

**KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2015-00418
FORECASTED TEST PERIOD FILING REQUIREMENTS
EXHIBIT NO. 37**

Description of Filing Requirement:

<u>Schedule</u>	<u>Description</u>
A.	Jurisdictional Financial Summary for the Rate Base and Forecasted Period
B.	Jurisdictional Rate Base Summary for the Base and Forecasted Period
C.	Jurisdictional Operating Income Summary for Base and Forecasted Period
D.	Jurisdictional Adjustment of Operating Income
E.	Jurisdictional Federal and State Income Tax Summary for Base and Forecasted Periods
F.	Organizational Membership Dues, Initiation Fees, Country Club Expenditures, Charitable Contributions, Marketing Expenses, Sales Expenses, Advertising Expenses, Professional Service Expenses, Civic and Political Activity Expenses, Employee Parties and Outing Expenses, Employee Gift Expenses, and Rate Case Expenses for the Base and Forecasted Periods
G.	Payroll Cost Analysis
H.	Computation of Gross Revenue Conversion Factor
I.	Comparative Income Statements, Revenue Statistics and Sales Statistics for Five Most Recent Calendar Years, the Base Period, Forecasted Period and Two Calendar Years Beyond the Forecast Period
J.	Cost of Capital Summary for Base Period and Forecasted Period
K.	Comparative Financial Data and Earning Measures for the Ten Most Recent Calendar Years, Base Period and Forecasted Period
L.	Narrative Description and Explanation of all Proposed Tariff Change
M.	Revenue Summary for Base Period and Forecasted Period with Detailed Billing Analysis for all Customer Classes
N.	Typical Bill Comparison Under Present and Proposed Rates for all Customer Classes

Response:

Accounting Schedules provided under separate cover.

For electronic version, refer to KAW_APP_EX37_012916.pdf.

**EXHIBIT 37
SCHEDULE A**

JURISDICTIONAL FINANCIAL SUMMARY FOR THE BASE AND FORCASTED PERIOD

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

Schedule	Description
A	Overall Financial Summary

For electronic version, see KAW_APP_EX37A_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Jurisdictional Financial Summary for the Base and Forecast Period Detailing Derivation of the Requested Revenue Increase

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule A
Exhibits\Revenue Requirement and Conversion Factor.xlsx\Rev Requirement - SCH A
Witness: L. Bridwell

Line #	Base Period Ended 2/29/2016	Forecast Period Ended 6/30/2017	Support Schedule Reference	Excel Reference
1				
2	Present Rate Utility Operating Income:			
3				
4	\$90,509,219	\$88,350,996	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
5				
6	Less: Deductions:			
7	\$33,192,846	\$34,276,781	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
8	13,500,782	14,948,095	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
9	8,556	-	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
10	230,514	227,127	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
11	-	-	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
12	1,523,872	1,164,502	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
13	9,064,099	6,559,876	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
14	(84,792)	(76,468)	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
15	6,484,589	6,193,611	Exhibit 37 Schedule C-1	Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1
16	Total Deductions (Sum Lines 7 - 15):	\$63,920,466		
17		\$63,293,524		
18	Present Rate Operating Income (Line 4 - Line 16):	\$26,588,753		
19		\$25,057,472		
20				
21	Base Period	Forecast Period	Support Schedule	
22	Ended 2/29/2016	Ended 6/30/2017	Reference	Excel Reference
23				
24	\$399,653,506	\$403,866,142	Exhibit 37 Schedule B-1	Rate Base\Exhibit 37 Schedules B1 - B8.xlsx
25	7.89%	8.22%	Exhibit 37 Schedule J-1.1	Capital\Capital Structure 2015.xlsx\Sch J-1
26				
27	Operating Income Required (Line 24 x Line 25):	\$31,532,662		
28		\$33,197,797		
29	Less: Operating Income at Present Rates (Line 18):	\$26,588,753		
30		\$25,057,472		
31	Increase in Operating Income Required (Line 27 - Line 29)	\$4,943,909		
32		\$8,140,325		
33	Gross Revenue Conversion Factor	165.2718%	Exhibit 37, Schedule H	Exhibits\Revenue Requirement and Conversion Factor.xlsx\Rev Conversion Factor - SCH H
34		165.2718%		
35	Requested Revenue Increase (Line 31 x Line 33)	\$8,170,888		
36		\$13,453,664		
37	Percent Increase over Operating Revenue at Present Rates (Line 35 / Line 4):	9.03%		
38		15.23%		
39	Revenue Requirement (Line 4 + Line 35)	\$98,680,107		
40		\$101,804,660		

**EXHIBIT 37
SCHEDULE B**

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORCASTED PERIOD

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

Schedule	Description
B-1	Rate Base Summary
B-2	Plant in Service by Major Grouping
B-2.1	Plant in Service by Account and Subaccounts
B-2.2	Proposed Adjustments to Plant in Service
B-2.3	Gross Additions, Retirements and Transfers
B-2.4	Property Merged or Acquired
B-2.5	Leased Property
B-2.6	Property Held for Future Use Included in Rate Base
B-2.7	Property Excluded from Rate Base
B-3	Accumulated Depreciation and Amortization
B-3.1	Adjustments to Accumulated Depreciation and Amortization
B-3.2	Depreciation Accrual Rates and Accumulated Balances by Account
B-4	Construction Work in Progress
B-4.1	Construction Work in Progress - Percent Complete
B-5	Allowance for Working Capital
B-5.1	Working Capital Components
B-5.2	Working Capital - Lead / Lag Study
B-6	Deferred Credits and Accumulated Deferred Income Taxes
B-7	Jurisdictional Percentages
B-7.1	Jurisdictional Statistics - Rate Base
B-7.2	Explanation of Changes in Jurisdictional Procedures
B-8	Comparative Balance Sheets

For electronic version, see KAW_APP_EX37B_012916.pdf.

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
RATE BASE SUMMARY
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-1
Rate Base\[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-1
PAGE 1 OF 2
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED

Line No.	Rate Base Component	Supporting Schedule Reference	Base Period
1			
2	Utility Plant In Service	B-2	\$648,948,902
3			
4	Property Held for Future Use	B-2.6	0
5			
6	Utility Plant Acquisition Adjustments		0
7			
8	Accumulated Depreciation	B-3	(142,044,393)
9			
10			
11			
12	Net Utility Plant In Service		506,904,509
13			
14			
15	Construction Work in Progress	B-4	23,768,036
16			
17	Working Capital Allowance	B-5/W/P - 1-13	3,946,000
18			
19	Other Working Capital Allowance	B-5 & W/P - 1-5	813,037
20			
21	Contributions in Aid of Construction	B-6	(58,104,260)
22			
23	Customer Advances	B-6	(13,644,640)
24			
25	Deferred Income Taxes	B-6	(73,841,186)
26			
27	Deferred Investment Tax Credits	B-6	(38,059)
28			
29	Deferred Maintenance	W/P-1-10	7,212,746
30			
31	Deferred Debits	W/P-1-11	1,407,974
32			
33	Other Rate Base Elements	W/P-1-12	1,229,349
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45	Jurisdictional Rate Base		<u>\$399,653,506</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
RATE BASE SUMMARY
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-1
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-1
PAGE 2 OF 2
Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED

Line No.	Rate Base Component	Supporting Schedule Reference	End of Period Amount	13 Month Avg Forecasted Period Amount
1				
2	Utility Plant In Service	B-2	\$689,673,131	\$679,624,591
3				
4	Property Held for Future Use	B-2.6	0	0
5				
6	Utility Plant Acquisition Adjustments		0	0
7				
8	Accumulated Depreciation	B-3	(158,393,842)	(152,076,279)
9				
10				
11				
12	Net Utility Plant In Service		531,279,289	527,548,312
13				
14				
15	Construction Work in Progress	B-4	9,248,219	9,193,558
16				
17	Working Capital Allowance	B-5/W/P - 1-13	5,208,000	5,208,000
18				
19	Other Working Capital Allowance	B-5 & W/P - 1-5	813,037	813,037
20				
21	Contributions in Aid of Construction	B-6	(58,570,562)	(58,556,435)
22				
23	Customer Advances	B-6	(14,249,640)	(14,060,794)
24				
25	Deferred Income Taxes	B-6	(80,401,792)	(78,268,967)
26				
27	Deferred Investment Tax Credits	B-6	(27,856)	(31,363)
28				
29	Deferred Maintenance	W/P-1-10	9,835,150	9,539,974
30				
31	Deferred Debits	W/P-1-11	1,331,868	1,360,408
32				
33	Other Rate Base Elements	W/P-1-12	1,062,038	1,120,412
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45	Jurisdictional Rate Base		<u>\$405,527,751</u>	<u>\$403,866,142</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PLANT IN SERVICE BY MAJOR GROUPING
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2
Rate Base\[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx]Sch B-2
PAGE 1 of 2
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Major Property Grouping	Base Period	Jurisdictional Percent	Jurisdictional	Adjustment	End of Period Adjusted Jurisdiction
1						
2						
3	Intangibles	\$882,198	<u>100%</u>	\$882,198	\$0	\$882,198
4						
5	Source of Supply and Pumping	84,183,990		84,183,990	0	84,183,990
6						
7	Water Treatment	77,763,914		77,763,914	0	77,763,914
8						
9	Transmission and Distribution	440,045,749		440,045,749	0	440,045,749
10						
11	General	46,073,050		46,073,050	0	46,073,050
12						
13	Completed Construction not Classified	0		0	0	0
14						
15	Other	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>
16						
17	Total	<u>\$648,948,902</u>		<u>\$648,948,901</u>	<u>\$0</u>	<u>\$648,948,901</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PLANT IN SERVICE BY MAJOR GROUPING
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 OF 2
Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):: W/P-1

Line No.	Major Property Grouping	Forecasted Period	Jurisdictional Percent	Jurisdictional	Adjustments	End of Period Adjusted Jurisdiction	13 Month Average
1	Intangibles	\$941,698	<u>100%</u>	\$941,698	\$0	\$941,698	\$919,664
2							
3	Source of Supply and Pumping	88,670,069		88,670,069	0	88,670,069	86,615,551
4							
5	Water Treatment	90,115,719		90,115,719	0	90,115,719	90,341,482
6							
7	Transmission and Distribution	462,132,796		462,132,796	0	462,132,796	455,101,185
8							
9	General	47,812,846		47,812,846	0	47,812,846	46,646,710
10							
11	Completed Construction not Classified	0		0	0	0	0
12							
13	Other	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
14							
15		<u>\$689,673,128</u>		<u>\$689,673,128</u>	<u>\$0</u>	<u>\$689,673,131</u>	<u>\$679,624,591</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.1
Rate Base/[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx]Sch B-2
PAGE 1 of 4
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	NARUC 96 Acct No.	Account Title	Base Period	Jurisdictional Percent	Jurisdictional	Adjustment	Adjusted Jurisdiction
1							
2							
3		<u>Intangible Plant</u>					
4	301.1	Organization	\$37,450	<u>100%</u>	\$37,450	\$0	\$37,450
5	302.1	Franchise/Consents	70,261		70,261	0	70,261
6	339.1	Other Palant & Equip Intangible	774,487		774,487	0	774,487
7							
8		Total Intangibles	<u>\$882,198</u>		<u>\$882,198</u>	<u>\$0</u>	<u>\$882,198</u>
9							
10		<u>Source of Supply and Pumping Plant</u>					
11	303.2	Land and Land Rights - SS	\$1,394,757		\$1,394,757	\$0	\$1,394,757
12	304.2	Structures and Improvements SS	30,701,854		30,701,854	0	30,701,854
13	305.2	Collecting and Impounding Reservoirs	852,837		852,837	0	852,837
14	306.2	Lake, River and Other Intakes	1,760,859		1,760,859	0	1,760,859
15	307.2	Wells and Springs	0		0	0	0
16	308.2	Infiltration Galleries & Tunnels	0		0	0	0
17	309.2	Supply Mains	18,571,284		18,571,284	0	18,571,284
18	310.2	Power Generation Equip	3,007,446		3,007,446	0	3,007,446
19	311.2	Pumping Equipment SS	27,894,951		27,894,951	0	27,894,951
20	339.2	Other Plant & Equip SS	0		0	0	0
21							
22		Total Source of Supply & Pumping	<u>\$84,183,990</u>		<u>\$84,183,990</u>	<u>\$0</u>	<u>\$84,183,990</u>
23							
24		<u>Water Treatment Plant</u>					
25	303.3	Land and Land Rights	\$800,183		\$800,183	\$0	\$800,183
26	304.3	Structures and Improvements	36,706,772		36,706,772	0	36,706,772
27	311.3	Pumping Equipment WT	0		0	0	0
28	320.3	Water Treatment Equipment	40,256,960		40,256,960	0	40,256,960
29	339.3	Other Plant & Equip WT	0		0	0	0
30							
31		Total Water Treatment	<u>\$77,763,914</u>		<u>\$77,763,914</u>	<u>\$0</u>	<u>\$77,763,914</u>
32							
33		<u>Transmission and Distribution Plant</u>					
34	303.4	Land and Land Rights TD	\$7,474,952		\$7,474,952	\$0	\$7,474,952
35	304.4	Struct & Improve TD	936,978		936,978	0	936,978
36	311.4	Pumping Equipment TD	93,914		93,914	0	93,914
37	330.4	Dist Reservoirs & Standpipes	19,587,315		19,587,315	0	19,587,315
38	331.4	TD Mains	293,151,566		293,151,566	0	293,151,566
39	333.4	Services	50,428,037		50,428,037	0	50,428,037
40	334.4	Meters & Meter Installations	49,317,922		49,317,922	0	49,317,922
41	335.4	Hydrants	19,055,065		19,055,065	0	19,055,065
42	336.4	Backflow Prevention Devices	0		0	0	0
43	339.4	Other Plant & Equip TD	0		0	0	0
44							
45		Total Transmission and Distribution	<u>\$440,045,749</u>		<u>\$440,045,749</u>	<u>\$0</u>	<u>\$440,045,749</u>

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.1
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 of 4
Witness Responsible: L. Bridwell

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: X ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	NARUC 96 Acct No.	Account Title	Base Period	Jurisdictional Percent	Jurisdictional	Adjustment	Adjusted Jurisdiction
1							
2							
3		<u>General Plant</u>					
4	303.5	Land & Land Rights AG	\$0	<u>100%</u>	\$0	\$0	\$0
5	304.5	Struct & Improve AG	13,724,864		13,724,864	0	13,724,864
6	340.5	Office Furniture and Equipment	15,611,411		15,611,411	0	15,611,411
7	341.5	Transportation Equipment	5,900,292		5,900,292	0	5,900,292
8	342.5	Stores Equipment	65,066		65,066	0	65,066
9	343.5	Tools, Shop and Garage Equipment	2,426,129		2,426,129	0	2,426,129
10	344.5	Laboratory Equipment	1,258,931		1,258,931	0	1,258,931
11	345.5	Power Operated Equipment	1,368,554		1,368,554	0	1,368,554
12	346.5	Communication Equipment	3,889,915		3,889,915	0	3,889,915
13	347.5	Miscellaneous Equipment	1,699,211		1,699,211	0	1,699,211
14	348.5	Other Tangible Property	128,677		128,677	0	128,677
15							
16		Total General	<u>\$46,073,050</u>		<u>\$46,073,050</u>	<u>\$0</u>	<u>\$46,073,050</u>
17							
18							
19							
20		Total Utility Plant in Service	<u>\$648,948,902</u>		<u>\$648,948,902</u>	<u>\$0</u>	<u>\$648,948,902</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.1
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 3 of 4
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	NARUC 96 Acct No.	Account Title	Forecasted	Jurisdictional Percent	Jurisdictional	Adjustment	Adjusted Jurisdiction	13 Month Average
1								
2								
3		<u>Intangible Plant</u>						
4	301.1	Organization	\$37,450	100%	\$37,450	\$0	\$37,450	\$37,450
5	302.1	Franchise/Consents	70,261		70,261	0	70,261	70,261
6	339.1	Other Palant & Equip Intangible	833,987		833,987	0	833,987	811,952
7								
8		Total Intangibles	<u>\$941,698</u>		<u>\$941,698</u>	<u>\$0</u>	<u>\$941,698</u>	<u>\$919,664</u>
9								
10		<u>Source of Supply and Pumping Plant</u>						
11	303.2	Land and Land Rights - SS	\$1,394,757		\$1,394,757	\$0	\$1,394,757	\$1,394,757
12	304.2	Structures and Improvements - SS	31,549,692		31,549,692	0	31,549,692	31,280,538
13	305.2	Collecting and Impounding Reservoirs	850,972		850,972	0	850,972	851,672
14	306.2	Lake, River and Other Intakes	2,089,059		2,089,059	0	2,089,059	1,984,278
15	307.2	Wells and Springs	0		0	0	0	0
16	308.2	Infiltration Galleries & Tunnels	0		0	0	0	0
17	309.2	Supply Mains	18,571,139		18,571,139	0	18,571,139	18,571,194
18	310.2	Power Generation Equip	3,722,800		3,722,800	0	3,722,800	3,256,561
19	311.2	Power Equipment SS	30,491,649		30,491,649	0	30,491,649	29,276,551
20	339.2	Other Plant & Equip SS	0		0	0	0	0
21								
22		Total Source of Supply & Pumping	<u>\$88,670,069</u>		<u>\$88,670,069</u>	<u>\$0</u>	<u>\$88,670,069</u>	<u>\$86,615,551</u>
23								
24		<u>Water Treatment Plant</u>						
25	303.3	Land and Land Rights WT	\$800,183		\$800,183	\$0	\$800,183	\$800,183
26	304.3	Structures and Improvements WT	42,656,938		42,656,938	0	42,656,938	42,698,644
27	311.3	Pumping Equipment WT	0		0	0	0	0
28	320.3	Water Treatment Equipment	46,658,597		46,658,597	0	46,658,597	46,842,654
29	339.3	Other Plant & Equip WT	0		0	0	0	0
30								
31		Total Water Treatment	<u>\$90,115,719</u>		<u>\$90,115,719</u>	<u>\$0</u>	<u>\$90,115,719</u>	<u>\$90,341,482</u>
32								
33		<u>Transmission and Distribution Plant</u>						
34	303.4	Land and Land Rights TD	\$7,474,952		\$7,474,952	\$0	\$7,474,952	\$7,474,952
35	304.4	Structures and Improvements TD	936,866		936,866	0	936,866	936,908
36	311.4	Pumping Equipment TD	86,148		86,148	0	86,148	89,060
37	330.4	Dist Reservoirs & Stanpipes	20,245,318		20,245,318	0	20,245,318	20,179,513
38	331.4	TD Mains	309,785,295		309,785,295	0	309,785,295	304,536,662
39	333.4	Services	52,466,976		52,466,976	0	52,466,976	51,746,247
40	334.4	Meters & Meter Installations	50,740,793		50,740,793	0	50,740,793	50,213,943
41	335.4	Hydrants	20,396,450		20,396,450	0	20,396,450	19,923,900
42	336.4	Backflow Prevention Devices	0		0	0	0	0
43	339.4	Other Plant & Equip TD	0		0	0	0	0
44								
45		Total Transmission and Distribution	<u>\$462,132,796</u>		<u>\$462,132,796</u>	<u>\$0</u>	<u>\$462,132,796</u>	<u>\$455,101,185</u>

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.1
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 4 of 4
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	NARUC 96 Acct No.	Account Title	Forecasted		Adjustment	Adjusted Jurisdiction	13 Month Average
			Forecasted	Jurisdictional Percent			
1							
2							
3		<u>General Plant</u>					
4	303.5	Land & Land Rights AG	\$0	100%	\$0	\$0	\$0
5	304.5	Structures and Improvements AG	14,538,763		0	14,538,763	14,045,880
6	340.5	Office Furniture and Equipment	16,020,641		0	16,020,641	15,798,132
7	341.5	Transportation Equipment	5,755,772		0	5,755,772	5,562,467
8	342.5	Stores Equipment	64,598		0	64,598	64,774
9	343.5	Tools, Shop and Garage Equipment	2,829,839		0	2,829,839	2,684,721
10	344.5	Laboratory Equipment	1,226,731		0	1,226,731	1,238,806
11	345.5	Power Operated Equipment	1,364,205		0	1,364,205	1,365,836
12	346.5	Communication Equipment	4,185,010		0	4,185,010	4,058,532
13	347.5	Miscellaneous Equipment	1,688,110		0	1,688,110	1,692,273
14	348.5	Other Tangible Property	139,177		0	139,177	135,289
15							
16		Total General	<u>\$47,812,846</u>		<u>\$0</u>	<u>\$47,812,846</u>	<u>\$46,646,710</u>
17							
18							
19		Total Utility Plant in Service	<u>\$689,673,128</u>		<u>\$0</u>	<u>\$689,673,130</u>	<u>\$679,624,591</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.2
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 1 OF 2
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Acct No.	Account Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference Number	Description/Purpose of Adjustment
1							
2							
3							
4							
5							
6							
7							
8			NONE				

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.2
Rate Base\[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx]Sch B-2
PAGE 2 OF 2
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Acct No.	Account Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference Number	Description/Purpose of Adjustment
1							
2							
3							
4							
5							
6			NONE				

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
From May 1, 2015 to April 30, 2016

EXHIBIT 37, SCHEDULE B-2.3
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 1 OF 4
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	NARUC 96 Acct No.	Account Title	Base Period		Retirements	Transfers/Reclassifications		Other Accts Involved	Base Period
			Beginning Balance	Additions		Amount	Explanation		Ending Balance
1									
2									
3		<u>Intangible Plant</u>							
4	301.1	Organization	\$37,450	\$0	\$0	\$0			\$37,450
5	302.1	Franchise/Consents	70,261	0	0	0			70,261
6	339.1	Other Plant & Equip Intangible	623,985	158,877	8,375				774,487
7									
8		Total Intangibles	<u>\$731,696</u>	<u>\$158,877</u>	<u>\$8,375</u>	<u>\$0</u>			<u>\$882,198</u>
9									
10		<u>Source of Supply and Pumping Plant</u>							
11	303.2	Land and Land Rights - SS	\$1,295,335	\$99,422	\$0	\$0			\$1,394,757
12	304.2	Structures and Improvements SS	29,628,955	1,084,160	11,261	0			30,701,854
13	305.2	Collecting and Impounding Reservoirs	854,646	0	1,809	0			852,837
14	306.2	Lake, River and Other Intakes	1,630,782	130,077	0	0			1,760,859
15	307.2	Wells and Springs	0	0	0	0			0
16	308.2	Infiltration Galleries & Tunnels	0	0	0	0			0
17	309.2	Supply Mains	18,571,339	0	54	0			18,571,284
18	310.2	Power Generation Equipment	2,798,596	230,519	21,668	0			3,007,446
19	311.2	Pumping Equipment SS	27,499,590	523,169	127,808	0			27,894,951
20	339.2	Other Plant & Equipment SS	0	0	0	0			0
21									
22		Total Source of Supply & Pumping	<u>\$82,279,243</u>	<u>\$2,067,346</u>	<u>\$162,600</u>	<u>\$0</u>			<u>\$84,183,990</u>
23									
24		<u>Water Treatment Plant</u>							
25	303.3	Land and Land Rights WT	\$800,183	\$0	\$0	\$0			\$800,183
26	304.3	Structures and Improvements WT	36,749,980	0	43,208	0			36,706,772
27	311.3	Pumping Equipment WT	0	0	0	0			0
28	320.3	Water Treatment Equipment	39,762,797	811,396	317,233	0			40,256,960
29	339.3	Other Plant & Equipment WT	0	0	0	0			0
30									
31		Total Water Treatment	<u>\$77,312,960</u>	<u>\$811,396</u>	<u>\$360,441</u>	<u>\$0</u>			<u>\$77,763,914</u>
32									
33		<u>Transmission and Distribution Plant</u>							
34	303.4	Land and Land Rights TD	\$7,473,931	\$1,022	\$0	\$0			\$7,474,952
35	304.4	Structures and Improvements TD	917,659	19,361	42	0			936,978
36	311.4	Pumping Equipment TD	94,347	2,480	2,912	0			93,914
37	330.4	Dist Reservoirs & Standpipes	16,659,436	2,933,178	5,299	0			19,587,315
38	331.4	TD Mains	285,571,424	7,891,648	311,505	0			293,151,567
39	333.4	Services	49,554,828	1,201,794	328,584	0			50,428,037
40	334.4	Meter & Meter Installations	48,415,047	955,737	50,279	0			49,320,506
41	335.4	Hydrants	17,833,606	1,245,068	26,193	0			19,052,481
42	336.4	Backflow Prevention Devices	0	0	0	0			0
43	339.4	Other Plant & Equip TD	0	0	0	0			0
44									
45		Total Transmission and Distribution	<u>\$426,520,275</u>	<u>\$14,250,287</u>	<u>\$724,814</u>	<u>\$0</u>			<u>\$440,045,750</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
From May 1, 2015 to April 30, 2016

EXHIBIT 37, SCHEDULE B-2.3
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 OF 4
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	NARUC 96 Acct No.	Account Title	Base Period			Transfers/Reclassifications		Other Accts Involved	Base Period
			Beginning Balance	Additions	Retirements	Amount	Explanation		Ending Balance
1									
2									
3		<u>General Plant</u>							
4	303.5	Land & Land Rights AG	\$0	\$0	\$0	\$0		\$0	
5	304.5	Structures and Improvements AG	13,631,167	128,671	34,974	0		13,724,864	
6	340.5	Office Furniture and Equipment	16,750,412	1,017,242	2,156,243	0		15,611,411	
7	341.5	Transportation Equipment	5,040,450	1,209,980	350,138	0		5,900,292	
8	342.5	Stores Equipment	80,716	35,000	50,650	0		65,066	
9	343.5	Tools, Shop and Garage Equipment	2,543,162	205,602	322,634	0		2,426,129	
10	344.5	Laboratory Equipment	1,282,807	832	24,708	0		1,258,931	
11	345.5	Power Operated Equipment	1,370,184	0	1,631	0		1,368,554	
12	346.5	Communication Equipment	3,523,504	547,245	180,834	0		3,889,915	
13	347.5	Miscellaneous Equipment	1,746,374	-14,656	32,508	0		1,699,211	
14	348.5	Other Tangible Property	128,266	11,050	10,638	0		128,677	
15									
16		Total General	<u>\$46,097,044</u>	<u>\$3,140,966</u>	<u>\$3,164,959</u>	<u>\$0</u>		<u>\$46,073,051</u>	
17									
18									
19		Total Utility Plant in Service	<u>\$632,941,218</u>	<u>\$20,428,872</u>	<u>\$4,421,188</u>	<u>\$0</u>		<u>\$648,948,902</u>	

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
From July 1, 2016 to August 31, 2017

EXHIBIT 37, SCHEDULE B-2.3
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 3 OF 4
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-1

Line No.	NARUC 96 Acct No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Other Accts Involved	Fore. Period Ending Balance	13 Month Average
						Amount	Explanation			
1										
2										
3		Intangible Plant								
4	301.1	Organization	\$37,450	\$0	\$0	\$0			\$37,450	\$37,450
5	302.1	Franchise/Consents	70,261	0	0	0			70,261	70,261
6	339.1	Other Plant & Equip Intangibles	791,487	42,500	0	0			833,987	811,952
7										
8		Total Intangibles	\$899,198	\$42,500	\$0	\$0			\$941,698	\$919,664
9										
10		Source of Supply and Pumping Plant								
11	303.2	Land and Land Rights - SS	\$1,394,757	\$0	\$0	\$0			\$1,394,757	\$1,394,757
12	304.2	Structures and Improvements SS	30,919,814	650,400	20,522	0			31,549,692	31,280,538
13	305.2	Collecting and Impounding Reservoirs	852,371	0	1,399	0			850,972	851,672
14	306.2	Lake, River and Other Intakes	1,845,159	243,900	0	0			2,089,059	1,984,278
15	307.2	Wells and Springs	0	0	0	0			0	0
16	308.2	Infiltration Galleries & Tunnels	0	0	0	0			0	0
17	309.2	Supply Mains	18,571,248	0	109	0			18,571,139	18,571,194
18	310.2	Power Generation Equipment	2,998,785	750,000	25,985	0			3,722,800	3,256,561
19	311.2	Pumping Equipment SS	28,250,376	2,346,500	105,227	0			30,491,649	29,276,551
20	339.2	Other Plant & Equipment SS	0	0	0	0			0	0
21										
22		Total Source of Supply & Pumping	\$84,832,509	\$3,990,800	\$153,241	\$0			\$88,670,069	\$86,615,551
23										
24		Water Treatment Plant								
25	303.3	Land and Land Rights WT	\$800,183	\$0	\$0	\$0			\$800,183	\$800,183
26	304.3	Structures and Improvements WT	42,740,351	0	83,413	0			42,656,938	42,698,644
27	311.3	Pumping Equipment WT	0	0	0	0			0	0
28	320.3	Water Treatment Equipment	47,003,819	162,600	507,822	0			46,658,597	46,842,654
29	339.3	Other Plant & Equipment WT	0	0	0	0			0	0
30										
31		Total Water Treatment	\$90,544,353	\$162,600	\$591,234	\$0			\$90,115,719	\$90,341,482
32										
33		Transmission and Distribution Plant								
34	303.4	Land and Land Rights TD	\$7,474,952	\$0	\$0				\$7,474,952	\$7,474,952
35	304.4	Structures and Improvements TD	936,950	0	84	0			936,866	936,908
36	311.4	Pumping Equipment TD	91,973	0	5,825	0			86,148	89,060
37	330.4	Dist Reservoirs & Standpipes	20,090,816	162,600	8,097	0			20,245,318	20,179,513
38	331.4	TD Mains	296,898,157	12,988,286	101,148	0			309,785,295	304,536,662
39	333.4	Services	51,012,604	1,717,143	262,771	0			52,466,976	51,746,247
40	334.4	Meter & Meter Installations	49,724,957	1,096,280	80,444	0			50,740,793	50,213,943
41	335.4	Hydrants	19,393,147	1,016,868	13,565	0			20,396,450	19,923,900
42	336.4	Backflow Prevention Devices	0	0	0	0			0	0
43	339.4	Other Plant & Equip TD	0	0	0	0			0	0
44										
45		Total Transmission and Distribution	\$445,623,555	\$16,981,176	\$471,935	\$0			\$462,132,796	\$455,101,185

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
From July 1, 2016 to August 31, 2017

EXHIBIT 37, SCHEDULE B-2.3
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 4 OF 4
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-1

Line No.	NARUC 96 Acct No.	Account Title	Beginning Balance	Additions	Retirements	Transfers/Reclassifications		Other Accts Involved	Fore. Period Ending Balance	13 Month Average
						Amount	Explanation			
1										
2										
3		General Plant								
4	303.5	Land & Land Rights AG	\$0	\$0	\$0	\$0		\$0	\$0	
5	304.5	Structures and Improvements AG	13,922,245	684,378	67,859		0	14,538,763	14,045,880	
6	340.5	Office Furniture and Equipment	15,687,024	1,998,059	1,664,442		0	16,020,641	15,798,132	
7	341.5	Transportation Equipment	5,699,162	660,000	603,390		0	5,755,772	5,562,467	
8	342.5	Stores Equipment	64,949	0	351		0	64,598	64,774	
9	343.5	Tools, Shop and Garage Equipment	2,603,542	250,560	24,262		0	2,829,839	2,684,721	
10	344.5	Laboratory Equipment	1,250,881	0	24,150		0	1,226,731	1,238,806	
11	345.5	Power Operated Equipment	1,367,467	0	3,261		0	1,364,205	1,365,836	
12	346.5	Communication Equipment	3,967,439	270,000	52,429		0	4,185,010	4,058,532	
13	347.5	Miscellaneous Equipment	1,696,436	0	8,326		0	1,688,110	1,692,273	
14	348.5	Other Tangible Property	131,677	7,500	0		0	139,177	135,289	
15										
16		Total General	\$46,390,821	\$3,870,497	\$2,448,470		\$0	\$47,812,847	\$46,646,710	
17										
18										
19		Total Utility Plant in Service	\$668,290,438	\$25,047,573	\$3,664,880		\$0	\$689,673,130	\$679,624,591	

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPERTY MERGED OR ACQUIRED
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.4
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 1 OF 2
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Acct No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment	Commission Approval Date	Explanation of Treatment
1							
2							
3							
4							
5							
6							
7							
8			NONE				

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPERTY MERGED OR ACQUIRED
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.4
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 OF 2
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S)::

Line No.	Acct No.	Description of Property	Acquisition Cost	Cost Basis	Acquisition Adjustment	Commission Approval Date	Explanation of Treatment
1							
2							
3							
4							
5							
6							
7							
8			NONE				

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
LEASED PROPERTY
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.5
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 1 OF 2
Witness Responsible: L. Bridwell

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Identification or Ref No.	Description and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property	Explain Method of Capitalization
1							
2							
3							
4		NONE					

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
LEASED PROPERTY
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.5
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 OF 2
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):.

Line No.	Identification or Ref No.	Description and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property	Explain Method of Capitalization
1							
2							
3							
4							
5		NONE					

KENTUCKY-AMERICAN WATER COMPANY
 Case No. 2015-00418
 PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
 AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.6
 Rate Base\[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
 PAGE 1 OF 2
 Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: _X_ ORIGINAL UPDATED REVISED
 WORKPAPER REFERENCE NO(S):

Line No.	Location/Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Amount	Revenue Realized		Expenses Incurred	
							Acct No.	Description	Amount	Acct No.
1										
2										
3										

NOT APPLICABLE IN THIS RATE CASE

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.6
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 OF 2
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Description/Location of Property	Acquisition Date	Original Cost	Accumulated Depreciation	Net Original Cost	Amount	Revenue Realized		Expenses Incurred	
							Acct No.	Description	Amount	Acct No.
1										
2										
3										

NOT APPLICABLE IN THIS RATE CASE

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPERTY EXCLUDED FROM RATE BASE
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-2.7
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 1 OF 2
Witness Responsible: L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Acct. No.	Description	In-Service Date	Original Cost	Accumulated Depreciation	Net Original Cost	Period Revenue and Expenses			Reasons for Exclusion
							Amount	Acct No.	Description	
1										
2										
3				NONE						

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPERTY EXCLUDED FROM RATE BASE
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-2.7
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-2
PAGE 2 OF 2
Witness Responsible: L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Acct. No.	Description	In-Service Date	Original Cost	Accumulated Depreciation	Net Original Cost	Period Revenue and Expenses			Reasons for Exclusion
							Amount	Acct No.	Description	
1										
2										
3				NONE						

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-3
Rate Base\[[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx]Sch B-3
PAGE 1 of 4
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	NARUC 96 Acct No.	Account Title	Base Period		Accumulated Reserve Balances			
			Total Company	Total Company	Jurisdictional Percent	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
1								
2								
3		<u>Intangible Plant</u>						
4	301.1	Organization	\$37,450	\$0	100%	\$0	\$0	\$0
5	302.1	Franchise/Consents	70,260.82	0		-		-
6	339.1	Other Palant & Equip Intangible	774,487	384,612		384,612		384,612
7								
8		Total Intangibles	\$882,198	\$384,612		\$384,612	\$0	\$384,612
9								
10		<u>Source of Supply and Pumping Plant</u>						
11	303.2	Land and Land Rights - SS	\$1,394,757	\$0		\$0	\$0	\$0
12	304.2	Structures and Improvements SS	30,701,854	4,974,536		4,974,536	0	4,974,536
13	305.2	Collecting and Impounding Reservoirs	852,837	282,104		282,104	0	282,104
14	306.2	Lake, River and Other Intakes	1,760,859	425,727		425,727	0	425,727
15	307.2	Wells and Springs	0	0		0	0	0
16	308.2	Infiltration Galleries & Tunnels	0	0		0	0	0
17	309.2	Supply Mains	18,571,284	3,948,262		3,948,262	0	3,948,262
18	310.2	Power Generation Equip	3,007,446	614,041		614,041	0	614,041
19	311.2	Pumping Equipment SS	27,894,951	3,992,010		3,992,010	0	3,992,010
20	339.2	Other Plant & Equip SS	0	0		0	0	0
21	354.2	Other Plant & Equip WT	0	0		0	0	0
22								
23		Total Source of Supply & Pumping	\$84,183,990	\$14,236,679		\$14,236,680	\$0	\$14,236,680
24								
25		<u>Water Treatment Plant</u>						
26	303.3	Land and Land Rights	\$800,183	\$0		\$0	\$0	\$0
27	304.3	Structures and Improvements	36,706,772	5,285,279		5,285,279	0	5,285,279
28	311.3	Pumping Equipment WT	0	(242)		(242)	0	(242)
29	320.3	Water Treatment Equipment	40,256,960	12,299,870		12,299,870	0	12,299,870
30	339.3	Other Plant & Equip WT	0	0		0	0	0
31								
32		Total Water Treatment	\$77,763,914	\$17,584,906		\$17,584,907	\$0	\$17,584,907
33								
34		<u>Transmission and Distribution Plant</u>						
35	303.4	Land and Land Rights TD	\$7,474,952	\$0		\$0	\$0	\$0
36	304.4	Struct & Improve TD	936,978	641,067		641,067	0	641,067
37	311.4	Pumping Equipment TD	93,914	(67,172)		(67,172)	0	(67,172)
38	330.4	Dist Reservoirs & Standpipes	19,587,315	4,837,086		4,837,086	0	4,837,086
39	331.4	TD Mains	293,151,566	54,708,225		54,708,225	0	54,708,225
40	333.4	Services	50,428,037	23,280,280		23,280,280	0	23,280,280
41	334.4	Meters & Meter Installations	49,317,922	9,054,049		9,054,049	0	9,054,049
42	335.4	Hydrants	19,055,065	4,241,411		4,241,411	0	4,241,411
43	336.4	Backflow Prevention Devices	0	0		0	0	0
44	339.4	Other Plant & Equip TD	0	0		0	0	0
45								
46		Total Transmission and Distribution	\$440,045,749	\$96,694,945		\$96,694,946	\$0	\$96,694,946

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
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DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	NARUC 96 Acct No.	Account Title	Base Period		Accumulated Reserve Balances			
			Total Company	Total Company	Jurisdictional Percent	Jurisdictional Total	Adjustments	Adjusted Jurisdiction
1								
2								
3		<u>General Plant</u>						
4	303.5	Land & Land Rights AG	\$0	\$0	<u>100%</u>	\$0	\$0	\$0
5	304.5	Struct & Improve AG	13,724,864	2,700,740		2,700,740	0	2,700,740
6	340.5	Office Furniture and Equipment	15,611,411	6,041,022		6,041,022	0	6,041,022
7	341.5	Transportation Equipment	5,900,292	1,000,074		1,000,074	0	1,000,074
8	342.5	Stores Equipment	65,066	(7,867)		(7,867)	0	(7,867)
9	343.5	Tools, Shop and Garage Equipment	2,426,129	937,421		937,421	0	937,421
10	344.5	Laboratory Equipment	1,258,931	298,842		298,842	0	298,842
11	345.5	Power Operated Equipment	1,368,554	876,830		876,830	0	876,830
12	346.5	Communication Equipment	3,889,915	573,628		573,628	0	573,628
13	347.5	Miscellaneous Equipment	1,699,211	607,318		607,318	0	607,318
14	348.5	Other Tangible Property	128,677	115,240		115,240	0	115,240
15								
16								
17		Total General	<u>\$46,073,051</u>	<u>\$13,143,248</u>		<u>\$13,143,248</u>	<u>\$0</u>	<u>\$13,143,248</u>
18								
19								
20		Total Utility Plant in Service	<u>\$648,948,902</u>	<u>\$142,044,391</u>		<u>\$142,044,391</u>	<u>\$0</u>	<u>\$142,044,393</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF AUGUST 31, 2017

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Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	NARUC 96 Acct No.	Account Title	Forecasted Period Total Company	Accumulated Reserve Balances				13 Month Average	
				Total Company	Jurisdictional Percent	Jurisdictional Total	Adjusted Jurisdiction		
1									
2									
3		<u>Intangible Plant</u>							
4	301.1	Organization	\$37,450	\$0	100%	\$0	\$0	\$0	
5	302.1	Franchise/Consents	70,260.82	0		0	0	-	
6	339.1	Other Palant & Equip Intangible	833,987	496,312		496,312	0	455,505	
7									
8		Total Intangibles	<u>\$941,698</u>	<u>\$496,312</u>		<u>\$496,312</u>	<u>\$0</u>	<u>\$496,312</u>	<u>\$455,505</u>
9									
10		<u>Source of Supply and Pumping Plant</u>							
11	303.2	Land and Land Rights - SS	\$1,394,757	\$0		\$0	\$0	\$0	
12	304.2	Structures and Improvements SS	31,549,692	5,920,169		5,920,169	0	5,589,291	
13	305.2	Collecting and Impounding Reservoirs	850,972	297,477		297,477	0	291,449	
14	306.2	Lake, River and Other Intakes	2,089,059	477,188		477,188	0	457,127	
15	307.2	Wells and Springs	0	0		0	0	0	
16	308.2	Infiltration Galleries & Tunnels	0	0		0	0	0	
17	309.2	Supply Mains	18,571,139	4,368,055		4,368,055	0	4,226,187	
18	310.2	Power Generation Equip	3,722,800	697,819		697,819	0	663,207	
19	311.2	Pumping Equipment SS	30,491,649	4,902,223		4,902,223	0	4,524,030	
20	339.2	Other Plant & Equip SS	0	0		0	0	0	
21	354.2	Other Plant & Equip WT	0	0		0	0	0	
22									
23		Total Source of Supply & Pumping	<u>\$88,670,069</u>	<u>\$16,662,930</u>		<u>\$16,662,931</u>	<u>\$0</u>	<u>\$16,662,931</u>	<u>\$15,751,290</u>
24									
25		<u>Water Treatment Plant</u>							
26	303.3	Land and Land Rights	\$800,183	\$0		\$0	\$0	\$0	
27	304.3	Structures and Improvements	42,656,938	6,677,455		6,677,455	0	6,146,226	
28	311.3	Pumping Equipment WT	0	(242)		(242)	0	(242)	
29	320.3	Water Treatment Equipment	46,658,597	13,205,413		13,205,413	0	12,854,762	
30	339.3	Other Plant & Equip WT	0	0		0	0	0	
31									
32		Total Water Treatment	<u>\$90,115,719</u>	<u>\$19,882,626</u>		<u>\$19,882,626</u>	<u>\$0</u>	<u>\$19,882,626</u>	<u>\$19,000,745</u>
33									
34		<u>Transmission and Distribution Plant</u>							
35	303.4	Land and Land Rights TD	\$7,474,952	\$0		\$0	\$0	\$0	
36	304.4	Struct & Improve TD	936,866	662,144		662,144	0	655,692	
37	311.4	Pumping Equipment TD	86,148	(72,047)		(72,047)	0	(70,260)	
38	330.4	Dist Reservoirs & Standpipes	20,245,318	5,326,901		5,326,901	0	5,141,508	
39	331.4	TD Mains	309,785,295	60,684,994		60,684,994	0	58,459,137	
40	333.4	Services	52,466,976	24,991,742		24,991,742	0	24,327,076	
41	334.4	Meters & Meter Installations	50,740,793	10,735,617		10,735,617	0	10,070,552	
42	335.4	Hydrants	20,396,450	4,705,635		4,705,635	0	4,512,258	
43	336.4	Backflow Prevention Devices	0	0		0	0	0	
44	339.4	Other Plant & Equip TD	0	0		0	0	0	
45									
46		Total Transmission and Distribution	<u>\$462,132,796</u>	<u>\$107,034,986</u>		<u>\$107,034,985</u>	<u>\$0</u>	<u>\$107,034,985</u>	<u>\$103,095,963</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-3
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DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	NARUC 96 Acct No.	Account Title	Forecasted Period Total Company	Accumulated Reserve Balances					13 Month Average
				Total Company	Jurisdictional Percent	Jurisdictional Total	Adjustment	Adjusted Jurisdiction	
1									
2									
3		<u>General Plant</u>							
4	303.5	Land & Land Rights AG	\$0	\$0	100%	\$0	\$0	\$0	\$0
5	304.5	Struct & Improve AG	14,538,763	3,156,117		3,156,117	0	3,156,117	2,974,343
6	340.5	Office Furniture and Equipment	16,020,641	6,164,298		6,164,298	0	6,164,298	6,069,070
7	341.5	Transportation Equipment	5,755,772	947,402		947,402	0	947,402	927,727
8	342.5	Stores Equipment	64,598	(4,876)		(4,876)	0	(4,876)	(5,996)
9	343.5	Tools, Shop and Garage Equipment	2,829,839	1,075,197		1,075,197	0	1,075,197	1,021,777
10	344.5	Laboratory Equipment	1,226,731	372,537		372,537	0	372,537	345,158
11	345.5	Power Operated Equipment	1,364,205	919,018		919,018	0	919,018	902,202
12	346.5	Communication Equipment	4,185,010	854,701		854,701	0	854,701	747,155
13	347.5	Miscellaneous Equipment	1,688,110	708,443		708,443	0	708,443	670,588
14	348.5	Other Tangible Property	139,177	124,151		124,151	0	124,151	120,751
15									
16									
17		Total General	<u>47,812,846</u>	<u>14,316,987</u>		<u>14,316,988</u>	<u>0</u>	<u>14,316,988</u>	<u>13,772,775</u>
18									
19		Total Utility Plant in Service	<u>\$689,673,130</u>	<u>\$158,393,842</u>		<u>\$158,393,842</u>	<u>\$0</u>	<u>\$158,393,842</u>	<u>\$152,076,279</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-3.1
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DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):.

Line No.	Adjustment Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference	Description and Purpose of Adjustment
1						
2						
3			NONE			

KENTUCKY-AMERICAN WATER COMPANY
 Case No. 2015-00418
 ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
 AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-3.1
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DATA: __ BASE PERIOD _X_ FORECASTED PERIOD
 TYPE OF FILING: _X_ ORIGINAL __ UPDATED __ REVISED
 WORKPAPER REFERENCE NO(S):.

Line No.	Adjustment Title	Total Company Adjustment	Jurisdictional Percent	Jurisdictional Adjustment	Workpaper Reference	Description and Purpose of Adjustment
1						
2						
3			NONE			

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-3.2
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DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	Acct No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
			Plant Investment	Accumulated Reserve					
1									
2									
3	339.1	Other P/E Intangibles	\$96,263	\$120,203	19.40%	\$18,675	0%	1.2	5-SQ
4	339.6	Other P/E Comprehensive Studies	678,224	264,409	10.72%	72,706	0%	8.3	10-SQ
5	304.1	SS Structures and Improvements	20,607,979	2,371,245	3.07%	632,665	-5%	33.3	35-S1.5
6	305.0	Coll and Impounding Reservoir	852,837	282,104	1.33%	11,343	0%	47.7	75-R4
7	306.0	Lake, River, and Other Intakes	1,760,859	425,727	2.05%	36,098	0%	47.6	50-S1
8	307.0	Wells and Springs	-	-	2.05%	0	0%	0.0	
9	309.0	Supply Mains	18,571,284	3,948,262	2.20%	408,568	-10%	40.0	65-S2.5
10									
11	304.2	Pumping Structures and Improvements	10,093,876	2,603,291	2.85%	287,675	-20%	36.4	60-R2.5
12	310.1	Other Power Production Equipment	3,007,446	614,041	2.93%	88,118	0%	30.4	35-S2.5
13	311.2	Electric Pumping Equipment	27,461,186	2,703,341	2.25%	617,877	-20%	41.8	50-R3
14	311.3	Diesel Pumping Equipment	433,195	13,474	2.26%	9,790	-20%	31.6	50-R3
15	311.4	Hydraulic Pumping Equipment	7,728	82	2.28%	176	-20%	43.4	50-R3
16	311.5	Source of Supply Pumping Equipment	(7,158)	1,274,871	2.43%	(174)	-20%	47.6	50-R3
17	311.5	T & D Pumping Equipment	93,914	(67,172)	2.43%	2,282	-20%	46.3	50-R3
18									
19	304.3	WT Structures and Improvements	36,706,772	5,285,279	2.95%	1,082,850	-20%	39.2	60-R2.5
20	320.1	Water Treatment Equipment	39,514,620	11,466,470	2.59%	1,023,429	-20%	35.7	45-R2.5
21	320.1	Water Treatment Equipment-Str	-	-	1.97%	0	-20%	45.9	60-R3
22	320.2	Water Treatment - GAC	742,340	833,400	24.28%	180,240	0%	3.1	5-L2.5
23									
24	304.4	T & D Structures and Improvements	936,978	641,067	2.63%	24,643	-5%	20.5	30-S2
25	330.0	Dist Res and Standpipes	1,771,358	224,778	1.66%	29,405	0%	56.8	60-S2.5
26	330.1	Elevated Tanks & Standpipes	13,720,898	4,215,516	2.03%	278,534	-25%	45.3	60-S2.5
27	330.2	Ground Level Facilities	2,998,743	239,434	1.38%	41,383	0%	56.3	60-S2.5
28	330.4	Clearwells	1,096,316	157,359	1.68%	18,418	0%	59.2	60-S2.5
29	331.0	T & D Mains	293,151,566	54,708,225	1.66%	4,866,316	-15%	62.6	75-R3
30	333.0	Services	50,428,037	23,280,280	3.00%	1,512,841	-100%	49.6	60-R2.5
31	334.1	Meters	24,423,667	610,126	2.68%	654,554	-10%	38.4	40-R1
32	334.1	Meters - Bronze Case	(2,044)	486,967	2.74%	(56)	-10%	38.7	40-R1
33	334.1	Meters - Plastic Case	(12,014)	(58,367)	3.25%	(390)	-10%	28.4	40-R1
34	334.1	Meters - Other	(14,281)	663,118	2.90%	(414)	-10%	34.1	40-R1
35	334.2	Meter Installations	23,967,673	7,882,635	2.78%	666,301	-10%	28.5	40-R1
36	334.3	Meter Vaults	954,921	(30,430)	2.73%	26,069	-10%	39.2	40-R1
37	335.0	Hydrants	19,055,065	4,241,411	1.49%	283,920	-25%	66.9	80-R3

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-3.2
Rate Base\[[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx]Sch B-3
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DATA: X_BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: X_ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	Acct No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
			Plant Investment	Accumulated Reserve					
1									
2									
3									
4	304.60	Office Structures and Improvements	4,805,604	568,457	2.01%	96,593	-5%	27.9	55-R2.5
5		Office Structures and Improvements-not depreciated				0			
6	304.61	Other Structures and Improvements	5,786,087	1,537,663	2.01%	116,300	-5%	44	55-R2.5
7	304.70	Stores, Shop & Garage Structures	1,766,444	465,088	2.03%	35,859	0%	44.4	50-R2.5
8	304.80	Misc Structures	1,366,729	129,532	4.98%	68,063	-10%	17.9	25-R2
9	340.10	Office Furniture	696,050	315,278	5.00%	34,802	0%	8.7	20-SQ
10		Office Furniture-not depreciated				0			
11	340.21	Mainframe Comp & Periph Eqpt	-	-	20.00%	0	0%	3.7	5-SQ
12		Mainframe Comp & Periph Eqpt-not depreciated				0			
13	340.22	Personal Comp & Periph Eqpt	1,785,042	321,720	20.00%	357,008	0%	1.7	5-SQ
14		Personal Comp & Periph Eqpt-not depreciated				0			
15	340.23	Computers & Periph Other	(9,267)	637,529	20.00%	(1,853)	0%	2.4	5-SQ
16		Computers & Periph Other-not depreciated				0			
17	340.30	Mainframe Software	1,426,082	174,299	20.00%	285,216	0%	1.0	5-SQ
18		Mainframe Software-not depreciated				0			
19	340.32	Personal Comp Software	11,705,721	4,098,620	10.00%	1,170,572	0%	1.4	5-SQ
20		Personal Comp Software-not depreciated				0			
21	340.33	Other Software	(833)	384,267	20.00%	(167)	0%	1.3	5-SQ
22		Other Software-not depreciated				0			
23	340.50	Other Office Equipment	8,617	109,308	6.67%	575	0%	4.9	15-SQ
24		Other Office Equipment-not depreciated				0			
25	340.51	Computer Software Special	-	-	10.00%	0			
26	341.10	Trans Equip-Light Trucks	2,040,117	343,090	1.53%	31,214	20%	12.6	13-S2.5
27		Trans Equip-Light Trucks-not depreciated				0			13-S2.5
28	341.20	Trans Equip-Heavy Trucks	2,590,599	225,441	2.34%	60,620	15%	10.6	14-S2
29	341.30	Trans Equip-Cars	311,071	194,771	8.50%	26,441	15%	0.0	10-S3
30		Trans Equip-Cars-new additions				0			10-S3
31	341.40	Other Trans Equip	958,505	236,771	5.51%	52,814	0%	12.1	16-L3
32	342.00	Stores Equipment	65,066	(7,867)	4.00%	2,603	0%	2.3	25-SQ
33		Stores Equipment-not depreciated				0			25-SQ
34	343.00	Tools, Shop, & Garage Equip	2,426,129	937,421	5.00%	121,306	0%	13.2	20-SQ
35		Tools, Shop, & Garage Equip-not depreciated				0			20-SQ
36	344.00	Laboratory Equipment	1,258,931	298,842	6.67%	83,971	0%	5.0	15-SQ
37		Laboratory Equipment-not depreciated				0			15-SQ
38	345.00	Power Operated Equipment	1,368,554	876,830	2.14%	29,287	15%	12.3	18-L4
39	346.10	Communication Equipment-nontelephone	287,551	(5,820)	6.67%	19,180	0%	4.0	15-SQ
40		Communication Equipment-not depreciated				0			15-SQ
41	346.19	Communication Equipment-remote control	3,511,479	677,819	6.67%	234,216	0%	12.3	15-SQ
42	346.20	Communication Equipment-telephone	90,886	(98,371)	6.67%	6,062	0%	12.3	15-SQ
43	347.00	Misc Equipment	1,699,211	607,318	5.00%	84,961	0%	13.1	20-SQ
44		Misc Equipment - not depreciated				0			20-SQ
45	348.00	Other Tangible Property	128,677	115,240	5.00%	6,434	0%	7.6	20-SQ
46									
47			<u>\$639,171,298</u>	<u>\$142,044,391</u>		<u>\$15,795,919</u>			

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
PROPOSED DEPRECIATION ACCRUAL RATES AND ACCUMULATED BALANCES BY ACCOUNT
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-3.2
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-3
PAGE 3 OF 4
Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-2

Line No.	Acct No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
			Plant Investment	Accumulated Reserve					
1									
2									
3	339.1	Other P/E Intangibles	\$96,263	\$131,241	7.00%	\$6,738	0%	1.2	5-SQ
4	339.6	Other P/E Comprehensive Studies	715,689	324,264	7.00%	50,098	0%	8.3	10-SQ
5	304.1	SS Structures and Improvements	21,197,791	2,779,696	2.24%	474,831	-5%	33.3	35-S1.5
6	305.0	Coll and Impounding Reservoir	851,672	291,449	1.58%	13,456	0%	47.7	75-R4
7	306.0	Lake, River, and Other Intakes	1,984,278	457,127	2.02%	40,082	0%	47.6	50-S1
8	307.0	Wells and Springs	-	-	2.02%	0	0%	0.0	
9	309.0	Supply Mains	18,571,194	4,226,187	2.02%	375,138	-10%	40.0	65-S2.5
10									
11	304.2	Pumping Structures and Improvements	10,082,747	2,809,595	2.48%	250,052	-20%	36.4	60-R2.5
12	310.1	Other Power Production Equipment	3,256,561	663,207	3.12%	101,605	0%	30.4	35-S2.5
13	311.2	Electric Pumping Equipment	28,855,151	3,257,704	3.03%	874,311	-20%	41.8	50-R3
14	311.3	Diesel Pumping Equipment	432,760	22,625	3.23%	13,978	-20%	31.6	50-R3
15	311.4	Hydraulic Pumping Equipment	7,728	288	4.08%	315	-20%	43.4	50-R3
16	311.5	Source of Supply Pumping Equipment	(19,088)	1,243,170	2.73%	(521)	-20%	47.6	50-R3
17	311.5	T & D Pumping Equipment	89,060	(70,260)	3.02%	2,690	-20%	46.3	50-R3
18									
19	304.3	WT Structures and Improvements	42,698,644	6,146,226	2.71%	1,157,133	-20%	39.2	60-R2.5
20	320.1	Water Treatment Equipment	46,100,315	11,951,446	2.77%	1,276,979	-20%	39.0	45-R2.5
21	320.1	Water Treatment Equipment-Str	-	-	2.77%	0	-20%	45.9	60-R3
22	320.2	Water Treatment - GAC	742,340	903,316	2.65%	19,672	0%	3.1	5-L2.5
23									
24	304.4	T & D Structures and Improvements	936,908	655,692	1.39%	13,023	-5%	20.5	30-S2
25	330.0	Dist Res and Standpipes	1,771,358	252,470	2.02%	35,781	0%	56.8	60-S2.5
26	330.1	Elevated Tanks & Standpipes	14,165,131	4,435,153	1.89%	267,721	-25%	45.3	60-S2.5
27	330.2	Ground Level Facilities	3,146,709	280,849	1.83%	57,585	0%	56.3	60-S2.5
28	330.4	Clearwells	1,096,316	173,036	1.74%	19,076	0%	59.2	60-S2.5
29	331.0	T & D Mains	304,536,662	58,459,137	1.53%	4,659,411	-15%	62.6	75-R3
30	333.0	Services	51,746,247	24,327,076	3.24%	1,676,578	-100%	49.6	60-R2.5
31	334.1	Meters	25,386,000	1,252,560	3.50%	888,510	-10%	38.4	40-R1
32	334.1	Meters - Bronze Case	(5,450)	474,415	2.90%	(158)	-10%	38.7	40-R1
33	334.1	Meters - Plastic Case	(32,037)	(673,395)	4.39%	(1,406)	-10%	28.4	40-R1
34	334.1	Meters - Other	(38,084)	597,021	3.70%	(1,409)	-10%	34.1	40-R1
35	334.2	Meter Installations	23,953,447	8,438,900	2.89%	692,255	-10%	28.5	40-R1
36	334.3	Meter Vaults	950,067	(18,949)	3.31%	31,447	-10%	39.2	40-R1
37	335.0	Hydrants	19,923,900	4,512,258	2.15%	428,364	-25%	66.9	80-R3

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
CONSTRUCTION WORK IN PROGRESS
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-4
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-4
PAGE 1 OF 2
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-3

Line No.	Project Number	Description of Project	Accumulated Costs			Total Costs	Jurisdictional Percent	Total Jurisdictional Cost	Estimated Percent Complete
			Construction Amount	AFUDC Capitalized	Indirect Costs				
1									
2	D12-**01-P	Projects Funded by Others	\$440,000	\$0		\$440,000	100%	\$440,000	NA
3	R12-**A1	Mains - New	133,672	1,328		135,000		135,000	NA
4	R12-**B1	Mains - Replaced / Restored	494,940	5,060		500,000		500,000	NA
5	R12-**C1	Mains - Unscheduled	0	0		0		0	NA
6	R12-**D1	Mains - Relocated	22,263	237		22,500		22,500	NA
7	R12-**E1	Hydrants, Valves, and Manholes - New	21,247	217		21,464		21,464	NA
8	R12-**F1	Hydrants, Valves, and Manholes - Replaced	65,508	45		65,553		65,553	NA
9	R12-**G1	Services and Laterals - New	0	0		0		0	NA
10	R12-**H1	Services and Laterals - Replaced	216	1		217		217	NA
11	R12-**I1	Meters - New	31,537	13		31,550		31,550	NA
12	R12-**J1	Meters - Replaced	0	0		0		0	NA
13	R12-**K1	ITS Equipment and Systems	1,655,837	76,548		1,732,385		1,732,385	NA
14	R12-**L1	SCADA Equipment and Systems	50,365	815		51,180		51,180	NA
15	R12-**M1	Security Equipment and Systems	3,000	0		3,000		3,000	NA
16	R12-**N1	Offices and Operations Centers	5,772	40		5,812		5,812	NA
17	R12-**O1	Vehicles	2,238	0		2,238		2,238	NA
18	R12-**P1	Tools and Equipment	0	0		0		0	NA
19	R12-**Q1	Process Plant Facilities and Equipment	168,134	1,866		170,000		170,000	NA
20	R12-**S1	Engineering Studies	411,280	8,230		419,510		419,510	NA
21	R12-01K3/ T12-0102-P-0291	ITS Equipment and Systems - Centrally Sponsored	0	0		0		0	NA
22	I12-020032	RRS Filter Building Replacement	12,547,248	217,371		12,764,619		12,764,619	97.07%
23	I12-020052	Millersburg Tank Replacement	300,000	0		300,000		300,000	66.67%
24	I12-020011	New Circle Rd Main Relocation	2,666,019	69,400		2,735,419		2,735,419	100.61%
25	I12-020040	KRS Valve House Rehabilitation (Phase 2)	175,000	0		175,000		175,000	18.42%
26	I12-020043	Athens Boonesboro Main Extension	550,000	0		550,000		550,000	39.12%
27	I12-000001	Post Acquisition BD Capex	0	0		0		0	0.00%
28	I12-020051	KRS High Service Pumps Replacement	75,000	0		75,000		75,000	2.80%
29	I12-020039	Georgetown Bypass and US 25 Area	0	0		0		0	0.00%
30	I12-020037	KRS1 Chemical Storage and Feed Improvements	0	0		0		0	0.00%
31	I12-020017	KRS Valve House Rehabilitation Phas	1,556,427	78,685		1,635,112		1,635,112	100.00%
32	I12-020021	Power Reliability at Remote Sites	0	0		0		0	0.00%
33	I12-020056	KRS Valve House Rehabilitation (Phase 1.B)	596,851	3,198		600,049		600,049	66.67%
34	I12-020050	Paving Field Ops and Front Entrance	0	0		0		0	0.00%
35	I12-020055	New Circle Rd Main Relocation Phase 2	309,000	0		309,000		309,000	39.87%
36	I12-020012	KRS High Service Pumping	136,299	3,028		139,327		139,327	9.95%
37	I12-020046	KRS Actuator Replacement Level 1	630,065	40,256		670,321		670,321	100.00%
38	I12-020057	Sludge Thickner Upgrade	124,247	633		124,880		124,880	24.27%
39	I12-020058	KRS Intake Pump Replacement	88,620	280		88,900		88,900	16.06%
40									
41									
42									
43									
44									
45			\$23,260,785	\$507,251	\$0	\$23,768,036		\$23,768,036	
46									
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50									

Note: Capital Project lines "D" and "R" represent developer and normal recurring construction expenditures respectively and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as two months.

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
CONSTRUCTION WORK IN PROGRESS
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-4
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Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-3

Line No.	Project Number	Description of Project	Accumulated Costs			Total Costs	Jurisdictional Percent	Total Jurisdictional Cost	Estimated Percent Complete
			Construction Amount	AFUDC Capitalized	Indirect Costs				
1									
2	D12-**01-P	Projects Funded by Others	\$426,923	\$0		\$426,923	100%	\$426,923	N/A
3	R12-**A1	Mains - New	165,338	2,354		167,692		167,692	N/A
4	R12-**B1	Mains - Replaced / Restored	602,292	8,246		610,538		610,538	N/A
5	R12-**C1	Mains - Unscheduled	0	0		0		0	N/A
6	R12-**D1	Mains - Relocated	56,922	770		57,692		57,692	N/A
7	R12-**E1	Hydrants, Valves, and Manholes - New	21,247	217		21,464		21,464	N/A
8	R12-**F1	Hydrants, Valves, and Manholes - Replaced	65,508	45		65,553		65,553	N/A
9	R12-**G1	Services and Laterals - New	0	0		0		0	N/A
10	R12-**H1	Services and Laterals - Replaced	216	1		217		217	N/A
11	R12-**I1	Meters - New	31,537	13		31,550		31,550	N/A
12	R12-**J1	Meters - Replaced	0	0		0		0	N/A
13	R12-**K1	ITS Equipment and Systems	1,655,837	76,548		1,732,385		1,732,385	N/A
14	R12-**L1	SCADA Equipment and Systems	50,365	815		51,180		51,180	N/A
15	R12-**M1	Security Equipment and Systems	3,000	0		3,000		3,000	N/A
16	R12-**N1	Offices and Operations Centers	5,772	40		5,812		5,812	N/A
17	R12-**O1	Vehicles	2,238	0		2,238		2,238	N/A
18	R12-**P1	Tools and Equipment	0	0		0		0	N/A
19	R12-**Q1	Process Plant Facilities and Equipment	272,912	3,780		276,692		276,692	N/A
20	R12-**S1	Engineering Studies	411,280	8,230		419,510		419,510	N/A
21	R12-01K3/ T12-0102-P-0291	ITS Equipment and Systems - Centrally Sponsored	0	0		0		0	N/A
22	I12-020032	RRS Filter Building Replacement	0	0		0		0	N/A
23	I12-020052	Millersburg Tank Replacement	0	0		0		0	N/A
24	I12-020011	New Circle Rd Main Relocation	454,211	69,400		523,611		523,611	19.26%
25	I12-020040	KRS Valve House Rehabilitation (Phase 2)	342,534	0		342,534		342,534	36.06%
26	I12-020043	Athens Boonesboro Main Extension	594,625	0		594,625		594,625	42.29%
27	I12-000001	Post Acquisition BD Capex	9,231	0		9,231		9,231	7.69%
28	I12-020051	KRS High Service Pumps Replacement	341,538	0		341,538		341,538	12.74%
29	I12-020039	Georgetown Bypass and US 25 Area	208,167	0		208,167		208,167	15.42%
30	I12-020037	KRS1 Chemical Storage and Feed Improvements	244,231	0		244,231		244,231	9.77%
31	I12-020017-01	KRS Valve House Rehabilitation Phas	1,556,428	78,684		1,635,112		1,635,112	100.00%
32	I12-020021	Power Reliability at Remote Sites	138,462	0		138,462		138,462	11.54%
33	I12-020056	KRS Valve House Rehabilitation (Phase 1.B)	97,283	3,198		100,481		100,481	11.16%
34	I12-020050	Paving Field Ops and Front Entrance	53,846	0		53,846		53,846	15.38%
35	I12-020055	New Circle Rd Main Relocation Phase 2	5,846	0		5,846		5,846	0.75%
36	I12-020012-01	KRS High Service Pumping	236,299	3,028		239,327		239,327	17.09%
37	I12-020046-01	KRS Actuator Replacement Level 1	630,065	40,256		670,321		670,321	100.00%
38	I12-020057	Sludge Thickner Upgrade	124,247	633		124,880		124,880	24.27%
39	I12-020058	KRS Intake Pump Replacement	88,620	280		88,900		88,900	16.06%
40									
41									
42									
43									
44									
45									
46			\$8,897,020	\$296,538	\$0	\$9,193,558		\$9,193,558	
47									

Note: Capital Project lines "D" and "R" represent developer and normal recurring construction expenditures respectively and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as two months.

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-4.1
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Witness Responsible L. Bridwell

DATA: X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-3

Line No.	Project Number	Description	Date Construction Began	Estimated Completion Date	% of Elapsed Time	Original Budget Estimate	Current Budget Estimate	Total Project Expenditures	% of Total Expenditures to Budget Est.
1									
2	D12-**01-P	Projects Funded by Others	NA	NA	NA	NA	NA	\$440,000	NA
3	R12-**A1	Mains - New	NA	NA	NA	NA	NA	135,000	NA
4	R12-**B1	Mains - Replaced / Restored	NA	NA	NA	NA	NA	500,000	NA
5	R12-**C1	Mains - Unscheduled	NA	NA	NA	NA	NA	0	NA
6	R12-**D1	Mains - Relocated	NA	NA	NA	NA	NA	22,500	NA
7	R12-**E1	Hydrants, Valves, and Manholes - New	NA	NA	NA	NA	NA	21,464	NA
8	R12-**F1	Hydrants, Valves, and Manholes - Replaced	NA	NA	NA	NA	NA	65,553	NA
9	R12-**G1	Services and Laterals - New	NA	NA	NA	NA	NA	0	NA
10	R12-**H1	Services and Laterals - Replaced	NA	NA	NA	NA	NA	217	NA
11	R12-**I1	Meters - New	NA	NA	NA	NA	NA	31,550	NA
12	R12-**J1	Meters - Replaced	NA	NA	NA	NA	NA	0	NA
13	R12-**K1	ITS Equipment and Systems	NA	NA	NA	NA	NA	1,732,385	NA
14	R12-**L1	SCADA Equipment and Systems	NA	NA	NA	NA	NA	51,180	NA
15	R12-**M1	Security Equipment and Systems	NA	NA	NA	NA	NA	3,000	NA
16	R12-**N1	Offices and Operations Centers	NA	NA	NA	NA	NA	5,812	NA
17	R12-**O1	Vehicles	NA	NA	NA	NA	NA	2,238	NA
18	R12-**P1	Tools and Equipment	NA	NA	NA	NA	NA	0	NA
19	R12-**Q1	Process Plant Facilities and Equipment	NA	NA	NA	NA	NA	170,000	NA
20	R12-**S1	Engineering Studies	NA	NA	NA	NA	NA	419,510	NA
21	R12-01K3/ T12-0102-P-0291	ITS Equipment and Systems - Centrally Sponsored	NA	NA	NA	NA	NA	NA	NA
22	I12-020032	RRS Filter Building Replacement	Feb-15	May-16	93.80%	14,100,000	13,150,165	12,764,619	97.07%
23	I12-020052	Millersburg Tank Replacement	Feb-16	Jun-16	59.33%	450,000	450,000	300,000	66.67%
24	I12-020011	New Circle Rd Main Relocation	May-15	Aug-16	74.80%	2,306,000	2,718,903	2,735,419	100.61%
25	I12-020040	KRS Valve House Rehabilitation (Phase 2)	Apr-16	Dec-16	10.58%	1,000,000	950,000	175,000	18.42%
26	I12-020043	Athens Boonesboro Main Extension	Jan-15	Dec-15	100.00%	1,455,000	1,406,100	550,000	39.12%
27	I12-000001	Post Acquisition BD Capex	NA	NA	NA	120,000	120,000	0	0.00%
28	I12-020051	KRS High Service Pumps Replacement	Apr-16	Sep-17	5.60%	2,250,000	2,680,000	75,000	2.80%
29	I12-020039	Georgetown Bypass and US 25 Area	Jan-16	Dec-17	16.44%	1,350,000	1,350,000	0	0.00%
30	I12-020037	KRS1 Chemical Storage and Feed Improvements	Feb-14	Dec-18	44.82%	1,200,000	2,500,000	0	0.00%
31	I12-020017-01	KRS Valve House Rehabilitation Phas	Dec-14	May-16	99.81%	1,663,762	1,663,762	1,635,112	98.28%
32	I12-020021	Power Reliability at Remote Sites	Jan-14	Dec-17	58.22%	240,000	1,200,000	0	0.00%
33	I12-020056	KRS Valve House Rehabilitation (Phase 1.B)	Jun-15	Mar-16	100.00%	1,504,295	900,000	600,049	66.67%
34	I12-020050	Paving Field Ops and Front Entrance	Apr-16	Jun-16	32.22%	350,000	350,000	0	0.00%
35	I12-020055	New Circle Rd Main Relocation Phase 2	Jan-16	Dec-16	32.88%	900,000	775,000	309,000	39.87%
36	I12-020012-01	KRS High Service Pumping	Jan-15	Dec-16	69.29%	5,025,000	1,400,000	139,327	9.95%
37	I12-020046-01	KRS Actuator Replacement Level 1	Sep-14	Jan-16	100.00%	689,890	689,890	670,321	97.16%
38	I12-020057	Sludge Thickner Upgrade	Sep-15	Jun-16	88.32%	250,000	250,000	124,880	49.95%
39	I12-020058	KRS Intake Pump Replacement	Sep-15	Jun-16	79.87%	553,000	553,000	88,900	16.08%
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41									
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43									
44									
45						\$35,406,947	\$33,106,820	23,768,036	
46									
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50									

Note: Capital Project lines "D" and "R" represent developer and normal recurring construction expenditures respectively and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$95,000. The construction period may be as little as one week or as long as two months.

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
CONSTRUCTION WORK IN PROGRESS - PERCENT COMPLETE
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-4.1
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-4
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Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-3

Line No.	Project Number	Description	Date Construction Began	Estimated Completion Date	% of Elapsed Time	Original Budget Estimate	Current Budget Estimate	Total Project Expenditures	% of Total Expenditures to Budget Est.
1									
2	D12-**01-P	Projects Funded by Others	NA	NA	NA	NA	NA	\$426,923	NA
3	R12-**A1	Mains - New	NA	NA	NA	NA	NA	167,692	NA
4	R12-**B1	Mains - Replaced / Restored	NA	NA	NA	NA	NA	610,538	NA
5	R12-**C1	Mains - Unscheduled	NA	NA	NA	NA	NA	0	NA
6	R12-**D1	Mains - Relocated	NA	NA	NA	NA	NA	57,692	NA
7	R12-**E1	Hydrants, Valves, and Manholes - New	NA	NA	NA	NA	NA	21,464	NA
8	R12-**F1	Hydrants, Valves, and Manholes - Replaced	NA	NA	NA	NA	NA	65,553	NA
9	R12-**G1	Services and Laterals - New	NA	NA	NA	NA	NA	0	NA
10	R12-**H1	Services and Laterals - Replaced	NA	NA	NA	NA	NA	217	NA
11	R12-**I1	Meters - New	NA	NA	NA	NA	NA	31,550	NA
12	R12-**J1	Meters - Replaced	NA	NA	NA	NA	NA	0	NA
13	R12-**K1	ITS Equipment and Systems	NA	NA	NA	NA	NA	1,732,385	NA
14	R12-**L1	SCADA Equipment and Systems	NA	NA	NA	NA	NA	51,180	NA
15	R12-**M1	Security Equipment and Systems	NA	NA	NA	NA	NA	3,000	NA
16	R12-**N1	Offices and Operations Centers	NA	NA	NA	NA	NA	5,812	NA
17	R12-**O1	Vehicles	NA	NA	NA	NA	NA	2,238	NA
18	R12-**P1	Tools and Equipment	NA	NA	NA	NA	NA	0	NA
19	R12-**Q1	Process Plant Facilities and Equipment	NA	NA	NA	NA	NA	276,692	NA
20	R12-**S1	Engineering Studies	NA	NA	NA	NA	NA	419,510	NA
21	R12-01K3/ T12-0102-P-0291	ITS Equipment and Systems - Centrally Sponsored	NA	NA	NA	NA	NA	0	NA
22	I12-020032	RRS Filter Building Replacement	Feb-15	May-16	51.38%	14,100,000	13,150,165	0	0.00%
23	I12-020052	Millersburg Tank Replacement	Feb-16	Jun-16	26.00%	450,000	450,000	0	0.00%
24	I12-020011	New Circle Rd Main Relocation	May-15	Aug-16	57.21%	2,306,000	2,718,903	523,611	19.26%
25	I12-020040	KRS Valve House Rehabilitation (Phase 2)	Apr-16	Dec-16	53.00%	1,000,000	950,000	342,534	36.06%
26	I12-020043	Athens Boonesboro Main Extension	Jan-15	Dec-15	37.35%	1,455,000	1,406,100	594,625	42.29%
27	I12-000001	Post Acquisition BD Capex	NA	NA	NA	120,000	120,000	9,231	7.69%
28	I12-020051	KRS High Service Pumps Replacement	Apr-16	Sep-17	100.00%	2,250,000	2,680,000	341,538	12.74%
29	I12-020039	Georgetown Bypass and US 25 Area	Jan-16	Dec-17	100.00%	1,350,000	1,350,000	208,167	15.42%
30	I12-020037	KRS1 Chemical Storage and Feed Improvements	Feb-14	Dec-18	100.00%	1,200,000	2,500,000	244,231	9.77%
31	I12-020017-01	KRS Valve House Rehabilitation Phas	Dec-14	May-16	51.49%	1,663,762	1,663,762	1,635,112	98.28%
32	I12-020021	Power Reliability at Remote Sites	Jan-14	Dec-17	100.00%	240,000	1,200,000	138,462	11.54%
33	I12-020056	KRS Valve House Rehabilitation (Phase 1.B)	Jun-15	Mar-16	35.17%	1,504,295	900,000	100,481	11.16%
34	I12-020050	Paving Field Ops and Front Entrance	Apr-16	Jun-16	17.41%	350,000	350,000	53,846	15.38%
35	I12-020055	New Circle Rd Main Relocation Phase 2	Jan-16	Dec-16	60.03%	900,000	775,000	5,846	0.75%
36	I12-020012-01	KRS High Service Pumping	Jan-15	Dec-16	71.94%	5,025,000	1,400,000	239,327	17.09%
37	I12-020046-01	KRS Actuator Replacement Level 1	Sep-14	Jan-16	45.68%	689,890	689,890	670,321	97.16%
38	I12-020057	Sludge Thickner Upgrade	Sep-15	Jun-16	37.53%	250,000	250,000	124,880	49.95%
39	I12-020058	KRS Intake Pump Replacement	Sep-15	Jun-16	41.51%	553,000	553,000	88,900	16.08%
40									
41									
42									
43									
44									
45									
46						\$35,406,947	\$33,106,820	\$9,193,558	
47									

Note: Capital Project lines "D" and "R" represent developer and normal recurring construction expenditures respectively and are comprised of numerous construction jobs. The cost of these projects can range from approximately \$1,000 to \$250,000. The construction period may be as little as one week or as long as several months.

KENTUCKY-AMERICAN WATER COMPANY
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ALLOWANCE FOR WORKING CAPITAL
AS OF APRIL 30, 2016

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DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): SCH 5.1/5.2

Line No.	Working Capital Component	Description of Methodology Used to Determine Jurisdictional Requirement	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount
1						
2						
3	Working Capital	Lead/Lag Study	B-5.2, Page 1/3	<u>\$3,946,000</u>	<u>100.00%</u>	<u>\$3,946,000</u>
4						
5						
6						
7	Materials and Supplies	24-Month Average Balance	B-5.1, Page 1/2	<u>\$813,037</u>	<u>100.00%</u>	<u>\$813,037</u>

KENTUCKY-AMERICAN WATER COMPANY
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ALLOWANCE FOR WORKING CAPITAL
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DATA: ___ BASE PERIOD ___X_ FORECASTED PERIOD
TYPE OF FILING: ___X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): SCH 5.1/5.2

Line No.	Working Capital Component	Description of Methodology Used to Determine Jurisdictional Requirement	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount
1						
2						
3						
4						
5						
6	Working Capital	Lead/Lag Study	B-5.2, Page 1/3	<u>\$5,208,000</u>	<u>100.00%</u>	<u>\$5,208,000</u>
7						
8						
9						
10	Materials and Supplies	24 Month Average Balance	B-5.1, Page 2/2	<u>\$813,037</u>	<u>100.00%</u>	<u>\$813,037</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL COMPONENTS
AS OF APRIL 30, 2016

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DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-5

Line No.	Description	Total Company	24 - Month Average For Period		Total Company	Period Balance	
			Jurisdictional Percent	Jurisdictional Amount		Jurisdictional Percent	Jurisdictional Amount
1							
2							
3	<u>Materials and Supplies</u>						
4							
5							
6	Materials & Supplies	\$ 813,037	<u>100.00%</u>	\$813,037	\$813,037	<u>100.00%</u>	\$813,037
7							
8				<u>0</u>	<u>0</u>		<u>0</u>
9							
10		<u>\$813,037</u>		<u>\$813,037</u>	<u>\$813,037</u>		<u>\$813,037</u>
11							
12							
13							

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL COMPONENTS
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-5.1
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Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1-5

Line No.	Description	Total Company	24 - Month Average For Period		Total Company	Period Balance	
			Jurisdictional Percent	Jurisdictional Amount		Jurisdictional Percent	Jurisdictional Amount
1							
2							
3							
4							
5							
6	<u>Materials and Supplies</u>						
7							
8							
9	Materials and Supplies	\$ 813,037	<u>100.00%</u>	\$813,037	\$813,037	<u>100.00%</u>	\$813,037
10							
11				0	0		0
12							
13		<u>\$813,037</u>		<u>\$813,037</u>	<u>\$813,037</u>		<u>\$813,037</u>
14							
15							
16							
17							
18							
19							

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL - LEAD/LAG STUDY
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-5.2
Rate Base\[[Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx]Sch B-5
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Witness Responsible L. Bridwell

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Description	Days	Amount
1			
2			
3	Total Operating Funds		<u>\$92,050,256</u>
4			
5	Average Daily Operating Funds		252,192
6			
7	Composite Average Days Interval Between:		
8			
9	(A) Date Service Furnished and Date Collections Deposited	43.92	
10			
11	(B) Date Expenses Incurred and Date of Payment	<u>28.27</u>	
12			
13	(C) Net Interval	<u>15.65</u>	
14			
15	Total Working Capital		<u>\$3,946,075</u>
16			
17			
18	Use		<u>\$3,946,000</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL - LEAD/LAG STUDY
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DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Description	Amount	Post Payment or (Lead) Days	Dollar Days
1				
2				
3	Salaries & Wages	7,103,811	12.00	\$85,245,732
4	Fuel, Power and Electric	3,889,124	33.10	128,726,012
5	Chemicals	1,619,489	49.29	79,824,709
6	Purchased Water	271,476	49.73	13,500,183
7	Waste Disposal	275,269	62.23	17,129,990
8	Service Company Charges	8,165,618	(7.58)	(61,906,000)
9	Contracted Services	1,024,472	55.83	57,199,303
10	Group Insurance	1,151,971	10.92	12,583,708
11	Opeb	505,481	(2.75)	(1,390,073)
12	Other Benefits	430,089	10.24	4,406,085
13	Pensions	630,347	(2.75)	(1,733,454)
14	Insurance Other than Group	798,704	(82.79)	(66,121,891)
15	Rents	20,498	43.08	883,051
16	Regulatory Expense	287,496	0.00	0
17	Maintenance Service & Supplies	1,722,270	56.13	96,675,464
18	Amortization	439,721	0.00	0
19	Uncollectibles	794,406	0.00	0
20	Office Supplies & Services	241,083	59.67	14,385,874
21	Employee Related Exp, Travel & Ent	168,708	46.10	7,776,931
22	Other Operating Expenses	3,652,813	44.78	163,566,760
23	Total O & M Expenses	33,192,846		550,752,384
24				
25	Depreciation and Amortization	13,739,852	0.00	0
26	Property Taxes	5,267,365	144.30	760,068,691
27	Utility Tax	681,674	(154.77)	(105,502,685)
28	Payroll Taxes	535,550	12.00	6,426,600
29	Income Taxes - Current - SIT	1,051,218	55.61	58,452,977
30	Income Taxes - Current - FIT	5,545,518	36.75	203,797,787
31	Deferred Income Taxes	3,991,235	0.00	0
32	Interest Expense - Long - Term Debt	11,848,504	93.58	1,108,731,531
33	Interest Expense - Short - Term Debt	106,197	15.02	1,595,057
34	Preferred Dividends	381,156	46.63	17,771,399
35	Net Income	15,709,141	0.00	0
36				
37	Net Operating Funds	\$92,050,256		\$2,602,093,741
38				
39				
40	Average Days Interval between Date Expenses are Incurred and Date of Payment			28.27
41				
42				
43				
44				

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL - LEAD/LAG STUDY
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-5.2
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DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):.

Line No.		Revenues Amount	Median Service Days	Dollar Days
1				
2				
3	Monthly - Arrears Full Bills	\$82,791,431	15.80	\$1,308,395,236
4				
5	Other Revenues	2,285,688	15.80	36,121,894
6				
7	Fire Service	<u>2,716,050</u>	15.75	<u>42,769,405</u>
8				
9	Total	<u>87,793,169</u>		<u>\$1,387,286,535</u>
10				
11				
12				
13				
14				
15				
16				
17				
18				
19	Average Median Service Days		15.80	
20				
21	Number of Days between the Reading Date and the Billing Date			3.68
22				
23	Number of Days between the Billing Date and the Date the Bills are Paid			<u>24.44</u>
24				
25				
26				
27	Total Average Days' Interval between Number of Days from Date Services are Furnished to Date Collections are Received			<u>43.92</u>
28				
29				

KENTUCKY-AMERICAN WATER COMPANY
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WORKING CAPITAL - LEAD/LAG STUDY
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EXHIBIT 37, SCHEDULE B-5.2
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Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD ___X_ FORECASTED PERIOD
TYPE OF FILING: ___X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):
AGDR2#19(4, 5, & 6)

Line No.	Description	Days	Amount
1			
2			
3	Total Operating Funds		<u>\$97,600,226</u>
4			
5	Average Daily Operating Funds		267,398
6			
7	Composite Average Days Interval Between:		
8			
9	(A) Date Service Furnished and Date Collections Deposited	44.65	
10			
11	(B) Date Expenses Incurred and Date of Payment	<u>25.17</u>	
12			
13	(C) Net Interval	<u>19.48</u>	
14			
15	Total Working Capital		<u>\$5,207,956</u>
16			
17			
18	Use		<u>\$5,208,000</u>

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL - LEAD/LAG STUDY
AS OF AUGUST 31, 2017

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DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):
*

Line No.	DESCRIPTION	Amount	Post Payment or (Lead) Days	Dollar Days
1	Salaries & Wages	7,352,130	12.00	88,225,565
2	Fuel, Power and Electric	4,011,587	33.10	132,779,412
4	Chemicals	1,768,379	49.29	58,531,530
5	Purchased Water	230,255	49.73	11,450,311
6	Waste Disposal	377,380	62.23	23,484,357
7	Service Company Charges	8,603,681	(7.58)	(65,227,089)
8	Contracted Services	758,671	55.83	42,358,846
9	Group Insurance	1,342,269	10.92	14,662,450
10	Opeb	581,184	(2.75)	(1,598,256)
11	Other Benefits	492,821	10.24	5,048,747
12	Pensions	602,070	(2.75)	(1,655,693)
13	Insurance Other than Group	805,579	(82.79)	(66,691,048)
14	Rents	20,528	43.08	884,343
15	Regulatory Expense	290,523	0.00	0
16	Maintenance Service & Supplies	1,764,968	56.13	99,072,193
17	Amortization	450,622	0.00	0
18	Uncollectibles	685,226	0.00	-
19	Office Supplies & Services	283,442	59.67	16,913,515
20	Employee Related Exp, Travel & Ent	162,257	46.10	7,479,560
21	Other Operating Expenses	3,693,208	44.78	165,375,580
22	Total O & M Expenses	34,276,781		310,089,346
23				
24	Depreciation and Amortization	15,175,222	0.00	0
25	Property Taxes	5,440,027	144.30	784,983,355
26	Utility Tax	167,669	(154.77)	(25,950,133)
27	Payroll Taxes	576,225	12.00	6,914,696
28	Income Taxes - Current - SIT	1,140,795	55.61	63,433,894
29	Income Taxes - Current - FIT	5,055,681	36.75	185,796,281
30	Deferred Income Taxes	1,527,963	0.00	0
31	Interest Expense - Long - Term Debt	11,982,736	93.58	1,121,292,333
32	Interest Expense - Short - Term Debt	70,509	15.02	1,059,029
33	Preferred Dividends	190,575	46.63	8,885,559
34	Net Income	21,996,045	0.00	0
35				
36	Net Operating Funds	\$97,600,226		\$2,456,504,360
37				
38				
39	Average Days Interval between Date Expenses are Incurred and Date of Payment			25.17
40				
41				
42				
43				

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
WORKING CAPITAL - LEAD/LAG STUDY
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DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):
AGDR2#19(4, 5, & 6)

Line No.	Revenues Amount	Median Service Days	Dollar Days
1			
2			
3	Monthly - Arrears Full Bills	15.80	\$1,308,711,986
4			
5	Other Revenues	15.80	\$34,367,072
6			
7	Fire Service	15.75	42,514,257
8			
9	Total		<u>\$1,385,593,315</u>
10			
11			
12			
13			
14			
15			
16			
17			
18			
19	Average Median Service Days	15.80	
20			
21	Number of Days between the Reading Date and the Billing Date		3.68
22			
23	Number of Days between the Billing Date and the Date the Bills are Paid		<u>25.17</u>
24			
25	Total Average Days' Interval between Number of Days from Date Services are Furnished to Date Collections are Received		<u>44.65</u>
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF APRIL 30, 2016

EXHIBIT 37, SCHEDULE B-6
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Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Acct No.	Description	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount
1						
2						
3	252	Customer Advances	W/P-1-6	\$13,644,640	100.00%	\$13,644,640
4						
5	271	Contributions in Aid of Construction	W/P-1-7	\$58,104,260		\$58,104,260
6						
7	255	<u>Investment Tax Credits:</u>				
8		Pre 1971 3% Credit	W/P-1-9	\$38,059		\$38,059
9		1971-1975 4% Credit				
10		1975-12/31/85 10% Credit				
11						
12				\$38,059		\$38,059
13						
14						
15	282	<u>Deferred Taxes:</u>				
16		Utility Plant in Service	W/P-1-8	\$70,487,725		\$70,487,725
17		Deferred Maintenance	W/P-1-8	2,805,759		2,805,759
18		Deferred Debits	W/P-1-8	547,702		547,702
19						
20						
21						
22						
23						
24				\$73,841,186		\$73,841,186

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF AUGUST 31, 2017

EXHIBIT 37, SCHEDULE B-6
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Witness Responsible L. Bridwell

DATA: ___ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): W/P-1

Line No.	Acct No.	Description	Workpaper Reference	Total Company	Jurisdictional Percent	Jurisdictional Amount	13-Month Average Balance
1							
2							
3	252	Customer Advances	W/P-1-6	\$14,249,640	100.00%	\$14,249,640	\$14,060,794
4							
5	271	Contributions in Aid of Construction	W/P-1-7	\$58,570,562		\$58,570,562	\$58,556,435
6							
7	255	<u>Investment Tax Credits:</u>					
8		Pre 1971 3% Credit	W/P-1-9	\$27,856		\$27,856	\$31,363
9		1971-1975 4% Credit					
10		1975-12/31/85 10% Credit					
11							
12				\$27,856		\$27,856	\$31,363
13							
14							
15	282	<u>Deferred Taxes:</u>					
16		Utility Plant in Service	W/P-1-8	\$76,057,823		\$76,057,823	\$74,028,720
17		Deferred Maintenance	W/P-1-8	3,825,873		3,825,873	3,711,049
18		Deferred Debits	W/P-1-8	518,096		518,096	529,198
19							
20							
21							
22							
23							
24				\$80,401,792		\$80,401,792	\$78,268,967

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
JURISDICTIONAL PERCENTAGES

EXHIBIT 37, SCHEDULE B-7
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Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):.

Line No.	Acct No.	Account Title	Jurisdictional Percentage	Description of Factors And/Or Method of Allocation
1				
2				
3				
4		NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY		

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
JURISDICTIONAL STATISTICS - RATE BASE

EXHIBIT 37, SCHEDULE B-7.1
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-7
PAGE 1 OF 1
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL __ UPDATED __ REVISED
WORKPAPER REFERENCE NO(S).:

Line No.	Description	Statistic Total Company	Adjustment	Adjusted Statistic	Statistic For Rate Area	Allocation Factor
1						
2						
3						
4						

NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
EXPLANATION OF CHANGES IN JURISDICTIONAL PROCEDURES

EXHIBIT 37, SCHEDULE B-7.2
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-7
PAGE 1 OF 1
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL __ UPDATED __ REVISED
WORKPAPER REFERENCE NO(S):.

Line No.	Description
1	
2	
3	
4	NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
COMPARATIVE BALANCE SHEETS
AS OF DECEMBER 31, 2010 - 2014 AND BASE AND FORECASTED PERIODS

EXHIBIT 37, SCHEDULE B-8
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-8
PAGE 1 OF 2
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL __ UPDATED __ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Description	Forecasted Period	% Change	Base Period	% Change	2014	% Change	2013	% Change	2012	% Change	2011	% Change	2010
1														
2	Utility Plant													
3	Utility Plant in Service	\$679,624,591	4.73%	\$648,948,902	2.24%	\$634,757,122	2.59%	\$618,710,826	3.31%	\$598,861,559	3.14%	\$580,644,329	3.06%	\$563,384,358
4	CWIP	9,193,558	-61.32%	23,768,036	149.85%	9,512,998	-53.81%	20,595,819	56.36%	13,171,843	29.44%	10,176,232	40.88%	7,223,273
5	Accum Prov - Depr/Amort	(152,076,279)	7.06%	(142,044,393)	24.32%	(114,258,640)	-5.00%	(120,269,887)	6.90%	(112,509,076)	7.05%	(105,103,645)	6.92%	(98,304,331)
6	UPAA	205,981	-5.00%	216,829	-4.19%	226,321	-3.47%	234,457	-3.35%	242,593	-3.25%	250,730	-4.70%	263,109
7														
8	Total Net Utility Plant	536,947,851	1.14%	530,889,374	0.12%	530,237,801	2.11%	519,271,215	3.90%	499,766,920	2.84%	485,967,646	2.84%	472,566,409
9														
10	Other Property and Investments													
11	Non-Utility Property	249,738	0.00%	249,738	0.00%	249,738	0.00%	249,738	0.00%	249,738	0.00%	249,738	-7.57%	270,193
12	Accum Prov - Depr/Amort	0		0		0		0		0		0		0
13	Investment in Assoc. Co's	0		0		0		0		0		0		0
14	Other Investments	0		0		0		0		0		0		0
15														
16	Total Other Property and Investments	249,738	0.00%	249,738	0.00%	249,738	0.00%	249,738	0.00%	249,738	0.00%	249,738	-7.57%	270,193
17														
18														
19	Current and Accrued Assets													
20	Cash and Cash Equivalents	152,969	-75.49%	624,158	-146.85%	(1,332,355)	732.52%	(160,039)	-85.37%	(1,093,546)	-487.71%	282,053	4.87%	268,962
21	Temporary Cash Investments	0		0		0		0		0		0		0
22	Customer Accounts													
23	Receivable	5,613,478	4.56%	5,368,918	14.64%	4,683,425	26.77%	3,694,544	5.00%	3,518,720	24.50%	2,826,297	-6.14%	3,011,145
24	Accum Prov - Uncollectibles	(685,226)	-13.74%	(794,406)	3.70%	(766,070)	-27.21%	(1,052,377)	47.12%	(715,327)	31.79%	(542,769)	33.42%	(406,809)
25	Accrued Utility Revenues	4,316,179	13.92%	3,788,886	-10.42%	4,229,486	-14.82%	4,965,118	34.01%	3,705,072	-4.83%	3,893,019	-11.76%	4,412,023
26	Income Tax Refund due													
27	From Assoc. Co	0		0	-100.00%	47,635	-80.04%	238,684	75.59%	135,929		0		0
28	Misc Accounts Receivable	393,647	2.76%	383,074	2.00%	375,563	2.78%	365,417	62.73%	224,553	-33.42%	337,252	-53.93%	732,006
29	Materials and Supplies	813,037	0.00%	813,037	-14.38%	949,561	48.91%	637,684	-25.39%	854,648	23.64%	691,214	-7.51%	747,354
30	Other	381,026	-22.74%	493,192	103.31%	242,579	-25.56%	325,852	8.80%	299,495	58.36%	189,120	0.91%	187,421
31														
32	Total Current and Accrued Assets	10,985,110	2.89%	10,676,859	26.66%	8,429,824	-6.49%	9,014,884	30.09%	6,929,545	-9.73%	7,676,186	-14.25%	8,952,102
33														
34														
35	Deferred Debts													
36	Unamortized Debt and													
37	Preferred Stock Expense	1,730,787	4.31%	1,659,272	4.22%	1,592,086	-4.24%	1,662,625	-4.07%	1,733,155	-3.91%	1,803,685	-4.56%	1,889,834
38	Unamortized Rate Case													
39	Expenses	290,523	1.05%	287,496	-26.96%	393,618	-35.80%	613,146	98.69%	308,598	-14.16%	359,517	-32.64%	533,742
40	Preliminary Survey and													
41	Investigation Charges	52,204	0.00%	52,204	0.00%	52,204	0.00%	52,204	0.00%	52,204	0.00%	52,204	0.00%	52,204
42	Misc Deferred Debts	16,890,593	-4.59%	17,703,970	14.21%	15,501,557	12.11%	13,827,660	13.55%	12,178,104	-0.04%	12,183,164	-0.09%	12,194,497
43														
44	Total Deferred Debts	18,964,107	7.12%	17,703,970	0.94%	17,539,464	8.57%	16,155,634	13.20%	14,272,061	-0.88%	14,398,570	-1.85%	14,670,277
45														
46														
47	Total Assets	\$567,146,807	1.36%	\$559,519,941	0.55%	\$556,456,828	2.16%	\$544,691,471	4.50%	\$521,218,263	2.54%	\$508,292,141	2.38%	\$496,458,981

KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418
COMPARATIVE BALANCE SHEETS
AS OF DECEMBER 31, 2010 - 2014 AND BASE AND FORECASTED PERIODS

EXHIBIT 37, SCHEDULE B-8
Rate Base\Exhibit 37 Schedules B1 - B8 8.31.2017.xlsx\Sch B-8
PAGE 2 OF 2
Witness Responsible L. Bridwell

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL __ UPDATED __ REVISED
WORKPAPER REFERENCE NO(S):

Line No.	Description	Forecasted Period	% Change	Base Period	% Change	2014	% Change	2013	% Change	2012	% Change	2011	% Change	2010
1														
2	Common Equity													
3	Common Stock Issued	\$36,568,777	0.00%	\$36,568,777	0.00%	\$36,568,777	0.00%	\$36,568,777	0.00%	\$36,568,777	0.00%	\$36,568,777	0.00%	\$36,568,777
4	Paid-In-Capital	89,373,268	10.15%	\$81,137,080	2.69%	79,008,919	0.11%	78,925,948	0.10%	78,845,671	5.45%	74,767,650	0.11%	74,688,528
5	Retained Earnings	30,148,644	6.64%	28,272,533	-41.43%	48,272,418	10.30%	43,764,299	-0.46%	43,968,651	0.07%	43,936,694	11.35%	39,457,813
6														
7	Total Common Equity	156,090,689	16.79%	145,978,390	-38.74%	163,850,114	10.41%	159,259,024	-0.36%	159,383,099	5.53%	155,273,121	11.46%	150,715,118
8	Preferred Stock Issued	2,244,673	0.00%	2,244,673		0		0		0	-100.00%	1,445,600	0.00%	1,445,600
9	Long-Term Debt	205,749,000	2.49%	200,749,000	0.25%	200,249,000	0.00%	200,249,000	4.08%	192,390,000	0.00%	192,390,000	11.60%	172,390,000
10	Current Portion - LTD	0		0		0		0		0		0	-100.00%	3,100,000
11														
12	Total Capitalization	364,084,362	4.33%	348,972,063	-4.15%	364,099,114	1.28%	359,508,024	2.20%	351,773,099	0.76%	349,108,721	6.55%	327,650,718
13														
14	Current and Accrued Liabilities													
15	Notes Payable	5,942,244	-74.71%	23,496,534	12.08%	20,963,831	5.86%	19,804,007	107.49%	9,544,545	-13.51%	11,035,902	-19.63%	13,731,627
16	Accounts Payable	2,618,766	-61.45%	6,793,355	18.84%	5,716,595	5.55%	5,415,844	-49.99%	10,829,884	61.45%	6,707,820	11.19%	6,032,920
17	Accrued Taxes	8,752,304	24.90%	7,007,648	206.11%	2,289,284	-530.42%	(531,871)	-112.32%	4,316,034	-203.36%	(4,175,763)	-60.35%	(10,532,455)
18	Accrued Interest	4,312,144	33.15%	3,238,475	54.98%	2,089,647	0.00%	2,089,647	3.24%	2,024,156	5.10%	1,925,961	3.13%	1,867,573
19	Customer Deposits	0		0		0		0		0		0		0
20	Dividends Declared	0		0		0		0		0		0		0
21	Other	5,493,795	21.85%	4,508,654	21.85%	3,700,167	21.85%	3,036,713	-6.11%	3,234,496	-23.68%	4,238,285	-40.89%	7,170,590
22														
23	Total Current and Accrued Liabilities	27,119,253	-39.79%	45,044,666	29.59%	34,759,524	16.59%	29,814,341	-0.45%	29,949,115	51.78%	19,732,205	8.00%	18,270,255
24														
25														
26	Deferred Credits													
27	Customer Advances	14,060,794	3.05%	13,644,640	11.82%	12,201,998	0.08%	12,192,183	2.27%	11,921,929	-5.94%	12,675,126	-0.78%	12,774,225
28	Deferred Income Taxes	78,268,967	6.00%	73,841,186	11.99%	65,933,776	1.58%	64,908,302	15.14%	56,373,832	-2.51%	57,826,951	-16.61%	69,347,781
29	Accumulated Deferred ITC	456,578	-10.68%	511,179	-18.11%	624,232	-11.96%	709,029	-10.68%	793,826	-9.65%	878,623	-8.80%	963,420
30	Other	24,600,419	26.79%	19,401,947	-15.21%	22,882,029	-3.06%	23,604,317	26.79%	18,616,338	1.00%	18,432,167	-2.62%	18,927,435
31														
32	Total Deferred Credits	117,386,758	9.30%	107,398,952	5.66%	101,642,035	0.23%	101,413,832	15.63%	87,705,925	-2.35%	89,812,867	-11.96%	102,012,861
33														
34	Contributions in Aid of Construction	58,556,435	0.78%	58,104,260	3.84%	55,956,155	3.71%	53,955,274	4.18%	51,790,125	4.33%	49,638,348	2.29%	48,525,146
35														
36														
37														
38	Total Liabilities	\$567,146,807	1.36%	\$559,519,941	0.55%	\$556,456,828	2.16%	\$544,691,471	4.50%	\$521,218,263	2.54%	\$508,292,141	2.38%	\$496,458,981

**EXHIBIT 37
SCHEDULE C**

JURISDICTIONAL OPERATING INCOME SUMMARY FOR BASE AND FORECASTED PERIOD

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
C-1	Operating Income Summary for the Base and Forecast Periods
C-2	Supporting Schedule for Operating Income Summary, Breakdown by Major Account Group & Individual Account

For electronic version, see KAW_APP_EX37C_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Jurisdictional Operating Income Summary for the Base and Forecasted Periods

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule C-1
Exhibits\Income Statement.xlsx\Inc Statment - SCH C.1

Line No.	Major Acct. Group	Description	Supporting Schedule Reference	Base Period Ended 4/30/2016	Adjustment for Forecast at Present Rates	Forecast Year Ended 8/31/2017 At Present Rates	Adjustment for Proposed Rates	Forecast Year at Proposed Rates	Forecast Adjustment Workpaper	Forecast Adjustment Workpaper Location
1		Operating Revenues								
2	400	Water Revenues	Exh 37 C-2	\$88,223,531	(\$2,712,210)	\$85,511,321	\$13,453,664	\$98,964,985	Exhibit 37, Schedule M-1	Revenues\KY Revenue Exhibit.xlsx\Exhibit
3	400	Other Revenues	Exh 37 C-2	2,285,688	(111,040)	2,174,648	0	2,174,648	Exhibit 37, Schedule M-1	Revenues\KY Revenue Exhibit.xlsx\Exhibit
4	420	AFUDC	Exh 37 C-3	0	665,027	665,027		665,027	W/P - 1-4	Rate Base\Rate Base KY Capital through 08.31.2017.xlsx\Link Out
5	Total	Total Revenues (Sum Lines 2-3)		<u>\$90,509,219</u>	<u>(\$2,158,223)</u>	<u>\$88,350,996</u>	<u>\$13,453,664</u>	<u>\$101,804,660</u>		
6										
7	401	Operating Expenses								
8		O&M:								
9		Purchased Water	Exh 37 C-2	\$271,476	(\$41,221)	\$230,255	\$0	\$230,255	W/P - 3-2	O&M\Purchased Water Expense Exhibit.xlsx\Exhibit
10		Fuel & Power	Exh 37 C-2	3,889,124	122,463	4,011,587	0	4,011,587	W/P - 3-3	O&M\Fuel and Power Expense Exhibit.xlsx\Exhibit
11		Chemicals	Exh 37 C-2	1,619,489	148,890	1,768,379	0	1,768,379	W/P - 3-4	O&M\Chemical Expense Exhibit.xlsx\Exhibit
12		Waste Disposal	Exh 37 C-2	275,269	102,111	377,380	0	377,380	W/P - 3-5	O&M\Waste Disposal Expense Exhibit.xlsx\Exhibit
13		Salaries and Wages	Exh 37 C-2	7,103,811	248,319	7,352,130	0	7,352,130	W/P - 3-1	O&M\Labor and Labor Related Exhibit.xlsx\Labor Exhibit
14		Pension	Exh 37 C-2	630,347	(28,277)	602,070	0	602,070	W/P - 3-1c	O&M\Labor and Labor Related Exhibit.xlsx\Pension Exhibit
15		Group Insurance	Exh 37 C-2	1,657,452	266,001	1,923,453	0	1,923,453	W/P - 3-1a	O&M\Labor and Labor Related Exhibit.xlsx\Group Ins Exhibit
16		Other Benefits	Exh 37 C-2	430,089	62,732	492,821	0	492,821	W/P - 3-1b	O&M\Labor and Labor Related Exhibit.xlsx\Other Benefits Exhibit
17		Support Services	Exh 37 C-2	8,165,618	438,063	8,603,681	0	8,603,681	W/P - 3-7	O&M\Support Services Exhibit.xlsx\Exhibit
18		Contract Services	Exh 37 C-2	1,024,472	(265,801)	758,671	0	758,671	W/P - 3-18	O&M\Contract Services Expense Exhibit.xlsx\Exhibit
19		Building Maintenance & Services	Exh 37 C-2	529,544	66,158	595,702	0	595,702	W/P - 3-12	O&M\Building Maintenance & Services Exhibit.xlsx\Exhibit
20		Telecommunications	Exh 37 C-2	239,058	11,490	250,548	0	250,548	W/P - 3-14	O&M\Telecommunications Expense Exhibit.xlsx\Exhibit
21		Postage, Printing, & Stationary	Exh 37 C-2	29,271	(6,741)	22,530	0	22,530	W/P - 3-15	O&M\Postage, Printing & Stationary Expense Exhibit.xlsx\Exhibit
22		Office Supplies & Services	Exh 37 C-2	241,083	42,359	283,442	0	283,442	W/P - 3-16	O&M\Office Supplies & Services Expense Exhibit.xlsx\Exhibit
23		Advertising & Marketing	Exh 37 C-2	20,040	(20,040)	0	0	0	W/P - 3-17	O&M\Advertising & Marketing Exhibit.xlsx\Exhibit
24		Employee Related Expense	Exh 37 C-2	168,708	(6,451)	162,257	0	162,257	W/P - 3-19	O&M\Employee Related Expense Exhibit.xlsx\Exhibit
25		Miscellaneous Expense	Exh 37 C-2	1,319,241	(385,214)	934,027	0	934,027	W/P - 3-20	O&M\Miscellaneous Expense Exhibit.xlsx\Exhibit
26		Rents	Exh 37 C-2	20,498	30	20,528	0	20,528	W/P - 3-11	O&M\Rent Expense Exhibit.xlsx\Exhibit
27		Transportation	Exh 37 C-2	405,020	23,821	428,841	0	428,841	W/P - 3-21	O&M\Transportation Lease Expense Exhibit.xlsx\Exhibit
28		Uncollectible Accounts	Exh 37 C-2	794,406	(109,180)	685,226	105,135	790,361	W/P - 3-10	O&M\Uncollectibles Accounts Exhibit.xlsx\Exhibit
29		Other Customer Accounting	Exh 37 C-2	1,110,639	350,921	1,461,560	0	1,461,560	W/P - 3-9	O&M\Customer Accounting-Postage Exhibit.xlsx\Exhibit
30		Regulatory Expense	Exh 37 C-2	287,496	3,027	290,523	0	290,523	W/P - 3-6	O&M\Regulatory Expense Exhibit.xlsx\Exhibit
31		Insurance Other Than Group	Exh 37 C-2	798,704	6,875	805,579	0	805,579	W/P - 3-22	O&M\Insurance Other than Group Exhibit.xlsx\Exhibit
32		Maintenance Supplies & Services	Exh 37 C-2	2,161,991	53,599	2,215,590	0	2,215,590	W/P - 3-13	O&M\Maintenance Supplies & Services Exhibit.xlsx\Exhibit
33	Total	Total O&M Expenses (Sum of Lines 9-32):		<u>\$33,192,846</u>	<u>\$1,083,935</u>	<u>\$34,276,781</u>	<u>\$105,135</u>	<u>\$34,381,916</u>		
34										
35		Other Expenses								
36	403	Depreciation - Net of CIAC Amort	Exh 37 C-2	\$13,500,782	\$1,447,313	\$14,948,095	\$0	\$14,948,095	W/P - 4-1	Rate Base\Rate Base KY Capital through 08.31.2017.xlsx\Link Out
37	406	Amortization of UPAA	Exh 37 C-2	8,556	(8,556)	0	0	0	W/P - 4-2	Rate Base\Amortization Expense Workpaper.xlsx\Exhibit
38	407	Amortization Expense	Exh 37 C-2	230,514	(3,387)	227,127		227,127	W/P - 4-2	Rate Base\Amortization Expense Workpaper.xlsx\Exhibit
39		State Income Tax	Exh 37 C-2							
40	409	Current State Income Tax	Exh 37 C-2	1,051,218	89,567	1,140,785	799,376	1,940,161	SCHEDULE E-1.4	Taxes\Income Tax Exhibit.xlsx\E-1.4 State Inc Tax Forecast
41	410	Deferred State Income Tax	Exh 37 C-2	472,654	(448,937)	23,717	0	23,717	SCHEDULE E-1.4	Taxes\Income Tax Exhibit.xlsx\E-1.4 State Inc Tax Forecast
42		Federal Tax	Exh 37 C-2							
43	409	Current Federal Income Tax	Exh 37 C-2	5,545,518	(489,888)	5,055,630	4,383,250	9,438,880	SCHEDULE E-1.3	Taxes\Income Tax Exhibit.xlsx\E-1.3 Federal Inc Tax Forecast
44	410	Deferred Federal Income Tax	Exh 37 C-2	3,518,581	(2,014,335)	1,504,246	0	1,504,246	SCHEDULE E-1.3	Taxes\Income Tax Exhibit.xlsx\E-1.3 Federal Inc Tax Forecast
45	412	Investment Tax Credits	Exh 37 C-2	(84,792)	8,324	(76,468)		(76,468)	SCHEDULE E-1.3	Taxes\Income Tax Exhibit.xlsx\E-1.3 Federal Inc Tax Forecast
46	408	General taxes	Exh 37 C-2	6,484,589	(290,978)	6,193,611	25,573	6,219,184	W/P - 5-1	O&M\General Tax Exhibit.xlsx\Exhibit - General Tax
48	Total	Total Other Expense (Sum of Lines 36 -41)		<u>\$30,727,620</u>	<u>(\$1,710,877)</u>	<u>\$29,016,743</u>	<u>\$5,208,198</u>	<u>\$34,224,941</u>		
49										
50		Total Expenses (Line 33 + Lines 42):		<u>\$63,920,466</u>	<u>(\$626,942)</u>	<u>\$63,293,524</u>	<u>\$5,313,334</u>	<u>\$68,606,858</u>		
51										
52		Utility Operating Income (Line 5 - Line 44):		<u>\$26,588,753</u>	<u>(\$1,531,281)</u>	<u>\$25,057,472</u>	<u>\$8,140,330</u>	<u>\$33,197,802</u>		

Kentucky American Water Company
Case No. 2015-00418
Supporting Schedule for Jurisdictional Operating Income Summary
Breakdown by Major Account Group & Individual Account

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule C-2
Exhibits\Income Statement.xlsx\MSFR Inc Stmt by Acct - SCH C.2

Line #	Major NARUC Group	Financial Statement Grouping	SAP GL Account	SAP GL Acct Description	96 NARUC Account	Base Period 12 Months Ended 4/30/2016	Allocated Adjustment Forecast at Present Rates	Forecast Year at Present Rates, 12 Mo Ended 8/31/2017
2	400	Water revenues	40111000	Res Sales Billed	461.1	\$48,233,803	(\$635,865)	\$47,597,938
3			40111100	ResSls Billed Surch	461.1	(155)	155	0
4			40112000	Res Sales Unbilled	461.1	254,323	(254,323)	0
5			40121000	Com Sales Billed	461.2	22,074,757	(906,362)	21,168,395
6			40122000	Com Sales Unbilled	461.2	288,581	(288,581)	0
7			40131000	Ind Sales Billed	461.3	2,536,992	3,491	2,540,483
8			40132000	Ind Sales Unbilled	461.3	21,350	(21,350)	0
9			40141000	Publ Fire Billed	462.1	3,764,401	(23,895)	3,740,506
10			40145000	Priv Fire Billed	462.2	2,716,050	(16,203)	2,699,847
11			40146000	Priv Fire Unbilled	462.2	0	0	0
12			40151000	Publ Auth Billed	462.2	6,169,507	(264,741)	5,904,766
13			40152000	Publ Auth Unbilled	461.4	109,419	(109,419)	0
14			40161000	Sls/Rsle Billed	461.4	1,872,719	(111,442)	1,761,277
15			40161050	Sls/Rsle Billed I/C	466.	13,465	0	13,465
16			40162000	SalesforRsle Unbilld	467.	42,842	(42,842)	0
17			40171000	Misc Sales Billed	466.	122,299	(37,755)	84,544
18			40172000	Misc Sales Unbilled	474.	3,078	(3,078)	0
19			40189900	Other Water Revenue	474.	100	0	100
20				Total		88,223,531	(2,712,210)	85,511,321
22	420	AFUDC			420	0	665,027	665,027
23				Total		0	665,027	665,027
25	400	Other revenues	40310100	OthRev-Late Pymt Fee	470.	952,621	(99,981)	852,640
26			40310200	OthRev-Rent	472.	75,358	(5,674)	69,684
27			40310250	OthRev-Rent I/C	473.	50,904	14,496	65,400
28			40310300	OthRev-CFO	471.	0	0	0
29			40310400	OthRev-NSF Ck Chrg	471.	30,740	1,402	32,142
30			40310500	OthRev-App/InitFee	471.	754,380	(10,837)	743,543
31			40310600	OthRev-Usage Data	471.	51,945	689	52,634
32			40310700	OthRev-Reconntct Fee	471.	331,964	(32,359)	299,605
33			40319900	OthRev-Misc Svc	471.	37,776	21,224	59,000
34			40359900	OthRev WW-Misc Svc	536.	0	0	0
35				Total		2,285,688	(111,040)	2,174,648
37	401	Purchased water	51010000	Purchased Water	610.1	271,476	(41,221)	230,255
38			51015000	Purchased Water I/C	610.1	0	0	0
39				Total		271,476	(41,221)	230,255
41	401	Fuel and power	51510000	Purchased Power	615.8	1,704,680	(1,704,680)	0
42			51510011	Purchased Power SS	615.1	107,692	90,200	197,892
43			51510012	Purchased Power P	615.1	342,738	287,067	629,805
44			51510013	Purchased Power WT	615.3	1,793,377	1,502,078	3,295,455
45			51510014	Purchased Power TD	615.5	(60,713)	(50,851)	(111,564)
46			51520000	Fuel for Power Prod	616.1	1,350	(1,350)	0
47				Total		3,889,124	122,463	4,011,587
49	401	Chemicals	51800000	Chemicals	618.3	1,619,489	148,890	1,768,379
50				Total		1,619,489	148,890	1,768,379
52	401	Waste disposal	51110000	Waste Disposal	675.3	200,272	74,291	274,563
53			51120000	Amort Waste Disposal	675.3	74,997	27,820	102,817
54				Total		275,269	102,111	377,380
56	401	Salaries and wages	50100000	Labor Expense	601.8	4,892,109	(4,892,109)	0
57			50100001	Labor ExpenseAccrual	601.8	(96,797)	96,797	0
58			50101210	Labor Oper P PwrProd	601.1	0	0	0
59			50101300	Labor Oper WT	601.3	838,475	1,823,351	2,661,826
60			50101305	Labor Oper WT SupEng	601.3	67,853	147,553	215,406
61			50101400	Labor Oper TD	601.5	166,401	361,856	528,257
62			50101405	Labor Oper TD SupEng	601.5	27,353	59,482	86,835
63			50101415	Labor Oper TD Lines	601.5	29,732	64,655	94,387
64			50101420	Labor Oper TD Meter	601.5	295,471	642,532	938,003
65			50101500	Labor Oper CA	601.7	9,186	19,976	29,162
66			50101510	Labor Oper CA MtrRd	601.7	108,394	235,714	344,108
67			50101515	Labor Oper CA CstRec	601.7	0	0	0
68			50101520	Labor Oper CA CstSrv	601.7	103,489	225,048	328,537
69			50101600	Labor Oper AG	601.8	393,673	856,083	1,249,756
70			50102215	Labor Mnt P PwrProd	601.2	0	0	0
71			50102300	Labor Maint WT	601.4	66,853	145,379	212,232
72			50102400	Labor Maint TD	601.6	221,992	482,745	704,737
73			50102410	Labor Mnt TD Str&Imp	601.6	0	0	0

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Exhibit 37, Schedule C-2
 Exhibits\Income Statement.xlsx\MSFR Inc Stmt by Acct - SCH C.2

Line #	Major NARUC Group	Financial Statement Grouping	SAP GL Account	SAP GL Acct Description	96 NARUC Account	Base Period 12 Months Ended 4/30/2016	Allocated Adjustment Forecast at Present Rates	Forecast Year at Present Rates, 12 Mo Ended 8/31/2017
74			50102420	Labor Mnt TD Mains	601.6	28,499	61,974	90,473
75			50102425	Labor Mnt TD FireMn	601.6	0	0	0
76			50102430	Labor Mnt TD Service	601.6	89,542	194,718	284,260
77			50102435	Labor Mnt TD Meter	601.6	42,339	92,071	134,410
78			50102440	Labor Mnt TD Hydrant	601.6	33,314	72,445	105,759
79			50109900	Labor Cap Credits	601.8	(1,355,325)	(206,485)	(1,561,810)
80			50110000	Labor NS OT -Natural	601.8	417,150	(417,150)	0
81			50111210	LaborOperNS OT P PP	601.1	0	0	0
82			50111300	LaborOper NS OT WT	601.3	178,569	75,433	254,002
83			50111400	LaborOper NS OT TD	601.5	39,356	16,625	55,981
84			50111405	LaborOperNS OT TD SE	601.5	0	0	0
85			50111415	LaborOperNS OT TD Ln	601.5	2,727	1,152	3,879
86			50111420	LaborOperNS OT TD Mt	601.5	87,889	37,127	125,016
87			50111500	LaborOper NS OT CA	601.7	368	155	523
88			50111510	LaborOperNS OT CA MR	601.7	16,459	6,953	23,412
89			50111520	LaborOperNS OT CA CS	601.7	4,812	2,033	6,845
90			50111600	LaborOper NS OT AG	601.8	1,410	596	2,006
91			50112215	LaborMaintNSOT P PP	601.2	0	0	0
92			50112300	LaborMaint NS OT WT	601.4	33,624	14,204	47,828
93			50112400	LaborMaint NS OT TD	601.6	46,090	19,470	65,560
94			50112420	LaborMaintNSOT TD Mn	601.6	21,643	9,143	30,786
95			50112430	LaborMaintNSOT TD Sv	601.6	33,315	14,073	47,388
96			50112435	LaborMaintNSOT TD Mt	601.6	3,366	1,422	4,788
97			50112440	LaborMaintNSOT TD Hy	601.6	1,124	475	1,599
98			50119900	LaborNSOT CapCredits	601.8	(119,878)	36,707	(83,171)
99			50120000	Labor OT - Natural	601.8	624	(624)	0
100			50121300	LaborOper OT WT	601.3	666	281	947
101			50171000	Annual Incent Plan	601.8	282,777	21,093	303,870
102			50171600	Comp Exp-Options	601.8	4,876	(3,616)	1,260
103			50171800	Comp Exp-RSU's	601.8	51,364	(38,089)	13,275
104			50185000	Severance	601.8	32,927	(32,927)	0
105					Total:	7,103,811	248,319	7,352,130
106								
107	401	Pension expense	50610000	Pension Expense	604.8	785,272	(45,648)	739,624
108			50610100	Pension Cap Credits	604.8	(154,925)	17,371	(137,554)
109					Total	630,347	(28,277)	602,070
110								
111	401	Group insurance expense	50510000	PBOP Expense	604.8	652,903	61,063	713,966
112			50510100	PBOP Cap Credits	604.8	(147,422)	14,640	(132,782)
113			50550000	Group Insur Expense	604.8	1,449,927	198,100	1,648,027
114			50550100	Group Ins Cap Credits	604.8	(297,956)	(7,803)	(305,759)
115					Total	1,657,452	266,001	1,923,453
116								
117	401	Other benefits	50421000	401k Expense	604.8	188,798	29,833	218,631
118			50421100	401k Exp Cap Credits	604.8	(35,228)	(11,050)	(46,278)
119			50422000	DCP Expense	604.8	199,892	46,844	246,736
120			50422100	DCP Exp Cap Credits	604.8	(38,561)	(6,967)	(45,528)
121			50423000	ESPP Expense	604.8	10,652	(2,853)	7,799
122			50426000	Retiree Medical Exp	604.8	12,851	7,146	19,997
123			50426100	Retiree Med Cap Cr	604.8	(1,764)	(1,565)	(3,329)
124			50450000	Other Welfare	604.8	26,250	378	26,628
125			50450013	Other Welfare WT	604.3	568	8	576
126			50450014	Other Welfare TD	604.5	523	8	531
127			50450015	Other Welfare CA	604.7	383	6	389
128			50450016	Other Welfare AG	604.8	10,614	153	10,767
129			50451000	Employee Awards	604.8	5,915	85	6,000
130			50452000	Emp Physical Exams	604.8	4,740	68	4,808
131			50454000	Safety Incent Awards	604.8	2,700	39	2,739
132			50456000	Tuition Aid	604.8	12,975	187	13,162
133			50457000	Training	604.8	28,781	414	29,195
134			50458000	Referral Bonus	604.8	0	0	0
135					Total	430,089	62,732	492,821
136								
137	401	Service Company Costs	53401000	AWWSC Labor OPEX	634.8	3,871,463	207,694	4,079,157
138			53401100	AWWSC Pension OPEX	634.8	315,836	16,944	332,780
139			53401200	AWWSC Group Ins OPEX	634.8	506,442	27,169	533,611
140			53401300	AWWSC Other Ben OPEX	634.8	256,642	13,768	270,410
141			53401400	AWWSC Cont Svcs OPEX	634.8	597,894	32,075	629,969
142			53401500	AWWSC Off Suppl OPEX	634.8	407,754	21,875	429,629
143			53401600	AWWSC Transportaion	634.8	64,525	3,462	67,987
144			53401700	AWWSC Rents OPEX	634.8	252,402	13,541	265,943

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Exhibits\Income Statement.xlsx\MSFR Inc Stmt by Acct - SCH C.2

Line #	Major NARUC Group	Financial Statement Grouping	SAP GL Account	SAP GL Acct Description	96 NARUC Account	Base Period 12 Months Ended 4/30/2016	Allocated Adjustment Forecast at Present Rates	Forecast Year at Present Rates, 12 Mo Ended 8/31/2017
145			53401800	AWWSC Other operating supplies	634.8	33,388	1,791	35,179
146			53401900	AWWSC Maint OPEX	634.8	286,675	15,379	302,054
147			53402100	AWWSC Oth O&M OPEX	634.8	255,212	13,691	268,903
148			53402200	AWWSC Dpr/Amrt OPEX	634.8	914,633	49,068	963,701
149			53402300	AWWSC Gen Tax OPEX	634.8	324,308	17,398	341,706
150			53402400	AWWSC Interest OPEX	634.8	83,198	4,463	87,661
151			53402500	AWWSC Oth Inc OPEX	634.8	(9,413)	(505)	(9,918)
152			53402600	AWWSC Inc Tax OPEX	634.8	4,659	250	4,909
153				Total		8,165,618	438,063	8,603,681
154								
155	401	Contracted services	53110000	Contr Svc-Eng	631.8	0	0	0
156			53110011	Contr Svc-Eng SS	631.1	770	(88)	682
157			53110016	Contr Svc-Eng AG	631.8	25,097	(2,864)	22,233
158			53150000	Contr Svc-Other	636.8	168,086	(168,086)	0
159			53150011	Contr Svc-Other SS	636.1	0	0	0
160			53150013	Contr Svc-Other WT	636.3	33,598	(3,834)	29,764
161			53150014	Contr Svc-Other TD	636.5	105,474	(12,035)	93,439
162			53150015	Contr Svc-Other CA	636.7	38,702	(4,416)	34,286
163			53150016	Contr Svc-Other AG	636.8	52,161	(5,952)	46,209
164			53151000	Contr Svc-Temp EE	636.8	0	0	0
165			53151016	Contr Svc-Temp EE AG	636.8	20,027	(2,285)	17,742
166			53152000	Contr Svc-Lab Testng	635.3	63,060	(7,195)	55,865
167			53153000	Contr Svc-Accounting	632.8	275,229	(31,404)	243,825
168			53154000	Contr Svc-Audit Fees	632.8	93,998	(10,725)	83,273
169			53155000	Contr Svc-Legal	633.8	144,348	(16,470)	127,878
170			53157000	Contr Svc-Outplacem	675.8	3,922	(448)	3,474
171				Total		1,024,472	(265,801)	758,671
172								
173	401	Building Maintenance and Services	52532000	Electricity	675.8	73,375	(73,375)	0
174			52532011	Electricity SS	675.1	356	566	922
175			52532013	Electricity WT	675.3	3,642	5,788	9,430
176			52532014	Electricity TD	675.5	14,253	22,653	36,906
177			52532016	Electricity AG	675.8	32,858	52,223	85,081
178			52546000	Grounds Keeping	675.8	54,084	(54,084)	0
179			52546011	Grounds Keeping SS	675.1	0	0	0
180			52546013	Grounds Keeping WT	675.3	4,756	7,559	12,315
181			52546014	Grounds Keeping TD	675.5	16,333	25,959	42,292
182			52546016	Grounds Keeping AG	675.8	44,908	71,375	116,283
183			52548000	Heating Oil/Gas	675.8	42,864	(42,864)	0
184			52548013	Heating Oil/Gas WT	675.3	886	1,408	2,294
185			52548014	Heating Oil/Gas TD	675.5	(1,960)	(3,115)	(5,075)
186			52548016	Heating Oil/Gas AG	675.8	(471)	(749)	(1,220)
187			52550000	Janitorial	675.8	35,024	(35,024)	0
188			52550013	Janitorial WT	675.3	2,737	4,350	7,087
189			52550014	Janitorial TD	675.5	5,135	8,161	13,296
190			52550016	Janitorial AG	675.8	16,811	26,719	43,530
191			52571000	Security Svc	675.8	36,398	(36,398)	0
192			52571011	Security Svc SS	675.1	8,434	13,405	21,839
193			52571014	Security Svc TD	675.5	156	248	404
194			52571016	Security Svc AG	675.8	16,486	26,202	42,688
195			52571100	Add'l Security Costs	675.8	964	1,532	2,496
196			52578000	Trash Removal	675.8	10,878	(10,878)	0
197			52578013	Trash Removal WT	675.3	4,981	7,917	12,898
198			52578014	Trash Removal TD	675.5	0	0	0
199			52578016	Trash Removal AG	675.8	6,325	10,053	16,378
200			52583000	Water & WW	675.8	46,864	(46,864)	0
201			52583011	Water & WW SS	675.1	39,796	63,250	103,046
202			52583013	Water & WW WT	675.3	0	0	0
203			52583016	Water & WW AG	675.8	12,671	20,139	32,810
204				Total		529,544	66,158	595,702
205								
206	401	Telecommunication expenses	52574000	Telephone	675.8	84,025	(84,025)	0
207			52574013	Telephone WT	675.3	7,957	8,782	16,739
208			52574014	Telephone TD	675.5	2,416	2,666	5,082
209			52574015	Telephone CA	675.7	52,074	57,472	109,546
210			52574016	Telephone AG	675.8	11,605	12,808	24,413
211			52574100	Cell Phone	675.8	35,932	(35,932)	0
212			52574111	Cell Phone SS	675.1	0	0	0
213			52574113	Cell Phone WT	675.3	2,883	3,182	6,065
214			52574114	Cell Phone TD	675.5	605	668	1,273
215			52574115	Cell Phone CA	675.7	4,192	4,627	8,819

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Line #	Major NARUC Group	Financial Statement Grouping	SAP GL Account	SAP GL Acct Description	96 NARUC Account	Base Period 12 Months Ended 4/30/2016	Allocated Adjustment Forecast at Present Rates	Forecast Year at Present Rates, 12 Mo Ended 8/31/2017
216			52574116	Cell Phone AG	675.8	37,316	41,184	78,500
217			52574200	Data Lines AG	675.8	53	58	111
218				Total		239,058	11,490	250,548
219								
		Postage, printing and stationary						
220	401		52562500	Overnight Shippng	675.8	8,740	(8,740)	0
221			52562511	Overnight Shippng SS	675.1	0	0	0
222			52562513	Overnight Shippng WT	675.3	8,954	993	9,947
223			52562514	Overnight Shippng TD	675.5	283	31	314
224			52562516	Overnight Shippng AG	675.8	1,279	142	1,421
225			52566000	Postage	675.8	250	(250)	0
226			52566016	Postage AG	675.8	1,179	131	1,310
227			52566700	Printing	675.8	8,586	952	9,538
228				Total		29,271	(6,741)	22,530
229								
		Office supplies and services						
230	401		52512500	Books&Publications	675.8	113	53	166
231			52526100	Credit Line Fees I/C	675.8	91,300	42,731	134,031
232			52542016	Forms AG	675.8	1,493	699	2,192
233			52562000	Office Supplies	675.8	28,030	(28,030)	0
234			52562011	Off&Adm Supplies SS	675.1	0	0	0
235			52562013	Off&Adm Supplies WT	675.3	5,188	2,428	7,616
236			52562014	Off&Adm Supplies TD	675.5	3,411	1,596	5,007
237			52562015	Off&Adm Supplies CA	675.7	0	0	0
238			52562016	Off&Adm Supplies AG	675.8	17,533	8,206	25,739
239			52571500	Software Licenses	675.8	57,387	26,859	84,246
240			52582000	Uniforms	675.7	19,967	(19,967)	0
241			52582012	Uniforms P	675.3	197	92	289
242			52582013	Uniforms WT	675.3	7,872	3,684	11,556
243			52582014	Uniforms TD	675.5	7,511	3,515	11,026
244			52582016	Uniforms AG	675.7	1,072	502	1,574
245			52801100	Indirect OH Clearing	675.8	9	(9)	0
246				Total		241,083	42,359	283,442
247								
248		Advertising & marketing expenses						
249	401		52503000	Advertising	660.8	20,040	(20,040)	0
250				Total		20,040	(20,040)	0
251								
252		Employee Related Expense						
253	401		52534000	Employee Expenses	675.8	106,511	(4,073)	102,438
254			52534021	Travel - Meals	675.8	12,163	(465)	11,698
255			52534200	Conferences & Reg	675.8	12,410	(475)	11,935
256			52535000	Meals Deductible	675.8	37,355	(1,428)	35,927
257			52535100	Meals Nondeductible	675.8	0	0	0
258			52567000	Relocation Expenses	675.8	269	(10)	259
259				Total		168,708	(6,451)	162,257
260								
261		Miscellaneous expenses						
262	401		52000000	M&S Expense (O&M)	620.5	65,368	(65,368)	0
263			52001000	M&S Expense (O&M)	620.5	82,096	(82,096)	0
264			52001100	M&S Oper SS	620.1	117	(23)	94
265			52001200	M&S Oper P	620.1	306	(59)	247
266			52001300	M&S Oper WT	620.3	34,148	(6,577)	27,571
267			52001400	M&S Oper TD	620.5	(16,385)	3,156	(13,229)
268			52001600	M&S Oper AG	620.8	10,496	(2,022)	8,474
269			52500000	Misc Expense (O&M)	675.8	14,942	(14,942)	0
270			52501200	Misc Oper P	675.1	16	(3)	13
271			52501300	Misc Oper WT	675.3	11,355	(2,187)	9,168
272			52501400	Misc Oper TD	675.5	30,441	(5,863)	24,578
273			52501600	Misc Oper AG	675.8	64,326	(12,389)	51,937
274			52514000	Charitb Contr Deduct	675.8	2,968	(572)	2,396
275			52514500	Charitb Don-H/Ed/En	675.8	76,700	(14,773)	61,927
276			52514600	Charitb Don-Commnty	675.8	45,386	(8,741)	36,645
277			52514700	Community Partnrshps	675.8	74,064	(14,265)	59,799
278			52514901	Cust Edu Comm-Reg	675.8	2,070	(399)	1,671
279			52514903	Cust Edu Comm-Issues	675.8	25,211	(4,856)	20,355
280			52514904	Cust Edu Comm-Consrv	675.8	99,659	(19,194)	80,465
281			52514905	Cust Edu Comm-Printd	675.8	16,101	(3,101)	13,000
282			52514907	Cust Edu-Press Rls	675.8	1,025	(197)	828
283			52514909	Cust Edu-Video&Photo	675.8	5,653	(1,089)	4,564
284			52515000	Commun Relations-E	675.8	15,128	(2,914)	12,214
285			52515001	Commun Relations-S	675.8	11,872	(2,287)	9,585
286			52522000	Community Relations	675.8	2,161	(416)	1,745

Kentucky American Water Company
Case No. 2015-00418
Supporting Schedule for Jurisdictional Operating Income Summary
Breakdown by Major Account Group & Individual Account

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule C-2
Exhibits\[(Income Statement.xlsx)]MSFR Inc Stmt by Acct - SCH C.2

Line #	Major NARUC Group	Financial Statement Grouping	SAP GL Account	SAP GL Acct Description	96 NARUC Account	Base Period 12 Months Ended 4/30/2016	Allocated Adjustment Forecast at Present Rates	Forecast Year at Present Rates, 12 Mo Ended 8/31/2017
405	412	Amortization of investment tax credits	69520000	ITC Restored FIT	412.11	(42,396)	42,396	0
406			69522000	ITC Restored-3%	412.11	(3,828)	(3,076)	(6,904)
407			69523000	ITC Restored-4%	412.11	(3,150)	(2,532)	(5,682)
408			69524000	ITC Restored-10%	412.11	(35,418)	(28,464)	(63,882)
409						(84,792)	8,324	(76,468)
410								
411	408	General taxes	68520000	Property Taxes	408.11	5,267,665	172,362	5,440,027
412			68520100	Tax Discounts	408.11	(300)	300	0
413			68532000	FUTA	408.12	6,127	(403)	5,724
414			68532100	FUTA Cap Credits	408.12	(1,298)	211	(1,087)
415			68533000	FICA	408.12	625,466	60,951	686,417
416			68533100	FICA Cap Credits	408.12	(109,967)	(22,458)	(132,425)
417			68535000	SUTA	408.12	19,298	2,424	21,722
418			68535100	SUTA Cap Credits	408.12	(4,076)	(50)	(4,126)
419			68543000	Othr Taxes & Licenses	408.13	509,715	(500,024)	9,691
420			68544000	Gross Receipts Tax	408.13	2,042	(2,042)	0
421			68545000	Utility Reg Assessme	408.10	169,917	(2,248)	167,669
422						6,484,589	(290,978)	6,193,611
423		Operating Income		Operating Income = Account Groups 400+420-401-403-406-407-408-409-410-412		\$26,588,753	(\$1,531,281)	\$25,057,472
424								
425		Breakdown by Major Account Group						
426	400	Sum Operating Revenues				90,509,219	(2,823,250)	87,685,969
427	420	Sum AFUDC				0	665,027	665,027
428	401	Sum Operating Expenses				33,192,846	1,083,935	34,276,781
429	403	Sum Depreciation Expense				13,500,782	1,447,313	14,948,095
430	406	Sum Amortization of UPAA				8,556	(8,556)	0
431	407	Sum Amortization Expense				230,514	(3,387)	227,127
432	408	Sum Taxes Other Than income				6,484,589	(290,978)	6,193,611
433	409	Sum Current Income Taxes				6,596,736	(400,320)	6,196,416
434	410	Sum Deferred Tax				3,991,235	(2,463,272)	1,527,963
435	412	Sum Investment Tax Credits				(84,792)	8,324	(76,468)
436				Operating Income Summary		\$26,588,753	(\$1,531,281)	\$25,057,472

**EXHIBIT 37
SCHEDULE D**

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
D-1	Summary of Adjustments to Operating Income by Major Account
D-2	Support Schedule for Individual Adjustments to Operating Income
D-3	Supporting Schedule for Jurisdictional Factors

For electronic version, see KAW_APP_EX37D_012916.pdf.

Kentucky American Water Company

Case No. 2015-00418

Summary of Jurisdictional Adjustments to Operating Income by Major Account

Data: Base Period Forecast PeriodVersion: Original Updated Revised

Exhibit 37, Schedule D-1

Exhibits\Income Statement.xlsx]MSFR IS Adjust D.1

Line Number	Major NARUC Account Group	Description	Base Period 12 Months Ended 4/30/2016	Adjust for Forecast at Present Rates	Forecast Year at Present Rates 12 Mo Ended 8/31/2017	Supporting Schedule Information
1	400 (and 420)	Operating Revenues <i>(Adjustment for Forecast Includes AFUDC, from Account Group 420, per Prior Orders re: inclusion of CWIP in Rate Base)</i>	\$90,509,219	(\$2,158,223)	\$88,350,996	See D-2
2						
3						
4	401	Operating Expenses	33,192,846	1,083,935	34,276,781	See D-2
5						
6	403	Depreciation Expense	13,500,782	1,447,313	14,948,095	See D-2
7						
8	406	Amortization of Utility Plant Acquisition Adjustments	8,556	(8,556)	0	See D-2
9						
10	407	Amortization Expense	230,514	(3,387)	227,127	See D-2
11						
12	408	Taxes Other Than Income	6,484,589	(290,978)	6,193,611	See D-2
13						
14	409	Income Taxes (Current, Utility Operating Income)	6,596,736	(400,320)	6,196,416	See D-2
15						
16	410	Provision for Deferred Income Taxes	3,991,235	(2,463,272)	1,527,963	See D-2
19						
20	412	Investment Tax Credits	(84,792)	8,324	(76,468)	See D-2
		Utility Operating Income	<u>\$26,588,753</u>	<u>(\$1,531,281)</u>	<u>\$25,057,472</u>	

Kentucky American Water Company
Case No. 2015-00418
Supporting Schedule for Individual Adjustments to Operating Income

Data: Base Period Forecast Period
 Version: Original Updated Revised

Exhibit 37, Schedule D-2
 Exhibits\Income Statement.xlsx\MSFR IS Adjust Support D-2

Line #	Major NARUC Acct. Group	Description	Base Period Ended 4/30/2016	Adjustment for Forecast at Present Rates	Forecast Year Ended 8/31/2017 At Present Rates	Work Paper #	Workpaper Excel Location	Description of Adjustment
1	400	Operating Revenues						
2		Water Revenues						
3		Residential Sales	\$48,487,971	(\$890,033)	\$47,597,938	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Residential Sales adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
4		Commercial Sales	22,363,338	(1,194,943)	21,168,395	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Commercial Sales adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
5		Industrial Sales	2,558,342	(17,859)	2,540,483	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Industrial Sales adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
6		Public Fire	3,764,401	(23,895)	3,740,506	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Public Fire adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
7		Private Fire	2,716,050	(16,203)	2,699,847	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Private Fire adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
8		Public Authority Sales	6,278,926	(374,160)	5,904,766	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Public Authority Sales adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
9		Sale for Resale	1,929,026	(154,284)	1,774,742	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Sale for Resale adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
10		Miscellaneous Sales	125,377	(40,833)	84,544	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Miscellaneous Sales adjustment is based on the change in billing determinants for billed water revenue and to eliminate the net change in unbilled accrued utility revenues recorded during the base period.
11		Other Water Revenues	100	0	100	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	The Other Water Revenues adjustment is based on the change in billing determinants for billed water revenue.
12	400	Other Revenues						
13		OthRev-Late Pymt Fee	952,621	(99,981)	852,640	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Late Payment Fees for the forecast period.
14		OthRev-Rent	75,358	(5,674)	69,684	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Other Revenue-Rent for the forecast period.
15		OthRev-Rent I/C	50,904	14,496	65,400	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Other Revenue-Rent I/C for the forecast period.
16		OthRev-CFO	0	0	0	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Other Revenue-CFO for the forecast period.
17		OthRev-NSF Ck Chrg	30,740	1,402	32,142	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Returned Check Charges for the forecast period.
18		OthRev-Appl/InitFee	754,380	(10,837)	743,543	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Application and Initiation Fees for the forecast period.
19		OthRev-Usage Data	51,945	689	52,634	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Usage Data for the forecast period.
20		OthRev-Reconnect Fee	331,964	(32,359)	299,605	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Reconnect Fees for the forecast period.
21		OthRev-Misc Svc	37,776	21,224	59,000	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Miscellaneous Service for the forecast period.
22		OthRev WW-Misc Svc	0	0	0	Exhibit 37, Schedule M-1	Revenues\[KY Revenue Exhibit.xlsx]Exhibit	To adjust Waster Water Miscellaneous Service for the forecast period.
23	420	AFUDC		665,027	665,027	W/P - 1-4	Rate Base\[Rate Base KY Capital through 08.31.2017.xlsx]Link Out	Adjustment to Reflect AFUDC for the Forecast Year
24		Total Water , Other & AFUDC Revenues (Sum Lines 3-23)	90,509,219	(2,158,223)	88,350,996			
25								
26	401	Operating Expense						
27		O&M:						
28		Purchased Water	271,476	(41,221)	230,255	W/P - 3-2	O&M\[Purchased Water Expense Exhibit.xlsx]Exhibit	Purchased Water adjustments are based on forecasted amounts. Costs decreased due to forecast reduction in purchased water expense.

Kentucky American Water Company
Case No. 2015-00418
Supporting Schedule for Individual Adjustments to Operating Income

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule D-2
Exhibits\Income Statement.xlsx\MSFR IS Adjust Support D-2

Line #	Major NARUC Acct. Group	Description	Base Period Ended 4/30/2016	Adjustment for Forecast at Present Rates	Forecast Year Ended 8/31/2017 At Present Rates	Work Paper #	Workpaper Excel Location	Description of Adjustment
29		Fuel & Power	3,889,124	122,463	4,011,587	W/P - 3-3	O&M\Fuel and Power Expense Exhibit.xlsx\Exhibit	Fuel and Power adjustments are based on forecasted amounts, plus the following adjustments. The forecast includes rate increases for Owen Electric (3.5% in 2016 and 2017), Kentucky Utilities (15.5% in 2016 and 19% in 2017) and Clark Energy (2% in 2016 and 2017).
30		Chemicals	1,619,489	148,890	1,768,379	W/P - 3-4	O&M\Chemical Expense Exhibit.xlsx\Exhibit	Chemical adjustments are based on forecasted amounts, plus the following adjustments. The forecast was adjusted for chemical price increases and a decrease in system delivery.
31		Waste Disposal	275,269	102,111	377,380	W/P - 3-5	O&M\Waste Disposal Expense Exhibit.xlsx\Exhibit	The Waste Disposal adjustment is based on the forecasted amount, plus the following adjustment. Additional sludge hauling forecasted for the KRS2 plant.
32		Salaries and Wages	7,103,811	248,319	7,352,130	W/P - 3-1	O&M\Labor and Labor Related Exhibit.xlsx\Labor Exhibit	Adjustment include negotiated wage increases for union employees under the current contract and annual merit increases for non-union employees. Expense is net of capitalization and sewer utility charges. Six open positions which will be filled by 2016 have been added.
33		Pension	630,347	(28,277)	602,070	W/P - 3-1c	O&M\Labor and Labor Related Exhibit.xlsx\Pension Exhibit	Adjustment reflects current estimate for FAS 87 Pension accruals for the months September 2016 - August 2017. Expense is net of capitalization and sewer utility charges
34		Group Insurance	1,657,452	266,001	1,923,453	W/P - 3-1a	O&M\Labor and Labor Related Exhibit.xlsx\Group Ins Exhibit	Adjustment reflects costs for all group insurances net of employee contributions, at selected plan rates where available. Costs reflect a 4% increase from January through August 2017, with matching increase for employee contributions. Expense is net of capitalization and sewer utility charges.
35		Other Benefits	430,089	62,732	492,821	W/P - 3-1b	O&M\Labor and Labor Related Exhibit.xlsx\Other Benefits Exhibit	Adjustment reflects costs forecasted through the budget process, including allowances for tuition assistance, training, drug screenings, health & safety incentives, and biological exposure vaccinations.
36		Support Services	8,165,618	438,063	8,603,681	W/P - 3-7	O&M\Support Services Exhibit.xlsx\Exhibit	Adjustment reflects Labor and Labor related increases with a partially offset decrease in Other costs. Charitable contributions and advertising were removed, in addition to the .29% allocation of costs to the sewer division based on Case No. 2014-00390.
37		Contract Services	1,024,472	(265,801)	758,671	W/P - 3-18	O&M\Contract Services Expense Exhibit.xlsx\Exhibit	The Contract Services adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. The forecast budget includes contracts for lab testing, accounting, audit fees, legal, and other services such as snow removal, landscaping, and janitorial services.
38		Building Maintenance & Services	529,544	66,158	595,702	W/P - 3-12	O&M\Building Maintenance & Services Exhibit.xlsx\Exhibit	The Building Maintenance and Services adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017.
39		Telecommunications	239,058	11,490	250,548	W/P - 3-14	O&M\Telecommunications Expense Exhibit.xlsx\Exhibit	The Telecommunications Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. The forecast budget includes expenses for telephones and cell phones.
40		Postage, Printing, & Stationary	29,271	(6,741)	22,530	W/P - 3-15	O&M\Postage, Printing & Stationary Expense Exhibit.xlsx\Exhibit	The Postage, Printing, & Stationary Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. The forecast budget includes expenses for postage and overnight shipping.
41		Other Supplies & Services	241,083	42,359	283,442	W/P - 3-16	O&M\Office Supplies & Services Expense Exhibit.xlsx\Exhibit	The Office Supplies & Services Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. The forecast budget includes expenses for uniforms, office supplies, forms, and software licenses.
42		Advertising & Marketing	20,040	(20,040)	0	W/P - 3-17	O&M\Advertising & Marketing Exhibit.xlsx\Exhibit	The Advertising and Marketing adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. Advertising and marketing expenses have been removed in the forecast year.
43		Employee Related Expense	168,708	(6,451)	162,257	W/P - 3-19	O&M\Employee Related Expense Exhibit.xlsx\Exhibit	The Employee Related Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017.
44		Miscellaneous Expense	1,319,241	(385,214)	934,027	W/P - 3-20	O&M\Miscellaneous Expense Exhibit.xlsx\Exhibit	The Miscellaneous Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. Penalties, injuries and damages, and charitable contributions were removed in the forecast year.
45		Rents	20,498	30	20,528	W/P - 3-11	O&M\Rent Expense Exhibit.xlsx\Exhibit	The Rent Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. The forecast budget is based on contracts for equipment leases such as copiers and real estate agreements.
46		Transportation	405,020	23,821	428,841	W/P - 3-21	O&M\Transportation Lease Expense Exhibit.xlsx\Exhibit	The Transportation Lease Expense adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017.
47		Uncollectible Accounts	794,406	(109,180)	685,226	W/P - 3-10	O&M\Uncollectibles Accounts Exhibit.xlsx\Exhibit	The uncollectible percentage was calculated by using present rate water revenues at August 31, 2017 and the adjusted base period ended April 30, 2016 uncollectible accounts.

Kentucky American Water Company
Case No. 2015-00418
Supporting Schedule for Individual Adjustments to Operating Income

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule D-2
Exhibits\Income Statement.xlsx\MSFR IS Adjust Support D-2

Line #	Major NARUC Acct. Group	Description	Base Period Ended 4/30/2016	Adjustment for Forecast at Present Rates	Forecast Year Ended 8/31/2017 At Present Rates	Work Paper #	Workpaper Excel Location	Description of Adjustment
48		Other Customer Accounting	1,110,639	350,921	1,461,560	W/P - 3-9	O&M\[Customer Accounting-Postage Exhibit.xlsx]Exhibit	The Other Customer Accounting adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017. The adjustment also includes an increase in credit card fees.
49		Regulatory Expense	287,496	3,027	290,523	W/P - 3-6	O&M\[Regulatory Expense Exhibit.xlsx]Exhibit	The Regulatory Expense adjustment is based on the forecasted costs for preparing the rate case amortized for 3 years. The adjustment also include a 5 year amortization of the depreciation study.
50		Insurance Other Than Group	798,704	6,875	805,579	W/P - 3-22	O&M\[Insurance Other than Group Exhibit.xlsx]Exhibit	The Insurance Other Than Group adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017.
51		Maintenance Supplies & Services	2,161,991	53,599	2,215,590	W/P - 3-13	O&M\[Maintenance Supplies & Services Exhibit.xlsx]Exhibit	The Maintenance Supplies and Services adjustment is based on the difference between the base period amounts from May 2015 through April 2016 and the forecasted budget amounts for September 2016 through August 2017.
52		Total O & M Expense (Sum of Lines 28 through 51):	<u>33,192,846</u>	<u>1,083,935</u>	<u>34,276,781</u>			

Kentucky American Water Company
Case No. 2015-00418
Supporting Schedule for Jurisdictional Factors

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule D-3
Exhibits\[Income Statement.xlsx]D-3

Jurisdictional Factors are not applicable to Kentucky American Water Company in this proceeding.

**EXHIBIT 37
SCHEDULE E**

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY FOR BASE AND FORECASTED PERIODS

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

Schedule	Description
E-1.1	Federal Income Tax Calculation for the Base Period, Support Schedule
E-1.2	State Income Tax Calculation for the Base Period, Support Schedule
E-1.3	Federal Income Tax Calculation for the Forecast Period, Support Schedule
E-1.4	State Income Tax Calculation for the Forecast Period, Support Schedule
E-1.5	Summary of Income Tax for the Base and Forecast Period
E-2	Development of Jurisdictional Federal and State Income Taxes

For electronic version, see KAW_APP_EX37E_012916.pdf.

Workpaper #:
Excel Reference:

SCHEDULE E-1.1
Taxes\[Income Tax Exhibit.xlsx]E-1.1 Federal Inc Tax Base

Kentucky American Water Company
Case No. 2015-00418
Base Year Adjustment Employee Related Expense
For the 12 Months Ending August 31, 2017

Witness Responsible: Linda Bridwell
Type of Filing: Original Updated Revised

Line	Category	Item	Current Rates Federal Tax Calculation Base Period	Adjustments	Adjusted Base Period
1	Book Revenue (+)				
2		Operating Revenue	\$90,509,219	\$0	\$90,509,219
3					
4	Book Deductions (-)				
5		O&M Expenses	(33,192,846)	-	(33,192,846)
6		Depreciation, Amortization, & Cost of Removal	(13,739,852)	-	(13,739,852)
7		Taxes Other Than Income	(6,484,589)	-	(6,484,589)
8		Current State Income Tax	(960,839)	-	(960,839)
10		Interest Expense	(12,226,347)	-	(12,226,347)
11		Total Book Deductions (Sum Lines 5 - 10)	(\$66,604,474)	\$0	(\$66,604,474)
12					
13		Book Pre-Tax Income (Line 2 + Line 11)	\$23,904,745	\$0	\$23,904,745
14					
15	Reconciling Items				
		Permanent Differences:			
16		(Deduction) or Reversal of Deduction			
17		Non-Deductible Meals	18,678	-	18,678
18		Non-Deductible Penalties and Mandatory Dividends	191,023	-	191,023
19		Pre-Tax Income After Perm. Differences (Line 13 + Line 17 + Line 18)	\$24,114,446	\$0	\$24,114,446
20					
		Temporary Differences:			
21		(Deduction) or Reversal of Deduction; Revenue or (Reversal of Revenue)			
22		Deduct Tax Depreciation (State or Federal)	(15,680,284)	-	(15,680,284)
23		Reverse Deduction of Book Depreciation	12,909,086	-	12,909,086
24		Reverse Deduction of Amortization of Property Losses	57,084	-	57,084
25		Reverse Deduction of Amortization of UPAA	-	-	-
26		Reverse Deduction of Deferred Maintenance Amortization	439,721	-	439,721
27		Deduct Actual Deferred Maintenance Expenditures	(\$3,991,675)	-	(3,991,675)
28		Reverse All CIAC Amortization Credits	(1,580,754)	-	(1,580,754)
29		Reflect Actual Taxable CIAC Received	(154,899)	-	(154,899)
30		Reflect Repairs Deduction	(3,138,966)	-	(3,138,966)
31		Reverse Book Cost of Removal	2,207,298	-	2,207,298
32		Reflect Actual Cost of Removal	(473,912)	-	(473,912)
33		Net Temporary (Deductions) or Reversal of Deductions (Sum Lines 22 - 32)	(\$9,407,301)	\$0	(\$9,407,301)
34					
35		Pre-Tax Income After Permanent and Temporary Differences (Line 19 + Line 33)	\$14,707,145	\$0	\$14,707,145
36					
37	Calculation of Current Federal Income Taxes				
38		Tax Rate	35.00%	35.00%	35.00%
39		Current Taxes (Line 35 x Line 38)	5,147,501	-	5,147,501
40		Adjustment For Tax Provision	1,057,879		
41		Total Current Taxes	\$6,205,380		\$6,205,380
42		Less: Prior Year Adjustment	659,862	(659,862)	-
43		Total Federal Income Taxes - Current (Line 41 - Line 42)	\$5,545,518	\$659,862	\$6,205,380
44					
45	Calculation of Deferred Federal Income Taxes				
46		Federal Deferred Taxes Related to UPIS, CIAC, and Repairs	2,522,739	-	2,522,739
47		Federal Deferred Taxes Related to Deferred Maintenance	1,168,593	-	1,168,593
48		Federal Deferred Taxes Related to Property Losses	(18,781)	-	(18,781)
49		Federal Deferred Taxes Related to Cost of Removal	(570,284)	-	(570,284)
50		Federal Deferred Taxes - Prior Year	695,310	(695,310)	-
51		Items Deferred	\$3,797,577	(\$695,310)	\$3,102,267
52		Adjustment For Tax Provision	411,476		411,476
53		Sum Items Deferred	\$3,386,101	(\$695,310)	\$2,690,791
54					
55	Amortization of Deferred Income Tax Assets & Liabilities				
56		Amortization of Deferred Regulatory Tax Assets & Tax Liabilities	141,318	-	141,318
57					
58		Amortization of Deferred ITC	(84,792)	-	(84,792)
59		Sum Total Federal Deferred Taxes + Amortization of ITC	\$3,442,627	(\$695,310)	\$2,747,317
60					
61					
62		Total Current + Deferred Federal Income Taxes + Amortization of ITC (Line 43 + Line 59)	\$8,988,145	(\$35,448)	\$8,952,697

Workpaper #:
Excel Reference:

SCHEDULE E-1.2
Taxes\Income Tax Exhibit.xlsx]E-1.2 State Inc Tax Base

Kentucky American Water Company
Case No. 2015-00418
Base Year Adjustment Employee Related Expense
For the 12 Months Ending August 31, 2017

Witness Responsible: Linda Bridwell

Type of Filing: Original Updated Revised

Line	Category	Item	Current Rates State Tax Calculation Base Period	Adjustments	Adjusted Base Period
1	Book Revenue (+)				
2		Operating Revenue	\$90,509,219	\$0	\$90,509,219
3					
4	Book Deductions (-)				
5		O&M Expenses	(33,192,846)	-	(33,192,846)
6		Depreciation, Amortization, & Cost of Removal	(13,739,852)	-	(13,739,852)
7		Taxes Other Than Income	(6,484,589)	-	(6,484,589)
8		Current State Income Tax	0	-	-
10		Interest Expense	(12,226,347)	-	(12,226,347)
11		Total Book Deductions (Sum Lines 5 - 10)	(\$65,643,634)	\$0	(\$65,643,634)
12					
13		Book Pre-Tax Income (Line 2 + Line 11)	\$24,865,585	\$0	\$24,865,585
14					
15	Reconciling Items				
16		Permanent Differences:			
17		(Deduction) or Reversal of Deduction			
17		Non-Deductible Meals	18,678	-	18,678
18		Non-Deductible Penalties and Mandatory Dividends	191,050	-	191,050
19		Pre-Tax Income After Perm. Differences (Line 13 + Line 17 + Line 18)	\$25,075,312	\$0	\$25,075,312
20					
21		Temporary Differences:			
22		(Deduction) or Reversal of Deduction; Revenue or (Reversal of Revenue)			
22		Deduct Tax Depreciation (State or Federal)	(15,334,307)	-	(15,334,307)
23		Reverse Deduction of Book Depreciation	12,909,086	-	12,909,086
24		Reverse Deduction of Amortization of Property Losses	57,084	-	57,084
25		Reverse Deduction of Amortization of UPAA	-	-	-
26		Reverse Deduction of Deferred Maintenance Amortization	439,721	-	439,721
27		Deduct Actual Deferred Maintenance Expenditures	(\$3,991,675)	-	(3,991,675)
28		Reverse All CIAC Amortization Credits	(1,580,754)	-	(1,580,754)
29		Reflect Actual Taxable CIAC Received	(154,899)	-	(154,899)
30		Reflect Repairs Deduction	(3,138,966)	-	(3,138,966)
31		Reverse Book Cost of Removal	2,207,298	-	2,207,298
32		Reflect Actual Cost of Removal	(473,912)	-	(473,912)
33		Net Temporary (Deductions) or Reversal of Deductions (Sum Lines 22 - 32)	(\$9,061,324)	\$0	(\$9,061,324)
34					
35		Pre-Tax Income After Permanent and Temporary Differences (Line 19 + Line 33)	\$16,013,988	\$0	\$16,013,988
36					
37	Calculation of Current State Income Taxes				
38		Tax Rate	6.0%	6.0%	6.0%
39		Current Taxes (Line 35 x Line 38)	960,839		960,839
40		Adjustment For Tax Provision	162,914		162,914
41		Total Current Taxes	1,123,753		1,123,753
42		Less: Prior Year Adjustment	72,535	(72,535)	-
43		Total State Income Taxes (Line 41 - Line 42)	\$1,051,218	\$72,535	\$1,123,753
44					
45	Calculation of Deferred State Income Taxes				
46		State Defered Taxes Related to UPIS, CIAC, and Repairs	437,990	-	437,990
47		State Defered Taxes Related to Deferred Maintenance	213,117	-	213,117
48		State Defered Taxes Related to Property Losses	(3,425)	-	(3,425)
49		State Defered Taxes Related to Cost of Removal	(104,003)	-	(104,003)
50		State Defered Taxes - Prior Year	472,654	472,654	945,308
51		Items Deferred	\$1,016,333	\$472,654	\$1,488,987
52		Adjustment For Tax Provision	531,775	-	531,775
53		Sum Items Deferred	\$484,558	\$472,654	\$957,212
54					
55		Amortization of Deferred Income Tax Assets & Liabilities			
56		Amortization of Deferred Regulatory Tax Assets & Tax Liabilities	7,740	-	7,740
57		Sum Total Deferred Taxes	\$492,298	\$472,654	\$964,952
58					
59					
60		Total Current + Deferred State Income Taxes (Line 43 + Line 57)	\$1,543,516	\$545,189	\$2,088,705

Workpaper #:
Excel Reference:

SCHEDULE E-1.3
Taxes\Income Tax Exhibit.xlsx\E-1.3 Federal Inc Tax Forecast

Kentucky American Water Company
Case No. 2015-00418
Base Year Adjustment Employee Related Expense
For the 12 Months Ending August 31, 2017

Witness Responsible: Linda Bridwell

Type of Filing: Original Updated Revised

Line	Category	Item	Current Rates	At Proposed Rates	Forecast Period
			Federal Tax Calculation Forecast Period	Adjustments	At Proposed Rates
1	Book Revenue (+)				
2		Operating Revenue	\$88,350,996	\$12,788,480	\$101,139,476
3					
4	Book Deductions (-)				
5		O&M Expenses	(34,276,781)	(105,134)	(34,381,915)
6		Depreciation, Amortization, & Cost of Removal	(15,175,222)	-	(15,175,222)
7		Taxes Other Than Income	(6,193,611)	(25,573)	(6,219,184)
8		Current State Income Tax & Tax Amorts	(\$1,140,785.49)	(515,893)	(1,656,678)
9		Interest Expense	(12,463,394)	-	(12,463,394)
10		Total Book Deductions (Sum Lines 5 - 9)	(\$69,249,794)	(\$646,599)	(\$69,896,393)
11					
12		Book Pre-Tax Income (Line 2 + Line 10)	\$19,101,202	\$12,141,881	\$31,243,083
13					
14	Reconciling Items				
15		Permanent Differences:			
16		(Deduction) or Reversal of Deduction			
16		Non-Deductible Meals	17,963	-	17,963
17		Non-Deductible Penalties and Mandatory Dividends	191,050	-	191,050
18		Pre-Tax Income After Perm. Differences (Line 12 + Line 16 + Line 17)	\$19,310,216	\$12,141,881	\$31,452,096
19					
20		Temporary Differences:			
20		(Deduction) or Reversal of Deduction; Revenue or (Reversal of Revenue)			
21		Deduct Tax Depreciation (State or Federal)	(19,341,921)	-	(19,341,921)
22		Reverse Deduction of Book Depreciation	13,912,201	-	13,912,201
23		Reverse Deduction of Amortization of Property Losses	57,088	-	57,088
24		Reverse Deduction of Amortization of UPAA	0	-	-
25		Reverse Deduction of Deferred Maintenance Amortization	450,622	-	450,622
26		Deduct Actual Deferred Maintenance Expenditures	(\$3,570,000)	-	(3,570,000)
27		Reverse All CIAC Amortization Credits	(1,800,094)	-	(1,800,094)
28		Reflect Actual Taxable CIAC Received	115,320	-	115,320
29		Reflect Repairs Deduction	3,242,573	-	3,242,573
30		Reverse Book Cost of Removal	2,835,988	-	2,835,988
31		Reflect Actual Cost of Removal	(767,335)	-	(767,335)
32		Net Temporary (Deductions) or Reversal of Deductions (Sum Lines 21 - 31)	(\$4,865,558)	\$0	(\$4,865,558)
33					
34		Pre-Tax Income After Permanent and Temporary Differences (Line 18 + Line 32)	\$14,444,658	\$12,141,881	\$26,586,538
35					
36	Calculation of Current Federal Income Taxes				
37		Tax Rate	35%	35%	35%
38		Current Taxes (Line 34 x Line 37)	\$5,055,630	\$4,249,658	\$9,305,288
39					
40					
41	Calculation of Deferred Federal Income Taxes				
42		Federal Deferred Taxes Related to UPIS, CIAC, and Repairs	1,344,445	-	1,344,445
43		Federal Deferred Taxes Related to Deferred Maintenance	1,026,275	-	1,026,275
44		Federal Deferred Taxes Related to Property Losses	(18,782)	-	(18,782)
45		Federal Deferred Taxes Related to Cost of Removal	(680,587)	-	(680,587)
46		Sum Items Deferred	\$1,671,352	\$0	\$1,671,352
47					
48		Amortization of Deferred Income Tax Assets & Liabilities			
49		Amortization of Deferred Regulatory Tax Assets & Tax Liabilities	(\$167,106)	-	(167,106)
50					
51		Amortization of Deferred ITC	(76,468)	-	(76,468)
52		Sum Total Federal Deferred Taxes + Amortization of ITC	\$1,427,778	\$0	\$1,427,778
53					
54					
55		Total Current + Deferred Federal Income Taxes + Amortization of ITC (Line 38 + Line 52)	\$6,483,408	\$4,249,658	\$10,733,066

Workpaper #:
Excel Reference:

SCHEDULE E-1.4
Taxes\Income Tax Exhibit.xlsx\E-1.4 State Inc Tax Forecast

Kentucky American Water Company
Case No. 2015-00418
Base Year Adjustment Employee Related Expense
For the 12 Months Ending August 31, 2017

Witness Responsible: Linda Bridwell
Type of Filing: Original Updated Revised

Line	Category	Item	Current Rates State Tax Calculation Forecast Period	At Proposed Rates Adjustments	Forecast Period At Proposed Rates
1	Book Revenue (+)				
2		Operating Revenue	\$88,350,996	\$12,788,480	\$101,139,476
3					
4	Book Deductions (-)				
5		O&M Expenses	(34,276,781)	(105,134)	(34,381,915)
6		Depreciation, Amortization, & Cost of Removal	(15,175,222)	-	(15,175,222)
7		Taxes Other Than Income	(6,193,611)	(25,573)	(6,219,184)
8		Tax Amortizations	66,551	-	66,551
9		Interest Expense	(12,463,394)	-	(12,463,394)
10		Total Book Deductions (Sum Lines 5 - 9)	(\$68,042,457)	(\$130,707)	(\$68,173,164)
11					
12		Book Pre-Tax Income (Line 2 + Line 10)	\$20,308,539	\$12,657,773	\$32,966,312
13					
14	Reconciling Items				
15		Permanent Differences:			
16		(Deduction) or Reversal of Deduction			
17		Non-Deductible Meals	17,963	-	17,963
18		Non-Deductible Penalties and Mandatory Dividends	191,050	-	191,050
19		Pre-Tax Income After Perm. Differences (Line 12 + Line 16 + Line 17)	\$20,517,552	\$12,657,773	\$33,175,326
20		Temporary Differences:			
21		(Deduction) or Reversal of Deduction; Revenue or (Reversal of Revenue)			
22		Deduct Tax Depreciation (State or Federal)	(15,980,824)	-	(15,980,824)
23		Reverse Deduction of Book Depreciation	13,912,201	-	13,912,201
24		Reverse Deduction of Amortization of Property Losses	57,088	-	57,088
25		Reverse Deduction of Amortization of UPAA	-	-	-
26		Reverse Deduction of Deferred Maintenance Amortization	450,622	-	450,622
27		Deduct Actual Deferred Maintenance Expenditures	(3,570,000)	-	(3,570,000)
28		Reverse All CIAC Amortization Credits	(1,800,094)	-	(1,800,094)
29		Reflect Actual Taxable CIAC Received	115,320	-	115,320
30		Reflect Repairs Deduction	3,242,573	-	3,242,573
31		Reverse Book Cost of Removal	2,835,988	-	2,835,988
32		Reflect Actual Cost of Removal	(767,335)	-	(767,335)
33		Net Temporary (Deductions) or Reversal of Deductions (Sum Lines 21 - 31)	(\$1,504,461)	\$0	(\$1,504,461)
34		Pre-Tax Income After Permanent and Temporary Differences (Line 18 + Line 32)	\$19,013,092	\$12,657,773	\$31,670,865
35					
36	Calculation of Current State Income Taxes				
37		Tax Rate	6.0%	6.0%	6.0%
38		Current Taxes (Line 34 x Line 37)	\$1,140,785	\$759,466	\$1,900,252
39					
40					
41	Calculation of Deferred State Income Taxes				
42		State Deferred Taxes Related to UPIS, CIAC, and Repairs	30,649	-	30,649
43		State Deferred Taxes Related to Deferred Maintenance	187,163	-	187,163
44		State Deferred Taxes Related to Property Losses	(3,425)	-	(3,425)
45		State Deferred Taxes Related to Cost of Removal	(124,119)	-	(124,119)
46		Sum Items Deferred	\$90,268	\$0	\$90,268
47					
48		Amortization of Deferred Income Tax Assets & Liabilities			
49		Amortization of Deferred Regulatory Tax Assets & Tax Liabilities	(66,551)	-	(66,551)
50		Sum Total Deferred Taxes	\$23,717	\$0	\$23,717
51					
52					
53		Total Current + Deferred State Income Taxes (Line 38 + Line 50)	\$1,164,502	\$759,466	\$1,923,969
54					

Workpaper #:
Excel Reference:

SCHEDULE E-1.5
Taxes\[Income Tax Exhibit.xlsx]E-1.5 Summary of Income Tax Adj

Kentucky American Water Company
Case No. 2015-00418
Base Year Adjustment Employee Related Expense
For the 12 Months Ending August 31, 2017

Witness Responsible: Linda Bridwell
Type of Filing: Original Updated Revised

Line	Reference Base Period	Reference Forecasted Period	Description	At Current Rates Base Period	Present Rates Forecasted Period	Adjustment
1						
2						
3			<u>State Income Taxes</u>			
4	Sch E-1.2	Sch E-1.4	Current	\$1,123,753	\$1,140,785	\$17,032
5	Sch E-1.2	Sch E-1.4	Deferred	964,952	23,717	(941,235)
6						
7						
8			Total State Income Taxes	<u>\$2,088,705</u>	<u>\$1,164,502</u>	<u>(\$924,203)</u>
9						
10						
11						
12			<u>Federal Income Taxes</u>			
13	Sch E-1.1	Sch E-1.3	Current	6,205,380	5,055,630	(1,149,750)
14	Sch E-1.1	Sch E-1.3	Deferred	2,690,791	1,671,352	(1,019,439)
15	Sch E-1.1	Sch E-1.3	Amort. Def Reg Assets/Liab.	141,318	(167,106)	(308,424)
16	Sch E-1.1	Sch E-1.3	Deferred - ITC	(84,792)	(76,468)	8,324
17						
18						
19			Total Federal Income Taxes	<u>\$8,952,697</u>	<u>\$6,483,408</u>	<u>(\$2,469,289)</u>
20						
21						
22			Total Income Taxes	<u>\$11,041,402</u>	<u>\$7,647,910</u>	<u>(\$3,393,492)</u>

Workpaper #:

SCHEDULE E-2

Excel Reference:

Taxes\[Income Tax Exhibit.xlsx]E-2 Jurisdictional Income Taxes

Kentucky American Water Company
Case No. 2015-00418
Base Year Adjustment Employee Related Expense
For the 12 Months Ending August 31, 2017

Witness Responsible: Linda Bridwell

Type of Filing: Original Updated Revised

<u>Line</u>	<u>Account Title</u>	<u>Total Utility</u>	<u>Jurisdictional Percent</u>	<u>Jurisdiction</u>	<u>Jurisdictional Code / Explanation</u>
1					
2					
3					
4					NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY.
5					
6					100% JURISDICTIONAL FOR KENTUCKY-AMERICAN WATER COMPANY.
7					
8					
9					

**EXHIBIT 37
SCHEDULE F**

ORGANIZATIONAL MEMBERSHIP DUES, INITIATION FEES, COUNTRY CLUB EXPENDITURES, CHARITABLE CONTRIBUTIONS, MARKETING EXPENSES, SALES EXPENSES, ADVERTISING EXPENSES, PROFESSIONAL SERVICE EXPENSES, CIVIC AND POLITICAL ACTIVITY EXPENSES, EMPLOYEE PARTIES AND OUTING EXPENSES, EMPLOYEE GIFT EXPENSES, AND RATE CASE EXPENSES FOR THE BASE AND FORECASTED PERIODS

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
F-1	Social and Service Club Dues
F-2.1	Charitable Contributions
F-2.2	Initiation Fees/Country Club Expenses
F-2.3	Employee Party, Outing and Gift Expenses
F-3	Customer Service, Sales Promotion and Advertising Expense
F-4	Advertising
F-5	Professional Service Expense
F-6	Rate Case Expense
F-7	Civic, Political and Related Activities

For electronic version, see KAW_APP_EX37F_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Social and Service Club Dues
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Data: _X_ Base Period _X_ Forecasted Period
Type of Filing: __X__ Original _____ Updated _____ Revised
Worksheet Reference No(s): N/A

Exhibit 37, Schedule F-1
Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
Witness Responsible: Linda Bridwell

Line No.	Account No.	Social Organization / Service Club	Total Utility	Base Period		Forecasted Period		
				Jurisdictional %	Jurisdiction	Total Utility	Jurisdictional %	Jurisdiction
1	52524000	AWWA Membership	\$4,194	100.00%	\$4,194	\$2,102	100.00%	\$2,102
2	52524000	Better Business Bureau	864		864	433		433
3	52524000	Commerce Lexington Fees	1,759		1,759	882		882
4	52524000	Georgetown/Scott County Chamber of Commerce	500		500	251		251
5	52524000	Greater Lexington Apartment Association-Golf Outing Sponsorship	212		212	106		106
6	52524000	Kentucky Association of Counties Membership Dues	250		250	125		125
7	52524000	Kentucky Chamber of Commerce	1,675		1,675	840		840
8	52524000	KY Commerce Fees	3,350		3,350	1,680		1,680
9	52524000	KY League of Cities	2,650		2,650	1,329		1,329
10	52524000	Lexington Commerce Fees	880		880	441		441
11	52524000	NAWC Fees	24,624		24,624	12,346		12,346
12	52524000	Paris Bourbon County Chamber Commerce	1,116		1,116	560		560
13	52524000	Vision Society Trustee Membership	2,650		2,650	1,329		1,329
14	52524000	Water Reuse Research Subscriber Fees	986		986	494		494
15	52524000	Winchester Clark County Chamber of Commerce Dues	530		530	266		266
16	52514700	African American Forum Inc-2015 Smooth Jazz Fest-1/2 page add purchase	265		265	133		133
17	52514700	Best Places to Work Award for Owenton Office	80		80	40		40
18	52514700	Bluegrass GreenSource-Water Education Area Sponsor	2,650		2,650	1,329		1,329
19	52514700	Downtown Lexington Corp-Triangle Park ice Rink Sponsorship	1,590		1,590	797		797
20	52514700	Kentucky Connected-Final installment of Partnership agreement	2,650		2,650	1,329		1,329
21	52514700	Kentucky Institute for Economic Development-annual KIED Conference	424		424	213		213
22	52514700	KY Chamber of Commerce-2015 Business Summit & Annual Mtg Sponsorship	3,180		3,180	1,594		1,594
23	52514700	LexArts Fund for the Arts Campaign	5,300		5,300	2,657		2,657
24	52514700	LexArts-The Oliver Lewis Bridge Project 2015	1,590		1,590	797		797
25	52514700	LFUCG-free Friday Flicks Fun Zone Sponsorship	5,300		5,300	2,657		2,657
26	52514700	The Triangle Foundation-Annual donation & Park Renovation Pledge	5,300		5,300	2,657		2,657
27	52514700	University of KY-Center for Community Outreach 2015 FUSION Sponsorship	530		530	266		266
28	52514700	Women's Business & Leadership Conference	1,590		1,590	797		797
29	52514700	Zero Out - Downtown Lexington Corp-Triangle Park ice Rink Sponsorship	1,590		1,590	797		797
30								
31								
32								
33								
34								
35			<u>\$78,279</u>		<u>\$78,279</u>	<u>\$39,247</u>		<u>\$39,247</u>

Kentucky American Water Company
Case No. 2015-00418
Charitable Contributions
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Data: X Base Period X Forecasted Period
Type of Filing: X Original Updated Revised
Worksheet Reference No(s): N/A

Exhibit 37, Schedule F-2.1
Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
Witness Responsible: Linda Bridwell

Line No.	Account No.	Charitable Organization	Total Utility	Base Period		Forecasted Period		
				Jurisdictional %	Jurisdiction	Total Utility	Jurisdictional %	Jurisdiction
1	52514000	Kentucky Chamber - table purchase 11th annual best places to work in KY	\$1,000	100.00%	\$1,000	\$365	100.00%	\$365
2	52514000	Stadium Blankets for employee outing	2,968		2,968	1,090		1,090
3	52514500	AWWA-Water Professionals Conference-Silver Sponsorship	2,000		2,000	734		734
4	52514500	Central Kentucky Audubon Society-Birding Festival at Jacobson park	20,000		20,000	7,344		7,344
5	52514500	Explorium of Lexington-The traveling trunk program/imagination station sponsorship	2,500		2,500	918		918
6	52514500	Friends of Stoner Creek-Environmental Grant Award	4,300		4,300	1,579		1,579
7	52514500	FULL STRIDE-Lexington Economic Development campaign	1,500		1,500	551		551
8	52514500	Hands on Originals-fleece vests	17,724		17,724	6,508		6,508
9	52514500	Home Builders Association Sponsorship	1,000		1,000	367		367
10	52514500	KY Assoc of Manufacturers-2015 Energy Conf supporting sponsorship	1,000		1,000	367		367
11	52514500	KY Chamber of Commerce-Vison for the Commonwealth Sponsorship	500		500	184		184
12	52514500	Martins Sanitation Service -Classic restroom trailer rental	906		906	333		333
13	52514500	Paris Bourbon County YMCA-Annual Giving Campaign	500		500	184		184
14	52514500	Reforest the Bluegrass-17th Annual	750		750	275		275
15	52514500	Ripple Effect Scholarship Winner-Hadeel Abadallah	500		500	184		184
16	52514500	Ripple Effect Scholarship Winner-Kelsey Raulinaitis	500		500	184		184
17	52514500	Ripple Effect Scholarship Winner-Madison Hood	500		500	184		184
18	52514500	Sponsorship - Junior Achievement of the Bluegrass	1,000		1,000	367		367
19	52514500	The Nature Conservancy-conservation donation	1,500		1,500	551		551
20	52514500	University of Kentucky-Sanders-Brown Center on Aging Annual Dinner	15,000		15,000	5,508		5,508
21	52514500	Urban Orchard Project-Environmental Grant Award	4,900		4,900	1,799		1,799
22	52514500	Women's & Children's Center@ Baptist Health Sponsorship	1,500		1,500	551		551
23	52514500	YMCA-Partnership to support the health of our community	5,000		5,000	1,836		1,836
24	52514600	2015 Joint Fayette/Jefferson County LEPC Conference-lunch sponsor table tent and LEP	250		250	92		92
25	52514600	Big Brothers Big Sisters-2015 Contribution	1,500		1,500	551		551
26	52514600	Bluegrass Chapter of American Red Cross-Disaster Blaster Table 2015	1,000		1,000	367		367
27	52514600	Bluegrass Community Foundation-donation to the Lane Charitable Fund	500		500	184		184
28	52514600	Friends of the Arboretum-2015 Arbor Day Sponsorship	500		500	184		184
29	52514600	Gift Cards for Water For People Drawing	104		104	38		38
30	52514600	Kidney Health Alliance of Kentucky	2,500		2,500	918		918
31	52514600	The Nest-Center for Women Children & Families	1,000		1,000	367		367
32	52514600	The Salvation Army-2015 Lemon Aid Sponsorship	5,000		5,000	1,836		1,836
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								
44								
45								
46								
47								
48								
			<u>\$99,402</u>		<u>\$99,402</u>	<u>\$36,500</u>		<u>\$36,500</u>

Kentucky American Water Company
 Case No. 2015-00418
 Initiation Fees/Country Club Expenses
 Base Year for the 12 Months Ended April 30, 2016
 Forecast Year for the 12 Months Ended August 31, 2017

Data: X Base Period X Forecasted Period
 Type of Filing: X Original Updated Revised
 Workpaper Reference No(s): N/A

Exhibit 37, Schedule F-2.2
 Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
 Witness Responsible: Linda Bridwell

Line No.	Account No.	Payee Organization	Utility	Base Period		Forecasted Period		
				Jurisdictional %	Jurisdiction	Total Utility	Jurisdictional %	Jurisdiction
1								
2								
3								
4		None to report			100.00%			100.00%
5								
6								
7								
8		Totals		\$0		\$0	\$0	\$0

Kentucky American Water Company
 Case No. 2015-00418
 Employee Party, Outing and Gift Expenses
 Base Year for the 12 Months Ended April 30, 2016
 Forecast Year for the 12 Months Ended August 31, 2017

Data: Base Period Forecasted Period
 Type of Filing: Original Updated Revised
 Workpaper Reference No(s): N/A

Exhibit 37, Schedule F-2.3
 Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
 Witness Responsible: Linda Bridwell

Line No.	Account No.	Employee Expenditures	Total Utility	Base Period		Forecasted Period		
				Jurisdictional %	Jurisdiction	Total Utility	Jurisdictional %	Jurisdiction
1								
2								
3								
4	50451000	Employee Service Awards	\$8,774	100.00%	\$8,774	\$2,069	100.00%	\$2,069
5								
6								
7								
9								
10								
11		Totals	<u>\$8,774</u>		<u>\$8,774</u>	<u>\$2,069</u>		<u>\$2,069</u>

Kentucky American Water Company
 Case No. 2015-00418
 Customer Service, Sales Promotion and Advertising Expense
 Base Year for the 12 Months Ended April 30, 2016
 Forecast Year for the 12 Months Ended August 31, 2017

Data: __X__ Base Period __X__ Forecasted Period
 Type of Filing: __X__ Original _____ Updated _____ Revised
 Workpaper Reference No(s): N/A

Exhibit 37, Schedule F-3
 Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
 Witness Responsible: Linda Bridwell

Line No.	Account No.	Description of Expenses	Total Utility	Base Period		Forecasted Period		
				Jurisdictional %	Jurisdiction	Total Utility	Jurisdictional %	Jurisdiction
1								
2								
3		<u>CUSTOMER SERVICE EXPENSES</u>						
4		Customer Service and Informational Expense	<u>\$0</u>	100.00%	<u>\$0</u>	<u>\$0</u>	100.00%	<u>\$0</u>
5								
6								
7		<u>SALES PROMOTION EXPENSE</u>						
8	4262	Sales Promotion	\$0		\$0	\$0		\$0
9								
10	4262	Institutional or Goodwill Advertising Expense	14,378		14,378	9,987		9,987
11								
12	93021	Conservation Advertising	1,458		1,458	1,013		1,013
13								
14	93089	Other (Educational)	0		0	0		0
15								
16		Totals	<u>\$15,836</u>		<u>\$15,836</u>	<u>\$11,000</u>		<u>\$11,000</u>

Kentucky American Water Company
Case No. 2015-00418
Advertising
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Data: _X_ Base Period _X_ Forecasted Period
Type of Filing: __X__ Original ___ Updated ___ Revised
Workpaper Reference No(s): N/A

Exhibit 37, Schedule F-4
Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
Witness Responsible: Linda Bridwell

Line No.	Item	Sales or Promotional Advertising	Institutional Advertising	Conservation Advertising	Rate Case	Other Customer Education	Total
1							
2	<u>Base Period:</u>						
3	Newspaper	\$0	\$1,198	\$0	\$0	\$0	\$1,198
4							
5	Magazine and Other	0	12,650	0	0	0	12,650
6							
7	Television	0	0	0	0	0	0
8							
9	Radio	0	0	0	0	0	0
10							
11	Direct Mail	0	0	0	0	0	0
12							
13	Sales	0	0	0	0	0	0
14							
15	Customer Handouts	0	0	0	0	0	0
16							
17	Outdoor billboard	0	0	0	0	0	0
18							
19	Misc Bus Adv	0	530	1,458	0	0	1,988
20							
21	Totals	<u>\$0</u>	<u>\$14,378</u>	<u>\$1,458</u>	<u>\$0</u>	<u>\$0</u>	<u>\$15,836</u>
22							
23							
24	Amount Assigned to Kentucky Retail	<u><u>\$0</u></u>	<u><u>\$14,378</u></u>	<u><u>\$1,458</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$15,836</u></u>
25							
26							
27	<u>Forecasted Period:</u>						
28							
29	Newspaper	\$0	\$832	\$0	\$0	\$0	\$832
30							
31	Magazine and Other	0	8,787	0	0	0	8,787
32							
33	Television	0	0	0	0	0	0
34							
35	Radio	0	0	0	0	0	0
36							
37	Direct Mail	0	0	0	0	0	0
38							
39	Sales	0	0	0	0	0	0
40							
41	Customer Handouts	0	0	0	0	0	0
42							
43	Outdoor billboard	0	0	0	0	0	0
44							
45	Misc Bus Adv	0	368	1,013	0	0	1,381
46							
47	Totals	<u>\$0</u>	<u>\$9,987</u>	<u>\$1,013</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,000</u>
48							
49	Amount Assigned to Kentucky Retail	<u><u>\$0</u></u>	<u><u>\$9,987</u></u>	<u><u>\$1,013</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$11,000</u></u>

Kentucky American Water Company
 Case No. 2015-00418
 Professional Service Expenses
 Base Year for the 12 Months Ended April 30, 2016
 Forecast Year for the 12 Months Ended August 31, 2017

Data: _X_ Base Period _X_ Forecasted Period
 Type of Filing: _____ Original ___X___ Updated _____ Revised
 Workpaper Reference No(s): N/A

Exhibit 37, Schedule F-5
 Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
 Witness Responsible: Linda Bridwell

Line No.	Description	Expense Breakdown			Total Company Unadjusted	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
		Rate Case	Annual Audit	Legal					
1									
2	<u>Base Period:</u>								
3									
4	Legal	\$164,315	\$0	\$177,000	\$341,315	100.00%	\$341,315	\$0	\$341,315
5									
6	Engineering	0	0	0	0		0	0	0
7									
8	Accounting	71,911	458,000	0	529,911		529,911	0	529,911
9									
10	Other	51,270	0	0	51,270		51,270	0	51,270
11									
12	Totals	\$287,496	\$458,000	\$177,000	\$922,496		\$922,496	\$0	\$922,496
13									
14									
15									
16									
17									
18									
19									
20	<u>Forecasted Period:</u>								
21									
22	Legal	\$152,667	\$0	\$106,897	\$259,563	100.00%	\$259,563	\$0	\$259,563
23									
24	Engineering	0	0	0	0		0	0	0
25									
26	Accounting	59,000	69,610	0	128,610		128,610	0	128,610
27									
28	Other	78,857	0	0	78,857		78,857	0	78,857
29									
30	Totals	\$290,523	\$69,610	\$106,897	\$467,030		\$467,030	\$0	\$467,030

Kentucky American Water Company
Case No. 2015-00418
Rate Case Expense
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Data: _X_ Base Period _X_ Forecasted Period
Type of Filing: _____ Original ___X___ Updated _____ Revised
Workpaper Reference Ns(s): W/P 3-6

Exhibit 37, Schedule F-6
Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
Witness Responsible: Linda Bridwell

Line No.	Item of Expense	Current 2015 Estimate	Case No. 2012 Actual	Case No. 2012 Estimate	Case No. 2010 Actual	Case No. 2010 Estimate	Case No. 2008 Actual	Case No. 2008 Estimate	
1									
2									
3	Comparison of projected expenses associated with the current case to prior rate cases:								
4									
5	Accounting	\$177,000	\$168,183	\$198,692	\$51,840	\$75,000	\$78,680	\$75,000	
6	Legal	458,000	405,449	325,000	390,895	300,000	194,844	300,000	
7	Rate of Return Study	35,000	31,913	37,600	31,025	50,000	21,675	40,000	
8	Cost of Service Study	77,550	42,526	60,850	5,788	42,500	16,598	25,000	
9	Other	23,000	3,703	23,000	68,057	100,000	79,748	80,000	
10	Weather Normalization Consultant	21,820			14,080	20,000	9,600	27,000	
11	Customer Notification	60,000	48,368	55,000	34,787	45,000	31,849	45,000	
12	Depreciation Study	32,000							
13	Totals	\$884,370	\$700,142	\$700,142	\$596,471	\$632,500	\$432,995	\$592,000	
14									
15									
16									
17									
18	Schedule of Rate Case Expense Amortization:								
19									
20									
21		<u>Total Amortized</u>	<u>Order No.</u>	<u>Order Date</u>	<u>Amortization Period</u>	<u>Amount Amortized to Date 10/2015</u>	<u>Forecasted Period</u>	<u>Write-Offs</u>	<u>Base Period</u>
22	Current 2015 Estimate	\$884,370	2015-00418	N/A	3 Years	\$0	\$290,523		\$0
23	Case No. 2012-00520	700,142	2012-00520	10/2013	3 Years	525,107	175,035		0
24	Case No. 2010-00036	596,471	2010-00036	12/2010	3 Years	596,471	0		0
25	Case No. 2008-00427	432,995	2008-427	6/2009	3 Years	432,995	0		0
26									
27									
28									
29									
30									
31									
32									
33						\$1,554,573	\$175,035		\$0

Kentucky American Water Company
Case No. 2015-00418
Civic, Political, and Related Activities
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated Revised
Workpaper Reference No(s): N/A

Exhibit 37, Schedule F-7
Exhibits\Exhibit 37 Schedule F1 to F7.xlsx\Sch F1 to F7
Witness Responsible: Linda Bridwell

Line No.	Item	Amount
1		
2		
3		
4	<u>Base Period:</u>	
5	Donations	\$99,402
6		
7	Civic Activities	78,279
8		
9	Political Activities	0
10		
11	Other	0
12		
13	Totals	<u>\$177,681</u>
14		
15		
16		
17		
18		
19		
20	<u>Forecasted Period:</u>	
21		
22	Donations	\$36,500
23		
24	Civic Activities	39,247
25		
26	Political Activities	0
27		
28	Other	0
29		
30	Totals	<u>\$75,747</u>

**EXHIBIT 37
SCHEDULE G**

PAYROLL COST ANALYSIS

**KENTUCKY-AMERICAN WATER COMPANY
Case No. 2015-00418**

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
G-1	Payroll Costs
G-2	Payroll Analyses by Employee Classification
G-3	Executive Compensation

For electronic version, see KAW_APP_EX37G_012916.pdf.

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
PAYROLL COSTS (WATER SEGMENT ONLY)
FOR THE TWELVE MONTHS ENDED: April 30, 2016 (Base Period)
FOR THE TWELVE MONTHS ENDED: AUGUST 31, 2017 (Forecast Period)

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule G-1
O&M\[Labor and Labor Related Exhibit.xlsx]Exh 37 G
Witness Responsible: Donald Petry

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3						
4	Base Period Expense:					
5	Total Salary	\$6,731,867	<u>100.00%</u>	\$6,731,867	\$0	\$6,731,867
6	Other Allowances and Compensation	371,944		371,944	0	\$371,944
7	Sub-total	<u>7,103,811</u>		<u>7,103,811</u>	<u>0</u>	<u>7,103,811</u>
8						
9	Employee Benefits:					
10	Pension	630,347		630,347	0	630,347
11	Group Insurance	1,657,452		1,657,452	0	1,657,452
12	Defined Contribution Plan	161,331		161,331	0	161,331
13	401-K Plan	153,570		153,570	0	153,570
14	Sub-total	<u>2,602,700</u>		<u>2,602,700</u>	<u>0</u>	<u>2,602,700</u>
15						
16	Payroll Taxes:					
17	F.I.C.A.	515,499		515,499	0	515,499
18	Federal Unemployment	4,829		4,829	0	4,829
19	State Unemployment	15,222		15,222	0	15,222
20	Sub-total	<u>535,550</u>		<u>535,550</u>	<u>0</u>	<u>535,550</u>
21	Total Compensation & Taxes	<u>\$10,242,061</u>		<u>\$10,242,061</u>	<u>\$0</u>	<u>\$10,242,061</u>
22						
23						
24						
25	Forecasted Period Expense:					
26	Total Salary	\$7,033,725	<u>100.00%</u>	\$7,033,725	0	\$7,033,725
27	Other Allowances and Compensation	318,405		318,405	0	318,405
28	Sub-total	<u>7,352,130</u>		<u>7,352,130</u>	<u>0</u>	<u>7,352,130</u>
29						
30	Employee Benefits:					
31	Pension	602,070		602,070	0	602,070
32	Group Insurance	1,923,453		1,923,453	0	1,923,453
33	Defined Contribution Plan	201,208		201,208	0	201,208
34	401-K Plan	172,352		172,352	0	172,352
35	Sub-total	<u>2,899,083</u>		<u>2,899,083</u>	<u>0</u>	<u>2,899,083</u>
36						
37	Payroll Taxes:					
38	F.I.C.A.	553,992		553,992	0	553,992
39	Federal Unemployment	4,637		4,637	0	4,637
40	State Unemployment	17,596		17,596	0	17,596
41	Sub-total	<u>576,225</u>		<u>576,225</u>	<u>0</u>	<u>576,225</u>
42						
43	Total Compensation & Taxes	<u>\$10,827,438</u>		<u>\$10,827,438</u>	<u>\$0</u>	<u>\$10,827,438</u>
44						
45						

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION (WATER SEGMENT ONLY)
FOR THE TWELVE MONTHS ENDED: April 30, 2016 (Base Period)
FOR THE TWELVE MONTHS ENDED: AUGUST 31, 2017 (Forecast Period)

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule G-2
O&M\[Labor and Labor Related Exhibit.xlsx]Exh 37 G
Witness Responsible: Donald Petry

Line No.	Description	12 Mos. Oct 2011	% Change	12 Mos. Oct 2012	% Change	12 Mos. Oct 2013	% Change	12 Mos. Oct 2014	% Change	12 Mos. Oct 2015	% Change	Base Period	% Change	Forecasted Period
1														
2	Total Company													
3														
4	Employee Hours:													
5	Straight-Time Hours	308,364	-14.40%	263,948	-3.03%	255,938	0.84%	258,087	-1.60%	253,953	18.79%	301,660	-3.85%	290,040
6	Overtime Hours	22,157	-15.91%	18,632	18.68%	22,113	25.97%	27,857	-8.89%	25,379	-2.22%	24,816	-31.71%	16,947
7														
8	Total Employee Hours	<u>330,521</u>		<u>282,580</u>		<u>278,052</u>		<u>285,943</u>		<u>279,332</u>		<u>326,476</u>		<u>306,987</u>
9														
10	Ratio of Overtime Hours to													
11	Straight-Time Hours	<u>7.19%</u>		<u>7.06%</u>		<u>8.64%</u>		<u>10.79%</u>		<u>9.99%</u>		<u>8.23%</u>		<u>5.84%</u>
12														
13														
14	Labor Dollars:													
15	Straight-Time Dollars	\$8,554,102	-11.64%	\$7,558,311	-4.15%	\$7,244,473	3.15%	\$7,472,717	0.33%	\$7,497,118	2.57%	\$7,689,822	8.73%	\$8,361,296
16	Overtime Dollars	792,859	-12.16%	696,430	21.59%	846,804	29.81%	1,099,258	-9.05%	999,769	-11.06%	889,192	-24.59%	670,560
17														
18	Total Labor Dollars	<u>\$9,346,962</u>		<u>\$8,254,741</u>		<u>\$8,091,278</u>		<u>\$8,571,975</u>		<u>\$8,496,888</u>		<u>\$8,579,014</u>		<u>\$9,031,855</u>
19														
20	Ratio of Overtime Dollars to													
21	Straight-Time Dollars	<u>9.27%</u>		<u>9.21%</u>		<u>11.69%</u>		<u>14.71%</u>		<u>13.34%</u>		<u>11.56%</u>		<u>8.02%</u>
22														
23														
24	O&M Labor Dollars	7,872,456	-10.56%	7,040,971	-5.27%	6,669,921	3.40%	6,896,432	-0.54%	6,859,275	3.57%	7,103,811	3.50%	7,352,130
25	Ratio of Labor Dollars to													
26	Total Labor Dollars	<u>84.22%</u>		<u>85.30%</u>		<u>82.43%</u>		<u>80.45%</u>		<u>80.73%</u>		<u>82.80%</u>		<u>81.40%</u>
27														
28														
29	Total Employee Benefits	4,097,506	-3.93%	3,936,320	-7.34%	3,647,267	-28.64%	2,602,675	18.82%	3,092,588	5.96%	3,276,792	8.86%	3,566,984
30	Employee Benefits Expensed	3,386,175	-2.93%	3,286,867	-10.00%	2,958,221	-32.73%	1,989,865	22.74%	2,442,427	6.56%	2,602,700	11.39%	2,899,083
31	Ratio of Employee Benefits Expensed													
32	to Total Employee Benefits	<u>79.30%</u>		<u>78.47%</u>		<u>79.85%</u>		<u>81.73%</u>		<u>83.18%</u>		<u>79.43%</u>		<u>81.28%</u>
33														
34														
35	Total Payroll Taxes	683,138	-5.96%	642,435	-4.73%	612,039	-0.20%	610,832	11.03%	678,200	-4.03%	650,891	9.67%	713,863
36	Payroll Taxes Expensed	576,953	-5.82%	543,361	-7.26%	503,928	-5.98%	473,769	16.08%	549,960	-2.62%	535,550	7.59%	576,225
37	Ratio of Payroll Taxes Expensed													
38	to Total Payroll Taxes	<u>79.30%</u>		<u>78.47%</u>		<u>79.85%</u>		<u>81.73%</u>		<u>83.18%</u>		<u>82.28%</u>		<u>80.72%</u>
39														
40														
41	Average Employee Levels	<u>142</u>	-6.34%	<u>133</u>	-4.51%	<u>127</u>	-2.36%	<u>124</u>	4.03%	<u>129</u>	5.04%	<u>136</u>	2.58%	<u>139</u>
42														
43	Year-End Employee Levels	<u>138</u>	-7.97%	<u>127</u>	0.79%	<u>128</u>	-3.91%	<u>123</u>	7.32%	<u>132</u>	5.30%	<u>139</u>	0.00%	<u>139</u>

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED: April 30, 2016 (Base Period)
FOR THE TWELVE MONTHS ENDED: AUGUST 31, 2017 (Forecast Period)

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule G-3
O&M\[Labor and Labor Related Exhibit.xlsx]Exh 37 G
Witness Responsible: Donald Petry

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Title of Executive: President					
4						
5	Base Period:					
6	Total Salary	\$200,667	<u>100.00%</u>	\$200,667	\$0	\$200,667
7	Other Allowances and Compensation (AIP)	120,400		120,400	0	\$120,400
8	Sub-total	<u>250,787</u>		<u>250,787</u>	<u>0</u>	<u>250,787</u>
9						
10	Employee Benefits:					
11	Pension	11,737		11,737	0	11,737
12	Group Insurance	16,426		16,426	0	16,426
13	Defined Contribution Plan	0		0	0	0
14	401-K Plan	5,008		5,008	0	5,008
15	Sub-total	<u>33,171</u>		<u>33,171</u>	<u>0</u>	<u>33,171</u>
16						
17	Payroll Taxes:					
18	F.I.C.A.	11,277		11,277	0	11,277
19	Federal Unemployment	42		42	0	42
20	State Unemployment	159		159	0	159
21	Sub-total	<u>11,478</u>		<u>11,478</u>	<u>0</u>	<u>11,478</u>
22						
23	Total Compensation and Taxes	<u>\$295,436</u>		<u>\$295,436</u>	<u>\$0</u>	<u>\$295,436</u>
24						
25						
26	Forecasted Period:					
27	Total Salary	\$0	<u>100.00%</u>	\$0	\$0	\$0
28	Other Allowances and Compensation (AIP)	0		0	0	0
29	Sub-total	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>
30						
31	Employee Benefits:					
32	Pension	0		0	0	0
33	Group Insurance	0		0	0	0
34	Defined Contribution Plan	0		0	0	0
35	401-K Plan	0		0	0	0
36	Sub-total	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>
37						
38	Payroll Taxes:					
39	F.I.C.A.	0		0	0	0
40	Federal Unemployment	0		0	0	0
41	State Unemployment	0		0	0	0
42	Sub-total	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>
43						
44	Total Compensation and Taxes	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
45						
46						

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED: April 30, 2016 (Base Period)
FOR THE TWELVE MONTHS ENDED: AUGUST 31, 2017 (Forecast Period)

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule G-3
O&M\[Labor and Labor Related Exhibit.xlsx]Exh 37 G
Witness Responsible: Donald Petry

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Title of Executive: Vice President Operations					
4						
5	Base Period:					
6	Total Salary	\$171,752	<u>100.00%</u>	\$171,752	\$0	\$171,752
7	Other Allowances and Compensation	51,526		\$51,526	0	\$51,526
8	Sub-total	<u>223,277</u>		<u>223,277</u>	<u>0</u>	<u>223,277</u>
9						
10	Employee Benefits:					
11	Pension	11,737		11,737	0	11,737
12	Group Insurance	12,938		12,938	0	12,938
13	Defined Contribution Plan	0		0	0	0
14	401-K Plan	4,294		4,294	0	4,294
15	Sub-total	<u>28,969</u>		<u>28,969</u>	<u>0</u>	<u>28,969</u>
16						
17	Payroll Taxes:					
18	F.I.C.A.	3,847		3,847	0	3,847
19	Federal Unemployment	42		42	0	42
20	State Unemployment	159		159	0	159
21	Sub-total	<u>4,048</u>		<u>4,048</u>	<u>0</u>	<u>4,048</u>
22						
23	Total Compensation	<u>\$256,295</u>		<u>\$256,295</u>	<u>\$0</u>	<u>\$256,295</u>
24						
25						
26	Forecasted Period:					
27	Total Salary	\$145,350	<u>100.00%</u>	\$145,350	\$ -	\$145,350
28	Other Allowances and Compensation	43,605		43,605	0	\$43,605
29	Sub-total	<u>188,955</u>		<u>188,955</u>	<u>0</u>	<u>188,955</u>
30						
31	Employee Benefits:					
32	Pension	0		\$0	0	0
33	Group Insurance	16,554		16,554	0	16,554
34	Defined Contribution Plan	7,631		7,631	0	7,631
35	401-K Plan	6,977		6,977	0	6,977
36	Sub-total	<u>31,161</u>		<u>31,161</u>	<u>0</u>	<u>31,161</u>
37						
38	Payroll Taxes:					
39	F.I.C.A.	10,087		10,087	0	10,087
40	Federal Unemployment	42		42	0	42
41	State Unemployment	159		159	0	159
42	Sub-total	<u>10,288</u>		<u>10,288</u>	<u>0</u>	<u>10,288</u>
43						
44	Total Compensation	<u>\$230,405</u>		<u>\$230,405</u>	<u>\$0</u>	<u>\$230,405</u>
45						
46						

**EXHIBIT 37
SCHEDULE H**

COMPUTATION OF GROSS REVENUE CONVERSION FACTOR

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
H	Gross Revenue Conversion Factor

For electronic version, see KAW_APP_EX37H_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Computation of the Gross Revenue Conversion Factor for the Forecast Period

Data: Base Period Forecast Period
Version: Original Updated Revised

Exhibit 37, Schedule H
Exhibits\[Revenue Requirement and Conversion Factor.xlsx]Rev Conversion Factor - SCH H
Witness: L. Bridwell

Line #	Gross Revenue Conversion Factor Calculation	Total Rate	Gross Revenue Conversion Factor %	Percent of Total Conversion Factor	Workpaper Reference	Excel Reference
1	Gross Income from Revenue		100.0000%			
2	Less: Bad Debt Rate/ Uncollectible Expense	0.7815%	0.7815%	1.9787%	W/P - 3-10	O&M\[Uncollectibles Accounts Exhibit.xlsx]Exhibit
3	Less: PSC / Utility Reg Assessment Fee	0.1901%	0.1901%	0.4813%	W/P - 5-2	O&M\[PSC Fee (Gross Rec) Expense Exhibit.xlsx]Exhibit
4	Net Income After Uncollectibles & Reg Assessment Fees		<u>99.0284%</u>			
5						
6						
7	Less: State Income Tax @ 6.0%	6.00%	5.9417%	15.0447%		
9	Net Income After Uncollectibles, Reg Assessment Fees & State Tax		<u>93.0867%</u>			
10						
11	Less: Federal income Tax @ 35%	35.00%	32.5804%	82.4952%		
12						
	Net Income After Uncollectibles, Reg Assessment Fees, & State & Federal Income Taxes:		<u>60.5064%</u>	<u>99.9999%</u>		
13						
14						
15	Gross Revenue Conversion Factor (1 / Line 13)		<u>165.2718%</u>			
16						

**EXHIBIT 37
SCHEDULE I**

**COMPARATIVE INCOME STATEMENTS, REVENUE STATISTICS AND SALES STATISTICS
FOR FIVE MOST RECENT CALENDAR YEARS, THE BASE PERIOD, FORECASTED PERIOD
AND TWO CALENDAR YEARS BEYOND THE FORECAST PERIOD**

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
I-1	Comparative Income Statement
I-2	Revenue Statistics - Total Company
I-3	Sales Statistics - Total Company
I-4	Revenue Statistics - Jurisdictional
I-5	Sales Statistics - Jurisdictional

For electronic version, see KAW_APP_EX37I_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
COMPARATIVE INCOME STATEMENT
Forecast Year for the 12 Months Ended August 31, 2017

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
 TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
 WORKPAPER REFERENCE NO(S): SCH C

Exhibit 37, Schedule I-1
 Exhibits\[Exhibit 37 I-1 and K.xlsx]Sch I 1

Line No.	Description	Water only		Water only		Water only		Water only		Water only		Base Period	Forecasted Period	Projected Years		
		12 Mos Dec 2011	% Change	12 Mos Dec 2012	% Change	12 Mos Dec 2013	% Change	12 Mos Dec 2014	% Change	12 Mos Dec 2015	% Change			12 Mos Dec 2018	12 Mos Dec 2019	
1																
2	Operating Revenues	\$ 83,016,582	3.22%	\$ 85,689,596	-2.74%	\$ 83,342,330	6.10%	\$ 88,426,563	2.69%	\$ 90,803,923	-0.32%	\$90,509,219	\$87,685,969	\$86,881,049	\$86,265,959	
3																
4	Operating Expenses															
5	Operation & Maintenance	32,788,356	3.90%	34,066,890	-3.79%	32,777,280	-2.94%	31,812,785	5.96%	33,707,989	-1.53%	33,192,846	34,276,781	34,128,241	34,516,637	
6	Depreciation	8,855,144	30.84%	11,586,288	12.97%	13,088,692	3.84%	13,591,697	-1.75%	13,354,360	1.10%	13,500,782	14,948,095	15,683,517	16,306,646	
7	Amortization	2,182,924	-90.53%	206,822	7.87%	223,090	5.00%	234,233	1.76%	238,345	0.30%	239,070	227,127	242,580	242,580	
8	Taxes Other	5,096,705	-3.59%	4,913,919	2.83%	5,052,856	13.86%	5,753,035	14.07%	6,562,434	-1.19%	6,484,589	6,193,611	6,356,150	6,511,161	
9	State Income Taxes	737,218	90.50%	1,404,379	-23.33%	1,076,746	40.50%	1,512,816	24.40%	1,882,005	-19.03%	1,523,872	1,164,511	1,303,118	1,293,892	
10	Federal Income Taxes	4,206,903	97.05%	8,289,564	-11.31%	7,352,175	16.91%	8,595,229	2.19%	8,783,553	2.23%	8,979,307	6,483,459	7,384,333	7,332,054	
11																
12	Total Operating Expenses	53,867,250	12.25%	60,467,863	-1.48%	59,570,839	3.24%	61,499,795	4.93%	64,528,687	-0.94%	63,920,466	63,293,584	65,097,938	66,202,970	
13																
14	Operating Income	29,149,332	-13.47%	25,221,733	-5.75%	23,771,491	13.27%	26,926,768	-2.42%	26,275,236	1.19%	26,588,753	24,392,385	21,783,112	20,062,989	
15																
16	AFUDC	412,080	140.71%	991,925	14.87%	1,139,458	-60.26%	452,869	143.85%	1,104,334	34.85%	1,489,208	665,027	894,723	471,097	
17	Other Income	19,083,460	-99.88%	23,307	-106.42%	(1,495)	-2174.44%	31,020	836.12%	290,389	-88.23%	34,170	0	1,068,449	1,072,715	
18																
19	Total Other Income	19,495,540	-94.79%	1,015,232	12.09%	1,137,963	-57.48%	483,890	188.23%	1,394,723	9.22%	1,523,378	665,027	1,963,172	1,543,811	
20																
21	Income before Deductions	48,644,872	-46.06%	26,236,965	-5.06%	24,909,454	10.04%	27,410,657	0.95%	27,669,959	1.60%	28,112,131	25,057,412	23,746,283	21,606,800	
22																
23	Income Deductions															
24	Interest on Long-Term Debt	10,863,634	7.78%	11,708,776	1.68%	11,905,251	1.90%	12,131,893	0.05%	12,137,764	0.76%	12,229,660	11,982,736	12,363,645	12,363,645	
25	Amort of Debt Expense	86,149	-14.75%	73,443	21.17%	88,987	2.00%	90,765	15.91%	105,201	-7.79%	97,004	72,376	94,991	94,991	
26	Interest on Bank Debt	72,584	-21.69%	56,842	-18.22%	46,483	9.91%	51,090	93.84%	99,035	280.86%	377,180	377,180	21,863	25,549	
27	Other Interest	(3,038)	-100.12%	4	16441%	595	-99.80%	1	23214690%	271,613	-100%	0	0	0	0	
28	Miscellaneous Amortization	(425)	-0.10%	(425)	0.00%	(425)	0.00%	(425)	0.00%	(425)	-67.02%	(140)	(140)	0	0	
29	Other Deductions	19,513,787	-99.64%	71,214	-32.42%	48,128	-1571%	(707,734)	-118.24%	129,065	-40.96%	76,203	0	71,500	71,500	
30																
31	Total Income Deductions	30,532,691	-60.99%	11,909,853	1.50%	12,089,020	-4.33%	11,565,591	10.17%	12,742,254	0.30%	12,779,907	12,432,151	12,551,998	12,555,684	
32																
33	Net Income	\$18,112,181	-20.90%	\$14,327,112	-10.52%	\$12,820,434	23.59%	\$15,845,067	-5.79%	\$14,927,706	2.71%	\$15,332,224	\$12,625,260	\$11,194,285	\$9,051,116	

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
REVENUE STATISTICS - TOTAL COMPANY
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Type of Filing: X Original Updated Revised

Exhibit 37 - Schedule I-2
Revenues\[[Exhibit 37 (I-2),(I-3),(I-4),(I-5).xlsx]Exh Sch. I (2016)
Witness Responsible: Linda Bridwell

Line No.	Description	2011	2012	2013	2014	2015	Base Period	Forecasted Period	2 Projected Calendar Years	
									2018	2019
1										
2	<u>Revenue by Customer Class:</u>									
3	Residential	\$43,262,213	\$44,438,477	\$43,937,951	\$48,131,477	\$48,400,459	\$48,065,819	\$47,597,960	\$47,166,797	\$46,873,947
4	Commercial	21,068,039	21,890,707	20,548,912	21,763,177	22,827,850	22,340,867	21,135,363	20,703,226	20,347,936
5	Industrial	1,970,863	2,253,367	2,153,373	2,344,924	2,580,685	2,648,687	2,544,704	2,548,083	2,550,617
6	Other Public Authorities	6,417,428	6,836,685	6,202,288	6,208,935	6,108,846	6,122,156	5,901,261	5,898,355	5,896,179
7	Other Water Utilities	1,912,474	2,019,342	1,673,395	2,058,451	1,965,970	1,929,568	1,774,750	1,764,944	1,764,944
8	Miscellaneous	13,017	47,079	30,747	124,654	157,149	138,738	84,644	84,644	84,644
9	Fire Service	5,666,386	5,713,947	5,689,424	6,465,080	6,488,897	6,469,415	6,440,352	6,440,352	6,440,352
10										
11	Total	\$80,310,420	\$83,199,603	\$80,236,091	\$87,096,697	\$88,529,856	\$87,715,250	\$85,479,034	\$84,606,401	\$83,958,619
12										
13	<u>Number of Customers:</u>									
14	<u>12-Month Average:</u>									
15	Residential	108,971	109,965	113,125	114,363	115,913	116,106	117,160	118,681	119,893
16	Commercial	8,756	8,715	8,904	8,931	8,952	8,951	9,029	9,046	9,046
17	Industrial	23	24	25	26	27	26	26	26	26
18	Other Public Authorities	529	536	545	543	557	555	541	541	541
19	Other Water Utilities	12	13	12	14	15	15	15	15	15
20	Miscellaneous	0	0	2	9	17	13	0	0	0
21	Fire Service	2,115	2,153	2,115	2,132	2,222	2,231	2,233	2,233	2,233
22										
23	Total	120,407	121,404	124,727	126,018	127,703	127,898	129,004	130,542	131,754
24										
25										
26	<u>End of Period:</u>									
27	Residential	109,071	110,948	114,164	114,920	116,552	116,007	117,880	119,141	120,324
28	Commercial	8,735	8,784	8,947	8,937	8,958	8,936	9,078	9,063	9,063
29	Industrial	23	24	25	26	28	26	26	26	26
30	Other Public Authorities	532	545	543	541	561	541	541	541	541
31	Other Water Utilities	13	13	12	15	15	15	15	15	15
32	Miscellaneous	0	0	9	9	20	0	0	0	0
33	Fire Service	2,137	2,154	2,117	2,183	2,240	2,233	2,233	2,233	2,233
34										
35	Total	120,511	122,468	125,817	126,631	128,374	127,758	129,773	131,019	132,202
36										
37										
38	<u>Average Revenue per Customer:</u>									
39	Residential	\$397	\$404	\$388	\$421	\$418	\$414	\$406	\$397	\$391
40	Commercial	2,406	2,512	2,308	2,437	2,550	2,496	2,341	2,289	2,249
41	Industrial	86,631	95,549	87,005	90,189	97,384	100,266	97,873	98,003	98,101
42	Other Public Authorities	12,124	12,761	11,373	11,431	10,972	11,023	10,908	10,903	10,899
43	Other Water Utilities	155,065	155,334	137,539	149,706	131,065	128,638	118,317	117,663	117,663
44	Miscellaneous	N/A	N/A	20,498	14,665	9,199	10,811	N/A	N/A	N/A
45	Fire Service	2,679	2,654	2,690	3,032	2,920	2,900	2,884	2,884	2,884
46										
47										
48										

Note: Revenue data represents billed revenues only and does not reflect additional revenues from the current or future rate filings.

KENTUCKY AMERICAN WATER COMPANY
 Case No. 2015-00418
 REVENUE STATISTICS - TOTAL COMPANY
 Base Year for the 12 Months Ended April 30, 2016
 Forecast Year for the 12 Months Ended August 31, 2017

Type of Filing: Original Updated Revised

Exhibit 37 - Schedule I-3
 Revenues\[[Exhibit 37 (I-2),(I-3),(I-4),(I-5).xlsx]Exh Sch. I (2016)
 Witness Responsible: Linda Bridwell

Line No.	Description	2011	2012	2013	2014	2015	Base Period	Forecasted Period	2 Projected Calendar Years	
									2018	2019
1										
2	<u>Revenue by Customer Class:</u>									
3	Residential									
4	Commercial									
5	Industrial									
6	Other Public Authorities									
7	Other Water Utilities									
8	Miscellaneous									
9	Fire Service									
10										
11	Total									
12										
13	<u>Number of Customers:</u>									
14	<u>12-Month Average:</u>									
15	Residential									
16	Commercial									
17	Industrial									
18	Other Public Authorities									
19	Other Water Utilities									
20	Miscellaneous									
21	Fire Service									
22										
23	Total									
24										
25										
26	<u>End of Period:</u>									
27	Residential									
28	Commercial									
29	Industrial									
30	Other Public Authorities									
31	Other Water Utilities									
32	Miscellaneous									
33	Fire Service									
34										
35	Total									
36										
37										
38	<u>Average Revenue per Customer:</u>									
39	Residential									
40	Commercial									
41	Industrial									
42	Other Public Authorities									
43	Other Water Utilities									
44	Miscellaneous									
45	Fire Service									

ALL COMPANY OPERATIONS ARE JURISDICTIONAL

KENTUCKY AMERICAN WATER COMPANY
Case No. 2015-00418
REVENUE STATISTICS - TOTAL COMPANY
Base Year for the 12 Months Ended April 30, 2016
Forecast Year for the 12 Months Ended August 31, 2017

Type of Filing: Original Updated Revised

Exhibit 37 - Schedule I-5
Revenues\[Exhibit 37 (I-2),(I-3),(I-4),(I-5).xlsx]Exh Sch. I (2016)
Witness Responsible: Linda Bridwell

Line No.	Description	2011	2012	2013	2014	2015	Base Period	Forecasted Period	2 Projected Calendar Years	
									2018	2019
1										
2	<u>Sales by Customer Class:</u>									
3	Residential									
4	Commercial									
5	Industrial									
6	Other Public Authorities									
7	Other Water Utilities									
8	Miscellaneous									
9										
10	Total									
11										
12										
13	<u>Number of Customers:</u>									
14	<u>12-Month Average:</u>									
15	Residential									
16	Commercial									
17	Industrial									
18	Other Public Authorities									
19	Other Water Utilities									
20	Miscellaneous									
21										
22	Total									
23										
24										
25	<u>End of Period:</u>									
26	Residential									
27	Commercial									
28	Industrial									
29	Other Public Authorities									
30	Other Water Utilities									
31	Miscellaneous									
32										
33	Total									
34										
35										
36										
37	<u>Average Revenue per Customer:</u>									
38	Residential									
39	Commercial									
40	Industrial									
41	Other Public Authorities									
42	Other Water Utilities									
43	Miscellaneous									
44										
45										
46										
47	Note: Sales are stated in 1000 Gallons									

ALL COMPANY OPERATIONS ARE JURISDICTIONAL

**EXHIBIT 37
SCHEDULE J**

COST OF CAPITAL SUMMARY FOR BASE PERIOD AND FORECASTED PERIOD

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
J-1	Cost of Capital Summary - 13 Month Average for Forecast Period
J-2	Cost of Capital Summary - End of Forecast Period and Base Period
J-3	Embedded Cost of Short-Term Debt
J-4	Embedded Cost of Long-Term Debt
J-5	Embedded Cost of Preferred Stock

For electronic version, see KAW_APP_EX37J_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Cost of Capital Summary
13-Month Average For Forecast Period Ending August 31, 2017

Data: ___ Base Period _X_ Forecasted Period
 Type of Filing: __X__ Original _____ Updated _____ Revised

Exhibit 37, Schedule J-1
 Capital\[Capital Structure 2015.xlsx\Sch J-1
 Witness Responsible: Scott Rungren
 Page 1 of 1

Line No.	Class of Capital	Reference	13-Month Average Net Carrying Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	13-Month Average Weighted Cost
1								
2	Short-Term Debt	W/P - 7-3	\$5,942,244	1.492%	\$6,100	\$5,948,343	1.369%	0.020%
3								
4	Long-Term Debt	W/P - 7-4	201,504,391	50.585%	206,803	201,711,194	6.050%	3.060%
5								
6	Preferred Stock	W/P - 7-5	2,242,372	0.563%	2,302	2,244,673	8.520%	0.050%
7								
8	Common Equity	W/P - 7-6	<u>188,657,198</u>	<u>47.360%</u>	<u>193,619</u>	<u>188,850,817</u>	<u>10.750%</u>	<u>5.090%</u>
9								
10	Total Capital		<u>\$398,346,204</u>	<u>100.000%</u>	<u>\$408,823</u>	<u>\$398,755,027</u>		<u>8.220%</u>
11								
12								
13								
14								
15								
16	(1) JDITC:	W/P - 7-7	<u>\$408,823</u>					

Kentucky American Water Company
Case No. 2015-00418
Cost of Capital Summary
As of August 31, 2017

Data: ___ Base Period Forecasted Period
Type of Filing: Original ___ Updated ___ Revised

Exhibit 37, Schedule J-2
Capital\[Capital Structure 2015.xlsx\Sch J-2
Witness Responsible: Scott Rungren
Page 1 of 2

Line No.	Class of Capital	Reference	Net Carrying Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	Terminal Weighted Cost
1								
2	Short-Term Debt	J-2, Page 1	\$3,648,509	0.910%	\$3,369	\$3,651,878	1.659%	0.020%
3								
4	Long-Term Debt	J-3, Page 1	201,540,484	50.275%	186,143	201,726,627	6.050%	3.040%
5								
6	Preferred Stock	J-4, Page 1	2,242,564	0.559%	2,070	2,244,634	8.520%	0.050%
7								
8	Common Equity	W/P - 7-6	<u>193,447,129</u>	<u>48.256%</u>	<u>178,668</u>	<u>193,625,797</u>	<u>10.750%</u>	<u>5.190%</u>
9								
10	Total Capital		<u>\$400,878,685</u>	<u>100.000%</u>	<u>\$370,250</u>	<u>\$401,248,936</u>		<u>8.300%</u>
11								
12								
13								
14								
15								
16	(1) JDITC	W/P - 7-7	<u>\$370,250</u>					

Kentucky American Water Company

Case No. 2015-00418

Cost of Capital Summary

As of April 30, 2016

Data: Base Period Forecasted PeriodType of Filing: Original Updated Revised

Exhibit 37, Schedule J-2

Capital\[Capital Structure 2015.xlsx\Sch J-2

Witness Responsible: Scott Rungren

Page 2 of 2

Line No.	Class of Capital	Reference	Net Carrying Amount	% of Total	Add (1)	Adjusted Capital	Cost Rate	Terminal Weighted Cost
1								
2	Short-Term Debt	J-2, Page 2	\$23,496,534	5.890%	\$27,866	\$23,524,400	0.788%	0.050%
3								
4	Long-Term Debt	J-3, Page 2	194,267,039	48.697%	230,393	194,497,432	6.100%	2.970%
5								
6	Preferred Stock	J-4, Page 2	2,242,050	0.562%	2,659	2,244,709	8.520%	0.050%
7								
8	Common Equity	W/P - 7-6	178,921,176	44.851%	212,192	179,133,368	10.750%	4.820%
9								
10	Total Capital		\$398,926,799	100.000%	\$473,110	\$399,399,910		7.890%
11								
12								
13								
14								
15								
16	(1) JDITC:	W/P - 7-7	\$473,110					

Kentucky American Water Company
Case No. 2015-00418
Embedded Cost of Short-Term Debt
As of August 31, 2017

Data: ___ Base Period X Forecasted Period
 Type of Filing: X Original ___ Updated ___ Revised

Exhibit 37, Schedule J-3
 Capital\[Capital Structure 2015.xlsx]Sch J-3
 Witness Responsible: Scott Rungren
 Page 1 of 2

Line No.	Issue	Reference	Amount Outstanding	Interest Rate	Interest Requirement
1					
2					
3					
4	Promissory Note	W/P - 7-3	<u>\$3,648,509</u>	<u>1.659%</u>	<u>\$60,514</u>
5					
6					
7	Weighted Cost of Short-Term Debt		<u>1.659%</u>		

Kentucky American Water Company
Case No. 2015-00418
Embedded Cost of Short-Term Debt
As of April 30, 2016

Data: Base Period Forecasted Period
 Type of Filing: Original Updated Revised

Exhibit 37, Schedule J-3
 Capital\[Capital Structure 2015.xlsx]Sch J-3
 Witness Responsible: Scott Rungren
 Page 2 of 2

Line No.	Issue	Reference	Amount Outstanding	Interest Rate	Interest Requirement
1					
2					
3					
4	Promissory Note	W/P - 7-3	<u>\$23,496,534</u>	<u>0.788%</u>	<u>\$185,035</u>
5					
6					
7	Weighted Cost of Short-Term Debt		<u>0.788%</u>		

**EXHIBIT 37
SCHEDULE K**

**COMPARATIVE FINANCIAL DATA AND EARNING MEASURES FOR THE
TEN MOST RECENT CALENDAR YEARS, BASE PERIOD AND FORECASTED PERIOD**

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
K	Comparative Financial Data

For electronic version, see KAW_APP_EX37K_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
COMPARATIVE FINANCIAL DATA

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
DATE CERTAIN: FOR THE PERIODS INDICATED
TYPE OF FILING: _X_ ORIGINAL ___ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): N/A

Exhibit 37, Schedule K-1
Exhibits\Exhibit 37 I-1 and K.xls\Sch K

Line No.	Description	Forecasted Period	Base Period	Water Only 2015	Water Only 2014	Water Only 2013	Water Only 2012	Water Only 2011	Water Only 2010	Water Only 2009	Water Only 2008	Water Only 2007	Water Only 2006
1													
2	Plant Data:												
3	Utility Plant in Service												
4	Intangible Plant	\$919,664	\$882,198	\$819,584	\$731,696	\$731,696	\$660,723	\$107,711	\$107,711	\$107,711	\$107,711	\$107,795	\$101,901
5	Source of Supply & Pumping Plant	86,615,551	84,183,990	83,513,197	81,888,672	84,460,965	79,966,123	53,910,303	52,364,403	15,002,102	14,957,121	15,175,468	14,478,568
6	Water Treatment Plant	90,341,482	77,763,914	77,572,344	77,192,517	86,000,538	85,510,063	110,619,131	107,824,450	60,047,045	55,468,176	49,581,746	46,455,253
7	Transmission & Distribution Plant	455,101,185	440,045,749	433,753,617	422,530,698	395,140,220	385,390,530	375,533,150	368,236,957	276,896,561	267,564,327	251,498,546	237,337,350
8	Sewer Plant	0	0	0	0	0	0	0	0	0	0	33,573	33,579
9	General Plant	46,646,710	46,073,050	47,389,535	45,378,807	47,945,084	43,107,843	36,318,699	30,801,153	28,785,576	27,371,650	25,049,064	25,269,382
10	Gross Plant	679,624,591	648,948,901	643,048,278	627,722,390	614,278,502	594,635,281	576,488,994	559,334,674	380,838,996	365,468,985	341,446,192	323,676,034
11													
12	Less: Accumulated Depreciation	152,076,279	142,044,391	141,199,706	130,096,837	136,440,486	127,487,618	116,997,882	109,120,928	100,397,576	92,378,248	87,721,073	82,015,524
13	Accumulated Amortization												
14													
15	Net Plant in Service	527,548,312	506,904,510	501,848,571	497,625,553	477,838,016	467,147,663	459,491,113	450,213,747	280,441,421	273,090,738	253,725,119	241,660,510
16													
17	Total CWIP	9,193,558	23,768,036	26,795,824	9,397,051	20,605,957	13,172,055	10,175,999	7,221,475	138,797,378	54,501,131	21,309,579	11,735,349
18													
19	Total Plant Data	\$536,741,870	\$530,672,546	\$528,644,395	\$507,022,604	\$498,443,973	\$480,319,718	\$469,667,112	\$457,435,222	\$419,238,799	\$327,591,869	\$275,034,698	\$253,395,859
20													
21													
22	% of Construction Financed Internally	63.8%	29.4%	118.4%	171.8%	122.3%	72.8%	110.3%	30.4%	86.2%	42.3%	47.3%	#REF!
23													
24													
25	Capital Structure:												
26	(\$'s Based on Period-End Accounts)												
27	Long-Term Debt	\$201,504,391	\$194,267,039	\$197,999,000	\$200,249,000	\$200,249,000	\$192,390,000	\$192,390,000	\$172,390,000	\$149,490,000	\$81,200,000	\$84,300,000	\$54,400,000
28	Preferred Stock	2,242,372	2,242,050	0	0	0	0	1,445,600	1,445,600	1,445,600	1,445,600	1,466,700	1,466,100
29	Common Equity	188,657,198	178,921,176	171,248,573	167,712,960	163,767,141	159,212,836	155,289,658	150,715,659	128,444,633	93,561,588	74,567,855	73,200,719
30													
31	Total Capital	\$392,403,961	\$375,430,265	\$369,247,573	\$367,961,960	\$364,016,141	\$351,602,836	\$349,125,258	\$324,551,259	\$279,380,233	\$176,207,188	\$160,334,555	\$129,066,819

Kentucky American Water Company
Case No. 2015-00418
COMPARATIVE FINANCIAL DATA

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
DATE CERTAIN: FOR THE PERIODS INDICATED
TYPE OF FILING: _X_ ORIGINAL __ UPDATED __ REVISED
WORKPAPER REFERENCE NO(S): N/A

Exhibit 37, Schedule K-1
Exhibits\[Exhibit 37 I-1 and K.xlsx\]Sch K

Line No.	Description	Forecasted Period	Base Period	Water Only 2015	Water Only 2014	Water Only 2013	Water Only 2012	Water Only 2011	Water Only 2010	Water Only 2009	Water Only 2008	Water Only 2007	Water Only 2006
1													
2	<u>Stock and Bond Ratings:</u>												
3	Moody's Bond Rating												
4	S&P Bond Rating												
5	Moody's Preferred Stock Rating												
6	S&P Preferred Stock Rating												
7													
8													
9	<u>Common Stock Related Data:</u>												
10	Shares Outstanding - Year-End	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391
11	Shares Outstanding - Monthly Average	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391	1,567,391
12													
13	Earnings per Share - Weighted Average	\$7.93	\$9.78	\$9.52	\$10.11	\$8.18	\$8.87	\$11.26	\$8.15	\$6.81	\$5.48	\$3.43	\$2.26
14													
15	Dividends Paid per Share	\$5.95	\$7.34	\$7.20	\$7.56	\$5.29	\$9.38	\$8.66	\$5.70	\$5.17	\$3.83	\$2.66	\$1.28
16	Dividends Declared per Share	\$5.95	\$7.34	\$7.20	\$7.56	\$5.29	\$9.38	\$8.66	\$5.70	\$5.17	\$3.83	\$2.66	\$1.28
17	Dividend Payout Ratio (Declared Basis)	75.03%	75.05%	75.63%	74.78%	64.67%	105.75%	76.91%	69.94%	75.92%	69.89%	77.55%	56.64%
18													
19	Market Price - High/Low												
20	1st Quarter												
21	2nd Quarter												
22	3rd Quarter												
23	4th Quarter												
24													
25	Book Value per Share (Year-End)	\$120.36	\$114.15	\$109.26	\$107.00	\$104.48	\$101.58	\$99.08	\$96.16	\$81.95	\$59.69	\$47.57	\$46.70
26													
27													
28	<u>Rate of Return Measures:</u>												
29	Return on Common Equity (Average)	6.77%	9.18%	8.81%	9.56%	7.94%	8.84%	11.54%	9.15%	9.61%	10.23%	7.27%	5.18%
30													
31	Return on Total Capital - (Average)	6.35%	7.34%	7.13%	7.36%	6.64%	7.20%	8.65%	5.80%	5.34%	8.29%	7.41%	6.73%
32													
33	Return on Net Plant in Service (Average)	4.72%	5.50%	5.26%	5.52%	5.03%	5.44%	6.41%	4.80%	4.40%	5.30%	4.33%	3.97%
34													
35													
36	<u>Other Financial and Operating Data:</u>												
37	Mix of Sales (Gas and Electric)												
38													
39	Mix of Fuel (Gas and Electric)												
40													
41	Composite Depreciation Rate	2.25%	2.20%	2.10%	2.19%	2.17%	1.98%	1.56%	1.41%	1.56%	1.64%	1.87%	2.14%
42													
43													
44	Return on net plant calculated by dividing utility operating income by average net plant.												

ALL BOND AND PREFERRED STOCK ISSUES ARE PRIVATELY PLACED AND THEREFORE, NOT RATED.

NO MARKET PRICE IS AVAILABLE FOR KENTUCKY-AMERICAN WATER COMPANY. STOCK IS NOT PUBLICLY TRADED.

NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY

NOT APPLICABLE TO KENTUCKY-AMERICAN WATER COMPANY

**EXHIBIT 37
SCHEDULE L**

NARRATIVE DESCRIPTION AND EXPLANATION OF ALL PROPOSED TARIFF CHANGE

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

Schedule	Description
L	Narrative Rationale for Tariff Changes

For electronic version, see KAW_APP_EX37L_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Narrative Description and Explanation of Proposed Tariff Changes
For the 12 Months Ending August 31, 2017

DATA: ___BASE PERIOD ___X___ FORECASTED PERIOD
TYPE OF FILING: ___X___ ORIGINAL ___X___ UPDATED ___X___ REVISED

Exhibit 37, Schedule L
Revenues\[(Schedule L.xlsx)\Exhibit
Witness Responsible: Linda Bridwell

Line No.	Reference	Type of Rate or Regulation	Description
1			The Company is proposing to increase its rates based on Mr. Paul Herbert's cost of service study for all metered tariffs, plus public and private fire protection. Please see the testimony of Ms. Linda Bridwell for a general discussion about the impact of the change in water service tariffs proposed by the testimony and exhibits of Mr. Paul Herbert. Also see the cost of service study prepared by Mr. Herbert attached to Exhibit 36.
2			
3			
4			
5			The Company is proposing to revise its sample bill page to reflect the proposed tariff. The Company is also proposing to revise its sample bill explanation page to clarify the calculation of the Franchise Tax and School District Tax.
6			
7			
8			The Company is proposing to revise its Billing of License, Occupation, Franchise or other Similar Charges or Taxes including School Tax tariff page to clarify the item on the Customer's bill related to school tax.
9			
10			
11			
12			
13			
14			The Company is proposing to add a new tariff for a Qualified Infrastructure Program Charge. The charge will recover the fixed costs (pre-tax return and depreciation) of certain non-revenue producing distribution system replacement projects completed and placed in service on an annual prospective basis between base rate cases and recorded in the individual utility plant accounts, and provide the Company with the resources to accelerate the replacement of aging water distribution system infrastructure. The initial annual prospective QP year will be the first full twelve month period following the Forecast Test Period utilized by the Commission in establishing Base Rates of the Company in its prior Base Rate Case proceeding. Please see Ms. Linda Bridwell's testimony.
15			
16			
17			
18			The Company is proposing to adjust its Tapping Fee tariff due to increased costs for water service installations. Please refer to the testimony of Mr. Brent O'Neill.
19			
20			
21			
22			The Company is proposing to eliminate its specific charges for the former Tri-Village and Elk Lake customers. Please refer to the testimony of Ms. Linda Bridwell.
23			
24			
25			
26			
27			

**EXHIBIT 37
SCHEDULE M**

**REVENUE SUMMARY FOR BASE PERIOD AND FORECASTED PERIOD
WITH DETAILED BILLING ANALYSIS FOR ALL CUSTOMER CLASSES**

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

Schedule	Description
M-1	Revenue Summary
M-2	Revenues at Present and Proposed Rates
M-3	Bill Analysis for the Base Period and Forecasted Period

For electronic version, see KAW_APP_EX37M_012916.pdf.

Kentucky American Water Company

Case No. 2015-00418

Revenue Summary

For the Base Peiod Ended 2/29/16 & the Forecast Year Ended 6/30/17 (At Both Present and Proposed Rates)

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-1
Revenues\[KY Revenue Exhibit.xlsx]Exhibit

Line No.	Description	Supporting Schedule Reference	Base Period 12 Months Ended 4/30/16	Adjustments for Present Rates	Forecast Year at Present Rates	Adjustments for Proposed Rates	Forecast Year at Proposed Rates
1							
2	Sales of Water						
3	Residential	Revenues\[Revenue.xlsx]Sch M	\$48,487,971	(\$890,033)	\$47,597,938	\$8,324,451	\$55,922,389
4	Commercial	Revenues\[Revenue.xlsx]Sch M	22,363,338	(1,194,943)	21,168,395	2,756,667	23,925,062
5	Industrial	Revenues\[Revenue.xlsx]Sch M	2,558,342	(17,859)	2,540,483	557,063	3,097,546
6	Other Public Authorities	Revenues\[Revenue.xlsx]Sch M	6,278,926	(374,160)	5,904,766	1,047,117	6,951,883
7	Sale for Resale	Revenues\[Revenue.xlsx]Sch M	1,929,026	(154,284)	1,774,742	111,947	1,886,689
8	Private Fire	Revenues\[Revenue.xlsx]Sch M	2,716,050	(16,203)	2,699,847	80,739	2,780,586
9	Public Fire	Revenues\[Revenue.xlsx]Sch M	3,764,401	(23,895)	3,740,506	575,462	4,315,968
10	Miscellaneous	Revenues\[Revenue.xlsx]Sch M	125,477	(40,833)	84,644	0	84,644
11	Other Water Revenue	Revenues\[Revenue.xlsx]Sch M	0	0	0	0	0
12	Total Sales of Water		<u>88,223,531</u>	<u>(2,712,210)</u>	<u>85,511,321</u>	<u>13,453,446</u>	<u>98,964,767</u>
13							
14							
15	Other Operating Revenues						
16	Other Water Revenue	Revenues\[Revenue.xlsx]Sch M	0	0	0	0	0
17	Late Payment Fee	Revenues\[Revenue.xlsx]Sch M	952,621	(99,981)	852,640	0	852,640
18	Rent	Revenues\[Revenue.xlsx]Sch M	75,358	(5,674)	69,684	0	69,684
19	Rent I/C	Revenues\[Revenue.xlsx]Sch M	50,904	14,496	65,400	0	65,400
20	Collect for Others	Revenues\[Revenue.xlsx]Sch M	0	0	0	0	0
21	NSF Check Charge	Revenues\[Revenue.xlsx]Sch M	30,740	1,402	32,142	0	32,142
22	Application/Initiation Fee	Revenues\[Revenue.xlsx]Sch M	754,380	(10,837)	743,543	0	743,543
23	Usage Data	Revenues\[Revenue.xlsx]Sch M	51,945	689	52,634	0	52,634
24	Reconnect Fee	Revenues\[Revenue.xlsx]Sch M	331,964	(32,359)	299,605	0	299,605
25	Miscellaneous Service	Revenues\[Revenue.xlsx]Sch M	37,776	21,224	59,000	0	59,000
26	WW-Miscellaneous Service	Revenues\[Revenue.xlsx]Sch M	0	0	0	0	0
27	Total Other Operating Revenues		<u>2,285,688</u>	<u>(111,040)</u>	<u>2,174,648</u>	<u>0</u>	<u>2,174,648</u>
28							
29							
30	Total Operating Revenues		<u>\$90,509,219</u>	<u>(\$2,823,250)</u>	<u>\$87,685,969</u>	<u>\$13,453,446</u>	<u>\$101,139,415</u>

Kentucky American Water Company
Case No. 2015-00418
Revenue Summary
Summary of Adjustments for Operating Revenues at Present Rates

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-1
Revenues\ [KY Revenue Exhibit.xlsx] Exhibit

Line Number	Adjustments	Schedule Reference	Residential	Commercial	Industrial	Other Public Authorities	Sale for Resale
1							
2	Billing Determinant Change	Revenues\[Revenue.xlsx]Sch M	(\$635,710)	(\$906,362)	\$3,491	(\$264,741)	(\$111,442)
3	Unbilled Adjustment		(254,323)	(288,581)	(21,350)	(109,419)	(42,842)
4	Eliminate Owenton Revenue	Revenues\[Revenue.xlsx]Sch M					0
5							
6							
7	Total		<u>(\$890,033)</u>	<u>(\$1,194,943)</u>	<u>(\$17,859)</u>	<u>(\$374,160)</u>	<u>(\$154,284)</u>
8							
9							
10							
11			Private	Public		Other	
12			Fire	Fire	Miscellaneous	Water Revenue	Total
13							
14							
15	Billing Determinant Change	Revenues\[Revenue.xlsx]Sch M	(\$16,203)	(\$23,895)	(\$37,755)	\$0	(\$1,992,617)
16	Unbilled Adjustment		0		(3,078)		(719,593)
17	Eliminate Owenton Revenue	Revenues\[Revenue.xlsx]Sch M					0
18							
19							
20	Total		<u>(\$16,203)</u>	<u>(\$23,895)</u>	<u>(\$40,833)</u>	<u>\$0</u>	<u>(\$2,712,210)</u>

Kentucky American Water Company
Case No. 2015-00418
Revenue Summary
Summary of Adjustments for Operating Revenues at Present Rates

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-1
Revenues\[KY Revenue Exhibit.xlsx]Exhibit

Line Number	Adjustments	Schedule Reference	Other Water Revenue	Late Payment Fee	Rent	Rent I/C	Collect for Others	NSF Check Charge
1								
2	To Adjust for the Forecast Period	Revenues\[Revenue.xlsx]Sch M	\$0	(\$99,981)	(\$5,674)	\$14,496	\$0	\$1,402
3								
4								
5								
6								
7	Total		<u>\$0</u>	<u>(\$99,981)</u>	<u>(\$5,674)</u>	<u>\$14,496</u>	<u>\$0</u>	<u>\$1,402</u>
8								
9								
10								
11			<u>Application/</u>	<u>Usage</u>	<u>Reconnect</u>	<u>Miscellaneous</u>	<u>WW-Miscellaneous</u>	<u>Total</u>
12			<u>Initiation Fee</u>	<u>Data</u>	<u>Fee</u>	<u>Service</u>	<u>Service</u>	<u>Service</u>
13								
14								
15	To Adjust for the Forecast Period	Revenues\[Revenue.xlsx]Sch M	(\$10,837)	\$689	(\$32,359)	\$21,224	\$0	(\$111,040)
16								
17								
18								
19								
20	Total		<u>(\$10,837)</u>	<u>\$689</u>	<u>(\$32,359)</u>	<u>\$21,224</u>	<u>\$0</u>	<u>(\$111,040)</u>

Kentucky American Water Company
Case No. 2015-00418
Revenue Summary
Summary of Adjustments for Operating Revenues for Forecast Year at Proposed Rates

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-1
 Revenues\[KY Revenue Exhibit.xlsx]Exhibit

Line Number	Adjustments	Schedule Reference	Residential	Commercial	Industrial	Other Public Authorities	Sale for Resale
1							
2	Proposed Rates	Revenues\[Revenue.xlsx]Sch M	\$8,324,451	\$2,756,667	\$557,063	\$1,047,117	\$111,947
3							
4							
5							
6							
7	Total		<u>\$8,324,451</u>	<u>\$2,756,667</u>	<u>\$557,063</u>	<u>\$1,047,117</u>	<u>\$111,947</u>
8							
9							
10							
11			Private	Public		Other	
12			Fire	Fire	Miscellaneous	Water Revenue	Total
13							
14							
15	Proposed Rates	Revenues\[Revenue.xlsx]Sch M	\$80,739	\$575,462	\$0	\$0	\$13,453,446
16							
17							
18							
19							
20	Total		<u>\$80,739</u>	<u>\$575,462</u>	<u>\$0</u>	<u>\$0</u>	<u>\$13,453,446</u>

Kentucky American Water Company
Forecast Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418

Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-2
Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period at Present Rates		Base Period at Proposed Rates		Test Year at Present Rates		Test Year at Proposed Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1	Monthly Billing:										
2											
3	Residential	5,762,070	\$48,233,822	5,762,070	\$56,683,098	5,575,259	\$47,597,938	5,575,259	\$55,922,389	\$8,324,451	17.49%
4	Commercial	3,726,537	22,074,757	3,726,537	24,921,070	3,487,266	21,168,395	3,487,266	23,925,062	2,756,667	13.02%
5	Industrial	618,295	2,536,992	618,295	3,093,310	619,086	2,540,483	619,086	3,097,546	557,063	21.93%
6	Other Public Authority	1,271,685	6,169,508	1,271,685	7,261,540	1,196,002	5,904,766	1,196,002	6,951,883	1,047,117	17.73%
7	Sale for Resale	432,531	1,886,183	432,531	2,005,102	403,500	1,774,742	403,500	1,886,689	111,947	6.31%
8	Private Fire Service:	3,250	2,723,183	0	2,804,056	0	2,699,847	0	2,780,586	80,739	2.99%
9	Public Fire Service	0	3,757,268	0	4,331,418	0	3,740,506	0	4,315,968	575,462	15.38%
10	Miscellaneous	12,056	116,418	12,056	116,418	4,368	84,644	4,368	84,644	0	0.00%
11	Other Water Revenue	0	0	0	0	0	0	0	0	0	0.00%
12	Total	11,826,425	\$87,498,131	11,823,175	\$101,216,012	11,285,481	\$85,511,321	11,285,481	\$98,964,767	\$13,453,446	15.73%
13											
14	Miscellaneous Revenues:										
15	Other Water Revenue		\$0		\$0		\$0		\$0	0	0.00%
16	Late Payment Fee		936,548		936,548		852,640		852,640	0	0.00%
17	Rent		75,361		75,361		69,684		69,684	0	0.00%
18	Rent I/C		50,905		50,905		65,400		65,400	0	0.00%
19	Collect for Others		0		0		0		0	0	0.00%
20	NSF Check Charge		30,741		30,741		32,142		32,142	0	0.00%
21	Application/Initiation Fee		754,381		754,381		743,543		743,543	0	0.00%
22	Usage Data		51,946		51,946		52,634		52,634	0	0.00%
23	Reconnect Fee		336,164		336,164		299,605		299,605	0	0.00%
24	Miscellaneous Service		37,773		37,773		59,000		59,000	0	0.00%
25	WW-Miscellaneous Service		0		0		0		0	0	0.00%
26	Total Other Revenue		\$2,273,818		\$2,273,818		\$2,174,648		\$2,174,648	\$0	0.00%
27											
28	Total Revenue		\$89,771,949		\$103,489,830		\$87,685,969		\$101,139,415	\$13,453,446	15.34%

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418
Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period at Present Rates				Base Period at Proposed Rates				Test Year at Present Rates				Test Year at Proposed Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1	Residential:																		
2	Minimum Charge:																		
3	5/8" Monthly	1,367,034		\$12.49	\$17,074,259	1,367,034		\$14.85	\$20,300,460	1,377,268		\$12.49	\$17,202,077	1,377,268		\$14.85	\$20,452,430	\$3,250,353	18.90%
4	3/4" Monthly	12		18.74	225	12		22.30	268	12		18.74	225	12		22.30	268	43	19.11%
5	1" Monthly	22,837		31.23	713,186	22,837		37.10	847,237	21,864		31.23	682,813	21,864		37.10	811,154	128,341	18.80%
6	1-1/2" Monthly	156		62.45	9,745	156		74.30	11,595	156		62.45	9,742	156		74.30	11,591	1,849	18.98%
7	2" Monthly	1,259		99.92	125,844	1,259		118.80	149,623	1,176		99.92	117,506	1,176		118.80	139,709	22,203	18.90%
8	3" Monthly	0		187.35	0	0		222.80	0	0		187.35	0	0		222.80	0	0	0.00%
9	4" Monthly	0		312.25	0	0		371.30	0	0		312.25	0	0		371.30	0	0	0.00%
10	6" Monthly	36		624.50	22,482	36		742.50	26,730	36		624.50	22,482	36		742.50	26,730	4,248	18.90%
11	8" Monthly	32		999.20	31,974	32		1,188.00	38,016	12		999.20	11,990	12		1,188.00	14,256	2,266	18.90%
12	Surcharge																	0	0.00%
13																			
14																			
15																			
16	Volumetric Charges:																		
17	First Block		5,731,694	\$5.3004	\$30,380,273		5,731,694	\$6.1820	\$35,433,335		5,575,259	\$5.3004	\$29,551,103		5,575,259	\$6.1820	\$34,466,251	\$4,915,148	16.63%
18	Second Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
19	Third Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
20	Fourth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fifth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
22	Sixth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
23	Credits		30,376		(124,166)		30,376		(124,166)				0		0		0	0	0.00%
24																			
25	Total		<u>5,762,070</u>		<u>\$48,233,822</u>		<u>5,762,070</u>		<u>\$56,683,098</u>		<u>5,575,259</u>		<u>\$47,597,938</u>		<u>5,575,259</u>		<u>\$55,922,389</u>	<u>\$8,324,451</u>	<u>17.49%</u>

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418
Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period at Present Rates				Base Period at Proposed Rates				Test Year at Present Rates				Test Year at Proposed Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1	Commercial:																		
2	Minimum Charge:																		
3	5/8" Monthly	54,977		\$12.49	\$686,661	54,977		\$14.85	\$816,406	55,473		\$12.49	\$692,858	55,473		\$14.85	\$823,774	\$130,916	18.90%
4	3/4" Monthly	11		18.74	213	11		22.30	253	12		18.74	225	12		22.30	268	43	19.11%
5	1" Monthly	30,610		31.23	955,965	30,610		37.10	1,135,649	28,762		31.23	898,237	28,762		37.10	1,067,070	168,833	18.80%
6	1-1/2" Monthly	2,041		62.45	127,464	2,041		74.30	151,651	2,064		62.45	128,897	2,064		74.30	153,355	24,458	18.97%
7	2" Monthly	20,516		99.92	2,049,921	20,516		118.80	2,437,256	22,635		99.92	2,261,689	22,635		118.80	2,689,038	427,349	18.90%
8	3" Monthly	16		187.35	2,998	16		222.80	3,565	24		187.35	4,496	24		222.80	5,347	851	18.93%
9	4" Monthly	370		312.25	115,657	370		371.30	137,529	372		312.25	116,157	372		371.30	138,124	21,967	18.91%
10	6" Monthly	153		624.50	95,519	153		742.50	113,568	156		624.50	97,422	156		742.50	115,830	18,408	18.90%
11	8" Monthly	109		999.20	108,913	109		1,188.00	129,492	132		999.20	131,894	132		1,188.00	156,816	24,922	18.90%
12	Surcharge																	0	0.00%
13																			
14																			
15																			
16	Volumetric Charges:																		
17	First Block		3,712,689	\$4.8280	\$17,924,865		3,712,689	\$5.3840	\$19,989,120		3,487,266	\$4.8280	\$16,836,520		3,487,266	\$5.3840	\$18,775,440	\$1,938,920	11.52%
18	Second Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
19	Third Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
20	Fourth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fifth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
22	Sixth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
23	Credits		13,848		6,581		13,848		6,581		0		0		0		0	0	0.00%
24																			
25	Total		<u>3,726,537</u>		<u>\$22,074,757</u>		<u>3,726,537</u>		<u>\$24,921,070</u>		<u>3,487,266</u>		<u>\$21,168,395</u>		<u>3,487,266</u>		<u>\$23,925,062</u>	<u>\$2,756,667</u>	<u>13.02%</u>

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418

Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
 Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period at Present Rates				Base Period at Proposed Rates				Test Year at Present Rates				Test Year at Proposed Rates				Dollar Change	Percentage Change	
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue			
1	Industrial:																			
2	Minimum Charge:																			
3	5/8" Monthly	70		\$12.49	\$876	70		\$14.85	\$1,042	72		\$12.49	\$899	72		\$14.85	\$1,069	\$170	18.91%	
4	3/4" Monthly	0		18.74	0	0		22.30	0	0		18.74	0	0		22.30	0	0	0.00%	
5	1" Monthly	24		31.23	750	24		37.10	890	24		31.23	750	24		37.10	890	140	18.67%	
6	1-1/2" Monthly	24		62.45	1,499	24		74.30	1,783	24		62.45	1,499	24		74.30	1,783	284	18.95%	
7	2" Monthly	290		99.92	28,971	290		118.80	34,445	288		99.92	28,777	288		118.80	34,214	5,437	18.89%	
8	3" Monthly	0		187.35	0	0		222.80	0	0		187.35	0	0		222.80	0	0	0.00%	
9	4" Monthly	126		312.25	39,344	126		371.30	46,784	120		312.25	37,470	120		371.30	44,556	7,086	18.91%	
10	6" Monthly	96		624.50	59,877	96		742.50	71,190	96		624.50	59,952	96		742.50	71,280	11,328	18.90%	
11	8" Monthly	0		999.20	0	0		1,188.00	0	0		999.20	0	0		1,188.00	0	0	0.00%	
12	Surcharge																	0	0.00%	
13																				
14																				
15																				
16	Volumetric Charges:																			
17	First Block		617,788	\$3.8947	\$2,406,080		617,788	\$4.7550	\$2,937,581		619,086	\$3.8947	\$2,411,136		619,086	\$4.7550	\$2,943,754	\$532,618	22.09%	
18	Second Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%	
19	Third Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%	
20	Fourth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%	
21	Fifth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%	
22	Sixth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%	
23	Credits		507		(405)		507		(405)		507		0		507		0	0	0.00%	
24																				
25	Total		<u>618,295</u>		<u>\$2,536,992</u>		<u>618,295</u>		<u>\$3,093,310</u>		<u>619,086</u>		<u>\$2,540,483</u>		<u>619,086</u>		<u>\$3,097,546</u>	<u>\$557,063</u>	<u>21.93%</u>	

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418
Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period at Present Rates				Base Period at Proposed Rates				Test Year at Present Rates				Test Year at Proposed Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1	Other Public Authority:																		
2	Minimum Charge:																		
3	5/8" Monthly	1,678		\$12.49	\$20,952	1,678		\$14.85	\$24,911	1,680		\$12.49	\$20,983	1,680		\$14.85	\$24,948	\$3,965	18.90%
4	3/4" Monthly	0		18.74	0	0		22.30	0	0		18.74	0	0		22.30	0	0	0.00%
5	1" Monthly	2,063		31.23	64,423	2,063		37.10	76,531	2,064		31.23	64,459	2,064		37.10	76,574	12,115	18.79%
6	1-1/2" Monthly	340		62.45	21,254	340		74.30	25,286	336		62.45	20,983	336		74.30	24,965	3,982	18.98%
7	2" Monthly	4,431		99.92	442,741	4,431		118.80	526,398	4,404		99.92	440,048	4,404		118.80	523,195	83,147	18.89%
8	3" Monthly	12		187.35	2,248	12		222.80	2,674	12		187.35	2,248	12		222.80	2,674	426	18.95%
9	4" Monthly	505		312.25	157,840	505		371.30	187,690	504		312.25	157,374	504		371.30	187,135	29,761	18.91%
10	6" Monthly	157		624.50	98,047	157		742.50	116,573	156		624.50	97,422	156		742.50	115,830	18,408	18.90%
11	8" Monthly	24		999.20	23,981	24		1,188.00	28,512	24		999.20	23,981	24		1,188.00	28,512	4,531	18.89%
12	Surcharge																	0	0.00%
13																			
14																			
15																			
16	Volumetric Charges:																		
17	First Block		1,255,294	\$4.2452	\$5,328,975		1,255,294	\$4.9900	\$6,263,918		1,196,002	\$4.2452	\$5,077,268		1,196,002	\$4.9900	\$5,968,050	\$890,782	17.54%
18	Second Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
19	Third Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
20	Fourth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fifth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
22	Sixth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
23	Credits		16,391		9,047		16,391		9,047				0				0	0	0.00%
24																			
25	Total		<u>1,271,685</u>		<u>\$6,169,508</u>		<u>1,271,685</u>		<u>\$7,261,540</u>		<u>1,196,002</u>		<u>\$5,904,766</u>		<u>1,196,002</u>		<u>\$6,951,883</u>	<u>\$1,047,117</u>	<u>17.73%</u>

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418
Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period at Present Rates				Base Period at Proposed Rates				Test Year at Present Rates				Test Year at Proposed Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1	Sale for Resale:																		
2	Minimum Charge:																		
3	5/8" Monthly	0		\$12.49	\$0	0		\$14.85	\$0	0		\$12.49	\$0	0		\$14.85	\$0	\$0	0.00%
4	3/4" Monthly	0		18.74	0	0		22.30	0	0		18.74	0	0		22.30	0	0	0.00%
5	1" Monthly	0		31.23	0	0		37.10	0	0		31.23	0	0		37.10	0	0	0.00%
6	1-1/2" Monthly	48		62.45	2,998	48		74.30	3,566	48		62.45	2,998	48		74.30	3,566	568	18.95%
7	2" Monthly	93		99.92	9,271	93		118.80	11,023	96		99.92	9,592	96		118.80	11,405	1,813	18.90%
8	3" Monthly	0		187.35	0	0		222.80	0	0		187.35	0	0		222.80	0	0	0.00%
9	4" Monthly	83		312.25	26,002	83		371.30	30,920	84		312.25	26,229	84		371.30	31,189	4,960	18.91%
10	6" Monthly	59		624.50	36,952	59		742.50	43,934	60		624.50	37,470	60		742.50	44,550	7,080	18.90%
11	8" Monthly	0		999.20	0	0		1,188.00	0	0		999.20	0	0		1,188.00	0	0	0.00%
12	Owenton				0				0				0.00				0	0	0.00%
13																			
14																			
15																			
16	Volumetric Charges:																		
17	First Block		433,178	\$4.2093	\$1,823,378		433,178	\$4.4510	\$1,928,077		403,500	\$4.2093	\$1,698,453		403,500	\$4.4510	\$1,795,979	\$97,526	5.74%
18	Second Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
19	Third Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
20	Fourth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fifth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
22	Sixth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
23	Credits		(647)		(12,418)		(647)		(12,418)		0	0.0000	0		0	0.0000	0	0	0.00%
24																			
25	Total		<u>432,531</u>		<u>\$1,886,183</u>		<u>432,531</u>		<u>\$2,005,102</u>		<u>403,500</u>		<u>\$1,774,742</u>		<u>403,500</u>		<u>\$1,886,689</u>	<u>\$111,947</u>	<u>6.31%</u>

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418
Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
Revenues\Revenue.xlsx\Sch M

Line #	Connection Size	Base Period at Present Rates			Base Period at Proposed Rates			Test Year at Present Rates			Test Year at Proposed Rates			Dollar Change	Percentage Change
		Number of Connections	Current Rate	Total Revenue	Number of Connections	Proposed Rate	Total Revenue	Number of Connections	Current Rate	Total Revenue	Number of Connections	Proposed Rate	Total Revenue		
1	Private Fire Service:														
2	Hydrant	13,879	\$79.77	\$1,107,160	13,879	\$79.77	\$1,107,160	13,620	\$79.77	\$1,086,467	13,620	\$79.77	\$1,086,467	\$0	0.00%
3	2"	765	8.92	6,824	765	\$9.37	7,168	828	8.92	7,386	828	9.37	7,758	372	5.04%
4	4"	5,037	35.90	180,823	5,037	\$37.70	189,889	5,040	35.90	180,936	5,040	37.70	190,008	9,072	5.01%
5	6"	10,989	80.74	887,223	10,989	\$84.78	931,617	10,944	80.74	883,619	10,944	84.78	927,832	44,213	5.00%
6	8"	3,418	143.54	490,621	3,418	\$150.72	515,163	3,420	143.54	490,907	3,420	150.72	515,462	24,555	5.00%
7	10"	108	224.34	24,229	108	\$235.56	25,440	108	224.34	24,229	108	235.56	25,440	1,211	5.00%
8	12"	60	323.50	19,410	60	\$339.68	20,381	60	323.50	19,410	60	339.68	20,381	971	5.00%
9	14"	0	439.89	0	0	\$461.88	0	0	439.89	0	0	461.88	0	0.00%	
10	16"	12	574.42	6,893	12	\$603.14	7,238	12	574.42	6,893	12	603.14	7,238	345	5.01%
11															
12															
13	Credits						0						0		
14	Total	<u>34,268</u>		<u>\$2,723,183</u>	<u>34,268</u>		<u>\$2,804,056</u>	<u>34,032</u>		<u>\$2,699,847</u>	<u>34,032</u>		<u>\$2,780,586</u>	<u>\$80,739</u>	<u>2.99%</u>
15															
16															
17	Public Fire Protection:														
18	Public Fire Hydrants	89,711	\$41.60	\$3,731,978	89,711	\$48.00	\$4,306,128	89,916	\$41.60	\$3,740,506	89,916	\$48.00	\$4,315,968	\$575,462	15.38%
19															
20		<u>89,711</u>		<u>\$3,731,978</u>	<u>89,711</u>		<u>\$4,306,128</u>	<u>89,916</u>		<u>\$3,740,506</u>	<u>89,916</u>		<u>\$4,315,968</u>	<u>\$575,462</u>	<u>15.38%</u>
21															
22	Credits	3,250		25,290			25,290			0			0		
23															
24	Total Fire			<u>\$6,480,451</u>			<u>\$7,135,474</u>			<u>\$6,440,353</u>			<u>\$7,096,554</u>	<u>\$656,201</u>	<u>10.19%</u>

Kentucky American Water Company
Test Year Operating Revenues at Present Rates vs Proposed Rates
Case No. 2015-00418
Base Year for the 12 Months Ended April 30, 2016 and Forecast Year for the 12 Months Ended August 31, 2017

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule M-3
Revenues\Revenue.xlsx\Sch M

Line #	Class/ Description	Base Period				Base Period				Test Year at Present Rates				Test Year at Proposed Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales 0	Current Rate	Total Revenue	Customer Meter Billings	Sales 0	Current Rate	Total Revenue	Customer Meter Billings	Sales 0	Current Rate	Total Revenue	Customer Meter Billings	Sales 0	Proposed Rate	Total Revenue		
1	Miscellaneous:																		
2	Minimum Charge:																		
3	5/8" Monthly	0		\$12.49	\$0	0		\$12.49	\$0	0		\$12.49	\$0	0		\$12.49	\$0	\$0	0.00%
4	3/4" Monthly	0		18.74	0	0		18.74	0	0		18.74	0	0		18.74	0	0	0.00%
5	1" Monthly	0		31.23	0	0		31.23	0	0		31.23	0	0		31.23	0	0	0.00%
6	1-1/2" Monthly	0		62.45	0	0		62.45	0	0		62.45	0	0		62.45	0	0	0.00%
7	2" Monthly	0		99.92	0	0		99.92	0	0		99.92	0	0		99.92	0	0	0.00%
8	3" Monthly	317		187.35	59,470	317		187.35	59,470	347		187.35	64,988	347		187.35	64,988	0	0.00%
9	4" Monthly	0		312.25	0	0		312.25	0	0		312.25	0	0		312.25	0	0	0.00%
10	6" Monthly	0		624.50	0	0		624.50	0	0		624.50	0	0		624.50	0	0	0.00%
11	8" Monthly	0		999.20	0	0		999.20	0	0		999.20	0	0		999.20	0	0	0.00%
12	Surcharge																	0	0.00%
13																			
14																			
15																			
16	Volumetric Charges:																		
17	First Block		6,454	\$4.5000	\$29,042		6,454	\$4.5000	\$29,042		4,368	\$4.5000	\$19,656		4,368	\$4.5000	\$19,656	\$0	0.00%
18	Second Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
19	Third Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
20	Fourth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
21	Fifth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
22	Sixth Block		0	0.0000	0		0	0.0000	0		0	0.0000	0		0	0.0000	0	0	0.00%
23	Credits		5,602		27,906		5,602		27,906		0		0		0		0	0	0.00%
24																			
25	Total		<u>12,056</u>		<u>\$116,418</u>		<u>12,056</u>		<u>\$116,418</u>		<u>4,368</u>		<u>\$84,644</u>		<u>4,368</u>		<u>\$84,644</u>	<u>\$0</u>	<u>0.00%</u>

**EXHIBIT 37
SCHEDULE N**

TYPICAL BILL COMPARISON UNDER PRESENT AND PROPOSED RATES FOR ALL CUSTOMER CLASSES

KENTUCKY-AMERICAN WATER COMPANY

Case No. 2015-00418

Forecasted Test Period: For the 12 Months Ended August 31, 2017

Base Period: For the 12 Months Ended April 30, 2016

<u>Schedule</u>	<u>Description</u>
N	Typical Bill Comparison

For electronic version, see KAW_APP_EX37N_012916.pdf.

Kentucky American Water Company
Case No. 2015-00418
Forecast Year for the 12 Months Ended August 31, 2017
Typical Bill Comparisons under Present and Proposed Rates
Residential - 5/8" Meter

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule N
Revenues\[Revenue.xlsx]Sch N

Consumption Thousand Gallons	Present Rate	Proposed Rate	Difference	Percentage Difference
0	\$12.49	\$14.85	\$2.36	18.90%
1	17.79	21.03	3.24	18.21%
2	23.09	27.21	4.12	17.84%
3	28.39	33.40	5.01	17.65%
4.00	33.69	39.58	5.89	17.48%
5	38.99	45.76	6.77	17.36%
6	44.29	51.94	7.65	17.27%
7	49.59	58.12	8.53	17.20%
8	54.89	64.31	9.42	17.16%
9	60.19	70.49	10.30	17.11%
10	65.49	76.67	11.18	17.07%
15	92.00	107.58	15.58	16.93%
20	118.50	138.49	19.99	16.87%
25	145.00	169.40	24.40	16.83%
30	171.50	200.31	28.81	16.80%
35	198.00	231.22	33.22	16.78%
40	224.51	262.13	37.62	16.76%
45	251.01	293.04	42.03	16.74%
50	277.51	323.95	46.44	16.73%
75	410.02	478.50	68.48	16.70%
100	542.53	633.05	90.52	16.68%
 Average User	 33.69	 39.58	 5.89	 17.48%

Kentucky American Water Company
Case No. 2015-00418
Forecast Year for the 12 Months Ended August 31, 2017
Typical Bill Comparisons under Present and Proposed Rates
Commercial - 5/8" Meter

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule N
Revenues\[Revenue.xlsx]Sch N

Consumption Thousand Gallons	Present Rate	Proposed Rate	Difference	Percentage Difference
0	\$12.49	\$14.85	\$2.36	18.90%
1	17.32	20.23	2.91	16.80%
2	22.15	25.62	3.47	15.67%
3	26.97	31.00	4.03	14.94%
4	31.80	36.39	4.59	14.43%
5	34.22	39.08	4.86	14.20%
5	36.63	41.77	5.14	14.03%
6	41.46	47.15	5.69	13.72%
7	46.29	52.54	6.25	13.50%
8	51.11	57.92	6.81	13.32%
9	55.94	63.31	7.37	13.17%
10	60.77	68.69	7.92	13.03%
15	84.91	95.61	10.70	12.60%
20	109.05	122.53	13.48	12.36%
25	133.19	149.45	16.26	12.21%
32	167.95	188.21	20.26	12.06%
35	181.47	203.29	21.82	12.02%
36	186.30	208.67	22.37	12.01%
40	205.61	230.21	24.60	11.96%
50	253.89	284.05	30.16	11.88%
75	374.59	418.65	44.06	11.76%
100	495.29	553.25	57.96	11.70%
Average User	167.95	188.21	20.26	12.06%

Kentucky American Water Company
Case No. 2015-00418
Forecast Year for the 12 Months Ended August 31, 2017
Typical Bill Comparisons under Present and Proposed Rates
Industrial - 2" Meter

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule N
Revenues\[Revenue.xlsx]Sch N

Consumption Thousand Gallons	Present Rate	Proposed Rate	Difference	Percentage Difference
0	\$99.92	\$118.80	\$18.88	18.90%
10	138.87	166.35	27.48	19.79%
25	197.29	237.68	40.39	20.47%
50	294.65	356.55	61.90	21.01%
75	392.02	475.43	83.41	21.28%
100	489.39	594.30	104.91	21.44%
150	684.12	832.05	147.93	21.62%
200	878.85	1,069.80	190.95	21.73%
250	1,073.59	1,307.55	233.96	21.79%
500	2,047.26	2,496.30	449.04	21.93%
750	3,020.92	3,685.05	664.13	21.98%
1,000	3,994.59	4,873.80	879.21	22.01%
1,250	4,968.26	6,062.55	1,094.29	22.03%
1,500	5,941.93	7,251.30	1,309.37	22.04%
1,984	7,828.11	9,554.15	1,726.04	22.05%
2,092	8,247.57	10,066.26	1,818.69	22.05%
2,500	9,836.60	12,006.30	2,169.70	22.06%
2,750	10,810.26	13,195.05	2,384.79	22.06%
3,000	11,783.93	14,383.80	2,599.87	22.06%
5,000	19,573.27	23,893.80	4,320.53	22.07%
10,000	39,046.62	47,668.80	8,622.18	22.08%
20,000	77,993.32	95,218.80	17,225.48	22.09%
 Average User	 7,828.11	 9,554.15	 1,726.04	 22.05%

Kentucky American Water Company
Case No. 2015-00418
Forecast Year for the 12 Months Ended August 31, 2017
Typical Bill Comparisons under Present and Proposed Rates
Other Public Authority - 2" Meter

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule N
Revenues\[Revenue.xlsx]Sch N

Consumption Thousand Gallons	Present Rate	Proposed Rate	Difference	Percentage Difference
0	\$99.92	\$118.80	\$18.88	18.90%
5	121.15	143.75	22.60	18.65%
10	142.37	168.70	26.33	18.49%
15	163.60	193.65	30.05	18.37%
25	206.05	243.55	37.50	18.20%
50	312.18	368.30	56.12	17.98%
75	418.31	493.05	74.74	17.87%
100	524.44	617.80	93.36	17.80%
125	630.57	742.55	111.98	17.76%
150	736.70	867.30	130.60	17.73%
175	842.83	992.05	149.22	17.70%
184	881.89	1,037.96	156.07	17.70%
212	999.90	1,176.68	176.78	17.68%
250	1,161.22	1,366.30	205.08	17.66%
300	1,373.48	1,615.80	242.32	17.64%
350	1,585.74	1,865.30	279.56	17.63%
400	1,798.00	2,114.80	316.80	17.62%
500	2,222.52	2,613.80	391.28	17.61%
750	3,283.82	3,861.30	577.48	17.59%
1,000	4,345.12	5,108.80	763.68	17.58%
2,500	10,712.92	12,593.80	1,880.88	17.56%
5,000	21,325.92	25,068.80	3,742.88	17.55%
Average User	881.89	1,037.96	156.07	17.70%

Kentucky American Water Company
Case No. 2015-00418
Forecast Year for the 12 Months Ended August 31, 2017
Typical Bill Comparisons under Present and Proposed Rates
Sales for Resale - 6" Meter

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule N
Revenues\[Revenue.xlsx]Sch N

Consumption Thousand Gallons	Present Rate	Proposed Rate	Difference	Percentage Difference
0	\$624.50	\$742.50	\$118.00	18.90%
25	729.73	853.78	124.05	17.00%
50	834.97	965.05	130.08	15.58%
75	940.20	1,076.33	136.13	14.48%
100	1,045.43	1,187.60	142.17	13.60%
150	1,255.90	1,410.15	154.25	12.28%
200	1,466.36	1,632.70	166.34	11.34%
250	1,676.83	1,855.25	178.42	10.64%
500	2,729.15	2,968.00	238.85	8.75%
750	3,781.48	4,080.75	299.27	7.91%
1,000	4,833.80	5,193.50	359.70	7.44%
1,500	6,938.45	7,419.00	480.55	6.93%
2,242	10,060.49	10,720.31	659.82	6.56%
2,500	11,147.75	11,870.00	722.25	6.48%
2,930	12,957.75	13,783.93	826.18	6.38%
3,000	13,252.40	14,095.50	843.10	6.36%
5,000	21,671.00	22,997.50	1,326.50	6.12%
7,500	32,194.25	34,125.00	1,930.75	6.00%
10,000	42,717.50	45,252.50	2,535.00	5.93%
15,000	63,764.00	67,507.50	3,743.50	5.87%
25,000	105,857.00	112,017.50	6,160.50	5.82%
50,000	211,089.50	223,292.50	12,203.00	5.78%
 Average User	 10,060.49	 10,720.31	 659.82	 6.56%

Kentucky American Water Company
Case No. 2015-00418
Forecast Year for the 12 Months Ended August 31, 2017
Typical Bill Comparisons under Present and Proposed Rates
Fire

Witness Responsible: Linda Bridwell

Exhibit 37, Schedule N
Revenues\[Revenue.xlsx]Sch N

Consumption Thousand Gallons	Present Rate	Proposed Rate	Difference	Percentage Difference
<u>Private Fire</u>				
Private Fire Hydrant	\$79.77	\$79.77	\$0.00	0.00%
2"	8.92	9.37	0.45	5.04%
4"	35.90	37.70	1.80	5.01%
6"	80.74	84.78	4.04	5.00%
8"	143.54	150.72	7.18	5.00%
10"	224.34	235.56	11.22	5.00%
12"	323.50	339.68	16.18	5.00%
14"	439.89	461.88	21.99	5.00%
16"	574.42	603.14	28.72	5.00%
<u>Public Fire</u>				
Public Fire Hydrant	\$41.60	\$48.00	\$ 6.40	15.38%