

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JAN 24 2011

PUBLIC SERVICE
COMMISSION

In the Matter of:

| | | |
|---------------------------------|---|---------------------|
| Application of Kentucky Water |) | |
| Service Corporation of Kentucky |) | Case No. 2010-00476 |
| For an Adjustment of Rates |) | |

APPLICATION FOR WATER RATE ADJUSTMENT

Water Service Corporation of Kentucky, by counsel, submits its application for an increase in rates pursuant to KRS 278.190 to be effective February 24, 2011 or sooner if allowed by the Commission.

1. Water Service Corporation of Kentucky is a Kentucky corporation, whose stock is wholly owned by Utilities, Inc. The mailing address of Water Service is 2335 Sanders Road, Northbrook, Illinois, 60062.
2. A certified copy of the articles of incorporation was filed in Case No. 2002-00142. A copy of its current Certificate of Authorization is attached as exhibit 1.
3. Water Service currently owns and operates water production, transmission, and distribution facilities in both Middlesboro and Clinton. It serves approximately 7349 customers. It also has a contract with the city of Clinton to operate the city's wastewater system. The wastewater system and operations are not part of this rate application.

4. Notice of intent to file a rate application was given to the Commission on December 4, 2010.
5. The rates proposed are to recover operating expenses, debt service costs and other operating expenses, depreciation, taxes and other expenses related to the operation of both water systems. The reasons for the proposed increase are more fully explained in the testimony included with exhibit 5.
6. The company's Annual Reports have been filed with the Commission.
7. The company is not a limited partnership.
8. There is no assumed name.
9. Current and proposed tariffs are attached as exhibit 2.
10. Notice has been given as required by 807 KAR 5:001 (1). A copy is attached as exhibit 3.
11. A pro forma schedule of changes is attached as exhibit 4.
12. Prepared testimony is attached as exhibit 5. Brian Shrake, Bruce Haas, and Steve Lubertozzi are the witnesses supporting the rate adjustment and rate design, cost of capital and overview of Kentucky operations. Patrick Baryenbruch, CPA, MBA will testify about certain market cost of services to WSCK, however due to scheduling conflicts, his testimony will not be available until the week of February 1, 2011 and will be filed at that time.
13. Estimated impact proposed rates will have on revenues is attached as exhibit 6.
14. The effect of the proposed rates on the average customer's bill is attached as exhibit 6.
15. A billing analysis is attached as exhibit 7.

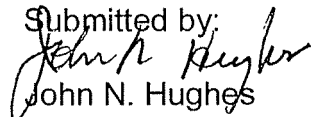
16. A summary of the calculation of the revenue requirements is attached as exhibit 8.
17. A reconciliation of rate base and capital is attached as exhibit 9.
18. A current chart of accounts is attached as exhibit 10.
19. The independent auditor's report is attached as exhibit 11. A separate petition for confidentiality has been filed for this document.
20. There are no FERC or FCC audit reports.
21. The company has not performed a depreciation study. An explanation of the proposed depreciation rates is attached as exhibits 12 and 13.
22. A list of in house software is included in exhibit 14.
23. Water Service has no stock prospectus.
24. Water Service has no report to shareholders.
25. Monthly reports are attached as exhibit 15. There are no written reports other than the rolling monthly financial statement.
26. Allocations to affiliates are explained in exhibit 16.
27. A cost of service study is not required due to the amount of the company's operating revenues.
28. An income statement and balance sheet are attached as exhibit 17.
29. There are no pro forma adjustments in the filing for plant additions and are no plant additions for the test year.
30. An operating budget is not prepared by the company.
31. The number of new customers to be added to the test period is 0.
32. The percentage change and dollar change in rates for each customer class is in exhibit 6.

33. Present and proposed rates are reflected in the tariffs filed in exhibit 2 and exhibit 6.

34. The effect on the average customer's bill is in exhibit 6.

35. A copy of the public notice is contained in exhibit 3.

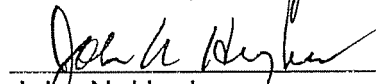
Based on the information filed, the company requests that the Commission approve the proposed rate change. It also requests a deviation pursuant to 807 KAR 5:001(14) from any requirement that might delay the review of the application if such requirement can be considered as substantially met or as unnecessary for a complete review of the proposed rates, including the preparation of a depreciation study as required by 807 KAR 5:001 section 10(6)(n).

Submitted by:

John N. Hughes
124 West Todd St.
Frankfort, KY 40601

Attorney for Water Service
Corporation of Kentucky

Certificate of Service:

A copy of this application was delivered to David Spenard of the Attorney General's Office, 1024 Capital Center Dr, Frankfort, KY 40601 the 24th day of July, 2011.



John N. Hughes

| | | |
|-----------------------------|---|-----------------------------------|
| KRS 278.180 | 30 days' notice of rates to Commission (no effective date means no notice given and this is acceptable) | Effective 2/24/11 |
| 807 KAR 5:001: | | |
| Section 8(1) | Full name and post office address of applicant and a reference to the particular provision of law requiring Commission approval. | Application |
| Section 8(2) | The original and 10 copies of the application with an additional copy for any party named therein as an interested party. | Provided |
| Section 10(1)(b)(1) | A statement of the reason the adjustment is required. | Application & Exhibit 5 |
| Section 10(1)(b)(2) | A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the commission in accordance with 807 KAR 5:006, Section 3(1) | Statement included in Application |
| Section 10(1)(b)(3) and (5) | If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or out of state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the Commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding <u>and</u> a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed. | Exhibit 1 |
| Section 10(1)(b)(4) and (5) | If applicant is a limited partnership, a certified copy of the limited partnership agreement <u>or</u> if the agreement was filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding <u>and</u> a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed. | Not a partnership |
| Section 10(1)(b)(6) | A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary. | No assumed name |
| Section 10(1)(b)(7) | The proposed tariff in form complying with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed. | Exhibit 2 |
| Section 10(1)(b)(8) | Proposed tariff changes shown either by providing present and proposed tariffs in comparative form or indicating additions by italicized inserts or underscoring and striking over deletions in a copy of the current tariff. | Exhibit 2 |
| Section 10(1)(b)(9) | Statement that notice given, see subsections (3) and (4) of 807 KAR 5:001, Section 10 with copy. | Application & Exhibit 3 |
| Section 10(2) | If gross annual revenues exceed \$1,000,000 written notice of intent filed at least four (4) weeks prior to application. Notice shall state whether the application will be supported by historical or a fully forecasted test period. | Filed 12/04/10 |

| | | |
|--------------------------------------|---|--|
| Section 10(6)(a) | Complete description and quantified explanation for proposed adjustments with support for changes in price or activity levels, and other factors affecting the adjustment. | Exhibit 4 |
| Section 10(6)(b) & (c) | If gross annual revenues exceed \$1,000,000, prepared testimony of each witness who will support the application. If less than \$1,000,000, prepared testimony of each witness who will support application or statement that utility does not plan to submit prepared testimony. | Exhibit 5 |
| Section 10(6)(d) | Estimate of effect that new rate(s) will have on revenues including, at minimum, total revenues resulting from increase or decrease and percentage of increase or decrease. | Exhibit 6 |
| Section 10(6)(e) | If electric, gas, water or sewer utility effect upon the average bill for each customer classification to which change will apply. | Exhibits 3 and 6 |
| Section 10(6)(f) | If local exchange company, effect upon the average bill for each customer class for change in basic local service. | Not a local Exchange Co |
| Section 10(6)(g) | Analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class. | Exhibit 7 |
| Section 10(6)(h) | Summary of determination of revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules. | Exhibit 8 |
| Section 10(6)(i) | Reconciliation of rate base and capital used to determine revenue requirements. | Exhibit 9 |
| Section 10(6)(j) | Current chart of accounts if more detailed than the Uniform System of Accounts. | Exhibit 10 |
| Section 10(6)(k) | Independent auditor's annual opinion report, with any written communication from auditor which indicates existence of material weakness in internal controls. | Exhibit 11 |
| Section 10(6)(l) Section 10(6)(m) | The most recent FERC or FCC audit reports. The most recent FERC Form 1 (electric), FERC Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and PSC Form T (telephone). | Not regulated by FERC |
| Section 10(6)(n) | Summary of latest depreciation study with schedules by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall provide schedule identifying current and test period depreciation rates used by major plant accounts. If filed in another PSC case refer to that case's number and style. | Deviation requested See Exhibits 12, 13 |
| Section 10(6)(o) | List of all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with the filing. Include each software, program, or model; what each was used for; its supplier; brief description and specifications for the computer hardware and the operating system required to run the program. | Exhibit 14 |
| Section 10(6)(p) | Prospectuses of most recent stock or bond offerings. | None |

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| Section 10(6)(q) | Annual report to shareholders, or members, and statistical supplements covering 2 years prior to application filing date. | None |
| Section 10(6)(r) | Monthly managerial reports providing financial results for 12 months in test period. | Exhibit 15 |
| Section 10(6)(s) | SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued within past 2 years, and Form 10-Qs issued during the past 6 quarters updated as current information becomes available. | Not applicable to non-Stock company |
| Section 10(6)(t) | <p>If utility had any amounts charged or allocated to it by affiliate or general or home office, or paid any monies to affiliate or general or home office during test period or during previous 3 calendar years, file:</p> <ol style="list-style-type: none"> 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each charge allocation or payment; 2. Explanation of how allocator for the test period was determined; and 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during test period was reasonable; | Exhibit 16 |
| Section 10(6)(u) | If gas, electric or water utility, whose annual gross revenues exceed \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from a single time period. | Not Applicable |
| Section 10(6)(v) | <p>Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file</p> <ol style="list-style-type: none"> 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies supporting pricing of all services that generate annual revenue greater than \$1,000,000 except local exchange access: <ol style="list-style-type: none"> a. Based on current and reliable data from a single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles. | Not A LEC |
| Section 10(7)(a) | Detailed income statement and balance sheet reflecting impact of all proposed adjustments. | Exhibit 17 |
| Section 10(7)(b) | Most recent capital construction budget containing at least period of time as proposed for any pro forma adjustment for plant additions | Not applicable - no capital additions |
| Section 10(7)(c) | For each proposed pro forma adjustment reflecting plant | None proposed |

additions the following information:

1. Starting date of the construction of each major component of plant;
2. Proposed in-service date;
3. Total estimated cost of construction at completion;
4. Amount contained in construction work in progress at end of test period;
5. Complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement;
6. Original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions;
7. Explanation of any differences in amounts contained in the capital construction budget and amounts of capital construction cost contained in the pro forma adjustment period; and
8. Impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements;

| | | |
|------------------|---|-----------|
| Section 10(7)(d) | Operating budget for each month of the period encompassing the pro forma adjustments; | |
| Section 10(7)(e) | Number of customers to be added to the test period – end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers. | |
| Section 10(3)(a) | Amount of change requested in dollar amounts and percentage for each customer classification to which change will apply. | |
| Section 10(3)(b) | Present and proposed rates for each customer class to which change would apply. | |
| Section 10(3)(c) | Electric, gas, water and sewer utilities - effect upon average bill for each customer class to which change will apply. | |
| Section 10(3)(d) | Local exchange companies include effect upon average bill for each customer class for change in basic local service. | Not A LEC |
| Section 10(4) | If copy of public notice included, did it meet requirements?* | Exhibit 3 |

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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Application of Water Service Corporation)
of Kentucky for an Adjustment of Rates) Case No. 2010-00476
)

JAN 24 2011
PUBLIC SERVICE
COMMISSION

PETITION FOR CONFIDENTIALITY

Water Service Corporation of Kentucky (WSCK) petitions the Commission (“Commission”), pursuant to 807 KAR 5:001, Section 7 and all other applicable law, for confidential treatment of the Independent Auditor’s Report, Exhibit 11 of the Application. In support of its Petition, WSCK states as follows:

In accordance with its rules and Kentucky law, the Commission requires certain information to be filed in support of an application for rate adjustment. Based on the reasons set forth below, the information in question is entitled to confidential treatment under 807 KAR 5:001, Section 7, and all other applicable law.

807 KAR 5:001§ 10(6)(k) requires the filing of the independent auditor’s report. That report contains detailed financial information about WSCK and its parent Utilities, Inc., which if publicly disclosed could have adverse consequences to their competitive standing. Utilities, Inc. is a privately held company operating in several states. The disclosure of detailed audit information will provide its competitors with information that those competitors do not disclose to Utilities, Inc, such as salaries, total company financial details and other sensitive data not disclosed outside the company.

WSCK and Utilities, Inc. do not as a matter of company policy publicly disclose the information described above, except as required by law or pursuant to a court order or subpoena. The company’s internal policies are directed toward non-disclosure of the information in

question. In fact, the information will not be disclosed to any personnel, except those who need to know in order to discharge their responsibilities. The information sought by the Commission is not information customarily disclosed to the public and is generally recognized as confidential and proprietary.

There is no significant interest in public disclosure of the attached information. Any public interest in favor of disclosure of the information is outweighed by the competitive interest in keeping the information confidential, enabling WSCK to successfully compete for business in Kentucky and other states. Disclosure of the information in question would put Utilities, Inc. at a competitive disadvantage. Moreover, the public interest would be best served by the nondisclosure of the materials in question because competition would thereby be promoted.

The information that WSCK seeks to be afforded confidential treatment also constitutes a trade secret under the two prong test of KRS 365.880: a) the economic value of the information is derived by not being readily ascertainable by other persons who might obtain economic value by its disclosure; and, b) the information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Both of the statutory tests are met in this instance. Only WSCK and Utilities, Inc. are in a position to know its business operations and financial condition. The economic value of this information is derived by WSCK and its parent maintaining the secrecy of the information, since its competitors could obtain economic value through its disclosure.

Pursuant to 807 KAR 5:001, Section 7(3), temporary confidentiality for the enclosed information should be maintained until the Commission enters an Order as to this Petition. Once the Order regarding confidentiality has been issued, WSCK would have the opportunity to seek alternative remedies pursuant to 807 KAR 5:001, Section 7(4).

WHEREFORE, WSKC petitions the Commission to treat as confidential the information identified in this Petition.

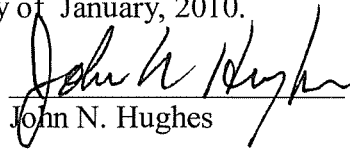


John N. Hughes
124 West Todd Street
Frankfort, Kentucky 40601
(502) 227-7270 (T)
(502) 875-7059 (F)

Attorney for Water Service
Corporation of Kentucky

Certificate of Service:

A copy of this petition was delivered to David Spenard of the Attorney General's Office, 1024 Capital Center Dr, Frankfort, KY 40601 the 24th day of January, 2010.



John N. Hughes

CASE NO. 2010-00476

Exhibit 1

Commonwealth of Kentucky
Trey Grayson, Secretary of State

1/13/2011

Division of Corporations
Business Filings
P. O. Box 718
Frankfort, KY 40602
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication Number: 108984

Visit <https://app.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

I, Trey Grayson, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

WATER SERVICE CORPORATION OF KENTUCKY

is a corporation duly incorporated and existing under KRS Chapter 271B, whose date of incorporation is April 12, 2002 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 271B.16-220 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 13th day of January, 2011.



T. Grayson

Trey Grayson
Secretary of State
Commonwealth of Kentucky
108984/0534921

Case No. 2010-00476
Exhibit 2

Present Tariff

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 2

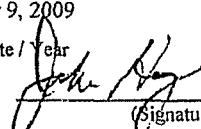
Water Service Corporation of Kentucky
(Name of Utility)

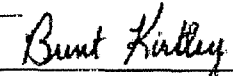
CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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| DATE OF ISSUE | November 9, 2009 Month / Date / Year |
| DATE EFFECTIVE | November 9, 2009 Month / Date / Year |
| ISSUED BY | <u>John Hoy</u>  (Signature of Officer) |
| TITLE | <u>Chief Regulatory Officer</u> |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION | |
| IN CASE NO. <u>2008-00563</u> | DATED November 9, 2009 |

| |
|--|
| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 |
| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 3

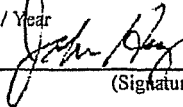
Water Service Corporation of Kentucky
(Name of Utility)


CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 4

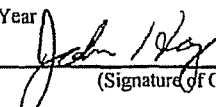
Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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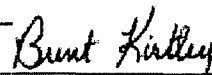
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KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH



EFFECTIVE

11/9/2009

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

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 5

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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TERRITORY TO WHICH RULES, REGULATIONS AND SERVICE CLASSIFICATIONS APPLY:

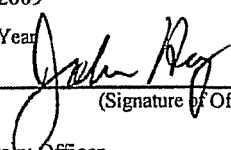
The Rules, Regulations, and Service Classifications contained in this tariff apply in the following:

City of Middlesboro and contiguous territory in Bell County, Kentucky

City of Clinton and contiguous territory in Hickman County, Kentucky

DATE OF ISSUE November 9, 2009
Month / Date / Year

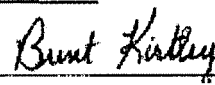
DATE EFFECTIVE November 9, 2009
Month / Date / Year

ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

| |
|--|
| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 6

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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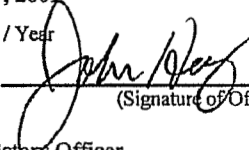
DEFINITIONS

DEFINITIONS APPLICABLE TO RULES AND REGULATIONS:

- (a) "Customer" shall mean any person, firm, corporation or municipality supplied by water service pursuant to these Rules and Regulations.
- (b) "Bona fide prospective customer" shall mean any owner or lessee who is to be the occupant of an existing development premises having a curb line abutting on that part of a street or public highway in which there is, or is to be, located a distribution main of the Company, who shall file a signed application for a new street service connection and for water service to such premises to be occupied.
- (c) "Company" shall mean the Water Service Corporation of Kentucky acting through its officers, managers, or other duly authorized employees or agents.
- (d) "Street service connections" shall mean a pipe with appurtenances used to conduct water from a distribution main of the Company to the curb line of the premises.
- (e) "Premises" shall mean and include:
 - (1) a building under one roof and occupied as one business or residence and served through one street service connection; or

DATE OF ISSUE November 9, 2009
Month / Date / Year


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Month / Date / Year

ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

| |
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| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH |
|  EFFECTIVE |
| 11/9/2009 |
| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 7

Water Service Corporation of Kentucky
(Name of Utility)


CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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- (2) a combination of buildings in common ownership in one common enclosure or on a single tract of land not crossed by public streets, roads, or ways and occupied by one family or business and served through one street connection or through more than one such connection if in the exclusive discretion of the Company, multiple connections are advisable in providing service; or
- (3) one side of a double house having a solid vertical partition wall or each unit of a series of what are commonly known as row houses, each unit being occupied by one family or business and each served through one street service connection; or
- (4) a building having a number of apartments or offices and using halls and means of entrance in common, and served through one street service connection; or
- (5) a building previously erected as a single family residence served through one street service connection and subsequently converted into apartments or offices or a combination of such, with two or more separate halls and means of entrance not used in common, and where separate water supply plumbing would not be practicable; or
- (6) each residential or business single occupancy unit, served through one street service connection, in a building which is not a premises otherwise defined in these Rules.

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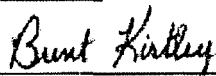
DATE EFFECTIVE November 9, 2009
Month / Date / Year

ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

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| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH |
|  EFFECTIVE 11/9/2009 |
| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 8

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)


CONTENTS

- (7) Rates are based on single family residences or multi-family units and are not applicable to other single family residences or multi-family units. Where two or more residences or multi-family units are served through one street connection the Company may allow service to be taken through one meter if the segregation of plumbing on customer's premises would involve undue expense to the customer, but in this event the unit blocks and minimum bills of rate would be multiplied by such number of residences or units.

PROVIDED: They are located on lots having curb line abutting on that part of a street or public highway in which there is, or is to be, located a distribution main of the Company extending for at least one-half of the frontage of the lot on said street or highway.

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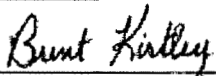
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FOR Middlesboro and Clinton and Adjacent Territory
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SHEET NO. 9

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

1. RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE:

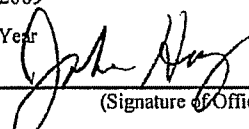
(a) The Rules and Regulations in their entirety as hereinafter set forth or as they may hereafter be altered or amended in a regular and legal manner shall govern the rendering of water service and every customer upon signing of an application for water service or upon the taking of water service will be bound thereby.

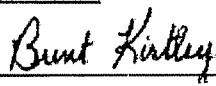
(b) Except fire and special temporary services, all service will be rendered on a meter basis. Residential, commercial, industrial and municipal service is only regularly available for single premises as "premises" is defined in these Rules. When the interests of other customers would not be jeopardized or prejudiced, the Company's President or a Vice President may, by writing, authorize service at regular rates to governmental or political corporations, districts, or authorities not qualifying as "premises" under these Rules. In special cases, for good causes shown, the Public Service Commission may permit deviations from this regulation.

2. APPLICATIONS FOR WATER SERVICE

(a) New Street Service Connection

Upon written application by the owner, or his properly authorized agent, on forms furnished by the Company, for the immediate and continuous supply of water to premises having a curb line abutting on that part of a public street or highway in which a distribution main of the Company is located, the Company will install, own and maintain the street service connection to such premises. The company shall determine the size of all street service connections.

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CONTENTS

(b) The Company reserves the right to specify the size of the service connection for each installation. When application for a service connection installation is made, a service connection fee shall be paid according to the following schedule. Additionally, the customer shall be responsible for actual costs of gravel, asphalt, and concrete in addition to the Service Connection fee when good engineering practices require road work in the scope of the service connection:

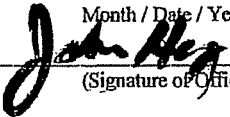
Less than 1 inch connection \$920.75

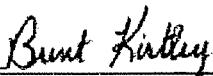
1 inch and greater connection Actual cost

(c) Existing Street Service Connection

When any person, firm or corporation, not theretofore taking water service from the Company, applies for water service, the application shall be in writing on forms supplied by the Company. When such application is accepted by the Company, it shall constitute a contract between the applicant and the Company for service at the premises named in the application and at any other premises at which named applicant may be securing service unless a separate application for service to such other premises shall have been accepted by the Company.

Any change in the location of the contracting customer to any other premises will require notification of the Company by the Customer. The obligation of the customer to the

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SHEET NO. 11

Water Service Corporation of Kentucky
(Name of Utility)

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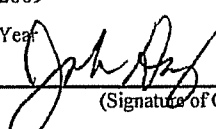
Company under the existing contract will continue in full force and effect at the new location, premises or address.


The Company shall have the right to discontinue the supply of water to any premises if the owner or occupant does not have a contract for such service with the company. Within twenty-four (24) hours after such termination, the Company shall send written notification to the Customer of the reason or reasons for the termination of service.

(d) A customer account set up fee of \$27.00 shall be charged for each new account.

3. USE OF WATER IN ACCORDANCE WITH APPLICATION:

No person or persons, corporation or partnership receiving water service from the Company will be permitted to use water for any other purposes than that for which they shall have contracted to pay as shown by their application, nor shall they supply water in any way to any other party or parties without a written permit from the President or a Vice President of the Company. An accepted application for water service to any premises shall constitute a license to the applicant to take and receive a supply of water for said premises but only for the uses specified in such applications and the supply shall not be used except for the premises specified in the application.

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FOR Middlesboro and Clinton and Adjacent Territory
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Water Service Corporation of Kentucky
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CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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4. SPECIAL APPLICATIONS FOR WATER SERVICE:

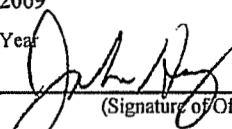
- (a) Water for transient, temporary or special services must be specially applied for.
- (b) Water for building construction purposes, when not furnished on an application for regular metered service, will be supplied under special application.


5. CUSTOMER'S LIABILITY FOR CHARGES:

A customer who has made application for water service to any premises shall be held liable for all water service furnished to such premises. Any customer desiring service terminated or changed from one address to another shall give the Company three (3) working days' notice in person, writing, or by telephone.

6. STREET SERVICE CONNECTIONS:

- (a) The Company will make all connections to its mains and will specify the size, kind and quality of all materials entering into the street service connections.
- (b) The corporation cock, meter box and the street service pipe from the street main to the curb line or meter box shall be furnished and installed by and shall be the property of the Company and under its sole control and jurisdiction.

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P.S.C. KY. NO. 3

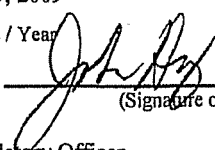
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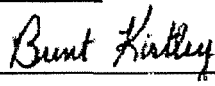
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CONTENTS

- (c) Where a street service connection is already laid to the curb line, or meter box, the Customer shall connect with the street service connection as laid.
 - (d) The meter box shall be set in sidewalk or just inside customer's property on a level with the grade of sidewalk or yard and shall be kept accessible at all times.
 - (e) The street service connection from the main to and including the meter box will be maintained by the Company at its expense.
7. CUSTOMER'S SERVICE PIPES:
- (a) The company will specify the size, kind and quality of the materials which shall be laid between the curb line and the structure on the premises to be supplied.
 - (b) The service pipe from the meter box to the place of consumption shall be furnished and installed by the Customer at his expense and risk.
 - (c) The Customer's service pipe and all connections and fixtures attached thereto shall be subject to the inspection and approval of the Company before the water will be turned on.
 - (d) The service pipe shall be laid below the frost line at all points and shall be placed on firm continuous earth so as to give unyielding and permanent support, and shall be installed in a trench at least two feet in a horizontal direction from any other trench wherein are laid gas pipe, sewer pipe, or other facilities, public or private, unless specifically authorized and approved by the Company.

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FOR Middlesboro and Clinton and Adjacent Territory
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P.S.C. KY. NO. 3

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(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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Such equipment and the installation thereof to be approved by the Company. In no event, however, shall the pressure at the Customer's service pipe under normal conditions fall below thirty (30) psig nor shall the static pressure exceed 150 psig.

8. PLUMBING WORK MUST BE APPROVED BY COMPANY:

All plumbing work done in connection with the Company's water mains or appurtenances shall be submitted for the inspection of the Company, and no underground work shall be covered up until inspected and approved by the Company. Whenever the Company determines that a job of plumbing is obviously defective, although not in direct violation of these Rules and Regulations, the Company will insist upon its being corrected before the water will be turned on.

9. METERS AND METER INSTALLATIONS:


- (a) The company shall specify the kind and size of meter to be installed.
- (b) Meters will be furnished, installed, and removed by the Company and shall remain its property.
- (c) Each premises shall have a separate meter and the applicant for service shall be solely responsible for all water used on and in said buildings or premises.
- (d) Meters will be maintained by the Company at its expense insofar as ordinary wear is concerned, but damage due to hot weather, freezing (as a result of Customer's unauthorized removal of meter cover) or other external causes arising out of or caused by the Customer's negligence or carelessness shall be paid for by the Customer.

10. METER TESTS AND TEST FEES:

- (a) All meters are accurately tested before installation and are also periodically tested in accordance with the Public Service Commission's regulations. The Company may at any

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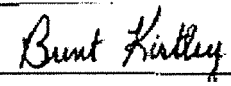
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time remove any meter for periodic tests or for repairs or replacement and may, at its option and expense, test any meter when the Company has reason to believe that it is registering inaccurately.

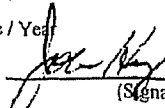
- (b) The Company shall make a test of the accuracy of any meter upon written request of the Customer, provided the Customer does not request such test more frequently than once in twelve months. For such request test, the fee as estimated herein shall be paid in advance by the complaint but should the said meter be found, upon said test, to be more than two (2) percent incorrect to the prejudice of the Customer, the fee so charged shall be returned to the customer.
- (c) For test of meters made upon request of the Customer and performed by the Company, the following fees shall be paid:

| | |
|-----------------------------------|--------------|
| Outlet 1-inch or less | \$20.00 |
| Outlet 2-inches and over 1 -inch | Cost of Test |
| Outlet 3-inches and over 2-inches | Cost of Test |
| Outlet 4-inches and over 3-inches | Cost of Test |
| Outlets greater than 4-inches | Cost of Test |

- (d) In addition to the request tests of meters performed by the Company, the Customer may, upon formal written application to the Public Service Commission accompanied by

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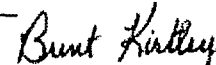
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payment of the fees as set forth, have a test conducted by the Company in the presence of an employee of the Commission, or by an employee of the Commission. Should the meter be found, upon said test, to be more than two (2) percent incorrect to the prejudice of the Customer, the total cost of such test shall be assumed by the Company and the amount of the fee paid shall be returned to the Customer.

- (e) For test of meters made upon complaint of the Customer and performed by the Public Service Commission, the charges therefore shall be in conformity with the rules and charges prescribed by the Commission.

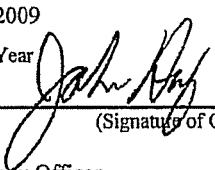
11, 12, & 13. PUBLIC FIRE HYDRANTS (including Private Fire Hydrants) and
(Fire Hydrants in Unincorporated Areas)

Fire Protection Generally

1. On or after the effective date (June 7, 1992) of administrative regulation 807 KAR 5:066 Section 10(2) fire hydrants may be installed by a Utility only if:
- a. A Professional engineer with a Kentucky registration has certified that the system can provide a minimum free flow of 250 gallons per minute; and
 - b. The system supporting this flow has the capability of providing this flow for a period of not less than two (2) hours plus consumption at the maximum daily rate.

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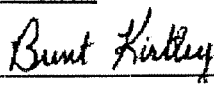
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FOR Middlesboro and Clinton and Adjacent Territory
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2. The location, installation, and the responsibility for maintenance of fire hydrants, public and private fire protection facilities, connecting mains, and their ownership may be subject to negotiation between the Utility and the applicant. Fire hydrants and public and private fire protection facilities shall be installed as required by the Utility and if owned by the Utility shall be subject to any conditions the Public Service Commission may impose, based upon the compensation received for this service.

Fire Departments

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

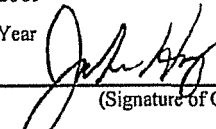
Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district that withdraws water from the utility's water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall be assessed the cost of this water.

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

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

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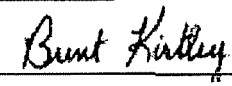
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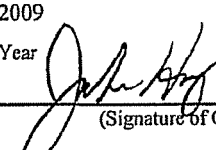
Fire Departments

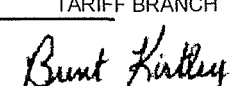
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Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district that withdraws water from the utility's water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall be assessed the cost of this water.

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

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

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| ISSUED BY | <u>John Hoy</u>  (Signature of Officer) |
| TITLE | <u>Chief Regulatory Officer</u> |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION | |
| IN CASE NO. <u>2008-00563</u> | DATED November 9, 2009 |

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| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 19

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

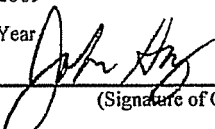
CONTENTS

- A. Non-reporting user shall also be assessed a penalty of \$20.00 for each failure to submit a report in a timely manner.
- B. 14. DISCONTINUANCE OF WATER SERVICE:
- (a) Service rendered under any application, contract or agreement may be discontinued by the Company after proper notification in accordance with 807 KAR 5:006, Section 14 for any of the following reasons:
- (1) For willful or indifferent waste of water.
- (2) For failure to protect the meter and its connections from injury or damage, or for failure to protect and maintain the service pipe or fixtures on the property of the Customer in a condition satisfactory to the Company.
- (b) The water service will be discontinued to any premises on account of temporary vacancy upon request of the Customer, without in any way affecting the agreement in force, after the payment of all charges and fees due as provided for in the rates, rules and regulations of the Company.
- (c) Discontinuing the supply of water to any premises for any reason shall prevent the Company from pursuing lawful remedies by action at law or otherwise for the collection of moneys due from the Customer.
- (d) Water service may be terminated for non-payment per section 18(d)
15. RENEWAL OF WATER SERVICE AFTER DISCONTINUANCE:

When water service to any premises has been terminated for any reason other than

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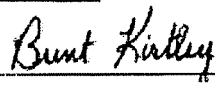
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FOR Middlesboro and Clinton and Adjacent Territory
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P.S.C. KY. NO. 3

SHEET NO. 20

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

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temporary vacancy, it will be renewed after the acceptance of a new application and when the conditions, circumstances or practices which caused the water service to be discontinued are corrected to the satisfaction of the Company, and upon the payment of all charges due and payable by the Customer in accordance with the rates, rules and regulations. The Company will then reconnect existing service within twenty-four (24) hours, and shall install and connect new service within seventy-two (72) hours.

16. TURN-ON CHARGE

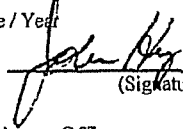
- (a) When it has been necessary to discontinue water service to any premises because of a violation of the Rules and Regulations or on account of the non-payment of any bill; a charge will be made to cover the expense of turning on water, and this charge together with any arrears that may be due the Company for charges against the Customer must be paid before the water will again be turned on.
- (b) If at the time of such discontinuance of service, the Customer does not have a deposit with the Company, the Company may require a deposit as a guarantee of the payment of future bills before the water will be turned on.

17. BILLS FOR WATER SERVICE:

- (a) Customers are responsible for furnishing the Company with their correct address. Failure to receive bills will not be considered an excuse for non-payment nor permit an extension of the date when the account would be considered delinquent.

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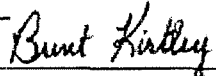
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- (b) All bills will be sent to the address entered in the application unless the Company is notified in writing by the Customer of any change of address. The Company may when possible at a future date provide for the option for Customers to have their bills sent by electronic mail upon request, which will replace paper bills, except for purposes of notice of disconnection.
- (c) If requested in writing by the Customer, the Company will send bills to and will receive payments from agents or tenants. However, this accommodation will in no way relieve the Customer of the liability for all water charges. The Company shall notify the Customer of the non-payment of water bills by such agents or tenants pursuant to applicable regulations.
- (d) Payments shall be made at the office of the Company or at such other places conveniently located as may be designated by the Company. The Company may allow payments to be made with cash, check, or credit/debit cards. If, on the bill due date, an attempt to pay the credit card or debit card is made and the card is declined for any reason, payment is still due in full on that date and will be considered late after that date. All late charges and penalties will be applied. If a customer is paying on our disconnect day and the card is denied, the same rules as above apply, in addition to service being disconnected.

When a customer makes a payment by credit card, the utility will assess a fee equal to that charged to the utility by the credit or debit card processing company to process the transaction. This fee is generally calculated using a formula applied to the balance of the amount charged to the credit or debit account but may be a flat fee per transaction. Prior to processing the transaction, the customer will be informed of the fee amount and, upon request by the customer, the formula employed to arrive at this fee amount.

- (e) The company will not be bound by bills rendered under mistake of fact and to the

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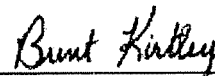
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(Name of Utility)

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quantity of service rendered.

- (f) The use of water by the same customer in different premises or localities will not be combined, and each installation shall stand by itself.

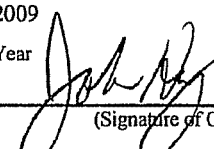
18. TERMS OF PAYMENT:

- (a) Special charges shall be payable upon demand.
- (b) Bills for metered service shall be rendered monthly and are due and payable when rendered.
- (c) Bills for private fire service shall be rendered monthly in advance and are due and payable when rendered.
- (d) If a bill is not paid within ten days after its due date, the Company may discontinue the water service. The Company will give at least five (5) days notice before termination for nonpayment and that service will not be terminated before 20 days after the mailing date of the original bill.
- (e) If a customer has two returned checks for non-sufficient funds, all subsequent bills must be paid in cash for a period of six months or until the credit score is returned to an acceptable level, whichever comes first.

19. (a) There shall be no abatement of the minimum rates due to the extended absence of the Customer without proper notice having been given to the Company. No abatement

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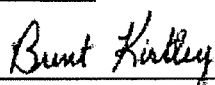
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- shall be made for leaks or for water wasted by improper or damaged service pipes or fixtures belonging to the Customer.
- (b) If test results on a Customer's meter show an average error greater than two percent (2%) fast or slow, or if a Customer has been incorrectly billed for any other reason, except in an instance where a Company has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a Customer, the Company shall immediately determine the period during which the error has existed, and shall recompute and adjust the Customer's bill to either provide a refund to the Customer or collect an additional amount of revenue from the underbilled Customer. The account adjustment shall be performed according to 807 KAR 5:006 Section 10(2) with corrected billing or refund as directed therein.

20. BOILER AND ENGINE WATER SUPPLY:

The Company does not guarantee a sufficient or uniform pressure, or an uninterrupted supply of water, and Customers are cautioned to provide a sufficient storage of water where an absolutely uninterrupted supply must be assured; such as for steam boilers, hot water systems, gas engines, etc.


21. INTERRUPTIONS IN WATER SUPPLY:

The Company may at any time shut off the water in the mains in case of accident, or for the purpose of making connections, alterations, repairs, changes, or for other reasons, and may restrict the use of water to reserve a sufficient supply for the public fire service or other emergencies whenever the public welfare may require it.

22. LIABILITY OF COMPANY:

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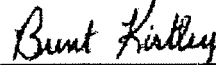
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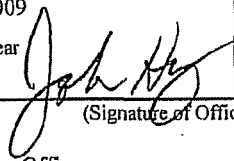
- (a) The company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in the service, but it cannot and does not guarantee that such will not occur.
- (b) The Company shall in no event be liable for any damage or inconvenience caused by reason of any break, leak or defect in the Customer's service pipe or fixtures.

23. **CROSS CONNECTIONS AND INTERCONNECTIONS:**

- (a) A cross-connection is any pipe, valve, or other arrangement or device connecting the pipelines of the Company or facilities directly or indirectly connected therewith to and with pipes of fixtures supplied with water from any source other than the lines of the Company directly connected.
- (b) An interconnection is a plumbing arrangement, other than a cross-connection, by which continuation might be admitted or drawn into the distribution system of the Company, or into lines connected therewith, used for the conveyance of potable water.
- (c) No cross-connection or interconnection will be made by Customer without the approval of the State Health Department and the Company.
- (d) The Company shall require the use of an approved protective device on the service line serving the premises to assure that any contamination that may originate in the customer's premises is contained therein. The methods of installation of backflow protective devices shall be approved by the Company. Any and all cost incurred with the installation and maintenance of cross-connection control devices and appurtenances shall be borne by the customer

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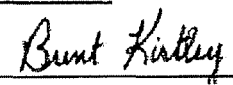
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24. GENERAL

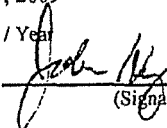
- (a) The service pipes, meters and fixtures on the Customer's premises shall at all reasonable hours be accessible to the Company for observation or inspection.
- (b) No person shall turn the water on or off at any street valve, corporation cock, meter or other street connections, or disconnect or remove any meter without the consent of the Company. Penalties provided by law for any such action will be rigidly enforced.
- (c) Employees or agents of the Company are expressly forbidden to demand or accept any compensation for and service rendered to its Customers except as covered in these Rates, Rules and Regulations.
- (d) No employee or agent of the Company shall have the right or authority to bind it by any promise, agreement or representation contrary to the letter or intent of these Rules and Regulations.
- (e) Any complaint against the service or employees of the Company should be made at the office of the Company and preferably in writing. If a complaint either written, in person or by telephone is not resolved, the Company shall advise the individual of his right to file a complaint with the Public Service Commission and provide him/her with their address and telephone number.

25. APPROVAL OF THE RULES AND REGULATIONS:

All Rules and Regulations of the Company are subject to the approval of the Public Service Commission of the State of Kentucky and if any part thereof should be adjudged to be in

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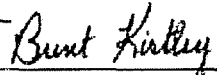
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Water Service Corporation of Kentucky
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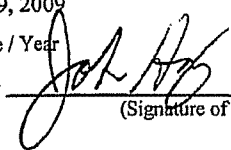
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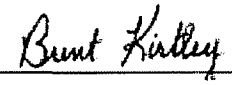
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violation of any rule or order made by the Commission, then that particular part shall be in-effective but without in any way affecting the other portions thereof.

26. MAIN EXTENSIONS:

- (a) The company will extend existing distribution mains a distance of fifty (50) feet for each bona fide prospective customer, making application for service connection and water service there from for a period of one year or more under these Rules and Regulations. Such extensions will be made without cost to such customer(s).
- (b) When an extension greater than fifty (50) feet in length for each bona fide prospective customer is required or requested such extension will be made under the terms of an "Extension Deposit Agreement" as hereinafter set forth. The Company shall have the exclusive right to determine the type and size of mains to be installed and of the related facilities required to render adequate service.
- (c) In determining the length of any extension required pursuant hereto the terminal point of such extension shall, in all cases, be at that point in the curb line of the last lot on which is located a premises to be served which is equidistant from the side property lines of said lot.
- (d) Before water lines are laid in new subdivisions, the subdivider shall furnish the Water Company with a plat (or plan) or the subdivision approved by the City-County Planning and Zoning Commission, and the plat (or plan) shall have been recorded in the County Court.

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27. FORM OF EXTENSION AGREEMENT:

Water Service Corp. of Kentucky
Extension Deposit Agreement
Developer Extension

This Contract made and entered into this the _____ day of _____, 200__ by and between Water Service Corporation of Kentucky, referred to as the Company, and _____ referred to as the Customer.

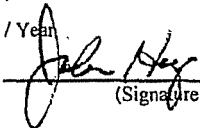
Whereas, Customer desires water service to be made available to _____, which is located as shown on the attached plat, and which has been approved by all local, state or other regulatory, planning and zoning, or other governmental agencies prior to submission to the Company and,

Whereas, Company is willing to allow Customer to construct and install this water main extension from its existing main located on _____ as shown on the attached map or plat,

NOW, THEREFORE, the Company and Customer mutually agree:

Prior to construction, Customer shall provide Company with the engineering plans and specifications for the proposed main extension. All plans and specifications must conform to the Company's tariffs and any other requirements of applicable regulatory agencies. The Company shall have the exclusive right to determine the feasibility of the extension, the type, location and size of mains to be installed and any related facilities or modifications to existing facilities necessary to render adequate service consistent with its tariffs and Public Service Commission regulations.

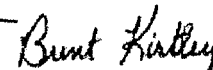
The Customer shall reimburse Company all expenses incurred in the review of the proposed plans prior to beginning construction. The estimated cost of this review is \$ _____.

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PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH



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The Customer, after approval by the Company of the plans, shall install at its cost all facilities necessary for the extension of service to the designated development.

The Company shall have the right to inspect the installation of the facilities and the materials at all times during construction. No facilities shall be covered or backfilled until approved by the Company.

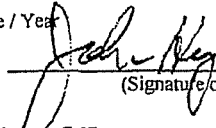
If the Customer fails to complete the project or fails to complete the project according to the approved plans, the Company may complete the project or correct any deficiencies in workmanship or materials. The Company shall give Customer sixty (60) days notice to correct any deficiencies. The Customer shall be liable for any costs incurred by the Company for completion of such work.

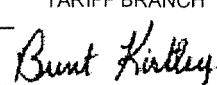
The final project cost for the extension shall be the actual invoiced cost of materials, equipment, labor and other associated costs. Final documentation of the total project costs shall be presented to the Company within ninety (90) days of completion of the construction, along with "as built" plans of the construction certified by the Customer's engineer that all construction was performed as required by the plans and specifications. Upon receipt of the final project costs from the Customer, the Company shall review those costs and once accepted shall approve the project costs as the amount to be refunded as specified below.

No later than at the time of completion of the construction, the Customer shall provide Company an easement sufficient to install, repair or construct facilities and to distribute water to the customers connected to the main extension. The grant of easement may be included in the recorded plat. The Customer shall also provide written notification to the Company of the contribution and dedication of the facilities to the Company for use in providing water service.

For each customer connected to this main extension, the Company will refund to Customer a sum equivalent to fifty (50) feet of the final project cost of this extension. Total refunds shall not exceed the final project cost. This refund applies only to customers connected to the water main shown on the attached plat.

Refunds to the Customer shall be made in December of each year for those customers connected to this water main extension. It shall be the Customer's responsibility to notify the Company no later than November 1 of each year of the names and addresses of the customers connected to the extension in that year. In no event shall the refund be extended

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beyond ten (10) years from the date of this contract. The Company shall not be required to refund a sum greater than the final project cost.

Nothing in this agreement shall give any right, title or interest in the ownership or operation of this water main extension or facilities installed by the Company.

IN WITNESS WHEREOF, the parties have executed this agreement.

WATER SERVICE CORPORATION OF KENTUCKY

BY: _____ WITNESS: _____

CUSTOMER

BY: _____ WITNESS: _____

COMMONWEALTH OF KENTUCKY

COUNTY OF: _____

The foregoing instrument was signed before me by _____ and _____ after each was sworn and each acknowledged the signature to be his free act and in accord with law.

Notary Public

My commission expires: _____

28. SERVICE CHARGE:

The following charges will be made by the Company to cover the cost incurred in reconnecting the meter or service when the Customer's service has been disconnected:

- (a) For non-payment of bills \$27.00

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| DATE OF ISSUE | November 9, 2009 Month / Date / Year | <div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">KENTUCKY PUBLIC SERVICE COMMISSION</p> <p style="text-align: center;">JEFF R. DEROUEN EXECUTIVE DIRECTOR</p> <p style="text-align: center;">TARIFF BRANCH</p> <p style="text-align: center;"><i>Brent Kirtley</i></p> <p style="text-align: center;">EFFECTIVE 11/9/2009</p> <p style="text-align: center;">PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</p> </div> |
| DATE EFFECTIVE | November 9, 2009 Month / Date / Year | |
| ISSUED BY | <u>John Hoy</u> <i>John Hoy</i> (Signature of Officer) | |
| TITLE | <u>Chief Regulatory Officer</u> | |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION, IN CASE NO. <u>2008-00563</u> DATED November 9, 2009 | | |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 28

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

The Customer, after approval by the Company of the plans, shall install at its cost all facilities necessary for the extension of service to the designated development.

The Company shall have the right to inspect the installation of the facilities and the materials at all times during construction. No facilities shall be covered or backfilled until approved by the Company.

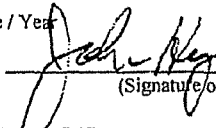
If the Customer fails to complete the project or fails to complete the project according to the approved plans, the Company may complete the project or correct any deficiencies in workmanship or materials. The Company shall give Customer sixty (60) days notice to correct any deficiencies. The Customer shall be liable for any costs incurred by the Company for completion of such work.


The final project cost for the extension shall be the actual invoiced cost of materials, equipment, labor and other associated costs. Final documentation of the total project costs shall be presented to the Company within ninety (90) days of completion of the construction, along with "as built" plans of the construction certified by the Customer's engineer that all construction was performed as required by the plans and specifications. Upon receipt of the final project costs from the Customer, the Company shall review those costs and once accepted shall approve the project costs as the amount to be refunded as specified below.

No later than at the time of completion of the construction, the Customer shall provide Company an easement sufficient to install, repair or construct facilities and to distribute water to the customers connected to the main extension. The grant of easement may be included in the recorded plat. The Customer shall also provide written notification to the Company of the contribution and dedication of the facilities to the Company for use in providing water service.

For each customer connected to this main extension, the Company will refund to Customer a sum equivalent to fifty (50) feet of the final project cost of this extension. Total refunds shall not exceed the final project cost. This refund applies only to customers connected to the water main shown on the attached plat.

Refunds to the Customer shall be made in December of each year for those customers connected to this water main extension. It shall be the Customer's responsibility to notify the Company no later than November 1 of each year of the names and addresses of the customers connected to the extension in that year. In no event shall the refund be extended

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| TITLE | <u>Chief Regulatory Officer</u> |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION | |
| IN CASE NO. <u>2008-00563</u> | DATED November 9, 2009 |

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| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 |
| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 29

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

Water Service Corporation of Kentucky
(Name of Utility)

CONTENTS

beyond ten (10) years from the date of this contract. The Company shall not be required to refund a sum greater than the final project cost.

Nothing in this agreement shall give any right, title or interest in the ownership or operation of this water main extension or facilities installed by the Company.

IN WITNESS WHEREOF, the parties have executed this agreement.

WATER SERVICE CORPORATION OF KENTUCKY

BY: _____ WITNESS: _____

CUSTOMER

BY: _____ WITNESS: _____

COMMONWEALTH OF KENTUCKY

COUNTY OF: _____

The foregoing instrument was signed before me by _____ and
_____ after each was sworn and each acknowledged the signature to be his free act and in
accord with law.

Notary Public

My commission expires: _____

28. SERVICE CHARGE:

The following charges will be made by the Company to cover the cost incurred in reconnecting the meter or service when the Customer's service has been disconnected:

- (a) For non-payment of bills \$27.00

DATE OF ISSUE November 9, 2009
Month / Date / Year

DATE EFFECTIVE November 9, 2009
Month / Date / Year

ISSUED BY John Hoy _____
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

| | |
|---|--|
| KENTUCKY PUBLIC SERVICE COMMISSION | |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR | |
| TARIFF BRANCH | |
| Brent Kirtley | |
| EFFECTIVE | |
| 11/9/2009 | |
| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) | |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 30

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

- (b) For violation of the Company's Rules and Regulations after the Customer has qualified for and requested that the service be reconnected \$27.00
- (c) At his request and at any time subsequently within 12 months is reconnected at the same location \$27.00

These charges are to be paid by customer before or at the time service is reconnected.

29. CUSTOMER'S DEPOSITS:

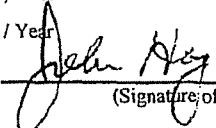
The Company may require a minimum cash deposit other guarantee to secure payment of bills. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the Customer's bill, except that no refund or credit will be made if the Customer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a Customer's showing of satisfactory credit or payment history, and required deposits will be returned after one (1) year if the Customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The Company may require a deposit in addition to the initial deposit if the Customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the Customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

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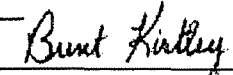
DATE EFFECTIVE November 9, 2009
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(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

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FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 31

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

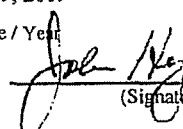
CONTENTS


1. Previous payment history with the Company. If the Company has no previous history with the Company, statements from other utilities, banks, etc. may be presented by the Customer as evidence of good credit.
2. Whether the Customer has an established income or line or credit.
3. Length of time the Customer has resided or been located in the area.
4. Whether the customer owns property in the area.
5. Whether the customer has filed bankruptcy proceedings within the last seven years.
6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 18 months, the deposit will be recalculated at the Customer's request based on the Customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the Customer's bill. No refund will be made if the Customer's bill is delinquent at the time of the recalculation.

Deposits

Customer's deposits shall be based upon actual usage of the Customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar Customers and premises in the system. The deposit amount shall not exceed 2/12 of the Customer's actual or estimated annual bill where bills are rendered monthly, 3/12 where bills are rendered bimonthly, or 4/12 where bills are rendered quarterly.

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| KENTUCKY PUBLIC SERVICE COMMISSION |
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| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 32

Water Service Corporation of Kentucky
(Name of Utility)

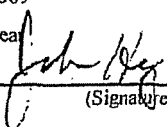
CANCELLING P.S.C. KY. NO. 2 (in its entirety)

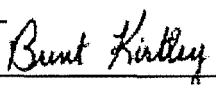
CONTENTS

30. CUSTOMER BILL OF RIGHTS

As a residential Customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administration Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service condition.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.

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| TARIFF BRANCH  |
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FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 33

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.

- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.

- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance of the service has been corrected.

- You have the right to contact the Public Service Commission regarding any dispute that you have been unable to resolve with your utility (Call Toll Free 1-800-772-4636).

CONTRACT FOR WATER SERVICE

DATE _____

NAME _____ ADDRESS _____

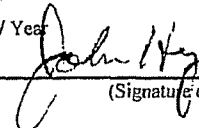
PHONE _____

SOCIAL SECURITY OR OTHER I.D. NO. _____

Application for water service is accepted by and between the undersigned and the _____ with the following stipulations and agreements:

DATE OF ISSUE November 9, 2009
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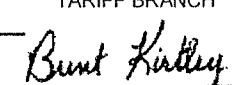
DATE EFFECTIVE November 9, 2009
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ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

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| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH |
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| PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

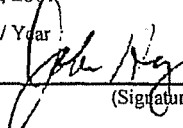
SHEET NO. 34

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

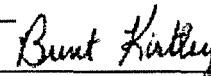
1. Public Service Commission rules and regulations as set forth in 807 KAR 5 and Kentucky Department for Natural Resources, Division of Water standards and laws must be observed and adhered to, and may be viewed upon request by the applicant.
2. The applicant agrees to pay a \$ _____ meter deposit, which will be refunded with interest when the applicant ceases to be a water customer and all accounts are paid in full.
3. One household may be served by one meter. The company reserves the right to terminate service at the meter if addition of other houses or mobile homes is suspected.
4. Company employees, possessing proper identification have right of egress and ingress for meter reading, maintenance and repair activities as they are warranted.
5. Water bills are due to be paid between the first and the tenth of each month at the Company office. If not paid by the tenth, a ten percent penalty is added to the amount due. If not paid in full by the twentieth, service is subject to disconnection. An additional meter deposit may be required and a service charge must be paid before service may be restored.
6. The water customer is responsible for water service lines from the meter to the dwelling. Installation, repair, and water loss are the responsibility of the Customer.
7. Customer service lines and connections must be inspected by Company personnel to insure against cross-connections and inadequate materials for drinking water.
8. Customer service lines shall be of at least 3/4 inch pipe or larger, and shall be at least 160 pounds pressure with 200 psi preferred. Service line shall be buried at least 24 inches to prevent freezing.
9. No galvanized fittings may be used on Customer lines.
10. A cut-off valve outside the meter box must be installed on the Customer's service line for the Customer's use.
11. A check valve to prevent back flow in case of water outage must be installed in Customer's service line.

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| IN CASE NO. <u>2008-00563</u> | DATED November 9, 2009 |

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH



EFFECTIVE

11/9/2009

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

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 35

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

12. A plumbing inspection permit from the local Health Department must be shown before installation of a meter.
13. The company agrees to supply potable water with adequate pressure to the Customer meter. If water must be off for a planned outage Customers will be notified. In case of emergency water line repair or unforeseen water outage, the Company will restore service as soon as possible.
14. Upon fulfilling contract terms and desiring to discontinue water service, the Customer must give written notice in person or via telephone pursuant to 807 KAR 5:006 Section 12(1) of discontinuance at the Company office at least three days prior to the date on which disconnection is desired. If such notice is not given, the customer will remain liable for water used and service rendered to the premises by the Company until said notice is received by the Company office.

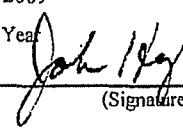
CONTRACT APPROVED BY:


Applicant/Customer

Company Representative

CUSTOMER BILL FORM (All Customers)

See Attached

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| DATE OF ISSUE | November 9, 2009 Month / Date / Year |
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| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH |
|  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

Utilities, Inc.

Water Service Corp of Kentucky
 Phone (606) 248-5730
 Collections: (606) 248-5730
 Customer Service: (606) 248-5730
 www.uiwater.com

| Bill Date | Account Number | Due Date | Please Pay |
|------------|----------------|------------|------------|
| 11/17/2008 | 6343110000 | 12/15/2008 | \$ 17.00 |

Name [REDACTED] Primary Telephone # (606) [REDACTED]

Service Address [REDACTED] MIDDLESBORO KY 40965

Activity Since Last Bill

Previous Balance \$15.32
 Payments received as of 11/17/2008 \$-15.32
 Balance as of 11/17/2008 \$0.00

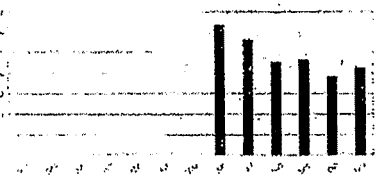
Residential Water Service

1,000 gallons at \$6.74 per 1,000 gallons \$6.74
 Next 3,600 gallons at \$2.71 per 1,000 gallons \$9.76
 City School Tax at 3% \$0.50
 Total Residential Water Service \$17.00
 Total Amount Due \$17.00

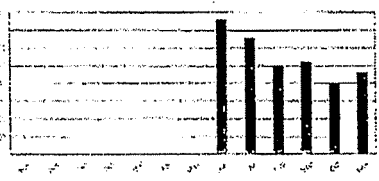
Summary of Service

Meter Reading Meter # 43497
 Current 150000 11/13/2008
 Previous 145400 10/15/2008
 Usage 4,600 Gallons
 Number of Days: 29
 Average Daily Use: 159 Gallons
 Average Daily Cost: \$ 0.59

Billing History



Consumption History



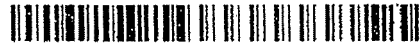
The payment for this bill is due upon receipt.
 Make check payable to: Water Service Corp of Kentucky

Messages

Utilities, Inc.

2335 Sanders Road
 Northbrook, IL 60062

[REDACTED]
 PO BOX [REDACTED]
 MIDDLESBORO KY 40965



Account Number: 6343110000

Due Date: 12/15/2008 Amount Paid
 PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 Please Pay \$ 17.00 EFFECTIVE
 6/15/2008

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

Water Service Corp of Kentucky

PO BOX 24
 Charlotte, TN

By *[Signature]*
 Executive Director

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 36

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2:(in its entirety)

CONTENTS

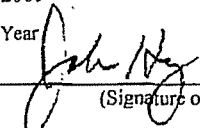
MONITORING OF CUSTOMER USAGE

At least once annually the Company will monitor the usage of each Customer according to the following procedure:

- (1) The Customer's annual usage for the most recent 12-month period will be compared with the annual usage for the 12 months immediately preceding that period.
- (2) If the annual usage for the two periods are substantially are same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all Customers, no further review will be done.
- (3) If the annual usages differ by twenty (20) percent or more and cannot be attributed to a readily identified common cause, the Company will compare the Customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.
- (4) If the cause for the usage deviation cannot be determined from analysis of the Customer's meter reading and billing records, the Company will contact the Customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the Customer's service line.
- (5) Where the deviation is not otherwise explained, the Company will test the Customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.
- (6) The Company will notify the Customers of the investigation, its findings, and any refunds

DATE OF ISSUE November 9, 2009
Month / Date / Year


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Month / Date / Year

ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

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| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH |
|  |
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FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 37

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

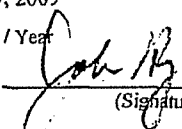
or back billing in accordance with 807 KAR 5:006, Section 10(4) and (5).

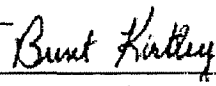
In addition the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing process or customer inquiry.

SCHEDULE OF SPECIAL SERVICE CHARGES

The following charges for special services shall be made:

1. Service Reconnection Charge. A charge of \$27.00 shall be made for all service reconnections made during regular working hours, except that there shall be no connection charges made for service on the original installation of facilities.
2. Meter Reading Recheck Charge. Withdrawn
3. Non Sufficient Funds Charge: Any check returned for NSF shall incur a charge of \$15.00
4. Tampering Fee: Applies when it is deemed a customer willfully took action to interfere, alter or compromise the accuracy, registration or indication of a service meter or service facility or willfully caused damage to such a device of facility to obtain illicit service. \$27.00
5. Meter Test. Upon request and payment of \$20.00 the Customer may have his meter tested provided request by the Customer is not more frequent than once each twelve months. If such test shows the meter to be more than two percent fast, a refund of \$20.00 charge shall be made and bill adjusted accordingly. If the periodic testing requirement of 807 KAR 5:006 has not been met for the meter tested, no charge will be made for the test regardless of results of the test.
6. PSC Meter Test Complaint. Any Customer of the Company may request a meter test by written application to the Kentucky Public Service Commission.

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| TITLE | <u>Chief Regulatory Officer</u> |
| BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION. | |
| IN CASE NO. <u>2008-00563</u> | DATED November 9, 2009 |

| |
|--|
| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 38

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

RATES

The following rates and charges are prescribed for the customers in the area served by Water Service Corporation of Kentucky. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

Middlesboro

5/8" x 3/4" Meter:

| | |
|--------------------------|------------------------|
| First 1,000 gallons | \$8.70 Minimum bill |
| Next 9,000 gallons | 3.50 per 1,000 gallons |
| Next 15,000 gallons | 3.19 per 1,000 gallons |
| Next 25,000 gallons | 3.03 per 1,000 gallons |
| Next 50,000 gallons | 2.71 per 1,000 gallons |
| All Over 100,000 gallons | 2.48 per 1,000 gallons |

1" Meter:

| | |
|--------------------------|------------------------|
| First 6,000 gallons | \$26.18 Minimum bill |
| Next 4,000 gallons | 3.50 per 1,000 gallons |
| Next 15,000 gallons | 3.19 per 1,000 gallons |
| Next 25,000 gallons | 3.03 per 1,000 gallons |
| Next 50,000 gallons | 2.71 per 1,000 gallons |
| All Over 100,000 gallons | 2.48 per 1,000 gallons |

1 1/2" Meter:

| | |
|----------------------|------------------------|
| First 13,000 gallons | \$ 49.72 Minimum bill |
| Next 12,000 gallons | 3.19 per 1,000 gallons |
| Next 25,000 gallons | 3.03 per 1,000 gallons |

DATE OF ISSUE

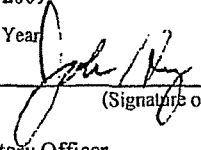
November 9, 2009
Month / Date / Year

DATE EFFECTIVE

November 9, 2009
Month / Date / Year

ISSUED BY

John Hoy


(Signature of Officer)

TITLE

Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563

DATED November 9, 2009

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH


EFFECTIVE

11/9/2009

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

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 39

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

Next 50,000 gallons 2.71 per 1,000 gallons
All Over 100,000 gallons 2.48 per 1,000 gallons

2" Meter:

First 21,400 gallons \$76.49 Minimum bill
Next 3,600 gallons; 3.19 per 1,000 gallons
Next 25,000 gallons 3.03 per 1,000 gallons
Next 50,000 gallons 2.71 per 1,000 gallons
All Over 100,000 gallons 2.48 per 1,000 gallons

3" Meter:

First 68,400 gallons \$213.60 Minimum bill
Next 31,600 gallons 2.71 per 1,000 gallons
All Over 100,000 gallons 2.48 per 1,000 gallons

4" Meter:

First 127,500 gallons \$367.33 Minimum bill
All Over 127,500 gallons 2.48 per 1,000 gallons

6" Meter:

First 281,500 gallons \$748.79 Minimum bill
All Over 281,500 gallons 2.48 per 1,000 gallons

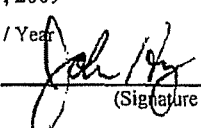
CLINTON

5/8" x 3/4" Meter:

First 1,000 gallons \$11.64 Minimum bill
Next 9,000 gallons 6.59 per 1,000 gallons
Next 15,000 gallons 6.05 per 1,000 gallons

DATE OF ISSUE November 9, 2009
Month / Date / Year

DATE EFFECTIVE November 9, 2009
Month / Date / Year

ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

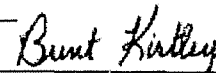
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH



EFFECTIVE

11/9/2009

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

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 40

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

Next 25,000 gallons 5.51 per 1,000 gallons
Next 50,000 gallons 4.89 per 1,000 gallons
All Over 100,000 gallons 4.27 per 1,000 gallons

1" Meter:

First 5,300 gallons \$39.98 Minimum bill
Next 3,700 gallons 6.59 per 1,000 gallons
Next 15,000 gallons 6.05 per 1,000 gallons
Next 25,000 gallons 5.51 per 1,000 gallons
Next 50,000 gallons 4.89 per 1,000 gallons
All Over 100,000 gallons 4.27 per 1,000 gallons

1 1/2" Meter:

First 11,200 gallons \$78.23 Minimum bill
Next 13,800 gallons 6.05 per 1,000 gallons
Next 25,000 gallons 5.51 per 1,000 gallons
Next 50,000 gallons 4.89 per 1,000 gallons
All Over 100,000 gallons 4.27 per 1,000 gallons

2" Meter:

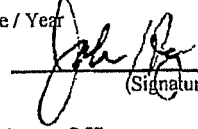
First 17,600 gallons \$116.95 Minimum bill
Next 7,400 gallons 6.05 per 1,000 gallons
Next 25,000 gallons 5.51 per 1,000 gallons
Next 50,000 gallons 4.89 per 1,000 gallons
All Over 100,000 gallons 4.27 per 1,000 gallons

6" Meter:

First 250,500 gallons \$1,186.60 Minimum bill
All Over 250,500 gallons 4.27 per 1,000 gallons

DATE OF ISSUE November 9, 2009
Month / Date / Year


DATE EFFECTIVE November 9, 2009
Month / Date / Year

ISSUED BY John Hoy  (Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

| |
|--|
| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 3

SHEET NO. 41

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 2 (in its entirety)

CONTENTS

Monthly Fire Protection Charges

| | |
|--|-----------------------------------|
| Private Hydrants or Sprinkler Systems | \$ 19.35 per hydrant or sprinkler |
| Clinton municipally owned hydrants | 4.30 per hydrant |
| Middlesboro municipally owned hydrants | 4.30 per hydrant |

CUSTOMER COMPLAINTS

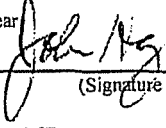
Complaints may be made to the Area Manager whose decision may be appealed to the Water Service Corporation of Kentucky Regional Manager. Such appeal shall be in writing within ten (10) days of the date of the decision by the Manager stating the nature of the complaint and supporting evidence. These decisions may be brought before the Public Service Commission in accordance with 807 KAR 5:006, Section 9.

WATER SHORTAGE RESPONSE PLAN

Water Service Corporation of Kentucky

DATE OF ISSUE November 9, 2009
Month / Date / Year

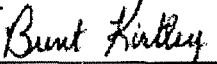
DATE EFFECTIVE November 9, 2009
Month / Date / Year

ISSUED BY John Hoy 
(Signature of Officer)

TITLE Chief Regulatory Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00563 DATED November 9, 2009

| |
|--|
| KENTUCKY PUBLIC SERVICE COMMISSION |
| JEFF R. DEROUEN EXECUTIVE DIRECTOR |
| TARIFF BRANCH  |
| EFFECTIVE 11/9/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

Proposed Tariff

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 38

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3 (in its entirety)

CONTENTS

RATES

The following rates and charges are prescribed for the customers in the area served by Water Service Corporation of Kentucky. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

Middlesboro

5/8" x 3/4" Meter:

| | |
|--------------------------|---|
| First 1,000 gallons | \$8.70 <u>10.61</u> Minimum bill |
| Next 9,000 gallons | 3.50 <u>4.27</u> per 1,000 gallons |
| Next 15,000 gallons | 3.19 <u>3.89</u> per 1,000 gallons |
| Next 25,000 gallons | 3.03 <u>3.69</u> per 1,000 gallons |
| Next 50,000 gallons | 2.71 <u>3.30</u> per 1,000 gallons |
| All Over 100,000 gallons | 2.48 <u>3.02</u> per 1,000 gallons |

1" Meter:

| | |
|--------------------------|---|
| First 6,000 gallons | \$26.18 <u>31.91</u> Minimum bill |
| Next 4,000 gallons | 3.50 <u>4.27</u> per 1,000 gallons |
| Next 15,000 gallons | 3.19 <u>3.89</u> per 1,000 gallons |
| Next 25,000 gallons | 3.03 <u>3.69</u> per 1,000 gallons |
| Next 50,000 gallons | 2.71 <u>3.30</u> per 1,000 gallons |
| All Over 100,000 gallons | 2.48 <u>3.02</u> per 1,000 gallons |

1 1/2" Meter:

| | |
|----------------------|---|
| First 13,000 gallons | \$ 49.72 <u>60.61</u> Minimum bill |
| Next 12,000 gallons | 3.19 <u>3.89</u> per 1,000 gallons |

DATE OF ISSUE November 9, 2009 January 25, 2011
Month / Date / Year

DATE EFFECTIVE November 9, 2009 February 24, 2011
Month / Date / Year

ISSUED BY John Hoy _____
(Signature of Officer)

TITLE Chief Regulatory Officer ~~Operating~~
Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 201008-00476563 DATED November 9, 2009

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 38

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3 (in its entirety)

CONTENTS

Next 25,000 gallons — ~~3.03~~ 3.69 per 1,000 gallons
Next 50,000 gallons 2.71 3.30 per 1,000 gallons
All Over 100,000 gallons — ~~2.48~~ 3.02 per 1,000 gallons

2" Meter:

First 21,400 gallons \$~~76.49~~ 93.24 Minimum bill
Next 3,600 gallons; 3.19 3.89 per 1,000 gallons
Next 25,000 gallons 3.03 3.69 per 1,000 gallons
Next 50,000 gallons — ~~2.71~~ 3.30 per 1,000 gallons
All Over 100,000 gallons 2.48 3.02 per 1,000 gallons

3" Meter:

First 68,400 gallons \$~~213.60~~ 260.38 Minimum bill
Next 31,600 gallons — ~~2.71~~ 3.30 per 1,000 gallons
All Over 100,000 gallons 2.48 3.02 per 1,000 gallons

4" Meter:

First 127,500 gallons \$~~367.33~~ 447.79 Minimum bill
All Over 127,500 gallons 2.48 3.02 per 1,000 gallons

6" Meter:

First 281,500 gallons \$~~748.79~~ 912.80 Minimum bill
All Over 281,500 gallons 2.48 3.02 per 1,000 gallons

CLINTON

5/8" x 3/4" Meter:

First 1,000 gallons \$~~11.64~~ 14.19 Minimum bill

DATE OF ISSUE ~~November 9, 2009~~ January 25, 2011
Month / Date / Year

DATE EFFECTIVE ~~November 9, 2009~~ February 24, 2011
Month / Date / Year

ISSUED BY John Hoy _____
(Signature of Officer)

TITLE Chief ~~Regulatory~~ Operating
Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 201008-00476563 DATED ~~November 9, 2009~~

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 38

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3 (in its entirety)

CONTENTS

| | |
|--------------------------|---|
| Next 9,000 gallons | 6.59 <u>8.03</u> per 1,000 gallons |
| Next 15,000 gallons | 6.05 <u>7.38</u> per 1,000 gallons |
| Next 25,000 gallons | 5.51 <u>6.72</u> per 1,000 gallons |
| Next 50,000 gallons | 4.89 <u>5.96</u> per 1,000 gallons |
| All Over 100,000 gallons | 4.27 <u>5.21</u> per 1,000 gallons |

1" Meter:

| | |
|--------------------------|---|
| First 5,300 gallons | \$39.98 <u>48.74</u> Minimum bill |
| Next 3,700 gallons | 6.59 <u>8.03</u> per 1,000 gallons |
| Next 15,000 gallons | 6.05 <u>7.38</u> per 1,000 gallons |
| Next 25,000 gallons | 5.51 <u>6.72</u> per 1,000 gallons |
| Next 50,000 gallons | 4.89 <u>5.96</u> per 1,000 gallons |
| All Over 100,000 gallons | 4.27 <u>5.21</u> per 1,000 gallons |

1 1/2" Meter:

| | |
|--------------------------|---|
| First 11,200 gallons | \$78.23 <u>95.36</u> Minimum bill |
| Next 13,800 gallons | 6.05 <u>7.38</u> per 1,000 gallons |
| Next 25,000 gallons | 5.51 <u>6.72</u> per 1,000 gallons |
| Next 50,000 gallons | 4.89 <u>5.96</u> per 1,000 gallons |
| All Over 100,000 gallons | 4.27 <u>5.21</u> per 1,000 gallons |

2" Meter:

| | |
|--------------------------|--|
| First 17,600 gallons | \$116.95 <u>142.57</u> Minimum bill |
| Next 7,400 gallons | 6.05 <u>7.38</u> per 1,000 gallons |
| Next 25,000 gallons | 5.51 <u>6.72</u> per 1,000 gallons |
| Next 50,000 gallons | 4.89 <u>5.96</u> per 1,000 gallons |
| All Over 100,000 gallons | 4.27 <u>5.21</u> per 1,000 gallons |

6" Meter:

| | |
|--------------------------|--|
| First 250,500 gallons | \$1,186.60 <u>1,446.61</u> Minimum bill |
| All Over 250,500 gallons | 4.27 <u>5.21</u> per 1,000 gallons |

DATE OF ISSUE ~~November 9, 2009~~ January 25, 2011
Month / Date / Year

DATE EFFECTIVE ~~November 9, 2009~~ February 24, 2011
Month / Date / Year

ISSUED BY John Hoy _____
(Signature of Officer)

TITLE ~~Chief Regulatory Officer~~ Operating
Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 201008-00476563 DATED ~~November 9, 2009~~

FOR Middlesboro and Clinton and Adjacent Territory
Community, Town or City

P.S.C. KY. NO. 4

SHEET NO. 38

Water Service Corporation of Kentucky
(Name of Utility)

CANCELLING P.S.C. KY. NO. 3 (in its entirety)

CONTENTS

Monthly Fire Protection Charges

| | |
|--|---|
| Private Hydrants or Sprinkler Systems | \$ 19.35 <u>23.59</u> per hydrant or sprinkler |
| Clinton municipally owned hydrants | 4.30 <u>5.24</u> per hydrant |
| Middlesboro municipally owned hydrants | 4.30 <u>5.24</u> per hydrant |

CUSTOMER COMPLAINTS

Complaints may be made to the Area Manager whose decision may be appealed to the Water Service Corporation of Kentucky Regional Manager. Such appeal shall be in writing within ten (10) days of the date of the decision by the Manager stating the nature of the complaint and supporting evidence. These decisions may be brought before the Public Service Commission in accordance with 807 KAR 5:006, Section 9.

WATER SHORTAGE RESPONSE PLAN

DATE OF ISSUE November 9, 2009 January 25, 2011
Month / Date / Year

DATE EFFECTIVE November 9, 2009 February 24, 2011
Month / Date / Year

ISSUED BY John Hoy _____
(Signature of Officer)

TITLE Chief ~~Regulatory Officer~~ Operating
Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 201008-00476563 DATED November 9, 2009

Case No. 2010-00476
Exhibit 3

WATER SERVICE CORPORATION OF KENTUCKY
CLINTON AREA
NOTICE TO CUSTOMERS
WATER RATE ADJUSTMENT

Pursuant to the regulations of the Public Service Commission (Commission), Water Service Corporation of Kentucky (WSCK) gives notice to its customers in Clinton that it intends to adopt an increase/decrease in its water rates. The rates listed below are to be effective February 24, 2011, or sooner if approved by the Commission. The average customer bill for all meter sizes is shown below. Further information may be obtained from the Commission or WSCK. The rates proposed in this Notice may be modified by the Commission. Such action by the Commission may result in the rates being higher or lower than those proposed by the WSCK.

Any corporation, association, body politic or person may by timely motion, within 30 days of this Notice, request intervention in this case. Intervention beyond the 30 day period may be granted for good cause shown. The Motion must be submitted to the Public Service Commission, 211 Sower Blvd., Box 615, Frankfort, Ky. 40602 and should state the grounds for the request, including the interest and status of the party. Interveners may obtain copies of the Application and any testimony filed by contacting WSCK at the address below. A copy of the Application is available for public review at the office of WSCK and at the Public Service Commission, 211 Sower Blvd., Frankfort, Ky. 40601, (502) 564-3940.

John Hoy
Water Service Corporation of Kentucky
2335 Sanders Road
Northbrook, Illinois 60062
(847) 498-6440

Local Office:
100 East Jackson Street
P.O. Box 178
Clinton, Kentucky 42031
(270) 653-3624

| | <u>Current Rates (per 1,000 gallons):</u> | <u>Proposed Rates (gal):</u> | <u>Avg Bill Dollar Inc/(Dec):</u> | <u>Avg Bill % Inc/(Dec):</u> |
|---------------|---|------------------------------|-----------------------------------|------------------------------|
| 5/8" meters | First 1,000 (minimum) \$ 11.64 | \$ 14.19 | \$ 6.08 | 21.90% |
| 3/4" meters | Next 9,000 \$ 6.59 | \$ 8.03 | | |
| | Next 15,000 \$ 6.05 | \$ 7.38 | | |
| | Next 25,000 \$ 5.51 | \$ 6.72 | | |
| | Next 50,000 \$ 4.89 | \$ 5.96 | | |
| | Over 100,000 \$ 4.27 | \$ 5.21 | | |
| 1" meters | First 5,300 (minimum) \$ 39.98 | \$ 48.74 | \$ 17.11 | 21.90% |
| | Next 4,700 \$ 6.59 | \$ 8.03 | | |
| | Next 15,000 \$ 6.05 | \$ 7.38 | | |
| | Next 25,000 \$ 5.51 | \$ 6.72 | | |
| | Next 50,000 \$ 4.89 | \$ 5.96 | | |
| | Over 100,000 \$ 4.27 | \$ 5.21 | | |
| 1 1/2" meters | First 11,200 (minimum) \$ 78.23 | \$ 95.36 | \$ 78.84 | 21.90% |
| | Next 13,800 \$ 6.05 | \$ 7.38 | | |
| | Next 25,000 \$ 5.51 | \$ 6.72 | | |
| | Next 50,000 \$ 4.89 | \$ 5.96 | | |

| | | | | | |
|-----------|-------------------------|-------------|-------------|-----------|--------|
| | Over 100,000 | \$ 4.27 | \$ 5.21 | | |
| 2" meters | First 17,600 (minimum) | \$ 116.95 | \$ 142.57 | \$ 128.39 | 21.90% |
| | Next 7,400 | \$ 6.05 | \$ 7.38 | | |
| | Next 25,000 | \$ 5.51 | \$ 6.72 | | |
| | Next 50,000 | \$ 4.89 | \$ 5.96 | | |
| | Over 100,000 | \$ 4.27 | \$ 5.21 | | |
| 6" meters | First 250,500 (minimum) | \$ 1,186.60 | \$ 1,446.61 | \$0 | 21.90% |
| | Over 250,500 | \$ 4.27 | \$ 5.21 | | |

| | <u>Current Rates (flat):</u> | <u>Proposed Rates (flat):</u> | <u>Avg Bill Dollar Inc/(Dec):</u> | <u>Avg Bill % Inc/(Dec):</u> |
|--------------------------|------------------------------|-------------------------------|-----------------------------------|------------------------------|
| Hydrant (private) | \$19.35 | \$ 23.59 | \$4.24 | 21.90% |
| 5/8" sprinkler (private) | \$19.35 | \$ 23.59 | \$4.24 | 21.90% |
| Hydrant (municipal) | \$4.30/hydrant | \$ 5.24/hydrant | \$.94 | 21.90% |

WATER SERVICE CORPORATION OF KENTUCKY
MIDDLESBORO AREA
NOTICE TO CUSTOMERS
WATER RATE ADJUSTMENT

Pursuant to the regulations of the Public Service Commission (Commission), Water Service Corporation of Kentucky (WSCK) gives notice to its customers in Middlesboro that it intends to adopt an increase in its water rates. The rates listed below are to be effective February 24, 2011, or sooner if approved by the Commission. The average customer bill for all meter sizes is shown below. Further information may be obtained from the Commission or WSCK. The rates proposed in this Notice may be modified by the Commission. Such action by the Commission may result in the rates being higher or lower than those proposed by the WSCK.

Any corporation, association, body politic or person may by timely motion, within 30 days of this Notice, request intervention in this case. Intervention beyond the 30 day period may be granted for good cause shown. The Motion must be submitted to the Public Service Commission, 211 Sower Blvd., Box 615, Frankfort, Ky. 40602 and should state the grounds for the request, including the interest and status of the party. Interveners may obtain copies of the Application and any testimony filed by contacting WSCK at the address below. A copy of the Application is available for public review at the office of WSCK and at the Public Service Commission, 211 Sower Blvd., Frankfort, Ky. 40601, (502) 564-3940.

John Hoy
Water Service Corporation of Kentucky
2335 Sanders Road
Northbrook, Illinois 60062
(847) 498-6440

Local Office:
1217 East Cumberland Avenue Suite #4
P.O. Box 818
Middlesboro, Kentucky 40965
(606) 248-1785

| | <u>Current Rates (per 1,000 gallons):</u> | <u>Proposed Rates (gallage):</u> | <u>Average Bill Dollar Increase:</u> | <u>Average Bill Percentage Increase:</u> |
|---------------|---|----------------------------------|--------------------------------------|--|
| 5/8" meters | First 1,000 (minimum) \$8.70 | \$10.61 | \$4.40 | 21.90% |
| | Next 9,000 \$3.50 | \$4.27 | | |
| | Next 15,000 \$3.19 | \$3.89 | | |
| | Next 25,000 \$3.03 | \$3.69 | | |
| | Next 50,000 \$2.71 | \$3.30 | | |
| | Over 100,000 \$2.48 | \$3.02 | | |
| 1" meters | First 6,000 (minimum) \$26.18 | \$31.91 | \$12.50 | 21.91% |
| | Next 4,000 \$3.50 | \$4.27 | | |
| | Next 15,000 \$3.19 | \$3.89 | | |
| | Next 25,000 \$3.03 | \$3.69 | | |
| | Next 50,000 \$2.71 | \$3.30 | | |
| | Over 100,000 \$2.48 | \$3.02 | | |
| 1 1/2" meters | First 13,000 (minimum) \$49.72 | \$60.61 | \$43.24 | 21.90% |
| | Next 12,000 \$3.19 | \$3.89 | | |
| | Next 25,000 \$3.03 | \$3.69 | | |
| | Next 50,000 \$2.71 | \$3.30 | | |

| | | | | | |
|-----------|-------------------------|----------|----------|-----------|--------|
| | Over 100,000 | \$2.48 | \$3.02 | | |
| 2" meters | First 21,400 (minimum) | \$76.49 | \$93.24 | \$43.01 | 21.90% |
| | Next 3,600 | \$3.19 | \$3.89 | | |
| | Next 25,000 | \$3.03 | \$3.69 | | |
| | Next 50,000 | \$2.71 | \$3.30 | | |
| | Over 100,000 | \$2.48 | \$3.02 | | |
| 3" meters | First 68,400 (minimum) | \$213.60 | \$260.38 | \$121.00 | 21.90% |
| | Next 31,600 | \$2.71 | \$3.30 | | |
| | Over 100,000 | \$2.48 | \$3.02 | | |
| 4" meters | First 127,500 (minimum) | \$367.33 | \$447.79 | \$88.05 | 21.90% |
| | Over 127,500 | \$2.48 | \$3.02 | | |
| 6" meters | First 281,500 (minimum) | \$748.79 | \$912.80 | \$1260.15 | 21.90% |
| | Over 281,500 | \$1.92 | \$2.90 | | |

| | <u>Current Rates (flat):</u> | <u>Proposed Rates (flat):</u> | <u>Average Bill Dollar Increase:</u> | <u>Average Bill Percentage Increase:</u> |
|----------------------------|------------------------------|-------------------------------|--------------------------------------|--|
| Private Fire protection | \$19.35 | \$23.59 | \$4.24 | 21.90% |
| Municipally Owned Hydrants | \$4.30 | \$5.24 | \$0.94 | 21.90% |

Case No. 2010-00476
Exhibit 4

WATER SERVICE CORPORATION - KENTUCKY

Schedule 1

Case No. 2010 - 00476

Balance Sheet
September 30, 2010

| <u>ASSETS</u> | | <u>LIABILITIES AND OTHER CREDITS</u> | |
|------------------------------------|-----------------------|--------------------------------------|----------------------|
| Plant In Service | | Capital Stock and Retained Earnings | |
| Water | \$ 10,023,349 | Common Stock and Paid In Capital | \$ 4,766,047 |
| Sewer | - | Retained Earnings | (839,423) |
| Total | <u>\$ 10,023,349</u> | Total | <u>\$ 3,926,624</u> |
| Accumulated Depreciation-Water | (4,366,738) | Current and Accrued Liabilities | |
| Accumulated Depreciation-Sewer | - | Accounts Payable-Trade | 199,237 |
| Total | <u>\$ (4,366,738)</u> | Taxes Accrued | 73,740 |
| Net Utility Plant | <u>\$ 5,656,611</u> | Deferred Credits | 34,317 |
| | | Customer Deposits - Interest | 3,247 |
| | | A/P - Assoc. Companies | 1,209,997 |
| | | Deferred Revenue | - |
| | | Total | <u>\$ 1,520,537</u> |
| Plant Acquisition Adjustment-Water | (154,656) | Advances In Aid of Construction | |
| Plant Acquisition Adjustment-Sewer | - | Water | 113,080.53 |
| Total | <u>\$ (154,656)</u> | Sewer | - |
| | | Total | <u>\$ 113,080.53</u> |
| Construction Work In Process-Water | - | Contributions In Aid of Construction | |
| Construction Work In Process-Sewer | - | Water | 68,702 |
| Total | <u>\$ -</u> | Sewer | - |
| | | Total | <u>\$ 68,702</u> |
| Current Assets | | Accumulated Deferred Income Tax | |
| Cash | 35,386 | Unamortized ITC | - |
| Accounts Receivable - Net | 373,264 | Deferred Tax - Federal | 391,131 |
| Other Current Assets | 9,982 | Deferred Tax - State | 25,997 |
| Total | <u>\$ 418,632</u> | Total | <u>\$ 417,128</u> |
| Deferred Charges | <u>125,483</u> | TOTAL LIABILITIES AND OTHER CREDITS | <u>\$ 6,046,070</u> |
| TOTAL ASSETS | <u>\$ 6,046,070</u> | | |

| | Per Books | Pro Forma Adjustments | Pro Forma Present | Proposed Increase | Pro Forma Proposed |
|---|------------------|-----------------------|-------------------|-------------------|--------------------|
| Operating Revenues | | | | | |
| Service Revenues - Water | 1,980,475 | 68,212 [a] | 2,048,687 | 448,723 [k] | 2,497,410 |
| Service Revenues - Sewer | - | - | - | - | - |
| Miscellaneous Revenues | 52,887 | - | 52,887 | - | 52,887 |
| Uncollectible Accounts | (126,200) | 34,473 [b] | (91,727) | (20,091) [b] | (111,818) |
| Total Operating Revenues | 1,907,162 | 102,684 | 2,009,847 | 428,632 | 2,438,479 |
| Maintenance Expenses | | | | | |
| Salaries and Wages | 442,941 | 73,324 [c] | 516,265 | - | 516,265 |
| Purchase Water/Sewer | 78,100 | - | 78,100 | - | 78,100 |
| Purchased Power | 79,635 | - | 79,635 | - | 79,635 |
| Maintenance and Repair | 87,087 | - | 87,087 | - | 87,087 |
| Maintenance Testing | 24,880 | - | 24,880 | - | 24,880 |
| Meter Reading | 345 | - | 345 | - | 345 |
| Chemicals | 101,313 | - | 101,313 | - | 101,313 |
| Transportation | 47,173 | - | 47,173 | - | 47,173 |
| Operating Exp Charged to Plant | (50,427) | (48,711) [d] | (99,138) | - | (99,138) |
| Outside Services - Other | 30,721 | - | 30,721 | - | 30,721 |
| Total | 841,770 | 24,613 | 866,383 | - | 866,383 |
| General Expenses | | | | | |
| Salaries and Wages | 189,980 | (38,716) [c] | 151,264 | - | 151,264 |
| Office Supplies & Other Office Exp | 102,242 | - | 102,242 | - | 102,242 |
| Regulatory Commission Exp | 55,885 | 26,960 [e] | 82,845 | - | 82,845 |
| Pension & Other Benefits | 123,344 | 39,523 [c] | 162,868 | - | 162,868 |
| Rent | 18,906 | - | 18,906 | - | 18,906 |
| Insurance | 59,054 | - | 59,054 | - | 59,054 |
| Office Utilities | 53,825 | - | 53,825 | - | 53,825 |
| Miscellaneous | 26,283 | - | 26,283 | - | 26,283 |
| Total | 629,519 | 27,767 | 657,286 | - | 657,286 |
| Depreciation | 290,497 | (14,075) [f] | 276,422 | - | 276,422 |
| Amortization of PAA | (3,660) | 3,660 [f] | - | - | - |
| Taxes Other Than Income | 145,450 | 3,255 [g] | 148,705 | 1,236 [g] | 149,940 |
| Expense Reduction Related to Clinton Sewer Operations | (137,459) | 34,206 [h] | (103,253) | - | (103,253) |
| Income Taxes - Federal | (105,348) | 97,749 [i] | (7,599) | 136,754 [i] | 129,156 |
| Income Taxes - State | 7,912 | (8,843) [i] | (931) | 25,178 [i] | 24,247 |
| Amortization of CIAC | (1,536) | (2,813) [f] | (4,349) | - | (4,349) |
| Total | 195,855 | 113,139 | 308,994 | 163,168 | 472,162 |
| Total Operating Expenses | 1,667,144 | 165,519 | 1,832,663 | 163,168 | 1,995,831 |
| Net Operating Income | 240,019 | (62,835) | 177,184 | 265,464 | 442,648 |
| Other Income | - | - | - | - | - |
| Interest During Construction | - | - | - | - | - |
| Interest on Debt | 179,640 | 12,294 [j] | 191,934 | - | 191,934 |
| Net Income | 60,379 | (75,129) | (14,750) | 265,464 | 250,714 |

| | Per Books | Pro Forma Adjustments | Pro Forma Present | Proposed Increase | Pro Forma Proposed |
|---|------------------|--------------------------|----------------------|----------------------|-----------------------|
| Operating Revenues | | | | | |
| Service Revenues - Water | 1,980,475 | 68,212 [a] | 2,048,687 | 448,723 [k] | 2,497,410 |
| Service Revenues - Sewer | - | - | - | - | - |
| Miscellaneous Revenues | 52,887 | - | 52,887 | - | 52,887 |
| Uncollectible Accounts | (126,200) | 34,473 | (91,727) | (20,091) [b] | (111,818) |
| Total Operating Revenues | 1,907,162 | 102,684 | 2,009,847 | 428,632 | 2,438,479 |
| Maintenance Expenses | | | | | |
| Salaries and Wages | 442,941 | 73,324 | 516,265 | - | 516,265 |
| Purchase Water/Sewer | 78,100 | - | 78,100 | - | 78,100 |
| Purchased Power | 79,635 | - | 79,635 | - | 79,635 |
| Maintenance and Repair | 87,087 | - | 87,087 | - | 87,087 |
| Maintenance Testing | 24,880 | - | 24,880 | - | 24,880 |
| Meter Reading | 345 | - | 345 | - | 345 |
| Chemicals | 101,313 | - | 101,313 | - | 101,313 |
| Transportation | 47,173 | - | 47,173 | - | 47,173 |
| Operating Exp. Charged to Plant | (50,427) | (48,711) | (99,138) | - | (99,138) |
| Outside Services - Other | 30,721 | - | 30,721 | - | 30,721 |
| Total | 841,770 | 24,613 | 866,383 | - | 866,383 |
| General Expenses | | | | | |
| Salaries and Wages | 189,980 | (38,716) | 151,264 | - | 151,264 |
| Office Supplies & Other Office Exp | 102,242 | - | 102,242 | - | 102,242 |
| Regulatory Commission Exp | 55,885 | 26,960 | 82,845 | - | 82,845 |
| Pension & Other Benefits | 123,344 | 39,523 | 162,868 | - | 162,868 |
| Rent | 18,906 | - | 18,906 | - | 18,906 |
| Insurance | 59,054 | - | 59,054 | - | 59,054 |
| Office Utilities | 53,825 | - | 53,825 | - | 53,825 |
| Miscellaneous | 26,283 | - | 26,283 | - | 26,283 |
| Total | 629,519 | 27,767 | 657,286 | - | 657,286 |
| Depreciation | 290,497 | (14,075) | 276,422 | - | 276,422 |
| Amortization of PAA | (3,660) | 3,660 | - | - | - |
| Taxes Other Than Income | 145,450 | 3,255 | 148,705 | 1,236 | 149,940 |
| Expense Reduction Related to Clinton Sewer Operations | (137,459) | 34,206 | (103,253) | - | (103,253) |
| Amortization of CIAC | (1,536) | (2,813) | (4,349) | - | (4,349) |
| Income Taxes - Federal | (105,348) | 97,749 | (7,599) | 136,754 | 129,156 |
| Income Taxes - State | 7,912 | (8,843) | (931) | 25,178 | 24,247 |
| Total | 195,855 | 113,139 | 308,994 | 163,168 | 472,162 |
| Total Operating Expenses | 1,667,144 | 165,519 | 1,832,663 | 163,168 | 1,995,831 |
| Net Operating Income | 240,019 | 268,204 | 177,184 | 591,800 | 442,648 |
| Other Income | - | - | - | - | - |
| Interest During Construction | - | - | - | - | - |
| Interest on Debt | 179,640 | 12,294 [i] | 191,934 | - | 191,934 |
| Net Income | 60,379 | 280,497 | (14,750) | 591,800 | 250,714 |

| | Per Books | Pro Forma Adjustments | Pro Forma Present | Proposed Increase | Pro Forma Proposed |
|------------------------------------|--------------|--------------------------|----------------------|----------------------|-----------------------|
| Operating Revenues | | | | | |
| Service Revenues - Water | | | | | |
| Service Revenues - Sewer | - | [a] | - | | [k] |
| Miscellaneous Revenues | - | | - | | |
| Uncollectible Accounts | - | [l] | - | | [b] |
| Bulk Service Revenues - Sewer | | | | | |
| Total Operating Revenues | - | - | - | - | |
| Maintenance Expenses | | | | | |
| Salaries and Wages | | [c] | - | - | - |
| Purchase Water/Sewer | | | - | - | - |
| Purchased Power | | [i] | - | - | - |
| Maintenance and Repair | | [i] | - | - | - |
| Maintenance Testing | | [i] | - | - | - |
| Meter Reading | | [i] | - | - | - |
| Chemicals | | [i] | - | - | - |
| Transportation | | [i] | - | - | - |
| Operating Exp Charged to Plant | | [c] | - | - | - |
| Outside Services - Other | | [i] | - | - | - |
| Total | - | - | - | - | - |
| General Expenses | | | | | |
| Salaries and Wages | | [c] | - | - | - |
| Office Supplies & Other Office Exp | | [i] | - | - | - |
| Regulatory Commission Exp | | [d] | - | - | - |
| Pension & Other Benefits | | [c] | - | - | - |
| Rent | | [i] | - | - | - |
| Insurance | | [i] | - | - | - |
| Office Utilities | | [i] | - | - | - |
| Miscellaneous | | [j][i] | - | - | - |
| Total | - | - | - | - | - |
| Depreciation | | [e] | - | - | - |
| Amortization of PAA | | [e] | - | - | - |
| Taxes Other Than Income | | [f] | - | | [f] |
| Total Taxes | | | - | | - |
| Income Taxes - Federal | | [g] | - | | [g] |
| Income Taxes - State | | [g] | - | | [g] |
| Amortization of ITC | | | - | | - |
| Amortization of CIAC | | [e] | - | | - |
| Total | - | - | - | - | - |
| Total Operating Expenses | - | - | - | - | - |
| Net Operating Income | - | - | - | - | - |
| Other Income | | | - | - | - |
| Interest During Construction | | [h] | - | - | - |
| Interest on Debt | | [i] | - | - | - |
| Net Income | - | - | - | - | - |

- [a] Annualized to reflect rates approved in Case No 2008-00563 that went in effect on 11/09/2009
- [b] Uncollectible Accounts are adjusted based on the percentage of uncollectible accounts to revenues in the test year applied to annualized and pro forma proposed revenues.
- [c] Salaries, Wages and Benefits are adjusted to annualize as of the end of the year
- [d] Operating expense charged to plant has been adjusted for projected increases in salaries, taxes, and benefits for operators
- [e] Regulatory commission expense has been adjusted
- [f] Depreciation and Amortization Expense are annualized Depreciation expense represents gross depreciable plant at the end of the year multiplied by their respective depreciation rates
- [g] Taxes other than Income is adjusted for annualized payroll taxes and Utility Commission Taxes.
- [h] Income taxes are computed on taxable income at current rates
- [i] Expenses for Clinton sewer operations have been reduced to actual expense reductions
- [j] Interest on debt is computed using a 50.11% / 48.89% debt / equity ratio and a 6.58% cost of debt;
- [k] Revenues are annualized at proposed rates using the actual test year bills

| | Per Restatement | Pro Forma Adjustments | As Adjusted | Proposed Increase | Effect of Proposed Increase |
|--|--------------------|--------------------------|----------------|----------------------|-----------------------------------|
| Net Operating Income | \$ 60,379 | (75,129) | \$ (14,750) | 265,464 | \$ 250,714 |
| Gross Plant In Service | \$ 10,059,632 [a] | - | 10,059,632 | - | \$ 10,059,632 |
| Accumulated Depreciation | (3,841,528) [b] | - | (3,841,528) | - | (3,841,528) |
| Net Plant In Service | 6,218,104 | - | 6,218,104 | - | 6,218,104 |
| Cash Working Capital | 202,092 | 6,955 [c] | 209,047 | - | 209,047 |
| Contributions In Aid of Construction | (69,587) [b] | - [b] | (69,587) | - | (69,587) |
| Advances in Aid of Construction | (80,726) [b] | - | (80,726) | - | (80,726) |
| Accumulated Deferred Income Taxes | (417,128) | - | (417,128) | - | (417,128) |
| Customer Deposits | (34,317) | - | (34,317) | - | (34,317) |
| Reduction for Transportation Equipment | - | (4,740) [d] | (4,740) | - | (4,740) |
| Total Rate Base | \$ 5,818,438 | \$ 2,215 | \$ 5,820,653 | \$ - | \$ 5,820,653 |

[a] Gross plant in service has been restated to account for an asset that was not booked at the time of acquisition.

[b] Accumulated depreciation, CIAC, and AIAC have been restated to reflect a 2% depreciation rate from the time the assets or liabilities were put in service.

[c] Working capital is calculated based on pro forma maintenance expenses, pro forma general expenses, and taxes other than income.

[d] Transportation equipment has been reduced due to operator time for Clinton sewer operations.

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|---------------------|------------------|--------------------------------|--------------------------------|----------------|---------------------|
| MIDDLESBORO | | | | | | | | | | | | | | | | |
| Residential 5/8" Meter | 25,938 | | | | | 226,318 | | | | | | | | | | |
| First 1,000 | | 6,432 | | \$ 6.74 | \$ 43,349 | | 53,967 | | \$ 8.70 | \$ 469,516 | \$ 512,865 | 60,399 | | \$ 525,471 | \$ 10.61 | \$ 640,565 |
| Next 9,000 | | | 18,349 | 2.71 | 49,727 | | | 156,388 | 3.50 | 547,357 | 597,083 | | 174,737 | 611,580 | 4.27 | 745,534 |
| Next 15,000 | | | 1,215 | 2.47 | 3,002 | | | 13,355 | 3.19 | 42,601 | 45,603 | | 14,570 | 46,478 | 3.89 | 56,658 |
| Next 25,000 | | | 256 | 2.35 | 602 | | | 3,117 | 3.03 | 9,444 | 10,046 | | 3,373 | 10,220 | 3.69 | 12,459 |
| Next 50,000 | | | 99 | 2.10 | 208 | | | 1,518 | 2.71 | 4,114 | 4,322 | | 1,617 | 4,382 | 3.30 | 5,342 |
| Over 100,000 | | | 47 | 1.92 | 90 | | | 2,245 | 2.48 | 5,568 | 5,658 | | 2,292 | 5,684 | 3.02 | 6,929 |
| Total Residential 5/8" Meter | 25,938 | 6,432 | 19,967 | | \$ 96,978 | 226,318 | 53,967 | 176,622 | | \$ 1,078,599 | \$ 1,175,577 | 60,399 | 196,589 | \$ 1,203,816 | | \$ 1,467,487 |
| Average Residential 5/8" Bill | | | | | | | | | | | | | | \$ 19.93 | | \$ 24.30 |
| Commercial 5/8" Meter | 2,883 | | | | | 24,286 | | | | | | | | | | |
| First 1,000 | | 697 | | \$ 6.74 | \$ 4,701 | | 5,840 | | \$ 8.70 | \$ 50,804 | \$ 55,505 | 6,537 | | \$ 56,872 | \$ 10.61 | \$ 69,329 |
| Next 9,000 | | | 1,399 | 2.71 | 3,792 | | | 11,976 | 3.50 | 41,915 | 45,707 | | 13,375 | 46,813 | 4.27 | 57,066 |
| Next 15,000 | | | 452 | 2.47 | 1,118 | | | 3,721 | 3.19 | 11,869 | 12,986 | | 4,173 | 13,312 | 3.89 | 16,228 |
| Next 25,000 | | | 262 | 2.35 | 616 | | | 2,254 | 3.03 | 6,830 | 7,445 | | 2,516 | 7,623 | 3.69 | 9,293 |
| Next 50,000 | | | 232 | 2.10 | 487 | | | 1,641 | 2.71 | 4,447 | 4,934 | | 1,873 | 5,076 | 3.30 | 6,188 |
| Over 100,000 | | | 8 | 1.92 | 14 | | | 319 | 2.48 | 792 | 807 | | 327 | 811 | 3.02 | 989 |
| Total Commercial 5/8" Meter | 2,883 | 697 | 2,353 | | \$ 10,728 | 24,286 | 5,840 | 19,911 | | \$ 116,656 | \$ 127,384 | 6,537 | 22,264 | \$ 130,507 | | \$ 159,091 |
| Average Commercial 5/8" Bill | | | | | | | | | | | | | | 19.96 | | 24.34 |
| Governmental 5/8" Meter | 228 | | | | | 1,748 | | | | | | | | | | |
| First 1,000 | | 15 | | \$ 6.74 | \$ 102 | | 132 | | \$ 8.70 | \$ 1,147 | \$ 1,249 | 147 | | \$ 1,279 | \$ 10.61 | \$ 1,559 |
| Next 9,000 | | | 31 | 2.71 | 84 | | | 267 | 3.50 | 935 | 1,019 | | 298 | 1,043 | 4.27 | 1,271 |
| Next 15,000 | | | 34 | 2.47 | 84 | | | 203 | 3.19 | 648 | 732 | | 237 | 756 | 3.89 | 922 |
| Next 25,000 | | | 73 | 2.35 | 172 | | | 298 | 3.03 | 904 | 1,076 | | 372 | 1,126 | 3.69 | 1,373 |
| Next 50,000 | | | 63 | 2.10 | 133 | | | 499 | 2.71 | 1,351 | 1,484 | | 562 | 1,523 | 3.30 | 1,857 |
| Over 100,000 | | | 49 | 1.92 | 94 | | | 392 | 2.48 | 972 | 1,066 | | 441 | 1,094 | 3.02 | 1,333 |
| Total Governmental 5/8" Meter | 228 | 15 | 250 | | \$ 669 | 1,748 | 132 | 1,659 | | \$ 5,957 | \$ 6,626 | 147 | 1,910 | \$ 6,821 | | \$ 8,315 |
| Average Governmental 5/8" Bill | | | | | | | | | | | | | | 46.40 | | 56.56 |
| Industrial 5/8" Meter | 62 | | | | | 1,144 | | | | | | | | | | |
| First 1,000 | | 9 | | \$ 6.74 | \$ 60 | | 76 | | \$ 8.70 | \$ 662 | \$ 722 | 85 | | \$ 740 | \$ 10.61 | \$ 901 |
| Next 9,000 | | | 30 | 2.71 | 82 | | | 252 | 3.50 | 882 | 963 | | 282 | 987 | 4.27 | 1,203 |
| Next 15,000 | | | 4 | 2.47 | 10 | | | 204 | 3.19 | 651 | 661 | | 208 | 664 | 3.89 | 809 |
| Next 25,000 | | | 7 | 2.35 | 16 | | | 240 | 3.03 | 728 | 744 | | 247 | 748 | 3.69 | 912 |
| Next 50,000 | | | 12 | 2.10 | 25 | | | 294 | 2.71 | 797 | 822 | | 306 | 829 | 3.30 | 1,011 |
| Over 100,000 | | | - | 1.92 | - | | | 82 | 2.48 | 203 | 203 | | 82 | 203 | 3.02 | 248 |
| Total Industrial 5/8" Meter | 62 | 9 | 53 | | \$ 192 | 1,144 | 76 | 1,072 | | \$ 3,924 | \$ 4,115 | 85 | 1,125 | \$ 4,171 | | \$ 5,085 |
| Average Industrial 5/8" Bill | | | | | | | | | | | | | | 49.07 | | 59.82 |
| Commercial 3/4" Meter | 4 | | | | | 1,061 | | | | | | | | | | |
| First 1,000 | | 1 | | \$ 6.74 | \$ 9 | | 12 | | \$ 8.70 | \$ 102 | \$ 111 | 13 | | \$ 113 | \$ 10.61 | \$ 138 |
| Next 9,000 | | | 3 | 2.71 | 7 | | | 33 | 3.50 | 117 | 124 | | 36 | 126 | 4.27 | 154 |
| Next 15,000 | | | - | 2.47 | - | | | 45 | 3.19 | 144 | 144 | | 45 | 144 | 3.89 | 175 |
| Next 25,000 | | | - | 2.35 | - | | | 71 | 3.03 | 215 | 215 | | 71 | 215 | 3.69 | 262 |
| Next 50,000 | | | - | 2.10 | - | | | 100 | 2.71 | 271 | 271 | | 100 | 271 | 3.30 | 330 |
| Over 100,000 | | | - | 1.92 | - | | | 804 | 2.48 | 1,994 | 1,994 | | 804 | 1,994 | 3.02 | 2,431 |

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|-------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|-------------------|
| Total Commercial 3/4" Meter | 4 | 1 | 3 | | \$ 15 | 1,061 | 12 | 1,053 | | \$ 2,843 | \$ 2,858 | 13 | 1,056 | \$ 2,863 | | \$ 3,490 |
| Average Commercial 3/4" Bill | | | | | | | | | | | | | | 220.21 | | 268.44 |
| Residential 1" Meter | 181 | | | | | 1,370 | | | | | | | | | | |
| First 1,000 | | 28 | | \$ 20.29 | \$ 565 | | 228 | | \$ 26.18 | \$ 5,973 | \$ 6,538 | 256 | | \$ 6,702 | \$ 31.91 | \$ 8,170 |
| Next 9,000 | | | 29 | 2.71 | 79 | | | 239 | 3.50 | 837 | 915 | | 268 | 938 | 4.27 | 1,143 |
| Next 15,000 | | | 24 | 2.47 | 59 | | | 151 | 3.19 | 482 | 541 | | 175 | 558 | 3.89 | 681 |
| Next 25,000 | | | 4 | 2.35 | 10 | | | 28 | 3.03 | 85 | 94 | | 32 | 97 | 3.69 | 118 |
| Next 50,000 | | | - | 2.10 | - | | | 22 | 2.71 | 60 | 60 | | 22 | 60 | 3.30 | 73 |
| Over 100,000 | | | - | 1.92 | - | | | - | 2.48 | - | - | | - | - | 3.02 | - |
| Total Residential 1" Meter | 181 | 28 | 57 | | \$ 713 | 1,370 | 228 | 440 | | \$ 7,435 | \$ 8,148 | 256 | 497 | \$ 8,355 | | \$ 10,185 |
| Average Residential 1" Bill | | | | | | | | | | | | | | 32.64 | | 39.78 |
| Commercial 1" Meter | 1,400 | | | | | 12,081 | | | | | | | | | | |
| First 6,000 | | 84 | | \$ 20.29 | \$ 1,702 | | 700 | | \$ 26.18 | \$ 18,329 | \$ 20,031 | 784 | | \$ 20,525 | \$ 31.91 | \$ 25,021 |
| Next 4,000 | | | 184 | 2.71 | 499 | | | 1,597 | 3.50 | 5,590 | 6,088 | | 1,781 | 6,234 | 4.27 | 7,599 |
| Next 15,000 | | | 445 | 2.47 | 1,099 | | | 3,424 | 3.19 | 10,923 | 12,022 | | 3,869 | 12,342 | 3.89 | 15,045 |
| Next 25,000 | | | 276 | 2.35 | 650 | | | 2,306 | 3.03 | 6,986 | 7,635 | | 2,582 | 7,823 | 3.69 | 9,537 |
| Next 50,000 | | | 104 | 2.10 | 218 | | | 1,018 | 2.71 | 2,760 | 2,977 | | 1,122 | 3,041 | 3.30 | 3,707 |
| Over 100,000 | | | 13 | 1.92 | 25 | | | 384 | 2.48 | 952 | 977 | | 397 | 985 | 3.02 | 1,200 |
| Total Commercial 1" Meter | 1,400 | 84 | 1,022 | | \$ 4,191 | 12,081 | 700 | 8,729 | | \$ 45,540 | \$ 49,731 | 784 | 9,751 | \$ 50,949 | | \$ 62,109 |
| Average Commercial 1" Bill | | | | | | | | | | | | | | 64.99 | | 79.22 |
| Governmental 1" Meter | 50 | | | | | 301 | | | | | | | | | | |
| First 6,000 | | 4 | | \$ 20.29 | \$ 77 | | 32 | | \$ 26.18 | \$ 843 | \$ 920 | 36 | | \$ 942 | \$ 31.91 | \$ 1,149 |
| Next 4,000 | | | 14 | 2.71 | 38 | | | 78 | 3.50 | 273 | 311 | | 92 | 322 | 4.27 | 393 |
| Next 15,000 | | | 14 | 2.47 | 34 | | | 47 | 3.19 | 151 | 185 | | 61 | 195 | 3.89 | 237 |
| Next 25,000 | | | - | 2.35 | - | | | - | 3.03 | - | - | | - | - | 3.69 | - |
| Next 50,000 | | | - | 2.10 | - | | | - | 2.71 | - | - | | - | - | 3.30 | - |
| Over 100,000 | | | - | 1.92 | - | | | - | 2.48 | - | - | | - | - | 3.02 | - |
| Total Governmental 1" Meter | 50 | 4 | 28 | | \$ 148 | 301 | 32 | 125 | | \$ 1,267 | \$ 1,416 | 36 | 153 | \$ 1,459 | | \$ 1,779 |
| Average Governmental 1" Bill | | | | | | | | | | | | | | 40.53 | | 49.41 |
| Industrial 1" Meter | 4 | | | | | 29 | | | | | | | | | | |
| First 6,000 | | 1 | | \$ 20.29 | \$ 26 | | 11 | | \$ 26.18 | \$ 281 | \$ 307 | 12 | | \$ 314 | \$ 31.91 | \$ 383 |
| Next 4,000 | | | - | 2.71 | - | | | - | 3.50 | - | - | | - | - | 4.27 | - |
| Next 15,000 | | | - | 2.47 | - | | | - | 3.19 | - | - | | - | - | 3.89 | - |
| Next 25,000 | | | - | 2.35 | - | | | - | 3.03 | - | - | | - | - | 3.69 | - |
| Next 50,000 | | | - | 2.10 | - | | | - | 2.71 | - | - | | - | - | 3.30 | - |
| Over 100,000 | | | - | 1.92 | - | | | - | 2.48 | - | - | | - | - | 3.02 | - |
| Total Industrial 1" Meter | 4 | 1 | - | | \$ 26 | 29 | 11 | - | | \$ 281 | \$ 307 | 12 | - | \$ 314 | | \$ 383 |
| Average Industrial 1" Bill | | | | | | | | | | | | | | 26.18 | | 31.91 |
| Commercial 1.5" Meter | 1,029 | | | | | 10,339 | | | | | | | | | | |
| First 11,200 | | 20 | | \$ 38.54 | \$ 781 | | 170 | | \$ 49.72 | \$ 8,439 | \$ 9,220 | 190 | | \$ 9,447 | \$ 60.61 | \$ 11,516 |
| Next 13,800 | | | 158 | 2.47 | 390 | | | 1,250 | 3.19 | 3,988 | 4,378 | | 1,408 | 4,492 | 3.89 | 5,475 |
| Next 25,000 | | | 272 | 2.35 | 638 | | | 2,215 | 3.03 | 6,712 | 7,351 | | 2,487 | 7,536 | 3.69 | 9,186 |
| Next 50,000 | | | 316 | 2.10 | 663 | | | 2,756 | 2.71 | 7,470 | 8,133 | | 3,072 | 8,325 | 3.30 | 10,149 |

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|-------------------|
| Over 100,000 | | | 71 | 1.92 | 136 | | | 2,497 | 2.48 | 6,193 | 6,329 | | 2,568 | 6,369 | 3.02 | 7,764 |
| Total Commercial 1.5" Meter | 1,029 | 20 | 816 | | \$ 2,609 | 10,339 | 170 | 8,719 | | \$ 32,802 | \$ 35,410 | 190 | 9,535 | \$ 36,168 | | \$ 44,089 |
| Average Commercial 1.5" Bill | | | | | | | | | | | | | | \$ 190.36 | | \$ 232.05 |
| Governmental 1.5" Meter | 266 | | | | | 4,032 | | | | | | | | | | |
| First 11,200 | | 6 | | \$ 38.54 | \$ 244 | | 54 | | \$ 49.72 | \$ 2,668 | \$ 2,912 | 60 | | \$ 2,983 | \$ 60.61 | \$ 3,637 |
| Next 13,800 | | | 24 | 2.47 | 59 | | | 201 | 3.19 | 642 | 701 | | 225 | 718 | 3.89 | 875 |
| Next 25,000 | | | 32 | 2.35 | 74 | | | 344 | 3.03 | 1,043 | 1,118 | | 376 | 1,139 | 3.69 | 1,389 |
| Next 50,000 | | | 63 | 2.10 | 133 | | | 687 | 2.71 | 1,861 | 1,994 | | 750 | 2,033 | 3.30 | 2,478 |
| Over 100,000 | | | 95 | 1.92 | 182 | | | 2,416 | 2.48 | 5,992 | 6,174 | | 2,511 | 6,227 | 3.02 | 7,591 |
| Total Governmental 1.5" Meter | 266 | 6 | 214 | | \$ 693 | 4,032 | 54 | 3,648 | | \$ 12,206 | \$ 12,899 | 60 | 3,862 | \$ 13,100 | | \$ 15,969 |
| Average Governmental 1.5" Bill | | | | | | | | | | | | | | \$ 218.33 | | \$ 266.16 |
| Industrial 1.5" Meter | 110 | | | | | 1,271 | | | | | | | | | | |
| First 11,200 | | 3 | | \$ 38.54 | \$ 98 | | 21 | | \$ 49.72 | \$ 1,067 | \$ 1,165 | 24 | | \$ 1,193 | \$ 60.61 | \$ 1,455 |
| Next 13,800 | | | 30 | 2.47 | 75 | | | 240 | 3.19 | 764 | 839 | | 270 | 861 | 3.89 | 1,050 |
| Next 25,000 | | | 39 | 2.35 | 92 | | | 344 | 3.03 | 1,042 | 1,134 | | 383 | 1,160 | 3.69 | 1,415 |
| Next 50,000 | | | 7 | 2.10 | 15 | | | 407 | 2.71 | 1,103 | 1,118 | | 414 | 1,122 | 3.30 | 1,368 |
| Over 100,000 | | | - | 1.92 | - | | | 187 | 2.48 | 464 | 464 | | 187 | 464 | 3.02 | 565 |
| Total Industrial 1.5" Meter | 110 | 3 | 76 | | \$ 279 | 1,271 | 21 | 1,178 | | \$ 4,441 | \$ 4,720 | 24 | 1,254 | \$ 4,801 | | \$ 5,852 |
| Average Industrial 1.5" Bill | | | | | | | | | | | | | | \$ 200.03 | | \$ 243.85 |
| Commercial 2" Meter | 2,290 | | | | | 20,025 | | | | | | | | | | |
| First 17,600 | | 38 | | \$ 59.29 | \$ 2,253 | | 299 | | \$ 76.49 | \$ 22,871 | \$ 25,124 | 337 | | \$ 25,777 | \$ 93.24 | \$ 31,423 |
| Next 7,400 | | | 81 | 2.47 | 200 | | | 683 | 3.19 | 2,179 | 2,379 | | 764 | 2,437 | 3.89 | 2,971 |
| Next 25,000 | | | 329 | 2.35 | 774 | | | 3,108 | 3.03 | 9,416 | 10,190 | | 3,437 | 10,414 | 3.69 | 12,695 |
| Next 50,000 | | | 475 | 2.10 | 997 | | | 4,208 | 2.71 | 11,404 | 12,401 | | 4,683 | 12,691 | 3.30 | 15,471 |
| Over 100,000 | | | 865 | 1.92 | 1,661 | | | 7,563 | 2.48 | 18,756 | 20,417 | | 8,428 | 20,901 | 3.02 | 25,479 |
| Total Commercial 2" Meter | 2,290 | 38 | 1,750 | | \$ 5,885 | 20,025 | 299 | 15,562 | | \$ 64,626 | \$ 70,511 | 337 | 17,312 | \$ 72,221 | | \$ 88,039 |
| Average Commercial 2" Bill | | | | | | | | | | | | | | \$ 214.30 | | \$ 261.24 |
| Industrial 2" Meter | 73 | | | | | 3,202 | | | | | | | | | | |
| First 17,600 | | 5 | | \$ 59.29 | \$ 300 | | 44 | | \$ 76.49 | \$ 3,360 | \$ 3,661 | 49 | | \$ 3,748 | \$ 93.24 | \$ 4,569 |
| Next 7,400 | | | 30 | 2.47 | 75 | | | 47 | 3.19 | 150 | 224 | | 77 | 246 | 3.89 | 300 |
| Next 25,000 | | | 25 | 2.35 | 59 | | | 90 | 3.03 | 272 | 331 | | 115 | 348 | 3.69 | 425 |
| Next 50,000 | | | - | 2.10 | - | | | 50 | 2.71 | 136 | 136 | | 50 | 136 | 3.30 | 165 |
| Over 100,000 | | | - | 1.92 | - | | | 2,659 | 2.48 | 6,594 | 6,594 | | 2,659 | 6,594 | 3.02 | 8,039 |
| Total Industrial 2" Meter | 73 | 5 | 55 | | \$ 434 | 3,202 | 44 | 2,846 | | \$ 10,512 | \$ 10,946 | 49 | 2,901 | \$ 11,072 | | \$ 13,498 |
| Average Industrial 2" Bill | | | | | | | | | | | | | | \$ 225.97 | | \$ 275.46 |
| Governmental 2" Meter | 840 | | | | | 7,131 | | | | | | | | | | |
| First 17,600 | | 20 | | \$ 59.29 | \$ 1,202 | | 172 | | \$ 76.49 | \$ 13,136 | \$ 14,337 | 192 | | \$ 14,686 | \$ 93.24 | \$ 17,903 |
| Next 7,400 | | | 31 | 2.47 | 78 | | | 306 | 3.19 | 975 | 1,052 | | 337 | 1,075 | 3.89 | 1,310 |
| Next 25,000 | | | 174 | 2.35 | 409 | | | 1,700 | 3.03 | 5,151 | 5,560 | | 1,874 | 5,678 | 3.69 | 6,922 |
| Next 50,000 | | | 235 | 2.10 | 494 | | | 1,812 | 2.71 | 4,910 | 5,404 | | 2,047 | 5,547 | 3.30 | 6,762 |
| Over 100,000 | | | 128 | 1.92 | 245 | | | 1,156 | 2.48 | 2,868 | 3,113 | | 1,284 | 3,184 | 3.02 | 3,882 |
| Total Governmental 2" Meter | 840 | 20 | 568 | | \$ 2,427 | 7,131 | 172 | 4,974 | | \$ 27,039 | \$ 29,466 | 192 | 5,542 | \$ 30,171 | | \$ 36,779 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|---------------------|------------------|--------------------------------|--------------------------------|----------------|---------------------|
| First 281,500 | | 1 | | \$ 580.41 | \$ 735 | | 11 | | \$ 748.79 | \$ 8,037 | \$ 8,772 | 12 | | \$ 8,985 | \$ 912.80 | \$ 10,954 |
| Over 281,500 | | | 2,975 | 1.92 | 5,712 | | | 21,229 | 2.48 | 52,648 | 58,360 | | 24,204 | 60,026 | 3.02 | 73,173 |
| Total Industrial 6" Meter | 3,331 | 1 | 2,975 | | \$ 6,447 | 24,244 | 11 | 21,229 | | \$ 60,685 | \$ 67,132 | 12 | 24,204 | \$ 69,011 | | \$ 84,127 |
| Average Industrial 6" Bill | | | | | | | | | | | | | | \$ 5,750.95 | | \$ 7,010.58 |
| Middlesboro Municipal Fire Protection | - | 352 | - | \$ 3.33 | \$ 1,171 | - | 2,972 | - | \$ 4.30 | \$ 12,781 | \$ 13,952 | 3,324 | - | \$ 14,293 | \$ 5.24 | \$ 17,424 |
| Total Middlesboro Municiple Fire | - | 352 | - | | \$ 1,171 | - | 2,972 | - | | \$ 12,781 | \$ 13,952 | 3,324 | - | \$ 14,293 | | \$ 17,424 |
| Average Middlesboro Municiple Fire | | | | | | | | | | | | | | \$ 4.30 | | \$ 5.24 |
| Middlesboro Private Fire Protection | - | 100 | - | \$ 15.00 | \$ 1,505 | - | 848 | - | \$ 19.35 | \$ 16,402 | \$ 17,907 | 948 | - | \$ 18,344 | \$ 23.59 | \$ 22,362 |
| Total Middlesboro Private Fire | - | 100 | - | | \$ 1,505 | - | 848 | - | | \$ 16,402 | \$ 17,907 | 948 | - | \$ 18,344 | | \$ 22,362 |
| Average Middlesboro Private Fire | | | | | | | | | | | | | | \$ 19.35 | | \$ 23.59 |
| TOTAL MIDDLESBORO | 41,886 | 7,834 | 32,471 | | \$ 143,750 | 357,553 | 65,728 | 279,091 | | \$ 1,578,846 | \$ 1,722,595 | 73,562 | 311,562 | \$ 1,764,436 | | \$ 2,150,899 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|-------------------|
| CLINTON | | | | | | | | | | | | | | | | |
| Residential 5/8" Meter | 68 | | | | | 686 | | | | | | | | | | |
| First 1,000 | | 23 | | \$ 9.02 | \$ 206 | | 214 | | \$ 11.64 | \$ 2,493 | \$ 2,699 | 237 | | \$ 2,759 | \$ 14.19 | \$ 3,363 |
| Next 9,000 | | | 50 | 5.11 | 256 | | | 504 | 6.59 | 3,321 | 3,577 | | 554 | 3,651 | 8.03 | 4,451 |
| Next 15,000 | | | 0 | 4.69 | 1 | | | 8 | 6.05 | 47 | 48 | | 8 | 48 | 7.38 | 59 |
| Next 25,000 | | | - | 4.27 | - | | | | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 5/8" Meter | 68 | 23 | 50 | | \$ 463 | 686 | 214 | 512 | | \$ 5,861 | \$ 6,324 | 237 | 562 | \$ 6,458 | | \$ 7,872 |
| Average Residential 5/8" Bill | | | | | | | | | | | | | | \$ 27.25 | | \$ 33.22 |
| Commercial 5/8" Meter | 25 | | | | | 181 | | | | | | | | | | |
| First 1,000 | | 5 | | \$ 9.02 | \$ 46 | | 43 | | \$ 11.64 | \$ 500 | \$ 545 | 48 | | \$ 559 | \$ 14.19 | \$ 681 |
| Next 9,000 | | | 20 | 5.11 | 101 | | | 138 | 6.59 | 911 | 1,012 | | 158 | 1,041 | 8.03 | 1,269 |
| Next 15,000 | | | 1 | 4.69 | 4 | | | 11 | 6.05 | 68 | 72 | | 12 | 73 | 7.38 | 89 |
| Next 25,000 | | | - | 4.27 | - | | | | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Commercial 5/8" Meter | 25 | 5 | 21 | | \$ 150 | 181 | 43 | 149 | | \$ 1,479 | \$ 1,629 | 48 | 170 | \$ 1,673 | | \$ 2,039 |
| Average Commercial 5/8" Bill | | | | | | | | | | | | | | \$ 34.84 | | \$ 42.48 |
| Governmental 5/8" Meter | 1 | | | | | 15 | | | | | | | | | | |
| First 1,000 | | 3 | | \$ 9.02 | \$ 23 | | 22 | | \$ 11.64 | \$ 262 | \$ 284 | 25 | | \$ 291 | \$ 14.19 | \$ 355 |
| Next 9,000 | | | - | 5.11 | - | | | - | 6.59 | - | - | | - | - | 8.03 | - |
| Next 15,000 | | | - | 4.69 | - | | | - | 6.05 | - | - | | - | - | 7.38 | - |
| Next 25,000 | | | - | 4.27 | - | | | - | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | | - | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Governmental 5/8" Meter | 1 | 3 | - | | \$ 23 | 15 | 22 | - | | \$ 262 | \$ 284 | 25 | - | \$ 291 | | \$ 355 |
| Average Governmental 5/8" Bill | | | | | | | | | | | | | | \$ 11.64 | | \$ 14.19 |
| Residential 3/4" Meter | 1,978 | | | | | 17,525 | | | | | | | | | | |
| First 1,000 | | 610 | | \$ 9.02 | \$ 5,499 | | 5,166 | | \$ 11.64 | \$ 60,137 | \$ 65,635 | 5,776 | | \$ 67,233 | \$ 14.19 | \$ 81,959 |
| Next 9,000 | | | 1,365 | 5.11 | 6,974 | | | 12,178 | 6.59 | 80,254 | 87,228 | | 13,543 | 89,248 | 8.03 | 108,796 |
| Next 15,000 | | | 76 | 4.69 | 355 | | | 629 | 6.05 | 3,807 | 4,162 | | 705 | 4,265 | 7.38 | 5,199 |
| Next 25,000 | | | 12 | 4.27 | 50 | | | 167 | 5.51 | 922 | 972 | | 179 | 987 | 6.72 | 1,203 |
| Next 50,000 | | | 2 | 3.79 | 7 | | | 62 | 4.89 | 304 | 311 | | 64 | 313 | 5.96 | 382 |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 3/4" Meter | 1,978 | 610 | 1,454 | | \$ 12,885 | 17,525 | 5,166 | 13,037 | | \$ 145,424 | \$ 158,309 | 5,776 | 14,491 | \$ 162,046 | | \$ 197,539 |
| Average Residential 3/4" Bill | | | | | | | | | | | | | | \$ 28.06 | | \$ 34.20 |
| Commercial 3/4" Meter | 203 | | | | | 1,972 | | | | | | | | | | |
| First 1,000 | | 75 | | \$ 9.02 | \$ 674 | | 655 | | \$ 11.64 | \$ 7,627 | \$ 8,301 | 730 | | \$ 8,497 | \$ 14.19 | \$ 10,358 |
| Next 9,000 | | | 123 | 5.11 | 628 | | | 1,158 | 6.59 | 7,632 | 8,260 | | 1,281 | 8,442 | 8.03 | 10,291 |
| Next 15,000 | | | 26 | 4.69 | 120 | | | 239 | 6.05 | 1,448 | 1,568 | | 265 | 1,603 | 7.38 | 1,954 |
| Next 25,000 | | | 7 | 4.27 | 30 | | | 65 | 5.51 | 358 | 388 | | 72 | 397 | 6.72 | 484 |
| Next 50,000 | | | - | 3.79 | - | | | 81 | 4.89 | 396 | 396 | | 81 | 396 | 5.96 | 483 |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Test Year/Present Revenues
Test Year Ended September 30, 2010

Schedule D

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|--------------------|
| Total Commercial 3/4" Meter | 203 | 75 | 156 | | \$ 1,453 | 1,972 | 655 | 1,543 | | \$ 17,461 | \$ 18,914 | 730 | 1,699 | \$ 19,335 | | \$ 23,570 |
| Average Commercial 3/4" Bill | | | | | | | | | | | | | | \$ 26.49 | | \$ 32.29 |
| Governmental 3/4" Meter | 22 | | | | | 115 | | | | | | | | | | |
| First 1,000 | | 8 | | \$ 9.02 | \$ 69 | | 64 | | \$ 11.64 | \$ 750 | \$ 818 | 72 | | \$ 838 | \$ 14.19 | \$ 1,022 |
| Next 9,000 | | | 16 | 5.11 | 80 | | | 71 | 6.59 | 471 | 550 | | 87 | 573 | 8.03 | 699 |
| Next 15,000 | | | - | 4.69 | - | | | - | 6.05 | - | - | | - | - | 7.38 | - |
| Next 25,000 | | | - | 4.27 | - | | | - | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | | - | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Governmental 3/4" Meter | 22 | 8 | 16 | | \$ 148 | 115 | 64 | 71 | | \$ 1,220 | \$ 1,368 | 72 | 87 | \$ 1,411.41 | | \$ 1,720.55 |
| Average Governmental 3/4" Bill | | | | | | | | | | | | | | \$ 19.60 | | \$ 23.90 |
| Residential 1" Meter | 149 | | | | | 1,124 | | | | | | | | | | |
| First 5,300 | | 9 | | \$ 30.99 | \$ 275 | | 75 | | \$ 39.98 | \$ 3,004 | \$ 3,279 | 84 | | \$ 3,358 | \$ 48.74 | \$ 4,094 |
| Next 3,700 | | | 38 | 5.11 | 194 | | | 347 | 6.59 | 2,287 | 2,481 | | 385 | 2,537 | 8.03 | 3,093 |
| Next 15,000 | | | 58 | 4.69 | 273 | | | 386 | 6.05 | 2,334 | 2,607 | | 444 | 2,686 | 7.38 | 3,275 |
| Next 25,000 | | | 10 | 4.27 | 41 | | | 24 | 5.51 | 134 | 175 | | 34 | 187 | 6.72 | 228 |
| Next 50,000 | | | 1 | 3.79 | 4 | | | 3 | 4.89 | 14 | 18 | | 4 | 20 | 5.96 | 24 |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 1" Meter | 149 | 9 | 107 | | \$ 788 | 1,124 | 75 | 760 | | \$ 7,773 | \$ 8,560 | 84 | 867 | \$ 8,789 | | \$ 10,714 |
| Average Residential 1" Bill | | | | | | | | | | | | | | \$ 104.63 | | \$ 127.54 |
| Commercial 1" Meter | 16 | | | | | 472 | | | | | | | | | | |
| First 5,300 | | 4 | | \$ 30.99 | \$ 118 | | 32 | | \$ 39.98 | \$ 1,287 | \$ 1,405 | 36 | | \$ 1,439 | \$ 48.74 | \$ 1,755 |
| Next 3,700 | | | 3 | 5.11 | 17 | | | 38 | 6.59 | 249 | 265 | | 41 | 270 | 8.03 | 329 |
| Next 15,000 | | | - | 4.69 | - | | | 97 | 6.05 | 587 | 587 | | 97 | 587 | 7.38 | 715 |
| Next 25,000 | | | - | 4.27 | - | | | 140 | 5.51 | 771 | 771 | | 140 | 771 | 6.72 | 940 |
| Next 50,000 | | | - | 3.79 | - | | | 79 | 4.89 | 386 | 386 | | 79 | 386 | 5.96 | 471 |
| Over 100,000 | | | - | 3.31 | - | | | 10 | 4.27 | 43 | 43 | | 10 | 43 | 5.21 | 52 |
| Total Commercial 1" Meter | 16 | 4 | 3 | | \$ 134 | 472 | 32 | 364 | | \$ 3,323 | \$ 3,458 | 36 | 367 | \$ 3,497 | | \$ 4,263 |
| Average Commercial 1" Bill | | | | | | | | | | | | | | \$ 97.13 | | \$ 118.41 |
| Governmental 1" Meter | 48 | | | | | 164 | | | | | | | | | | |
| First 5,300 | | 4 | | \$ 30.99 | \$ 118 | | 32 | | \$ 39.98 | \$ 1,287 | \$ 1,405 | 36 | | \$ 1,439 | \$ 48.74 | \$ 1,755 |
| Next 3,700 | | | 11 | 5.11 | 58 | | | 54 | 6.59 | 354 | 412 | | 65 | 428 | 8.03 | 522 |
| Next 15,000 | | | 17 | 4.69 | 78 | | | 19 | 6.05 | 118 | 195 | | 36 | 218 | 7.38 | 266 |
| Next 25,000 | | | 7 | 4.27 | 30 | | | - | 5.51 | - | 30 | | 7 | 39 | 6.72 | 47 |
| Next 50,000 | | | - | 3.79 | - | | | - | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Governmental 1" Meter | 48 | 4 | 35 | | \$ 283 | 164 | 32 | 73 | | \$ 1,759 | \$ 2,042 | 36 | 108 | \$ 2,124 | | \$ 2,589 |
| Average Governmental 1" Bill | | | | | | | | | | | | | | \$ 59.00 | | \$ 71.92 |
| Commercial 1.5" Meter | 112 | | | | | 1,211 | | | | | | | | | | |
| First 11,200 | | 3 | | \$ 60.64 | \$ 154 | | 21 | | \$ 78.23 | \$ 1,679 | \$ 1,833 | 24 | | \$ 1,878 | \$ 95.36 | \$ 2,289 |
| Next 13,800 | | | 21 | 4.69 | 98 | | | 202 | 6.05 | 1,223 | 1,321 | | 223 | 1,349 | 7.38 | 1,645 |
| Next 25,000 | | | 32 | 4.27 | 135 | | | 279 | 5.51 | 1,539 | 1,674 | | 311 | 1,714 | 6.72 | 2,089 |
| Next 50,000 | | | 32 | 3.79 | 122 | | | 427 | 4.89 | 2,087 | 2,209 | | 459 | 2,245 | 5.96 | 2,736 |
| Over 100,000 | | | - | 3.31 | - | | | 68 | 4.27 | 290 | 290 | | 68 | 290 | 5.21 | 354 |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Test Year/Present Revenues
Test Year Ended September 30, 2010

Schedule D

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|--|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|--------------------|
| Total Commercial 1.5" Meter | 112 | 3 | 85 | | \$ 508 | 1,211 | 21 | 976 | | \$ 6,820 | \$ 7,328 | 24 | 1,061 | \$ 7,475 | | \$ 9,112 |
| Average Commercial 1.5" Bill | | | | | | | | | | | | | | \$ 311.46 | | \$ 379.68 |
| Governmental 1.5" Meter | 145 | | | | | 1,579 | | | | | | | | | | |
| First 11,200 | | 3 | | \$ 60.64 | \$ 154 | | 21 | | \$ 78.23 | \$ 1,679 | \$ 1,833 | 24 | | \$ 1,878 | \$ 95.36 | \$ 2,289 |
| Next 13,800 | | | 27 | 4.69 | 125 | | | 157 | 6.05 | 952 | 1,077 | | 184 | 1,113 | 7.38 | 1,357 |
| Next 25,000 | | | 32 | 4.27 | 135 | | | 268 | 5.51 | 1,479 | 1,614 | | 300 | 1,653 | 6.72 | 2,015 |
| Next 50,000 | | | 60 | 3.79 | 227 | | | 590 | 4.89 | 2,885 | 3,113 | | 650 | 3,179 | 5.96 | 3,875 |
| Over 100,000 | | | - | 3.31 | - | | | 462 | 4.27 | 1,973 | 1,973 | | 462 | 1,973 | 5.21 | 2,405 |
| Total Governmental 1.5" Meter | 145 | 3 | 118 | | \$ 641 | 1,579 | 21 | 1,478 | | \$ 8,968 | \$ 9,609 | 24 | 1,596 | \$ 9,795 | | \$ 11,940 |
| Average Governmental 1.5" Bill | | | | | | | | | | | | | | \$ 408.12 | | \$ 497.51 |
| Residential 2" Meter | 58 | | | | | 436 | | | | | | | | | | |
| First 17,600 | | 1 | | \$ 90.65 | \$ 115 | | 11 | | \$ 116.95 | \$ 1,255 | \$ 1,370 | 12 | | \$ 1,403 | \$ 142.57 | \$ 1,711 |
| Next 7,400 | | | 9 | 4.69 | 42 | | | 74 | 6.05 | 449 | 490 | | 83 | 502 | 7.38 | 612 |
| Next 25,000 | | | 27 | 4.27 | 114 | | | 130 | 5.51 | 718 | 832 | | 157 | 865 | 6.72 | 1,055 |
| Next 50,000 | | | 1 | 3.79 | 2 | | | 39 | 4.89 | 193 | 195 | | 40 | 196 | 5.96 | 238 |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 2" Meter | 58 | 1 | 36 | | \$ 272 | 436 | 11 | 244 | | \$ 2,615 | \$ 2,887 | 12 | 280 | \$ 2,966 | | \$ 3,616 |
| Average Residential 2" Bill | | | | | | | | | | | | | | \$ 247.19 | | \$ 301.33 |
| Commercial 2" Meter | 713 | | | | | 5,960 | | | | | | | | | | |
| First 17,600 | | 1 | | \$ 90.65 | \$ 115 | | 11 | | \$ 116.95 | \$ 1,255 | \$ 1,370 | 12 | | \$ 1,403 | \$ 142.57 | \$ 1,711 |
| Next 7,400 | | | 9 | 4.69 | 42 | | | 75 | 6.05 | 455 | 496 | | 84 | 508 | 7.38 | 620 |
| Next 25,000 | | | 32 | 4.27 | 135 | | | 208 | 5.51 | 1,146 | 1,281 | | 240 | 1,320 | 6.72 | 1,609 |
| Next 50,000 | | | 63 | 3.79 | 240 | | | 537 | 4.89 | 2,624 | 2,864 | | 600 | 2,934 | 5.96 | 3,577 |
| Over 100,000 | | | 586 | 3.31 | 1,941 | | | 4,887 | 4.27 | 20,866 | 22,807 | | 5,473 | 23,370 | 5.21 | 28,488 |
| Total Commercial 2" Meter | 713 | 1 | 690 | | \$ 2,472 | 5,960 | 11 | 5,706 | | \$ 26,346 | \$ 28,818 | 12 | 6,397 | \$ 29,536 | | \$ 36,005 |
| Average Commercial 2" Bill | | | | | | | | | | | | | | \$ 2,461.30 | | \$ 3,000.40 |
| Governmental 2" Meter | 299 | | | | | 3,321 | | | | | | | | | | |
| First 17,600 | | 8 | | \$ 90.65 | \$ 689 | | 64 | | \$ 116.95 | \$ 7,532 | \$ 8,221 | 72 | | \$ 8,420 | \$ 142.57 | \$ 10,265 |
| Next 7,400 | | | 27 | 4.69 | 125 | | | 256 | 6.05 | 1,546 | 1,671 | | 282 | 1,707 | 7.38 | 2,081 |
| Next 25,000 | | | 197 | 4.27 | 841 | | | 722 | 5.51 | 3,979 | 4,820 | | 919 | 5,064 | 6.72 | 6,173 |
| Next 50,000 | | | 104 | 3.79 | 394 | | | 863 | 4.89 | 4,221 | 4,616 | | 967 | 4,730 | 5.96 | 5,766 |
| Over 100,000 | | | 25 | 3.31 | 84 | | | 871 | 4.27 | 3,718 | 3,802 | | 896 | 3,826 | 5.21 | 4,664 |
| Total Governmental 2" Meter | 299 | 8 | 353 | | \$ 2,133 | 3,321 | 64 | 2,712 | | \$ 20,996 | \$ 23,129 | 72 | 3,065 | \$ 23,748 | | \$ 28,949 |
| Average Governmental 2" Bill | | | | | | | | | | | | | | \$ 329.83 | | \$ 402.08 |
| Clinton Municipal Fire Protection | | 69 | | \$ 3.33 | \$ 228 | | 579 | | \$ 4.30 | \$ 2,492 | \$ 2,720 | 648 | | \$ 2,786 | \$ 5.24 | \$ 3,397 |
| Total Clinton Municipale Fire | | 69 | | | \$ 228 | | 579 | | | \$ 2,492 | \$ 2,720 | 648 | | \$ 2,786 | | \$ 3,397 |
| Average Clinton Municipale Fire | | | | | | | | | | | | | | \$ 4.30 | | \$ 5.24 |
| Clinton Private Fire Protection | | 13 | | \$ 15.00 | \$ 191 | | 107 | | \$ 19.35 | \$ 2,076 | \$ 2,267 | 120 | | \$ 2,322 | \$ 23.59 | \$ 2,831 |
| Total Clinton Private Fire | | 13 | | | \$ 191 | | 107 | | | \$ 2,076 | \$ 2,267 | 120 | | \$ 2,322 | | \$ 2,831 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|--|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|-----------------|--------------------|
| Total Commercial 1.5" Meter | 112 | 3 | 85 | | \$ 508 | 1,211 | 21 | 976 | | \$ 6,820 | \$ 7,328 | 24 | 1,061 | \$ 7,475 | | \$ 9,112 |
| Average Commercial 1.5" Bill | | | | | | | | | | | | | | \$ 311.46 | | \$ 379.68 |
| Governmental 1.5" Meter | 145 | | | | | 1,579 | | | | | | | | | | |
| First 11,200 | | 3 | | \$ 60.64 | \$ 154 | | 21 | | \$ 78.23 | \$ 1,679 | \$ 1,833 | 24 | | \$ 1,878 | \$ 95.36 | \$ 2,289 |
| Next 13,800 | | | 27 | 4.69 | 125 | | | 157 | 6.05 | 952 | 1,077 | | 184 | 1,113 | 7.38 | 1,357 |
| Next 25,000 | | | 32 | 4.27 | 135 | | | 268 | 5.51 | 1,479 | 1,614 | | 300 | 1,653 | 6.72 | 2,015 |
| Next 50,000 | | | 60 | 3.79 | 227 | | | 590 | 4.89 | 2,885 | 3,113 | | 650 | 3,179 | 5.96 | 3,875 |
| Over 100,000 | | | - | 3.31 | - | | | 462 | 4.27 | 1,973 | 1,973 | | 462 | 1,973 | 5.21 | 2,405 |
| Total Governmental 1.5" Meter | 145 | 3 | 118 | | \$ 641 | 1,579 | 21 | 1,478 | | \$ 8,968 | \$ 9,609 | 24 | 1,596 | \$ 9,795 | | \$ 11,940 |
| Average Governmental 1.5" Bill | | | | | | | | | | | | | | \$ 408.12 | | \$ 497.51 |
| Residential 2" Meter | 58 | | | | | 436 | | | | | | | | | | |
| First 17,600 | | 1 | | \$ 90.65 | \$ 115 | | 11 | | \$ 116.95 | \$ 1,255 | \$ 1,370 | 12 | | \$ 1,403 | \$ 142.57 | \$ 1,711 |
| Next 7,400 | | | 9 | 4.69 | 42 | | | 74 | 6.05 | 449 | 490 | | 83 | 502 | 7.38 | 612 |
| Next 25,000 | | | 27 | 4.27 | 114 | | | 130 | 5.51 | 718 | 832 | | 157 | 865 | 6.72 | 1,055 |
| Next 50,000 | | | 1 | 3.79 | 2 | | | 39 | 4.89 | 193 | 195 | | 40 | 196 | 5.96 | 238 |
| Over 100,000 | | | - | 3.31 | - | | | - | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 2" Meter | 58 | 1 | 36 | | \$ 272 | 436 | 11 | 244 | | \$ 2,615 | \$ 2,887 | 12 | 280 | \$ 2,966 | | \$ 3,616 |
| Average Residential 2" Bill | | | | | | | | | | | | | | \$ 247.19 | | \$ 301.33 |
| Commercial 2" Meter | 713 | | | | | 5,960 | | | | | | | | | | |
| First 17,600 | | 1 | | \$ 90.65 | \$ 115 | | 11 | | \$ 116.95 | \$ 1,255 | \$ 1,370 | 12 | | \$ 1,403 | \$ 142.57 | \$ 1,711 |
| Next 7,400 | | | 9 | 4.69 | 42 | | | 75 | 6.05 | 455 | 496 | | 84 | 508 | 7.38 | 620 |
| Next 25,000 | | | 32 | 4.27 | 135 | | | 208 | 5.51 | 1,146 | 1,281 | | 240 | 1,320 | 6.72 | 1,609 |
| Next 50,000 | | | 63 | 3.79 | 240 | | | 537 | 4.89 | 2,624 | 2,864 | | 600 | 2,934 | 5.96 | 3,577 |
| Over 100,000 | | | 586 | 3.31 | 1,941 | | | 4,887 | 4.27 | 20,866 | 22,807 | | 5,473 | 23,370 | 5.21 | 28,488 |
| Total Commercial 2" Meter | 713 | 1 | 690 | | \$ 2,472 | 5,960 | 11 | 5,706 | | \$ 26,346 | \$ 28,818 | 12 | 6,397 | \$ 29,536 | | \$ 36,005 |
| Average Commercial 2" Bill | | | | | | | | | | | | | | \$ 2,461.30 | | \$ 3,000.40 |
| Governmental 2" Meter | 299 | | | | | 3,321 | | | | | | | | | | |
| First 17,600 | | 8 | | \$ 90.65 | \$ 689 | | 64 | | \$ 116.95 | \$ 7,532 | \$ 8,221 | 72 | | \$ 8,420 | \$ 142.57 | \$ 10,265 |
| Next 7,400 | | | 27 | 4.69 | 125 | | | 256 | 6.05 | 1,546 | 1,671 | | 282 | 1,707 | 7.38 | 2,081 |
| Next 25,000 | | | 197 | 4.27 | 841 | | | 722 | 5.51 | 3,979 | 4,820 | | 919 | 5,064 | 6.72 | 6,173 |
| Next 50,000 | | | 104 | 3.79 | 394 | | | 863 | 4.89 | 4,221 | 4,616 | | 967 | 4,730 | 5.96 | 5,766 |
| Over 100,000 | | | 25 | 3.31 | 84 | | | 871 | 4.27 | 3,718 | 3,802 | | 896 | 3,826 | 5.21 | 4,664 |
| Total Governmental 2" Meter | 299 | 8 | 353 | | \$ 2,133 | 3,321 | 64 | 2,712 | | \$ 20,996 | \$ 23,129 | 72 | 3,065 | \$ 23,748 | | \$ 28,949 |
| Average Governmental 2" Bill | | | | | | | | | | | | | | \$ 329.83 | | \$ 402.08 |
| Clinton Municipal Fire Protection | - | 69 | - | \$ 3.33 | \$ 228 | - | 579 | - | \$ 4.30 | \$ 2,492 | \$ 2,720 | 648 | | \$ 2,786 | \$ 5.24 | \$ 3,397 |
| Total Clinton Munciple Fire | - | 69 | - | | \$ 228 | - | 579 | - | | \$ 2,492 | \$ 2,720 | 648 | | \$ 2,786 | | \$ 3,397 |
| Average Clinton Munciple Fire | | | | | | | | | | | | | | \$ 4.30 | | \$ 5.24 |
| Clinton Private Fire Protection | - | 13 | - | \$ 15.00 | \$ 191 | - | 107 | - | \$ 19.35 | \$ 2,076 | \$ 2,267 | 120 | | \$ 2,322 | \$ 23.59 | \$ 2,831 |
| Total Clinton Private Fire | - | 13 | - | | \$ 191 | - | 107 | - | | \$ 2,076 | \$ 2,267 | 120 | | \$ 2,322 | | \$ 2,831 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|---------------------|
| Average Clinton Private Fire | | | | | | | | | | | | | | \$ 19.35 | | \$ 23.59 |
| TOTAL CLINTON | <u>3,836</u> | <u>835</u> | <u>3,123</u> | | <u>\$ 22,773</u> | <u>34,761</u> | <u>7,121</u> | <u>27,626</u> | | <u>\$ 254,873</u> | <u>\$ 277,646</u> | <u>7,956</u> | <u>30,749</u> | <u>\$ 284,251</u> | | <u>\$ 346,511</u> |
| Total WSC KY | <u>45,722</u> | <u>8,669</u> | <u>35,595</u> | | <u>\$ 166,522</u> | <u>392,314</u> | <u>72,849</u> | <u>306,716</u> | | <u>\$ 1,833,719</u> | <u>2,000,241</u> | <u>81,518</u> | <u>342,311</u> | <u>\$ 2,048,687</u> | | <u>\$ 2,497,410</u> |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Test Year Ending September 30, 2010
Calculation of Revenue Requirement
Operation Ratio Method

Schedule E

| | |
|---|------------------|
| Pro Forma Operating revenue | 2,101,574 |
| Divided by: Pro Forma Operating Expenses | <u>1,838,569</u> |
| Operating Ratio | <u>114%</u> |
| | |
| Pro Forma Operating Expenses | |
| Maintenance expenses | 866,383 |
| General expenses | 657,286 |
| Depreciation | 276,422 |
| Amortization of CIAC | (4,349) |
| Clinton Expense reduction | (103,253) |
| Property tax | 91,803 |
| Payroll tax | 54,277 |
| Total Pro Forma Operating Expenses | <u>1,838,569</u> |
| Divided by: Operating ratio | 88.0% |
| | |
| Subtotal | 2,089,282 |
| Less Pro Forma Operating Expense | <u>1,838,569</u> |
| Operating Margin allowed in revenue requirement | <u>250,714</u> |

WATER SERVICE CORPORATION OF KENTUCKY

w/p [a]

Case No. 2010 - 00476

Uncollectible Accounts

Test Year Ended September 30, 2010

| | <u>Water</u> |
|-----------------------------------|---------------------|
| Test Year / Present Revenues | <u>\$ 1,980,475</u> |
| Uncollectible Accounts | \$ 126,200 |
| Less Third Party Bad debt | \$ 37,527 |
| WCKY Bad Debt | <u>\$ 88,673</u> |
| Uncollectible % | <u>4.48%</u> |
| | |
| Annualized revenues | <u>\$ 2,048,687</u> |
| Uncollectible % | <u>4.48%</u> |
| | |
| Annualized Uncollectible Accounts | 91,727 |
| | |
| Proposed Revenues | <u>\$ 2,497,410</u> |
| Uncollectible % | <u>4.48%</u> |
| | |
| Uncollectible Accounts | <u>\$ 111,818</u> |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Calculation of Salary and Benefits
Test Year Ended September 30, 2010

w/p [b]

| Filing Employee # | Position | Total Annualized Salary [1] | FICA 7.65% | FUTA 7,000 @ .8% | SUTA 8,000 @ 3.2% | Total Taxes | 9/30/2010 Health Insurance | Pension at 3% | 401(k) at 4% | 9/30/2010 Other | Total Benefits |
|----------------------------------|----------------------------------|-----------------------------|---------------|------------------|-------------------|---------------|----------------------------|---------------|---------------|-----------------|----------------|
| Maintenance | | | | | | | | | | | |
| 1 Maint 1 | Field Tech III | 47,048 | 3,599 | 56 | 256 | 3,911 | 7,952 | 1,411 | 1,882 | 620 | 11,865 |
| 2 Maint 2 | Water-Wastewater Operator II | 41,640 | 3,185 | 56 | 256 | 3,497 | 7,952 | 1,249 | 1,666 | 620 | 11,487 |
| 3 Maint 3 | Field Tech II | 28,420 | 2,174 | 56 | 256 | 2,486 | 7,952 | 853 | 1,137 | 620 | 10,561 |
| 4 Maint 4 | Regional Manager | 69,764 | 5,337 | 56 | 256 | 5,649 | 7,952 | 2,093 | 2,791 | 620 | 13,455 |
| 5 Maint 5 | Lead Water-Wastewater Operator | 53,486 | 4,092 | 56 | 256 | 4,404 | 7,952 | 1,605 | 2,139 | 620 | 12,316 |
| 6 Maint 6 | Field Tech I | 31,433 | 2,405 | 56 | 256 | 2,717 | 7,952 | 943 | 1,257 | 620 | 10,772 |
| 7 Maint 7 | Water-Wastewater Operator II | 42,680 | 3,265 | 56 | 256 | 3,577 | 7,952 | 1,280 | 1,707 | 620 | 11,560 |
| 8 Maint 8 | Area Manager - JCT | 53,683 | 4,107 | 56 | 256 | 4,419 | 7,952 | 1,611 | 2,147 | 620 | 12,330 |
| 9 Maint 9 | Field Tech I | 30,516 | 2,334 | 56 | 256 | 2,646 | 7,952 | 915 | 1,221 | 620 | 10,708 |
| 10 Maint 10 | Water-Wastewater Operator I | 36,085 | 2,761 | 56 | 256 | 3,073 | 7,952 | 1,083 | 1,443 | 620 | 11,098 |
| 11 Maint 11 | Administrative Assistant | 32,096 | 2,455 | 56 | 256 | 2,767 | 7,952 | 963 | 1,284 | 620 | 10,819 |
| Supervisory | | | | | | | | | | | |
| 12 Sup 1 | Regional Director | 118,686 | 8,343 | 56 | 256 | 8,655 | 7,952 | 3,561 | 4,747 | 620 | 16,880 |
| 13 Sup 2 | Regional Vice President | 175,297 | 9,163 | 56 | 256 | 9,475 | 7,952 | 5,259 | 7,012 | 620 | 20,843 |
| 14 Sup 3 | Executive Assistant | 65,709 | 5,027 | 56 | 256 | 5,339 | 7,952 | 1,971 | 2,628 | 620 | 13,172 |
| 15 Sup 4 | Regional Finance Manager | 67,275 | 5,147 | 56 | 256 | 5,459 | 7,952 | 2,018 | 2,691 | 620 | 13,281 |
| 16 Sup 5 | Regional Compliance & Safety Mar | 54,902 | 4,200 | 56 | 256 | 4,512 | 7,952 | 1,647 | 2,196 | 620 | 12,415 |
| Total Operator Salary | | <u>948,720</u> | <u>67,594</u> | <u>896</u> | <u>4,096</u> | <u>72,586</u> | <u>127,234</u> | <u>28,462</u> | <u>37,949</u> | <u>9,917</u> | <u>203,561</u> |
| Operator Allocation | | | | | | | | | | | |
| 1 Maint 1 | Field Tech III | 47,048 | 3,599 | 56 | 256 | 3,911 | 7,952 | 1,411 | 1,882 | 620 | 11,865 |
| 2 Maint 2 | Water-Wastewater Operator II | 41,640 | 3,185 | 56 | 256 | 3,497 | 7,952 | 1,249 | 1,666 | 620 | 11,487 |
| 3 Maint 3 | Field Tech II | 28,420 | 2,174 | 56 | 256 | 2,486 | 7,952 | 853 | 1,137 | 620 | 10,561 |
| 4 Maint 4 | Regional Manager | 69,764 | 5,337 | 56 | 256 | 5,649 | 7,952 | 2,093 | 2,791 | 620 | 13,455 |
| 5 Maint 5 | Lead Water-Wastewater Operator | 53,486 | 4,092 | 56 | 256 | 4,404 | 7,952 | 1,605 | 2,139 | 620 | 12,316 |
| 6 Maint 6 | Field Tech I | 31,433 | 2,405 | 56 | 256 | 2,717 | 7,952 | 943 | 1,257 | 620 | 10,772 |
| 7 Maint 7 | Water-Wastewater Operator II | 42,680 | 3,265 | 56 | 256 | 3,577 | 7,952 | 1,280 | 1,707 | 620 | 11,560 |
| 8 Maint 8 | Area Manager - JCT | 53,683 | 4,107 | 56 | 256 | 4,419 | 7,952 | 1,611 | 2,147 | 620 | 12,330 |
| 9 Maint 9 | Field Tech I | 30,516 | 2,334 | 56 | 256 | 2,646 | 7,952 | 915 | 1,221 | 620 | 10,708 |
| 10 Maint 10 | Water-Wastewater Operator I | 36,085 | 2,761 | 56 | 256 | 3,073 | 7,952 | 1,083 | 1,443 | 620 | 11,098 |
| 11 Maint 11 | Administrative Assistant | 32,096 | 2,455 | 56 | 256 | 2,767 | 7,952 | 963 | 1,284 | 620 | 10,819 |
| Supervisory | | | | | | | | | | | |
| 12 Sup 1 | Regional Director | 25,596 | 1,799 | 12 | 55 | 1,866 | 1,715 | 768 | 1,024 | 134 | 3,640 |
| 13 Sup 2 | Regional Vice President | 11,496 | 601 | 4 | 17 | 621 | 521 | 345 | 460 | 41 | 1,367 |
| 14 Sup 3 | Executive Assistant | 4,309 | 330 | 4 | 17 | 350 | 521 | 129 | 172 | 41 | 864 |
| 15 Sup 4 | Regional Finance Manager | 4,412 | 338 | 4 | 17 | 358 | 521 | 132 | 176 | 41 | 871 |
| 16 Sup 5 | Regional Compliance & Safety Mar | 3,600 | 275 | 4 | 17 | 296 | 521 | 108 | 144 | 41 | 814 |
| Total Operator Allocation | | <u>516,265</u> | <u>39,057</u> | <u>643</u> | <u>2,938</u> | <u>42,638</u> | <u>91,274</u> | <u>15,488</u> | <u>20,651</u> | <u>7,114</u> | <u>134,527</u> |

[1] Salaries Annualized to include an estimated 3.5% raise effective 4/01/2011

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Calculation of Salary and Benefits
Test Year Ended September 30, 2010

w/p [b]

| | Salaries (operations) | | Salaries (non-operations) | | Payroll Taxes | | Benefits | | |
|-----------------------|-----------------------|-------|---------------------------|-------|---------------|-------|----------|-------|---------|
| | 100.00% | 0.00% | 100.00% | 0.00% | 100.00% | 0.00% | 100.00% | 0.00% | |
| Oper. (see above) | 516,265 | - | | | 42,638 | - | 134,527 | - | |
| Office (see wp-b CSR) | | | 32,047 | - | 2,408 | - | 8,144 | - | |
| WSC - per WSC w/p | | | 119,216 | - | 9,232 | - | 20,197 | - | |
| Total | 516,265 | - | 151,264 | - | 54,277 | - | 162,868 | - | 884,674 |
| Test Year | 442,941 | - | 189,980 | - | 51,023 | - | 123,344 | - | 807,288 |
| Adjustments (Water | 73,324 | - | (38,716) | - | 3,255 | - | 39,523 | - | 77,386 |
| | W | S | W | S | W | S | W | S | |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Calculation of Health and Other Benefits
Test Year Ended September 30, 2010

W/p [b-1]

| <u>Account Number</u> | <u>Account Name</u> | <u>Balance 09/30/10</u> | <u>Average Full Time Head Count for the 12 months ended 9/30/10</u> | <u>Benefits per employee</u> |
|-----------------------|---------------------------|-----------------------------|---|----------------------------------|
| 5630 | HEALTH & DENTAL PREMIUMS | 559,637 | | |
| 5635 | DENTAL INS REIMBURSEMENTS | (219) | | |
| 5640 | EMP PENSIONS & BENEFITS | - | | |
| 5645 | EMPLOYEE INS DEDUCTIONS | (1,193,798) | | |
| 5650 | HEALTH COSTS & OTHER | 33,143 | | |
| 5655 | HEALTH INS REIMBURSEMENTS | 3,925,217 | | |
| | Total Health Insurance | <u>3,323,981</u> | 418 | 7,952 |
| 5660 | OTHER EMP BENEFITS | 55,256 | | |
| 5670 | TERM LIFE INS | 185,487 | | |
| 5675 | TERM LIFE INS-OPT | (26,036) | | |
| 5680 | DEPEND LIFE INS-OPT | (3,443) | | |
| 5685 | SUPPLEMENTAL LIFE INS | - | | |
| 5690 | TUITION | 47,820 | | |
| | Total Other Benefits | <u>259,085</u> | 418 | 620 |

| <u>Month</u> | <u>Full time employee Head Count</u> |
|------------------|--|
| 10/31/2009 | 446 |
| 11/30/2009 | 438 |
| 12/31/2009 | 436 |
| 1/31/2010 | 436 |
| 2/28/2010 | 416 |
| 3/31/2010 | 411 |
| 4/30/2010 | 411 |
| 5/31/2010 | 404 |
| 6/30/2010 | 410 |
| 7/31/2010 | 405 |
| 8/31/2010 | 405 |
| 9/30/2010 | 400 |
| 12 month Average | <u>418</u> |

Water Service Corporation of Kentucky
Case No. 2010 - 00476
Calculation of Capitalized Time Allocation
Test Year Ended September 30, 2010

w/p [b-2]

| | Total Capitalized Time [a] | Percentage Allocated United [b] | WSC KY Capitalized Time Adjustment [c] |
|--|-------------------------------------|--|---|
| Maintenance | | | |
| Maint 1 | (13,230) | 100.00% | (13,230) |
| Maint 2 | (36) | 100.00% | (36) |
| Maint 3 | (9,070) | 100.00% | (9,070) |
| Maint 4 | (2,429) | 100.00% | (2,429) |
| Maint 5 | (3,331) | 100.00% | (3,331) |
| Maint 6 | (3,006) | 100.00% | (3,006) |
| Maint 7 | (3,769) | 100.00% | (3,769) |
| Maint 8 | (1,086) | 100.00% | (1,086) |
| Maint 9 | (3,855) | 100.00% | (3,855) |
| Maint 10 | (1,447) | 100.00% | (1,447) |
| Maint 11 | (8,914) | 100.00% | (8,914) |
| Supervisory | | | |
| Sup 1 | (62,194) | 21.57% | (13,413) |
| Sup 2 | (106,124) | 6.56% | (6,959) |
| Sup 3 | - | 6.56% | - |
| Sup 4 | - | 6.56% | - |
| Sup 5 | - | 6.56% | - |
| Total Operator Capitalized Time | <u>(218,492)</u> | | <u>(70,547)</u> |
| Office | | | |
| CSR 1 | - | 2.63% | - |
| CSR 2 | - | 2.63% | - |
| CSR 3 | - | 2.63% | - |
| CSR 4 | - | 2.63% | - |
| CSR 5 | - | 2.63% | - |
| CSR 6 | - | 2.63% | - |
| CSR 7 | (315) | 2.63% | (8) |
| CSR 8 | - | 2.63% | - |
| CSR 9 | - | 2.63% | - |
| CSR 10 | - | 2.63% | - |
| CSR 11 | - | 2.63% | - |
| CSR 12 | - | 2.63% | - |
| CSR 13 | - | 2.63% | - |
| CSR 14 | - | 2.63% | - |
| CSR 15 | - | 2.63% | - |
| CSR 16 | - | 2.63% | - |
| CSR 17 | - | 2.63% | - |
| CSR 18 | - | 2.63% | - |
| CSR 19 | - | 2.63% | - |
| CSR 20 | - | 2.63% | - |
| CSR 21 | - | 2.63% | - |
| CSR 22 | (2,433) | 2.63% | (64) |
| CSR 23 | - | 2.63% | - |
| CSR 24 | - | 2.63% | - |
| CSR 25 | - | 2.63% | - |
| CSR 26 | - | 2.63% | - |
| CSR 27 | - | 2.63% | - |
| CSR 28 | - | 2.63% | - |
| CSR 29 | - | 2.63% | - |
| CSR 30 | - | 2.63% | - |

Water Service Corporation of Kentucky
Case No. 2010 - 00476
Calculation of Capitalized Time Allocation
Test Year Ended September 30, 2010

w/p [b-2]

| | Total Capitalized Time [a] | Percentage Allocated United [b] | WSC KY Capitalized Time Adjustment [c] |
|--------------------------------------|-------------------------------------|--|---|
| CSR 31 | - | 2.63% | - |
| CSR 32 | (30,514) | 2.63% | (801) |
| CSR 33 | (1,920) | 2.63% | (50) |
| CSR 34 | - | 2.63% | - |
| Total Office Capitalized Time | (35,181) | | (924) |
| WSC | | | |
| WSC 1 | - | 2.63% | - |
| WSC 2 | (61,975) | 2.63% | (1,628) |
| WSC 3 | (45,719) | 2.63% | (1,201) |
| WSC 4 | (33,562) | 2.63% | (882) |
| WSC 5 | (575) | 2.63% | (15) |
| WSC 6 | - | 2.63% | - |
| WSC 7 | - | 2.63% | - |
| WSC 8 | (80,282) | 2.63% | (2,109) |
| WSC 9 | (16,810) | 2.63% | (442) |
| WSC 10 | - | 2.63% | - |
| WSC 11 | (42,256) | 2.63% | (1,110) |
| WSC 12 | - | 2.63% | - |
| WSC 13 | - | 2.63% | - |
| WSC 14 | (270) | 2.63% | (7) |
| WSC 15 | (129) | 2.63% | (3) |
| WSC 16 | (3,199) | 2.63% | (84) |
| WSC 17 | (51,162) | 2.63% | (1,344) |
| WSC 18 | (82,022) | 2.63% | (2,154) |
| WSC 19 | (4,335) | 2.63% | (114) |
| WSC 20 | - | 2.63% | - |
| WSC 21 | (62,994) | 2.63% | (1,655) |
| WSC 22 | - | 2.63% | - |
| WSC 23 | (452) | 2.63% | (12) |
| WSC 24 | - | 2.63% | - |
| WSC 25 | - | 2.63% | - |
| WSC 26 | - | 2.63% | - |
| WSC 27 | - | 2.63% | - |
| WSC 28 | - | 2.63% | - |
| WSC 29 | (63,655) | 2.63% | (1,672) |
| WSC 30 | - | 2.63% | - |
| WSC 31 | (111,015) | 2.63% | (2,916) |
| WSC 32 | (83,365) | 2.63% | (2,190) |
| WSC 33 | (50,415) | 2.63% | (1,324) |
| WSC 34 | - | 2.63% | - |
| WSC 35 | (2,874) | 2.63% | (75) |
| WSC 36 | - | 2.63% | - |
| WSC 37 | (171) | 2.63% | (4) |
| WSC 38 | - | 2.63% | - |
| WSC 39 | - | 2.63% | - |
| WSC 40 | - | 2.63% | - |
| WSC 41 | (22,922) | 2.63% | (602) |
| WSC 42 | - | 2.63% | - |
| WSC 43 | - | 2.63% | - |
| WSC 44 | - | 2.63% | - |
| WSC 45 | - | 2.63% | - |
| WSC 46 | - | 2.63% | - |

Water Service Corporation of Kentucky
Case No. 2010 - 00476
Calculation of Capitalized Time Allocation
Test Year Ended September 30, 2010

w/p [b-2]

| | Total Capitalized Time <u>[a]</u> | Percentage Allocated United <u>[b]</u> | WSC KY Capitalized Time Adjustment <u>[c]</u> |
|--|--|---|--|
| WSC 47 | - | 2.63% | - |
| WSC 48 | (118,431) | 2.63% | (3,111) |
| WSC 49 | (78,182) | 2.63% | (2,053) |
| WSC 50 | - | 2.63% | - |
| WSC 51 | - | 2.63% | - |
| WSC 52 | (23,872) | 2.63% | (627) |
| WSC 53 | - | 2.63% | - |
| WSC 54 | - | 2.63% | - |
| WSC 55 | (12,703) | 2.63% | (334) |
| Total WSC Capitalized Time | (1,053,345) | | <u><u>(27,667)</u></u> |
| Total Capitalized Time Adjustment | | | |
| Operator Capitalized Time | | | (70,547) |
| Office Capitalized Time | | | (924) |
| Wsc Capitalized Time | | | <u>(27,667)</u> |
| Total Capitalized Time Adjustment | | | <u><u>(99,138)</u></u> |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Calculation of Customer Service Salary and benefits
 Test Year Ended September 30, 2010

Confidential

| Line | Filing employee # [A] | Position | State [B] | Total Annualized Salary [C] | FICA 7.65% [D] | FUTA 7,000 @ .8% [E] | SUTA [F] | Total Taxes [G] | 9/30/2010 Health Insurance [4] [E] | Pension at 3% [F] | 401(k) at 4% [G] | 9/30/2010 Other [5] [H] | Total Benefits [I] |
|------|--|---------------------------|--------------|--------------------------------|-------------------|-------------------------|-------------|--------------------|---------------------------------------|----------------------|---------------------|----------------------------|-----------------------|
| | | | | | | 56 | 378 [1] | 3,094 | 7,952 | 1,043 | 1,391 | 620 | 11,006 |
| 1. | CSR 1 | CSR II | FL | 34,769 | 2,660 | 56 | 378 [1] | 3,253 | 7,952 | 1,105 | 1,474 | 620 | 11,151 |
| 2. | CSR 2 | CSR II | FL | 36,845 | 2,819 | 56 | 378 [1] | 3,053 | 7,952 | 1,027 | 1,370 | 620 | 10,969 |
| 3. | CSR 3 | CSR II | FL | 34,240 | 2,619 | 56 | 378 [1] | 3,008 | 7,952 | 1,009 | 1,346 | 620 | 10,927 |
| 4. | CSR 4 | CSR II | FL | 33,648 | 2,574 | 56 | 378 [1] | 4,998 | 7,952 | 1,790 | 2,386 | 620 | 12,748 |
| 5. | CSR 5 | Customer Care Specialist | FL | 59,662 | 4,564 | 56 | 378 [1] | 2,509 | 7,952 | 814 | 1,085 | 620 | 10,471 |
| 6. | CSR 6 | CSR I | FL | 27,125 | 2,075 | 56 | 378 [1] | 3,900 | 7,952 | 1,359 | 1,812 | 620 | 11,743 |
| 7. | CSR 7 | Customer Care Manager | FL | 45,307 | 3,466 | 56 | 378 [1] | 2,937 | 7,952 | 982 | 1,309 | 620 | 10,862 |
| 8. | CSR 8 | CSR II | FL | 32,718 | 2,503 | 56 | 378 [1] | 3,712 | 7,952 | 1,285 | 1,714 | 620 | 11,571 |
| 9. | CSR 9 | Lead Customer Service Rep | FL | 42,847 | 3,278 | 56 | 378 [1] | 2,415 | 7,952 | 776 | 1,035 | 620 | 10,383 |
| 10. | CSR 10 | CSR I | FL | 25,877 | 1,980 | 58 | 378 [1] | 2,416 | 7,952 | 776 | 1,035 | 620 | 10,383 |
| 11. | CSR 11 | CSR I | FL | 25,877 | 1,980 | 59 | 378 [1] | 2,417 | 7,952 | 776 | 1,035 | 620 | 10,383 |
| 12. | CSR 12 | CSR I | FL | 25,877 | 1,980 | 60 | 378 [1] | 2,418 | 7,952 | 776 | 1,035 | 620 | 9,763 |
| 13. | CSR 13 | CSR I | FL | 25,877 | 1,980 | 61 | 378 [1] | 2,419 | 7,952 | 776 | 1,035 | 620 | - |
| 14. | CSR 14 | CSR I | FL | 34,811 | - | - | - | - | - | - | - | - | - |
| 15. | CSR 15 | CSR Temp | [4] FL | 34,811 | - | - | - | - | - | - | - | - | - |
| 16. | CSR 16 | CSR Temp | [4] FL | 34,811 | - | - | - | - | - | - | - | - | - |
| 17. | CSR 17 | CSR Temp | [4] FL | 34,811 | - | - | - | - | - | - | - | - | - |
| 18. | CSR 18 | CSR Temp | [4] FL | 34,811 | - | - | - | - | - | - | - | - | - |
| 19. | CSR 19 | CSR Temp | [4] FL | 34,811 | - | - | - | - | - | - | - | - | - |
| 20. | CSR 20 | CSR II | NV | 35,198 | 2,693 | 56 | 648 [2] | 3,397 | 7,952 | 1,056 | 1,408 | 620 | 11,036 |
| 21. | CSR 21 | Collections Specialist | NV | 31,773 | 2,431 | 56 | 648 [2] | 3,135 | 7,952 | 953 | 1,271 | 620 | 10,796 |
| 22. | CSR 22 | Customer Care Manager | NV | 31,773 | 2,431 | 56 | 648 [2] | 3,135 | 7,952 | 953 | 1,271 | 620 | 12,738 |
| 23. | CSR 23 | Collections Specialist | NV | 59,512 | 4,553 | 56 | 648 [2] | 5,257 | 7,952 | 1,785 | 2,380 | 620 | 10,666 |
| 24. | CSR 24 | CSR I | NV | 29,913 | 2,288 | 56 | 648 [2] | 2,992 | 7,952 | 897 | 1,197 | 620 | 10,673 |
| 25. | CSR 25 | CSR I | NV | 30,012 | 2,296 | 56 | 648 [2] | 3,000 | 7,952 | 900 | 1,200 | 620 | 10,673 |
| 26. | CSR 26 | CSR I | NV | 30,012 | 2,296 | 56 | 621 [2] | 2,655 | 7,952 | 776 | 1,034 | 620 | 10,382 |
| 27. | CSR 27 | Lead Customer Service Rep | NC | 25,855 | 1,978 | 56 | 621 [2] | 2,655 | 7,952 | 776 | 1,034 | 620 | 11,215 |
| 28. | CSR 28 | CSR I | NC | 25,855 | 1,978 | 56 | 621 [2] | 2,655 | 7,952 | 1,133 | 1,510 | 620 | 10,531 |
| 29. | CSR 29 | CSR II | NC | 37,760 | 2,889 | 56 | 449 [3] | 3,394 | 7,952 | 840 | 1,119 | 620 | 10,743 |
| 30. | CSR 30 | CSR II | NC | 37,760 | 2,889 | 56 | 449 [3] | 2,646 | 7,952 | 840 | 1,119 | 620 | 10,743 |
| 31. | CSR 31 | CSR Temp | [4] NC | 27,986 | 2,141 | 56 | 449 [3] | 2,878 | 7,952 | 931 | 1,241 | 620 | 10,623 |
| 32. | CSR 32 | Customer Service Manager | FL | 31,022 | 2,373 | 56 | 449 [3] | 2,746 | 7,952 | 879 | 1,172 | 620 | 10,623 |
| 33. | CSR 33 | Customer Care Manager | NC | 29,298 | 2,241 | 56 | 449 [3] | 2,746 | 7,952 | 879 | 1,172 | 620 | 10,623 |
| 34. | CSR 34 | CSR II | NC | 36,490 | - | - | - | - | - | - | - | 620 | 15,100 |
| | Total | | | 1,220,116 | 77,235 | 1,583 | 12,846 | 91,664 | 222,659 | 30,287 | 40,383 | 17,355 | 310,064 |
| | WSC Allocation Percentage | | | 2.63% | 2.63% | 2.63% | 2.63% | 2.63% | 2.63% | 2.63% | 2.63% | 2.63% | 2.63% |
| | Total Kentucky Customer Service Allocation | | | 32,047 | 2,029 | 42 | 337 | 2,408 | 5,848 | 796 | 1,061 | 456 | 8,144 |
| | Clinton Sewer Allocation Percentage | | | 8.98% | 8.98% | 8.98% | 8.98% | 8.98% | 8.98% | 8.98% | 8.98% | 8.98% | 8.98% |
| | Clinton Sewer Office expense | | | 2,878 | 182 | 4 | 30 | 216 | 525 | 71 | 95 | 41 | 731 |

[1] Florida 2010 SUTA \$7,000 limit at 5.4%
 [2] North Carolina 2010 SUTA \$19,700 at 2.28%
 [3] Nevada 2010 SUTA \$27,000 limit at 2.40%
 [4] Temporary workers
 [5] Hired in April
 [6] Salaries Annualized to include an estimated 3.5% raise effective 4/01/2011

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Through Acquisition

| | Year Placed in Service | Date Acq. | Cost | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--------------|---------------------------|------------|--------------|---------------------|------------|--------------|--------------|---------------|
| <u>Plant</u> | | | | | | | | |
| Land | 1981 | 1/1/1981 | 3,257.48 | 29.75 | 0.0% | - | 3,257.48 | No |
| Land | 1981 | 1/1/1981 | 596.00 | 29.75 | 0.0% | - | 596.00 | No |
| Land | 1981 | 1/1/1981 | 1,234.50 | 29.75 | 0.0% | - | 1,234.50 | No |
| Common | 1985 | 11/21/1985 | 13,478.20 | 25.75 | 2.0% | 6,941.27 | 6,536.93 | No |
| Common | 1985 | 11/21/1985 | 185,476.30 | 25.75 | 2.0% | 95,520.29 | 89,956.01 | No |
| Common | 1985 | 11/21/1985 | 2,641.38 | 25.75 | 2.0% | 1,360.31 | 1,281.07 | No |
| Common | 1985 | 11/21/1985 | 6,336.72 | 25.75 | 2.0% | 3,263.41 | 3,073.31 | No |
| Common | 1985 | 11/21/1985 | 30,123.53 | 25.75 | 2.0% | 15,513.62 | 14,609.91 | No |
| Common | 1985 | 11/21/1985 | 194,242.01 | 25.75 | 2.0% | 100,034.64 | 94,207.37 | No |
| Common | 1985 | 11/21/1985 | 25,622.80 | 25.75 | 2.0% | 13,195.74 | 12,427.06 | No |
| Common | 1985 | 11/21/1985 | 334,189.62 | 25.75 | 2.0% | 172,107.65 | 162,081.97 | No |
| Common | 1985 | 11/21/1985 | 13,680.34 | 25.75 | 2.0% | 7,045.38 | 6,634.96 | No |
| Common | 1985 | 11/21/1985 | 10,164.72 | 25.75 | 2.0% | 5,234.83 | 4,929.89 | No |
| Common | 1985 | 11/21/1985 | 312,686.93 | 25.75 | 2.0% | 161,033.77 | 151,653.16 | No |
| Common | 1985 | 11/21/1985 | 125,585.14 | 25.75 | 2.0% | 64,676.35 | 60,908.79 | No |
| Common | 1985 | 11/21/1985 | 2,264,076.47 | 25.75 | 2.0% | 1,165,999.38 | 1,098,077.09 | No |
| Common | 1985 | 11/21/1985 | 283,658.51 | 25.75 | 2.0% | 146,084.13 | 137,574.38 | No |
| Common | 1985 | 11/21/1985 | 40,452.80 | 25.75 | 2.0% | 20,833.19 | 19,619.61 | No |
| Common | 1985 | 11/21/1985 | 515,437.63 | 25.75 | 2.0% | 265,450.38 | 249,987.25 | No |
| Common | 1985 | 11/21/1985 | 78,560.82 | 25.75 | 2.0% | 40,458.82 | 38,102.00 | No |
| Common | 1985 | 11/21/1985 | 370,692.25 | 25.75 | 2.0% | 190,906.51 | 179,785.74 | No |
| Common | 1985 | 11/21/1985 | 70,195.28 | 25.75 | 2.0% | 36,150.57 | 34,044.71 | No |
| Common | 1985 | 11/21/1985 | 145,967.76 | 25.75 | 2.0% | 75,173.40 | 70,794.36 | No |
| Common | 1985 | 11/21/1985 | 19,188.32 | 25.75 | 2.0% | 9,881.98 | 9,306.34 | No |
| Common | 1985 | 11/21/1985 | 129,343.47 | 25.75 | 2.0% | 66,611.89 | 62,731.58 | No |
| Common | 1985 | 11/21/1985 | 21,885.34 | 25.75 | 2.0% | 11,270.95 | 10,614.39 | No |
| Common | 1997 | 7/31/1997 | 6,000.81 | 13.75 | 2.0% | 1,650.22 | 4,350.59 | No |
| Common | 1997 | 7/31/1997 | 677.84 | 13.75 | 2.0% | 186.41 | 491.43 | No |
| Common | 1997 | 7/31/1997 | 39,951.21 | 13.75 | 2.0% | 10,986.58 | 28,964.63 | No |
| Common | 1997 | 7/31/1997 | 18,022.24 | 13.75 | 2.0% | 4,956.12 | 13,066.12 | No |
| Common | 1997 | 7/31/1997 | 29,151.79 | 13.75 | 2.0% | 8,016.74 | 21,135.05 | No |
| Common | 1997 | 7/31/1997 | 34,478.84 | 13.75 | 2.0% | 9,481.68 | 24,997.16 | No |
| Common | 1997 | 7/31/1997 | 682.50 | 13.75 | 2.0% | 187.69 | 494.81 | No |
| Common | 1997 | 7/31/1997 | 33,053.68 | 13.75 | 2.0% | 9,089.76 | 23,963.92 | No |
| Common | 1997 | 7/31/1997 | 6,843.71 | 13.75 | 2.0% | 1,882.02 | 4,961.69 | No |
| Common | 1997 | 7/31/1997 | 12,226.94 | 13.75 | 2.0% | 3,362.41 | 8,864.53 | No |
| Common | 1997 | 7/31/1997 | 337.29 | 13.75 | 2.0% | 92.75 | 244.54 | No |
| Common | 1997 | 7/31/1997 | 25,347.95 | 13.75 | 2.0% | 6,970.69 | 18,377.26 | No |
| Common | 1997 | 7/31/1997 | 7,520.74 | 13.75 | 2.0% | 2,068.20 | 5,452.54 | No |
| Common | 1997 | 7/31/1997 | 20,637.80 | 13.75 | 2.0% | 5,675.40 | 14,962.41 | No |
| Common | 1997 | 7/31/1997 | 3,041.00 | 13.75 | 2.0% | 836.28 | 2,204.73 | No |
| Common | 1997 | 7/31/1997 | 854.21 | 13.75 | 2.0% | 234.91 | 619.30 | No |
| Common | 1997 | 7/31/1997 | 8,920.93 | 13.75 | 2.0% | 2,453.26 | 6,467.67 | No |
| Common | 1997 | 7/31/1997 | 18,713.80 | 13.75 | 2.0% | 5,146.30 | 13,567.51 | No |
| Common | 1997 | 7/31/1997 | 42,319.97 | 13.75 | 2.0% | 11,637.99 | 30,681.98 | No |
| Common | 1997 | 7/31/1997 | 117,894.63 | 13.75 | 2.0% | 32,421.02 | 85,473.61 | No |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Through Acquisition

| | Year Placed in Service | Date Acq. | Cost | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|---|---------------------------|------------|--------------|---------------------|------------|--------------|--------------|---------------|
| Common | 1997 | 7/31/1997 | 2,383.00 | 13.75 | 2.0% | 655.33 | 1,727.68 | No |
| Common | 1997 | 7/31/1997 | 454.00 | 13.75 | 2.0% | 124.85 | 329.15 | No |
| Land | 1997 | 7/31/1997 | 840.80 | 13.75 | 0.0% | - | 840.80 | No |
| Land | 1997 | 7/31/1997 | 6,853.00 | 13.75 | 0.0% | - | 6,853.00 | No |
| Land | 1997 | 7/31/1997 | 628.83 | 13.75 | 0.0% | - | 628.83 | No |
| Land | 1997 | 7/31/1997 | 1,025.44 | 13.75 | 0.0% | - | 1,025.44 | No |
| Land | 1997 | 7/31/1997 | 5,496.00 | 13.75 | 0.0% | - | 5,496.00 | No |
| Land | 1997 | 7/31/1997 | 112.00 | 13.75 | 0.0% | - | 112.00 | No |
| Land | 1997 | 7/31/1997 | 91,200.55 | 13.75 | 25.0% | 91,200.55 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 23,193.71 | 13.75 | 25.0% | 23,193.71 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 30,641.95 | 13.75 | 25.0% | 30,641.95 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 3,289.00 | 13.75 | 25.0% | 3,289.00 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 626.00 | 13.75 | 25.0% | 626.00 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 23,723.00 | 11.75 | 25.0% | 23,723.00 | - | Yes |
| Vehicle | 1999 | 7/1/1999 | 23,723.00 | 11.75 | 25.0% | 15,044.84 | 54,931.16 | No |
| Common | 2000 | 12/1/2000 | 69,976.00 | 10.75 | 2.0% | 21,601.00 | - | Yes |
| Vehicle | 2000 | 1/1/2000 | 21,601.00 | 10.75 | 25.0% | 24,098.00 | - | Yes |
| Vehicle | 2000 | 3/1/2000 | 24,098.00 | 10.75 | 25.0% | 32,326.00 | - | Yes |
| Vehicle | 2001 | 3/1/2001 | 32,326.00 | 9.75 | 25.0% | - | 36,282.69 | No |
| Organization | 2002 | | 36,282.69 | 8.75 | 0.0% | - | - | - |
| | | | 6,000,203.17 | | | 3,058,609.11 | 2,941,594.06 | |
| <u>Advances in Aid of Construction</u> | | | | | | | | |
| Common | 1991 | 7/15/1991 | 11,611.30 | 19.75 | 2.0% | 4,586.46 | 7,024.84 | No |
| Common | 1993 | 12/15/1993 | 1,938.50 | 17.75 | 2.0% | 688.17 | 1,250.33 | No |
| Common | 1995 | 1/11/1995 | 5,579.76 | 15.75 | 2.0% | 1,757.62 | 3,822.14 | No |
| Common | 1995 | 3/15/1995 | 22,218.75 | 15.75 | 2.0% | 6,998.91 | 15,219.84 | No |
| Common | 1995 | 3/15/1995 | 7,500.00 | 15.75 | 2.0% | 2,362.50 | 5,137.50 | No |
| Common | 1997 | 7/14/1997 | 8,730.50 | 13.75 | 2.0% | 2,400.89 | 6,329.61 | No |
| Common | 1997 | 6/30/1997 | 23,736.03 | 13.75 | 2.0% | 6,527.41 | 17,208.62 | No |
| Common | 1999 | 8/25/1999 | 10,148.14 | 11.75 | 2.0% | 2,384.81 | 7,763.33 | No |
| Common | 2000 | 10/2/2000 | 1,866.20 | 10.75 | 2.0% | 401.23 | 1,464.97 | No |
| Common | 2000 | 4/17/2000 | 11,617.18 | 10.75 | 2.0% | 2,497.69 | 9,119.49 | No |
| Common | 2000 | 2/16/2000 | 8,134.17 | 10.75 | 2.0% | 1,748.85 | 6,385.32 | No |
| | | | 113,080.53 | | | 32,354.54 | 80,725.99 | |
| <u>Contributions in Aid of Construction</u> | | | | | | | | |
| Common | 1988 | 7/12/1988 | 9,255.00 | 22.75 | 2.0% | 4,211.03 | 5,043.98 | No |
| Common | 1990 | | 19,145.65 | 20.75 | 2.0% | 7,945.44 | 11,200.21 | No |
| Common | 1990 | | 2,885.35 | 20.75 | 2.0% | 1,197.42 | 1,687.93 | No |
| Common | 1992 | 4/12/1992 | 38,770.04 | 18.75 | 2.0% | 14,538.77 | 24,231.28 | No |
| Common | 1994 | 6/26/1994 | 3,600.00 | 16.75 | 2.0% | 1,206.00 | 2,394.00 | No |
| Common | 1997 | 2/27/1997 | 592.40 | 13.75 | 2.0% | 162.91 | 429.49 | No |
| Common | 1998 | 4/20/1998 | 6,393.40 | 12.75 | 2.0% | 1,630.32 | 4,763.08 | No |
| Common | 1998 | 4/27/1998 | 3,543.75 | 12.75 | 2.0% | 903.66 | 2,640.09 | No |
| Common | 1999 | 8/31/1999 | 5,087.76 | 11.75 | 2.0% | 1,195.62 | 3,892.14 | No |
| | | | 89,273.35 | | | 32,991.16 | 56,282.19 | |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|-----------------------------|---------------------------|------------|-----------------------------------|---------------------|------------|--------------|--------------|---------------|
| <u>Plant at Acquisition</u> | | | | | | | | |
| Land | 1981 | 1/1/1981 | 3,257.48 | 29.75 | 0.0% | - | 3,257.48 | No |
| Land | 1981 | 1/1/1981 | 596.00 | 29.75 | 0.0% | - | 596.00 | No |
| Land | 1981 | 1/1/1981 | 1,234.50 | 29.75 | 0.0% | - | 1,234.50 | No |
| Common | 1985 | 11/21/1985 | 13,478.20 | 25.75 | 2.0% | 6,941.27 | 6,536.93 | No |
| Common | 1985 | 11/21/1985 | 185,476.30 | 25.75 | 2.0% | 95,520.29 | 89,956.01 | No |
| Common | 1985 | 11/21/1985 | 2,641.38 | 25.75 | 2.0% | 1,360.31 | 1,281.07 | No |
| Common | 1985 | 11/21/1985 | 6,336.72 | 25.75 | 2.0% | 3,263.41 | 3,073.31 | No |
| Common | 1985 | 11/21/1985 | 30,123.53 | 25.75 | 2.0% | 15,513.62 | 14,609.91 | No |
| Common | 1985 | 11/21/1985 | 194,242.01 | 25.75 | 2.0% | 100,034.64 | 94,207.37 | No |
| Common | 1985 | 11/21/1985 | 25,622.80 | 25.75 | 2.0% | 13,195.74 | 12,427.06 | No |
| Common | 1985 | 11/21/1985 | 334,189.62 | 25.75 | 2.0% | 172,107.65 | 162,081.97 | No |
| Common | 1985 | 11/21/1985 | 13,680.34 | 25.75 | 2.0% | 7,045.38 | 6,634.96 | No |
| Common | 1985 | 11/21/1985 | 10,164.72 | 25.75 | 2.0% | 5,234.83 | 4,929.89 | No |
| Common | 1985 | 11/21/1985 | 312,686.93 | 25.75 | 2.0% | 161,033.77 | 151,653.16 | No |
| Common | 1985 | 11/21/1985 | 125,585.14 | 25.75 | 2.0% | 64,676.35 | 60,908.79 | No |
| Common | 1985 | 11/21/1985 | 2,264,076.47 | 25.75 | 2.0% | 1,165,999.38 | 1,098,077.09 | No |
| Common | 1985 | 11/21/1985 | 283,658.51 | 25.75 | 2.0% | 146,084.13 | 137,574.38 | No |
| Common | 1985 | 11/21/1985 | 40,452.80 | 25.75 | 2.0% | 20,833.19 | 19,619.61 | No |
| Common | 1985 | 11/21/1985 | 515,437.63 | 25.75 | 2.0% | 265,450.38 | 249,987.25 | No |
| Common | 1985 | 11/21/1985 | 78,560.82 | 25.75 | 2.0% | 40,458.82 | 38,102.00 | No |
| Common | 1985 | 11/21/1985 | 370,692.25 | 25.75 | 2.0% | 190,906.51 | 179,785.74 | No |
| Common | 1985 | 11/21/1985 | 70,195.28 | 25.75 | 2.0% | 36,150.57 | 34,044.71 | No |
| Common | 1985 | 11/21/1985 | 145,967.76 | 25.75 | 2.0% | 75,173.40 | 70,794.36 | No |
| Common | 1985 | 11/21/1985 | 19,188.32 | 25.75 | 2.0% | 9,881.98 | 9,306.34 | No |
| Common | 1985 | 11/21/1985 | 129,343.47 | 25.75 | 2.0% | 66,611.89 | 62,731.58 | No |
| Common | 1985 | 11/21/1985 | 21,885.34 | 25.75 | 2.0% | 11,270.95 | 10,614.39 | No |
| Common | 1997 | 7/31/1997 | 6,000.81 | 13.75 | 2.0% | 1,650.22 | 4,350.59 | No |
| Common | 1997 | 7/31/1997 | 677.84 | 13.75 | 2.0% | 186.41 | 491.43 | No |
| Common | 1997 | 7/31/1997 | 39,951.21 | 13.75 | 2.0% | 10,986.58 | 28,964.63 | No |
| Common | 1997 | 7/31/1997 | 18,022.24 | 13.75 | 2.0% | 4,956.12 | 13,066.12 | No |
| Common | 1997 | 7/31/1997 | 29,151.79 | 13.75 | 2.0% | 8,016.74 | 21,135.05 | No |
| Common | 1997 | 7/31/1997 | 34,478.84 | 13.75 | 2.0% | 9,481.68 | 24,997.16 | No |
| Common | 1997 | 7/31/1997 | 682.50 | 13.75 | 2.0% | 187.69 | 494.81 | No |
| Common | 1997 | 7/31/1997 | 33,053.68 | 13.75 | 2.0% | 9,089.76 | 23,963.92 | No |
| Common | 1997 | 7/31/1997 | 6,843.71 | 13.75 | 2.0% | 1,882.02 | 4,961.69 | No |
| Common | 1997 | 7/31/1997 | 12,226.94 | 13.75 | 2.0% | 3,362.41 | 8,864.53 | No |
| Common | 1997 | 7/31/1997 | 337.29 | 13.75 | 2.0% | 92.75 | 244.54 | No |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

w/p [p]

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--------------|---------------------------|-----------|-----------------------------------|---------------------|------------|------------|------------|---------------|
| Common | 1997 | 7/31/1997 | 25,347.95 | 13.75 | 2.0% | 6,970.69 | 18,377.26 | No |
| Common | 1997 | 7/31/1997 | 7,520.74 | 13.75 | 2.0% | 2,068.20 | 5,452.54 | No |
| Common | 1997 | 7/31/1997 | 20,637.80 | 13.75 | 2.0% | 5,675.40 | 14,962.41 | No |
| Common | 1997 | 7/31/1997 | 3,041.00 | 13.75 | 2.0% | 836.28 | 2,204.73 | No |
| Common | 1997 | 7/31/1997 | 854.21 | 13.75 | 2.0% | 234.91 | 619.30 | No |
| Common | 1997 | 7/31/1997 | 8,920.93 | 13.75 | 2.0% | 2,453.26 | 6,467.67 | No |
| Common | 1997 | 7/31/1997 | 18,713.80 | 13.75 | 2.0% | 5,146.30 | 13,567.51 | No |
| Common | 1997 | 7/31/1997 | 42,319.97 | 13.75 | 2.0% | 11,637.99 | 30,681.98 | No |
| Common | 1997 | 7/31/1997 | 117,894.63 | 13.75 | 2.0% | 32,421.02 | 85,473.61 | No |
| Common | 1997 | 7/31/1997 | 2,383.00 | 13.75 | 2.0% | 655.33 | 1,727.68 | No |
| Common | 1997 | 7/31/1997 | 454.00 | 13.75 | 2.0% | 124.85 | 329.15 | No |
| Land | 1997 | 7/31/1997 | 840.80 | 13.75 | 0.0% | - | 840.80 | No |
| Land | 1997 | 7/31/1997 | 6,853.00 | 13.75 | 0.0% | - | 6,853.00 | No |
| Land | 1997 | 7/31/1997 | 628.83 | 13.75 | 0.0% | - | 628.83 | No |
| Land | 1997 | 7/31/1997 | 1,025.44 | 13.75 | 0.0% | - | 1,025.44 | No |
| Land | 1997 | 7/31/1997 | 5,496.00 | 13.75 | 0.0% | - | 5,496.00 | No |
| Land | 1997 | 7/31/1997 | 112.00 | 13.75 | 0.0% | - | 112.00 | No |
| Vehicle | 1997 | 7/31/1997 | 91,200.55 | 13.75 | 25.0% | 91,200.55 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 23,193.71 | 13.75 | 25.0% | 23,193.71 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 30,641.95 | 13.75 | 25.0% | 30,641.95 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 3,289.00 | 13.75 | 25.0% | 3,289.00 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 626.00 | 13.75 | 25.0% | 626.00 | - | Yes |
| Vehicle | 1999 | 7/1/1999 | 23,723.00 | 11.75 | 25.0% | 23,723.00 | - | Yes |
| Common | 2000 | 12/1/2000 | 69,976.00 | 10.75 | 2.0% | 15,044.84 | 54,931.16 | No |
| Vehicle | 2000 | 1/1/2000 | 21,601.00 | 10.75 | 25.0% | 21,601.00 | - | Yes |
| Vehicle | 2000 | 3/1/2000 | 24,098.00 | 10.75 | 25.0% | 24,098.00 | - | Yes |
| Vehicle | 2001 | 3/1/2001 | 32,326.00 | 9.75 | 25.0% | 32,326.00 | - | Yes |
| Organization | 2002 | | 102,864.30 | 8.75 | 0.0% | - | 102,864.30 | No |
| Organization | 2002 | | 36,282.69 | 8.75 | 0.0% | - | 36,282.69 | No |
| Common | 2002 | | 38,243.82 | 8.75 | 2.0% | 6,692.67 | 31,551.15 | No |
| Computers | 2002 | | 5,780.15 | 8.75 | 12.5% | 5,780.15 | - | Yes |
| Vehicle | 2002 | | 25,878.91 | 8.75 | 25.0% | 25,878.91 | - | Yes |
| Common | 2003 | | 210,574.95 | 7.75 | 2.0% | 32,639.12 | 177,935.83 | No |
| Computers | 2003 | | 3,592.20 | 7.75 | 12.5% | 3,479.94 | 112.26 | No |
| Vehicle | 2003 | | 66,712.73 | 7.75 | 25.0% | 66,712.73 | - | Yes |
| Organization | 2003 | | 22,898.39 | 7.75 | 0.0% | - | 22,898.39 | No |
| Common | 2004 | | 456,980.03 | 6.75 | 2.0% | 61,692.30 | 395,287.73 | No |
| Computers | 2004 | | 2,901.96 | 6.75 | 12.5% | 2,448.53 | 453.43 | No |
| Vehicle | 2004 | | 55,831.70 | 6.75 | 25.0% | 55,831.70 | - | Yes |
| Organization | 2004 | | 1,945.82 | 6.75 | 0.0% | - | 1,945.82 | No |
| Common | 2005 | | 709,699.03 | 5.75 | 2.0% | 81,615.39 | 628,083.64 | No |
| Computers | 2005 | | 4,157.92 | 5.75 | 12.5% | 2,988.51 | 1,169.42 | No |
| Vehicle | 2005 | | 19,892.64 | 5.75 | 25.0% | 19,892.64 | - | Yes |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|-----------------------------|---------------------------|-----------|-----------------------------------|---------------------|------------|--------------|--------------|---------------|
| Organization | 2005 | | 402.90 | 5.75 | 0.0% | - | 402.90 | No |
| Common | 2006 | | 473,734.75 | 4.75 | 2.0% | 45,004.80 | 428,729.95 | No |
| Computers | 2006 | | 2,112.29 | 4.75 | 12.5% | 1,254.17 | 858.12 | No |
| Vehicle | 2006 | | 15,605.90 | 4.75 | 25.0% | 15,605.90 | - | Yes |
| Common | 2007 | | 225,174.75 | 3.75 | 2.0% | 16,888.11 | 208,286.64 | No |
| Computers | 2007 | | 138,625.61 | 3.75 | 12.5% | 64,980.75 | 73,644.86 | No |
| Vehicle | 2007 | | 32,536.51 | 3.75 | 25.0% | 30,502.98 | 2,033.53 | No |
| | | Subtotal | 8,616,350.43 | | | 3,598,498.41 | 5,017,852.02 | |
| <u>2008 Plant Additions</u> | | | | | | | | |
| Common | 2008 | | 625,518.99 | 2.75 | 2.0% | 34,403.54 | 591,115.45 | No |
| Computers | 2008 | | 502,208.00 | 2.75 | 12.5% | 172,634.00 | 329,574.00 | No |
| Vehicle | 2008 | | 24,039.77 | 2.75 | 25.0% | 16,527.34 | 7,512.43 | No |
| Land | 2008 | | 484.54 | 2.75 | 0.0% | - | 484.54 | No |
| Organization | 2008 | | - | 2.75 | 0.0% | - | - | Yes |
| | | Subtotal | 1,152,251.30 | | | 223,564.89 | 928,686.41 | |
| <u>2009 Plant Additions</u> | | | | | | | | |
| Common | 2009 | | 126,895.36 | 1.75 | 2.0% | 4,441.34 | 122,454.02 | No |
| Computers | 2009 | | 59,822.39 | 1.75 | 12.5% | 13,086.15 | 46,736.24 | No |
| Vehicle | 2009 | | (1,334.63) | 1.75 | 25.0% | (333.66) | (1,000.97) | No |
| Land | 2009 | | 173.08 | 1.75 | 0.0% | - | 173.08 | No |
| Organization | 2009 | | - | 1.75 | 0.0% | - | - | Yes |
| | | Subtotal | 185,556.20 | | | 17,193.83 | 168,362.37 | |
| <u>2010 Plant Additions</u> | | | | | | | | |
| Common | 2010 | | 103,905.10 | 1.00 | 2.0% | 2,078.10 | 101,827.00 | No |
| Computers | 2010 | | 1,642.93 | 1.00 | 12.5% | 205.37 | 1,437.56 | No |
| Vehicle | 2010 | | (49.91) | 1.00 | 25.0% | (12.48) | (62.39) | No |
| Land | 2010 | | (24.39) | 1.00 | 0.0% | - | (24.39) | No |
| Organization | 2010 | | - | 1.00 | 0.0% | - | - | Yes |
| | | Subtotal | 105,473.73 | | | 2,270.99 | 103,177.78 | |
| | | Total | 10,059,631.66 | | | 3,841,528.11 | 6,218,078.59 | |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--|---------------------------|------------|-----------------------------------|---------------------|------------|------------|-----------|---------------|
| <u>Advances in Aid of Construction</u> | | | | | | | | |
| Common | 1991 | 7/15/1991 | 11,611.30 | 19.75 | 2.0% | 4,586.46 | 7,024.84 | No |
| Common | 1993 | 12/15/1993 | 1,938.50 | 17.75 | 2.0% | 688.17 | 1,250.33 | No |
| Common | 1995 | 1/11/1995 | 5,579.76 | 15.75 | 2.0% | 1,757.62 | 3,822.14 | No |
| Common | 1995 | 3/15/1995 | 22,218.75 | 15.75 | 2.0% | 6,998.91 | 15,219.84 | No |
| Common | 1995 | 3/15/1995 | 7,500.00 | 15.75 | 2.0% | 2,362.50 | 5,137.50 | No |
| Common | 1997 | 7/14/1997 | 8,730.50 | 13.75 | 2.0% | 2,400.89 | 6,329.61 | No |
| Common | 1997 | 6/30/1997 | 23,736.03 | 13.75 | 2.0% | 6,527.41 | 17,208.62 | No |
| Common | 1999 | 8/25/1999 | 10,148.14 | 11.75 | 2.0% | 2,384.81 | 7,763.33 | No |
| Common | 2000 | 10/2/2000 | 1,866.20 | 10.75 | 2.0% | 401.23 | 1,464.97 | No |
| Common | 2000 | 4/17/2000 | 11,617.18 | 10.75 | 2.0% | 2,497.69 | 9,119.49 | No |
| Common | 2000 | 2/16/2000 | 8,134.17 | 10.75 | 2.0% | 1,748.85 | 6,385.32 | No |
| | | Subtotal | 113,080.53 | | | 32,354.54 | 80,725.99 | |
| | | Total | 113,080.53 | | | 32,354.54 | 80,725.99 | |
| <u>Contributions in Aid of Construction</u> | | | | | | | | |
| Common | 1988 | 7/12/1988 | 9,255.00 | 22.75 | 2.0% | 4,211.03 | 5,043.98 | No |
| Common | 1990 | | 19,145.65 | 20.75 | 2.0% | 7,945.44 | 11,200.21 | No |
| Common | 1990 | | 2,885.35 | 20.75 | 2.0% | 1,197.42 | 1,687.93 | No |
| Common | 1992 | 4/12/1992 | 38,770.04 | 18.75 | 2.0% | 14,538.77 | 24,231.28 | No |
| Common | 1994 | 6/26/1994 | 3,600.00 | 16.75 | 2.0% | 1,206.00 | 2,394.00 | No |
| Common | 1997 | 2/27/1997 | 592.40 | 13.75 | 2.0% | 162.91 | 429.49 | No |
| Common | 1998 | 4/20/1998 | 6,393.40 | 12.75 | 2.0% | 1,630.32 | 4,763.08 | No |
| Common | 1998 | 4/27/1998 | 3,543.75 | 12.75 | 2.0% | 903.66 | 2,640.09 | No |
| Common | 1999 | 8/31/1999 | 5,087.76 | 11.75 | 2.0% | 1,195.62 | 3,892.14 | No |
| | | Subtotal | 89,273.35 | | | 32,991.16 | 56,282.19 | |
| <u>Contributions in Aid of Construction 2003 Additions</u> | | | | | | | | |
| Common | 2003 | | 8,249.36 | 7.75 | 2.0% | 1,278.65 | 6,970.71 | No |
| Common | 2003 | | 221.00 | 7.75 | 2.0% | 34.26 | 186.75 | No |
| | | Subtotal | 8,470.36 | | | 1,312.91 | 7,157.45 | |
| <u>Contributions in Aid of Construction 2007 Additions</u> | | | | | | | | |
| Common | 2007 | | 6,646.02 | 3.75 | 2.0% | 498.45 | 6,147.57 | No |
| Common | 2007 | | - | 3.75 | 2.0% | - | - | Yes |
| | | Subtotal | 6,646.02 | | | 498.45 | 6,147.57 | |
| <u>Contributions in Aid of Construction 2008 Additions</u> | | | | | | | | |
| Common | 2008 | | - | 2.75 | 2.0% | - | - | Yes |
| Common | 2008 | | - | 2.75 | 2.0% | - | - | Yes |

w/p [p]

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Plant Restatement
 Test Year Ended September 30, 2010

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--|---------------------------|-----------|-----------------------------------|---------------------|------------|------------|-----------|---------------|
| | | Subtotal | - | | | - | - | |
| <u>Contributions in Aid of Construction 2008 Additions</u> | | | | | | | | |
| Common | 2009 | | - | 1.75 | 2.0% | - | - | Yes |
| Common | 2009 | | - | 1.75 | 2.0% | - | - | Yes |
| | | Subtotal | - | | | - | - | |
| <u>Contributions in Aid of Construction 2008 Additions</u> | | | | | | | | |
| Common | 2009 | | 6,445.25 | 1.75 | 2.0% | 225.58 | 6,219.67 | No |
| Common | 2009 | | - | 1.75 | 2.0% | - | - | Yes |
| | | Subtotal | 6,445.25 | | | 225.58 | 6,219.67 | |
| | | Total | 104,389.73 | | | 34,802.52 | 69,587.21 | |

WATER SERVICE CORPORATION OF KENTUCKY

w/p [q]

Case No. 2010 - 00476

Expenses & UPIS Allocated to the City of Clinton Sewer Operations

Test Year Ended September 30, 2010

| <u>Expense Reductions</u> | <u>Amount</u> |
|----------------------------------|---------------------|
| Operator Salaries | \$ (50,929) |
| Operator Payroll taxes | (4,067) |
| Operator Benefits | (12,938) |
| Transportation exp. | (4,236) |
| Direct Expenses Excluding Salary | (26,020) |
| Total O & M Expense Reduction | <u>(98,189)</u> |
| Office Salaries | (2,878) |
| Office Payroll taxes | (216) |
| Office Benefits | (731) |
| Total General Expense Reduction | <u>(3,825)</u> |
| Vehicle depreciation | <u>(1,239)</u> |
| Total expense reduction | \$ <u>(103,253)</u> |
| <u>Rate Base Reductions</u> | <u>Amount</u> |
| UPIS - Vehicles | 43,981 |
| Accum. Dep. - Vehicles | \$ (39,241) |
| Total rate base reductions | <u>4,740</u> |

WATER SERVICE CORPORATION OF KENTUCKY

w/p [q-2]

Case No. 2010 - 00476

Basis for Salary Allocation

Test Year Ended September 30, 2010

| Employee | Total Percentage Allocated to Clinton Sewer Operations Per JDE Salary Allocation Report |
|--------------------------|---|
| Operator | |
| Leonard, James Ronald | 8.34% |
| Pickard, Michael Anthony | 47.27% |
| Turner, John R | 47.27% |
| Vaughan, Stephen | 8.34% |

WATER SERVICE CORPORATION OF KENTUCKY

Case No. 2010 - 00476

Calculation of Salary and Benefits Allocated to the City of Clinton Sewer Operations

Test Year Ended September 30, 2010

| | Total Annualized Salary | FICA 7.65% | FUTA 7,000 @ .8% | SUTA 8,000 @ 3.2% | Total Taxes | 2010 Health Insurance | Pension at 3% | 401(k) at 4% | 2007 Other | Total Benefits |
|----------------------------------|-------------------------------|----------------|---------------------|----------------------|----------------|-----------------------------|------------------|-----------------|---------------|-------------------|
| Maintenance | | | | | | | | | | |
| Maint 4 | 69,764 | 5,337 - | 56 | 256 - | 5,649 - | 7,952 | 2,093 | 2,791 | 620 | 13,455 |
| Maint 8 | 53,683 | 4,107 - | 56 | 256 - | 4,419 - | 7,952 | 1,611 | 2,147 | 620 | 12,330 |
| Maint 10 | 36,085 | 2,334 - | 56 | 256 - | 2,646 - | 7,952 | 915 | 1,221 | 620 | 10,708 |
| Maint 11 | 32,096 | 2,761 - | 56 | 256 - | 3,073 - | 7,952 | 1,083 | 1,443 | 620 | 11,098 |
| Total Operator Salary | <u>191,628</u> | <u>14,539</u> | <u>224</u> | <u>1,024</u> | <u>15,787</u> | <u>31,808</u> | <u>5,701</u> | <u>7,602</u> | <u>2,479</u> | <u>47,591</u> |
| Operator Allocation | | | | | | | | | | |
| Maint 8 | 5,818 | 445 | 5 | 21 | 471 | 663 | 175 | 233 | 52 | 1,122 |
| Maint 8 | 25,376 | 1,941 | 26 | 121 | 2,089 | 3,759 | 761 | 1,015 | 293 | 5,828 |
| Maint 10 | 17,057 | 1,103 | 26 | 121 | 1,251 | 3,759 | 433 | 577 | 293 | 5,062 |
| Maint 11 | 2,677 | 230 | 5 | 21 | 256 | 663 | 90 | 120 | 52 | 926 |
| Total Operator Allocation | <u>50,929 -</u> | <u>3,720 -</u> | <u>62</u> | <u>285 -</u> | <u>4,067 -</u> | <u>8,844</u> | <u>1,459</u> | <u>1,945</u> | <u>689</u> | <u>12,938</u> |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Transportation Allocation
Test Year Ended September 30, 2010

w/p [q - 4]

| | <u>Amount</u> | <u>Percent to total</u> |
|--|--------------------|-----------------------------|
| Total WSK Operator's Salaries | \$ 516,265 | 91.02% |
| Total WSK Operator's Salaries Allocated to City of Clinton Sewer Operations | 50,929 | 8.98% |
| | <u>\$ 567,194</u> | <u>100.00%</u> |
| | | |
| Total WSK Transportation Expense | \$ 47,173 | |
| Percent to Total Allocated to City of Clinton Sewer Operations | 8.98% | |
| Total WSK Transportation Expense Allocated to Clinton Sewer Operations | <u>\$ 4,236</u> | |
| | | |
| Total WSK Vehicle Depreciation | \$ 13,798 | |
| Percent to Total Allocated to City of Clinton Sewer Operations | 8.98% | |
| Total WSK Transportation Expense Allocated to Clinton Sewer Operations | <u>\$ 1,239</u> | |
| | | |
| Total WSK Vehicle | \$ 489,813 | |
| Percent to Total Allocated to City of Clinton Sewer Operations | 8.98% | |
| Total WSK UPIS Allocated to Clinton Sewer Operations | <u>\$ 43,981</u> | |
| | | |
| Total WSK Accumulated Depreciation Vehicle | \$ (437,023) | |
| Percent to Total Allocated to City of Clinton Sewer Operations | 8.98% | |
| Total WSK Accumulated Depreciation Vehicle Allocated to Clinton Sewer Operations | <u>\$ (39,241)</u> | |

EXHIBIT 5

KENTUCKY COMMISSION

CASE NO. 2010-00476

DIRECT TESTIMONY OF

BRUCE T. HAAS

ON BEHALF OF

WATER SERVICE CORP. OF KENTUCKY

**DIRECT TESTIMONY OF
BRUCE T. HAAS
ON BEHALF OF WATER SERVICE CORP. of KENTUCKY**

1 **Q1. PLEASE STATE YOUR NAME, PRESENT POSITION AND BUSINESS**
2 **ADDRESS.**

3 A1. My name is Bruce T. Haas and I am the Regional Director of Operations for the Midwest
4 Region of Utilities, Inc. ("UI"), which includes Illinois, Indiana, Kentucky and
5 Tennessee. My business address is 110 Queen Parkway, West Columbia, South Carolina
6 29169.

7 **Q2. WHAT ARE YOUR DUTIES IN YOUR CURRENT POSITION?**

8 A2. In my current position, I am responsible for making sure our customers receive adequate,
9 efficient, reliable, environmentally safe and least-cost water and wastewater utility
10 service. As such, I am responsible for all operations personnel, facilities, maintenance
11 and capital projects as well as other operational issues. In addition, I am responsible for
12 communications with state and federal regulators, including state utility commissions,
13 public staffs in the states that have them, and environmental authorities.

14
15 **Q3. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND.**

16 A3. I first began my employment as a meter reader and maintenance worker in 1978 for Lake
17 Holiday Utilities Corp., a subsidiary of the Company's parent, Utilities, Inc. During the
18 next several years, I was promoted to Operator and Operating Manager positions for a

1 number of Utilities, Inc. subsidiary systems, while earning various water and wastewater
2 licenses in Illinois and Ohio, including the highest levels of water treatment and
3 wastewater treatment licenses from the Illinois EPA. I eventually became the Area
4 Manager for the Peoria, Illinois region, overseeing the water and wastewater facilities in
5 this area. In 1989, I relocated to Charlotte, North Carolina taking on the position of Area
6 Manager for several areas for Carolina Water Service, Inc. of North Carolina, a sister
7 subsidiary of UI, along with the operations of two large UI-subsidary systems located in
8 York County, South Carolina. While in Charlotte, I was promoted to Regional Manager,
9 during which time I also obtained various water and wastewater licenses in Water
10 Treatment, Water Distribution, Wastewater Collection, and Backflow/Cross-Connection
11 certifications from the State of North Carolina while taking night courses towards a
12 degree in Civil Engineering Technology. I also earned the highest levels of water and
13 wastewater certifications for Water Treatment, Water Distribution, Wastewater
14 Treatment and Wastewater Collection from the State of South Carolina. Additionally, I
15 have successfully completed the utility regulation seminar sponsored by NARUC. In
16 2002, I was promoted to my current position of Regional Director and given
17 responsibility for UI's systems in South Carolina and Georgia. Following a
18 reorganization of various Regions within UI in mid-2010, I accepted the position as
19 Regional Director for the Midwest Region.

20 **Q4. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE KENTUCKY**
21 **COMMISSION ("COMMISSION")?**

22 A4. No.

1 **Q5. HAVE YOU TESTIFIED BEFORE ANY OTHER PUBLIC UTILITY**
2 **COMMISSIONS?**

3 A5. Yes. I have testified before the commissions in North Carolina and South Carolina, along
4 with filing testimony and working with staffs of the Indiana Utility Regulatory
5 Commission and Illinois Commerce Commission during my tenure with UI.

6 **Q6. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

7 A6. The purpose of my testimony is to provide the Commission with a brief overview of our
8 Kentucky operations, along with support for Water Service Corp. of Kentucky's
9 ("WSCK" or "Company") request to adjust water rates.

10 **Q7. PLEASE GENERALLY DESCRIBE THE COMPANY'S SERVICE TERRITORY**
11 **AND WATER SYSTEM.**

12 A7. WSCK provides water service to approximately 7,349 customers in two locations within
13 the state. We deliver safe and reliable water service to our customers' homes and
14 businesses by way of drilled wells in our Clinton, KY operations, and by way of surface
15 treatment facility in our Middlesboro, KY operations.

16 **Q8. PLEASE DESCRIBE THE DUTIES OF THE STAFF AT WSCK.**

17 A8. Staff collects and tests water samples at the point of entry and distribution system on a
18 daily basis. The staff also completes daily operations, equipment repairs and
19 maintenance of assets. They are responsible for submitting complete and accurate
20 monthly reports to the Kentucky Department of Environmental Protection ("KDEP") and
21 maintain compliance with all KDEP, Local, State and Federal regulations. Our
22 Operations staff maintain the distribution system, purchase and safely store and identify

1 necessary chemicals, and complete field activities as well as respond to customer
2 inquiries. Finally, the staff is responsible for reading water meters on a monthly basis.

3 **Q9. DOES THE COMPANY CURRENTLY HAVE ANY ISSUES REGARDING ITS**
4 **WATER QUALITY?**

5 A9. No. The water at WSCK is compliant with all KDEP, Local, State and Federal standards
6 for safe drinking water.

7 **Q10. PLEASE SUMMARIZE ANY CUSTOMER COMPLAINTS RECEIVED WITHIN**
8 **THE LAST 12 MONTHS.**

9 A10. During the last 12 months WSCK has 24 hour/7-day/Wk. emergency on-call response
10 personnel to investigate or respond to customer service issues as necessary.

11 **Q11. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?**

12 A11. Yes it does.

AFFIDAVIT

STATE OF ILLINOIS

COUNTY OF COOK

Affiant, Bruce T. Haas after being first sworn, deposes and says that he is the Regional Director of Midwest Operations, that he is authorized to submit this testimony on behalf of Water Service Corporation of Kentucky, and that the information contained in the testimony is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry, and as to those matters that are based on information provided to him, he believes to be true and correct.

Bruce T. Haas

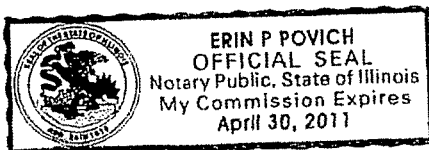
Bruce T. Haas

This instrument was produced, signed, acknowledged and declared by Bruce T. Haas to be his act and deed the 18th day of January, 2011.

Erin P. Povich

Notary Public

My Commission expires: April 30, 2011



1 **Q. Please state your name, occupation and business address for the record.**

2 A. My name is Steven M. Lubertozi. I am employed as the Executive Director of Regulatory
3 Accounting and Affairs at Utilities, Inc., through its shared services organization, 2335
4 Sanders Road, Northbrook, Illinois 60062.

5
6 **Q. What is your professional background?**

7 A. I have been employed by Utilities, Inc., or "UI", as an employee or independent contractor,
8 since June of 2001. I have been involved in many phases of ratemaking in several
9 regulatory jurisdictions. I have testified in multiple regulatory jurisdictions, including
10 South Carolina, North Carolina, Florida, Illinois, Indiana, and New Mexico. I graduated
11 from Indiana University in 1990, and I am a Certified Public Accountant. I earned my
12 Master of Business Administration from Northwestern University's Kellogg School of
13 Management. I am a member of the American Institute of Certified Public Accountants

14
15 **Q. Would you please explain your job responsibilities at Utilities, Inc.?**

16 A. My responsibilities encompass all aspects of utility commission regulation in fifteen of the
17 states where Utilities, Inc. operates (Georgia does not regulate water and sewer utilities).
18 These duties include preparation of rate case applications, coordinating commission audits,
19 developing and delivering testimony before utility commissions and obtaining commission
20 approval of territory expansions.

1

2 **Q. Are any costs from Utilities, Inc.’s parent company Hydro Star Holdings Corporation**
3 **allocated to Utilities, Inc. or WSC of KY?**

4 A. There are absolutely no costs allocated to WSC of KY from any corporation, holding
5 company or any other entity above UI. In fact, the only costs allocated from UI is cost of
6 debt, which is actual costs, and cost of equity, which is imputed.

7

8 **Q. What costs are allocated to WSC of KY and where do they originate?**

9 A. Costs allocated to WSC of KY are from UI’s shared services organization, which is
10 commonly referred to as Water Service Corp., or “WSC”.

11

12 **Q. Please describe WSC and the type of services it provides to WSC of KY.**

13 A. WSC is a wholly owned subsidiary of Utilities, Inc. (“UI”). WSC manages the operation
14 of all of UI’s water and wastewater systems, including WSC of KY. WSC provides
15 management, administration, engineering, accounting, billing, customer relations, data
16 processing, and regulatory services for its subsidiaries. WSC’s expenses and rate base
17 items are assigned directly to a utility, when applicable, or distributed to the various
18 companies pursuant to a formula. The formula is the number of Equivalent Residential
19 Connections (ERC’S) for the specific subsidiary divided by the total number of ERC’s
20 served by WSC. Expenses specific to the Atlantic and Midwest RVP, and Midwest
21 Regional, and State cost centers are allocated to WSC of KY using the same methodology.

1 The distribution of expenses and rate base is automatically calculated by WSC's
2 accounting information system (JDE) on a monthly basis. Please see the attached schedules
3 for the per book allocated expenses and rate base distributed to WSC of KY during the test
4 year.

5

6 **Q. How does WSC of KY and WSC account for these transactions, and does WSC**
7 **charge a fee for these services?**

8 A. These allocated costs are accounted for via intercompany transactions, and services
9 rendered by WSC to WSC of KY are provided at cost without a markup for profit.

10

11 **Q. Do you believe that the indirect cost allocations from WSC of KY are reasonable?**

12 A. Yes, I do. These costs are necessary and critical to the overall operation of WSC of KY
13 and without these services, WSC of KY would cease to be a viable utility company

14

15 **Q. Are the services that WSC provides to WSC of KY directly related to providing water**
16 **service?**

17 A. Yes they are. Without these services, WSC of KY could not be able to operate as a
18 company. For example, WSC provides accounts payable ("AP") and accounts receivable
19 ("AR") service to WSC of KY. If the AP function of WSC was not providing services to
20 WSC of KY the vendors that provide critical service (e.g., purchased power, chemicals,

1 etc) would not be paid for the services, and without payments vendors would be unwilling
2 and/or unable to provide service.

3

4 **Q. Do the services that WSC provides benefits the ratepayers of WSC of KY?**

5 A. Absolutely.

6

7 **Q. Can you please provide some examples?**

8 A. First, all of WSC of KY's operators are employed by WSC and without these operators
9 WSC of KY would not be able to function. Second, the customer service function that
10 WSC provides to WSC of KY is directly used by WSC of KY's customers.

11

12 **Q. How do WSC of KY customers use the customer service function that WSC provides?**

13 A. WSC of KY can and do call WSC customer service representatives to inquiry about their
14 bills, payment options, consumption questions and other billing related issues.

15

16 **Q. If WSC did not provide customer service functionality to WSC of KY do you who
17 would provide these services?**

18 A. No, I do not.

19

20 **Q. Do you have any other examples of services that WSC provides that benefit the
21 ratepayers of WSC of KY?**

1 A. Another example would be the accounting services that WSC provide. Without these
2 accounting services, WSC of KY would not be able to pay vendors, accept customer
3 payments, pay income taxes, pay property taxes, pay gross receipts taxes or file an annual
4 report, which are vital to WSC of KY and its customers.

5

6 **Q. Mr. Lubertozi, what factors, or changes in the cost of service, can you point to that**
7 **have contributed to the need for the requested increase?**

8 A. WSC of KY's parent company Utilities, Inc. recently spent significant capital to replace
9 their aged accounting and customer, care and billing systems, which the Company refers to
10 as Project Phoenix. This change included both software and hardware changes.

11

12 **Q. Please describe Project Phoenix.**

13 A. Project Phoenix is the name of UI's initiative to evaluate the state of the Company's
14 processes and systems.

15

16 **Q. Why did Utilities, Inc. initiate Project Phoenix?**

17 A. The Company had not made a significant investment in technology in quite some time.
18 Antiquated systems, lack of integration, and the lack of standardization were beginning to
19 have an adverse effect on the Company and its customers. Accordingly, UI set out to

1 improve the Company's capabilities and processes in the accounting, customer service,
2 customer billing and financial and regulatory reporting areas.

3
4 **Q. When did Project Phoenix begin?**

5 A. Project Phoenix began in early 2006 with a series of internal and external evaluations,
6 which culminated in a business case presentation by Deloitte to the Company in September
7 2006. The business case identified: Drivers for Change, Current State Overview,
8 Recommended Solutions, Future State, and Benefits to Stakeholders. The business case
9 presentation confirmed UI's initial evaluations that fragmented and non-standardized
10 processes were complex and inefficient, with an attendant risk of error and control
11 breakdown. The infrastructure unnecessarily placed stress on the Company's human
12 capital. The Company's legacy financial and customer care systems were either fully
13 customized or unsupported, or both, which resulted in a risk of breakdown and impeded
14 management's ability to obtain information to make decisions, and use of spreadsheets
15 made ensuring accuracy and control difficult, resulting in the potential for errors in
16 operation and regulatory reports. After the business case presentation and an evaluation of
17 potential solutions, UI management selected JD Edwards Enterprise One ("JDE") as the
18 financial system, including asset management, and Oracle's Customer Care and Billing
19 System ("CC&B") as the customer information system. These systems are integrated in a
20 manner that allows for the sharing of crucial information between the Company's different
21 operational organizations.

1

2 **Q. Please describe the JDE system for the commission and the parties of record.**

3 A. JDE is a web-based software system that allows easy access from multiple locations. It is
4 composed of the following modules: Accounts Payable, Human Resources / Time Capture,
5 Requisitioning, Capital Projects, Fixed Assets, Equipment Management, and General
6 Ledger.

7

8 **Q. What are the benefits of JDE?**

9 A. Each of the modules I described includes enhanced tracking and integration components,
10 which should improve the Company's ability to record and retrieve data. The system has
11 enhanced record keeping and retrieval functions, making production of financial and
12 regulatory reports easier. In addition, the reports should be more accurate, which benefits
13 customers by improving the management decision making process and allowing the
14 Company to more efficiently deliver reliable information to regulators. The system also
15 reduces manual effort and reliance on spreadsheets, which again improves the reliability of
16 reports. The Capital Projects module allows employees to view and track projects in real-
17 time. Employees should be able to manage projects and costs in a more effective manner,
18 which benefits the Company and customers

19

20 **Q. When was JDE placed into service?**

1 A. JDE was officially placed in service on December 3, 2007.

2

3 **Q. What is the total cost of the JDE project incurred by Utilities, Inc.?**

4 A. The total cost of the JDE system as of 09/30/10 was \$13,995,789.

5

6 **Q. What portion of the cost of JDE incurred as of September 30, 2010 was allocated to**
7 **WSC of KY?**

8 A. Approximately \$368,089 or 2.63% of the total cost of the project was assigned to WSC of
9 KY.

10

11 **Q. How was that allocation developed?**

12 A. UI uses an allocation process based on ERCs (equivalent customer connections).

13

14 **Q. Please describe the CC&B system for the commission and the parties of record.**

15 A. CC&B is a web-based software system. The web-based feature allows for quicker return of
16 information to the user and allows for “quicker fixes” should the system go down
17 involuntarily, or need to go down for routine maintenance. CC&B is composed of the
18 following modules: Customer Management and Service, Billing, Accounts Receivables &
19 Collections, Device Management, and Meter Reading.

20

1 **Q. What are the benefits of CC&B compared to Utilities, Inc.'s legacy system?**

2 A. UI's legacy customer care and billing system was fully customized and unsupported. The
3 system had several weaknesses. Customer and premise information were linked in one
4 account. As residents moved, the service order history at the premise was purged and prior
5 service activities eventually became unavailable for viewing. This resulted in the loss of
6 valuable information. In addition, field personnel were sent daily service orders through
7 either email or fax. They did not have access to the legacy billing system. Upon
8 completion of the service orders, the information was emailed or faxed back to the billing
9 office for closure of the orders. The process was manually intensive and led to untimely
10 responses due to incomplete fax transmissions. Additionally, as residents moved from one
11 premise to another within the Company, they were issued a new account number. There
12 was no efficient means of tracking a customer and transferring payment information,
13 service history and billed services (debt) from one account to another. CC&B offers the
14 ability to focus on either a customer or a premise. Field activity information at a premise is
15 stored in the records indefinitely, allowing field personnel to retain prior history of past
16 service issues at a residence. This allows them to act in a cost effective manner when
17 considering repair or replacement of equipment or lines at a premise. In addition, CC&B
18 automates field activities to the field. A background process makes key decisions about
19 assignments and timing. CC&B automates field activity dispatching and allows for
20 uploading and downloading to hand-held devices. The system allows the field operators to

1 complete field activities in a live environment so that CSR's (customer service
2 representatives) have the information available to them as soon as the order is completed.
3 In this regard, UI deployed "tough books" in each field vehicle.
4

5 **Q. When did work on CC&B begin?**

6 A. Functional workshops to identify the needs of the organization began in June 2006. The
7 workshops were designed to gather information and aid in the vendor selection process. In
8 January 2007, UI selected the Oracle customer information system and design work began
9 on CC&B in February 2007.
10

11 **Q. When was CC&B placed into service?**

12 A. CC&B was placed into service on June 2, 2008.
13

14 **Q. Have UI employees used CC&B in fulfilling their daily responsibilities?**

15 A. Yes. CC&B is used on a daily basis to look up customer accounts to answer billing
16 questions. Billing issues are identified and resolved immediately before the customer
17 receives their bill. Mail and walk in payments are posted to the customer's account in real
18 time. All corrections or adjustments to a customer's account are entered into CC&B and,
19 again, posted in real time.
20

1 Customer Service personnel use CC&B to look up customer's accounts and review meter
2 reads, payment history, consumption history and mailing addresses. All pertinent
3 information is displayed on one screen, which helps Customer Service answer questions
4 quickly. New customers are signed up through CC&B. Customers discontinuing their
5 service are taken care of through CC&B. Payments are posted in real time to a customer's
6 account through CC&B.

7
8 **Q. What is the total cost of the CC&B project incurred by Utilities, Inc.?**

9 A. The total cost of the CC&B system as of 09/30/10 was \$7,126,679.

10
11 **Q. What portion of the cost of CC&B incurred AS OF September 30, 2010 was allocated**
12 **to WSC of KY?**

13 A. Approximately \$187,432 or 2.63% of the total cost of the project was assigned to WSC of
14 KY.

15
16 **Q. How was that allocation developed?**

17 A. The allocation was developed in the same manner as the JDE allocation.

18
19 **Q. Is the new IT infrastructure commonly known as Project Phoenix in service and**
20 **providing a benefit to customer of WSC of KY?**

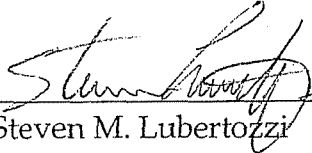
1 A. These assets are currently in service and providing a benefit to all of WSC of KY's
2 customers. The original vendor no longer supported the legacy accounting and billing
3 system. In addition, the legacy system did not contain certain internal controls that are
4 commonly present in most accounting systems, like the three way match. The three-way
5 match allows the Company to compare the purchase order to the actual goods received to
6 the voucher sent by the vendor. The billing system conversion allows the Company to
7 track usage and service issues at a premise regardless of the customer. In addition, the
8 Company's past practice when dealing with customer service issues was to fax service
9 orders to the local operators. However, the new system allows for instant communication
10 between the operator and the customer service representative, which reduces delay time to
11 the customer. These are just a few of the benefits to the customer. However, keeping the
12 legacy systems was not in the best interest of ratepayers and the Company.

AFFIDAVIT

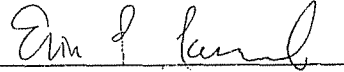
STATE OF ILLINOIS

COUNTY OF COOK

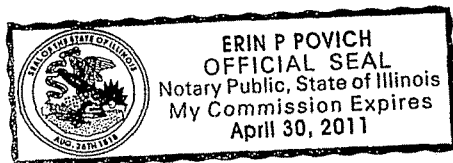
Affiant, Steven M. Lubertozi after being first sworn, deposes and says that he is an the Executive Director of Regulatory Accounting and Affairs, that he is authorized to submit this testimony on behalf of Water Service Corporation of Kentucky, and that the information contained in the testimony is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry, and as to those matters that are based on information provided to him, he believes to be true and correct.


Steven M. Lubertozi

This instrument was produced, signed, acknowledged and declared by Steven M. Lubertozi to be his act and deed the 18th day of January, 2011.


Erin Povich
Notary Public

My Commission expires: April 30, 2011



1 **Q. Please state your name, occupation and business address for the record.**

2 A. My name is Brian Shrake. I am employed as a Senior Regulatory Accountant at
3 Utilities, Inc., 2335 Sanders Road, Northbrook, Illinois 60062.

4

5 **Q. Please summarize your professional background?**

6 A. I have been employed by Utilities, Inc. since April of 2007. Since that time I have
7 been involved in several phases of rate-making in many regulatory jurisdictions.
8 I graduated from Bradley University in 2005, and I'm a Certified Public
9 Accountant. I have successfully completed the utility regulation seminar
10 sponsored by NARUC.

11

12 **Q. Please explain your job responsibilities at Utilities, Inc.**

13 A. My responsibilities include: financial analysis of individual subsidiaries of Utilities,
14 Inc., preparation of rate applications, facilitation of regulatory audits, and the
15 submission of testimony and exhibits to support rate applications

16

17 **Q. Please describe Water Service Corporation of Kentucky.**

18 A. Water Service Corporation of Kentucky, which I will sometime refer to as "WSCK"
19 or the "Company", is a wholly owned subsidiary of Utilities, Inc. WSCK was
20 incorporated in 2002 for the purpose of owning and operating water utility
21 systems. Currently, WSCK serves approximately 7,349 customers. These
22 customers are located in Hickman and Bell Counties. WSCK maintains an
23 operations office in both Clinton and Middlesboro. Meter readings, are handled
24 by our local offices, and service orders are processed from our three national call

1 centers. Customer payments can either be mailed to our lockbox or paid at the
2 Clinton or Middlesboro City Halls. Administrative functions such as management,
3 accounting, data processing, and human resources are performed from the
4 Utilities, Inc. office in Northbrook, Illinois.

5

6 **Q. Please describe UI.**

7 A. UI is unique within the water and sewer industry in many respects. From its
8 inception almost 40 years ago UI has concentrated on the purchase, formation and
9 expansion of smaller water and/or sewer utility systems.

10

11 At the present time, UI has over 70 systems that provide service to approximately
12 270,000 customers in 15 states.

13 In March, 2002, UI was purchased by Nuon, and in February 2006, Nuon sold its
14 interest in UI to Hydro Star.

15

16 **Q. What is the purpose of your testimony?**

17 A. The purpose of my testimony is to sponsor the Company's application for an
18 adjustment of certain rates and charges for the provision of water and sewer
19 services.

20

21 **Q. Why is WSCK requesting rate relief at this time?**

22 A. Under present rates, WSCK is not able to meet its operating costs and earn a

1 reasonable return on its investment in the WSCK system. The utility's current
2 income statement is shown in Applicant's General Rate Case Application, Exhibit
3 4, Schedule B.

4
5 For the test year ended September 30, 2009, WSCK had a 114% operating ratio,
6 which is 36% higher than the 88% ratio generally allowed by the commission.

7
8 Without satisfactory rate relief, WSCK ability to continue to provide safe, reliable
9 and efficient water and sewer utility services to its customers will be placed in
10 jeopardy, and WSCK will be unable to meet its financial obligations. In addition,
11 capital will become more costly.

12 **Q. What increase in revenues is required to get WSCK to an 88% operating**
13 **ratio?**

14 A. WSCK would need \$448,723 in additional revenues. This translates into a 21.9%
15 increase to rates.

16
17 **Q. Did WSCK cause a notice of rate increase of its petition to its customers?**

18 A. Yes. WSCK is publishing a notice of rate increase in the local newspaper for
19 three consecutive weeks.

20
21 **Q. What are WSCK customers currently charged for water utility service?**

22 A. The current charges for WSCK customers have been attached as Petitioner's
23 Exhibit 2, Sch. F.

1

2 **Q. What rates are you proposing?**

3 A. The proposed charges for WSCK customers have been attached as Petitioner's
4 Exhibit 2 Sch. F.

5

6 **Q. Were the financial schedules attached to WSCK application for rate relief
7 prepared by you and/or under your direction?**

8 A. Yes, the schedules attached to the General Rate Case Application were prepared by
9 me.

10

11 **Q. Are they incorporated herein by reference?**

12 A. Yes.

13

14 **Q. Please describe these schedules.**

15 A. The General Rate Case Application includes the financial statements for WSCK
16 in Exhibit 4. The subsections are as follows:

17 Schedule A – Balance Sheet

18 Schedule B – Income Statement

19 Schedule C – Rate Base and Rate of Return

20 Schedule D – Test Year / Present Revenues / Proposed Revenues

21

22 **Q. Please explain how test year expenses were adjusted.**

23 A. Pro forma adjustments were made to the test year expenses based on known and

1 measurable changes to actual expenses.

2

3 **Q. What are the known and measurable pro forma adjustments made to the**
4 **income statement Schedule B?**

5 A. The following adjustments have been made to the income statement:

- 6 • Revenues are annualized to reflect rates approved in Case No. 2008-00563 that
7 went in effect on 11/09/2009
- 8 • Uncollectible Accounts are adjusted based on the percentage of uncollectible
9 accounts to revenues in the test year applied to pro forma proposed revenues;
- 10 • Salaries, Wages and Benefits are adjusted to annualize as of the end of the year;
- 11 • Regulatory Commission Expense has been adjusted to reflect the cost of the current
12 rate case over 3 years;
- 13 • Depreciation and Amortization Expense are annualized. Depreciation expense
14 represents gross depreciable plant at the end of the year multiplied by their
15 respective depreciation rates;
- 16 • Taxes other than Income is adjusted for annualized payroll taxes and Utility
17 Commission Taxes.
- 18 • Income Taxes are computed on taxable income at current rates;
- 19 • AFUDC is eliminated for rate making purposes;
- 20 • Interest on debt is computed using a 50.11% / 48.89% debt/equity ratio and a 6.58%
21 cost of debt;

- 1 • Operating expense charged to plant has been adjusted for projected increases in
2 salaries, taxes, and benefits for operators.
- 3 • Expenses for Clinton sewer operations have been reduced to actual expense
4 reductions.

5

6 **Q. What are the pro forma adjustments made to the rate base statement**
7 **(Schedule C)?**

8 A. The following adjustments were made to the rate base statement:

- 9 • Gross plant in service has been restated to account for an asset that was not
10 booked at the time of acquisition.
- 11 • Accumulated depreciation, CIAC, and AIAC have been restated to reflect a 2%
12 depreciation rate from the year they were recorded
- 13 • Working capital has been calculated based on pro forma expenses;
- 14 • Transportation equipment has been reduced due to operator time for Clinton
15 sewer operations.

16

17 **Q. Does this conclude your testimony?**

18 A. Yes it does.

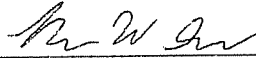
19

AFFIDAVIT

STATE OF ILLINOIS

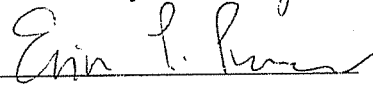
COUNTY OF COOK

Affiant, Brian W. Shrake after being first sworn, deposes and says that he is a Senior Regulatory Accountant, that he is authorized to submit this testimony on behalf of Water Service Corporation of Kentucky, and that the information contained in the testimony is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry, and as to those matters that are based on information provided to him, he believes to be true and correct.



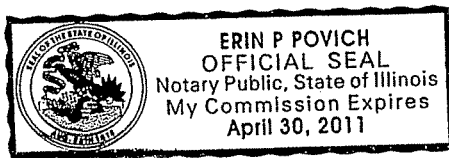
Brian W. Shrake

This instrument was produced, signed, acknowledged and declared by Brian W. Shrake to be his act and deed the 10th day of January, 2011.



Erin Povich
Notary Public

My Commission expires: April 30, 2011



Case No. 2010-00476

Exhibit 6

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|---------------------|------------------|--------------------------------|--------------------------------|----------------|---------------------|
| MIDDLESBORO | | | | | | | | | | | | | | | | |
| Residential 5/8" Meter | 25,938 | | | | | 226,318 | | | | | | | | | | |
| First 1,000 | | 6,432 | | \$ 6.74 | \$ 43,349 | | 53,967 | | \$ 8.70 | \$ 469,516 | \$ 512,865 | 60,399 | | \$ 525,471 | \$ 10.61 | \$ 640,565 |
| Next 9,000 | | | 18,349 | 2.71 | 49,727 | | | 156,388 | 3.50 | 547,357 | 597,083 | | 174,737 | 611,580 | 4.27 | 745,534 |
| Next 15,000 | | | 1,215 | 2.47 | 3,002 | | | 13,355 | 3.19 | 42,601 | 45,603 | | 14,570 | 46,478 | 3.89 | 56,658 |
| Next 25,000 | | | 256 | 2.35 | 602 | | | 3,117 | 3.03 | 9,444 | 10,046 | | 3,373 | 10,220 | 3.69 | 12,459 |
| Next 50,000 | | | 99 | 2.10 | 208 | | | 1,518 | 2.71 | 4,114 | 4,322 | | 1,617 | 4,382 | 3.30 | 5,342 |
| Over 100,000 | | | 47 | 1.92 | 90 | | | 2,245 | 2.48 | 5,568 | 5,658 | | 2,292 | 5,684 | 3.02 | 6,929 |
| Total Residential 5/8" Meter | 25,938 | 6,432 | 19,967 | | \$ 96,978 | 226,318 | 53,967 | 176,622 | | \$ 1,078,599 | \$ 1,175,577 | 60,399 | 196,589 | \$ 1,203,816 | | \$ 1,467,487 |
| Average Residential 5/8" Bill | | | | | | | | | | | | | | \$ 19.93 | | \$ 24.30 |
| Commercial 5/8" Meter | 2,883 | | | | | 24,286 | | | | | | | | | | |
| First 1,000 | | 697 | | \$ 6.74 | \$ 4,701 | | 5,840 | | \$ 8.70 | \$ 50,804 | \$ 55,505 | 6,537 | | \$ 56,872 | \$ 10.61 | \$ 69,329 |
| Next 9,000 | | | 1,399 | 2.71 | 3,792 | | | 11,976 | 3.50 | 41,915 | 45,707 | | 13,375 | 46,813 | 4.27 | 57,066 |
| Next 15,000 | | | 452 | 2.47 | 1,118 | | | 3,721 | 3.19 | 11,869 | 12,986 | | 4,173 | 13,312 | 3.89 | 16,228 |
| Next 25,000 | | | 262 | 2.35 | 616 | | | 2,254 | 3.03 | 6,830 | 7,445 | | 2,516 | 7,623 | 3.69 | 9,293 |
| Next 50,000 | | | 232 | 2.10 | 487 | | | 1,641 | 2.71 | 4,447 | 4,934 | | 1,873 | 5,076 | 3.30 | 6,188 |
| Over 100,000 | | | 8 | 1.92 | 14 | | | 319 | 2.48 | 792 | 807 | | 327 | 811 | 3.02 | 989 |
| Total Commercial 5/8" Meter | 2,883 | 697 | 2,353 | | \$ 10,728 | 24,286 | 5,840 | 19,911 | | \$ 116,656 | \$ 127,384 | 6,537 | 22,264 | \$ 130,507 | | \$ 159,091 |
| Average Commercial 5/8" Bill | | | | | | | | | | | | | | 19.96 | | 24.34 |
| Governmental 5/8" Meter | 228 | | | | | 1,748 | | | | | | | | | | |
| First 1,000 | | 15 | | \$ 6.74 | \$ 102 | | 132 | | \$ 8.70 | \$ 1,147 | \$ 1,249 | 147 | | \$ 1,279 | \$ 10.61 | \$ 1,559 |
| Next 9,000 | | | 31 | 2.71 | 84 | | | 267 | 3.50 | 935 | 1,019 | | 298 | 1,043 | 4.27 | 1,271 |
| Next 15,000 | | | 34 | 2.47 | 84 | | | 203 | 3.19 | 648 | 732 | | 237 | 756 | 3.89 | 922 |
| Next 25,000 | | | 73 | 2.35 | 172 | | | 298 | 3.03 | 904 | 1,076 | | 372 | 1,126 | 3.69 | 1,373 |
| Next 50,000 | | | 63 | 2.10 | 133 | | | 499 | 2.71 | 1,351 | 1,484 | | 562 | 1,523 | 3.30 | 1,857 |
| Over 100,000 | | | 49 | 1.92 | 94 | | | 392 | 2.48 | 972 | 1,066 | | 441 | 1,094 | 3.02 | 1,333 |
| Total Governmental 5/8" Meter | 228 | 15 | 250 | | \$ 669 | 1,748 | 132 | 1,659 | | \$ 5,957 | \$ 6,626 | 147 | 1,910 | \$ 6,821 | | \$ 8,315 |
| Average Governmental 5/8" Bill | | | | | | | | | | | | | | 46.40 | | 56.56 |
| Industrial 5/8" Meter | 62 | | | | | 1,144 | | | | | | | | | | |
| First 1,000 | | 9 | | \$ 6.74 | \$ 60 | | 76 | | \$ 8.70 | \$ 662 | \$ 722 | 85 | | \$ 740 | \$ 10.61 | \$ 901 |
| Next 9,000 | | | 30 | 2.71 | 82 | | | 252 | 3.50 | 882 | 963 | | 282 | 987 | 4.27 | 1,203 |
| Next 15,000 | | | 4 | 2.47 | 10 | | | 204 | 3.19 | 651 | 661 | | 208 | 664 | 3.89 | 809 |
| Next 25,000 | | | 7 | 2.35 | 16 | | | 240 | 3.03 | 728 | 744 | | 247 | 748 | 3.69 | 912 |
| Next 50,000 | | | 12 | 2.10 | 25 | | | 294 | 2.71 | 797 | 822 | | 306 | 829 | 3.30 | 1,011 |
| Over 100,000 | | | - | 1.92 | - | | | 82 | 2.48 | 203 | 203 | | 82 | 203 | 3.02 | 248 |
| Total Industrial 5/8" Meter | 62 | 9 | 53 | | \$ 192 | 1,144 | 76 | 1,072 | | \$ 3,924 | \$ 4,115 | 85 | 1,125 | \$ 4,171 | | \$ 5,085 |
| Average Industrial 5/8" Bill | | | | | | | | | | | | | | 49.07 | | 59.82 |
| Commercial 3/4" Meter | 4 | | | | | 1,061 | | | | | | | | | | |
| First 1,000 | | 1 | | \$ 6.74 | \$ 9 | | 12 | | \$ 8.70 | \$ 102 | \$ 111 | 13 | | \$ 113 | \$ 10.61 | \$ 138 |
| Next 9,000 | | | 3 | 2.71 | 7 | | | 33 | 3.50 | 117 | 124 | | 36 | 126 | 4.27 | 154 |
| Next 15,000 | | | - | 2.47 | - | | | 45 | 3.19 | 144 | 144 | | 45 | 144 | 3.89 | 175 |
| Next 25,000 | | | - | 2.35 | - | | | 71 | 3.03 | 215 | 215 | | 71 | 215 | 3.69 | 262 |
| Next 50,000 | | | - | 2.10 | - | | | 100 | 2.71 | 271 | 271 | | 100 | 271 | 3.30 | 330 |
| Over 100,000 | | | - | 1.92 | - | | | 804 | 2.48 | 1,994 | 1,994 | | 804 | 1,994 | 3.02 | 2,431 |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Test Year/Present Revenues
Test Year Ended September 30, 2010

Schedule D

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|-------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|-------------------|
| Total Commercial 3/4" Meter | 4 | 1 | 3 | | \$ 15 | 1,061 | 12 | 1,053 | | \$ 2,843 | \$ 2,858 | 13 | 1,056 | \$ 2,863 | | \$ 3,490 |
| Average Commercial 3/4" Bill | | | | | | | | | | | | | | 220.21 | | 268.44 |
| Residential 1" Meter | 181 | | | | | 1,370 | | | | | | | | | | |
| First 1,000 | | 28 | | \$ 20.29 | \$ 565 | | 228 | | \$ 26.18 | \$ 5,973 | \$ 6,538 | 256 | | \$ 6,702 | \$ 31.91 | \$ 8,170 |
| Next 9,000 | | | 29 | 2.71 | 79 | | | 239 | 3.50 | 837 | 915 | | 268 | 938 | 4.27 | 1,143 |
| Next 15,000 | | | 24 | 2.47 | 59 | | | 151 | 3.19 | 482 | 541 | | 175 | 558 | 3.89 | 681 |
| Next 25,000 | | | 4 | 2.35 | 10 | | | 28 | 3.03 | 85 | 94 | | 32 | 97 | 3.69 | 118 |
| Next 50,000 | | | - | 2.10 | - | | | 22 | 2.71 | 60 | 60 | | 22 | 60 | 3.30 | 73 |
| Over 100,000 | | | - | 1.92 | - | | | - | 2.48 | - | - | | - | - | 3.02 | - |
| Total Residential 1" Meter | 181 | 28 | 57 | | \$ 713 | 1,370 | 228 | 440 | | \$ 7,435 | \$ 8,148 | 256 | 497 | \$ 8,355 | | \$ 10,185 |
| Average Residential 1" Bill | | | | | | | | | | | | | | 32.64 | | 39.78 |
| Commercial 1" Meter | 1,400 | | | | | 12,081 | | | | | | | | | | |
| First 6,000 | | 84 | | \$ 20.29 | \$ 1,702 | | 700 | | \$ 26.18 | \$ 18,329 | \$ 20,031 | 784 | | \$ 20,525 | \$ 31.91 | \$ 25,021 |
| Next 4,000 | | | 184 | 2.71 | 499 | | | 1,597 | 3.50 | 5,990 | 6,088 | | 1,781 | 6,234 | 4.27 | 7,599 |
| Next 15,000 | | | 445 | 2.47 | 1,099 | | | 3,424 | 3.19 | 10,923 | 12,022 | | 3,869 | 12,342 | 3.89 | 15,045 |
| Next 25,000 | | | 276 | 2.35 | 650 | | | 2,306 | 3.03 | 6,986 | 7,635 | | 2,582 | 7,823 | 3.69 | 9,537 |
| Next 50,000 | | | 104 | 2.10 | 218 | | | 1,018 | 2.71 | 2,760 | 2,977 | | 1,122 | 3,041 | 3.30 | 3,707 |
| Over 100,000 | | | 13 | 1.92 | 25 | | | 384 | 2.48 | 952 | 977 | | 397 | 985 | 3.02 | 1,200 |
| Total Commercial 1" Meter | 1,400 | 84 | 1,022 | | \$ 4,191 | 12,081 | 700 | 8,729 | | \$ 45,540 | \$ 49,731 | 784 | 9,751 | \$ 50,949 | | \$ 62,109 |
| Average Commercial 1" Bill | | | | | | | | | | | | | | 64.99 | | 79.22 |
| Governmental 1" Meter | 50 | | | | | 301 | | | | | | | | | | |
| First 6,000 | | 4 | | \$ 20.29 | \$ 77 | | 32 | | \$ 26.18 | \$ 843 | \$ 920 | 36 | | \$ 942 | \$ 31.91 | \$ 1,149 |
| Next 4,000 | | | 14 | 2.71 | 38 | | | 78 | 3.50 | 273 | 311 | | 92 | 322 | 4.27 | 393 |
| Next 15,000 | | | 14 | 2.47 | 34 | | | 47 | 3.19 | 151 | 185 | | 61 | 195 | 3.89 | 237 |
| Next 25,000 | | | - | 2.35 | - | | | - | 3.03 | - | - | | - | - | 3.69 | - |
| Next 50,000 | | | - | 2.10 | - | | | - | 2.71 | - | - | | - | - | 3.30 | - |
| Over 100,000 | | | - | 1.92 | - | | | - | 2.48 | - | - | | - | - | 3.02 | - |
| Total Governmental 1" Meter | 50 | 4 | 28 | | \$ 148 | 301 | 32 | 125 | | \$ 1,267 | \$ 1,416 | 36 | 153 | \$ 1,459 | | \$ 1,779 |
| Average Governmental 1" Bill | | | | | | | | | | | | | | 40.53 | | 49.41 |
| Industrial 1" Meter | 4 | | | | | 29 | | | | | | | | | | |
| First 6,000 | | 1 | | \$ 20.29 | \$ 26 | | 11 | | \$ 26.18 | \$ 281 | \$ 307 | 12 | | \$ 314 | \$ 31.91 | \$ 383 |
| Next 4,000 | | | - | 2.71 | - | | | - | 3.50 | - | - | | - | - | 4.27 | - |
| Next 15,000 | | | - | 2.47 | - | | | - | 3.19 | - | - | | - | - | 3.89 | - |
| Next 25,000 | | | - | 2.35 | - | | | - | 3.03 | - | - | | - | - | 3.69 | - |
| Next 50,000 | | | - | 2.10 | - | | | - | 2.71 | - | - | | - | - | 3.30 | - |
| Over 100,000 | | | - | 1.92 | - | | | - | 2.48 | - | - | | - | - | 3.02 | - |
| Total Industrial 1" Meter | 4 | 1 | - | | \$ 26 | 29 | 11 | - | | \$ 281 | \$ 307 | 12 | - | \$ 314 | | \$ 383 |
| Average Industrial 1" Bill | | | | | | | | | | | | | | 26.18 | | 31.91 |
| Commercial 1.5" Meter | 1,029 | | | | | 10,339 | | | | | | | | | | |
| First 11,200 | | 20 | | \$ 38.54 | \$ 781 | | 170 | | \$ 49.72 | \$ 8,439 | \$ 9,220 | 190 | | \$ 9,447 | \$ 60.61 | \$ 11,516 |
| Next 13,800 | | | 158 | 2.47 | 390 | | | 1,250 | 3.19 | 3,988 | 4,378 | | 1,408 | 4,492 | 3.89 | 5,475 |
| Next 25,000 | | | 272 | 2.35 | 638 | | | 2,215 | 3.03 | 6,712 | 7,351 | | 2,487 | 7,536 | 3.69 | 9,186 |
| Next 50,000 | | | 316 | 2.10 | 663 | | | 2,756 | 2.71 | 7,470 | 8,133 | | 3,072 | 8,325 | 3.30 | 10,149 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|-------------------|
| Over 100,000 | | | 71 | 1.92 | 136 | | | 2,497 | 2.48 | 6,193 | 6,329 | | 2,568 | 6,369 | 3.02 | 7,764 |
| Total Commercial 1.5" Meter | 1,029 | 20 | 816 | | \$ 2,609 | 10,339 | 170 | 8,719 | | \$ 32,802 | \$ 35,410 | 190 | 9,535 | \$ 36,168 | | \$ 44,089 |
| | | | | | | | | | | | | | | \$ 190.36 | | \$ 232.05 |
| Average Commercial 1.5" Bill | | | | | | | | | | | | | | | | |
| Governmental 1.5" Meter | 266 | 6 | | \$ 38.54 | \$ 244 | 4,032 | 54 | | \$ 49.72 | \$ 2,668 | \$ 2,912 | 60 | | \$ 2,983 | \$ 60.61 | \$ 3,637 |
| First 11,200 | | | 24 | 2.47 | -59 | | | 201 | 3.19 | 642 | 701 | | 225 | 718 | 3.89 | 875 |
| Next 13,800 | | | 32 | 2.35 | 74 | | | 344 | 3.03 | 1,043 | 1,118 | | 376 | 1,139 | 3.69 | 1,389 |
| Next 25,000 | | | 63 | 2.10 | 133 | | | 687 | 2.71 | 1,861 | 1,994 | | 750 | 2,033 | 3.30 | 2,478 |
| Next 50,000 | | | 95 | 1.92 | 182 | | | 2,416 | 2.48 | 5,992 | 6,174 | | 2,511 | 6,227 | 3.02 | 7,591 |
| Over 100,000 | | | | | | | | | | | | | | | | |
| Total Governmental 1.5" Meter | 266 | 6 | 214 | | \$ 693 | 4,032 | 54 | 3,648 | | \$ 12,206 | \$ 12,899 | 60 | 3,862 | \$ 13,100 | | \$ 15,969 |
| | | | | | | | | | | | | | | \$ 218.33 | | \$ 266.16 |
| Average Governmental 1.5" Bill | | | | | | | | | | | | | | | | |
| Industrial 1.5" Meter | 110 | 3 | | \$ 38.54 | \$ 98 | 1,271 | 21 | | \$ 49.72 | \$ 1,067 | \$ 1,165 | 24 | | \$ 1,193 | \$ 60.61 | \$ 1,455 |
| First 11,200 | | | 30 | 2.47 | 75 | | | 240 | 3.19 | 764 | 839 | | 270 | 861 | 3.89 | 1,050 |
| Next 13,800 | | | 39 | 2.35 | 92 | | | 344 | 3.03 | 1,042 | 1,134 | | 383 | 1,160 | 3.69 | 1,415 |
| Next 25,000 | | | 7 | 2.10 | 15 | | | 407 | 2.71 | 1,103 | 1,118 | | 414 | 1,122 | 3.30 | 1,368 |
| Next 50,000 | | | - | 1.92 | - | | | 187 | 2.48 | 464 | 464 | | 187 | 464 | 3.02 | 565 |
| Over 100,000 | | | | | | | | | | | | | | | | |
| Total Industrial 1.5" Meter | 110 | 3 | 76 | | \$ 279 | 1,271 | 21 | 1,178 | | \$ 4,441 | \$ 4,720 | 24 | 1,254 | \$ 4,801 | | \$ 5,852 |
| | | | | | | | | | | | | | | \$ 200.03 | | \$ 243.85 |
| Average Industrial 1.5" Bill | | | | | | | | | | | | | | | | |
| Commercial 2" Meter | 2,290 | 38 | | \$ 59.29 | \$ 2,253 | 20,025 | 299 | | \$ 76.49 | \$ 22,871 | \$ 25,124 | 337 | | \$ 25,777 | \$ 93.24 | \$ 31,423 |
| First 17,600 | | | 81 | 2.47 | 200 | | | 683 | 3.19 | 2,179 | 2,379 | | 764 | 2,437 | 3.89 | 2,971 |
| Next 7,400 | | | 329 | 2.35 | 774 | | | 3,108 | 3.03 | 9,416 | 10,190 | | 3,437 | 10,414 | 3.69 | 12,695 |
| Next 25,000 | | | 475 | 2.10 | 997 | | | 4,208 | 2.71 | 11,404 | 12,401 | | 4,683 | 12,691 | 3.30 | 15,471 |
| Next 50,000 | | | 865 | 1.92 | 1,661 | | | 7,563 | 2.48 | 18,756 | 20,417 | | 8,428 | 20,901 | 3.02 | 25,479 |
| Over 100,000 | | | | | | | | | | | | | | | | |
| Total Commercial 2" Meter | 2,290 | 38 | 1,750 | | \$ 5,885 | 20,025 | 299 | 15,562 | | \$ 64,626 | \$ 70,511 | 337 | 17,312 | \$ 72,221 | | \$ 88,039 |
| | | | | | | | | | | | | | | \$ 214.30 | | \$ 261.24 |
| Average Commercial 2" Bill | | | | | | | | | | | | | | | | |
| Industrial 2" Meter | 73 | 5 | | \$ 59.29 | \$ 300 | 3,202 | 44 | | \$ 76.49 | \$ 3,360 | \$ 3,661 | 49 | | \$ 3,748 | \$ 93.24 | \$ 4,569 |
| First 17,600 | | | 30 | 2.47 | 75 | | | 47 | 3.19 | 150 | 224 | | 77 | 246 | 3.89 | 300 |
| Next 7,400 | | | 25 | 2.35 | 59 | | | 90 | 3.03 | 272 | 331 | | 115 | 348 | 3.69 | 425 |
| Next 25,000 | | | - | 2.10 | - | | | 50 | 2.71 | 136 | 136 | | 50 | 136 | 3.30 | 165 |
| Next 50,000 | | | - | 1.92 | - | | | 2,659 | 2.48 | 6,594 | 6,594 | | 2,659 | 6,594 | 3.02 | 8,039 |
| Over 100,000 | | | | | | | | | | | | | | | | |
| Total Industrial 2" Meter | 73 | 5 | 55 | | \$ 434 | 3,202 | 44 | 2,846 | | \$ 10,512 | \$ 10,946 | 49 | 2,901 | \$ 11,072 | | \$ 13,498 |
| | | | | | | | | | | | | | | \$ 225.97 | | \$ 275.46 |
| Average Industrial 2" Bill | | | | | | | | | | | | | | | | |
| Governmental 2" Meter | 840 | 20 | | \$ 59.29 | \$ 1,202 | 7,131 | 172 | | \$ 76.49 | \$ 13,136 | \$ 14,337 | 192 | | \$ 14,686 | \$ 93.24 | \$ 17,903 |
| First 17,600 | | | 31 | 2.47 | 78 | | | 306 | 3.19 | 975 | 1,052 | | 337 | 1,075 | 3.89 | 1,310 |
| Next 7,400 | | | 174 | 2.35 | 409 | | | 1,700 | 3.03 | 5,151 | 5,560 | | 1,874 | 5,678 | 3.69 | 6,922 |
| Next 25,000 | | | 235 | 2.10 | 494 | | | 1,812 | 2.71 | 4,910 | 5,404 | | 2,047 | 5,547 | 3.30 | 6,762 |
| Next 50,000 | | | 128 | 1.92 | 245 | | | 1,156 | 2.48 | 2,868 | 3,113 | | 1,284 | 3,184 | 3.02 | 3,882 |
| Over 100,000 | | | | | | | | | | | | | | | | |
| Total Governmental 2" Meter | 840 | 20 | 568 | | \$ 2,427 | 7,131 | 172 | 4,974 | | \$ 27,039 | \$ 29,466 | 192 | 5,542 | \$ 30,171 | | \$ 36,779 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|---------------------|------------------|--------------------------------|--------------------------------|----------------|---------------------|
| First 281,500 | | 1 | | \$ 580.41 | \$ 735 | | 11 | | \$ 748.79 | \$ 8,037 | \$ 8,772 | 12 | | \$ 8,985 | \$ 912.80 | \$ 10,954 |
| Over 281,500 | | | 2,975 | 1.92 | 5,712 | | | 21,229 | 2.48 | 52,648 | 58,360 | | 24,204 | 60,026 | 3.02 | 73,173 |
| Total Industrial 6" Meter | 3,331 | 1 | 2,975 | | \$ 6,447 | 24,244 | 11 | 21,229 | | \$ 60,685 | \$ 67,132 | 12 | 24,204 | \$ 69,011 | | \$ 84,127 |
| Average Industrial 6" Bill | | | | | | | | | | | | | | \$ 5,750.95 | | \$ 7,010.58 |
| Middlesboro Municipal Fire Protection | - | 352 | - | \$ 3.33 | \$ 1,171 | - | 2,972 | - | \$ 4.30 | \$ 12,781 | \$ 13,952 | 3,324 | - | \$ 14,293 | \$ 5.24 | \$ 17,424 |
| Total Middlesboro Municiple Fire | - | 352 | - | | \$ 1,171 | - | 2,972 | - | | \$ 12,781 | \$ 13,952 | 3,324 | - | \$ 14,293 | | \$ 17,424 |
| Average Middlesboro Municiple Fire | | | | | | | | | | | | | | \$ 4.30 | | \$ 5.24 |
| Middlesboro Private Fire Protection | - | 100 | - | \$ 15.00 | \$ 1,505 | - | 848 | - | \$ 19.35 | \$ 16,402 | \$ 17,907 | 948 | - | \$ 18,344 | \$ 23.59 | \$ 22,362 |
| Total Middlesboro Private Fire | - | 100 | - | | \$ 1,505 | - | 848 | - | | \$ 16,402 | \$ 17,907 | 948 | - | \$ 18,344 | | \$ 22,362 |
| Average Middlesboro Private Fire | | | | | | | | | | | | | | \$ 19.35 | | \$ 23.59 |
| TOTAL MIDDLESBORO | 41,886 | 7,834 | 32,471 | | \$ 143,750 | 357,553 | 65,728 | 279,091 | | \$ 1,578,846 | \$ 1,722,595 | 73,562 | 311,562 | \$ 1,764,436 | | \$ 2,150,899 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|------------------------------------|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|-------------------|
| CLINTON | | | | | | | | | | | | | | | | |
| Residential 5/8" Meter | 68 | | | | | 686 | | | | | | | | | | |
| First 1,000 | | 23 | | \$ 9.02 | \$ 206 | | 214 | | \$ 11.64 | \$ 2,493 | \$ 2,699 | 237 | | \$ 2,759 | \$ 14.19 | \$ 3,363 |
| Next 9,000 | | | 50 | 5.11 | 256 | | 504 | | 6.59 | 3,321 | 3,577 | | 554 | 3,651 | 8.03 | 4,451 |
| Next 15,000 | | | 0 | 4.69 | 1 | | 8 | | 6.05 | 47 | 48 | | 8 | 48 | 7.38 | 59 |
| Next 25,000 | | | - | 4.27 | - | | - | | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | - | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 5/8" Meter | 68 | 23 | 50 | | \$ 463 | 686 | 214 | 512 | | \$ 5,861 | \$ 6,324 | 237 | 562 | \$ 6,458 | | \$ 7,872 |
| Average Residential 5/8" Bill | | | | | | | | | | | | | | \$ 27.25 | | \$ 33.22 |
| Commercial 5/8" Meter | 25 | | | | | 181 | | | | | | | | | | |
| First 1,000 | | 5 | | \$ 9.02 | \$ 46 | | 43 | | \$ 11.64 | \$ 500 | \$ 545 | 48 | | \$ 559 | \$ 14.19 | \$ 681 |
| Next 9,000 | | | 20 | 5.11 | 101 | | 138 | | 6.59 | 911 | 1,012 | | 158 | 1,041 | 8.03 | 1,269 |
| Next 15,000 | | | 1 | 4.69 | 4 | | 11 | | 6.05 | 68 | 72 | | 12 | 73 | 7.38 | 89 |
| Next 25,000 | | | - | 4.27 | - | | - | | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | - | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Commercial 5/8" Meter | 25 | 5 | 21 | | \$ 150 | 181 | 43 | 149 | | \$ 1,479 | \$ 1,629 | 48 | 170 | \$ 1,673 | | \$ 2,039 |
| Average Commercial 5/8" Bill | | | | | | | | | | | | | | \$ 34.84 | | \$ 42.48 |
| Governmental 5/8" Meter | 1 | | | | | 15 | | | | | | | | | | |
| First 1,000 | | 3 | | \$ 9.02 | \$ 23 | | 22 | | \$ 11.64 | \$ 262 | \$ 284 | 25 | | \$ 291 | \$ 14.19 | \$ 355 |
| Next 9,000 | | | - | 5.11 | - | | - | | 6.59 | - | - | | - | - | 8.03 | - |
| Next 15,000 | | | - | 4.69 | - | | - | | 6.05 | - | - | | - | - | 7.38 | - |
| Next 25,000 | | | - | 4.27 | - | | - | | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | - | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Governmental 5/8" Meter | 1 | 3 | - | | \$ 23 | 15 | 22 | - | | \$ 262 | \$ 284 | 25 | - | \$ 291 | | \$ 355 |
| Average Governmental 5/8" Bill | | | | | | | | | | | | | | \$ 11.64 | | \$ 14.19 |
| Residential 3/4" Meter | 1,978 | | | | | 17,525 | | | | | | | | | | |
| First 1,000 | | 610 | | \$ 9.02 | \$ 5,499 | | 5,166 | | \$ 11.64 | \$ 60,137 | \$ 65,635 | 5,776 | | \$ 67,233 | \$ 14.19 | \$ 81,959 |
| Next 9,000 | | | 1,365 | 5.11 | 6,974 | | 12,178 | | 6.59 | 80,254 | 87,228 | | 13,543 | 89,248 | 8.03 | 108,796 |
| Next 15,000 | | | 76 | 4.69 | 355 | | 629 | | 6.05 | 3,807 | 4,162 | | 705 | 4,265 | 7.38 | 5,199 |
| Next 25,000 | | | 12 | 4.27 | 50 | | 167 | | 5.51 | 922 | 972 | | 179 | 987 | 6.72 | 1,203 |
| Next 50,000 | | | 2 | 3.79 | 7 | | 62 | | 4.89 | 304 | 311 | | 64 | 313 | 5.96 | 382 |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 3/4" Meter | 1,978 | 610 | 1,454 | | \$ 12,885 | 17,525 | 5,166 | 13,037 | | \$ 145,424 | \$ 158,309 | 5,776 | 14,491 | \$ 162,046 | | \$ 197,539 |
| Average Residential 3/4" Bill | | | | | | | | | | | | | | \$ 28.06 | | \$ 34.20 |
| Commercial 3/4" Meter | 203 | | | | | 1,972 | | | | | | | | | | |
| First 1,000 | | 75 | | \$ 9.02 | \$ 674 | | 655 | | \$ 11.64 | \$ 7,627 | \$ 8,301 | 730 | | \$ 8,497 | \$ 14.19 | \$ 10,358 |
| Next 9,000 | | | 123 | 5.11 | 628 | | 1,158 | | 6.59 | 7,632 | 8,260 | | 1,281 | 8,442 | 8.03 | 10,291 |
| Next 15,000 | | | 26 | 4.69 | 120 | | 239 | | 6.05 | 1,448 | 1,568 | | 265 | 1,603 | 7.38 | 1,954 |
| Next 25,000 | | | 7 | 4.27 | 30 | | 65 | | 5.51 | 358 | 388 | | 72 | 397 | 6.72 | 484 |
| Next 50,000 | | | - | 3.79 | - | | 81 | | 4.89 | 396 | 396 | | 81 | 396 | 5.96 | 483 |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Test Year/Present Revenues
Test Year Ended September 30, 2010

Schedule D

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|---------------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|--------------------|
| Total Commercial 3/4" Meter | 203 | 75 | 156 | | \$ 1,453 | 1,972 | 655 | 1,543 | | \$ 17,461 | \$ 18,914 | 730 | 1,699 | \$ 19,335 | | \$ 23,570 |
| Average Commercial 3/4" Bill | | | | | | | | | | | | | | \$ 26.49 | | \$ 32.29 |
| Governmental 3/4" Meter | 22 | | | | | 115 | | | | | | | | | | |
| First 1,000 | | 8 | | \$ 9.02 | \$ 69 | | 64 | | \$ 11.64 | \$ 750 | \$ 818 | 72 | | \$ 838 | \$ 14.19 | \$ 1,022 |
| Next 9,000 | | | 16 | 5.11 | 80 | | 71 | | 6.59 | 471 | 550 | | 87 | 573 | 8.03 | 699 |
| Next 15,000 | | | - | 4.69 | - | | - | | 6.05 | - | - | | - | - | 7.38 | - |
| Next 25,000 | | | - | 4.27 | - | | - | | 5.51 | - | - | | - | - | 6.72 | - |
| Next 50,000 | | | - | 3.79 | - | | - | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Governmental 3/4" Meter | 22 | 8 | 16 | | \$ 148 | 115 | 64 | 71 | | \$ 1,220 | \$ 1,368 | 72 | 87 | \$ 1,411.41 | | \$ 1,720.55 |
| Average Governmental 3/4" Bill | | | | | | | | | | | | | | \$ 19.60 | | \$ 23.90 |
| Residential 1" Meter | 149 | | | | | 1,124 | | | | | | | | | | |
| First 5,300 | | 9 | | \$ 30.99 | \$ 275 | | 75 | | \$ 39.98 | \$ 3,004 | \$ 3,279 | 84 | | \$ 3,358 | \$ 48.74 | \$ 4,094 |
| Next 3,700 | | | 38 | 5.11 | 194 | | 347 | | 6.59 | 2,287 | 2,481 | | 385 | 2,537 | 8.03 | 3,093 |
| Next 15,000 | | | 58 | 4.69 | 273 | | 386 | | 6.05 | 2,334 | 2,607 | | 444 | 2,686 | 7.38 | 3,275 |
| Next 25,000 | | | 10 | 4.27 | 41 | | 24 | | 5.51 | 134 | 175 | | 34 | 187 | 6.72 | 228 |
| Next 50,000 | | | 1 | 3.79 | 4 | | 3 | | 4.89 | 14 | 18 | | 4 | 20 | 5.96 | 24 |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Residential 1" Meter | 149 | 9 | 107 | | \$ 788 | 1,124 | 75 | 760 | | \$ 7,773 | \$ 8,560 | 84 | 867 | \$ 8,789 | | \$ 10,714 |
| Average Residential 1" Bill | | | | | | | | | | | | | | \$ 104.63 | | \$ 127.54 |
| Commercial 1" Meter | 16 | | | | | 472 | | | | | | | | | | |
| First 5,300 | | 4 | | \$ 30.99 | \$ 118 | | 32 | | \$ 39.98 | \$ 1,287 | \$ 1,405 | 36 | | \$ 1,439 | \$ 48.74 | \$ 1,755 |
| Next 3,700 | | | 3 | 5.11 | 17 | | 38 | | 6.59 | 249 | 265 | | 41 | 270 | 8.03 | 329 |
| Next 15,000 | | | - | 4.69 | - | | 97 | | 6.05 | 587 | 587 | | 97 | 587 | 7.38 | 715 |
| Next 25,000 | | | - | 4.27 | - | | 140 | | 5.51 | 771 | 771 | | 140 | 771 | 6.72 | 940 |
| Next 50,000 | | | - | 3.79 | - | | 79 | | 4.89 | 386 | 386 | | 79 | 386 | 5.96 | 471 |
| Over 100,000 | | | - | 3.31 | - | | 10 | | 4.27 | 43 | 43 | | 10 | 43 | 5.21 | 52 |
| Total Commercial 1" Meter | 16 | 4 | 3 | | \$ 134 | 472 | 32 | 364 | | \$ 3,323 | \$ 3,458 | 36 | 367 | \$ 3,497 | | \$ 4,263 |
| Average Commercial 1" Bill | | | | | | | | | | | | | | \$ 97.13 | | \$ 118.41 |
| Governmental 1" Meter | 48 | | | | | 164 | | | | | | | | | | |
| First 5,300 | | 4 | | \$ 30.99 | \$ 118 | | 32 | | \$ 39.98 | \$ 1,287 | \$ 1,405 | 36 | | \$ 1,439 | \$ 48.74 | \$ 1,755 |
| Next 3,700 | | | 11 | 5.11 | 58 | | 54 | | 6.59 | 354 | 412 | | 65 | 428 | 8.03 | 522 |
| Next 15,000 | | | 17 | 4.69 | 78 | | 19 | | 6.05 | 118 | 195 | | 36 | 218 | 7.38 | 266 |
| Next 25,000 | | | 7 | 4.27 | 30 | | - | | 5.51 | - | 30 | | 7 | 39 | 6.72 | 47 |
| Next 50,000 | | | - | 3.79 | - | | - | | 4.89 | - | - | | - | - | 5.96 | - |
| Over 100,000 | | | - | 3.31 | - | | - | | 4.27 | - | - | | - | - | 5.21 | - |
| Total Governmental 1" Meter | 48 | 4 | 35 | | \$ 283 | 164 | 32 | 73 | | \$ 1,759 | \$ 2,042 | 36 | 108 | \$ 2,124 | | \$ 2,589 |
| Average Governmental 1" Bill | | | | | | | | | | | | | | \$ 59.00 | | \$ 71.92 |
| Commercial 1.5" Meter | 112 | | | | | 1,211 | | | | | | | | | | |
| First 11,200 | | 3 | | \$ 60.64 | \$ 154 | | 21 | | \$ 78.23 | \$ 1,679 | \$ 1,833 | 24 | | \$ 1,878 | \$ 95.36 | \$ 2,289 |
| Next 13,800 | | | 21 | 4.69 | 98 | | 202 | | 6.05 | 1,223 | 1,321 | | 223 | 1,349 | 7.38 | 1,645 |
| Next 25,000 | | | 32 | 4.27 | 135 | | 279 | | 5.51 | 1,539 | 1,674 | | 311 | 1,714 | 6.72 | 2,089 |
| Next 50,000 | | | 32 | 3.79 | 122 | | 427 | | 4.89 | 2,087 | 2,209 | | 459 | 2,245 | 5.96 | 2,736 |
| Over 100,000 | | | - | 3.31 | - | | 68 | | 4.27 | 290 | 290 | | 68 | 290 | 5.21 | 354 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|--|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|------------------|--------------------|
| Total Commercial 1.5" Meter | 112 | 3 | 85 | | \$ 508 | 1,211 | 21 | 976 | | \$ 6,820 | \$ 7,328 | 24 | 1,061 | \$ 7,475 | | \$ 9,112 |
| Average Commercial 1.5" Bill | | | | | | | | | | | | | | \$ 311.46 | | \$ 379.68 |
| Governmental 1.5" Meter | 145 | 3 | | | | 1,579 | 21 | | | | | 24 | | \$ 1,878 | \$ 95.36 | \$ 2,289 |
| First 11,200 | | | | \$ 60.64 | \$ 154 | | | 157 | \$ 78.23 | \$ 1,679 | \$ 1,833 | | 184 | \$ 1,113 | 7.38 | 1,357 |
| Next 13,800 | | | 27 | 4.69 | 125 | | | 268 | 6.05 | 952 | 1,077 | | 300 | 1,653 | 6.72 | 2,015 |
| Next 25,000 | | | 32 | 4.27 | 135 | | | 590 | 5.51 | 1,479 | 1,614 | | 650 | 3,179 | 5.96 | 3,875 |
| Next 50,000 | | | 60 | 3.79 | 227 | | | 462 | 4.89 | 2,885 | 3,113 | | 462 | 1,973 | 5.21 | 2,405 |
| Over 100,000 | | | - | 3.31 | - | | | | 4.27 | 1,973 | 1,973 | | | | | |
| Total Governmental 1.5" Meter | 145 | 3 | 118 | | \$ 641 | 1,579 | 21 | 1,478 | | \$ 8,968 | \$ 9,609 | 24 | 1,596 | \$ 9,795 | | \$ 11,940 |
| Average Governmental 1.5" Bill | | | | | | | | | | | | | | \$ 408.12 | | \$ 497.51 |
| Residential 2" Meter | 58 | 1 | | | | 436 | 11 | | | | | 12 | | \$ 1,403 | \$ 142.57 | \$ 1,711 |
| First 17,600 | | | 9 | \$ 90.65 | \$ 115 | | | 74 | \$ 116.95 | \$ 1,255 | \$ 1,370 | | 83 | 502 | 7.38 | 612 |
| Next 7,400 | | | 27 | 4.69 | 42 | | | 130 | 6.05 | 449 | 490 | | 157 | 865 | 6.72 | 1,055 |
| Next 25,000 | | | 1 | 4.27 | 114 | | | 39 | 5.51 | 718 | 832 | | 40 | 196 | 5.96 | 238 |
| Next 50,000 | | | - | 3.79 | 2 | | | | 4.89 | 193 | 195 | | | | 5.21 | |
| Over 100,000 | | | - | 3.31 | - | | | | 4.27 | - | - | | | | | |
| Total Residential 2" Meter | 58 | 1 | 36 | | \$ 272 | 436 | 11 | 244 | | \$ 2,615 | \$ 2,887 | 12 | 280 | \$ 2,966 | | \$ 3,616 |
| Average Residential 2" Bill | | | | | | | | | | | | | | \$ 247.19 | | \$ 301.33 |
| Commercial 2" Meter | 713 | 1 | | | | 5,960 | 11 | | | | | 12 | | \$ 1,403 | \$ 142.57 | \$ 1,711 |
| First 17,600 | | | 9 | \$ 90.65 | \$ 115 | | | 75 | \$ 116.95 | \$ 1,255 | \$ 1,370 | | 84 | 508 | 7.38 | 620 |
| Next 7,400 | | | 32 | 4.69 | 42 | | | 208 | 6.05 | 455 | 496 | | 240 | 1,320 | 6.72 | 1,609 |
| Next 25,000 | | | 63 | 4.27 | 135 | | | 537 | 5.51 | 1,146 | 1,281 | | 600 | 2,934 | 5.96 | 3,577 |
| Next 50,000 | | | 586 | 3.79 | 240 | | | 4,887 | 4.89 | 2,624 | 2,864 | | 5,473 | 23,370 | 5.21 | 28,488 |
| Over 100,000 | | | - | 3.31 | 1,941 | | | | 4.27 | 20,866 | 22,807 | | | | | |
| Total Commercial 2" Meter | 713 | 1 | 690 | | \$ 2,472 | 5,960 | 11 | 5,706 | | \$ 26,346 | \$ 28,818 | 12 | 6,397 | \$ 29,536 | | \$ 36,005 |
| Average Commercial 2" Bill | | | | | | | | | | | | | | \$ 2,461.30 | | \$ 3,000.40 |
| Governmental 2" Meter | 299 | 8 | | | | 3,321 | 64 | | | | | 72 | | \$ 8,420 | \$ 142.57 | \$ 10,265 |
| First 17,600 | | | 27 | \$ 90.65 | \$ 689 | | | 256 | \$ 116.95 | \$ 7,532 | \$ 8,221 | | 282 | 1,707 | 7.38 | 2,081 |
| Next 7,400 | | | 197 | 4.69 | 125 | | | 722 | 6.05 | 1,546 | 1,671 | | 919 | 5,064 | 6.72 | 6,173 |
| Next 25,000 | | | 104 | 4.27 | 841 | | | 863 | 5.51 | 3,979 | 4,820 | | 967 | 4,730 | 5.96 | 5,766 |
| Next 50,000 | | | 25 | 3.79 | 394 | | | 871 | 4.89 | 4,221 | 4,616 | | 896 | 3,826 | 5.21 | 4,664 |
| Over 100,000 | | | - | 3.31 | 84 | | | | 4.27 | 3,718 | 3,802 | | | | | |
| Total Governmental 2" Meter | 299 | 8 | 353 | | \$ 2,133 | 3,321 | 64 | 2,712 | | \$ 20,996 | \$ 23,129 | 72 | 3,065 | \$ 23,748 | | \$ 28,949 |
| Average Governmental 2" Bill | | | | | | | | | | | | | | \$ 329.83 | | \$ 402.08 |
| Clinton Municipal Fire Protection | - | 69 | - | \$ 3.33 | \$ 228 | - | 579 | - | \$ 4.30 | \$ 2,492 | \$ 2,720 | 648 | | \$ 2,786 | \$ 5.24 | \$ 3,397 |
| Total Clinton Municiple Fire | - | 69 | - | | \$ 228 | - | 579 | - | | \$ 2,492 | \$ 2,720 | 648 | | \$ 2,786 | | \$ 3,397 |
| Average Clinton Municiple Fire | | | | | | | | | | | | | | \$ 4.30 | | \$ 5.24 |
| Clinton Private Fire Protection | - | 13 | - | \$ 15.00 | \$ 191 | - | 107 | - | \$ 19.35 | \$ 2,076 | \$ 2,267 | 120 | | \$ 2,322 | \$ 23.59 | \$ 2,831 |
| Total Clinton Private Fire | - | 13 | - | | \$ 191 | - | 107 | - | | \$ 2,076 | \$ 2,267 | 120 | | \$ 2,322 | | \$ 2,831 |

WATER SERVICE CORPORATION OF KENTUCKY
 Case No. 2010 - 00476
 Test Year/Present Revenues
 Test Year Ended September 30, 2010

| | Actual Gallons Consumed (000's) 10/01/09 to 11/08/09 | # of Bills 10/01/09 to 11/08/09 | Billable Gallons (000's) 10/01/09 to 11/08/09 | Rates Eff. 10/01/09 to 11/08/09 per 1,000 gal. | Revenue 10/01/09 to 11/08/09 | Actual Gallons Consumed 11/9/09 to 9/30/10 | # of Bills 11/9/09 to 9/30/10 | Billable Gallons 11/9/09 to 9/30/10 | Rates Eff. 11/9/09 to 9/30/10 | Revenue 11/9/09 to 9/30/10 | Test Year Revenue | Total # of Bills | Total Billable Gallons (000's) | Calculated Annualized Revenues | Proposed Rates | Proposed Revenues |
|------------------------------|--|---------------------------------|---|--|------------------------------|--|-------------------------------|-------------------------------------|-------------------------------|----------------------------|-------------------|------------------|--------------------------------|--------------------------------|----------------|---------------------|
| Average Clinton Private Fire | | | | | | | | | | | | | | \$ 19.35 | | \$ 23.59 |
| TOTAL CLINTON | <u>3,836</u> | <u>835</u> | <u>3,123</u> | | <u>\$ 22,773</u> | <u>34,761</u> | <u>7,121</u> | <u>27,626</u> | | <u>\$ 254,873</u> | <u>\$ 277,646</u> | <u>7,956</u> | <u>30,749</u> | <u>\$ 284,251</u> | | <u>\$ 346,511</u> |
| Total WSC KY | <u>45,722</u> | <u>8,669</u> | <u>35,595</u> | | <u>\$ 166,522</u> | <u>392,314</u> | <u>72,849</u> | <u>306,716</u> | | <u>\$ 1,833,719</u> | <u>2,000,241</u> | <u>81,518</u> | <u>342,311</u> | <u>\$ 2,048,687</u> | | <u>\$ 2,497,410</u> |

WATER ICE CORPORATION OF KENTUCKY
Calculation of Average Bill Increase

| | # of Bills | Pro Forma Revenue | Current Avg Bill | Proposed Revenue | Proposed Avg Bill | Dollar Increase | % Increase | Average Gallonage |
|-----------------------------------|------------|-------------------|------------------|------------------|-------------------|-----------------|------------|-------------------|
| Middlesboro | | | | | | | | |
| 5/8" and 3/4" Meter(all Classes) | 67,181 | \$ 1,348,176.59 | \$ 20.07 | \$ 1,643,467.22 | \$ 24.46 | \$ 4.40 | 21.90% | 4,248 |
| 1" Meter (all Classes) | 1,088 | 61,078 | \$ 56.14 | 74,455 | \$ 68.43 | \$ 12.30 | 21.90% | 15,003 |
| 1.5" Meter (all Classes) | 274 | 54,068 | \$ 197.33 | 65,911 | \$ 240.55 | \$ 43.22 | 21.90% | 35,272 |
| 2" Meter (all Classes) | 578 | 113,464 | \$ 196.30 | 138,316 | \$ 239.30 | \$ 43.00 | 21.90% | 32,547 |
| 3" Meter (all Classes) | 97 | 53,563 | \$ 552.20 | 65,295 | \$ 673.15 | \$ 120.95 | 21.90% | 202,000 |
| 4" Meter (all Classes) | 36 | 14,466 | \$ 401.84 | 17,635 | \$ 489.86 | \$ 88.02 | 21.90% | 141,415 |
| 6" Meter (all Classes) | 12 | 69,011 | \$ 5,750.95 | 84,127 | \$ 7,010.58 | \$ 1,259.63 | 21.90% | 2,298,500 |
| Private Fire Protection | | | \$ 19.35 | | \$ 23.59 | \$ 4.24 | | |
| Public Fire protection | | | \$ 4.30 | | \$ 5.24 | \$ 0.94 | | |
| Clinton | | | | | | | | |
| 5/8" and 3/4" Meter(all Classes) | 6,888 | \$ 191,213.72 | \$ 27.76 | \$ 233,095.19 | \$ 33.84 | \$ 6.08 | 21.90% | 3,446.13 |
| 1" Meter (all Classes) | 72 | 5,620.73 | \$ 78.07 | 6,851.84 | \$ 95.16 | \$ 17.10 | 21.90% | 12,989.00 |
| 1.5" Meter (all Classes) | 48 | 17,270.11 | \$ 359.79 | 21,052.78 | \$ 438.60 | \$ 78.81 | 21.90% | 62,336.19 |
| 2" Meter (all Classes) | 96 | 56,249.74 | \$ 585.93 | 68,570.11 | \$ 714.27 | \$ 128.34 | 21.90% | 109,827.00 |
| 6" Meter (all Classes) | - | - | - | - | - | - | - | - |
| Private Fire Protection | | | \$ 19.35 | | \$ 23.59 | \$ 4.24 | | |
| Public Fire protection | | | \$ 4.30 | | \$ 5.24 | \$ 0.94 | | |

Case No. 2010-00476
Exhibit 7

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 1 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 1,000 | 2 | 2 | 2,000 | 2,000 | 34 | 36,000 | 7.38% |
| 2,000 | 7 | 9 | 14,000 | 16,000 | 27 | 70,000 | 14.34% |
| 3,000 | 7 | 16 | 21,000 | 37,000 | 20 | 97,000 | 19.88% |
| 4,000 | 6 | 22 | 24,000 | 61,000 | 14 | 117,000 | 23.98% |
| 5,000 | 4 | 26 | 20,000 | 81,000 | 10 | 131,000 | 26.84% |
| 6,000 | 1 | 27 | 6,000 | 87,000 | 9 | 141,000 | 28.89% |
| 7,000 | 1 | 28 | 7,000 | 94,000 | 8 | 150,000 | 30.74% |
| 8,000 | 1 | 29 | 8,000 | 102,000 | 7 | 158,000 | 32.38% |
| 17,000 | 1 | 30 | 17,000 | 119,000 | 6 | 221,000 | 45.29% |
| 42,000 | 1 | 31 | 42,000 | 161,000 | 5 | 371,000 | 76.02% |
| 48,000 | 1 | 32 | 48,000 | 209,000 | 4 | 401,000 | 82.17% |
| 55,000 | 2 | 34 | 110,000 | 319,000 | 2 | 429,000 | 87.91% |
| 59,000 | 1 | 35 | 59,000 | 378,000 | 1 | 437,000 | 89.55% |
| 110,000 | 1 | 36 | 110,000 | 488,000 | 0 | 488,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 2 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1 5"

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|-------------------|-----------------|------------------|--------------------------|--------------------|----------------|---|---------------------|
| Consumption Level | Number of Bills | Cumulative Bills | Gallons Consumed (1)*(2) | Cumulative Gallons | Reversed Bills | Consolidated Factor (((1)*(6)))+(5)) | Percentage of Total |
| 11,000 | 1 | 1 | 11,000 | 11,000 | 23 | 264,000 | 19.92% |
| 12,000 | 3 | 4 | 36,000 | 47,000 | 20 | 287,000 | 21.66% |
| 13,000 | 1 | 5 | 13,000 | 60,000 | 19 | 307,000 | 23.17% |
| 14,000 | 2 | 7 | 28,000 | 88,000 | 17 | 326,000 | 24.60% |
| 15,000 | 2 | 9 | 30,000 | 118,000 | 15 | 343,000 | 25.89% |
| 19,000 | 1 | 10 | 19,000 | 137,000 | 14 | 403,000 | 30.42% |
| 30,000 | 1 | 11 | 30,000 | 167,000 | 13 | 557,000 | 42.04% |
| 31,000 | 1 | 12 | 31,000 | 198,000 | 12 | 570,000 | 43.02% |
| 70,000 | 1 | 13 | 70,000 | 268,000 | 11 | 1,038,000 | 78.34% |
| 73,000 | 1 | 14 | 73,000 | 341,000 | 10 | 1,071,000 | 80.83% |
| 76,000 | 1 | 15 | 76,000 | 417,000 | 9 | 1,101,000 | 83.09% |
| 81,000 | 1 | 16 | 81,000 | 498,000 | 8 | 1,146,000 | 86.49% |
| 85,000 | 1 | 17 | 85,000 | 583,000 | 7 | 1,178,000 | 88.91% |
| 87,000 | 1 | 18 | 87,000 | 670,000 | 6 | 1,192,000 | 89.96% |
| 92,000 | 1 | 19 | 92,000 | 762,000 | 5 | 1,222,000 | 92.23% |
| 95,000 | 1 | 20 | 95,000 | 857,000 | 4 | 1,237,000 | 93.36% |
| 105,000 | 1 | 21 | 105,000 | 962,000 | 3 | 1,277,000 | 96.38% |
| 117,000 | 1 | 22 | 117,000 | 1,079,000 | 2 | 1,313,000 | 99.09% |
| 119,000 | 1 | 23 | 119,000 | 1,198,000 | 1 | 1,317,000 | 99.40% |
| 127,000 | 1 | 24 | 127,000 | 1,325,000 | 0 | 1,325,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 3 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved
 Meter Size: 2"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 304,000 | 1 | 1 | 304,000 | 304,000 | 11 | 3,648,000 | 54.67% |
| 485,000 | 1 | 2 | 485,000 | 789,000 | 10 | 5,639,000 | 84.50% |
| 513,000 | 1 | 3 | 513,000 | 1,302,000 | 9 | 5,919,000 | 88.70% |
| 528,000 | 1 | 4 | 528,000 | 1,830,000 | 8 | 6,054,000 | 90.72% |
| 541,000 | 1 | 5 | 541,000 | 2,371,000 | 7 | 6,158,000 | 92.28% |
| 563,000 | 1 | 6 | 563,000 | 2,934,000 | 6 | 6,312,000 | 94.59% |
| 589,000 | 1 | 7 | 589,000 | 3,523,000 | 5 | 6,468,000 | 96.93% |
| 593,000 | 1 | 8 | 593,000 | 4,116,000 | 4 | 6,488,000 | 97.23% |
| 611,000 | 1 | 9 | 611,000 | 4,727,000 | 3 | 6,560,000 | 98.31% |
| 645,000 | 1 | 10 | 645,000 | 5,372,000 | 2 | 6,662,000 | 99.84% |
| 646,000 | 1 | 11 | 646,000 | 6,018,000 | 1 | 6,664,000 | 99.87% |
| 655,000 | 1 | 12 | 655,000 | 6,673,000 | 0 | 6,673,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 4 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 3/4"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor (((1)*(6))+(5)) | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 228 | 228 | 0 | 0 | 502 | 0 | 0.00% |
| 1,000 | 207 | 435 | 207,000 | 207,000 | 295 | 502,000 | 22.81% |
| 2,000 | 60 | 495 | 120,000 | 327,000 | 235 | 797,000 | 36.21% |
| 3,000 | 57 | 552 | 171,000 | 498,000 | 178 | 1,032,000 | 46.89% |
| 4,000 | 35 | 587 | 140,000 | 638,000 | 143 | 1,210,000 | 54.98% |
| 5,000 | 28 | 615 | 140,000 | 778,000 | 115 | 1,353,000 | 61.47% |
| 6,000 | 17 | 632 | 102,000 | 880,000 | 98 | 1,468,000 | 66.70% |
| 7,000 | 16 | 648 | 112,000 | 992,000 | 82 | 1,566,000 | 71.15% |
| 8,000 | 6 | 654 | 48,000 | 1,040,000 | 76 | 1,648,000 | 74.88% |
| 9,000 | 17 | 671 | 153,000 | 1,193,000 | 59 | 1,724,000 | 78.33% |
| 10,000 | 10 | 681 | 100,000 | 1,293,000 | 49 | 1,783,000 | 81.01% |
| 11,000 | 9 | 690 | 99,000 | 1,392,000 | 40 | 1,832,000 | 83.23% |
| 12,000 | 7 | 697 | 84,000 | 1,476,000 | 33 | 1,872,000 | 85.05% |
| 13,000 | 3 | 700 | 39,000 | 1,515,000 | 30 | 1,905,000 | 86.55% |
| 14,000 | 4 | 704 | 56,000 | 1,571,000 | 26 | 1,935,000 | 87.91% |
| 15,000 | 8 | 712 | 120,000 | 1,691,000 | 18 | 1,961,000 | 89.10% |
| 16,000 | 5 | 717 | 80,000 | 1,771,000 | 13 | 1,979,000 | 89.91% |
| 17,000 | 1 | 718 | 17,000 | 1,788,000 | 12 | 1,992,000 | 90.50% |
| 18,000 | 4 | 722 | 72,000 | 1,860,000 | 8 | 2,004,000 | 91.05% |
| 19,000 | 2 | 724 | 38,000 | 1,898,000 | 6 | 2,012,000 | 91.41% |
| 27,000 | 1 | 725 | 27,000 | 1,925,000 | 5 | 2,060,000 | 93.59% |
| 29,000 | 1 | 726 | 29,000 | 1,954,000 | 4 | 2,070,000 | 94.05% |
| 32,000 | 1 | 727 | 32,000 | 1,986,000 | 3 | 2,082,000 | 94.59% |
| 34,000 | 1 | 728 | 34,000 | 2,020,000 | 2 | 2,088,000 | 94.87% |
| 89,000 | 1 | 729 | 89,000 | 2,109,000 | 1 | 2,198,000 | 99.86% |
| 92,000 | 1 | 730 | 92,000 | 2,201,000 | 0 | 2,201,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 5 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 5/8"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[{(1)*(6)}+(5)]] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 10 | 10 | 0 | 0 | 38 | 0 | 0.00% |
| 1,000 | 13 | 23 | 13,000 | 13,000 | 25 | 38,000 | 18.27% |
| 4,000 | 2 | 25 | 8,000 | 21,000 | 23 | 113,000 | 54.33% |
| 5,000 | 6 | 31 | 30,000 | 51,000 | 17 | 136,000 | 65.38% |
| 6,000 | 3 | 34 | 18,000 | 69,000 | 14 | 153,000 | 73.56% |
| 7,000 | 1 | 35 | 7,000 | 76,000 | 13 | 167,000 | 80.29% |
| 8,000 | 3 | 38 | 24,000 | 100,000 | 10 | 180,000 | 86.54% |
| 9,000 | 4 | 42 | 36,000 | 136,000 | 6 | 190,000 | 91.35% |
| 10,000 | 3 | 45 | 30,000 | 166,000 | 3 | 196,000 | 94.23% |
| 13,000 | 2 | 47 | 26,000 | 192,000 | 1 | 205,000 | 98.56% |
| 16,000 | 1 | 48 | 16,000 | 208,000 | 0 | 208,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 6 of 14

Water or Sewer
 Clinton

Preparer: Spencer Nedved

Customer Class: Governmental

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 1,000 | 11 | 11 | 11,000 | 11,000 | 25 | 36,000 | 16.90% |
| 2,000 | 9 | 20 | 18,000 | 29,000 | 16 | 61,000 | 28.64% |
| 3,000 | 1 | 21 | 3,000 | 32,000 | 15 | 77,000 | 36.15% |
| 4,000 | 2 | 23 | 8,000 | 40,000 | 13 | 92,000 | 43.19% |
| 10,000 | 1 | 24 | 10,000 | 50,000 | 12 | 170,000 | 79.81% |
| 11,000 | 5 | 29 | 55,000 | 105,000 | 7 | 182,000 | 85.45% |
| 12,000 | 4 | 33 | 48,000 | 153,000 | 3 | 189,000 | 88.73% |
| 13,000 | 1 | 34 | 13,000 | 166,000 | 2 | 192,000 | 90.14% |
| 15,000 | 1 | 35 | 15,000 | 181,000 | 1 | 196,000 | 92.02% |
| 32,000 | 1 | 36 | 32,000 | 213,000 | 0 | 213,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 7 of 14

Water [x] or Sewer []
 Clinton

Preparer: Spencer Nedved

Customer Class: Governmental

Meter Size: 1 5"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+ (5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|---|-------------------------------|
| 2,000 | 6 | 6 | 12,000 | 12,000 | 18 | 48,000 | 2.78% |
| 3,000 | 2 | 8 | 6,000 | 18,000 | 16 | 66,000 | 3.82% |
| 7,000 | 1 | 9 | 7,000 | 25,000 | 15 | 130,000 | 7.53% |
| 13,000 | 1 | 10 | 13,000 | 38,000 | 14 | 220,000 | 12.75% |
| 18,000 | 2 | 12 | 36,000 | 74,000 | 12 | 290,000 | 16.80% |
| 95,000 | 1 | 13 | 95,000 | 169,000 | 11 | 1,214,000 | 70.34% |
| 97,000 | 1 | 14 | 97,000 | 266,000 | 10 | 1,236,000 | 71.61% |
| 98,000 | 1 | 15 | 98,000 | 364,000 | 9 | 1,246,000 | 72.19% |
| 115,000 | 1 | 16 | 115,000 | 479,000 | 8 | 1,399,000 | 81.05% |
| 119,000 | 1 | 17 | 119,000 | 598,000 | 7 | 1,431,000 | 82.91% |
| 123,000 | 1 | 18 | 123,000 | 721,000 | 6 | 1,459,000 | 84.53% |
| 132,000 | 1 | 19 | 132,000 | 853,000 | 5 | 1,513,000 | 87.66% |
| 143,000 | 1 | 20 | 143,000 | 996,000 | 4 | 1,568,000 | 90.85% |
| 155,000 | 1 | 21 | 155,000 | 1,151,000 | 3 | 1,616,000 | 93.63% |
| 159,000 | 1 | 22 | 159,000 | 1,310,000 | 2 | 1,628,000 | 94.32% |
| 172,000 | 1 | 23 | 172,000 | 1,482,000 | 1 | 1,654,000 | 95.63% |
| 244,000 | 1 | 24 | 244,000 | 1,726,000 | 0 | 1,726,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 8 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 2"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor {[(1)*(6)]+(5)} | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 4 | 4 | 0 | 0 | 68 | 0 | 0.00% |
| 1,000 | 10 | 14 | 10,000 | 10,000 | 58 | 68,000 | 1.88% |
| 2,000 | 11 | 25 | 22,000 | 32,000 | 47 | 126,000 | 3.48% |
| 3,000 | 8 | 33 | 24,000 | 56,000 | 39 | 173,000 | 4.78% |
| 4,000 | 2 | 35 | 8,000 | 64,000 | 37 | 212,000 | 5.86% |
| 5,000 | 1 | 36 | 5,000 | 69,000 | 36 | 249,000 | 6.88% |
| 23,000 | 1 | 37 | 23,000 | 92,000 | 35 | 897,000 | 24.78% |
| 25,000 | 1 | 38 | 25,000 | 117,000 | 34 | 967,000 | 26.71% |
| 31,000 | 1 | 39 | 31,000 | 148,000 | 33 | 1,171,000 | 32.35% |
| 42,000 | 1 | 40 | 42,000 | 190,000 | 32 | 1,534,000 | 42.38% |
| 45,000 | 1 | 41 | 45,000 | 235,000 | 31 | 1,630,000 | 45.03% |
| 47,000 | 1 | 42 | 47,000 | 282,000 | 30 | 1,692,000 | 46.74% |
| 50,000 | 1 | 43 | 50,000 | 332,000 | 29 | 1,782,000 | 49.23% |
| 52,000 | 1 | 44 | 52,000 | 384,000 | 28 | 1,840,000 | 50.83% |
| 53,000 | 1 | 45 | 53,000 | 437,000 | 27 | 1,868,000 | 51.60% |
| 57,000 | 3 | 48 | 171,000 | 608,000 | 24 | 1,976,000 | 54.59% |
| 60,000 | 1 | 49 | 60,000 | 668,000 | 23 | 2,048,000 | 56.57% |
| 62,000 | 1 | 50 | 62,000 | 730,000 | 22 | 2,094,000 | 57.85% |
| 63,000 | 1 | 51 | 63,000 | 793,000 | 21 | 2,116,000 | 58.45% |
| 65,000 | 1 | 52 | 65,000 | 858,000 | 20 | 2,158,000 | 59.61% |
| 67,000 | 1 | 53 | 67,000 | 925,000 | 19 | 2,198,000 | 60.72% |
| 74,000 | 2 | 55 | 148,000 | 1,073,000 | 17 | 2,331,000 | 64.39% |
| 76,000 | 1 | 56 | 76,000 | 1,149,000 | 16 | 2,365,000 | 65.33% |
| 77,000 | 1 | 57 | 77,000 | 1,226,000 | 15 | 2,381,000 | 65.77% |
| 98,000 | 1 | 58 | 98,000 | 1,324,000 | 14 | 2,696,000 | 74.48% |
| 108,000 | 1 | 59 | 108,000 | 1,432,000 | 13 | 2,836,000 | 78.34% |
| 111,000 | 1 | 60 | 111,000 | 1,543,000 | 12 | 2,875,000 | 79.42% |
| 135,000 | 1 | 61 | 135,000 | 1,678,000 | 11 | 3,163,000 | 87.38% |
| 136,000 | 1 | 62 | 136,000 | 1,814,000 | 10 | 3,174,000 | 87.68% |
| 148,000 | 1 | 63 | 148,000 | 1,962,000 | 9 | 3,294,000 | 90.99% |
| 154,000 | 1 | 64 | 154,000 | 2,116,000 | 8 | 3,348,000 | 92.49% |
| 165,000 | 2 | 66 | 330,000 | 2,446,000 | 6 | 3,436,000 | 94.92% |
| 169,000 | 1 | 67 | 169,000 | 2,615,000 | 5 | 3,460,000 | 95.58% |
| 191,000 | 1 | 68 | 191,000 | 2,806,000 | 4 | 3,570,000 | 98.62% |
| 197,000 | 1 | 69 | 197,000 | 3,003,000 | 3 | 3,594,000 | 99.28% |
| 199,000 | 1 | 70 | 199,000 | 3,202,000 | 2 | 3,600,000 | 99.45% |
| 205,000 | 1 | 71 | 205,000 | 3,407,000 | 1 | 3,612,000 | 99.78% |
| 213,000 | 1 | 72 | 213,000 | 3,620,000 | 0 | 3,620,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 9 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 3/4"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[{(1)*(6)}+(5)]] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 21 | 21 | 0 | 0 | 51 | 0 | 0.00% |
| 1,000 | 8 | 29 | 8,000 | 8,000 | 43 | 51,000 | 36.96% |
| 2,000 | 17 | 46 | 34,000 | 42,000 | 26 | 94,000 | 68.12% |
| 3,000 | 13 | 59 | 39,000 | 81,000 | 13 | 120,000 | 86.96% |
| 4,000 | 10 | 69 | 40,000 | 121,000 | 3 | 133,000 | 96.38% |
| 5,000 | 1 | 70 | 5,000 | 126,000 | 2 | 136,000 | 98.55% |
| 6,000 | 2 | 72 | 12,000 | 138,000 | 0 | 138,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 10 of 14

Water or Sewer
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 5/8"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 9 | 9 | 0 | 0 | 16 | 0 | 0.00% |
| 1,000 | 16 | 25 | 16,000 | 16,000 | 0 | 16,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 11 of 14

Water [x] or Sewer []
 Clinton

Preparer: Spencer Nedved

Customer Class: Governmental

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+ (5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|---|-------------------------------|
| 2,000 | 1 | 1 | 2,000 | 2,000 | 83 | 168,000 | 13.15% |
| 3,000 | 3 | 4 | 9,000 | 11,000 | 80 | 251,000 | 19.64% |
| 6,000 | 1 | 5 | 6,000 | 17,000 | 79 | 491,000 | 38.42% |
| 7,000 | 1 | 6 | 7,000 | 24,000 | 78 | 570,000 | 44.60% |
| 8,000 | 3 | 9 | 24,000 | 48,000 | 75 | 648,000 | 50.70% |
| 9,000 | 2 | 11 | 18,000 | 66,000 | 73 | 723,000 | 56.57% |
| 11,000 | 6 | 17 | 66,000 | 132,000 | 67 | 869,000 | 68.00% |
| 12,000 | 7 | 24 | 84,000 | 216,000 | 60 | 936,000 | 73.24% |
| 13,000 | 12 | 36 | 156,000 | 372,000 | 48 | 996,000 | 77.93% |
| 14,000 | 8 | 44 | 112,000 | 484,000 | 40 | 1,044,000 | 81.69% |
| 15,000 | 6 | 50 | 90,000 | 574,000 | 34 | 1,084,000 | 84.82% |
| 16,000 | 8 | 58 | 128,000 | 702,000 | 26 | 1,118,000 | 87.48% |
| 17,000 | 4 | 62 | 68,000 | 770,000 | 22 | 1,144,000 | 89.51% |
| 18,000 | 6 | 68 | 108,000 | 878,000 | 16 | 1,166,000 | 91.24% |
| 19,000 | 2 | 70 | 38,000 | 916,000 | 14 | 1,182,000 | 92.49% |
| 20,000 | 2 | 72 | 40,000 | 956,000 | 12 | 1,196,000 | 93.58% |
| 21,000 | 2 | 74 | 42,000 | 998,000 | 10 | 1,208,000 | 94.52% |
| 22,000 | 2 | 76 | 44,000 | 1,042,000 | 8 | 1,218,000 | 95.31% |
| 23,000 | 1 | 77 | 23,000 | 1,065,000 | 7 | 1,226,000 | 95.93% |
| 25,000 | 2 | 79 | 50,000 | 1,115,000 | 5 | 1,240,000 | 97.03% |
| 26,000 | 2 | 81 | 52,000 | 1,167,000 | 3 | 1,245,000 | 97.42% |
| 28,000 | 1 | 82 | 28,000 | 1,195,000 | 2 | 1,251,000 | 97.89% |
| 29,000 | 1 | 83 | 29,000 | 1,224,000 | 1 | 1,253,000 | 98.04% |
| 54,000 | 1 | 84 | 54,000 | 1,278,000 | 0 | 1,278,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 12 of 14

Water [x] or Sewer []
 Clinton

Preparer: Spencer Nedved

Customer Class: Commercial

Meter Size: 2"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 24,000 | 1 | 1 | 24,000 | 24,000 | 11 | 288,000 | 58.06% |
| 27,000 | 1 | 2 | 27,000 | 51,000 | 10 | 321,000 | 64.72% |
| 31,000 | 1 | 3 | 31,000 | 82,000 | 9 | 361,000 | 72.78% |
| 33,000 | 1 | 4 | 33,000 | 115,000 | 8 | 379,000 | 76.41% |
| 34,000 | 1 | 5 | 34,000 | 149,000 | 7 | 387,000 | 78.02% |
| 37,000 | 2 | 7 | 74,000 | 223,000 | 5 | 408,000 | 82.26% |
| 41,000 | 1 | 8 | 41,000 | 264,000 | 4 | 428,000 | 86.29% |
| 45,000 | 1 | 9 | 45,000 | 309,000 | 3 | 444,000 | 89.52% |
| 47,000 | 1 | 10 | 47,000 | 356,000 | 2 | 450,000 | 90.73% |
| 52,000 | 1 | 11 | 52,000 | 408,000 | 1 | 460,000 | 92.74% |
| 88,000 | 1 | 12 | 88,000 | 496,000 | 0 | 496,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 13 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved
 Meter Size: 3/4"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor $\frac{((1)*(6))+5}{5}$ | (8) Percentage of Total |
|--------------------------|------------------------|-------------------------|---------------------------------|---------------------------|-----------------------|--|----------------------------|
| 0 | 424 | 424 | 0 | 0 | 5,352 | 0 | 0.00% |
| 1,000 | 949 | 1,373 | 949,000 | 949,000 | 4,403 | 5,352,000 | 26.97% |
| 2,000 | 1,132 | 2,505 | 2,264,000 | 3,213,000 | 3,271 | 9,755,000 | 49.16% |
| 3,000 | 983 | 3,488 | 2,949,000 | 6,162,000 | 2,288 | 13,026,000 | 65.65% |
| 4,000 | 839 | 4,327 | 3,356,000 | 9,518,000 | 1,449 | 15,314,000 | 77.18% |
| 5,000 | 563 | 4,890 | 2,815,000 | 12,333,000 | 886 | 16,763,000 | 84.48% |
| 6,000 | 348 | 5,238 | 2,088,000 | 14,421,000 | 538 | 17,649,000 | 88.95% |
| 7,000 | 206 | 5,444 | 1,442,000 | 15,863,000 | 332 | 18,187,000 | 91.66% |
| 8,000 | 116 | 5,560 | 928,000 | 16,791,000 | 216 | 18,519,000 | 93.33% |
| 9,000 | 56 | 5,616 | 504,000 | 17,295,000 | 160 | 18,735,000 | 94.42% |
| 10,000 | 41 | 5,657 | 410,000 | 17,705,000 | 119 | 18,895,000 | 95.23% |
| 11,000 | 25 | 5,682 | 275,000 | 17,980,000 | 94 | 19,014,000 | 95.83% |
| 12,000 | 9 | 5,691 | 108,000 | 18,088,000 | 85 | 19,108,000 | 96.30% |
| 13,000 | 16 | 5,707 | 208,000 | 18,296,000 | 69 | 19,193,000 | 96.73% |
| 14,000 | 9 | 5,716 | 126,000 | 18,422,000 | 60 | 19,262,000 | 97.08% |
| 15,000 | 14 | 5,730 | 210,000 | 18,632,000 | 46 | 19,322,000 | 97.38% |
| 16,000 | 7 | 5,737 | 112,000 | 18,744,000 | 39 | 19,368,000 | 97.61% |
| 17,000 | 5 | 5,742 | 85,000 | 18,829,000 | 34 | 19,407,000 | 97.81% |
| 18,000 | 6 | 5,748 | 108,000 | 18,937,000 | 28 | 19,441,000 | 97.98% |
| 19,000 | 2 | 5,750 | 38,000 | 18,975,000 | 26 | 19,469,000 | 98.12% |
| 20,000 | 1 | 5,751 | 20,000 | 18,995,000 | 25 | 19,495,000 | 98.25% |
| 21,000 | 2 | 5,753 | 42,000 | 19,037,000 | 23 | 19,520,000 | 98.38% |
| 22,000 | 3 | 5,756 | 66,000 | 19,103,000 | 20 | 19,543,000 | 98.49% |
| 24,000 | 3 | 5,759 | 72,000 | 19,175,000 | 17 | 19,583,000 | 98.69% |
| 25,000 | 1 | 5,760 | 25,000 | 19,200,000 | 16 | 19,600,000 | 98.78% |
| 26,000 | 1 | 5,761 | 26,000 | 19,226,000 | 15 | 19,616,000 | 98.86% |
| 27,000 | 3 | 5,764 | 81,000 | 19,307,000 | 12 | 19,631,000 | 98.94% |
| 29,000 | 3 | 5,767 | 87,000 | 19,394,000 | 9 | 19,655,000 | 99.06% |
| 32,000 | 2 | 5,769 | 64,000 | 19,458,000 | 7 | 19,682,000 | 99.19% |
| 35,000 | 1 | 5,770 | 35,000 | 19,493,000 | 6 | 19,703,000 | 99.30% |
| 43,000 | 1 | 5,771 | 43,000 | 19,536,000 | 5 | 19,751,000 | 99.54% |
| 44,000 | 1 | 5,772 | 44,000 | 19,580,000 | 4 | 19,756,000 | 99.57% |
| 48,000 | 1 | 5,773 | 48,000 | 19,628,000 | 3 | 19,772,000 | 99.65% |
| 57,000 | 1 | 5,774 | 57,000 | 19,685,000 | 2 | 19,799,000 | 99.78% |
| 63,000 | 1 | 5,775 | 63,000 | 19,748,000 | 1 | 19,811,000 | 99.84% |
| 94,000 | 1 | 5,776 | 94,000 | 19,842,000 | 0 | 19,842,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Schedule: E-14
 Page 14 of 14

Water [x] or Sewer []
 Clinton
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 5/8"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 32 | 32 | 0 | 0 | 205 | 0 | 0.00% |
| 1,000 | 33 | 65 | 33,000 | 33,000 | 172 | 205,000 | 26.73% |
| 2,000 | 51 | 116 | 102,000 | 135,000 | 121 | 377,000 | 49.15% |
| 3,000 | 45 | 161 | 135,000 | 270,000 | 76 | 498,000 | 64.93% |
| 4,000 | 23 | 184 | 92,000 | 362,000 | 53 | 574,000 | 74.84% |
| 5,000 | 12 | 196 | 60,000 | 422,000 | 41 | 627,000 | 81.75% |
| 6,000 | 8 | 204 | 48,000 | 470,000 | 33 | 668,000 | 87.09% |
| 7,000 | 5 | 209 | 35,000 | 505,000 | 28 | 701,000 | 91.40% |
| 8,000 | 8 | 217 | 64,000 | 569,000 | 20 | 729,000 | 95.05% |
| 9,000 | 10 | 227 | 90,000 | 659,000 | 10 | 749,000 | 97.65% |
| 10,000 | 6 | 233 | 60,000 | 719,000 | 4 | 759,000 | 98.96% |
| 11,000 | 2 | 235 | 22,000 | 741,000 | 2 | 763,000 | 99.48% |
| 12,000 | 1 | 236 | 12,000 | 753,000 | 1 | 765,000 | 99.74% |
| 14,000 | 1 | 237 | 14,000 | 767,000 | 0 | 767,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor (((1)*(6))+(5)) | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 3 | 3 | 0 | 0 | 33 | 0 | 0.00% |
| 1,000 | 4 | 7 | 4,000 | 4,000 | 29 | 33,000 | 8.25% |
| 3,000 | 1 | 8 | 3,000 | 7,000 | 28 | 91,000 | 22.75% |
| 4,000 | 2 | 10 | 8,000 | 15,000 | 26 | 119,000 | 29.75% |
| 6,000 | 3 | 13 | 18,000 | 33,000 | 23 | 171,000 | 42.75% |
| 7,000 | 1 | 14 | 7,000 | 40,000 | 22 | 194,000 | 48.50% |
| 8,000 | 2 | 16 | 16,000 | 56,000 | 20 | 216,000 | 54.00% |
| 9,000 | 1 | 17 | 9,000 | 65,000 | 19 | 236,000 | 59.00% |
| 10,000 | 1 | 18 | 10,000 | 75,000 | 18 | 255,000 | 63.75% |
| 12,000 | 1 | 19 | 12,000 | 87,000 | 17 | 291,000 | 72.75% |
| 13,000 | 1 | 20 | 13,000 | 100,000 | 16 | 308,000 | 77.00% |
| 14,000 | 1 | 21 | 14,000 | 114,000 | 15 | 324,000 | 81.00% |
| 15,000 | 3 | 24 | 45,000 | 159,000 | 12 | 339,000 | 84.75% |
| 16,000 | 3 | 27 | 48,000 | 207,000 | 9 | 351,000 | 87.75% |
| 17,000 | 1 | 28 | 17,000 | 224,000 | 8 | 360,000 | 90.00% |
| 18,000 | 3 | 31 | 54,000 | 278,000 | 5 | 368,000 | 92.00% |
| 21,000 | 1 | 32 | 21,000 | 299,000 | 4 | 383,000 | 95.75% |
| 22,000 | 2 | 34 | 44,000 | 343,000 | 2 | 387,000 | 96.75% |
| 24,000 | 1 | 35 | 24,000 | 367,000 | 1 | 391,000 | 97.75% |
| 33,000 | 1 | 36 | 33,000 | 400,000 | 0 | 400,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor (((1)*(6))+(5)) | (8) Percentage of Total |
|--------------------------|------------------------|-------------------------|---------------------------------|---------------------------|-----------------------|---|----------------------------|
| 0 | 4,967 | 4,967 | 0 | 0 | 55,397 | 0 | 0.00% |
| 1,000 | 7,815 | 12,782 | 7,815,000 | 7,815,000 | 47,582 | 55,397,000 | 22.02% |
| 2,000 | 9,543 | 22,325 | 19,086,000 | 26,901,000 | 38,039 | 102,979,000 | 40.93% |
| 3,000 | 9,227 | 31,552 | 27,681,000 | 54,582,000 | 28,812 | 141,018,000 | 56.04% |
| 4,000 | 8,406 | 39,958 | 33,624,000 | 88,206,000 | 20,406 | 169,830,000 | 67.49% |
| 5,000 | 6,228 | 46,186 | 31,140,000 | 119,346,000 | 14,178 | 190,236,000 | 75.60% |
| 6,000 | 4,340 | 50,526 | 26,040,000 | 145,386,000 | 9,838 | 204,414,000 | 81.24% |
| 7,000 | 2,872 | 53,398 | 20,104,000 | 165,490,000 | 6,966 | 214,252,000 | 85.15% |
| 8,000 | 1,948 | 55,346 | 15,584,000 | 181,074,000 | 5,018 | 221,218,000 | 87.92% |
| 9,000 | 1,341 | 56,687 | 12,069,000 | 193,143,000 | 3,677 | 226,236,000 | 89.91% |
| 10,000 | 966 | 57,653 | 9,660,000 | 202,803,000 | 2,711 | 229,913,000 | 91.37% |
| 11,000 | 617 | 58,270 | 6,787,000 | 209,590,000 | 2,094 | 232,624,000 | 92.45% |
| 12,000 | 446 | 58,716 | 5,352,000 | 214,942,000 | 1,648 | 234,718,000 | 93.28% |
| 13,000 | 279 | 58,995 | 3,627,000 | 218,569,000 | 1,369 | 236,366,000 | 93.94% |
| 14,000 | 264 | 59,259 | 3,696,000 | 222,265,000 | 1,105 | 237,735,000 | 94.48% |
| 15,000 | 165 | 59,424 | 2,475,000 | 224,740,000 | 940 | 238,840,000 | 94.92% |
| 16,000 | 127 | 59,551 | 2,032,000 | 226,772,000 | 813 | 239,780,000 | 95.29% |
| 17,000 | 101 | 59,652 | 1,717,000 | 228,489,000 | 712 | 240,593,000 | 95.62% |
| 18,000 | 100 | 59,752 | 1,800,000 | 230,289,000 | 612 | 241,305,000 | 95.90% |
| 19,000 | 84 | 59,836 | 1,596,000 | 231,885,000 | 528 | 241,917,000 | 96.14% |
| 20,000 | 59 | 59,895 | 1,180,000 | 233,065,000 | 469 | 242,445,000 | 96.35% |
| 21,000 | 54 | 59,949 | 1,134,000 | 234,199,000 | 415 | 242,914,000 | 96.54% |
| 22,000 | 44 | 59,993 | 968,000 | 235,167,000 | 371 | 243,329,000 | 96.70% |
| 23,000 | 31 | 60,024 | 713,000 | 235,880,000 | 340 | 243,700,000 | 96.85% |
| 24,000 | 34 | 60,058 | 816,000 | 236,696,000 | 306 | 244,040,000 | 96.99% |
| 25,000 | 14 | 60,072 | 350,000 | 237,046,000 | 292 | 244,346,000 | 97.11% |
| 26,000 | 20 | 60,092 | 520,000 | 237,566,000 | 272 | 244,638,000 | 97.23% |
| 27,000 | 27 | 60,119 | 729,000 | 238,295,000 | 245 | 244,910,000 | 97.33% |
| 28,000 | 31 | 60,150 | 868,000 | 239,163,000 | 214 | 245,155,000 | 97.43% |
| 29,000 | 15 | 60,165 | 435,000 | 239,598,000 | 199 | 245,369,000 | 97.52% |
| 30,000 | 15 | 60,180 | 450,000 | 240,048,000 | 184 | 245,568,000 | 97.59% |
| 31,000 | 15 | 60,195 | 465,000 | 240,513,000 | 169 | 245,752,000 | 97.67% |
| 32,000 | 16 | 60,211 | 512,000 | 241,025,000 | 153 | 245,921,000 | 97.74% |
| 33,000 | 13 | 60,224 | 429,000 | 241,454,000 | 140 | 246,074,000 | 97.80% |
| 34,000 | 10 | 60,234 | 340,000 | 241,794,000 | 130 | 246,214,000 | 97.85% |
| 35,000 | 4 | 60,238 | 140,000 | 241,934,000 | 126 | 246,344,000 | 97.90% |
| 36,000 | 8 | 60,246 | 288,000 | 242,222,000 | 118 | 246,470,000 | 97.95% |
| 37,000 | 9 | 60,255 | 333,000 | 242,555,000 | 109 | 246,588,000 | 98.00% |
| 38,000 | 4 | 60,259 | 152,000 | 242,707,000 | 105 | 246,697,000 | 98.04% |
| 39,000 | 4 | 60,263 | 156,000 | 242,863,000 | 101 | 246,801,000 | 98.09% |
| 40,000 | 3 | 60,266 | 120,000 | 242,983,000 | 98 | 246,903,000 | 98.13% |
| 41,000 | 4 | 60,270 | 164,000 | 243,147,000 | 94 | 247,001,000 | 98.16% |
| 42,000 | 5 | 60,275 | 210,000 | 243,357,000 | 89 | 247,095,000 | 98.20% |
| 43,000 | 3 | 60,278 | 129,000 | 243,486,000 | 86 | 247,184,000 | 98.24% |
| 44,000 | 6 | 60,284 | 264,000 | 243,750,000 | 80 | 247,270,000 | 98.27% |
| 45,000 | 2 | 60,286 | 90,000 | 243,840,000 | 78 | 247,350,000 | 98.30% |
| 46,000 | 3 | 60,289 | 138,000 | 243,978,000 | 75 | 247,428,000 | 98.33% |
| 47,000 | 4 | 60,293 | 188,000 | 244,166,000 | 71 | 247,503,000 | 98.36% |
| 48,000 | 2 | 60,295 | 96,000 | 244,262,000 | 69 | 247,574,000 | 98.39% |
| 49,000 | 1 | 60,296 | 49,000 | 244,311,000 | 68 | 247,643,000 | 98.42% |
| 50,000 | 6 | 60,302 | 300,000 | 244,611,000 | 62 | 247,711,000 | 98.45% |
| 51,000 | 3 | 60,305 | 153,000 | 244,764,000 | 59 | 247,773,000 | 98.47% |
| 52,000 | 2 | 60,307 | 104,000 | 244,868,000 | 57 | 247,832,000 | 98.49% |
| 53,000 | 2 | 60,309 | 106,000 | 244,974,000 | 55 | 247,889,000 | 98.52% |
| 54,000 | 2 | 60,311 | 108,000 | 245,082,000 | 53 | 247,944,000 | 98.54% |
| 55,000 | 1 | 60,312 | 55,000 | 245,137,000 | 52 | 247,997,000 | 98.56% |
| 56,000 | 3 | 60,315 | 168,000 | 245,305,000 | 49 | 248,049,000 | 98.58% |
| 57,000 | 2 | 60,317 | 114,000 | 245,419,000 | 47 | 248,098,000 | 98.60% |
| 58,000 | 1 | 60,318 | 58,000 | 245,477,000 | 46 | 248,145,000 | 98.62% |
| 60,000 | 3 | 60,321 | 180,000 | 245,657,000 | 43 | 248,237,000 | 98.66% |
| 61,000 | 2 | 60,323 | 122,000 | 245,779,000 | 41 | 248,280,000 | 98.67% |
| 63,000 | 2 | 60,325 | 126,000 | 245,905,000 | 39 | 248,362,000 | 98.71% |
| 65,000 | 1 | 60,326 | 65,000 | 245,970,000 | 38 | 248,440,000 | 98.74% |
| 66,000 | 1 | 60,327 | 66,000 | 246,036,000 | 37 | 248,478,000 | 98.75% |
| 67,000 | 1 | 60,328 | 67,000 | 246,103,000 | 36 | 248,515,000 | 98.77% |
| 69,000 | 3 | 60,331 | 207,000 | 246,310,000 | 33 | 248,587,000 | 98.79% |
| 70,000 | 2 | 60,333 | 140,000 | 246,450,000 | 31 | 248,620,000 | 98.81% |
| 71,000 | 1 | 60,334 | 71,000 | 246,521,000 | 30 | 248,651,000 | 98.82% |
| 73,000 | 1 | 60,335 | 73,000 | 246,594,000 | 29 | 248,711,000 | 98.84% |
| 77,000 | 1 | 60,336 | 77,000 | 246,671,000 | 28 | 248,827,000 | 98.89% |
| 79,000 | 1 | 60,337 | 79,000 | 246,750,000 | 27 | 248,883,000 | 98.91% |
| 81,000 | 1 | 60,338 | 81,000 | 246,831,000 | 26 | 248,937,000 | 98.93% |
| 82,000 | 1 | 60,339 | 82,000 | 246,913,000 | 25 | 248,963,000 | 98.94% |
| 84,000 | 1 | 60,340 | 84,000 | 246,997,000 | 24 | 249,013,000 | 98.96% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

| | | | | | | | |
|---------|---|--------|---------|-------------|----|-------------|---------|
| 85,000 | 1 | 60,341 | 85,000 | 247,082,000 | 23 | 249,037,000 | 98.97% |
| 86,000 | 2 | 60,343 | 172,000 | 247,254,000 | 21 | 249,060,000 | 98.98% |
| 89,000 | 1 | 60,344 | 89,000 | 247,343,000 | 20 | 249,123,000 | 99.01% |
| 91,000 | 1 | 60,345 | 91,000 | 247,434,000 | 19 | 249,163,000 | 99.02% |
| 94,000 | 1 | 60,346 | 94,000 | 247,528,000 | 18 | 249,220,000 | 99.05% |
| 102,000 | 1 | 60,347 | 102,000 | 247,630,000 | 17 | 249,364,000 | 99.10% |
| 115,000 | 2 | 60,349 | 230,000 | 247,660,000 | 15 | 249,585,000 | 99.19% |
| 120,000 | 1 | 60,350 | 120,000 | 247,980,000 | 14 | 249,660,000 | 99.22% |
| 130,000 | 1 | 60,351 | 130,000 | 248,110,000 | 13 | 249,800,000 | 99.28% |
| 133,000 | 1 | 60,352 | 133,000 | 248,243,000 | 12 | 249,839,000 | 99.29% |
| 142,000 | 1 | 60,353 | 142,000 | 248,385,000 | 11 | 249,947,000 | 99.34% |
| 147,000 | 2 | 60,355 | 294,000 | 248,679,000 | 9 | 250,002,000 | 99.36% |
| 153,000 | 1 | 60,356 | 153,000 | 248,832,000 | 8 | 250,066,000 | 99.38% |
| 155,000 | 1 | 60,357 | 155,000 | 248,987,000 | 7 | 250,072,000 | 99.38% |
| 165,000 | 1 | 60,358 | 165,000 | 249,152,000 | 6 | 250,142,000 | 99.41% |
| 173,000 | 1 | 60,359 | 173,000 | 249,325,000 | 5 | 250,190,000 | 99.43% |
| 249,000 | 1 | 60,360 | 249,000 | 249,574,000 | 4 | 250,570,000 | 99.58% |
| 258,000 | 1 | 60,361 | 258,000 | 249,632,000 | 3 | 250,606,000 | 99.60% |
| 543,000 | 1 | 60,362 | 543,000 | 250,375,000 | 2 | 251,461,000 | 99.94% |
| 585,000 | 1 | 60,363 | 585,000 | 250,960,000 | 1 | 251,545,000 | 99.97% |
| 660,000 | 1 | 60,364 | 660,000 | 251,620,000 | 0 | 251,620,000 | 100.00% |

Company: Water Service Corporation of Kentucky
Docket No: 2010-00476
Test Year Ended: September 30, 2010

Water [x] or Sewer []

Preparer: Spencer Nedved

Middlesboro

Customer Class: Commercial

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+{(5)}] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 1,691 | 1,691 | 0 | 0 | 4,720 | 0 | 0.00% |
| 1,000 | 1,329 | 3,020 | 1,329,000 | 1,329,000 | 3,391 | 4,720,000 | 17.61% |
| 2,000 | 875 | 3,895 | 1,750,000 | 3,079,000 | 2,516 | 8,111,000 | 30.25% |
| 3,000 | 694 | 4,589 | 2,082,000 | 5,161,000 | 1,822 | 10,627,000 | 39.64% |
| 4,000 | 429 | 5,018 | 1,716,000 | 6,877,000 | 1,393 | 12,449,000 | 46.44% |
| 5,000 | 261 | 5,279 | 1,305,000 | 8,182,000 | 1,132 | 13,842,000 | 51.63% |
| 6,000 | 214 | 5,493 | 1,284,000 | 9,466,000 | 918 | 14,974,000 | 55.85% |
| 7,000 | 127 | 5,620 | 889,000 | 10,355,000 | 791 | 15,892,000 | 59.28% |
| 8,000 | 110 | 5,730 | 880,000 | 11,235,000 | 681 | 16,683,000 | 62.23% |
| 9,000 | 102 | 5,832 | 918,000 | 12,153,000 | 579 | 17,364,000 | 64.77% |
| 10,000 | 66 | 5,898 | 660,000 | 12,813,000 | 513 | 17,943,000 | 66.93% |
| 11,000 | 63 | 5,961 | 693,000 | 13,506,000 | 450 | 18,456,000 | 68.84% |
| 12,000 | 49 | 6,010 | 588,000 | 14,094,000 | 401 | 18,906,000 | 70.52% |
| 13,000 | 44 | 6,054 | 572,000 | 14,666,000 | 357 | 19,307,000 | 72.02% |
| 14,000 | 25 | 6,079 | 350,000 | 15,016,000 | 332 | 19,664,000 | 73.35% |
| 15,000 | 29 | 6,108 | 435,000 | 15,451,000 | 303 | 19,996,000 | 74.59% |
| 16,000 | 40 | 6,148 | 640,000 | 16,091,000 | 263 | 20,299,000 | 75.72% |
| 17,000 | 24 | 6,172 | 408,000 | 16,499,000 | 239 | 20,562,000 | 76.70% |
| 18,000 | 10 | 6,182 | 180,000 | 16,679,000 | 229 | 20,801,000 | 77.59% |
| 19,000 | 22 | 6,204 | 418,000 | 17,097,000 | 207 | 21,030,000 | 78.44% |
| 20,000 | 15 | 6,219 | 300,000 | 17,397,000 | 192 | 21,237,000 | 79.22% |
| 21,000 | 11 | 6,230 | 231,000 | 17,628,000 | 181 | 21,429,000 | 79.93% |
| 22,000 | 11 | 6,241 | 242,000 | 17,870,000 | 170 | 21,610,000 | 80.61% |
| 23,000 | 10 | 6,251 | 230,000 | 18,100,000 | 160 | 21,780,000 | 81.24% |
| 24,000 | 7 | 6,258 | 168,000 | 18,268,000 | 153 | 21,940,000 | 81.84% |
| 25,000 | 10 | 6,268 | 250,000 | 18,518,000 | 143 | 22,093,000 | 82.41% |
| 26,000 | 8 | 6,276 | 208,000 | 18,726,000 | 135 | 22,236,000 | 82.94% |
| 27,000 | 6 | 6,282 | 162,000 | 18,888,000 | 129 | 22,371,000 | 83.45% |
| 28,000 | 4 | 6,286 | 112,000 | 19,000,000 | 125 | 22,500,000 | 83.93% |
| 29,000 | 3 | 6,289 | 87,000 | 19,087,000 | 122 | 22,625,000 | 84.39% |
| 30,000 | 6 | 6,295 | 180,000 | 19,267,000 | 116 | 22,747,000 | 84.85% |
| 31,000 | 3 | 6,298 | 93,000 | 19,360,000 | 113 | 22,863,000 | 85.28% |
| 32,000 | 5 | 6,303 | 160,000 | 19,520,000 | 108 | 22,976,000 | 85.70% |
| 33,000 | 4 | 6,307 | 132,000 | 19,652,000 | 104 | 23,084,000 | 86.11% |
| 34,000 | 3 | 6,310 | 102,000 | 19,754,000 | 101 | 23,188,000 | 86.49% |
| 35,000 | 1 | 6,311 | 35,000 | 19,789,000 | 100 | 23,289,000 | 86.87% |
| 36,000 | 1 | 6,312 | 36,000 | 19,825,000 | 99 | 23,389,000 | 87.24% |
| 37,000 | 3 | 6,315 | 111,000 | 19,936,000 | 96 | 23,488,000 | 87.61% |
| 40,000 | 5 | 6,320 | 200,000 | 20,136,000 | 91 | 23,776,000 | 88.69% |
| 41,000 | 1 | 6,321 | 41,000 | 20,177,000 | 90 | 23,867,000 | 89.03% |
| 42,000 | 1 | 6,322 | 42,000 | 20,219,000 | 89 | 23,957,000 | 89.36% |
| 43,000 | 2 | 6,324 | 86,000 | 20,305,000 | 87 | 24,046,000 | 89.69% |
| 44,000 | 1 | 6,325 | 44,000 | 20,349,000 | 86 | 24,133,000 | 90.02% |
| 45,000 | 3 | 6,328 | 135,000 | 20,484,000 | 83 | 24,219,000 | 90.34% |
| 46,000 | 3 | 6,331 | 138,000 | 20,622,000 | 80 | 24,302,000 | 90.65% |
| 47,000 | 1 | 6,332 | 47,000 | 20,669,000 | 79 | 24,382,000 | 90.95% |
| 48,000 | 4 | 6,336 | 192,000 | 20,861,000 | 75 | 24,461,000 | 91.24% |
| 49,000 | 2 | 6,338 | 98,000 | 20,959,000 | 73 | 24,536,000 | 91.52% |
| 50,000 | 2 | 6,340 | 100,000 | 21,059,000 | 71 | 24,609,000 | 91.79% |
| 51,000 | 2 | 6,342 | 102,000 | 21,161,000 | 69 | 24,680,000 | 92.06% |
| 52,000 | 5 | 6,347 | 260,000 | 21,421,000 | 64 | 24,749,000 | 92.32% |
| 53,000 | 1 | 6,348 | 53,000 | 21,474,000 | 63 | 24,813,000 | 92.55% |
| 55,000 | 1 | 6,349 | 55,000 | 21,529,000 | 62 | 24,939,000 | 93.02% |
| 56,000 | 2 | 6,351 | 112,000 | 21,641,000 | 60 | 25,001,000 | 93.26% |
| 57,000 | 4 | 6,355 | 228,000 | 21,869,000 | 56 | 25,061,000 | 93.48% |
| 58,000 | 2 | 6,357 | 116,000 | 21,985,000 | 54 | 25,117,000 | 93.69% |
| 60,000 | 2 | 6,359 | 120,000 | 22,105,000 | 52 | 25,225,000 | 94.09% |
| 61,000 | 1 | 6,360 | 61,000 | 22,166,000 | 51 | 25,277,000 | 94.29% |
| 62,000 | 2 | 6,362 | 124,000 | 22,290,000 | 49 | 25,328,000 | 94.48% |
| 64,000 | 3 | 6,365 | 192,000 | 22,482,000 | 46 | 25,426,000 | 94.84% |
| 65,000 | 1 | 6,366 | 65,000 | 22,547,000 | 45 | 25,472,000 | 95.01% |
| 67,000 | 3 | 6,369 | 201,000 | 22,748,000 | 42 | 25,562,000 | 95.35% |
| 68,000 | 1 | 6,370 | 68,000 | 22,816,000 | 41 | 25,604,000 | 95.51% |
| 69,000 | 1 | 6,371 | 69,000 | 22,885,000 | 40 | 25,645,000 | 95.66% |
| 70,000 | 3 | 6,374 | 210,000 | 23,095,000 | 37 | 25,685,000 | 95.81% |
| 71,000 | 1 | 6,375 | 71,000 | 23,166,000 | 36 | 25,722,000 | 95.95% |
| 72,000 | 1 | 6,376 | 72,000 | 23,238,000 | 35 | 25,758,000 | 96.08% |
| 76,000 | 1 | 6,377 | 76,000 | 23,314,000 | 34 | 25,898,000 | 96.60% |
| 78,000 | 1 | 6,378 | 78,000 | 23,392,000 | 33 | 25,966,000 | 96.86% |
| 79,000 | 2 | 6,380 | 158,000 | 23,550,000 | 31 | 25,999,000 | 96.98% |
| 80,000 | 2 | 6,382 | 160,000 | 23,710,000 | 29 | 26,030,000 | 97.09% |
| 83,000 | 1 | 6,383 | 83,000 | 23,793,000 | 28 | 26,117,000 | 97.42% |
| 84,000 | 1 | 6,384 | 84,000 | 23,877,000 | 27 | 26,145,000 | 97.52% |
| 85,000 | 1 | 6,385 | 85,000 | 23,962,000 | 26 | 26,172,000 | 97.62% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

| | | | | | | | |
|---------|---|-------|---------|------------|----|------------|---------|
| 86,000 | 1 | 6,386 | 86,000 | 24,048,000 | 25 | 26,198,000 | 97.72% |
| 87,000 | 1 | 6,387 | 87,000 | 24,135,000 | 24 | 26,223,000 | 97.81% |
| 88,000 | 3 | 6,390 | 264,000 | 24,399,000 | 21 | 26,247,000 | 97.90% |
| 93,000 | 1 | 6,391 | 93,000 | 24,492,000 | 20 | 26,352,000 | 98.30% |
| 95,000 | 1 | 6,392 | 95,000 | 24,587,000 | 19 | 26,392,000 | 98.44% |
| 96,000 | 1 | 6,393 | 96,000 | 24,683,000 | 18 | 26,411,000 | 98.52% |
| 99,000 | 1 | 6,394 | 99,000 | 24,782,000 | 17 | 26,465,000 | 98.72% |
| 100,000 | 4 | 6,398 | 400,000 | 25,182,000 | 13 | 26,482,000 | 98.78% |
| 101,000 | 1 | 6,399 | 101,000 | 25,283,000 | 12 | 26,495,000 | 98.83% |
| 102,000 | 2 | 6,401 | 204,000 | 25,487,000 | 10 | 26,507,000 | 98.87% |
| 104,000 | 1 | 6,402 | 104,000 | 25,591,000 | 9 | 26,527,000 | 98.95% |
| 107,000 | 1 | 6,403 | 107,000 | 25,698,000 | 8 | 26,554,000 | 99.05% |
| 110,000 | 2 | 6,405 | 220,000 | 25,918,000 | 6 | 26,578,000 | 99.14% |
| 111,000 | 1 | 6,406 | 111,000 | 26,029,000 | 5 | 26,584,000 | 99.16% |
| 119,000 | 1 | 6,407 | 119,000 | 26,148,000 | 4 | 26,624,000 | 99.31% |
| 120,000 | 1 | 6,408 | 120,000 | 26,268,000 | 3 | 26,628,000 | 99.32% |
| 127,000 | 1 | 6,409 | 127,000 | 26,395,000 | 2 | 26,649,000 | 99.40% |
| 151,000 | 1 | 6,410 | 151,000 | 26,546,000 | 1 | 26,697,000 | 99.58% |
| 263,000 | 1 | 6,411 | 263,000 | 26,809,000 | 0 | 26,809,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))/(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 55 | 55 | 0 | 0 | 71 | 0 | 0.00% |
| 1,000 | 35 | 90 | 35,000 | 35,000 | 36 | 71,000 | 28.86% |
| 2,000 | 7 | 97 | 14,000 | 49,000 | 29 | 107,000 | 43.50% |
| 3,000 | 7 | 104 | 21,000 | 70,000 | 22 | 136,000 | 55.28% |
| 4,000 | 5 | 109 | 20,000 | 90,000 | 17 | 158,000 | 64.23% |
| 5,000 | 2 | 111 | 10,000 | 100,000 | 15 | 175,000 | 71.14% |
| 6,000 | 3 | 114 | 18,000 | 118,000 | 12 | 190,000 | 77.24% |
| 7,000 | 1 | 115 | 7,000 | 125,000 | 11 | 202,000 | 82.11% |
| 8,000 | 5 | 120 | 40,000 | 165,000 | 6 | 213,000 | 86.59% |
| 9,000 | 2 | 122 | 18,000 | 183,000 | 4 | 219,000 | 89.02% |
| 10,000 | 1 | 123 | 10,000 | 193,000 | 3 | 223,000 | 90.65% |
| 15,000 | 1 | 124 | 15,000 | 208,000 | 2 | 238,000 | 96.75% |
| 16,000 | 1 | 125 | 16,000 | 224,000 | 1 | 240,000 | 97.56% |
| 22,000 | 1 | 126 | 22,000 | 246,000 | 0 | 246,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)] + (5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|---|-------------------------------|
| 0 | 46 | 46 | 0 | 0 | 101 | 0 | 0.00% |
| 1,000 | 36 | 82 | 36,000 | 36,000 | 65 | 101,000 | 5.10% |
| 2,000 | 15 | 97 | 30,000 | 66,000 | 50 | 166,000 | 8.39% |
| 3,000 | 11 | 108 | 33,000 | 99,000 | 39 | 216,000 | 10.91% |
| 4,000 | 9 | 117 | 36,000 | 135,000 | 30 | 255,000 | 12.89% |
| 5,000 | 3 | 120 | 15,000 | 150,000 | 27 | 285,000 | 14.40% |
| 6,000 | 3 | 123 | 18,000 | 168,000 | 24 | 312,000 | 15.77% |
| 7,000 | 3 | 126 | 21,000 | 189,000 | 21 | 336,000 | 16.98% |
| 10,000 | 2 | 128 | 20,000 | 209,000 | 19 | 399,000 | 20.16% |
| 12,000 | 1 | 129 | 12,000 | 221,000 | 18 | 437,000 | 22.08% |
| 13,000 | 2 | 131 | 26,000 | 247,000 | 16 | 455,000 | 22.99% |
| 14,000 | 1 | 132 | 14,000 | 261,000 | 15 | 471,000 | 23.80% |
| 30,000 | 1 | 133 | 30,000 | 291,000 | 14 | 711,000 | 35.93% |
| 35,000 | 1 | 134 | 35,000 | 326,000 | 13 | 781,000 | 39.46% |
| 50,000 | 1 | 135 | 50,000 | 376,000 | 12 | 976,000 | 49.32% |
| 62,000 | 1 | 136 | 62,000 | 438,000 | 11 | 1,120,000 | 56.59% |
| 114,000 | 1 | 137 | 114,000 | 552,000 | 10 | 1,692,000 | 85.50% |
| 119,000 | 1 | 138 | 119,000 | 671,000 | 9 | 1,742,000 | 88.02% |
| 135,000 | 1 | 139 | 135,000 | 806,000 | 8 | 1,886,000 | 95.30% |
| 137,000 | 1 | 140 | 137,000 | 943,000 | 7 | 1,902,000 | 96.11% |
| 139,000 | 1 | 141 | 139,000 | 1,082,000 | 6 | 1,916,000 | 96.82% |
| 140,000 | 1 | 142 | 140,000 | 1,222,000 | 5 | 1,922,000 | 97.12% |
| 141,000 | 1 | 143 | 141,000 | 1,363,000 | 4 | 1,927,000 | 97.37% |
| 142,000 | 1 | 144 | 142,000 | 1,505,000 | 3 | 1,931,000 | 97.57% |
| 146,000 | 1 | 145 | 146,000 | 1,651,000 | 2 | 1,943,000 | 98.18% |
| 159,000 | 1 | 146 | 159,000 | 1,810,000 | 1 | 1,969,000 | 99.49% |
| 169,000 | 1 | 147 | 169,000 | 1,979,000 | 0 | 1,979,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water or Sewer
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 4 | 4 | 0 | 0 | 81 | 0 | 0.00% |
| 1,000 | 14 | 18 | 14,000 | 14,000 | 67 | 81,000 | 6.72% |
| 2,000 | 10 | 28 | 20,000 | 34,000 | 57 | 148,000 | 12.27% |
| 3,000 | 13 | 41 | 39,000 | 73,000 | 44 | 205,000 | 17.00% |
| 4,000 | 16 | 57 | 64,000 | 137,000 | 28 | 249,000 | 20.65% |
| 5,000 | 7 | 64 | 35,000 | 172,000 | 21 | 277,000 | 22.97% |
| 6,000 | 2 | 66 | 12,000 | 184,000 | 19 | 298,000 | 24.71% |
| 7,000 | 3 | 69 | 21,000 | 205,000 | 16 | 317,000 | 26.29% |
| 8,000 | 1 | 70 | 8,000 | 213,000 | 15 | 333,000 | 27.61% |
| 14,000 | 1 | 71 | 14,000 | 227,000 | 14 | 423,000 | 35.07% |
| 19,000 | 1 | 72 | 19,000 | 246,000 | 13 | 483,000 | 40.88% |
| 26,000 | 1 | 73 | 26,000 | 272,000 | 12 | 584,000 | 48.42% |
| 29,000 | 2 | 75 | 58,000 | 330,000 | 10 | 620,000 | 51.41% |
| 39,000 | 1 | 76 | 39,000 | 369,000 | 9 | 720,000 | 59.70% |
| 49,000 | 1 | 77 | 49,000 | 418,000 | 8 | 810,000 | 67.16% |
| 54,000 | 1 | 78 | 54,000 | 472,000 | 7 | 850,000 | 70.48% |
| 60,000 | 1 | 79 | 60,000 | 532,000 | 6 | 892,000 | 73.96% |
| 94,000 | 1 | 80 | 94,000 | 626,000 | 5 | 1,096,000 | 90.88% |
| 98,000 | 1 | 81 | 98,000 | 724,000 | 4 | 1,116,000 | 92.54% |
| 104,000 | 1 | 82 | 104,000 | 828,000 | 3 | 1,140,000 | 94.53% |
| 109,000 | 1 | 83 | 109,000 | 937,000 | 2 | 1,155,000 | 95.77% |
| 124,000 | 1 | 84 | 124,000 | 1,061,000 | 1 | 1,185,000 | 98.26% |
| 145,000 | 1 | 85 | 145,000 | 1,206,000 | 0 | 1,206,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[((1)*(6)))+(5)]] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|---|-------------------------------|
| 0 | 5 | 5 | 0 | 0 | 8 | 0 | 0.00% |
| 2,000 | 2 | 7 | 4,000 | 4,000 | 6 | 16,000 | 1.50% |
| 3,000 | 2 | 9 | 6,000 | 10,000 | 4 | 22,000 | 2.07% |
| 4,000 | 1 | 10 | 4,000 | 14,000 | 3 | 26,000 | 2.44% |
| 46,000 | 1 | 11 | 46,000 | 60,000 | 2 | 152,000 | 14.29% |
| 338,000 | 1 | 12 | 338,000 | 398,000 | 1 | 736,000 | 69.17% |
| 666,000 | 1 | 13 | 666,000 | 1,064,000 | 0 | 1,064,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water or Sewer
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 0 | 31 | 31 | 0 | 0 | 225 | 0 | 0.00% |
| 1,000 | 7 | 38 | 7,000 | 7,000 | 218 | 225,000 | 14.59% |
| 2,000 | 26 | 64 | 52,000 | 59,000 | 192 | 443,000 | 28.73% |
| 3,000 | 25 | 89 | 75,000 | 134,000 | 167 | 635,000 | 41.18% |
| 4,000 | 30 | 119 | 120,000 | 254,000 | 137 | 802,000 | 52.01% |
| 5,000 | 31 | 150 | 155,000 | 409,000 | 105 | 939,000 | 60.89% |
| 6,000 | 19 | 169 | 114,000 | 523,000 | 87 | 1,045,000 | 67.77% |
| 7,000 | 16 | 185 | 112,000 | 635,000 | 71 | 1,132,000 | 73.41% |
| 8,000 | 10 | 195 | 80,000 | 715,000 | 61 | 1,203,000 | 78.02% |
| 9,000 | 12 | 207 | 108,000 | 823,000 | 49 | 1,254,000 | 81.97% |
| 10,000 | 15 | 222 | 150,000 | 973,000 | 34 | 1,313,000 | 85.15% |
| 11,000 | 4 | 226 | 44,000 | 1,017,000 | 30 | 1,347,000 | 87.35% |
| 12,000 | 8 | 234 | 96,000 | 1,113,000 | 22 | 1,377,000 | 89.30% |
| 13,000 | 5 | 239 | 65,000 | 1,178,000 | 17 | 1,399,000 | 90.73% |
| 14,000 | 4 | 243 | 56,000 | 1,234,000 | 13 | 1,416,000 | 91.83% |
| 15,000 | 1 | 244 | 15,000 | 1,249,000 | 12 | 1,429,000 | 92.67% |
| 16,000 | 1 | 245 | 16,000 | 1,265,000 | 11 | 1,441,000 | 93.45% |
| 17,000 | 2 | 247 | 34,000 | 1,299,000 | 9 | 1,452,000 | 94.16% |
| 18,000 | 3 | 250 | 54,000 | 1,353,000 | 6 | 1,461,000 | 94.75% |
| 19,000 | 1 | 251 | 19,000 | 1,372,000 | 5 | 1,467,000 | 95.14% |
| 20,000 | 1 | 252 | 20,000 | 1,392,000 | 4 | 1,472,000 | 95.46% |
| 21,000 | 1 | 253 | 21,000 | 1,413,000 | 3 | 1,476,000 | 95.72% |
| 28,000 | 1 | 254 | 28,000 | 1,441,000 | 2 | 1,497,000 | 97.08% |
| 29,000 | 1 | 255 | 29,000 | 1,470,000 | 1 | 1,499,000 | 97.21% |
| 72,000 | 1 | 256 | 72,000 | 1,542,000 | 0 | 1,542,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor (((1)*(6))+5) | (8) Percentage of Total |
|--------------------------|------------------------|-------------------------|---------------------------------|---------------------------|-----------------------|---|----------------------------|
| 0 | 42 | 42 | 0 | 0 | 730 | 0 | 0.00% |
| 1,000 | 48 | 90 | 48,000 | 48,000 | 682 | 730,000 | 5.86% |
| 2,000 | 51 | 141 | 102,000 | 150,000 | 631 | 1,412,000 | 11.34% |
| 3,000 | 50 | 191 | 150,000 | 300,000 | 581 | 2,043,000 | 16.40% |
| 4,000 | 46 | 237 | 184,000 | 484,000 | 535 | 2,624,000 | 21.07% |
| 5,000 | 35 | 272 | 175,000 | 659,000 | 500 | 3,159,000 | 25.36% |
| 6,000 | 26 | 298 | 156,000 | 815,000 | 474 | 3,659,000 | 29.38% |
| 7,000 | 26 | 324 | 182,000 | 997,000 | 448 | 4,133,000 | 33.18% |
| 8,000 | 28 | 352 | 224,000 | 1,221,000 | 420 | 4,581,000 | 36.78% |
| 9,000 | 29 | 381 | 261,000 | 1,482,000 | 391 | 5,001,000 | 40.15% |
| 10,000 | 32 | 413 | 320,000 | 1,802,000 | 359 | 5,392,000 | 43.29% |
| 11,000 | 25 | 438 | 275,000 | 2,077,000 | 334 | 5,751,000 | 46.17% |
| 12,000 | 20 | 458 | 240,000 | 2,317,000 | 314 | 6,085,000 | 48.86% |
| 13,000 | 18 | 476 | 234,000 | 2,551,000 | 296 | 6,399,000 | 51.38% |
| 14,000 | 15 | 491 | 210,000 | 2,761,000 | 281 | 6,695,000 | 53.75% |
| 15,000 | 14 | 505 | 210,000 | 2,971,000 | 267 | 6,976,000 | 56.01% |
| 16,000 | 21 | 526 | 336,000 | 3,307,000 | 246 | 7,243,000 | 58.15% |
| 17,000 | 12 | 538 | 204,000 | 3,511,000 | 234 | 7,489,000 | 60.13% |
| 18,000 | 9 | 547 | 162,000 | 3,673,000 | 225 | 7,723,000 | 62.01% |
| 19,000 | 10 | 557 | 190,000 | 3,863,000 | 215 | 7,948,000 | 63.81% |
| 20,000 | 16 | 573 | 320,000 | 4,183,000 | 199 | 8,163,000 | 65.54% |
| 21,000 | 8 | 581 | 168,000 | 4,351,000 | 191 | 8,362,000 | 67.14% |
| 22,000 | 7 | 588 | 154,000 | 4,505,000 | 184 | 8,553,000 | 68.67% |
| 23,000 | 8 | 596 | 184,000 | 4,689,000 | 176 | 8,737,000 | 70.15% |
| 24,000 | 8 | 604 | 192,000 | 4,881,000 | 168 | 8,913,000 | 71.56% |
| 25,000 | 8 | 612 | 200,000 | 5,081,000 | 160 | 9,081,000 | 72.91% |
| 26,000 | 8 | 620 | 208,000 | 5,289,000 | 152 | 9,241,000 | 74.20% |
| 27,000 | 12 | 632 | 324,000 | 5,613,000 | 140 | 9,393,000 | 75.42% |
| 28,000 | 8 | 640 | 224,000 | 5,837,000 | 132 | 9,533,000 | 76.54% |
| 29,000 | 2 | 642 | 58,000 | 5,895,000 | 130 | 9,665,000 | 77.60% |
| 30,000 | 4 | 646 | 120,000 | 6,015,000 | 126 | 9,795,000 | 78.64% |
| 31,000 | 12 | 658 | 372,000 | 6,387,000 | 114 | 9,921,000 | 79.65% |
| 32,000 | 4 | 662 | 128,000 | 6,515,000 | 110 | 10,035,000 | 80.57% |
| 33,000 | 4 | 666 | 132,000 | 6,647,000 | 106 | 10,145,000 | 81.45% |
| 34,000 | 5 | 671 | 170,000 | 6,817,000 | 101 | 10,251,000 | 82.30% |
| 35,000 | 2 | 673 | 70,000 | 6,887,000 | 99 | 10,352,000 | 83.12% |
| 36,000 | 4 | 677 | 144,000 | 7,031,000 | 95 | 10,451,000 | 83.91% |
| 37,000 | 6 | 683 | 222,000 | 7,253,000 | 89 | 10,546,000 | 84.67% |
| 38,000 | 7 | 690 | 266,000 | 7,519,000 | 82 | 10,635,000 | 85.39% |
| 39,000 | 2 | 692 | 78,000 | 7,597,000 | 80 | 10,717,000 | 86.05% |
| 40,000 | 6 | 698 | 240,000 | 7,837,000 | 74 | 10,797,000 | 86.69% |
| 41,000 | 4 | 702 | 164,000 | 8,001,000 | 70 | 10,871,000 | 87.28% |
| 42,000 | 10 | 712 | 420,000 | 8,421,000 | 60 | 10,941,000 | 87.84% |
| 43,000 | 1 | 713 | 43,000 | 8,464,000 | 59 | 11,001,000 | 88.33% |
| 44,000 | 2 | 715 | 88,000 | 8,552,000 | 57 | 11,060,000 | 88.80% |
| 45,000 | 2 | 717 | 90,000 | 8,642,000 | 55 | 11,117,000 | 89.26% |
| 46,000 | 3 | 720 | 138,000 | 8,780,000 | 52 | 11,172,000 | 89.70% |
| 47,000 | 4 | 724 | 188,000 | 8,968,000 | 48 | 11,224,000 | 90.12% |
| 48,000 | 1 | 725 | 48,000 | 9,016,000 | 47 | 11,272,000 | 90.50% |
| 49,000 | 3 | 728 | 147,000 | 9,163,000 | 44 | 11,319,000 | 90.88% |
| 50,000 | 4 | 732 | 200,000 | 9,363,000 | 40 | 11,363,000 | 91.23% |
| 51,000 | 1 | 733 | 51,000 | 9,414,000 | 39 | 11,403,000 | 91.55% |
| 52,000 | 3 | 736 | 156,000 | 9,570,000 | 36 | 11,442,000 | 91.87% |
| 54,000 | 1 | 737 | 54,000 | 9,624,000 | 35 | 11,514,000 | 92.44% |
| 55,000 | 4 | 741 | 220,000 | 9,844,000 | 31 | 11,549,000 | 92.73% |
| 56,000 | 1 | 742 | 56,000 | 9,900,000 | 30 | 11,580,000 | 92.97% |
| 58,000 | 1 | 743 | 58,000 | 9,958,000 | 29 | 11,640,000 | 93.46% |
| 59,000 | 2 | 745 | 118,000 | 10,076,000 | 27 | 11,689,000 | 93.69% |
| 60,000 | 3 | 748 | 180,000 | 10,256,000 | 24 | 11,696,000 | 93.91% |
| 61,000 | 1 | 749 | 61,000 | 10,317,000 | 23 | 11,720,000 | 94.10% |
| 62,000 | 1 | 750 | 62,000 | 10,379,000 | 22 | 11,743,000 | 94.28% |
| 63,000 | 3 | 753 | 189,000 | 10,568,000 | 19 | 11,765,000 | 94.46% |
| 66,000 | 1 | 754 | 66,000 | 10,634,000 | 18 | 11,822,000 | 94.92% |
| 67,000 | 2 | 756 | 134,000 | 10,768,000 | 16 | 11,840,000 | 95.06% |
| 69,000 | 1 | 757 | 69,000 | 10,837,000 | 15 | 11,872,000 | 95.32% |
| 71,000 | 2 | 759 | 142,000 | 10,979,000 | 13 | 11,902,000 | 95.56% |
| 74,000 | 1 | 760 | 74,000 | 11,053,000 | 12 | 11,941,000 | 95.87% |
| 77,000 | 1 | 761 | 77,000 | 11,130,000 | 11 | 11,977,000 | 96.16% |
| 78,000 | 1 | 762 | 78,000 | 11,208,000 | 10 | 11,988,000 | 96.25% |
| 81,000 | 1 | 763 | 81,000 | 11,289,000 | 9 | 12,018,000 | 96.49% |
| 87,000 | 1 | 764 | 87,000 | 11,376,000 | 8 | 12,072,000 | 96.92% |
| 98,000 | 1 | 765 | 98,000 | 11,474,000 | 7 | 12,160,000 | 97.63% |
| 99,000 | 1 | 766 | 99,000 | 11,573,000 | 6 | 12,167,000 | 97.69% |
| 116,000 | 1 | 767 | 116,000 | 11,689,000 | 5 | 12,269,000 | 98.51% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
Docket No: 2010-00476
Test Year Ended: September 30, 2010

| | | | | | | | |
|---------|---|-----|---------|------------|---|------------|---------|
| 123,000 | 1 | 768 | 123,000 | 11,812,000 | 4 | 12,304,000 | 98.79% |
| 134,000 | 1 | 769 | 134,000 | 11,946,000 | 3 | 12,348,000 | 99.14% |
| 155,000 | 1 | 770 | 155,000 | 12,101,000 | 2 | 12,411,000 | 99.65% |
| 177,000 | 2 | 772 | 354,000 | 12,455,000 | 0 | 12,455,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 53,000 | 1 | 1 | 53,000 | 53,000 | 11 | 636,000 | 61.93% |
| 56,000 | 1 | 2 | 56,000 | 109,000 | 10 | 669,000 | 65.14% |
| 63,000 | 2 | 4 | 126,000 | 235,000 | 8 | 739,000 | 71.96% |
| 64,000 | 1 | 5 | 64,000 | 299,000 | 7 | 747,000 | 72.74% |
| 69,000 | 1 | 6 | 69,000 | 368,000 | 6 | 782,000 | 76.14% |
| 70,000 | 1 | 7 | 70,000 | 438,000 | 5 | 788,000 | 76.73% |
| 77,000 | 1 | 8 | 77,000 | 515,000 | 4 | 823,000 | 80.14% |
| 97,000 | 1 | 9 | 97,000 | 612,000 | 3 | 903,000 | 87.93% |
| 109,000 | 1 | 10 | 109,000 | 721,000 | 2 | 939,000 | 91.43% |
| 113,000 | 1 | 11 | 113,000 | 834,000 | 1 | 947,000 | 92.21% |
| 193,000 | 1 | 12 | 193,000 | 1,027,000 | 0 | 1,027,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 1,000 | 1 | 1 | 1,000 | 1,000 | 35 | 36,000 | 10.26% |
| 3,000 | 1 | 2 | 3,000 | 4,000 | 34 | 106,000 | 30.20% |
| 4,000 | 1 | 3 | 4,000 | 8,000 | 33 | 140,000 | 39.89% |
| 5,000 | 8 | 11 | 40,000 | 48,000 | 25 | 173,000 | 49.29% |
| 6,000 | 1 | 12 | 6,000 | 54,000 | 24 | 198,000 | 56.41% |
| 9,000 | 4 | 16 | 36,000 | 90,000 | 20 | 270,000 | 76.92% |
| 10,000 | 4 | 20 | 40,000 | 130,000 | 16 | 290,000 | 82.62% |
| 11,000 | 5 | 25 | 55,000 | 185,000 | 11 | 306,000 | 87.18% |
| 12,000 | 2 | 27 | 24,000 | 209,000 | 9 | 317,000 | 90.31% |
| 13,000 | 1 | 28 | 13,000 | 222,000 | 8 | 326,000 | 92.88% |
| 14,000 | 3 | 31 | 42,000 | 264,000 | 5 | 334,000 | 95.16% |
| 15,000 | 2 | 33 | 30,000 | 294,000 | 3 | 339,000 | 96.58% |
| 17,000 | 1 | 34 | 17,000 | 311,000 | 2 | 345,000 | 98.29% |
| 20,000 | 2 | 36 | 40,000 | 351,000 | 0 | 351,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 2,000 | 4 | 4 | 8,000 | 8,000 | 8 | 24,000 | 72.73% |
| 3,000 | 7 | 11 | 21,000 | 29,000 | 1 | 32,000 | 96.97% |
| 4,000 | 1 | 12 | 4,000 | 33,000 | 0 | 33,000 | 100.00% |

Company: Water Service Corporation of Kentucky
Docket No: 2010-00476
Test Year Ended: September 30, 2010

Water [x] or Sewer []
Middlesboro
Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|-------------------|-----------------|------------------|--------------------------|--------------------|----------------|--|---------------------|
| Consumption Level | Number of Bills | Cumulative Bills | Gallons Consumed (1)*(2) | Cumulative Gallons | Reversed Bills | Consolidated Factor $(((1)*(6))+ (5))$ | Percentage of Total |
| 0 | 16 | 16 | 0 | 0 | 174 | 0 | 0.00% |
| 1,000 | 14 | 30 | 14,000 | 14,000 | 160 | 174,000 | 1.53% |
| 2,000 | 10 | 40 | 20,000 | 34,000 | 150 | 334,000 | 2.94% |
| 3,000 | 4 | 44 | 12,000 | 46,000 | 146 | 484,000 | 4.26% |
| 4,000 | 4 | 48 | 16,000 | 62,000 | 142 | 630,000 | 5.54% |
| 5,000 | 3 | 51 | 15,000 | 77,000 | 139 | 772,000 | 6.79% |
| 6,000 | 2 | 53 | 12,000 | 89,000 | 137 | 911,000 | 8.01% |
| 7,000 | 2 | 55 | 14,000 | 103,000 | 135 | 1,048,000 | 9.22% |
| 9,000 | 1 | 56 | 9,000 | 112,000 | 134 | 1,318,000 | 11.59% |
| 10,000 | 4 | 60 | 40,000 | 152,000 | 130 | 1,452,000 | 12.77% |
| 11,000 | 3 | 63 | 33,000 | 185,000 | 127 | 1,582,000 | 13.92% |
| 12,000 | 2 | 65 | 24,000 | 209,000 | 125 | 1,709,000 | 15.03% |
| 13,000 | 1 | 66 | 13,000 | 222,000 | 124 | 1,834,000 | 16.13% |
| 14,000 | 3 | 69 | 42,000 | 264,000 | 121 | 1,958,000 | 17.22% |
| 15,000 | 1 | 70 | 15,000 | 279,000 | 120 | 2,079,000 | 18.29% |
| 16,000 | 1 | 71 | 16,000 | 295,000 | 119 | 2,199,000 | 19.34% |
| 17,000 | 2 | 73 | 34,000 | 329,000 | 117 | 2,318,000 | 20.39% |
| 20,000 | 1 | 74 | 20,000 | 349,000 | 116 | 2,669,000 | 23.48% |
| 22,000 | 1 | 75 | 22,000 | 371,000 | 115 | 2,901,000 | 25.52% |
| 23,000 | 1 | 76 | 23,000 | 394,000 | 114 | 3,016,000 | 26.53% |
| 24,000 | 2 | 78 | 48,000 | 442,000 | 112 | 3,130,000 | 27.53% |
| 26,000 | 2 | 80 | 52,000 | 494,000 | 110 | 3,354,000 | 29.50% |
| 27,000 | 1 | 81 | 27,000 | 521,000 | 109 | 3,464,000 | 30.47% |
| 28,000 | 1 | 82 | 28,000 | 549,000 | 108 | 3,573,000 | 31.43% |
| 30,000 | 1 | 83 | 30,000 | 579,000 | 107 | 3,789,000 | 33.33% |
| 31,000 | 1 | 84 | 31,000 | 610,000 | 106 | 3,896,000 | 34.27% |
| 32,000 | 3 | 87 | 96,000 | 706,000 | 103 | 4,002,000 | 35.20% |
| 33,000 | 3 | 90 | 99,000 | 805,000 | 100 | 4,105,000 | 36.11% |
| 34,000 | 1 | 91 | 34,000 | 839,000 | 99 | 4,205,000 | 36.99% |
| 35,000 | 1 | 92 | 35,000 | 874,000 | 98 | 4,304,000 | 37.86% |
| 36,000 | 1 | 93 | 36,000 | 910,000 | 97 | 4,402,000 | 38.72% |
| 37,000 | 1 | 94 | 37,000 | 947,000 | 96 | 4,499,000 | 39.57% |
| 40,000 | 1 | 95 | 40,000 | 987,000 | 95 | 4,787,000 | 42.11% |
| 42,000 | 1 | 96 | 42,000 | 1,029,000 | 94 | 4,977,000 | 43.78% |
| 50,000 | 1 | 97 | 50,000 | 1,079,000 | 93 | 5,729,000 | 50.39% |
| 51,000 | 1 | 98 | 51,000 | 1,130,000 | 92 | 5,822,000 | 51.21% |
| 54,000 | 1 | 99 | 54,000 | 1,184,000 | 91 | 6,098,000 | 53.64% |
| 55,000 | 1 | 100 | 55,000 | 1,239,000 | 90 | 6,189,000 | 54.44% |
| 57,000 | 2 | 102 | 114,000 | 1,353,000 | 88 | 6,369,000 | 56.02% |
| 59,000 | 1 | 103 | 59,000 | 1,412,000 | 87 | 6,545,000 | 57.57% |
| 60,000 | 4 | 107 | 240,000 | 1,652,000 | 83 | 6,632,000 | 58.33% |
| 62,000 | 1 | 108 | 62,000 | 1,714,000 | 82 | 6,798,000 | 59.79% |
| 63,000 | 3 | 111 | 189,000 | 1,903,000 | 79 | 6,880,000 | 60.52% |
| 64,000 | 1 | 112 | 64,000 | 1,967,000 | 78 | 6,959,000 | 61.21% |
| 65,000 | 2 | 114 | 130,000 | 2,097,000 | 76 | 7,037,000 | 61.90% |
| 66,000 | 1 | 115 | 66,000 | 2,163,000 | 75 | 7,113,000 | 62.56% |
| 67,000 | 1 | 116 | 67,000 | 2,230,000 | 74 | 7,188,000 | 63.22% |
| 68,000 | 1 | 117 | 68,000 | 2,298,000 | 73 | 7,262,000 | 63.88% |
| 69,000 | 5 | 122 | 345,000 | 2,643,000 | 68 | 7,335,000 | 64.52% |
| 70,000 | 2 | 124 | 140,000 | 2,783,000 | 66 | 7,403,000 | 65.12% |
| 72,000 | 1 | 125 | 72,000 | 2,855,000 | 65 | 7,535,000 | 66.28% |
| 73,000 | 1 | 126 | 73,000 | 2,928,000 | 64 | 7,600,000 | 66.85% |
| 74,000 | 1 | 127 | 74,000 | 3,002,000 | 63 | 7,664,000 | 67.41% |
| 75,000 | 1 | 128 | 75,000 | 3,077,000 | 62 | 7,727,000 | 67.97% |
| 76,000 | 3 | 131 | 228,000 | 3,305,000 | 59 | 7,789,000 | 68.51% |
| 78,000 | 1 | 132 | 78,000 | 3,383,000 | 58 | 7,907,000 | 69.55% |
| 79,000 | 3 | 135 | 237,000 | 3,620,000 | 55 | 7,965,000 | 70.06% |
| 80,000 | 1 | 136 | 80,000 | 3,700,000 | 54 | 8,020,000 | 70.54% |
| 81,000 | 2 | 138 | 162,000 | 3,862,000 | 52 | 8,074,000 | 71.02% |
| 82,000 | 1 | 139 | 82,000 | 3,944,000 | 51 | 8,126,000 | 71.48% |
| 83,000 | 3 | 142 | 249,000 | 4,193,000 | 48 | 8,177,000 | 71.92% |
| 84,000 | 3 | 145 | 252,000 | 4,445,000 | 45 | 8,225,000 | 72.35% |
| 85,000 | 1 | 146 | 85,000 | 4,530,000 | 44 | 8,270,000 | 72.74% |
| 86,000 | 1 | 147 | 86,000 | 4,616,000 | 43 | 8,314,000 | 73.13% |
| 88,000 | 4 | 151 | 352,000 | 4,968,000 | 39 | 8,400,000 | 73.89% |
| 89,000 | 2 | 153 | 178,000 | 5,146,000 | 37 | 8,439,000 | 74.23% |
| 92,000 | 1 | 154 | 92,000 | 5,238,000 | 36 | 8,550,000 | 75.20% |
| 93,000 | 1 | 155 | 93,000 | 5,331,000 | 35 | 8,586,000 | 75.52% |
| 95,000 | 4 | 159 | 380,000 | 5,711,000 | 31 | 8,656,000 | 76.14% |
| 96,000 | 1 | 160 | 96,000 | 5,807,000 | 30 | 8,687,000 | 76.41% |
| 98,000 | 2 | 162 | 196,000 | 6,003,000 | 28 | 8,747,000 | 76.94% |
| 99,000 | 2 | 164 | 198,000 | 6,201,000 | 26 | 8,775,000 | 77.18% |
| 102,000 | 1 | 165 | 102,000 | 6,303,000 | 25 | 8,853,000 | 77.87% |
| 104,000 | 2 | 167 | 208,000 | 6,511,000 | 23 | 8,903,000 | 78.31% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

| | | | | | | | |
|-----------|---|-----|-----------|------------|----|------------|---------|
| 105,000 | 1 | 168 | 105,000 | 6,616,000 | 22 | 8,926,000 | 78.51% |
| 106,000 | 1 | 169 | 106,000 | 6,722,000 | 21 | 8,948,000 | 78.71% |
| 108,000 | 2 | 171 | 216,000 | 6,938,000 | 19 | 8,990,000 | 79.07% |
| 113,000 | 2 | 173 | 226,000 | 7,164,000 | 17 | 9,085,000 | 79.91% |
| 115,000 | 1 | 174 | 115,000 | 7,279,000 | 16 | 9,119,000 | 80.21% |
| 123,000 | 1 | 175 | 123,000 | 7,402,000 | 15 | 9,247,000 | 81.34% |
| 125,000 | 1 | 176 | 125,000 | 7,527,000 | 14 | 9,277,000 | 81.60% |
| 127,000 | 2 | 178 | 254,000 | 7,781,000 | 12 | 9,305,000 | 81.85% |
| 136,000 | 1 | 179 | 136,000 | 7,917,000 | 11 | 9,413,000 | 82.80% |
| 138,000 | 1 | 180 | 138,000 | 8,055,000 | 10 | 9,435,000 | 82.99% |
| 142,000 | 1 | 181 | 142,000 | 8,197,000 | 9 | 9,475,000 | 83.34% |
| 145,000 | 1 | 182 | 145,000 | 8,342,000 | 8 | 9,502,000 | 83.58% |
| 153,000 | 1 | 183 | 153,000 | 8,495,000 | 7 | 9,566,000 | 84.14% |
| 169,000 | 1 | 184 | 169,000 | 8,664,000 | 6 | 9,678,000 | 85.13% |
| 171,000 | 1 | 185 | 171,000 | 8,835,000 | 5 | 9,690,000 | 85.23% |
| 182,000 | 1 | 186 | 182,000 | 9,017,000 | 4 | 9,745,000 | 85.72% |
| 186,000 | 1 | 187 | 186,000 | 9,203,000 | 3 | 9,761,000 | 85.86% |
| 188,000 | 1 | 188 | 188,000 | 9,391,000 | 2 | 9,767,000 | 85.91% |
| 265,000 | 1 | 189 | 265,000 | 9,656,000 | 1 | 9,921,000 | 87.26% |
| 1,713,000 | 1 | 190 | 1,713,000 | 11,369,000 | 0 | 11,369,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved
 Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor $(((1)*(6))+(5))$ | (8) Percentage of Total |
|--------------------------|------------------------|-------------------------|---------------------------------|---------------------------|-----------------------|--|----------------------------|
| 1,000 | 15 | 15 | 15,000 | 15,000 | 45 | 60,000 | 1.40% |
| 2,000 | 1 | 16 | 2,000 | 17,000 | 44 | 105,000 | 2.44% |
| 3,000 | 2 | 18 | 6,000 | 23,000 | 42 | 149,000 | 3.47% |
| 4,000 | 3 | 21 | 12,000 | 35,000 | 39 | 191,000 | 4.44% |
| 5,000 | 7 | 28 | 35,000 | 70,000 | 32 | 230,000 | 5.35% |
| 6,000 | 2 | 30 | 12,000 | 82,000 | 30 | 262,000 | 6.09% |
| 7,000 | 1 | 31 | 7,000 | 89,000 | 29 | 292,000 | 6.79% |
| 8,000 | 5 | 36 | 40,000 | 129,000 | 24 | 321,000 | 7.47% |
| 10,000 | 1 | 37 | 10,000 | 139,000 | 23 | 369,000 | 8.58% |
| 16,000 | 2 | 39 | 32,000 | 171,000 | 21 | 507,000 | 11.79% |
| 17,000 | 1 | 40 | 17,000 | 188,000 | 20 | 528,000 | 12.28% |
| 18,000 | 2 | 42 | 36,000 | 224,000 | 18 | 548,000 | 12.74% |
| 19,000 | 1 | 43 | 19,000 | 243,000 | 17 | 566,000 | 13.16% |
| 20,000 | 1 | 44 | 20,000 | 263,000 | 16 | 583,000 | 13.58% |
| 26,000 | 1 | 45 | 26,000 | 289,000 | 15 | 679,000 | 15.79% |
| 168,000 | 1 | 46 | 168,000 | 457,000 | 14 | 2,809,000 | 65.33% |
| 172,000 | 1 | 47 | 172,000 | 629,000 | 13 | 2,865,000 | 66.63% |
| 183,000 | 1 | 48 | 183,000 | 812,000 | 12 | 3,008,000 | 69.95% |
| 186,000 | 1 | 49 | 186,000 | 998,000 | 11 | 3,044,000 | 70.79% |
| 191,000 | 1 | 50 | 191,000 | 1,189,000 | 10 | 3,099,000 | 72.07% |
| 237,000 | 1 | 51 | 237,000 | 1,426,000 | 9 | 3,559,000 | 82.77% |
| 257,000 | 1 | 52 | 257,000 | 1,683,000 | 8 | 3,739,000 | 86.95% |
| 282,000 | 1 | 53 | 282,000 | 1,965,000 | 7 | 3,939,000 | 91.60% |
| 291,000 | 1 | 54 | 291,000 | 2,256,000 | 6 | 4,002,000 | 93.07% |
| 297,000 | 1 | 55 | 297,000 | 2,553,000 | 5 | 4,038,000 | 93.91% |
| 299,000 | 1 | 56 | 299,000 | 2,852,000 | 4 | 4,048,000 | 94.14% |
| 303,000 | 1 | 57 | 303,000 | 3,155,000 | 3 | 4,064,000 | 94.51% |
| 324,000 | 1 | 58 | 324,000 | 3,479,000 | 2 | 4,127,000 | 95.98% |
| 327,000 | 1 | 59 | 327,000 | 3,806,000 | 1 | 4,133,000 | 96.12% |
| 494,000 | 1 | 60 | 494,000 | 4,300,000 | 0 | 4,300,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor (((1)*(6))+{5}) | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 15,000 | 1 | 1 | 15,000 | 15,000 | 23 | 360,000 | 26.11% |
| 18,000 | 1 | 2 | 18,000 | 33,000 | 22 | 429,000 | 31.11% |
| 24,000 | 1 | 3 | 24,000 | 57,000 | 21 | 561,000 | 40.68% |
| 25,000 | 1 | 4 | 25,000 | 82,000 | 20 | 582,000 | 42.20% |
| 26,000 | 1 | 5 | 26,000 | 108,000 | 19 | 602,000 | 43.65% |
| 31,000 | 1 | 6 | 31,000 | 139,000 | 18 | 697,000 | 50.54% |
| 35,000 | 2 | 8 | 70,000 | 209,000 | 16 | 769,000 | 55.77% |
| 38,000 | 1 | 9 | 38,000 | 247,000 | 15 | 817,000 | 59.25% |
| 39,000 | 1 | 10 | 39,000 | 286,000 | 14 | 832,000 | 60.33% |
| 41,000 | 1 | 11 | 41,000 | 327,000 | 13 | 860,000 | 62.36% |
| 46,000 | 2 | 13 | 92,000 | 419,000 | 11 | 925,000 | 67.08% |
| 47,000 | 1 | 14 | 47,000 | 466,000 | 10 | 936,000 | 67.88% |
| 49,000 | 1 | 15 | 49,000 | 515,000 | 9 | 956,000 | 69.33% |
| 57,000 | 2 | 17 | 114,000 | 629,000 | 7 | 1,028,000 | 74.55% |
| 62,000 | 1 | 18 | 62,000 | 691,000 | 6 | 1,063,000 | 77.08% |
| 67,000 | 1 | 19 | 67,000 | 758,000 | 5 | 1,093,000 | 79.26% |
| 72,000 | 1 | 20 | 72,000 | 830,000 | 4 | 1,118,000 | 81.07% |
| 79,000 | 1 | 21 | 79,000 | 909,000 | 3 | 1,146,000 | 83.10% |
| 83,000 | 1 | 22 | 83,000 | 992,000 | 2 | 1,158,000 | 83.97% |
| 106,000 | 1 | 23 | 106,000 | 1,098,000 | 1 | 1,204,000 | 87.31% |
| 281,000 | 1 | 24 | 281,000 | 1,379,000 | 0 | 1,379,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved
 Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [(1)*(6)]+(5) | (8) Percentage of Total |
|--------------------------|------------------------|-------------------------|---------------------------------|---------------------------|-----------------------|--|----------------------------|
| 0 | 47 | 47 | 0 | 0 | 290 | 0 | 0.00% |
| 1,000 | 3 | 50 | 3,000 | 3,000 | 287 | 290,000 | 1.30% |
| 2,000 | 21 | 71 | 42,000 | 45,000 | 266 | 577,000 | 2.59% |
| 3,000 | 4 | 75 | 12,000 | 57,000 | 262 | 843,000 | 3.78% |
| 4,000 | 2 | 77 | 8,000 | 65,000 | 260 | 1,105,000 | 4.95% |
| 5,000 | 4 | 81 | 20,000 | 85,000 | 256 | 1,365,000 | 6.12% |
| 6,000 | 3 | 84 | 18,000 | 103,000 | 253 | 1,621,000 | 7.26% |
| 7,000 | 1 | 85 | 7,000 | 110,000 | 252 | 1,874,000 | 8.40% |
| 8,000 | 1 | 86 | 8,000 | 118,000 | 251 | 2,126,000 | 9.53% |
| 9,000 | 5 | 91 | 45,000 | 163,000 | 246 | 2,377,000 | 10.65% |
| 10,000 | 5 | 96 | 50,000 | 213,000 | 241 | 2,623,000 | 11.75% |
| 11,000 | 4 | 100 | 44,000 | 257,000 | 237 | 2,864,000 | 12.83% |
| 12,000 | 8 | 108 | 96,000 | 353,000 | 229 | 3,101,000 | 13.89% |
| 13,000 | 7 | 115 | 91,000 | 444,000 | 222 | 3,330,000 | 14.92% |
| 14,000 | 2 | 117 | 28,000 | 472,000 | 220 | 3,552,000 | 15.91% |
| 15,000 | 9 | 126 | 135,000 | 607,000 | 211 | 3,772,000 | 16.90% |
| 16,000 | 2 | 128 | 32,000 | 639,000 | 209 | 3,983,000 | 17.85% |
| 17,000 | 2 | 130 | 34,000 | 673,000 | 207 | 4,192,000 | 18.78% |
| 18,000 | 2 | 132 | 36,000 | 709,000 | 205 | 4,399,000 | 19.71% |
| 19,000 | 2 | 134 | 38,000 | 747,000 | 203 | 4,604,000 | 20.63% |
| 20,000 | 3 | 137 | 60,000 | 807,000 | 200 | 4,807,000 | 21.54% |
| 21,000 | 2 | 139 | 42,000 | 849,000 | 198 | 5,007,000 | 22.43% |
| 22,000 | 4 | 143 | 88,000 | 937,000 | 194 | 5,205,000 | 23.32% |
| 23,000 | 5 | 148 | 115,000 | 1,052,000 | 189 | 5,399,000 | 24.19% |
| 24,000 | 6 | 154 | 144,000 | 1,196,000 | 183 | 5,588,000 | 25.04% |
| 25,000 | 6 | 160 | 150,000 | 1,346,000 | 177 | 5,771,000 | 25.86% |
| 26,000 | 3 | 163 | 78,000 | 1,424,000 | 174 | 5,948,000 | 26.65% |
| 27,000 | 5 | 168 | 135,000 | 1,559,000 | 169 | 6,122,000 | 27.43% |
| 28,000 | 5 | 173 | 140,000 | 1,699,000 | 164 | 6,291,000 | 28.19% |
| 29,000 | 4 | 177 | 116,000 | 1,815,000 | 160 | 6,455,000 | 28.92% |
| 30,000 | 6 | 183 | 180,000 | 1,995,000 | 154 | 6,615,000 | 29.64% |
| 31,000 | 2 | 185 | 62,000 | 2,057,000 | 152 | 6,769,000 | 30.33% |
| 32,000 | 3 | 188 | 96,000 | 2,153,000 | 149 | 6,921,000 | 31.01% |
| 33,000 | 7 | 195 | 231,000 | 2,384,000 | 142 | 7,070,000 | 31.68% |
| 34,000 | 7 | 202 | 238,000 | 2,622,000 | 135 | 7,212,000 | 32.31% |
| 35,000 | 2 | 204 | 70,000 | 2,692,000 | 133 | 7,347,000 | 32.92% |
| 36,000 | 1 | 205 | 36,000 | 2,728,000 | 132 | 7,480,000 | 33.51% |
| 37,000 | 1 | 206 | 37,000 | 2,765,000 | 131 | 7,612,000 | 34.11% |
| 38,000 | 2 | 208 | 76,000 | 2,841,000 | 129 | 7,743,000 | 34.69% |
| 39,000 | 3 | 211 | 117,000 | 2,958,000 | 126 | 7,872,000 | 35.27% |
| 40,000 | 2 | 213 | 80,000 | 3,038,000 | 124 | 7,998,000 | 35.83% |
| 41,000 | 2 | 215 | 82,000 | 3,120,000 | 122 | 8,122,000 | 36.39% |
| 42,000 | 1 | 216 | 42,000 | 3,162,000 | 121 | 8,244,000 | 36.94% |
| 46,000 | 1 | 217 | 46,000 | 3,208,000 | 120 | 8,372,000 | 37.50% |
| 53,000 | 1 | 218 | 53,000 | 3,261,000 | 119 | 8,500,000 | 38.06% |
| 54,000 | 2 | 220 | 108,000 | 3,369,000 | 117 | 8,628,000 | 38.62% |
| 55,000 | 3 | 223 | 165,000 | 3,534,000 | 114 | 8,756,000 | 39.18% |
| 56,000 | 2 | 225 | 112,000 | 3,646,000 | 112 | 8,884,000 | 39.74% |
| 58,000 | 1 | 226 | 58,000 | 3,704,000 | 111 | 9,012,000 | 40.30% |
| 59,000 | 1 | 227 | 59,000 | 3,763,000 | 110 | 9,140,000 | 40.86% |
| 60,000 | 2 | 229 | 120,000 | 3,883,000 | 108 | 9,268,000 | 41.42% |
| 61,000 | 1 | 230 | 61,000 | 3,944,000 | 107 | 9,396,000 | 41.98% |
| 62,000 | 1 | 231 | 62,000 | 4,006,000 | 106 | 9,524,000 | 42.54% |
| 63,000 | 2 | 233 | 126,000 | 4,132,000 | 104 | 9,652,000 | 43.10% |
| 64,000 | 3 | 236 | 192,000 | 4,324,000 | 101 | 9,780,000 | 43.66% |
| 65,000 | 3 | 239 | 195,000 | 4,519,000 | 98 | 9,908,000 | 44.22% |
| 66,000 | 1 | 240 | 66,000 | 4,585,000 | 97 | 10,036,000 | 44.78% |
| 67,000 | 2 | 242 | 134,000 | 4,719,000 | 95 | 10,164,000 | 45.34% |
| 69,000 | 3 | 245 | 207,000 | 4,926,000 | 92 | 10,292,000 | 45.90% |
| 71,000 | 1 | 246 | 71,000 | 4,997,000 | 91 | 10,420,000 | 46.46% |
| 72,000 | 1 | 247 | 72,000 | 5,069,000 | 90 | 10,548,000 | 47.02% |
| 75,000 | 2 | 249 | 150,000 | 5,219,000 | 88 | 10,676,000 | 47.58% |
| 76,000 | 1 | 250 | 76,000 | 5,295,000 | 87 | 10,804,000 | 48.14% |
| 77,000 | 1 | 251 | 77,000 | 5,372,000 | 86 | 10,932,000 | 48.70% |
| 84,000 | 2 | 253 | 168,000 | 5,540,000 | 84 | 11,060,000 | 49.26% |
| 91,000 | 1 | 254 | 91,000 | 5,631,000 | 83 | 11,188,000 | 49.82% |
| 93,000 | 2 | 256 | 186,000 | 5,817,000 | 81 | 11,316,000 | 50.38% |
| 94,000 | 2 | 258 | 188,000 | 6,005,000 | 79 | 11,444,000 | 50.94% |
| 95,000 | 2 | 260 | 190,000 | 6,195,000 | 77 | 11,572,000 | 51.50% |
| 96,000 | 1 | 261 | 96,000 | 6,291,000 | 76 | 11,700,000 | 52.06% |
| 100,000 | 1 | 262 | 100,000 | 6,391,000 | 75 | 11,828,000 | 52.62% |
| 101,000 | 1 | 263 | 101,000 | 6,492,000 | 74 | 11,956,000 | 53.18% |
| 103,000 | 1 | 264 | 103,000 | 6,595,000 | 73 | 12,084,000 | 53.74% |
| 104,000 | 1 | 265 | 104,000 | 6,699,000 | 72 | 12,212,000 | 54.30% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

| | | | | | | | |
|---------|---|-----|---------|------------|----|------------|---------|
| 108,000 | 1 | 266 | 108,000 | 6,807,000 | 71 | 14,475,000 | 64.86% |
| 109,000 | 2 | 268 | 218,000 | 7,025,000 | 69 | 14,546,000 | 65.17% |
| 110,000 | 1 | 269 | 110,000 | 7,135,000 | 68 | 14,615,000 | 65.48% |
| 111,000 | 1 | 270 | 111,000 | 7,246,000 | 67 | 14,683,000 | 65.79% |
| 131,000 | 1 | 271 | 131,000 | 7,377,000 | 66 | 16,023,000 | 71.79% |
| 132,000 | 2 | 273 | 264,000 | 7,641,000 | 64 | 16,089,000 | 72.09% |
| 133,000 | 1 | 274 | 133,000 | 7,774,000 | 63 | 16,153,000 | 72.37% |
| 136,000 | 1 | 275 | 136,000 | 7,910,000 | 62 | 16,342,000 | 73.22% |
| 141,000 | 2 | 277 | 282,000 | 8,192,000 | 60 | 16,652,000 | 74.61% |
| 144,000 | 1 | 278 | 144,000 | 8,336,000 | 59 | 16,832,000 | 75.42% |
| 145,000 | 1 | 279 | 145,000 | 8,481,000 | 58 | 16,891,000 | 75.68% |
| 148,000 | 1 | 280 | 148,000 | 8,629,000 | 57 | 17,065,000 | 76.46% |
| 150,000 | 3 | 283 | 450,000 | 9,079,000 | 54 | 17,179,000 | 76.97% |
| 152,000 | 1 | 284 | 152,000 | 9,231,000 | 53 | 17,287,000 | 77.45% |
| 153,000 | 2 | 286 | 306,000 | 9,537,000 | 51 | 17,340,000 | 77.69% |
| 155,000 | 1 | 287 | 155,000 | 9,692,000 | 50 | 17,442,000 | 78.15% |
| 157,000 | 2 | 289 | 314,000 | 10,006,000 | 48 | 17,542,000 | 78.60% |
| 160,000 | 3 | 292 | 480,000 | 10,486,000 | 45 | 17,686,000 | 79.24% |
| 169,000 | 2 | 294 | 338,000 | 10,824,000 | 43 | 18,091,000 | 81.06% |
| 170,000 | 1 | 295 | 170,000 | 10,994,000 | 42 | 18,134,000 | 81.25% |
| 171,000 | 1 | 296 | 171,000 | 11,165,000 | 41 | 18,176,000 | 81.44% |
| 176,000 | 1 | 297 | 176,000 | 11,341,000 | 40 | 18,381,000 | 82.36% |
| 183,000 | 1 | 298 | 183,000 | 11,524,000 | 39 | 18,661,000 | 83.61% |
| 197,000 | 1 | 299 | 197,000 | 11,721,000 | 38 | 19,207,000 | 86.06% |
| 200,000 | 1 | 300 | 200,000 | 11,921,000 | 37 | 19,321,000 | 86.57% |
| 201,000 | 1 | 301 | 201,000 | 12,122,000 | 36 | 19,358,000 | 86.73% |
| 206,000 | 1 | 302 | 206,000 | 12,328,000 | 35 | 19,538,000 | 87.54% |
| 209,000 | 1 | 303 | 209,000 | 12,537,000 | 34 | 19,643,000 | 88.01% |
| 218,000 | 2 | 305 | 436,000 | 12,973,000 | 32 | 19,949,000 | 89.38% |
| 220,000 | 1 | 306 | 220,000 | 13,193,000 | 31 | 20,013,000 | 89.67% |
| 225,000 | 1 | 307 | 225,000 | 13,418,000 | 30 | 20,168,000 | 90.36% |
| 229,000 | 1 | 308 | 229,000 | 13,647,000 | 29 | 20,288,000 | 90.90% |
| 233,000 | 1 | 309 | 233,000 | 13,880,000 | 28 | 20,404,000 | 91.42% |
| 235,000 | 1 | 310 | 235,000 | 14,115,000 | 27 | 20,460,000 | 91.67% |
| 251,000 | 1 | 311 | 251,000 | 14,366,000 | 26 | 20,892,000 | 93.61% |
| 253,000 | 1 | 312 | 253,000 | 14,619,000 | 25 | 20,944,000 | 93.84% |
| 254,000 | 1 | 313 | 254,000 | 14,873,000 | 24 | 20,969,000 | 93.95% |
| 256,000 | 1 | 314 | 256,000 | 15,129,000 | 23 | 21,017,000 | 94.17% |
| 261,000 | 1 | 315 | 261,000 | 15,390,000 | 22 | 21,132,000 | 94.68% |
| 266,000 | 1 | 316 | 266,000 | 15,656,000 | 21 | 21,242,000 | 95.17% |
| 267,000 | 1 | 317 | 267,000 | 15,923,000 | 20 | 21,263,000 | 95.27% |
| 270,000 | 1 | 318 | 270,000 | 16,193,000 | 19 | 21,323,000 | 95.54% |
| 272,000 | 1 | 319 | 272,000 | 16,465,000 | 18 | 21,361,000 | 95.71% |
| 275,000 | 1 | 320 | 275,000 | 16,740,000 | 17 | 21,415,000 | 95.95% |
| 278,000 | 1 | 321 | 278,000 | 17,018,000 | 16 | 21,466,000 | 96.18% |
| 287,000 | 1 | 322 | 287,000 | 17,305,000 | 15 | 21,610,000 | 96.82% |
| 290,000 | 1 | 323 | 290,000 | 17,595,000 | 14 | 21,655,000 | 97.02% |
| 293,000 | 1 | 324 | 293,000 | 17,888,000 | 13 | 21,697,000 | 97.21% |
| 295,000 | 1 | 325 | 295,000 | 18,183,000 | 12 | 21,723,000 | 97.33% |
| 300,000 | 2 | 327 | 600,000 | 18,783,000 | 10 | 21,783,000 | 97.60% |
| 324,000 | 1 | 328 | 324,000 | 19,107,000 | 9 | 22,023,000 | 98.67% |
| 328,000 | 1 | 329 | 328,000 | 19,435,000 | 8 | 22,059,000 | 98.84% |
| 333,000 | 1 | 330 | 333,000 | 19,768,000 | 7 | 22,099,000 | 99.01% |
| 334,000 | 1 | 331 | 334,000 | 20,102,000 | 6 | 22,106,000 | 99.05% |
| 340,000 | 1 | 332 | 340,000 | 20,442,000 | 5 | 22,142,000 | 99.21% |
| 352,000 | 1 | 333 | 352,000 | 20,794,000 | 4 | 22,202,000 | 99.48% |
| 356,000 | 1 | 334 | 356,000 | 21,150,000 | 3 | 22,218,000 | 99.55% |
| 370,000 | 1 | 335 | 370,000 | 21,520,000 | 2 | 22,260,000 | 99.74% |
| 382,000 | 1 | 336 | 382,000 | 21,902,000 | 1 | 22,284,000 | 99.84% |
| 417,000 | 1 | 337 | 417,000 | 22,319,000 | 0 | 22,319,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water or Sewer
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+ (5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|---|-------------------------------|
| 0 | 7 | 7 | 0 | 0 | 30 | 0 | 0.00% |
| 1,000 | 2 | 9 | 2,000 | 2,000 | 28 | 30,000 | 6.12% |
| 2,000 | 4 | 13 | 8,000 | 10,000 | 24 | 58,000 | 11.84% |
| 3,000 | 4 | 17 | 12,000 | 22,000 | 20 | 82,000 | 16.73% |
| 4,000 | 3 | 20 | 12,000 | 34,000 | 17 | 102,000 | 20.82% |
| 6,000 | 1 | 21 | 6,000 | 40,000 | 16 | 138,000 | 27.76% |
| 7,000 | 1 | 22 | 7,000 | 47,000 | 15 | 152,000 | 31.02% |
| 12,000 | 1 | 23 | 12,000 | 59,000 | 14 | 227,000 | 46.33% |
| 20,000 | 1 | 24 | 20,000 | 79,000 | 13 | 339,000 | 69.18% |
| 21,000 | 1 | 25 | 21,000 | 100,000 | 12 | 352,000 | 71.84% |
| 25,000 | 1 | 26 | 25,000 | 125,000 | 11 | 400,000 | 81.63% |
| 26,000 | 1 | 27 | 26,000 | 151,000 | 10 | 411,000 | 83.88% |
| 27,000 | 1 | 28 | 27,000 | 178,000 | 9 | 421,000 | 85.92% |
| 28,000 | 3 | 31 | 84,000 | 262,000 | 6 | 430,000 | 87.76% |
| 29,000 | 2 | 33 | 58,000 | 320,000 | 4 | 436,000 | 88.98% |
| 38,000 | 1 | 34 | 38,000 | 358,000 | 3 | 472,000 | 96.33% |
| 40,000 | 1 | 35 | 40,000 | 398,000 | 2 | 478,000 | 97.55% |
| 44,000 | 1 | 36 | 44,000 | 442,000 | 1 | 486,000 | 99.18% |
| 48,000 | 1 | 37 | 48,000 | 490,000 | 0 | 490,000 | 100.00% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [({1}*{6})+{5}] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 2,000 | 9 | 9 | 18,000 | 18,000 | 3 | 24,000 | 0.86% |
| 3,000 | 1 | 10 | 3,000 | 21,000 | 2 | 27,000 | 0.97% |
| 5,000 | 1 | 11 | 5,000 | 26,000 | 1 | 31,000 | 1.11% |
| 2,759,000 | 1 | 12 | 2,759,000 | 2,785,000 | 0 | 2,785,000 | 100.00% |

Company: Water Service Corporation of Kentucky
Docket No: 2010-00476
Test Year Ended: September 30, 2010

Water [x] or Sewer []
Middlesboro
Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|-------------------|-----------------|------------------|--------------------------|--------------------|----------------|---------------------------------------|---------------------|
| Consumption Level | Number of Bills | Cumulative Bills | Gallons Consumed (1)*(2) | Cumulative Gallons | Reversed Bills | Consolidated Factor $(((1)*(6))+(5))$ | Percentage of Total |
| 0 | 15 | 15 | 0 | 0 | 177 | 0 | 0.00% |
| 1,000 | 4 | 19 | 4,000 | 4,000 | 173 | 177,000 | 2.22% |
| 2,000 | 5 | 24 | 10,000 | 14,000 | 168 | 350,000 | 4.39% |
| 3,000 | 18 | 42 | 54,000 | 68,000 | 150 | 518,000 | 6.50% |
| 4,000 | 24 | 66 | 96,000 | 164,000 | 126 | 668,000 | 8.38% |
| 5,000 | 6 | 72 | 30,000 | 194,000 | 120 | 794,000 | 9.96% |
| 6,000 | 5 | 77 | 30,000 | 224,000 | 115 | 914,000 | 11.46% |
| 7,000 | 1 | 78 | 7,000 | 231,000 | 114 | 1,029,000 | 12.91% |
| 8,000 | 4 | 82 | 32,000 | 263,000 | 110 | 1,143,000 | 14.34% |
| 9,000 | 3 | 85 | 27,000 | 290,000 | 107 | 1,253,000 | 15.72% |
| 10,000 | 2 | 87 | 20,000 | 310,000 | 105 | 1,360,000 | 17.06% |
| 12,000 | 2 | 89 | 24,000 | 334,000 | 103 | 1,570,000 | 19.69% |
| 13,000 | 1 | 90 | 13,000 | 347,000 | 102 | 1,673,000 | 20.98% |
| 14,000 | 2 | 92 | 28,000 | 375,000 | 100 | 1,775,000 | 22.26% |
| 15,000 | 1 | 93 | 15,000 | 390,000 | 99 | 1,875,000 | 23.52% |
| 16,000 | 3 | 96 | 48,000 | 438,000 | 96 | 1,974,000 | 24.76% |
| 17,000 | 3 | 99 | 51,000 | 489,000 | 93 | 2,070,000 | 25.96% |
| 18,000 | 3 | 102 | 54,000 | 543,000 | 90 | 2,163,000 | 27.13% |
| 20,000 | 2 | 104 | 40,000 | 583,000 | 88 | 2,343,000 | 29.39% |
| 21,000 | 3 | 107 | 63,000 | 646,000 | 85 | 2,431,000 | 30.49% |
| 22,000 | 1 | 108 | 22,000 | 668,000 | 84 | 2,516,000 | 31.56% |
| 28,000 | 1 | 109 | 28,000 | 696,000 | 83 | 3,020,000 | 37.88% |
| 29,000 | 1 | 110 | 29,000 | 725,000 | 82 | 3,103,000 | 38.92% |
| 31,000 | 1 | 111 | 31,000 | 756,000 | 81 | 3,267,000 | 40.98% |
| 33,000 | 3 | 114 | 99,000 | 855,000 | 78 | 3,429,000 | 43.01% |
| 34,000 | 1 | 115 | 34,000 | 889,000 | 77 | 3,507,000 | 43.99% |
| 35,000 | 1 | 116 | 35,000 | 924,000 | 76 | 3,584,000 | 44.95% |
| 38,000 | 2 | 118 | 76,000 | 1,000,000 | 74 | 3,812,000 | 47.81% |
| 39,000 | 1 | 119 | 39,000 | 1,039,000 | 73 | 3,886,000 | 48.74% |
| 40,000 | 1 | 120 | 40,000 | 1,079,000 | 72 | 3,959,000 | 49.66% |
| 41,000 | 1 | 121 | 41,000 | 1,120,000 | 71 | 4,031,000 | 50.56% |
| 42,000 | 1 | 122 | 42,000 | 1,162,000 | 70 | 4,102,000 | 51.45% |
| 45,000 | 2 | 124 | 90,000 | 1,252,000 | 68 | 4,312,000 | 54.08% |
| 46,000 | 1 | 125 | 46,000 | 1,298,000 | 67 | 4,380,000 | 54.94% |
| 47,000 | 2 | 127 | 94,000 | 1,392,000 | 65 | 4,447,000 | 55.78% |
| 53,000 | 1 | 128 | 53,000 | 1,445,000 | 64 | 4,837,000 | 60.67% |
| 54,000 | 2 | 130 | 108,000 | 1,553,000 | 62 | 4,901,000 | 61.47% |
| 56,000 | 1 | 131 | 56,000 | 1,609,000 | 61 | 5,025,000 | 63.03% |
| 58,000 | 2 | 133 | 116,000 | 1,725,000 | 59 | 5,147,000 | 64.56% |
| 60,000 | 5 | 138 | 300,000 | 2,025,000 | 54 | 5,265,000 | 66.04% |
| 61,000 | 1 | 139 | 61,000 | 2,086,000 | 53 | 5,319,000 | 66.71% |
| 64,000 | 1 | 140 | 64,000 | 2,150,000 | 52 | 5,478,000 | 68.71% |
| 65,000 | 2 | 142 | 130,000 | 2,280,000 | 50 | 5,530,000 | 69.36% |
| 66,000 | 1 | 143 | 66,000 | 2,346,000 | 49 | 5,580,000 | 69.99% |
| 67,000 | 1 | 144 | 67,000 | 2,413,000 | 48 | 5,629,000 | 70.60% |
| 68,000 | 1 | 145 | 68,000 | 2,481,000 | 47 | 5,677,000 | 71.20% |
| 70,000 | 1 | 146 | 70,000 | 2,551,000 | 46 | 5,771,000 | 72.38% |
| 72,000 | 1 | 147 | 72,000 | 2,623,000 | 45 | 5,863,000 | 73.54% |
| 73,000 | 1 | 148 | 73,000 | 2,696,000 | 44 | 5,908,000 | 74.10% |
| 74,000 | 3 | 151 | 222,000 | 2,918,000 | 41 | 5,952,000 | 74.65% |
| 75,000 | 2 | 153 | 150,000 | 3,068,000 | 39 | 5,993,000 | 75.17% |
| 76,000 | 1 | 154 | 76,000 | 3,144,000 | 38 | 6,032,000 | 75.66% |
| 77,000 | 1 | 155 | 77,000 | 3,221,000 | 37 | 6,070,000 | 76.13% |
| 78,000 | 1 | 156 | 78,000 | 3,299,000 | 36 | 6,107,000 | 76.60% |
| 79,000 | 1 | 157 | 79,000 | 3,378,000 | 35 | 6,143,000 | 77.05% |
| 80,000 | 3 | 160 | 240,000 | 3,618,000 | 32 | 6,178,000 | 77.49% |
| 81,000 | 2 | 162 | 162,000 | 3,780,000 | 30 | 6,210,000 | 77.89% |
| 83,000 | 1 | 163 | 83,000 | 3,863,000 | 29 | 6,270,000 | 78.64% |
| 85,000 | 1 | 164 | 85,000 | 3,948,000 | 28 | 6,328,000 | 79.37% |
| 86,000 | 2 | 166 | 172,000 | 4,120,000 | 26 | 6,356,000 | 79.72% |
| 87,000 | 1 | 167 | 87,000 | 4,207,000 | 25 | 6,382,000 | 80.05% |
| 88,000 | 1 | 168 | 88,000 | 4,295,000 | 24 | 6,407,000 | 80.36% |
| 96,000 | 1 | 169 | 96,000 | 4,391,000 | 23 | 6,599,000 | 82.77% |
| 98,000 | 1 | 170 | 98,000 | 4,489,000 | 22 | 6,645,000 | 83.34% |
| 100,000 | 2 | 172 | 200,000 | 4,689,000 | 20 | 6,689,000 | 83.90% |
| 103,000 | 1 | 173 | 103,000 | 4,792,000 | 19 | 6,749,000 | 84.65% |
| 109,000 | 2 | 175 | 218,000 | 5,010,000 | 17 | 6,853,000 | 86.08% |
| 112,000 | 1 | 176 | 112,000 | 5,122,000 | 16 | 6,914,000 | 86.72% |
| 125,000 | 1 | 177 | 125,000 | 5,247,000 | 15 | 7,122,000 | 89.33% |
| 126,000 | 1 | 178 | 126,000 | 5,373,000 | 14 | 7,137,000 | 89.51% |
| 136,000 | 2 | 180 | 272,000 | 5,645,000 | 12 | 7,277,000 | 91.27% |
| 137,000 | 1 | 181 | 137,000 | 5,782,000 | 11 | 7,289,000 | 91.42% |
| 142,000 | 1 | 182 | 142,000 | 5,924,000 | 10 | 7,344,000 | 92.11% |
| 144,000 | 1 | 183 | 144,000 | 6,068,000 | 9 | 7,364,000 | 92.36% |

Billing Analysis Schedules

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

| | | | | | | | |
|---------|---|-----|---------|-----------|---|-----------|---------|
| 153,000 | 1 | 184 | 153,000 | 6,221,000 | 8 | 7,445,000 | 93.38% |
| 165,000 | 1 | 185 | 165,000 | 6,386,000 | 7 | 7,541,000 | 94.58% |
| 172,000 | 1 | 186 | 172,000 | 6,558,000 | 6 | 7,590,000 | 95.20% |
| 177,000 | 1 | 187 | 177,000 | 6,735,000 | 5 | 7,620,000 | 95.57% |
| 181,000 | 1 | 188 | 181,000 | 6,916,000 | 4 | 7,640,000 | 95.82% |
| 189,000 | 1 | 189 | 189,000 | 7,105,000 | 3 | 7,672,000 | 96.22% |
| 194,000 | 1 | 190 | 194,000 | 7,299,000 | 2 | 7,687,000 | 96.41% |
| 238,000 | 1 | 191 | 238,000 | 7,537,000 | 1 | 7,775,000 | 97.52% |
| 436,000 | 1 | 192 | 436,000 | 7,973,000 | 0 | 7,973,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved
 Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+{(5)}] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 9,000 | 1 | 1 | 9,000 | 9,000 | 36 | 333,000 | 7.53% |
| 17,000 | 3 | 4 | 51,000 | 60,000 | 33 | 621,000 | 14.04% |
| 19,000 | 1 | 5 | 19,000 | 79,000 | 32 | 687,000 | 15.53% |
| 20,000 | 3 | 8 | 60,000 | 139,000 | 29 | 719,000 | 16.25% |
| 21,000 | 4 | 12 | 84,000 | 223,000 | 25 | 748,000 | 16.91% |
| 22,000 | 1 | 13 | 22,000 | 245,000 | 24 | 773,000 | 17.47% |
| 76,000 | 1 | 14 | 76,000 | 321,000 | 23 | 2,069,000 | 46.77% |
| 112,000 | 1 | 15 | 112,000 | 433,000 | 22 | 2,897,000 | 65.48% |
| 122,000 | 1 | 16 | 122,000 | 555,000 | 21 | 3,117,000 | 70.46% |
| 128,000 | 1 | 17 | 128,000 | 683,000 | 20 | 3,243,000 | 73.30% |
| 129,000 | 2 | 19 | 258,000 | 941,000 | 18 | 3,263,000 | 73.76% |
| 130,000 | 1 | 20 | 130,000 | 1,071,000 | 17 | 3,281,000 | 74.16% |
| 136,000 | 1 | 21 | 136,000 | 1,207,000 | 16 | 3,383,000 | 76.47% |
| 139,000 | 1 | 22 | 139,000 | 1,346,000 | 15 | 3,431,000 | 77.55% |
| 140,000 | 1 | 23 | 140,000 | 1,486,000 | 14 | 3,446,000 | 77.89% |
| 149,000 | 1 | 24 | 149,000 | 1,635,000 | 13 | 3,572,000 | 80.74% |
| 187,000 | 1 | 25 | 187,000 | 1,822,000 | 12 | 4,066,000 | 91.91% |
| 193,000 | 2 | 27 | 386,000 | 2,208,000 | 10 | 4,138,000 | 93.54% |
| 196,000 | 1 | 28 | 196,000 | 2,404,000 | 9 | 4,168,000 | 94.21% |
| 197,000 | 2 | 30 | 394,000 | 2,798,000 | 7 | 4,177,000 | 94.42% |
| 203,000 | 1 | 31 | 203,000 | 3,001,000 | 6 | 4,219,000 | 95.37% |
| 223,000 | 1 | 32 | 223,000 | 3,224,000 | 5 | 4,339,000 | 98.08% |
| 225,000 | 1 | 33 | 225,000 | 3,449,000 | 4 | 4,349,000 | 98.30% |
| 234,000 | 1 | 34 | 234,000 | 3,683,000 | 3 | 4,385,000 | 99.12% |
| 241,000 | 1 | 35 | 241,000 | 3,924,000 | 2 | 4,406,000 | 99.59% |
| 247,000 | 1 | 36 | 247,000 | 4,171,000 | 1 | 4,418,000 | 99.86% |
| 253,000 | 1 | 37 | 253,000 | 4,424,000 | 0 | 4,424,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 2,000 | 1 | 1 | 2,000 | 2,000 | 47 | 96,000 | 2.49% |
| 3,000 | 2 | 3 | 6,000 | 8,000 | 45 | 143,000 | 3.71% |
| 4,000 | 2 | 5 | 8,000 | 16,000 | 43 | 188,000 | 4.88% |
| 6,000 | 1 | 6 | 6,000 | 22,000 | 42 | 274,000 | 7.11% |
| 7,000 | 2 | 8 | 14,000 | 36,000 | 40 | 316,000 | 8.20% |
| 8,000 | 2 | 10 | 16,000 | 52,000 | 38 | 356,000 | 9.23% |
| 9,000 | 3 | 13 | 27,000 | 79,000 | 35 | 394,000 | 10.22% |
| 10,000 | 2 | 15 | 20,000 | 99,000 | 33 | 429,000 | 11.13% |
| 11,000 | 3 | 18 | 33,000 | 132,000 | 30 | 462,000 | 11.98% |
| 12,000 | 1 | 19 | 12,000 | 144,000 | 29 | 492,000 | 12.76% |
| 13,000 | 2 | 21 | 26,000 | 170,000 | 27 | 521,000 | 13.51% |
| 14,000 | 1 | 22 | 14,000 | 184,000 | 26 | 548,000 | 14.22% |
| 15,000 | 3 | 25 | 45,000 | 229,000 | 23 | 574,000 | 14.89% |
| 16,000 | 1 | 26 | 16,000 | 245,000 | 22 | 597,000 | 15.49% |
| 17,000 | 2 | 28 | 34,000 | 279,000 | 20 | 619,000 | 16.06% |
| 18,000 | 1 | 29 | 18,000 | 297,000 | 19 | 639,000 | 16.58% |
| 20,000 | 1 | 30 | 20,000 | 317,000 | 18 | 677,000 | 17.56% |
| 21,000 | 2 | 32 | 42,000 | 359,000 | 16 | 695,000 | 18.03% |
| 24,000 | 1 | 33 | 24,000 | 383,000 | 15 | 743,000 | 19.27% |
| 25,000 | 1 | 34 | 25,000 | 408,000 | 14 | 758,000 | 19.66% |
| 28,000 | 1 | 35 | 28,000 | 436,000 | 13 | 800,000 | 20.75% |
| 33,000 | 1 | 36 | 33,000 | 469,000 | 12 | 865,000 | 22.44% |
| 71,000 | 1 | 37 | 71,000 | 540,000 | 11 | 1,321,000 | 34.27% |
| 227,000 | 1 | 38 | 227,000 | 767,000 | 10 | 3,037,000 | 78.78% |
| 238,000 | 1 | 39 | 238,000 | 1,005,000 | 9 | 3,147,000 | 81.63% |
| 253,000 | 1 | 40 | 253,000 | 1,258,000 | 8 | 3,262,000 | 85.14% |
| 270,000 | 1 | 41 | 270,000 | 1,528,000 | 7 | 3,418,000 | 88.66% |
| 279,000 | 1 | 42 | 279,000 | 1,807,000 | 6 | 3,481,000 | 90.30% |
| 291,000 | 1 | 43 | 291,000 | 2,098,000 | 5 | 3,553,000 | 92.17% |
| 295,000 | 1 | 44 | 295,000 | 2,393,000 | 4 | 3,573,000 | 92.68% |
| 301,000 | 1 | 45 | 301,000 | 2,694,000 | 3 | 3,597,000 | 93.31% |
| 302,000 | 1 | 46 | 302,000 | 2,996,000 | 2 | 3,600,000 | 93.39% |
| 308,000 | 1 | 47 | 308,000 | 3,304,000 | 1 | 3,612,000 | 93.70% |
| 551,000 | 1 | 48 | 551,000 | 3,855,000 | 0 | 3,855,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 389,000 | 1 | 1 | 389,000 | 389,000 | 11 | 4,668,000 | 53.02% |
| 427,000 | 1 | 2 | 427,000 | 816,000 | 10 | 5,086,000 | 57.76% |
| 452,000 | 1 | 3 | 452,000 | 1,268,000 | 9 | 5,336,000 | 60.60% |
| 515,000 | 1 | 4 | 515,000 | 1,783,000 | 8 | 5,903,000 | 67.04% |
| 563,000 | 1 | 5 | 563,000 | 2,346,000 | 7 | 6,287,000 | 71.40% |
| 664,000 | 1 | 6 | 664,000 | 3,010,000 | 6 | 6,994,000 | 79.43% |
| 669,000 | 1 | 7 | 669,000 | 3,679,000 | 5 | 7,024,000 | 79.77% |
| 782,000 | 1 | 8 | 782,000 | 4,461,000 | 4 | 7,589,000 | 86.19% |
| 824,000 | 1 | 9 | 824,000 | 5,285,000 | 3 | 7,757,000 | 88.10% |
| 872,000 | 1 | 10 | 872,000 | 6,157,000 | 2 | 7,901,000 | 89.73% |
| 949,000 | 1 | 11 | 949,000 | 7,106,000 | 1 | 8,055,000 | 91.48% |
| 1,699,000 | 1 | 12 | 1,699,000 | 8,805,000 | 0 | 8,805,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water [x] or Sewer []
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 5,000 | 1 | 1 | 5,000 | 5,000 | 11 | 60,000 | 17.24% |
| 6,000 | 1 | 2 | 6,000 | 11,000 | 10 | 71,000 | 20.40% |
| 7,000 | 1 | 3 | 7,000 | 18,000 | 9 | 81,000 | 23.28% |
| 8,000 | 1 | 4 | 8,000 | 26,000 | 8 | 90,000 | 25.86% |
| 22,000 | 1 | 5 | 22,000 | 48,000 | 7 | 202,000 | 58.05% |
| 26,000 | 1 | 6 | 26,000 | 74,000 | 6 | 230,000 | 66.09% |
| 31,000 | 1 | 7 | 31,000 | 105,000 | 5 | 260,000 | 74.71% |
| 34,000 | 1 | 8 | 34,000 | 139,000 | 4 | 275,000 | 79.02% |
| 35,000 | 1 | 9 | 35,000 | 174,000 | 3 | 279,000 | 80.17% |
| 45,000 | 1 | 10 | 45,000 | 219,000 | 2 | 309,000 | 88.79% |
| 61,000 | 1 | 11 | 61,000 | 280,000 | 1 | 341,000 | 97.99% |
| 68,000 | 1 | 12 | 68,000 | 348,000 | 0 | 348,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water or Sewer
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[1*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 40,000 | 1 | 1 | 40,000 | 40,000 | 11 | 480,000 | 40.78% |
| 42,000 | 1 | 2 | 42,000 | 82,000 | 10 | 502,000 | 42.65% |
| 74,000 | 1 | 3 | 74,000 | 156,000 | 9 | 822,000 | 69.84% |
| 77,000 | 1 | 4 | 77,000 | 233,000 | 8 | 849,000 | 72.13% |
| 84,000 | 1 | 5 | 84,000 | 317,000 | 7 | 905,000 | 76.89% |
| 93,000 | 1 | 6 | 93,000 | 410,000 | 6 | 968,000 | 82.24% |
| 97,000 | 1 | 7 | 97,000 | 507,000 | 5 | 992,000 | 84.28% |
| 105,000 | 1 | 8 | 105,000 | 612,000 | 4 | 1,032,000 | 87.68% |
| 107,000 | 1 | 9 | 107,000 | 719,000 | 3 | 1,040,000 | 88.36% |
| 115,000 | 1 | 10 | 115,000 | 834,000 | 2 | 1,064,000 | 90.40% |
| 143,000 | 1 | 11 | 143,000 | 977,000 | 1 | 1,120,000 | 95.16% |
| 200,000 | 1 | 12 | 200,000 | 1,177,000 | 0 | 1,177,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water or Sewer
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [[(1)*(6)]+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 101,000 | 1 | 1 | 101,000 | 101,000 | 11 | 1,212,000 | 64.16% |
| 106,000 | 1 | 2 | 106,000 | 207,000 | 10 | 1,267,000 | 67.07% |
| 134,000 | 1 | 3 | 134,000 | 341,000 | 9 | 1,547,000 | 81.90% |
| 135,000 | 2 | 5 | 270,000 | 611,000 | 7 | 1,556,000 | 82.37% |
| 160,000 | 2 | 7 | 320,000 | 931,000 | 5 | 1,731,000 | 91.64% |
| 172,000 | 1 | 8 | 172,000 | 1,103,000 | 4 | 1,791,000 | 94.81% |
| 175,000 | 1 | 9 | 175,000 | 1,278,000 | 3 | 1,803,000 | 95.45% |
| 201,000 | 1 | 10 | 201,000 | 1,479,000 | 2 | 1,881,000 | 99.58% |
| 202,000 | 1 | 11 | 202,000 | 1,681,000 | 1 | 1,883,000 | 99.68% |
| 208,000 | 1 | 12 | 208,000 | 1,889,000 | 0 | 1,889,000 | 100.00% |

Company: Water Service Corporation of Kentucky
Docket No: 2010-00476
Test Year Ended: September 30, 2010

Water or Sewer
Middlesboro
Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+(5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|--|-------------------------------|
| 1,473,000 | 1 | 1 | 1,473,000 | 1,473,000 | 11 | 17,676,000 | 64.10% |
| 1,631,000 | 1 | 2 | 1,631,000 | 3,104,000 | 10 | 19,414,000 | 70.40% |
| 1,811,000 | 1 | 3 | 1,811,000 | 4,915,000 | 9 | 21,214,000 | 76.93% |
| 1,994,000 | 1 | 4 | 1,994,000 | 6,909,000 | 8 | 22,861,000 | 82.90% |
| 2,005,000 | 1 | 5 | 2,005,000 | 8,914,000 | 7 | 22,949,000 | 83.22% |
| 2,087,000 | 1 | 6 | 2,087,000 | 11,001,000 | 6 | 23,523,000 | 85.30% |
| 2,287,000 | 1 | 7 | 2,287,000 | 13,288,000 | 5 | 24,723,000 | 89.65% |
| 2,515,000 | 1 | 8 | 2,515,000 | 15,803,000 | 4 | 25,863,000 | 93.79% |
| 2,769,000 | 1 | 9 | 2,769,000 | 18,572,000 | 3 | 26,879,000 | 97.47% |
| 2,926,000 | 1 | 10 | 2,926,000 | 21,498,000 | 2 | 27,350,000 | 99.18% |
| 3,018,000 | 1 | 11 | 3,018,000 | 24,516,000 | 1 | 27,534,000 | 99.85% |
| 3,060,000 | 1 | 12 | 3,060,000 | 27,576,000 | 0 | 27,576,000 | 100.00% |

Company: Water Service Corporation of Kentucky
 Docket No: 2010-00476
 Test Year Ended: September 30, 2010

Water or Sewer
 Middlesboro
 Customer Class: Commercial

Preparer: Spencer Nedved

Meter Size: 1"

| (1) Consumption Level | (2) Number of Bills | (3) Cumulative Bills | (4) Gallons Consumed (1)*(2) | (5) Cumulative Gallons | (6) Reversed Bills | (7) Consolidated Factor [((1)*(6))+ (5)] | (8) Percentage of Total |
|-----------------------------|---------------------------|----------------------------|---------------------------------------|------------------------------|--------------------------|---|-------------------------------|
| 35,000 | 1 | 1 | 35,000 | 35,000 | 23 | 840,000 | 50.42% |
| 44,000 | 1 | 2 | 44,000 | 79,000 | 22 | 1,047,000 | 62.85% |
| 46,000 | 1 | 3 | 46,000 | 125,000 | 21 | 1,091,000 | 65.49% |
| 49,000 | 1 | 4 | 49,000 | 174,000 | 20 | 1,154,000 | 69.27% |
| 52,000 | 1 | 5 | 52,000 | 226,000 | 19 | 1,214,000 | 72.87% |
| 55,000 | 1 | 6 | 55,000 | 281,000 | 18 | 1,271,000 | 76.29% |
| 58,000 | 1 | 7 | 58,000 | 339,000 | 17 | 1,325,000 | 79.53% |
| 59,000 | 1 | 8 | 59,000 | 398,000 | 16 | 1,342,000 | 80.55% |
| 63,000 | 1 | 9 | 63,000 | 461,000 | 15 | 1,406,000 | 84.39% |
| 65,000 | 2 | 11 | 130,000 | 591,000 | 13 | 1,436,000 | 86.19% |
| 67,000 | 1 | 12 | 67,000 | 658,000 | 12 | 1,462,000 | 87.76% |
| 71,000 | 1 | 13 | 71,000 | 729,000 | 11 | 1,510,000 | 90.64% |
| 72,000 | 1 | 14 | 72,000 | 801,000 | 10 | 1,521,000 | 91.30% |
| 78,000 | 1 | 15 | 78,000 | 879,000 | 9 | 1,581,000 | 94.90% |
| 80,000 | 1 | 16 | 80,000 | 959,000 | 8 | 1,599,000 | 95.98% |
| 81,000 | 1 | 17 | 81,000 | 1,040,000 | 7 | 1,607,000 | 96.46% |
| 82,000 | 1 | 18 | 82,000 | 1,122,000 | 6 | 1,614,000 | 96.88% |
| 84,000 | 1 | 19 | 84,000 | 1,206,000 | 5 | 1,626,000 | 97.60% |
| 85,000 | 2 | 21 | 170,000 | 1,376,000 | 3 | 1,631,000 | 97.90% |
| 90,000 | 1 | 22 | 90,000 | 1,466,000 | 2 | 1,646,000 | 98.80% |
| 96,000 | 1 | 23 | 96,000 | 1,562,000 | 1 | 1,658,000 | 99.52% |
| 104,000 | 1 | 24 | 104,000 | 1,666,000 | 0 | 1,666,000 | 100.00% |

Case No. 2010-00476

Exhibit 8

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Test Year Ending September 30, 2010
Calculation of Revenue Requirement
Operation Ratio Method

Schedule E

| | |
|---|-----------------------|
| Pro Forma Operating revenue | 2,101,574 |
| Divided by: Pro Forma Operating Expenses | <u>1,838,569</u> |
| Operating Ratio | <u><u>114%</u></u> |
| | |
| Pro Forma Operating Expenses | |
| Maintenance expenses | 866,383 |
| General expenses | 657,286 |
| Depreciation | 276,422 |
| Amortization of CIAC | (4,349) |
| Clinton Expense reduction | (103,253) |
| Property tax | 91,803 |
| Payroll tax | <u>54,277</u> |
| Total Pro Forma Operating Expenses | <u>1,838,569</u> |
| Divided by: Operating ratio | <u>88.0%</u> |
| | |
| Subtotal | 2,089,282 |
| Less Pro Forma Operating Expense | <u>1,838,569</u> |
| Operating Margin allowed in revenue requirement | <u><u>250,714</u></u> |

Case No. 2010-00476

Exhibit 9

**WATER SERVICE CORPORATION OF KENTUCKY
CASE NO. 2010-005467
RECONCILIATION OF RATE BASE AND CAPITAL**

9/30/2010

Total Capitalization: \$6,046,070

Reconciling Items:

| | |
|---|-----------|
| Inclusion of organizational costs | 36,283 |
| Restatement of accumulated depreciation | 525,210 |
| Actual and estimated cash working capital | 209,047 |
| Contributions in aid of construction (restated) | (69,587) |
| Advances in aid of construction (restated) | (80,726) |
| Accumulated deferred income taxes | (417,128) |
| Customer deposits | (34,317) |
| Reduction for transportation equipment | (4,740) |
| Plant acquisition adjustment | 154,656 |
| Work in process on books at 09/30/10 | - |
| Cash | (35,386) |
| Accounts receivable - net | (373,264) |
| Other current assets | (9,982) |
| Deferred charges | (125,483) |

Net Rate Base Used to Determine Interest Expense:

5,820,653

Case No. 2010-00476

Exhibit 10

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 1000 | | TOTAL ASSETS |
| 1005 | | LONG TERM ASSETS |
| 1010 | | PROPERTY, PLANT & EQPT |
| 1015 | | WTR UTILITY PLANT IN SERVICE |
| 1020 | | ORGANIZATION |
| 1025 | | FRANCHISES |
| 1030 | | LAND & LAND RIGHTS PUMP |
| 1035 | | LAND & LAND RIGHTS WTR TRT |
| 1040 | | LAND & LAND RIGHTS TRANS DIST |
| 1045 | | LAND & LAND RIGHTS GEN PLT |
| 1050 | | STRUCT & IMPRV SRC SUPPLY |
| 1055 | | STRUCT & IMPRV WTR TRT PLT |
| 1060 | | STRUCT & IMPRV TRANS DIST PLT |
| 1065 | | STRUCT & IMPRV GEN PLT |
| 1070 | | COLLECTING RESERVOIRS |
| 1075 | | LAKE, RIVER, OTHER INTAKES |
| 1080 | | WELLS & SPRINGS |
| 1085 | | INFILTRATION GALLERY |
| 1090 | | SUPPLY MAINS |
| 1095 | | POWER GENERATION EQUIP |
| 1100 | | ELECTRIC PUMP EQUIP SRC PUMP |
| 1105 | | ELECTRIC PUMP EQUIP WTP |
| 1110 | | ELECTRIC PUMP EQUIP TRANS DIST |
| 1115 | | WATER TREATMENT EQPT |
| 1120 | | DIST RESV & STANDPIPES |
| 1125 | | TRANS & DISTR MAINS |
| 1130 | | SERVICE LINES |
| 1135 | | METERS |
| 1140 | | METER INSTALLATIONS |
| 1145 | | HYDRANTS |
| 1150 | | BACKFLOW PREVENTION DEVICES |
| 1155 | | OTH PLT&MISC EQUIP INTANG PLT |
| 1160 | | OTH PLT&MISC EQUIP SRC SUPPLY |
| 1165 | | OTH PLT&MISC EQUIP WTP |
| 1170 | | OTH PLT&MISC EQUIP TRANS DIST |
| 1175 | | OFFICE STRUCT & IMPRV |
| 1180 | | OFFICE FURN & EQPT |
| 1185 | | STORES EQUIPMENT |
| 1190 | | TOOL SHOP & MISC EQPT |
| 1195 | | LABORATORY EQUIPMENT |
| 1200 | | POWER OPERATED EQUIP |
| 1205 | | COMMUNICATION EQPT |
| 1210 | | MISC EQUIPMENT |
| 1215 | | WATER PLANT ALLOCATED |
| 1220 | | OTHER TANGIBLE PLT WATER |
| 1240 | | SWR UTILITY PLANT IN SERVICE |
| 1245 | | ORGANIZATION |
| 1250 | | FRANCHISES INTANG PLT |
| 1255 | | FRANCHISES RECLAIM WTR DIST PLT |
| 1260 | | LAND & LAND RIGHTS INTANG PLT |
| 1265 | | LAND & LAND RIGHTS COLL PLT |
| 1270 | | LAND & LAND RIGHTS TRTMNT PLT |
| 1275 | | LAND & LAND RIGHTS RECLAIM WTP |
| 1280 | | LAND & LAND RIGHTS RCL DST PLT |
| 1285 | | LAND & LAND RIGHTS GEN PLT |
| 1290 | | STRUCT/IMPRV COLL PLT |
| 1295 | | STRUCT/IMPRV PUMP PLT LS |
| 1300 | | STRUCT/IMPRV TREAT PLT |
| 1305 | | STRUCT/IMPRV RECLAIM WTP |
| 1310 | | STRUCT/IMPRV RECLAIM WTR DIST PLT |
| 1315 | | STRUCT/IMPRV GEN PLT |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 1320 | | POWER GEN EQUIP COLL PLT |
| 1325 | | POWER GEN EQUIP PUMP PLT |
| 1330 | | POWER GEN EQUIP TREAT PLT |
| 1335 | | POWER GEN EQUIP RECLAIM WTP |
| 1340 | | POWER GEN EQUIP RCL WTR DIST |
| 1345 | | SEWER FORCE MAIN |
| 1350 | | SEWER GRAVITY MAIN |
| 1353 | | MANHOLES |
| 1355 | | SPECIAL COLL STRUCTURES |
| 1360 | | SERVICES TO CUSTOMERS |
| 1365 | | FLOW MEASURE DEVICES |
| 1370 | | FLOW MEASURE INSTALL |
| 1375 | | RECEIVING WELLS |
| 1380 | | PUMPING EQUIPMENT PUMP PLT |
| 1385 | | PUMPING EQUIPMENT RECLAIM WTP |
| 1390 | | PUMPING EQUIPMENT RCL WTR DIST |
| 1395 | | TREAT/DISP EQUIP LAGOON |
| 1400 | | TREAT/DISP EQUIP TRT PLT |
| 1405 | | TREAT/DISP EQUIP RCL WTP |
| 1410 | | PLANT SEWERS TRTMT PLT |
| 1415 | | PLANT SEWERS RECLAIM WTP |
| 1420 | | OUTFALL LINES |
| 1425 | | OTHER PLT TANGIBLE |
| 1430 | | OTHER PLT COLLECTION |
| 1435 | | OTHER PLT PUMP |
| 1440 | | OTHER PLT TREATMENT |
| 1445 | | OTHER PLT RECLAIM WTR TRT |
| 1450 | | OTHER PLT RECLAIM WTR DIST |
| 1455 | | OFFICE STRUCT & IMPRV |
| 1460 | | OFFICE FURN & EQPT |
| 1465 | | STORES EQUIPMENT |
| 1470 | | TOOL SHOP & MISC EQPT |
| 1475 | | LABORATORY EQPT |
| 1480 | | POWER OPERATED EQUIP |
| 1485 | | COMMUNICATION EQPT |
| 1490 | | MISC EQUIP SEWER |
| 1495 | | SEWER PLANT ALLOCATED |
| 1500 | | OTHER TANGIBLE PLT SEWER |
| 1520 | | REUSE PLANT |
| 1525 | | REUSE SERVICES |
| 1530 | | REUSE MTR/INSTALLATIONS |
| 1535 | | REUSE DIST RESERVOIRS |
| 1540 | | REUSE TRANSMISSION & DIST SYS |
| 1550 | | TRANSPORTATION EQPT |
| 1555 | | TRANSPORTATION EQPT WTR |
| 1560 | | TRANSPORTATION EQPT SWR |
| 1570 | | COMPUTER EQUIPMENT WTR |
| 1575 | | DESKTOP COMPUTER WTR |
| 1580 | | MAINFRAME COMPUTER WTR |
| 1585 | | MINI COMPUTERS WTR |
| 1590 | | COMP SYS COST WTR |
| 1595 | | MICRO SYS COST WTR |
| 1600 | | COMPUTER EQUIPMENT SWR |
| 1605 | | DESKTOP COMPUTER SWR |
| 1610 | | MAINFRAME COMPUTER SWR |
| 1615 | | MINI COMPUTERS SWR |
| 1620 | | COMP SYS COST SWR |
| 1625 | | MICRO SYS COST SWR |
| 1640 | | OTHER PLANT |
| 1650 | | PLANT UNDER CONSTRUCTION |
| 1655 | | WORK IN PROGRESS |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 1660 | | WATER PLANT IN PROCESS |
| 1661 | | WATER PLANT IN PROCESS HISTORY |
| 1665 | 00101 | WIP-CAP TIME WATER STORE TANK |
| 1665 | 00102 | WIP-CAP TIME STORAGE BUILDING |
| 1665 | 00103 | WIP-CAP TIME BUILD WTP |
| 1665 | 00104 | WIP-CAP TIME ABANDON WTP |
| 1665 | 00105 | WIP-CAP TIME INTER/REP WTR MN |
| 1665 | 00106 | WIP-CAP TIME INSTALL WELL |
| 1665 | 00107 | WIP-CAP TIME EXPAND WTP |
| 1665 | 00108 | WIP-CAP TIME HYDRANTS |
| 1665 | 00109 | WIP-CAP TIME INSTALL FILTER |
| 1665 | 00110 | WIP-CAP TIME TELEMETERING |
| 1665 | 00111 | WIP-CAP TIME INSTALL METERS |
| 1665 | 00112 | WIP-CAP TIME GENERATOR WTR |
| 1666 | 00101 | WIP - INTEREST DURING CONSTR |
| 1666 | 00102 | WIP - INTEREST DURING CONSTR |
| 1666 | 00103 | WIP - INTEREST DURING CONSTR |
| 1666 | 00104 | WIP - INTEREST DURING CONSTR |
| 1666 | 00105 | WIP - INTEREST DURING CONSTR |
| 1666 | 00106 | WIP - INTEREST DURING CONSTR |
| 1666 | 00107 | WIP - INTEREST DURING CONSTR |
| 1666 | 00108 | WIP - INTEREST DURING CONSTR |
| 1666 | 00109 | WIP - INTEREST DURING CONSTR |
| 1666 | 00110 | WIP - INTEREST DURING CONSTR |
| 1666 | 00111 | WIP - INTEREST DURING CONSTR |
| 1666 | 00112 | WIP - INTEREST DURING CONSTR |
| 1667 | 00101 | WIP - ENGINEERING |
| 1667 | 00102 | WIP - ENGINEERING |
| 1667 | 00103 | WIP - ENGINEERING |
| 1667 | 00105 | WIP - ENGINEERING |
| 1667 | 00106 | WIP - ENGINEERING |
| 1667 | 00107 | WIP - ENGINEERING |
| 1667 | 00109 | WIP - ENGINEERING |
| 1667 | 00112 | WIP - ENGINEERING |
| 1668 | 00101 | WIP - LABOR/INSTALLATION |
| 1668 | 00105 | WIP - LABOR/INSTALLATION |
| 1668 | 00106 | WIP - LABOR/INSTALLATION |
| 1668 | 00108 | WIP - LABOR/INSTALLATION |
| 1668 | 00109 | WIP - LABOR/INSTALLATION |
| 1668 | 00110 | WIP - LABOR/INSTALLATION |
| 1668 | 00111 | WIP - LABOR/INSTALLATION |
| 1668 | 00112 | WIP - LABOR/INSTALLATION |
| 1669 | 00103 | WIP - EQUIPMENT |
| 1669 | 00106 | WIP - EQUIPMENT |
| 1669 | 00108 | WIP - EQUIPMENT |
| 1669 | 00109 | WIP - EQUIPMENT |
| 1669 | 00110 | WIP - EQUIPMENT |
| 1669 | 00111 | WIP - EQUIPMENT |
| 1669 | 00112 | WIP - EQUIPMENT |
| 1670 | 00101 | WIP - MATERIAL |
| 1670 | 00102 | WIP - MATERIAL |
| 1670 | 00103 | WIP - MATERIAL |
| 1670 | 00104 | WIP - MATERIAL |
| 1670 | 00105 | WIP - MATERIAL |
| 1670 | 00106 | WIP - MATERIAL |
| 1670 | 00107 | WIP - MATERIAL |
| 1670 | 00108 | WIP - MATERIAL |
| 1670 | 00109 | WIP - MATERIAL |
| 1670 | 00110 | WIP - MATERIAL |
| 1670 | 00111 | WIP - MATERIAL |
| 1670 | 00112 | WIP - MATERIAL |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 1671 | 00101 | WIP - ELECTRICAL |
| 1671 | 00102 | WIP - ELECTRICAL |
| 1671 | 00103 | WIP - ELECTRICAL |
| 1671 | 00106 | WIP - ELECTRICAL |
| 1671 | 00107 | WIP - ELECTRICAL |
| 1671 | 00109 | WIP - ELECTRICAL |
| 1671 | 00110 | WIP - ELECTRICAL |
| 1671 | 00112 | WIP - ELECTRICAL |
| 1672 | 00101 | WIP - PIPING |
| 1672 | 00103 | WIP - PIPING |
| 1672 | 00105 | WIP - PIPING |
| 1672 | 00106 | WIP - PIPING |
| 1672 | 00109 | WIP - PIPING |
| 1673 | 00102 | WIP - SITE WORK |
| 1673 | 00103 | WIP - SITE WORK |
| 1673 | 00104 | WIP - SITE WORK |
| 1673 | 00105 | WIP - SITE WORK |
| 1674 | 00103 | WIP - BUILDING ADDITION |
| 1674 | 00107 | WIP - BUILDING ADDITION |
| 1674 | 00109 | WIP - BUILDING ADDITION |
| 1675 | 00102 | WIP - CARPENTRY |
| 1676 | 00101 | WIP - CRANE |
| 1677 | 00106 | WIP - DRILLING COSTS |
| 1678 | 00101 | WIP - FOUNDATION |
| 1678 | 00102 | WIP - FOUNDATION |
| 1679 | 00105 | WIP - LAND/LEASE |
| 1679 | 00106 | WIP - LAND/LEASE |
| 1680 | 00101 | WIP - MAIN EXTENSION/TIE IN |
| 1681 | 00101 | WIP - PERMITS |
| 1682 | 00107 | WIP - PLUMBING |
| 1683 | 00107 | WIP - PUMPS/EQUIPMENT |
| 1684 | 00104 | WIP - RELOCATION |
| 1685 | 00111 | WIP - RESTORATION |
| 1686 | 00101 | WIP - SOIL BORING |
| 1687 | 00101 | WIP - TANK/COST OF |
| 1688 | 00107 | WIP - TANK/DETENTION ADDITION |
| 1689 | 00106 | WIP - TANK/PNEUMATIC |
| 1690 | 00106 | WIP - TESTS/DRAWDOWN |
| 1691 | 00104 | WIP - WELL ABANDONMENT |
| 1692 | 00106 | WIP - WELL HOUSE |
| 1697 | | WIP - CLOSE CP TO GL LEGACY |
| 1698 | | WIP - J/E CLEARING LEGACY |
| 1699 | 00101 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00102 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00103 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00104 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00105 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00106 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00107 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00108 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00109 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00110 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00111 | WIP - TRANSFER TO FIXED ASSETS |
| 1699 | 00112 | WIP - TRANSFER TO FIXED ASSETS |
| 1700 | | SEWER PLANT IN PROCESS |
| 1701 | | SEWER PLANT IN PROCESS HISTORY |
| 1705 | 00201 | WIP-CAP TIME EXPAND/MOD WWTP |
| 1705 | 00202 | WIP-CAP TIME ABANDON WWTP |
| 1705 | 00203 | WIP-CAP TIME LAGOON |
| 1705 | 00204 | WIP-CAP TIME AERATOR |
| 1705 | 00205 | WIP-CAP TIME SLUDGE DRYING BED |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 1705 | 00206 | WIP-CAP TIME BUILD LFT STATION |
| 1705 | 00207 | WIP-CAP TIME GENERATOR SWR |
| 1705 | 00208 | WIP-CAP TIME INTER/REP SWR MN |
| 1705 | 00209 | WIP-CAP TIME RELO FORCE MAIN |
| 1705 | 00210 | WIP-CAP TIME ACCESS ROADS |
| 1705 | 00211 | WIP-CAP TIME INSTALL FLOW MTRS |
| 1706 | 00201 | WIP - INTEREST DURING CONSTR |
| 1706 | 00202 | WIP - INTEREST DURING CONSTR |
| 1706 | 00203 | WIP - INTEREST DURING CONSTR |
| 1706 | 00204 | WIP - INTEREST DURING CONSTR |
| 1706 | 00205 | WIP - INTEREST DURING CONSTR |
| 1706 | 00206 | WIP - INTEREST DURING CONSTR |
| 1706 | 00207 | WIP - INTEREST DURING CONSTR |
| 1706 | 00208 | WIP - INTEREST DURING CONSTR |
| 1706 | 00209 | WIP - INTEREST DURING CONSTR |
| 1706 | 00210 | WIP - INTEREST DURING CONSTR |
| 1706 | 00211 | WIP - INTEREST DURING CONSTR |
| 1707 | 00201 | WIP - ENGINEERING |
| 1707 | 00203 | WIP - ENGINEERING |
| 1707 | 00204 | WIP - ENGINEERING |
| 1707 | 00205 | WIP - ENGINEERING |
| 1707 | 00206 | WIP - ENGINEERING |
| 1707 | 00207 | WIP - ENGINEERING |
| 1707 | 00208 | WIP - ENGINEERING |
| 1707 | 00209 | WIP - ENGINEERING |
| 1707 | 00211 | WIP - ENGINEERING |
| 1708 | 00201 | WIP - LABOR/INSTALLATION |
| 1708 | 00202 | WIP - LABOR/INSTALLATION |
| 1708 | 00205 | WIP - LABOR/INSTALLATION |
| 1708 | 00206 | WIP - LABOR/INSTALLATION |
| 1708 | 00208 | WIP - LABOR/INSTALLATION |
| 1708 | 00210 | WIP - LABOR/INSTALLATION |
| 1708 | 00211 | WIP - LABOR/INSTALLATION |
| 1709 | 00201 | WIP - EQUIPMENT |
| 1709 | 00203 | WIP - EQUIPMENT |
| 1709 | 00204 | WIP - EQUIPMENT |
| 1709 | 00206 | WIP - EQUIPMENT |
| 1709 | 00207 | WIP - EQUIPMENT |
| 1709 | 00208 | WIP - EQUIPMENT |
| 1709 | 00211 | WIP - EQUIPMENT |
| 1710 | 00201 | WIP - MATERIAL |
| 1710 | 00202 | WIP - MATERIAL |
| 1710 | 00203 | WIP - MATERIAL |
| 1710 | 00204 | WIP - MATERIAL |
| 1710 | 00205 | WIP - MATERIAL |
| 1710 | 00206 | WIP - MATERIAL |
| 1710 | 00207 | WIP - MATERIAL |
| 1710 | 00208 | WIP - MATERIAL |
| 1710 | 00209 | WIP - MATERIAL |
| 1710 | 00210 | WIP - MATERIAL |
| 1710 | 00211 | WIP - MATERIAL |
| 1711 | 00201 | WIP - ELECTRICAL |
| 1711 | 00204 | WIP - ELECTRICAL |
| 1711 | 00206 | WIP - ELECTRICAL |
| 1711 | 00207 | WIP - ELECTRICAL |
| 1711 | 00211 | WIP - ELECTRICAL |
| 1712 | 00201 | WIP - PIPING |
| 1712 | 00205 | WIP - PIPING |
| 1712 | 00206 | WIP - PIPING |
| 1713 | 00201 | WIP - SITE WORK |
| 1713 | 00202 | WIP - SITE WORK |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 1713 | 00208 | WIP - SITE WORK |
| 1713 | 00209 | WIP - SITE WORK |
| 1714 | 00207 | WIP - BUILDING ADDITION |
| 1715 | 00201 | WIP - BUILDING/BLOWER MODS |
| 1716 | 00205 | WIP - CONCRETE CONTRACT |
| 1717 | 00203 | WIP - CONSTRUCTION |
| 1717 | 00206 | WIP - CONSTRUCTION |
| 1718 | 00202 | WIP - DRAINING/PLANT |
| 1719 | 00201 | WIP - FOUNDATION |
| 1719 | 00207 | WIP - FOUNDATION |
| 1720 | 00201 | WIP - INSTALLATION OF PLANT |
| 1721 | 00203 | WIP - LAND/LEASE |
| 1721 | 00210 | WIP - LAND/LEASE |
| 1722 | 00201 | WIP - MODIFICATION/LIFT STN |
| 1723 | 00201 | WIP - PACKAGE PLANT PURCHASE |
| 1724 | 00209 | WIP - PERMITS |
| 1725 | 00202 | WIP - PUMP REMOVAL |
| 1726 | 00206 | WIP - PUMPS/EQUIPMENT |
| 1727 | 00201 | WIP - RELOCATION |
| 1727 | 00202 | WIP - RELOCATION |
| 1728 | 00205 | WIP - SAND |
| 1729 | 00202 | WIP - SLUDGE/DISPOSAL |
| 1729 | 00203 | WIP - SLUDGE/DISPOSAL |
| 1730 | 00201 | WIP - SURVEY |
| 1730 | 00209 | WIP - SURVEY |
| 1731 | 00201 | WIP - TESTS/SOIL BORE |
| 1732 | 00203 | WIP - VEGETATION/REMOVAL |
| 1739 | 00201 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00202 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00203 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00204 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00205 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00206 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00207 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00208 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00209 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00210 | WIP - TRANSFER TO FIXED ASSETS |
| 1739 | 00211 | WIP - TRANSFER TO FIXED ASSETS |
| 1740 | | OTHER PLANT IN PROCESS |
| 1741 | | OTHER PLANT IN PROCESS HISTORY |
| 1745 | 00301 | WIP-CAP TIME OFFICE RENOVATION |
| 1745 | 00302 | WIP-CAP TIME ELECTRICAL |
| 1745 | 00303 | WIP-CAP TIME LAB EXPANSION |
| 1745 | 00304 | WIP-CAP TIME COMPUTER EQPMNT |
| 1745 | 00305 | WIP-CAP TIME COMPUTER SOFTWARE |
| 1745 | 00306 | WIP-CAP TIME RADIO EQUIPMENT |
| 1746 | 00301 | WIP - INTEREST DURING CONSTR |
| 1746 | 00302 | WIP - INTEREST DURING CONSTR |
| 1746 | 00303 | WIP - INTEREST DURING CONSTR |
| 1746 | 00304 | WIP - INTEREST DURING CONSTR |
| 1746 | 00305 | WIP - INTEREST DURING CONSTR |
| 1746 | 00306 | WIP - INTEREST DURING CONSTR |
| 1747 | 00303 | WIP - LABOR/INSTALLATION |
| 1747 | 00304 | WIP - LABOR/INSTALLATION |
| 1747 | 00305 | WIP - LABOR/INSTALLATION |
| 1748 | 00302 | WIP - EQUIPMENT |
| 1748 | 00303 | WIP - EQUIPMENT |
| 1748 | 00304 | WIP - EQUIPMENT |
| 1748 | 00306 | WIP - EQUIPMENT |
| 1749 | 00301 | WIP - MATERIAL |
| 1749 | 00302 | WIP - MATERIAL |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 1749 00303 | | WIP - MATERIAL |
| 1749 00304 | | WIP - MATERIAL |
| 1749 00305 | | WIP - MATERIAL |
| 1749 00306 | | WIP - MATERIAL |
| 1750 00301 | | WIP - ELECTRICAL |
| 1751 00301 | | WIP - SITE WORK |
| 1752 00301 | | WIP - CONTRACTOR/LABOR |
| 1752 00302 | | WIP - CONTRACTOR/LABOR |
| 1753 00301 | | WIP - ARCHITECT/DESIGNER |
| 1753 00302 | | WIP - ARCHITECT/DESIGNER |
| 1753 00303 | | WIP - ARCHITECT/DESIGNER |
| 1754 00303 | | WIP - BUILDING ADDITION |
| 1755 00301 | | WIP - FURNITURE |
| 1755 00302 | | WIP - FURNITURE |
| 1756 00301 | | WIP - HEATING/AIR CONDITION |
| 1756 00302 | | WIP - HEATING/AIR CONDITION |
| 1757 00301 | | WIP - INTERIOR FINISH |
| 1757 00302 | | WIP - INTERIOR FINISH |
| 1758 00305 | | WIP - MODIFICATION/CONVERT |
| 1759 00304 | | WIP - REMODELING |
| 1769 00301 | | WIP - TRANSFER TO FIXED ASSETS |
| 1769 00302 | | WIP - TRANSFER TO FIXED ASSETS |
| 1769 00303 | | WIP - TRANSFER TO FIXED ASSETS |
| 1769 00304 | | WIP - TRANSFER TO FIXED ASSETS |
| 1769 00305 | | WIP - TRANSFER TO FIXED ASSETS |
| 1769 00306 | | WIP - TRANSFER TO FIXED ASSETS |
| 1770 | | DEFERRED PLANT IN PROCESS |
| 1771 | | DEFERRED PLANT IN PROCESS HISTORY |
| 1775 00401 | | WIP-CAP TIME WATER TOWER PAINT |
| 1775 00402 | | WIP-CAP TIME W/S PLT PAINT |
| 1775 00403 | | WIP-CAP TIME WATER TANK PAINT |
| 1775 00404 | | WIP-CAP TIME CLEAN SEWER LINE |
| 1775 00405 | | WIP-CAP TIME CHNG FILTER MEDIA |
| 1775 00406 | | WIP-CAP TIME TV SEWER MAIN |
| 1775 00407 | | WIP-CAP TIME SLUDGE & HAULING |
| 1775 00408 | | WIP-CAP TIME W/S PLT LANDSCAPE |
| 1776 00401 | | WIP - INTEREST DURING CONSTR |
| 1776 00402 | | WIP - INTEREST DURING CONSTR |
| 1776 00403 | | WIP - INTEREST DURING CONSTR |
| 1776 00404 | | WIP - INTEREST DURING CONSTR |
| 1776 00405 | | WIP - INTEREST DURING CONSTR |
| 1776 00406 | | WIP - INTEREST DURING CONSTR |
| 1776 00407 | | WIP - INTEREST DURING CONSTR |
| 1776 00408 | | WIP - INTEREST DURING CONSTR |
| 1777 00408 | | WIP - ENGINEERING |
| 1778 00401 | | WIP - LABOR/INSTALLATION |
| 1779 00401 | | WIP - EQUIPMENT |
| 1779 00404 | | WIP - EQUIPMENT |
| 1779 00406 | | WIP - EQUIPMENT |
| 1780 00401 | | WIP - MATERIAL |
| 1780 00402 | | WIP - MATERIAL |
| 1780 00403 | | WIP - MATERIAL |
| 1780 00404 | | WIP - MATERIAL |
| 1780 00405 | | WIP - MATERIAL |
| 1780 00406 | | WIP - MATERIAL |
| 1780 00407 | | WIP - MATERIAL |
| 1780 00408 | | WIP - MATERIAL |
| 1781 00408 | | WIP - SITE WORK |
| 1782 00401 | | WIP - CONTRACTOR/LABOR |
| 1782 00402 | | WIP - CONTRACTOR/LABOR |
| 1782 00403 | | WIP - CONTRACTOR/LABOR |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------------|
| 1782 | 00405 | WIP - CONTRACTOR/LABOR |
| 1782 | 00406 | WIP - CONTRACTOR/LABOR |
| 1783 | 00404 | WIP - GROUTING/SEALING |
| 1784 | 00404 | WIP - JET CLEANING |
| 1785 | 00407 | WIP - PUMP & HAUL SLUDGE |
| 1786 | 00404 | WIP - RENTAL/MACHINE |
| 1786 | 00405 | WIP - RENTAL/MACHINE |
| 1787 | 00402 | WIP - REPAIR |
| 1787 | 00403 | WIP - REPAIR |
| 1799 | 00401 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00402 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00403 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00404 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00405 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00406 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00407 | WIP - TRANSFER TO FIXED ASSETS |
| 1799 | 00408 | WIP - TRANSFER TO FIXED ASSETS |
| 1800 | | PLANT HELD FOR FUTURE USE |
| 1805 | | PLT HELD FUTURE USE-WTR |
| 1810 | | PLT HELD FUTURE USE-SWR |
| 1815 | | PLT HELD FUTURE USE-REUSE |
| 1825 | | ACCUMULATED DEPRECIATION |
| 1830 | | ACC DEPR WATER PLANT |
| 1835 | | ACC DEPR-ORGANIZATION |
| 1840 | | ACC DEPR-FRANCHISES |
| 1845 | | ACC DEPR-STRUCT&IMPRV SRC SPLY |
| 1850 | | ACC DEPR-STRUCT&IMPRV WTP |
| 1855 | | ACC DEPR-STRUCT&IMPRV TRNS DST |
| 1860 | | ACC DEPR-STRUCT&IMPRV GEN PLT |
| 1865 | | ACC DEPR-COLLECTING RESERVOIRS |
| 1870 | | ACC DEPR-LAKE,RIVER,OTH INTAKE |
| 1875 | | ACC DEPR-WELLS & SPRINGS |
| 1880 | | ACC DEPR-INFILTRATION GALLERY |
| 1885 | | ACC DEPR-SUPPLY MAINS |
| 1890 | | ACC DEPR-POWER GENERATION EQUIP |
| 1895 | | ACC DEPR-ELECT PUMP EQUIP SRC PUMP |
| 1900 | | ACC DEPR-ELECT PUMP EQUIP WTP |
| 1905 | | ACC DEPR-ELECT PUMP EQUIP TRAN |
| 1910 | | ACC DEPR-WATER TREATMENT EQPT |
| 1915 | | ACC DEPR-DIST RESV & STANDPIPE |
| 1920 | | ACC DEPR-TRANS & DISTR MAINS |
| 1925 | | ACC DEPR-SERVICE LINES |
| 1930 | | ACC DEPR-METERS |
| 1935 | | ACC DEPR-METER INSTALLS |
| 1940 | | ACC DEPR-HYDRANTS |
| 1945 | | ACC DEPR-BACKFLOW PREVENT DEVC |
| 1950 | | ACC DEPR-OTH PLANT&MISC INTANG |
| 1955 | | ACC DEPR-OTH PLANT&MISC SRC |
| 1960 | | ACC DEPR-OTH PLANT&MISC WTP |
| 1965 | | ACC DEPR-OTH PLANT&MISC TRANS |
| 1970 | | ACC DEPR-OFFICE STRUCTURE |
| 1975 | | ACC DEPR-OFFICE FURN/EQPT |
| 1980 | | ACC DEPR-STORES EQUIPMENT |
| 1985 | | ACC DEPR-TOOL SHOP & MISC EQPT |
| 1990 | | ACC DEPR-LABORATORY EQUIPMENT |
| 1995 | | ACC DEPR-POWER OPERATED EQUIP |
| 2000 | | ACC DEPR-COMMUNICATION EQPT |
| 2005 | | ACC DEPR-MISC EQUIPMENT |
| 2010 | | ACC DEPR-OTHER TANG PLT WATER |
| 2025 | | ACC DEPR SEWER PLANT |
| 2030 | | ACC DEPR-ORGANIZATION |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 2040 | | ACC DEPR FRANCHISES INTANG PLT |
| 2045 | | ACC DEPR FRANCH RCLM WTR DIST |
| 2050 | | ACC DEPR-STRUCT/IMPRV COLL PLT |
| 2055 | | ACC DEPR-STRUCT/IMPRV PUMP PLT LS |
| 2060 | | ACC DEPR-STRUCT/IMPRV TREAT PLT |
| 2065 | | ACC DEPR-STRUCT/IMPRV RCLM WTP |
| 2070 | | ACC DEPR-STRUCT/IMPRV RCLM DST |
| 2075 | | ACC DEPR-STRUCT/IMPRV GEN PLT |
| 2080 | | ACC DEPR-PWR GEN EQP COLL PLT |
| 2085 | | ACC DEPR-PWR GEN EQP PUMP PLT |
| 2090 | | ACC DEPR-PWR GEN EQP TRT PLT |
| 2095 | | ACC DEPR-PWR GEN EQP RCLM WTP |
| 2100 | | ACC DEPR-PWR GEN EQP RCLM DIST |
| 2105 | | ACC DEPR-SEWER FORCE MAIN |
| 2110 | | ACC DEPR-SEWER GRAVITY MAIN |
| 2113 | | ACC DEPR-MANHOLES |
| 2115 | | ACC DEPR-SPECIAL COLL STRCTR |
| 2120 | | ACC DEPR-SERVICES TO CUSTOMERS |
| 2125 | | ACC DEPR-FLOW MEASURE DEVICES |
| 2130 | | ACC DEPR-FLOW MEASURE INSTALL |
| 2135 | | ACC DEPR-RECEIVING WELLS |
| 2140 | | ACC DEPR-PUMP EQP PUMP PLT |
| 2145 | | ACC DEPR-PUMP EQP RCLM WTP |
| 2150 | | ACC DEPR-PUMP EQP RCLM DIST |
| 2155 | | ACC DEPR-TREAT/DISP EQP LAGOON |
| 2160 | | ACC DEPR-TREAT/DISP EQP TRT PLT |
| 2165 | | ACC DEPR-TREAT/DISP EQP RWTP |
| 2170 | | ACC DEPR-PLANT SEWERS TRT PLT |
| 2175 | | ACC DEPR-PLANT SEWERS RECLAIM |
| 2180 | | ACC DEPR-OUTFALL LINES |
| 2185 | | ACC DEPR-OTHER PLT TANGIBLE |
| 2190 | | ACC DEPR-OTHER PLT COLLECTION |
| 2195 | | ACC DEPR-OTHER PLT PUMP |
| 2200 | | ACC DEPR-OTHER PLT TREATMENT |
| 2205 | | ACC DEPR-OTHER PLT RCLM WTP |
| 2210 | | ACC DEPR-OTHER PLT RCLM DIST |
| 2215 | | ACC DEPR-OFFICE STRUCTURE |
| 2220 | | ACC DEPR-OFFICE FURN/EQPT |
| 2225 | | ACC DEPR-STORES EQUIPMENT |
| 2230 | | ACC DEPR-TOOL SHOP & MISC EQPT |
| 2235 | | ACC DEPR-LABORATORY EQPT |
| 2240 | | ACC DEPR-POWER OPERATED EQUIP |
| 2245 | | ACC DEPR-COMMUNICATION EQPT |
| 2250 | | ACC DEPR-MISC EQUIP SEWER |
| 2255 | | ACC DEPR-OTHER TANG PLT SEWER |
| 2265 | | ACC DEPR REUSE PLANT |
| 2270 | | ACC DEPR-REUSE SERVICES |
| 2275 | | ACC DEPR-REUSE MTR/INSTALLS |
| 2280 | | ACC DEPR-REUSE DIST RESERVOIRS |
| 2285 | | ACC DEPR-REUSE TRANS/DIST SYS |
| 2295 | | ACC DEPR-TRANSPORTATION |
| 2300 | | ACC DEPR-TRANSPORTATION WTR |
| 2305 | | ACC DEPR-TRANSPORTATION SWR |
| 2310 | | ACC DEPR COMPUTER WTR |
| 2315 | | ACC DEPR-DESKTOP COMPUTER WTR |
| 2320 | | ACC DEPR-MAINFRAME COMP WTR |
| 2325 | | ACC DEPR-MINI COMP WTR |
| 2330 | | COMP SYS AMORTIZATION WTR |
| 2335 | | MICRO SYS AMORTIZATION WTR |
| 2340 | | ACC DEPR COMPUTER SWR |
| 2345 | | ACC DEPR-DESKTOP COMPUTER SWR |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|---------------------------------|
| 2350 | | ACC DEPR-MAINFRAME COMP SWR |
| 2355 | | ACC DEPR-MINI COMP SWR |
| 2360 | | COMP SYS AMORTIZATION SWR |
| 2365 | | MICRO SYS AMORTIZATION SWR |
| 2370 | | ACC DEPR PLT LEASED TO OTHERS |
| 2375 | | ACC DEPR PLT HELD FUT USE WTR |
| 2380 | | ACC DEPR PLT HELD FUT USE SWR |
| 2385 | | ACC DEPR PLT HELD FUT USE REUSE |
| 2395 | | PLANT ACQ ADJ |
| 2400 | | UTILITY PAA WTR PLANT AMORT |
| 2405 | | UTILITY PAA WTR PLANT UNAMORT |
| 2410 | | UTILITY PAA SWR PLANT AMORT |
| 2415 | | UTILITY PAA SWR PLANT UNAMORT |
| 2420 | | ACC AMORT UTIL PAA-WATER |
| 2425 | | ACC AMORT UTIL PAA-SEWER |
| 2435 | | INVESTMENT IN OPER COS |
| 2440 | | INVEST IN OPERATING COS |
| 2445 010 | | INVEST IN OPER COS |
| 2445 011 | | INVEST IN WTR SERV CORP |
| 2445 012 | | INVEST IN WTR SERV DISB |
| 2445 013 | | INVEST IN APPLE CANYON |
| 2445 014 | | INVEST IN CAMELOT |
| 2445 015 | | INVEST IN CHARMAR |
| 2445 016 | | INVEST IN CHERRY HILL |
| 2445 017 | | INVEST IN CLARENDON |
| 2445 018 | | INVEST IN COUNTY LINE |
| 2445 019 | | INVEST IN DEL MAR |
| 2445 020 | | INVEST IN FERSON CREEK |
| 2445 021 | | INVEST IN GALENA TERRITORY |
| 2445 022 | | INVEST IN KILLARNEY |
| 2445 023 | | INVEST IN LAKE HOLIDAY |
| 2445 024 | | INVEST IN LAKE WILDWOOD |
| 2445 025 | | INVEST IN NORTHERN HILLS |
| 2445 026 | | INVEST IN PRESTWICK |
| 2445 027 | | INVEST IN LAKE MARIAN |
| 2445 028 | | INVEST IN WILDWOOD |
| 2445 029 | | INVEST IN VALENTINE |
| 2445 030 | | INVEST IN WALK UP WOODS |
| 2445 031 | | INVEST IN WHISPERING HILLS |
| 2445 032 | | INVEST IN HOLIDAY HILLS |
| 2445 033 | | INVEST IN MEDINA |
| 2445 034 | | INVEST IN WESTLAKE |
| 2445 035 | | INVEST IN CEDAR BLUFF |
| 2445 036 | | INVEST IN HARBOR RIDGE |
| 2445 037 | | INVEST IN GREAT NORTHERN |
| 2445 038 | | INVEST IN ILL COST CTR |
| 2445 039 | | INVEST IN UI OF NEVADA |
| 2445 040 | | INVEST IN SPRING CREEK |
| 2445 041 | | INVEST IN LA WTR SERV |
| 2445 042 | | INVEST IN UI OF LA |
| 2445 043 | | INVEST IN UI OF MARYLAND |
| 2445 044 | | INVEST IN COLCHESTER |
| 2445 045 | | INVEST IN GREENRIDGE |
| 2445 046 | | INVEST IN PROVINCES |
| 2445 047 | | INVEST IN PINTO |
| 2445 048 | | INVEST IN OCCOQUAN SEWER |
| 2445 049 | | INVEST IN OCCOQUAN WATER |
| 2445 050 | | INVEST IN MASSANUTTEN SEWER |
| 2445 051 | | INVEST IN HOLIDAY SERVICE |
| 2445 052 | | INVEST IN WESTGATE |
| 2445 053 | | INVEST IN UI OF PA |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 2445 054 | | INVEST IN PENN ESTATES |
| 2445 055 | | INVEST IND BLU MT LAKE |
| 2445 056 | | INVEST IN SKIDAWAY ISLAND |
| 2445 057 | | INVEST IN ELK RIVER |
| 2445 058 | | INVEST IN MONTAGUE WATER |
| 2445 059 | | INVEST IN MONTAGUE SEWER |
| 2445 060 | | INVEST IN TWIN LAKES |
| 2445 061 | | INVEST IN TIERRE VERDE |
| 2445 062 | | INVEST IN LAKE PLACID |
| 2445 063 | | INVEST IN EAST LAKE |
| 2445 064 | | INVEST IN CHARLESTON U I |
| 2445 065 | | INVEST IN PEBBLECREEK |
| 2445 066 | | INVEST IN ALAFAYA |
| 2445 067 | | INVEST IN LONGWOOD |
| 2445 068 | | INVEST IN WEDGEFIELD |
| 2445 069 | | INVEST IN CAROLINA WTR SERV |
| 2445 070 | | INVEST IN UTIL SERV OF SC INC |
| 2445 071 | | INVEST IN CYPRESS LAKES UI |
| 2445 072 | | INVEST IN UTIL INC EAGLE RIDGE |
| 2445 073 | | INVEST IN SOUTHLAND |
| 2445 074 | | INVEST IN UNITED UTILITY |
| 2445 075 | | INVEST IN KEOWEE KEY |
| 2445 076 | | INVEST IN S C UTILITIES |
| 2445 077 | | INVEST IN WILD DUNES |
| 2445 078 | | INVEST IN TEGA CAY |
| 2445 079 | | INVEST IN CWS INC OF N C |
| 2445 080 | | INVEST IN RIVER POINTE |
| 2445 081 | | INVEST IN FAIRFIELD |
| 2445 082 | | INVEST IN CNC-GENOA |
| 2445 083 | | INVEST IN WATAUGA VISTA |
| 2445 084 | | INVEST IN BRANDYWINE BAY |
| 2445 085 | | INVEST IN TRANSYLVANIA |
| 2445 086 | | INVEST IN MID COUNTY |
| 2445 087 | | INVEST IN LAKE UTIL INC |
| 2445 088 | | INVEST IN U I OF FLORIDA |
| 2445 089 | | INVEST IN MILES GRANT |
| 2445 090 | | INVEST IN TENN WTR SERV |
| 2445 091 | | INVEST IN BIOTECH |
| 2445 092 | | INVEST IN HUTCHINSON ISLAND |
| 2445 093 | | INVEST IN SANLANDO |
| 2445 094 | | INVEST IN LAKE GROVES |
| 2445 095 | | INVEST IN SANDALVEN |
| 2445 096 | | INVEST IN BAYSIDE |
| 2445 097 | | INVEST IN SOUTH GATE |
| 2445 098 | | INVEST IN LABRADOR UI |
| 2445 099 | | INVEST IN UI OF PENNBROOKE |
| 2445 100 | | INVEST IN UI OF HUTCHINSON ISLAND |
| 2445 101 | | INVEST IN SANDY CREEK |
| 2445 102 | | INVEST IN NORTH TOPSAIL |
| 2445 103 | | INVEST IN CAROLINA PINES |
| 2445 104 | | INVEST IN BRADFIELD FARMS |
| 2445 105 | | INVEST IN NERO UTILITY |
| 2445 106 | | INVEST IN SKY RANCH |
| 2445 107 | | INVEST IN BERMUDA WATER CO |
| 2445 108 | | INVEST IN UI OF CENTRAL NEVADA |
| 2445 109 | | INVEST IN WSC OF IND INC |
| 2445 110 | | INVEST IN INDIANA WATER SERV |
| 2445 111 | | INVEST IN WTR SERV CORP OF KY |
| 2445 112 | | INVEST IN WSC OF GEORGIA |
| 2445 113 | | INVEST IN CAROLINA TRACE |
| 2450 | | NON-UTILITY INVESTMENTS |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|---------------------------------|
| 2455 | | NON-UTILITY PROPERTY & INV |
| 2460 | | NON-UTIL PROP & INVENTORY |
| 2465 | | ORGANIZATION |
| 2470 | | LAND & LAB RIGHTS |
| 2475 | | PROCESSING PLANT |
| 2480 | | OFF STRUCT & IMPROV |
| 2485 | | PORTABLE OFFICE STRUCTURE |
| 2490 | | OFFICE FURNITURE |
| 2495 | | OFFICE EQUIPMENT |
| 2500 | | MAINTENANCE STRUCT & IMPROVE |
| 2505 | | LAB FURNITURE |
| 2510 | | MAINTENANCE TOOL |
| 2515 | | EQUIPMENT & MACHINERY |
| 2520 | | COMMUNICATION EQUIPMENT |
| 2521 | | TRANSPORTATION EQPT |
| 2525 | | ACC DEPR NON-UTILITY PROP & INV |
| 2530 | | ACC DEPR-PROP & INV |
| 2535 | | ACC DEPR-ORGANIZATION |
| 2540 | | ACC DEPR-LAND&LAB |
| 2545 | | ACC DEPR-PROCESSING PLANT |
| 2550 | | ACC DEPR-OFF STRUCTURE |
| 2555 | | ACC DEPR-PORT OFF STRUCTURE |
| 2560 | | ACC DEPR-OFF FURNITURE |
| 2565 | | ACC DEPR-OFF EQUIPMENT |
| 2570 | | ACC DEPR-MAINT STRUCTURE |
| 2575 | | ACC DEPR-LAB FURNITURE |
| 2580 | | ACC DEPR-MAINT TOOL |
| 2585 | | ACC DEPR-EQ & MACHINERY |
| 2590 | | ACC DEPR-COMMUN EQPT |
| 2591 | | ACC DEPR-TRANSPORTATION |
| 2595 | | NONREG GOODWILL |
| 2600 | | NONREGULATED GOODWILL |
| 2605 | | ACCUM AMORT NONREG GOODWILL |
| 2610 | | ESCROW DEPOSIT |
| 2615 | | ESCROW DEPOSIT |
| 2620 | | UTIL PLANT ACQUIRED/DISPOSED |
| 2625 | | CURRENT ASSETS |
| 2630 | | CASH |
| 2635 | | CASH-IN BANK |
| 2640 | 10 | CASH-CHASE-WSC DISBURSEMENT |
| 2640 | 11 | CASH-CHASE-DEPOSITORY |
| 2640 | 12 | CASH-CHASE MONEY MARKET |
| 2640 | 13 | CASH CONSOLIDATION |
| 2640 | 14 | CASH CLEARING ACCOUNT |
| 2640 | 15 | CASH CLEARING-COLLECT A/C |
| 2640 | 16 | CASH-CHASE-WSCIL |
| 2640 | 17 | CASH-CHASE-WSC INS DISBURSE |
| 2640 | 18 | CASH-BANK ONE-WSC COLL ACCT |
| 2640 | 19 | CASH-NATIONS BANK-L< CSH REC |
| 2640 | 20 | CASH-WD COLLECTION ACCT |
| 2640 | 21 | CASH-CHASE-CWS COLLECTION |
| 2640 | 22 | CASH-BANK OF AMERICA-ACH |
| 2640 | 23 | CASH-CHASE-CREDIT CARD |
| 2640 | 24 | CASH-CHASE-FLEXSERV |
| 2640 | 25 | CASH-BANK OF AMERICA-SC |
| 2640 | 26 | CASH-WILLIAM BLAIR |
| 2640 | 27 | CASH-U U NATIONS BANK |
| 2640 | 28 | CASH-CNC MOREHEAD CTY-WACHOVIA |
| 2640 | 29 | CASH-CHASE-AZ 2185-0135 |
| 2640 | 30 | CASH-COBANK-AZ |
| 2640 | 31 | CASH-BANK OF AMERICA-GA |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 2640 | 32 | CASH-BANK OF AMERICA-NV |
| 2640 | 33 | CASH-CHASE-SPG CRK HYD |
| 2640 | 34 | CASH-CHASE-SPG CRK CAP |
| 2640 | 35 | CASH-BANK OF AMERICA-MD |
| 2640 | 36 | CASH-CHASE-BETTERMENT FEES NV |
| 2640 | 37 | CASH-CHASE-PLT CAP FUND NV |
| 2640 | 38 | CASH-CHASE-WTR STORAGE CAP NV |
| 2640 | 39 | CASH-FL NATL OF ORLANDO |
| 2640 | 40 | CASH-COMMERICAL BANK-KY |
| 2640 | 41 | CASH-CLINTON 1ST NATL BANK |
| 2640 | 42 | CASH-CLINTON-DEBT RESERVE |
| 2640 | 43 | CASH-BANK OF AMERICA-FL |
| 2640 | 44 | CASH-NATIONS BANK-SEUI |
| 2640 | 45 | CASH-BARNETT BANK |
| 2640 | 46 | CASH-CHASE-LA |
| 2640 | 47 | CASH-BANK OF AMERICA-NC |
| 2640 | 48 | CASH-BANK OF AM-COLCHESTER ESCROW |
| 2640 | 49 | CASH-TALLAHATCHIE-MS |
| 2640 | 50 | CASH-BB&T |
| 2640 | 51 | CASH-CHASE-WTR RTS PRO FUND NV |
| 2640 | 52 | CASH-CHASE-UIL ESCROW |
| 2640 | 53 | CASH-1ST COMMUNITY BANK-KY |
| 2645 | | PETTY CASH |
| 2650 | 10 | CASH-WSC PETTY CASH-CHASE |
| 2650 | 11 | CASH-CWS PETTY CASH-BOA |
| 2650 | 12 | CASH-CNC PETTY CASH-BOA |
| 2650 | 13 | CASH-UUC PETTY CASH |
| 2650 | 14 | CASH-MD PETTY CASH-BOA |
| 2650 | 15 | CASH-FL PETTY CASH-BOA |
| 2650 | 16 | CASH-GA PETTY CASH-BOA |
| 2650 | 17 | CASH-LA PETTY CASH-CHASE |
| 2650 | 18 | CASH-MS PETTY CASH-TALLAHATCH |
| 2650 | 19 | CASH-BIOTECH PETTY CASH |
| 2650 | 20 | CASH-AZ PETTY CASH-CHASE |
| 2650 | 21 | CASH-NV PETTY CASH-BOA |
| 2650 | 22 | PETTY CASH |
| 2655 | | ACCOUNTS RECEIVABLE |
| 2660 | | A/R CASH UNAPPLIED |
| 2665 | | CASH UNAPPLIED |
| 2670 | | ACCOUNTS RECEIVABLE CUSTOMER |
| 2675 | | A/R-CUSTOMER TRADE CC&B |
| 2680 | | A/R-CUSTOMER ACCRUAL |
| 2685 | | A/R-CUSTOMER REFUNDS |
| 2690 | | ACCUM PROV UNCOLLECT ACCTS |
| 2695 | | ACCOUNTS RECEIVABLE OTHER |
| 2700 | | A/R-OTHER |
| 2705 | | A/R-NON-CIAC SUSPENSE |
| 2710 | | A/R ASSOC COS |
| 2715 | | TOTAL NOTES RECEIVABLE |
| 2720 | | NOTES REC ACCOCIATED COS |
| 2725 | | N/R ASSOC COS |
| 2730 | | N/R OTHER |
| 2735 | | LONG TERM NOTES RECEIVABLE |
| 2740 | | N/R STOCK PURCHASE |
| 2745 | | N/R STOCK PURCHASE |
| 2750 | | INVENTORY TOTAL |
| 2755 | | INVENTORY |
| 2770 | | TOTAL SPECIAL DEPOSITS |
| 2775 | | SPECIAL DEPOSITS |
| 2780 | | PREPAID EXPENSES |
| 2785 | | PREPAYMENTS |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 2790 | | PREPAID INSURANCE |
| 2795 | | PREPAID REIMBURSEMENTS |
| 2800 | | PREPAID TARIFF FUNDS |
| 2805 | | OTHER CURRENT ASSETS |
| 2810 | | INTEREST & DIVIDENDS REC |
| 2815 | | INT & DIV RECEIVABLE |
| 2820 | | MISC CURRENT ASSETS |
| 2825 | | MISC CURRENT ASSETS |
| 2830 | | INVESTMENTS IN STOCK |
| 2835 | | TEMPORARY CASH INVESTMENTS |
| 2840 | | DEFERRED STOCK COMPENSATION |
| 2845 | | CASH VALUE OF LIFE INS |
| 2850 | | PRELIMINARY SURVEY |
| 2855 | | PRELIMINARY SURVEY |
| 2856 | 00801 | PRELIMINARY SURVEY PROJECT |
| 2860 | | CLEARING |
| 2865 | | PAYROLL CLEARING |
| 2870 | | FLEX SERV |
| 2875 | | 401K CLEARING |
| 2880 | | DEF CHGS & OTHER ASSETS |
| 2885 | | UNAMORT DEBT DISCOUNT & EXP |
| 2890 | | DEBT EXPENSE BEING AMORT |
| 2895 | | AMORT - DEBT EXPENSE |
| 2900 | | DEFERRED RATE CASE EXPENSE |
| 2905 | | RATE CASE IN PROGRESS |
| 2906 | 00901 | RCIP - ATTORNEY FEES |
| 2907 | 00901 | RCIP - CAPITALIZED TIME |
| 2908 | 00901 | RCIP - ADMINISTRATIVE EXPENSES |
| 2909 | 00901 | RCIP - TRAVEL |
| 2910 | 00901 | RCIP - CONSULTING FEES |
| 2914 | 00901 | RCIP - TRANSFER TO DEF RC |
| 2915 | | REG EXP BEING AMORT |
| 2920 | | RATE CASE BEING AMORT |
| 2925 | | MISC REGULATORY COMM EXP |
| 2930 | | RATE CASE ACCUM AMORT |
| 2933 | | MISC REG ACCUM AMORT |
| 2935 | | ORIG COST EXPENSE |
| 2940 | | ORIG COST ACCUM AMORT |
| 2945 | | OTHER DEFERRED CHARGES |
| 2950 | | DEF CHGS-LANDSCAPING |
| 2955 | | DEF CHGS-CUSTOMER COMPLAINTS |
| 2960 | | DEF CHGS-TANK MAINT&REP WTR |
| 2965 | | DEF CHGS-RELOCATION EXPENSES |
| 2970 | | DEF CHGS-ATTORNEY FEE |
| 2975 | | DEF CHGS-HURRICANE/STORMS COST |
| 2980 | | DEF CHGS-EMP FEES |
| 2985 | | DEF CHGS-OTHER |
| 3000 | | DEF CHGS-OTHER WTR & SWR |
| 3005 | | DEF CHGS-VOC TESTING |
| 3020 | | DEF CHGS-SLUDGE HAULING |
| 3025 | | DEF CHGS-PR WASH/JET SWR MAINS |
| 3030 | | DEF CHGS-TV SEWER MAINS |
| 3040 | | DEF CHGS-TANK MAINT&REP SWR |
| 3080 | | AMORT - LANDSCAPING |
| 3090 | | AMORT - CUSTOMER COMPLAINTS |
| 3110 | | AMORT - TANK MAINT&REP WTR |
| 3120 | | AMORT - RELOCATION EXP |
| 3125 | | AMORT - ATTORNEY FEE |
| 3130 | | AMORT - HURRICANE/STORMS |
| 3135 | | AMORT - EMPLOYEE FEES |
| 3140 | | AMORT - OTHER |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 3155 | | AMORT - OTHER WTR & SWR |
| 3160 | | AMORT - VOC TESTING |
| 3175 | | AMORT - SLUDGE HAULING |
| 3180 | | AMORT - PR WASH/JET SWR MAINS |
| 3185 | | AMORT - TV SEWER MAINS |
| 3195 | | AMORT - TANK MAINT&REP SWR |
| 3200 | | REGULATORY INCOME TAX ASSET |
| 3210 | | TOTAL LIABILITIES |
| 3215 | | LONG TERM LIABILITIES |
| 3220 | | ADVANCES IN AID OF CONSTR |
| 3225 | | ADV-IN-AID OF CONST-WATER |
| 3230 | | ADV-IN-AID OF CONST-SEWER |
| 3235 | | ACC AMORT-AIA-WATER |
| 3240 | | ACC AMORT-CIA-SEWER |
| 3245 | | CONTRIBUTIONS IN AID CONST |
| 3250 | | CONTRIBUTIONS IN AID WATER |
| 3255 | | CIAC-ORGANIZATION |
| 3260 | | CIAC-FRANCHISES |
| 3265 | | CIAC-STRUCT & IMPRV SRC SUPPLY |
| 3270 | | CIAC-STRUCT & IMPRV WTP |
| 3275 | | CIAC-STRUCT & IMPRV TRANS DIST |
| 3280 | | CIAC-STRUCT & IMPRV GEN PLT |
| 3285 | | CIAC-COLLECTING RESERVOIRS |
| 3290 | | CIAC-LAKE, RIVER, OTHER INTAKES |
| 3295 | | CIAC-WELLS & SPRINGS |
| 3300 | | CIAC-INFILTRATION GALLERY |
| 3305 | | CIAC-SUPPLY MAINS |
| 3310 | | CIAC-POWER GENERATION EQUIP |
| 3315 | | CIAC-ELEC PUMP EQP SRC PUMP |
| 3320 | | CIAC-ELEC PUMP EQP WTP |
| 3325 | | CIAC-ELEC PUMP EQP TRANS DIST |
| 3330 | | CIAC-WATER TREATMENT EQPT |
| 3335 | | CIAC-DIST RESV & STANDPIPES |
| 3340 | | CIAC-TRANS & DISTR MAINS |
| 3345 | | CIAC-SERVICE LINES |
| 3350 | | CIAC-METERS |
| 3355 | | CIAC-METER INSTALLS |
| 3360 | | CIAC-HYDRANTS |
| 3365 | | CIAC-BACKFLOW PREVENT DEVICE |
| 3370 | | CIAC-OTH PLT&MISC EQP INTG PLT |
| 3375 | | CIAC-OTH PLT&MISC EQP SRC SUPPLY |
| 3380 | | CIAC-OTH PLT&MISC EQP WTP |
| 3385 | | CIAC-OTH PLT&MISC EQP DIST |
| 3390 | | CIAC-OFFICE STRUCTURE |
| 3395 | | CIAC-OFFICE FURN/EQPT |
| 3400 | | CIAC-STORES EQUIPMENT |
| 3405 | | CIAC-TOOL SHOP & MISC EQPT |
| 3410 | | CIAC-LABORATORY EQUIPMENT |
| 3415 | | CIAC-POWER OPERATED EQUIP |
| 3420 | | CIAC-COMMUNICATION EQPT |
| 3425 | | CIAC-MISC EQUIPMENT |
| 3430 | | CIAC-OTHER TANGIBLE PLT WATER |
| 3435 | | CIAC-WATER-TAP |
| 3440 | | CIAC-WTR MGMT FEE |
| 3445 | | CIAC-WTR RES CAP FEE |
| 3450 | | CIAC-WTR PLT MOD FEE |
| 3455 | | CIAC-WTR PLT MTR FEE |
| 3475 | | CONTRIBUTIONS IN AID SEWER |
| 3480 | | CIAC-ORGANIZATION |
| 3485 | | CIAC-FRANCHISES INTANG PLT |
| 3490 | | CIAC-FRANCHISES RCLM WTR DIST PLT |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------------|
| 3495 | | CIAC-STRUCT/IMPRV COLL PLT |
| 3500 | | CIAC-STRUCT/IMPRV PUMP PLT LS |
| 3505 | | CIAC-STRUCT/IMPRV TREAT PLT |
| 3510 | | CIAC-STRUCT/IMPRV RCLM WTP |
| 3515 | | CIAC-STRUCT/IMPRV RCLM DIST |
| 3520 | | CIAC-STRUCT/IMPRV GEN PLT |
| 3525 | | CIAC-POWER GEN EQUIP COLL PLT |
| 3530 | | CIAC-POWER GEN EQUIP PUMP PLT |
| 3535 | | CIAC-POWER GEN EQUIP TREAT PLT |
| 3540 | | CIAC-POWER GEN EQUIP RCLM WTP |
| 3545 | | CIAC-POWER GEN EQUIP RCLM DIST |
| 3550 | | CIAC-SEWER FORCE MAIN |
| 3555 | | CIAC-SEWER GRAVITY MAIN |
| 3557 | | CIAC-MANHOLES |
| 3560 | | CIAC-SPECIAL COLL STRUCTURES |
| 3565 | | CIAC-SERVICES TO CUSTOMERS |
| 3570 | | CIAC-FLOW MEASURE DEVICES |
| 3575 | | CIAC-FLOW MEASURE INSTALL |
| 3580 | | CIAC-RECEIVING WELLS |
| 3585 | | CIAC-PUMP EQP PUMP PLT |
| 3590 | | CIAC-PUMP EQP RCLM WTP |
| 3595 | | CIAC-PUMP EQP RCLM DIST |
| 3600 | | CIAC-TREAT/DISP EQUIP LAGOON |
| 3605 | | CIAC-TREAT/DISP EQUIP TRT PLT |
| 3610 | | CIAC-TREAT/DISP EQUIP RCLM WTP |
| 3615 | | CIAC-PLANT SEWERS TRTMT PLT |
| 3620 | | CIAC-PLANT SEWERS RCLM WTP |
| 3625 | | CIAC-OUTFALL LINES |
| 3630 | | CIAC-OTHER PLT TANGIBLE |
| 3635 | | CIAC-OTHER PLT COLLECTION |
| 3640 | | CIAC-OTHER PLT PUMP |
| 3645 | | CIAC-OTHER PLT TREATMENT |
| 3650 | | CIAC-OTHER PLT RCLM WTR TRT |
| 3655 | | CIAC-OTHER PLT RCLM WTR DIST |
| 3660 | | CIAC-OFFICE STRUCTURE |
| 3665 | | CIAC-OFFICE FURN/EQPT |
| 3670 | | CIAC-STORES EQUIPMENT |
| 3675 | | CIAC-TOOL SHOP & MISC EQPT |
| 3680 | | CIAC-LABORATORY EQPT |
| 3685 | | CIAC-POWER OPERATED EQUIP |
| 3690 | | CIAC-COMMUNICATION EQPT |
| 3695 | | CIAC-MISC EQUIP SEWER |
| 3700 | | CIAC-OTHER TANGIBLE PLT SEWER |
| 3705 | | CIAC-SEWER-TAP |
| 3710 | | CIAC-SWR MGMT FEE |
| 3715 | | CIAC-SWR RES CAP FEE |
| 3720 | | CIAC-SWR PLT MOD FEE |
| 3725 | | CIAC-SWR PLT MTR FEE |
| 3745 | | CIAC-REUSE |
| 3750 | | CIAC-REUSE SERVICES |
| 3755 | | CIAC-REUSE MTR/INSTALLATIONS |
| 3760 | | CIAC-REUSE DIST RESERVOIRS |
| 3765 | | CIAC-REUSE TRANSMISSION & DIST SYS |
| 3770 | | CIAC-REUSE-TAP |
| 3775 | | CIAC-REUSE MGMT FEE |
| 3780 | | CIAC-REUSE RES CAP FEE |
| 3785 | | CIAC-REUSE PLT MOD FEE |
| 3790 | | CIAC-REUSE PLT MTR FEE |
| 3795 | | ACCUM AMORT OF CIA WATER |
| 3800 | | ACC AMORT ORGANIZATION |
| 3805 | | ACC AMORT FRANCHISES |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|---------------------------------------|
| 3810 | | ACC AMORT STRUCT & IMPRV SRC |
| 3815 | | ACC AMORT STRUCT & IMPRV WTP |
| 3820 | | ACC AMORT STRUCT & IMPRV DIST |
| 3825 | | ACC AMORT STRUCT & IMPRV GPLT |
| 3830 | | ACC AMORT COLLECTING RESERVOIRS |
| 3835 | | ACC AMORT LAKE, RIVER, OTHER |
| 3840 | | ACC AMORT WELLS & SPRINGS |
| 3845 | | ACC AMORT INFILTRATION GALLERY |
| 3850 | | ACC AMORT SUPPLY MAINS |
| 3855 | | ACC AMORT POWER GEN EQP |
| 3860 | | ACC AMORT ELEC PUMP EQP SRC |
| 3865 | | ACC AMORT ELEC PUMP EQP WTP |
| 3870 | | ACC AMORT ELEC PUMP EQP TRANS DIST |
| 3875 | | ACC AMORT WATER TREATMENT EQPT |
| 3880 | | ACC AMORT DIST RESV & STANDPIP |
| 3885 | | ACC AMORT TRANS & DISTR MAINS |
| 3890 | | ACC AMORT SERVICE LINES |
| 3895 | | ACC AMORT METERS |
| 3900 | | ACC AMORT METER INSTALLS |
| 3905 | | ACC AMORT HYDRANTS |
| 3910 | | ACC AMORT BACKFLOW PREVENT DEVICE |
| 3915 | | ACC AMORT OTH PLT&MISC EQP INTANG PLT |
| 3920 | | ACC AMORT OTH PLT&MISC EQP SRC SUPPLY |
| 3925 | | ACC AMORT OTH PLT&MISC EQP WTP |
| 3930 | | ACC AMORT OTH PLT&MISC EQP DIST |
| 3935 | | ACC AMORT OFFICE STRUCTURE |
| 3940 | | ACC AMORT OFFICE FURN/EQPT |
| 3945 | | ACC AMORT STORES EQUIPMENT |
| 3950 | | ACC AMORT TOOL SHOP & MISC EQPT |
| 3955 | | ACC AMORT LABORATORY EQUIPMENT |
| 3960 | | ACC AMORT POWER OPERATED EQUIP |
| 3965 | | ACC AMORT COMMUNICATION EQPT |
| 3970 | | ACC AMORT MISC EQUIPMENT |
| 3975 | | ACC AMORT OTHER TANG PLT WATER |
| 3980 | | ACC AMORT WATER-CIAC TAP |
| 3990 | | ACC AMORT WTR MGMT FEE - NC |
| 3995 | | ACC AMORT WTR RES CAP FEE-NC |
| 4000 | | ACC AMORT WTR PLT MOD FEE-NC |
| 4005 | | ACC AMORT WTR PLT MTR FEE-NC |
| 4025 | | ACCUM AMORT OF CIA SEWER |
| 4030 | | ACC AMORT ORGANIZATION |
| 4035 | | ACC AMORT FRANCHISES INTANG PLT |
| 4040 | | ACC AMORT FRANCHISES RCLM DIST |
| 4045 | | ACC AMORTSTRUCT/IMPRV COLL PLT |
| 4050 | | ACC AMORTSTRUCT/IMPRV PUMP PLT LS |
| 4055 | | ACC AMORTSTRUCT/IMPRV TREAT PLT |
| 4060 | | ACC AMORTSTRUCT/IMPRV RCLM WTP |
| 4065 | | ACC AMORTSTRUCT/IMPRV RCLM DIST |
| 4070 | | ACC AMORTSTRUCT/IMPRV GEN PLT |
| 4075 | | ACC AMORT PWR GEN EQP COLL |
| 4080 | | ACC AMORT PWR GEN EQP PUMP |
| 4085 | | ACC AMORT PWR GEN EQP TREAT |
| 4090 | | ACC AMORT PWR GEN EQP RCLM WTP |
| 4095 | | ACC AMORT PWR GEN EQP RCLM DST |
| 4100 | | ACC AMORT SEWER FORCE MAIN |
| 4105 | | ACC AMORT SEWER GRAVITY MAIN |
| 4107 | | ACC AMORT MANHOLES |
| 4110 | | ACC AMORT SPCL COLL STRUCTURES |
| 4115 | | ACC AMORT SERVICES TO CUSTOMERS |
| 4120 | | ACC AMORT FLOW MEASURE DEVICES |
| 4125 | | ACC AMORT FLOW MEASURE INSTALL |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-------------------------------------|
| 4130 | | ACC AMORT RECEIVING WELLS |
| 4135 | | ACC AMORT PUMP EQP PUMP PLT |
| 4140 | | ACC AMORT PUMP EQP RCLM WTP |
| 4145 | | ACC AMORT PUMP EQP RCLM DIST |
| 4150 | | ACC AMORT TREAT/DISP EQUIP LAGOON |
| 4155 | | ACC AMORT TREAT/DISP EQUIP TRT PLT |
| 4160 | | ACC AMORT TREAT/DISP EQUIP RCLM WTP |
| 4165 | | ACC AMORT PLANT SWR TRTMT PLT |
| 4170 | | ACC AMORT PLANT SWR RCLM WTP |
| 4175 | | ACC AMORT OUTFALL LINES |
| 4180 | | ACC AMORT OTH PLT TANGIBLE |
| 4185 | | ACC AMORT OTH PLT COLLECTION |
| 4190 | | ACC AMORT OTH PLT PUMP |
| 4195 | | ACC AMORT OTH PLT TREATMENT |
| 4200 | | ACC AMORT OTH PLT RCLM WTR TRT |
| 4205 | | ACC AMORT OTH PLT RCLM WTR DST |
| 4210 | | ACC AMORT OFFICE STRUCTURE |
| 4215 | | ACC AMORT OFFICE FURN/EQPT |
| 4220 | | ACC AMORT STORES EQUIPMENT |
| 4225 | | ACC AMORT TOOL SHOP & MISC EQPT |
| 4230 | | ACC AMORT LABORATORY EQPT |
| 4235 | | ACC AMORT POWER OPERATED EQUIP |
| 4240 | | ACC AMORT COMMUNICATION EQPT |
| 4245 | | ACC AMORT MISC EQUIP SEWER |
| 4250 | | ACC AMORT STRUCT/IMPRV GPLT ALLOC |
| 4255 | | ACC AMORT STRUCT/IMPRV GPLT UNDIST |
| 4260 | | ACC AMORT OTHER TANG PLT SEWER |
| 4265 | | ACC AMORT SEWER-TAP |
| 4270 | | ACC AMORT SWR MGMT FEE-NC |
| 4275 | | ACC AMORT SWR RES CAP FEE-NC |
| 4280 | | ACC AMORT SWR PLT MOD FEE-NC |
| 4285 | | ACC AMORT SWR PLT MTR FEE-NC |
| 4305 | | ACC AMORT-CIA REUSE |
| 4310 | | ACC AMORT-REUSE SERVICES |
| 4315 | | ACC AMORT-REUSE MTR/INSTALLS |
| 4320 | | ACC AMORT-REUSE DIST RESERVOIRS |
| 4325 | | ACC AMORT-REUSE TRANS DIST SYS |
| 4330 | | ACC AMORT REUSE-TAP |
| 4335 | | ACC AMORT REUSE MGMT FEE-NC |
| 4340 | | ACC AMORT REUSE RES CAP FEE-NC |
| 4345 | | ACC AMORT REUSE PLT MOD FEE-NC |
| 4350 | | ACC AMORT REUSE PLT MTR FEE-NC |
| 4355 | | MISC REGULATORY BALANCES |
| 4356 | | COST FREE CAPITAL-WATER |
| 4357 | | COST FREE CAPITAL-SEWER |
| 4358 | | GOS & FLOW BACK TAXES-WATER |
| 4359 | | GOS & FLOW BACK TAXES-SEWER |
| 4360 | | DEFERRED INCOME TAXES |
| 4365 | | ACCUM DEFERRED FIT |
| 4367 | | ACCUM DEF INCOME TAX-FED |
| 4369 | | DEF FED TAX - CIAC PRE 1987 |
| 4371 | | DEF FED TAX - TAP FEE POST 2000 |
| 4373 | | DEF FED TAX - IDC |
| 4375 | | DEF FED TAX - RATE CASE |
| 4377 | | DEF FED TAX - DEF MAINT |
| 4379 | | DEF FED TAX - OTHER OPERATION |
| 4381 | | DEF FED TAX - SOLD CO |
| 4383 | | DEF FED TAX - ORGN EXP |
| 4385 | | DEF FED TAX - BAD DEBT |
| 4387 | | DEF FED TAX - DEPRECIATION |
| 4389 | | DEF FED TAX - NOL |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 4391 | | DEF FED TAX - CONT PROP |
| 4393 | | DEF FED TAX - AMT |
| 4395 | | DEF FED TAX - PRE ACRS |
| 4397 | | DEF FED TAX - RES CAP FEE |
| 4415 | | ACCUM DEFERRED SIT |
| 4417 | | ACCUM DEF INCOME TAX - ST |
| 4419 | | DEF ST TAX - CIAC PRE 1987 |
| 4421 | | DEF ST TAX - TAP FEE POST 2000 |
| 4423 | | DEF ST TAX - IDC |
| 4425 | | DEF ST TAX - RATE CASE |
| 4427 | | DEF ST TAX - DEF MAINT |
| 4429 | | DEF ST TAX - OTHER OPERATION |
| 4431 | | DEF ST TAX - SOLD CO |
| 4433 | | DEF ST TAX - ORGN EXP |
| 4435 | | DEF ST TAX - BAD DEBT |
| 4437 | | DEF ST TAX - DEPRECIATION |
| 4439 | | DEF ST TAX - NOL |
| 4441 | | DEF ST TAX - CONT PROP |
| 4443 | | DEF ST TAX - AMT |
| 4445 | | DEF ST TAX - RES CAP FEE |
| 4455 | | DEFERRED INV TAX CREDITS |
| 4460 | | UNAMORT INVEST TAX CREDIT |
| 4465 | | LONG TERM DEBT |
| 4470 | | LONG TERM NOTES PAYABLE |
| 4475 | 10 | L/T NOTES PAYABLE |
| 4475 | 11 | L/T N/P \$180M 07/06 |
| 4475 | 12 | L/T N/P TO LINC NAT LIFE INS |
| 4475 | 13 | L/T N/P TO IDS LIFE INS |
| 4475 | 14 | L/T N/P TEACHERS 8.95% |
| 4475 | 15 | L/T N/P \$50MM |
| 4475 | 16 | L/T N/P AMERICAN NATL |
| 4475 | 17 | L/T N/P CENTURY 21 |
| 4475 | 18 | L/T N/P 20M @ 4.55% |
| 4475 | 19 | L/T N/P 20M @ 4.62 |
| 4475 | 20 | L/T N/P TEACHERS 9.16% |
| 4475 | 21 | L/T DEBT-SOUTHERN GULF |
| 4475 | 22 | L/T N/P TEACHERS 9.01% |
| 4475 | 23 | N/P CITY OF ST PETERSBURG #1 |
| 4475 | 24 | N/P CITY OF ST PETERSBURG #2 |
| 4475 | 25 | L/T N/P LINCOLN/AMERICAN 7.87% |
| 4475 | 26 | L/T N/P FIRST UNION |
| 4475 | 27 | L/T N/P \$41MM 8.42% |
| 4475 | 28 | L/T DEBT BERMUDA |
| 4475 | 29 | L/T N/P TO TIERRA VERDE |
| 4475 | 30 | L/T N/P TO OFFICERS |
| 4480 | | BOOK VALUE IN EXCESS INV |
| 4485 | | UNAMORT EXCESS BK VAL |
| 4490 | | ACCUM AMORT OF EXC BK VAL |
| 4495 | | CURRENT MATURITY L/T DEBT |
| 4500 | | CURRENT LIABILITIES |
| 4505 | | ACCOUNTS PAYABLE |
| 4510 | | ACCOUNTS PAYABLE TRADE |
| 4515 | | A/P TRADE |
| 4520 | | A/P RETIREMENT PLANS |
| 4525 | | A/P TRADE - ACCRUAL |
| 4527 | | A/P TRADE - RECD NOT VOUCHERED |
| 4530 | | ACCTS PAYABLE ASSOC COS |
| 4535 | | A/P-ASSOC COMPANIES |
| 4540 | | ACCOUNTS PAYABLE MISC |
| 4545 | | A/P MISCELLANEOUS |
| 4547 | | A/P CONVERSION CLEARING |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------|
| 4548 | | A/P 3RD PARTY LIABILITY |
| 4550 | | DEF CREDITS |
| 4555 | | DEF CREDITS OTHER |
| 4560 | | AMORT DEF CREDITS |
| 4565 | | ADVANCES FROM UTILITIES INC |
| 4570 | | NOTES PAYABLE TO BANKS |
| 4575 | | NOTES PAYABLE SHORT TERM |
| 4580 | 10 | N/P SHORT TERM |
| 4580 | 11 | N/P CHASE |
| 4580 | 12 | N/P BANK OF AMERICA |
| 4580 | 13 | N/P C & S NATIONAL BANK |
| 4580 | 14 | N/P NATIONS BANK |
| 4580 | 15 | S/T N/P FIRST UNION |
| 4580 | 16 | N/P UTIL SUPPLY AMERICA |
| 4585 | | N/P TO ASSOC COS UI |
| 4590 | | CUSTOMER DEPOSITS |
| 4595 | | CUSTOMER DEPOSITS |
| 4600 | | METER DEPOSITS |
| 4605 | | ACCRUED TAXES |
| 4610 | | ACCRUED TAXES |
| 4612 | | ACCRUED TAXES GENERAL |
| 4614 | | ACCRUED GROSS RECEIPT TAX |
| 4616 | | ACCRUED FRANCHISE TAX A |
| 4617 | | ACCRUED FRANCHISE TAX B |
| 4618 | | ACCRUED UTIL OR COMM TAX |
| 4620 | | ACCRUED SAFE DRINKING ACT |
| 4622 | | ACCRUED SUI |
| 4624 | | ACCRUED ST DISABILITY |
| 4626 | | ACCRUED ASSOCIATION FEE |
| 4628 | | ACCRUED REAL EST TAX |
| 4630 | | ACCRUED PERS PROP & ICT TAX |
| 4632 | | ACCRUED SPECIAL ASSESSMENTS |
| 4634 | | ACCRUED SALES TAX |
| 4635 | | ACCRUED USE TAX |
| 4636 | | ACCRUED COUNTY TAX A |
| 4637 | | ACCRUED COUNTY TAX B |
| 4638 | | ACCRUED CITY TAX A |
| 4639 | | ACCRUED CITY TAX B |
| 4640 | | ACCRUED RESTOR FUND |
| 4642 | | ACCRUED ST W/H TAX |
| 4642 | 10 | ACCRUED ST W/H TAX GEORGIA |
| 4642 | 11 | ACCRUED ST W/H TAX ILLINOIS |
| 4642 | 12 | ACCRUED ST W/H TAX INDIANA |
| 4642 | 13 | ACCRUED ST W/H TAX MISS |
| 4642 | 14 | ACCRUED ST W/H TAX N C |
| 4642 | 15 | ACCRUED ST W/H TAX OHIO |
| 4642 | 16 | ACCRUED ST W/H TAX S C |
| 4642 | 17 | ACCRUED ST W/H TAX NONREG |
| 4642 | 24 | ACCRUED ST W/H TAX VIRGINIA |
| 4642 | 18 | ACCRUED ST W/H TAX WISCONSIN |
| 4642 | 19 | ACCRUED ST W/H TAX LOUISIANA |
| 4642 | 20 | ACCRUED ST W/H TAX TENNESSEE |
| 4642 | 21 | ACCRUED ST W/H TAX MARYLAND |
| 4642 | 22 | ACCRUED ST W/H TAX PA |
| 4642 | 23 | ACCRUED ST W/H TAX NJ |
| 4657 | | ACCRUED INCOME TAX |
| 4659 | | ACCRUED FED INCOME TAX |
| 4661 | | ACCRUED ST INCOME TAX |
| 4670 | | ACCRUED INTEREST |
| 4675 | | ACCRUED INTEREST |
| 4680 | | ACCRUED L/T INTEREST |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 4685 | | ACCRUED CUST DEP INTEREST |
| 4690 | | ACCRUED INS CO INTEREST |
| 4695 | | ACCRUED S/T BK DEBT INTEREST |
| 4700 | | ACCRUED SALARIES |
| 4705 | | SALARIES PAYABLE |
| 4710 | | DEFERRED REVENUE |
| 4715 | | DEFERRED REVENUE |
| 4720 | | RESERVE-PEND REG MATTER |
| 4725 | | RESERVE-PEND REG MATTER |
| 4730 | | PAYABLE TO DEVELOPERS |
| 4735 | | PAYABLE TO DEVELOPER |
| 4740 | | TOTAL EQUITY |
| 4745 | | EQUITY |
| 4750 | | COMMON SHAREHOLD EQUITY |
| 4755 | | COMMON STOCK / CS SUBSCR |
| 4760 | | COMMON STOCK |
| 4765 | | COMMON STOCK SUBSCRIBED |
| 4770 | | DEFERRED COMP-RESTRICTED STOCK |
| 4775 | | PREM ON COMMON STOCK |
| 4780 | | PAID IN CAPITAL |
| 4785 | | MISC PAID IN CAPITAL |
| 4790 | | CAPITAL STOCK EXPENSE |
| 4795 | | UNDISTRIBUTED STOCK |
| 4800 | | OTHER COMPREHENSIVE INCOME-NET |
| 4805 | | TREASURY STOCK |
| 4998 | | RETAINED EARN-PRIOR YEARS |
| 4999 | | RETAINED EARN-CURRENT YR |
| 5000 | | TOTAL REVENUE |
| 5005 | | OPERATING REVENUES |
| 5010 | | WATER OPERATING REVENUES |
| 5015 | | WATER REVENUE |
| 5020 | | WATER REVENUE UNMETERED |
| 5025 | | WATER REVENUE-RESIDENTIAL |
| 5030 | | WATER REVENUE-ACCRUALS |
| 5035 | | WATER REVENUE-COMMERCIAL |
| 5040 | | WATER REVENUE-INDUSTRIAL |
| 5045 | | WATER REVENUE-PUBLIC AUTH |
| 5050 | | WATER REVENUE-MULT FAM DWELL |
| 5051 | | WATER REVENUE-STORM REC RIDER |
| 5052 | | WATER REVENUE-GUARANTEED |
| 5055 | | FIRE PROTECTION REVENUE |
| 5060 | | PUBLIC FIRE PROTECTION |
| 5065 | | PRIVATE FIRE PROTECTION |
| 5070 | | OTHER SALES TO PUBLIC AUTH |
| 5075 | | SALES TO IRRIGATION CUSTOMERS |
| 5080 | | SALES FOR RESALE |
| 5085 | | INTERDEPARTMENTAL SALES |
| 5090 | | SEWER OPERATING REVENUES |
| 5095 | | SEWER REVENUE FLAT |
| 5100 | | SEWER REVENUE-RESIDENTIAL |
| 5105 | | SEWER REVENUE-ACCRUALS |
| 5110 | | SEWER REVENUE-COMMERCIAL |
| 5115 | | SEWER REVENUE-INDUSTRIAL |
| 5120 | | SEWER REVENUE-PUBLIC AUTH |
| 5125 | | SEWER REVENUE-MULT FAM DWELL |
| 5127 | | SEWER REVENUE-STORM REC RIDER |
| 5128 | | SEWER REVENUE-GUARANTEED |
| 5130 | | SEWER REVENUE-OTHER |
| 5135 | | SEWER REVENUE MEASURED |
| 5140 | | SEWER REVENUE-RESIDENTIAL |
| 5145 | | SEWER SOLIDS PUMPING CHGE |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|--------------------------------|
| 5150 | | SEWER REVENUE-ACCRUALS |
| 5155 | | SEWER REVENUE-COMMERCIAL |
| 5160 | | SEWER REVENUE-INDUSTRIAL |
| 5165 | | SEWER REVENUE-PUBLIC AUTH |
| 5170 | | SEWER REVENUE-MULT FAM DWELL |
| 5175 | | REVENUES FROM PUBLIC AUTH |
| 5180 | | REVENUES FROM OTHER SYSTEMS |
| 5185 | | INTERDEPARTMENTAL SALES |
| 5190 | | REUSE REVENUE |
| 5195 | | REUSE REVENUE FLAT |
| 5200 | | REUSE REVENUE-RESIDENTIAL |
| 5205 | | REUSE REVENUE-COMMERCIAL |
| 5210 | | REUSE REVENUE-INDUSTRIAL |
| 5215 | | REUSE REVENUE-PUBLIC AUTH |
| 5220 | | REUSE REVENUE-OTHER |
| 5225 | | REUSE REVENUE MEASURED |
| 5230 | | REUSE REVENUE-RESIDENTIAL |
| 5235 | | REUSE REVENUE-COMMERCIAL |
| 5240 | | REUSE REVENUE-INDUSTRIAL |
| 5245 | | REUSE REVENUE-PUBLIC AUTH |
| 5250 | | MISC OPERATING REVENUES |
| 5255 | | GUARANTEED REVENUES |
| 5260 | | SALE OF SLUDGE |
| 5265 | | FORFEITED DISCOUNTS |
| 5270 | | MISC SERVICE REVENUE |
| 5275 | | RENTS FROM W/S PROPERTY |
| 5280 | | INTERDEPARTMENTAL RENTS |
| 5285 | | OTHER W/S REVENUES |
| 5290 | | NON-REGULATED REVENUES |
| 5295 | | MAINTENANCE INTERNAL REVENUE |
| 5300 | | MAINTENANCE REVENUE |
| 5305 | | MAINTENANCE-INTERNAL-LABOR |
| 5310 | | MAINTENANCE-INTERNAL-MATERIALS |
| 5315 | | MAINTENANCE EXTERNAL REVENUE |
| 5320 | | MAINTENANCE-EXTERNAL-LABOR |
| 5325 | | MAINTENANCE-EXTERNAL-MATERIALS |
| 5330 | | SLUDGE INTERNAL REVENUE |
| 5335 | | REVENUE-INTERNAL-SLUDGE |
| 5340 | | REVENUE-INTERNAL-RECEIVING CHG |
| 5345 | | REVENUE-INTERNAL-TRANS |
| 5350 | | REVENUE-INTERNAL-SEPTAGE |
| 5355 | | REVENUE-INTERNAL-MISC |
| 5360 | | SLUDGE EXTERNAL REVENUE |
| 5365 | | REVENUE-EXTERNAL-RECVG CHG |
| 5370 | | REVENUE-EXTERNAL-TRANS |
| 5375 | | REVENUE-EXTERNAL-SEPTAGE |
| 5380 | | REVENUE-EXTERNAL-MISC |
| 5385 | | 3RD PARTY BILLING |
| 5390 | | 3RD PARTY BILLING REVENUE |
| 5395 | | 3RD PARTY BILLING EXPENSE |
| 5400 | | REV FROM MGMT SERVICES |
| 5405 | | REV FROM MGMT SERVICES |
| 5410 | | TOTAL OPERATING EXPENSES |
| 5415 | | OPERATING EXPENSES |
| 5420 | | OPERATING EXPENSES CONSOL |
| 5425 | | PURCHASED WATER EXPENSE |
| 5430 | | PURCHASED WATER |
| 5435 | | PURCHASED WATER-WATER SYS |
| 5440 | | PURCHASED WATER-SEWER SYS |
| 5445 | | PURCHASED WATER - BILLINGS |
| 5450 | | PURCHASED SEWER TREATMENT |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------------|
| 5455 | | PURCHASED SEWER TREATMENT |
| 5460 | | PURCHASED SEWER - BILLINGS |
| 5465 | | ELEC PWR - WATER SYSTEM |
| 5465 | 10 | ELEC PWR - WTR SYSTEM SRC SUPPLY |
| 5465 | 11 | ELEC PWR - WTR SYSTEM WTR TREAT |
| 5465 | 12 | ELEC PWR - WTR SYSTEM TRANS DIS |
| 5465 | 13 | ELEC PWR - WTR SYSTEM ADMIN |
| 5470 | | ELEC PWR - SWR SYSTEM |
| 5470 | 10 | ELEC PWR - SWR SYSTEM COLL |
| 5470 | 11 | ELEC PWR - SWR SYSTEM PUMP |
| 5470 | 12 | ELEC PWR - SWR SYSTEM TRT DISP |
| 5470 | 13 | ELEC PWR - SWR SYSTEM ADMIN |
| 5470 | 14 | ELEC PWR - SWR SYSTEM REUSE WT |
| 5470 | 15 | ELEC PWR - SWR SYSTEM REUSE DS |
| 5471 | | ELEC PWR - OTHER |
| 5475 | | CHEMICALS |
| 5480 | | CHLORINE |
| 5485 | | ODOR CONTROL CHEMICALS |
| 5490 | | OTHER TREATMENT CHEMICALS |
| 5495 | | METER READING |
| 5500 | | BAD DEBT EXPENSE |
| 5505 | | AGENCY EXPENSE |
| 5510 | | UNCOLLECTIBLE ACCOUNTS |
| 5515 | | UNCOLL ACCOUNTS ACCRUAL |
| 5520 | | BILLING & CUSTOMER SERVICE EXPENSE |
| 5525 | | BILL STOCK |
| 5530 | | BILLING COMPUTER SUPPLIES |
| 5535 | | BILLING ENVELOPES |
| 5540 | | BILLING POSTAGE |
| 5545 | | CUSTOMER SERVICE PRINTING |
| 5570 | | NON-REGULATED COGS |
| 5575 | | NON-REGULATED COGS A |
| 5580 | | NON-REGULATED COGS B |
| 5585 | | NON-REGULATED COGS C |
| 5590 | | NON-REGULATED COGS D |
| 5595 | | NON-REGULATED COGS E |
| 5620 | | EMPLOYEE BENEFITS |
| 5625 | | 401K/ESOP CONTRIBUTIONS |
| 5630 | | HEALTH & DENTAL PREMIUMS |
| 5635 | | DENTAL INS REIMBURSEMENTS |
| 5640 | | EMP PENSIONS & BENEFITS |
| 5645 | | EMPLOYEE INS DEDUCTIONS |
| 5650 | | HEALTH COSTS & OTHER |
| 5655 | | HEALTH INS REIMBURSEMENTS |
| 5660 | | OTHER EMP PENSION/BENEFITS |
| 5665 | | PENSION CONTRIBUTIONS |
| 5670 | | TERM LIFE INS |
| 5675 | | TERM LIFE INS-OPT |
| 5680 | | DEPEND LIFE INS-OPT |
| 5685 | | SUPPLEMENTAL LIFE INS |
| 5690 | | TUITION |
| 5695 | | INSURANCE EXPENSE |
| 5700 | | INSURANCE-VEHICLE |
| 5705 | | INSURANCE-GEN LIAB |
| 5710 | | INSURANCE-WORKERS COMP |
| 5715 | | INSURANCE-OTHER |
| 5730 | | IT DEPARTMENT |
| 5735 | | COMPUTER MAINTENANCE |
| 5740 | | COMPUTER SUPPLIES |
| 5745 | | COMPUTER AMORT & PROG COST |
| 5750 | | INTERNET SUPPLIER |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-------------------------------|
| 5755 | | MICROFILMING |
| 5760 | | WEBSITE DEVELOPMENT |
| 5780 | | MISCELLANEOUS EXPENSE |
| 5785 | | ADVERTISING/MARKETING |
| 5790 | | BANK SERVICE CHARGE |
| 5795 | | CONTRIBUTIONS |
| 5800 | | LETTER OF CREDIT FEE |
| 5805 | | LICENSE FEES |
| 5810 | | MEMBERSHIPS |
| 5815 | | PENALTIES/FINES |
| 5820 | | TRAINING EXPENSE |
| 5825 | | OTHER MISC EXPENSE |
| 5850 | | OFFICE EXPENSE |
| 5855 | | ANSWERING SERVICE |
| 5860 | | CLEANING SUPPLIES |
| 5865 | | COPY MACHINE |
| 5870 | | HOLIDAY EVENTS/PICNICS |
| 5875 | | KITCHEN SUPPLIES |
| 5880 | | OFFICE SUPPLY STORES |
| 5885 | | PRINTING/BLEUPRINTS |
| 5890 | | PUBL SUBSCRIPTIONS/TAPES |
| 5895 | | SHIPPING CHARGES |
| 5900 | | OTHER OFFICE EXPENSES |
| 5925 | | OFFICE UTILITIES/MAINTENANCE |
| 5930 | | OFFICE ELECTRIC |
| 5935 | | OFFICE GAS |
| 5940 | | OFFICE WATER |
| 5945 | | OFFICE TELECOM |
| 5950 | | OFFICE GARBAGE REMOVAL |
| 5955 | | OFFICE LANDSCAPE / MOW / PLOW |
| 5960 | | OFFICE ALARM SYS PHONE EXP |
| 5965 | | OFFICE MAINTENANCE |
| 5970 | | OFFICE CLEANING SERVICE |
| 5975 | | OFFICE MACHINE/HEAT&COOL |
| 5980 | | OTHER OFFICE UTILITIES |
| 5985 | | TELEMETERING PHONE EXPENSE |
| 6000 | | OUTSIDE SERVICE EXPENSE |
| 6005 | | ACCOUNTING STUDIES |
| 6010 | | AUDIT FEES |
| 6015 | | EMPLOY FINDER FEES |
| 6020 | | ENGINEERING FEES |
| 6025 | | LEGAL FEES |
| 6030 | | MANAGEMENT FEES |
| 6035 | | PAYROLL SERVICES |
| 6040 | | TAX RETURN REVIEW |
| 6045 | | TEMP EMPLOY - CLERICAL |
| 6050 | | OTHER OUTSIDE SERVICES |
| 6060 | | REGULATORY COMMISSION EXP |
| 6065 | | RATE CASE AMORT EXPENSE |
| 6070 | | MISC REG MATTERS COMM EXP |
| 6075 | | WATER RESOURCE CONSERV EXP |
| 6085 | | RENT EXPENSE |
| 6090 | | RENT |
| 6100 | | SALARIES & WAGES |
| 6105 | | SALARIES-SYSTEM PROJECT |
| 6110 | | SALARIES-ACCTG/FINANCE |
| 6115 | | SALARIES-ADMIN |
| 6120 | | SALARIES-OFFICERS/STKHLDR |
| 6125 | | SALARIES-HR |
| 6130 | | SALARIES-MIS |
| 6135 | | SALARIES-LEADERSHIP OPS |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|----------------------------------|
| 6140 | | SALARIES-REGULATORY |
| 6145 | | SALARIES-CUSTOMER SERVICE |
| 6146 | | SALARIES-BILLING |
| 6147 | | SALARIES-CORP SERVICE ADMIN |
| 6150 | | SALARIES-OPERATIONS FIELD |
| 6155 | | SALARIES-OPERATIONS OFFICE |
| 6160 | | SALARIES-CHGD TO PLT-WSC |
| 6165 | | CAPITALIZED TIME ADJUSTMENT |
| 6170 | | CAPITALIZED TIME ADJ-CORPORATE |
| 6180 | | TRAVEL EXPENSE |
| 6185 | | TRAVEL LODGING |
| 6190 | | TRAVEL AIRFARE |
| 6195 | | TRAVEL TRANSPORTATION |
| 6200 | | TRAVEL MEALS |
| 6205 | | TRAVEL ENTERTAINMENT |
| 6207 | | TRAVEL OTHER |
| 6210 | | FLEET TRANSPORTATION EXPENSE |
| 6215 | | FUEL |
| 6220 | | AUTO REPAIR/TIRES |
| 6225 | | AUTO LICENSES |
| 6230 | | OTHER TRANS EXPENSES |
| 6250 | | MAINTENANCE TESTING |
| 6255 | | TEST-WATER |
| 6260 | | TEST-EQUIP/CHEMICAL |
| 6265 | | TEST-SAFE WATER DRINKING |
| 6270 | | TEST-SEWER |
| 6280 | | MAINTENANCE-WATER PLANT |
| 6285 | | WATER-MAINT SUPPLIES |
| 6290 | | WATER-MAINT REPAIRS |
| 6295 | | WATER-MAIN BREAKS |
| 6300 | | WATER-ELEC EQUIPT REPAIR |
| 6305 | | WATER-PERMITS |
| 6310 | | WATER-OTHER MAINT EXP |
| 6315 | | MAINTENANCE-SEWER PLANT |
| 6320 | | SEWER-MAINT SUPPLIES |
| 6325 | | SEWER-MAINT REPAIRS |
| 6330 | | SEWER-MAIN BREAKS |
| 6335 | | SEWER-ELEC EQUIPT REPAIR |
| 6340 | | SEWER-PERMITS |
| 6345 | | SEWER-OTHER MAINT EXP |
| 6350 | | MAINTENANCE-WTR&SWR PLANT |
| 6355 | | DEFERRED MAINT EXPENSE |
| 6360 | | COMMUNICATION EXPENSE |
| 6365 | | EQUIPMENT RENTALS |
| 6370 | | OPER CONTRACTED WORKERS |
| 6375 | | OUTSIDE LAB FEES-LAB, LAND |
| 6380 | | REPAIRS & MAINT-MAINT, LAND |
| 6385 | | UNIFORMS |
| 6390 | | WEATHER/HURRICANE COSTS |
| 6400 | | SEWER RODDING |
| 6410 | | SLUDGE HAULING |
| 6430 | | DEPRECIATION & AMORT NET |
| 6435 | | DEPRECIATION EXP-WATER |
| 6445 | | DEPREC-ORGANIZATION |
| 6450 | | DEPREC-FRANCHISES |
| 6455 | | DEPREC-STRUCT & IMPRV SRC SUPPLY |
| 6460 | | DEPREC-STRUCT & IMPRV WTP |
| 6465 | | DEPREC-STRUCT & IMPRV DIST |
| 6470 | | DEPREC-STRUCT & IMPRV GEN PLT |
| 6475 | | DEPREC-COLLECTING RESERVOIRS |
| 6480 | | DEPREC-LAKE, RIVER, OTHER |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-------------------------------------|
| 6485 | | DEPREC-WELLS & SPRINGS |
| 6490 | | DEPREC-INFILTRATION GALLERY |
| 6495 | | DEPREC-SUPPLY MAINS |
| 6500 | | DEPREC-POWER GEN EQP |
| 6505 | | DEPREC-ELEC PUMP EQP SRC PUMP |
| 6510 | | DEPREC-ELEC PUMP EQP WTP |
| 6515 | | DEPREC-ELEC PUMP EQP TRANS DST |
| 6520 | | DEPREC-WATER TREATMENT EQPT |
| 6525 | | DEPREC-DIST RESV & STANDPIPES |
| 6530 | | DEPREC-TRANS & DISTR MAINS |
| 6535 | | DEPREC-SERVICE LINES |
| 6540 | | DEPREC-METERS |
| 6545 | | DEPREC-METER INSTALLS |
| 6550 | | DEPREC-HYDRANTS |
| 6555 | | DEPREC-BACKFLOW PREVENT DEVICE |
| 6560 | | DEPREC-OTH PLT&MISC EQP INTANG PLT |
| 6565 | | DEPREC-OTH PLT&MISC EQP SRC SUPPLY |
| 6570 | | DEPREC-OTH PLT&MISC EQP WTP |
| 6575 | | DEPREC-OTH PLT&MISC EQP DIST |
| 6580 | | DEPREC-OFFICE STRUCTURE |
| 6585 | | DEPREC-OFFICE FURN/EQPT |
| 6590 | | DEPREC-STORES EQUIPMENT |
| 6595 | | DEPREC-TOOL SHOP & MISC EQPT |
| 6600 | | DEPREC-LABORATORY EQUIPMENT |
| 6605 | | DEPREC-POWER OPERATED EQUIP |
| 6610 | | DEPREC-COMMUNICATION EQPT |
| 6615 | | DEPREC-MISC EQUIPMENT |
| 6620 | | DEPREC-OTHER TANG PLT WATER |
| 6635 | | DEPRECIATION EXP-SEWER |
| 6640 | | DEPREC-ORGANIZATION |
| 6645 | | DEPREC-FRANCHISES INTANG PLT |
| 6650 | | DEPREC-FRANCHISES RCLM WTR DIST PLT |
| 6655 | | DEPREC-STRUCT/IMPRV COLL PLT |
| 6660 | | DEPREC-STRUCT/IMPRV PUMP |
| 6665 | | DEPREC-STRUCT/IMPRV TREAT PLT |
| 6670 | | DEPREC-STRUCT/IMPRV RCLM WTP |
| 6675 | | DEPREC-STRUCT/IMPRV RCLM DIST |
| 6680 | | DEPREC-STRUCT/IMPRV GEN PLT |
| 6685 | | DEPREC-POWER GEN EQUIP COLL PLT |
| 6690 | | DEPREC-POWER GEN EQUIP PUMP PLT |
| 6695 | | DEPREC-POWER GEN EQUIP TREAT |
| 6700 | | DEPREC-POWER GEN EQUIP RCLM WTP |
| 6705 | | DEPREC-POWER GEN EQUIP RCLM DS |
| 6710 | | DEPREC-SEWER FORCE MAIN |
| 6715 | | DEPREC-SEWER GRAVITY MAIN |
| 6717 | | DEPREC-MANHOLES |
| 6720 | | DEPREC-SPECIAL COLL STRUCTURES |
| 6725 | | DEPREC-SERVICES TO CUSTOMERS |
| 6730 | | DEPREC-FLOW MEASURE DEVICES |
| 6735 | | DEPREC-FLOW MEASURE INSTALL |
| 6740 | | DEPREC-RECEIVING WELLS |
| 6745 | | DEPREC-PUMP EQP PUMP PLT |
| 6750 | | DEPREC-PUMP EQP RCLM WTP |
| 6755 | | DEPREC-PUMP EQP RCLM WTR DIST PLT |
| 6760 | | DEPREC-TREAT/DISP EQUIP LAGOON |
| 6765 | | DEPREC-TREAT/DISP EQ TRT PLT |
| 6770 | | DEPREC-TREAT/DISP EQ RCLM WTP |
| 6775 | | DEPREC-PLANT SEWERS TRTMT PLT |
| 6780 | | DEPREC-PLANT SEWERS RCLM WTP |
| 6785 | | DEPREC-OUTFALL LINES |
| 6790 | | DEPREC-OTHER PLT TANGIBLE |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|-----------------------------------|
| 6795 | | DEPREC-OTHER PLT COLLECTION |
| 6800 | | DEPREC-OTHER PLT PUMP |
| 6805 | | DEPREC-OTHER PLT TREATMENT |
| 6810 | | DEPREC-OTHER PLT RCLM WTR TRT |
| 6815 | | DEPREC-OTHER PLT RCLM WTR DIST |
| 6820 | | DEPREC-OFFICE STRUCTURE |
| 6825 | | DEPREC-OFFICE FURN/EQPT |
| 6830 | | DEPREC-STORES EQUIPMENT |
| 6835 | | DEPREC-TOOL SHOP & MISC EQPT |
| 6840 | | DEPREC-LABORATORY EQPT |
| 6845 | | DEPREC-POWER OPERATED EQUIP |
| 6850 | | DEPREC-COMMUNICATION EQPT |
| 6855 | | DEPREC-MISC EQUIP SEWER |
| 6860 | | DEPREC-OTHER TANG PLT SEWER |
| 6870 | | DEPRECIATION EXP-REUSE |
| 6875 | | DEPREC-REUSE SERVICES |
| 6880 | | DEPREC-REUSE MTR/INSTALLATIONS |
| 6885 | | DEPREC-REUSE DIST RESERVOIRS |
| 6890 | | DEPREC-REUSE TRANSM / DIST SYS |
| 6900 | | DEPREC EXP-AUTO TRANS |
| 6905 | | DEPREC-AUTO TRANS |
| 6915 | | DEPREC EXP-COMPUTER |
| 6920 | | DEPREC-COMPUTER |
| 6940 | | DEPRECIATION EXP-NONREGULATED |
| 6945 | | DEPRECIATION EXP-OTHER |
| 6950 | | AMORT EXP-AIA-WATER |
| 6955 | | AMORT EXP-AIA-SEWER |
| 6960 | | AMORT OF UTIL PAA-WATER |
| 6965 | | AMORT OF UTIL PAA-SEWER |
| 6980 | | AMORT EXP-CIA-WATER |
| 6985 | | AMORT-ORGANIZATION |
| 6990 | | AMORT-FRANCHISES |
| 6995 | | AMORT-STRCT&IMPRV SRC SUPPLY |
| 7000 | | AMORT-STRCT&IMPRV WTP |
| 7005 | | AMORT-STRCT&IMPRV DIST |
| 7010 | | AMORT-STRCT&IMPRV GEN PLT |
| 7015 | | AMORT-COLLECTING RESERVOIRS |
| 7020 | | AMORT-LAKE, RIVER, OTHER INTAKES |
| 7025 | | AMORT-WELLS & SPRINGS |
| 7030 | | AMORT-INFILTRATION GALLERY |
| 7035 | | AMORT-SUPPLY MAINS |
| 7040 | | AMORT-POWER GEN EQP |
| 7045 | | AMORT-ELEC PUMP EQP SRC PUMP |
| 7050 | | AMORT-ELEC PUMP EQP WTP |
| 7055 | | AMORT-ELEC PUMP EQP TRANS DIST |
| 7060 | | AMORT-WATER TREATMENT EQPT |
| 7065 | | AMORT-DIST RESV & STANDPIPES |
| 7070 | | AMORT-TRANS & DISTR MAINS |
| 7075 | | AMORT-SERVICE LINES |
| 7080 | | AMORT-METERS |
| 7085 | | AMORT-METER INSTALLS |
| 7090 | | AMORT-HYDRANTS |
| 7095 | | AMORT-BACKFLOW PREVENT DEVICE |
| 7100 | | AMORT-OTH PLT&MISC EQP INTANG PLT |
| 7105 | | AMORT-OTH PLT&MISC EQP SRC SUPPLY |
| 7110 | | AMORT-OTH PLT&MISC EQP WTP |
| 7115 | | AMORT-OTH PLT&MISC EQP DIST |
| 7120 | | AMORT-OFFICE STRUCTURE |
| 7125 | | AMORT-OFFICE FURN/EQPT |
| 7130 | | AMORT-STORES EQUIPMENT |
| 7135 | | AMORT-TOOL SHOP & MISC EQPT |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------------|
| 7140 | | AMORT-LABORATORY EQUIPMENT |
| 7145 | | AMORT-POWER OPERATED EQUIP |
| 7150 | | AMORT-COMMUNICATION EQPT |
| 7155 | | AMORT-MISC EQUIPMENT |
| 7160 | | AMORT-OTHER TANGIBLE PLT WATER |
| 7165 | | AMORT-WATER-TAP |
| 7170 | | AMORT-WTR MGMT FEE |
| 7175 | | AMORT-WTR RES CAP FEE |
| 7180 | | AMORT-WTR PLT MOD FEE |
| 7185 | | AMORT-WTR PLT MTR FEE |
| 7200 | | AMORT EXP-CIA-SEWER |
| 7205 | | AMORT-ORGANIZATION |
| 7210 | | AMORT-FRANCHISES INTANG PLT |
| 7215 | | AMORT-FRANCHISES RCLM WTR DIST PLT |
| 7220 | | AMORT-STRUCT/IMPRV COLL PLT |
| 7225 | | AMORT-STRUCT/IMPRV PUMP PLT LS |
| 7230 | | AMORT-STRUCT/IMPRV TREAT PLT |
| 7235 | | AMORT-STRUCT/IMPRV RCLM WTP |
| 7240 | | AMORT-STRUCT/IMPRV RCLM DIST |
| 7245 | | AMORT-STRUCT/IMPRV GEN PLT |
| 7250 | | AMORT-POWER GEN EQUIP COLL PLT |
| 7255 | | AMORT-POWER GEN EQUIP PUMP PLT |
| 7260 | | AMORT-POWER GEN EQUIP TREAT PLT |
| 7265 | | AMORT-POWER GEN EQUIP RCLM WTP |
| 7270 | | AMORT-POWER GEN EQUIP RCLM DST |
| 7275 | | AMORT-SEWER FORCE MAIN |
| 7280 | | AMORT-SEWER GRAVITY MAIN |
| 7283 | | AMORT-MANHOLES |
| 7285 | | AMORT-SPECIAL COLL STRUCTURES |
| 7290 | | AMORT-SERVICES TO CUSTOMERS |
| 7295 | | AMORT-FLOW MEASURE DEVICES |
| 7300 | | AMORT-FLOW MEASURE INSTALL |
| 7305 | | AMORT-RECEIVING WELLS |
| 7310 | | AMORT-PUMP EQP PUMP PLT |
| 7315 | | AMORT-PUMP EQP RCLM WTP |
| 7320 | | AMORT-PUMP EQP RCLM DIST |
| 7325 | | AMORT-TREAT/DISP EQUIP LAGOON |
| 7330 | | AMORT-TREAT/DISP EQUIP TRT PLT |
| 7335 | | AMORT-TREAT/DISP EQUIP RCLM WTP |
| 7340 | | AMORT-PLANT SEWERS TRTMT PLT |
| 7345 | | AMORT-PLANT SEWERS RCLM WTP |
| 7350 | | AMORT-OUTFALL LINES |
| 7355 | | AMORT-OTHER PLT TANGIBLE |
| 7360 | | AMORT-OTHER PLT COLLECTION |
| 7365 | | AMORT-OTHER PLT PUMP |
| 7370 | | AMORT-OTHER PLT TREATMENT |
| 7375 | | AMORT-OTHER PLT RCLM WTR TRT |
| 7380 | | AMORT-OTHER PLT RCLM WTR DIST |
| 7385 | | AMORT-OFFICE STRUCTURE |
| 7390 | | AMORT-OFFICE FURN/EQPT |
| 7395 | | AMORT-STORES EQUIPMENT |
| 7400 | | AMORT-TOOL SHOP & MISC EQPT |
| 7405 | | AMORT-LABORATORY EQPT |
| 7410 | | AMORT-POWER OPERATED EQUIP |
| 7415 | | AMORT-COMMUNICATION EQPT |
| 7420 | | AMORT-MISC EQUIP SEWER |
| 7425 | | AMORT-OTHER TANGIBLE PLT SEWER |
| 7430 | | AMORT-SEWER-TAP |
| 7435 | | AMORT-SWR MGMT FEE |
| 7440 | | AMORT-SWR RES CAP FEE |
| 7445 | | AMORT-SWR PLT MOD FEE |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------------|
| 7450 | | AMORT-SWR PLT MTR FEE |
| 7465 | | AMORT EXP-REUSE |
| 7470 | | AMORT-REUSE SERVICES |
| 7475 | | AMORT-REUSE MTR/INSTALLATIONS |
| 7480 | | AMORT-REUSE DIST RESERVOIRS |
| 7485 | | AMORT-REUSE TRANMISSION & DIST SYS |
| 7495 | | AMORT OF EXCESS BK VALUE |
| 7500 | | TAXES OTHER THAN INCOME |
| 7505 | | PAYROLL TAXES |
| 7510 | | FICA EXPENSE |
| 7515 | | FEDERAL UNEMPLOYMENT TAX |
| 7520 | | STATE UNEMPLOYMENT TAX |
| 7530 | | PROPERTY & OTHER TAXES |
| 7535 | | FRANCHISE TAX |
| 7540 | | GROSS RECEIPTS TAX |
| 7545 | | PERSONAL PROPERTY/ICT TAX |
| 7550 | | PROPERTY/OTHER GENERAL TAX |
| 7555 | | REAL ESTATE TAX |
| 7560 | | SALES/USE TAX EXPENSE |
| 7565 | | SPECIAL ASSESSMENTS |
| 7570 | | UTILITY/COMMISSION TAX |
| 7580 | | INCOME TAXES |
| 7585 | | AMORT OF INVEST TAX CREDIT |
| 7590 | | DEF INCOME TAX-FED ITC |
| 7595 | | DEF INCOME TAX-FEDERAL |
| 7600 | | DEF INCOME TAXES-STATE |
| 7605 | | INCOME TAXES-FEDERAL |
| 7610 | | INCOME TAXES-STATE |
| 7620 | | TOTAL OTHER INCOME & EXPENSE |
| 7625 | | OTHER INCOME |
| 7630 | | OTHER INCOME |
| 7635 | | DIVIDEND INCOME |
| 7640 | | INCOME FROM MGMT SERVICES |
| 7645 | | INTEREST INCOME-INTERCO |
| 7650 | | MISCELLANEOUS INCOME |
| 7655 | | MISCELLANEOUS INC NON-UTILITY |
| 7660 | | MISCELLANEOUS EXP NON-UTILITY |
| 7665 | | EXTRAORDINARY GAIN/LOSS |
| 7670 | | EXTRAORDINARY DEDUCTIONS |
| 7675 | | RENTAL / OTHER INCOME |
| 7680 | | RENTAL INCOME |
| 7685 | | INTEREST INCOME |
| 7690 | | SALE OF EQUIPMENT |
| 7691 | | NET BOOK VALUE-DISPOSAL |
| 7692 | | DISPOSAL-CLEARING |
| 7693 | | DISPOSAL-PROCEEDS |
| 7695 | | OTHER EXPENSE |
| 7700 | | INTEREST EXPENSE |
| 7705 | | AMORT OF DEB & ACQ EXP |
| 7710 | | INTEREST EXPENSE-INTERCO |
| 7715 | | LONG TERM INTEREST EXP |
| 7720 | | 10 L/T INT EXP \$50MM |
| 7720 | | 11 L/T INT EXP 20M 4.55% |
| 7720 | | 12 L/T INT EXP 20M 4.62 |
| 7720 | | 13 L/T INT EXP \$41MM 8.42% |
| 7720 | | 14 L/T INT EXP TEACHERS INS.& ANN. |
| 7720 | | 15 L/T INT EXP \$180 M 7/06 |
| 7720 | | 16 L/T INT EXP BANK ONE |
| 7720 | | 17 L/T INT EXP BK OF AMERICA |
| 7720 | | 18 L/T INT EXP C&S NATL BK |
| 7720 | | 19 L/T INT EXP N C NATIONAL |

| JDE OBJECT ACCOUNT NUMBER | JDE SUBSIDIARY NUMBER | JDE DESCRIPTION |
|------------------------------|--------------------------|------------------------------|
| 7720 | 20 | L/T INT EXP CENTURY 21 |
| 7720 | 21 | L/T INT EXP IDS LIFE INS |
| 7720 | 22 | L/T INT EXP PRUDENTIAL BACHE |
| 7720 | 23 | L/T INT EXP FIRST UNION |
| 7720 | 24 | L/T INT EXP LINCOLN LIFE INS |
| 7720 | 25 | L/T INT EXP 15M LINCOLN NATL |
| 7720 | 26 | L/T INT EXP MORTGAGES |
| 7720 | 27 | L/T INT EXP DEBT DISC |
| 7720 | 28 | L/T INT EXP OTHER |
| 7725 | | LOSS ON DEBT REFINANCING |
| 7730 | | SHORT TERM INTEREST EXP |
| 7735 | 10 | S/T INT EXP BANK ONE |
| 7735 | 11 | S/T INT EXP CUSTOMERS DEP |
| 7735 | 12 | S/T INT EXP CHARGES |
| 7735 | 13 | S/T INT EXP OTHER |
| 7735 | 14 | S/T INT EXP BK OF AMERICA |
| 7735 | 15 | S/T INT EXP C & S NATL BK |
| 7735 | 16 | S/T INT EXP NATIONS BANK |
| 7735 | 17 | S/T INT EXP FIRST UNION |
| 7735 | 18 | S/T INT EXP UTIL SUP AMER |
| 7735 | 19 | S/T INT EXP MISC |
| 7745 | | ALLOW FUNDS USED CONSTR |
| 7750 | | INTEREST DURING CONSTRUCTION |
| 7760 | | GAIN/LOSS ON DISPOSITION |
| 7765 | | SALE OF UTILITY PROPERTY |
| 7770 | | TAX EFFECT OF CAP TRANS |
| 7775 | | CURRENT TAX-FIT-SOLD CO |
| 7780 | | DEFERRED TAX-FIT-SOLD CO |
| 7785 | | CURRENT TAX-SIT-SOLD CO |
| 7790 | | DEFERRED TAX-SIT-SOLD CO |
| 7795 | | TAX EFFECT OF CAP TRANS |

Case No. 2010-00476
Exhibit 11 Confidential

Utilities, Inc. and Subsidiary Companies
Consolidated Financial Statements
For the Years Ended
December 31, 2009 and 2008

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For the Years Ended December 31, 2009 and 2008

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Report of Independent Auditors

To the Board of Directors and
Shareholder of Utilities, Inc.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, common shareholder's equity, capitalization, and cash flows present fairly, in all material respects, the financial position of Utilities, Inc. and its subsidiaries (the Company) at December 31, 2009 and 2008, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

March 1, 2010

Utilities, Inc. and Subsidiary Companies
Consolidated Statements of Operations
For the Years Ended December 31, 2009 and 2008

| | 2009 | 2008 |
|---|---------------------|---------------------|
| Utility operations | | |
| Operating Revenues: | | |
| Water | \$ 58,084,937 | \$ 55,283,683 |
| Wastewater | 53,186,100 | 51,119,225 |
| Miscellaneous | 2,727,751 | 2,575,592 |
| Non-Regulated Services | 1,697,799 | 2,142,712 |
| Total Operating Revenues | <u>115,696,587</u> | <u>111,121,212</u> |
| Operating Expenses: | | |
| Operation and maintenance | 75,079,116 | 79,863,803 |
| Depreciation and amortization | 15,360,829 | 13,332,698 |
| Taxes- | | |
| Property and other general taxes | 9,837,704 | 8,984,352 |
| Income taxes | 487,875 | (1,012,145) |
| Total Operating Expenses | <u>100,765,524</u> | <u>101,168,708</u> |
| Income after Operating Expenses | <u>14,931,063</u> | <u>9,952,504</u> |
| Other (Income) Deductions: | | |
| Interest expense | 13,589,423 | 13,904,909 |
| Interest income | (31,449) | (16,580) |
| Allowance for funds used during construction-equity | (267,291) | (1,230,723) |
| Allowance for funds used during construction-borrowed | (292,364) | (1,393,980) |
| Total Other (Income) Deductions | <u>12,998,319</u> | <u>11,263,626</u> |
| Income from Utility Operations | <u>1,932,744</u> | <u>(1,311,122)</u> |
| Gain (Loss) on disposition of utility system | 5,390,807 | 1,247,196 |
| Less: Income taxes applicable to disposition of utility systems | 1,830,627 | 571,479 |
| Gain on disposition of utility systems, net | <u>3,560,180</u> | <u>675,717</u> |
| Net Income/ (Loss) | <u>\$ 5,492,924</u> | <u>\$ (635,405)</u> |

The accompanying notes are an integral part of these financial statements.

Utilities, Inc. and Subsidiary Companies
Consolidated Balance Sheets
December 31, 2009 and 2008

| | 2009 | 2008 |
|---|-----------------------|-----------------------|
| Assets | | |
| Property Plant and Equipment, at cost: | | |
| Plant in service- | | |
| Water | \$ 393,821,745 | \$ 382,449,849 |
| Wastewater | 381,120,897 | 387,347,961 |
| Other | <u>43,328,456</u> | <u>43,194,730</u> |
| | 818,271,098 | 812,992,540 |
| Less - | | |
| Accumulated depreciation | 115,854,805 | 109,731,012 |
| Plant acquisition adjustments, net | <u>23,739,768</u> | <u>24,440,805</u> |
| | 678,676,525 | 678,820,723 |
| Plant under construction | <u>9,598,945</u> | <u>31,185,990</u> |
| Total Plant, net | <u>\$ 688,275,470</u> | <u>\$ 710,006,713</u> |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 920,552 | \$ 1,547,862 |
| Restricted cash | 857,519 | 2,921,090 |
| Receivables (including unbilled revenue of \$6,278,405 and \$6,566,175, respectively) Customers, less allowance for uncollectible accounts of \$1,199,609 and \$340,552, respectively) | 14,643,924 | 18,392,530 |
| Other | 382,246 | 25,706 |
| Prepayments and other assets | <u>2,465,308</u> | <u>2,701,114</u> |
| Total Current Assets | 19,269,549 | 25,588,302 |
| Deferred Charges and Other Assets: | | |
| Goodwill | 17,839,508 | 20,147,347 |
| Deferred charges, being amortized | 3,336,253 | 2,846,275 |
| Regulatory assets | <u>9,968,422</u> | <u>9,976,747</u> |
| Total Deferred Charges and Other Assets: | <u>31,144,183</u> | <u>32,970,369</u> |
| Total Assets | <u>\$ 738,689,202</u> | <u>\$ 768,565,384</u> |

The accompanying notes are an integral part of these financial statements.

Utilities, Inc. and Subsidiary Companies
Consolidated Balance Sheets
December 31, 2009 and 2008

| | 2009 | 2008 |
|--|-----------------------|-----------------------|
| Capitalization and Liabilities | | |
| Capitalization (see statements): | | |
| Common shareholders' equity | \$ 164,229,938 | \$ 157,737,014 |
| Long-term debt, excluding current maturities | <u>180,000,000</u> | <u>180,000,000</u> |
| | <u>344,229,938</u> | <u>337,737,014</u> |
| Contributions in Aid of Construction | 317,315,641 | 321,468,485 |
| Advances in Aid of Construction | <u>3,674,007</u> | <u>1,105,323</u> |
| Total Contribution and Advances | <u>320,989,648</u> | <u>322,573,808</u> |
| Current Liabilities | | |
| Notes payable to banks | 17,000,000 | 49,775,000 |
| Accounts payable | 13,057,609 | 15,435,594 |
| Customer deposits | 1,801,778 | 2,389,069 |
| Accrued taxes | 2,035,161 | 2,471,510 |
| Accrued interest | 5,763,116 | 6,449,035 |
| Payable to developers | 199,389 | 188,632 |
| Deferred revenue | <u>63,123</u> | <u>93,170</u> |
| Total Current Liabilities | <u>39,920,176</u> | <u>76,802,010</u> |
| Deferred Credits and Other | | |
| Deferred income taxes | 31,619,507 | 29,401,832 |
| Deferred investment tax credits | 946,299 | 1,002,800 |
| Other | <u>983,634</u> | <u>1,047,920</u> |
| Total Deferred Credits and Other | <u>33,549,440</u> | <u>31,452,552</u> |
| Total Capitalization and Liabilities | <u>\$ 738,689,202</u> | <u>\$ 768,565,384</u> |

The accompanying notes are an integral part of these financial statements.

Utilities, Inc. and Subsidiary Companies
Consolidated Statements of Changes in Shareholder' Equity
For the Years Ended December 31, 2009 and 2008

| | Common Shares | | Paid-In Capital | Retained Earnings | Total | Total Comprehensive Income (Loss) |
|-----------------------------------|---------------|--------|--------------------|----------------------|----------------|---|
| | Shares | Amount | | | | |
| Balance at December 31, 2007 | 1,000 | \$ 100 | \$ 98,111,656 | \$ 60,260,663 | \$ 158,372,419 | |
| Net Loss | | | | (635,405) | | (635,405) |
| Total Comprehensive Loss - 2008 | | | | | | \$ (635,405) |
| Balance at December 31, 2008 | 1,000 | \$ 100 | \$ 98,111,656 | \$ 59,625,258 | \$ 157,737,014 | |
| Net Income | | | | 5,492,924 | | 5,492,924 |
| Capital Contribution from parent | | | 1,000,000 | | | |
| Total Comprehensive Income - 2009 | | | | | | \$ 5,492,924 |
| Balance at December 31, 2009 | 1,000 | \$ 100 | \$ 99,111,656 | \$ 65,118,182 | \$ 164,229,938 | |

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The accompanying notes are an integral part of these financial statements.

Utilities, Inc. and Subsidiary Companies
Consolidated Statements of Capitalization
At December 31, 2009 and 2008

| | 2009 | 2008 |
|---|-----------------------|-----------------------|
| Common Shareholders' Equity: | | |
| Common shares, \$.10 par value, authorized and issued 1,000 shares | \$ 100 | \$ 100 |
| Paid-in capital | 99,111,656 | 98,111,656 |
| Retained earnings | <u>65,118,182</u> | <u>59,625,258</u> |
| Total Common Shareholders' Equity | <u>164,229,938</u> | <u>157,737,014</u> |
| Long -Term Debt: | | |
| Collateral trust notes- 6.58%, \$9,000,000 due in annual installments beginning in 2017 through 2035 | <u>180,000,000</u> | <u>180,000,000</u> |
| Total Long -Term Debt | 180,000,000 | 180,000,000 |
| Less: Current maturities | <u>-</u> | <u>-</u> |
| Total Long -Term Debt, net | <u>180,000,000</u> | <u>180,000,000</u> |
| Capitalization, exclusive of short-term financing | <u>\$ 344,229,938</u> | <u>\$ 337,737,014</u> |

The accompanying notes are an integral part of these financial statements.

Utilities, Inc. and Subsidiary Companies
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2009 and 2008

| | 2009 | 2008 |
|--|---------------------|---------------------|
| Cash Flows From Operating Activities: | | |
| Net income | \$ 5,492,924 | \$ (635,405) |
| Net non-cash charges (credits) to net income: | | |
| Depreciation and amortization | 15,360,829 | 13,332,698 |
| Deferred income taxes and investment tax credits, net | 2,161,175 | 24,712 |
| Amortization of deferred charges and regulatory assets | 2,792,753 | 3,757,441 |
| Amortization of debt and acquisition charges | 770,802 | 200,762 |
| Allowance for funds used during construction-Equity | (267,291) | (1,230,723) |
| Gain on disposition of assets | (5,390,807) | (1,247,196) |
| Other, net | 450,766 | 191,525 |
| Change in assets and liabilities: | | |
| Receivables | 3,205,881 | (1,062,094) |
| Prepayments | (513,034) | 475,837 |
| Deferred charges being amortized | (1,413,369) | (562,810) |
| Regulatory assets | (2,628,913) | (3,763,027) |
| Accounts payable and accrued liabilities | (2,382,211) | (7,523,721) |
| Accrued taxes and interest | (1,122,268) | 111,344 |
| Customer deposits | (595,391) | (912,965) |
| Deferred revenue | (30,047) | (74,058) |
| Deferred credits | (64,286) | (143,287) |
| Net Cash Provided by Operating Activities | <u>15,827,513</u> | <u>939,033</u> |
| Cash Flows From Investing Activities: | | |
| Construction expenditures | (25,893,443) | (46,027,064) |
| Acquisition expenditures | (879,628) | - |
| Restricted cash change | 2,063,571 | (1,750,444) |
| Proceeds from disposition of assets | 30,504,692 | 3,894,635 |
| Net Cash Provided By Investing Activities | <u>5,795,192</u> | <u>(43,882,873)</u> |
| Cash Flows From Financing Activities: | | |
| Contributions in aid of construction, net | 9,926,654 | 9,446,756 |
| Payable to developers | 10,757 | (435,067) |
| Capital contribution | 1,000,000 | - |
| Debt and acquisition charges | (412,426) | (823,389) |
| Increase (Decrease) in short term borrowing, net | (32,775,000) | 34,275,000 |
| Net Cash Used In Financing Activities | <u>(22,250,015)</u> | <u>42,463,300</u> |
| Net Decrease in Cash | (627,310) | (480,540) |
| Cash at Beginning of Period | 1,547,862 | 2,028,402 |
| Cash at End of Period | <u>\$ 920,552</u> | <u>\$ 1,547,862</u> |
| Supplemental cash flow information: | | |
| Interest paid (net of amounts capitalized) | \$ 13,192,128 | \$ 12,120,110 |
| Income taxes paid | \$ 311,916 | \$ 17,551 |
| Non-cash property, plant and equipment contributions | \$ 6,778,092 | \$ 5,748,272 |

The accompanying notes are an integral part of these financial statements.

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

1. Summary of Significant Accounting Policies

Nature of Business

Utilities, Inc. (the "Company"), is a holding company which, at December 31, 2009, owned and operated approximately 500 water and wastewater utility systems through 93 subsidiary operating companies. The primary areas served include Florida, North Carolina, South Carolina, Louisiana, Nevada and Illinois. The utility subsidiaries are subject to regulation by the applicable state regulatory commissions. The Company is a wholly-owned subsidiary of Hydro Star Holdings Company.

The Company also owns certain unregulated land application facilities, providing services on a fee basis and a solid waste-collection billing and management service operation providing services on a contractual basis. These services are provided to third parties as well as to our regulated utility operations.

Principles of Consolidation

Common expenses of Utilities, Inc. and Water Service Corporation, an affiliated service company, are charged at cost to all affiliated operating companies. In the consolidated financial statements, all significant intercompany transactions have been eliminated, except for the inter-company profit related to transactions between our unregulated land application operations and our regulated utility operations. These amounts have not been eliminated as it is probable that, through the rate-making process, future revenue approximately equal to the sales price will result from the regulated affiliates' use of the product or service.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

Utilities, Inc. has been included in the Federal income tax return of Hydro Star LLC. Under a tax sharing arrangement, subsidiaries of Hydro Star LLC contribute to the consolidated tax liability based on their share of taxable income (loss) for each period. In the accompanying financial statements, income tax expense and the corresponding taxes payable have been determined on a separate return basis.

Investment tax credits are deferred and are being amortized over the book lives of the related properties.

Deferred tax liabilities and assets are recorded for all temporary differences between the tax basis of assets and liabilities and the amounts reported in the financial statements, measured at the currently enacted statutory income tax rate. As a result of rate-making practices, certain temporary differences have not been recognized as deferred income tax expense for rate-making purposes. In such situations, when such timing differences reverse and become currently payable and it is probable that the higher income taxes will be recoverable through rates charged customers, a net regulatory asset has been established to recognize this expected regulatory treatment.

Deferred income taxes are recorded for differences that result from accelerated depreciation, contributions in aid of construction for certain contributions received from 1986 to 1996, and 2001 going forward, investment tax credits, certain deferred charges and certain other differences in the recognition of income and expense for tax and financial reporting purposes.

Utilities, Inc. and Subsidiary Companies

Notes to Consolidated Financial Statements

December 31, 2009 and 2008

Cash Equivalents

All highly liquid investments with a maturity of ninety days or less when purchased are considered to be cash equivalents.

Restricted Cash

In certain jurisdictions, cash is restricted for use during capital improvements of specific systems. During 2008 the company received approximately \$3.5 million of cash from Colonial Pinnacle Nord-Du-Lac LAC Development to pay for construction of water and wastewater infrastructure in Covington, Louisiana. The Company spent approximately \$1.0 million and \$2.2 million related to this project in 2009 and 2008, respectively.

Customer Deposits

In certain jurisdictions customers are required to make a deposit equal to their estimated one month bill. These deposits earn interest and are returned to the customer either when the customer demonstrates good payment history or when the customer no longer requires service.

Regulation, Regulatory Assets and Other Deferred Charges

The regulated utilities are subject to traditional cost-based rate regulation, under which rate tariffs are developed with the approval of the respective regulatory commissions. These rate tariffs are generally set to provide the utility the opportunity to recover its allowable operating expenses, including depreciation and taxes, and a return on the debt and equity capital invested.

As a regulated entity, the Company is subject to certain requirements that may differ from the way other companies may record financial transactions. The economic effects of regulation can result in a regulated utility deferring costs or revenues that have been, or are expected to be, allowed in the rate setting process in future periods. Accordingly, the regulated entities record assets and liabilities resulting from the ratemaking process that would not be recorded under GAAP for enterprises in general. Regulatory assets represent probable future revenue associated with the recovery of certain costs from customers through the ratemaking process. Regulatory liabilities represent probable future reductions in revenues associated with amounts that are to be credited to customers through the ratemaking process. Certain maintenance charges, including tank painting costs, are recorded in deferred charges and amortized over the approximate life of deferral.

Revenues

Residential water and wastewater charges are billed monthly, bimonthly or quarterly on a usage or availability charge basis. Revenues for such services are recognized when provided and include an estimate for unbilled revenue. Certain availability charges (for customers who own lots where water and wastewater service is available, but do not have a dwelling built and are not taking service) are billed in advance, and the portion of such billings applicable to periods subsequent to December 31st is included in deferred revenue. Other typical customer charges are recognized as earned and included in Miscellaneous Revenues. Revenues from external customers related to solid waste-collection billing, maintenance and repair, and management service operation are recorded as services are rendered and are included in Non Regulated Revenues in the Consolidated Statement of Operations.

The Company provides a reserve against its accounts receivables for accounts that the Company believes may not be collectible.

Fair Value Measurements

The Company adopted the guidance for fair value measurements as of January 1, 2008. The adoption of this guidance did not have a material effect on the Company's financial position or results of operations.

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

Goodwill and Acquisitions

Acquisitions have been accounted for using the purchase method and, accordingly, the operating results of the acquired businesses have been included in the consolidated financial statements from their dates of acquisition. The assets and liabilities of these businesses are recorded in the financial statements at their estimated fair values as of the acquisition dates. Based on the nature of the regulatory environment in which certain of the acquired entities operate, fair values of rate-regulated assets and liabilities generally have been considered to approximate net original cost. The excess of consideration paid in excess of the fair value of the net assets acquired is recorded as goodwill.

Goodwill is not amortized, but is subject to an assessment for impairment at least annually, or more frequently if events or circumstances indicate that goodwill might be impaired. The Company performed this assessment at year end 2009 using a discounted cash flow model. The Company calculated the present value of the projected net income over a 10 year time period and calculated a terminal year valuation to come up with an overall enterprise value. The enterprise value is then compared to the book equity of the Company and if the enterprise value is lower an additional step must be computed to determine the new carrying value of goodwill. Based on our assessment we have concluded that goodwill has not been impaired.

The gross amount of goodwill, accumulated impairment losses and carrying amount of goodwill were as follows:

| | 2009 | 2008 |
|-------------------------------------|----------------------|----------------------|
| Balance as of January 1 | | |
| Goodwill | \$ 20 147 347 | \$ 20 147 347 |
| Accumulated Impairment Losses | - | - |
| Goodwill related to sales of system | <u>(2 307 839)</u> | <u>-</u> |
| Balance as of December 31 | | |
| Goodwill | 17 839 508 | 20 147 347 |
| Accumulated Impairment Losses | - | - |
| | <u>\$ 17,839,508</u> | <u>\$ 20,147,347</u> |

Property, Plant & Equipment

All costs necessary to ready the particular asset for its intended use are capitalized. Costs include material, labor and indirect costs including an allowance for funds used during construction. Upon retirement, the cost of regulated property is charged to accumulated depreciation. See "Goodwill and Acquisitions" and "Plant Acquisition Adjustment" for accounting for property, plant and equipment acquired through business purchases.

The company implemented a new accounting general ledger software during the fourth quarter of 2007 and a new customer billing software in the second quarter of 2008. A majority of the costs, including consultants, in house personnel, and the cost of the software, associated with the implementation of these new systems have been capitalized to Property, Plant and Equipment - Other. The company believes that these costs will be recoverable through the rate making process.

Contributions in Aid of Construction (CIAC) represents the amount of property contributed to the Company. In most jurisdictions, CIAC also includes tap-on fees received as new regulated customers are added. Such amounts are generally amortized over the same period that the

Utilities, Inc. and Subsidiary Companies

Notes to Consolidated Financial Statements

December 31, 2009 and 2008

related property is depreciated. CIAC is generally deducted from property, plant and equipment in the rate making process. Accumulated amortization of CIAC is included in balance sheet as a component of accumulated depreciation.

Advances in Aid of Construction (AIAC) are facilities or cash advances for which a future liability or repayment obligation exists. AIAC represents funds expended on behalf of the Company by a developer. These funds are generally repaid if, and when individual customers are added. For some of these advances, the requirement to repay a developer expires after a specified period of time based on the terms of the related agreement or statute. In these instances the related AIAC is treated as a contribution after the obligation to repay the developer expires and reclassified as CIAC.

Expenditures for maintenance and repairs are expensed as incurred in accordance with the applicable Uniform System of Accounts.

Property in service is generally depreciated using the straight-line method over the estimated useful lives of the related property. The composite or group method is used in which a single depreciation rate is applied to the gross investment in a particular property class. This method pools similar assets and depreciates each group as a whole. Depreciable lives are reviewed and approved by the applicable regulatory commissions. The resulting depreciation expense is included within the recoverable cost of service included in rates charged to customers. Depreciation rates range from 1.5% to 5.0%, with a composite rate of approximately 2.0%.

Long-lived assets are reviewed for potential impairments whenever events or changes in circumstances indicate the carrying amount may not be recoverable. To the extent rate base is permanently disallowed by a regulatory agency and does not provide a benefit to the rate payers the Company will impair its assets by removing the asset from the balance sheet and recognizing a charge in the Consolidated Statement of Operations.

Plant Acquisition Adjustments

For certain acquisitions, the fair value of acquired rate-regulated net assets are recorded in the financial statements at amounts that include the effects of the regulatory treatment accorded plant acquisition adjustments (the amount by which the original cost of assets acquired, less accumulated depreciation, contributions in aid of construction and advances in aid of construction, is greater or lesser than the total consideration paid). As a result, and in accordance with prescribed regulatory accounting practices, plant acquisition adjustments have been recorded as a component of Total Plant, net, and are being amortized over the average life of the plant in service to which they relate.

Allowance for Funds Used During Construction

The cost of debt and equity funds used to finance construction (AFUDC) is capitalized as a cost element of property, with an offsetting credit to other income. The inclusion of AFUDC in plant enables the fair return on, and the recovery of, these capitalized costs by inclusion in rate base and depreciation. The AFUDC rate approximated 8.5% during 2009 and 2008. AFUDC is a non-cash income item.

Acquisitions and Sales

Legal and professional fees and executive time incurred in connection with acquisitions of new water and wastewater systems are capitalized into the cost of specific acquisitions when permitted for regulatory purposes. Costs incurred related to disposition activities are written off to Gain on Disposition of Utility Systems in the period in which the cost was incurred.

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

Reservation of Capacity Fees

Fees are received from potential customers to reserve system capacity for a period of time. Such capacity fees are deferred and amortized over the period that such capacity is required to be kept available and included in miscellaneous revenues in the Consolidated Statements of Operations. Once the customer has connected to the system the remaining unamortized capacity fee is recognized as income in the year the customer connects regardless of the time frame that capacity has been reserved for. The unamortized balance is included in Other Deferred Credits.

Impact of Prior Year Items on 2009

During the year-ended December 31, 2009, Utilities, Inc. identified several errors that related to the year ended December 31, 2008 and prior years. The adjustments related to prior periods but recorded in the current period increased 2009 pre-tax income and net income by \$234,000 and \$145,000, respectively. The impact of these items on the financial statements, whether taken individually or in the aggregate, is not considered material to any period.

2. Deferred Charges and Regulatory Assets

| | 2009 | 2008 |
|---|---------------------|---------------------|
| Deferred charges include the following: | | |
| Debt acquisition expense | \$ 1,475,526 | \$ 1,833,901 |
| Maintenance and testing | 1,521,422 | 994,196 |
| Other | 339,305 | 18,178 |
| Total deferred charges | <u>\$ 3,336,253</u> | <u>\$ 2,846,275</u> |
| Regulatory assets include the following: | | |
| Income tax related | \$ 3,427,263 | \$ 3,376,789 |
| Regulatory expenses, primarily rate cases | 6,541,159 | 6,599,958 |
| Total regulatory assets | <u>\$ 9,968,422</u> | <u>\$ 9,976,747</u> |

The regulatory asset for deferred income taxes will be adjusted as the amounts reverse and are included in tax expense for regulatory purposes. Other regulatory assets and deferred charges are being amortized to expense generally over periods from 3 to 12 years, corresponding to the period of rate recovery.

3. Long-term Debt and Other Credit Arrangements

In July 2006 a new Master Note Purchase Agreement in the amount of \$400 million issuable in series was signed. The initial issuance of \$180 million 6.58% notes was received in July 2006 (the "new facility"). The new facility is subject to principal payments in the amount of \$9 million beginning in 2017 through 2036. Interest is payable semi-annually in January and July, with the first interest payment due January 2007.

The common stock and indebtedness of subsidiary companies have been pledged as collateral for the long-term debt.

In the normal course of business the Company utilizes a short-term revolving bank facility to finance the cash flow needs of the business. We have a credit facility with banks totaling \$55 million and \$80 million of which we have \$17 million and \$49.8 million in loans outstanding as of December 31, 2009 and 2008, respectively. These amounts were recorded as a current liability in the Consolidated Balance Sheet. The current credit facility has a renewal date of November 10, 2011. The interest rate on these borrowings is based on Prime Rate or LIBOR plus 250 basis points, at the option of the Company. The Company currently has borrowings based on both Prime

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

Rate and LIBOR. The company incurred costs of approximately \$375,000 to secure this bank credit facility that are being amortized to the income statement over the life of the note agreement.

The Company's debt obligations are subject to covenants, which consist of a Debt to Capitalization Ratio test and a Minimum Interest Coverage Ratio test calculated at the end of each of its fiscal quarters. During 2009, the Company was in compliance with these covenants.

Management believes that that the existing facility, together with operating cash flows, is sufficient to support the Company's cash requirements for 2010. As noted above, the Company must comply with a number of debt covenants. Management expects to be in compliance with all debt covenants during 2010.

The Company also has letters of credit against its bank credit facility in the amount of \$6.6 million as of December 31, 2009 and 2008.

4. Fair Value of Financial Instruments

The carrying amounts of current assets and current liabilities reported in the balance sheet approximate their fair values. The fair value of the long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments of the same duration.

The carrying amounts and fair value of long-term debt at December 31, 2009 and 2008 are as follows:

| | <u>Carrying Value</u> | <u>Fair Value</u> |
|-------------------|-----------------------|-------------------|
| December 31, 2009 | \$ 180,000,000 | \$ 161,329,188 |
| December 31, 2008 | 180,000,000 | 136,502,893 |

5. Employee Benefit Plans

For the year ended December 31, 2009 and 2008, a Money Purchase Pension Plan is available to all employees meeting certain minimum eligibility requirements. The plan is a defined contribution plan, to which the Company contributes an amount based on a percentage of an eligible employee's salary. The contributions are invested as directed by the participants who, upon retirement, will receive the amount accumulated in their individual investment accounts, subject to the provisions of the plan. Contributions are expensed as incurred and were approximately \$608,000 and \$585,000, in 2009 and 2008, respectively.

For the year ended December 31, 2009 and 2008, a non-matching 401(k) plan is also available to all employees meeting certain minimum eligibility requirements. Under this plan an employee may defer from 1% to 100% of their salary up to the maximum allowed by ERISA. The Company may also make an annual contribution to this plan. The annual contribution is determined by the Board of Directors and is discretionary. Contributions are expensed as incurred and were approximately \$788,000 and \$746,000 in 2009 and 2008, respectively.

As of January 1, 2010 the Company merged the Money Purchase Pension Plan into the 401(K) Plan. The 401(K) plan is adding a matching component in which the Company will match 50% of an employee deferral up to 6%. The plan also provides for a discretionary profit sharing contribution as determined by the Board of Directors.

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

6. Contingencies and Legal Proceedings

In the normal course of business, the Company may enter into agreements with developers related to the construction or acquisition of property. These agreements may require payments to developers that are contingent upon the number of customers added to the systems of the various operating companies. These payments to developers are recognized in the balance sheet as a liability as new customers are added. The total potential payments as of December 31, 2009 and 2008 were approximately \$1.5 million. Payments owed to developers and accrued were \$199,389 and \$188,632 at December 31, 2009 and 2008, respectively. Future payments are expected to be made using funds from connection charges collected from additional customers.

The Company is subject to normal legal proceedings and claims arising out of the ordinary course of its business. Management believes resolution of lawsuits will not have a material adverse effect on results of operations or financial condition.

Naturally occurring elements are present in all ground water sources. In the West one of those elements is arsenic. Recently the federal limit on arsenic was lowered from 50 ppb to 10 ppb. Since the reduction one section of Spring Creek Utility Company (SCU), like many other water utilities in Nevada, has been operating under a waiver granted by the Nevada Department of Environmental Protection, this waiver expired on January 23, 2009. SCU is currently negotiating an Administrative Order to bring this section into compliance. At this time since the Administrative Order is still being negotiated SCU does not have an estimate of what the cost may be or the timeline for compliance.

7. Acquisitions and Dispositions

The Company maintains an active acquisition and divestment program.

During 2009, assets or systems were sold with a combined net book value of \$24 million for proceeds of \$30.5 million. The ongoing operating revenue and expense impact associated with these sold systems was not material. The proceeds were used to pay down the debt of the Company.

There were no material acquisitions during 2009.

8. Asset Retirement Obligation

Potential retirement obligations relating to water and wastewater properties have been identified. However, the Company has determined that it does not have any legal obligations to retire assets that would result in material costs to the Company. In addition, Utilities, Inc. plans on using assets indefinitely and the settlement date or range of potential settlement dates cannot be reasonably estimated. Therefore the Company has not recognized a liability for these potential retirement obligations in the balance sheet.

9. Income Taxes

Income tax expense includes a provision for deferred taxes to reflect the tax effect of temporary differences between when certain costs are recorded for financial reporting purposes and when they are included on the income tax return.

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

Accumulated deferred income taxes include approximately \$3.4 million at December 31, 2009 and 2008, respectively, with corresponding amounts recorded as regulatory assets. This reflects the probable future regulatory treatment afforded certain temporary differences such as the tax effect of investment tax credits, the equity component of AFUDC and other regulatory actions.

Income tax expense (benefit) is displayed in Operating Expenses for the income taxes primarily associated with regulated revenues and expenses considered in the ratemaking process, including interest expense, and in Gains on Disposition of Utility Systems presented on the Consolidated Statement of Operations.

A reconciliation of the statutory Federal income tax rate to the effective Federal and state income tax rate for 2009 and 2008 follows:

| | 2009 | 2008 |
|---|--------|---------|
| Statutory Federal income tax rate | 34.0% | 34.0% |
| Equity component of AFUDC, not subject to taxation | (1.2)% | 38.9% |
| Amortization of investment tax credits | (0.4)% | 3.3% |
| Amortization of Excess Book Value | (1.5)% | 10.8% |
| State income taxes, net of Federal tax benefit | 6.3% | (15.0)% |
| Release of tax reserve | (2.2)% | - |
| Other, primarily valuation allowance on state NOL and non-deductible meals and entertainment | (5.4)% | (31.0)% |
| Effective Federal and state income tax rate | 29.6% | 41.0% |

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Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

A summary of the components of the Federal and state income tax expense for 2009 and 2008 follows:

| | 2009 | 2008 |
|--|---------------------|---------------------|
| Federal Income Tax Expense Related to Operations: | | |
| Current | \$ 2,276,576 | \$ (1,811,783) |
| Deferred | (2,442,712) | 664,923 |
| Deferred investment tax credits | (34,197) | (35,529) |
| Total | <u>(200,333)</u> | <u>(1,182,389)</u> |
| Federal Income Tax Expense Related to Disposition of Utility Systems: | | |
| Current | 1,699,847 | 818,106 |
| Deferred | (251,445) | (318,086) |
| Total | <u>1,448,402</u> | <u>500,020</u> |
| Total Federal Income Tax Expense | <u>1,248,069</u> | <u>(682,369)</u> |
| State Income Tax Expense Related to Operations: | | |
| Current | 654,148 | 65,494 |
| Deferred | 34,060 | 104,750 |
| Total | <u>688,208</u> | <u>170,244</u> |
| State Income Tax Expense Related to Disposition of Utility Systems: | | |
| Current | 391,255 | 74,456 |
| Deferred | (9,030) | (2,997) |
| Total | <u>382,225</u> | <u>71,459</u> |
| Total State Income Tax Expense | <u>1,070,433</u> | <u>241,703</u> |
| Total Income Tax Expense | <u>\$ 2,318,502</u> | <u>\$ (440,666)</u> |

As of December 31, the deferred income taxes and liabilities consisted of the following:

| | 2009 | 2008 |
|---|------------------------|------------------------|
| Deferred Income Tax Assets | | |
| Federal and State NOL's | \$ 2,189,119 | \$ 6,972,520 |
| Valuation Allowance in State NOL's | (1,576,678) | (1,658,010) |
| Alternative Minimum Tax | 689,023 | 891,547 |
| Other | 1,077,906 | 745,112 |
| | <u>2,379,370</u> | <u>6,951,169</u> |
| Deferred Income Tax Liabilities | | |
| Plant related differences | 23,941,320 | 26,186,717 |
| Other | 10,057,557 | 10,166,284 |
| | <u>33,998,877</u> | <u>36,353,001</u> |
| Total Net Deferred Income Tax Liability | <u>\$ (31,619,507)</u> | <u>\$ (29,401,832)</u> |

A deferred income tax asset for the effect of net operating losses has been recorded, which will more likely than not be realized through future operations and the reversal of temporary differences. The Federal NOL's will begin to expire 2024. The state NOL's vary in different amounts over different periods. Alternative Minimum Tax credit can be carried forward indefinitely.

Effective January 1, 2009, the Company has adopted the guidance for accounting for uncertainty in income taxes. This guidance prescribes a comprehensive model for how to recognize, measure, present, and disclose uncertain tax positions taken or expected to be taken on an income tax return. The Company has evaluated its tax positions and concluded that it does not have any

Utilities, Inc. and Subsidiary Companies
Notes to Consolidated Financial Statements
December 31, 2009 and 2008

material uncertain tax positions. Therefore the adoption of this guidance did not have a material effect on the Company's financial position or results of operations.

10. Value Creation Share Plan

The Utilities, Inc. Board approved a Value Creation Shares Plan, (the "Plan") on May 1, 2006. Under the Plan, each value creation share entitles the participant, subject to vesting restrictions, to the difference between the award value and the fair market value of a share upon a liquidity event. A liquidity event is defined as any sale transaction of the Company, including, without limitation, a public offering. The Company will pay the participant in cash an amount equal to (i) the aggregate number of the participant's vested value creation shares (including value creation shares that vest due to the liquidity event), multiplied by (ii) the difference between the award value and the fair market value of a share on the liquidity event. The holder of any value creation shares will have no rights as a shareholder with respect to those value creation shares, and the award value of each value creation share awarded under this agreement is \$1.40.

The following table summarizes the awards granted, outstanding, and authorized:

| | 2009 | 2008 |
|--------------------|-------------|------------|
| Awards granted | 1,760,200 | 1,197,264 |
| Awards outstanding | 5,098,012 | 4,786,051 |
| Awards forfeited | (1,448,239) | (169,311) |
| Awards authorized | 10,000,000 | 10,000,000 |

As of December 31, 2009, the Company has not recognized any compensation expense for any awards granted under this plan as the occurrence of a liquidity event cannot be reasonably estimated and is not considered probable until occurrence.

Case No. 2010-00476
Exhibit 12

Water Service Corporation of Kentucky depreciates its water plant at a rate of 2%, its vehicles at 25%, and its computers at 12.50%. Four years is the average life span of vehicles and computers have a life span of 8 years, while water plant, if not based on a class of asset depreciation, is typically depreciated over 50 years for most Utilities, Inc. companies.

Water Service Corporation of Kentucky uses Microsoft Office as its software for preparing the rate case.

Case No. 2010-00476
Exhibit 13

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Through Acquisition

w/p [0]

| | Year Placed in Service | Date Acq. | Cost | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--------------|---------------------------|------------|--------------|---------------------|------------|--------------|--------------|---------------|
| <u>Plant</u> | | | | | | | | |
| Land | 1981 | 1/1/1981 | 3,257.48 | 29.75 | 0.0% | - | 3,257.48 | No |
| Land | 1981 | 1/1/1981 | 596.00 | 29.75 | 0.0% | - | 596.00 | No |
| Land | 1981 | 1/1/1981 | 1,234.50 | 29.75 | 0.0% | - | 1,234.50 | No |
| Common | 1985 | 11/21/1985 | 13,478.20 | 25.75 | 2.0% | 6,941.27 | 6,536.93 | No |
| Common | 1985 | 11/21/1985 | 185,476.30 | 25.75 | 2.0% | 95,520.29 | 89,956.01 | No |
| Common | 1985 | 11/21/1985 | 2,641.38 | 25.75 | 2.0% | 1,360.31 | 1,281.07 | No |
| Common | 1985 | 11/21/1985 | 6,336.72 | 25.75 | 2.0% | 3,263.41 | 3,073.31 | No |
| Common | 1985 | 11/21/1985 | 30,123.53 | 25.75 | 2.0% | 15,513.62 | 14,609.91 | No |
| Common | 1985 | 11/21/1985 | 194,242.01 | 25.75 | 2.0% | 100,034.64 | 94,207.37 | No |
| Common | 1985 | 11/21/1985 | 25,622.80 | 25.75 | 2.0% | 13,195.74 | 12,427.06 | No |
| Common | 1985 | 11/21/1985 | 334,189.62 | 25.75 | 2.0% | 172,107.65 | 162,081.97 | No |
| Common | 1985 | 11/21/1985 | 13,680.34 | 25.75 | 2.0% | 7,045.38 | 6,634.96 | No |
| Common | 1985 | 11/21/1985 | 10,164.72 | 25.75 | 2.0% | 5,234.83 | 4,929.89 | No |
| Common | 1985 | 11/21/1985 | 312,686.93 | 25.75 | 2.0% | 161,033.77 | 151,653.16 | No |
| Common | 1985 | 11/21/1985 | 125,585.14 | 25.75 | 2.0% | 64,676.35 | 60,908.79 | No |
| Common | 1985 | 11/21/1985 | 2,264,076.47 | 25.75 | 2.0% | 1,165,999.38 | 1,098,077.09 | No |
| Common | 1985 | 11/21/1985 | 283,658.51 | 25.75 | 2.0% | 146,084.13 | 137,574.38 | No |
| Common | 1985 | 11/21/1985 | 40,452.80 | 25.75 | 2.0% | 20,833.19 | 19,619.61 | No |
| Common | 1985 | 11/21/1985 | 515,437.63 | 25.75 | 2.0% | 265,450.38 | 249,987.25 | No |
| Common | 1985 | 11/21/1985 | 78,560.82 | 25.75 | 2.0% | 40,458.82 | 38,102.00 | No |
| Common | 1985 | 11/21/1985 | 370,692.25 | 25.75 | 2.0% | 190,906.51 | 179,785.74 | No |
| Common | 1985 | 11/21/1985 | 70,195.28 | 25.75 | 2.0% | 36,150.57 | 34,044.71 | No |
| Common | 1985 | 11/21/1985 | 145,967.76 | 25.75 | 2.0% | 75,173.40 | 70,794.36 | No |
| Common | 1985 | 11/21/1985 | 19,188.32 | 25.75 | 2.0% | 9,881.98 | 9,306.34 | No |
| Common | 1985 | 11/21/1985 | 129,343.47 | 25.75 | 2.0% | 66,611.89 | 62,731.58 | No |
| Common | 1985 | 11/21/1985 | 21,885.34 | 25.75 | 2.0% | 11,270.95 | 10,614.39 | No |
| Common | 1997 | 7/31/1997 | 6,000.81 | 13.75 | 2.0% | 1,650.22 | 4,350.59 | No |
| Common | 1997 | 7/31/1997 | 677.84 | 13.75 | 2.0% | 186.41 | 491.43 | No |
| Common | 1997 | 7/31/1997 | 39,951.21 | 13.75 | 2.0% | 10,986.58 | 28,964.63 | No |
| Common | 1997 | 7/31/1997 | 18,022.24 | 13.75 | 2.0% | 4,956.12 | 13,066.12 | No |
| Common | 1997 | 7/31/1997 | 29,151.79 | 13.75 | 2.0% | 8,016.74 | 21,135.05 | No |
| Common | 1997 | 7/31/1997 | 34,478.84 | 13.75 | 2.0% | 9,481.68 | 24,997.16 | No |
| Common | 1997 | 7/31/1997 | 682.50 | 13.75 | 2.0% | 187.69 | 494.81 | No |
| Common | 1997 | 7/31/1997 | 33,053.68 | 13.75 | 2.0% | 9,089.76 | 23,963.92 | No |
| Common | 1997 | 7/31/1997 | 6,843.71 | 13.75 | 2.0% | 1,882.02 | 4,961.69 | No |
| Common | 1997 | 7/31/1997 | 12,226.94 | 13.75 | 2.0% | 3,362.41 | 8,864.53 | No |
| Common | 1997 | 7/31/1997 | 337.29 | 13.75 | 2.0% | 92.75 | 244.54 | No |
| Common | 1997 | 7/31/1997 | 25,347.95 | 13.75 | 2.0% | 6,970.69 | 18,377.26 | No |
| Common | 1997 | 7/31/1997 | 7,520.74 | 13.75 | 2.0% | 2,068.20 | 5,452.54 | No |
| Common | 1997 | 7/31/1997 | 20,637.80 | 13.75 | 2.0% | 5,675.40 | 14,962.41 | No |
| Common | 1997 | 7/31/1997 | 3,041.00 | 13.75 | 2.0% | 836.28 | 2,204.73 | No |
| Common | 1997 | 7/31/1997 | 854.21 | 13.75 | 2.0% | 234.91 | 619.30 | No |
| Common | 1997 | 7/31/1997 | 8,920.93 | 13.75 | 2.0% | 2,453.26 | 6,467.67 | No |
| Common | 1997 | 7/31/1997 | 18,713.80 | 13.75 | 2.0% | 5,146.30 | 13,567.51 | No |
| Common | 1997 | 7/31/1997 | 42,319.97 | 13.75 | 2.0% | 11,637.99 | 30,681.98 | No |
| Common | 1997 | 7/31/1997 | 117,894.63 | 13.75 | 2.0% | 32,421.02 | 85,473.61 | No |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Through Acquisition

| | Year Placed in Service | Date Acq. | Cost | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|---|---------------------------|------------|--------------|---------------------|------------|--------------|--------------|---------------|
| Common | 1997 | 7/31/1997 | 2,383.00 | 13.75 | 2.0% | 655.33 | 1,727.68 | No |
| Common | 1997 | 7/31/1997 | 454.00 | 13.75 | 2.0% | 124.85 | 329.15 | No |
| Land | 1997 | 7/31/1997 | 840.80 | 13.75 | 0.0% | - | 840.80 | No |
| Land | 1997 | 7/31/1997 | 6,853.00 | 13.75 | 0.0% | - | 6,853.00 | No |
| Land | 1997 | 7/31/1997 | 628.83 | 13.75 | 0.0% | - | 628.83 | No |
| Land | 1997 | 7/31/1997 | 1,025.44 | 13.75 | 0.0% | - | 1,025.44 | No |
| Land | 1997 | 7/31/1997 | 5,496.00 | 13.75 | 0.0% | - | 5,496.00 | No |
| Land | 1997 | 7/31/1997 | 112.00 | 13.75 | 0.0% | - | 112.00 | No |
| Land | 1997 | 7/31/1997 | 91,200.55 | 13.75 | 25.0% | 91,200.55 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 23,193.71 | 13.75 | 25.0% | 23,193.71 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 30,641.95 | 13.75 | 25.0% | 30,641.95 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 3,289.00 | 13.75 | 25.0% | 3,289.00 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 626.00 | 13.75 | 25.0% | 626.00 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 23,723.00 | 11.75 | 25.0% | 23,723.00 | - | Yes |
| Vehicle | 1999 | 7/1/1999 | 15,044.84 | 10.75 | 2.0% | 15,044.84 | 54,931.16 | No |
| Common | 2000 | 12/1/2000 | 69,976.00 | 10.75 | 25.0% | 21,601.00 | - | Yes |
| Vehicle | 2000 | 1/1/2000 | 21,601.00 | 10.75 | 25.0% | 24,098.00 | - | Yes |
| Vehicle | 2000 | 3/1/2000 | 24,098.00 | 10.75 | 25.0% | 24,098.00 | - | Yes |
| Vehicle | 2001 | 3/1/2001 | 32,326.00 | 9.75 | 25.0% | 32,326.00 | - | Yes |
| Vehicle | 2001 | 3/1/2001 | 36,282.69 | 8.75 | 0.0% | - | 36,282.69 | No |
| Organization | 2002 | | 6,000,203.17 | | | 3,058,609.11 | 2,941,594.06 | |
| <u>Advances in Aid of Construction</u> | | | | | | | | |
| Common | 1991 | 7/15/1991 | 11,611.30 | 19.75 | 2.0% | 4,586.46 | 7,024.84 | No |
| Common | 1993 | 12/15/1993 | 1,938.50 | 17.75 | 2.0% | 688.17 | 1,250.33 | No |
| Common | 1995 | 1/1/1995 | 5,579.76 | 15.75 | 2.0% | 1,757.62 | 3,822.14 | No |
| Common | 1995 | 3/15/1995 | 22,218.75 | 15.75 | 2.0% | 6,998.91 | 15,219.84 | No |
| Common | 1995 | 3/15/1995 | 7,500.00 | 15.75 | 2.0% | 2,362.50 | 5,137.50 | No |
| Common | 1995 | 3/15/1995 | 8,730.50 | 13.75 | 2.0% | 2,400.89 | 6,329.61 | No |
| Common | 1997 | 7/14/1997 | 8,730.50 | 13.75 | 2.0% | 6,527.41 | 17,208.62 | No |
| Common | 1997 | 6/30/1997 | 23,736.03 | 13.75 | 2.0% | 2,384.81 | 7,763.33 | No |
| Common | 1999 | 8/25/1999 | 10,148.14 | 11.75 | 2.0% | 401.23 | 1,464.97 | No |
| Common | 2000 | 10/2/2000 | 1,866.20 | 10.75 | 2.0% | 2,497.69 | 9,119.49 | No |
| Common | 2000 | 4/17/2000 | 11,617.18 | 10.75 | 2.0% | 1,748.85 | 6,385.32 | No |
| Common | 2000 | 2/16/2000 | 8,134.17 | 10.75 | 2.0% | 32,354.54 | 80,725.99 | |
| <u>Contributions in Aid of Construction</u> | | | | | | | | |
| Common | 1988 | 7/12/1988 | 9,255.00 | 22.75 | 2.0% | 4,211.03 | 5,043.98 | No |
| Common | 1990 | | 19,145.65 | 20.75 | 2.0% | 7,945.44 | 11,200.21 | No |
| Common | 1990 | | 2,885.35 | 20.75 | 2.0% | 1,197.42 | 1,687.93 | No |
| Common | 1990 | | 38,770.04 | 18.75 | 2.0% | 14,538.77 | 24,231.28 | No |
| Common | 1992 | 4/12/1992 | 3,600.00 | 16.75 | 2.0% | 1,206.00 | 2,394.00 | No |
| Common | 1994 | 6/26/1994 | 592.40 | 13.75 | 2.0% | 162.91 | 429.49 | No |
| Common | 1997 | 2/27/1997 | 6,393.40 | 12.75 | 2.0% | 1,630.32 | 4,763.08 | No |
| Common | 1998 | 4/20/1998 | 3,543.75 | 12.75 | 2.0% | 903.66 | 2,640.09 | No |
| Common | 1998 | 4/27/1998 | 5,087.76 | 11.75 | 2.0% | 1,195.62 | 3,892.14 | No |
| Common | 1999 | 8/31/1999 | 89,273.35 | | | 32,991.16 | 56,282.19 | |

WATER SERVICE CORPORATION OF KENTUCKY

Case No. 2010 - 00476

Plant Restatement

Test Year Ended September 30, 2010

w/p [p]

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|-----------------------------|---------------------------|------------|-----------------------------------|---------------------|------------|--------------|--------------|---------------|
| <u>Plant at Acquisition</u> | | | | | | | | |
| Land | 1981 | 1/1/1981 | 3,257.48 | 29.75 | 0.0% | - | 3,257.48 | No |
| Land | 1981 | 1/1/1981 | 596.00 | 29.75 | 0.0% | - | 596.00 | No |
| Land | 1981 | 1/1/1981 | 1,234.50 | 29.75 | 0.0% | - | 1,234.50 | No |
| Common | 1985 | 11/21/1985 | 13,478.20 | 25.75 | 2.0% | 6,941.27 | 6,536.93 | No |
| Common | 1985 | 11/21/1985 | 185,476.30 | 25.75 | 2.0% | 95,520.29 | 89,956.01 | No |
| Common | 1985 | 11/21/1985 | 2,641.38 | 25.75 | 2.0% | 1,360.31 | 1,281.07 | No |
| Common | 1985 | 11/21/1985 | 6,336.72 | 25.75 | 2.0% | 3,263.41 | 3,073.31 | No |
| Common | 1985 | 11/21/1985 | 30,123.53 | 25.75 | 2.0% | 15,513.62 | 14,609.91 | No |
| Common | 1985 | 11/21/1985 | 194,242.01 | 25.75 | 2.0% | 100,034.64 | 94,207.37 | No |
| Common | 1985 | 11/21/1985 | 25,622.80 | 25.75 | 2.0% | 13,195.74 | 12,427.06 | No |
| Common | 1985 | 11/21/1985 | 334,189.62 | 25.75 | 2.0% | 172,107.65 | 162,081.97 | No |
| Common | 1985 | 11/21/1985 | 13,680.34 | 25.75 | 2.0% | 7,045.38 | 6,634.96 | No |
| Common | 1985 | 11/21/1985 | 10,164.72 | 25.75 | 2.0% | 5,234.83 | 4,929.89 | No |
| Common | 1985 | 11/21/1985 | 312,686.93 | 25.75 | 2.0% | 161,033.77 | 151,653.16 | No |
| Common | 1985 | 11/21/1985 | 125,585.14 | 25.75 | 2.0% | 64,676.35 | 60,908.79 | No |
| Common | 1985 | 11/21/1985 | 2,264,076.47 | 25.75 | 2.0% | 1,165,999.38 | 1,098,077.09 | No |
| Common | 1985 | 11/21/1985 | 283,658.51 | 25.75 | 2.0% | 146,084.13 | 137,574.38 | No |
| Common | 1985 | 11/21/1985 | 40,452.80 | 25.75 | 2.0% | 20,833.19 | 19,619.61 | No |
| Common | 1985 | 11/21/1985 | 515,437.63 | 25.75 | 2.0% | 265,450.38 | 249,987.25 | No |
| Common | 1985 | 11/21/1985 | 78,560.82 | 25.75 | 2.0% | 40,458.82 | 38,102.00 | No |
| Common | 1985 | 11/21/1985 | 370,692.25 | 25.75 | 2.0% | 190,906.51 | 179,785.74 | No |
| Common | 1985 | 11/21/1985 | 70,195.28 | 25.75 | 2.0% | 36,150.57 | 34,044.71 | No |
| Common | 1985 | 11/21/1985 | 145,967.76 | 25.75 | 2.0% | 75,173.40 | 70,794.36 | No |
| Common | 1985 | 11/21/1985 | 19,188.32 | 25.75 | 2.0% | 9,881.98 | 9,306.34 | No |
| Common | 1985 | 11/21/1985 | 129,343.47 | 25.75 | 2.0% | 66,611.89 | 62,731.58 | No |
| Common | 1985 | 11/21/1985 | 21,885.34 | 25.75 | 2.0% | 11,270.95 | 10,614.39 | No |
| Common | 1997 | 7/31/1997 | 6,000.81 | 13.75 | 2.0% | 1,650.22 | 4,350.59 | No |
| Common | 1997 | 7/31/1997 | 677.84 | 13.75 | 2.0% | 186.41 | 491.43 | No |
| Common | 1997 | 7/31/1997 | 39,951.21 | 13.75 | 2.0% | 10,986.58 | 28,964.63 | No |
| Common | 1997 | 7/31/1997 | 18,022.24 | 13.75 | 2.0% | 4,956.12 | 13,066.12 | No |
| Common | 1997 | 7/31/1997 | 29,151.79 | 13.75 | 2.0% | 8,016.74 | 21,135.05 | No |
| Common | 1997 | 7/31/1997 | 34,478.84 | 13.75 | 2.0% | 9,481.68 | 24,997.16 | No |
| Common | 1997 | 7/31/1997 | 682.50 | 13.75 | 2.0% | 187.69 | 494.81 | No |
| Common | 1997 | 7/31/1997 | 33,053.68 | 13.75 | 2.0% | 9,089.76 | 23,963.92 | No |
| Common | 1997 | 7/31/1997 | 6,843.71 | 13.75 | 2.0% | 1,882.02 | 4,961.69 | No |
| Common | 1997 | 7/31/1997 | 12,226.94 | 13.75 | 2.0% | 3,362.41 | 8,864.53 | No |
| Common | 1997 | 7/31/1997 | 337.29 | 13.75 | 2.0% | 92.75 | 244.54 | No |

WATER SERVICE CORPORATION OF KENTUCKY

Case No. 2010 - 00476

Plant Restatement

Test Year Ended September 30, 2010

w/p [p]

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--------------|---------------------------|-----------|-----------------------------------|---------------------|------------|------------|------------|---------------|
| Common | 1997 | 7/31/1997 | 25,347.95 | 13.75 | 2.0% | 6,970.69 | 18,377.26 | No |
| Common | 1997 | 7/31/1997 | 7,520.74 | 13.75 | 2.0% | 2,068.20 | 5,452.54 | No |
| Common | 1997 | 7/31/1997 | 20,637.80 | 13.75 | 2.0% | 5,675.40 | 14,962.41 | No |
| Common | 1997 | 7/31/1997 | 3,041.00 | 13.75 | 2.0% | 836.28 | 2,204.73 | No |
| Common | 1997 | 7/31/1997 | 854.21 | 13.75 | 2.0% | 234.91 | 619.30 | No |
| Common | 1997 | 7/31/1997 | 8,920.93 | 13.75 | 2.0% | 2,453.26 | 6,467.67 | No |
| Common | 1997 | 7/31/1997 | 18,713.80 | 13.75 | 2.0% | 5,146.30 | 13,567.51 | No |
| Common | 1997 | 7/31/1997 | 42,319.97 | 13.75 | 2.0% | 11,637.99 | 30,681.98 | No |
| Common | 1997 | 7/31/1997 | 117,894.63 | 13.75 | 2.0% | 32,421.02 | 85,473.61 | No |
| Common | 1997 | 7/31/1997 | 2,383.00 | 13.75 | 2.0% | 655.33 | 1,727.68 | No |
| Common | 1997 | 7/31/1997 | 454.00 | 13.75 | 2.0% | 124.85 | 329.15 | No |
| Land | 1997 | 7/31/1997 | 840.80 | 13.75 | 0.0% | - | 840.80 | No |
| Land | 1997 | 7/31/1997 | 6,853.00 | 13.75 | 0.0% | - | 6,853.00 | No |
| Land | 1997 | 7/31/1997 | 628.83 | 13.75 | 0.0% | - | 628.83 | No |
| Land | 1997 | 7/31/1997 | 1,025.44 | 13.75 | 0.0% | - | 1,025.44 | No |
| Land | 1997 | 7/31/1997 | 5,496.00 | 13.75 | 0.0% | - | 5,496.00 | No |
| Land | 1997 | 7/31/1997 | 112.00 | 13.75 | 0.0% | - | 112.00 | No |
| Vehicle | 1997 | 7/31/1997 | 91,200.55 | 13.75 | 25.0% | 91,200.55 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 23,193.71 | 13.75 | 25.0% | 23,193.71 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 30,641.95 | 13.75 | 25.0% | 30,641.95 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 3,289.00 | 13.75 | 25.0% | 3,289.00 | - | Yes |
| Vehicle | 1997 | 7/31/1997 | 626.00 | 13.75 | 25.0% | 626.00 | - | Yes |
| Vehicle | 1999 | 7/1/1999 | 23,723.00 | 11.75 | 25.0% | 23,723.00 | - | Yes |
| Common | 2000 | 12/1/2000 | 69,976.00 | 10.75 | 2.0% | 15,044.84 | 54,931.16 | No |
| Vehicle | 2000 | 1/1/2000 | 21,601.00 | 10.75 | 25.0% | 21,601.00 | - | Yes |
| Vehicle | 2000 | 3/1/2000 | 24,098.00 | 10.75 | 25.0% | 24,098.00 | - | Yes |
| Vehicle | 2001 | 3/1/2001 | 32,326.00 | 9.75 | 25.0% | 32,326.00 | - | Yes |
| Organization | 2002 | | 102,864.30 | 8.75 | 0.0% | - | 102,864.30 | No |
| Organization | 2002 | | 36,282.69 | 8.75 | 0.0% | - | 36,282.69 | No |
| Common | 2002 | | 38,243.82 | 8.75 | 2.0% | 6,692.67 | 31,551.15 | No |
| Computers | 2002 | | 5,780.15 | 8.75 | 12.5% | 5,780.15 | - | Yes |
| Vehicle | 2002 | | 25,878.91 | 8.75 | 25.0% | 25,878.91 | - | Yes |
| Common | 2003 | | 210,574.95 | 7.75 | 2.0% | 32,639.12 | 177,935.83 | No |
| Computers | 2003 | | 3,592.20 | 7.75 | 12.5% | 3,479.94 | 112.26 | No |
| Vehicle | 2003 | | 66,712.73 | 7.75 | 25.0% | 66,712.73 | - | Yes |
| Organization | 2003 | | 22,898.39 | 7.75 | 0.0% | - | 22,898.39 | No |
| Common | 2004 | | 456,980.03 | 6.75 | 2.0% | 61,692.30 | 395,287.73 | No |
| Computers | 2004 | | 2,901.96 | 6.75 | 12.5% | 2,448.53 | 453.43 | No |
| Vehicle | 2004 | | 55,831.70 | 6.75 | 25.0% | 55,831.70 | - | Yes |
| Organization | 2004 | | 1,945.82 | 6.75 | 0.0% | - | 1,945.82 | No |
| Common | 2005 | | 709,699.03 | 5.75 | 2.0% | 81,615.39 | 628,083.64 | No |
| Computers | 2005 | | 4,157.92 | 5.75 | 12.5% | 2,988.51 | 1,169.42 | No |
| Vehicle | 2005 | | 19,892.64 | 5.75 | 25.0% | 19,892.64 | - | Yes |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

w/p [p]

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|-----------------------------|---------------------------|-----------|-----------------------------------|---------------------|------------|--------------|--------------|---------------|
| Organization | 2005 | | 402.90 | 5.75 | 0.0% | - | 402.90 | No |
| Common | 2006 | | 473,734.75 | 4.75 | 2.0% | 45,004.80 | 428,729.95 | No |
| Computers | 2006 | | 2,112.29 | 4.75 | 12.5% | 1,254.17 | 858.12 | No |
| Vehicle | 2006 | | 15,605.90 | 4.75 | 25.0% | 15,605.90 | - | Yes |
| Common | 2007 | | 225,174.75 | 3.75 | 2.0% | 16,888.11 | 208,286.64 | No |
| Computers | 2007 | | 138,625.61 | 3.75 | 12.5% | 64,980.75 | 73,644.86 | No |
| Vehicle | 2007 | | 32,536.51 | 3.75 | 25.0% | 30,502.98 | 2,033.53 | No |
| | | Subtotal | 8,616,350.43 | | | 3,598,498.41 | 5,017,852.02 | |
| <u>2008 Plant Additions</u> | | | | | | | | |
| Common | 2008 | | 625,518.99 | 2.75 | 2.0% | 34,403.54 | 591,115.45 | No |
| Computers | 2008 | | 502,208.00 | 2.75 | 12.5% | 172,634.00 | 329,574.00 | No |
| Vehicle | 2008 | | 24,039.77 | 2.75 | 25.0% | 16,527.34 | 7,512.43 | No |
| Land | 2008 | | 484.54 | 2.75 | 0.0% | - | 484.54 | No |
| Organization | 2008 | | - | 2.75 | 0.0% | - | - | Yes |
| | | Subtotal | 1,152,251.30 | | | 223,564.89 | 928,686.41 | |
| <u>2009 Plant Additions</u> | | | | | | | | |
| Common | 2009 | | 126,895.36 | 1.75 | 2.0% | 4,441.34 | 122,454.02 | No |
| Computers | 2009 | | 59,822.39 | 1.75 | 12.5% | 13,086.15 | 46,736.24 | No |
| Vehicle | 2009 | | (1,334.63) | 1.75 | 25.0% | (333.66) | (1,000.97) | No |
| Land | 2009 | | 173.08 | 1.75 | 0.0% | - | 173.08 | No |
| Organization | 2009 | | - | 1.75 | 0.0% | - | - | Yes |
| | | Subtotal | 185,556.20 | | | 17,193.83 | 168,362.37 | |
| <u>2010 Plant Additions</u> | | | | | | | | |
| Common | 2010 | | 103,905.10 | 1.00 | 2.0% | 2,078.10 | 101,827.00 | No |
| Computers | 2010 | | 1,642.93 | 1.00 | 12.5% | 205.37 | 1,437.56 | No |
| Vehicle | 2010 | | (49.91) | 1.00 | 25.0% | (12.48) | (62.39) | No |
| Land | 2010 | | (24.39) | 1.00 | 0.0% | - | (24.39) | No |
| Organization | 2010 | | - | 1.00 | 0.0% | - | - | Yes |
| | | Subtotal | 105,473.73 | | | 2,270.99 | 103,177.78 | |
| | | Total | 10,059,631.66 | | | 3,841,528.11 | 6,218,078.59 | |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

w/p [p]

| | Year Placed in Service | Date Acq. | Total Utility Plant in Service | Years in Service | Depr. Rate | Acc. Depr. | Net Plant | Fully Deprec. |
|--|---------------------------|------------|-----------------------------------|---------------------|------------|------------|-----------|---------------|
| <u>Advances in Aid of Construction</u> | | | | | | | | |
| Common | 1991 | 7/15/1991 | 11,611.30 | 19.75 | 2.0% | 4,586.46 | 7,024.84 | No |
| Common | 1993 | 12/15/1993 | 1,938.50 | 17.75 | 2.0% | 688.17 | 1,250.33 | No |
| Common | 1995 | 1/11/1995 | 5,579.76 | 15.75 | 2.0% | 1,757.62 | 3,822.14 | No |
| Common | 1995 | 3/15/1995 | 22,218.75 | 15.75 | 2.0% | 6,998.91 | 15,219.84 | No |
| Common | 1995 | 3/15/1995 | 7,500.00 | 15.75 | 2.0% | 2,362.50 | 5,137.50 | No |
| Common | 1997 | 7/14/1997 | 8,730.50 | 13.75 | 2.0% | 2,400.89 | 6,329.61 | No |
| Common | 1997 | 6/30/1997 | 23,736.03 | 13.75 | 2.0% | 6,527.41 | 17,208.62 | No |
| Common | 1999 | 8/25/1999 | 10,148.14 | 11.75 | 2.0% | 2,384.81 | 7,763.33 | No |
| Common | 2000 | 10/2/2000 | 1,866.20 | 10.75 | 2.0% | 401.23 | 1,464.97 | No |
| Common | 2000 | 4/17/2000 | 11,617.18 | 10.75 | 2.0% | 2,497.69 | 9,119.49 | No |
| Common | 2000 | 2/16/2000 | 8,134.17 | 10.75 | 2.0% | 1,748.85 | 6,385.32 | No |
| | | Subtotal | 113,080.53 | | | 32,354.54 | 80,725.99 | |
| | | Total | 113,080.53 | | | 32,354.54 | 80,725.99 | |
| <u>Contributions in Aid of Construction</u> | | | | | | | | |
| Common | 1988 | 7/12/1988 | 9,255.00 | 22.75 | 2.0% | 4,211.03 | 5,043.98 | No |
| Common | 1990 | | 19,145.65 | 20.75 | 2.0% | 7,945.44 | 11,200.21 | No |
| Common | 1990 | | 2,885.35 | 20.75 | 2.0% | 1,197.42 | 1,687.93 | No |
| Common | 1992 | 4/12/1992 | 38,770.04 | 18.75 | 2.0% | 14,538.77 | 24,231.28 | No |
| Common | 1994 | 6/26/1994 | 3,600.00 | 16.75 | 2.0% | 1,206.00 | 2,394.00 | No |
| Common | 1997 | 2/27/1997 | 592.40 | 13.75 | 2.0% | 162.91 | 429.49 | No |
| Common | 1998 | 4/20/1998 | 6,393.40 | 12.75 | 2.0% | 1,630.32 | 4,763.08 | No |
| Common | 1998 | 4/27/1998 | 3,543.75 | 12.75 | 2.0% | 903.66 | 2,640.09 | No |
| Common | 1999 | 8/31/1999 | 5,087.76 | 11.75 | 2.0% | 1,195.62 | 3,892.14 | No |
| | | Subtotal | 89,273.35 | | | 32,991.16 | 56,282.19 | |
| <u>Contributions in Aid of Construction 2003 Additions</u> | | | | | | | | |
| Common | 2003 | | 8,249.36 | 7.75 | 2.0% | 1,278.65 | 6,970.71 | No |
| Common | 2003 | | 221.00 | 7.75 | 2.0% | 34.26 | 186.75 | No |
| | | Subtotal | 8,470.36 | | | 1,312.91 | 7,157.45 | |
| <u>Contributions in Aid of Construction 2007 Additions</u> | | | | | | | | |
| Common | 2007 | | 6,646.02 | 3.75 | 2.0% | 498.45 | 6,147.57 | No |
| Common | 2007 | | - | 3.75 | 2.0% | - | - | Yes |
| | | Subtotal | 6,646.02 | | | 498.45 | 6,147.57 | |
| <u>Contributions in Aid of Construction 2008 Additions</u> | | | | | | | | |
| Common | 2008 | | - | 2.75 | 2.0% | - | - | Yes |
| Common | 2008 | | - | 2.75 | 2.0% | - | - | Yes |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Plant Restatement
Test Year Ended September 30, 2010

w/p [p]

| | <u>Year Placed in Service</u> | <u>Date Acq.</u> | <u>Total Utility Plant in Service</u> | <u>Years in Service</u> | <u>Depr. Rate</u> | <u>Acc. Depr.</u> | <u>Net Plant</u> | <u>Fully Deprec.</u> |
|--|-----------------------------------|------------------|---|-----------------------------|-------------------|-------------------|------------------|----------------------|
| | | Subtotal | - | | | - | - | |
| <u>Contributions in Aid of Construction 2008 Additions</u> | | | | | | | | |
| Common | 2009 | | - | 1.75 | 2.0% | - | - | Yes |
| Common | 2009 | | - | 1.75 | 2.0% | - | - | Yes |
| | | Subtotal | - | | | - | - | |
| <u>Contributions in Aid of Construction 2008 Additions</u> | | | | | | | | |
| Common | 2009 | | 6,445.25 | 1.75 | 2.0% | 225.58 | 6,219.67 | No |
| Common | 2009 | | - | 1.75 | 2.0% | - | - | Yes |
| | | Subtotal | 6,445.25 | | | 225.58 | 6,219.67 | |
| | | Total | <u>104,389.73</u> | | | <u>34,802.52</u> | <u>69,587.21</u> | |

Case No. 2010-00476
Exhibit 14

Microsoft Office is the software used by UI and WSCK

Case No. 2010-00476
Exhibit 15

WSC Kentucky
Income Statement Rolling 12 Months -
For the Twelve Months Ending September 30, 2010

| Description | October | November | December | January | February | March | April | May | June | July | August | September | Total |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| 5645 EMPLOYEE INS DE | (1,905.01) | (1,865.56) | (4,404.84) | (2,118.25) | (2,152.19) | (3,718.51) | (1,398.04) | (2,325.62) | (4,691.22) | (1,287.30) | (2,164.09) | (3,238.63) | (31,269.26) |
| 5650 HEALTH COSTS & | 98.30 | 59.14 | 250.60 | 55.96 | 62.34 | 28.88 | 65.71 | 12.85 | 63.60 | 14.80 | 84.49 | 69.95 | 866.62 |
| 5655 HEALTH INS REIM | 6,723.04 | 6,492.12 | 13,463.47 | 7,083.17 | 11,321.54 | 7,287.13 | 8,400.96 | 9,319.25 | 7,785.28 | 7,971.95 | 8,598.54 | 8,362.25 | 102,808.70 |
| 5660 OTHER EMP BENEF | 52.05 | 200.96 | 244.75 | 116.20 | 139.91 | 187.42 | 118.45 | 113.97 | 40.75 | 106.81 | 111.31 | 11.78 | 1,444.36 |
| 5665 PENSION / 401K | 1,281.09 | 1,281.67 | 860.80 | 458.82 | 488.62 | 554.54 | 472.21 | 469.57 | 548.77 | 451.20 | 460.22 | 949.39 | 8,276.90 |
| 5670 TERM LIFE INS | 722.93 | | 779.17 | | | | | 1,134.86 | 1,114.85 | 365.95 | | 724.76 | 4,842.52 |
| 5675 TERM LIFE INS-O | (49.49) | (50.90) | (68.15) | (58.59) | (58.22) | (58.42) | (56.62) | (55.26) | (66.35) | (53.38) | (53.07) | (52.50) | (680.95) |
| 5680 DEPEND LIFE INS | (7.78) | (7.60) | (10.67) | (7.63) | (7.38) | (7.04) | (4.65) | (8.86) | (9.06) | (6.55) | (6.42) | (6.31) | (89.95) |
| 5685 SUPPLEMENTAL LI | | | | | | | | | | | | | |
| 5690 TUITION | | | 164.71 | 243.55 | | 86.58 | 191.55 | 89.42 | 79.68 | (9.72) | 417.04 | 25.74 | 1,288.55 |
| 5620 EMPLOYEE BENEFIT | 9,918.40 | 8,536.73 | 13,916.04 | 9,307.68 | 10,076.40 | 7,982.88 | 11,076.19 | 12,388.18 | 8,078.77 | 10,855.33 | 10,692.69 | 10,514.85 | 123,344.14 |
| 5695 INSURANCE EXPENS | | | | | | | | | | | | | |
| 5700 INSURANCE-VEHIC | | | | | | | | | | | | | |
| 5705 INSURANCE-GEN L | | | | | | | | | | | | | |
| 5710 INSURANCE-WORKE | | | | | | | | | | | | | |
| 5715 INSURANCE-OTHER | 5,636.39 | 4,716.83 | 6,018.46 | 4,179.51 | 5,175.64 | 4,995.51 | 5,084.64 | 5,667.79 | 4,249.39 | 4,038.57 | 3,934.95 | 5,356.54 | 59,054.22 |
| 5695 INSURANCE EXPENS | 5,636.39 | 4,716.83 | 6,018.46 | 4,179.51 | 5,175.64 | 4,995.51 | 5,084.64 | 5,667.79 | 4,249.39 | 4,038.57 | 3,934.95 | 5,356.54 | 59,054.22 |
| 5730 IT DEPARTMENT | | | | | | | | | | | | | |
| 5735 COMPUTER MAINTEN | 3,719.48 | 4,676.76 | 3,066.63 | 4,372.88 | 2,823.23 | 3,729.66 | 4,368.66 | 4,813.35 | 5,037.90 | 4,365.79 | 3,917.30 | 4,422.25 | 49,313.89 |
| 5740 COMPUTER SUPPLI | (297.81) | 487.90 | 552.35 | 153.36 | 248.47 | 18.77 | 290.06 | 267.27 | 181.96 | 224.07 | 451.77 | 205.78 | 2,783.95 |
| 5745 COMPUTER AMORT | 182.86 | 182.95 | (457.09) | | | | | | | | | | (91.28) |
| 5750 INTERNET SUPPLI | | 6.86 | 49.95 | 52.60 | 52.60 | 49.95 | 52.58 | 2.63 | 103.21 | 56.02 | 60.44 | 19.08 | 505.92 |
| 5755 MICROFILMING | | (0.12) | | | | | | | | | | | (0.12) |
| 5760 WEBSITE DEVELOP | | | | | | | | | | | | | |
| 5730 IT DEPARTMENT | 3,604.53 | 5,354.35 | 3,211.84 | 4,578.84 | 3,124.30 | 3,798.38 | 4,711.30 | 5,083.25 | 5,323.07 | 4,645.88 | 4,429.51 | 4,647.11 | 52,512.36 |
| 5780 MISCELLANEOUS EX | | | | | | | | | | | | | |
| 5785 ADVERTISING/MAR | | | 17.51 | 13.51 | | | 72.11 | 46.80 | 163.04 | 82.50 | | | 395.47 |
| 5790 BANK SERVICE CH | 684.17 | 319.40 | 506.77 | 141.89 | 434.22 | 160.04 | 24.62 | 379.73 | 373.15 | 176.20 | 603.84 | 184.26 | 3,988.29 |
| 5795 CONTRIBUTIONS | | | | | | | | | | | | | |
| 5800 LETTER OF CREDI | | | | | | | | | | | | | |
| 5805 LICENSE FEES | | 0.87 | | | | | | | | | | | 0.87 |
| 5810 MEMBERSHIPS | 13.71 | 159.96 | 539.41 | 4,047.01 | 22.29 | 59.34 | 277.32 | 313.16 | 7.20 | 409.66 | 4.23 | 2.63 | 5,855.92 |
| 5815 PENALTIES/FINES | | | | | | | | | 14.08 | 13.14 | | | 27.22 |
| 5820 TRAINING EXPENS | 128.33 | 110.00 | 210.81 | | 6.72 | 53.33 | 207.91 | 22.99 | 22.99 | 306.75 | 330.00 | 129.24 | 1,506.08 |
| 5825 OTHER MISC EXPE | 668.19 | 580.68 | 943.24 | 540.52 | (67.74) | 509.09 | 228.26 | 309.74 | (63.88) | 515.10 | 3,363.19 | 96.70 | 7,623.09 |
| 5780 MISCELLANEOUS EX | 1,494.40 | 1,170.91 | 2,217.74 | 4,742.93 | 395.49 | 781.80 | 810.22 | 1,049.43 | 516.58 | 1,503.35 | 4,301.26 | 412.83 | 19,396.94 |
| 5850 OFFICE EXPENSE | | | | | | | | | | | | | |
| 5855 ANSWERING SERVI | 308.05 | 132.98 | 278.41 | (62.89) | | 1.26 | 40.20 | | | | | | 698.01 |
| 5860 CLEANING SUPPLI | (14.78) | 14.95 | 343.23 | | 0.28 | (0.28) | | 32.86 | | 131.44 | 67.86 | 34.85 | 610.41 |
| 5865 COPY MACHINE | 7.96 | 20.27 | 2.32 | | 3.56 | | | (1.66) | 4.28 | 10.31 | | 184.28 | 231.32 |
| 5870 HOLIDAY EVENTS/ | 1.44 | 13.09 | | 0.69 | 0.75 | 5.02 | 6.19 | 3.93 | 13.88 | 13.65 | 12.23 | 7.39 | 78.26 |
| 5875 KITCHEN SUPPLIE | 34.30 | 10.99 | 8.63 | 10.11 | 15.67 | 2.94 | 6.46 | 3.91 | 8.35 | 7.21 | 7.21 | 4.07 | 112.64 |
| 5880 OFFICE SUPPLY S | 209.86 | 229.36 | 852.40 | 253.10 | 559.49 | 982.79 | 876.26 | 36.86 | 137.34 | 462.32 | 570.21 | 101.82 | 5,271.81 |
| 5885 PRINTING/BLUEPR | | | 7.38 | 4.13 | 4.31 | 1.29 | | 34.87 | 25.55 | 2.78 | 1.30 | | 81.61 |
| 5890 PUBL SUBSCRIPTI | | | 174.81 | 151.01 | (0.79) | 468.13 | 9.50 | 98.53 | 89.11 | 98.56 | | 93.89 | 1,182.75 |
| 5895 SHIPPING CHARGE | 208.62 | 464.48 | 382.25 | 209.83 | 248.87 | 302.18 | 401.94 | 301.00 | 481.64 | 806.00 | 437.02 | 647.63 | 4,891.46 |
| 5900 OTHER OFFICE EX | 1,586.95 | 905.83 | 298.31 | 705.47 | 81.10 | 276.30 | 345.21 | 1,041.34 | 609.72 | 48.93 | 74.80 | 30.60 | 6,004.56 |
| 5850 OFFICE EXPENSE | 2,342.40 | 1,791.95 | 2,347.74 | 1,271.45 | 913.24 | 2,039.63 | 1,685.76 | 1,551.64 | 1,369.87 | 1,573.99 | 1,170.63 | 1,104.53 | 19,162.83 |
| 5925 OFFICE UTILITIES | | | | | | | | | | | | | |
| 5930 OFFICE ELECTRIC | 286.26 | 315.67 | 1,093.60 | 130.19 | 390.40 | 257.90 | 191.74 | 130.25 | 127.39 | 17.21 | 390.91 | 254.20 | 3,585.72 |
| 5935 OFFICE GAS | 52.63 | 146.68 | 242.82 | | 765.79 | 371.00 | 290.82 | 170.75 | (59.92) | | | 2.64 | 1,983.21 |
| 5940 OFFICE WATER | 9.85 | 6.14 | 135.40 | 48.60 | | 135.98 | 82.69 | 109.58 | 52.73 | 89.72 | 120.39 | 18.46 | 809.54 |

WSC Kentucky
Income Statement Rolling 12 Months -
For the Twelve Months Ending September 30, 2010

| Description | October | November | December | January | February | March | April | May | June | July | August | September | Total |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|-------------|
| 5945 OFFICE TELECOM | 1,940.25 | 2,932.52 | 1,729.77 | 1,150.09 | 4,234.23 | 3,295.83 | 2,355.42 | 2,465.73 | 2,674.90 | 3,063.59 | 2,311.72 | 2,334.62 | 30,488.67 |
| 5950 OFFICE GARBAGE | 158.66 | 28.13 | 134.03 | 63.91 | 58.34 | 307.70 | 63.97 | 29.31 | 110.98 | 50.22 | | 24.58 | 1,029.83 |
| 5955 OFFICE LANDSCAP | (1,508.51) | 781.86 | 635.74 | 23.30 | 81.72 | 11.58 | 30.42 | 657.60 | 1,150.00 | 680.44 | 1,184.05 | 38.61 | 3,766.81 |
| 5960 OFFICE ALARM SY | 190.11 | 744.80 | 200.73 | 233.68 | 698.21 | 490.87 | 370.63 | 310.74 | 352.29 | 134.50 | 369.05 | 294.31 | 4,389.92 |
| 5965 OFFICE MAINTENA | 175.98 | 83.52 | 128.53 | 294.44 | 255.12 | 147.72 | 166.57 | 194.35 | 122.95 | 62.21 | 76.03 | 277.86 | 1,985.28 |
| 5970 OFFICE CLEANING | 421.73 | 261.76 | 735.61 | 165.50 | 585.63 | 65.10 | 704.29 | 324.99 | 1,069.98 | 455.81 | 585.52 | 164.97 | 5,540.89 |
| 5975 OFFICE MACHINE/ | (54.95) | | 8.95 | 7.73 | | | 4.55 | | 99.50 | 141.42 | | | 207.20 |
| 5980 OTHER OFFICE UT | 6.85 | 4.11 | 8.90 | | 8.90 | 7.95 | | | | | | 1.10 | 37.81 |
| 5985 TELEMETERING PH | | | | | | | | | | | | | |
| 5925 OFFICE UTILITIES | 1,678.86 | 5,305.19 | 5,054.08 | 2,117.44 | 7,078.34 | 5,091.63 | 4,261.10 | 4,393.30 | 5,700.80 | 4,695.12 | 5,037.67 | 3,411.35 | 53,824.88 |
| 6000 OUTSIDE SERVICE | | | | | | | | | | | | | |
| 6005 ACCOUNTING STUD | | | | | | | | | | | | | |
| 6010 AUDIT FEES | (1,148.00) | 428.62 | 1,878.67 | 582.58 | 583.71 | 579.04 | 577.95 | 2,075.88 | 525.43 | 768.37 | 715.16 | 709.17 | 8,276.58 |
| 6015 EMPLOY FINDER F | 221.25 | 197.82 | 522.05 | 178.75 | 179.09 | 166.69 | 210.16 | 210.22 | 100.71 | 100.75 | 101.54 | 133.52 | 2,322.55 |
| 6020 ENGINEERING FEE | | | | | | | | | | | | | |
| 6025 LEGAL FEES | | 98.54 | 310.44 | 213.04 | 121.51 | 133.87 | 297.95 | 412.84 | 666.25 | 80.30 | 34.95 | 171.57 | 2,541.26 |
| 6030 MANAGEMENT FEES | | | | | | | | | | | | | |
| 6035 PAYROLL SERVICE | 339.70 | 369.53 | 354.89 | 296.65 | 304.22 | (1.58) | 249.13 | 158.53 | 139.12 | 139.77 | 384.44 | 187.23 | 2,921.63 |
| 6040 TAX RETURN REVI | 570.24 | 181.01 | (213.46) | 177.52 | 177.86 | 176.45 | 176.11 | 176.15 | 176.11 | 176.18 | 177.57 | 176.08 | 2,127.82 |
| 6045 TEMP EMPLOY - C | 27.60 | 22.33 | 7.85 | 481.63 | 761.12 | 628.74 | 529.40 | 620.30 | 269.60 | 207.51 | 431.60 | 284.28 | 4,271.96 |
| 6050 OTHER OUTSIDE S | 278.94 | 840.91 | 1,144.76 | 149.25 | 1,607.11 | 584.51 | 704.70 | 927.92 | 470.59 | 525.02 | 392.24 | 633.53 | 8,259.48 |
| 6000 OUTSIDE SERVICE | 289.73 | 2,138.76 | 4,005.20 | 2,079.42 | 3,734.62 | 2,267.72 | 2,745.40 | 4,581.84 | 2,347.81 | 1,997.90 | 2,237.50 | 2,295.38 | 30,721.28 |
| 6060 REGULATORY COMMI | | | | | | | | | | | | | |
| 6065 RATE CASE AMORT | 2,699.56 | 7,041.59 | 4,861.96 | 4,736.23 | 4,736.23 | 4,676.09 | 4,809.55 | 4,466.54 | 4,466.55 | 4,466.54 | 4,463.56 | 4,460.58 | 55,884.98 |
| 6070 MISC REG MATTER | | | | | | | | | | | | | |
| 6075 WATER RESOURCE | | | | | | | | | | | | | |
| 6060 REGULATORY COMMI | 2,699.56 | 7,041.59 | 4,861.96 | 4,736.23 | 4,736.23 | 4,676.09 | 4,809.55 | 4,466.54 | 4,466.55 | 4,466.54 | 4,463.56 | 4,460.58 | 55,884.98 |
| 6085 RENT EXPENSE | | | | | | | | | | | | | |
| 6090 RENT | 1,750.00 | 1,835.00 | 1,791.00 | 410.50 | 3,756.00 | 3,600.00 | 410.00 | 2,506.00 | 12.50 | 1,043.39 | 748.49 | 1,042.68 | 18,905.56 |
| 6085 RENT EXPENSE | 1,750.00 | 1,835.00 | 1,791.00 | 410.50 | 3,756.00 | 3,600.00 | 410.00 | 2,506.00 | 12.50 | 1,043.39 | 748.49 | 1,042.68 | 18,905.56 |
| 6100 SALARIES & WAGES | | | | | | | | | | | | | |
| 6105 SALARIES-SYSTEM | | | | | | | | | | | | | |
| 6110 SALARIES-ACCTG/ | 3,167.08 | 2,722.45 | 2,954.88 | 2,913.26 | 2,762.89 | 2,694.39 | 2,665.47 | 2,525.34 | 2,850.03 | 2,848.80 | 2,866.45 | 2,809.18 | 33,780.22 |
| 6115 SALARIES-ADMIN | | | | | | | | | | | | | |
| 6120 SALARIES-OFFICE | 3,035.06 | 3,036.43 | 11,902.86 | 2,809.18 | 1,583.28 | 3,048.69 | 2,900.91 | 2,420.12 | 2,757.62 | 2,758.65 | 2,780.27 | 2,757.01 | 41,790.08 |
| 6125 SALARIES-HR | 386.96 | 387.13 | 411.25 | 410.60 | 411.39 | 408.11 | 509.36 | 564.70 | 389.32 | 389.46 | 392.51 | 389.23 | 5,050.02 |
| 6130 SALARIES-MIS | 654.17 | 663.87 | 715.30 | 694.90 | 691.94 | 718.55 | 715.18 | 686.80 | 658.51 | 639.08 | 611.62 | 620.27 | 8,070.19 |
| 6135 SALARIES-LEADER | 3,297.23 | 3,139.92 | 3,367.99 | 3,004.61 | 2,704.66 | 2,622.38 | 2,764.90 | 2,735.51 | 2,823.34 | 4,413.68 | 4,450.52 | 4,787.49 | 40,112.23 |
| 6140 SALARIES-REGULA | 1,941.61 | 1,928.69 | 1,990.09 | 2,340.75 | 2,042.19 | 1,648.52 | 2,231.99 | 2,723.31 | 2,070.78 | 2,636.85 | 2,629.16 | 2,674.34 | 26,858.28 |
| 6145 SALARIES-CUSTOM | 4,712.20 | 4,503.12 | 7,184.91 | 3,494.01 | 214.54 | 3,001.97 | 2,269.73 | 2,802.37 | 2,181.14 | 2,191.25 | 2,242.13 | 2,160.93 | 36,958.30 |
| 6146 SALARIES-BILLIN | | | | | 746.15 | 1,405.00 | 801.63 | 827.00 | 825.22 | 818.63 | 709.40 | 708.84 | 6,841.87 |
| 6147 SALARIES-CORP S | | | | | 163.91 | 162.59 | 195.86 | 169.64 | 169.60 | 169.66 | 171.00 | 169.56 | 1,371.82 |
| 6150 SALARIES-OPERAT | 35,573.49 | 33,960.49 | 33,873.33 | 33,811.02 | 30,048.41 | 33,480.81 | 33,247.21 | 29,128.59 | 35,543.82 | 34,523.69 | 35,130.43 | 34,507.57 | 402,828.86 |
| 6155 SALARIES-OPERAT | 1,476.62 | 1,425.14 | 1,531.42 | 1,142.93 | 2,768.85 | 3,504.20 | 2,823.50 | 2,780.53 | 3,068.63 | 3,313.04 | 2,671.55 | 2,752.47 | 29,258.88 |
| 6160 SALARIES-CHGD T | | | | | | | | | | | | | |
| 6165 CAPITALIZED TIM | (2,963.90) | (3,173.99) | (3,026.64) | (3,181.23) | (2,679.02) | (2,258.21) | (2,831.17) | (4,109.13) | (13,517.41) | (2,495.11) | (4,149.22) | (6,041.62) | (50,426.65) |
| 6170 CAPITALIZED TIM | | | | | | | | | | | | | |
| 6100 SALARIES & WAGES | 51,280.52 | 48,593.25 | 60,905.39 | 47,440.03 | 41,459.19 | 50,437.00 | 48,294.57 | 43,254.78 | 39,820.60 | 52,207.68 | 50,505.82 | 48,295.27 | 582,494.10 |
| 6180 TRAVEL EXPENSE | | | | | | | | | | | | | |
| 6185 TRAVEL LODGING | 97.10 | 302.01 | 325.81 | 37.99 | 97.92 | 1,315.73 | 404.03 | 62.23 | 127.85 | 343.23 | 188.75 | 48.78 | 3,351.43 |
| 6190 TRAVEL AIRFARE | 14.16 | 71.95 | 292.97 | 89.41 | 125.08 | 508.05 | 37.20 | 37.83 | 83.94 | 17.82 | 64.73 | 26.59 | 1,369.73 |
| 6195 TRAVEL TRANSPOR | 15.09 | 27.62 | 65.74 | | 7.36 | 160.81 | 34.69 | 6.81 | 6.86 | 18.83 | 15.40 | 9.96 | 369.17 |

WSC Kentucky
Income Statement Rolling 12 Months -
For the Twelve Months Ending September 30, 2010

| Description | October | November | December | January | February | March | April | May | June | July | August | September | Total |
|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| 7275 AMORT-SEWER FOR | | | | | | | | | | | | | |
| 7280 AMORT-SEWER GRA | | | | | | | | | | | | | |
| 7283 AMORT-MANHOLES | | | | | | | | | | | | | |
| 7285 AMORT-SPECIAL C | | | | | | | | | | | | | |
| 7290 AMORT-SERVICES | | | | | | | | | | | | | |
| 7295 AMORT-FLOW MEAS | | | | | | | | | | | | | |
| 7300 AMORT-FLOW MEAS | | | | | | | | | | | | | |
| 7305 AMORT-RECEIVING | | | | | | | | | | | | | |
| 7310 AMORT-PUMP EQP | | | | | | | | | | | | | |
| 7315 AMORT-PUMP EQP | | | | | | | | | | | | | |
| 7320 AMORT-PUMP EQP | | | | | | | | | | | | | |
| 7325 AMORT-TREAT/DIS | | | | | | | | | | | | | |
| 7330 AMORT-TREAT/DIS | | | | | | | | | | | | | |
| 7335 AMORT-TREAT/DIS | | | | | | | | | | | | | |
| 7340 AMORT-PLANT SEW | | | | | | | | | | | | | |
| 7345 AMORT-PLANT SEW | | | | | | | | | | | | | |
| 7350 AMORT-OUTFALL L | | | | | | | | | | | | | |
| 7355 AMORT-OTHER PLT | | | | | | | | | | | | | |
| 7360 AMORT-OTHER PLT | | | | | | | | | | | | | |
| 7365 AMORT-OTHER PLT | | | | | | | | | | | | | |
| 7370 AMORT-OTHER PLT | | | | | | | | | | | | | |
| 7375 AMORT-OTHER PLT | | | | | | | | | | | | | |
| 7380 AMORT-OTHER PLT | | | | | | | | | | | | | |
| 7385 AMORT-OFFICE ST | | | | | | | | | | | | | |
| 7390 AMORT-OFFICE FU | | | | | | | | | | | | | |
| 7395 AMORT-STORES EQ | | | | | | | | | | | | | |
| 7400 AMORT-TOOL SHOP | | | | | | | | | | | | | |
| 7405 AMORT-LABORATOR | | | | | | | | | | | | | |
| 7410 AMORT-POWER OPE | | | | | | | | | | | | | |
| 7415 AMORT-COMMUNICA | | | | | | | | | | | | | |
| 7420 AMORT-MISC EQUI | | | | | | | | | | | | | |
| 7425 AMORT-OTHER TAN | | | | | | | | | | | | | |
| 7430 AMORT-SEWER-TAP | | | | | | | | | | | | | |
| 7435 AMORT-SWR MGMT | | | | | | | | | | | | | |
| 7440 AMORT-SWR RES C | | | | | | | | | | | | | |
| 7445 AMORT-SWR PLT M | | | | | | | | | | | | | |
| 7450 AMORT-SWR PLT M | | | | | | | | | | | | | |
| 7200 AMORT EXP-CIA-SE | | | | | | | | | | | | | |
| 7465 AMORT EXP-REUSE | | | | | | | | | | | | | |
| 7470 AMORT-REUSE SER | | | | | | | | | | | | | |
| 7475 AMORT-REUSE MTR | | | | | | | | | | | | | |
| 7480 AMORT-REUSE DIS | | | | | | | | | | | | | |
| 7485 AMORT-REUSE TRA | | | | | | | | | | | | | |
| 7465 AMORT EXP-REUSE | | | | | | | | | | | | | |
| 7495 AMORT OF EXCESS | | | | | | | | | | | | | |
| 6430 DEPRECIATION & AM | 15,108.99 | 15,524.18 | 42,504.74 | 23,504.94 | 23,507.84 | 23,361.15 | 23,295.93 | 23,482.04 | 23,503.91 | 23,561.43 | 23,602.47 | 24,342.50 | 285,300.12 |
| 7500 TAXES OTHER THAN | | | | | | | | | | | | | |
| 7505 PAYROLL TAXES | | | | | | | | | | | | | |
| 7510 FICA EXPENSE | 3,644.58 | 3,570.69 | 4,708.41 | 3,661.86 | 3,403.81 | 5,710.29 | 3,194.96 | 2,844.07 | 4,316.06 | 2,958.55 | 3,554.61 | 3,218.11 | 44,786.00 |
| 7515 FEDERAL UNEMPLO | 2.12 | 1.19 | 122.39 | 365.05 | 225.25 | 43.70 | 8.23 | 17.17 | 26.65 | 8.33 | | | 820.08 |
| 7520 STATE UNEMPLOYM | 222.52 | 15.00 | 817.53 | 1,804.69 | 1,345.02 | 457.68 | 285.22 | 60.74 | 97.46 | 289.74 | 15.74 | 5.21 | 5,416.55 |
| 7505 PAYROLL TAXES | 3,869.22 | 3,586.88 | 5,648.33 | 5,831.60 | 4,974.08 | 6,211.67 | 3,488.41 | 2,921.98 | 4,440.17 | 3,256.62 | 3,570.35 | 3,223.32 | 51,022.63 |

WSC Kentucky
Income Statement Rolling 12 Months -
For the Twelve Months Ending September 30, 2010

| Description | October | November | December | January | February | March | April | May | June | July | August | September | Total |
|-------------------------|-----------|-------------|-------------|-----------|----------|------------|-----------|----------|------------|-----------|-----------|-------------|-------------|
| 7720.14 L/T INT EXP | | | | | | | | | | | | | |
| 7720.15 L/T INT EXP | | | | | | | | | | | | | |
| 7720.16 L/T INT EXP | | | | | | | | | | | | | |
| 7720.17 L/T INT EXP | | | | | | | | | | | | | |
| 7720.18 L/T INT EXP | | | | | | | | | | | | | |
| 7720.19 L/T INT EXP | | | | | | | | | | | | | |
| 7720.20 L/T INT EXP | | | | | | | | | | | | | |
| 7720.21 L/T INT EXP | | | | | | | | | | | | | |
| 7720.22 L/T INT EXP | | | | | | | | | | | | | |
| 7720.23 L/T INT EXP | | | | | | | | | | | | | |
| 7720.24 L/T INT EXP | | | | | | | | | | | | | |
| 7720.25 L/T INT EXP | | | | | | | | | | | | | |
| 7720.26 L/T INT EXP | | | | | | | | | | | | | |
| 7720.27 L/T INT EXP | | | | | | | | | | | | | |
| 7720.28 L/T INT EXP | | | | | | | | | | | | | |
| 7715 LONG TERM INTERE | | | | | | | | | | | | | |
| 7725 LOSS ON DEBT REF | | | | | | | | | | | | | |
| 7730 SHORT TERM INTER | | | | | | | | | | | | | |
| 7735.10 S/T INT EXP | | | (12,505.66) | 125.62 | 136.80 | 137.91 | 134.57 | 141.47 | 146.65 | 146.65 | 165.36 | 171.58 | (11,120.62) |
| 7735.11 S/T INT EXP | 78.43 | | | (20.11) | (14.20) | 0.21 | (13.86) | (9.71) | (10.51) | (12.02) | (23.44) | (13.52) | (186.20) |
| 7735.12 S/T INT EXP | (9.76) | (11.97) | (47.31) | | | | | | | | | | |
| 7735.13 S/T INT EXP | | | | | | | | | | | | | |
| 7735.14 S/T INT EXP | | | | | | | | | | | | | |
| 7735.15 S/T INT EXP | | | | | | | | | | | | | |
| 7735.16 S/T INT EXP | | | | | | | | | | | | | |
| 7735.17 S/T INT EXP | | | | | | | | | | | | | |
| 7735.18 S/T INT EXP | | | | | | | | | | | | | |
| 7735.19 S/T INT EXP | | | | | | | | | | | | | |
| 7730 SHORT TERM INTER | 68.67 | (11.97) | (12,552.97) | 105.51 | 122.60 | 138.12 | 120.71 | 131.76 | 136.14 | 134.63 | 141.92 | 158.06 | (11,306.82) |
| 7700 INTEREST EXPENSE | 68.67 | (11.97) | 41,863.47 | 105.51 | 122.60 | 47,381.81 | 120.71 | 131.76 | 44,239.36 | 134.63 | 141.92 | 45,341.58 | 179,640.05 |
| 7745 ALLOW FUNDS USED | | | | | | | | | | | | | |
| 7750 INTEREST DURING | | | | | | | | | | | | | |
| 7745 ALLOW FUNDS USED | | | | | | | | | | | | | |
| 7760 GAIN/LOSS ON DISP | | | | | | | | | | | | | |
| 7765 SALE OF UTILITY | | | | | | | | | | | | | |
| 7770 TAX EFFECT OF CA | | | | | | | | | | | | | |
| 7775 CURRENT TAX-FIT | | | | | | | | | | | | | |
| 7780 DEFERRED TAX-FI | | | | | | | | | | | | | |
| 7785 CURRENT TAX-SIT | | | | | | | | | | | | | |
| 7790 DEFERRED TAX-SI | | | | | | | | | | | | | |
| 7795 TAX EFFECT OF C | | | | | | | | | | | | | |
| 7770 TAX EFFECT OF CA | | | | | | | | | | | | | |
| 7760 GAIN/LOSS ON DISP | | | | | | | | | | | | | |
| 7695 OTHER EXPENSE | 68.67 | (11.97) | 41,863.47 | 105.51 | 122.60 | 47,381.81 | 120.71 | 131.76 | 44,239.36 | 134.63 | 141.92 | 45,341.58 | 175,589.13 |
| 7620 TOTAL OTHER INCOME | 68.67 | (1,013.39) | 39,024.81 | 105.51 | 109.26 | 47,381.81 | 120.71 | 131.76 | 44,294.04 | (117.55) | 141.92 | 45,341.58 | 175,589.13 |
| Net Income (Loss) | 12,507.72 | (39,073.78) | (27,230.84) | 25,378.50 | 828.95 | (3,014.29) | 48,063.47 | 7,655.30 | (3,110.16) | 49,840.02 | 18,248.81 | (29,715.08) | 60,378.62 |

Case No. 2010-00476
Exhibit 16

Allocation of Expenses

WSC is a wholly owned subsidiary of Utilities, Inc. ("UI"). WSC manages the operation of all of UI's water and wastewater systems, including WSC of KY. WSC provides management, administration, engineering, accounting, billing, customer relations, data processing, and regulatory services for its subsidiaries. WSC's expenses and rate base items are assigned directly to a utility, when applicable, or distributed to the various companies pursuant to a formula. The formula is the number of Equivalent Residential Connections (ERC'S) for the specific subsidiary divided by the total number of ERC's served by WSC. Expenses specific to the Atlantic and Midwest RVP, and Midwest Regional, and State cost centers are allocated to WSC of KY using the same methodology. The distribution of expenses and rate base is automatically calculated by WSC's accounting information system (JDE) on a monthly basis. Please see the attached schedules for the per book allocated expenses and rate base distributed to WSC of KY during the test year.

Water Service Corporation Kentucky
Docket 2010-00476
Allocated expenses and Rate Base
For the Test year ended September 30, 2010

| Account | | Total Test |
|----------|----------------------------|-------------|
| Number | Description | Year |
| | | Charges |
| Expenses | | |
| 5480 | CHLORINE | (7,739.84) |
| 5495 | METER READING | (5.15) |
| 5505 | AGENCY EXPENSE | 22.61 |
| 5525 | BILL STOCK | 2,731.60 |
| 5530 | BILLING COMPUTER SUPPLIES | 452.15 |
| 5535 | BILLING ENVELOPES | 1,638.25 |
| 5540 | BILLING POSTAGE | 23,936.93 |
| 5545 | CUSTOMER SERVICE PRINTING | 115.50 |
| 5625 | 401K/ESOP CONTRIBUTIONS | 21,245.57 |
| 5630 | DENTAL PREMIUMS | 14,616.54 |
| 5635 | DENTAL INS REIMBURSEMENTS | (5.46) |
| 5645 | EMPLOYEE INS DEDUCTIONS | (31,269.26) |
| 5650 | HEALTH COSTS & OTHER | 866.62 |
| 5655 | HEALTH INS REIMBURSEMENTS | 102,808.70 |
| 5660 | OTHER EMP PENSION/BENEFITS | 1,444.36 |
| 5665 | PENSION CONTRIBUTIONS | 8,276.90 |
| 5670 | TERM LIFE INS | 4,842.52 |
| 5675 | TERM LIFE INS-OPT | (680.95) |
| 5680 | DEPEND LIFE INS-OPT | (89.95) |
| 5690 | TUITION | 1,263.15 |
| 5715 | INSURANCE-OTHER | 59,054.22 |
| 5735 | COMPUTER MAINTENANCE | 49,313.89 |
| 5740 | COMPUTER SUPPLIES | 2,783.95 |
| 5745 | COMPUTER AMORT & PROG COST | (91.28) |
| 5750 | INTERNET SUPPLIER | 56.37 |
| 5755 | MICROFILMING | (0.12) |
| 5785 | ADVERTISING/MARKETING | 312.97 |
| 5790 | BANK SERVICE CHARGE | 2,093.75 |
| 5805 | LICENSE FEES | 0.87 |
| 5810 | MEMBERSHIPS | 225.24 |
| 5815 | PENALTIES/FINES | 27.22 |
| 5820 | TRAINING EXPENSE | 156.08 |
| 5825 | OTHER MISC EXPENSE | 6,815.98 |
| 5860 | CLEANING SUPPLIES | 28.57 |
| 5865 | COPY MACHINE | 47.04 |
| 5870 | HOLIDAY EVENTS/PICNICS | 78.26 |
| 5875 | KITCHEN SUPPLIES | 112.64 |
| 5880 | OFFICE SUPPLY STORES | 727.94 |

Water Service Corporation Kentucky
Docket 2010-00476
Allocated expenses and Rate Base
For the Test year ended September 30, 2010

| Account | | Total Test |
|---------|-----------------------------|--------------|
| Number | Description | Year Charges |
| 5885 | PRINTING/BLUEPRINTS | 81.61 |
| 5890 | PUBL SUBSCRIPTIONS/TAPES | 787.09 |
| 5895 | SHIPPING CHARGES | 785.20 |
| 5900 | OTHER OFFICE EXPENSES | 1,531.83 |
| 5930 | OFFICE ELECTRIC | 613.93 |
| 5935 | OFFICE GAS | 170.48 |
| 5940 | OFFICE WATER | 22.21 |
| 5945 | OFFICE TELECOM | 2,426.83 |
| 5950 | OFFICE GARBAGE REMOVAL | 174.80 |
| 5955 | OFFICE LANDSCAPE / MOW / P | 456.81 |
| 5960 | OFFICE ALARM SYS PHONE EXP | 149.65 |
| 5965 | OFFICE MAINTENANCE | 1,069.21 |
| 5970 | OFFICE CLEANING SERVICE | 775.78 |
| 5975 | OFFICE MACHINE/HEAT&COOL | 207.20 |
| 5980 | OTHER OFFICE UTILITIES | 2.20 |
| 6010 | AUDIT FEES | 8,276.58 |
| 6015 | EMPLOY FINDER FEES | 2,322.55 |
| 6025 | LEGAL FEES | 2,541.26 |
| 6035 | PAYROLL SERVICES | 2,921.63 |
| 6040 | TAX RETURN REVIEW | 2,127.82 |
| 6045 | TEMP EMPLOY - CLERICAL | 4,271.96 |
| 6050 | OTHER OUTSIDE SERVICES | 7,969.48 |
| 6090 | RENT | 14,522.06 |
| 6110 | SALARIES-ACCTG/FINANCE | 33,780.22 |
| 6120 | SALARIES-OFFICERS/STKHLDR | 41,790.08 |
| 6125 | SALARIES-HR | 5,050.02 |
| 6130 | SALARIES-MIS | 8,070.19 |
| 6135 | SALARIES-LEADERSHIP OPS | 40,112.23 |
| 6140 | SALARIES-REGULATORY | 7,936.83 |
| 6145 | SALARIES-CUSTOMER SERVICE | 23,458.53 |
| 6146 | SALARIES-BILLING | 6,841.87 |
| 6147 | SALARIES-CORP SERVICE ADMIN | 1,371.82 |
| 6150 | SALARIES-OPERATIONS FIELD | 5,319.20 |
| 6155 | SALARIES-OPERATIONS OFFICE | 6,894.80 |
| 6165 | CAPITALIZED TIME ADJUSTMEN | (1,508.88) |
| 6185 | TRAVEL LODGING | 1,870.58 |
| 6190 | TRAVEL AIRFARE | 961.33 |
| 6195 | TRAVEL TRANSPORTATION | 229.17 |
| 6200 | TRAVEL MEALS | 609.21 |

Water Service Corporation Kentucky
Docket 2010-00476
Allocated expenses and Rate Base
For the Test year ended September 30, 2010

| Account | | Total Test |
|---------|----------------------------|-------------------|
| Number | Description | Year |
| | | Charges |
| 6205 | TRAVEL ENTERTAINMENT | 237.10 |
| 6207 | TRAVEL OTHER | 0.42 |
| 6215 | FUEL | 24,269.19 |
| 6220 | AUTO REPAIR/TIRES | 21,884.36 |
| 6225 | AUTO LICENSES | 33.74 |
| 6355 | DEFERRED MAINT EXPENSE | 12.40 |
| 6360 | COMMUNICATION EXPENSE | 12.98 |
| 6385 | UNIFORMS | 13.63 |
| 6390 | WEATHER/HURRICANE COSTS | 341.57 |
| 6580 | DEPREC-OFFICE STRUCTURE | 1,830.58 |
| 6585 | DEPREC-OFFICE FURN/EQPT | 920.32 |
| 6610 | DEPREC-COMMUNICATION EQPT | 1,203.07 |
| 6905 | DEPREC-AUTO TRANS | 17,563.74 |
| 6920 | DEPREC-COMPUTER | 86,070.08 |
| 7510 | FICA EXPENSE | 44,786.00 |
| 7515 | FEDERAL UNEMPLOYMENT TAX | 820.08 |
| 7520 | STATE UNEMPLOYMENT TAX | 4,550.09 |
| 7535 | FRANCHISE TAX | 413.02 |
| 7550 | PROPERTY/OTHER GENERAL TAX | (457.43) |
| 7555 | REAL ESTATE TAX | 1,782.04 |
| 7691 | NET BOOK VALUE-DISPOSAL | (13.34) |
| 7710 | INTEREST EXPENSE-INTERCO | 190,946.87 |
| 7735 | S/T INT EXP BANK ONE | (186.20) |
| | Total Expenses | \$ 900,244 |

Rate Base

| | | |
|------|---------------------------|-------------|
| 1045 | LAND & LAND RIGHTS GEN PL | 2,495.23 |
| 1175 | OFFICE STRUCT & IMPRV | 72,570.69 |
| 1180 | OFFICE FURN & EQPT | 36,246.58 |
| 1190 | TOOL SHOP & MISC EQPT | 551.22 |
| 1205 | COMMUNICATION EQPT | 20,104.37 |
| 1555 | TRANSPORTATION EQPT WTR | 447,602.80 |
| 1580 | MAINFRAME COMPUTER WTR | 28,366.57 |
| 1585 | MINI COMPUTERS WTR | 79,041.82 |
| 1590 | COMP SYS COST WTR | 595,427.74 |
| 1595 | MICRO SYS COST WTR | 18,007.32 |
| 1970 | ACC DEPR-OFFICE STRUCTURE | (35,243.23) |
| 1975 | ACC DEPR-OFFICE FURN/EQPT | (29,805.37) |

Water Service Corporation Kentucky
Docket 2010-00476
Allocated expenses and Rate Base
For the Test year ended September 30, 2010

| Account | | Total Test Year |
|------------------------|---------------------------|-------------------|
| Number | Description | Charges |
| 1985 | ACC DEPR-TOOL SHOP & MISC | (557.54) |
| 2000 | ACC DEPR-COMMUNICATION EQ | (10,579.21) |
| 2300 | ACC DEPR-TRANSPORTATION W | (411,359.28) |
| 2320 | ACC DEPR-MAINFRAME COMP W | (17,202.80) |
| 2325 | ACC DEPR-MINI COMP WTR | (68,258.82) |
| 2330 | COMP SYS AMORTIZATION WTR | (210,379.39) |
| 2335 | MICRO SYS AMORTIZATION WT | (17,774.88) |
| Total Rate Base | | \$ 499,254 |

Case No. 2010-00476
Exhibit 17

WATER SERVICE CORPORATION OF KENTUCKY

Schedule A

Case No. 2010 - 00476

Balance Sheet
November 30, 2010

| <u>ASSETS</u> | |
|------------------------------------|------------------------------|
| Plant In Service | |
| Water | \$ 10,063,543 |
| Sewer | <u> -</u> |
| Total | \$ 10,063,543 |
| Accumulated Depreciation-Water | (4,413,724) |
| Accumulated Depreciation-Sewer | <u> -</u> |
| Total | \$ (4,413,724) |
| Net Utility Plant | \$ <u>5,649,820</u> |
| Plant Acquisition Adjustment-Water | (154,046) |
| Plant Acquisition Adjustment-Sewer | <u> -</u> |
| Total | \$ (154,046) |
| Construction Work In Process-Water | - |
| Construction Work In Process-Sewer | <u> -</u> |
| Total | \$ - |
| Current Assets | |
| Cash | 20,890 |
| Accounts Receivable - Net | 398,123 |
| Other Current Assets | <u>9,142</u> |
| Total | \$ 428,155 |
| Deferred Charges | <u>115,371</u> |
| TOTAL ASSETS | \$ <u><u>6,039,300</u></u> |

| <u>LIABILITIES AND OTHER CREDITS</u> | |
|--------------------------------------|----------------------------|
| Capital Stock and Retained Earnings | |
| Common Stock and Paid In Capital | \$ 4,766,047 |
| Retained Earnings | (786,985) |
| Total | \$ <u>3,979,062</u> |
| Current and Accrued Liabilities | |
| Accounts Payable-Trade | 175,553 |
| Taxes Accrued | 40,374 |
| Deferred Credits | 36,822 |
| Customer Deposits - Interest | 3,494 |
| A/P - Assoc. Companies | 1,209,997 |
| Deferred Revenue | - |
| Total | \$ 1,466,239 |
| Advances In Aid of Construction | |
| Water | 113,080.53 |
| Sewer | - |
| Total | \$ <u>113,080.53</u> |
| Contributions In Aid of Construction | |
| Water | 71,189 |
| Sewer | - |
| Total | \$ <u>71,189</u> |
| Accumulated Deferred Income Tax | |
| Unamortized ITC | - |
| Deferred Tax - Federal | 391,521 |
| Deferred Tax - State | 26,003 |
| Total | \$ <u>417,524</u> |
| TOTAL LIABILITIES AND OTHER CREDITS | \$ <u><u>6,047,095</u></u> |

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2010 - 00476
Combined Operations
Twelve months ended 11/30/2010

| | Per Books |
|---|------------------|
| <u>Operating Revenues</u> | |
| Service Revenues - Water | 2,054,724 |
| Service Revenues - Sewer | - |
| Miscellaneous Revenues | 66,550 |
| Uncollectible Accounts | <u>(104,066)</u> |
| Total Operating Revenues | <u>2,017,208</u> |
| <u>Maintenance Expenses</u> | |
| Salaries and Wages | 446,168 |
| Purchase Water/Sewer | 78,283 |
| Purchased Power | 89,906 |
| Maintenance and Repair | 94,136 |
| Maintenance Testing | 26,061 |
| Meter Reading | (0) |
| Chemicals | 108,653 |
| Transportation | 43,667 |
| Operating Exp. Charged to Plant | (59,637) |
| Outside Services - Other | <u>34,110</u> |
| Total | <u>861,345</u> |
| <u>General Expenses</u> | |
| Salaries and Wages | 189,109 |
| Office Supplies & Other Office Exp | 98,449 |
| Regulatory Commission Exp | 55,068 |
| Pension & Other Benefits | 121,008 |
| Rent | 16,912 |
| Insurance | 57,770 |
| Office Utilities | 56,502 |
| Miscellaneous | <u>25,533</u> |
| Total | <u>620,352</u> |
| Depreciation | 307,094 |
| Amortization of PAA | (3,660) |
| Taxes Other Than Income | 154,256 |
| Expense Reduction Related to Clinton Sewer Operations | (142,388) |
| Income Taxes - Federal | (105,348) |
| Income Taxes - State | 7,912 |
| Amortization of CIAC | <u>(1,563)</u> |
| Total | <u>216,303</u> |
| Total Operating Expenses | <u>1,698,000</u> |
| <u>Net Operating Income</u> | <u>319,209</u> |
| Other Income | - |
| Interest During Construction | - |
| Interest on Debt | <u>179,826</u> |
| Net Income | <u>139,383</u> |