D Mains	10133100	331.4	Y	12/28/2013	\$	286,936
87		Northern Division Connection	311540-Pumping Equipment Tc	10131154	311.4	Y	12/28/2013	\$	10,472
88		Northern Division Connection	311200-Pump Eqp Electric	10131120	311.2	Y	12/28/2013	\$	8,378
89		Northern Division Connection	346190-Remote Control & Instru	10134600	346.5	Y	12/28/2013	\$	2,094
90		Northern Division Connection	330100-Elevated Tanks & Standpi	10133000	330.4	Y	12/28/2013	\$	104,721
91		Todds and Cleveland Rd Main Extension	331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$	2,340,000
92		Todds and Cleveland Rd Main Extension	335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	60,000
94		KRS Clearwell improvements (332)	304300-Struct & Imp-Treatment	10130430	304.3	Y	6/15/2015	\$	-
96		I-75 Main Extension	331001-T&D Mains	10133100	331.4	Y	11/15/2014	\$	1,950,000
97		I-75 Main Extension	335000-Hydrants	10133500	335.4	Y	11/15/2014	\$	50,000
98		Greenwich Rd Main Extension	331001-T&D Mains	10133100	331.4	Y	10/15/2014	\$	1,267,500
99		Greenwich Rd Main Extension	335000-Hydrants	10133500	335.4	Y	10/15/2014	\$	32,500
100		North Upper St Main Replacement (343)	331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$	1,312,747
101		North Upper St Main Replacement (343)	333000-Services	10133300	333.4	Y	12/15/2014	\$	150,028
102		North Upper St Main Replacement (343)	335000-Hydrants	10133500	335.4	Y	12/15/2014	\$	37,507
103		KY Major Highway	331001-T&D Mains	10133100	331.4	Y	12/15/2014	\$	875,000
104		KY Major Highway	333000-Services	10133300	333.4	Y	12/15/2014	\$	100,000

Total Placed in Service: \$ 2,422,140

Kentucky American Water Company  
 Case No. 2012-00520  
 Capital In-Servicing Activity by Month, September 2012 - December 2014  
 Per In-Service Date or Assumed Months in Construction  
 Worksheet #: W/P - 1-1 and W/P - 1-3  
 Excel: #VALUE!

2014  
 Total Placed in Service: \$ 24,221,401  
 In-Serviced

x Line #	FP#	x	Project Description	x	JDE / Utility Plant Account	SAP GL Account	NARUC Account	AFUDC Y/N	In-Service Date or # Months Construction	2014 In-Serviced
111		x	KY Major Highway	x	335000-Hydrants	10133500	335.4	Y	12/15/2014	\$ 25,000
112										
113	IP-1202-23		RRS Carbon and Pre-Chlorine Feed		304300-Struct & Imp-Treatment	10130430	304.3	Y	9/15/2014	\$ 95,038
114			RRS Carbon and Pre-Chlorine Feed		311000-Pumping Equipment	10131120	311.2	Y	9/15/2014	\$ 95,038
115			RRS Carbon and Pre-Chlorine Feed		311200-Pump Eqp Electric	10131120	311.2	Y	9/15/2014	\$ 95,038
116			RRS Carbon and Pre-Chlorine Feed		320100-Wt Equip Non-Media	10132010	320.3	Y	9/15/2014	\$ 190,075
117										
118	IP-1202-27		KRS Hydrotreater Valve & Flow Meter		334100-Meters	10133410	334.4	Y	7/30/2014	\$ 87,500
119			KRS Hydrotreater Valve & Flow Meter		334200-Meter Installations	10133420	334.4	Y	7/30/2014	\$ 62,500
120			KRS Hydrotreater Valve & Flow Meter		334300-Meter Vaults	10133410	334.4	Y	7/30/2014	\$ 100,000
121										
122	IP-1202-39		Pump Efficiency Repl		311000-Pumping Equipment	10131120	311.2	Y	9/25/2014	\$ 183,146
123			Pump Efficiency Repl		311200-Pump Eqp Electric	10131120	311.2	Y	9/25/2014	\$ 137,360
124			Pump Efficiency Repl		339300-Other P/E-Treatment	10133930	339.3	Y	9/25/2014	\$ 45,787
125			Pump Efficiency Repl		346190-Remote Control & Instrum	10134600	346.5	Y	9/25/2014	\$ 45,787
126			Pump Efficiency Repl		347000-Misc Equipment	10134700	347.5	Y	9/25/2014	\$ 45,787

**Replacement Property Total**

4 yr average repairs over replacement property

**Repairs Deduction**

FIN 48

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 13:**

Please refer to Kentucky American's response to Item No. 78 of the Commission Staff's Second Data Request. Provide the information for the other rate classes.

**Response:**

Please see attachment.





**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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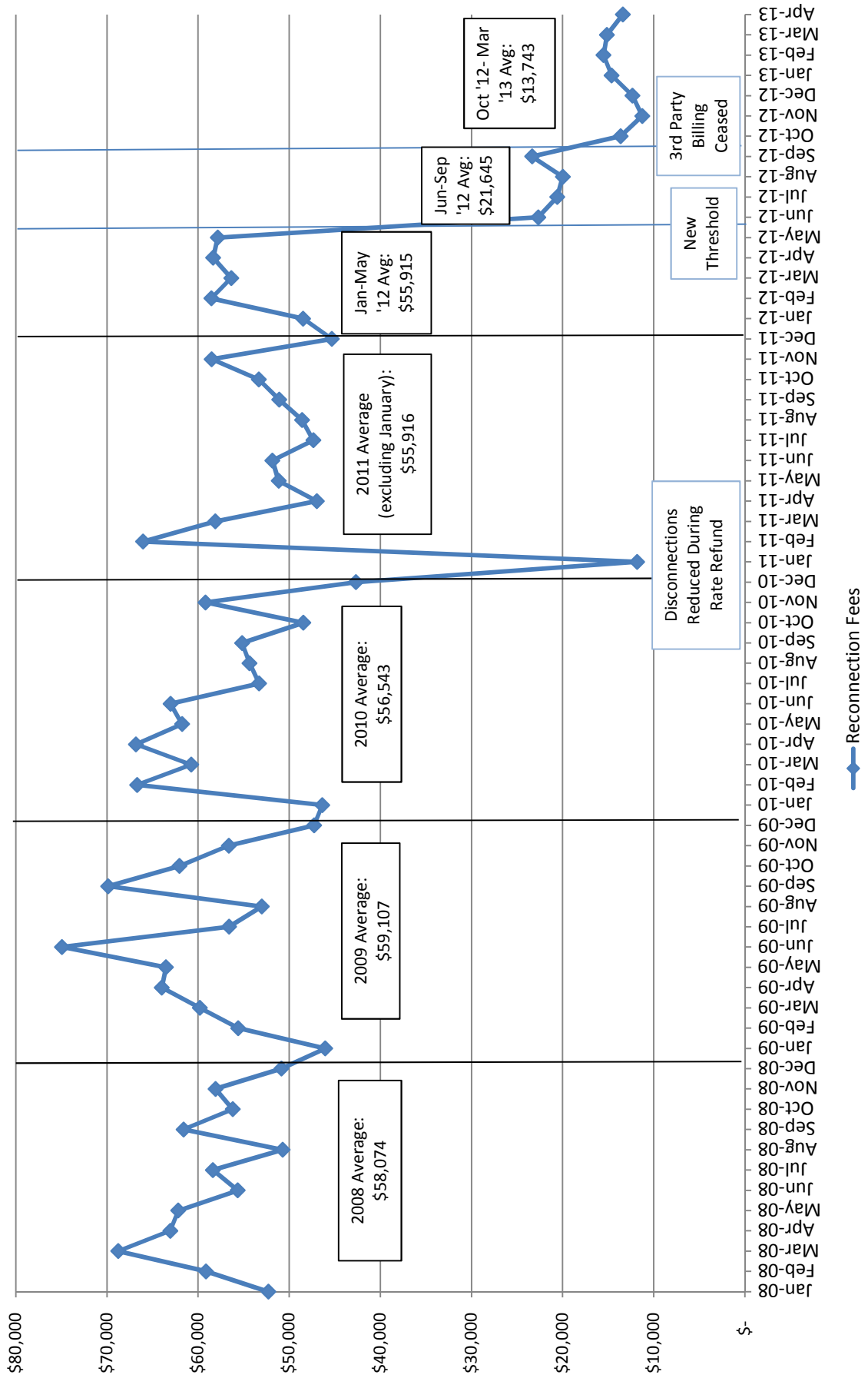
**Question 14:**

Please refer to KAW Hearing Exhibit 2. Please update the chart to include information beginning January 1, 2008.

**Response:**

Please see attachment.

### Kentucky American Monthly Reconnect Fees January 2008- April 2013 Price is Constant (last Changed 12/1/2007)



**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 15:**

If available, please provide the number of disconnections from January 1, 2011 to date resulting from failure to pay water service only.

**Response:**

The information requested is not available. Due to the payment allocation methods practiced during the period from January 2011 through the termination of the billing service contract, we are unable to determine the total number of disconnections KAWC completed resulting from failure to pay water service only.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 16:**

Please provide an update to Item No. 8 of LFUCG's Supplemental Requests for Information.

**Response:**

Please find the Original Request for Information and update below.

**Original Request for Information**

**Witness: Linda C. Bridwell**

8. Does KAW have the ability to provide Lexington (or any other customer) with a monthly electronic batch file (i.e., a spread sheet containing all accounts, meter read dates, consumption volumes, and cost of service)?

**Response:**

Yes. With the new functionality of the SAP Customer Information System that will be implemented in late May, 2013, KAW will have the ability to do collective billing. This will allow customers with multiple accounts to be billed by a collective bill for all accounts that are within the same billing cycle (read on or about the same date). A collective bill is not in the form of an electronic batch file (spread sheet), but instead is an actual invoice that will include accounts, read dates, consumption volumes, and cost of service.

At a meeting with LFUCG representatives in February, 2012 and subsequent phone conversations this was discussed, with regard to simplifying LFUCG billing in the future, and also ease of preparing energy / utility management reporting. After SAP is implemented KAW major accounts will work with LFUCG to pursue the best options for future billing and usage statements. If LFUCG were to desire this information in an electronic batch file format rather than collective bill, Kentucky American will work toward providing the information in that format.

**Update:**

There is no update to this response, other than to clarify that SAP was implemented May 20, 2013 and Kentucky American Water will go through one or two complete billing cycles to ensure the system functionality is correct, and then work with LFUCG toward a monthly electronic batch file, as indicated.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 17:**

Please provide in Excel format through the Commission's online web portal and on electronic media the schedules and supporting workpapers for Kentucky American's Base Period Update and Forecast Year Revisions.

**Response:**

Due to the size of the files and the links, the requested information has been provided on a CD to all parties.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 18:**

Please refer to the Application Exhibit 37 at Schedule B-5.2. Please state the Dollar Days for Chemicals.

**Response:**

The amount that was inadvertently omitted is \$49,998,921. That amount should have been included in the Company's December 28, 2012 Application Exhibit 37, Schedule B-5.2 at page 5 of 6 and in the May 15, 2013 Base Period Update, Exhibit 37, Schedule B-5.2 at page 5 of 6.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 19:**

Please provide a copy of any rules or written guidance provided to customer service representatives regarding allocating and/or tracking water and sewer customer calls.

**Response:**

The written guidance provided to customer service representatives is contained in the attached document. The first six pages are from the guidance manual for ECIS that would have been applicable prior to termination of billing services. Please note that billing or shut-off questions had one code, regardless of whether they pertained to water or sewer and only specific questions regarding request to provide sewer emergency shut-offs were specifically coded to sewer. The second six pages are from the SAP guidance manual that would be applicable for KAW calls after May 20.





# UNIT 5: GREET THE CUSTOMER

---

## Introduction

With every call that you receive at the Customer Service Center, you are required to 1) greet the customer, 2) make a utility contact, and 3) wrap up the call. All calls received at the Customer Service Center are monitored and tracked for quality of service. It is therefore important that each customer service representative properly communicate with and document each customer call that is received.

The following three processes are discussed in this unit.

1. Greeting the Customer
2. Making a Utility Contact
3. Wrapping up the Call

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## I. Greeting the Customer

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Throughout your day as a CSR, you are responsible for handling customer inquiries and requests in a courteous, professional, and expedient fashion. American Water's specific call opening will enable you establish a rapport with customers at the very beginning of each call. Additionally, CSRs will be required to document **every call** received throughout the day establishing a history of each customer's interaction with American Water.

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## II. Creating a Contact

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Once you have accessed the account and confirmed account information, you are now ready to create your utility contact. A utility contact is our way of documenting each call received at the CSC. It is very important to track your daily work to determine the reasons our customers contact us. Contacts also provide a history of customer issues that caused the customer to call the CSC. The documentation of prior contacts often has a direct relationship to the current call. As a CSR you are required to review the last three contacts on an account to familiarize yourself with the history.

### Determining the Purpose of the Call

Once you have identified the reason for the call you document this by choosing a **contact type**. It is important that you choose the appropriate contact type (or reason for the call) as the CSC uses this information for statistical purposes. The contact type also determines which path the system takes you to in order to properly address the reason for the customer's call.

# UNIT 5:

## GREET THE CUSTOMER



## APPENDIX

### Utility Contact Type Definitions

Contact types identify why a customer called the company. This document provides a list of all Utility Contact types with a description and the purpose of each type. **A new Utility Contact should be created every time an account is accessed as a result of a customer contact.**

Contact Type	Description	Business Scenario	Investigative Path	Auto Close?
ACCST	Account Statement Request	Customer calls to request a printout of his/her bill or ledger.	LED	NO
ALERT	Customer Inquiry Regarding an Alert	Used <b>only</b> by the IVR system when a customer calls to check why they have no water or to report an emergency. <b>Not for use by CSRs.</b>	SOPR	YES
BALIN	Balance / Payment Inquiry	Customer calls in with a billing or payment inquiry.	SNAP	YES
BKCOR	Contact regarding bankruptcy	Used <b>only</b> by the Correspondence Dept.		
BLCOR	Contact regarding billing	Used <b>only</b> by the Correspondence Dept.		
BNKRT	Bankruptcy Notification	Customer calls to: 1) Inquire about what to do in order for AWW to process their bankruptcy, 2) Inform AWW that bankruptcy documentation is in the mail, or 3) Inquire about a bankruptcy claim already submitted processed.	CAPS	NO
CDATA	Customer Data	Customer calls to advise of a name change, mailing address change, to add a password or add a third party.	CAPS	YES
CFLWP	Customer Follow-up	Customer calls to follow up on a previous contact.	SOPR	NO



## UNIT 5: GREET THE CUSTOMER

Contact Type	Description	Business Scenario	Investigative Path	Auto Close?
<b>CHCOR</b>	Contact regarding live checks received at the call center	Used <b>only</b> by the Correspondence Dept.		
<b>CLCOR</b>	Contact regarding collections	Used <b>only</b> by the Correspondence Dept.		
<b>CMAIL</b>	Correspondence Mail	Used by the Correspondence Dept when processing letters and faxes received from the customer.	<b>CAPS</b>	<b>YES</b>
<b>COLL</b>	Collections/Non-Pay Inquiry	Used only by CSRs handling <b>PA-ATP</b> calls.	<b>PAAG</b>	<b>NO</b>
		Used by the Collections Dept. in all states for issues related to shut off posting, overdue money, or other collections status related information.	<b>LED</b>	<b>NO</b>
<b>CORR</b>	Correspondence Follow-up	Used when the Correspondence Department needs to follow-up and handle	<b>CAPS</b>	<b>NO</b>
<b>CREDIT</b>	Connect to Credit Card Line	Customer calls in to be transferred to the payment line or to make a credit card payment with an authorized representative at the Call Center.	<b>LED</b>	<b>YES</b>
<b>CRLTR</b>	Credit Letter Request	Used when a customer is requesting a letter of credit.	<b>LGS</b>	<b>NO</b>
<b>DEMO</b>	Contact regarding demolitions	Used <b>only</b> by the Correspondence Dept.		
<b>DIALR</b>	Outbound Collections	A telephone call is made by AW to collect on an outstanding debt.	<b>RQPT</b>	<b>YES</b>
<b>DSCOR</b>	Contact regarding account disputes	Used <b>only</b> by the Correspondence Dept.		
<b>DSPTE</b>	Customer Dispute	Customer calls to dispute an outcome on a situation.	<b>SNAP</b>	<b>NO</b>
<b>EFT</b>	EFT Application	Customer is requesting an EFT Application.	<b>LGS</b>	<b>NO</b>
<b>FLWUP</b>	Service Order Inquiry	Customer calls in to follow up on service order.	<b>SOAC</b>	<b>YES</b>
<b>GNINQ</b>	General Questions	A customer calls in with a general question such as do you service Des Moines, IA.	<b>SNAP</b>	<b>NO</b>

# UNIT 5:

## GREET THE CUSTOMER



Contact Type	Description	Business Scenario	Investigative Path	Auto Close?
<b>HILOW</b>	Billing Inquiry	Customer calls in with a high bill inquiry.	<b>SNAP</b>	<b>NO</b>
<b>INSP</b>	Field Investigation	Service investigation needed at the premise.	<b>SOAC</b>	<b>NO</b>
<b>IVRRD</b>	Customer Read through IVR or through a rep	Customer provides us with a meter read, either from a meter read card or from a telephone call.	<b>SNAP</b>	<b>NO</b>
<b>LKMB</b>	Main Break/Hydrant Leak	Customer calls to inform AWW of a main break or hydrant leak.	<b>SOAC</b>	<b>YES</b>
<b>LLORD</b>	Landlord Agreement	Customer calls in to set up, maintain, or break a landlord agreement.	<b>CAPS</b>	<b>NO</b>
<b>LOCAL</b>	Account Information	Used by the Field <b>only</b> to document information, questions or concerns on an account for CSR review.	<b>N/A</b>	<b>N/A</b>
<b>MCCOR</b>	Contact pertaining to Medical Certifications	Used <b>only</b> by the Correspondence Dept.		
<b>MLEAK</b>	Meter Leak	Customer is calling to report a meter leak.	<b>SNAP</b>	<b>NO</b>
<b>MSCCH</b>	Billing Adjustment	Contact when billing processes an adjustment on an account	<b>MISC</b>	<b>NO</b>
<b>NOWTR</b>	No Water	Customer calls to inform the company that they have no water.	<b>SOAC</b>	<b>YES</b>
<b>NPINQ</b>	Non-Pay Inquiry	Customer calls regarding an account that has been or about to be shut off for non-payment.	<b>LED</b>	<b>YES</b>
<b>OFF</b>	Turn Off	Customer calls to request water to be shut off (to final account).	<b>SOAC</b>	<b>YES</b>
<b>ONEXS</b>	Turn On – Existing Customer	Existing customer calls to turn on water service.	<b>SOAC</b>	<b>YES</b>
<b>ONNEW</b>	Turn On – New Customer	New customer calls to turn on water service.	<b>SOAC</b>	<b>YES</b>
<b>ONNP</b>	Turn On – Reconnect After Non-Pay	Existing customer calls to report a payment made in order to have service reconnected.	<b>SOAC</b>	<b>YES</b>



## UNIT 5: GREET THE CUSTOMER

Contact Type	Description	Business Scenario	Investigative Path	Auto Close?
OPCOR	Contact regarding Correspondence / Other	Used <b>only</b> by the Correspondence Dept.		
OUTCL	Outbound Call Contact	Collection places an outbound call to a customer.	<b>CAPS</b>	<b>YES</b>
PAYLO	Payment Location	Customer is calling to request information regarding a payment location.	<b>LED</b>	<b>YES</b>
PLCOR	Contact regarding pledges from help agencies	Used <b>only</b> by the Correspondence Dept.		
PRSSR	High/Low Pressure Complaint	Customer calls in with high or low pressure concern.	<b>SNAP</b>	<b>YES</b>
PTERM	Payment Term	Customer calls about a new or existing payment arrangement.	<b>RQPT</b>	<b>YES</b>
PUC	PUC Complaint	PUC representative calls to report PUC complaint. <b>CSC – Do not use.</b>	<b>SNAP</b>	<b>NO</b>
PUCFL	PUC Follow-up/ Investigation/ Closure	Used for the PUC complaint process.	<b>SNAP</b>	<b>NO</b>
RATIN	Rate Increase Inquiry	Customer calls with questions regarding a rate increase.	<b>SNAP</b>	<b>NO</b>
RECPT	Payment Receipt Number	Customer is calling in to provide a receipt for situations other than reconnects.	<b>LED</b>	<b>YES</b>
RJPMT	Rejected Bank Payment	A customer's payment was rejected from the bank.	<b>LED</b>	<b>YES</b>
RMAIL	Returned Mail	Used when U.S. mail has been returned to the CSC.	<b>CAPS</b>	<b>NO</b>
RSTRN	Restoration	Used when a customer or non-customer calls to inform us of a possible restoration issue.	<b>SOAC</b>	<b>NO</b>
SACOR	Contact regarding Special Accounts	Used <b>only</b> by the Correspondence Dept.		
SCCOR	Contact regarding Shared Services	Used <b>only</b> by the Correspondence Dept.		
SOCOR	Contact regarding Service Orders	Used <b>only</b> by the Correspondence Dept.		
SSCOR	Contact concerning Sheriff Sales	Used <b>only</b> by the Correspondence Dept.		

# UNIT 5:

## GREET THE CUSTOMER



Contact Type	Description	Business Scenario	Investigative Path	Auto Close?
SVLTR	Verification of Service Request	Used when a customer is requesting a verification of service letter	LGS	NO
SWRAD	Sewer Acquisitions and Divestitures	Used when a customer has a question about a sewer acquisition or a divestiture	LED	NO
SWRSV	Sewer Services Problem	Customer calls in with sewer back up problem.	SOAC	NO
TAP	New Service (TAP)	Customer calls for new service at a premise that currently does not have service available.	CAPS	YES
TOIE	Turned On/Off in Error	Used when the customer has been turned on or off in error.	SOAC	NO
WLPP	Water Line Protection Program	Used when a customer has questions concerning Water Line, Sewer Line or In-Home protection programs.	WLPP	NO
WQRPT	Water Quality Report	Customer calls requesting a Water Quality Report.	CAPS	NO
WSVC	O & M Water	Used by operating company and back room personnel.	SRVM	YES
WTRQ	Water Quality Complaint	Customer calls with a question or complaint about their water quality.	WQ	NO
WWSVC	Sewer Authority Inquiry	Customer calls for a sewer authority related issue.	CAPS	YES
ZBILL	Supervisor Escalation/Billing	Used by supervisors	SNAP	NO
ZCOLL	Supervisor Escalation/Collections	Used by supervisors	SNAP	NO
ZERO	Back billing for stuck meter	Used by Billing Reps <b>only</b> when state regulations require a new meter to be read prior to back billing for a previously installed meter that was stuck.	Not Used	NO
ZOTHR	Supervisor Escalation/Other	Used by supervisors	SNAP	NO
ZSERV	Supervisor Escalation/ Service	Used by supervisors	SNAP	NO



AMERICAN WATER

## Job-Aid\_CIS\_IR Classes\_and\_IR\_Actions

### Purpose:

To provide a list of the Interaction Record (IR) classes and Interaction Record (IR) actions used to create Interaction Records in CRM.

Note: Some IR Actions are hidden. These types of hidden IR Actions are only visible once a process has been executed. For example, the IR Class of "Payment Returned" would populate once SAP processes a returned payment; a user will never be allowed to select this type of IR Action.

IR Class:	IR Action:
<p><b>Adjustments and balance transfer</b></p>	<ul style="list-style-type: none"> <li>• Misc Adjustment Approval Request Pending (hidden)</li> <li>• Misc Adjustment Approved (hidden)</li> <li>• Misc Adjustment Rejected (hidden)</li> <li>• Courtesy Adjustment Approval Request Pending (hidden)</li> <li>• Courtesy Adjustment Approved (hidden)</li> <li>• Courtesy Adjustment Rejected (hidden)</li> <li>• Refund Approval Request Pending (hidden)</li> <li>• Refund Request Approved (hidden)</li> <li>• Refund Request Rejected (hidden)</li> </ul>
<p><b>AutoDial 1<sup>st</sup> Party</b></p>	<ul style="list-style-type: none"> <li>• Answering Machine</li> <li>• Auto Dialer Incomplete</li> <li>• Busy AM</li> <li>• Busy PM</li> <li>• Contact Made with Collection Agency</li> <li>• Customer Returned Call</li> <li>• Fax Machine Detected</li> <li>• Hung Up on Hold</li> <li>• No Answer AM</li> <li>• No Answer PM</li> <li>• No Longer in Service</li> <li>• Non Right Party Contact Made in AM</li> <li>• Non Right Party Contact Made in PM</li> <li>• Right Party Contact Made in AM</li> <li>• Right Party Contact Made in PM</li> <li>• Wrong Number</li> </ul>



AMERICAN WATER

### Job-Aid\_CIS\_IR Classes\_and\_IR\_Actions

<p style="text-align: center;"><b>Billing</b></p>	<ul style="list-style-type: none"> <li>• Adjustment Inquiry / Request</li> <li>• Bill / Balance Inquiry</li> <li>• Billing Follow Up Inquiry</li> <li>• Budget Bill Set Up</li> <li>• Budget Bill Removed</li> <li>• Budget Bill Removed by Dunning (hidden)</li> <li>• Budget Bill Reinstated by Dunning (hidden)</li> <li>• Cancel Rebill</li> <li>• Charge Explanation</li> <li>• Customer Read</li> <li>• Dispute - Billing</li> <li>• General Inquiry</li> <li>• High/Low Bill Inquiry</li> <li>• Manual Bill Workflow Approved (hidden)</li> <li>• Manual Bill Workflow Rejected (hidden)</li> <li>• Ocean City Sewer Refund Generated</li> <li>• Rate Inquiry</li> <li>• Supervisor Escalation-Billing</li> </ul>
<p style="text-align: center;"><b>Collection</b></p>	<ul style="list-style-type: none"> <li>• Account Locks – Add / Remove</li> <li>• ATP – PA Installment Plan Created</li> <li>• ATP – PA Installment Plan Deactivated</li> <li>• Balance Transfer Request</li> <li>• Bankruptcy Inquiry / Notification</li> <li>• Deferral Due Date</li> <li>• Disconnection Doc SvcOrder Not Updated / Cancelled (hidden)</li> <li>• Disconnection Doc SvcOrder Updated / Cancelled (hidden)</li> <li>• Disconnection Inquiry</li> <li>• Dispute – Collections</li> <li>• Follow Up</li> <li>• General Inquiry</li> <li>• Installment Plan Created</li> <li>• Installment Plan Deactivated</li> <li>• Make a Payment</li> <li>• Medical Certificate</li> <li>• Municipality Sewer Shut Off Move Out</li> <li>• Payment Location</li> <li>• Pledge Request Cancelled</li> <li>• Pledge Request Created</li> <li>• Pledge Request Fulfilled</li> <li>• Pledge Request Reversed</li> <li>• Receipt / Confirmation Received</li> <li>• Reconnection Inquiry</li> <li>• Sewer Shut Off Letter Generated (hidden)</li> <li>• Sewer Shut Off Svc Ord Cancelled (hidden)</li> <li>• Sewer Shut Off Svc Ord Generated (hidden)</li> <li>• Sewer Reconnect Svc Order Generated (hidden)</li> <li>• Supervisor Escalation – Collection</li> </ul>





AMERICAN WATER

### Job-Aid\_CIS\_IR Classes\_and\_IR\_Actions

<b>Complaints</b>	<ul style="list-style-type: none"> <li>• Attorney General</li> <li>• Better Business Bureau</li> <li>• Customer Dispute</li> <li>• Customer PUC Complaint</li> <li>• Customer PUC Complaint – Mediation</li> <li>• Exec Response Team Complaint</li> <li>• Federal Emerg Mgmt Agency</li> <li>• PUC Follow-Up / Invstgtn / Closure</li> </ul>
<b>Correspondence</b>	<ul style="list-style-type: none"> <li>• Ad-hoc Correspondence Rejected (hidden)</li> <li>• Correspondence Sent</li> </ul>
<b>Cross Connection</b>	<ul style="list-style-type: none"> <li>• Customer Contact</li> <li>• Device Install</li> <li>• Device Removed</li> <li>• Disconnection for Non-Compliance</li> <li>• Extension Granted</li> <li>• Install Letter 1</li> <li>• Install Letter 2</li> <li>• Install Letter 3</li> <li>• Mail Directive Created / Changed</li> <li>• Non Customer Contact</li> <li>• Physical Inspection Completed</li> <li>• Repair Letter 1</li> <li>• Repair Letter 2</li> <li>• Repair Letter 3</li> <li>• Survey Letter Trigger 1</li> <li>• Survey Letter Trigger 2</li> <li>• Survey Letter Trigger 3</li> <li>• Survey Result Updated</li> <li>• Test Letter 1</li> <li>• Test Letter 2</li> <li>• Test Letter 3</li> <li>• Test Result Upload</li> <li>• Upgrade Letter 1</li> <li>• Upgrade Letter 2</li> <li>• Upgrade Letter 3</li> </ul>
<b>Emergency</b>	<ul style="list-style-type: none"> <li>• Alert</li> <li>• AW Sewer Back- up / Leak</li> <li>• Emergency Notification Completed (hidden)</li> <li>• Follow Up</li> <li>• Hydrant Leak</li> <li>• Main Break</li> <li>• No Water</li> <li>• Other</li> <li>• Pressure (High)</li> </ul>
<b>H2O Discounts</b>	<ul style="list-style-type: none"> <li>• H2O Contribution Removed</li> <li>• H2O Discount Recertification Applied</li> <li>• H2O Service Discount Applied</li> <li>• H2O Service Discount Removed</li> <li>• H2O Service Discount Updated</li> </ul>



AMERICAN WATER

### Job-Aid\_CIS\_IR Classes\_and\_IR\_Actions

<b>Home Owner Services</b>	<ul style="list-style-type: none"> <li>• Billing / Balance Inquiry</li> <li>• Enrollment Inquiry</li> <li>• Repair Inquiry</li> </ul>
<b>IVR</b>	<ul style="list-style-type: none"> <li>• Fetch Meter Readings (hidden)</li> <li>• Corres Request – Account Statement (hidden)</li> <li>• Corres Request – EFT Request Form (hidden)</li> <li>• Corres Request – Landlord Assignment Letter (hidden)</li> <li>• Corres Request – Letter of Credit Form (hidden)</li> <li>• Corres Request – Svc Verification Letter (hidden)</li> <li>• Record Customer Provided Reading (hidden)</li> </ul>
<b>Migrated Contact</b>	<ul style="list-style-type: none"> <li>• Migrated ECIS Contact</li> </ul>
<b>Monterey Survey</b>	<ul style="list-style-type: none"> <li>• Banked Usage Overridden</li> <li>• Dedicated Irrigation Allotment Record Changed</li> <li>• Dedicated Irrigation Allotment Record Created</li> <li>• Mix Use Account Allotment Record Changed</li> <li>• Mix Use Account Allotment Record Created</li> <li>• Non-Residential Allotment Record Changed</li> <li>• Non-Residential Allotment Record Created</li> <li>• Residential Allotment Record Changed</li> <li>• Residential Allotment Record Created</li> </ul>
<b>Moves</b>	<ul style="list-style-type: none"> <li>• Automatic Move In - Owner Allocation</li> <li>• Automatic Move In Removal – Owner Allocation</li> <li>• Demolition</li> <li>• Demolition Notification Created (hidden)</li> <li>• Follow Up of Move In / Move Out</li> <li>• General Inquiry</li> <li>• Landlord Agreement – Follow Up</li> <li>• Landlord Agreement Removal</li> <li>• Move In Created</li> <li>• Move Out Created</li> <li>• New Service Inquiry / Request</li> <li>• NSI Notification Completed (hidden)</li> <li>• Reverse Move In</li> <li>• Reverse Move Out</li> <li>• Transfer of Service Created</li> <li>• Verification of Residency Follow Up</li> </ul>
<b>Other Issues</b>	<ul style="list-style-type: none"> <li>• Code Premise Vacant Request</li> <li>• Customer Inquiry Red Alert</li> <li>• Follow Up</li> <li>• General Inquiry</li> <li>• Incomplete Call</li> <li>• Loss Control Request</li> <li>• Master Data Change</li> <li>• Municipality Inquiry</li> <li>• Restoration</li> <li>• Returned Mail</li> <li>• Supervisor Call Back – Other</li> <li>• Supervisor Escalation – Other</li> <li>• Threat / Incident</li> </ul>



AMERICAN WATER

### Job-Aid\_CIS\_IR Classes\_and\_IR\_Actions

<b>Outbound Emergency Communication</b>	<ul style="list-style-type: none"> <li>• Outbound Emergency Dialer Communication (hidden)</li> </ul>
<b>Payment</b>	<ul style="list-style-type: none"> <li>• Actual Payment not received for pending payment (pending)</li> <li>• Actual Payment n/rcvd for Pending Pymt &amp; Svc.Ord cnclcd (hidden)</li> <li>• Contract Account Cash Only (hidden)</li> <li>• Payment made using old Contract Account (hidden)</li> <li>• Pending Payment Not Received &amp; Svc Ord Cancelled (hidden)</li> <li>• Pending Payment Received (hidden)</li> <li>• Pending Payment Reversed (hidden)</li> <li>• Pending Payment Reversed &amp; Svc. Order Cancelled (hidden)</li> </ul>
<b>Returns</b>	<ul style="list-style-type: none"> <li>• Payment Returned (hidden)</li> </ul>
<b>Service Order</b>	<ul style="list-style-type: none"> <li>• Cancel / Reschedule</li> <li>• Demolition Work Order</li> <li>• Follow Up</li> <li>• General Inquiry</li> <li>• Investigative Work Order</li> <li>• Meter Work Order</li> <li>• Turned On/Off Work Order</li> </ul>
<b>Technical Master Data</b>	<ul style="list-style-type: none"> <li>• Technical Master Data changed (hidden)</li> </ul>
<b>Water Quality</b>	<ul style="list-style-type: none"> <li>• Water Quality – Appearance</li> <li>• Water Quality – Boil Order</li> <li>• Water Quality – Color</li> <li>• Water Quality – General Inquiry</li> <li>• Water Quality – Illness</li> <li>• Water Quality – Notification Complete</li> <li>• Water Quality – Odor</li> <li>• Water Quality – Stained Laundry</li> <li>• Water Quality - Taste</li> <li>• Water Quality – Water Feel</li> </ul>
<b>Web Self Service (WSS)</b>	<ul style="list-style-type: none"> <li>• Cancel Move In (hidden)</li> <li>• Cancel Move Out (hidden)</li> <li>• Cancel Reconnect (hidden)</li> <li>• Contact Information Changed (hidden)</li> <li>• Date of Birth Changed (hidden)</li> <li>• E-billing enrollment (hidden)</li> <li>• E-billing un-enrollment (hidden)</li> <li>• EFT Enrollment (hidden)</li> <li>• Email Address Changed (hidden)</li> <li>• Mailing Address Changed (hidden)</li> <li>• Move In Requested – Existing Customer (hidden)</li> <li>• Move In Requested – New Customer (hidden)</li> <li>• Move In Rescheduled (hidden)</li> <li>• Move In Scheduled – Existing Customer (hidden)</li> <li>• Move In Scheduled – New Customer (hidden)</li> <li>• Move Out Requested (hidden)</li> <li>• Move Out Rescheduled (hidden)</li> </ul>



AMERICAN WATER

**Job-Aid\_CIS\_IR Classes\_and\_IR\_Actions****Web Self Service (cont'd)**

- Move Out Scheduled (hidden)
- Name Change Requested (hidden)
- Password Changed (hidden)
- Password Hint Changed (hidden)
- Pay Bill – Credit Card (hidden)
- Pay Bill – E Check (hidden)
- Pay Bill – Record Cash Payment (hidden)
- Payment Location Search (hidden)
- Reconnect (hidden)
- Registration Completed (hidden)
- Registration E-mail resent (hidden)
- Registration Pending (hidden)
- Rights and Responsibilities (hidden)
- Service Address Changed Requested (hidden)
- SSN Changed (hidden)
- Third Party Accepted (hidden)
- Third Party Invited (hidden)
- Third Party Rejected (hidden)
- Third Party Removed (hidden)
- Web Login Reactivated (hidden)

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 20:**

Please provide the support for the following statement on page 9 of Ms. Bridwell's rebuttal testimony, "At full saturation of water efficient fixtures and appliances, it is estimated that indoor water usage could be reduced to 88 gallons per customer per day."

**Response:**

From Table 2 of Exhibit LB-2 of Ms. Bridwell's Direct Testimony (page 2 of 3), a post-regulatory indoor usage of 38.3 gallons/capita/day is expected at full saturation. From U.S. Census Bureau DP-02 5 year estimates (2007-2011) data for the Lexington-Fayette urban county, Kentucky area, the average household size is 2.29 persons/household. To calculate  $38.3 \text{ gallons/person/day} \times 2.29 \text{ persons/household} = 88 \text{ gal/household (customer) /day}$  rounded to nearest whole number.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 21:**

Please explain how Kentucky American's forecasted allocation of call center expense was calculated, including the years that were considered.

**Response:**

Customer Service Center (CSC) historical base year expenses were adjusted to reflect projected merit increases and inflation for 2013 and 2014. CSC base year labor and labor related charges were adjusted for projected merit increases of 3% in both 2013 and 2014 with the exception of union employees at the Alton and Pensacola locations. The 2014 merit increase was prorated for the applicable number of days in the pro forma period (April-July = 122 days) or  $122/365 = 33.42\%$ . Union employees merit increases were calculated based on the current negotiated wage rates in their contracts. Please see the response to Item 14 of the Attorney General's Second Request for Information, part b for more details on the calculation of CSC labor merit increases. Base year other costs (non-labor related) were increased by prorated inflation rates of  $(1.8\% \times .7534)$  and  $(1.9\% \times .5808)$  respectively for 2013 and 2014.

The projected Customer Service Center expenses were then apportioned to Kentucky based on Kentucky's higher level of direct charges resulting from the new call handling direct charging mechanism. Kentucky's January – May 2012 actual call handling percentage was an average of 5.81% of total costs (based on customer counts allocations). This was adjusted for the 2013 projection to 6.10550% as a reforecast for the remainder of 2012 (based on call handling direct charge allocations). Thus the 2013 and 2014 Customer Service Center Costs were allocated to KAW based on a 6.10550% resulting from the new Call Center direct charging methodology. This information was provided compared to other American Water Company in Exhibit LB-1 attached to Linda Bridwell's Direct Testimony.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 22:**

With respect to Kentucky American's declining use calculation, please provide the base usage for 10 years by customer class.

**Response:**

Please see the tables below. Please note that the 10-year trend calculation for residential was utilized even while the 5-year declining use trend was steeper. The same was true for Other Public Authority trends. However, KAW utilized the 5-year declining use trend for the Commercial class, while the 10-year trend calculation for Commercial customers was steeper.

**Residential Base Usage**

<b>Year</b>	<b>Base Usage (Dec-April Average) (gal/cust)</b>
2003	4,532
2004	4,590
2005	4,524
2006	4,459
2007	4,425
2008	4,266
2009	4,314
2010	4,259
2011	4,105
2012	3,931

**Commercial Base Usage**

<b>Year</b>	<b>Base Usage (Dec-April Average) (gal/cust)</b>
2003	38,903
2004	37,659
2005	37,346
2006	36,044
2007	35,586

2008	33,659
2009	32,873
2010	33,140
2011	32,290
2012	30,788

### OPA Commercial Base Usage

Year	Base Usage (Dec-April Average) (gal/cust)
2003	213,220
2004	216,891
2005	203,057
2006	212,198
2007	199,208
2008	221,137
2009	207,461
2010	201,794
2011	182,607
2012	164,286

The Winter Average or Base Usage values presented above that were used to create the “Base Trend (Winter Avg. Dec- Apr)” in Petitioner’s Exhibits LB 3a, 3b and 3c were derived from the following dataset.

DATE	Residential			Commercial			OPA		
	Usage (kgal)	# Cust.	Mo. Usage (gal per cust.)	Usage (kgal)	# Cust.	Mo. Usage (gal per cust.)	Usage (kgal)	# Cust.	Mo. Usage (gal per cust.)
Dec-02	457,634	95,576	4,788	NA	NA	NA	104,644	470	222,647
Jan-03	371,460	95,457	3,891	290,267	8,047	36,071	89,356	468	190,932
Feb-03	425,354	95,680	4,446	274,617	8,064	34,055	97,126	469	207,092
Mar-03	526,245	95,911	5,487	365,946	8,069	45,352	109,809	472	232,646
Apr-03	389,253	96,120	4,050	324,698	8,090	40,136	102,987	484	212,783
Dec-03	429,455	97,718	4,395	289,542	8,250	35,096	100,536	487	206,439
Jan-04	491,833	97,656	5,036	341,468	8,194	41,673	97,509	485	201,049
Feb-04	426,846	97,673	4,370	286,170	8,183	34,971	70,291	487	144,335
Mar-04	457,075	97,781	4,674	315,365	8,160	38,648	109,726	487	225,310
Apr-04	438,569	98,071	4,472	310,206	8,183	37,909	149,665	487	307,320
Dec-04	487,088	99,267	4,907	317,059	8,164	38,836	103,665	484	214,184
Jan-05	469,589	99,442	4,722	311,590	8,165	38,162	100,839	483	208,776
Feb-05	423,630	99,551	4,255	285,275	8,180	34,875	94,867	483	196,412



Mar-05	408,557	99,801	4,094	286,132	8,179	34,984	90,695	482	188,164
Apr-05	464,542	100,043	4,643	327,464	8,213	39,871	100,343	483	207,749
Dec-05	474,998	101,683	4,671	295,638	8,262	35,783	118,937	484	245,738
Jan-06	502,166	101,740	4,936	324,702	8,264	39,291	102,663	484	212,114
Feb-06	414,197	102,836	4,028	269,288	8,371	32,169	91,357	484	188,754
Mar-06	434,109	103,237	4,205	311,199	8,374	37,163	92,844	484	191,826
Apr-06	460,397	103,351	4,455	301,579	8,421	35,813	107,940	485	222,557
Dec-06	456,227	104,780	4,354	311,271	8,586	36,253	99,993	486	205,747
Jan-07	479,432	104,801	4,575	290,628	8,586	33,849	86,507	485	178,365
Feb-07	444,595	104,890	4,239	301,707	8,580	35,164	91,677	485	189,025
Mar-07	474,364	105,065	4,515	299,133	8,585	34,844	95,329	485	196,555
Apr-07	467,846	105,303	4,443	326,225	8,626	37,819	109,779	485	226,348
Dec-07	451,596	106,068	4,258	287,753	8,585	33,518	103,784	488	212,672
Jan-08	481,665	106,086	4,540	292,886	8,586	34,112	86,381	489	176,648
Feb-08	479,597	106,072	4,521	308,874	8,579	36,003	112,302	494	227,332
Mar-08	423,874	106,293	3,988	273,591	8,574	31,909	107,987	497	217,278
Apr-08	427,401	106,292	4,021	286,211	8,739	32,751	134,519	495	271,756
Dec-08	450,141	107,003	4,207	273,063	8,748	31,214	109,054	504	216,377
Jan-09	519,831	106,914	4,862	299,650	8,731	34,320	110,974	504	220,187
Feb-09	451,810	106,974	4,224	292,535	8,716	33,563	103,690	503	206,143
Mar-09	426,279	107,009	3,984	272,194	8,722	31,208	96,799	501	193,212
Apr-09	459,948	107,178	4,291	298,661	8,769	34,059	100,896	501	201,389
Dec-09	462,956	107,500	4,307	281,456	8,760	32,130	99,080	519	190,906
Jan-10	495,882	107,578	4,610	293,210	8,560	34,254	107,780	522	206,475
Feb-10	416,254	107,757	3,863	260,023	8,544	30,433	106,261	524	202,788
Mar-10	424,881	107,860	3,939	264,352	8,561	30,879	108,542	529	205,183
Apr-10	494,960	108,117	4,578	326,254	8,585	38,003	108,324	532	203,617
Dec-10	496,000	108,389	4,576	306,952	8,609	35,655	102,959	524	196,487
Jan-11	466,274	108,446	4,300	282,123	8,757	32,217	95,117	528	180,146
Feb-11	414,158	108,390	3,821	265,531	8,722	30,444	87,904	525	167,436
Mar-11	410,222	108,590	3,778	263,545	8,717	30,233	95,629	525	182,150
Apr-11	440,715	108,838	4,049	287,538	8,739	32,903	98,640	528	186,818
Dec-11	432,483	109,071	3,965	263,942	8,735	30,217	94,442	532	177,523
Jan-12	462,591	109,285	4,233	269,717	8,718	30,938	83,801	531	157,817
Feb-12	410,575	109,508	3,749	266,885	8,704	30,662	84,100	531	158,380
Mar-12	414,381	109,782	3,775	264,865	8,709	30,413	77,388	529	146,291
Apr-12	432,722	110,019	3,933	277,717	8,758	31,710	96,334	531	181,420

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

**Question 23:**

With respect to Kentucky American's declining use schedules, please provide the data from December 2012 to May 2013.

**Response:**

Please see the table below.

Date	Residential			Commercial			OPA		
	Usage (kgal)	# Cust.	Mo. Usage (gal per cust.)	Usage (kgal)	# Cust.	Mo. Usage (gal per cust.)	OPA Usage (kgal)	# Cust.	Mo. Usage (gal per cust.)
Nov-12	461,075	110,808	4,161	314,495	8,801	35,734	119,043	534	222,927
Dec-12	416,413	110,935	3,754	258,938	8,782	29,485	100,475	532	188,863
Jan-13	465,882	111,126	4,192	255,557	8,774	29,127	90,760	531	170,923
Feb-13	434,338	111,280	3,903	272,612	8,773	31,074	98,673	532	185,476
Mar-13	405,219	111,457	3,636	268,919	8,784	30,615	84,146	532	158,169
Apr-13	418,919	111,655	3,752	262,249	8,802	29,794	96,467	535	180,312
May-13*	455,956	111,655	4,084	240,263	8,802	27,296	101,416	535	189,563
Dec-Apr Avg.			3,847			30,019			176,748

\*Please note that on May 20, 2013, KAW began billing in SAP. Information was combined from both systems and the customer count for April was used due to difficulties in immediately querying the system after the "Go Live" of SAP. The usage, which is based on billing, may also be affected as some bills were held to correct for any errors in the system, and may not have actually been billed until early June.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 24:**

Please provide the actual data for the seven months that Kentucky American utilized to normalize for weather in calculating declining use.

**Response:**

As described in Linda Bridwell's Direct Testimony at pages 31-38, KAW used the five-month period from December to April for the last ten years (five years was used for commercial customers) to calculate a "weather-normalized" or "weather-neutral" base use period. That data shows that there is an annual declining use trend of 1.43% for residential customers, 1.80% for commercial customers, and 1.85% for other public authority customers (Bridwell Direct, p. 31). That data is set forth in response to Item 22 of these Hearing Data requests.

For non-base usage, KAW used the seven-month period from May to November for the same ten-year period used for the base use period (Bridwell Direct, pp. 34-36). That data was provided in the attachment to the response to Item 10 of the Commission Staff's Second Request for Information. Please see the section on each page of that attachment labeled "average monthly & yearly usage per customer."

Please note that the results of this analysis are also set forth in Exhibits 3a, 3b, and 3c to Ms. Bridwell's Direct Testimony.

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 25:**

Please refer to Kentucky American's response to Item No. 20 of Commission Staff's Third Request for Information. For each project in which the cost per foot exceeds \$100, please provide:

- (a) A brief explanation and breakdown of the costs, including whether the project took place in an urban area; and
- (b) State whether the project was competitively bid. If not, explain why not.

**Response:**

Please refer to the attachment.

Response to Hearing Data Request Num 25  
Attachment

WBS Number	Project Description	Completion Date	Total Project Cost	Pipe Size	Footage	\$ Charged (instead of %)	% of Total Charged	\$ Per Foot
R12-02B1.12-P-0001	SPARKS RD REPLACEMENT	09/04/12	\$ 132,504.15	8" DI	1,215	\$ 131,179.11	99%	\$ 107.97
R12-02B1.12-P-0008	PERRY ST REPLACEMENT PROJECT	10/17/12	\$ 35,271.78	3" PVC	359	\$ 35,271.78	100%	\$ 98.25
R12-02B1.12-P-0009	MAIN RELO FOR 516 LORENZO PL	12/06/12	\$ 11,133.31	8" DI	86	\$ 11,133.31	100%	\$ 129.46
R12-02B1.11-P-0007	REP PENNSYLVANIA PARK PROJECT	05/09/12	\$ 429,804.63	12" DI	6	\$ 42,980.46	10%	\$ 7,163.41
R12-02B1.11-P-0007	REP PENNSYLVANIA PARK PROJECT	05/09/12	\$ 429,804.63	8" DI	1,522	\$ 171,921.85	40%	\$ 112.96
R12-02B1.11-P-0007	REP PENNSYLVANIA PARK PROJECT	05/09/12	\$ 429,804.63	6" DI	44	\$ 214,902.32	50%	\$ 4,884.14
<b>2012 Total Item B Only</b>							<b>\$ 607,388.83</b>	<b>\$ 187.93</b>
I12-020009-01	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,462,496.51	6" DI	714	\$ 146,249.65	10%	\$ 204.83
I12-020009-01	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,462,496.51	24" DI	3,546	\$ 877,497.91	60%	\$ 247.46
I12-020009-02	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,386,612.51	3" PVC	1,275	\$ 69,330.63	5%	\$ 54.38
I12-020009-02	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,386,612.51	6" DI	170	\$ 41,598.38	3%	\$ 244.70
I12-020009-02	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,386,612.51	8" DI	781	\$ 69,330.63	5%	\$ 88.77
I12-020009-02	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,386,612.51	12" DI	11,242	\$ 748,770.76	54%	\$ 66.60
I12-020009-02	RELO US 25 MAIN KTC 7-122.50	09/27/12	\$ 1,386,612.51	16" DI	1,004	\$ 180,259.63	13%	\$ 179.54
<b>2012 Total Replacement</b>							<b>\$ 2,740,426.39</b>	<b>\$ 124.77</b>
R12-02B1.11-P-0001	RICHMOND RD (NEAR McCALLS MILL RD)	07/29/11	\$ 60,830.25	4" DI	580	\$ 54,747.23	90%	\$ 94.39
R12-02B1.11-P-0004	PENMOKEN PARK REPLACEMENT	09/01/11	\$ 437,589.56	4" DI	508	\$ 87,517.91	20%	\$ 172.28
R12-02B1.11-P-0004	PENMOKEN PARK REPLACEMENT	09/01/11	\$ 437,589.56	8" DI	1,881	\$ 175,035.82	40%	\$ 93.05
R12-02B1.11-P-0009	REP BELLAIRE AVE	10/17/11	\$ 270,112.08	6" DI	10	\$ 8,103.36	3%	\$ 810.34
R12-02B1.11-P-0009	REP BELLAIRE AVE	10/17/11	\$ 270,112.08	4" DI	158	\$ 10,804.48	4%	\$ 68.38
R12-02B1.11-P-0009	REP BELLAIRE AVE	10/17/11	\$ 270,112.08	8" DI	1,285	\$ 216,089.66	80%	\$ 168.16
R12-02B1.11-P-0010	VENICE PARK REPLACEMENT	11/04/11	\$ 317,896.50	4" DI	150	\$ 20,094.00	6%	\$ 133.96
R12-02B1.11-P-0010	VENICE PARK REPLACEMENT	11/04/11	\$ 317,896.50	8" DI	700	\$ 134,388.00	42%	\$ 191.98
R12-02B1.11-P-0011	FLORIDA ST MAIN REPLACEMENT	12/31/11	\$ 332,618.52	4" DI	44	\$ 13,304.74	4%	\$ 302.38
R12-02B1.11-P-0011	FLORIDA ST MAIN REPLACEMENT	12/31/11	\$ 332,618.52	6" DI	876	\$ 99,785.56	30%	\$ 113.91
R12-02B1.11-P-0011	FLORIDA ST MAIN REPLACEMENT	12/31/11	\$ 332,618.52	8" DI	825	\$ 166,309.26	50%	\$ 201.59
<b>2011 Total Replacement</b>							<b>\$ 986,180.03</b>	<b>\$ 140.54</b>
R12-02B1.09-P-0003	MAXWELL ST - ROSE TO WOODLAND	05/26/10	\$ 378,598.24	8" DI	1,798	\$ 230,944.93	61%	\$ 128.45
R12-02B1.10-P-0005	REP 6" DI @ 105 N LIMESTONE	07/09/10	\$ 12,598.04	6" DI	80	\$ 12,598.04	100%	\$ 157.48
R12-02B1.10-P-0007	WARNOCK ST MAIN REPLACEMENT	06/04/10	\$ 33,829.32	4" DI	281	\$ 33,829.32	100%	\$ 120.39
R12-02B1.10-P-0008	REPL WEST SHORT ST	12/27/10	\$ 107,800.07	8" DI	577	\$ 98,098.06	91%	\$ 170.01
R12-02B1.10-P-0010	FAYETTE PARK REPLACEMENT	11/11/10	\$ 150,468.30	8" DI	791	\$ 144,449.57	96%	\$ 182.62
R12-02B1.10-P-0012	REP HANOVER COURT	12/31/10	\$ 144,240.38	8" DI	623	\$ 86,544.23	60%	\$ 138.92
<b>2010 Total Item B Only</b>							<b>\$ 606,464.15</b>	<b>\$ 146.14</b>
I12-020008-01	SOUTH LIMESTONE REPLACEMENT PH III	08/23/10	\$ 549,959.27	4" DI	9	\$ 10,999.19	2%	\$ 1,222.13
I12-020008-01	SOUTH LIMESTONE REPLACEMENT PH III	08/23/10	\$ 549,959.27	6" DI	38	\$ 10,999.19	2%	\$ 289.45
I12-020008-01	SOUTH LIMESTONE REPLACEMENT PH III	08/23/10	\$ 549,959.27	8" DI	29	\$ 16,498.78	3%	\$ 568.92

Response to Hearing Data Request Num 25

Attachment

12-020008-01	SOUTH LIMESTONE REPLACEMENT PH III	08/23/10 \$	549,959.27	12" DI	2,676 \$	494,963.34	90%	184.96 \$
12-020029-01	REP N BROADWAY WATER LINE	12/20/10 \$	3,059,378.25	6" DI	63 \$	45,890.67	2%	728.42 \$
12-020029-01	REP N BROADWAY WATER LINE	12/20/10 \$	3,059,378.25	8" DI	1,591 \$	388,846.98	13%	244.40 \$
12-020029-01	REP N BROADWAY WATER LINE	12/20/10 \$	3,059,378.25	12" DI	5,442 \$	2,071,505.01	68%	380.65 \$
<b>2010 Total Replacement</b>				<b>Total</b>	<b>13,998 \$</b>	<b>3,646,167.30</b>		<b>260.48 \$</b>
<b>2010-2012 Item B Cost</b>				<b>Total</b>	<b>14,399 \$</b>	<b>2,200,033</b>		<b>152.79 \$</b>
<b>2010-2012 Total Replacement Cost</b>				<b>Total</b>	<b>42,979 \$</b>	<b>7,372,774</b>		<b>171.54 \$</b>

Response to Hearin Attachment

WBS Number	Labor & Labor		Materials	Contracted Services	Licenses, Permits & Misc. Fees		Other	Overhead	Competitive Bid?	Explanation
	AFUDC	OH			Misc. Fees	Permits &				
R12-02B1.12-P-0001	\$ 1,276.67	\$ 54,029.28	\$ 19,972.23	\$ -	\$ 49,848.49	\$ 7,377.48			N	Work done by company crew, urban area
R12-02B1.12-P-0008	\$ -	\$ 40.73	\$ 2,542.20	\$ 30,853.75	\$ 3.13	\$ 1,938.65			Y	
R12-02B1.12-P-0009	\$ 8.99	\$ 33.41	\$ 1,257.07	\$ 9,221.80	\$ 2.16	\$ 609.88			N	Work completed under competitively bid blanket replacement contract, urban area
<b>2012 Total Item B Only</b>										
R12-02B1.11-P-0007	\$ 1,035.01	\$ 1,011.19	\$ 6,728.19	\$ 30,963.56	\$ 373.01	\$ 2,869.61				
R12-02B1.11-P-0007	\$ 4,140.04	\$ 4,044.74	\$ 26,912.75	\$ 123,854.24	\$ 1,492.03	\$ 11,478.42				
R12-02B1.11-P-0007	\$ 5,175.05	\$ 5,055.93	\$ 33,640.94	\$ 154,817.80	\$ 1,865.04	\$ 14,348.03			Y	Urban project near UK
<b>2012 Total Replacemen</b>										
I12-020009-01	\$ 12,441.91	\$ 5,930.16	\$ 36,437.46	\$ 64,412.35	\$ 10,746.62	\$ 6,678.89			Y	Transportation Cabinet Project with tight schedule, high traffic,
I12-020009-01	\$ 74,651.44	\$ 35,580.94	\$ 218,624.74	\$ 386,474.09	\$ 64,479.70	\$ 40,073.32				
I12-020009-02	\$ 4,028.59	\$ 889.13	\$ 11,234.22	\$ 47,738.04	\$ 621.93	\$ 3,373.38				
I12-020009-02	\$ 2,417.16	\$ 533.48	\$ 6,740.53	\$ 28,642.82	\$ 373.16	\$ 2,024.03				
I12-020009-02	\$ 4,028.59	\$ 889.13	\$ 11,234.22	\$ 47,738.04	\$ 621.93	\$ 3,373.38				
I12-020009-02	\$ 43,508.80	\$ 9,602.56	\$ 121,329.57	\$ 515,570.81	\$ 6,716.89	\$ 36,432.51				
I12-020009-02	\$ 10,474.34	\$ 2,311.73	\$ 29,208.97	\$ 124,118.90	\$ 1,617.03	\$ 8,770.79			Y	large diameter
<b>2012 Total Replacemen</b>										
R12-02B1.11-P-0001	\$ 159.28	\$ 8,407.77	\$ 10,363.51	\$ 33,622.29	\$ 8.10	\$ 2,186.27			Y	
R12-02B1.11-P-0004	\$ 922.07	\$ 12,055.05	\$ 9,823.25	\$ 69,695.80	\$ 0.00	\$ 3,377.91				
R12-02B1.11-P-0004	\$ 1,844.13	\$ 24,110.11	\$ 19,646.49	\$ 139,391.60	\$ 0.00	\$ 6,755.81			Y	Urban Area
R12-02B1.11-P-0009	\$ 17.32	\$ 690.47	\$ 1,196.11	\$ 5,545.91	\$ 0.91	\$ 652.64				
R12-02B1.11-P-0009	\$ 23.09	\$ 920.62	\$ 1,594.82	\$ 7,394.55	\$ 1.21	\$ 870.19				
R12-02B1.11-P-0009	\$ 461.80	\$ 18,412.41	\$ 31,896.39	\$ 147,891.04	\$ 24.20	\$ 17,403.82			Y	Urban Area
R12-02B1.11-P-0010	\$ 40.03	\$ 1,008.99	\$ 2,823.36	\$ 14,799.33	\$ 0.92	\$ 1,421.37			Y	Urban Area
R12-02B1.11-P-0010	\$ 267.73	\$ 6,748.09	\$ 18,882.55	\$ 98,977.45	\$ 6.14	\$ 9,506.05				
R12-02B1.11-P-0011	\$ 23.90	\$ 190.18	\$ 1,833.56	\$ 10,669.05	\$ -	\$ 588.04				
R12-02B1.11-P-0011	\$ 179.28	\$ 1,426.34	\$ 13,751.73	\$ 80,017.89	\$ -	\$ 4,410.32				
R12-02B1.11-P-0011	\$ 298.80	\$ 2,377.23	\$ 22,919.55	\$ 133,363.16	\$ -	\$ 7,350.54			Y	Urban Area
<b>2011 Total Replacemen</b>										
R12-02B1.09-P-0003	\$ 1,294.43	\$ 14,188.55	\$ 29,770.33	\$ 167,623.82	\$ 0.00	\$ 18,067.80			Y	Urban Area near UK
R12-02B1.10-P-0005	\$ 165.37	\$ 2,049.45	\$ 62.18	\$ 4,545.98	\$ (0.00)	\$ 1,012.40			Y	Reused pipe and moved it
R12-02B1.10-P-0007	\$ 66.28	\$ 4,582.13	\$ 3,906.57	\$ 22,450.19	\$ 29.44	\$ 2,824.15			Y	Urban Area
R12-02B1.10-P-0008	\$ 201.38	\$ 9,116.51	\$ 10,745.91	\$ 72,999.85	\$ 3,775.26	\$ 5,023.50			Y	Urban Area
R12-02B1.10-P-0010	\$ 1,220.43	\$ 9,570.58	\$ 14,768.74	\$ 112,344.23	\$ 1,537.00	\$ 5,062.88			Y	Urban Area
R12-02B1.10-P-0012	\$ 90.01	\$ 13,337.06	\$ 7,729.84	\$ 61,139.03	\$ 447.52	\$ 4,237.78			Y	Urban Area
<b>2010 Total Item B Only</b>										
I12-020008-01	\$ 28.91	\$ 346.84	\$ 1,696.34	\$ 8,005.19	\$ (0.00)	\$ 921.91				Urban Area, Larger Diameter
I12-020008-01	\$ 28.91	\$ 346.84	\$ 1,696.34	\$ 8,005.19	\$ (0.00)	\$ 921.91				Main combined with LFUCG road
I12-020008-01	\$ 43.37	\$ 520.27	\$ 2,544.51	\$ 12,007.78	\$ (0.00)	\$ 1,382.86				

**Response to Hearin**

**Attachment**

112-020008-01	\$ 1,301.00	\$ 15,607.95	\$ 76,335.18	\$ 360,233.37	\$ -	(0.00)	\$ 41,485.84	Y	renovation
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112-020029-01	\$ 2,993.46	\$ 1,827.99	\$ 4,366.84	\$ 32,100.79	\$ 2.25	\$ 1,127.01	\$ 3,472.34		
112-020029-01	\$ 25,364.58	\$ 15,489.14	\$ 37,001.71	\$ 272,000.65	\$ 19.07	\$ 9,549.54	\$ 29,422.29		Urban Area, larger diameter
112-020029-01	\$ 135,124.78	\$ 82,515.29	\$ 197,119.25	\$ 1,449,029.45	\$ 101.57	\$ 50,873.29	\$ 156,741.39	Y	main, pipeline in pavement

**2010 Total Replacemen**

**2010-2012 Item B Cost**

**2010-2012 Total Replac**



**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 26:**

Please refer to OAG Hearing Exhibit 8. Please provide:

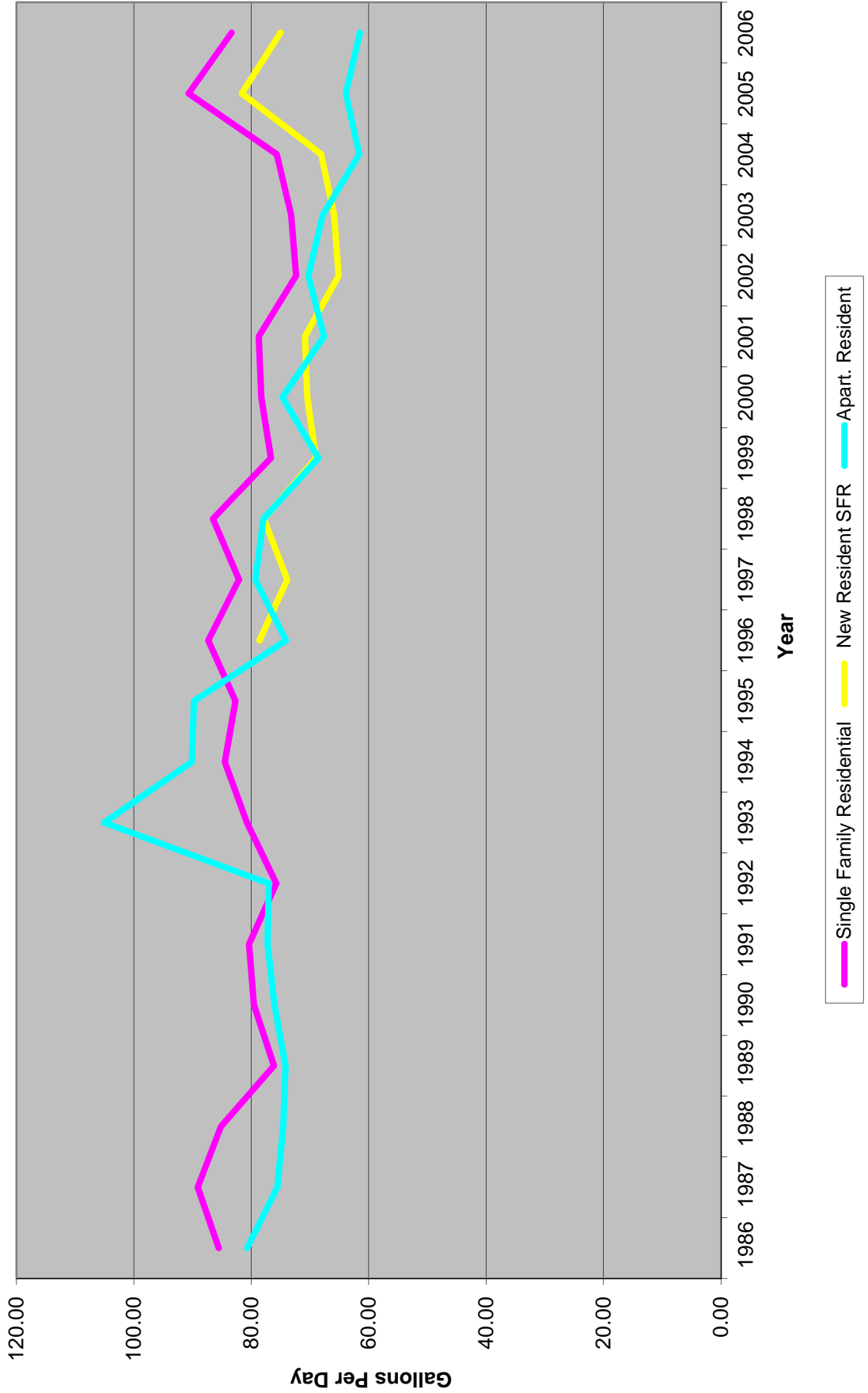
- (a) A color copy of the original chart; and
- (b) Update the chart to include the years from 2006 to the most recent year available.

**Response:**

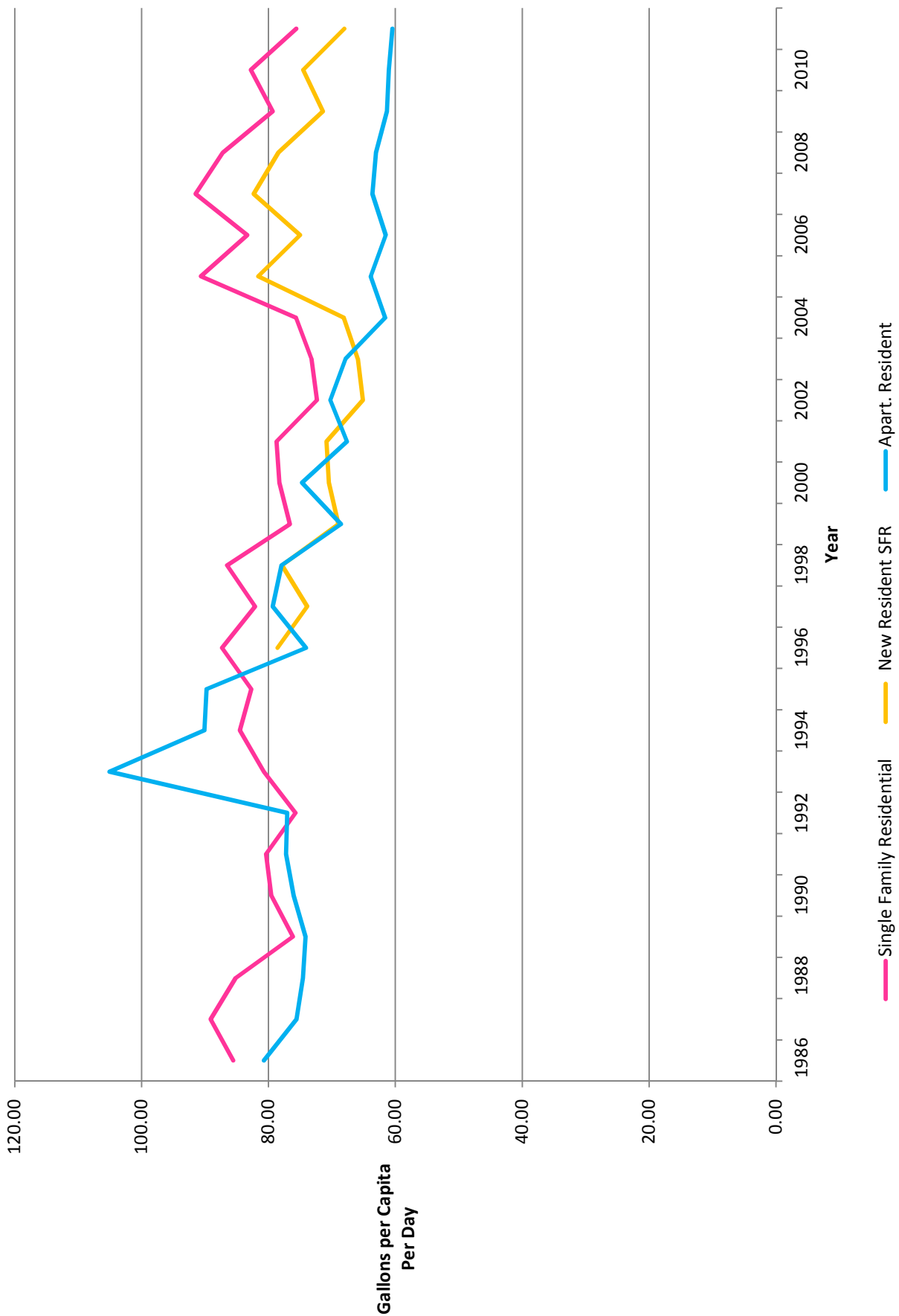
Please see the attached. Please note that the 2007-2011 has been added to the chart, but population changes updated with the 2010 census have altered the per capita usage calculation slightly between 2000 and 2006 but have not been changed on the graph.

Further note that these demand projections are intended for long-term capacity planning tied to population projections through the Kentucky State Data Center, while the per customer usage calculations have been utilized for shorter term usage for budget purposes.

### KAW Estimated Per Capital Usage



# KAW Estimated Per Capita Usage



**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 27:**

Please provide a copy of the Georgetown ordinance regarding fire hydrant fees.

**Response:**

Please refer to the attachment.

## FIRE PREVENTION AND PROTECTION

§ 7-1

**ARTICLE I. IN GENERAL****Sec. 7-1. Regulation of open fires.**

(a) *Purpose.* The purpose of this ordinance is to provide for the issuance of permits for the burning of suitable materials under safe conditions consistent with the provisions, below.

(b) *Permit issuance.* No person shall ignite an open fire without having first obtained a permit from the local office of fire marshall or the chief of the fire department or his or her designee. Open fire is defined as the burning of any material that results in the products of combustion being emitted directly into the ambient air without passing through a chimney or stack. The permit issued for such a fire shall contain the conditions under which the fire shall be started, maintained and extinguished.

The city shall charge an open fire permit fee of fifty dollars (\$50.00), to defray the cost of administrating the provisions of this section.

(c) *Performance standards.* All open fires shall conform to the following standards:

- (1) No fire shall be started within fifty (50) feet of any structure. This distance may be extended by the permit issuing official in the event the proposed fire is upwind of the threatened structure;
- (2) No fire shall be started within one hundred fifty (150) feet of any woodlands;
- (3) The permit holder or person designated on the permit shall be present at all times from the ignition of the open fire until it is extinguished;
- (4) Number 1 or 2 diesel fuel and paper are the only permitted accelerants;
- (5) The official issuing the permit shall consider the fire's content, location, weather conditions, immediate area, method of extinguishing, persons available at site and the experience of the person[s] available. Based upon these factors, the issuing officer shall determine the size of the fire;
- (6) The permit shall be maintained on site at all times until the fire is extinguished;
- (7) The official issuing the permit, any law enforcement official and any fire fighting officer are authorized to order the open fire extinguished at any time he or she believes the fire poses a threat to persons or property;
- (8) No one shall commence burning prior to three (3) hours after sunrise. Burning shall be completed on the same day as started, no later than three (3) hours prior to sunset;
- (9) The smoke produced by the fire shall not be allowed to cross any road, street, drive or highway at such height that motorists' visibility is affected;
- (10) Brush or other approved waste must be generated or produced on the property on which the permitted fire is requested;
- (11) All applicable regulations of the natural resources cabinet shall be observed;

§ 7-1

GEORGETOWN CODE

- (12) The following materials shall not be permitted in any open fire:
- a. Household solid waste;
  - b. Tires;
  - c. Petroleum products;
  - d. Putrescible waste;
  - e. Hazardous waste;
  - f. Construction and demolition waste, except untreated wood;
  - g. Municipal solid waste;
  - h. Treated wood;
  - i. Furniture and carpeting;
  - j. Electrical wiring;
  - k. Appliances;
  - l. Animal carcasses;
  - m. Pesticides, herbicides, or other toxic compounds;
  - n. Aerosol cans;
  - o. Plastics; and
  - p. Any other material, the burning of which under the applicable circumstances, constitutes a threat to the public safety.

(Ord. No. 99-013, §§ 1—3, 5-20-99)

**Sec. 7-2. Hydrant fee.**

(a) *Establishment of hydrant fee.* A fee for fire hydrants shall be charged of all customers, within the area of the city served by KyAm (the Kentucky American Water Company). This fee shall cover all costs related to the maintenance of fire hydrants within the KyAm service area. Related costs shall include the city's cost of administering the collection of the fee and the required remittance to KyAm in satisfaction of all fire hydrant service charges levied for the provision and maintenance of fire hydrants within the KyAm service.

(b) *Calculation of hydrant fee.* The fire hydrant fee to be charged customers of the KyAm service area shall be calculated as follows:

- (1) The KyAm annual service charge per hydrant times the number of hydrants in the KyAm service area yields the amount to be collected from the benefitted residents. The number of hydrants used in this calculation shall be the actual number of hydrants in service plus that number reasonably anticipated for installation during the coming year;
- (2) The amount determined in paragraph (1) above, times one hundred fifteen (115) percent, yields the total income the city must receive to cover the service charge for all hydrants anticipated during the year in which the established fee is to be collected, the

## FIRE PREVENTION AND PROTECTION

§ 7-2

expense of administering the collection and payment of funds under this section, additional funds necessary to offset income lost due to nonpayment of fee and interim rate increases. In the event the actual experience reveals that one hundred fifteen (115) percent of the KyAm service charge is not sufficient to cover the actual costs described above, the city, upon documentation of the insufficiency, may establish the total required income under this paragraph at greater than one hundred fifteen (115) percent of the amount determined in paragraph (1) above;

- (3) The amount determined in paragraph b., above, divided by the number of customers yields the annual amount to be collected from each customer in the KyAm service area;
- (4) The amount determined in paragraph (3), above, divided by twelve (12) yields the monthly payment to be collected from each customer.

(c) *Annual review of hydrant fee.* On or before January 1 of each succeeding year after the effective date of the hydrant fee, the city shall review the fee calculated under subsection (b) above, making such adjustments as are necessary to maintain the fee at one hundred fifteen (115) percent of that amount required to cover the anticipated annual cost of the KyAm service fee for fire hydrants, subject to the provisions of subsection (b)(2).

(d) *Responsibility for hydrant service charge.* The initial responsibility for the service charge for KyAm hydrants shall rest with the person or entity with whom KyAm contracted for the installation of the hydrant. Hydrants which are installed as part of the public fire protection service shall be installed pursuant to approved development plans or subdivision plats and dedicated to the city's use as part of the public fire protection service.

The city's acceptance of the dedication shall occur at such time as the public improvements, of which the hydrant is part, are installed according to the approved plan pursuant to the provisions of KRS 100.277(4). The city shall assume responsibility for the KyAm service fee upon acceptance of the dedication (e.g. a developer will be responsible for the cost of the hydrant until he or she has installed all public improvements according to a planning commission approved plan or plat. Upon acceptance of the installed hydrant into the public fire protection system, the city shall assume responsibility for hydrant payments to KyAm.)

(e) *Responsibility of Kentucky American Water Company.* The Kentucky American Water Company shall cooperate with the city in the provision of all necessary information related to the location and number of KyAm fire hydrants within the city's limits and the number and location of KyAm's customers. KyAm shall include the city's fire hydrant fee on its water bill to customers within the city's boundaries. KyAm shall remit to the city all hydrant fee payments collected. The remittance of these payments shall be on or before the tenth day of each month.

(f) *Commencement of hydrant fee payments.* The KyAm customers' monthly hydrant payments shall commence upon the completion of the following:

- (1) The calculation of the city's fee as provided above;
- (2) Notification to KyAm of the amount to be collected;

§ 7-2

GEORGETOWN CODE

- (3) The inclusion of the amount to be collected on the KyAm customer water bill; and
- (4) If necessary, approval by the public service commission of the inclusion of the city's fee on the KyAm customer water bill.

(Ord. No. 99-045, § 1—6, 11-18-99)

**Secs. 7-3—7-15. Reserved.**

## ARTICLE II. FIRE SAFETY STANDARDS

### Sec. 7-16. Adoption of Kentucky Standards of Safety.

The Kentucky Standards of Safety (Fire Prevention Code) as promulgated in 815 KAR 10:060(4)(b)[1] and [2] by the department of housing, building and construction on the advice and recommendation of the state fire marshal, is hereby adopted and incorporated by reference as set forth in said regulation excluding those standards which are excluded by state regulation as an ordinance for the city. Copies of the code book are available through the department of housing, buildings and construction, 101 Sea Hero Road, 100 Suite, , Frankfort, Kentucky 40604-5405, or a copy may be reviewed at the office of the City Clerk, City of Georgetown.

(Ord. No. 90-031, § 1, 12-13-90; Ord. No. 07-013, § 1, 8-27-07)

**Editor's note**—Ord. No. 90-031, § 1, adopted Dec. 13, 1990, amended §§ 7-16—7-19 to read as herein set out. Prior to inclusion of said ordinance, §§ 7-16—7-19 pertained to similar subject matter and derived from Ord. No. 83-003, §§ 2, 3, adopted March 3, 1983.

### Sec. 7-17. Adoption of National Fire Codes.

The 2006 NFPA 1 Uniform Fire Code and NFPA 101 Life Safety Code copies of which are on file in the office of the chief of the city fire department and at the office of the City Clerk, City of Georgetown, are hereby adopted and incorporated by reference as set forth in 815 KAR 10:060(4)(b)[1] and [2] as an ordinance for the city, said ordinance being incorporated herein by this reference.

(Ord. No. 90-03, § 2, 12-13-90; Ord. No. 07-013, § 1, 8-27-07)

**Note**—See the editor's note at § 7-16.

### Sec. 7-18. Designated enforcement officer.

The fire chief shall be designated as the local enforcement agent for the above Standards of Safety and the Nation Fire Codes, 2006, as appointed by the state fire marshal and the city.

(Ord. No. 90-031, § 3, 12-13-90; Ord. No. 07-013, § 1, 8-27-07)

**Note**—See the editor's note at § 7-16.

### Sec. 7-19. Permits and fees.

The requirements for permits and required fees shall be provided for, from time to time, in ordinances duly adopted by the city council.

(Ord. No. 90-031, § 4, 12-13-90)

**Note**—See the editor's note at § 7-16.



**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 28:**

Please provide a reference to the data response containing the costs for the Northern Division Connection that are included in this case.

**Response:**

The costs and savings related to the Northern Division Connection project included in this case were provided in response to Item 10, part b of the Commission Staff's Third Request for Information. The attachment for the response to part b is found on page 3 of 107.

**KENTUCKY-AMERICAN WATER COMPANY  
CASE NO. 2012-00520  
HEARING DATA REQUESTS**

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**Question 29:**

Please provide for the forecasted test year:

- (a) The expected chemical expense for KRS II;
- (b) The expected purchased power expense for KRS II; and
- (c) The expected purchased power expense in the Northern Division for pumping. If the projection contained in Case No. 2012-00096 is the most accurate, please advise.

**Response:**

- (a) Please see the attachment.
- (b) Please see the attachment.
- (c) Please see the attachment. The projection contained in the Case No. 2012-00096 continues to be the most accurate, and is reflected on the attachment.



**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 30:**

Please state how the forecasted amount of call center expense allocated to Kentucky American would have changed as a result of several operating subsidiaries being sold if the method of allocation had not changed.

**Response:**

American Water Works Service Company has changed the way that it charges call center costs to KAWC from (1) allocating most call center costs to KAWC based on customer count to (2) direct charging KAWC a portion of the call center costs based on the actual number of calls made by KAWC customers, and then allocating the remainder of the call center costs (e.g., overhead) to KAWC based on customer count.

American Water Works Service Company charges to KAWC for Service Company services are determined in accordance with the 1989 Service Company Agreement (which was attached to KAW's Response to Item 32 of Commission Staff's First Request for Information). The KAWC and American Water Works Service Company Agreement ("Service Company Agreement") provides that all Service Company costs which can be identified and related exclusively to KAWC, shall be charged directly to KAWC. The Service Company Agreement also provides that all costs incurred in rendering services to KAWC in common with similar services to other AWW regulated water companies, which cannot be identified and related exclusively to services rendered to a particular AW regulated water company, shall be allocated among all AWW regulated water companies so served, based on the number of customers served at the immediately preceding calendar year end.

From 2011 to 2012, Kentucky American's customer count as a percentage of the overall regulated utility customer count of American Water increased from 3.58% to 3.92%. This percentage increase resulted, in part, from the divestiture of other operating subsidiaries which were only partially offset by acquisitions. This information was provided in the response to Item 71 of the Commission Staff's Second Request for Information. Beginning in 2012, the call centers began direct charging call handling, and in 2013 the call centers began direct charging call handling, billing and collections costs. Approximately 63% of Kentucky American's call center costs are being direct charged for the amount of call handling, billing and collections costs it incurs at the Customer Call Center. The remaining 37% represents overhead components of Customer Service Center functions which are charged to Kentucky-American and its regulated utility affiliates based on the percentage of each utility's customer count to the overall regulated utility customer count of American Water.

Changes in the customer count percentages due, in part, to system acquisitions and divestitures only changes KAWC share of call center allocated overhead costs – i.e., approximately 37% of KAWC’s call center costs. The actual call center O&M expenses at the end of 2011 were \$44,033,166, at the end of 2012 were \$47,358,743, and are projected for 2013 at \$49,230,870. Kentucky American’s projected 2013 call center costs are \$2,661,627, and 37% of that projected amount is \$984,802. As demonstrated in the chart, if the call centers had not begun direct charging costs, the projected 2013 call center costs would likely have increased by \$167,385; from \$1,762,465 based on 3.58% allocation to \$1,929,850 based on 3.92% allocation. However, with the move to more direct charging, the difference in the 37% of the call center costs that are related to overhead components of the Customer Service Center functions is only \$85,416:  $[\$25,122,500 \times .0392] - [\$25,122,500 \times .0358] = \$85,416$ .

	Without Divestitures	With Divestitures	Difference
<b>KY Customer Allocation</b>	3.92%	3.58%	0.34%
<b>2013- O&amp;M Call Center Costs</b>	\$ 49,230,870	\$ 49,230,870	
<b>KY Portion of Call Center costs</b>	\$ 1,929,850	\$ 1,762,465	\$ 167,385

	KY - 2013 Projected Call Center Costs	Direct Charge -63%	Allocated - 37%	
	\$ 2,661,627	\$ 1,676,825	\$ 984,802	(A)
<b>KY Allocation without divestitures</b>			3.92%	
<b>Total Allocated Portion of 2013 Projected CSC costs</b>			\$ 25,122,500	
<b>KY Allocation with divestitures</b>			3.58%	
<b>Total Allocated 2013 Projected CSC costs</b>			\$ 899,385	(B)
<b>Difference A-B</b>			\$ 85,416	

Kentucky American believes that the direct charges for call handling is a more appropriate way to bill costs for services that can be directly tied to cost causation by the Kentucky American customers. As discussed in Ms. Bridwell’s testimony, Kentucky American customers have in recent history utilized the call center more frequently than other states, and should be expected to provide for those costs.

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 31:**

What percentage does chemical and purchased power expense comprise of Kentucky American's total cost of service?

**Response:**

The chemical expense comprises 5.24% of Kentucky American's total operations and maintenance expenses from the Cost of Service Study ("COSS") and 2.16% of the Total Cost of Service. The purchased power expense comprises 9.16% of total operations and maintenance expenses, and 4.58% of Total Cost of Service.

**KENTUCKY-AMERICAN WATER COMPANY**  
**CASE NO. 2012-00520**  
**HEARING DATA REQUESTS**

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**Question 32:**

Please state whether Kentucky American developed and implemented a plan to accurately record and determine the number of customers making payments after the due date, the frequency of late payments by each customer, the number of service terminations for nonpayment for each customer account and company-wide, and the specific services that were not paid when water service is terminated for non-payment as ordered in Case No. 2010-00036.

**Response:**

Per Ordering Paragraph 10 of the Commission's Order in Case No. 2010-00036, Kentucky American developed and implemented a plan to accurately record and determine the number of customers making payments after the due date, the frequency of late payments by each customer, the number of service terminations for nonpayment for each customer account and company-wide, and the specific services that were not paid when water service is terminated for non-payment. This was done with software changes under the previous billing software. On October 1, 2012, Kentucky American terminated billing for other services, rendering the fourth item no longer applicable. With the transition to the new billing software on May 20, 2013, Kentucky American will be able to continue to record the other three items.