

Kentucky-American Water Company
2003 INVESTMENT PLAN

Investment Item	Brief Description of Proposed Expenditures	FY2003	FY2004
A	Mains, Hydrants, Valves, Meters - Deposit/Contribution	4,250,000	4,421,700
B	Mains, Hydrants, Valves - Company Expense	975,000	1,025,000
C	Services	1,425,000	1,450,000
D	Meters	1,500,000	1,550,000
E	Office Furniture & Equipment	25,000	75,000
F	Transportation	0	53,000
G	General Equipment	357,750	186,900
H	Miscellaneous	163,400	228,900
TOTAL ITEM A THROUGH H		8,696,150	8,990,500
		FY2003	FY2004
Current Investment Projects			
96-19	Customer Service Software	0	0
01-02	Clays Mill Ground Storage Tank - 3.0 MG	500,000	882,200
01-03	SCADA Improvements	500,000	0
01-04	Scott County Mains	600,000	0
01-05	Russell Cave Rd. Tank - 1.0 MG	150,000	1,025,000
01-10	RRS Hydraulic Improvements	450,000	0
01-11	New Columbus Project	770,000	0
02-01	Leestown Road Improvements	0	100,000
02-04	Source of Supply Project Development	207,300	0
Proposed Investment Projects			
03-01	Elevated Storage Tank - 2.0 MG	150,000	700,000
03-02	Major Highway Relocations	700,000	100,000
03-03	Electrical reliability upgrades at KRS	400,000	500,000
	Replace Travelling Screen/Housing		245,000
INVESTMENT PROJECT TOTAL		4,427,300	3,552,200
Line 1	TOTAL ITEM A THROUGH IP's (2000)	13,123,450	12,542,700
Line 2	Item A, IP Contributions and Tap Fees	6,570,000	5,721,700
Line 3	COMPANY FUNDED EXPENDITURES (1 minus 2)	6,553,450	6,821,000
	Acquisitions		
Line 4	TOTAL ACQUISITIONS (2000)	-	-
Line 5	TOTAL CAPITAL EXPENDITURES (1 plus 4) (2000)	13,123,450	12,542,700

Reductions:

Item G
2003 Proposed Plan reflects Security Expenditures above normal levels and are not carried into 2004
Investment Projects
There is a reduction in 2004 from 2003 total levels due to timing of specific projects including project with outside contributions